

EXHIBIT 1

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7 Attorneys for Plaintiff(s),
8 JUAN MIGUEL PERALES, and all others similarly situated
(Additional attorneys for parties on following page)

9
10 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
11 **FOR THE COUNTY OF STANISLAUS**
12 **(UNLIMITED JURISDICTION)**

13 JUAN PERALES, on behalf of himself and as an
"Aggrieved Employee" on behalf of other
14 "Aggrieved Employees" under the Private
Attorneys General Act of 2004,

15 Plaintiff,

16 v.

17 SHIPS PIZZA, INC, a California corporation;
18 CENTRAL VALLEY PIZZA LLC, a California
limited liability company; TEAM CENTRAL
19 VALLEY, INC, a California corporation; GREG
DEGRANDIS, an individual; and DOES 1-50,
20 inclusive,

21 Defendant(s).

Case No. CV-22-004216

PAGA SETTLEMENT AGREEMENT

Action filed: September 19, 2022
Dept: 24, The Honorable Sonny S.
Sandhu

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ADDITIONAL ATTORNEYS FOR PLAINTIFF(S)

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JUAN MIGUEL PERALES, and all others similarly situated

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1 This PAGA Settlement Agreement (“Agreement”) is made by and between plaintiff Juan
2 Miguel Perales (“Plaintiff”) and Defendants Ships Pizza, Inc., Central Valley Pizza LLC, and Team
3 Central Valley, Inc., (collectively “Defendants”). The Agreement refers to Plaintiff and Defendants
4 collectively as “Parties,” or individually as “Party.”

5 **1. DEFINITIONS.**

6 1.1. “Action” means the Plaintiff’s lawsuit alleging wage and hour violations against
7 Defendants captioned “Juan Miguel Perales, on behalf of himself, and all others similarly situated,
8 and as an ‘aggrieved employee’ on behalf of other ‘aggrieved employees’ under the Labor Code
9 Private Attorneys General Act of 2004, *Plaintiff(s)*, vs. Ships Pizza, Inc., a California corporation,
10 Central Valley Pizza LLC, a California limited liability company, Team Central Valley, Inc., a California
11 corporation, and Greg DeGrandis, a natural person; and DOES 1 through 50, inclusive, *Defendant(s)*,”
12 Case No. CV-22-004216 initiated on September 19, 2022 and pending in Superior Court of the
13 State of California, County of Stanislaus and subsequently limited to Plaintiff’s representative,
non-individual PAGA claim.

14 1.2. “Administrator” means Simpluris, Inc., the neutral entity the Parties have agreed
15 to appoint to administer the Settlement.

16 1.3. “Administration Expenses Payment” means the amount the Administrator will be
17 paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in
18 accordance with the Administrator’s “not to exceed” bid submitted to the Court in connection
with approval of the Settlement.

19 1.4. “Aggrieved Employee” means a person employed by Defendants in California and
20 classified as an hourly, non-exempt who worked for Defendants during the PAGA Period.

21 1.5. “Aggrieved Employee Data” means Aggrieved Employee identifying information
22 in Defendants’ possession including the Aggrieved Employee’s name, last-known mailing
address, Social Security number, and number of PAGA Pay Periods.

23 1.6. “Aggrieved Employee Address Search” means the Administrator’s investigation
24 and search for current Aggrieved Employee mailing addresses using all reasonably available
25 sources, methods and means including, but not limited to, the National Change of Address
26 database, skip traces, and direct contact by the Administrator with Aggrieved Employees.

27 1.7. “Court” means the Superior Court of California, County of Stanislaus.

- 1.8. “Defense Counsel” means Lonnie D. Giamela of Fisher & Phillips LLP.
- 1.9. “Effective Date” date by when both of the following have occurred: (a) the court enters a judgment on its order granting approval of the Settlement; and (b) the judgment is final.
- 1.10. “Gross Settlement Amount” means \$280,000.00 which is the total amount Defendants agree to pay under the Settlement except as provided in Paragraph 9 below. The Gross Settlement Amount will be used to pay Individual PAGA Payments, the LWDA PAGA Payment, PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, and the Administrator’s Expenses Payment..
- 1.11. “Individual PAGA Payment” means the Aggrieved Employee’s *pro rata* share of 25% of the PAGA Penalties calculated according to the number of Pay Periods the Aggrieved Employee worked during the PAGA Period.
- 1.12. “Judgment” means the judgment entered by the Court based upon the Court’s approval of the Settlement.
- 1.13. “LWDA” means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i).
- 1.14. “LWDA PAGA Payment” means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).
- 1.15. “PAGA Counsel” means David Glenn Spivak of The Spivak Law Firm and Walter L. Haines of United Employees Law Group, the attorneys representing the Plaintiff in the Action.
- 1.16. “PAGA Counsel Fees Payment” and “PAGA Counsel Litigation Expenses Payment” mean the amounts allocated to PAGA Counsel for reimbursement of reasonable attorneys’ fees and expenses, respectively, incurred to prosecute the Action.
- 1.17. “PAGA Pay Period” means any Pay Period during which an Aggrieved Employee worked for Defendants for at least one day during the PAGA Period.
- 1.18. “PAGA Period” means the period from September 19, 2021 to October 09, 2024.
- 1.19. “PAGA” means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).
- 1.20. “PAGA Notice” means Plaintiff’s September 19, 2022 letter to Defendants and the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a).
- 1.21. “PAGA Penalties” means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 25% to the Aggrieved Employees (\$39,791.67) and the 75% to LWDA (\$119,375.00) in settlement of PAGA claims.

1.22. "Plaintiff" means Juan Miguel Perales, the named plaintiff in the Action.

1.23. "Approval Order" means the proposed Court Order Granting Approval of PAGA Settlement.

1.24. "Released PAGA Claims" means the claims being released by the Plaintiff and PAGA Counsel and as described in Paragraph 5 below.

1.25. "Released Parties" means Defendants and each of their officers, directors, employees and agents.

1.26. "Settlement" means the disposition of the Action effected by this Agreement and the Judgment.

1.27. "Defendants" means named Defendants Ships Pizza, Inc., Central Valley Pizza LLC, and Team Central Valley, Inc.

2. RECITALS.

2.1. On September 19, 2022, Plaintiff commenced this Action. On December 9, 2022, Plaintiff filed a First Amended Complaint adding Central Valley Pizza LLC, and Team Central Valley, Inc., and Greg DeGrandis as named defendants. Plaintiff also added a claim under the 2004 Labor Code Private Attorneys General Act, Labor Code §§ 2699, *et seq.* ("PAGA") against Defendant SHIPS PIZZA, INC only. On February 2, 2023, filed a Second Amended Complaint against all Defendants. On July 14, 2023, the Court granted Defendants' Motion to compel Plaintiff to arbitration and dismissed Plaintiff's class claims. The Second Amended Complaint is the operative complaint in the Action (the "Operative Complaint."). Defendants deny the allegations in the Operative Complaint, deny any failure to comply with the laws identified in the Operative Complaint and deny any and all liability for the causes of action alleged.

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

2.3. On July 25, 2023, the Parties participated in an all-day mediation presided over by Tripper Ortman which led to this Agreement to settle the Action.

2.4. Prior to mediation, Plaintiff obtained, through informal discovery, the number of comparable employees, the number of pay periods, sample time records, sample payroll records, sample schedules, written policies, and related information.

2.5. The Parties, PAGA Counsel and Defense Counsel represent that they are not

1 aware of any other pending matter or action asserting claims that will be extinguished or affected
2 by the Settlement.

3
4 **3. MONETARY TERMS.**

5 3.1. Gross Settlement Amount. Defendants promise to pay \$280,000.00 and no more
6 as the Gross Settlement Amount. Defendants have no obligation to pay the Gross Settlement
7 Amount prior to the deadline stated in Paragraph 6.1 of this Agreement. The Administrator will
8 disburse the entire Gross Settlement Amount without asking or requiring Aggrieved Employees
9 to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert
to Defendants.

10 3.2. Payments from the Gross Settlement Amount. The Administrator will make and
11 deduct the following payments from the Gross Settlement Amount, in the amounts specified by
the Court in the Court's Approval order:

12 3.2.1. To PAGA Counsel: A PAGA Counsel Fees Payment of not more than
13 33.33%, which is currently estimated to be \$93,333.33 and a PAGA Counsel Litigation Expenses
14 Payment of not more than \$17,500.00. Defendants will not oppose requests for these payments
15 provided that they do not exceed these amounts. Plaintiff and/or PAGA Counsel will file an
16 application or motion for PAGA Counsel Fees Payment and PAGA Litigation Expenses Payment.
17 If the Court approves a PAGA Counsel Fees Payment and/or a PAGA Counsel Litigation
18 Expenses Payment less than the amounts requested, the Administrator will allocate the remainder
19 to the PAGA Penalties. Released Parties shall have no liability to PAGA Counsel or any other
20 Plaintiff's Counsel arising from any claim to any portion any PAGA Counsel Fee Payment and/or
21 PAGA Counsel Litigation Expenses Payment. The Administrator will pay the PAGA Counsel
22 Fees Payment and PAGA Counsel Expenses Payment using one or more IRS 1099 Forms. PAGA
23 Counsel assumes full responsibility and liability for taxes owed on the PAGA Counsel Fees
24 Payment and the PAGA Counsel Litigation Expenses Payment and holds Defendants harmless,
and indemnifies Defendants, from any dispute or controversy regarding any division or sharing
of any of these Payments.

25 3.2.2. To the Administrator: An Administrator Expenses Payment not to exceed
26 \$20,000.00 except for a showing of good cause and as approved by the Court. To the extent the
27 Administration Expenses are less or the Court approves payment less than \$20,000.00, the

1 Administrator will retain the remainder in the PAGA Penalties.

2 3.2.3. To the LWDA and Aggrieved Employees: The
3 Administrator will calculate the PAGA Penalties by deducting the following
4 amounts from the Gross Settlement Amount: Counsel Fees Payment, PAGA Counsel Litigation
5 Expenses Payment, and the Administration Expenses Payment. PAGA Penalties in the amount of
6 \$149,166.67 to be paid from the Gross Settlement Amount, with 75% (\$111,875.00) allocated to
the LWDA PAGA Payment and 25% (\$37,291.67) allocated to the Individual PAGA Payments.

7 3.2.3.1. The Administrator will calculate each Individual PAGA Payment
8 by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties
9 (\$39,791.67) by the total number of PAGA Pay Periods worked by all Aggrieved Employees
10 during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA
11 Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on
their Individual PAGA Payment.

12 **4. SETTLEMENT FUNDING AND PAYMENTS.**

13 4.1. Aggrieved Employee Pay Periods. Based on a review of their records to date,
14 Defendants estimate there are 1,143 Aggrieved Employees who worked a total 23,780 PAGA Pay
15 Periods.

16 4.2. Aggrieved Employee Data. Not later than 15 days after the Court grants approval
17 of the Settlement, Defendants will simultaneously deliver the Aggrieved Employee Data to the
18 Administrator in the form of a Microsoft Excel spreadsheet. To protect Aggrieved Employee'
19 privacy rights, the Administrator must maintain the Aggrieved Employee Data in confidence, use
20 the Aggrieved Employee Data only for purposes of this Settlement and for no other purpose, and
21 restrict access to the Aggrieved Employee Data to Administrator employees who need access to
22 the Aggrieved Employee Data to effect and perform under this Agreement. Defendants have a
23 continuing duty to immediately notify PAGA Counsel if it discovers that the Aggrieved Employee
24 Data omitted employee identifying information and to provide corrected or updated Aggrieved
25 Employee Data as soon as reasonably feasible. Without any extension of the deadline by which
26 Defendants must send the Aggrieved Employee Data to the Administrator, the Parties and their
counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any
issues related to missing or omitted Aggrieved Employee Data.

27 4.3. Funding of Gross Settlement Amount. Defendants shall fully fund the Gross
28

1 Settlement Amount by transmitting the funds to the Administrator no later than 14 days after the
2 Effective Date.

3 4.4. Payments from the Gross Settlement Amount. Within 14 days after Defendants
4 fund the Gross Settlement Amount, the Administrator will mail checks for all Individual PAGA
5 Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the PAGA
6 Counsel Expenses Payment. Disbursement of the PAGA Counsel Litigation Expenses Payment
shall not precede disbursement of Individual PAGA Payments.

7 4.4.1. The Administrator will issue checks for the Individual PAGA Payments
8 and send them to the Aggrieved Employees via First Class U.S. Mail, postage prepaid. The face
9 of each check shall prominently state the date (not less than 180 days after the date of mailing)
10 when the check will be voided. The Administrator will cancel all checks not cashed by the void
11 date. Before mailing any checks, the Administrator must update the recipients' mailing addresses
using the National Change of Address Database.

12 4.4.2. The Administrator must conduct a Aggrieved Employee Address Search
13 for all other Aggrieved Employees whose checks are returned undelivered without USPS
14 forwarding address. Within seven (7) days of receiving a returned check the Administrator must
15 re-mail checks to the USPS forwarding address provided or to an address ascertained through the
16 Aggrieved Employee Address Search. The Administrator need not take further steps to deliver
17 checks to Aggrieved Employees whose re-mailed checks are returned as undelivered. The
18 Administrator shall promptly send a replacement check to any Aggrieved Employee whose
original check was lost or misplaced, requested by the Aggrieved Employee prior to the void date.

19 4.4.3. For any Aggrieved Employee whose Individual PAGA Payment check is
20 uncashed and cancelled after the void date, the Administrator shall transmit the funds represented
21 by such check to the California Controller's Unclaimed Property Fund in the name of the
22 Aggrieved Employee.

23 4.4.4. The payment of Individual PAGA Payments shall not obligate Defendants
24 to confer any additional benefits or make any additional payments to Aggrieved Employees (such
25 as 401(k) contributions or bonuses) beyond those specified in this Agreement.

26 **5. RELEASES OF CLAIMS.** Effective on the date when Defendants fully fund the entire
27 Gross Settlement Amount, Plaintiff, Aggrieved Employees, and PAGA Counsel will release

1 claims against all Released Parties as follows:

2 5.1. Plaintiff's Release. Plaintiff and his respective former and present spouses,
3 representatives, agents, attorneys (including PAGA Counsel), heirs, administrators, successors,
4 and assigns generally, release and discharge Released Parties from all claims, transactions, or
5 occurrences that occurred during the PAGA Period, including, but not limited to: (a) all claims
6 that were, or reasonably could have been, alleged, based on the facts contained in the Operative
7 Complaint and the PAGA Notice ("Plaintiff's Release"). Plaintiff's Release does not extend to
8 any claims or actions to enforce this Agreement, or to any claims for vested benefits,
9 unemployment benefits, disability benefits, social security benefits, workers' compensation
10 benefits that arose at any time, or based on occurrences outside the PAGA Period. Plaintiff
11 acknowledges that Plaintiff may discover facts or law different from, or in addition to, the facts
12 or law that Plaintiff now knows or believes to be true but agrees, nonetheless, that Plaintiff's
Release shall be and remain effective in all respects, notwithstanding such different or additional
facts or Plaintiff's discovery of them.

13 5.1.1. Plaintiff's Waiver of Rights Under California Civil Code Section 1542. For
14 purposes of Plaintiff's Release, Plaintiff expressly waives and relinquishes the provisions, rights,
15 and benefits, if any, of section 1542 of the California Civil Code, which reads:

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

19 The Parties agree that Plaintiff's Release excludes any claims covered by the separate confidential
20 individual Settlement Agreement and Release of All Claims ("Individual Settlement Agreement")
21 that Plaintiff and Defendants have entered into. Further, the Parties also agree that nothing in the
22 Individual Settlement Agreement prevents Plaintiff from or waives Plaintiff's right to recover the
23 Individual PAGA Payment that he is entitled to under this Agreement.

24 5.2. Release by Aggrieved Employees: All Aggrieved Employees are deemed to
25 release, on behalf of themselves and their respective former and present representatives, agents,
26 attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims for
27 PAGA penalties that were alleged, or reasonably could have been alleged, based on the PAGA
Period facts stated in the Operative Complaint and the PAGA Notice.

1 5.3. Release by PAGA Counsel: PAGA Counsel release on behalf of their present and
2 former attorneys, employees, agents, successors and assigns the Released Parties from all claims
3 for PAGA Fees incurred in connection with the Operative Complaint and the PAGA Period facts
4 stated in the Operative Complaint and the PAGA Notice.

5 **6. MOTION OR APPLICATION FOR APPROVAL OF SETTLEMENT.** The Parties
6 agree to jointly prepare and file an application or motion for approval of this Settlement.

7 6.1 Plaintiff's Responsibilities. Plaintiff will prepare and deliver to Defense Counsel
8 all documents necessary for obtaining approval of this Settlement under Labor Code Section
9 2699, subd. (f)(2)) including (i) a draft proposed Order Granting Approval of PAGA Settlement;
10 (ii) a signed declaration from the Administrator attaching its "not to exceed" bid for administering
11 the Settlement and attesting to its willingness to serve; competency; operative procedures for
12 protecting the security of Aggrieved Employee Data; amounts of insurance coverage for any data
13 breach, defalcation of funds or other misfeasance; all facts relevant to any actual or potential
14 conflicts of interest with Aggrieved Employees or the LWDA; and the nature and extent of any
15 financial relationship with Plaintiff, PAGA Counsel or Defense Counsel; (iii) a signed declaration
16 from PAGA Counsel firm attesting to its timely transmission to the LWDA of all necessary
17 PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), Operative
18 Complaint (Labor Code section 2699, subd. (l)(1)), this Agreement (Labor Code section 2699,
19 subd. (l)(2)); (iv) a redlined version of the parties' Agreement showing all modifications made to
20 the Model Agreement ready for filing with the Court; and (v) all facts relevant to any actual or
21 potential conflict of interest with Aggrieved Employees and/or the Administrator. In their
22 Declarations, Plaintiff and PAGA shall aver that they are not aware of any other pending matter
23 or action asserting claims that will be extinguished or adversely affected by the Settlement.

24 6.2 Responsibilities of Counsel. PAGA Counsel and Defense Counsel are jointly
25 responsible for expeditiously finalizing and filing the application or motion for approval of this
26 Settlement no later than 30 days after the full execution of this Agreement and, if necessary,
27 obtaining a prompt hearing date for the motion and appearing in Court to advocate in favor of the
28 motion. PAGA Counsel is responsible for delivering the Court's approval order to the
Administrator.

 6.3 Duty to Cooperate. If the Parties disagree on any aspect of the proposed

1 application or motion for approval of this Settlement and/or the supporting declarations and
2 documents, PAGA Counsel and Defense Counsel will expeditiously work together on behalf of
3 the Parties by meeting in person or by telephone, and in good faith, to resolve the disagreement.
4 If the Court does not grant the motion for approval of this Settlement or conditions its approval
5 on any material change to this Agreement, PAGA Counsel and Defense Counsel will
6 expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in
7 good faith, to modify the Agreement and otherwise satisfy the Court's concerns.

8 **7. SETTLEMENT ADMINISTRATION.**

9 7.1 Selection of Administrator. The Parties have jointly selected Simpluris, Inc, to
10 serve as the Administrator and verified that, as a condition of appointment, Simpluris, Inc, agrees
11 to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this
12 Agreement in exchange for payment of Administration Expenses. The Parties and their Counsel
13 represent that they have no interest or relationship, financial or otherwise, with the Administrator
14 other than a professional relationship arising out of prior experiences administering settlements.

15 7.2 Employer Identification Number. The Administrator shall have and use its own
16 Employer Identification Number for purposes of calculating payroll tax withholdings and
17 providing reports state and federal tax authorities.

18 7.3 Qualified Settlement Fund. The Administrator shall establish a settlement fund
19 that meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury
20 Regulation section 468B-1.

21 7.4 Administrator Duties. The Administrator has a duty to perform or observe all
22 tasks to be performed or observed by the Administrator contained in this Agreement or otherwise.

23 **8. NUMBER OF AGGRIEVED EMPLOYEES.** Based on their records, Defendants
24 estimate that, as of the date of this Settlement Agreement, there are 1,143 Aggrieved Employees
25 who worked 23,780 Pay Periods during the PAGA Period.

26 **9. CONTINUING JURISDICTION OF THE COURT.** The Parties agree that, after entry
27 of Judgment, the Court will retain jurisdiction over the Parties, Action, and the Settlement solely
28 for purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement

administration matters, and (iii) addressing such post-Judgment matters as are permitted by law.

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

10. ADDITIONAL PROVISIONS.

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

10.2 Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party.

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

1 terms of this Agreement including any amendments to this Agreement.

2 10.4 Cooperation. The Parties and their counsel will cooperate with each other and
3 use their best efforts, in good faith, to implement the Settlement by, among other things,
4 modifying the Settlement Agreement, submitting supplemental evidence and supplementing
5 points and authorities as requested by the Court. In the event the Parties are unable to agree upon
6 the form or content of any document necessary to implement the Settlement, or on any
7 modification of the Agreement that may become necessary to implement the Settlement, the
8 Parties will seek the assistance of a mediator and/or the Court for resolution.

9 10.5 No Prior Assignments. The Parties separately represent and warrant that they
10 have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer,
11 or encumber to any person or entity and portion of any liability, claim, demand, action, cause of
12 action, or right released and discharged by the Party in this Settlement.

13 10.6 No Tax Advice. Neither Plaintiff, PAGA Counsel, Defendants nor Defense
14 Counsel are providing any advice regarding taxes or taxability, nor shall anything in this
15 Settlement be relied upon as such within the meaning of United States Treasury Department
16 Circular 230 (31 CFR Part 10, as amended) or otherwise.

17 10.7 Modification of Agreement. This Agreement, and all parts of it, may be
18 amended, modified, changed, or waived only by an express written instrument signed by all
19 Parties or their representatives, and approved by the Court.

20 10.8 Agreement Binding on Successors. This Agreement will be binding upon, and
21 inure to the benefit of, the successors of each of the Parties.

22 10.9 Applicable Law. All terms and conditions of this Agreement and its exhibits will
23 be governed by and interpreted according to the internal laws of the state of California, without
24 regard to conflict of law principles.

25 10.10 Cooperation in Drafting. The Parties have cooperated in the drafting and
26 preparation of this Agreement. This Agreement will not be construed against any Party on the
27 basis that the Party was the drafter or participated in the drafting.

28 10.11 Confidentiality. To the extent permitted by law, all agreements made, and orders
entered during Action and in this Agreement relating to the confidentiality of information shall
survive the execution of this Agreement.

10.12 Use and Return of Aggrieved Employee Data. Information provided to PAGA

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

10 10.13 Headings. The descriptive heading of any section or paragraph of this Agreement
11 is inserted for convenience of reference only and does not constitute a part of this Agreement.

12 10.14 Calendar Days. Unless otherwise noted, all reference to "days" in this Agreement
13 shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a
14 weekend or federal legal holiday, such date or deadline shall be on the first business day
15 thereafter.

16 10.15 Notice. All notices, demands or other communications between the Parties in
17 connection with this Agreement will be in writing and deemed to have been duly given as of the
18 third business day after mailing by United States mail, or the day sent by email or messenger,
19 addressed as follows:

20 To Plaintiff:
21 David Glenn Spivak, Esq.
22 The Spivak Law Firm
23 8605 Santa Monica Bl
24 PMB 42554
25 West Hollywood, CA 90069
26 david@spivaklaw.com

27 To Defendants:
28 Lonnie D. Giamela, Esq.
Fisher & Phillips LLP
444 South Flower Street
Suite 1500
Los Angeles, CA 90071
lgiamela@fisherphillips.com

1 10.16 Execution in Counterparts. This Agreement may be executed in one or more
2 counterparts by facsimile, electronically (i.e. DocuSign), or email which for purposes of this
3 Agreement shall be accepted as an original. All executed counterparts and each of them will be
4 deemed to be one and the same instrument if counsel for the Parties will exchange between
5 themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove
6 the existence and contents of this Agreement.

7 10.17 Stay of Litigation. The Parties agree that upon the execution of this Agreement
8 the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further
9 agree that upon the signing of this Agreement that pursuant to CCP section 583.330 to extend the
10 date to bring a case to trial under CCP section 583.310 for the entire period of this settlement
11 process.

12 Dated: January 16, 2025

By:



JUAN MIGUEL PERALES

15 Dated: January __, 2025

By:

Greg DeGrandis for himself and for
Defendants Ships Pizza, Inc., Central
Valley Pizza LLC, and Team Central
Valley, Inc.

19 THE SPIVAK LAW FIRM

21 Dated: January 17, 2025

By:



DAVID GLENN SPIVAK, Attorneys
for Plaintiff, JUAN MIGUEL
PERALES, and all others similarly
situated

26 UNITED EMPLOYEES LAW GROUP

1 10.16 Execution in Counterparts. This Agreement may be executed in one or more
2 counterparts by facsimile, electronically (i.e. DocuSign), or email which for purposes of this
3 Agreement shall be accepted as an original. All executed counterparts and each of them will be
4 deemed to be one and the same instrument if counsel for the Parties will exchange between
5 themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove
6 the existence and contents of this Agreement.

7 10.17 Stay of Litigation. The Parties agree that upon the execution of this Agreement
8 the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further
9 agree that upon the signing of this Agreement that pursuant to CCP section 583.330 to extend the
10 date to bring a case to trial under CCP section 583.310 for the entire period of this settlement
11 process.

12 Dated: January __, 2025

By: _____

JUAN MIGUEL PERALES

15 Dated: January 20, 2025

By: _____


Greg DeGrandis for himself and for
Defendants Ships Pizza, Inc., Central
Valley Pizza LLC, and Team Central
Valley, Inc.

19 THE SPIVAK LAW FIRM

21 Dated: January __, 2025

By: _____

DAVID GLENN SPIVAK, Attorneys
for Plaintiff, JUAN MIGUEL
PERALES, and all others similarly
situated

26 UNITED EMPLOYEES LAW GROUP

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Dated: January 19, 2025

By: 
WALTER L. HAINES, Attorneys for
Plaintiff, JUAN MIGUEL PERALES,
and all others similarly situated

FISHER & PHILLIPS LLP

Dated: January __, 2025

By: _____
LONNIE D. GIAMELA, Attorneys for
Defendants

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Dated: January __, 2025

By:

WALTER L. HAINES, Attorneys for
Plaintiff, JUAN MIGUEL PERALES,
and all others similarly situated

FISHER & PHILLIPS LLP

Dated: January __, 2025

By:



LONNIE D. GIAMELA, Attorneys for
Defendants

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EXHIBIT A

1 **NOTICE OF PAGA SETTLEMENT**

2 *Juan Miguel Perales v. Ships Pizza, Inc*
3 *(Superior Court of California, Stanislaus County*
4 *Case No. CV-22-004216*

4 << Simpluris, Inc,>>

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6 []

6 Telephone: []

7 «Barcode» «BarcodeString»

8 SIMID «SIMID»

8 «FirstName»

9 «LastName»

9 «Address1» «Address2»

10 «City» «State» «Zip»

11 You are receiving this notice as a result of a lawsuit brought on a representative basis
12 under the Private Attorneys General Act, Labor Code §§ 2698, *et seq.* (“PAGA”) (“the Action”).
13 The plaintiff in the Action is Juan Miguel Perales (“Plaintiff”) and the defendants are Ships Pizza,
14 Inc., Central Valley Pizza LLC, and Team Central Valley, Inc. (collectively “Defendants”). The
15 Action seeks civil penalties for purported violations of the California Labor Code on behalf of
16 all persons employed by Defendants in California and classified as hourly, non-exempt who
17 worked for Defendants during the PAGA Period of September 19, 2021 through October 9, 2024.
18 Defendants deny all claims and allegations in the Action, deny that they owe any penalties, and
19 assert that they have fully complied with all applicable Labor Code provisions. Nevertheless, to
20 avoid further costs and time in defending the Action, Defendants have settled the case and the
Court has approved the settlement and release of claims. By settling the Action, Defendants are
not admitting that they have done anything wrong. As of and subject to the occurrence of the
Effective Date of the Settlement, the Settlement resolves all claims for PAGA penalties that were
alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the
Operative Complaint and the PAGA Notice (“Released PAGA Claims”). The “Released Parties”
are Defendants and each of their officers, directors, employees and agents.

21 By Order dated <<court approval order date>>, the Superior Court of the State of
22 California, Stanislaus County approved the Settlement of the PAGA claims.

23 According to the Defendants’ records, you are an Aggrieved Employee and therefore
24 entitled to an Individual PAGA Payment, a share of the settlement based upon the Court approved
25 allocation. Enclosed with this Notice is your check for your Individual PAGA Payment. The
settlement check shall remain valid for 180 days. Thereafter, all uncashed checks shall be
distributed to California State Controller’s Office Unclaimed Property Fund with an
identification of the amount of unclaimed funds attributable to each Aggrieved Employee.

26 Please Note: One hundred percent (100%) of your individual PAGA payment under this
27 Settlement will be considered penalties and may be subject to local, state, or federal tax
28 withholdings and will be reported to the IRS and state tax authorities. You should rely on your

1 own tax advisors as to the tax consequences of your individual PAGA payment. Neither Plaintiff
2 nor Defendants have made any representations or warranties regarding the taxation of your
3 Individual PAGA payment. Nothing within this notice or any other communication shall
4 constitute or be construed or relied upon as tax advice within the meaning of United States
Treasury Department Circular 230 (31 C.F.R. Part 10, as amended). Enclosed are the appropriate
tax forms pertaining to your payment.

5 Do not call or write the Court or Office of the Clerk to ask questions about the settlement
6 or to ask questions about the claims process. If you have any questions, you may call or write to
7 Simpluris, Inc, (the Administrator) using the contact information at the top of this
correspondence.

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EXHIBIT B

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SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF STANISLAUS
(UNLIMITED JURISDICTION)

JUAN PERALES, on behalf of himself and as an
“Aggrieved Employee” on behalf of other
“Aggrieved Employees” under the Private
Attorneys General Act of 2004,

Plaintiff,

v.

SHIPS PIZZA, INC, a California corporation;
CENTRAL VALLEY PIZZA LLC, a California
limited liability company; TEAM CENTRAL
VALLEY, INC, a California corporation; GREG
DEGRANDIS, an individual; and DOES 1-50,
inclusive,

Defendant(s).

Case No. CV-22-004216

**[PROPOSED] ORDER AND
JUDGMENT APPROVING PAGA
SETTLEMENT AGREEMENT**

Action filed: September 19, 2022
Dept: 24, The Honorable Sonny S.
Sandhu

1 Having considered the Parties' PAGA Settlement Agreement ("Agreement" or "PAGA
2 Settlement"), IT IS HEREBY ORDERED THAT:

3 1. To the extent required by Labor Code § 2699(l), the Settlement and its terms
4 represent a reasonable and adequate settlement of highly disputed claims to Plaintiff Juan Miguel
5 Perales ("Plaintiff"), the "Aggrieved Employees" (as the term is defined in the PAGA
6 Settlement), the State of California, Plaintiff's counsel, and Defendants Ships Pizza, Inc., Central
Valley Pizza LLC, and Team Central Valley, Inc., (collectively "Defendants"), and is approved.

7 2. Defendants shall pay the "Gross Settlement Amount" (as the term defined in the
8 Settlement) in the amount of \$280,000.00. The Gross Settlement Amount includes: (a) the PAGA
9 Counsel Fees Payment in the amount of \$93,333.33 and PAGA Counsel Litigation Expenses
10 Payment of \$17,500.00 to David Glenn Spivak of The Spivak Law Firm and Walter L. Haines
11 of United Employees Law Group, PAGA Counsel; (b) "PAGA Penalties" (as the term defined in
12 the PAGA Settlement) payable to the Aggrieved Employees and the Labor and Workforce
13 Development Agency ("LWDA"); and (c) Administration Expenses Payment of up to \$20,000.00
14 to Simpluris, Inc, to administer the settlement, in accordance with the procedure as mentioned in
the Settlement.

15 3. The allocation of the Settlement payment among the Plaintiff, the Aggrieved
16 Employees, the State of California, the Administrator and Plaintiff's counsel is fair, just,
17 reasonable, adequate, and equitable to all concerned, and is approved to the extent required under
Labor Code§ 2699(l).

18 4. The settlement is approved on the terms stated in the Agreement.

19 5. Judgment in this matter is entered in accordance with, and incorporates by
20 reference, the terms and conditions of the Settlement. Instead of filing a request for dismissal to
21 terminate this action, this judgment will terminate the action.

22 6. The PAGA Settlement is not an admission by Defendants, or any of the "Released
23 Parties" (as the term is defined in the Settlement), nor is this judgment a finding of the validity
24 of any allegations or of any wrongdoing by Defendants or the Released Parties. Neither this
25 judgment, the Agreement, nor any document referred to therein, nor any action taken to carry out
26 the PAGA Settlement, may be construed as, or may be used as, an admission of any fault,
27 wrongdoing, omission, concession, or liability whatsoever by or against Defendants or the
Released Parties.

7. The PAGA Settlement shall be binding on Plaintiff, all Aggrieved Employees, and the State of California, who are hereby barred from re-litigating any of the claims released by the Settlement.

8. Pursuant to Code of Civil Procedure section 664.6 the Court shall retain exclusive and continuing jurisdiction over the above-captioned action and the parties for purposes of enforcing the terms of the PAGA Settlement.

IT IS SO ORDERED, ADJUDGED AND DECREED.

DATE _____

THE HONORABLE SONNY S. SANDHU
Superior Court Judge

EXHIBIT 2

1 **NOTICE OF PAGA SETTLEMENT**

2 *Juan Miguel Perales v. Ships Pizza, Inc*
3 *(Superior Court of California, Stanislaus County*
4 *Case No. CV-22-004216*

4 << Simpluris, Inc,>>

5 []

5 []

6 Telephone: []

7 «Barcode» «BarcodeString»

8 SIMID «SIMID»

8 «FirstName»

9 «LastName»

9 «Address1» «Address2»

10 «City» «State» «Zip»

11 You are receiving this notice as a result of a lawsuit brought on a representative basis
12 under the Private Attorneys General Act, Labor Code §§ 2698, *et seq.* (“PAGA”) (“the Action”).
13 The plaintiff in the Action is Juan Miguel Perales (“Plaintiff”) and the defendants are Ships Pizza,
14 Inc., Central Valley Pizza LLC, and Team Central Valley, Inc. (collectively “Defendants”). The
15 Action seeks civil penalties for purported violations of the California Labor Code on behalf of
16 all persons employed by Defendants in California and classified as hourly, non-exempt who
17 worked for Defendants during the PAGA Period of September 19, 2021 through October 9, 2024.
18 Defendants deny all claims and allegations in the Action, deny that they owe any penalties, and
19 assert that they have fully complied with all applicable Labor Code provisions. Nevertheless, to
20 avoid further costs and time in defending the Action, Defendants have settled the case and the
Court has approved the settlement and release of claims. By settling the Action, Defendants are
not admitting that they have done anything wrong. As of and subject to the occurrence of the
Effective Date of the Settlement, the Settlement resolves all claims for PAGA penalties that were
alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the
Operative Complaint and the PAGA Notice (“Released PAGA Claims”). The “Released Parties”
are Defendants and each of their officers, directors, employees and agents.

21 By Order dated <<court approval order date>>, the Superior Court of the State of
22 California, Stanislaus County approved the Settlement of the PAGA claims.

23 According to the Defendants’ records, you are an Aggrieved Employee and therefore
24 entitled to an Individual PAGA Payment, a share of the settlement based upon the Court approved
25 allocation. Enclosed with this Notice is your check for your Individual PAGA Payment. The
settlement check shall remain valid for 180 days. Thereafter, all uncashed checks shall be
distributed to California State Controller’s Office Unclaimed Property Fund with an
identification of the amount of unclaimed funds attributable to each Aggrieved Employee.

26 Please Note: One hundred percent (100%) of your individual PAGA payment under this
27 Settlement will be considered penalties and may be subject to local, state, or federal tax
28 withholdings and will be reported to the IRS and state tax authorities. You should rely on your

1 own tax advisors as to the tax consequences of your individual PAGA payment. Neither Plaintiff
2 nor Defendants have made any representations or warranties regarding the taxation of your
3 Individual PAGA payment. Nothing within this notice or any other communication shall
4 constitute or be construed or relied upon as tax advice within the meaning of United States
Treasury Department Circular 230 (31 C.F.R. Part 10, as amended). Enclosed are the appropriate
tax forms pertaining to your payment.

5 Do not call or write the Court or Office of the Clerk to ask questions about the settlement
6 or to ask questions about the claims process. If you have any questions, you may call or write to
7 Simpluris, Inc, (the Administrator) using the contact information at the top of this
correspondence.

EXHIBIT 3



THE SPIVAK LAW FIRM
EMPLOYEE RIGHTS

8605 Santa Monica Bl PMB 42554 West Hollywood CA 90069 Mail
15303 Ventura Bl Ste 900 Sherman Oaks CA 91403 Office
(213) 725-9094 Tel
(213) 634-2485 Fax
spivaklaw.com Web

SENT BY ELECTRONIC SUBMISSION, CERTIFIED MAIL, AND EMAIL

September 19, 2022

Attn: PAGA Administrator
Labor and Workforce Development Agency
<http://dir.tflaforms.net>
Via Electronic Submission

Re: Juan Perales / Ships Pizza, Inc.

To Whom It May Concern:

Pursuant to the Labor Code Private Attorneys General Act of 2004, Labor Code sections 2698, *et seq.*, Juan Perales (hereafter “Perales” or “Complainant”) provides notice that Ships Pizza, Inc, a California corporation, and related entities (collectively “the Ships Pizza Employers” or “the Employers”) violated his rights and those of all other individuals the Ships Pizza Employers have employed or otherwise contracted with in California as hourly nonexempt, individuals performing work comparable to the aforementioned, and individuals in similar positions (hereafter the “Aggrieved Employees”) under Labor Code sections 201, 202, 203, 204, 226, 226.7, 510, 512, 1174, 1194, 1197, 1198, and related Labor Code statutes. On behalf of himself and all other Aggrieved Employees, Perales hereby provides this notice to the Labor & Workforce Development Agency and the Ships Pizza Employers and their agents and representatives.

At all relevant times, the Ships Pizza Employers have employed persons, conducted business, and engaged in illegal payroll practices and policies, throughout California. Perales and all of the other Aggrieved Employees are “employees” within the meaning of Industrial Welfare Commission Order No. 5-2001 (hereafter “the Wage Order”) section 2, subdivision (F) and “Aggrieved Employees” within the meaning of Labor Code section 2699(c).

Statement of Facts

On approximately 2020, the Ships Pizza Employers began to employ Perales in Turlock and Chowchilla. During his employment, he held the position of hourly nonexempt assistant manager, among other hourly, non-exempt positions. The Ships Pizza Employers continuously employed him in that capacity until on or about June 24, 2022 when his employment ended.

At all relevant times, the Ships Pizza Employers issued wages to Perales and all of the other Aggrieved Employees on a biweekly (26 paychecks/year) basis and paid them by the hour. At all relevant times, the Ships Pizza Employers classified Perales and all of the other Aggrieved Employees as non-exempt employees entitled to the protections of the Labor Code and the Wage Order.

The Ships Pizza Employers failed to compensate Perales and all of the other Aggrieved Employees for all hours worked at the applicable minimum or regular rates of pay. The Ships Pizza Employers required Perales and the Aggrieved Employees to prepare pizzas on a strict time schedule and discouraged them from recording all of their hours worked in doing so. Accordingly, Perales and the Aggrieved Employees prepared pizzas and performed related duties off the clock, during meal periods, and outside of their scheduled work shifts without pay.

The Ships Pizza Employers failed to compensate Perales and all of the other Aggrieved Employees at the correct rates of pay for all hours worked over eight in a day, over 40 in a week, and for the first eight hours of the seventh day of the workweek. The Ships Pizza Employers required Perales and the Aggrieved Employees to perform the aforementioned activities in excess of eight hours per day and in excess of 40 hours per week but discouraged them from recording overtime hours. As a result, The Ships Pizza Employers required Perales and the Aggrieved Employees to work overtime hours without paying them overtime premium wages for such work.

At all relevant times, the Ships Pizza Employers failed to provide Perales and all of the other Aggrieved Employees with all timely 30-minute, off-duty meal periods. The Ships Pizza Employers required Perales and the Aggrieved Employees to prepare pizzas on a strict time schedule and discouraged them from recording all of their hours worked in doing so. Accordingly, Perales and the Aggrieved Employees prepared pizzas and performed related duties during meal periods off the clock and without pay. The Ships

Pizza Employers also failed to pay premium wages for days on which they failed to provide Perales and all of the other Aggrieved Employees with meal periods as required by law.

At all relevant times, the Ships Pizza Employers failed to authorize and permit Perales and all of the other Aggrieved Employees to take ten-minute, off-duty, paid rest breaks every four hours worked or major portion thereof. The Ships Pizza Employers required Perales and the Aggrieved Employees to prepare pizzas on a strict time schedule and discouraged them from recording all of their hours worked in doing so. Accordingly, Perales and the Aggrieved Employees prepared pizzas and performed related duties during rest periods. The Ships Pizza Employers also failed to pay premium wages for days on which they failed to authorize and permit Perales and all of the other Aggrieved Employees to take rest breaks as required by law.

At all relevant times, the Ships Pizza Employers failed to issue to Perales and all of the other Aggrieved Employees complete and accurate wage statements that state all hours worked at the correct rates of pay, and all wages earned. The Ships Pizza Employers knowingly and intentionally failed to state on the wage statements they issued to Perales and all of the other Aggrieved Employees the unpaid wages discussed above. The wage statements fail to state all minimum wages earned, all regular wages earned, all overtime wages earned, all meal period premium wages earned, all rest break premium wages earned, and other required information.

The Ships Pizza Employers also failed to timely pay Perales and all of the other Aggrieved Employees all earned wages as described above during and at the conclusion of employment.

The Ships Pizza Employers failed to maintain accurate employee records of Perales and all of the other Aggrieved Employees.

For the reasons stated herein, Perales alleges the following violations of the Labor Code and the Wage Order on behalf of himself and all of the other Aggrieved Employees:

- (a) The Ships Pizza Employers failed to pay Perales and all of the other Aggrieved Employees all wages earned for all hours worked at the correct rates of pay, including minimum, regular, and overtime wages;

- (b) The Ships Pizza Employers failed to provide Perales and all of the other Aggrieved Employees all meal periods in compliance with California law;
- (c) The Ships Pizza Employers failed to authorize and permit Perales and all of the other Aggrieved Employees to take rest breaks in compliance with California law;
- (d) The Ships Pizza Employers failed to compensate Perales and all of the other Aggrieved Employees at one hour's pay for each day in which the Ships Pizza Employers failed to provide them with one or more meal periods as required by law;
- (e) The Ships Pizza Employers failed to compensate Perales and all of the other Aggrieved Employees at one hour's pay for each day in which the Ships Pizza Employers failed to authorize and permit them to take one or more rest breaks as required by law;
- (f) The Ships Pizza Employers knowingly and intentionally failed to provide Perales and all of the other Aggrieved Employees with accurate wage statements;
- (g) The Ships Pizza Employers willfully failed to timely pay Perales and all of the other Aggrieved Employees all earned and unpaid wages during their employment with the Ships Pizza Employers and when their employment ended; and
- (h) The Ships Pizza Employers failed to maintain accurate employment records pertaining to Perales and all of the other Aggrieved Employees.

Accordingly, Perales now seeks civil penalties on behalf of himself and all of the other Aggrieved Employees based on the Ships Pizza Employers' alleged violations of the Labor Code and the Wage Order.

The Wage Order

The Wage Order applies to “all persons employed in the public housekeeping industry whether paid on a time, piece rate, commission, or other basis.” Wage Order, § 1. The Wage Order defines "Public Housekeeping Industry" to mean

any industry, business, or establishment which provides meals, housing, or maintenance services whether operated as a primary business or when incidental to other operations in an establishment not covered by an industry order of the Commission, and includes, but is not limited to the following:

- (1) Restaurants, night clubs, taverns, bars, cocktail lounges, lunch counters, cafeterias, boarding houses, clubs, and all similar establishments where food in either solid or liquid form is prepared and served to be consumed on the premises;
- (2) Catering, banquet, box lunch service, and similar establishments which prepare food for consumption on or off the premises;
- (3) Hotels, motels, apartment houses, rooming houses, camps, clubs, trailer parks, office or loft buildings, and similar establishments offering rental of living, business, or commercial quarters;
- (4) Hospitals, sanitariums, rest homes, child nurseries, child care institutions, homes for the aged, and similar establishments offering board or lodging in addition to medical, surgical, nursing, convalescent, aged, or child care;
- (5) Private schools, colleges, or universities, and similar establishments which provide board or lodging in addition to educational facilities;
- (6) Establishments contracting for development, maintenance or cleaning of grounds; maintenance or cleaning of facilities and/or quarters of commercial units and living units; and
- (7) Establishments providing veterinary or other animal care services.

Wage Order, § 2(P). At all relevant times during the applicable limitations period, the Ships Pizza Employers, Perales, and all of the Aggrieved Employees were covered by the Wage Order because the Ships Pizza Employers operated, and Perales, and all of the Aggrieved Employees, worked for one or more restaurants. Accordingly, Perales and all of the other Aggrieved Employees are entitled to the protections the Wage Order provides.

Failure To Pay Wages For All Hours Worked At The Correct
Rates of Pay
(Lab. Code §§ 510, 1194, 1197, and 1198)

Under Labor Code section 1197, “The minimum wage for employees fixed by the commission is the minimum wage to be paid to employees, and the payment of a less wage than the minimum so fixed is unlawful.”

In relevant part, section 2(K) of the Wage Order states,

“Hours worked” means the time during which an employee is subject to the control of an employer, and includes all the time the employee is suffered or permitted to work, whether or not required to do so[.]

In relevant part, Labor Code section 1194 states:

- (a) Notwithstanding any agreement to work for a lesser wage, any employee receiving less than the legal minimum wage or the legal overtime compensation applicable to the employee is entitled to recover in a civil action the unpaid balance of the full amount of this minimum wage or overtime compensation, including interest thereon, reasonable attorney’s fees, and costs of suit.

In relevant part, Labor Code section 510 states:

Any work in excess of eight hours in one workday and any work in excess of 40 hours in any one workweek and the first eight hours worked on the seventh day of work in any one workweek shall be compensated at the rate of no less than one and one-half times the regular rate of pay for an employee. Any work in excess of 12 hours in one day shall be compensated at the rate of no less than

twice the regular rate of pay for an employee. In addition, any work in excess of eight hours on any seventh day of a workweek shall be compensated at the rate of no less than twice the regular rate of pay of an employee.

In relevant part, Section 3 of the Wage Order states:

The following overtime provisions are applicable to employees 18 years of age or over and to employees 16 or 17 years of age who are not required by law to attend school and are not otherwise prohibited by law from engaging in the subject work. Such employees shall not be employed more than eight (8) hours in any workday or more than 40 in a workweek unless the employee receives one and one half (1½) times such employee's regular rate of pay for all hours worked over 40 hours in the workweek. Eight (8) hours of labor constitutes a day's work. Employment beyond eight (8) hours in any workday or more than six (6) days in any workweek is permissible provided the employee is compensated for such overtime at not less than:

- (a) One and one-half (1½) times the employee's regular rate of pay for all hours worked in excess of eight (8) hours up to and including twelve (12) hours in any workday, and for the first eight (8) hours worked on the seventh (7th) consecutive day of work in a workweek;
- (b) Double the employee's regular rate of pay for all hours worked in excess of 12 hours in any workday and for all hours worked in excess of eight (8) hours on the seventh (7th) consecutive day of work in a workweek; and
- (c) The overtime rate of compensation required to be paid to a nonexempt full-time salaried employee shall be computed by using the employee's regular hourly salary as one fortieth (1/40) of the employee's weekly salary.

Labor Code § 1198 prohibits employers from employing their employees under conditions prohibited by the Wage Order.

In conjunction, these provisions of the Labor Code require employers to pay employees no less than their agreed-upon or statutorily mandated wage rates for all hours worked, including hours spent working "off-the-clock" (before punching in or after punching out on a time clock) when the employer knew or reasonably should have known that

employees were working during those hours. *Morillion v. Royal Packing Co.* (2000) 22 Cal.4th 575, 585.

The Ships Pizza Employers required Perales and the Aggrieved Employees to prepare pizzas on a strict time schedule and discouraged them from recording all of their hours worked in doing so. Accordingly, Perales and the Aggrieved Employees prepared pizzas and performed related duties off the clock, during meal periods, and outside of their scheduled work shifts without pay. Additionally, The Ships Pizza Employers required Perales and the Aggrieved Employees to perform the aforementioned activities in excess of eight hours per day and in excess of 40 hours per week but discouraged them from recording overtime hours. As a result, The Ships Pizza Employers required Perales and the Aggrieved Employees to work overtime hours without paying them overtime premium wages for such work.

At all relevant times during the applicable limitations period, the Ships Pizza Employers failed to compensate Perales and all of the other Aggrieved Employees for all hours worked, including, but not limited to minimum, regular, and overtime wages for all hours they worked at the correct rates of pay. Accordingly, Perales now seeks civil penalties on behalf of himself and all of the other Aggrieved Employees as follows:

1. \$50 for each aggrieved employee for each initial violation of Labor Code § 510, and \$100 for each aggrieved employee for each subsequent violation, per pay period in addition to an amount sufficient to recover underpaid wages (penalties set by Labor Code § 558);
2. \$100 for each aggrieved employee for each initial violation of Labor Code § 1194, and \$200 for each aggrieved employee for each subsequent violation, per pay period (penalties set by Labor Code § 2699(f)(2));
3. \$100 for each underpaid aggrieved employee for each initial violation of Labor Code § 1197, and \$250 for each underpaid aggrieved employee for each subsequent violation per pay period (regardless of whether the initial violations were intentionally committed), in addition to an amount sufficient to recover underpaid wages, liquidated damages pursuant to Section 1194.2, and any applicable penalties imposed pursuant to Section 203 (penalties set by Labor Code § 1197.1) and

4. \$100 for each aggrieved employee for each initial violation of Labor Code § 1198, and \$200 for each aggrieved employee for each subsequent violation, per pay period (penalties set by Labor Code § 2699(f)(2)).

Failure to Provide Meal Periods
(Lab. Code §§ 226.7, 512, and 1198)

In relevant part, section 2(K) of the Wage Order states,

“Hours worked” means the time during which an employee is subject to the control of an employer, and includes all the time the employee is suffered or permitted to work, whether or not required to do so.

In relevant part, Labor Code section 1198 states, “The employment of any employee ... under conditions of labor prohibited by the [Wage Order] is unlawful.”

In relevant part, Labor Code section 512 states:

An employer may not employ an employee for a work period of more than five hours per day without providing the employee with a meal period of not less than 30 minutes, except that if the total work period per day of the employee is no more than six hours, the meal period may be waived by mutual consent of both the employer and employee. An employer may not employ an employee for a work period of more than 10 hours per day without providing the employee with a second meal period of not less than 30 minutes, except that if the total hours worked is no more than 12 hours, the second meal period may be waived by mutual consent of the employer and the employee only if the first meal period was not waived.

In relevant part, section 11 of the Wage Order states:

Meal Periods:

- (A) No employer shall employ any person for a work period of more than five (5) hours without a meal period of not less than 30 minutes, except that when a work period of not more than six (6)

hours will complete the day's work the meal period may be waived by mutual consent of the employer and the employee. Unless the employee is relieved of all duty during a 30 minute meal period, the meal period shall be considered an "on duty" meal period and counted as time worked. . . .

- (B) If an employer fails to provide an employee a meal period in accordance with the applicable provisions of this Order, the employer shall pay the employee one (1) hour of pay at the employee's regular rate of compensation for each workday that the meal period is not provided.

In addition, Labor Code section 226.7 states:

- (b) An employer shall not require an employee to work during a meal or rest or recovery period mandated pursuant to an applicable statute, or applicable regulation, standard, or order of the Industrial Welfare Commission, the Occupational Safety and Health Standards Board, or the Division of Occupational Safety and Health.
- (c) If an employer fails to provide an employee a meal or rest or recovery period in accordance with a state law, including, but not limited to, an applicable statute or applicable regulation, standard, or order of the Industrial Welfare Commission, the Occupational Safety and Health Standards Board, or the Division of Occupational Safety and Health, the employer shall pay the employee one additional hour of pay at the employee's regular rate of compensation for each workday that the meal or rest or recovery period is not provided.

At all relevant times, the Ships Pizza Employers failed to provide Perales and all of the other Aggrieved Employees with all timely meal periods. The Ships Pizza Employers denied Perales and all of the other Aggrieved Employees their 30-minute off-duty meal period within the first five hours of work. The Ships Pizza Employers required Perales and the Aggrieved Employees to prepare pizzas on a strict time schedule and discouraged them from recording all of their hours worked in doing so. Accordingly,

Perales and the Aggrieved Employees prepared pizzas and performed related duties during meal periods off the clock and without pay. Furthermore, the Ships Pizza Employers failed to pay premium wages for days on which they failed to provide Perales and all of the other Aggrieved Employees with timely meal periods. Accordingly, Perales now seeks civil penalties for these Labor Code violations that the Ships Pizza Employers have committed against him and all of the other Aggrieved Employees as follows:

1. \$100 for each aggrieved employee for each initial violation of Labor Code section 226.7, and \$200 for each aggrieved employee for each subsequent violation, per pay period (penalties set by Labor Code section 2699(f)(2));
2. \$50 for each aggrieved employee for each initial violation of Labor Code section 512, and \$100 for each aggrieved employee for each subsequent violation, per pay period in addition to an amount sufficient to recover underpaid wages (penalties set by Labor Code section 558); and
3. \$100 for each aggrieved employee for each initial violation of Labor Code section 1198, and \$200 for each aggrieved employee for each subsequent violation, per pay period (penalties set by Labor Code section 2699(f)(2)).

Failure to Authorize and Permit Rest Periods
(Lab. Code §§ 226.7 & 1198)

Section 2(K) of the Wage Order states,

“Hours worked” means the time during which an employee is subject to the control of an employer, and includes all the time the employee is suffered or permitted to work, whether or not required to do so.

In relevant part, Labor Code section 1198 states,

The employment of any employee . . . under conditions of labor prohibited by the [Wage Order] is unlawful.

Section 12 of the Wage Order provides, in relevant part:

Rest Periods:

- (A) Every employer shall authorize and permit all employees to take rest periods, which insofar as practicable shall be in the middle of each work period. The authorized rest period time shall be based on the total hours worked daily at the rate of ten (10) minutes net rest time per four (4) hours or major fraction thereof. However, a rest period need not be authorized for employees whose total daily work time is less than three and one-half (3 ½) hours. Authorized rest period time shall be counted as hours worked for which there shall be no deduction from wages.
- (B) If an employer fails to provide an employee a rest period in accordance with the applicable provisions of this order, the employer shall pay the employee one (1) hour of pay at the employee's regular rate of compensation for each workday that the rest period is not provided.

In addition, Labor Code section 226.7 states:

- (b) An employer shall not require an employee to work during a meal or rest or recovery period mandated pursuant to an applicable statute, or applicable regulation, standard, or order of the Industrial Welfare Commission, the Occupational Safety and Health Standards Board, or the Division of Occupational Safety and Health.
- (c) If an employer fails to provide an employee a meal or rest or recovery period in accordance with a state law, including, but not limited to, an applicable statute or applicable regulation, standard, or order of the Industrial Welfare Commission, the Occupational Safety and Health Standards Board, or the Division of Occupational Safety and Health, the employer shall pay the employee one additional hour of pay at the employee's regular rate of compensation for each workday that the meal or rest or recovery period is not provided.

The Ships Pizza Employers failed to authorize and permit Perales and all of the other Aggrieved Employees to take ten-minute, paid, duty-free rest breaks every four hours worked or major fraction thereof. The Ships Pizza Employers did not seek an exemption from the rest period protections of the Wage Order from the California Division of Labor Standards Enforcement. The Ships Pizza Employers required Perales and the Aggrieved Employees to prepare pizzas on a strict time schedule and discouraged them from recording all of their hours worked in doing so. Accordingly, Perales and the Aggrieved Employees prepared pizzas and performed related duties during rest periods. Moreover, the Ships Pizza Employers failed to pay Perales and all of the other Aggrieved Employees premium wages on workdays the Ships Pizza Employers failed to provide Perales and all of the other Aggrieved Employees with 10-minute rest periods every four hours worked or major fraction thereof. Accordingly, Perales now seeks civil penalties for these Labor Code violations that the Ships Pizza Employers have committed against him and all of the other Aggrieved Employees as follows:

1. \$100 for each aggrieved employee for each initial violation of Labor Code section 226.7, and \$200 for each aggrieved employee for each subsequent violation, per pay period (penalties set by Labor Code section 2699(f)(2)); and
2. \$100 for each aggrieved employee for each initial violation of Labor Code section 1198, and \$200 for each aggrieved employee for each subsequent violation, per pay period (penalties set by Labor Code section 2699(f)(2)).

Failure to Provide Accurate Wage Statements
(Lab. Code § 226)

Labor Code section 226(a) requires an employer to provide an employee, either semi-monthly or at the time of each wage payment, with an accurate and itemized written wage statement that shows:

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 his or her social security number, except that by January 1, 2008, only the last four digits of his or her social security number or an employee identification number other than a social security number may be shown on the itemized statement;
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.

At all relevant times during the applicable limitations period, the Ships Pizza Employers violated Labor Code section 226 because they did not properly and accurately itemize each Aggrieved Employee's gross wages earned, net wages earned, the total hours worked, the corresponding number of hours worked at each rate by the Aggrieved Employee and other requirements of Labor Code section 226. The Ships Pizza Employers failed to state in the wage statements they issued to Perales and all of the other Aggrieved Employees all their hours worked and wages earned, including, but not limited to, regular and overtime wages for work they performed off-the-clock after clocking-out (as described above). The Ships Pizza Employers knowingly and intentionally failed to state on the wage statements they issued to Perales and all of the other Aggrieved Employees the earned but unpaid wages described above. The wage

statements do not state all minimum wages earned, all regular wages earned, all overtime wages earned, all meal period premium wages earned, all rest break premium wages earned, and other required information.

Accordingly, Perales seeks civil penalties for the Labor Code violations that the Ships Pizza Employers have committed against him and all of the other Aggrieved Employees as follows: \$250 for each aggrieved employee for each initial violation of Labor Code section 226(a), and \$1,000 for each aggrieved employee for each subsequent violation (penalties set by Labor Code section 226.3).

Failure to Timely Pay Wages During Employment
(Lab. Code § 204)

Labor Code section 204 states all wages (other than those mentioned in Labor Code sections 201 and 202) earned by any person in any employment are due and payable twice during each calendar month, on days designated in advance by the employer as the regular paydays. Labor performed between the 1st and 15th days, inclusive, of any calendar month shall be paid for between the 16th and the 26th day of the month during which the labor was performed, and labor performed between the 16th and the last day, inclusive, of any calendar month, shall be paid for between the 1st and 10th day of the following month. In addition, all wages for work performed in excess of the normal work period must be paid by no later than the following regular payday.

The Ships Pizza Employers failed to compensate Perales and all of the other Aggrieved Employees for wages earned, including minimum wages, regular wages, overtime wages, unprovided meal period premium wages, unprovided rest break premium wages, and other compensation, at the intervals stated above. As a result, the Ships Pizza Employers failed to timely pay all earned wages due during employment within the time periods set by Labor Code section 204. Accordingly, Perales now seeks civil penalties for the Labor Code violations that the Ships Pizza Employers have committed against him and all of the other Aggrieved Employees as follows: \$100 for each aggrieved employee for each initial violation of Labor Code section 204, and \$200 for each aggrieved employee for each subsequent violation, plus 25% of the amount unlawfully withheld from each aggrieved employee (penalties set by Labor Code section 210).

Failure to Timely Pay Wages Upon Termination of Employment
(Lab. Code §§ 201, 202, and 203)

Under Labor Code § 2019, if an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately. Under § 202, if an employee not having a written contract for a definite period quits his or her employment, his or her wages shall become due and payable not later than 72 hours thereafter, unless the employee has given 72 hours previous notice of his or her intention to quit, in which case the employee is entitled to his or her wages at the time of quitting. Notwithstanding any other provision of law, an employee who quits without providing a 72-hour notice shall be entitled to receive payment by mail if he or she so requests and designates a mailing address. *Id.* The date of the mailing shall constitute the date of payment for purposes of the requirement to provide payment within 72 hours of the notice of quitting. *Id.*

Under Labor Code § 203, if an employer willfully fails to pay without abatement or reduction, in accordance with §§ 201 and 202, the wages of an employee who is discharged or who quits, the wages of the employee shall continue as a penalty from the due date thereof at the same rate until paid or until an action therefor is commenced; but the wages shall not continue for more than 30 days.

The Ships Pizza Employers failed to pay Perales and all of the other Aggrieved Employees whose employment ended all of the earned but unpaid wages described above by the conclusion of their employment with Perales, including minimum wages, regular wages, overtime wages, unprovided meal period premium wages, unprovided rest break premium wages, and other compensation. By failing to pay Perales and all of the other Aggrieved Employees as set forth above at the end of employment, the Ships Pizza Employers are liable for violations of Labor Code §§ 201, 202, and 203. Accordingly, on behalf of himself and all of the other Aggrieved Employees, Perales seeks civil penalties from the Ships Pizza Employers as follows:

1. For violations of Labor Code § 201, \$100 per aggrieved employee for each of the pay periods in which initial violations of § 201 occurred, and \$200 per aggrieved employee per pay period in which subsequent violations of § 201 occurred (penalties set by Labor Code § 2699(f)(2));

2. For violations of Labor Code § 202, \$100 per aggrieved employee for each of the pay periods in which initial violations of § 202 occurred, and \$200 per aggrieved employee per pay period in which subsequent violations of § 202 occurred (penalties set by Labor Code § 2699(f)(2)); and
3. For violations of Labor Code § 203, \$100 per aggrieved employee for each of the pay periods in which initial violations of § 203 occurred, and \$200 for per aggrieved employee per pay period in which subsequent violations of § 203 occurred (penalties set by Labor Code § 2699(f)(2)).

Failure to Maintain Accurate Employment Records
(Lab. Code §§ 1174 & 1198)

Labor Code section 1174, which also pertains to recordkeeping, states:

Every person employing labor in this state shall:

...

- (c) Keep a record showing the names and addresses of all employees employed and the ages of all minors.
- (d) Keep, at a central location in the state or at the plants or establishments at which employees are employed, payroll records showing the hours worked daily by and the wages paid to, and the number of piece-rate units earned by and any applicable piece rate paid to, employees employed at the respective plants or establishments. These records shall be kept in accordance with rules established for this purpose by the commission, but in any case shall be kept on file for not less than three years. An employer shall not prohibit an employee from maintaining a personal record of hours worked, or, if paid on a piece-rate basis, piece-rate units earned.

Labor Code section 1174.5 states:

Any person employing labor who willfully fails to maintain the records required by subdivision (c) of Section 1174 or accurate and complete records required by subdivision (d) of Section 1174, or to allow any member of the commission or employees of the division to inspect records pursuant to subdivision (b) of Section 1174, shall be subject to a civil penalty of five hundred dollars (\$500).

Section 7 of Wage Order states,

(A) Every employer shall keep accurate information with respect to each employee including the following:

- (1) Full name, home address, occupation and social security number.
- (2) Birth date, if under 18 years, and designation as a minor.
- (3) Time records showing when the employee begins and ends each work period. Meal periods, split shift intervals and total daily hours worked shall also be recorded. Meal periods during which operations cease and authorized rest periods need not be recorded.
- (4) Total wages paid each payroll period, including value of board, lodging, or other compensation actually furnished to the Employee.
- (5) Total hours worked in the payroll period and applicable rates of pay. This information shall be made readily available to the employee upon reasonable request.
- (6) When a piece rate or incentive plan is in operation, piece rates or an explanation of the incentive plan formula shall be provided to employees. An accurate production record shall be maintained by the employer.

LWDA / The Ships Pizza Employers

Re: Juan Perales

September 19, 2022

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Labor Code section 1198 prohibits employers from employing their employees under conditions prohibited by the Wage Order.

The Ships Pizza Employers failed to compensate Perales and all of the other Aggrieved Employees for all hours worked at the correct rates of pay, including all minimum wages earned, all regular wages earned, all overtime wages earned, all meal period premium wages earned, all rest break premium wages earned, and related information. As a result, the Ships Pizza Employers have failed to accurately maintain all records required by section 1174 and the Wage Order, including but not limited to Perales and all of the other Aggrieved Employees' total hours worked, total wages paid, and applicable hourly rates during each payroll period. Accordingly, Perales seeks civil penalties on behalf of himself and all of the other Aggrieved Employees as follows:

1. \$500 for each aggrieved employee for each violation of Labor Code section 1174 (penalties set by Labor Code section 1174.5); and
2. \$100 for each aggrieved employee for each initial violation of Labor Code section 1198, and \$200 for each Aggrieved Employee for each subsequent violation, per pay period (penalties set by Labor Code section 2699(f)(2)).

Conclusion

As noted above, this letter constitutes the required notice under the Labor Code Private Attorneys General Act of 2004. Please be advised that Juan Perales will seek both reasonable attorneys' fees and costs under Labor Code section 2699(g)(1) in a civil action should the LWDA decline to pursue this matter. This letter also serves as a formal notice under the catalyst theory and Code of Civil Procedure section 1021.5 to resolve this matter before litigation.

Sincerely,



David Spivak, Esq.

David@spivaklaw.com

cc: Mr. Juan Perales

Mr. Walter L. Haines Esq.

LWDA / The Ships Pizza Employers

Re: Juan Perales

September 19, 2022

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Ships Pizza, Inc
c/o Agent for service of process
Mr. Greg Degrandis
Chief Executive Officer, Ships Pizza, Inc.
2930 Geer Rd
Ste 174
Turlock, CA 95382

EXHIBIT 4

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6 Facsimile: (213) 634-2485

7 Attorneys for Plaintiff(s),
8 JUAN PERALES, and all others similarly situated
9 (Additional attorneys for Plaintiff(s) on next page)

10 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
11 **FOR THE COUNTY OF STANISLAUS**
(UNLIMITED JURISDICTION)

12 JUAN PERALES, on behalf of himself and all
13 others similarly situated, and the general public,
14 and as an "Aggrieved Employee" on behalf of
15 other "Aggrieved Employees" under the Private
Attorneys General Act of 2004,

16 Plaintiff(s),

17 vs.

18
19 SHIPS PIZZA, INC, a California corporation;
20 CENTRAL VALLEY PIZZA LLC, a California
21 limited liability company; TEAM CENTRAL
22 VALLEY, INC, a California corporation; GREG
DEGRANDIS, an individual; and DOES 1-50,
inclusive,

23 Defendant(s).

Electronically Filed
2/22/2023
Superior Court of California
County of Stanislaus
Clerk of the Court
By: James Xiong, Deputy

Case No.: CV-22-004216

CLASS ACTION

**~~PROPOSED~~ SECOND AMENDED
COMPLAINT FOR:**

1. Failure to Pay All Wages Earned for All Hours Worked and Other Compensable Hours at the Correct Rates of Pay (Lab. Code §§510, 558.1, 1194, 1197, and 1198);
2. Failure to Provide Meal Periods (Lab. Code §§ 226.7, 512, 558.1, and 1198);
3. Failure to Provide Rest Breaks (Lab. Code §§ 226.7, 558.1, and 1198);
4. Wage Statement Penalties (Lab. Code §§ 226 and 558.1);
5. Waiting Time Penalties (Lab. Code §§201, 202, 203, 558.1);
6. Unfair Competition (Bus. & Prof. Code §§ 17200, et seq.; and
7. Civil Penalties (Lab Code §§2698, et seq.)

JURY TRIAL DEMANDED



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1 Plaintiff, Juan Perales (hereafter “Plaintiff” or “Perales”), on behalf of himself and all
2 others similarly situated, complains and alleges as follows:

3 **I. INTRODUCTION**

4 1. Plaintiff brings this class and representative action for alleged violations of the
5 California Labor Code, Industrial Welfare Commission Order No. 5-2001 (hereafter “the Wage
6 Order”), and the California Business and Professions Code against Defendants SHIPS PIZZA,
7 INC, a California corporation, CENTRAL VALLEY PIZZA LLC, a California limited liability
8 company, TEAM CENTRAL VALLEY, INC, a California corporation, GREG DEGRANDIS,
an individual, and Does 1 through 50, inclusive (collectively “Defendants”).

9 2. As set forth in more detail below, Plaintiff alleges that Defendants are liable to
10 him and other similarly situated workers for unpaid wages, statutory penalties, interest, and
11 related relief. These claims are based on Defendants’ failures to:

12 (A) Pay all wages, including minimum, regular, and overtime wages, earned
13 for all hours worked at the correct rates of pay;

14 (B) Provide all meal periods;

15 (C) Authorize and permit all rest breaks;

16 (D) Pay premium wages for unprovided meal periods;

17 (E) Pay premium wages for unprovided rest breaks;

18 (F) Issue only accurate and complete itemized wage statements; and

19 (G) Timely pay wages upon termination of employment

20 Accordingly, Plaintiff now seeks to recover unpaid wages, interest, liquidated damages,
21 restitution, statutory penalties, attorneys’ fees, costs, and related relief through this class action.

22 **II. THE PARTIES**

23 3. Plaintiff Juan Perales is a resident of California. At all relevant times, Plaintiff was
24 an “employee” within the meaning of Title 8 California Code of Regulations Section 11050, and
an “aggrieved employee” within the meaning of California Labor Code § 2699(c).

25 4. Defendant SHIPS PIZZA, INC is a corporation organized and existing under the
laws of California and also a citizen of California based on Plaintiff’s information and belief.

26 5. Defendant CENTRAL VALLEY PIZZA LLC is a limited liability company
27 organized and existing under the laws of California and also a citizen of California based on
28 Plaintiff’s information and belief.



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1 6. Defendant TEAM CENTRAL VALLEY, INC is a corporation organized and
2 existing under the laws of California and also a citizen of California based on Plaintiff's
3 information and belief.

4 7. Defendant GREG DEGRANDIS is an individual and also a resident and citizen of
5 California based on Plaintiff's information and belief.

6 8. Plaintiff is ignorant of the true names, capacities, relationships, and extents of
7 participation in the conduct alleged herein of the Defendants sued as DOES 1-50, inclusive, but
8 is informed and believes and thereon alleges that said Defendants are legally responsible for the
9 wrongful conduct alleged herein and therefore sues these Defendants by such fictitious names.
10 Plaintiff will amend the Complaint to allege the true names and capacities of the DOE Defendants
11 when ascertained.

12 9. Plaintiff is informed and believes and thereon alleges that, at all relevant times
13 herein, all Defendants were the agents, employees and/or servants, masters or employers of the
14 remaining defendants, and in doing the things hereinafter alleged, were acting or failing to act
15 within the course and scope of such agency, employment, direction and control, and with the
16 approval and ratification of each of the other Defendants.

17 10. At all relevant times, in perpetrating the acts and omissions alleged herein,
18 Defendants, and each of them, acted pursuant to and in furtherance of a policy, practice, or a lack
19 of a practice which resulted in Defendants not compensating Plaintiff and the other Class
20 Members or otherwise complying with their rights in accordance with applicable California labor
21 laws as alleged herein.

22 11. At all relevant times, in perpetrating the acts and omissions alleged herein,
23 Defendants and each of them acted pursuant to and in furtherance of a policy and/or practice, or
24 lack thereof, which resulted in Defendants not paying Plaintiff and other members of the below-
25 described class in accordance with applicable laws as alleged herein.

26 **III. CLASS ALLEGATIONS**

27 12. This action has been brought and may be maintained as a class action pursuant to
28 California Code of Civil Procedure section 382 because there is a well-defined community of
interest among the persons who comprise the readily ascertainable class defined below and
because Plaintiff is unaware of any difficulties likely to be encountered in managing this case as
a class action.



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1 13. **Class Definition:** The Class is defined as follows: All persons Defendants
2 employed in California as hourly and nonexempt, individuals performing work comparable to the
3 aforementioned, compensated comparably to the aforementioned, and individuals in similar
4 positions, at any time during the period beginning four years prior to the filing of this action and
5 ending on the date that final judgment is entered in this action (“Class” or “Class Members”).

6 14. **Reservation of Rights:** Pursuant to Rule of Court 3.765(b), Plaintiff reserves the
7 right to amend or modify the class definition with greater specificity, by further division into
8 subclasses and/or by limitation to particular issues.

9 15. **Numerosity:** The Class Members are so numerous that the individual joinder of
10 each individual Class Member is impractical. While Plaintiff does not currently know the exact
11 number of Class Members, Plaintiff is informed and believes that the actual number exceeds the
12 minimum required for numerosity under California laws.

13 16. **Commonality and Predominance:** Common questions of law and fact exist as to
14 all Class Members and predominate over any questions which affect only individual Class
15 Members. These questions include, but are not limited to:

16 A. Whether Defendants failed to pay all wages earned to Class Members for
17 all hours worked at the correct rates of pay, including minimum, regular, overtime, meal period
18 premium, and rest period premium wages;

19 B. Whether Defendants failed to provide the Class Members with all meal
20 periods in compliance with California law;

21 C. Whether Defendants failed to authorize and permit the Class Members to
22 take all rest periods in compliance with California law;

23 D. Whether Defendants knowingly and intentionally failed to provide the
24 class with accurate and complete itemized wage statements;

25 E. Whether Defendants willfully failed to provide the class with timely final
26 wages;

27 F. Whether Defendants engaged in unfair competition within the meaning of
28 Business and Professions Code sections 17200, et seq., with respect to the Class; and

 G. Whether Class Members are entitled to restitution of money or property
that Defendants may have acquired from them through alleged Labor Code violations.

 17. **Typicality:** Plaintiff’s claims are typical of the other Class Members’ claims.



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1 Plaintiff is informed and believes and thereon alleges that Defendants have a policy and/or
2 practice, or lack thereof, which resulted in Defendants failing to comply with the California Labor
3 Code, the Wage Order, and the Business and Professions Code.

4 18. **Adequacy of Class Representative:** Plaintiff is an adequate class representative
5 in that he has no interests that are adverse to, or otherwise in conflict with, the interests of absent
6 Class Members. Plaintiff is dedicated to vigorously prosecuting this action on behalf of Class
7 Members. Plaintiff will fairly and adequately represent and protect the interests of Class
8 Members.

9 19. **Adequacy of Class Counsel:** Plaintiff's counsel are adequate class counsel in that
10 they have no known conflicts of interest with Plaintiff or absent Class Members, are experienced
11 in class action litigation, and are dedicated to vigorously prosecuting this action on behalf of
12 Plaintiff and absent Class Members.

13 20. **Superiority:** A class action is vastly superior to other available means for fair and
14 efficient adjudication of Class Members' claims and would be beneficial to the parties and the
15 Court. Class action treatment will allow a number of similarly situated persons to simultaneously
16 and efficiently prosecute their common claims in a single forum without the unnecessary
17 duplication of effort and expense that numerous individual actions would entail. In addition, the
18 monetary amounts due to many individual Class Members are likely to be relatively small and
19 would thus make it difficult, if not impossible, for individual Class Members to both seek and
20 obtain relief. Moreover, a class action will serve an important public interest by permitting Class
21 Members to effectively pursue the recovery of monies owed to them. Further, a class action will
22 prevent the potential for inconsistent or contradictory judgments inherent in individual litigation.

23 **IV. STATEMENT OF FACTS**

24 21. The Wage Order applies to "all persons employed in the public housekeeping
25 industry whether paid on a time, piece rate, commission, or other basis." Wage Order, § 1. The
26 Wage Order defines "Public Housekeeping Industry" to mean

27 any industry, business, or establishment which provides meals, housing, or
28 maintenance services whether operated as a primary business or when incidental
to other operations in an establishment not covered by an industry order of the
Commission, and includes, but is not limited to the following:

(1) Restaurants, night clubs, taverns, bars, cocktail lounges, lunch counters,



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cafeterias, boarding houses, clubs, and all similar establishments where food in either sold or liquid form is prepared and served to be consumed on the premises;

(2) Catering, banquet, box lunch service, and similar establishments which prepare food for consumption on or off the premises;

(3) Hotels, motels, apartment houses, rooming houses, camps, clubs, trailer parks, office or loft buildings, and similar establishments offering rental of living, business, or commercial quarters;

(4) Hospitals, sanitariums, rest homes, child nurseries, child care institutions, homes for the aged, and similar establishments offering board or lodging in addition to medical, surgical, nursing, convalescent, aged, or child care;

(5) Private schools, colleges, or universities, and similar establishments which provide board or lodging in addition to educational facilities;

(6) Establishments contracting for development, maintenance or cleaning of grounds; maintenance or cleaning of facilities and/or quarters of commercial units and living units; and

(7) Establishments providing veterinary or other animal care services.

Wage Order, § 2(P). At all relevant times during the applicable limitations period, the Defendants, Perales, and all of the Class Members were covered by the Wage Order because the Defendants operated, and Perales, and all of the Class Members, worked for one or more restaurants. Accordingly, Perales and all of the other Class Members are entitled to the protections the Wage Order provides.

22. In 2020, the Defendants began to employ Perales in Turlock and Chowchilla. During his employment, Defendants employed Plaintiff in the position of hourly, nonexempt assistant manager. The Defendants continuously employed him in that capacity until on or about June 24, 2022 when his employment ended.

23. At all relevant times, the Defendants issued wages to Perales and all of the other Class Members on a biweekly (26 paychecks/year) basis and paid them by the hour. At all relevant times, the Defendants classified Perales and all of the other Class Members as non-exempt employees entitled to the protections of the Labor Code and the Wage Order.

24. At all relevant times, the Defendants failed to compensate Perales and all of the other Class Members for all hours worked at the applicable minimum or regular rates of pay. The



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1 Defendants required Perales and the Class Members to prepare pizzas on a strict time schedule
2 and discouraged them from recording all of their hours worked in doing so. Accordingly, Perales
3 and the Class Members prepared pizzas and performed related duties off the clock, during meal
4 periods, and outside of their scheduled work shifts without pay.

5 25. At all relevant times, the Defendants failed to compensate Perales and all of the
6 other Class Members at the correct rates of pay for all hours worked over eight in a day, over 40
7 in a week, and for the first eight hours of the seventh day of the workweek. Additionally, The
8 Defendants required Perales and the Class Members to perform the aforementioned activities in
9 excess of eight hours per day and in excess of 40 hours per week but discouraged them from
10 recording overtime hours. As a result, The Defendants required Perales and the Class Members
11 to work overtime hours without paying them overtime premium wages for such work.

12 26. At all relevant times, the Defendants failed to provide Perales and all of the other
13 Class Members with all timely 30-minute, off-duty meal periods. The Defendants required Perales
14 and the Class Members to prepare pizzas on a strict time schedule and discouraged them from
15 recording all of their hours worked in doing so. Accordingly, Perales and the Class Members
16 prepared pizzas and performed related duties during meal periods off the clock and without pay.
17 The Defendants also failed to pay premium wages for days on which they failed to provide Perales
18 and all of the other Class Members with meal periods as required by law.

19 27. At all relevant times, the Defendants failed to authorize and permit Perales and all
20 of the other Class Members to take ten-minute, off-duty, paid rest breaks every four hours worked
21 or major portion thereof. The Defendants required Perales and the Class Members to prepare
22 pizzas on a strict time schedule and discouraged them from recording all of their hours worked in
23 doing so. Accordingly, Perales and the Class Members prepared pizzas and performed related
24 duties during rest periods. The Defendants also failed to pay premium wages for days on which
25 they failed to authorize and permit Perales and all of the other Class Members to take rest breaks
26 as required by law.

27 28. At all relevant times, the Defendants failed to issue to Perales and all of the other
28 Class Members complete and accurate wage statements that state all hours worked at the correct
rates of pay, and all wages earned. The Defendants knowingly and intentionally failed to state on
the wage statements they issued to Perales and all of the other Class Members the unpaid wages
discussed above. The wage statements fail to state all minimum wages earned, all regular wages



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1 earned, all overtime wages earned, all meal period premium wages earned, all rest break premium
2 wages earned, and related information.

3 29. At all relevant times, the Defendants also failed to timely pay Perales and all of
4 the other Class Members all earned wages as described above during and at the conclusion of
5 employment.

6 30. At all relevant times, the Defendants failed to maintain accurate employee records
7 of Perales and all of the other Class Members.

8 31. For the reasons stated herein, Plaintiff alleges that as a result of Defendants'
9 unlawful practices and policies, Plaintiff and the Class Members were:

- 10 A. Not provided with all off duty meal periods;
11 B. Not authorized and permitted to take all rest break periods;
12 C. Not paid one hour's pay for each workday in which Defendants failed to
13 authorize and permit them to take one or more timely rest periods;
14 D. Not paid one hour's pay for each workday in which Defendants failed to
15 provide them with one or more timely meal periods;
16 E. Not paid all wages earned, including, but not limited to, minimum, regular,
17 overtime, and doubletime wages for work performed while clocked out;
18 F. Not provided with accurate and complete wage statements; and
19 G. Not timely paid all earned and unpaid wages at the time their employment
20 ended.

21 **FIRST CAUSE OF ACTION**

22 **FAILURE TO PAY OR WITHHOLDING ALL WAGES AT THE CORRECT RATES**

23 **Lab. Code §§ 510, 1194, 1197, and 1198**

24 **(By Plaintiff, on behalf of himself and the Class, against all Defendants)**

25 32. Plaintiff incorporates all paragraphs of this Complaint as if fully alleged herein.

26 33. At all relevant times, Plaintiff and the Class Members have been non-exempt
27 employees entitled to the protections of both the Labor Code and the Wage Order.

28 **A. FAILURE TO PAY ALL WAGES EARNED FOR ALL HOURS WORKED AT THE CORRECT RATES OF PAY**

34. Section 2 of the Wage Order defines "hours worked" as "the time during which an
employee is subject to the control of an employer, and includes all the time the employee is



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suffered or permitted to work, whether or not required to do so.”

35. Section 3 of the Wage Order states:

(A) Daily Overtime - General Provisions

(1) The following overtime provisions are applicable to employees 18 years of age or over and to employees 16 or 17 years of age who are not required by law to attend school and are not otherwise prohibited by law from engaging in the subject work. Such employees shall not be employed more than eight (8) hours in any workday or more than 40 hours in any workweek unless the employee receives one and one-half (1 ½) times such employee’s regular rate of pay for all hours worked over 40 hours in the workweek. Eight (8) hours of labor constitutes a day’s work. Employment beyond eight (8) hours in any workday or more than six (6) days in any workweek is permissible provided the employee is compensated for such overtime at not less than:

(a) One and one-half (1 ½) times the employee’s regular rate of pay for all hours worked in excess of eight (8) hours up to and including 12 hours in any workday, and for the first eight (8) hours worked on the seventh (7th) consecutive day of work in a workweek.

(b) Double the employee’s regular rate of pay for all hours worked in excess of 12 hours in any workday and for all hours worked in excess of eight (8) hours on the seventh (7th) consecutive day of work in a workweek.

(c) The overtime rate of compensation required to be paid to a nonexempt full-time salaried employee shall be computed by using the employee’s regular hourly salary as one-fortieth (1/40) of the employee’s weekly salary.

36. Section 4 of the Wage Order requires an employer to pay non-exempt employees at least the minimum wage set forth therein for all hours worked, which consists of all hours that an employer has actual or constructive knowledge that employees are working.

37. Labor Code section 510 states:



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Eight hours of labor constitutes a day's work. Any work in excess of eight hours in one workday and any work in excess of 40 hours in any one workweek and the first eight hours worked on the seventh day of work in any one workweek shall be compensated at the rate of no less than one and one-half times the regular rate of pay for an employee. Any work in excess of 12 hours in one day shall be compensated at the rate of no less than twice the regular rate of pay for an employee. In addition, any work in excess of eight hours on any seventh day of a workweek shall be compensated at the rate of no less than twice the regular rate of pay of an employee. Nothing in this section requires an employer to combine more than one rate of overtime compensation in order to calculate the amount to be paid to an employee for any hour of overtime work.

38. Labor Code section 1194 invalidates any agreement between an employer and an employee to work for less than the minimum wage required under the applicable Wage Order.

39. Labor Code section 1197 makes it unlawful for an employer to pay an employee less than the minimum wage required under the applicable Wage Order for all hours worked during a payroll period.

40. Labor Code section 1198 makes it unlawful for an employer to employ an employee under conditions that violate the Wage Order.

41. In conjunction, these provisions of the Labor Code require employers to pay non-exempt employees no less than their agreed-upon or statutorily mandated wage rates for all hours worked, including unrecorded hours when the employer knew or reasonably should have known that employees were working during those hours. (See *Morillion v. Royal Packing Co.* (2000) 22 Cal.4th 575, 585.)

42. At all relevant times during the applicable limitations period, Defendants failed to compensate Plaintiff and the Class Members for all hours worked, including, but not limited to minimum, regular, overtime and doubletime wages for all minimum, regular, overtime and doubletime hours, respectively, that they worked at the correct rates of pay.

43. Plaintiff is informed and believes and thereon alleges that, at all relevant times, Defendants maintained a policy and/or practice, or lack thereof, which resulted in Defendants' failure to compensate Plaintiff and the other Class Members for all hours worked at the correct rates of pay as required by California law.

B. PERSON ACTING ON BEHALF OF EMPLOYERS WHO VIOLATES THE LABOR CODE



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1 44. In relevant part, Labor Code section 558.1 states:

2 (a) Any employer or other person acting on behalf of an employer,
3 who violates, or causes to be violated, any provision regulating
4 minimum wages or hours and days of work in any order of the
5 Industrial Welfare Commission, or violates, or causes to be
6 violated, Sections 203, 226, 226.7, 1193.6, 1194, or 2802, may be
7 held liable as the employer for such violation.

8 (b) For purposes of this section, the term “other person acting on
9 behalf of an employer” is limited to a natural person who is an
owner, director, officer, or managing agent of the employer, and
the term “managing agent” has the same meaning as in subdivision
(b) of Section 3294 of the Civil Code.

10 At all relevant times, Greg DeGrandis was an employer of Perales and all of the other Class
11 Members, and/or “owner,” “managing agent,” and/or “officer” of the Defendants and the other
12 employers identified above. Greg DeGrandis directly or indirectly, or through an agent or other
13 person, employed and exercised control over the wages, hours, and/or working conditions of the
14 Class Members, and caused the violations to the Labor Code and the Wage Order described above.
15 On behalf of himself and all of the other Class Members, Perales seeks an award of unpaid wages,
16 interest, restitution, statutory penalties, liquidated damages, attorneys’ fees, costs, and related
17 relief against Greg DeGrandis that is the same as the award against the other Defendants on the
18 same grounds for which Plaintiff seeks the award against the other Defendants.

19 **SECOND CAUSE OF ACTION**

20 **FAILURE TO PROVIDE MEAL PERIODS**

21 **Lab. Code §§ 226.7 and 512**

22 **(By Plaintiff, on behalf of himself and the Class, against all Defendants)**

23 45. Plaintiff incorporates all paragraphs of this complaint as if fully alleged herein.

24 46. At all relevant times during the applicable limitations period, Plaintiff and the
25 Class Members have been employees of Defendants and entitled to the benefits and protections
26 of California Labor Code §§ 226.7, 512 and 1198, and the Wage Order.

27 47. In relevant part, California Labor Code § 1198 states:

28 The maximum hours of work and the standard conditions of labor fixed by the
commission shall be the maximum hours of work and the standard conditions of
labor for employees. The employment of any employee for longer hours than those



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fixed by the order or under conditions of labor prohibited by the order is unlawful.

48. In relevant part, In relevant part, California Labor Code § 512 states:

An employer shall not employ an employee for a work period of more than five hours per day without providing the employee with a meal period of not less than 30 minutes, except that if the total work period per day of the employee is no more than six hours, the meal period may be waived by mutual consent of both the employer and employee.

An employer shall not employ an employee for a work period of more than 10 hours per day without providing the employee with a second meal period of not less than 30 minutes, except that if the total hours worked is no more than 12 hours, the second meal period may be waived by mutual consent of the employer and the employee only if the first meal period was not waived.

49. In relevant part, Section 11 of the Wage Order states:

Meal Periods

(A) No employer shall employ any person for a work period of more than five (5) hours without a meal period of not less than 30 minutes, except that when a work period of not more than six (6) hours will complete the day's work the meal period may be waived by mutual consent of the employee and the employee. Unless the employee is relieved of all duty during a 30 minute meal period, the meal period shall be considered an 'on duty' meal period and counted as time worked. An 'on duty' meal period shall be permitted only when the nature of the work prevents an employee from being relieved of all duty and when by written agreement between the parties an on-the-job paid meal period is agreed to. The written agreement shall state that the employee may, in writing, revoke the agreement at any time.

(B) If an employer fails to provide an employee a meal period in accordance with the applicable provisions of this Order, the employer shall pay the employee one (1) hour of pay at the employee's regular rate of compensation for each work day that the meal period is not provided.

50. In relevant part, California Labor Code § 226.7 states:



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(b) An employer shall not require an employee to work during a meal or rest period mandated pursuant to an applicable statute, or applicable regulation, standard, or order of the Industrial Welfare Commission, the Occupational Safety and Health Standards Board, or the Division of Occupational Safety and Health.

(c) If an employer fails to provide an employee a meal period or rest period in accordance with a state law, including, but not limited to, an applicable statute or applicable regulation, standard, or order of the Industrial Welfare Commission, the Occupational Safety and Health Standards Board, or the Division of Occupational Safety and Health, the employer shall pay the employee one additional hour of pay at the employee's regular rate of compensation for each work day that the meal or rest period is not provided.

51. Pursuant to California Labor Code § 512 and the Wage Order, Plaintiff and the Class Members were entitled to uninterrupted meal periods of at least 30 minutes for each day they worked five or more hours. Pursuant to California Labor Code § 512, they were also entitled to a second 30-minute meal period when they worked more than 10 hours in a workday. Defendants intentionally failed to provide Plaintiff and the Class Members with all required 30-minute duty free meal periods in accordance with the Wage Order. The Defendants required Perales and the Class Members to prepare pizzas on a strict time schedule and discouraged them from recording all of their hours worked in doing so. Accordingly, Perales and the Class Members prepared pizzas and performed related duties during meal periods off the clock and without pay.

52. At all relevant times, Defendants failed to provide Plaintiff and the Class Members with all timely rest and meal periods. Defendants denied Plaintiff and the other Class Members their 30-minute off-duty meal period within the first five hours of work. Furthermore, Defendants failed to pay premium wages for days on which they failed to provide Plaintiff and the other Class Members with timely meal periods.

53. Plaintiff is informed and believes and thereon alleges that, at all relevant times within the applicable limitations period, Defendants had a policy, practice, or a lack of a policy which resulted in Defendants not providing the and the Class Members with all off-duty meal



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periods required by California law.

54. As a result of Defendants' unlawful conduct, Plaintiff and the Class Members have suffered damages in amounts subject to proof to the extent they were not paid additional wages owed for all meal periods not provided to them.

55. By reason of the above, Plaintiff and the Class Members are entitled to premium wages for workdays in which one or more meal periods were not provided to them pursuant to California Labor Code § 226.7.

A. PERSON ACTING ON BEHALF OF EMPLOYERS WHO VIOLATES THE LABOR CODE

56. In relevant part, Labor Code section 558.1 states:

(c) Any employer or other person acting on behalf of an employer, who violates, or causes to be violated, any provision regulating minimum wages or hours and days of work in any order of the Industrial Welfare Commission, or violates, or causes to be violated, Sections 203, 226, 226.7, 1193.6, 1194, or 2802, may be held liable as the employer for such violation.

(d) For purposes of this section, the term "other person acting on behalf of an employer" is limited to a natural person who is an owner, director, officer, or managing agent of the employer, and the term "managing agent" has the same meaning as in subdivision (b) of Section 3294 of the Civil Code.

At all relevant times, Greg DeGrandis was an employer of Perales and all of the other Class Members, and/or "owner," "managing agent," and/or "officer" of the Defendants and the other employers identified above. Greg DeGrandis directly or indirectly, or through an agent or other person, employed and exercised control over the wages, hours, and/or working conditions of the Class Members, and caused the violations to the Labor Code and the Wage Order described above. On behalf of himself and all of the other Class Members, Perales seeks an award of unpaid wages, premium wages, interest, restitution, statutory penalties, liquidated damages, attorneys' fees, costs, and related relief against Greg DeGrandis that is the same as the award against the other Defendants on the same grounds for which Plaintiff seeks the award against the other Defendants.

THIRD CAUSE OF ACTION

FAILURE TO AUTHORIZE AND PERMIT REST BREAKS

Lab. Code § 226.7



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(By Plaintiff, on behalf of himself and the Class, against all Defendants)

57. Plaintiff incorporates all paragraphs of this complaint as if fully alleged herein.

58. At all relevant times during the applicable limitations period, Plaintiff and the Class Members have been employees of Defendants and entitled to the benefits and protections of California Labor Code §§ 226.7 and 1198, and the Wage Order.

59. In relevant part, California Labor Code § 1198 states:

The maximum hours of work and the standard conditions of labor fixed by the commission shall be the maximum hours of work and the standard conditions of labor for employees. The employment of any employee for longer hours than those fixed by the order or under conditions of labor prohibited by the order is unlawful.

60. In relevant part, Section 12 of the Wage Order states:

Rest Periods

(A) Every employer shall authorize and permit all employees to take rest periods, which insofar as practicable shall be in the middle of each work period. The authorized rest period time shall be based on the total hours worked daily at the rate of ten (10) minutes net rest time per four (4) hours or major fraction thereof. However, a rest period need not be authorized for employees whose total daily work time is less than three and one-half (3 1/2) hours. Authorized rest period time shall be counted as hours worked for which there shall be no deduction from wages.

(B) If an employer fails to provide an employee a rest period in accordance with the applicable provisions of this Order, the employer shall pay the employee one (1) hour of pay at the employee's regular rate of compensation for each work day that the rest period is not provided.

61. In relevant part, California Labor Code § 226.7 states:

(b) An employer shall not require an employee to work during a meal or rest period mandated pursuant to an applicable statute, or applicable regulation, standard, or order of the Industrial Welfare Commission, the Occupational Safety and Health Standards Board, or the Division of Occupational Safety and Health.



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1 (c) If an employer fails to provide an employee a meal period
2 or rest period in accordance with a state law, including, but
3 not limited to, an applicable statute or applicable
4 regulation, standard, or order of the Industrial Welfare
5 Commission, the Occupational Safety and Health
6 Standards Board, or the Division of Occupational Safety
7 and Health, the employer shall pay the employee one
8 additional hour of pay at the employee's regular rate of
9 compensation for each work day that the meal or rest
10 period is not provided.

11 62. Pursuant to the Wage Order, Plaintiff and the Class Members were entitled to be
12 authorized and permitted to take net rest breaks of at least ten minutes for each four-hour period
13 of work, or major fraction thereof.

14 63. Defendants intentionally failed to authorize and permit Plaintiff and the Class
15 Members to take all 10-minute rest periods free from any work duties in accordance with the
16 Wage Order.

17 64. At all relevant times, Defendants failed to authorize and permit Plaintiff and the
18 Class Members to take all timely rest periods. Furthermore, Defendants failed to pay premium
19 wages to Plaintiff and the Class Members for days on which they failed to authorize and permit
20 Plaintiff and the other Class Members to take timely rest periods.

21 65. At all relevant times, Defendants failed to authorize and permit Plaintiff and the
22 Class Members to take ten-minute, paid, duty-free rest breaks every four hours worked or major
23 fraction thereof. Defendants did not seek an exemption from the rest period protections of the
24 Wage Order from the California Division of Labor Standards Enforcement. Moreover,
25 Defendants failed to pay Plaintiff and the Class Members premium wages on workdays they failed
26 to authorize and permit them to take 10-minute rest periods every four hours worked or major
27 fraction thereof.

28 66. Plaintiff is informed and believes and thereon alleges that, at all relevant times
within the applicable limitations period, Defendants had a policy, practice, or a lack of a policy
which resulted in Defendants not authorizing and permitting Plaintiff and the Class Members to
take all rest breaks required by California law.

67. Defendants failed to provide Plaintiff with all required rest breaks in accordance
with the Wage Order. Plaintiff is informed and believes and thereon alleges that, at relevant times
within the applicable limitations period, Defendants had a policy, practice, or a lack of a policy



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1 which resulted in Defendants not providing the Class Members with all rest breaks required by
2 California law.

3 68. Defendants failed to pay Plaintiff the additional wages required by California
4 Labor Code § 226.7 for all rest breaks not provided to him. Plaintiff is informed and believes and
5 thereon alleges that, at relevant times within the applicable limitations period, Defendants have
6 maintained a policy, practice, or a lack of a policy which resulted in Defendants not providing the
7 Class Members with additional wages for all rest breaks not provided to them as required by
8 California Labor Code § 226.7.

9 69. As a result of Defendants' unlawful conduct, Plaintiff and the Class Members have
10 suffered damages in amounts subject to proof to the extent they were not paid additional wages
11 owed for all rest breaks not provided to them.

12 70. By reason of the above, Plaintiff and the Class Members are entitled to premium
13 wages for workdays in which one or more rest breaks were not provided to them pursuant to
14 California Labor Code § 226.7.

15 **A. PERSON ACTING ON BEHALF OF EMPLOYERS WHO VIOLATES THE**
16 **LABOR CODE**

17 71. In relevant part, Labor Code section 558.1 states:

18 (e) Any employer or other person acting on behalf of an employer,
19 who violates, or causes to be violated, any provision regulating
20 minimum wages or hours and days of work in any order of the
21 Industrial Welfare Commission, or violates, or causes to be
22 violated, Sections 203, 226, 226.7, 1193.6, 1194, or 2802, may be
23 held liable as the employer for such violation.

24 (f) For purposes of this section, the term "other person acting on
25 behalf of an employer" is limited to a natural person who is an
26 owner, director, officer, or managing agent of the employer, and
27 the term "managing agent" has the same meaning as in subdivision
28 (b) of Section 3294 of the Civil Code.

At all relevant times, Greg DeGrandis was an employer of Perales and all of the other Class
Members, and/or "owner," "managing agent," and/or "officer" of the Defendants and the other
employers identified above. Greg DeGrandis directly or indirectly, or through an agent or other
person, employed and exercised control over the wages, hours, and/or working conditions of the
Class Members, and caused the violations to the Labor Code and the Wage Order described above.



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On behalf of himself and all of the other Class Members, Perales seeks an award of unpaid wages, premium wages, interest, restitution, statutory penalties, liquidated damages, attorneys' fees, costs, and related relief against Greg DeGrandis that is the same as the award against the other Defendants on the same grounds for which Plaintiff seeks the award against the other Defendants.

FOURTH CAUSE OF ACTION

FAILURE TO ISSUE ACCURATE AND COMPLETE WAGE STATEMENTS

Lab. Code § 226

(By Plaintiff, on behalf of himself and the Class, against all Defendants)

A. FAILURE TO PROVIDE ACCURATE AND COMPLETE WRITTEN WAGE STATEMENTS

72. Plaintiff incorporates all paragraphs of this Complaint as if fully alleged herein.

73. Pursuant to California Labor Code § 226(a), Plaintiff and the Class Members were entitled to receive, semi-monthly or at the time of each payment of wages, an accurate itemized statement showing:

A. Gross wages earned;

B. 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;

C. The number of piece rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis;

D. All deductions, provided that all deductions made on written orders of the Employee may be aggregated and shown as one item;

E. Net wages earned;

F. The inclusive dates of the period for which the employee is paid;

G. The name of the employee and his or her social security number, except that by January 1, 2008, only the last four digits of his or her social security number or an employee identification number other than a social security number may be shown on the itemized statement;

H. The name and address of the legal entity that is the employer; and

I. All applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee.



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1 74. Pursuant to California Labor Code § 226, an employee is deemed to suffer injury
2 if the employer fails to provide a wage statement. Also, an employee is deemed to suffer injury if
3 the employer fails to provide accurate and complete information as required by California Labor
4 Code § 226(a) and the employee cannot “promptly and easily determine” from the wage statement
5 alone one or more of the following:

6 A. The amount of the gross wages or net wages paid to the employee during
7 the pay period or any of the other information required to be provided on the itemized wage
8 statement pursuant to California Labor Code § 226(a);

9 B. Which deductions the employer made from gross wages to determine the
10 net wages paid to the employee during the pay period;

11 C. The name and address of the employer and, if the employer is a farm labor
12 contractor, as defined in subdivision (b) of Section 1682 of the California Labor Code, the name
13 and address of the legal entity that secured the services of the employer during the pay period;

14 D. The name of the employee and only the last four digits of his or her social
15 security number or an employee identification number other than a social security number; and

16 E. The number of piece-rate units earned and the piece rate.

17 75. “Promptly and easily determine,” as stated in California Labor Code § 226(e),
18 means a reasonable person would be able to readily ascertain the information without reference
19 to other documents or information.

20 76. As alleged herein, at all relevant times during the applicable limitations period,
21 Defendants violated California Labor Code section 226 because they did not properly and
22 accurately itemize each employee’s gross wages earned, net wages earned, the total hours worked,
23 the corresponding number of hours worked at each rate by the employee and other requirements
24 of California Labor Code section 226. Defendants failed to state in the wage statements they
25 issued to Plaintiff and the other Class Members all their hours worked and wages earned,
26 including, but not limited to, regular and overtime wages for work they performed off-the-clock
27 after clocking-out (as described above). Defendants knowingly and intentionally did not issue
28 either as a detachable part of the check, draft, or voucher paying the employee’s wages, or
separately if wages are paid by personal check or cash, statements to Plaintiff and the Class
Members that state all minimum wages earned, all regular wages earned, all overtime wages
earned, all meal period premium wages earned, all rest break premium wages earned, and other



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required information.

77. Defendants' failure to provide Plaintiff and the other Class Members with accurate wage statements was knowing and intentional. Defendants had the ability to provide Plaintiff and the other Class Members with accurate wage statements but intentionally provided wage statements that Defendants knew were not accurate.

78. As a result of being provided with inaccurate wage statements by Defendants, Plaintiff and the other Class Members have suffered injury. Their legal rights to receive accurate wage statements were violated and they were misled about the amount of wages they had actually earned and were owed. In addition, the absence of accurate information on their wage statements prevented immediate challenges to Defendants' unlawful pay practices, has required discovery and mathematical computations to determine the amounts of wages owed, has caused difficulty and expense in attempting to reconstruct time and pay records and/or has led to the submission of inaccurate information about wages to state and federal government agencies. Further, Plaintiff and the other Class Members were not able to ascertain from the wage statements whether Defendants complied with their obligations under California Labor Code section 226(a).

A. PERSON ACTING ON BEHALF OF EMPLOYERS WHO VIOLATES THE LABOR CODE

79. In relevant part, Labor Code section 558.1 states:

- (g) Any employer or other person acting on behalf of an employer, who violates, or causes to be violated, any provision regulating minimum wages or hours and days of work in any order of the Industrial Welfare Commission, or violates, or causes to be violated, Sections 203, 226, 226.7, 1193.6, 1194, or 2802, may be held liable as the employer for such violation.
- (h) For purposes of this section, the term "other person acting on behalf of an employer" is limited to a natural person who is an owner, director, officer, or managing agent of the employer, and the term "managing agent" has the same meaning as in subdivision (b) of Section 3294 of the Civil Code.

At all relevant times, Greg DeGrandis was an employer of Perales and all of the other Class Members, and/or "owner," "managing agent," and/or "officer" of the Defendants and the other employers identified above. Greg DeGrandis directly or indirectly, or through an agent or other person, employed and exercised control over the wages, hours, and/or working conditions of the



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1 Class Members, and caused the violations to the Labor Code and the Wage Order described above.
2 On behalf of himself and all of the other Class Members, Perales seeks an award of unpaid wages,
3 interest, restitution, statutory penalties, liquidated damages, attorneys' fees, costs, and related
4 relief against Greg DeGrandis that is the same as the award against the other Defendants on the
5 same grounds for which Plaintiff seeks the award against the other Defendants.

6 **FIFTH CAUSE OF ACTION**

7 **WILLFUL FAILURE TO TIMELY PAY FINAL WAGES**

8 **Lab. Code §§ 201, 202, and 203**

9 **(By Plaintiff, on behalf of himself and the Class, against all Defendants)**

10 80. Plaintiff incorporates all paragraphs of this Complaint as if fully alleged herein.

11 81. At all relevant times during the applicable limitations period, Plaintiffs and the
12 Class have been non-exempt employees of Defendants and entitled to the benefits and protections
13 of California Labor Code §§ 201, 202, and 203, and the Wage Order.

14 82. Labor Code § 201 provides that all earned and unpaid wages of an employee who
15 is discharged are due and payable immediately at the time of discharge.

16 83. Labor Code § 202 provides that all earned and unpaid wages of an employee who
17 quits after providing at least 72-hours notice before quitting are due and payable at the time of
18 quitting and that all earned and unpaid wages of an employee who quits without providing at least
19 72-hours notice before quitting are due and payable within 72 hours.

20 84. The Defendants failed to pay Perales and all of the other Class Members whose
21 employment ended all of the earned but unpaid wages described above by the conclusion of their
22 employment with Perales, including minimum wages, regular wages, overtime wages,
23 unprovided meal period premium wages, unprovided rest break premium wages, and other
24 required compensation.

25 85. By failing to pay such earned wages to Plaintiff and the Class Members,
26 Defendants failed to timely pay them all earned and unpaid wages in violation of Labor Code
27 § 201 or § 202.

28 86. Plaintiff is informed and believes that Defendants' failures to timely pay Plaintiff
and the Class Members all of their earned and unpaid wages (described above) have been willful
in that, at all relevant times, Defendants have deliberately maintained policies and practices that
violate the requirements of the Labor Code and the Wage Order, even though at all relevant times,



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they have had the ability to comply with those legal requirements.

87. Pursuant to Labor Code § 203, Plaintiffs seeks waiting time penalties on behalf of themselves and the Class, in amounts subject to proof not to exceed 30 days of waiting time penalties for each Class Member.

A. PERSON ACTING ON BEHALF OF EMPLOYERS WHO VIOLATES THE LABOR CODE

88. In relevant part, Labor Code section 558.1 states:

(i) Any employer or other person acting on behalf of an employer, who violates, or causes to be violated, any provision regulating minimum wages or hours and days of work in any order of the Industrial Welfare Commission, or violates, or causes to be violated, Sections 203, 226, 226.7, 1193.6, 1194, or 2802, may be held liable as the employer for such violation.

(j) For purposes of this section, the term “other person acting on behalf of an employer” is limited to a natural person who is an owner, director, officer, or managing agent of the employer, and the term “managing agent” has the same meaning as in subdivision (b) of Section 3294 of the Civil Code.

At all relevant times, Greg DeGrandis was an employer of Perales and all of the other Class Members, and/or “owner,” “managing agent,” and/or “officer” of the Defendants and the other employers identified above. Greg DeGrandis directly or indirectly, or through an agent or other person, employed and exercised control over the wages, hours, and/or working conditions of the Class Members, and caused the violations to the Labor Code and the Wage Order described above. On behalf of himself and all of the other Class Members, Perales seeks an award of unpaid wages, interest, restitution, statutory penalties, liquidated damages, attorneys’ fees, costs, and related relief against Greg DeGrandis that is the same as the award against the other Defendants on the same grounds for which Plaintiff seeks the award against the other Defendants.

SIXTH CAUSE OF ACTION

UNFAIR COMPETITION

Bus. & Prof. Code §§ 17200, *et seq.*

(By Plaintiff, on behalf of himself and the Class, against all Defendants)

89. Plaintiff incorporates all paragraphs of this Complaint as if fully alleged herein.

90. At all relevant times during the applicable limitations period, Plaintiff and the



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1 Class Members have been employees of Defendants and entitled to the benefits and protections
2 of the Business and Professions Code §§ 17200, *et seq.*

3 91. The unlawful conduct of Defendants alleged herein amount to and constitutes
4 unfair competition within the meaning of California Business & Professions Code §§ 17200, *et*
5 *seq.* Due to their unfair and unlawful business practices alleged herein, Defendants have unfairly
6 gained a competitive advantage over other comparable companies doing business in California
7 that comply with their legal obligations to compensate employees for all earned wages.

8 92. As a result of Defendants' unfair competition as alleged herein, Plaintiff and the
9 Class Members have suffered injuries in fact and lost money or property. Plaintiff and the Class
10 Members were deprived of minimum wages, regular wages, overtime wages, missed meal period
11 premium wages, missed rest period premium wages, and comparable money and property.

12 93. Pursuant to California Business & Professions Code § 17203, Plaintiff and the
13 Class Members are entitled to restitution of all monies rightfully belonging to them that
14 Defendants did not pay them or otherwise retained by means of their unlawful and unfair business
15 practices.

16 94. Plaintiff and the Class Members are entitled to reasonable attorneys' fees in
17 connection with their unfair competition claims pursuant to California Code of Civil Procedure §
18 1021.5, the substantial benefit doctrine and/or the common fund doctrine.

19 **SEVENTH CAUSE OF ACTION**

20 **CIVIL PENALTIES**

21 **(Lab Code §§2698, *et seq.*)**

22 **(By Plaintiff and the Aggrieved Employees against all Defendants)**

23 95. Plaintiff incorporates all paragraphs of this Complaint as if fully alleged herein.

24 96. The "Aggrieved Employees" are all members of the Class defined above who
25 Defendants employed during the period beginning September 19, 2021 and ending on the date
26 that final judgment is entered in this action.

27 97. Labor Code § 204 states

28 (a) All wages, other than those mentioned in Section 201, 201.3, 202, 204.1,
or 204.2, earned by any person in any employment are due and payable twice
during each calendar month, on days designated in advance by the employer as the
regular paydays. Labor performed between the 1st and 15th days, inclusive, of any
calendar month shall be paid for between the 16th and the 26th day of the month
during which the labor was performed, and labor performed between the 16th and
the last day, inclusive, of any calendar month, shall be paid for between the 1st



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and 10th day of the following month. ...

(b) (1) Notwithstanding any other provision of this section, all wages earned for labor in excess of the normal work period shall be paid no later than the payday for the next regular payroll period.

(2) An employer is in compliance with the requirements of subdivision (a) of Section 226 relating to total hours worked by the employee, if hours worked in excess of the normal work period during the current pay period are itemized as corrections on the paystub for the next regular pay period. Any corrections set out in a subsequently issued paystub shall state the inclusive dates of the pay period for which the employer is correcting its initial report of hours worked.

(c) However, when employees are covered by a collective bargaining agreement that provides different pay arrangements, those arrangements shall apply to the covered employees.

(d) The requirements of this section shall be deemed satisfied by the payment of wages for weekly, biweekly, or semimonthly payroll if the wages are paid not more than seven calendar days following the close of the payroll period.

98. In relevant part, Labor Code section 558.1 states:

(a) Any employer or other person acting on behalf of an employer, who violates, or causes to be violated, any provision regulating minimum wages or hours and days of work in any order of the Industrial Welfare Commission, or violates, or causes to be violated, Sections 203, 226, 226.7, 1193.6, 1194, or 2802, may be held liable as the employer for such violation.

(b) For purposes of this section, the term “other person acting on behalf of an employer” is limited to a natural person who is an owner, director, officer, or managing agent of the employer, and the term “managing agent” has the same meaning as in subdivision (b) of Section 3294 of the Civil Code.

98. At all relevant times, Greg DeGrandis was an employer of Perales and all of the other Aggrieved Employees, and/or “owner,” “managing agent,” and/or “officer” of the Defendants and the other employers identified above. Greg DeGrandis directly or indirectly, or through an agent or other person, employed and exercised control over the wages, hours, and/or working conditions of the Aggrieved Employees, and caused the violations to the Labor Code and the Wage Order described above. On behalf of himself and all of the other Aggrieved Employees, Perales seeks the same civil penalties against Greg DeGrandis on the same grounds for which he seeks civil penalties against the other Defendants.

99. Defendants paid wages to employees on regular intervals. Defendants, however, failed to pay Plaintiff on such intervals for all wages earned and all hours worked. On information and belief, Plaintiff alleges that Defendants also failed to pay the Aggrieved Employees on such



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1 intervals for all wages earned and all hours worked.

2 100. Labor Code section 1174, which also pertains to recordkeeping, states:

3 Every person employing labor in this state shall

4 ...

5 (c) Keep a record showing the names and addresses of all employees
employed and the ages of all minors.

6 (d) Keep, at a central location in the state or at the plants or
7 establishments at which employees are employed, payroll records
8 showing the hours worked daily by and the wages paid to, and the number
9 of piece-rate units earned by and any applicable piece rate paid to,
10 employees employed at the respective plants or establishments. These
11 records shall be kept in accordance with rules established for this purpose
12 by the commission, but in any case shall be kept on file for not less than
three years. An employer shall not prohibit an employee from maintaining
a personal record of hours worked, or, if paid on a piece-rate basis, piece-
rate units earned.

13 101. Labor Code section 1174.5 states:

14 Any person employing labor who willfully fails to maintain the records
15 required by subdivision (c) of Section 1174 or accurate and complete
16 records required by subdivision (d) of Section 1174, or to allow any
17 member of the commission or employees of the division to inspect records
pursuant to subdivision (b) of Section 1174, shall be subject to a civil
penalty of five hundred dollars (\$500).

18 102. Section 7 of Wage Order states,

19 (A) Every employer shall keep accurate information with respect to each
20 employee, including the following:

21 (1) Full name, home address, occupation and social security number.

22 (2) Birth date, if under 18 years, and designation as a minor.

23 (3) Time records showing when the employee begins and ends each work
24 period. Meal periods, split shift intervals and total daily hours worked shall also
25 be recorded. Meal periods during which, operations cease and authorized rest
26 periods need not be recorded.

27 (4) Total wages paid each payroll period, including value of board, lodging,
28 or other compensation actually furnished to the employee.



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(5) Total hours worked in the payroll period and applicable rates of pay. This information shall be made readily available to the employee upon reasonable request.

(6) When a piece rate or incentive plan is in operation, piece rates or an explanation of the incentive plan formula shall be provided to employees. An accurate production record shall be maintained by the employer.

...

(E) All required records shall be in the English language and in ink or other indelible form, properly dated, showing month, day and year, and shall be kept on file by the employer for at least three (3) years at the place of employment or at a central location within the State of California. An employee's records shall be available for inspection by the employee upon reasonable request.

103. Defendants failed to compensate Plaintiff and all of the other Aggrieved Employees for all hours worked at the correct rates of pay, including all minimum wages earned, all regular wages earned, all overtime wages earned, all doubletime wages earned, all meal period premium wages earned, all rest break premium wages earned, and the employer's name and address. As a result, Defendants have failed to accurately maintain all records required by section 1174 and the Wage Order, including but not limited to Plaintiff and all of the other Aggrieved Employees' total hours worked, total wages paid, and applicable hourly rates during each payroll period.

104. During the applicable time period, Defendants violated California Labor Code §§ 201, 202, 203, 204, 226, 226.7, 510, 512, 558.1, 1174, 1194, 1197, and 1198.

105. California Labor Code §§ 2699(a) and (g) authorize an aggrieved employee, on behalf of themselves and other current or former employees, to bring a civil action to recover civil penalties pursuant to the procedures specified in California Labor Code § 2699.3.

106. Pursuant to California Labor Code §§ 2699(a) and (f), Plaintiff and the Class are entitled to recover civil penalties for each of the Defendants' violations of California Labor Code §§ 201, 202, 203, 204, 226, 226.7, 510, 512, 558.1, 1174, 1194, 1197, and 1198.

107. during the applicable limitations period in the following amounts:

A. For violations of California Labor Code § 204, one hundred dollars (\$100.00) for each Aggrieved Employee for each initial violation and two hundred dollars (\$200.00) for each Aggrieved Employee for each subsequent, willful or intentional violation (penalty amounts established by California Labor Code § 210).



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1 B. For violations of California Labor Code § 226(a), two hundred fifty dollars
2 (\$250.00) for each Aggrieved Employee for initial violation and one thousand dollars (\$1,000.00)
3 for each Aggrieved Employee for each subsequent violation (penalty amounts established by
4 California Labor Code § 226.3).

5 C. For violations of California Labor Code §§ 510 and 512, fifty dollars
6 (\$50.00) for each Aggrieved Employee for initial violation and one hundred dollars (\$100.00) for
7 each Aggrieved Employee for each subsequent violation, per pay period (penalty amounts
8 established by California Labor Code § 558).

9 D. For violations of California Labor Code § 1197, one hundred dollars
10 (\$100.00) for each Aggrieved Employee for each initial and intentional violation and two hundred
11 fifty dollars (\$250.00) for each Aggrieved Employee for each subsequent violation, per pay period
12 (regardless of whether the initial violations were intentionally committed) (penalty amounts
13 established by California Labor Code § 1197.1).

14 E. For violations of California Labor Code § 1174, \$500 for Each Aggrieved
15 employee for each violation of Labor Code section 1174 (penalties set by Labor Code
16 section 1174.5).

17 F. For violations of California Labor Code §§ 201, 202, 203, 226.7, 1194, and
18 1198, one hundred dollars (\$100.00) for each Aggrieved Employee per pay period for each initial
19 violation and two hundred dollars (\$200.00) for each Aggrieved Employee per pay period for
20 each subsequent violation (penalty amounts established by California Labor Code § 2699(f)(2)).

21 108. Plaintiff has complied with the procedures for bringing suit specified in California
22 Labor Code § 2699.3. By letters dated September 19, 2022 and December 5, 2022, Plaintiff filed
23 written notices online with the Labor and Workforce Development Agency (“LWDA”) and gave
24 written notices by certified mail to Defendants of the specific provisions of the California Labor
25 Code alleged to have been violated, including the facts and theories to support the alleged
26 violations. True and correct copies of the notices to the LWDA dated September 19, 2022 and
27 December 5, 2022 are attached collectively as Exhibit A. Plaintiff accompanied her LWDA notice
28 with a fee in the amount of \$75.00. The LWDA has failed to take action in response within 65
calendar days of the date of Plaintiff’s notice, but Plaintiff anticipates that the LWDA will provide
written notice to Plaintiff informing her that it does not intend to investigate these allegations.

109. Pursuant to California Labor Code § 2699(g), Plaintiff and the Aggrieved



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1 Employees are entitled to an award of civil penalties, reasonable attorney's fees and costs in
2 connection with their claims for civil penalties.

3 **V. PRAYER FOR RELIEF**

4 110. WHEREFORE, Plaintiff, on behalf of himself and the Class Members, prays for
5 relief and judgment against Defendants as follows:

- 6 A. An order that the action be certified as a class action with respect to
7 Plaintiff's claims for violations of California law;
8 B. An order that Plaintiff be appointed class representative;
9 C. An order that counsel for Plaintiff be appointed class counsel;
10 D. Unpaid wages, including minimum, regular, overtime, missed meal period,
11 and missed rest period wages;
12 E. Liquidated damages;
13 F. Statutory penalties, including waiting time penalties;
14 G. Civil penalties;
15 H. Restitution;
16 I. Declaratory relief;
17 J. Actual damages;
18 K. Pre-judgment interest;
19 L. Costs of suit;
20 M. Reasonable attorneys' fees; and
21 N. Such other relief as the Court deems just and proper.

22 **VI. DEMAND FOR JURY TRIAL**

23 Plaintiff, on behalf of himself and all other Class Members, hereby demands a jury trial
24 on all issues so triable.

25 Respectfully submitted,

26 THE SPIVAK LAW FIRM

27 Dated: February 21, 2023

28 By: 

DAVID G. SPIVAK,
CAROLINE TAHMASSIAN Attorneys
for Plaintiff(s), JUAN PERALES, and all
others similarly situated



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EXHIBIT A



THE SPIVAK LAW FIRM
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SENT BY ELECTRONIC SUBMISSION, CERTIFIED MAIL, AND EMAIL

September 19, 2022

Attn: PAGA Administrator
Labor and Workforce Development Agency
<http://dir.tflaforms.net>
Via Electronic Submission

Re: Juan Perales / Ships Pizza, Inc.

To Whom It May Concern:

Pursuant to the Labor Code Private Attorneys General Act of 2004, Labor Code sections 2698, *et seq.*, Juan Perales (hereafter “Perales” or “Complainant”) provides notice that Ships Pizza, Inc, a California corporation, and related entities (collectively “the Ships Pizza Employers” or “the Employers”) violated his rights and those of all other individuals the Ships Pizza Employers have employed or otherwise contracted with in California as hourly nonexempt, individuals performing work comparable to the aforementioned, and individuals in similar positions (hereafter the “Aggrieved Employees”) under Labor Code sections 201, 202, 203, 204, 226, 226.7, 510, 512, 1174, 1194, 1197, 1198, and related Labor Code statutes. On behalf of himself and all other Aggrieved Employees, Perales hereby provides this notice to the Labor & Workforce Development Agency and the Ships Pizza Employers and their agents and representatives.

At all relevant times, the Ships Pizza Employers have employed persons, conducted business, and engaged in illegal payroll practices and policies, throughout California. Perales and all of the other Aggrieved Employees are “employees” within the meaning of Industrial Welfare Commission Order No. 5-2001 (hereafter “the Wage Order”) section 2, subdivision (F) and “Aggrieved Employees” within the meaning of Labor Code section 2699(c).

Statement of Facts

On approximately 2020, the Ships Pizza Employers began to employ Perales in Turlock and Chowchilla. During his employment, he held the position of hourly nonexempt assistant manager, among other hourly, non-exempt positions. The Ships Pizza Employers continuously employed him in that capacity until on or about June 24, 2022 when his employment ended.

At all relevant times, the Ships Pizza Employers issued wages to Perales and all of the other Aggrieved Employees on a biweekly (26 paychecks/year) basis and paid them by the hour. At all relevant times, the Ships Pizza Employers classified Perales and all of the other Aggrieved Employees as non-exempt employees entitled to the protections of the Labor Code and the Wage Order.

The Ships Pizza Employers failed to compensate Perales and all of the other Aggrieved Employees for all hours worked at the applicable minimum or regular rates of pay. The Ships Pizza Employers required Perales and the Aggrieved Employees to prepare pizzas on a strict time schedule and discouraged them from recording all of their hours worked in doing so. Accordingly, Perales and the Aggrieved Employees prepared pizzas and performed related duties off the clock, during meal periods, and outside of their scheduled work shifts without pay.

The Ships Pizza Employers failed to compensate Perales and all of the other Aggrieved Employees at the correct rates of pay for all hours worked over eight in a day, over 40 in a week, and for the first eight hours of the seventh day of the workweek. The Ships Pizza Employers required Perales and the Aggrieved Employees to perform the aforementioned activities in excess of eight hours per day and in excess of 40 hours per week but discouraged them from recording overtime hours. As a result, The Ships Pizza Employers required Perales and the Aggrieved Employees to work overtime hours without paying them overtime premium wages for such work.

At all relevant times, the Ships Pizza Employers failed to provide Perales and all of the other Aggrieved Employees with all timely 30-minute, off-duty meal periods. The Ships Pizza Employers required Perales and the Aggrieved Employees to prepare pizzas on a strict time schedule and discouraged them from recording all of their hours worked in doing so. Accordingly, Perales and the Aggrieved Employees prepared pizzas and performed related duties during meal periods off the clock and without pay. The Ships

Pizza Employers also failed to pay premium wages for days on which they failed to provide Perales and all of the other Aggrieved Employees with meal periods as required by law.

At all relevant times, the Ships Pizza Employers failed to authorize and permit Perales and all of the other Aggrieved Employees to take ten-minute, off-duty, paid rest breaks every four hours worked or major portion thereof. The Ships Pizza Employers required Perales and the Aggrieved Employees to prepare pizzas on a strict time schedule and discouraged them from recording all of their hours worked in doing so. Accordingly, Perales and the Aggrieved Employees prepared pizzas and performed related duties during rest periods. The Ships Pizza Employers also failed to pay premium wages for days on which they failed to authorize and permit Perales and all of the other Aggrieved Employees to take rest breaks as required by law.

At all relevant times, the Ships Pizza Employers failed to issue to Perales and all of the other Aggrieved Employees complete and accurate wage statements that state all hours worked at the correct rates of pay, and all wages earned. The Ships Pizza Employers knowingly and intentionally failed to state on the wage statements they issued to Perales and all of the other Aggrieved Employees the unpaid wages discussed above. The wage statements fail to state all minimum wages earned, all regular wages earned, all overtime wages earned, all meal period premium wages earned, all rest break premium wages earned, and other required information.

The Ships Pizza Employers also failed to timely pay Perales and all of the other Aggrieved Employees all earned wages as described above during and at the conclusion of employment.

The Ships Pizza Employers failed to maintain accurate employee records of Perales and all of the other Aggrieved Employees.

For the reasons stated herein, Perales alleges the following violations of the Labor Code and the Wage Order on behalf of himself and all of the other Aggrieved Employees:

- (a) The Ships Pizza Employers failed to pay Perales and all of the other Aggrieved Employees all wages earned for all hours worked at the correct rates of pay, including minimum, regular, and overtime wages;

- (b) The Ships Pizza Employers failed to provide Perales and all of the other Aggrieved Employees all meal periods in compliance with California law;
- (c) The Ships Pizza Employers failed to authorize and permit Perales and all of the other Aggrieved Employees to take rest breaks in compliance with California law;
- (d) The Ships Pizza Employers failed to compensate Perales and all of the other Aggrieved Employees at one hour's pay for each day in which the Ships Pizza Employers failed to provide them with one or more meal periods as required by law;
- (e) The Ships Pizza Employers failed to compensate Perales and all of the other Aggrieved Employees at one hour's pay for each day in which the Ships Pizza Employers failed to authorize and permit them to take one or more rest breaks as required by law;
- (f) The Ships Pizza Employers knowingly and intentionally failed to provide Perales and all of the other Aggrieved Employees with accurate wage statements;
- (g) The Ships Pizza Employers willfully failed to timely pay Perales and all of the other Aggrieved Employees all earned and unpaid wages during their employment with the Ships Pizza Employers and when their employment ended; and
- (h) The Ships Pizza Employers failed to maintain accurate employment records pertaining to Perales and all of the other Aggrieved Employees.

Accordingly, Perales now seeks civil penalties on behalf of himself and all of the other Aggrieved Employees based on the Ships Pizza Employers' alleged violations of the Labor Code and the Wage Order.

The Wage Order

The Wage Order applies to “all persons employed in the public housekeeping industry whether paid on a time, piece rate, commission, or other basis.” Wage Order, § 1. The Wage Order defines "Public Housekeeping Industry" to mean

any industry, business, or establishment which provides meals, housing, or maintenance services whether operated as a primary business or when incidental to other operations in an establishment not covered by an industry order of the Commission, and includes, but is not limited to the following:

- (1) Restaurants, night clubs, taverns, bars, cocktail lounges, lunch counters, cafeterias, boarding houses, clubs, and all similar establishments where food in either solid or liquid form is prepared and served to be consumed on the premises;
- (2) Catering, banquet, box lunch service, and similar establishments which prepare food for consumption on or off the premises;
- (3) Hotels, motels, apartment houses, rooming houses, camps, clubs, trailer parks, office or loft buildings, and similar establishments offering rental of living, business, or commercial quarters;
- (4) Hospitals, sanitariums, rest homes, child nurseries, child care institutions, homes for the aged, and similar establishments offering board or lodging in addition to medical, surgical, nursing, convalescent, aged, or child care;
- (5) Private schools, colleges, or universities, and similar establishments which provide board or lodging in addition to educational facilities;
- (6) Establishments contracting for development, maintenance or cleaning of grounds; maintenance or cleaning of facilities and/or quarters of commercial units and living units; and
- (7) Establishments providing veterinary or other animal care services.

Wage Order, § 2(P). At all relevant times during the applicable limitations period, the Ships Pizza Employers, Perales, and all of the Aggrieved Employees were covered by the Wage Order because the Ships Pizza Employers operated, and Perales, and all of the Aggrieved Employees, worked for one or more restaurants. Accordingly, Perales and all of the other Aggrieved Employees are entitled to the protections the Wage Order provides.

Failure To Pay Wages For All Hours Worked At The Correct
Rates of Pay
(Lab. Code §§ 510, 1194, 1197, and 1198)

Under Labor Code section 1197, “The minimum wage for employees fixed by the commission is the minimum wage to be paid to employees, and the payment of a less wage than the minimum so fixed is unlawful.”

In relevant part, section 2(K) of the Wage Order states,

“Hours worked” means the time during which an employee is subject to the control of an employer, and includes all the time the employee is suffered or permitted to work, whether or not required to do so[.]

In relevant part, Labor Code section 1194 states:

- (a) Notwithstanding any agreement to work for a lesser wage, any employee receiving less than the legal minimum wage or the legal overtime compensation applicable to the employee is entitled to recover in a civil action the unpaid balance of the full amount of this minimum wage or overtime compensation, including interest thereon, reasonable attorney’s fees, and costs of suit.

In relevant part, Labor Code section 510 states:

Any work in excess of eight hours in one workday and any work in excess of 40 hours in any one workweek and the first eight hours worked on the seventh day of work in any one workweek shall be compensated at the rate of no less than one and one-half times the regular rate of pay for an employee. Any work in excess of 12 hours in one day shall be compensated at the rate of no less than

twice the regular rate of pay for an employee. In addition, any work in excess of eight hours on any seventh day of a workweek shall be compensated at the rate of no less than twice the regular rate of pay of an employee.

In relevant part, Section 3 of the Wage Order states:

The following overtime provisions are applicable to employees 18 years of age or over and to employees 16 or 17 years of age who are not required by law to attend school and are not otherwise prohibited by law from engaging in the subject work. Such employees shall not be employed more than eight (8) hours in any workday or more than 40 in a workweek unless the employee receives one and one half (1½) times such employee's regular rate of pay for all hours worked over 40 hours in the workweek. Eight (8) hours of labor constitutes a day's work. Employment beyond eight (8) hours in any workday or more than six (6) days in any workweek is permissible provided the employee is compensated for such overtime at not less than:

- (a) One and one-half (1½) times the employee's regular rate of pay for all hours worked in excess of eight (8) hours up to and including twelve (12) hours in any workday, and for the first eight (8) hours worked on the seventh (7th) consecutive day of work in a workweek;
- (b) Double the employee's regular rate of pay for all hours worked in excess of 12 hours in any workday and for all hours worked in excess of eight (8) hours on the seventh (7th) consecutive day of work in a workweek; and
- (c) The overtime rate of compensation required to be paid to a nonexempt full-time salaried employee shall be computed by using the employee's regular hourly salary as one fortieth (1/40) of the employee's weekly salary.

Labor Code § 1198 prohibits employers from employing their employees under conditions prohibited by the Wage Order.

In conjunction, these provisions of the Labor Code require employers to pay employees no less than their agreed-upon or statutorily mandated wage rates for all hours worked, including hours spent working "off-the-clock" (before punching in or after punching out on a time clock) when the employer knew or reasonably should have known that

employees were working during those hours. *Morillion v. Royal Packing Co.* (2000) 22 Cal.4th 575, 585.

The Ships Pizza Employers required Perales and the Aggrieved Employees to prepare pizzas on a strict time schedule and discouraged them from recording all of their hours worked in doing so. Accordingly, Perales and the Aggrieved Employees prepared pizzas and performed related duties off the clock, during meal periods, and outside of their scheduled work shifts without pay. Additionally, The Ships Pizza Employers required Perales and the Aggrieved Employees to perform the aforementioned activities in excess of eight hours per day and in excess of 40 hours per week but discouraged them from recording overtime hours. As a result, The Ships Pizza Employers required Perales and the Aggrieved Employees to work overtime hours without paying them overtime premium wages for such work.

At all relevant times during the applicable limitations period, the Ships Pizza Employers failed to compensate Perales and all of the other Aggrieved Employees for all hours worked, including, but not limited to minimum, regular, and overtime wages for all hours they worked at the correct rates of pay. Accordingly, Perales now seeks civil penalties on behalf of himself and all of the other Aggrieved Employees as follows:

1. \$50 for each aggrieved employee for each initial violation of Labor Code § 510, and \$100 for each aggrieved employee for each subsequent violation, per pay period in addition to an amount sufficient to recover underpaid wages (penalties set by Labor Code § 558);
2. \$100 for each aggrieved employee for each initial violation of Labor Code § 1194, and \$200 for each aggrieved employee for each subsequent violation, per pay period (penalties set by Labor Code § 2699(f)(2));
3. \$100 for each underpaid aggrieved employee for each initial violation of Labor Code § 1197, and \$250 for each underpaid aggrieved employee for each subsequent violation per pay period (regardless of whether the initial violations were intentionally committed), in addition to an amount sufficient to recover underpaid wages, liquidated damages pursuant to Section 1194.2, and any applicable penalties imposed pursuant to Section 203 (penalties set by Labor Code § 1197.1) and

4. \$100 for each aggrieved employee for each initial violation of Labor Code § 1198, and \$200 for each aggrieved employee for each subsequent violation, per pay period (penalties set by Labor Code § 2699(f)(2)).

Failure to Provide Meal Periods
(Lab. Code §§ 226.7, 512, and 1198)

In relevant part, section 2(K) of the Wage Order states,

“Hours worked” means the time during which an employee is subject to the control of an employer, and includes all the time the employee is suffered or permitted to work, whether or not required to do so.

In relevant part, Labor Code section 1198 states, “The employment of any employee ... under conditions of labor prohibited by the [Wage Order] is unlawful.”

In relevant part, Labor Code section 512 states:

An employer may not employ an employee for a work period of more than five hours per day without providing the employee with a meal period of not less than 30 minutes, except that if the total work period per day of the employee is no more than six hours, the meal period may be waived by mutual consent of both the employer and employee. An employer may not employ an employee for a work period of more than 10 hours per day without providing the employee with a second meal period of not less than 30 minutes, except that if the total hours worked is no more than 12 hours, the second meal period may be waived by mutual consent of the employer and the employee only if the first meal period was not waived.

In relevant part, section 11 of the Wage Order states:

Meal Periods:

- (A) No employer shall employ any person for a work period of more than five (5) hours without a meal period of not less than 30 minutes, except that when a work period of not more than six (6)

hours will complete the day's work the meal period may be waived by mutual consent of the employer and the employee. Unless the employee is relieved of all duty during a 30 minute meal period, the meal period shall be considered an "on duty" meal period and counted as time worked. . . .

- (B) If an employer fails to provide an employee a meal period in accordance with the applicable provisions of this Order, the employer shall pay the employee one (1) hour of pay at the employee's regular rate of compensation for each workday that the meal period is not provided.

In addition, Labor Code section 226.7 states:

- (b) An employer shall not require an employee to work during a meal or rest or recovery period mandated pursuant to an applicable statute, or applicable regulation, standard, or order of the Industrial Welfare Commission, the Occupational Safety and Health Standards Board, or the Division of Occupational Safety and Health.
- (c) If an employer fails to provide an employee a meal or rest or recovery period in accordance with a state law, including, but not limited to, an applicable statute or applicable regulation, standard, or order of the Industrial Welfare Commission, the Occupational Safety and Health Standards Board, or the Division of Occupational Safety and Health, the employer shall pay the employee one additional hour of pay at the employee's regular rate of compensation for each workday that the meal or rest or recovery period is not provided.

At all relevant times, the Ships Pizza Employers failed to provide Perales and all of the other Aggrieved Employees with all timely meal periods. The Ships Pizza Employers denied Perales and all of the other Aggrieved Employees their 30-minute off-duty meal period within the first five hours of work. The Ships Pizza Employers required Perales and the Aggrieved Employees to prepare pizzas on a strict time schedule and discouraged them from recording all of their hours worked in doing so. Accordingly,

Perales and the Aggrieved Employees prepared pizzas and performed related duties during meal periods off the clock and without pay. Furthermore, the Ships Pizza Employers failed to pay premium wages for days on which they failed to provide Perales and all of the other Aggrieved Employees with timely meal periods. Accordingly, Perales now seeks civil penalties for these Labor Code violations that the Ships Pizza Employers have committed against him and all of the other Aggrieved Employees as follows:

1. \$100 for each aggrieved employee for each initial violation of Labor Code section 226.7, and \$200 for each aggrieved employee for each subsequent violation, per pay period (penalties set by Labor Code section 2699(f)(2));
2. \$50 for each aggrieved employee for each initial violation of Labor Code section 512, and \$100 for each aggrieved employee for each subsequent violation, per pay period in addition to an amount sufficient to recover underpaid wages (penalties set by Labor Code section 558); and
3. \$100 for each aggrieved employee for each initial violation of Labor Code section 1198, and \$200 for each aggrieved employee for each subsequent violation, per pay period (penalties set by Labor Code section 2699(f)(2)).

Failure to Authorize and Permit Rest Periods
(Lab. Code §§ 226.7 & 1198)

Section 2(K) of the Wage Order states,

“Hours worked” means the time during which an employee is subject to the control of an employer, and includes all the time the employee is suffered or permitted to work, whether or not required to do so.

In relevant part, Labor Code section 1198 states,

The employment of any employee . . . under conditions of labor prohibited by the [Wage Order] is unlawful.

Section 12 of the Wage Order provides, in relevant part:

Rest Periods:

- (A) Every employer shall authorize and permit all employees to take rest periods, which insofar as practicable shall be in the middle of each work period. The authorized rest period time shall be based on the total hours worked daily at the rate of ten (10) minutes net rest time per four (4) hours or major fraction thereof. However, a rest period need not be authorized for employees whose total daily work time is less than three and one-half (3 ½) hours. Authorized rest period time shall be counted as hours worked for which there shall be no deduction from wages.
- (B) If an employer fails to provide an employee a rest period in accordance with the applicable provisions of this order, the employer shall pay the employee one (1) hour of pay at the employee's regular rate of compensation for each workday that the rest period is not provided.

In addition, Labor Code section 226.7 states:

- (b) An employer shall not require an employee to work during a meal or rest or recovery period mandated pursuant to an applicable statute, or applicable regulation, standard, or order of the Industrial Welfare Commission, the Occupational Safety and Health Standards Board, or the Division of Occupational Safety and Health.
- (c) If an employer fails to provide an employee a meal or rest or recovery period in accordance with a state law, including, but not limited to, an applicable statute or applicable regulation, standard, or order of the Industrial Welfare Commission, the Occupational Safety and Health Standards Board, or the Division of Occupational Safety and Health, the employer shall pay the employee one additional hour of pay at the employee's regular rate of compensation for each workday that the meal or rest or recovery period is not provided.

The Ships Pizza Employers failed to authorize and permit Perales and all of the other Aggrieved Employees to take ten-minute, paid, duty-free rest breaks every four hours worked or major fraction thereof. The Ships Pizza Employers did not seek an exemption from the rest period protections of the Wage Order from the California Division of Labor Standards Enforcement. The Ships Pizza Employers required Perales and the Aggrieved Employees to prepare pizzas on a strict time schedule and discouraged them from recording all of their hours worked in doing so. Accordingly, Perales and the Aggrieved Employees prepared pizzas and performed related duties during rest periods. Moreover, the Ships Pizza Employers failed to pay Perales and all of the other Aggrieved Employees premium wages on workdays the Ships Pizza Employers failed to provide Perales and all of the other Aggrieved Employees with 10-minute rest periods every four hours worked or major fraction thereof. Accordingly, Perales now seeks civil penalties for these Labor Code violations that the Ships Pizza Employers have committed against him and all of the other Aggrieved Employees as follows:

1. \$100 for each aggrieved employee for each initial violation of Labor Code section 226.7, and \$200 for each aggrieved employee for each subsequent violation, per pay period (penalties set by Labor Code section 2699(f)(2)); and
2. \$100 for each aggrieved employee for each initial violation of Labor Code section 1198, and \$200 for each aggrieved employee for each subsequent violation, per pay period (penalties set by Labor Code section 2699(f)(2)).

Failure to Provide Accurate Wage Statements
(Lab. Code § 226)

Labor Code section 226(a) requires an employer to provide an employee, either semi-monthly or at the time of each wage payment, with an accurate and itemized written wage statement that shows:

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 his or her social security number, except that by January 1, 2008, only the last four digits of his or her social security number or an employee identification number other than a social security number may be shown on the itemized statement;
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.

At all relevant times during the applicable limitations period, the Ships Pizza Employers violated Labor Code section 226 because they did not properly and accurately itemize each Aggrieved Employee's gross wages earned, net wages earned, the total hours worked, the corresponding number of hours worked at each rate by the Aggrieved Employee and other requirements of Labor Code section 226. The Ships Pizza Employers failed to state in the wage statements they issued to Perales and all of the other Aggrieved Employees all their hours worked and wages earned, including, but not limited to, regular and overtime wages for work they performed off-the-clock after clocking-out (as described above). The Ships Pizza Employers knowingly and intentionally failed to state on the wage statements they issued to Perales and all of the other Aggrieved Employees the earned but unpaid wages described above. The wage

statements do not state all minimum wages earned, all regular wages earned, all overtime wages earned, all meal period premium wages earned, all rest break premium wages earned, and other required information.

Accordingly, Perales seeks civil penalties for the Labor Code violations that the Ships Pizza Employers have committed against him and all of the other Aggrieved Employees as follows: \$250 for each aggrieved employee for each initial violation of Labor Code section 226(a), and \$1,000 for each aggrieved employee for each subsequent violation (penalties set by Labor Code section 226.3).

Failure to Timely Pay Wages During Employment
(Lab. Code § 204)

Labor Code section 204 states all wages (other than those mentioned in Labor Code sections 201 and 202) earned by any person in any employment are due and payable twice during each calendar month, on days designated in advance by the employer as the regular paydays. Labor performed between the 1st and 15th days, inclusive, of any calendar month shall be paid for between the 16th and the 26th day of the month during which the labor was performed, and labor performed between the 16th and the last day, inclusive, of any calendar month, shall be paid for between the 1st and 10th day of the following month. In addition, all wages for work performed in excess of the normal work period must be paid by no later than the following regular payday.

The Ships Pizza Employers failed to compensate Perales and all of the other Aggrieved Employees for wages earned, including minimum wages, regular wages, overtime wages, unprovided meal period premium wages, unprovided rest break premium wages, and other compensation, at the intervals stated above. As a result, the Ships Pizza Employers failed to timely pay all earned wages due during employment within the time periods set by Labor Code section 204. Accordingly, Perales now seeks civil penalties for the Labor Code violations that the Ships Pizza Employers have committed against him and all of the other Aggrieved Employees as follows: \$100 for each aggrieved employee for each initial violation of Labor Code section 204, and \$200 for each aggrieved employee for each subsequent violation, plus 25% of the amount unlawfully withheld from each aggrieved employee (penalties set by Labor Code section 210).

Failure to Timely Pay Wages Upon Termination of Employment
(Lab. Code §§ 201, 202, and 203)

Under Labor Code § 2019, if an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately. Under § 202, if an employee not having a written contract for a definite period quits his or her employment, his or her wages shall become due and payable not later than 72 hours thereafter, unless the employee has given 72 hours previous notice of his or her intention to quit, in which case the employee is entitled to his or her wages at the time of quitting. Notwithstanding any other provision of law, an employee who quits without providing a 72-hour notice shall be entitled to receive payment by mail if he or she so requests and designates a mailing address. *Id.* The date of the mailing shall constitute the date of payment for purposes of the requirement to provide payment within 72 hours of the notice of quitting. *Id.*

Under Labor Code § 203, if an employer willfully fails to pay without abatement or reduction, in accordance with §§ 201 and 202, the wages of an employee who is discharged or who quits, the wages of the employee shall continue as a penalty from the due date thereof at the same rate until paid or until an action therefor is commenced; but the wages shall not continue for more than 30 days.

The Ships Pizza Employers failed to pay Perales and all of the other Aggrieved Employees whose employment ended all of the earned but unpaid wages described above by the conclusion of their employment with Perales, including minimum wages, regular wages, overtime wages, unprovided meal period premium wages, unprovided rest break premium wages, and other compensation. By failing to pay Perales and all of the other Aggrieved Employees as set forth above at the end of employment, the Ships Pizza Employers are liable for violations of Labor Code §§ 201, 202, and 203. Accordingly, on behalf of himself and all of the other Aggrieved Employees, Perales seeks civil penalties from the Ships Pizza Employers as follows:

1. For violations of Labor Code § 201, \$100 per aggrieved employee for each of the pay periods in which initial violations of § 201 occurred, and \$200 per aggrieved employee per pay period in which subsequent violations of § 201 occurred (penalties set by Labor Code § 2699(f)(2));

2. For violations of Labor Code § 202, \$100 per aggrieved employee for each of the pay periods in which initial violations of § 202 occurred, and \$200 per aggrieved employee per pay period in which subsequent violations of § 202 occurred (penalties set by Labor Code § 2699(f)(2)); and
3. For violations of Labor Code § 203, \$100 per aggrieved employee for each of the pay periods in which initial violations of § 203 occurred, and \$200 for per aggrieved employee per pay period in which subsequent violations of § 203 occurred (penalties set by Labor Code § 2699(f)(2)).

Failure to Maintain Accurate Employment Records
(Lab. Code §§ 1174 & 1198)

Labor Code section 1174, which also pertains to recordkeeping, states:

Every person employing labor in this state shall:

...

- (c) Keep a record showing the names and addresses of all employees employed and the ages of all minors.
- (d) Keep, at a central location in the state or at the plants or establishments at which employees are employed, payroll records showing the hours worked daily by and the wages paid to, and the number of piece-rate units earned by and any applicable piece rate paid to, employees employed at the respective plants or establishments. These records shall be kept in accordance with rules established for this purpose by the commission, but in any case shall be kept on file for not less than three years. An employer shall not prohibit an employee from maintaining a personal record of hours worked, or, if paid on a piece-rate basis, piece-rate units earned.

Labor Code section 1174.5 states:

Any person employing labor who willfully fails to maintain the records required by subdivision (c) of Section 1174 or accurate and complete records required by subdivision (d) of Section 1174, or to allow any member of the commission or employees of the division to inspect records pursuant to subdivision (b) of Section 1174, shall be subject to a civil penalty of five hundred dollars (\$500).

Section 7 of Wage Order states,

(A) Every employer shall keep accurate information with respect to each employee including the following:

- (1) Full name, home address, occupation and social security number.
- (2) Birth date, if under 18 years, and designation as a minor.
- (3) Time records showing when the employee begins and ends each work period. Meal periods, split shift intervals and total daily hours worked shall also be recorded. Meal periods during which operations cease and authorized rest periods need not be recorded.
- (4) Total wages paid each payroll period, including value of board, lodging, or other compensation actually furnished to the Employee.
- (5) Total hours worked in the payroll period and applicable rates of pay. This information shall be made readily available to the employee upon reasonable request.
- (6) When a piece rate or incentive plan is in operation, piece rates or an explanation of the incentive plan formula shall be provided to employees. An accurate production record shall be maintained by the employer.

LWDA / The Ships Pizza Employers

Re: Juan Perales

September 19, 2022

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Labor Code section 1198 prohibits employers from employing their employees under conditions prohibited by the Wage Order.

The Ships Pizza Employers failed to compensate Perales and all of the other Aggrieved Employees for all hours worked at the correct rates of pay, including all minimum wages earned, all regular wages earned, all overtime wages earned, all meal period premium wages earned, all rest break premium wages earned, and related information. As a result, the Ships Pizza Employers have failed to accurately maintain all records required by section 1174 and the Wage Order, including but not limited to Perales and all of the other Aggrieved Employees' total hours worked, total wages paid, and applicable hourly rates during each payroll period. Accordingly, Perales seeks civil penalties on behalf of himself and all of the other Aggrieved Employees as follows:

1. \$500 for each aggrieved employee for each violation of Labor Code section 1174 (penalties set by Labor Code section 1174.5); and
2. \$100 for each aggrieved employee for each initial violation of Labor Code section 1198, and \$200 for each Aggrieved Employee for each subsequent violation, per pay period (penalties set by Labor Code section 2699(f)(2)).

Conclusion

As noted above, this letter constitutes the required notice under the Labor Code Private Attorneys General Act of 2004. Please be advised that Juan Perales will seek both reasonable attorneys' fees and costs under Labor Code section 2699(g)(1) in a civil action should the LWDA decline to pursue this matter. This letter also serves as a formal notice under the catalyst theory and Code of Civil Procedure section 1021.5 to resolve this matter before litigation.

Sincerely,



David Spivak, Esq.

David@spivaklaw.com

cc: Mr. Juan Perales

Mr. Walter L. Haines Esq.

LWDA / The Ships Pizza Employers

Re: Juan Perales

September 19, 2022

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Ships Pizza, Inc
c/o Agent for service of process
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SENT BY ELECTRONIC SUBMISSION, CERTIFIED MAIL, AND EMAIL

December 5, 2022

Attn: PAGA Administrator
Labor and Workforce Development Agency
<http://dir.tflaforms.net>
Via Electronic Submission

Re: Juan Perales / Ships Pizza, Inc

To Whom It May Concern:

This is an amended notice and incorporates the original notice dated September 19, 2022 (enclosed) in its entirety. The original notice inadvertently failed to include all related entities and individual in the definition of “the Ships Pizza Employers” or “the Employers.”

Pursuant to the Labor Code Private Attorneys General Act of 2004, Labor Code sections 2698, *et seq.*, Juan Perales (hereafter “Perales” or “Complainant”) provides notice that Ships Pizza, Inc, a California corporation, Central Valley Pizza LLC, a California limited liability company, Team Central Valley, Inc, a California corporation, Greg DeGrandis, an individual, and related entities (collectively “the Ships Pizza Employers” or “the Employers”) violated his rights and those of all other individuals the Ships Pizza Employers have employed or otherwise contracted with in California as hourly nonexempt, individuals performing work comparable to the aforementioned, and individuals in similar positions (hereafter the “Aggrieved Employees”) under Labor Code sections 201, 202, 203, 204, 226, 226.7, 510, 512, 558.1, 1174, 1194, 1197, 1198, and related Labor Code statutes. On behalf of himself and all other Aggrieved Employees, Perales hereby provides this notice to the Labor & Workforce Development Agency and the Ships Pizza Employers and their agents and representatives.

At all relevant times, the Ships Pizza Employers have employed persons, conducted business, and engaged in illegal payroll practices and policies, throughout California. Perales and all of the other Aggrieved Employees are “employees” within the meaning

of Industrial Welfare Commission Order No. 5-2001 (hereafter “the Wage Order”) section 2, subdivision (F) and “Aggrieved Employees” within the meaning of Labor Code section 2699(c).

Statement of Facts

Sometime in 2020, the Ships Pizza Employers began to employ Perales in Madera and Chowchilla. During his employment, he held the position of hourly nonexempt assistant manager, among other hourly, non-exempt positions. The Ships Pizza Employers continuously employed him in that capacity until on or about June 24, 2022 when his employment ended.

At all relevant times, the Ships Pizza Employers issued wages to Perales and all of the other Aggrieved Employees on a biweekly (26 paychecks/year) basis and paid them by the hour. At all relevant times, the Ships Pizza Employers classified Perales and all of the other Aggrieved Employees as non-exempt employees entitled to the protections of the Labor Code and the Wage Order.

The Ships Pizza Employers failed to compensate Perales and all of the other Aggrieved Employees for all hours worked at the applicable minimum or regular rates of pay. The Ships Pizza Employers required Perales and the Aggrieved Employees to prepare pizzas on a strict time schedule and discouraged them from recording all of their hours worked in doing so. Accordingly, Perales and the Aggrieved Employees prepared pizzas and performed related duties off the clock, during meal periods, and outside of their scheduled work shifts without pay.

The Ships Pizza Employers failed to compensate Perales and all of the other Aggrieved Employees at the correct rates of pay for all hours worked over eight in a day, over 40 in a week, and for the first eight hours of the seventh day of the workweek. The Ships Pizza Employers required Perales and the Aggrieved Employees to perform the aforementioned activities in excess of eight hours per day and in excess of 40 hours per week but discouraged them from recording overtime hours. As a result, The Ships Pizza Employers required Perales and the Aggrieved Employees to work overtime hours without paying them overtime premium wages for such work.

At all relevant times, the Ships Pizza Employers failed to provide Perales and all of the other Aggrieved Employees with all timely 30-minute, off-duty meal periods. The Ships

Pizza Employers required Perales and the Aggrieved Employees to prepare pizzas on a strict time schedule and discouraged them from recording all of their hours worked in doing so. Accordingly, Perales and the Aggrieved Employees prepared pizzas and performed related duties during meal periods off the clock and without pay. The Ships Pizza Employers also failed to pay premium wages for days on which they failed to provide Perales and all of the other Aggrieved Employees with meal periods as required by law.

At all relevant times, the Ships Pizza Employers failed to authorize and permit Perales and all of the other Aggrieved Employees to take ten-minute, off-duty, paid rest breaks every four hours worked or major portion thereof. The Ships Pizza Employers required Perales and the Aggrieved Employees to prepare pizzas on a strict time schedule and discouraged them from recording all of their hours worked in doing so. Accordingly, Perales and the Aggrieved Employees prepared pizzas and performed related duties during rest periods. The Ships Pizza Employers also failed to pay premium wages for days on which they failed to authorize and permit Perales and all of the other Aggrieved Employees to take rest breaks as required by law.

At all relevant times, the Ships Pizza Employers failed to issue to Perales and all of the other Aggrieved Employees complete and accurate wage statements that state all hours worked at the correct rates of pay, and all wages earned. The Ships Pizza Employers knowingly and intentionally failed to state on the wage statements they issued to Perales and all of the other Aggrieved Employees the unpaid wages discussed above. The wage statements fail to state all minimum wages earned, all regular wages earned, all overtime wages earned, all meal period premium wages earned, all rest break premium wages earned, and other required information.

The Ships Pizza Employers also failed to timely pay Perales and all of the other Aggrieved Employees all earned wages as described above during and at the conclusion of employment.

The Ships Pizza Employers failed to maintain accurate employee records of Perales and all of the other Aggrieved Employees.

For the reasons stated herein, Perales alleges the following violations of the Labor Code and the Wage Order on behalf of himself and all of the other Aggrieved Employees:

- (a) The Ships Pizza Employers failed to pay Perales and all of the other Aggrieved Employees all wages earned for all hours worked at the correct rates of pay, including minimum, regular, and overtime wages;
- (b) The Ships Pizza Employers failed to provide Perales and all of the other Aggrieved Employees all meal periods in compliance with California law;
- (c) The Ships Pizza Employers failed to authorize and permit Perales and all of the other Aggrieved Employees to take rest breaks in compliance with California law;
- (d) The Ships Pizza Employers failed to compensate Perales and all of the other Aggrieved Employees at one hour's pay for each day in which the Ships Pizza Employers failed to provide them with one or more meal periods as required by law;
- (e) The Ships Pizza Employers failed to compensate Perales and all of the other Aggrieved Employees at one hour's pay for each day in which the Ships Pizza Employers failed to authorize and permit them to take one or more rest breaks as required by law;
- (f) The Ships Pizza Employers knowingly and intentionally failed to provide Perales and all of the other Aggrieved Employees with accurate wage statements;
- (g) The Ships Pizza Employers willfully failed to timely pay Perales and all of the other Aggrieved Employees all earned and unpaid wages during their employment with the Ships Pizza Employers and when their employment ended; and
- (h) The Ships Pizza Employers failed to maintain accurate employment records pertaining to Perales and all of the other Aggrieved Employees.

Accordingly, Perales now seeks civil penalties on behalf of himself and all of the other Aggrieved Employees based on the Ships Pizza Employers' alleged violations of the Labor Code and the Wage Order.

The Wage Order

The Wage Order applies to “all persons employed in the public housekeeping industry whether paid on a time, piece rate, commission, or other basis.” Wage Order, § 1. The Wage Order defines "Public Housekeeping Industry" to mean

any industry, business, or establishment which provides meals, housing, or maintenance services whether operated as a primary business or when incidental to other operations in an establishment not covered by an industry order of the Commission, and includes, but is not limited to the following:

- (1) Restaurants, night clubs, taverns, bars, cocktail lounges, lunch counters, cafeterias, boarding houses, clubs, and all similar establishments where food in either solid or liquid form is prepared and served to be consumed on the premises;
- (2) Catering, banquet, box lunch service, and similar establishments which prepare food for consumption on or off the premises;
- (3) Hotels, motels, apartment houses, rooming houses, camps, clubs, trailer parks, office or loft buildings, and similar establishments offering rental of living, business, or commercial quarters;
- (4) Hospitals, sanitariums, rest homes, child nurseries, child care institutions, homes for the aged, and similar establishments offering board or lodging in addition to medical, surgical, nursing, convalescent, aged, or child care;
- (5) Private schools, colleges, or universities, and similar establishments which provide board or lodging in addition to educational facilities;
- (6) Establishments contracting for development, maintenance or cleaning of grounds; maintenance or cleaning of facilities and/or quarters of commercial units and living units; and
- (7) Establishments providing veterinary or other animal care services.

Wage Order, § 2(P). At all relevant times during the applicable limitations period, the Ships Pizza Employers, Perales, and all of the Aggrieved Employees were covered by the Wage Order because the Ships Pizza Employers operated, and Perales, and all of the Aggrieved Employees, worked for one or more restaurants. Accordingly, Perales and all of the other Aggrieved Employees are entitled to the protections the Wage Order provides.

Failure To Pay Wages For All Hours Worked At The Correct
Rates of Pay
(Lab. Code §§ 510, 1194, 1197, and 1198)

Under Labor Code section 1197, “The minimum wage for employees fixed by the commission is the minimum wage to be paid to employees, and the payment of a less wage than the minimum so fixed is unlawful.”

In relevant part, section 2(K) of the Wage Order states,

“Hours worked” means the time during which an employee is subject to the control of an employer, and includes all the time the employee is suffered or permitted to work, whether or not required to do so[.]

In relevant part, Labor Code section 1194 states:

- (a) Notwithstanding any agreement to work for a lesser wage, any employee receiving less than the legal minimum wage or the legal overtime compensation applicable to the employee is entitled to recover in a civil action the unpaid balance of the full amount of this minimum wage or overtime compensation, including interest thereon, reasonable attorney’s fees, and costs of suit.

In relevant part, Labor Code section 510 states:

Any work in excess of eight hours in one workday and any work in excess of 40 hours in any one workweek and the first eight hours worked on the seventh day of work in any one workweek shall be compensated at the rate of no less than one and one-half times the regular rate of pay for an employee. Any work in excess of 12 hours in one day shall be compensated at the rate of no less than

twice the regular rate of pay for an employee. In addition, any work in excess of eight hours on any seventh day of a workweek shall be compensated at the rate of no less than twice the regular rate of pay of an employee.

In relevant part, Section 3 of the Wage Order states:

The following overtime provisions are applicable to employees 18 years of age or over and to employees 16 or 17 years of age who are not required by law to attend school and are not otherwise prohibited by law from engaging in the subject work. Such employees shall not be employed more than eight (8) hours in any workday or more than 40 in a workweek unless the employee receives one and one half (1½) times such employee's regular rate of pay for all hours worked over 40 hours in the workweek. Eight (8) hours of labor constitutes a day's work. Employment beyond eight (8) hours in any workday or more than six (6) days in any workweek is permissible provided the employee is compensated for such overtime at not less than:

- (a) One and one-half (1½) times the employee's regular rate of pay for all hours worked in excess of eight (8) hours up to and including twelve (12) hours in any workday, and for the first eight (8) hours worked on the seventh (7th) consecutive day of work in a workweek;
- (b) Double the employee's regular rate of pay for all hours worked in excess of 12 hours in any workday and for all hours worked in excess of eight (8) hours on the seventh (7th) consecutive day of work in a workweek; and
- (c) The overtime rate of compensation required to be paid to a nonexempt full-time salaried employee shall be computed by using the employee's regular hourly salary as one fortieth (1/40) of the employee's weekly salary.

Labor Code § 1198 prohibits employers from employing their employees under conditions prohibited by the Wage Order.

In conjunction, these provisions of the Labor Code require employers to pay employees no less than their agreed-upon or statutorily mandated wage rates for all hours worked, including hours spent working "off-the-clock" (before punching in or after punching out on a time clock) when the employer knew or reasonably should have known that

employees were working during those hours. *Morillion v. Royal Packing Co.* (2000) 22 Cal.4th 575, 585.

The Ships Pizza Employers required Perales and the Aggrieved Employees to prepare pizzas on a strict time schedule and discouraged them from recording all of their hours worked in doing so. Accordingly, Perales and the Aggrieved Employees prepared pizzas and performed related duties off the clock, during meal periods, and outside of their scheduled work shifts without pay. Additionally, The Ships Pizza Employers required Perales and the Aggrieved Employees to perform the aforementioned activities in excess of eight hours per day and in excess of 40 hours per week but discouraged them from recording overtime hours. As a result, The Ships Pizza Employers required Perales and the Aggrieved Employees to work overtime hours without paying them overtime premium wages for such work.

At all relevant times during the applicable limitations period, the Ships Pizza Employers failed to compensate Perales and all of the other Aggrieved Employees for all hours worked, including, but not limited to minimum, regular, and overtime wages for all hours they worked at the correct rates of pay. Accordingly, Perales now seeks civil penalties on behalf of himself and all of the other Aggrieved Employees as follows:

1. \$50 for each aggrieved employee for each initial violation of Labor Code § 510, and \$100 for each aggrieved employee for each subsequent violation, per pay period in addition to an amount sufficient to recover underpaid wages (penalties set by Labor Code § 558);
2. \$100 for each aggrieved employee for each initial violation of Labor Code § 1194, and \$200 for each aggrieved employee for each subsequent violation, per pay period (penalties set by Labor Code § 2699(f)(2));
3. \$100 for each underpaid aggrieved employee for each initial violation of Labor Code § 1197, and \$250 for each underpaid aggrieved employee for each subsequent violation per pay period (regardless of whether the initial violations were intentionally committed), in addition to an amount sufficient to recover underpaid wages, liquidated damages pursuant to Section 1194.2, and any applicable penalties imposed pursuant to Section 203 (penalties set by Labor Code § 1197.1) and

4. \$100 for each aggrieved employee for each initial violation of Labor Code § 1198, and \$200 for each aggrieved employee for each subsequent violation, per pay period (penalties set by Labor Code § 2699(f)(2)).

Failure to Provide Meal Periods
(Lab. Code §§ 226.7, 512, and 1198)

In relevant part, section 2(K) of the Wage Order states,

“Hours worked” means the time during which an employee is subject to the control of an employer, and includes all the time the employee is suffered or permitted to work, whether or not required to do so.

In relevant part, Labor Code section 1198 states, “The employment of any employee ... under conditions of labor prohibited by the [Wage Order] is unlawful.”

In relevant part, Labor Code section 512 states:

An employer may not employ an employee for a work period of more than five hours per day without providing the employee with a meal period of not less than 30 minutes, except that if the total work period per day of the employee is no more than six hours, the meal period may be waived by mutual consent of both the employer and employee. An employer may not employ an employee for a work period of more than 10 hours per day without providing the employee with a second meal period of not less than 30 minutes, except that if the total hours worked is no more than 12 hours, the second meal period may be waived by mutual consent of the employer and the employee only if the first meal period was not waived.

In relevant part, section 11 of the Wage Order states:

Meal Periods:

- (A) No employer shall employ any person for a work period of more than five (5) hours without a meal period of not less than 30 minutes, except that when a work period of not more than six (6)

hours will complete the day's work the meal period may be waived by mutual consent of the employer and the employee. Unless the employee is relieved of all duty during a 30 minute meal period, the meal period shall be considered an "on duty" meal period and counted as time worked. . . .

- (B) If an employer fails to provide an employee a meal period in accordance with the applicable provisions of this Order, the employer shall pay the employee one (1) hour of pay at the employee's regular rate of compensation for each workday that the meal period is not provided.

In addition, Labor Code section 226.7 states:

- (b) An employer shall not require an employee to work during a meal or rest or recovery period mandated pursuant to an applicable statute, or applicable regulation, standard, or order of the Industrial Welfare Commission, the Occupational Safety and Health Standards Board, or the Division of Occupational Safety and Health.
- (c) If an employer fails to provide an employee a meal or rest or recovery period in accordance with a state law, including, but not limited to, an applicable statute or applicable regulation, standard, or order of the Industrial Welfare Commission, the Occupational Safety and Health Standards Board, or the Division of Occupational Safety and Health, the employer shall pay the employee one additional hour of pay at the employee's regular rate of compensation for each workday that the meal or rest or recovery period is not provided.

At all relevant times, the Ships Pizza Employers failed to provide Perales and all of the other Aggrieved Employees with all timely meal periods. The Ships Pizza Employers denied Perales and all of the other Aggrieved Employees their 30-minute off-duty meal period within the first five hours of work. The Ships Pizza Employers required Perales and the Aggrieved Employees to prepare pizzas on a strict time schedule and discouraged them from recording all of their hours worked in doing so. Accordingly,

Perales and the Aggrieved Employees prepared pizzas and performed related duties during meal periods off the clock and without pay. Furthermore, the Ships Pizza Employers failed to pay premium wages for days on which they failed to provide Perales and all of the other Aggrieved Employees with timely meal periods. Accordingly, Perales now seeks civil penalties for these Labor Code violations that the Ships Pizza Employers have committed against him and all of the other Aggrieved Employees as follows:

1. \$100 for each aggrieved employee for each initial violation of Labor Code section 226.7, and \$200 for each aggrieved employee for each subsequent violation, per pay period (penalties set by Labor Code section 2699(f)(2));
2. \$50 for each aggrieved employee for each initial violation of Labor Code section 512, and \$100 for each aggrieved employee for each subsequent violation, per pay period in addition to an amount sufficient to recover underpaid wages (penalties set by Labor Code section 558); and
3. \$100 for each aggrieved employee for each initial violation of Labor Code section 1198, and \$200 for each aggrieved employee for each subsequent violation, per pay period (penalties set by Labor Code section 2699(f)(2)).

Failure to Authorize and Permit Rest Periods
(Lab. Code §§ 226.7 & 1198)

Section 2(K) of the Wage Order states,

“Hours worked” means the time during which an employee is subject to the control of an employer, and includes all the time the employee is suffered or permitted to work, whether or not required to do so.

In relevant part, Labor Code section 1198 states,

The employment of any employee . . . under conditions of labor prohibited by the [Wage Order] is unlawful.

Section 12 of the Wage Order provides, in relevant part:

Rest Periods:

- (A) Every employer shall authorize and permit all employees to take rest periods, which insofar as practicable shall be in the middle of each work period. The authorized rest period time shall be based on the total hours worked daily at the rate of ten (10) minutes net rest time per four (4) hours or major fraction thereof. However, a rest period need not be authorized for employees whose total daily work time is less than three and one-half (3 ½) hours. Authorized rest period time shall be counted as hours worked for which there shall be no deduction from wages.
- (B) If an employer fails to provide an employee a rest period in accordance with the applicable provisions of this order, the employer shall pay the employee one (1) hour of pay at the employee's regular rate of compensation for each workday that the rest period is not provided.

In addition, Labor Code section 226.7 states:

- (b) An employer shall not require an employee to work during a meal or rest or recovery period mandated pursuant to an applicable statute, or applicable regulation, standard, or order of the Industrial Welfare Commission, the Occupational Safety and Health Standards Board, or the Division of Occupational Safety and Health.
- (c) If an employer fails to provide an employee a meal or rest or recovery period in accordance with a state law, including, but not limited to, an applicable statute or applicable regulation, standard, or order of the Industrial Welfare Commission, the Occupational Safety and Health Standards Board, or the Division of Occupational Safety and Health, the employer shall pay the employee one additional hour of pay at the employee's regular rate of compensation for each workday that the meal or rest or recovery period is not provided.

The Ships Pizza Employers failed to authorize and permit Perales and all of the other Aggrieved Employees to take ten-minute, paid, duty-free rest breaks every four hours worked or major fraction thereof. The Ships Pizza Employers did not seek an exemption from the rest period protections of the Wage Order from the California Division of Labor Standards Enforcement. The Ships Pizza Employers required Perales and the Aggrieved Employees to prepare pizzas on a strict time schedule and discouraged them from recording all of their hours worked in doing so. Accordingly, Perales and the Aggrieved Employees prepared pizzas and performed related duties during rest periods. Moreover, the Ships Pizza Employers failed to pay Perales and all of the other Aggrieved Employees premium wages on workdays the Ships Pizza Employers failed to provide Perales and all of the other Aggrieved Employees with 10-minute rest periods every four hours worked or major fraction thereof. Accordingly, Perales now seeks civil penalties for these Labor Code violations that the Ships Pizza Employers have committed against him and all of the other Aggrieved Employees as follows:

1. \$100 for each aggrieved employee for each initial violation of Labor Code section 226.7, and \$200 for each aggrieved employee for each subsequent violation, per pay period (penalties set by Labor Code section 2699(f)(2)); and
2. \$100 for each aggrieved employee for each initial violation of Labor Code section 1198, and \$200 for each aggrieved employee for each subsequent violation, per pay period (penalties set by Labor Code section 2699(f)(2)).

Failure to Provide Accurate Wage Statements
(Lab. Code § 226)

Labor Code section 226(a) requires an employer to provide an employee, either semi-monthly or at the time of each wage payment, with an accurate and itemized written wage statement that shows:

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 his or her social security number, except that by January 1, 2008, only the last four digits of his or her social security number or an employee identification number other than a social security number may be shown on the itemized statement;
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.

At all relevant times during the applicable limitations period, the Ships Pizza Employers violated Labor Code section 226 because they did not properly and accurately itemize each Aggrieved Employee's gross wages earned, net wages earned, the total hours worked, the corresponding number of hours worked at each rate by the Aggrieved Employee and other requirements of Labor Code section 226. The Ships Pizza Employers failed to state in the wage statements they issued to Perales and all of the other Aggrieved Employees all their hours worked and wages earned, including, but not limited to, regular and overtime wages for work they performed off-the-clock after clocking-out (as described above). The Ships Pizza Employers knowingly and intentionally failed to state on the wage statements they issued to Perales and all of the other Aggrieved Employees the earned but unpaid wages described above. The wage statements do not state all minimum wages earned, all regular wages earned, all overtime

wages earned, all meal period premium wages earned, all rest break premium wages earned, and other required information.

Accordingly, Perales seeks civil penalties for the Labor Code violations that the Ships Pizza Employers have committed against him and all of the other Aggrieved Employees as follows: \$250 for each aggrieved employee for each initial violation of Labor Code section 226(a), and \$1,000 for each aggrieved employee for each subsequent violation (penalties set by Labor Code section 226.3).

Failure to Timely Pay Wages During Employment
(Lab. Code § 204)

Labor Code section 204 states all wages (other than those mentioned in Labor Code sections 201 and 202) earned by any person in any employment are due and payable twice during each calendar month, on days designated in advance by the employer as the regular paydays. Labor performed between the 1st and 15th days, inclusive, of any calendar month shall be paid for between the 16th and the 26th day of the month during which the labor was performed, and labor performed between the 16th and the last day, inclusive, of any calendar month, shall be paid for between the 1st and 10th day of the following month. In addition, all wages for work performed in excess of the normal work period must be paid by no later than the following regular payday.

The Ships Pizza Employers failed to compensate Perales and all of the other Aggrieved Employees for wages earned, including minimum wages, regular wages, overtime wages, unprovided meal period premium wages, unprovided rest break premium wages, and other compensation, at the intervals stated above. As a result, the Ships Pizza Employers failed to timely pay all earned wages due during employment within the time periods set by Labor Code section 204. Accordingly, Perales now seeks civil penalties for the Labor Code violations that the Ships Pizza Employers have committed against him and all of the other Aggrieved Employees as follows: \$100 for each aggrieved employee for each initial violation of Labor Code section 204, and \$200 for each aggrieved employee for each subsequent violation, plus 25% of the amount unlawfully withheld from each aggrieved employee (penalties set by Labor Code section 210).

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Failure to Timely Pay Wages Upon Termination of Employment
(Lab. Code §§ 201, 202, and 203)

Under Labor Code § 201, if an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately. Under § 202, if an employee not having a written contract for a definite period quits his or her employment, his or her wages shall become due and payable not later than 72 hours thereafter, unless the employee has given 72 hours previous notice of his or her intention to quit, in which case the employee is entitled to his or her wages at the time of quitting. Notwithstanding any other provision of law, an employee who quits without providing a 72-hour notice shall be entitled to receive payment by mail if he or she so requests and designates a mailing address. *Id.* The date of the mailing shall constitute the date of payment for purposes of the requirement to provide payment within 72 hours of the notice of quitting. *Id.*

Under Labor Code § 203, if an employer willfully fails to pay without abatement or reduction, in accordance with §§ 201 and 202, the wages of an employee who is discharged or who quits, the wages of the employee shall continue as a penalty from the due date thereof at the same rate until paid or until an action therefor is commenced; but the wages shall not continue for more than 30 days.

The Ships Pizza Employers failed to pay Perales and all of the other Aggrieved Employees whose employment ended all of the earned but unpaid wages described above by the conclusion of their employment with Perales, including minimum wages, regular wages, overtime wages, unprovided meal period premium wages, unprovided rest break premium wages, and other compensation. By failing to pay Perales and all of the other Aggrieved Employees as set forth above at the end of employment, the Ships Pizza Employers are liable for violations of Labor Code §§ 201, 202, and 203. Accordingly, on behalf of himself and all of the other Aggrieved Employees, Perales seeks civil penalties from the Ships Pizza Employers as follows:

1. For violations of Labor Code § 201, \$100 per aggrieved employee for each of the pay periods in which initial violations of § 201 occurred, and \$200 per aggrieved employee per pay period in which subsequent violations of § 201 occurred (penalties set by Labor Code § 2699(f)(2));

2. For violations of Labor Code § 202, \$100 per aggrieved employee for each of the pay periods in which initial violations of § 202 occurred, and \$200 per aggrieved employee per pay period in which subsequent violations of § 202 occurred (penalties set by Labor Code § 2699(f)(2)); and
3. For violations of Labor Code § 203, \$100 per aggrieved employee for each of the pay periods in which initial violations of § 203 occurred, and \$200 for per aggrieved employee per pay period in which subsequent violations of § 203 occurred (penalties set by Labor Code § 2699(f)(2)).

Failure to Maintain Accurate Employment Records
(Lab. Code §§ 1174 & 1198)

Labor Code section 1174, which also pertains to recordkeeping, states:

Every person employing labor in this state shall:

...

- (c) Keep a record showing the names and addresses of all employees employed and the ages of all minors.
- (d) Keep, at a central location in the state or at the plants or establishments at which employees are employed, payroll records showing the hours worked daily by and the wages paid to, and the number of piece-rate units earned by and any applicable piece rate paid to, employees employed at the respective plants or establishments. These records shall be kept in accordance with rules established for this purpose by the commission, but in any case shall be kept on file for not less than three years. An employer shall not prohibit an employee from maintaining a personal record of hours worked, or, if paid on a piece-rate basis, piece-rate units earned.

Labor Code section 1174.5 states:

Any person employing labor who willfully fails to maintain the records required by subdivision (c) of Section 1174 or accurate and complete records required by subdivision (d) of Section 1174, or to allow any member of the commission or employees of the division to inspect records pursuant to subdivision (b) of Section 1174, shall be subject to a civil penalty of five hundred dollars (\$500).

Section 7 of Wage Order states,

(A) Every employer shall keep accurate information with respect to each employee including the following:

- (1) Full name, home address, occupation and social security number.
- (2) Birth date, if under 18 years, and designation as a minor.
- (3) Time records showing when the employee begins and ends each work period. Meal periods, split shift intervals and total daily hours worked shall also be recorded. Meal periods during which operations cease and authorized rest periods need not be recorded.
- (4) Total wages paid each payroll period, including value of board, lodging, or other compensation actually furnished to the Employee.
- (5) Total hours worked in the payroll period and applicable rates of pay. This information shall be made readily available to the employee upon reasonable request.
- (6) When a piece rate or incentive plan is in operation, piece rates or an explanation of the incentive plan formula shall be provided to employees. An accurate production record shall be maintained by the employer.

Labor Code section 1198 prohibits employers from employing their employees under conditions prohibited by the Wage Order.

The Ships Pizza Employers failed to compensate Perales and all of the other Aggrieved Employees for all hours worked at the correct rates of pay, including all minimum wages earned, all regular wages earned, all overtime wages earned, all meal period premium wages earned, all rest break premium wages earned, and related information. As a result, the Ships Pizza Employers have failed to accurately maintain all records required by section 1174 and the Wage Order, including but not limited to Perales and all of the other Aggrieved Employees' total hours worked, total wages paid, and applicable hourly rates during each payroll period. Accordingly, Perales seeks civil penalties on behalf of himself and all of the other Aggrieved Employees as follows:

1. \$500 for each aggrieved employee for each violation of Labor Code section 1174 (penalties set by Labor Code section 1174.5); and
2. \$100 for each aggrieved employee for each initial violation of Labor Code section 1198, and \$200 for each Aggrieved Employee for each subsequent violation, per pay period (penalties set by Labor Code section 2699(f)(2)).

Person Acting on Behalf of Employers who Violates Labor Code
(Labor Code § 558.1)

In relevant part, Labor Code section 558.1 states:

- (a) Any employer or other person acting on behalf of an employer, who violates, or causes to be violated, any provision regulating minimum wages or hours and days of work in any order of the Industrial Welfare Commission, or violates, or causes to be violated, Sections 203, 226, 226.7, 1193.6, 1194, or 2802, may be held liable as the employer for such violation.
- (b) For purposes of this section, the term "other person acting on behalf of an employer" is limited to a natural person who is an owner, director, officer, or managing agent of the employer, and the term "managing agent" has the same meaning as in subdivision (b) of Section 3294 of the Civil Code.

LWDA / The Ships Pizza Employers

Re: Juan Perales

December 2, 2022

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At all relevant times, Greg DeGrandis was an employer of Perales and all of the other Aggrieved Employees, and/or “owner,” “managing agent,” and/or “officer” of the Ships Pizza Employers and the other employers identified above. Greg DeGrandis directly or indirectly, or through an agent or other person, employed and exercised control over the wages, hours, and/or working conditions of the Aggrieved Employees, and caused the violations to the Labor Code and the Wage Order described above. On behalf of himself and all of the other Aggrieved Employees, Perales seeks the same civil penalties against Greg DeGrandis on the same grounds for which he seeks civil penalties against the Ships Pizza Employers.

Conclusion

As noted above, this letter constitutes the required notice under the Labor Code Private Attorneys General Act of 2004. Please be advised that Juan Perales will seek both reasonable attorneys’ fees and costs under Labor Code section 2699(g)(1) in a civil action should the LWDA decline to pursue this matter. This letter also serves as a formal notice under the catalyst theory and Code of Civil Procedure section 1021.5 to resolve this matter before litigation.

Sincerely,



David Spivak, Esq.

David@spivaklaw.com

cc: Mr. Juan Perales

Mr. Walter L. Haines
United Employees Law Group
4276 Katella Ave
Suite 301
Los Alamitos, CA 90720
walter@uelglaw.com

/ / /

LWDA / The Ships Pizza Employers

Re: Juan Perales

December 5, 2022

Page 21 of 21

Ships Pizza, Inc
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Greg DeGrandis
c/o Lonnie F. Giamela
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1 **PROOF OF SERVICE**

2
3 State of California,
4 County of Los Angeles

5 1. I am a citizen of the United States and am employed in the County
6 of Los Angeles, State of California. I am over the age of 18 years, and not a
party to the within action. My business address is 1801 Century Park East
25th Fl Los Angeles CA 90067.

7 2. I am familiar with the practice of The Spivak Law Firm, for
8 collection and processing of correspondence for mailing with the United
9 States Postal Service. It is the practice that correspondence is deposited
with the United States Postal Service the same day it is submitted for
mailing.

10 On Tuesday, February 21, 2023, I served the foregoing document
11 described as **SECOND AMENDED COMPLAINT** on interested parties by placing a true
and correct copy thereof enclosed in a sealed envelope, with postage fully
prepaid, addressed as follows:

12 **Lonnie D. Giamela, Esq.**
13 **Assistant: Cina Kim**
14 **Fisher & Phillips LLP**
15 **444 South Flower Street, Suite 1500**
16 **Los Angeles, CA 90071**
lgiamela@fisherphillips.com
cakim@fisherphillips.com

17 XXXX(BY EMAIL) I caused the documents to be sent to the persons at the
18 electronic service addresses listed above from my electronic service address
stacy.aguirre@spivaklaw.com

19 EXECUTED on Tuesday, February 21, 2023, at Santa Barbara, California.

20 XXXX (State) I declare under penalty of perjury under the laws of the State
of California that the above is true and correct.

21 ____ (Federal) I declare that I am employed in the office of a member of the
22 bar of this court at whose direction the service was made.

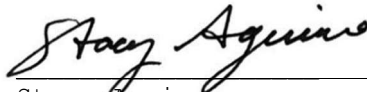
23
24 
25 Stacy Aguirre
26
27
28

EXHIBIT 5

SUPERIOR COURT OF CALIFORNIA, COUNTY OF STANISLAUS

JUAN PERALES

SHIPS PIZZA INC. et al.

vs.

Plaintiff(s)/Petitioner(s)

Defendant(s)/Respondent(s)

NATURE OF HEARING: Defendants' Motion to Compel Plaintiff Juan Perales' Claims to Arbitration on an Individual Basis and Dismiss the Class Representative Claims

CASE NO.: CV-22-004216

JUDGE: SONNY S. SANDHU

Bailiff: Childress

Date: 07/14/2023

Clerk: A. Castigliano

Reporter: None

Modesto, California

APPEARANCES: None.

Case is regularly called for hearing.

There being **NO HEARING REQUESTED** the Court hereby confirms its tentative ruling as follows:

IT IS SO ORDERED:

Defendants' Motion to Compel Plaintiff Juan Perales' Claims to Arbitration on an Individual Basis and Dismiss the Class Representative Claims - **GRANTED, in part, DENIED, in part.**

The Court finds that elements of procedural and substantive unconscionability that may exist in the parties' 2020 and 2022 arbitration agreements do not rise to the extent as to lead to an invalidation of said agreements. (*Murrey v. Superior Ct.*, (2023) 87 Cal. App. 5th 1223). Consequently, the Court finds that valid arbitration agreements exist between Plaintiff and Defendants that cover the dispute between the parties. (Code of Civil Procedure, section 1281).

Accordingly, Plaintiff's individual statutory and Private Attorney General Action (PAGA) claims are hereby ordered to arbitration. Plaintiff's class action is hereby dismissed, and Plaintiff's representative Private Attorney General Action (PAGA) action is hereby stayed pending the California Supreme Court decision in *Adolph v Uber Technologies Inc.* (Code of Civil Procedure, section 1281.4)

EXHIBIT 6

EXHIBIT 7

41
FILED

Superior Court Of California
County Of Los Angeles

JUN 21 2012

John A. Clarke, Executive Officer/Clerk
BY Nancy Sandoval, Deputy

Received

MAY 18 2012

Fax Filing

SUPERIOR COURT OF THE STATE OF CALIFORNIA

**FOR THE COUNTY OF LOS ANGELES – CENTRAL DISTRICT
(UNLIMITED JURISDICTION)**

ALINA GHRDILYAN; EVGENIA
SULTANIAN; and all others similarly situated,

Plaintiffs,

vs.

RJ FINANCIAL, INC., a California
corporation; RAMIL ABALKHAD, an
individual; and DOES 1 through 50, inclusive,

Defendants.

Case No.: BC430633

**~~(PROPOSED)~~ JUDGMENT AGAINST
DEFENDANT RAMIL ABALKHAD**

Action filed: 01/28/2010
CMC: 09/29/2010, 8:30 a.m.
FSC: 04/09/2012, 8:30 a.m.
Trial: 04/09/2012, 8:30 a.m.
Dept: 41, Hon. Ronald M.
Sohigian

Plaintiffs Alina Ghrdilyan and Evgenia Sultanian ("Plaintiffs") filed a complaint Defendant RJ Financial, Inc., a California corporation, on January 28, 2010. On February 24, 2010, Plaintiffs filed a First Amended Complaint which added Ramil Abalkhad, an individual, as a defendant, and a claim against him for civil penalties under the Labor Code Private Attorneys General Act of 2004, Labor Code sections 2698, *et seq.* ("The PAGA"). In the First Amended Complaint, the Plaintiffs contended that Defendants violated Labor Code sections 226.7, 510, 512, 1194, 1197, and 1198 and Industrial Welfare Commission Wage Order 7-2001 and in so doing, was liable to the Plaintiffs and other aggrieved employees under the PAGA.

On July 26, 2011, the Court granted Plaintiffs' motion to compel further responses to deposition questions, and ordered Defendant Ramil Abalkhad to pay monetary sanctions to

1 Plaintiffs in the amount of \$2,700.00. Defendant Ramil Abalkhad has not paid such amount to
2 date.

3 On April 10 through 23, 2012, the case was tried in Department 41 of the above-entitled
4 court, the Honorable Ronald M. Sohigian, presiding. Defendant Ramil Abalkhad was present
5 throughout the trial. Plaintiffs Alina Ghrdilyan and Evgenia Sultanian appeared for the trial.
6 David Spivak of the Spivak Law Firm and Louis Benowitz of the Law Offices of Louis
7 Benowitz represented the Plaintiffs, Alina Ghrdilyan and Evgenia Sultanian, and the other
8 aggrieved employees. F. Michael Sabzevar of the Law Office of Michael Sabzevar represented
9 the Defendant Ramil Abalkhad.

10 Before the trial without a jury began, Defendant RJ Financial, Inc. petitioned for
11 bankruptcy protection. Pursuant to 11 U.S.C. section 362, the claims against RJ Financial, Inc.
12 were stayed, and the case proceeded to trial against Defendant Ramil Abalkhad only on the
13 claim for civil penalties under the PAGA.

14 The jury was waived. Testimony was heard and documentary evidence was admitted.
15 Following argument, the court considered the evidence. Only Plaintiffs requested a written
16 statement of decision, however, on April 23, 2012, the Court orally presented its tentative
17 statement of decision on the record.

18 **Plaintiff Alina Ghrdilyan**

19 In its tentative statement of decision, the Court awarded the following amounts to
20 Plaintiff Alina Ghrdilyan: (1) For violations of Labor Code sections 510 and 512, \$7,654.60
21 pursuant to Labor Code section 558; and (2) For violations of Labor Code sections 1198 and
22 Wage Order 7, \$14,218.00 pursuant to Labor Code section 1197.1. This totals \$21,872.60 for
23 Plaintiff Alina Ghrdilyan, of which \$4,572.60 is wages. Of the \$17,300.00 in civil penalties that
24 do not represent wages, twenty-five percent (25%), \$4,325.00, is awarded to Plaintiff Alina
25 Ghrdilyan, and the remaining seventy-five percent (75%), \$12,975.00, is awarded to the
26 California Labor & Workforce Development Agency pursuant to Labor Code § 2699(i).

27 **Plaintiff Evgenia Sultanian**

28 Additionally, the Court awarded the following amounts to Plaintiff Evgenia Sultanian:
(1) For violations of Labor Code sections 510 and 512, \$5,264.19 pursuant to Labor Code
section 558; and (2) For violations of Labor Code sections 1198 and Wage Order 7, \$13,936.50
pursuant to Labor Code section 1197.1. This totals \$19,200.69 for Plaintiff Evgenia Sultanian,

of which \$3,000.69 represents wages. Of the \$16,200.00 in civil penalties that do not represent wages, twenty-five percent (25%), \$4,050.00, is awarded to Plaintiff Evgenia Sultanian, and the remaining seventy-five percent (75%), \$12,150.00, is awarded to the California Labor & Workforce Development Agency pursuant to Labor Code § 2699(i).

Other Aggrieved Employees

Moreover, the Court awarded the following amounts to the other aggrieved employees:

(1) For violations of Labor Code sections 510 and 512, \$125,000.00 pursuant to Labor Code section 558; and (2) For violations of Labor Code sections 1198 and Wage Order 7, \$200,000.00 pursuant to Labor Code section 1197.1. This totals \$325,000.00 for the aggrieved employees. Of the \$325,000.00 in civil penalties, twenty-five percent (25%), \$81,250.00, is awarded to the aggrieved employees other than the two named-Plaintiffs, and the remaining seventy-five percent (75%), \$243,750.00, is awarded to the California Labor & Workforce Development Agency pursuant to Labor Code § 2699(i).

As part of its statement of decision, the Court stated that, in committing the acts that led to the Court's award, Defendant Ramil Abalkhad had "the intention simply of trying to run things through and get off as cheaply as he could while he was running his businesses."

After more than ten days had passed from the Court's tentative statement of decision, Defendant Ramil Abalkhad did not request a written statement of decision, object to the tentative statement of decision, nor specify omitted issues to be included in the statement of decision. The Court adopted that tentative statement of decision as its final statement of decision in the manner prescribed by Rule of Court 3.1590(c)(4).

In accordance with the court's Statement of Decision, it is hereby ORDERED, ADJUDGED AND DECREED:

~~1. Plaintiffs Alina Ghrdilyan and Evgenia Sultanian shall have judgment against Defendant Ramil Abalkhad in the amount of \$2,700.00 as sanctions against Defendant Ramil Abalkhad pursuant to the Court's July 26, 2011 decision on Plaintiffs' motion to compel.~~

1 Plaintiff Alina Ghrdilyan shall have judgment under the PAGA against Defendant Ramil Abalkhad in the amount of \$8,897.60.

2 Plaintiff Evgenia Sultanian shall have judgment under the PAGA against Defendant Ramil Abalkhad in the amount of \$7,050.69.

1 ~~3~~ The aggrieved employees shall have judgment under the PAGA against
2 Defendant Ramil Abalkhad in the amount of \$81,250.

3 ~~3~~ 4 The California Labor & Workforce Development Agency shall have judgment
4 against Defendant Ramil Abalkhad in the amount of \$268,875.00.

5 The total amount awarded against Defendant Ramil Abalkhad, exclusive of interest,
6 attorneys' fees and costs, is ~~\$268,875.00~~ **\$366,073.29**

7 Defendant Ramil Abalkhad must pay the Plaintiffs and their attorneys on the First
8 Amended Complaint attorneys' fees in the amount of \$ **581,770.78** ^{PP} and costs in the amount
9 of \$ **21,272.88** ^{PP}

10 The total amount awarded against Defendant Ramil Abalkhad, inclusive of attorneys'
11 fees and costs, is \$ **969,116.95** ^{PP}, plus interest thereon at the legal rate of ten percent (10%)
12 per year.

13 IT IS SO ORDERED, ADJUDGED AND DECREED.

14 **JUNE 21, 2012**
15 DATE

Ronald M. Sohigian
16 THE HONORABLE RONALD
17 SOHIGIAN, JUDGE OF THE
18 SUPERIOR COURT
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28

1 PROOF OF SERVICE

2
3 State of California,
County of Los Angeles

4 1. I am a citizen of the United States and am employed in the County
5 of Los Angeles, State of California. I am over the age of 18 years, and not a
6 party to the within action. My business address is 9454 Wilshire Blvd., Suite
303, Beverly Hills, California 90212.

7 2. I am familiar with the practice of The Spivak Law Firm, for
8 collection and processing of correspondence for mailing with the United
9 States Postal Service. It is the practice that correspondence is deposited
with the United States Postal Service the same day it is submitted for
mailing.

10 On Friday, May 18, 2012, I served the foregoing document described as
11 [PROPOSED] JUDGMENT AGAINST DEFENDANT RAMIL ABALKHAD on interested parties by
placing a true and correct copy thereof enclosed in a sealed envelope, with
12 postage fully prepaid, addressed as follows:

13 F. Michael Sabzevar, Esq.
14 Law Ofc F Michael Sabzevar
16633 Ventura Blvd #555
Encino, CA 91436
15 msabzevar@aol.com

16 XXXX (BY MAIL) I caused such an envelope to be mailed by placing it for
17 collection and mailing, in the course of ordinary business practice, with
other correspondence of The Spivak Law Firm, 9454 Wilshire Boulevard, Suite
18 303, Beverly Hills, California 90212.

19 (BY PERSONAL SERVICE) My agent delivered such envelope by hand to the
home/offices of the addressee.

20 EXECUTED on Friday, May 18, 2012, at Beverly Hills, California.

21 XXXX (State) I declare under penalty of perjury under the laws of the State
22 of California that the above is true and correct.

23 (Federal) I declare that I am employed in the office of a member of the
bar of this court at whose direction the service was made.

24 
25 BROCK OYAMA

26
27
28
7/1/2012

EXHIBIT 8

1 DAVID G. SPIVAK, State Bar # 179684
2 THE SPIVAK LAW FIRM
3 9454 Wilshire Blvd.
4 Suite 303
5 Beverly Hills, CA 90212
6 Telephone (310) 499-4730
7 Facsimile (310) 499-4739
8 Email david@spivaklaw.com

CONFORMED COPY
OF ORIGINAL FILED
Los Angeles Superior Court
FEB 24 2010

John A. Clarke, Executive Officer/Clerk
BY MARY GARCIA, Deputy

6 Attorney for Plaintiffs,
7 ALINA GHRDILYAN, EVGENIA SULTANIAN, and all others similarly situated

8 SUPERIOR COURT OF THE STATE OF CALIFORNIA
9 FOR THE COUNTY OF LOS ANGELES – CENTRAL DISTRICT
10 (UNLIMITED JURISDICTION)

11 ALINA GHRDILYAN; EVGENIA
12 SULTANIAN; and all others similarly situated,

Case No.: BC430633

CLASS ACTION

13 *Plaintiffs,*

14 vs.

FIRST AMENDED COMPLAINT FOR:

1. Failure To Compensate Employees For All Hours Worked;
2. Failure To Provide Rest And Meal Periods;
3. Forfeiture of Vested Vacation Benefits;
4. Failure To Provide Accurate Written Wage Statements;
5. Failure To Timely Pay All Final Wages
6. Unauthorized Deductions;
7. Failure to Indemnify;
8. Unfair Competition; And
9. Civil Penalties

16 RJ FINANCIAL, INC., a California
17 corporation; RAMIL ABALKHAD, an
18 individual; and DOES 1 through 50, inclusive,

19 *Defendants.*

Action filed: 01/28/2010
CMC: 05/10/2010, 8:30 a.m.
FSC: Not set
Trial: Not set
Dept: 36, Hon. Gregory Alarcon

26 On behalf of both himself and all other persons similarly situated, plaintiff ALINA
27 GHRDILYAN and EVGENIA SULTANIAN ("Plaintiffs") bring this action against defendants
RJ FINANCIAL, INC., RAMIL ABALKHAD, and the other defendants, (collectively

THE
SPIVAK
LAW FIRM

1 “Defendants”) for violations of the California Labor Code, the applicable Industrial Welfare
2 Commission Order(s) (“Wage Order(s)”), and the California Business and Professions Code,
3 and as grounds therefore alleges:

4 **INTRODUCTION**

5 1. This action arises out of the allegedly unlawful labor practices of Defendants in
6 California. Through this class and collective action, Plaintiffs seek to represent the below-
7 defined classes and subclasses of persons who Defendants have allegedly committed labor law
8 violations against including, but not limited to, wage underpayments. As a result of the
9 allegedly unlawful labor conduct described herein, Plaintiffs now seek declaratory and
10 injunctive relief, damages, restitution, penalties, and other proper relief on behalf of himself and
11 other similarly situated persons.

12 **PARTIES AND CONDUCT**

13 **A. Plaintiffs and Class Members**

14 2. During the applicable time period, Plaintiff ALINA GHRDILYAN, an
15 individual, was employed in a position that she alleges Defendants have classified as non-
16 exempt from the overtime requirements of the California Labor Code and the applicable wage
17 order(s).

18 3. During the applicable time period, Plaintiff EVGENIA SULTANIAN, an
19 individual, was employed in a position that she alleges Defendants have classified as non-
20 exempt from the overtime requirements of the California Labor Code and the applicable wage
21 order(s).

22 4. At relevant times during the applicable limitations periods, Plaintiffs allege that
23 Defendants have failed to compensate them and Defendants’ other California employees for all
24 of the hours that they have worked, failed to compensate them for all of the overtime hours that
25 they have worked at overtime rates, failed to provide them with all required rest and meal
26 periods, failed to pay them additional required wages for rest and meal periods, improperly
27 denied earned wages that Defendants without authorization deducted from paychecks or
required reimbursement for, failed to indemnify for necessary expenditures, failed to timely pay

1 all final wages owed, caused them to forfeit vested vacation pay, and/or intentionally failed to
2 provide them with accurate written wage statements.

3 **B. Defendants**

4 5. Defendant RJ FINANCIAL, INC. is a corporation organized under the laws of
5 California. It was at all relevant times a “person” under Labor Code § 18.

6 6. Defendant RAMIL ABALKHAD (also known as Randy Abalkhad), an
7 individual residing in the County of Los Angeles, State of California, was at all relevant times
8 the chief executive officer of Defendant RJ FINANCIAL, INC. At all relevant times,
9 ABALKHAD acted on behalf of RJ FINANCIAL, INC. and oversaw RJ FINANCIAL, INC.’s
10 accounting and bookkeeping and all administrative functions, including payroll. The company
11 maintained books and records by staff members under his direction. At all relevant times,
12 ABALKHAD was a “person acting on behalf of an employer” (RJ FINANCIAL, INC. and the
13 Doe Defendants) who caused to be violated the provisions of the Labor Code regulating hours
14 and days of work in orders of the Industrial Welfare Commission as described below under
15 Labor Code § 558. Also, he was at all relevant times a “person” under Labor Code § 18.

16 7. Plaintiffs are ignorant of the true names, capacities, relationships, and extents of
17 participation in the conduct alleged herein, of the defendants sued as DOES 1-50, inclusive, but
18 are informed and believe and thereon allege that said defendants are legally responsible for the
19 wrongful conduct alleged herein and therefore sue these defendants by such fictitious names.
20 Plaintiffs will amend the complaint to allege the true names and capacities of the DOE
21 defendants when ascertained.

22 8. Plaintiffs are informed and believe and thereon allege that, at all relevant times
23 herein, all defendants were the agents, employees and/or servants, masters or employers of the
24 remaining defendants, and in doing the things hereinafter alleged, were acting within the course
25 and scope of such agency or employment, and with the approval and ratification of each of the
26 other defendants.

27 9. At all relevant times, in perpetrating the acts and omissions alleged herein,
defendants, and each of them, acted pursuant to and in furtherance of a policy and practice of

1 not paying Plaintiffs and other members of the below-described classes in accordance with
2 applicable California labor laws as alleged herein.

3 10. Plaintiffs are informed and believe and thereon allege that each and every one of
4 the acts and omissions alleged herein were performed by, and/or attributable to, all defendants,
5 each acting as agents and/or employees, and/or under the direction and control of each of the
6 other defendants, and that said acts and failures to act were within the course and scope of said
7 agency, employment and/or direction and control.

8 **CLASS ACTION ALLEGATIONS**

9 11. Plaintiffs incorporate paragraphs 1 through 10 of this Complaint as if fully
10 alleged herein.

11 12. Plaintiffs bring this action on behalf of themselves and all others similarly
12 situated as a class action pursuant to California Code of Civil Procedure § 382. Plaintiffs seek to
13 represent the following classes and subclasses of current, future, and/or former employees of
14 Defendants defined below:

15 **Wages Class:** All persons employed by Defendants in California who
16 have not been paid for all hours worked during the period beginning four
17 (4) years prior to the filing of this action and ending on the date that final
18 judgment is entered in this action.

19 **Overtime Class:** All persons employed by Defendants in California who
20 have not been paid at the legally required overtime rates for all hours
21 worked in excess of eight (8) hours in one (1) day and/or forty (40) hours
22 in one (1) week during the period beginning four (4) years prior to the
23 filing of this action and ending on the date that final judgment is entered in
24 this action.

25 **Rest Periods Class:** All persons employed by Defendants in California
26 who were not provided with a net rest period of at least ten (10) minutes
27 per each four (4) hour work period, or major portion thereof, during the
28 period beginning four (4) years prior to the filing of this action and ending
29 on the date that final judgment is entered in this action.

30 **Meal Periods Class:** All persons employed by Defendants in California
31 who were not provided with uninterrupted thirty (30) minute meal periods
32 during each work period of five (5) or more hours during the period
33 beginning four (4) years prior to the filing of this action and ending on the

1 date that final judgment is entered in this action.

2 **Vacation Pay Class:** All persons employed by Defendants in California
3 who earned vested paid vacation days without receiving
4 compensation for each vested paid vacation day during the
5 period beginning four (4) years prior to the filing of this action
6 and ending on the date that final judgment is entered in this
7 action.

8 **Unauthorized Deduction Class:** All persons employed by Defendants in
9 California whose wages were deducted by Defendants without statutory
10 authority or written consent during the period beginning four (4) years
11 prior to the filing of this action and ending on the date that final judgment
12 is entered in this action.

13 **Inaccurate Wage Statement Class:** All persons employed by Defendants
14 in California, including but not limited to members of the **Wages Class,**
15 **Overtime Class, Rest Period Class, Meal Period Class, and/or**
16 **Unauthorized Deduction Class** during the period beginning four (4)
17 years prior to the filing of this action and ending on the date that judgment
18 is entered in this action.

19 **Former Employee Class:** All persons employed by Defendants in
20 California, including, but not limited to, members of the **Wages Class,**
21 **Overtime Class, Rest Period Class, Meal Period Class, Unauthorized**
22 **Deduction Class, and/or Inaccurate Wage Statement Class** whose
23 employment with Defendants ended during the period beginning four (4)
24 years prior to the filing of this action and ending on the date that final
25 judgment is entered in this action, who either: a) were discharged and not
26 paid all wages owed on or before the day of termination; or b) resigned
27 without notice and were not paid all wages owed within 72 hours of
resignation; or c) resigned with 72 hours notice and were not paid all
wages owed on or before the day of quitting.

Indemnification Class: All persons employed by Defendants in
California, including, but not limited to, members of the **Wages Class,**
Overtime Class, Rest Period Class, Meal Period Class, Unauthorized
Deduction Class, and/or Inaccurate Wage Statement Class, who
Defendants failed to indemnify for all necessary expenditures incurred by
such employees in direct consequence of the discharge of their duties
during the period beginning four (4) years prior to the filing of this action
and ending on the date that final judgment is entered in this action.

UCL Class: All persons who are members of the **Wages Class, Rest**
Period Class, Meal Period Class, Overtime Class, Inaccurate Wage
Statement Class, Former Employee Class, Unauthorized Deduction

1 **Class, and/or Indemnification Class**, who have been employed by
2 Defendants in California at any time during the period beginning four (4)
3 years prior to the filing of this action and ending on the date that final
4 judgment is entered in this action.

5 **All-Inclusive Class:** All members of the **Wages Class, Overtime Class,**
6 **Rest Periods Class, Meal Periods Class, Inaccurate Wage Statement**
7 **Class, Unauthorized Deduction Class, Former Employee Class, and/or**
8 **Indemnification Class.**

9 13. This action has been brought and may be maintained as a class action pursuant to
10 California Code of Civil Procedure § 382 because there is a well-defined community of interest
11 among the persons who comprise readily ascertainable class.

12 14. Plaintiffs are unaware of any difficulties that are likely to be encountered in the
13 management of this case as a class action.

14 15. The class members are so numerous that the individual joinder of each individual
15 class member is impractical. While Plaintiffs do not currently know the exact number of class
16 members, Plaintiffs are informed and believe and thereon allege that the actual number of class
17 members exceeds the minimum number required for numerosity purposes under California law.

18 16. Common questions of law and fact exist as to all class members and predominate
19 over any questions which affect only individual class members. These questions include, but are
20 not limited to:

21 A. Do Defendants maintain policies or practices that systematically cause
22 the **Wages Class** not to be paid for all hours worked?

23 B. Have members of the **Overtime Class** been paid at the legally required
24 overtime rates for all hours worked in excess of eight (8) hours in one (1) day?

25 C. Do Defendants maintain policies or practices that systematically cause
26 the **Overtime Class** not to be paid at overtime rates for all overtime hours worked?

27 D. Did Defendants fail to provide members of the **Rest Period Class** with
all legally required rest periods in violation of California law?

 E. Did Defendants fail to provide members of the **Meal Period Class** with
all legally required meal periods in violation of California law?

 F. Did Defendants fail to pay members of the **Rest Period Class** the

1 additional wages required for rest periods that were not provided?

2 G. Did Defendants fail to pay members of the **Meal Period Class** the
3 additional wages required for meal periods that were not provided?

4 H. Did Defendants deduct wages from the paychecks of members of the
5 **Unauthorized Deduction Class** without written consent?

6 I. Did Defendants intentionally fail to provide members of the **Inaccurate**
7 **Wage Statement Class** with accurate written wage statements?

8 J. Did Defendants intentionally fail to indemnify members of the
9 **Indemnification Class** for all necessary expenditures incurred by the members of the class in
10 direct consequence of the discharge of their duties?

11 K. Are the vacation days received by members of the **Vacation Pay Class**
12 subject to forfeiture?

13 L. Did Defendants fail to timely pay **Former Employee Class** all final
14 wages owed following termination or discharge?

15 M. Are Defendants liable to members of the **Former Employee Class** for
16 continuation wages under California Labor Code § 203?

17 N. Did Defendants engage in unfair competition within the meaning of
18 California Business & Professions Code §§ 17200, *et seq.*, with respect to members of the **UCL**
19 **Class**?

20 O. Are class members entitled to prejudgment interest?

21 P. Are class members entitled to attorneys' fees?

22 17. Plaintiffs' claims are typical of the other class members' claims. Plaintiffs are
23 informed and believe and thereon allege that Defendants have a policy or practice of failing to
24 comply with the California Labor Code and the California Business and Professions Code as
25 alleged herein.

26 18. Plaintiffs will fairly and adequately represent and protect the interests of the
27 other class members. Plaintiffs have no interests adverse to the interests of the other class
members. In addition, Plaintiffs are represented by counsel experienced in wage and hour class

1 action cases.

2 19. A class action is vastly superior to other available means for fair and efficient
3 adjudication of the class members' claims and would be beneficial to the parties and the Court.
4 Class action treatment will allow a number of similarly situated persons to simultaneously and
5 efficiently prosecute their common claims in a single forum without the unnecessary duplication
6 of effort and expense that numerous individual actions would entail. In addition, the monetary
7 amounts due to many individual class members are likely to be relatively small and would thus
8 make it difficult, if not impossible, for individual class members to both seek and obtain relief.
9 Moreover, a class action will serve an important public interest by permitting class members to
10 effectively pursue the recovery of moneys owed to them. Further, a class action will prevent the
11 potential for inconsistent or contradictory judgments inherent in individual litigation.

12 **FIRST CLAIM FOR RELIEF**

13 **FAILURE TO PAY ALL EARNED HOURLY WAGES IN VIOLATION OF THE**
14 **CALIFORNIA LABOR CODE**

15 **(By Plaintiffs, the Wages Class, and the Overtime Class)**

16 20. Plaintiffs incorporate paragraphs 1 through 19 of the Complaint as if fully
17 alleged herein.

18 21. At all relevant times, Plaintiffs and the other members of the **Wages Class** and
19 the **Overtime Class** have been entitled to the protections of the California Labor Code,
20 including California Labor Code §§ 204, 510, and applicable Wage order(s). These protections
21 include the rights to be timely paid all wages earned at the legally required rates for all hours
22 worked.

23 22. California Labor Code § 510(a) requires employers to compensate employees at
24 one and one-half times their regular rates of pay for:

- 25 A. All hours worked in excess of eight hours in one workday;
26 B. All hours worked in excess of forty hours in one workweek; and,
27 C. The first eight hours worked on a seventh consecutive workday during a
workweek.

1 23. California Labor Code § 510(a) also requires employers to compensate
2 employees at two times their regular rates of pay for:

3 A. All hours worked in excess of twelve hours in one day; and,

4 B. All hours worked in excess of eight hours on a seventh consecutive
5 workday during a workweek.

6 24. During the applicable limitations period, Plaintiffs have worked more than eight
7 hours in one workday, more than forty hours in one workweek, and eight or more hours on a
8 seventh consecutive workday without being paid for all of those hours at the rates required
9 under California Labor Code § 510(a).

10 25. Plaintiffs are informed and believe and thereon allege that Defendants have
11 maintained a policy or practice of not compensating him and the other members of the **Wages**
12 **Class** for all hours worked. Additionally, Plaintiffs are informed and believe and thereon allege
13 that Defendants have maintained a policy or practice of not compensating the other members of
14 the **Wages Class** and the **Overtime Class** at the rates required under California Labor Code §
15 510(a) for all hours worked in excess of eight hours in one day, all hours worked in excess of
16 forty hours in one week, the first eight hours on a seventh consecutive workday, and all worked
17 hours in excess of eight hours on a seventh consecutive workday.

18 26. As a result of Defendants' conduct, Plaintiffs, on behalf of themselves and the
19 other members of the **Wages Class** and the **Overtime Class**, seeks declaratory and injunctive
20 relief, damages for unpaid overtime wages, interest thereon, costs of suit, and reasonable
21 attorney's fees pursuant to California Labor Code § 1194(a).

22 **SECOND CLAIM FOR RELIEF**

23 **FAILURE TO PROVIDE REST AND MEAL PERIODS**

24 **(By Plaintiffs, the Rest Period Class, and the Meal Period Class)**

25 27. Plaintiffs incorporate paragraphs 1 through 26 of the Complaint as if fully
26 alleged herein.

27 28. At all relevant times, Plaintiffs and other members of the **Rest Period Class** and
Meal Period Class have been employees of Defendants covered by California Labor Code §§

1 226.7 and 512, and Wage order 11.

2 29. Pursuant to the applicable wage order(s), Defendants are required to provide
3 Plaintiffs and the other members of the **Rest Period Class** with net rest periods of a least ten
4 (10) minutes for each four (4) hour work period, or major portion thereof, during any given
5 workday.

6 30. Pursuant to California Labor Code § 226.7, Defendants are required to pay
7 Plaintiffs and the other members of the **Rest Period Class** one (1) additional hour of wages for
8 each rest period not provided in accordance with the applicable wage order(s).

9 31. During the applicable limitations period, Defendants failed to provide Plaintiffs
10 with net rest periods of at least ten (10) minutes for every four (4) hours work period, or major
11 portion thereof, and failed to pay them the required additional wages for rest periods not
12 provided to her.

13 32. Plaintiffs are informed and believe and thereon allege that Defendants maintain a
14 policy or practice of failing to provide other members of the **Rest Period Class** with net rest
15 periods of at least ten (10) minutes for every four (4) hours worked and of failing to pay them
16 the required additional wages for rest periods not provided to them.

17 33. Pursuant to California Labor Code § 512 and Industrial Welfare Commission
18 Order 7-2001, Defendants are required to provide Plaintiffs and the other members of the **Meal**
19 **Period Class** with an uninterrupted thirty (30) minute meal period for each five (5) hour work
20 period during any given workday.

21 34. Pursuant to California Labor Code § 226.7, Defendants are required to pay
22 Plaintiffs and the other members of the **Meal Period Class** one (1) additional hour of wages for
23 each meal period not provided in accordance with Wage order 11.

24 35. During the applicable limitations period, Defendants failed to provide Plaintiff
25 with an uninterrupted thirty (30) minute meal period for each five (5) hour work period,
26 including a second uninterrupted thirty (30) minute meal period on days he worked more than
27 ten (10) hours, and failed to pay him the required additional wages for rest periods not provided
to her.

1 36. Plaintiffs are informed and believe and thereon allege that Defendants maintain a
2 policy or practice of failing to provide other members of the **Meal Period Class** with
3 uninterrupted thirty (30) minute meal periods for each five (5) hour work period, including
4 second uninterrupted thirty (30) minute meal periods on days they worked more than ten (10)
5 hours, and failed to pay him the required additional wages for meal periods not provided to her.

6 37. Plaintiffs on behalf of themselves and the other members of the **Rest Period**
7 **Class** and the **Meal Period Class**, seeks declaratory and injunctive relief, damages for unpaid
8 wages owed, interest thereon and costs of suit pursuant to California Labor Code § 218.6, and
9 reasonable attorney's fees pursuant to California Code of Civil Procedure § 1021.5.

10 **THIRD CLAIM FOR RELIEF**

11 **FORFEITURE OF VACATION PAY**

12 **(By Plaintiffs and the Vacation Pay Class)**

13 38. Plaintiffs incorporate paragraphs 1 through 37 of the Complaint as if fully
14 alleged herein.

15 39. Under California Labor Code § 227.3 and applicable case law, vested paid
16 vacation benefits and other similar forms of paid time off that earned based on labor performed
17 are considered wages and cannot be subject to forfeiture without providing compensation for
18 forfeited days at the applicable rates required by law.

19 40. Pursuant to written company policies, members of the **California Vacation Pay**
20 **Class** have earned vested paid vacation days, including, but not limited to, "Personal Holidays"
21 and/or "Management Recognition Days," that are explicitly subject to unpaid forfeiture
22 pursuant to written company policies if they are not used within specified time periods.

23 41. During the applicable limitations period, Plaintiff has earned vested paid
24 vacation days, including, but not limited to, "Personal Holidays" and "Management Recognition
25 Days," without being compensated by Defendants for each vested paid vacation day.

26 42. Plaintiff is informed and believes and thereon alleges that Defendants have
27 maintained policies or practices of causing members of the **California Vacation Pay Class** to
forfeit vested paid vacation days, including, but not limited to, "Personal Holidays" and/or

1 “Management Recognition Days,” without compensating them for each vested paid vacation
2 day.

3 43. As a result of the above, Plaintiff seeks declaratory and injunctive relief,
4 damages for unpaid wages owed, interest thereon and costs of suit pursuant to California Labor
5 Code § 218.6, and reasonable attorney’s fees pursuant to California Code of Civil Procedure §
6 1021.5.

7 **FOURTH CLAIM FOR RELIEF**

8 **FAILURE TO PROVIDE ACCURATE, WRITTEN WAGE STATEMENTS**

9 **(By Plaintiffs and the All-Inclusive Class)**

10 44. Plaintiffs incorporate paragraphs 1 through 43 of the Complaint as if fully
11 alleged herein.

12 45. At all relevant times, Plaintiffs and the other members of the **All-Inclusive Class**
13 have been employees of Defendants entitled to the benefits and protections of California Labor
14 Code § 226. Pursuant to California Labor Code § 226(a), Plaintiffs and the other class members
15 were entitled to receive, semimonthly or at the time of each payment of wages, an accurate
16 itemized statement showing: a) gross wages earned; b) net wages earned; c) all applicable
17 hourly rates in effect during the pay period; and d) the corresponding number of hours worked
18 at each hourly rate by the employee.

19 46. Defendants failed to provide Plaintiffs accurate itemized statements in
20 accordance with California Labor Code § 226(a) because Plaintiffs’ wage statements did not,
21 among other things, accurately reflect all of the hours that they actually worked, the descriptions
22 for all of the hours they actually worked, and the corresponding rates of pay for all of the hours
23 they actually worked.

24 47. Plaintiffs are informed and believe and thereon allege that, at all relevant times
25 during the applicable limitations period, Defendants maintained a policy or practice of not
26 providing the other members of the **All-Inclusive Class** wage statements did not, among other
27 things, accurately reflect all of the hours that they actually worked, the descriptions for all of the
hours they actually worked, and the corresponding rates of pay for all of the hours they actually

1 worked.

2 48. Defendants' failure to provide Plaintiffs and the other members of the **All-**
3 **Inclusive Class** with accurate wage statements was knowing and intentional. Defendants had
4 the ability to provide Plaintiffs and the other class members with accurate wage statements but
5 intentionally provided wage statements that Defendants knew were not accurate.

6 49. As a result of being provided with inaccurate wage statements by Defendants,
7 Plaintiffs and the other members of the **All-Inclusive Class** have suffered an injury. Their legal
8 rights to receive accurate wage statements were violated and they were misled about the amount
9 of wages they had actually earned and were owed. In addition, the absence of accurate
10 information on their wage statements prevented immediate challenges to Defendants' unlawful
11 pay practices, has required discovery and mathematical computations to determine the amounts
12 of wages owed, has caused difficulty and expense in attempting to reconstruct time and pay
13 records, and/or has led to the submission of inaccurate information about wages and amounts
14 deducted from wages to state and federal government agencies.

15 50. Pursuant to California Labor Code § 226(e), Plaintiffs and the other members of
16 the **All-Inclusive Class** are entitled to recover the greater of actual damages, or penalties of fifty
17 dollars (\$50) for the initial pay period in which a violation of California Labor Code § 226(a)
18 occurred and one hundred dollars for each violation of California Labor Code § 226(a) in a
19 subsequent pay period, not to exceed an aggregate penalty of four thousand dollars (\$4,000) per
20 class member, and are also entitled to an award of costs and reasonable attorney's fees.

21 **FIFTH CAUSE OF ACTION**

22 **FAILURE TO TIMELY PAY ALL FINAL WAGES**

23 **(Cal. Lab. Code §§ 201-203)**

24 **(By Plaintiffs and the Former Employee Class)**

25 51. Plaintiffs incorporate paragraphs 1 through 50 of the Complaint as if fully
26 alleged herein.

27 52. At all relevant times, Plaintiffs and the members of the **Former Employee Class**
were employees of Defendants covered by California Labor Code § 201 or California Labor

1 Code § 202. Pursuant to California Labor Code § 201 or California Labor Code § 202, Plaintiffs
2 and the members of the **Former Employee Class** were entitled to payment of all wages earned
3 and unpaid prior to the termination of their employment. Members of the **Former Employee**
4 **Class** who are discharged employees were entitled to payment of their earned and unpaid wages
5 no later than the day on which their employment was terminated. Members of the **Former**
6 **Employee Class** who resigned were entitled to payment of their earned and unpaid wages
7 within 72 hours after giving notice of resignation or, if they had given at least 72 hours previous
8 notice, no later than the day their employment terminated.

9 53. Defendants failed to timely pay Plaintiffs all final wages earned and unpaid prior
10 to the termination of his employment with Defendants, including, but not limited to, additional
11 earned wages for rest and meal periods not provided to them, and earned wages in the forms of
12 vested paid vacation time and unlawfully deducted wages, in accordance with California Labor
13 Code § 201. Plaintiffs are informed and believe and thereon allege that, at relevant times during
14 the applicable limitations period, Defendants maintained a policy or practice of not providing
15 members of the **Former Employee Class** with a final paycheck encompassing all wages owed
16 upon termination or discharge of employment, including, but not limited to, additional earned
17 wages for rest and meal periods not provided to them, and/or earned wages in the forms of
18 vested paid vacation time and/or unlawfully deducted wages, in accordance with California
19 Labor Code § 201 or California Labor Code § 202.

20 54. Defendants' failure to pay Plaintiffs and members of the **Former Employee**
21 **Class** all wages earned prior to termination in accordance with California Labor Code § 201 or
22 California Labor Code § 202 was willful. Plaintiffs are informed and believe and thereon allege
23 that Defendants had the ability to pay all wages earned by members of the **Former Employee**
24 **Class** prior to termination in accordance with California Labor Code § 201 or California Labor
25 Code § 202, but intentionally adopted policies or practices incompatible with the requirements
26 of California Labor Code § 201 or California Labor Code § 202.

27 55. Pursuant to California Labor Code § 201 or California Labor Code § 202,
Plaintiffs and the members of the **Former Employee Class** are entitled to all wages earned

1 prior to the termination of their employment that Defendants did not pay them as well as
2 continuations of their wages, from the days they earned and unpaid wages were due upon the
3 termination of their employment until paid, up to a maximum of thirty (30) days, in amounts
4 subject to proof.

5 56. Accordingly, Plaintiffs and the members of the **Former Employee Class** are
6 entitled to recover the full amount of their unpaid wages and interest thereon pursuant to
7 California Labor Code § 218.6, continuation wages under California Labor Code § 203,
8 reasonable attorney's fees, and costs of suit.

9 **SIXTH CLAIM FOR RELIEF**

10 **UNAUTHORIZED DEDUCTIONS**

11 **(By Plaintiffs and the Unauthorized Deductions Class)**

12 57. Plaintiffs incorporate paragraphs 1 through 56 of the Complaint as if fully
13 alleged herein.

14 58. California Labor Code §§ 221 and 224 prohibit an employer from taking
15 deductions from an employee's wages without the employee's express written consent or other
16 legal authority for doing so.

17 59. At relevant times during the applicable limitations period, Defendants deducted
18 wages from Plaintiffs' paychecks without their express written consent or other legal authority
19 for doing so. Plaintiffs are informed and believe and thereon allege that, at relevant times during
20 the applicable limitations period, Defendants deducted wages from the paychecks of members
21 of the **Unauthorized Deduction Class** without their express written consent or other legal
22 authority for doing so.

23 60. By reason of the above, Plaintiffs and the members of the **Unauthorized**
24 **Deductions Class** are entitled to restitution for all unpaid amounts due and owing to within four
25 years (4) of the date of the filing of the Complaint until the date of entry of judgment. Further,
26 Plaintiffs, on behalf of themselves and the members of the **Unauthorized Deductions Class**,
27 seek interest thereon pursuant to California Labor Code § 218.6, costs pursuant to California
Labor Code § 218.6, and reasonable attorney's fees pursuant to California Code of Civil

1 Procedure § 1021.5.

2 **SEVENTH CLAIM FOR RELIEF**

3 **FAILURE TO INDEMNIFY**

4 **(By Plaintiffs and the Indemnification Class)**

5 61. Plaintiffs incorporate paragraphs 1 through 60 of the Complaint as if fully
6 alleged herein.

7 62. In pertinent part, California Labor Code § 2802(a) states, "An employer shall
8 indemnify his or her employee[s] for all necessary expenditures incurred by the employee in
9 direct consequence of the discharge of his or her duties." California Labor Code § 452 of the
10 Labor Code authorizes employers to prescribe the weight, color, quality, texture, style, form,
11 and make of uniforms required to be worn by their employees. However, the Wage Orders
12 impose an obligation on an employer that requires uniforms to be worn by its nonexempt
13 employees as a condition of employment to provide and maintain such uniforms, regardless of
14 the amount of the employees' compensation. The applicable wage order states, "When uniforms
15 are required by the employer to be worn by the employee as a condition of employment, such
16 uniforms shall be provided and maintained by the employer. The term "uniform" includes
17 wearing apparel and accessories of distinctive design or color." If the employer does not choose
18 to maintain employees' uniforms itself where it is required to do so, the Division of Labor
19 Standards Enforcement takes the position that the employer may pay each affected employee a
20 weekly maintenance allowance of an hour's pay at the state minimum wage rate (\$7.50 as of
21 January 1, 2007, and \$8.00 as of January 1, 2008) in lieu of maintaining the uniforms, assuming
22 that an hour is a realistic estimate of the time involved in maintaining the uniforms. The term
23 "uniform" is defined to include wearing apparel and accessories of distinctive design or color.

24 63. At relevant times during the applicable limitations period, Defendants required
25 Plaintiffs and the members of the **Indemnification Class** to purchase and maintain uniforms
26 and apparel unique to Defendants at their expense. Defendants failed to indemnify Plaintiffs and
27 the members of the **Indemnification Class** for such expenditures.

64. By reason of the above, Plaintiffs and the members of the **Indemnification Class**

1 are entitled to restitution for all unpaid amounts due and owing to within four years (4) of the
2 date of the filing of the Complaint until the date of entry of judgment. Further, Plaintiffs, on
3 behalf of themselves and the members of the **Indemnification Class**, seeks interest thereon
4 pursuant to California Labor Code § 218.6, costs pursuant to California Labor Code § 218.6,
5 and reasonable attorney's fees pursuant to California Code of Civil Procedure § 1021.5.

6 **EIGHTH CLAIM FOR RELIEF**

7 **UNFAIR COMPETITION**

8 **(By Plaintiffs and the California All-Inclusive Class)**

9 65. Plaintiffs incorporate paragraphs 1 through 64 of the Complaint as if fully
10 alleged herein.

11 66. The unlawful conduct of Defendants alleged herein amounts to and constitutes
12 unfair competition within the meaning of California Business & Professions Code §§ 17200, *et*
13 *seq.* California Business & Professions Code §§ 17200, *et seq.*, protects against unfair
14 competition and allows a person who has suffered an injury-in-fact and has lost money or
15 property as a result of an unfair, unlawful, or fraudulent business practice to seek restitution on
16 her own behalf and on behalf of other similarly situated persons in a class action proceeding.

17 67. As a result of Defendants' violations of the California Labor Code as during the
18 applicable limitations period as alleged herein, Plaintiffs have suffered an injury-in-fact and
19 have lost money or property in the form of earned wages. Specifically, Plaintiffs have lost
20 money or property as a result of not being paid for hours worked, not being paid at legal
21 overtime rates for all overtime hours worked, not being paid additional required wages for rest
22 and meal periods not provided to them, being provided with inaccurate written wage statements
23 that have had the effect of concealing other wage underpayments, Defendants' improper
24 deductions, and Defendants' failure to reimburse for necessary expenditures, and Defendants'
25 failure to timely pay all wages due or owed upon termination or resignation.

26 68. Plaintiffs are informed and believe that other similarly situated persons have
27 been subject to the same unlawful policies or practices of Defendants, including not being paid
for all wages earned, not being paid at overtime rates for all overtime hours worked, not being

1 paid additional required wages for rest and meal periods not provided to them, being provided
2 with inaccurate written wage statements that have had the effect of concealing other wage
3 underpayments, Defendants' improper deductions, and Defendants' failure to reimburse for
4 necessary expenditures, and/or Defendants' failure to timely pay all wages due or owed upon
5 termination or resignation.

6 69. Due to its unfair and unlawful business practices in violation of the California
7 Labor Code as alleged herein, Defendants have gained a competitive advantage over other
8 comparable companies doing business in the State of California that comply with their legal
9 obligations to compensate employees for all earned wages and to provide them with reasonable
10 means of verifying that they have been paid all earned wages with accurate written wage
11 statements.

12 70. Pursuant to California Business & Professions Code § 17203, Plaintiffs, on
13 behalf of themselves and the other members of the **All-Inclusive Class**, seek declaratory and
14 injunctive relief, and restitution of all monies rightfully belonging to them that Defendants did
15 not pay them or otherwise retained by means of its unlawful and unfair business practices.

16 71. Plaintiffs and the other members of the **All-Inclusive Class** are entitled to
17 recover reasonable attorney's fees in connection with their unfair competition claims pursuant
18 to California Code of Civil Procedure § 1021.5, the substantial benefit doctrine and/or the
19 common fund doctrine.

20 **NINTH CLAIM FOR RELIEF**

21 **CIVIL PENALTIES**

22 **(By Plaintiffs and the All-Inclusive Class)**

23 72. Plaintiffs incorporate paragraphs 1 through 71 of the Complaint as if fully
24 alleged herein.

25 73. During the applicable time period, Defendants violated California Labor Code §§
26 204, 223, 226(a), 226.7, 227.3, 510, 512, and 1194.

27 74. California Labor Code §§ 2699(a) and (g) authorize an aggrieved employee, on
behalf of himself and other current or former employees, to bring a civil action to recover civil

1 penalties pursuant to the procedures specified in California Labor Code § 2699.3.

2 75. Pursuant to California Labor Code §§ 2699(a) and (f), Plaintiffs and the other
3 aggrieved employees of Defendants are entitled to recover civil penalties for Defendants'
4 violations of California Labor Code §§ 200, 201, 202, 203, 204, 224, 226(a), 226.7, 227.3, 510,
5 512, 1194 and 2802 during the applicable limitations period in the following amounts:

6 A. For violations of California Labor Code §§ 200, 201, 202, 203, 224,
7 226.7, 1194, and 2802, one hundred dollars (\$100.00) for each aggrieved employee per pay
8 period for each initial violation and two hundred dollars (\$200.00) for each aggrieved employee
9 per pay period for each subsequent violation (penalty amounts established by California Labor
10 Code § 2699(f)(2));

11 B. For violations of California Labor Code § 204, one hundred dollars
12 (\$100.00) for each aggrieved employee for each initial violation and two hundred dollars
13 (\$200.00) for each aggrieved employee plus twenty-five percent (25%) of the amount
14 unlawfully withheld from each aggrieved employee for each subsequent, willful or intentional
15 violation (penalty amounts established by California Labor Code § 210);

16 C. For violations of California Labor Code § 226(a), two hundred fifty
17 dollars (\$250.00) per employee for initial violation and one thousand dollars (\$1,000.00) per
18 employee for each subsequent violation (penalty amounts established by California Labor Code
19 § 226.3); and,

20 D. For violations of California Labor Code §§ 510 and 512, fifty dollars
21 (\$50.00) for each aggrieved employee for each initial violation for pay period for which the
22 employee was underpaid in addition to an amount sufficient to recover unpaid wages and one
23 hundred dollars (\$100.00) for each underpaid employee for each pay period for which the
24 employee was underpaid in addition to an amount sufficient to recover unpaid wages (penalty
25 amounts established by California Labor Code § 558).

26 76. Plaintiffs have complied with the procedures for bringing suit specified in
27 California Labor Code § 2699.3. By letters dated January 8 and February 19, 2010, Plaintiffs
gave written notice by certified mail to the Labor and Workforce Development Agency

1 (“LWDA”) and Defendants of the specific provisions of the California Labor Code alleged to
2 have been violated, including the facts and theories to support the alleged violations. Plaintiffs
3 anticipate that the LWDA will soon provide Plaintiffs with written notice that it does not intend
4 to investigate the violations of the California Labor Code alleged herein.

5 77. Pursuant to California Labor Code § 2699(g), Plaintiffs and the other members of
6 the **All-Inclusive Class** are entitled to an award of reasonable attorney’s fees and costs in
7 connection with their claims for civil penalties.

8 **PRAYER FOR RELIEF**

9 78. WHEREFORE, Plaintiffs, on behalf of themselves and all others similarly
10 situated, prays for relief and judgment against Defendants as follows:

11 A. An order that the action be certified as a class action with respect to
12 Plaintiffs’ claims for violations of California law;

13 B. An order that Plaintiffs be appointed class representatives;

14 C. An order that counsel for Plaintiffs be appointed class counsel;

15 D. Declaratory relief;

16 E. Injunctive relief;

17 F. Actual damages;

18 G. Liquidated damages;

19 H. Restitution;

20 I. Civil penalties;

21 J. Statutory penalties;

22 K. Pre-judgment interest;

23 L. Costs of suit;

24
25 ///

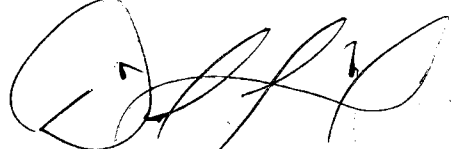
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- M. Reasonable attorney's fees; and
- N. Such other relief as the Court deems just and proper.

Respectfully submitted,

THE SPIVAK LAW FIRM



Date: February 23, 2010

By:

DAVID G. SPIVAK, Attorney for
Plaintiff, ALINA GHRDILYAN,
EVGENIA SULTANIAN, and all others
similarly situated

EXHIBIT 9

1 CASE NUMBER: BC430633
2 CASE NAME: ALINA GHRDILYAN, ET AL., VERSUS
3 RJ FINANCIAL, ET AL.,
4 LOS ANGELES, CALIFORNIA MONDAY, APRIL 23, 2012
5 DEPARTMENT 41 HON. RONALD M. SOHIGIAN, JUDGE
6 APPEARANCES: (SEE TITLE PAGE.)
7 REPORTER: ANGELA Z. PARADELA, CSR NO. 9659
8 TIME: A.M. SESSION
9

10 (THE FOLLOWING PROCEEDINGS WERE HELD IN
11 OPEN COURT:)

12
13 THE COURT: OKAY. THANK YOU VERY MUCH. I'M GOING
14 TO ASK YOU LAWYERS TO WAIT FOR JUST A MOMENT.

15 AS YOU CAN PROBABLY TELL, FROM THE QUESTIONS
16 AND THE WAY I'VE BEEN TAKING NOTES, SO FORTH, I HAVE A CASE
17 IN MIND AND I HAVE BEEN WORKING ON IT BOTH WHILE YOU'VE BEEN
18 WITH ME AND DURING THE RECESSES LIKE WEEKENDS AND NIGHTS.
19 JUST A SECOND. I HAVE TWO MORE THINGS I HAVE TO BRING OUT.
20 I WILL DO SOME MORE WORK WITH YOU.

21 (A PAUSE IN THE PROCEEDINGS.)

22 THE COURT: OKAY. YOU PROBABLY ALREADY GOT THE
23 IMPRESSION THAT I AM A JUDGE WHO TRIES TO DOCUMENT AND SHOW
24 THE LEGAL PREMISES FOR PROCEDURAL STEPS WE TAKE, AND I INTEND
25 TO DO THAT. I JUST WANT TO TELL YOU WHAT I'M GOING TO DO
26 HERE AND I GUESS I WILL START THIS WAY.

27 I SAID I AM GOING TO BRING OUT TWO THINGS. I
28 BROUGHT OUT ONLY ONE.

1 (A PAUSE IN THE PROCEEDINGS.)

2 THE COURT: THE -- I'M GOING TO CALL YOUR ATTENTION
3 TO SOME CASES THAT HAVEN'T BEEN CITED. I'M GOING TO DEAL
4 WITH THE MERITS OF YOUR CLIENTS'S CASE. SO HERE WE GO.

5 UNDER CALIFORNIA CONSTITUTION ARTICLE VI,
6 SECTION 6 AND GOVERNMENT CODE 68070(B) AND 68603(A), THE
7 CALIFORNIA JUDICIAL COUNCIL HAS CONSTITUTIONALLY GRANTED AND
8 LEGISLATIVELY AFFIRMED POWER TO ADOPT RULES, REPORT
9 ADMINISTRATION PRACTICE AND PROCEDURE THAT ARE CONSISTENT
10 WITH STATUTES. THE CALIFORNIA RULES OF COURT HAVE THE FORCE
11 OF LAW AND BINDING AS PROCEDURAL STATUTES AS LONG AS THEY ARE
12 CONSISTENT WITH LEGISLATIVE ENACTMENTS AND CONSTITUTIONAL
13 GUARANTEES.

14 I WILL CITE YOU THREE CASES WHERE THAT POINT
15 IS MADE. THEY ARE IN RE JUAN -- THAT'S J-U-A-N -- C.,
16 (1993), 20 CALIFORNIA APPELLATE 4TH, 748, PARTICULARLY AT
17 PAGES 752 TO 753; ALICIA T. VERSUS COUNTY OF LOS ANGELES,
18 (1990), 222 CALIFORNIA APPELLATE 3D 869 AT 884, AND OATS
19 VERSUS OATS. OATS IS SPELLED O-A-T-S, (1983) 14 CALIFORNIA
20 APPELLATE 3D 416 AT 420. THIS IS HOW THE OATS VERSUS OATS
21 COURT EXPRESSED THIS VIEW.

22 RULES OF COURT HAVE THE FORCE OF POSITIVE LAW.
23 THEY ARE AS BINDING ON THIS COURT AS PROCEDURAL STATUTES
24 UNLESS THEY TRANSCEND LEGISLATIVE ENACTMENTS OR
25 CONSTITUTIONAL GUARANTEES.

26 SO THE HIERARCHY THEN WOULD BE CONSTITUTION,
27 STATUTES AND CALIFORNIA RULES OF COURT, AND THEN CASE LAW.

28 I SAY THAT BECAUSE THE CASE OF WHITTINGTON

1 VERSUS MCKINNEY -- WHITTINGTON IS SPELLED

2 W-H-I-T-I-N-G-T-O-N, VERSUS MCKINNEY, CAPITAL M, C, CAPITAL
3 K, I-N-N-E-Y, (1991), 234 CALIFORNIA APPELLATE 3D 123 --
4 CRITICIZED THE CONDUCT OF A NOW FORMER JUDGE, I BELIEVE, AT
5 THE ORANGE COUNTY SUPERIOR COURT, WHO ANNOUNCED A DECISION,
6 GAVE A STATEMENT OF DECISION ORALLY AND SAID IF YOU WANTED A
7 WRITTEN STATEMENT OF DECISION, YOU COULD MAKE REFERENCE TO
8 THE COURT TRANSCRIPT. THAT CASE, WHITTINGTON VERSUS MCKINNEY
9 WAS, AS I SAY, DECIDED IN 1991.

10 IN 2010, EFFECTIVE JANUARY 1, 2010, THE
11 CALIFORNIA RULES OF COURT WERE AMENDED WITH RESPECT TO, AMONG
12 OTHER PROVISIONS OF THE CALIFORNIA RULES OF COURT, RULE
13 3.1590 HAVING TO DO WITH ANNOUNCEMENT OF TENTATIVE DECISION
14 AND STATEMENT DECISION AND JUDGMENT.

15 THE (C) SUBSECTION OF RULE 15 -- RULE 3.1590
16 WAS AMENDED BY THE ELIMINATION OF SOME PROVISIONS AND BY
17 BEING INSERTION OF OTHER PROVISIONS. I'M GOING TO REFER TO
18 THE (C) SUBSECTION.

19 IT READS NOW, (READING:)

20 THE COURT IN ITS TENTATIVE DECISION MAY:
21 STATE THAT IT IS THE COURT'S PROPOSED
22 STATEMENT OF DECISION, SUBJECT TO A PARTY'S
23 OBJECTION UNDER SUBSECTION (G);

24 (2) INDICATE THAT THE COURT WILL PREPARE
25 A STATEMENT OF DECISION;

26 (3) ORDER A PARTY TO PREPARE A STATEMENT
27 OF DECISION; OR

28 (4) DIRECT THAT THE TENTATIVE DECISION

1 WILL BECOME THE STATEMENT OF DECISION UNLESS,
2 WITHIN 10 DAYS AFTER ANNOUNCEMENT OR SERVICE
3 OF THE TENTATIVE DECISION, A PARTY SPECIFIES
4 THOSE PRINCIPAL CONTROVERTED ISSUES AS TO
5 WHICH THE PARTY IS REQUESTING A STATEMENT OF
6 DECISION OR MAKES PROPOSALS NOT INCLUDED IN
7 THE TENTATIVE DECISION.

8 NOW, I WILL NOT USE METHOD TWO. THAT'S THE
9 COURT WILL PREPARE A STATEMENT OF DECISION. I WILL USE
10 EITHER (1), (3), OR (4) EITHER SAYING THAT THIS IS A PROPOSED
11 STATEMENT OF DECISION SUBJECT TO OBJECTIONS UNDER SUBSECTION
12 (G), OR ORDER A PARTY TO PREPARE A STATEMENT OF DECISION, OR
13 DIRECT THAT THE TENTATIVE DECISION WILL BECOME THE STATEMENT
14 OF DECISION UNLESS WITHIN TEN DAYS A PARTY SPECIFIES
15 PRINCIPAL CONTROVERTED ISSUES AS TO WHICH THE PARTY IS
16 REQUESTING A STATEMENT OF DECISION OR MAKES PROPOSALS NOT
17 INCLUDED IN THE TENTATIVE DECISION.

18 I WOULD LIKE TO HEAR FROM BOTH SIDES NOW
19 CONCERNING WHICH OF THREE ALTERNATIVES WHICH I PROPOSED THEY
20 PREFER, AND THEN I WILL MAKE THE DECISION CONCERNING THAT
21 THAT IS PROPER. LET'S START WITH THE DEFENSE. DEFENDANT?

22 MR. SABZEVAR: YOUR HONOR, I PREFER THAT THE COURT
23 ISSUES A STATEMENT OF DECISION ITSELF AND NOT LEAVE IT TO THE
24 PARTIES OR TEN DAYS.

25 THE COURT: I TOLD YOU I'M NOT GOING TO PREPARE A
26 STATEMENT OF DECISION. I'M GOING TO USE EITHER METHOD (1),
27 (3), OR (4). (1) IS THIS IS THE PROPOSED STATEMENT OF
28 DECISION SUBJECT TO OBJECTIONS UNDER (D). (3) IS ORDER A

1 PARTY TO PREPARE A STATEMENT OF DECISION; OR (4), DIRECT THAT
2 THE TENTATIVE DECISION WILL BECOME THE STATEMENT OF DECISION
3 UNLESS WITHIN TEN DAYS AFTER ANNOUNCEMENT OR SERVICE OF THE
4 TENTATIVE DECISION, THE PARTY SPECIFIES THOSE PRINCIPAL
5 CONTROVERTED ISSUES AS TO WHICH THE PARTY IS REQUESTING A
6 STATEMENT OF DECISION OR MAKES PROPOSALS NOT INCLUDED IN THE
7 TENTATIVE DECISION.

8 MR. SABZEVAR: DEFENSE PREFERENCE IS NUMBER ONE.

9 THE COURT: STATE THAT THIS IS THE COURT'S
10 STATEMENT OF DECISION SUBJECT TO A PARTY'S OBJECTION UNDER
11 (G)?

12 MR. SABZEVAR: YES, YOUR HONOR.

13 THE COURT: PLAINTIFF?

14 MR. SPIVAK: WE PREFER TO WRITE THE DECISION, YOUR
15 HONOR, ONCE THE COURT HAS MADE ITS POSITION KNOWN.

16 THE COURT: ALL RIGHT.

17 MR. SPIVAK: BY "WE" I MEAN WE BELIEVE IT SHOULD BE
18 PREVAILING PARTY.

19 THE COURT: UH-HUH. I'M GOING TO USE -- I
20 APPRECIATE -- I'M GOING TO USE METHOD (4). THIS TENTATIVE
21 DECISION WILL BECOME THE STATEMENT OF DECISION UNLESS WITHIN
22 TEN DAYS AFTER ANNOUNCEMENT, AND SO FORTH. THAT'S
23 3.1590(C)(4).

24 SO WHAT I'M GOING TO DO NOW IS ANNOUNCE A
25 TENTATIVE WHICH, AS YOU CAN SEE, IS ALSO A CONDITIONAL
26 STATEMENT OF DECISION.

27 THIS CASE CAME BEFORE ME PRESIDING IN THIS
28 DEPARTMENT 41 ON THE 10TH OF APRIL, 2012, FOR TRIAL WITHOUT

1 JURY. DAVID G. SPIVAK, STATE BAR 179684, APPEARED AS
2 ATTORNEY FOR PLAINTIFFS ALINA GHRDILYAN AND EVGENIA
3 SULTANIAN, AND F. MICHAEL SABZEVAR, STATE BAR 172312 APPEARED
4 AS ATTORNEY FOR DEFENDANT, RAMIL ABALKHAD.

5 THE CASE WAS SUBMITTED FOR DECISION TODAY, THE
6 23RD OF APRIL, 2012.

7 IN THIS CASE, TWO PLAINTIFFS CLAIM THAT
8 DEFENDANT ABALKHAD IS LIABLE TO THEM ON VARIOUS
9 EMPLOYMENT-DERIVED THEORIES INCLUDING AND ESPECIALLY FOR
10 PENALTIES AND THAT THEY CAN ENFORCE VARIOUS REMEDIES AGAINST
11 THEM UNDER THE LABOR CODE PRIVATE ATTORNEY GENERAL ACT, WHICH
12 IS AT LABOR CODE 2698, AND FOLLOWING.

13 IN OPEN COURT ON THE 10TH OF APRIL, 2012, THE
14 ATTORNEYS CONFIRMED THAT THE OPERATIVE PLEADINGS ARE THE
15 PLAINTIFFS'S FIRST AMENDED COMPLAINT, ET CETERA, FILED
16 FEBRUARY 24, 2010, AND THE DEFENDANT'S ANSWER TO THEIR FIRST
17 AMENDED COMPLAINT FILED SEPTEMBER 13, 2010. I WILL MAKE A
18 COUPLE OF QUICK COMMENTS ABOUT THOSE TWO DOCUMENTS NOW.

19 THE FULL NAME OF THE PLAINTIFFS'S OPERATIVE
20 PLEADING IS FIRST AMENDED COMPLAINT FOR -- AND THEN THERE ARE
21 NINE THEORIES LISTED: FAILURE TO COMPENSATE EMPLOYEES FOR
22 ALL HOURS WORKED; NUMBER TWO IS FAILURE TO PROVIDE BOTH REST
23 AND MEAL PERIODS; NUMBER THREE IS FORFEITURE OF VESTED
24 VACATION BENEFITS; NUMBER FOUR IS FAILURE TO PROVIDE ACCURATE
25 WRITTEN WAGE STATEMENTS; NUMBER FIVE IS FAILURE TO TIMELY PAY
26 ALL FINAL WAGES; NUMBER SIX IS UNAUTHORIZED DEDUCTIONS;
27 NUMBER SEVEN IS FAILURE TO INDEMNIFY; NUMBER EIGHT IS UNFAIR
28 COMPETITION; AND NUMBER NINE IS CIVIL PENALTIES.

1 THE DEFENDANT'S ANSWER TO THE FIRST AMENDED
2 COMPLAINT WAS ON A JUDICIAL COUNCIL FORM PLEADING.

3 INSOFAR AS IT'S PERTINENT TO THIS PORTION OF
4 MY ANALYSIS, LABOR CODE 2699 READS, (READING:)

5 SUBSECTION (A), NOTWITHSTANDING ANY OTHER
6 PROVISION OF LAW, ANY PROVISION OF THIS CODE
7 THAT PROVIDES FOR A CIVIL PENALTY TO BE
8 ASSESSED AND COLLECTED BY THE LABOR AND
9 WORKFORCE DEVELOPMENT AGENCY OR ANY OF ITS
10 DEPARTMENTS, DIVISIONS, COMMISSIONS, BOARDS,
11 AGENCIES, OR EMPLOYEES FOR A VIOLATION OF THIS
12 CODE MAY, AS AN ALTERNATIVE, BE RECOVERED
13 THROUGH A CIVIL ACTION BROUGHT BY AN AGGRIEVED
14 EMPLOYEE ON BEHALF OF HIMSELF OR HERSELF AND
15 OTHER CURRENT OR FORMER EMPLOYEES PURSUANT TO
16 THE PROCEDURES SPECIFIED IN SECTION 2699.3.

17 THE PLAINTIFFS HAD ORIGINALLY DENOMINATED THIS
18 CASE AS A CLASS ACTION AND THEY CONTINUED THAT DESIGNATION
19 THROUGH VARIOUS OTHER FILINGS, BUT THEY HAVE NEVER OBTAINED
20 AN ORDER CERTIFYING THE CLASS. THEY CLAIM, THOUGH, THAT THEY
21 ARE ENTITLED TO PROCEED ON BEHALF OF OTHERS PURSUANT TO THE
22 CALIFORNIA LABOR CODE PRIVATE ATTORNEY GENERAL ACT AS TO
23 DEFENDANT ABALKHAD.

24 THE PLAINTIFFS HAD TRIED THIS CASE BEFORE ME
25 SOLELY AS TO CAUSE OF ACTION NINE. THEY CONCEDE THAT THIS
26 CASE IS STAYED IN THIS COURT IN PART BECAUSE OF THE FACT THAT
27 DEFENDANT RJ FINANCIAL, INC., ORIGINALLY THE ONLY NAMED
28 DEFENDANT, BUT BY VIRTUE OF THE FIRST AMENDED PLEADING, A

1 CODEFENDANT, THAT CORPORATION IS A DEBTOR IN CHAPTER 11
2 PROCEEDING, WHICH IS STILL PENDING.

3 PURSUANT TO 11 U.S.C. 362, THIS CASE WOULD BE
4 STAYED AS TO THAT PARTY. BUT MR. ABALKHAD HAS NOT BEEN SHOWN
5 TO BE A DEBTOR IN A BANKRUPTCY PROCEEDING AND DURING CLOSING
6 ARGUMENT OF THE 17TH OF APRIL, 2012, MR. SPIVAK CONFIRMED HIS
7 CLIENTS HAVE CLAIMS PENDING IN THE BANKRUPTCY CASE. THAT
8 WILL MEAN THAT THE CASE CAN PROCEED AND HAS PROCEEDED ON THE
9 BASIS PLEADED AGAINST MR. ABALKHAD AS AN INDIVIDUAL.

10 ALTHOUGH BECAUSE OF 11 U.S.C. 362, IT IS STAYED AS TO THE
11 CORPORATION.

12 THE PERSONS WHO GAVE TESTIMONY AT THE TRIAL
13 WERE JOSEPH HARSANY, H-A-R-S-A-N-Y, AN EMPLOYEE OF PAYROLL
14 CHECK WRITING SERVICE USED BY THE DEFENDANTS; BREK OYAMA --
15 BREK IS SPELLED B-R-E-K; AND OYAMA IS O-Y-A-M-A, MR. SPIVAK'S
16 PARALEGAL; RAMIL ABALKHAD, ONE OF THE DEFENDANTS, THE
17 PRESIDENT AND CHIEF EXECUTIVE OFFICER OF DEFENDANT RJ
18 FINANCIAL AND, INDEED, THAT -- APPARENTLY THAT COMPANY'S ONLY
19 OFFICER AND ONLY DIRECTOR. THE FOURTH WITNESS WAS ALINA
20 GHRDILYAN, ONE OF THE PLAINTIFFS, AND THE FIFTH WAS EVGENIA
21 SULTANIAN, ONE OF THE PLAINTIFFS, THE OTHER PLAINTIFF.

22 I'M GOING TO REFER TO THE LABOR CODE PRIVATE
23 ATTORNEY GENERAL ACT IN THE WAY THE ATTORNEYS HAVE -- IT
24 SEEMS TO ME TO BE SERVICEABLE -- AND I'M GOING TO REFER --
25 I'M GOING TO USE THE ACRONYM PAGA, P-A-G-A.

26 PAGA ACTIONS DO NOT HAVE BEEN MAINTAINED AS
27 CLASS ACTIONS. THEY CAN BE, BUT THEY ARE NOT REQUIRED TO BE.
28 THE AUTHORITY ON THAT IS ARIAS VERSUS SUPERIOR COURT, (2009),

1 46 CALIFORNIA 4TH, 969, 981 TO 982.

2 WE WILL GO INTO RECESS NOW. COME BACK AT
3 1:30, PLEASE.

4 (AT 11:58 A.M., A LUNCH RECESS WAS TAKEN.)

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1 (THE FOLLOWING PROCEEDINGS WERE HELD AT 1:47 P.M.)
2 THE COURT: NOW, WE WILL GO BACK TO THE GHRDILYAN
3 AGAINST RJ CASE.

4 OKAY. WHEN WE LEFT, I HAD, I THINK, TALKED
5 ABOUT SOME GENERAL POINTS OF LAW HAVING TO DO WITH PAGA
6 ACTIONS, AND I WILL JUST OVERLAP SLIGHTLY.

7 I WAS SAYING THAT PAGA ACTIONS DO NOT HAVE TO
8 BE HAVE MAINTAINED AS CLASS ACTIONS. THEY CAN BE, BUT ARE
9 NOT REQUIRED TO BE. AND ONE OF AUTHORITIES ON THAT IS ARIAS,
10 A-R-I-A-S, VERSUS SUPERIOR COURT, (2009) 46 CALIFORNIA 4TH
11 969 FROM PAGES 981 TO 982. PAGA IS NOT THE EMPLOYEE'S
12 EXCLUSIVE REMEDY. THEY MAY SEPARATELY OR CONCURRENTLY SEEK
13 OTHER REMEDIES. LABOR CODE 2699(G) AND CALIBER BODY WORKS
14 VERSUS SUPERIOR COURT, (2005) 134 CALIFORNIA APPELLATE 4TH
15 365 AT 375.

16 THE KINDS OF PENALTIES THAT PAGA PLAINTIFFS
17 CAN SEEK TO RECOVER, ASSUMING THAT THE FACTS SUPPORT IT, ARE
18 THOSE FOR FAILURE TO PAY STATUTORILY PRESCRIBED WAGES --
19 THAT'S LABOR CODE 210 -- UNLAWFULLY WITHHELD WAGES -- THAT'S
20 LABOR CODE 225.5 -- OR FOR VIOLATING, FOR EXAMPLE, AN
21 INDUSTRIAL WELFARE COMMISSION ORDER -- THAT'S LABOR CODE 558.
22 AN AGGRIEVED EMPLOYEE -- THAT WOULD MEAN ANYONE EMPLOYED BY
23 THE ALLEGED VIOLATOR AND AGAINST WHOM ONE OR MORE VIOLATIONS
24 WAS COMMITTED -- AND I PICKED UP THAT DEFINITION FROM LABOR
25 CODE 2699(C) AND FROM THE COMMENTS IN AMALGAMATED TRANSIT
26 UNION VERSUS SUPERIOR COURT, (2009) 46 CALIFORNIA 4TH 993 AT
27 1004 TO 1005 -- AN AGGRIEVED EMPLOYEE CAN SUE TO RECOVER
28 CIVIL PENALTIES FOR VIOLATIONS OF THE LABOR CODE ON BEHALF OF

1 HIMSELF, OR HERSELF, AND OTHER CURRENT OR FORMER EMPLOYEES
2 AGAINST WHOM ONE OR MORE OF THE ALLEGED VIOLATIONS WAS
3 COMMITTED. THAT'S LABOR CODE 2699(G)(1).

4 THE ATTORNEYS HAVE FROM TIME TO TIME REFERRED
5 TO WHAT THEY HAVE CALLED THE BRINKER CASE.

6 NOW, WHAT THEY ARE REFERRING TO IS THE CASE
7 ENTITLED BRINKER RESTAURANT CORPORATION VERSUS SUPERIOR
8 COURT, REAL PARTY IN INTEREST, HOHNBAUM H-O-H-N-B-A-U-M. THE
9 VERSION OF THAT THAT I HAVE USED IN MY ANALYSIS AND
10 PREPARATION IS THE VERSION THAT WAS PRINTED AT 2012 DAILY
11 JOURNAL, DAILY APPELLATE REPORT, PAGE 4615, AND FOLLOWING.

12 I HAVE BEEN REQUIRED TO EVALUATE THE TESTIMONY
13 OF THE PARTY WITNESSES IN THIS CASE, THAT IS, MS. GHRDILYAN,
14 MS. SULTANIAN, AND MR. ABALKHAD WITH SOME CAUTION AND
15 RESERVATIONS. THOSE THREE PERSONS IN THEIR CAPACITIES AS
16 WITNESSES ARGUED AND WRANGLLED WITH THE QUESTIONERS DURING
17 TRIAL, AND SOME OF THAT WAS PROVOKED BY THE QUESTIONERS; SOME
18 OF IT WAS NOT. THAT BECOMES AN IMPORTANT FACTOR IN
19 EVALUATING RELATIVE CREDIBILITIES UNDER EVIDENCE CODE 780(A).
20 THOSE THREE PARTIES ALL HAVE AN INTEREST, BIAS, AND OTHER
21 MOTIVE FOR SLANTING THEIR TESTIMONY, OBVIOUSLY, AND THAT
22 BECOMES SIGNIFICANT UNDER EVIDENCE CODE 780(F) AND EVIDENCE
23 CODE 780(J).

24 MR. ABALKHAD HAS SUFFERED FELONY CONVICTIONS
25 ON HIS PLEA OF NOLO CONTENDERE AS TO PERJURY AND TAX EVASION
26 AND DID NOT OWN UP TO THAT COMPLETELY IN DISCOVERY. THAT'S
27 EVIDENCE -- THAT BECOMES PERTINENT UNDER EVIDENCE CODE 780(E)
28 AND EVIDENCE CODE 780(H), AND EVIDENCE CODE 780(I) AND IS

1 COMMENTED ON IN THE CASE OF RUSHEEN, R-U-S-H-E-E-N, VERSUS
2 DREWS, D-R-E-W-S, (2002) 99 CALIFORNIA APPELLATE 4TH 279 AT
3 PAGES 283 TO 284.

4 ASPECTS OF THE TESTIMONY OF THESE WITNESSES,
5 THESE THREE PEOPLE AS WITNESSES, WERE EXAGGERATED AND
6 OVERSTATED. THAT BECOMES PERTINENT UNDER EVIDENCE CODE
7 780(B).

8 FURTHERMORE, EVIDENCE CODE SECTION 412
9 PROVIDES THAT IF WEAKER AND LESS SATISFACTORY EVIDENCE IS
10 OFFERED WHEN IT WAS IN -- WHEN IT WAS WITHIN THE POWER OF THE
11 PARTY TO PRODUCE STRONGER AND MORE SATISFACTORY EVIDENCE, THE
12 EVIDENCE ACTUALLY OFFERED SHOULD BE VIEWED WITH DISTRUST.
13 THIS, OF COURSE, IS A PERMISSIBLE INFERENCE AND NOT A
14 MANDATORY ONE, BUT THIS COURT HAS, AS THE LAW INDICATES,
15 TAKEN THIS INTO CONSIDERATION.

16 BUT ALL THAT HAVING BEEN SAID, THE COURT DOES
17 NOT ACCEPT MR. SABZEVAR'S INVITATION TO REJECT THE ENTIRETY
18 OF THE PLAINTIFFS'S TESTIMONY. INSTEAD, THIS COURT HAS HAD
19 TO ACCEPT THE PART OF THE TESTIMONY OF THE WITNESSES WHICH
20 THIS COURT FOUND -- HAS FOUND TO BELIEVE TRUE AND -- AND WILL
21 REJECT THE REST. THIS IS PRECISELY WHAT THE COURT -- PARDON
22 ME -- IS AUTHORIZED TO DO OR ANY FINDER OF FACT WOULD BE
23 AUTHORIZED TO DO. ONE MODEL FOR THAT IS CACI INSTRUCTION
24 107, FOURTH PARAGRAPH.

25 THE DATES INVOLVED IN THIS CASE -- AND THE
26 DATES BECOME SIGNIFICANT -- ARE AS FOLLOWS. MS. SULTANIAN
27 WAS HIRED ON -- IN NOVEMBER, 2007, AND WAS FIRED ON NOVEMBER
28 19, 2009. MS. GHRDILYAN WAS HIRED IN AUGUST, 2008, AND WAS

1 FIRED ON DECEMBER 3, 2009. ONE OF THE QUESTIONS WHICH I HAVE
2 BEEN CALLED UPON TO ANSWER IS WHETHER MR. ABALKHAD AS AN
3 INDIVIDUAL WAS AN EMPLOYER OF PLAINTIFFS AND -- UNDER WAGE
4 ORDER 7. I FIND THAT HE WAS NOT. BUT I FIND THAT THE
5 THEORIES OF LIABILITY UNDER -- I SHOULD BACK OFF. BUT I FIND
6 THAT THE OTHER BASES FOR ASSERTING LIABILITY ON THE PART OF
7 MR. ABALKHAD DO HAVE MERIT, AND LIABILITY DOES ATTACH TO HIM
8 UNDER THOSE THEORIES.

9 THE THEORIES I'M REFERRING TO ARE LABOR CODE
10 558 TO WHICH LABOR CODE 510 AND 512 ARE APPENDED OR INCLUDED
11 SUBSTANTIVE PROVISIONS AND LABOR CODE 1197.1 TO WHICH THE
12 SUBSTANTIVE PROVISIONS OF LABOR CODE 1198 AND THE WAGE ORDER
13 ARE ASSOCIATED THEORIES OF LIABILITY.

14 IN OTHER WORDS, I AM FINDING THAT UNDER 558
15 LABOR CODE AND 1197.1 LABOR CODE FOR THE SUBSTANTIVE REASONS
16 REFERRED TO IN THE OTHER TWO SOURCES AS TO EACH OF THOSE
17 SECTIONS, THAT IS 510 AND 512 LABOR CODE, AND 1193 AND WAGE
18 ORDER, LIABILITY CAN ATTACH TO MR. ABALKHAD AND UNDER THE
19 CIRCUMSTANCES OF THIS CASE, WILL ATTACH.

20 I'M GOING TO MAKE A FINDING ON THAT, AS YOU
21 WILL SEE, IN FAVOR OF -- PARDON ME -- OF THE PLAINTIFFS'S
22 POSITION.

23 NOW, I SAY IN FAVOR OF THE PLAINTIFFS'S
24 POSITION BECAUSE THAT MEANS NOT JUST IN FAVOR OF THE
25 PLAINTIFFS BUT SINCE WE HAVE A PAGA ACTION, I AM REFERRING TO
26 THE PLAINTIFFS'S POSITION.

27 NOW -- PARDON ME. I WILL SAY THIS.

28 AS YOU CAN TELL, I AM AT SOME PAINS TO GO

1 THROUGH THE LEGAL REASONING AND STEPS PREPARATORY TO REACHING
2 A DECISION IN THIS CASE WITH SOME CARE BECAUSE IT MAY VERY
3 WELL BE THAT THIS CASE WILL REACH ITS WAY INTO THE APPELLATE
4 COURTS AND THAT IT IS ALSO POSSIBLE THAT THE APPELLATE COURTS
5 MAY DECIDE THIS CASE IN A PUBLISHED OPINION, AND I WILL SAY
6 THAT THE DETERMINATION I HAVE MADE ABOUT ABALKHAD AS AN
7 EMPLOYER -- I SAID THAT HE'S NOT -- OR ABALKHAD AS A
8 POTENTIALLY LIABLE PARTY UNDER LIABILITY-ENHANCING STATUTES
9 OTHER THAN LABOR CODE 558 AND LABOR CODE 1197.1, THAT IS, THE
10 ABALKHAD-FAVORING DETERMINATIONS I HAVE MADE ON THOSE POINTS,
11 ARE NOT BEYOND REASONABLE ARGUMENT.

12 MY DECISION IS, AS I HAVE EXPRESSED IT, AND I
13 BELIEVE THAT I AM CORRECT -- BUT I -- BUT I DO RECOGNIZE THAT
14 THERE ARE ARGUMENTS THAT CAN BE MADE -- AND THEY HAVE BEEN
15 MADE HERE IN THIS COURTROOM -- ON THOSE POINTS.

16 I HAVE COMPARED THE EMPLOYEE HANDBOOKS,
17 EXHIBIT 3 AND EXHIBIT D. IT APPEARS TO ME THAT EXHIBIT D
18 FROM THE EVIDENCE IN THIS CASE WAS NOT SUPPLIED BY ABALKHAD
19 DURING THE DISCOVERY PHASE OF THIS CASE. THE PARTICULAR
20 PROVISIONS THAT I AM DEALING WITH ARE THOSE HAVING TO DO WITH
21 OVERTIME AND LUNCH AND EXHIBIT 3 IS COMMENTED ON BY THE
22 PLAINTIFFS AS BEING DEFICIENT BECAUSE THEY SAY THAT A LUNCH
23 PERIOD MUST BE PROVIDED AFTER FIVE HOURS OF WORK, NOT SIX
24 HOURS OF WORK, AND THE PLAINTIFFS'S POSITION IS THAT THAT WAS
25 THE ONLY PERTINENT EMPLOYEE HANDBOOK.

26 I THINK THE PLAINTIFFS ARE RIGHT AS TO BOTH
27 THOSE CONTENTIONS. EXHIBIT 3 BEARS THE DATE OF JANUARY,
28 2003. PLAINTIFFS ADMIT THAT THIS IS THE CORRECT DATE. THAT

1 IS, IT SEEMS TO ME, THE OPERATIVE EMPLOYEE HANDBOOK. EXHIBIT
2 D WHICH HAS DIFFERENT PROVISIONS IN IT CONCERNING THE SAME
3 TOPICS WAS, IN MY VIEW, FIRST NOT PRODUCED DURING DISCOVERY;
4 SECOND, A WRITING THAT CAME INTO EXISTENCE IN AUGUST, 2010,
5 SUBSTANTIAL PERIOD OF TIME AFTER THE PLAINTIFFS HAD ALREADY
6 HAD THEIR EMPLOYMENT TERMINATED AND INDEED AUGUST, 2010, IS
7 EVEN AFTER THE PRESENT SUIT WAS FILED. THIS CAN BE SEEN FROM
8 EXHIBIT D PAGE 17, SECOND FULL PARAGRAPH.

9 AS I HAVE SAID, THIS SUIT WAS FILED ON THE
10 28TH OF JANUARY, 2010.

11 ONE OF THE COMPLICATING FACTORS IN THIS
12 CASE -- AND THE LAWYERS HAVE RECOGNIZED IT, AND IT'S OBVIOUS
13 TO ANYONE WITH ANY LEGAL EXPERIENCE -- IS THAT ALTHOUGH THE
14 LAWSUIT ORIGINALLY NAMED RJ FINANCIAL, INC., THAT DEFENDANT
15 IS A DEBTOR IN A CHAPTER 11 BANKRUPTCY. AS I HAVE SAID, THE
16 CASE IS OBVIOUSLY STAYED AS TO THAT PARTY, BUT THE PLAINTIFFS
17 HAVE HAD TO REORGANIZE THEIR CASE TO PRESS IT AGAINST
18 MR. ABALKHAD WHO IS NOT IN BANKRUPTCY AND IT SEEMS TO ME THEY
19 HAVE DONE SO SUCCESSFULLY.

20 THERE IS NO SERIOUS QUESTION BETWEEN THE SIDES
21 CONCERNING THE FOLLOWING PROPOSITIONS OF LAW. AN EMPLOYEE IS
22 ENTITLED TO OVERTIME COMPENSATION FOR WORK IN EXCESS OF EIGHT
23 HOURS IN ONE WORKDAY, FOR WORKING IN EXCESS OF 40 HOURS IN
24 ONE WORKWEEK, AND FOR WORK ON THE SEVENTH DAY IN ONE WORK
25 WEEK. THE OVERTIME COMPENSATION DIFFERS, BUT THOSE ARE
26 OVERTIME ITEMS.

27 IT IS ALSO TRUE -- BY THE WAY, THIS IS
28 PROVIDED FOR UNDER LABOR CODE 510(A). IT'S ALSO TRUE THAT

1 EXECUTIVE, ADMINISTRATIVE, AND PROFESSIONAL EMPLOYEES WHO ARE
2 SPECIFICALLY EXEMPTED BY THE CALIFORNIA INDUSTRIAL WELFARE
3 AND COMMISSION ARE EXEMPT FROM THE HOURS WORKED AND DAYS
4 WORKED PER WEEK LIMITATIONS AS PROVIDED FOR IN LABOR CODE 515
5 BUT -- PARDON ME -- THE PLAINTIFFS IN THIS CASE DO NOT FALL
6 INTO THAT EXEMPTED CATEGORY AND INDEED THE DEFENDANT DOES NOT
7 CLAIM THAT THEY DO.

8 FOR THE REASONS THAT I HAVE MENTIONED EARLIER
9 ABOUT THE RESERVATIONS WITH WHICH THE TESTIMONY OF THE
10 WITNESSES HAVE TO BE INTERPRETED WITH, I DO NOT ATTEMPT TO
11 SUMMARIZE ALL THE TESTIMONY OF ALL THE WITNESSES.

12 IT IS ALSO TRUE THAT SUCCESSFUL EMPLOYEE
13 PLAINTIFFS WHO ARE AWARDED UNPAID OVERTIME ARE ENTITLED TO
14 INTEREST ACCRUING FROM THE DATE ON WHICH THE RIGHT TO RECOVER
15 THEIR OVERTIME VESTS. THIS WOULD BE ON THE MODEL INDICATED
16 IN CIVIL CODE 3287(A) COMPUTED TO THE DATE OF ENTRY OF
17 JUDGMENT. THIS IS LABOR CODE 1194(A), AND IT'S ALSO
18 DISCUSSED IN ESPINOSA VERSUS CLASSIC PIZZA, WHICH IS A CASE
19 THAT APPEARS IN 114 CALIFORNIA APPELLATE 4TH. THE PARTICULAR
20 PASSAGE THAT I'M MAKING REFERENCE TO IS AT PAGE 975.

21 THE TERM "WILLFUL" UNDER THE LABOR CODE --
22 THIS APPEARS IN LABOR CODE 203 -- IT MEANS ONLY THAT AN
23 EMPLOYER INTENTIONALLY FAILED OR REFUSED TO PERFORM AN ACT
24 THAT WAS REQUIRED TO BE DONE. THAT POINT IS MADE IN BARNHILL
25 VERSUS ROBERT SAUNDERS & COMPANY, (1981) 125 CALIFORNIA
26 APPELLATE 3D 1 AT PAGES 7 AND 8.

27 OBVIOUSLY, IN THE CURRENT CASE, UNLIKE THE
28 SITUATION IN BARNHILL, THERE'S NO EVIDENCE OF OFFSET. I'M

1 CITING BARNHILL JUST FOR THE PURPOSE OF THE DEFINITION OF THE
2 WORD "WILLFUL."

3 I WILL MAKE A COUPLE OF OTHER POINTS.

4 I RECOGNIZE THE INTENSITY WITH WHICH THE
5 DEFENSE HAS MAINTAINED THAT THIS IS A CASE DRIVEN BY
6 ATTORNEYS AND ATTORNEY'S FEES ON THE PLAINTIFFS'S SIDE. FOR
7 THE REASONS THAT I HAVE MENTIONED PREVIOUSLY, THAT IS, THAT
8 ONE OF THE PURPOSES OF PAGA IS PRECISELY TO INCENTIVIZE
9 ATTORNEYS TO -- TO FILE AND TO PROSECUTE SUCH CASES -- THAT
10 ARGUMENT EXISTS AND IT DOES HAVE A CERTAIN AMOUNT OF
11 OCCURRENCE, BUT I DO NOT REGARD IT AS BEING A STRONG
12 ARGUMENT. IT IS THE PURPOSE OF THE LAW PRECISELY TO PROVIDE
13 AN INCENTIVE FOR ATTORNEYS WHO MIGHT OTHERWISE BE UNABLE TO
14 HANDLE CASES OF THIS TYPE TO BE ABLE TO HANDLE CASES OF THIS
15 TYPE.

16 I WILL SAY THAT APPLICATIONS FOR ATTORNEYS'S
17 FEES, IF ANYBODY CLAIMS ENTITLEMENT TO ANY, CAN BE MADE BY
18 POST-JUDGMENT MOTION FOR ALLOWANCE OF ATTORNEY'S FEES AS
19 PARTS OF COSTS UNDER CIVIL CODE 1717(A), IF THAT'S WHAT
20 APPLIES, OR UNDER THE CORRESPONDING STATUTE IN THE LABOR
21 CODE. AND THE METHOD OF MAKING A POST-JUDGMENT MOTION FOR
22 ALLOWANCE IS REFERRED TO IN SUCH CASES AS ALLSTATE INSURANCE
23 VERSUS LEW, (1996) 46 CALIFORNIA APPELLATE 4TH 174 -- 1794 AT
24 1797, AND BANKES VERSUS LUCAS -- BANKES IS SPELLED
25 B-A-N-K-E-S, VERSUS LUCAS -- (1992) 9 CALIFORNIA --
26 9 CALIFORNIA APPELLATE 4TH, 365 AT 370.

27 I CITE THOSE TWO CASES NOT FOR THE PROPOSITION
28 THAT THEY APPLY IN LABOR CASES OR THAT THEY ARE DISPOSITIVE

1 ON THE ISSUE OF THE AMOUNT OF LEGAL FEES BUT JUST TO SHOW
2 THAT THAT IS AN APPROPRIATE TIME TO MAKE APPLICATIONS FOR
3 FEES.

4 IN THE PREMISES OF THIS CASE, THOUGH, FOR
5 REASONS THAT I WILL EXPLAIN IN JUST A SECOND, THE APPLICATION
6 FOR ATTORNEY'S FEES, IF THERE IS GOING TO BE ONE ON THE PART
7 OF THE PLAINTIFFS'S ATTORNEY, SHOULD BE, IT SEEMS TO ME, MADE
8 AFTER DISTRIBUTION OF ALL THE FUNDS THAT WILL BE DISTRIBUTED
9 UNDER MY AWARD WHICH I'M GOING TO MAKE UNDER PAGA SO THAT WE
10 DON'T HAVE THE SITUATION WHERE THE ATTORNEY IS PAID,
11 PLAINTIFFS'S ATTORNEY IS PAID FIRST OR SEEKS PAYMENT FIRST
12 WITHOUT ALSO DOING ALL THE, IT SEEMS TO ME, RATHER LABORIOUS
13 WORK THAT'S GOING TO BE REQUIRED UNDER PAGA, AND IT'S 25
14 PERCENT, 75 PERCENT SHARING ARRANGEMENT WITH THE PLAINTIFFS
15 TO GET 25 PERCENT AND WITH THE STATE OF CALIFORNIA TO GET THE
16 75 PERCENT.

17 SO I'M GOING TO TREAT THAT ASPECT OF THIS CASE
18 AS CALLING FOR ATTORNEY FEE MOTIONS, IF ANY ARE TO BE MADE,
19 AT A TIME AFTER THAT STEP OF CONCURSUS OF CLAIMS AND
20 DISTRIBUTION OF FUNDS HAS EITHER BEEN COMPLETELY FINISHED OR
21 HAS BEEN FINISHED WITH THE EXCEPTION OF A FEW SMALL
22 MINISTERIAL ACTS.

23 PARDON ME.

24 WITH RESPECT TO THE -- TO THE REMEDIES, IT
25 SEEMS TO ME THAT THE EVIDENCE STRONGLY SUPPORTS THE
26 PLAINTIFFS'S ARGUMENTS AS TO WHAT I WILL CALL THE 558-510-512
27 THEORY AND THE 1197.1-1198-WORK ORDER THEORY.

28 I THINK THAT THE EVIDENCE ESTABLISHES

1 VIOLATIONS OF THOSE SUBSTANTIVE PROVISIONS AND THAT THE
2 EVIDENCE ESTABLISHES A RIGHT TO RECOVER ON BEHALF OF THE
3 PAGA-AGGRIEVED EMPLOYEES AND ON BEHALF OF THE PLAINTIFFS BUT
4 IN AMOUNTS THAT ARE DIFFERENT FROM THOSE -- THE THEORIES ARE
5 THOSE ADVOCATED BY MR. SPIVAK AND HIS CLIENTS. THE AMOUNTS
6 ARE AMOUNTS THAT I AM GOING TO ALTER, THOUGH, AS WILL BE
7 CLEAR.

8 WITH RESPECT TO THE GHRDILYAN 558-510-512
9 LABOR CODE RECOVERY, I AM GOING TO AWARD \$7,654.60 -- THAT'S
10 EXACTLY AS CALCULATED BY MR. SPIVAK AND THOSE ARE -- THAT'S
11 IN FAVOR OF MS. GHRDILYAN AND AGAINST MR. ABALKHAD.

12 WITH RESPECT TO THE 1197.1 THEORY, WITH 1198
13 AND WORK ORDER BEING THE SUBSTANTIVE BASES, I AGREE WITH
14 MR. SPIVAK THAT MS. GHRDILYAN'S RECOVERY SHOULD BE \$14,218
15 AND THAT COMES OUT TO A TOTAL OF 21,872.60 FOR GHRDILYAN.

16 WITH RESPECT TO SULTANIAN, MY DETERMINATION IS
17 THAT REGARDING THE LABOR CODE 558-510-512 THEORY,
18 MS. SULTANIAN IS ENTITLED TO RECOVERY AGAINST MR. ABALKHAD OF
19 \$5,264.19, AND WITH RESPECT TO HER THEORY UNDER 1197.1 LABOR
20 CODE, MS. SULTANIAN IS ENTITLED TO RECOVER AGAINST
21 MR. ABALKHAD \$13,936.50. TOTAL IS \$19,200.69, AND THAT'S THE
22 AMOUNT THAT SULTANIAN IS ENTITLED TO RECOVER ON HER ACCOUNT
23 AGAINST MR. ABALKHAD.

24 THIS NOW BRINGS US TO THE AWARD IN FAVOR OF
25 THE SO-CALLED AGGRIEVED EMPLOYEES.

26 MY DETERMINATION IS THAT THE AGGRIEVED
27 EMPLOYEES'S CLAIMS ARE VALID AND MERITORIOUS CLAIMS; THAT
28 THEY CAN BE AND HAVE BEEN VALIDLY ASSERTED BY, PROSECUTED BY

1 THE TWO PLAINTIFFS IN OUR CASE.

2 I AM GOING, HOWEVER, NOT TO ACCEPT THE DOLLAR
3 FIGURES IN THE ULTIMATE SENSE THAT MR. SPIVAK AND HIS CLIENTS
4 HAVE ADVOCATED. IN DOING THIS, I AM GOING TO SPECIFICALLY
5 EXERCISE MY POWERS, WHICH IT SEEMS TO ME ARE IN THE NATURE OF
6 JUDICIAL DISCRETION, TO REDUCE THE AMOUNT OF RECOVERY FROM
7 THE AMOUNTS ADVOCATED BY MR. SPIVAK AND HIS CLIENTS.

8 WITH RESPECT TO THE LABOR CODE 558, 510, AND
9 512 THEORIES, AS TO THE AGGRIEVED EMPLOYEES, MY DETERMINATION
10 IS THAT THE AMOUNT WHICH MR. ABALKHAD MUST PAY IS NOT THE
11 \$2,164,278 AMOUNT THAT MR. SPIVAK ARGUED FOR BUT RATHER
12 \$125,000.

13 WITH RESPECT TO THE 1197.1-1198-WAGE-ORDER
14 CLAIM, MY DETERMINATION IS THAT THE AMOUNT THAT MR. ABALKHAD
15 WILL BE REQUIRED TO PAY IS NOT \$3,269,490, WHICH WAS THE
16 AMOUNT ADVOCATED BY MR. SPIVAK ON BEHALF OF HIS CLIENTS BUT
17 RATHER \$200,000.

18 NOW, THAT COMES OUT TO A TOTAL THEN OF
19 \$325,000.

20 NOW, IN DOING THIS, I HAVE EXERCISED MY
21 DISCRETION TAKING INTO CONSIDERATION THE FOLLOWING POINTS. I
22 AGREE WITH MR. SPIVAK'S CHARACTERIZATION OF MR. ABALKHAD AS A
23 PERSON WHO WAS INADEQUATELY OBSERVANT OF CALIFORNIA LAW.
24 MR. SPIVAK REFERS TO HIM AS A "SCOFFLAW." THAT'S A
25 JOURNALISTIC RATHER THAN A -- A LEGAL TERM. BUT I THINK HE
26 DID HAVE THE INTENTION SIMPLY OF TRYING TO RUN THINGS THROUGH
27 AND GET OFF AS CHEAPLY AS HE COULD WHILE HE WAS RUNNING HIS
28 BUSINESSES.

1 BUT I ALSO FIND THAT ONE OF THE PROBLEMS IN
2 THE OPERATION OF HIS BUSINESS WAS THAT HE GOT IN WAY OVER HIS
3 HEAD. HE SIMPLY EXPANDED BEYOND HIS OR HIS CORPORATION'S
4 CAPACITY PROPERLY TO RUN THESE BUSINESSES. HE RAN THEM AS
5 THOUGH HE WERE RUNNING A KIND OF SMALL OPERATIONS OUT OF HIS
6 HIP POCKET, AND I RECOGNIZE THAT THAT IS NOT A PRAISEWORTHY
7 BEHAVIOR, BUT IT SEEMS TO ME THAT IT IS NOT BEHAVIOR OF A
8 HIGHLY BLAMEWORTHY SENSE AND THAT IT IS BEHAVIOR WHICH MERITS
9 A REDUCTION OR SOFTENING OF THE PENALTIES.

10 NOW, I WILL ALSO SAY THE FOLLOWING. IF ON
11 APPEAL, THE APPELLATE COURT DETERMINES THAT I AM MISTAKEN
12 CONCERNING THE POTENTIAL OTHER THEORIES OF LIABILITY ASSERTED
13 BY MR. SPIVAK AND HIS CLIENTS AGAINST MR. ABALKHAD, I WILL
14 TELL YOU WHAT I WOULD HAVE AWARDED ON THOSE THEORIES SO THAT
15 IT MAY BE THAT THE APPELLATE COURT CAN SIMPLY TAKE WHAT I
16 HAVE SAID HERE AND RATHER THAN MAKING A DISPOSITION WHICH
17 REMANDS THE CASE FOR FURTHER CALCULATION OF DAMAGES, THE
18 APPELLATE COURT CAN SIMPLY INSERT THE MONETARY REMEDY THAT I
19 WOULD HAVE INSERTED MYSELF HAD I NOT BEEN PERSUADED THAT
20 MR. ABALKHAD WAS NOT LIABLE EXCEPT UNDER THE THEORIES THAT I
21 HAVE MADE REFERENCE TO.

22 HAD THAT BEEN DONE, I WOULD HAVE AWARDED AN
23 ADDITIONAL \$200,000 AS TO THE AGGRIEVED EMPLOYEES.

24 NOW, I WILL SAY THAT THESE AMOUNTS ARE, I
25 RECOGNIZE, EXTREMELY LENIENT AND PERMISSIVE TO MR. ABALKHAD.
26 IN OTHER WORDS, THIS IS NOT A CASE WHERE THE COURT HAS TRIED
27 TO SOCK IT TO HIM. IT IS, RATHER, A CASE IN WHICH I HAVE
28 TREATED IT AS A SERIES OF OFFENSES BUT ONE AS TO WHICH

1 MR. ABALKHAD SHOULD BE GIVEN AT LEAST SOME LENIENCY IN THE
2 FASHIONING OF A REMEDY. I THINK THAT'S IT. LET ME ASK THE
3 LAWYERS.

4 FIRST OF ALL, PLAINTIFFS'S LAWYER. ARE THERE
5 OTHER MATTERS AS TO WHICH YOUR CLIENTS CONTEND I SHOULD MAKE
6 A STATEMENT OF SOME KIND OR A FINDING OF SOME KIND?

7 MR. SPIVAK: WAS THERE SOME FINDING AS TO THE
8 ADDITIONAL \$200,000 WITH RESPECT TO THE INDIVIDUAL
9 PLAINTIFFS, YOUR HONOR?

10 YOU SPOKE TO THE OTHER CLAIMS WHICH PERHAPS
11 WOULD AFFECT THE APPELLATE COURT SHOULD IT SEND BACK FOR
12 CALCULATION.

13 THE COURT: YEAH.

14 MR. SPIVAK: I KNOW YOU GAVE AN AGGRIEVED EMPLOYEE
15 NUMBER BUT NOT FOR THE TWO PLAINTIFFS.

16 THE COURT: SHOW ME -- JUST A SECOND. COULD YOU,
17 PLEASE, TURN BACK TO -- OH, I GUESS I OUGHT TO SAY THAT. LET
18 ME DO THAT NOW.

19 THE PLAINTIFFS CONTEND THAT THERE WERE THESE
20 WRONGS AS TO BOTH THEMSELVES AND AS TO THE AGGRIEVED
21 EMPLOYEES, AND I WILL JUST REFER TO THEM IN SHORT, COMPRESSED
22 TERMS. AND ESSENTIALLY IT BOILS DOWN TO I THINK NINE
23 THEORIES AND I WILL ENUMERATE THEM NOW: OVERTIME, REST AND
24 MEAL PERIODS, WAGE STATEMENT, IN OTHER WORDS, LABOR CODE 226,
25 UNPAID TRAVEL EXPENSES AND MILEAGE -- THAT'S FOUR --
26 OFF-THE-CLOCK WORK, UNTIMELY PAYMENT OF WAGES, VACATION PAY
27 AT TERMINATION, AND FAILURE FAIRLY TO ADVISE THE EMPLOYEES OF
28 CHANGE IN THE COMMISSION STRUCTURE SO THAT WHAT HAPPENED WAS

1 THAT THEY WERE MADE TO DO WORK WITHOUT KNOWING -- WITHOUT, AS
2 IT TURNED OUT, WHAT THE ULTIMATE PAYMENT FOR IT WAS GOING TO
3 BE.

4 EACH OF THOSE CONTENTIONS -- EACH OF THOSE
5 THEORIES IS A THEORY THAT WOULD BE DECIDED IN FAVOR OF THE
6 PLAINTIFFS AND AGAINST THE -- AND AGAINST THE DEFENDANT
7 ABALKHAD EXCEPT FOR MY DETERMINATION THAT HE INDIVIDUALLY IS
8 NOT LIABLE. BUT IF HE IS LIABLE, THAT IS, IF THE APPELLATE
9 COURT DECIDES THAT I HAVE MADE AN ERROR REGARDING EXCESSIVELY
10 NARROW INTERPRETATION OF THE LABOR CODE PROVISIONS, I WOULD
11 AWARD EACH OF THE PLAINTIFFS AS PENALTIES \$60,000 EACH; 60
12 PLUS 60 IS 120.

13 NOW, I WILL SAY, AGAIN, I RECOGNIZE THAT THIS
14 IS WAY BELOW THE PLAINTIFFS'S TARGET NUMBER, BUT IT IS A
15 NUMBER THAT I THINK IS APPROPRIATE.

16 NOW, I WANT TO SAY SOMETHING ELSE ABOUT THIS,
17 AND THIS IS A COMPLICATION CREATED BY FACTORS THAT I HAD
18 REFERRED TO PREVIOUSLY. THIS IS THE BANKRUPTCY OF THE
19 CORPORATION.

20 WHAT I AM SAYING CONCERNING THESE OTHER
21 PENALTIES AND OTHER AMOUNTS, THAT IS, AMOUNTS I AM NOT
22 ACTUALLY AWARDING ARE FOR THE BENEFIT OF THE APPELLATE COURT
23 IN ASSISTING IT TO FRAME A DISPOSITIONAL ORDER IF THE CASE IS
24 SENT BACK TO THE SUPERIOR COURT UPON A REVERSAL IN PART OR IN
25 WHOLE.

26 I WANT TO PUT THESE PEOPLE IN A POSITION SO
27 THEY WILL HAVE A REMEDY ON BOTH SIDES WITHOUT THE NECESSITY
28 OF THE SUPERIOR COURT HAVING TO REVISIT THIS AND BY THE

1 SUPERIOR COURT TELLING THE APPELLATE COURT WHAT THE SUPERIOR
2 COURT WOULD HAVE DONE HAD THE SUPERIOR COURT'S REASONING NOT
3 FORECLOSED IT.

4 I AM EXTREMELY CONCERNED TO STATE THIS IN THAT
5 WAY SO THAT THE BANKRUPTCY PROCEEDINGS ARE NOT IN SOME WAY
6 SPOILED OR IMPROPERLY AFFECTED BY THE WORK DONE HERE IN THE
7 -- IN THE TRIAL COURT. AND I AM TRYING TO SUPPLY ALL OF THE
8 INFORMATION THAT I CAN WHILE STILL BEING TRUE TO AND
9 OBSERVANT OF THE NECESSITY FOR TRYING TO ACHIEVE AS MUCH
10 FINALITY AS I CAN WHILE STILL ASSISTING IN THE LITIGATION
11 PROCESS AS MUCH AS THIS COURT CAN.

12 NOW, I HAVE PREVIOUSLY DISCUSSED AND I WILL
13 MAKE A PART OF MY STATEMENT OF DECISION HERE THE SET OF DATES
14 THAT PIVOT AROUND THE APPEAL. AS I HAVE SAID PREVIOUSLY, THE
15 CASE THAT I HAVE BEEN TRYING, THIS CASE, WAS FILED ON THE
16 26TH OF JANUARY, 2010. THE DEFENDANT WAS AT THAT TIME ONLY
17 RJ FINANCIAL, AND THE CASE WAS DENOMINATED A CLASS ACTION. A
18 LITTLE LESS THAN MONTH AFTER THAT, ON THE 24TH OF FEBRUARY,
19 2010, THE PLAINTIFFS FILED A FIRST AMENDED COMPLAINT. THEY
20 ADDED MR. ABALKHAD AS A NAMED DEFENDANT. THEY CONTINUED WITH
21 THE DESIGNATION OF THIS CASE AS A CLASS ACTION.

22 ON THE 8TH OF MARCH, 2010, THE PLAINTIFFS
23 FILED A 170.6 AS TO JUDGE WILLIAM FAHEY OF THIS COURT.

24 ON THE 22ND OF MARCH, 2010, THE LAWYER WHO THE
25 TESTIMONY HAS IDENTIFIED AS MR. SANFORD FREY, F-R-E-Y -- THAT
26 NAME ALSO APPEARS ON THE DOCUMENT I'M GOING TO DESCRIBE --
27 FILED A NOTICE OF STAY AS TO THE CORPORATE DEFENDANT,
28 REFERRING TO THE CHAPTER 11 BANKRUPTCY. THAT BANKRUPTCY

1 PETITION APPEARS TO HAVE BEEN FILED ON THE 7TH OF JANUARY,
2 2010, THAT IS, BEFORE THE CASE WAS EVER FILED.

3 THAT ACCOUNTS FOR THE MODIFICATION OF THE NAME
4 OF THE PARTIES TO INCLUDE ABALKHAD AS AN INDIVIDUAL. I THINK
5 IT IS THAT OBVIOUS THAT -- BUT I WANT TO MAKE IT VERY, VERY
6 CLEAR THAT THIS IS NOT ONLY OBVIOUS, BUT IT IS A FACT THAT --
7 THIS CASE IS STAYED AS TO THE RJ FINANCIAL CORPORATION UNDER
8 THE STATUTORY CITATION I HAVE GIVEN, 11 U.S.C. 362.

9 MR. ABALKHAD'S DEFAULT WAS TAKEN IN THIS CASE
10 AND IN AUGUST OF 2010, HE MOVED TO SET ASIDE THE DEFAULT. IN
11 THAT SET OF PAPERS, THERE WAS THE CLAIM MADE THAT PLAINTIFFS
12 ADDED ABALKHAD ON THE 26TH OF MARCH, 2010. AS I HAVE
13 INDICATED, THAT WAS NOT TRUE. IT WAS ON THE 26TH -- 24TH OF
14 FEBRUARY, 2010, BUT THAT WAS NOT A SIGNIFICANT INACCURACY
15 BECAUSE IN THE COURT'S VIEW, ABALKHAD WAS ENTITLED TO HAVE
16 THE DEFAULT SET ASIDE.

17 NOW IS THERE ANYTHING THAT I AM SUPPOSED TO
18 SAY?

19 MR. SPIVAK: I DON'T THINK SO, YOUR HONOR.

20 THE COURT: OKAY. HOW ABOUT YOU, MR. SABZEVAR?

21 MR. SABZEVAR: NO, YOUR HONOR.

22 THE COURT: ALL RIGHT. HERE'S WHAT I'M GOING TO DO
23 THEN.

24 I'M GOING TO SET A HEARING OUT IN THE FUTURE.
25 FIRST OF ALL, THE STATEMENT OF DECISION IS SUFFICIENT IF IT
26 STATES ALL THE FACTS. IT NEED NOT STATE EVIDENTIARY FACTS.
27 I THINK THE STATEMENT OF DECISION I HAVE MADE DOES THAT.

28 SECONDLY, I'M GOING TO ORDER THE PLAINTIFFS

1 THROUGH COUNSEL TO PREPARE, SERVE, OBTAIN APPROVAL AS TO FORM
2 FROM DEFENDANT ABALKHAD. THIS MAY REQUIRE A MEET AND CONFER
3 AND COURT EXPECTS COUNSEL TO BE ATTENTIVE AND COOPERATIVE IN
4 THIS REGARD. SO SUBMIT THAT TO DEFENSE COUNSEL AND LODGE
5 WITH THE COURT A JUDGMENT SUITABLE FOR COURT'S SIGNATURE IN
6 CONFORMITY WITH THE FOREGOING.

7 I AM GOING TO ORDER ALSO THAT THE PARTIES
8 AND/OR COUNSEL PICK UP ALL EXHIBITS LODGED WITH THE CLERK AND
9 ALL EXHIBITS MARKED AND/OR RECEIVED IN EVIDENCE, EACH SIDE TO
10 PICK UP THE ITEM PROFFERED BY THAT SIDE FOR RECEIPT INTO
11 EVIDENCE WITHIN FIVE DAYS FROM THE COURT'S SIGNING OF THE
12 JUDGMENT.

13 NOW, TODAY IS THE 23RD OF APRIL, 2010 -- 2012,
14 I SHOULD SAY. I WANT TO HAVE A HEARING AT WHICH THE JUDGMENT
15 IS PRESENTED TO ME FOR SIGNATURE AND I WANT TO DO THESE
16 THINGS AT THAT HEARING. I WANT TO SETTLE THE FORM AND
17 SUBSTANCE OF THE DECISION -- OF THE JUDGMENT. IF THERE'S ANY
18 OTHER WORK THAT NEEDS TO BE DONE, I WANT TO DO THAT AT THIS
19 HEARING. I WANT TO DETERMINE WHAT, IF ANYTHING, REMAINS TO
20 BE DONE REGARDING FUTURE PROCEEDINGS IN THIS CASE, AND I WANT
21 TO DETERMINE WHAT THE STATUS OF THIS CASE IS AND I WANT TO
22 HAVE THE LAWYERS FOR THE PARTIES PERSONALLY PRESENT.

23 MY IDEA WOULD BE THE JUDGMENT SHOULD BE
24 SUBMITTED BEFORE THE HEARING BUT THAT PLAINTIFFS'S COUNSEL
25 SHOULD BRING WITH HIM A DUPLICATE ORIGINAL OF THE JUDGMENT IN
26 CASE THE PAPERWORK HANDLING PRODUCES A SITUATION WHERE I
27 CAN'T LAY MY HANDS ON THE JUDGMENT THAT I AM SUPPOSED TO SIGN
28 IMMEDIATELY. I LOOK TO THE ATTORNEYS NOW FOR SOME

1 SUGGESTIONS AS TO THE DATE WHEN THAT HEARING SHOULD BE
2 SCHEDULED.

3 MR. SABZEVAR, DO YOU HAVE ANY IDEAS ABOUT WHEN
4 I SHOULD SCHEDULE IT?

5 MR. SABZEVAR: FORTY-FIVE DAYS, YOUR HONOR?

6 THE COURT: FORTY-FIVE DAYS.

7 MR. SPIVAK: THAT'S FINE FOR PLAINTIFFS.

8 THE COURT: SO TODAY IS THE 23RD. LET'S SET IT FOR
9 HEARING ON THE -- LET'S GO OUT MORE THAN 45 DAYS.

10 AS YOU CAN SEE, FROM THE 4TH TO THE 8TH, I
11 WON'T BE ABLE TO WORK WITH YOU -- OF JUNE. I WON'T BE ABLE
12 TO WORK WITH YOU. SO WOULD IT ALL RIGHT WITH YOU LAWYERS IF
13 I PICK THE 21ST OF JUNE, 2012, 8:30, THIS DEPARTMENT?

14 MR. SABZEVAR: THAT'S FINE, YOUR HONOR.

15 THE COURT: ARE YOU GOING TO BE AVAILABLE ON THOSE
16 DATES?

17 MR. SPIVAK: YES, YOUR HONOR.

18 THE COURT: ARE YOU GOING TO BE ABLE TO DO THE
19 THINGS I TALKED ABOUT, SETTling THE FORM AND SUBSTANCE OF THE
20 JUDGMENT?

21 MR. SPIVAK: YES, YOUR HONOR.

22 MR. SABZEVAR: THAT'S FINE.

23 THE COURT: THANK YOU VERY MUCH. I APPRECIATE YOUR
24 PARTICIPATION AND -- AND YOUR ADVOCACY, AND I WILL SEE YOU
25 WHEN WE NEXT HAVE TO WORK ON THE CASE.

26 NOW, I WILL TELL YOU SOMETHING ELSE. PLEASE
27 STAY ALERT AND PLEASE LOOK IN ADVISES TO ATTORNEYS, OR
28 NOTICES, OR WHATEVER WE ARE GOING TO DO IN THE NEXT THREE OR

1 FOUR WEEKS. HERE'S OUR SITUATION.

2 AS OF 15TH OF MAY, WE WON'T HAVE REPORTERS IN
3 THESE DEPARTMENTS ANYMORE FOR TRIAL MATTERS -- THEY WILL HAVE
4 TO BE SUPPLIED BY THE PARTIES -- AND WE WON'T HAVE THE
5 REPORTERS EXCEPT TWO LAW AND MOTION SESSIONS A WEEK. THE
6 IDEA IS IT WILL BE ONE MORNING AND ONE AFTERNOON. THAT WILL
7 BE ALL THE REPORTERS WE ARE GOING TO HAVE SUPPLIED BY THE
8 COURT.

9 MOREOVER, THEY ARE GOING TO, AS I MENTIONED TO
10 YOU PREVIOUSLY, THEY ARE GOING TO REDUCE THE STAFF.

11 SO I HAD GIVEN YOU DATE, BUT I AM NOT ONE
12 HUNDRED PERCENT CERTAIN ABOUT HOW THAT DATE IS GOING TO WORK.
13 PLEASE KEEP YOUR EYES AND EARS OPEN. IF THERE'S SOME FOUL UP
14 OR SOMETHING, DO WHATEVER YOU NEED TO DO TO MAKE IT RIGHT. I
15 MEAN, WE ARE -- I WISH I COULD SAY SOMETHING THAT SOUNDED
16 MORE EMPHATIC AND MORE DEFINITIVE, BUT I CAN'T. I JUST DON'T
17 KNOW WHAT'S GOING TO HAPPEN.

18 WHAT I WANT TO DO IS TO FINISH UP YOUR CASE
19 AND GET YOU ALONG FOR THE NEXT STEP FOR OBVIOUS REASONS. AND
20 I DON'T WANT THE COLLAPSE OF THE SYSTEM'S ABILITY TO HANDLE
21 MATTERS TIMELY TO REDOUND TO YOUR DISADVANTAGE OR TO
22 ADDITIONAL EXPENSE ON THE PART OF EITHER SIDE THAT MIGHT
23 OTHERWISE BE AVOIDED IF YOU LAWYERS KEPT YOUR EYES PEELED FOR
24 WHAT'S HAPPENING IN THE COURTS AND IF I WERE ABLE TO PREDICT
25 A LITTLE BIT, I JUST CAN'T PREDICT THAT. I DON'T EVEN KNOW.
26 BUT KEEP YOUR EYES OPEN. TRY TO DO WHAT'S RIGHT, AND I WILL
27 TRY TO DO WHAT'S RIGHT. IT'S ABOUT THE BEST I CAN DO FOR
28 YOU.

1 ALL RIGHT. THANK YOU ALL VERY MUCH.

2 MR. SPIVAK: THANK YOU, YOUR HONOR.

3 MR. SABZEVAR: THANK YOU, YOUR HONOR.

4 THE COURT: SEE YOU WHEN WE NEXT HAVE TO WORK ON

5 THE CASE.

6 (PROCEEDINGS CONCLUDED.)

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DEPARTMENT 41 HON. RONALD M. SOHIGIAN, JUDGE

PLAINTIFFS,

VS.

DEFENDANTS,

CASE NO. BC430633

CERTIFIED COPY

MONDAY, APRIL 23, 2012

FOR THE PLAINTIFFS:

LOUIS BENOWITZ,
ATTORNEY AT LAW

MICHAEL SABZEVAR,
ATTORNEY AT LAW

REPORTED BY:
ANGELA ZARATAN PARADELA
OFFICIAL COURT REPORTER
CSR NO. 9659

EXHIBIT 10

OCT 24 2017

Sherri R. Carter, Executive Officer/Clerk
By: V. Jalme, Deputy

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES

Jon N. Shields, individually and on behalf
of all others similarly situated,

Plaintiff,

v.

Security Paving Company, Inc.,

Defendant.

Case No. BC492828

Proposed Statement of Decision

Having concluded the trial, the Court now issues a Proposed Statement of Decision.

Pursuant to CCP Section 632 and Cal. Rules of Court 3.1590 (g), the parties shall have fifteen days from the issuance of this decision to object, concur or correct the Proposed Statement of Decision.

The Court shall hold a hearing on the objections on November 17, 2017 at 11:00 a.m.

1 I. BACKGROUND

2 On September 26, 2012, plaintiff filed an individual and class action against Security Paving
3 Company, Inc. ("Security Paving"), a licensed contractor that performs construction work on
4 public works projects throughout California.
5

6 The operative First Amended Complaint alleges a class action and representative action for
7 violations of the California Labor Code and Wage Order 16, breach of contract and a violation of
8 the Business and Professions Code arising from Security Paving's operations.¹
9

10 In 2016, the Court denied plaintiff's motion to certify the class. The case proceeded solely on the
11 individual claims of plaintiff Jon Shields and a representative action under PAGA brought by
12 Shields as an aggrieved employee.
13

14 In August 2017, the Court granted the defendant's motion for summary adjudication as to the
15 PAGA claim for failure to provide meal periods, but denied the motion as to the PAGA claim
16 based on the defendant's alleged failure to provide rest breaks.
17

18 In that decision, the court considered whether Labor Code §512(e), which became effective on
19 January 1, 2011, exempted Security Paving from meal period requirements. The court found that
20 Security Paving was exempted from the meal period requirements as a union-signatory
21 construction contractor. Further, the court concluded that because plaintiff's PAGA claim is
22 subject to a one-year statute of limitations and covers the period from September 26, 2011 onward
23 only,² it could not include challenges based on meal-period violations.³
24

25
26 ¹ The plaintiff abandoned his cause of action for breach of contract at closing argument.

27 ² This date is one year prior to the September 26, 2012 filing date of the original complaint.

28 ³ PAGA claims are subject to CCP §340(a)'s one-year statute of limitations period governing "actions for a penalty or forfeiture."

1 As for the PAGA claim for rest break violations, the court considered whether Wage Order 16
2 barred that claim and concluded that it did not. Under section 11(D) of that Wage Order, in cases
3 where a valid collective bargaining agreement provides a final and binding mechanism for
4 resolving disputes regarding rest breaks, the collective bargaining agreement shall prevail. But,
5 under section 11(E) of that order, the collective bargaining agreement exemption shall not apply
6 unless the collective bargaining agreement provides “equivalent protection” to Wage Order 16.
7 The Court found that the collective bargaining agreements at issue in this case did not afford the
8 same protection as the three-year statute of limitations period to recover premium pay for missed
9 rest periods. The court also found that the collective bargaining agreements did not expressly
10 provide for the one-hour premium pay for missed rest breaks. They are either silent on this issue
11 or they provide for pay “at the rate of two times the standard straight-time and overtime” rates.
12 Accordingly, the court denied summary adjudication on the rest period portion of plaintiff’s PAGA
13 claim.

14
15 The Court also denied the defendant’s motion for summary adjudication on plaintiff’s individual
16 claims for failure to provide meal periods,⁴ failure to authorize and permit rest breaks, breach of
17 contract, unfair business practices and failure to provide accurate itemized wage statements.

18
19 A court trial on these causes of action began on September 19, 2017 and concluded on October 2,
20 2017.⁵ The parties filed post-trial briefs on October 16, 2017. The defendant, thereafter, filed a
21 motion to strike the plaintiff’s pre-trial brief on October 18, 2017. The plaintiff filed an
22
23

24 ⁴ The protections afforded under Labor Code §512(e) foreclose the individual meal period claim for a small
25 period of plaintiff’s individual three-year meal break claim. It would exempt only the period of after January 1, 2011
26 (i.e., Labor Code §512(e)’s effective date). As defendant’s argument under Section 512(e) did not dispose of the
plaintiff’s individual meal period claim, it could not be resolved by way of a motion for summary adjudication. CCP
§437c(f)(1).

27 ⁵ The Court reserved ruling on the defendant’s motion for judgment, which Security Paving filed at the close of the
28 plaintiff’s case, and declined to render any judgment until all evidence was presented. *See Watt v. Kantel* (1970) 13
Cal. App. 3d 249, 253. For the reasons set forth in this decision, that motion is denied.

1 opposition to that motion on October 23, 2017. Thereafter, the Court took the matter under
2 submission and now renders a proposed statement of decision.

3 4 II. OUTLINE OF ISSUES DECIDED AT TRIAL

5
6 The Court begins by setting forth the issues to be decided in this trial:

- 7 (1) Did defendant violate the Labor Code by failing to authorize and permit rest breaks to
8 the representative plaintiff and other aggrieved employees for the period from
9 September 2011 to the present? If so, what penalties are owed under the PAGA cause
10 of action as a result of these violations?
- 11 (2) Did defendant violate Labor Code sections 226.7 and 512 by failing to provide plaintiff
12 Jon Shields meal periods for the period September 26, 2009 until December 31, 2010?
13 If so, what unpaid wages are owed to Jon Shields for missed meal periods?
- 14 (3) Did defendant violate Labor Code sections 226.7 by failing to authorize and permit rest
15 breaks to Jon Shields? If so, what unpaid rest break premiums for the period from
16 September 26, 2009 until September 26, 2012 are owed to Jon Shields?
- 17 (4) Did defendant violate Labor Code Section 226 by failing to provide Jon Shields with
18 accurate wage statements for the period from September 26, 2009 until September 26,
19 2012? If so, what penalties are owed to Jon Shields?
- 20 (5) Is Jon Shields owed "waiting time" penalties under Labor Code §§ 201-203?
- 21 (6) Is plaintiff entitled to any relief based on his claim that defendant violated Business
22 and Professions Code Section 17200 *et seq.* If so, what is an appropriate remedy?

23 24 III. PAGA REST BREAK CLAIMS

25 Jon Shields, as a representative plaintiff for himself and other aggrieved employees, alleges that
26 Security Paving violated the law by failing to afford certain of its crewmembers the rest periods
27 mandated by the applicable Wage Order. The plaintiff's PAGA rest break claim covers the period
28 September 2011 through the present.⁶

⁶ Jon Shields began working for Security Paving in late 2008. (Trial Exhibit ("Exh.") 506 at 14-16). The defendant terminated his employment in October 2011 (Exh. 506 at 17). At closing, the Court inquired of plaintiff's counsel whether an employee who did not work for the defendant during a substantial portion of the relevant period of the PAGA claim was properly characterized as an aggrieved employee. Certainly, in a class action setting, such a representative might be challenged on the basis of his adequacy to testify accurately and competently regarding the

1 A. Labor Code Provisions and Wage Order 16

2
3 Labor Code section 226.7 prohibits employers from requiring employees to work during any rest
4 period mandated by a Wage Order. It establishes a premium if an employer fails to provide
5 employees a meal or rest period required by the Wage Orders. Under the rule, employers must
6 pay employees one additional hour's pay for failure to provide one or more rest periods. The
7 employer must pay the premium in addition to the compensation owed for the worked time,
8 including time worked during a missed meal or rest period.

9
10 The applicable Wage Order in this case -- Wage Order 16 -- provides that "[e]very employer *shall*
11 *authorize and permit* all employees to take rest periods, which insofar as practicable, shall be in
12 the middle of each work period The authorized rest period shall be based on the total hours
13 worked daily at the rate of ten (10) minutes net rest time for every four (4) hours worked, or major
14 fraction thereof." Wage Order 16-2001, § 11(A)(emphasis added).

15
16 Work Order 16 -- covering the construction industry -- contains a measure of flexibility regarding
17 rest breaks not found in other wage orders. (See Exhibit 513 at 7). Employers in the construction
18 industry may stagger rest periods to avoid interruption in the flow of work and to maintain
19 continuous operations, or may schedule rest periods to coincide with breaks in the flow of work
20 that occur in the course of a workday. Rest periods are to take place at designated areas, which
21 may include or be limited to the employees' immediate work area. Rest periods need not be
22 authorized in limited circumstances when the disruption of continuous operations would
23 jeopardize the product or process of the work. However, the employer shall make up the missed

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25
26
27 defendant's practices during much of the relevant period. PAGA, however, does not impose class action requirements
28 on its representatives. *Arias v. Superior Court* (2009) 46 Cal.4th 969, 985. Further, the testimony of other witnesses,
including the defendant's witnesses, supported the finding that in certain settings -- most specifically in crews working
on overnight road paving projects with required lane closures -- the defendant's rest break practices were the same in
2015 as they were in 2011.

1 rest period within the same workday or compensate the employee for the missed ten minutes of
2 rest time at his regular rate of pay within the same pay period.⁷

3
4 A rest period -- whenever it is authorized and wherever it occurs -- must be "duty-free."
5 *Faulkinbury v. Boyd & Associates, Inc.* (2013) 216 Cal.App.4th 220, 237. In 2016, the Supreme
6 Court in *Augustus v. ABM Security Services, Inc.* (2016) 2 Cal.5th 257, clarified the rest period
7 obligations. It explained that employers must relieve employees of all duties and relinquish any
8 control over how employees spend their time during rest periods. However, the Division of Labor
9 Standards Enforcement will not find a rest period violation where an employee who is authorized
10 and permitted to take a rest period freely chooses, without any coercion or encouragement, to
11 forego or waive it. In *Augustus*, the court also explained that circumstances may occasionally
12 arise that prevent employees from taking a rest period at a scheduled time or cause an interruption
13 in a rest period. If this occurs, employers can reschedule rest periods when the need arises, or if
14 they interrupt employees during a rest period, provide them another rest period to replace the one
15 that was interrupted.

16
17 If an employer fails to provide an employee a rest period in accordance with the applicable
18 provisions of the wage order, "the employer shall pay the employee one (1) hour of pay at the
19 employee's regular rate of compensation for each work day that the rest period is not provided."
20 (Wage Order 16-2001 §11(D); Cal. Lab. Code § 226.7).

21
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25 ⁷ As for timing, California Wage Orders require employers to authorize and permit rest periods for non-exempt
26 employees whose total daily work time is at least 3 and a half hours. The mandatory rest periods must be, insofar as is
27 practicable, in the middle of each work period and must be at the minimum rate of ten consecutive minutes for each
28 four hours or major fraction thereof. The employer must count rest periods as working time and, accordingly, must
pay for such periods. For a shift longer than 3 and a half hours and less than six hours, a ten minute rest break is
required. For a shift over six hours and up to ten hours, twenty minutes of rest is required. For a shift of over ten up
to fourteen hours, thirty minutes of rest is mandated. The Wage Orders do not mandate when the breaks are taken,
only that they fall in the middle of work periods "insofar as practicable."

1 B. The Credible Evidence Establishes that Defendant Did Not “Authorize and Provide”
2 Duty-Free Rest Breaks During Production Downtimes to Nighttime Road Repair and
3 Replacement Crews.

4 At closing argument, plaintiff’s counsel confusingly conceded, then repudiated, then later
5 conceded after questioning by the court, that the focus of the plaintiff’s PAGA claim was not
6 directed at the defendant’s employees who worked on daylight crews in those locations where
7 there were no time-pressures associated with lane closures. Rather, the crux of the challenged
8 practice in this case was directed at defendant’s failure to afford employees working on nighttime
9 road paving and replacement crews rest breaks in which they were relieved of all duties and in
10 which management relinquished all control.⁸

11 Both plaintiff and defense witnesses testified that during these nighttime road replacement jobs –
12 which generally entail time-limited lane closures -- workers do not receive fixed rest breaks at
13 defined intervals during the shift.⁹ Instead, Security Pacific expected that rest breaks could be
14 accomplished by having their crews take breaks during downtimes in the overnight construction
15 process.¹⁰

17 ⁸ In the post-trial brief, plaintiff once again attempted to re-define its “aggrieved employees” group to extend
18 beyond the defendant’s nighttime freeway paving operations employees. Defendant objected strenuously to this
19 “about face” by the plaintiff. (See Defendant’s Motion to Strike Plaintiff’s Post Trial Brief at 3). The Court agrees
20 with the defendant. After five years of litigation and nine years of trial, and two recesses for the plaintiff’s counsel
21 to confer during their closing statement and rebuttal, the plaintiff identified a representative group upon which the
22 action was asserted. This decision cannot be revisited two weeks after the close of the case.

23 ⁹ Defendant’s witness Jeremy Strobl testified that the defendant’s rest break policies were no different on the lane-
24 closure road replacement jobs than on jobs where lane closures were not required. That testimony was flatly
25 contradicted by defendant’s witnesses Shane Hunter and Ray Guillen, both of whom supervised night crews on Cal
26 Trans road replacement policies. Unlike many defense witnesses, these supervisors testified that break times were
27 not fixed and that employees were told and were expected to take their breaks during “downtimes” in the
28 production process. This admitted practice stands in stark contrast – and contradicts – the testimony of many of the
29 defendant’s witnesses who worked almost exclusively on day shifts that they were authorized and permitted to take
30 fixed and regular rest periods.

31 ¹⁰ As for this group, the credible testimony provided by both plaintiff’s and defendant’s witnesses clearly supports
32 that roadway replacement and repair crews, who operated largely overnight and subject to Cal Trans lane closures,
33 generally did not receive fixed rest breaks but, instead, were instructed by their supervisors to use “downtime” for
34 meal and rest breaks. This evidence provides a basis upon which the plaintiff can claim a shared employment
35 practice by Security Paving – at least as to a cognizable group of employees -- upon which a representative action
36 can be based. Cf. *Bronco Wine Co. v. Frank A. Logoluso Farms* (1989) 214 Cal.App.3d 699, 720.

1 According to the defense witnesses, during these downtimes, employees were free to leave their
2 equipment, leave the location and otherwise absent themselves from the immediate vicinity in
3 order to take a legally compliant rest period during which they would not be subject to managerial
4 control.

5
6 The credible testimony at trial clearly failed to corroborate the defendant's version of how
7 downtimes were, in fact, used by nighttime construction crews. The credible testimony of a
8 number of witnesses established that a heavy equipment worker was not free to leave his vehicle
9 or that laborers performing traffic control could not abandon their positions during "downtimes" in
10 order to receive a legally compliant – management control-free – rest period. Carpenters were not
11 allowed to simply stop working on pouring forms in order to take a ten-minute break. Credible
12 and compelling testimony from a number of foremen and crewmembers supports the court's
13 finding that workers were instructed to "stay busy" during downtimes. In fact, on more than one
14 occasion, Jon Shields was "written up" for sleeping in his truck during a downtime. If, as
15 defendant argues, an employee was free of management control during this period, why would the
16 defendant have written him up for the exercise of that autonomy?

17 The credible testimony of a number of witnesses called by both plaintiff and defendant establishes
18 by a preponderance of the evidence that Security Paving did not relinquish control over these
19 employees at any time once they arrived at nighttime road paving worksites.¹¹ Throughout these
20 shifts, the various trades were performing interrelated and time-critical functions. Supervisorial
21 control over their activities – including being directed by walkie-talkie – was continuous.

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24
25 ¹¹ Darrel Matheson, a foreman for Security Paving for four years, credibly testified that during the "set up work" part
26 of a paving process -- which accounted for about 20 percent of his shift working on highway projects -- you could take
27 a meal or rest break, but that after the "pour" started -- usually about 80 percent of the shift time -- you could not take
28 any breaks. Work during that part of the shift continued without interruption. As he explained, when you are pouring
concrete, "it's not stopping . . . because you can't have a cold joint on your concrete slab you're pouring." To afford the
crew a break (even of ten minutes) would mean that "all your concrete is going to be hard behind you by the time you
take off again." And, while authorized or permitted breaks would have been possible had additional "relief"
crewmembers been provided, Security Paving did not typically structure its crews with relief workers.

1 Moreover, the credible testimony of a number of workers on these nighttime paving crews
2 corroborated that they were expressly told by their foremen to stay busy at all times. To quote one
3 witness who patiently tried to correct defense counsel during cross-examination: "You're not
4 understanding, sir. There's no rest breaks. It's not a matter of taking one. You don't get them.
5 They're not there." Dennis Hake, who worked as a grading foreman, was instructed by his
6 superintendent to have the crewmembers work through meal breaks.

7
8 Plaintiff's witnesses credibly testified that they were not free to use pauses in the production
9 process to rest. In fact, one witness credibly testified that the company's reputation was that if you
10 couldn't work and eat at the same time, you didn't eat. While waiting their turn to perform a task,
11 workers were instructed to stay busy – sweeping, chipping the cement trucks, cleaning the interior
12 – any number of tasks. Credible testimony established that if you didn't stay busy or if you left
13 even for the minute or two it would take to relieve yourself, you might find yourself out of a job.

14
15 Ryan Tevelde, a heavy equipment operator called by the defense, credibly testified that he never
16 believed that he could walk away from the equipment during "downtime." Shane Hunter, another
17 of the defendant's witnesses, testified that although he expected employees to use a slow period
18 for breaks, he also talked to them during their breaks and wanted them to stay busy removing
19 cement from their vehicles and standing by their trucks while waiting in the line for the cement
20 pour.¹² Hunter complained that he caught Jon Shields napping while waiting in line to pour
21 concrete – without ever ascertaining whether Shields was, in fact, taking a rest break.

22
23 John Guerra testified credibly about once trying to take a break during one such "downtime."
24 While waiting for dowel bars as part of a cement road replacement job, he bent down to take a
25

26
27 ¹² A compelling piece of testimony by Dennis Hake underscores that "downtimes" were not duty-free. When he got
28 "mad," Hake would instruct his crew that they were taking a lunch break today – and during that period of time, they
would be duty-free. When he wasn't fed up with the company, however, he followed his bosses' instruction and
instructed his crews to "work through."

1 rock out of his shoe and reached into his lunch box and took out a Gatorade and drank it. During
2 that brief moment, his Superintendent Shane Hunter, pulled up in his truck and instructed him to
3 get to work. As Guerra testified (in a version where the language had been cleaned up for court),
4 he was told by Shane that "there's something for you to do -- do it." As shown by this testimony
5 and that of other plaintiff's witnesses, even during downtimes, these crewmembers were told to
6 keep busy.

7
8 The Court finds, based on this credible testimony, that production "downtimes" were not free of
9 supervisory control. In fact, the named plaintiff and aggrieved employee, Jon Shields, testified
10 about the practical limitations on affording rest breaks (in which supervisory control was
11 surrendered) given the size of the crews and the amount of work undertaken by Security Paving
12 during any one shift. As he credibly and competently described, the process of removing and
13 replacing highway surfaces is a continuous one.¹³ The workers operate, essentially a train, of
14 complementary and interconnected tasks. Each one of which is dependent on the "just in time"
15 presence of the next step. As a member of a cement paving crew, the pour required continuous
16 and uninterrupted work. And, supervisors ensured that continuity by ongoing and constant
17 supervision and control. While it might have been possible to hire relief workers to allow these
18 breaks to occur, Security Paving did not do so. Nor did they pay these workers premiums when
19 the nature of the work occasioned missed rest breaks.¹⁴

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24 ¹³ Exacerbating the continuous nature of the construction work being performed by pavement crews was the additional
25 pressure of Cal Trans' lane closure rules. As credibly testified to by Darren Jones, the closure time of a freeway lane
is limited. The work to be done has to be completed in a short period of time. "Once we got started, we didn't stop
until we were -- the job was finished for the night."

26 ¹⁴The only evidence showing the payment of premium pay was for the period after January 2015 and shows only 19
27 premiums paid for the entire two and a half year period. Darren Jones credibly testified that in his experience if a rest
28 break could not be afforded, they were entitled to compensation for those missed breaks. He never received extra pay
from Security Paving for those missed rest breaks. Dennis Hake also credibly testified that neither he nor his crew
received premiums for missed rest breaks.

1 The company also monitored its crews to ensure that the workers kept busy all the time. Hake
2 testified that his Superintendent – who was Security Paving’s owner’s son Jason – would sit in a
3 pick-up truck across from work sites and monitor the crews to ensure that they remained busy at
4 all times. As Hake described it, he was "bird-dogged" by Jason to ensure that his crew did not
5 take breaks.

6
7 On occasion, especially at the beginning of a shift during which the project was being set up,
8 workers might be able to take a single rest break during which they were not subject to the control
9 of their supervisors. For example, on a night paving project, the volumetric truck drivers might be
10 able to take a ten-minute break on their way to the freeway location after filling up their truck.
11 Once they arrived at the work site, however, there were no periods of time in which they were free
12 to leave their vehicles, or even take a nap while in their vehicles. Second rest breaks during an
13 eight-hour shift did not occur.

14
15 A number of these witnesses credibly testified that they were either expressly told or were led to
16 believe that you would be fired if you requested or took a rest break. Darren Jones testified that
17 "we knew we weren't allowed to [take a rest break]." And, that if you tried to take a break or
18 lunch, then there was a good chance you probably weren't going to work the next night. John
19 Guerra credibly testified that when workers complained about the absence of breaks, they would
20 not be working at the job site the next day.

21
22 The absence of any written policy or any means by which the company could verify that
23 employees were receiving their required rest breaks further supports the Court’s finding that
24 legally compliant rest breaks were neither authorized nor permitted. Although there was a
25 contention by the defendant that it orally described its meal and rest break policy at every
26 “tailgate” safety meeting and obtained signed statements from employees attesting to that fact, the
27 Court believes the credible testimony that such presentations did not occur. According to the
28 credible testimony of a former foreman for Security Paving, Darrel Matheson, he never spoke with

1 management regarding any rest break policy and he irregularly attended or conducted tailgate
2 meetings. He estimated that he had maybe 15 or 20 of such meetings during his four-year tenure
3 at Security Paving. And, at those meetings, he never discussed rest breaks. Rather, as makes
4 sense, he discussed the work that they were to be performing that week and any unique safety
5 concerns posed by that work. Matheson also credibly testified to handing out multiple, blank
6 forms to his crews to sign before they could receive their paychecks.¹⁵

7
8 Nor did complaints made by these workers as to the unavailability of rest breaks to their unions
9 obtain needed redress. As credibly testified to by several of the plaintiff's witnesses, they told
10 business agents and union officials that they were not getting bargained for rest breaks. But, those
11 complaints were not acted upon.¹⁶ For a significant portion of the relevant period, the economy
12 and construction industry were in steep decline. Work was scarce. Unions were unwilling to
13 lodge complaints against contractors when "we just started to get work again." The unions were
14 unwilling to "piss off" Security Paving – a large employer -- by lodging a complaint about missed
15 rest breaks. And, employees were concerned that if they complained about missed breaks, that
16 they would be "blackballed" at the union hiring hall. As John Guerra reminded everyone, "I
17 wanted just to work, man . . . I lost everything in 2009, you know. I was just getting on my feet
18 again. I was just happy to be working." When Bret Leutzinger complained to his union, he was

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22 ¹⁵ Being handed blank forms to have their crews sign was also testified to credibly by Hake. He also recalled being
handed "stacks of sheets" by his superintendents when they were trying to catch up on their paperwork.

23 ¹⁶ The court finds entirely not credible the testimony of a number of union representatives called by the defendant as
24 witnesses. Unlike the characterization of these witnesses as disinterested, they clearly had an interest in appearing to
25 have performed their role as protecting their members. And, surprisingly, one representative in particular, testified as
26 if he currently worked for Security Paving. His testimony was remarkably similar to answers given by current
27 employees of the firm, even though he hadn't worked at the company in some time. The union reps claimed to have
28 never heard a complaint; claimed that their business agents routinely monitored working conditions at these worksites
and generally testified to policies at Security Paving for which they had no personal knowledge. Their demeanor
while testifying was hostile and defensive and they expressed no real concern about the possibility that their union
members had received unfair treatment by an employer. They appeared to be entirely captured by a large employer
who afforded their members regular and high-paying work. The court affords the testimony of these witnesses no
weight.

1 told that there were over 500 operators on the union hall hiring list and that he was lucky to have a
2 job.

3
4 Providing the plaintiff's witnesses with an extra measure of credibility is the fact that the testimony
5 that these witnesses provided at this trial is potentially adverse to their financial interests. These
6 workers work for a number of different contractors and remain busy by moving from one project
7 to the next. It is not without considerable risk to future employment that a worker comes forward
8 to report the types of violations testified about in this case. That they were willing to do so, and
9 that they did so in such a credible fashion, gives even more weight to this testimony.¹⁷

10
11 The witnesses called by Security Paving to rebut the aggrieved employee's claims fell into two
12 general groups -- union officials who had every reason to deny ever hearing or grieving a
13 complaint about missed breaks, and current employees, who also had financial and employment
14 reasons to testify as they did.¹⁸ Every single defense witness who worked for Security paving
15 testified that he had not missed a single rest or meal break (although it might have been briefly
16 postponed for less than ten minutes) or, if he had, he had been paid a premium.

17
18 These witnesses and their testimony were neither credible nor was the testimony corroborated by
19 contemporaneous employment or payroll records. Despite testimony that missed rest breaks were
20 recorded by foremen on timesheets, the defendant failed to mark or admit as a separate exhibit
21
22

23 ¹⁷ By contrast, the defendant's current employees uniformly sponsored the wholly incredible testimony that they were
24 indifferent to losing their jobs -- all of which were incredibly high-paying positions. These defense witnesses had an
25 obvious and clear financial motive to testify in a way to assist the company. When each and every one of them
26 testified that they were indifferent to the possibility of losing their six-figure salaries, they lost a good deal of
credibility. Equally problematic to their credibility was the recurrent admission that they'd spoken with defense
counsel and had been told what questions to expect to be asked.

27 ¹⁸ The union witnesses -- all of whom uniformly testified to hearing nothing and knowing nothing -- were entirely not
28 credible. They actually testified to rest period practices at Security Paving despite their testimony that they personally
had not investigated any complaints nor had they regularly visited Security Paving work sites.

1 even one of those handwritten, amended timesheets.¹⁹ Nor did the company produce any evidence
2 of the premium payments made for most of the relevant period for these missed breaks. The
3 payroll system evidence of premium payments showed 19 missed rest periods since January 2015
4 -- a remarkably small number in light of the company's 500 or more employees and the nature of
5 the work being performed.²⁰

6
7 Many of the witnesses called by the defendant did not work on projects that involved lane closures
8 or night work. Jeremy Strobl rarely worked on freeway repair and panel replacement. Kenneth
9 Dahlke worked at the concrete plant. Charles Graham and Jose Munoz both worked day shifts as
10 carpenter journeymen and carpenter foremen. Robert Walsh worked as a laborer on day shifts.
11 Ryan Tevelde, Chris Manoukian, Abel Lemus, Raymond Reames, Eduardo Castaneda, Kamran
12 Sepanlou and Dan Jelenicki predominantly worked on day shifts at locations where there were no
13 temporary lane closures.

14
15 Of those witnesses who worked day shifts, their testimony was inconsistent and failed to establish
16 defendant's claim that it had a consistent and enforced policy of authorizing and permitting two
17 rest periods -- one in the morning and one in the afternoon. Many of these defense witnesses
18 testified to different rest break practices in key aspects. Graham's crew had fixed rest and meal
19 breaks and would be required to ask permission if they wanted to take a break at a different time.
20 Jose Munoz, also a carpenter foreman, instructed his crew when to take their breaks. Walsh took
21 his breaks at fixed times and never deviated from that schedule for "any reason." Ryan Tevelde,
22 an equipment operator, took regular breaks but would deviate from a fixed schedule if necessitated
23 by the work being performed without asking permission.

24
25
26 ¹⁹ In defendant's post-trial brief, defendant drew the court's attention to two pages of an admitted exhibit of hundreds
27 of certified payroll records -- an exhibit that was so voluminous that it was submitted in the form of a thumb drive.
(Exh. 55). The absolutely scarcity of such examples supports the conclusion that, in the vast, vast, vast majority of
occasions, missed rest break premiums were not paid by the defendant.

28 ²⁰ Until 2015, defendant did not have a time-keeping system that was capable of capturing or preserving this
information.

1 Only five of the defendant's nineteen witnesses worked on the types of shifts that are being
2 challenged by these aggrieved employees -- overnight road replacement and paving shifts
3 involving lane closures during which work assignments for lane removal and replacement had to
4 be performed within a relatively short time period. As to the small number of defense witnesses
5 who had worked on night shifts, they did not testify consistently or credibly as to whether and
6 when rest breaks were provided during those assignments. As discussed above, two defense
7 witnesses testified that they instructed their crews to use "downtimes" for meal and rest breaks.
8 Tevelde testified that he took breaks and he never believed that he could walk away from the
9 equipment during "downtime." Abel Lemus testified that he took his breaks during downtime.
10 But, Kamran Sepanlou, testified that he took breaks whenever he wanted to and he was free to
11 take a break and walk away from his equipment during a cement pour if he wanted and no
12 questions would be asked.

13
14 Other of these defense witnesses were impeached by prior testimony or appeared during their
15 testimony as evasive, defensive and not credible. Michael Rodriguez, the defendant's "PMQ" was
16 entirely not credible. His demeanor while testifying was hostile and defensive. His testimony, in
17 critical aspects, defied common sense. For example, although he testified that there was no
18 record-keeping by the defendant regarding rest breaks until 2015, he was confident that before this
19 change in 2015 employees had been paid premiums "many times" for missed rest breaks.²¹ This
20 testimony was contradicted by his deposition testimony. At his deposition, he testified that he was
21 not aware of employees being paid a one-hour penalty for rest breaks.²² He also incredibly
22 testified that meal and rest breaks were discussed at *every* tailgate meeting, even though he was
23 personally present at only maybe 20 of the more than 2000 weekly meetings held over his seven-

24
25
26 ²¹ The documents show that Security Paving has only paid 19 hours of missed rest periods since the new program was introduced in January 2015.

27 ²² Equally incredible was defendant's witnesses' claim that Wage Order 16 was prominently posted at all the
28 overnight road paving job sites. There was no fixed location based on the nature of these projects at which such a posting could have been provided. The credible testimony of plaintiff's witnesses is that they never saw any postings because they worked hours in which the main offices were closed.

1 year employment history at Security Paving. His most incredible testimony was his claim that the
2 2015 improvement in record-keeping at Security Paving had nothing to do with this lawsuit,
3 despite a complete lack of foundation as to that question because he admitted that he'd never
4 attended a meeting during which the lawsuit was discussed.

5
6 Shane Hunter, a superintendent for Security Paving, provided some of the most unbelievable
7 testimony at the trial. He acknowledged that the road replacement crews were expected to
8 complete a target of pavement removed and pavement replaced for each shift. He also testified
9 that Cal Trans lane closure requirements and stipulated time for completion in contracts are factors
10 in making work schedules. He then, however, went on to testify that these conditions have no
11 effect on the pace at which work is performed and whether breaks are authorized and permitted.
12 He admitted that even though there are liquidated damages as much as \$30,000 per hour, the
13 workers would never work through lunch or breaks for the sake of contract completion. He then,
14 amended his testimony and admitted that although he did discuss daily project completion
15 deadlines with the foremen who reported to him, he never discussed project completion targets
16 with them. How one can discuss one without discussing the other was never made apparent. His
17 inconsistent testimony severely affected the credibility of his testimony regarding whether rest
18 breaks were authorized and permitted by the defendant.

19
20 The defense witness who offered the most unbelievable testimony was Ray Guillen, the foreman
21 who worked, at least for some relevant period, with plaintiff Jon Shields. Guillen was sullen,
22 defensive and avoidant while testifying. His posture and attitude revealed an unbelievable
23 antipathy for the plaintiff. Like other defense witnesses, Guillen started answering questions
24 before defense counsel even finished asking them -- showing that he clearly had been told what
25 questions would be asked and had prepared answers with the assistance of someone else. During
26 cross-examination, Guillen was visibly angry with plaintiff's counsel.

1 Moreover, Guillen's testimony made no sense. His version of Bret Leutzinger's complaint about
2 the absence of breaks is one example. Why would an employee voluntarily retreat from a
3 complaint about receiving breaks -- as Guillen testified? The only logical explanation -- which
4 was proffered by Leutzinger himself -- would be that the employee believed that he would be
5 retaliated against if he continued to complain.

6
7 Another incredible part of Guillen's testimony is that he told his crews -- each and every week at
8 every single tailgate meeting -- about the company's meal and rest break policies. And, what
9 would he have told them? According to him, crews were to take breaks while there was
10 "downtime." The problem with that testimony is that when Jon Shields took a nap during such a
11 "downtime" break, he was written up -- twice. So, if you are disciplined for taking a nap during
12 downtime, how can you take a break during which you are free from management control? How
13 does a foreman know if the nap you are taking is your break or not? How can you be relieved of
14 all responsibility, and yet be disciplined for taking a nap during the same downtime?

15
16 That the defendant is subject to oversight by Cal Trans and other regulatory agencies does not
17 persuade the court that duty-free rest breaks during downtime were authorized and permitted. It
18 would be virtually impossible for the intermittent presence of government representatives during a
19 nighttime road replacement operation -- who would be focused on progress of the task,
20 engineering/plans or questions of safety compliance -- to detect the absence of rest breaks and/or
21 the failure to pay a premium wage for those missed breaks. Even the occasional business agent of
22 the unions failed to detect the defendant's non-compliance. As credibly testified to by a number of
23 plaintiff's witnesses, employees were too scared to complain and business agents were too
24 captured by the employer to investigate. Again and again, the absence of a complaint was
25 considered by the union to be a reason not to investigate.

26
27 Nor does the existence of a number of collective bargaining agreements -- all of which were
28 admitted as exhibits during the defendant's case -- exonerate or excuse the failure by Security

1 Paving to authorize and permit nighttime road repair and replacement crews to take legally
2 compliant rest breaks. While the defendant may have believed that it provided a complete defense
3 for the workplace practices it engaged in, it does not – as a matter of law – provide that protection.
4 And, that the company was required to pay for an eight-hour shift, even if the shift workers
5 completed their tasks before eight hours elapsed does not provide an excuse or defense to the
6 company’s failure to authorize and permit employees to take rest periods, or to pay premiums for
7 missed periods.²³

8
9 In conclusion, the plaintiff has met his burden of proving that the defendant failed to comply -- at
10 least with regard to nighttime road replacement and repair crews -- with the Labor Code's
11 requirements with regard to rest breaks.

12
13 C. The Petersen Survey and Damage Study Are Entitled to No Weight

14
15 Having established the factual existence of a violation of the labor laws based on Security
16 Paving’s failure to afford nighttime road repair and replacement crews legally compliant rest
17 breaks, the next question is how many aggrieved employees on how many shifts failed to receive a
18 legally compliant rest break?

19
20 Under Labor Code Section 2699(a), aggrieved employees can initiate actions to recover civil
21 penalties for Labor Code violations that may be recovered by the Labor and Workforce
22 Development Agency (“LWDA”) or any of its departments, divisions or employees. To prevail in
23 his representative claims, Plaintiff must prove Labor Code violations with respect to each and
24 every individual on whose behalf plaintiff seeks to recover civil penalties under PAGA. *See*
25 *Hibbs-Rines v. Seagate Tech., LLC* (N.D. Cal. Mar. 2, 2009) 2009 WL 513496, at *4.

26
27 ²³ Although one or two witnesses testified to leaving early on those days when rest breaks were missed, the vast
28 majority of the witnesses for both sides testified to working an eight-hour shift and remaining at work until the end of
the shift.

1
2 Such actions are fundamentally law enforcement actions, with the aggrieved employee acting as a
3 private attorney general to collect penalties from employers who violate labor laws. *Esparza v. KS*
4 *Industries* (2017) 13 Cal.App.5th 1240-1241 (the employee plaintiff represents the same legal right
5 and interest as the LWDA). In a PAGA representative action, the government enforcement entity
6 is “always the real party in interest in the suit.” This is an important distinction between civil
7 penalties and statutory damages. *Id.* at 1241.

8
9 To establish the number of Security Paving employees who were not afforded and permitted a
10 legally compliant rest break during the PAGA period, plaintiff proffered a survey and report
11 prepared by Dr. Jeffrey Petersen. This survey was undertaken to measure how many aggrieved
12 employees during the PAGA period missed a legally compliant rest break and to compute their
13 unpaid wage amounts, penalties and interest.²⁴

14
15 As a preliminary matter, Dr. Petersen received from plaintiff’s counsel a list (“the July 2017 list”)
16 of individuals provided by the defendant as part of a “contact list” process. Of the 1013 names on
17 that list, 858 of these individuals had phone numbers. If an individual did not have a phone
18 number, he or she would be excluded from consideration for the survey.²⁵

19
20 Dr. Petersen then randomly ordered the remaining names from the July 2017 contact list provided
21 by the defendant and identified the first 400 persons on this list.²⁶

22
23 ²⁴ Before trial began, defendant moved to exclude Dr. Petersen’s survey as unsupported by general scientific theory
24 and having been conducted using improper scientific survey techniques. *See Sargon Enterprises, Inc. v. University of*
25 *Southern California* (2012) 55 Cal.4th 747, 772. Although the court denied that motion, it did so with the
understanding that the weight to be given to the plaintiff’s evidence would be independently evaluated after the
conclusion of all the testimony. *Cf. Duran v. U.S. Bank National Assn.* (2014) 59 Cal. 4th 1, 60.

26 ²⁵ Although Dr. Petersen testified that the elimination of employees without phone numbers would have no effect on
27 the survey results because whether or not an individual has a working phone number is not likely a source of bias, his
only authority for this proposition was an article that he wrote. (Exh. 41 at 3, n.12).

28 ²⁶ Dr. Petersen testified that he believed that 400 was a sufficient size for his survey based on his “pilot study” that he
claims to have performed previously. Dr. Petersen did not perform a pilot for his 2017 survey. The survey that he

1 Dr. Petersen then contacted Susan Allman to survey these persons. Ms. Allman is a CPA and is
2 his business partner's daughter-in-law. Ms. Allman has received no formal training in survey
3 techniques; but she conducted two other surveys for Dr. Petersen. Dr. Petersen gave Ms. Allman
4 instructions on the telephone as to the "proper survey protocol."²⁷ Dr. Petersen instructed Ms.
5 Allman to keep a call log to detail her interaction with potential survey participants, including
6 whether she was able to validate that the phone numbers belonged to the people on the random
7 list.

8
9 Ms. Allman attempted to call each individual on the list of 400 four times. Out of the 400, 162
10 had valid phone numbers and 91 participated in the survey.²⁸

11
12 In the survey that Dr. Petersen prepared, he asked the participants whether they had *received* rest
13 breaks, which he defined as a ten-minute period where they were relieved of their job
14 responsibilities.²⁹ (Exh. 41 at 22 (emphasis added)).

15
16 If the participant provided an answer, such as "everyday" or "always," the survey would conclude.

17
18 submitted to the court for purposes of the 2016 motion for class certification was not a "pilot" for this survey – despite
19 his testimony to the contrary. The declaration filed by Dr. Petersen in support of the 2016 survey did not mention nor
20 did it describe the survey conducted in 2016 as a "pilot" survey. Further, the 2016 survey asked different questions
21 than those posed in the 2017 survey. Dr. Petersen's testimony where he claimed that the 2016 survey was a pilot for
22 the 2017 survey is wholly not credible and generally (adversely) affected his credibility with regards to his entire
23 testimony.

24
25 ²⁷ That protocol and the particular training received by Ms. Allman was not described in Dr. Petersen's report, other
26 than by citing to a chapter in a book written by Robert Groves. Ms. Allman was not given scripts regarding certain
27 responses to particular inquiries by the participants; she was told only to refer questions to Dr. Petersen. Ms. Allman
28 was not told to make her phone calls during identified times of the day, nor was she instructed on how to record
information provided by the participants fully and accurately. At the time that she conducted the survey, Ms. Allman
was aware of the lawsuit, the company and that the survey sought to obtain information regarding the participant's
employment.

²⁸ Listed employees who spoke Spanish were eliminated from participation in the survey because Ms. Allman did not
speak Spanish. (Exh. 41-1).

²⁹ Specifically, the survey asked each participant: "[t]hinking about your entire employment period at Security
Paving and all the different projects you worked on; if you worked a five day work week, how many of those days
would you receive a 10 minute paid rest break for every four hours worked, on average?"

1 For all other respondents, the survey asked each participant to estimate the exact number of days
2 that they had *received* a rest break. (Id.)

3
4 Then, the survey presented the participants with an open-ended question: “What was the reason,
5 or reasons, you did not receive the rest breaks?” (Id.)

6
7 If the participant reported that they did not receive a rest break, the survey then asked whether
8 they’d received a payment for their missed rest break time. (Id.)

9
10 The survey also asked the participants if the frequency regarding receiving rest breaks changed
11 depending on the project and they were asked, by year, to estimate for each year worked how
12 many rest breaks they received, on average. (Id.)

13
14 The potential survey participants knew about the litigation-related purpose of the survey in
15 advance of receiving a phone call. In a letter sent by plaintiff’s counsel to those employees on the
16 July 2017 list in advance of the survey being conducted, the plaintiff’s counsel told the potential
17 interviewees that they were “potentially” aggrieved employees. (Exh. 41 at 4, 25). In the event a
18 survey participant didn’t read or forgot about the letter, Ms. Allman reminded the participants that
19 they were potentially interested parties in a lawsuit: “[w]e have been asked by the lawyers who
20 seek to represent employees who performed work for Security Paving in a collective action
21 lawsuit to conduct a survey.” (Exh. 41 at 21).

22
23 The survey was conducted over a very brief period of time – during approximately six days in late
24 August 2017. (Exh. 41-1 (Excel spreadsheet of Allman call-log contained on disc attached to the
25 hard copy portion of Exhibit 41)).

1 For those persons who participated in the survey, their responses to the open-ended question 6
2 were recorded by Ms. Allman.³⁰ These answers were provided to Dr. Petersen who reviewed and
3 coded the information obtained in the survey. Specifically, Dr. Petersen took these answers to the
4 open-ended question 6 asking the participant to explain why a rest break had not been provided
5 and then assigned either a 1 or 0 to those responses. A 1 was used to signify that a break had been
6 provided and a 0 was used to show that a legally-compliant break had not been received. (See CD
7 attached as part of Exhibit 41 at Excel Tab Analy L2). Thus, coding was used by Dr. Petersen to
8 interpret answers to the open-ended question 6 ("What was the reason, or reasons, you did not
9 receive the rest breaks?") to determine how frequently a violation occurred.

10
11 Dr. Hildreth, defendant's expert, challenged certain of the coding decisions made by Dr. Petersen.
12 For example, he declined to agree with Dr. Petersen that an answer of "Don't know just went
13 along with the program" should be counted as a rest break violation. Another example, "pouring
14 concrete they would leave early" was also recorded as a violation, even though the employee can
15 elect to take their rest break at the end of the shift by leaving early.

16
17 When asked to explain the methodology that he used in assigning a violation to an explanation,
18 Dr. Petersen vaguely testified that these answers didn't "indicate any personal choice to me." As
19 he explained further why he coded certain answers as violations:

20
21 "Well, they were just – the situation, as I understood it, is they're just out there working
22 and they didn't get a break, so they don't know why they didn't get a break. It just didn't
23 happen."

24
25
26
27
28 ³⁰ An additional four responses were included by Dr. Petersen in his report, but they were obtained in an earlier survey
conducted by him as part of plaintiff's class certification motion.

1 Based on this coding, Dr. Petersen then computed the percentage of survey participants who stated
2 that they did not receive all of their required rest breaks due to reasons other than personal choice
3 and computed PAGA penalties based upon this information.

4
5 Dr. Hildreth, who testified for the defendant, criticized a number of errors in the design and
6 implementation of this survey and further challenged the conclusions reached by Dr. Petersen.

7
8 The Court finds the testimony of Dr. Hildreth very credible and adopts, as findings, many of his
9 conclusions with regard to the unscientific nature of Dr. Petersen's survey.

10
11 First, the sample employed by Dr. Petersen was self-selected and biased. Before the survey
12 process even began, the plaintiff's law firm sent a letter out to persons on the 2017 contact list to
13 inform them of the impending survey contact and questionnaire. The letter explicitly stated the
14 plaintiff's law firm was preparing for trial and that, although none of them would be required to
15 appear or attend the trial, they were potentially aggrieved employees. In this way, the letter
16 entreated future participants in the upcoming survey by a promise of potential financial gain.³¹
17 (Exh. 41 at 25). Similarly, the interviewer in this case also knew about the lawsuit. Thus both
18 respondents and interviewer were on notice of the possibility of financial gain associated with
19 certain answers to the questions that were to be posed. This survey design is clearly contrary to
20 the "double blind" standard methods of scientific survey research.³²

21
22 The survey letter and script also allowed participants to believe that their answers would not
23 subject them to legal process, thus providing them with a degree of anonymity. These notices

24
25
26 ³¹ In the event that survey participants had not received the letter or had forgotten its contents, they were reminded as
27 part of the telephone script that "this survey is part of a collective action lawsuit." While an advance letter may have
been useful to improve respondent cooperation, Dr. Hildreth competently testified that these should be written without
mentioning the purpose or the sponsor of the survey.

28 ³² Although Dr. Petersen (again citing only to his own article) opined that double-blind surveys were impossible in
wage and hour cases, he cited no factual basis for that conclusion.

1 gave the impression that any information the survey provided would be anonymous. As Dr.
2 Petersen himself acknowledged in one of his articles, the promise of anonymity increases bias
3 because the participants will exaggerate their reported harm. Both the letter and the survey taker's
4 remarks in this case alerted and informed a specific sub-section of the sample that they were
5 aggrieved and could exaggerate their alleged harms without consequence.

6
7 Second, the sample size selected by Dr. Petersen was too small to obtain the 95 percent confidence
8 estimates sponsored by Dr. Petersen. Moreover, the reason provided by Dr. Petersen to support
9 his decision to limit the sample size to 400 (i.e., that a pilot study was performed previously and
10 supported this sample size) is found by the court to be factually untrue.

11
12 Third, even if the survey methodology were proper, the survey questions themselves failed to
13 elicit how often a violation of the relevant Labor Code rest break provisions had occurred. By
14 asking whether they received breaks, employees were incorrectly directed to report every instance
15 in which a rest break was not 'received,' not whether the employer authorized or permitted such
16 breaks – which is what the law requires.³³

17
18 Fourth, the use of an open-ended question failed to convert the improper "received" breaks
19 question into one that discovered whether employees were "authorized and permitted" but simply
20 elected not to take breaks. Dr. Petersen coded answers from respondents in a biased and
21 unscientific manner, thus rendering the survey's conclusion as to the frequency of violations
22 invalid. A number of Dr. Petersen's coding decisions demonstrate his partisan viewpoint and his
23 lack of objectivity – taking this survey well outside the bounds of proper scientific study.³⁴

24
25 ³³ An employer is obligated only to authorize and permit rest breaks; it has no obligation to ensure that employees take
26 rest breaks. *Brinker Rest. Corp. v. Superior Court* (2012) 53 Cal.4th 1004, 1033. Employees are free to decline rest
27 breaks. *Id.* Thus, the survey (which inquires as to whether a rest break was received in four separate questions) did
28 not gather relevant information regarding the defendant's liability.

³⁴ Another example of Dr. Petersen's embroilment in this litigation is his computation of the margin of error, which he
admitted was underestimated. Performing the correct scientific calculations and accepting Dr. Petersen's 95%
confidence level, the relative margin of error using a t-distribution (due to the small sample size) was 23.7%. In other

1 Fifth, Dr. Petersen's damages analysis, based on his survey results, failed to utilize rates of pay of
2 specific employees to calculate the amounts due for allegedly unpaid premiums for missed rest
3 breaks. Instead he impermissibly used a 'blended' rate averaging the pay rates of the entire
4 Security Paving workforce. This aggregation is legally impermissible for two reasons. By
5 looking at the entire workforce, Dr. Petersen failed to use the pay rates only of those nighttime
6 shift employees who suffered the violations. Secondly, this use of a blended average is flatly
7 contrary to the requirement of Labor Code section 226.7, which requires a premium be computed
8 as "one additional hour of pay *at the employee's* regular rate of compensation for each workday
9 that the . . . rest . . . period is not provided. *See Medlock v. Taco Bell Corp.* (E.D. Cal. Dec. 11,
10 2015) 2015 WL 10791410 at *5.

11
12 In short, the court concludes that the plaintiff's survey results cannot be used to identify each and
13 every employee who did not receive a legally compliant rest break, nor does it permissibly
14 compute back wages or PAGA penalties for aggrieved employees in this case.

15
16 D. If the Petersen Survey and Damage Study Are Entitled to No Weight, What Is the Effect of that
17 Failure of Proof?

18 The only evidence adduced by the plaintiff to quantify how frequently the defendant failed to
19 provide its nighttime road replacement and repair crews with legally compliant rest breaks was the
20 Petersen survey. The only evidence adduced by the plaintiff to quantify unpaid wages and
21 penalties for the aggrieved employees was the Petersen damage study.³⁵

22
23 words, to give an estimate of the proper penalty with 95 percent confidence, Dr. Petersen's estimate would have to
24 vary by almost a quarter from the lower end to the higher end. While this is, admittedly, better than the 49 percent
25 margin of error in the *Duran* case, it is substantially worse than the 5 or 10 margins of error that Dr. Hildreth testified
26 were found in well-performed statistical studies.

27 ³⁵ Although in his post-trial brief, plaintiff's counsel attempted to reopen the trial to adduce two more evidentiary
28 bases by which to identify the number of rest breaks missed by aggrieved employees, such evidence cannot be
"deduced" from Exhibit 55. Exhibit 55 is a "thumb drive" that holds pdf copies of thousands of handwritten
signatures on the bottom of numerous Security Paving "tail gate meeting" forms and other undifferentiated payroll
reports and business records. It is incapable – without considerable review, selection, computation and handwriting
discernment – of becoming the basis by which to "deduce" the basis for any employee's claim for rest break
violations. It is not, as plaintiff contends, nothing more than "simple math." Moreover, even if it were, defendant has

1 The individual plaintiff, Jon Shields, did not testify regarding the number of rest breaks (or meal
2 breaks) that he contended were not received. None of the witnesses from these crews called by the
3 plaintiff testified regarding the number of shifts they worked during the relevant period and how
4 often, once or twice per eight-hour shift, they were not afforded and provided a legally compliant
5 rest break. Nor did any of these witnesses testify as to their hourly or regular rate of pay.

6
7 Where, as here, the plaintiff has met his burden of proof of establishing the fact of a Labor Code
8 violation but has failed to answer by competent evidence how often that violation occurred, what
9 is the effect of that failure of proof?

10
11 Defendant contends that as plaintiff has failed to adduce any competent evidence as to the
12 measurement of how often the aggrieved employees suffered this violation, it should be granted
13 judgment in this case. In support of that contention, defendant cites a number of cases holding
14 that a plaintiff's failure to establish an amount of damage is fatal to the claim. *See, e.g., City of*
15 *Oakland v. Pacific Gas & Elec. Co.* (1941) 47 Cal.App.2d 444, 450; *Saunders v. Taylor* (1996) 42
16 Cal.App.4th 1538, 1543.

17
18 The court agrees that, in general except as otherwise provided by law, a party has the burden of
19 proof as to each fact the existence or non-existence of which is essential to the claim for relief or
20 defense that he is asserting. *Amaral v. Cintas* (2008) 163 Cal. App. 4th 1157, 1188. On occasion,
21 however, courts may alter the normal allocation of the burden of proof. *Id.* In determining
22 whether the normal allocation of proof should be altered, courts consider a number of factors: the
23 knowledge of the parties concerning the particular fact, the availability of the evidence to the

24
25 been deprived of the opportunity to question a witness who has conducted that mathematical analysis. Plaintiff's
26 attempt to reopen the trial at this late date to adduce alternative evidence to the Petersen survey violates due process
27 and shall not be considered by the Court. *See People v. Bolton* (1979) 23 Cal.3d 208, 213 n.2 (axiomatic that new
28 evidence cannot be adduced in closing argument."); *Garcia v. ConMed Corp.* (2014) 204 Cal.App.4th 144, 159.
Defendant Security Paving's motion to strike Exhibit A and B of Plaintiff's Post-Trial Brief. There is no basis upon
which to reopen the proceeding and to allow plaintiff to present new evidence that could have been presented at trial.
See Town of Atherton v. California High-Speed Rail Auth. (2014) 228 Cal.App.4th 314, 325.

1 parties, the most desirable result in terms of public policy in the absence of proof of a particular
2 fact, and the probability of the existence or nonexistence of the fact. *Id.*

3
4 A long-standing application of burden-shifting occurs in the wage and hour context when an
5 employer's compensation records are so incomplete or inaccurate that an employee cannot prove
6 his or her damages.³⁶ *Id.* Even when the records at issue are not legally required to be maintained,
7 the burden may be shifted. *Id.* at 1190 ("fundamental principle of American jurisprudence that for
8 every wrong there is a remedy, and that, unless countered by public policy, an injured party should
9 be compensated for all damage proximately caused by the wrongdoer.")

10
11 The problem in this case, however, is that the aggrieved plaintiff never argued for that burden-
12 shifting to be applied and defendant adduced no evidence whatsoever from which an estimate
13 could be made of the frequency of the violations or the employees on the nighttime road repair and
14 replacement crews who suffered them. Accordingly, while the lack of this evidence may not be
15 fatal to the plaintiff's PAGA case – as the burden had shifted to the defendant to provide this
16 critical, missing information – it still presents the problem that the Court does not have any
17 competent evidence by which to award unpaid wages or penalties to the aggrieved employees.

18
19 Where, as here, the fact that the defendant has failed to comply with the Labor Code's requirement
20 of authorizing and permitting rest breaks during which employees are free from supervisory
21 control has been established, but the frequency of occurrence of this violation and the employees
22 who suffered this deprivation cannot be identified, nominal damages should be available.

23 Nominal damages are granted neither to compensate the plaintiff nor punish the defendant.

24 Nominal damages can be awarded when the defendant has invaded a cognizable legal interest of
25 the plaintiff, *i.e.*, to be afforded legally compliant rest breaks, even when the plaintiff cannot prove

26
27
28 ³⁶ Outside of the wage and hour context, when the parties have unequal access to evidence necessary to prove a
disputed issue, the party who exclusively possesses facts essential to that claim bears the burden of going forward with
the evidence on the issue, although it is not the party asserting the claim. *See Amaral*, 163 Cal.App.4th at 1189-1190.

1 compensatory damages and sues only to establish a right or to obtain a ruling regarding the
2 defendant's conduct. *See Restatement 2d of Torts* § 907. The award of nominal damages in such
3 cases avoids allowing a wrongdoer to avoid punishment and furthers the public's interest in the
4 robust enforcement of the labor laws. Nominal damages are properly awarded when, although the
5 claimant has shown significant harm, its amount is not proved with sufficient certainty to entitle
6 him to an award of compensatory damages. *Id.*

7
8 In this case, therefore, the aggrieved employees have shown significant harm, but its amount has
9 not been proved with sufficient certainty to allow the court to compute or award civil penalties.
10 Accordingly, the court awards a nominal civil penalty assessment of \$50 for an initial violation of
11 Labor Code § 558.³⁷

12 IV. SHIELDS' INDIVIDUAL CLAIMS

13
14 Jon Shields also alleged individual causes of action for lost wages due to missed meal and rest
15 breaks, waiting period penalties and an individual claim for restitution and/or injunctive under the
16 UCL based on these statutory violations.

17 A. Meal and Rest Breaks

18 California's meal period rules are set forth in Labor Code Section 512 and the Wage Orders.
19 These rules generally prohibit employers from employing an employee for a work period of more
20 than five hours without providing a meal period of at least 30 minutes. As explained and
21

22
23 ³⁷ Injunctive relief is not available under PAGA. PAGA actions can recover only statutory penalties in fixed amounts
24 per violation. *Plaisted v. Dress Barn, Inc.* (C.D. Cal. Sept. 20, 2012) 2012 WL 4356158, *2). Moreover, even if such
25 relief were available, plaintiff adduced no evidence after March 27, 2015 with regard to Security Paving's rest break
practices. Thus, there is no basis to find an ongoing violation that would occasion the need for an injunction.

26 The court declines to award a separate PAGA statutory penalty in this case. PAGA is simply a procedural statute
27 allowing aggrieved employees to recover civil penalties for Labor Code violations. PAGA's plain language confirms
28 that the statute allows only civil penalties. The civil penalty awarded in this case of \$50 must be distributed 75% to
the Labor and Workforce Development Agency and 25% to the aggrieved employees. *See* Labor Code § 2699(i).
Where, as here, Labor Code Section 558 provides a civil penalty, PAGA does not allow a separate double penalty to
be imposed. *See Wert v. U.S. Bancorp* (S.D. Cal. Jun. 23, 2014) 2014 WL 2860287, *2-3.

1 examined in *Brinker Restaurant Corp. v. Superior Court*, (2012) 53 Cal.4th 1004, it is not a duty of
2 an employer to ensure that no work is performed. Rather, an employer satisfies its obligation if it
3 (1) relieves employees of all duties; (2) relinquishes control over their activities; (3) permits them
4 a reasonable opportunity to take a 30-minute break, and (4) does not discourage or impede them
5 from doing so.

6
7 Employers must also comply with the meal period timing rules when providing meal periods. In
8 the absence of a waiver, Labor Code Section 512 requires a first meal period no later than the end
9 of an employee's fifth hour of work, and a second meal period no later than the end of an
10 employee's tenth hour of work. This has been construed to mean that a meal break should be
11 afforded no later than the start of an employee's sixth hour of work and no later than what would
12 be the start of the 11th hour of work.³⁸

13
14 Shields' individual claim for missed rest breaks, as discussed *supra*, are controlled by Wage Order
15 16, which provides that "[e]very employer *shall authorize and permit* all employees to take rest
16 periods, which insofar as practicable, shall be in the middle of each work period The
17 authorized rest period shall be based on the total hours worked daily at the rate of ten (10) minutes
18 net rest time for every four (4) hours worked, or major fraction thereof." Wage Order 16-2001, §
19 11(A).

20
21
22 ³⁸ The plaintiff -- at a very late point in the case -- asserted that his individual meal break claim could also be proved
23 based on the absence of potable water, soap and towels with which to wash his hands before eating. *See* Wage Order
24 Section 10(c). Defendant objects, understandably, to the lateness of these allegations. The plaintiff's complaint fails
25 to mention a claim for individual meal period violations pursuant to Section 10(c). Section 10(c) requires that
26 employers provide "an adequate supply of potable water, soap, or other suitable cleansing agent, and single use towels
27 for handwashing." There is nothing that requires the potable water to be provided at any particular location or to be
28 located proximately to the soap and towels. The credible testimony adduced from the witnesses proffered by both
plaintiff and defendant established that defendant's work sites had both potable water and separate wash stations with
soap and hand towels -- albeit at different locations. There was no testimony adduced by the plaintiff suggesting that it
was a problem for soap and towels to be taken over to the potable water for use in handwashing. Thus, it is not
necessary to rule on defendant's late objection to the claim because plaintiff failed to meet his burden of proving that
defendant violated 10(c).

1 Shields testified credibly that he had not been provided legally compliant meal and rest breaks
2 during the eight months that he drove a volumetric mixer for Security Paving as part of a night
3 roadway repair and replacement crews. He did not, however, quantify that claim. He did not
4 testify how often he missed his meal and/or rest breaks, how many shifts he worked for Security
5 Paving during the eight months that he worked on overnight road crews, what his regular or hourly
6 rate was, or any other fact upon which his individual losses could be calculated with reasonable
7 certainty.

8
9 Unlike the position that the PAGA aggrieved employees found themselves in, however, Shields
10 possessed all of the information required to perfect his individual claims. He testified that he
11 verified the hours appearing on his paychecks against his personally maintained work records and,
12 on occasion, brought errors to the attention of his employer.³⁹ Unlike the representative group of
13 employees, Shields as an individual plaintiff possessed the information from which a reasonable
14 estimate of missed meal and/or rest breaks during this eight-month period could have been
15 computed and sponsored at trial.⁴⁰ And, he testified that he knew the number of occasions for
16 which he had received premium pay for missed breaks. But, for reasons not entirely clear to the
17 court, he failed to provide any evidence concerning his damages at trial.

18
19 Where, as here, there is no basis to shift the burden of demonstrating damages to the defendant,
20 the plaintiff's failure to prove the amount of his loss is fatal to his individual meal and rest break
21 claims. *See City of Oakland*, 47 Cal.App.2d at 450.

22
23
24

³⁹ He further testified that he received premium payments for some missed meal periods during the time that he
25 worked on asphalt projects and could answer the question of how often by referring to his "notes." (Trial Transcript --
26 September 20, 2017 at 26:2-3).

27
28
⁴⁰ Jon Shields kept track of every hour that he worked for Security Paving and followed up with the company if his
records did not match the company records. (See Exh. 508 at 2.) The company also maintained payroll records to the
same effect for his days of employment. (Id. at 17-21.) The Court, however, declines to consider the plaintiff's late
interjection of this information -- which has been extracted, manipulated and computed -- in the post-trial brief as
proof of individual damages for Jon Shields. *See supra* n. 35.

1
2 B. Derivative Wage Statement Claims and Waiting Time Penalties

3
4 Not only did plaintiff Jon Shields fail to adduce competent evidence with which to establish his
5 damages from missed meal periods and rest breaks during the time that he worked with nighttime
6 road paving crews, he adduced no evidence on either his derivative wage statement claim or his
7 cause of action for waiting time penalties.

8 C. UCL Claims

9
10 Jon Shields' final individual cause of action asserts a claim for restitution and injunctive relief
11 under the UCL. There is no evidence in this record as to the amount of any unpaid wages that
12 might be claimed by the individual plaintiff as restitution. Nor is there any basis for injunctive
13 relief presented in this case. Jon Shields was fired by Security Paving many years ago. A UCL
14 representative plaintiff who is no longer employed by or otherwise affiliated in any way with a
15 defendant-employer apart from a lawsuit lacks standing to pursue an injunction against his former
16 employer as he faces no "real and immediate threat of repeated injury from such practices."
17 *Cleveland v. Groceryworks.com LLC* (N.D. Cal. 2016) 200 F. Supp.3d 924, 961-962.

18
19 CONCLUSION

20
21 Shields, as an aggrieved employee on behalf of the representative group, shall receive a nominal
22 award in the amount of \$50. Defendant has prevailed on the remaining causes of action. Plaintiff
23 shall prepare a judgment consistent with this ruling.

24
25 DATED: October 24, 2017

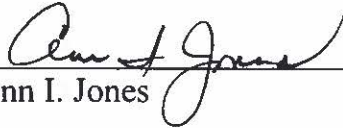
26 
Hon. Ann I. Jones

EXHIBIT 11

TSLF TIME PERALES

Attorney/Paralegal	Hours	Hourly Rate	Pre-Multiplier Lodestar Amount
David Spivak (28+ Year Attorney)	22.56	\$ 900.00	\$ 20,304.00
Caroline Tahmassian (10+ Year Attorney)	106.42	\$ 600.00	\$ 63,852.00
Breck Oyama (15+ Year Paralegal)	10.07	\$ 300.00	\$ 3,021.00
Lizzett Cortez (10+ Year Paralegal)	2.5	\$ 250.00	\$ 625.00
Maya Cheaitani (Formerly Employed 2nd Year Attorney)	9.25	\$ 250.00	\$ 2,312.50
Nazie Baharloo (Formerly Employed 5+ Year Paralegal)	28.92	\$ 200.00	\$ 5,784.00
Nora Greer (15+ Year Paralegal)	40.32	\$ 200.00	\$ 8,064.00
Stacy Aguirre (Formerly Employed 4+ year Paralegal)	20.87	\$ 200.00	\$ 4,174.00
Stacy Sussman (Formerly Employed 10+ Year Legal Secretary)	0.41	\$ 200.00	\$ 82.00
Daniela Linares (2nd Year Intake Assistant)	34.98	\$ 150.00	\$ 5,247.00
Emily Ly (3rd Year Paralegal)	1.24	\$ 150.00	\$ 186.00
Thalia Higgins (Formerly Employed 1st Year Paralegal)	9.26	\$ 150.00	\$ 1,389.00
Grand Total Through 12/05/2023	286.80		\$ 115,040.50

Firm	Hours	Pre-Multiplier Lodestar
The Spivak Law Firm	286.80	\$115,040.50
United Employees Law Group	25.80	\$ 18,705.00
Grand Total	312.60	\$133,745.50

Attorneys' Fees Requested	\$93,333.33
Lodestar Multiplier	0.70

TSLF TIME PERALES

Time Date	Attorney/Paralegal	Description	Hours	Hourly Rate	Pre-Multiplier Lodestar Amount
7/11/22	Daniela Linares (2nd Year Intake Assistant)	call prep/call to potential cl/lvm	0.25	\$ 150.00	\$ 37.50
7/11/22	Daniela Linares (2nd Year Intake Assistant)	intake	1.50	\$ 150.00	\$ 225.00
7/29/22	Breck Oyama (15+ Year Paralegal)	review emails, fwd to FV, add SOL deadline chain	0.08	\$ 300.00	\$ 24.00
8/1/22	Nora Greer (15+ Year Paralegal)	Review emails	0.17	\$ 200.00	\$ 34.00
8/1/22	Breck Oyama (15+ Year Paralegal)	review emails	0.08	\$ 300.00	\$ 24.00
8/1/22	Nora Greer (15+ Year Paralegal)	Review emails, create file, save intakes, calendar SOL	0.25	\$ 200.00	\$ 50.00
8/4/22	Nora Greer (15+ Year Paralegal)	SOS Search, PAGA Searches, DLSE CPRA Requests	0.25	\$ 200.00	\$ 50.00
8/4/22	Daniela Linares (2nd Year Intake Assistant)	email review/task review	0.42	\$ 150.00	\$ 63.00
8/8/22	Daniela Linares (2nd Year Intake Assistant)	email to dgs re arb	0.08	\$ 150.00	\$ 12.00
8/25/22	Daniela Linares (2nd Year Intake Assistant)	Text to client, email review	0.17	\$ 150.00	\$ 25.50
9/7/22	Breck Oyama (15+ Year Paralegal)	review/fwd emails to FV	0.08	\$ 300.00	\$ 24.00
9/15/22	David Spivak (28+ Year Attorney)	Prepare LWDA notice and complaint	2.00	\$ 900.00	\$ 1,800.00
9/16/22	Stacy Aguirre (Formerly Employed 4+ year Paralegal)	Worked on complaint	0.33	\$ 200.00	\$ 66.00
9/19/22	Stacy Aguirre (Formerly Employed 4+ year Paralegal)	Worked on complaint supporting docs and LWDA letter	0.92	\$ 200.00	\$ 184.00
9/19/22	Stacy Aguirre (Formerly Employed 4+ year Paralegal)	Filed Complaint and Supporting Docs, forwarded to team, mailed out documents to client, uploaded LWDA notice, mailed out, calendared deadline	1.08	\$ 200.00	\$ 216.00
9/21/22	Stacy Aguirre (Formerly Employed 4+ year Paralegal)	Entered Expense	0.08	\$ 200.00	\$ 16.00
9/21/22	Stacy Aguirre (Formerly Employed 4+ year Paralegal)	Prepared Complaints and supporting documents for service	0.50	\$ 200.00	\$ 100.00
9/22/22	Breck Oyama (15+ Year Paralegal)	review emails/filing, email SA tasks, add deadline chains	0.17	\$ 300.00	\$ 51.00
9/22/22	Nora Greer (15+ Year Paralegal)	TC with SA re Court's website	0.08	\$ 200.00	\$ 16.00
9/22/22	Stacy Aguirre (Formerly Employed 4+ year Paralegal)	Prepared Complaints and supporting documents for service	0.67	\$ 200.00	\$ 134.00
9/23/22	Daniela Linares (2nd Year Intake Assistant)	email review. tc w sa	0.17	\$ 150.00	\$ 25.50
9/23/22	Stacy Aguirre (Formerly Employed 4+ year Paralegal)	Worked on assigned tasks, Emailed client	1.25	\$ 200.00	\$ 250.00
9/27/22	Breck Oyama (15+ Year Paralegal)	review emails, emails tasks to team, review calendar/deadline chains	0.25	\$ 300.00	\$ 75.00
9/28/22	Stacy Aguirre (Formerly Employed 4+ year Paralegal)	Calendared Jury fee deadline	0.08	\$ 200.00	\$ 16.00
9/28/22	Stacy Aguirre (Formerly Employed 4+ year Paralegal)	Updated contacts and spoke to BO about case	0.33	\$ 200.00	\$ 66.00
9/28/22	Breck Oyama (15+ Year Paralegal)	mtg w/ SA, email team re OC info	0.17	\$ 300.00	\$ 51.00
9/29/22	Stacy Aguirre (Formerly Employed 4+ year Paralegal)	Called potential OC for N&A	0.17	\$ 200.00	\$ 34.00

TSLF TIME PERALES

Time Date	Attorney/Paralegal	Description	Hours	Hourly Rate	Pre-Multiplier Lodestar Amount
10/4/22	Stacy Aguirre (Formerly Employed 4+ year Paralegal)	Preparing docs for N&A	0.33	\$ 200.00	\$ 66.00
10/4/22	Stacy Aguirre (Formerly Employed 4+ year Paralegal)	spoke to OC re service	0.08	\$ 200.00	\$ 16.00
10/5/22	Stacy Aguirre (Formerly Employed 4+ year Paralegal)	Sent docs for DGS signature re N&A	0.33	\$ 200.00	\$ 66.00
10/5/22	Stacy Aguirre (Formerly Employed 4+ year Paralegal)	Sent Complaint and Supporting Docs for Service	0.42	\$ 200.00	\$ 84.00
10/6/22	Breck Oyama (15+ Year Paralegal)	review emails/calendar, email tasks to team	0.08	\$ 300.00	\$ 24.00
10/6/22	Stacy Aguirre (Formerly Employed 4+ year Paralegal)	calendared OC response date for N&A	0.08	\$ 200.00	\$ 16.00
10/7/22	Stacy Aguirre (Formerly Employed 4+ year Paralegal)	Entered Expense	0.08	\$ 200.00	\$ 16.00
10/7/22	David Spivak (28+ Year Attorney)	case rev	0.08	\$ 900.00	\$ 72.00
10/11/22	Stacy Sussman (Formerly Employed 10+ Year Legal Secretary)	BO request, look through file, see if anything needs to be done	0.25	\$ 200.00	\$ 50.00
10/13/22	Breck Oyama (15+ Year Paralegal)	review N&A mailing and email SA	0.08	\$ 300.00	\$ 24.00
10/14/22	Stacy Aguirre (Formerly Employed 4+ year Paralegal)	Calendared deadlines	0.17	\$ 200.00	\$ 34.00
10/21/22	Stacy Aguirre (Formerly Employed 4+ year Paralegal)	Corrected calendar entry	0.08	\$ 200.00	\$ 16.00
10/21/22	Breck Oyama (15+ Year Paralegal)	review emails/FV/calendar	0.08	\$ 300.00	\$ 24.00
10/25/22	Stacy Aguirre (Formerly Employed 4+ year Paralegal)	Sent team signed return receipt for LWDA letter	0.17	\$ 200.00	\$ 34.00
10/25/22	Stacy Aguirre (Formerly Employed 4+ year Paralegal)	Followed up on N&A email	0.17	\$ 200.00	\$ 34.00
10/25/22	Breck Oyama (15+ Year Paralegal)	review emails/calendar, email SA task re LWDA cert mail, set up Lexis docket alerts	0.25	\$ 300.00	\$ 75.00
10/28/22	Daniela Linares (2nd Year Intake Assistant)	email rev	0.08	\$ 150.00	\$ 12.00
11/1/22	Stacy Aguirre (Formerly Employed 4+ year Paralegal)	Followed up with OC re signing the N&A	0.08	\$ 200.00	\$ 16.00
11/4/22	Stacy Aguirre (Formerly Employed 4+ year Paralegal)	Checked in with OC re N&A	0.08	\$ 200.00	\$ 16.00
11/7/22	Stacy Aguirre (Formerly Employed 4+ year Paralegal)	Resent N&A to OC for signature	0.08	\$ 200.00	\$ 16.00
11/8/22	Breck Oyama (15+ Year Paralegal)	review/reassign FV tasks; update deadline chain re SOP	0.08	\$ 300.00	\$ 24.00
11/8/22	Stacy Aguirre (Formerly Employed 4+ year Paralegal)	Filed N&A with court, sent to OC for service and a copy to client, calendared response dates, replied to emails, updated FV	1.00	\$ 200.00	\$ 200.00
11/8/22	Breck Oyama (15+ Year Paralegal)	review emails/FV, review POS summons and N&A, review calendar, email SA tasks, update deadline chains	0.17	\$ 300.00	\$ 51.00
11/16/22	David Spivak (28+ Year Attorney)	Review email from OC and instructions to staff	0.24	\$ 900.00	\$ 216.00
11/16/22	Daniela Linares (2nd Year Intake Assistant)	emails	0.08	\$ 150.00	\$ 12.00

TSLF TIME PERALES

Time Date	Attorney/Paralegal	Description	Hours	Hourly Rate	Pre-Multiplier Lodestar Amount
11/16/22	Stacy Aguirre (Formerly Employed 4+ year Paralegal)	Reviewed case emails	0.08	\$ 200.00	\$ 16.00
11/17/22	Daniela Linares (2nd Year Intake Assistant)	eamils, tasks per dgs re arb	0.08	\$ 150.00	\$ 12.00
11/17/22	David Spivak (28+ Year Attorney)	Review and revise arbitration agreement; instructions to staff	0.50	\$ 900.00	\$ 450.00
11/17/22	Stacy Aguirre (Formerly Employed 4+ year Paralegal)	Drafted discovery sent to team for review	1.75	\$ 200.00	\$ 350.00
11/18/22	Daniela Linares (2nd Year Intake Assistant)	email, reviewed arb intake w client	0.17	\$ 150.00	\$ 25.50
11/21/22	Breck Oyama (15+ Year Paralegal)	review filing, update calendar entry re jury fees	0.08	\$ 300.00	\$ 24.00
11/21/22	Breck Oyama (15+ Year Paralegal)	review file, save/circulate conformed POS, save/circulate revised receipt	0.25	\$ 300.00	\$ 75.00
11/21/22	Daniela Linares (2nd Year Intake Assistant)	email rev	0.08	\$ 150.00	\$ 12.00
11/22/22	Breck Oyama (15+ Year Paralegal)	review emails/calendar, check w/ CT re 1Ac	0.08	\$ 300.00	\$ 24.00
11/22/22	Daniela Linares (2nd Year Intake Assistant)	email to team re arb	0.17	\$ 150.00	\$ 25.50
11/23/22	Caroline Tahmassian (10+ Year Attorney)	review arb agreement; call with dgs re mark up; review claims and case status; research Defendant and related entities; call with OC; email dgs re call with OC	2.00	\$ 600.00	\$ 1,200.00
11/23/22	Breck Oyama (15+ Year Paralegal)	review emails	0.08	\$ 300.00	\$ 24.00
11/28/22	Daniela Linares (2nd Year Intake Assistant)	text to cl	0.08	\$ 150.00	\$ 12.00
11/28/22	Daniela Linares (2nd Year Intake Assistant)	call w cl, tc w ct, email to team, text to client, fixed and emailed notes.	0.83	\$ 150.00	\$ 124.50
11/28/22	Caroline Tahmassian (10+ Year Attorney)	review file and documtns; review intake and arb agreement; interview client;	2.50	\$ 600.00	\$ 1,500.00
11/28/22	Daniela Linares (2nd Year Intake Assistant)	call to client. calender entry, tc w ct	0.08	\$ 150.00	\$ 12.00
11/28/22	Daniela Linares (2nd Year Intake Assistant)	call w ct, emails rev, call to client and wife - lvms	0.25	\$ 150.00	\$ 37.50
11/29/22	Daniela Linares (2nd Year Intake Assistant)	text from cl	0.08	\$ 150.00	\$ 12.00
11/29/22	Daniela Linares (2nd Year Intake Assistant)	text to client, mailed out excelsior letter, tc w ct	0.58	\$ 150.00	\$ 87.00
11/29/22	Caroline Tahmassian (10+ Year Attorney)	draft supp LWDA notice and 1AC	1.25	\$ 600.00	\$ 750.00
11/30/22	Caroline Tahmassian (10+ Year Attorney)	revise LWDA notice and complaint and email staff for filing	0.50	\$ 600.00	\$ 300.00
11/30/22	David Spivak (28+ Year Attorney)	Review and revise LWDA notice and class complaint 1AC	0.67	\$ 900.00	\$ 603.00
11/30/22	Daniela Linares (2nd Year Intake Assistant)	email to team, saved and combined paystubs. text to cl	0.25	\$ 150.00	\$ 37.50
12/1/22	Daniela Linares (2nd Year Intake Assistant)	email, 1ac review, email to UELG	0.25	\$ 150.00	\$ 37.50
12/2/22	David Spivak (28+ Year Attorney)	Review 1ac and support LWDA notice	0.25	\$ 900.00	\$ 225.00
12/2/22	Breck Oyama (15+ Year Paralegal)	review emails/filing, msgs w/ staff, update text thread	0.17	\$ 300.00	\$ 51.00
12/2/22	Daniela Linares (2nd Year Intake Assistant)	emails, snoozed email to cc.	0.25	\$ 150.00	\$ 37.50
12/5/22	Daniela Linares (2nd Year Intake Assistant)	OH w bo, created each autho for entities, sent for client sig, tc w team	0.50	\$ 150.00	\$ 75.00
12/5/22	Nora Greer (15+ Year Paralegal)	Confer with BO, File and Mail Suppl LWDA Letter, Circulate to Client, Update Calendar	0.58	\$ 200.00	\$ 116.00
12/6/22	Emily Ly (3rd Year Paralegal)	Reviewed emails.	0.08	\$ 150.00	\$ 12.00
12/8/22	Nora Greer (15+ Year Paralegal)	Review emails, update response deadline, create calendar entry and invite OC for M/C re CMC	0.25	\$ 200.00	\$ 50.00

TSLF TIME PERALES

Time Date	Attorney/Paralegal	Description	Hours	Hourly Rate	Pre-Multiplier Lodestar Amount
12/8/22	Nora Greer (15+ Year Paralegal)	Review emails re ev prez letters, messages with DL	0.17	\$ 200.00	\$ 34.00
12/8/22	Daniela Linares (2nd Year Intake Assistant)	email rev, unsnoozed, finalized ev pres lt, sent for dgs sig	0.25	\$ 150.00	\$ 37.50
12/8/22	Daniela Linares (2nd Year Intake Assistant)	tc w ng	0.08	\$ 150.00	\$ 12.00
12/8/22	David Spivak (28+ Year Attorney)	Review and revised initial discovery requests	0.75	\$ 900.00	\$ 675.00
12/8/22	Nora Greer (15+ Year Paralegal)	Email Client re Communications with TSLF	0.08	\$ 200.00	\$ 16.00
12/8/22	Daniela Linares (2nd Year Intake Assistant)	emails, cell ev pres lt, drafted ev pres lts to OC	0.75	\$ 150.00	\$ 112.50
12/8/22	Nora Greer (15+ Year Paralegal)	Messages with Team, Review Emails	0.08	\$ 200.00	\$ 16.00
12/8/22	Daniela Linares (2nd Year Intake Assistant)	email rev	0.08	\$ 150.00	\$ 12.00
12/9/22	Nora Greer (15+ Year Paralegal)	Finalize Discovery Set 1 save and circulate, review calendar, send depo notices, finalize BW Stip and PO and send to OC, Circulate to Client, Update FV and Calendar	1.58	\$ 200.00	\$ 316.00
12/9/22	Nora Greer (15+ Year Paralegal)	TC with CT re 1AC, update 1AC with Supl LWDA date	0.17	\$ 200.00	\$ 34.00
12/9/22	Daniela Linares (2nd Year Intake Assistant)	mtgs w ng, sending and resending ev prez letters, drafting new ev pres lts, calendar entries	1.58	\$ 150.00	\$ 237.00
12/9/22	Nora Greer (15+ Year Paralegal)	Email to client re REDACTED	0.08	\$ 200.00	\$ 16.00
12/9/22	Breck Oyama (15+ Year Paralegal)	review emails/filing, email team	0.08	\$ 300.00	\$ 24.00
12/9/22	Nora Greer (15+ Year Paralegal)	Review emails re ev prez letters	0.08	\$ 200.00	\$ 16.00
12/9/22	Nora Greer (15+ Year Paralegal)	F/U email to OC re service of Supl LWDA letter	0.08	\$ 200.00	\$ 16.00
12/9/22	Nora Greer (15+ Year Paralegal)	Prepare Notice of Change of Address, Finalize 1AC, Prepare Summons on Amended Complaint, File, Serve, Circulate Same, enter expenses to file, update calendar	0.67	\$ 200.00	\$ 134.00
12/9/22	Breck Oyama (15+ Year Paralegal)	review emails/calendar, update litigation chain	0.17	\$ 300.00	\$ 51.00
12/9/22	Nora Greer (15+ Year Paralegal)	TC with DL re ev prez letters	0.25	\$ 200.00	\$ 50.00
12/9/22	Caroline Tahmassian (10+ Year Attorney)	call with dgs; VM/call with OC; messages/call with NG; revise 1AC; email OC re mediation; draft 2AC; draft stip for filing 2AC	1.25	\$ 600.00	\$ 750.00
12/12/22	Nora Greer (15+ Year Paralegal)	Review emails	0.17	\$ 200.00	\$ 34.00
12/12/22	Caroline Tahmassian (10+ Year Attorney)	call with dgs re discovery and case status and email OC	0.25	\$ 600.00	\$ 150.00
12/12/22	Nora Greer (15+ Year Paralegal)	Email to Client re REDACTED	0.08	\$ 200.00	\$ 16.00
12/12/22	Nora Greer (15+ Year Paralegal)	Enter expense to file	0.08	\$ 200.00	\$ 16.00
12/12/22	Nora Greer (15+ Year Paralegal)	Update calendar with Response to 1AC deadline	0.08	\$ 200.00	\$ 16.00
12/12/22	Nora Greer (15+ Year Paralegal)	Check letter stream for cert mail	0.08	\$ 200.00	\$ 16.00
12/13/22	Nora Greer (15+ Year Paralegal)	Prepare and send lt re Notice of Acknowledgement and Receipt	1.50	\$ 200.00	\$ 300.00
12/13/22	Nora Greer (15+ Year Paralegal)	Update calendar re Meet Confer call, review emails, refile, serve Notice of Change of Address	0.25	\$ 200.00	\$ 50.00
12/13/22	Nora Greer (15+ Year Paralegal)	Update calendar re discovery response deadline	0.08	\$ 200.00	\$ 16.00
12/13/22	Daniela Linares (2nd Year Intake Assistant)	email rev	0.08	\$ 150.00	\$ 12.00
12/13/22	Nora Greer (15+ Year Paralegal)	F/U email to OC re Supl LWDA letter	0.08	\$ 200.00	\$ 16.00
12/13/22	Breck Oyama (15+ Year Paralegal)	review emails/FV/calendar	0.17	\$ 300.00	\$ 51.00
12/14/22	Nora Greer (15+ Year Paralegal)	Save expenses to file	0.08	\$ 200.00	\$ 16.00

TSLF TIME PERALES

Time Date	Attorney/Paralegal	Description	Hours	Hourly Rate	Pre-Multiplier Lodestar Amount
12/14/22	Nora Greer (15+ Year Paralegal)	Check letter stream for cert mail	0.08	\$ 200.00	\$ 16.00
12/14/22	Daniela Linares (2nd Year Intake Assistant)	emails, finalized cell ev pres lt, sent and mailed	0.42	\$ 150.00	\$ 63.00
12/14/22	Nora Greer (15+ Year Paralegal)	TC with DL re Cell Phone Ev Prez	0.08	\$ 200.00	\$ 16.00
12/15/22	Breck Oyama (15+ Year Paralegal)	review emails/FV	0.08	\$ 300.00	\$ 24.00
12/15/22	Daniela Linares (2nd Year Intake Assistant)	call w client	0.08	\$ 150.00	\$ 12.00
12/15/22	Caroline Tahmassian (10+ Year Attorney)	review CMC order; prep for meet and confer; review arb agreement; messags with NG re CMC and mediation; call with OC; check Ortman's dates; emails OC; emails dgs re call with OC and mediation	1.25	\$ 600.00	\$ 750.00
12/15/22	Nora Greer (15+ Year Paralegal)	TC with CT re Meet and Confer, review emails, update calendar	0.25	\$ 200.00	\$ 50.00
12/15/22	Daniela Linares (2nd Year Intake Assistant)	email rev, f/u email w OC	0.17	\$ 150.00	\$ 25.50
12/15/22	Daniela Linares (2nd Year Intake Assistant)	call and email rev	0.17	\$ 150.00	\$ 25.50
12/16/22	Breck Oyama (15+ Year Paralegal)	check w/ team re LWDA submission	0.08	\$ 300.00	\$ 24.00
12/19/22	Nora Greer (15+ Year Paralegal)	Review emails	0.08	\$ 200.00	\$ 16.00
12/19/22	Nora Greer (15+ Year Paralegal)	F/U email to OC re LWDA and N and A, update calendar	0.08	\$ 200.00	\$ 16.00
12/19/22	Nora Greer (15+ Year Paralegal)	Upload 1AC to LWDA	0.08	\$ 200.00	\$ 16.00
12/19/22	Daniela Linares (2nd Year Intake Assistant)	saved and combined client docs	0.17	\$ 150.00	\$ 25.50
12/19/22	Daniela Linares (2nd Year Intake Assistant)	entered and saved expense, fwd to al and team, email rev	0.17	\$ 150.00	\$ 25.50
12/20/22	Nora Greer (15+ Year Paralegal)	TC with DL re ev prez	0.08	\$ 200.00	\$ 16.00
12/20/22	Daniela Linares (2nd Year Intake Assistant)	figuering out ATT message, tc w ng	0.33	\$ 150.00	\$ 49.50
12/21/22	Nora Greer (15+ Year Paralegal)	Save Def Response to LWDA to file and fv, email CT	0.17	\$ 200.00	\$ 34.00
12/21/22	Stacy Sussman (Formerly Employed 10+ Year Legal Secretary)	Download and save Def's response letter to LWDA	0.08	\$ 200.00	\$ 16.00
12/21/22	Caroline Tahmassian (10+ Year Attorney)	review Def response to LWDA letter; emails with NG re response	0.25	\$ 600.00	\$ 150.00
12/27/22	Daniela Linares (2nd Year Intake Assistant)	f/u oc ev pre lt	0.08	\$ 150.00	\$ 12.00
12/27/22	Daniela Linares (2nd Year Intake Assistant)	saved and organized client docs	0.17	\$ 150.00	\$ 25.50
12/28/22	Daniela Linares (2nd Year Intake Assistant)	return lt, circulate docs	0.17	\$ 150.00	\$ 25.50
12/28/22	Nora Greer (15+ Year Paralegal)	Check letter stream for cert mail	0.08	\$ 200.00	\$ 16.00
12/28/22	Daniela Linares (2nd Year Intake Assistant)	review paystubs	0.17	\$ 150.00	\$ 25.50
12/29/22	Daniela Linares (2nd Year Intake Assistant)	email rev	0.08	\$ 150.00	\$ 12.00
12/29/22	Nora Greer (15+ Year Paralegal)	Review emails, save return to sender cert mail to file, respond to dgs, resend suppl lwda letter to 2 entities	0.33	\$ 200.00	\$ 66.00
1/3/23	Nora Greer (15+ Year Paralegal)	Enter expense to file	0.08	\$ 200.00	\$ 16.00
1/3/23	Daniela Linares (2nd Year Intake Assistant)	email rev	0.08	\$ 150.00	\$ 12.00
1/4/23	Nora Greer (15+ Year Paralegal)	F/U email to OC re Notice of Ack	0.08	\$ 200.00	\$ 16.00
1/4/23	Nora Greer (15+ Year Paralegal)	TC with Client re Mediation	0.08	\$ 200.00	\$ 16.00

TSLF TIME PERALES

Time Date	Attorney/Paralegal	Description	Hours	Hourly Rate	Pre-Multiplier Lodestar Amount
1/4/23	Daniela Linares (2nd Year Intake Assistant)	f/u w oc re ev pres lts	0.08	\$ 150.00	\$ 12.00
1/4/23	Nora Greer (15+ Year Paralegal)	Email to OC re Mediation, Review Mediator's Calendar, Email Mediator, Update calendar	0.33	\$ 200.00	\$ 66.00
1/4/23	Nora Greer (15+ Year Paralegal)	Additional calendar entries re Mediation	0.08	\$ 200.00	\$ 16.00
1/4/23	Nora Greer (15+ Year Paralegal)	Review emails	0.08	\$ 200.00	\$ 16.00
1/4/23	Nora Greer (15+ Year Paralegal)	2 Emails Client notice of Mediation	0.17	\$ 200.00	\$ 34.00
1/4/23	Nora Greer (15+ Year Paralegal)	Prepare CMC Statement and Notice of Jury fees and send to CT for review	0.67	\$ 200.00	\$ 134.00
1/5/23	Nora Greer (15+ Year Paralegal)	Review emails	0.08	\$ 200.00	\$ 16.00
1/5/23	Nora Greer (15+ Year Paralegal)	Prepare Notice of Remote Appearance, send to CT, send Jury Fees to CT for signature, review CMC Statement revisions	0.25	\$ 200.00	\$ 50.00
1/5/23	Daniela Linares (2nd Year Intake Assistant)	email review	0.08	\$ 150.00	\$ 12.00
1/5/23	Breck Oyama (15+ Year Paralegal)	check status of jury fees	0.08	\$ 300.00	\$ 24.00
1/5/23	Caroline Tahmassian (10+ Year Attorney)	review OC LWDA letter; research caselaw; email dgs re letter and research	1.25	\$ 600.00	\$ 750.00
1/6/23	Daniela Linares (2nd Year Intake Assistant)	saved and entered expense	0.08	\$ 150.00	\$ 12.00
1/6/23	Nora Greer (15+ Year Paralegal)	Save filed docs to file, messages with BO, update FV	0.25	\$ 200.00	\$ 50.00
1/6/23	Daniela Linares (2nd Year Intake Assistant)	snoozed email	0.08	\$ 150.00	\$ 12.00
1/6/23	Nora Greer (15+ Year Paralegal)	Prepare 3 Proof of Service, File, Serve, Circulate Notice of Posting Jury Fees, Notice of Remote Appearance, CMC Statement, Enter expense	0.50	\$ 200.00	\$ 100.00
1/6/23	Breck Oyama (15+ Year Paralegal)	review emails/FV, update litigation chain	0.17	\$ 300.00	\$ 51.00
1/6/23	Nora Greer (15+ Year Paralegal)	Review emails, save Defendants' CMC Statement, Defendants' Notice of Remote Appearance to file, circulate to Client, review docs	0.25	\$ 200.00	\$ 50.00
1/9/23	Daniela Linares (2nd Year Intake Assistant)	f/u w ev pres lt, tc w nng, email rev	0.33	\$ 150.00	\$ 49.50
1/9/23	Nora Greer (15+ Year Paralegal)	Review emails re ev prez letters	0.08	\$ 200.00	\$ 16.00
1/9/23	Nora Greer (15+ Year Paralegal)	Messages with CT re N and A, review emails re same	0.08	\$ 200.00	\$ 16.00
1/9/23	Daniela Linares (2nd Year Intake Assistant)	payment reminder, fwd to AL	0.08	\$ 150.00	\$ 12.00
1/10/23	Nora Greer (15+ Year Paralegal)	Save and Circulate Suppl. LWDA Letter Tracking and Cert Mail Signed for 4 Defendants	0.17	\$ 200.00	\$ 34.00
1/17/23	Nora Greer (15+ Year Paralegal)	Review emails, forward same to SA	0.17	\$ 200.00	\$ 34.00
1/20/23	Stacy Aguirre (Formerly Employed 4+ year Paralegal)	Scheduled remote hearing and entered expense	0.33	\$ 200.00	\$ 66.00
1/23/23	Caroline Tahmassian (10+ Year Attorney)	prep for hearing; attend CMC;	1.17	\$ 600.00	\$ 702.00
1/23/23	Daniela Linares (2nd Year Intake Assistant)	f/u w oc re ev pres lt	0.17	\$ 150.00	\$ 25.50
1/23/23	Nora Greer (15+ Year Paralegal)	Review emails, messages with CT re hearing	0.25	\$ 200.00	\$ 50.00
1/23/23	Breck Oyama (15+ Year Paralegal)	review emails/filing, f/u re POS	0.17	\$ 300.00	\$ 51.00
1/24/23	Nora Greer (15+ Year Paralegal)	File, serve, circulate Proofs of Service of Summons x3, messages with SA	0.33	\$ 200.00	\$ 66.00
1/24/23	Caroline Tahmassian (10+ Year Attorney)	email CMC notes	0.17	\$ 600.00	\$ 102.00
1/24/23	Nora Greer (15+ Year Paralegal)	Save filed docs to file	0.08	\$ 200.00	\$ 16.00

TSLF TIME PERALES

Time Date	Attorney/Paralegal	Description	Hours	Hourly Rate	Pre-Multiplier Lodestar Amount
1/24/23	Stacy Aguirre (Formerly Employed 4+ year Paralegal)	worked on proof of service and TC with NG	1.42	\$ 200.00	\$ 284.00
1/24/23	Stacy Aguirre (Formerly Employed 4+ year Paralegal)	Reviewed File Materials and Emails	1.17	\$ 200.00	\$ 234.00
1/24/23	Nora Greer (15+ Year Paralegal)	Obtain Minute Order and Circulate, update calendar	0.25	\$ 200.00	\$ 50.00
1/24/23	Nora Greer (15+ Year Paralegal)	Assist SA with Proof of Service of Summons	0.50	\$ 200.00	\$ 100.00
1/25/23	Nora Greer (15+ Year Paralegal)	Delete Depo from calendar	0.08	\$ 200.00	\$ 16.00
1/30/23	Daniela Linares (2nd Year Intake Assistant)	email rev, saved and ocrd def docs	0.25	\$ 150.00	\$ 37.50
2/6/23	Stacy Aguirre (Formerly Employed 4+ year Paralegal)	Reviewed case emails, saved OC letters	0.17	\$ 200.00	\$ 34.00
2/9/23	Caroline Tahmassian (10+ Year Attorney)	review revise stip 2Ac and 2AC and email dgs	0.50	\$ 600.00	\$ 300.00
2/9/23	Stacy Aguirre (Formerly Employed 4+ year Paralegal)	Reviewed case emails	0.08	\$ 200.00	\$ 16.00
2/13/23	Daniela Linares (2nd Year Intake Assistant)	email rev	0.17	\$ 150.00	\$ 25.50
2/13/23	Breck Oyama (15+ Year Paralegal)	review emails/FV/filings/calendar, email SA tasks	0.17	\$ 300.00	\$ 51.00
2/14/23	Daniela Linares (2nd Year Intake Assistant)	email rev, hightail link for client recs	0.17	\$ 150.00	\$ 25.50
2/15/23	Caroline Tahmassian (10+ Year Attorney)	finalize stip 2AC and email OC; email Bo re status of case; email OC	0.33	\$ 600.00	\$ 198.00
2/16/23	Stacy Aguirre (Formerly Employed 4+ year Paralegal)	reviewed email	0.08	\$ 200.00	\$ 16.00
2/16/23	Daniela Linares (2nd Year Intake Assistant)	email review	0.08	\$ 150.00	\$ 12.00
2/17/23	Daniela Linares (2nd Year Intake Assistant)	email review	0.08	\$ 150.00	\$ 12.00
2/17/23	Emily Ly (3rd Year Paralegal)	Met with SA re cases.	0.08	\$ 150.00	\$ 12.00
2/17/23	Caroline Tahmassian (10+ Year Attorney)	review OC email; revise stip 2AC; email/message with staff re filing	0.33	\$ 600.00	\$ 198.00
2/17/23	Stacy Aguirre (Formerly Employed 4+ year Paralegal)	Compiled 2 AC and stip, sent for signature, reviewed emails and calendared invites, tc with EL re 2AC	1.83	\$ 200.00	\$ 366.00
2/21/23	Stacy Aguirre (Formerly Employed 4+ year Paralegal)	Filed 2ac and stip, sent to OC and client	0.50	\$ 200.00	\$ 100.00
2/21/23	Stacy Aguirre (Formerly Employed 4+ year Paralegal)	refiled stip and 2ac	0.17	\$ 200.00	\$ 34.00
2/21/23	Daniela Linares (2nd Year Intake Assistant)	email review	0.08	\$ 150.00	\$ 12.00
2/21/23	Stacy Aguirre (Formerly Employed 4+ year Paralegal)	Updated POS	0.08	\$ 200.00	\$ 16.00
2/22/23	Stacy Aguirre (Formerly Employed 4+ year Paralegal)	Uploaded 2AC to LWDA site	0.33	\$ 200.00	\$ 66.00
2/22/23	Stacy Aguirre (Formerly Employed 4+ year Paralegal)	reviewed emails submitted 1ac	0.17	\$ 200.00	\$ 34.00
2/23/23	Stacy Aguirre (Formerly Employed 4+ year Paralegal)	Responded to team email	0.08	\$ 200.00	\$ 16.00
2/23/23	Daniela Linares (2nd Year Intake Assistant)	email rev	0.08	\$ 150.00	\$ 12.00

TSLF TIME PERALES

Time Date	Attorney/Paralegal	Description	Hours	Hourly Rate	Pre-Multiplier Lodestar Amount
2/24/23	Daniela Linares (2nd Year Intake Assistant)	email review	0.08	\$ 150.00	\$ 12.00
2/24/23	Stacy Aguirre (Formerly Employed 4+ year Paralegal)	Reviewed emails, emailed team, prepared PO	0.33	\$ 200.00	\$ 66.00
2/27/23	Stacy Aguirre (Formerly Employed 4+ year Paralegal)	Calendared deadlines, saved mx to compel docs, emailed oc	0.50	\$ 200.00	\$ 100.00
3/2/23	Stacy Aguirre (Formerly Employed 4+ year Paralegal)	Reviewed emails	0.08	\$ 200.00	\$ 16.00
3/2/23	Stacy Aguirre (Formerly Employed 4+ year Paralegal)	Prepared notice of entry of order for filing, filed po and notice, sent docs to client and OC, calendared deadlines, reviewed emails	1.25	\$ 200.00	\$ 250.00
3/6/23	Breck Oyama (15+ Year Paralegal)	review emails/FV/filing	0.25	\$ 300.00	\$ 75.00
3/7/23	Daniela Linares (2nd Year Intake Assistant)	email rev	0.08	\$ 150.00	\$ 12.00
3/8/23	Stacy Aguirre (Formerly Employed 4+ year Paralegal)	Reviewed File Materials and Emails, entered expenses, updated calendar, prepared email consent form and sent for signature, filed notice of entry of order	1.42	\$ 200.00	\$ 284.00
3/8/23	Stacy Aguirre (Formerly Employed 4+ year Paralegal)	Filed consent for electronic service, sent copy to client and served oc	0.25	\$ 200.00	\$ 50.00
3/8/23	Stacy Aguirre (Formerly Employed 4+ year Paralegal)	saved conformed copy	0.08	\$ 200.00	\$ 16.00
3/9/23	Daniela Linares (2nd Year Intake Assistant)	email review	0.17	\$ 150.00	\$ 25.50
3/14/23	Stacy Aguirre (Formerly Employed 4+ year Paralegal)	Saved conformed copy	0.08	\$ 200.00	\$ 16.00
3/21/23	Stacy Aguirre (Formerly Employed 4+ year Paralegal)	Calendared deadlines	0.08	\$ 200.00	\$ 16.00
3/27/23	Nora Greer (15+ Year Paralegal)	Review calendar, email DB to pay mediation invoice	0.17	\$ 200.00	\$ 34.00
4/5/23	Breck Oyama (15+ Year Paralegal)	review emails, fwd task to NG	0.08	\$ 300.00	\$ 24.00
4/6/23	Daniela Linares (2nd Year Intake Assistant)	email rev	0.08	\$ 150.00	\$ 12.00
4/7/23	Nora Greer (15+ Year Paralegal)	Confer with BO, serve filed Proof of Service to OC	0.17	\$ 200.00	\$ 34.00
4/7/23	Daniela Linares (2nd Year Intake Assistant)	email review	0.08	\$ 150.00	\$ 12.00
4/7/23	Nora Greer (15+ Year Paralegal)	Review emails	0.08	\$ 200.00	\$ 16.00
4/10/23	Daniela Linares (2nd Year Intake Assistant)	email review	0.08	\$ 150.00	\$ 12.00
4/18/23	Caroline Tahmassian (10+ Year Attorney)	review/revise stip	0.50	\$ 600.00	\$ 300.00
4/19/23	Nora Greer (15+ Year Paralegal)	Review emails, save drafts of stip to file, send stip to CT for signature, circulate signed stip	0.33	\$ 200.00	\$ 66.00
5/16/23	Nora Greer (15+ Year Paralegal)	Email to Team re Mediation Discovery	0.08	\$ 200.00	\$ 16.00
5/16/23	Nora Greer (15+ Year Paralegal)	Email team re mx compel arb	0.08	\$ 200.00	\$ 16.00
5/18/23	Daniela Linares (2nd Year Intake Assistant)	call and email to client	0.17	\$ 150.00	\$ 25.50
5/18/23	Caroline Tahmassian (10+ Year Attorney)	review docs; review arb agreement and FV intake; review case status and emails	2.00	\$ 600.00	\$ 1,200.00
5/18/23	Daniela Linares (2nd Year Intake Assistant)	tc w ct, arb intake rev, call to client lvm	0.17	\$ 150.00	\$ 25.50
5/19/23	Caroline Tahmassian (10+ Year Attorney)	review docs and email; email OC re arb agreement; email dgs re MU; call with DL re arb intake;	3.00	\$ 600.00	\$ 1,800.00

TSLF TIME PERALES

Time Date	Attorney/Paralegal	Description	Hours	Hourly Rate	Pre-Multiplier Lodestar Amount
5/19/23	Daniela Linares (2nd Year Intake Assistant)	call w ct, call w client, notes, email rev, email to team. fixed notes	1.33	\$ 150.00	\$ 199.50
5/19/23	David Spivak (28+ Year Attorney)	Review and mark up arbitration agreement from June 2020	1.50	\$ 900.00	\$ 1,350.00
5/22/23	Caroline Tahmassian (10+ Year Attorney)	Opp MX compel arb	3.50	\$ 600.00	\$ 2,100.00
5/22/23	Nora Greer (15+ Year Paralegal)	Review emails	0.17	\$ 200.00	\$ 34.00
5/22/23	Daniela Linares (2nd Year Intake Assistant)	call w client, prep call email to team	1.08	\$ 150.00	\$ 162.00
5/22/23	Nora Greer (15+ Year Paralegal)	Messages with CT, Review rutter re mx pages	0.17	\$ 200.00	\$ 34.00
5/24/23	Caroline Tahmassian (10+ Year Attorney)	Draft opp motion compel arb	2.50	\$ 600.00	\$ 1,500.00
5/25/23	Caroline Tahmassian (10+ Year Attorney)	Draft/revise opp MX compel ; discuss opp/exhibits with NG	6.75	\$ 600.00	\$ 4,050.00
5/25/23	Nora Greer (15+ Year Paralegal)	Save UELG ev prez letters to file	0.08	\$ 200.00	\$ 16.00
5/25/23	Nora Greer (15+ Year Paralegal)	Review file docs, messages with CT, email to UELG	0.25	\$ 200.00	\$ 50.00
5/26/23	Nora Greer (15+ Year Paralegal)	Email team re Mediation Discovery	0.08	\$ 200.00	\$ 16.00
5/26/23	Daniela Linares (2nd Year Intake Assistant)	call w client re decl, edits attached to email.	0.33	\$ 150.00	\$ 49.50
5/26/23	Nora Greer (15+ Year Paralegal)	Staff Messages, Pull exhibits, TC with DL re Client Decl.	0.25	\$ 200.00	\$ 50.00
5/26/23	Daniela Linares (2nd Year Intake Assistant)	email and call to client	0.17	\$ 150.00	\$ 25.50
5/28/23	David Spivak (28+ Year Attorney)	review and revise opp mx compel arbitration	1.33	\$ 900.00	\$ 1,197.00
5/30/23	Caroline Tahmassian (10+ Year Attorney)	review dgs revisions to opp; call with dgs to discuss; call with NG and P; revise opp to MX compel arb	3.50	\$ 600.00	\$ 2,100.00
5/30/23	Nora Greer (15+ Year Paralegal)	Texts to Client	0.08	\$ 200.00	\$ 16.00
5/30/23	Nora Greer (15+ Year Paralegal)	Review emails, send notes from call	0.17	\$ 200.00	\$ 34.00
5/30/23	Nora Greer (15+ Year Paralegal)	TC with Client	0.25	\$ 200.00	\$ 50.00
5/30/23	David Spivak (28+ Year Attorney)	call with CT re app arb mx	1.17	\$ 900.00	\$ 1,053.00
5/31/23	Nora Greer (15+ Year Paralegal)	TC with CT	0.08	\$ 200.00	\$ 16.00
5/31/23	Caroline Tahmassian (10+ Year Attorney)	revise opp MX compel	3.00	\$ 600.00	\$ 1,800.00
5/31/23	David Spivak (28+ Year Attorney)	call with CT and EHL re arb mx opp	0.25	\$ 900.00	\$ 225.00
6/1/23	Emily Ly (3rd Year Paralegal)	Met with NG re margins for oppo.	0.33	\$ 150.00	\$ 49.50
6/1/23	Nora Greer (15+ Year Paralegal)	TC with Client, Texts with Client, Opp to Mx Compel Arb	3.58	\$ 200.00	\$ 716.00
6/1/23	Caroline Tahmassian (10+ Year Attorney)	review/revise opp MX compel docs	1.50	\$ 600.00	\$ 900.00
6/2/23	Caroline Tahmassian (10+ Year Attorney)	review/revise opp Mx compel arb; review exhibits	0.75	\$ 600.00	\$ 450.00
6/2/23	Nora Greer (15+ Year Paralegal)	Save/OCR filed docs to file	0.17	\$ 200.00	\$ 34.00
6/2/23	Caroline Tahmassian (10+ Year Attorney)	call with client re mediation dioscvery; review doc production; draft mediation discovery	1.50	\$ 600.00	\$ 900.00
6/2/23	Nora Greer (15+ Year Paralegal)	Staff Chats, Call with CT, Revise TOA, Finalize, File, Serve, Circulate Opposition to Mx Compel Arb.	1.58	\$ 200.00	\$ 316.00
6/5/23	Nora Greer (15+ Year Paralegal)	Review, serve, circulate Mediation Discovery Requests, update calendar, update FV	0.25	\$ 200.00	\$ 50.00
6/7/23	Daniela Linares (2nd Year Intake Assistant)	email rev	0.08	\$ 150.00	\$ 12.00
6/8/23	Nora Greer (15+ Year Paralegal)	Review/Respond emails, call with TH	0.25	\$ 200.00	\$ 50.00

TSLF TIME PERALES

Time Date	Attorney/Paralegal	Description	Hours	Hourly Rate	Pre-Multiplier Lodestar Amount
6/8/23	Thalia Higgins (Formerly Employed 1st Year Paralegal)	emailed court docs to CL, saved to file	0.08	\$ 150.00	\$ 12.00
6/9/23	Daniela Linares (2nd Year Intake Assistant)	pcm search, call w client, email to client	0.50	\$ 150.00	\$ 75.00
6/13/23	Daniela Linares (2nd Year Intake Assistant)	call and email to client	0.17	\$ 150.00	\$ 25.50
6/14/23	Daniela Linares (2nd Year Intake Assistant)	save client docs, email to client, search witness online	0.17	\$ 150.00	\$ 25.50
6/14/23	Breck Oyama (15+ Year Paralegal)	review emails/FV, update deadline chain	0.25	\$ 300.00	\$ 75.00
6/14/23	Thalia Higgins (Formerly Employed 1st Year Paralegal)	confer w NG/BO	0.17	\$ 150.00	\$ 25.50
6/14/23	Daniela Linares (2nd Year Intake Assistant)	witness linkedin drafted, email to dgs, saved client doc, search for ees and pcms	0.25	\$ 150.00	\$ 37.50
6/14/23	Daniela Linares (2nd Year Intake Assistant)	email	0.08	\$ 150.00	\$ 12.00
6/14/23	Nora Greer (15+ Year Paralegal)	Review additional emails	0.08	\$ 200.00	\$ 16.00
6/14/23	Nora Greer (15+ Year Paralegal)	Review emails, confer with BO/TH	0.17	\$ 200.00	\$ 34.00
6/15/23	Daniela Linares (2nd Year Intake Assistant)	tc w ng, sent fn messages.	0.17	\$ 150.00	\$ 25.50
6/15/23	Thalia Higgins (Formerly Employed 1st Year Paralegal)	called court re minute drop to set 7/7 vcourt	0.17	\$ 150.00	\$ 25.50
6/15/23	Nora Greer (15+ Year Paralegal)	TC with DL	0.08	\$ 200.00	\$ 16.00
6/16/23	Daniela Linares (2nd Year Intake Assistant)	save pcm info, called - lvm	0.08	\$ 150.00	\$ 12.00
6/16/23	Daniela Linares (2nd Year Intake Assistant)	email review, team mtg re mediation	0.33	\$ 150.00	\$ 49.50
6/16/23	Thalia Higgins (Formerly Employed 1st Year Paralegal)	Met w NG/LS re mediation tasks	0.25	\$ 150.00	\$ 37.50
6/16/23	Nora Greer (15+ Year Paralegal)	Meeting with TH and DL re Mediation	0.25	\$ 200.00	\$ 50.00
6/19/23	Daniela Linares (2nd Year Intake Assistant)	rev mediation tasks, msg pcm	0.17	\$ 150.00	\$ 25.50
6/20/23	Daniela Linares (2nd Year Intake Assistant)	email	0.08	\$ 150.00	\$ 12.00
6/20/23	Daniela Linares (2nd Year Intake Assistant)	call to client- lvm	0.08	\$ 150.00	\$ 12.00
6/20/23	Daniela Linares (2nd Year Intake Assistant)	email	0.08	\$ 150.00	\$ 12.00
6/20/23	Caroline Tahmassian (10+ Year Attorney)	emails with DL re contact with class members	0.17	\$ 600.00	\$ 102.00
6/20/23	Nora Greer (15+ Year Paralegal)	Review emails	0.17	\$ 200.00	\$ 34.00
6/20/23	Daniela Linares (2nd Year Intake Assistant)	call w client, email to team	0.17	\$ 150.00	\$ 25.50
6/21/23	Nora Greer (15+ Year Paralegal)	Review emails, update calendar	0.08	\$ 200.00	\$ 16.00
6/26/23	Thalia Higgins (Formerly Employed 1st Year Paralegal)	submitted vcourt for July hearing, reviewed emails and MO, added expense and cir'd to team and db, calendared hearing and details	0.58	\$ 150.00	\$ 87.00
6/27/23	Thalia Higgins (Formerly Employed 1st Year Paralegal)	calendared TR check, reviewed court website for priority rqst protocol, reviewed upcoming calendar deadlines	0.08	\$ 150.00	\$ 12.00
6/30/23	Nora Greer (15+ Year Paralegal)	Staff chats, TC to Mediator, Email to Mediator, review emails	0.25	\$ 200.00	\$ 50.00
6/30/23	Caroline Tahmassian (10+ Year Attorney)	emails to OC re MX arb hearing; draft stip to continue; messages with NG re mediation and hearing	1.00	\$ 600.00	\$ 600.00

TSLF TIME PERALES

Time Date	Attorney/Paralegal	Description	Hours	Hourly Rate	Pre-Multiplier Lodestar Amount
7/3/23	Stacy Sussman (Formerly Employed 10+ Year Legal Secretary)	Enter Lexis usage to FV	0.08	\$ 200.00	\$ 16.00
7/3/23	Nora Greer (15+ Year Paralegal)	Review/Respond additional emails	0.17	\$ 200.00	\$ 34.00
7/3/23	Nora Greer (15+ Year Paralegal)	Review/Respond to emails	0.17	\$ 200.00	\$ 34.00
7/3/23	David Spivak (28+ Year Attorney)	email re mediation	0.08	\$ 900.00	\$ 72.00
7/3/23	Nora Greer (15+ Year Paralegal)	Review emails, email to Mediator, listen to VM, staff chats	0.25	\$ 200.00	\$ 50.00
7/5/23	Daniela Linares (2nd Year Intake Assistant)	email rev	0.08	\$ 150.00	\$ 12.00
7/5/23	Nora Greer (15+ Year Paralegal)	Review emails, respond to Mediator, staff chats	0.25	\$ 200.00	\$ 50.00
7/5/23	Thalia Higgins (Formerly Employed 1st Year Paralegal)	met w NG re OCs email, sent reply email re rqst to cont hrg	0.08	\$ 150.00	\$ 12.00
7/5/23	Thalia Higgins (Formerly Employed 1st Year Paralegal)	review and follow up on emails re stip to cont hrg	0.08	\$ 150.00	\$ 12.00
7/6/23	Thalia Higgins (Formerly Employed 1st Year Paralegal)	reviewed emails, reviewed stip from OC re 7/7 hrg cont, circulated to team	0.25	\$ 150.00	\$ 37.50
7/6/23	Nora Greer (15+ Year Paralegal)	Review emails, email to Mediator, Assist with Stip filing	0.75	\$ 200.00	\$ 150.00
7/6/23	Thalia Higgins (Formerly Employed 1st Year Paralegal)	saved stip, sent for sig, prep for efile	0.08	\$ 150.00	\$ 12.00
7/6/23	Thalia Higgins (Formerly Employed 1st Year Paralegal)	review emails, circulate filing to team and client	0.25	\$ 150.00	\$ 37.50
7/6/23	Thalia Higgins (Formerly Employed 1st Year Paralegal)	served OC by email, filed stip to cont mx compel arb, called court re filing submission, calendared f/u	0.58	\$ 150.00	\$ 87.00
7/7/23	Thalia Higgins (Formerly Employed 1st Year Paralegal)	reviewed and replied to emails, scheduled remote appearance for cont hrg	0.17	\$ 150.00	\$ 25.50
7/7/23	Nora Greer (15+ Year Paralegal)	Review emails	0.17	\$ 200.00	\$ 34.00
7/7/23	Nora Greer (15+ Year Paralegal)	F/U email to OC re Mediation Discovery	0.08	\$ 200.00	\$ 16.00
7/7/23	Nora Greer (15+ Year Paralegal)	Review Notice of Entry of Order, Staff Chats	0.25	\$ 200.00	\$ 50.00
7/7/23	Thalia Higgins (Formerly Employed 1st Year Paralegal)	notice of entry revision, parse pdf	0.33	\$ 150.00	\$ 49.50
7/7/23	Daniela Linares (2nd Year Intake Assistant)	rev client call notes, fv tasks	0.33	\$ 150.00	\$ 49.50
7/10/23	Breck Oyama (15+ Year Paralegal)	review emails, fwd emails to FV, update deadline chains	0.17	\$ 300.00	\$ 51.00
7/10/23	Thalia Higgins (Formerly Employed 1st Year Paralegal)	revise notice	0.08	\$ 150.00	\$ 12.00
7/10/23	Caroline Tahmassian (10+ Year Attorney)	check emails and case status; check mediation discovery status with team; emails OC	0.50	\$ 600.00	\$ 300.00
7/10/23	Nora Greer (15+ Year Paralegal)	Review emails, staff chats	0.17	\$ 200.00	\$ 34.00
7/11/23	Nora Greer (15+ Year Paralegal)	Call with CT	0.33	\$ 200.00	\$ 66.00
7/11/23	Caroline Tahmassian (10+ Year Attorney)	FUs with OC re docs;	0.25	\$ 600.00	\$ 150.00
7/11/23	Thalia Higgins (Formerly Employed 1st Year Paralegal)	notice of entry of order filing	0.17	\$ 150.00	\$ 25.50

TSLF TIME PERALES

Time Date	Attorney/Paralegal	Description	Hours	Hourly Rate	Pre-Multiplier Lodestar Amount
7/11/23	Nora Greer (15+ Year Paralegal)	Review emails	0.17	\$ 200.00	\$ 34.00
7/12/23	Caroline Tahmassian (10+ Year Attorney)	emails with OC	0.17	\$ 600.00	\$ 102.00
7/12/23	Thalia Higgins (Formerly Employed 1st Year Paralegal)	review emails, save and circulate filed copy w team	0.08	\$ 150.00	\$ 12.00
7/13/23	Caroline Tahmassian (10+ Year Attorney)	review TR; call with dgs re TR: discuss hearing with NG; review docs; emails wtih OC re docs	1.75	\$ 600.00	\$ 1,050.00
7/13/23	Nora Greer (15+ Year Paralegal)	Review emails circulate TR	0.33	\$ 200.00	\$ 66.00
7/13/23	David Spivak (28+ Year Attorney)	review tentative on mx to compel arb; conf with CT	0.25	\$ 900.00	\$ 225.00
7/13/23	Daniela Linares (2nd Year Intake Assistant)	email rev	0.08	\$ 150.00	\$ 12.00
7/13/23	Thalia Higgins (Formerly Employed 1st Year Paralegal)	reviewed docket alert, emailed team	0.08	\$ 150.00	\$ 12.00
7/14/23	Thalia Higgins (Formerly Employed 1st Year Paralegal)	send files to data analyst, emails, team chat	0.17	\$ 150.00	\$ 25.50
7/14/23	Nora Greer (15+ Year Paralegal)	Review emails	0.25	\$ 200.00	\$ 50.00
7/14/23	Thalia Higgins (Formerly Employed 1st Year Paralegal)	comp review of mediation production from OC, parse files in data analyst subfolder, review and respond in team chat	1.20	\$ 150.00	\$ 180.00
7/14/23	Daniela Linares (2nd Year Intake Assistant)	combine client docs, rev emails, tc w ng,	0.58	\$ 150.00	\$ 87.00
7/17/23	Thalia Higgins (Formerly Employed 1st Year Paralegal)	review addtl files sent from OC, saved to file, emails to CL, data analyst, team	0.25	\$ 150.00	\$ 37.50
7/17/23	Nora Greer (15+ Year Paralegal)	Review emails, staff chats	0.17	\$ 200.00	\$ 34.00
7/17/23	Thalia Higgins (Formerly Employed 1st Year Paralegal)	review and reply to emails, call w data analyst to clarify scope	0.17	\$ 150.00	\$ 25.50
7/17/23	Nora Greer (15+ Year Paralegal)	Premediation call with client, update calendar, email client	0.33	\$ 200.00	\$ 66.00
7/17/23	Daniela Linares (2nd Year Intake Assistant)	email rev	0.08	\$ 150.00	\$ 12.00
7/18/23	Nora Greer (15+ Year Paralegal)	Call with TH re FV Tabs	0.33	\$ 200.00	\$ 66.00
7/18/23	Nora Greer (15+ Year Paralegal)	Review emails	0.08	\$ 200.00	\$ 16.00
7/18/23	Nora Greer (15+ Year Paralegal)	Call with Client, send RC call in info, update calendar	0.17	\$ 200.00	\$ 34.00
7/18/23	Nora Greer (15+ Year Paralegal)	Review emails	0.17	\$ 200.00	\$ 34.00
7/18/23	Nora Greer (15+ Year Paralegal)	Staff chats, paga and docket searches, email team	0.25	\$ 200.00	\$ 50.00
7/18/23	Caroline Tahmassian (10+ Year Attorney)	review docs; email OC re docs; interview Plaintiff; email to expert	1.00	\$ 600.00	\$ 600.00
7/18/23	Daniela Linares (2nd Year Intake Assistant)	online search for other locations, tc w team, rev call notes	0.48	\$ 150.00	\$ 72.00
7/18/23	Nora Greer (15+ Year Paralegal)	Team call with Client, save notes to file, staff chats	0.75	\$ 200.00	\$ 150.00
7/19/23	Nora Greer (15+ Year Paralegal)	Review emails	0.08	\$ 200.00	\$ 16.00
7/19/23	Daniela Linares (2nd Year Intake Assistant)	email rev, email to team	0.17	\$ 150.00	\$ 25.50
7/19/23	Caroline Tahmassian (10+ Year Attorney)	review docs; draft/revise mediation brief; email expert re data	3.75	\$ 600.00	\$ 2,250.00
7/20/23	Daniela Linares (2nd Year Intake Assistant)	rev tc w team, email to ct re locations.	0.17	\$ 150.00	\$ 25.50
7/20/23	Nora Greer (15+ Year Paralegal)	Review emails, staff chats	0.17	\$ 200.00	\$ 34.00

TSLF TIME PERALES

Time Date	Attorney/Paralegal	Description	Hours	Hourly Rate	Pre-Multiplier Lodestar Amount
7/20/23	Caroline Tahmassian (10+ Year Attorney)	review data analysis and emails to expert	0.33	\$ 600.00	\$ 198.00
7/21/23	Caroline Tahmassian (10+ Year Attorney)	review data analysis and email data expert; call with data expert	1.00	\$ 600.00	\$ 600.00
7/21/23	Thalia Higgins (Formerly Employed 1st Year Paralegal)	emailed mediation brief to mediator and CL	0.08	\$ 150.00	\$ 12.00
7/21/23	Nora Greer (15+ Year Paralegal)	Finalize Brief, Meet with TH to serve	0.58	\$ 200.00	\$ 116.00
7/24/23	Breck Oyama (15+ Year Paralegal)	mtg w/ team re future fees/costsq	0.50	\$ 300.00	\$ 150.00
7/24/23	Caroline Tahmassian (10+ Year Attorney)	FU email to OC; check emails and review doc	0.50	\$ 600.00	\$ 300.00
7/24/23	Nora Greer (15+ Year Paralegal)	Review emails/Staff chats	0.33	\$ 200.00	\$ 66.00
7/24/23	Thalia Higgins (Formerly Employed 1st Year Paralegal)	emailed mediator and client, met w team re future costs/fees, reviewed file and fv for current costs, entered time worked to present for team, met w NG re mediation prep, reviewed completed tasks	2.00	\$ 150.00	\$ 300.00
7/24/23	David Spivak (28+ Year Attorney)	review damages report; discuss with CT	0.25	\$ 900.00	\$ 225.00
7/24/23	Caroline Tahmassian (10+ Year Attorney)	mediation prep; review data results and emails/calls with Billy; draft/revise damages; call with dgs re case/damages; email/discuss damages with staff	2.50	\$ 600.00	\$ 1,500.00
7/25/23	Nora Greer (15+ Year Paralegal)	Pre mediation call with client	0.50	\$ 200.00	\$ 100.00
7/25/23	David Spivak (28+ Year Attorney)	Prepare for mediation and attend mediation	9.00	\$ 900.00	\$ 8,100.00
7/25/23	Daniela Linares (2nd Year Intake Assistant)	pre mediation call w client and team, mediation.	6.17	\$ 150.00	\$ 925.50
7/25/23	Caroline Tahmassian (10+ Year Attorney)	attend mediation ; revise settlement agreement	8.00	\$ 600.00	\$ 4,800.00
7/25/23	Nora Greer (15+ Year Paralegal)	Attend Mediation and misc. Mediation day tasks	8.00	\$ 200.00	\$ 1,600.00
7/25/23	Caroline Tahmassian (10+ Year Attorney)	mediation prep	1.00	\$ 600.00	\$ 600.00
7/26/23	Nora Greer (15+ Year Paralegal)	Review emails, email to expert re invoice	0.17	\$ 200.00	\$ 34.00
7/28/23	Breck Oyama (15+ Year Paralegal)	review emails/FV	0.17	\$ 300.00	\$ 51.00
7/31/23	Nora Greer (15+ Year Paralegal)	Review/Respond Expert email, enter expense, email controller	0.17	\$ 200.00	\$ 34.00
8/2/23	Nora Greer (15+ Year Paralegal)	Review emails	0.17	\$ 200.00	\$ 34.00
8/2/23	Thalia Higgins (Formerly Employed 1st Year Paralegal)	staff chats, circulated cmc for review, revised cmc	0.25	\$ 150.00	\$ 37.50
8/2/23	Daniela Linares (2nd Year Intake Assistant)	email rev	0.08	\$ 150.00	\$ 12.00
8/2/23	Caroline Tahmassian (10+ Year Attorney)	draft arb demand	1.00	\$ 600.00	\$ 600.00
8/3/23	Thalia Higgins (Formerly Employed 1st Year Paralegal)	service email to oc, email to client, filed cmc statement	0.17	\$ 150.00	\$ 25.50
8/3/23	Thalia Higgins (Formerly Employed 1st Year Paralegal)	staff chats, follow up on cmc stmt	0.08	\$ 150.00	\$ 12.00
8/4/23	David Spivak (28+ Year Attorney)	review and revise statement of claim	0.33	\$ 900.00	\$ 297.00
8/4/23	Breck Oyama (15+ Year Paralegal)	review emails/FV	0.17	\$ 300.00	\$ 51.00
8/7/23	Thalia Higgins (Formerly Employed 1st Year Paralegal)	review emails, save def cmc stmt, circulate to team	0.17	\$ 150.00	\$ 25.50
8/7/23	Daniela Linares (2nd Year Intake Assistant)	email rev	0.08	\$ 150.00	\$ 12.00

TSLF TIME PERALES

Time Date	Attorney/Paralegal	Description	Hours	Hourly Rate	Pre-Multiplier Lodestar Amount
	REDACTED				\$ -
8/16/23	Thalia Higgins (Formerly Employed 1st Year Paralegal)	reviewed emails and made attempts to schedule remote appearance	0.17	\$ 150.00	\$ 25.50
8/21/23	Caroline Tahmassian (10+ Year Attorney)	prep and attend CMC; email dgs re case status; email notes of CMC; review PPOS records and email dgs re records	1.00	\$ 600.00	\$ 600.00
8/21/23	Daniela Linares (2nd Year Intake Assistant)	email rev, email to team. call w client	0.17	\$ 150.00	\$ 25.50
8/23/23	Daniela Linares (2nd Year Intake Assistant)	email rev, check texts	0.08	\$ 150.00	\$ 12.00
8/23/23	Nora Greer (15+ Year Paralegal)	Review emails, staff chats, email TH	0.25	\$ 200.00	\$ 50.00
8/23/23	Daniela Linares (2nd Year Intake Assistant)	email review	0.08	\$ 150.00	\$ 12.00
8/23/23	Thalia Higgins (Formerly Employed 1st Year Paralegal)	review mo and email to client	0.08	\$ 150.00	\$ 12.00
8/23/23	Thalia Higgins (Formerly Employed 1st Year Paralegal)	reviewed emails, checked docket for mo, saved mo and replied to team email	0.17	\$ 150.00	\$ 25.50
8/23/23	Caroline Tahmassian (10+ Year Attorney)	review POS records; email dgs re POS records	0.75	\$ 600.00	\$ 450.00
8/24/23	Caroline Tahmassian (10+ Year Attorney)	emails to staff; email expert re POS records	0.25	\$ 600.00	\$ 150.00
8/24/23	Nora Greer (15+ Year Paralegal)	Review emails	0.17	\$ 200.00	\$ 34.00
8/25/23	Thalia Higgins (Formerly Employed 1st Year Paralegal)	review emails and send f/u to team re tentative call w tripper	0.08	\$ 150.00	\$ 12.00
8/25/23	Nora Greer (15+ Year Paralegal)	Review emails	0.08	\$ 200.00	\$ 16.00
8/25/23	Thalia Higgins (Formerly Employed 1st Year Paralegal)	review emails, reply to tripper's asst, calendar f/u call w ct and tripper	0.08	\$ 150.00	\$ 12.00
8/28/23	Breck Oyama (15+ Year Paralegal)	update deadline chain	0.08	\$ 300.00	\$ 24.00
8/29/23	Breck Oyama (15+ Year Paralegal)	review emails/FV	0.17	\$ 300.00	\$ 51.00
8/30/23	Caroline Tahmassian (10+ Year Attorney)	review results and email expert	0.17	\$ 600.00	\$ 102.00
8/31/23	Caroline Tahmassian (10+ Year Attorney)	emails with expert	0.17	\$ 600.00	\$ 102.00
9/7/23	Nora Greer (15+ Year Paralegal)	Review emails	0.17	\$ 200.00	\$ 34.00
9/29/23	Thalia Higgins (Formerly Employed 1st Year Paralegal)	prep cmc statement, emails to team, tc, cursory file review, file cmc stmt/circ to team	0.58	\$ 150.00	\$ 87.00
9/29/23	Breck Oyama (15+ Year Paralegal)	check w/ team re cmc statement	0.08	\$ 300.00	\$ 24.00
10/11/23	Emily Ly (3rd Year Paralegal)	Scheduled appearance. Reviewed and replied to emails.	0.17	\$ 150.00	\$ 25.50
10/12/23	Daniela Linares (2nd Year Intake Assistant)	rev docs, rev email, email to team	0.17	\$ 150.00	\$ 25.50
10/16/23	Caroline Tahmassian (10+ Year Attorney)	messages/emails with dgs re status of case, CMC and status of settlement negotiations; email mediator	0.33	\$ 600.00	\$ 198.00
10/16/23	David Spivak (28+ Year Attorney)	prep for hearing and attend cmc by courtcall; notes to staff	0.50	\$ 900.00	\$ 450.00
10/19/23	Nazie Baharloo (Formerly Employed 5+ Year Paralegal)	Update calendar with CMC Statement deadline.	0.08	\$ 200.00	\$ 16.00
11/22/23	Caroline Tahmassian (10+ Year Attorney)	check case status and FU emails with Tripper	0.17	\$ 600.00	\$ 102.00
12/1/23	Daniela Linares (2nd Year Intake Assistant)	entered lexis expense	0.08	\$ 150.00	\$ 12.00

TSLF TIME PERALES

Time Date	Attorney/Paralegal	Description	Hours	Hourly Rate	Pre-Multiplier Lodestar Amount
2/13/24	Nora Greer (15+ Year Paralegal)	Forward email to team	0.08	\$ 200.00	\$ 16.00
2/14/24	Caroline Tahmassian (10+ Year Attorney)	check case status; draft arb stm of claim	1.50	\$ 600.00	\$ 900.00
2/14/24	Nazie Baharloo (Formerly Employed 5+ Year Paralegal)	Prepare CMC Statement, serve and file; review local rules re remote/telephonic appearances; schedule telephonic appearance; serve OC and update POS per secretary instruction; send client copy	2.00	\$ 200.00	\$ 400.00
2/14/24	Breck Oyama (15+ Year Paralegal)	review emais/filing, email NEB re tasks/filing	0.17	\$ 300.00	\$ 51.00
2/14/24	David Spivak (28+ Year Attorney)	review arbitration demand	0.25	\$ 900.00	\$ 225.00
2/15/24	Breck Oyama (15+ Year Paralegal)	review emails, review cmc statement and email comments	0.50	\$ 300.00	\$ 150.00
2/15/24	Caroline Tahmassian (10+ Year Attorney)	review arb stm and emails with staff re filing	0.33	\$ 600.00	\$ 198.00
2/16/24	Daniela Linares (2nd Year Intake Assistant)	email rev	0.08	\$ 150.00	\$ 12.00
2/20/24	Nazie Baharloo (Formerly Employed 5+ Year Paralegal)	Finalize Statement of Claims and send for signature; compile exhibit; create proof of service; complete JAMS demand form; submit matter to JAMS portal and complete online forum; email/serve OC; email copy to client; send confirmation to team	2.50	\$ 200.00	\$ 500.00
2/20/24	Breck Oyama (15+ Year Paralegal)	review cmc statement and msg NEB	0.17	\$ 300.00	\$ 51.00
2/20/24	Nazie Baharloo (Formerly Employed 5+ Year Paralegal)	Draft Amended CMC Statement.	0.50	\$ 200.00	\$ 100.00
2/20/24	Nora Greer (15+ Year Paralegal)	Assist NEB with filing	0.50	\$ 200.00	\$ 100.00
2/21/24	Nazie Baharloo (Formerly Employed 5+ Year Paralegal)	Revise CMC Statement, messages with BO re revisions/wording.	0.25	\$ 200.00	\$ 50.00
2/21/24	Breck Oyama (15+ Year Paralegal)	review cmc statement and msg NEB	0.08	\$ 300.00	\$ 24.00
2/22/24	Nazie Baharloo (Formerly Employed 5+ Year Paralegal)	Finalize Amended CMC Statement, send for signature, serve, file and send client a copy; save/enter expense fwd to controller and team.	0.75	\$ 200.00	\$ 150.00
2/22/24	Nazie Baharloo (Formerly Employed 5+ Year Paralegal)	Schedule VCourt appearance for CT, save/enter receipt/expense, update calendar w/ dial info, send receipt to controller/team.	0.50	\$ 200.00	\$ 100.00
2/26/24	Nazie Baharloo (Formerly Employed 5+ Year Paralegal)	Receive CT hearing notes, save to file, calendar new hearing date and related deadlines, update lit chain.	0.17	\$ 200.00	\$ 34.00
2/26/24	Nazie Baharloo (Formerly Employed 5+ Year Paralegal)	Messages w/ CT before hearing, send PL and Def CMC Statement; review emails, save filed copy of Amended CMC statement, save to file and send to team.	0.17	\$ 200.00	\$ 34.00
2/27/24	Nazie Baharloo (Formerly Employed 5+ Year Paralegal)	Receive email with case manager information; create contact and add to FV.	0.08	\$ 200.00	\$ 16.00
2/28/24	Nazie Baharloo (Formerly Employed 5+ Year Paralegal)	RC messages/emails from CT re CM's request for evidence of proof of service; save email as PDF and combine with orgional pos as 1 document email status to team and futher messages; left vm for CM	0.50	\$ 200.00	\$ 100.00
2/28/24	Nazie Baharloo (Formerly Employed 5+ Year Paralegal)	Email to JAMS Case Manager(CM) re TSLF team contacts and contact information.	0.08	\$ 200.00	\$ 16.00
2/29/24	Nazie Baharloo (Formerly Employed 5+ Year Paralegal)	send f/u email to JAMS case manager	0.08	\$ 200.00	\$ 16.00
2/29/24	Daniela Linares (2nd Year Intake Assistant)	email review	0.08	\$ 150.00	\$ 12.00
3/12/24	Nazie Baharloo (Formerly Employed 5+ Year Paralegal)	receive text(s) from client regarding texts he received, saved to file and forwarded to team	0.17	\$ 200.00	\$ 34.00
3/12/24	Nazie Baharloo (Formerly Employed 5+ Year Paralegal)	Prepare Notice of Change of Address, send to CT for signature.	0.17	\$ 200.00	\$ 34.00

TSLF TIME PERALES

Time Date	Attorney/Paralegal	Description	Hours	Hourly Rate	Pre-Multiplier Lodestar Amount
3/12/24	Nazie Baharloo (Formerly Employed 5+ Year Paralegal)	Receive email from JAMS re POS, RC chats with team and CT re same; create separate POS and pdf email demand was sent; compile as 1 document and upload to JAMS portal; email correspondence with CM re same.	0.50	\$ 200.00	\$ 100.00
3/12/24	Nazie Baharloo (Formerly Employed 5+ Year Paralegal)	Finalize Ntc of Change of Address for filing, serve, send to client, fwd to team, enter/save expense.	0.42	\$ 200.00	\$ 84.00
3/12/24	Nazie Baharloo (Formerly Employed 5+ Year Paralegal)	Receive min order dated 2.27.24, save to file, calendar mx compel hrg and brief deadline; confirm cmc and related deadlines on calendar and in chains; receive text from client, save to file.	0.33	\$ 200.00	\$ 66.00
3/13/24	Nazie Baharloo (Formerly Employed 5+ Year Paralegal)	Receive notice of rejected filing from court, update document and resend for signature	0.17	\$ 200.00	\$ 34.00
3/14/24	Nazie Baharloo (Formerly Employed 5+ Year Paralegal)	email review	0.08	\$ 200.00	\$ 16.00
3/14/24	Nazie Baharloo (Formerly Employed 5+ Year Paralegal)	sent correspondence from JAMS to team.	0.08	\$ 200.00	\$ 16.00
3/14/24	Maya Cheaitani (Formerly Employed 2nd Year Attorney)	PAGA research/review emails/review case/FV	2.00	\$ 250.00	\$ 500.00
3/15/24	Nazie Baharloo (Formerly Employed 5+ Year Paralegal)	receive documents from JAMS, save to file and send to team.	0.17	\$ 200.00	\$ 34.00
3/15/24	Nazie Baharloo (Formerly Employed 5+ Year Paralegal)	Email correspondence w/ CT re JAMS docs; resend latest docs.	0.17	\$ 200.00	\$ 34.00
3/19/24	Nazie Baharloo (Formerly Employed 5+ Year Paralegal)	email review.	0.08	\$ 200.00	\$ 16.00
3/19/24	Maya Cheaitani (Formerly Employed 2nd Year Attorney)	research mx compel PAGA stay Adolph/email team/notes	3.00	\$ 250.00	\$ 750.00
3/20/24	Maya Cheaitani (Formerly Employed 2nd Year Attorney)	arb PAGA further research	1.75	\$ 250.00	\$ 437.50
3/20/24	Nazie Baharloo (Formerly Employed 5+ Year Paralegal)	Review research sent by MC.	0.25	\$ 200.00	\$ 50.00
3/21/24	Breck Oyama (15+ Year Paralegal)	review emails/FV	0.17	\$ 300.00	\$ 51.00
3/21/24	Nazie Baharloo (Formerly Employed 5+ Year Paralegal)	email review/calendar D's resp to ARB demand	0.08	\$ 200.00	\$ 16.00
3/22/24	Breck Oyama (15+ Year Paralegal)	review emails/calendar, email tasks	0.17	\$ 300.00	\$ 51.00
3/22/24	Nazie Baharloo (Formerly Employed 5+ Year Paralegal)	email review, update tasks.	0.08	\$ 200.00	\$ 16.00
3/25/24	Maya Cheaitani (Formerly Employed 2nd Year Attorney)	arb research	1.75	\$ 250.00	\$ 437.50
3/25/24	Caroline Tahmassian (10+ Year Attorney)	review MCs research adn email CELA member [REDACTED] for brief on PAGA stay lift	0.33	\$ 600.00	\$ 198.00
3/26/24	Breck Oyama (15+ Year Paralegal)	review emails/FV, email team re arb fees/deadline	0.25	\$ 300.00	\$ 75.00
3/26/24	Maya Cheaitani (Formerly Employed 2nd Year Attorney)	[REDACTED] case law research	0.75	\$ 250.00	\$ 187.50
3/27/24	Daniela Linares (2nd Year Intake Assistant)	email rev	0.08	\$ 150.00	\$ 12.00
3/29/24	Nazie Baharloo (Formerly Employed 5+ Year Paralegal)	email correspondence with team re D arb filing fees; save docs; update calendar	0.25	\$ 200.00	\$ 50.00

TSLF TIME PERALES

Time Date	Attorney/Paralegal	Description	Hours	Hourly Rate	Pre-Multiplier Lodestar Amount
4/1/24	Nazie Baharloo (Formerly Employed 5+ Year Paralegal)	JAMS notifications/save docs/circulate.	0.17	\$ 200.00	\$ 34.00
4/1/24	Caroline Tahmassian (10+ Year Attorney)	check case and settlement negotiation history and emails with dgs re case status	0.33	\$ 600.00	\$ 198.00
4/2/24	Caroline Tahmassian (10+ Year Attorney)	review case law /research re lift PAGA stay	1.50	\$ 600.00	\$ 900.00
4/2/24	Daniela Linares (2nd Year Intake Assistant)	email rev	0.08	\$ 150.00	\$ 12.00
4/8/24	Daniela Linares (2nd Year Intake Assistant)	email rev	0.17	\$ 150.00	\$ 25.50
4/8/24	Breck Oyama (15+ Year Paralegal)	review emails, f/u team re tasks	0.08	\$ 300.00	\$ 24.00
4/8/24	Nazie Baharloo (Formerly Employed 5+ Year Paralegal)	review emails and jams portal; leave vm for case mgr; call w/ ng; emails to and from team.	0.42	\$ 200.00	\$ 84.00
4/8/24	Nazie Baharloo (Formerly Employed 5+ Year Paralegal)	review emails, file, calendar, fv, jams portal, dl anymissing docs.	0.50	\$ 200.00	\$ 100.00
4/9/24	Nazie Baharloo (Formerly Employed 5+ Year Paralegal)	emails/notice of entry/update notice of change of address	0.33	\$ 200.00	\$ 66.00
4/9/24	Nazie Baharloo (Formerly Employed 5+ Year Paralegal)	emails/revise notice of address change.	0.17	\$ 200.00	\$ 34.00
4/10/24	Nazie Baharloo (Formerly Employed 5+ Year Paralegal)	Send doc for atty signature.	0.08	\$ 200.00	\$ 16.00
4/10/24	Nazie Baharloo (Formerly Employed 5+ Year Paralegal)	Call from Alisa from JAMS returning my call from Monday; re strike/rank; draft email/ rc team.	0.17	\$ 200.00	\$ 34.00
4/11/24	Nazie Baharloo (Formerly Employed 5+ Year Paralegal)	format, serve, file, send to client, save/enter expense re ntc entry and ntc address change.	0.58	\$ 200.00	\$ 116.00
4/11/24	Breck Oyama (15+ Year Paralegal)	review emails/FV/filing	0.08	\$ 300.00	\$ 24.00
4/11/24	Caroline Tahmassian (10+ Year Attorney)	research stay on PAGA; draft brief; emails with OC re case status	2.25	\$ 600.00	\$ 1,350.00
4/12/24	Nazie Baharloo (Formerly Employed 5+ Year Paralegal)	research/ call Court/clerk re CT's questions of min order; send email.	0.50	\$ 200.00	\$ 100.00
4/18/24	Caroline Tahmassian (10+ Year Attorney)	emails to OC re hearing and sample; draft stip and email dgs	0.67	\$ 600.00	\$ 402.00
4/19/24	Caroline Tahmassian (10+ Year Attorney)	emails with OC re sample; review OC revisions to stip; call with dgs re sample ; VMs OC	0.75	\$ 600.00	\$ 450.00
4/19/24	Nazie Baharloo (Formerly Employed 5+ Year Paralegal)	Email review/RC messages with CT; call with DGS re strike/rank; email JAMS case magnager.	0.17	\$ 200.00	\$ 34.00
4/22/24	Nazie Baharloo (Formerly Employed 5+ Year Paralegal)	Email review.	0.17	\$ 200.00	\$ 34.00
4/22/24	Caroline Tahmassian (10+ Year Attorney)	draft brief ISO of PAGA stay lift	5.00	\$ 600.00	\$ 3,000.00
4/22/24	Caroline Tahmassian (10+ Year Attorney)	email OC	0.17	\$ 600.00	\$ 102.00
4/23/24	David Spivak (28+ Year Attorney)	review brief to lift stay; conf with CT to discuss	1.17	\$ 900.00	\$ 1,053.00
4/23/24	Nazie Baharloo (Formerly Employed 5+ Year Paralegal)	email review/RC chat CT re filing brief.	0.08	\$ 200.00	\$ 16.00
4/23/24	Nazie Baharloo (Formerly Employed 5+ Year Paralegal)	Finalize brief for filing; serve brief; file; send copy to client; save/enter expense; email controller/team.	0.42	\$ 200.00	\$ 84.00
4/23/24	Nazie Baharloo (Formerly Employed 5+ Year Paralegal)	review brief, format, send for sig; messages with ct re page numbers; reformat and send for signature again.	0.75	\$ 200.00	\$ 150.00

TSLF TIME PERALES

Time Date	Attorney/Paralegal	Description	Hours	Hourly Rate	Pre-Multiplier Lodestar Amount
4/23/24	Caroline Tahmassian (10+ Year Attorney)	call with dgs re breif; revise brief; call with OC; messages/emails with team re filing	3.25	\$ 600.00	\$ 1,950.00
4/24/24	Caroline Tahmassian (10+ Year Attorney)	review Def brief re PAGA stay	0.25	\$ 600.00	\$ 150.00
4/25/24	Nazie Baharloo (Formerly Employed 5+ Year Paralegal)	email review; save court docs, send to team.	0.17	\$ 200.00	\$ 34.00
4/30/24	Breck Oyama (15+ Year Paralegal)	review emails/FV, check court website, calendar reminder to check for TR, schedule vcourt and update calendar, save/circulate brief	0.42	\$ 300.00	\$ 126.00
5/6/24	Nazie Baharloo (Formerly Employed 5+ Year Paralegal)	Obtain TR and send to team; send to OC; email review; call clerk re appearance/update tasks	0.50	\$ 200.00	\$ 100.00
5/6/24	Caroline Tahmassian (10+ Year Attorney)	review TR; call with dgs re TR; message staff re hearing	0.33	\$ 600.00	\$ 198.00
5/7/24	Nazie Baharloo (Formerly Employed 5+ Year Paralegal)	Call clerk re attorney appearance for hearing; messages with CT; email review.	0.25	\$ 200.00	\$ 50.00
5/7/24	Caroline Tahmassian (10+ Year Attorney)	prep fr eharing; attaend hearing; email notes of hearing	0.75	\$ 600.00	\$ 450.00
5/7/24	Daniela Linares (2nd Year Intake Assistant)	email rev, tc w neb	0.17	\$ 150.00	\$ 25.50
5/9/24	Daniela Linares (2nd Year Intake Assistant)	save docs, email rev, tc w team. rev docs	0.50	\$ 150.00	\$ 75.00
5/14/24	Nazie Baharloo (Formerly Employed 5+ Year Paralegal)	Receive JAMS notification; review/save letter, calendar deadline, circulate to team.	0.17	\$ 200.00	\$ 34.00
5/15/24	Daniela Linares (2nd Year Intake Assistant)	call w neb, email rev	0.25	\$ 150.00	\$ 37.50
5/15/24	Nazie Baharloo (Formerly Employed 5+ Year Paralegal)	email review; review def doc production; call with DL re documents; fv feed; review outstanding fv tasks	0.58	\$ 200.00	\$ 116.00
5/16/24	Breck Oyama (15+ Year Paralegal)	review emails/FV	0.08	\$ 300.00	\$ 24.00
5/16/24	Caroline Tahmassian (10+ Year Attorney)	research re arbitrators and email dgs strike/rank list	1.00	\$ 600.00	\$ 600.00
5/20/24	Nazie Baharloo (Formerly Employed 5+ Year Paralegal)	email review; update arb tab re strike/rank; draft and edit strike/rank list, send to attorneys.	0.92	\$ 200.00	\$ 184.00
5/21/24	Daniela Linares (2nd Year Intake Assistant)	email rev, finalized strike list, sent for dgs sig	0.17	\$ 150.00	\$ 25.50
5/22/24	Breck Oyama (15+ Year Paralegal)	finalize arb rank/strike lt and email JAMS	0.17	\$ 300.00	\$ 51.00
5/22/24	Daniela Linares (2nd Year Intake Assistant)	save strikelist, email to team, call w ls re hidden data	0.25	\$ 150.00	\$ 37.50
6/17/24	Nazie Baharloo (Formerly Employed 5+ Year Paralegal)	email review, save JAMS docs, circulate, confirm if resp paid retainer, update arb tab.	0.25	\$ 200.00	\$ 50.00
6/18/24	Nazie Baharloo (Formerly Employed 5+ Year Paralegal)	email review/update calendar.	0.08	\$ 200.00	\$ 16.00
6/27/24	Nazie Baharloo (Formerly Employed 5+ Year Paralegal)	email review/update fv arb tab re new case mgr, circulate with team.	0.17	\$ 200.00	\$ 34.00
7/1/24	Nazie Baharloo (Formerly Employed 5+ Year Paralegal)	Email review/review calendar re arb cmc; email case mgr; update calendar.	0.17	\$ 200.00	\$ 34.00
7/2/24	Caroline Tahmassian (10+ Year Attorney)	call/email with mediator	0.17	\$ 600.00	\$ 102.00
7/2/24	Nazie Baharloo (Formerly Employed 5+ Year Paralegal)	email correspondence with OC re document production; review/update calendar re alternate dates for arb cmc.	0.33	\$ 200.00	\$ 66.00
7/2/24	Nazie Baharloo (Formerly Employed 5+ Year Paralegal)	email review/fv; email oc re docs; email CT; f/u with DL.	0.25	\$ 200.00	\$ 50.00

TSLF TIME PERALES

Time Date	Attorney/Paralegal	Description	Hours	Hourly Rate	Pre-Multiplier Lodestar Amount
7/2/24	Nazie Baharloo (Formerly Employed 5+ Year Paralegal)	further emails with team; call with DL re access docs; review document; circulate to team.	0.33	\$ 200.00	\$ 66.00
7/3/24	Nazie Baharloo (Formerly Employed 5+ Year Paralegal)	email review; review def docs; prepare samples for analyst; email CT	0.58	\$ 200.00	\$ 116.00
7/5/24	Nazie Baharloo (Formerly Employed 5+ Year Paralegal)	ARB- messages with DL re docs	0.17	\$ 200.00	\$ 34.00
7/5/24	Daniela Linares (2nd Year Intake Assistant)	email rev, email to team, tc w neb	0.17	\$ 150.00	\$ 25.50
7/5/24	Nazie Baharloo (Formerly Employed 5+ Year Paralegal)	email review/ messages with CT re data analysis; call with NG/review docs; create hightail link and send to JT.	1.00	\$ 200.00	\$ 200.00
7/5/24	Caroline Tahmassian (10+ Year Attorney)	messages/emails with NEB re records; emails to JT; emails with OC re records	0.50	\$ 600.00	\$ 300.00
7/5/24	Nora Greer (15+ Year Paralegal)	ARB: Assist NEB with Hightail/data	0.33	\$ 200.00	\$ 66.00
7/5/24	Nazie Baharloo (Formerly Employed 5+ Year Paralegal)	ARB- additional review of file/docs; messages/emails with CT re same	0.25	\$ 200.00	\$ 50.00
7/5/24	Nazie Baharloo (Formerly Employed 5+ Year Paralegal)	ARB- email review.	0.17	\$ 200.00	\$ 34.00
7/5/24	Daniela Linares (2nd Year Intake Assistant)	email rev, tc w team	0.17	\$ 150.00	\$ 25.50
7/7/24	Nazie Baharloo (Formerly Employed 5+ Year Paralegal)	email/calendar review, email case manager.	0.25	\$ 200.00	\$ 50.00
7/8/24	Nazie Baharloo (Formerly Employed 5+ Year Paralegal)	(ARB) email correspondence with team re hrg and related deadlines; update calendar; call with LRD re hrg debrief/FAA.	1.17	\$ 200.00	\$ 234.00
7/8/24	Nazie Baharloo (Formerly Employed 5+ Year Paralegal)	Rec'v email from case mgr re alt dates; review calendar, discuss with CT.	0.17	\$ 200.00	\$ 34.00
7/8/24	Nazie Baharloo (Formerly Employed 5+ Year Paralegal)	further email correspondence with CM and calendar review re ARB CMC.	0.17	\$ 200.00	\$ 34.00
7/9/24	Nazie Baharloo (Formerly Employed 5+ Year Paralegal)	Review file/data to be sent to analyst, RC with DL; review FV for docs; hightail link and send to JT.	0.58	\$ 200.00	\$ 116.00
7/9/24	Caroline Tahmassian (10+ Year Attorney)	review docs; emails/messages/call with team re POS/time records; email JT details of records and analysis needed	1.00	\$ 600.00	\$ 600.00
7/9/24	Nazie Baharloo (Formerly Employed 5+ Year Paralegal)	email correspondence with ARB CM re further coordinating cmc.	0.08	\$ 200.00	\$ 16.00
7/9/24	Daniela Linares (2nd Year Intake Assistant)	email rev, tc w neb	0.17	\$ 150.00	\$ 25.50
7/9/24	Nazie Baharloo (Formerly Employed 5+ Year Paralegal)	Call with CT re data for analyst.	0.25	\$ 200.00	\$ 50.00
7/12/24	Nazie Baharloo (Formerly Employed 5+ Year Paralegal)	(ARB) email review/ save correspondence from JAMS send to team.	0.08	\$ 200.00	\$ 16.00
7/15/24	Nora Greer (15+ Year Paralegal)	Forward DLSE email to team	0.08	\$ 200.00	\$ 16.00
7/18/24	Nazie Baharloo (Formerly Employed 5+ Year Paralegal)	(ARB) email review/update calendar.	0.08	\$ 200.00	\$ 16.00
7/18/24	Breck Oyama (15+ Year Paralegal)	review emails/FV/calendar, email task	0.08	\$ 300.00	\$ 24.00
7/23/24	Nazie Baharloo (Formerly Employed 5+ Year Paralegal)	Email/JAMS portal review; save/circulate documents	0.25	\$ 200.00	\$ 50.00

TSLF TIME PERALES

Time Date	Attorney/Paralegal	Description	Hours	Hourly Rate	Pre-Multiplier Lodestar Amount
7/23/24	Nazie Baharloo (Formerly Employed 5+ Year Paralegal)	(ARB) email review/update calendar re call with Tripper Ortman.	0.08	\$ 200.00	\$ 16.00
7/25/24	Caroline Tahmassian (10+ Year Attorney)	call/emails with JT re data analysis; review time records; VM/emails OC re time records	0.50	\$ 600.00	\$ 300.00
7/26/24	Caroline Tahmassian (10+ Year Attorney)	email OC; review time records and email JT	0.25	\$ 600.00	\$ 150.00
7/29/24	Daniela Linares (2nd Year Intake Assistant)	emails	0.08	\$ 150.00	\$ 12.00
7/30/24	Caroline Tahmassian (10+ Year Attorney)	call with JT and email OC re records	0.25	\$ 600.00	\$ 150.00
7/31/24	Caroline Tahmassian (10+ Year Attorney)	call with Tripper and emails with dgs re discovery	0.25	\$ 600.00	\$ 150.00
8/1/24	Caroline Tahmassian (10+ Year Attorney)	draft stip and email OC	0.50	\$ 600.00	\$ 300.00
8/2/24	Emily Ly (3rd Year Paralegal)	Reviewed and replied to emails. Saved docs. Served, filed, and circulated stip.	0.58	\$ 150.00	\$ 87.00
8/2/24	Caroline Tahmassian (10+ Year Attorney)	follow up with OC re stip; review OC revisions and message team re filing	0.25	\$ 600.00	\$ 150.00
8/9/24	Daniela Linares (2nd Year Intake Assistant)	emails to client and team, saved jams docs	0.17	\$ 150.00	\$ 25.50
8/12/24	Breck Oyama (15+ Year Paralegal)	review emails/calendar and docket alert, update calendar and litigation chain, email task to team	0.17	\$ 300.00	\$ 51.00
8/16/24	Nazie Baharloo (Formerly Employed 5+ Year Paralegal)	Email/calendar review; review order on stip/update calendar & deadline chain	0.25	\$ 200.00	\$ 50.00
8/23/24	Nazie Baharloo (Formerly Employed 5+ Year Paralegal)	email review/correspondence with team and arb coordinator re rescheduling arb cmc; leave vm for coordinator and OC re same; update calendar re canceled hearing and update CT/team.	0.58	\$ 200.00	\$ 116.00
8/26/24	Nazie Baharloo (Formerly Employed 5+ Year Paralegal)	(ARB) email correspondence with JAMS and RC team; review calendar and update potential cmc dates.	0.17	\$ 200.00	\$ 34.00
8/29/24	Nazie Baharloo (Formerly Employed 5+ Year Paralegal)	(ARB) Receive/review hearing notice, save/circulate; update calendar.	0.17	\$ 200.00	\$ 34.00
9/5/24	Caroline Tahmassian (10+ Year Attorney)	prep and attend arb CMC	0.25	\$ 600.00	\$ 150.00
9/12/24	Breck Oyama (15+ Year Paralegal)	review emails/FV/calendar	0.17	\$ 300.00	\$ 51.00
9/20/24	Caroline Tahmassian (10+ Year Attorney)	review JT records and email dgs re next steps	0.25	\$ 600.00	\$ 150.00
9/20/24	Breck Oyama (15+ Year Paralegal)	review emails/docket alerts	0.08	\$ 300.00	\$ 24.00
9/23/24	Caroline Tahmassian (10+ Year Attorney)	call with Tripper re settlement; messages with dgs re settlement; call with P to get approval re amount; email tripper re settlement amount	0.33	\$ 600.00	\$ 198.00
9/24/24	David Spivak (28+ Year Attorney)	prepare settlement terms sheets	1.08	\$ 900.00	\$ 972.00
9/24/24	Nazie Baharloo (Formerly Employed 5+ Year Paralegal)	prepare cost report, reiew/update DGS with costs.	0.33	\$ 200.00	\$ 66.00
10/10/24	Caroline Tahmassian (10+ Year Attorney)	review and revise MOU and email to OC	0.33	\$ 600.00	\$ 198.00
10/22/24	Caroline Tahmassian (10+ Year Attorney)	email OC and mediator re MOU	0.17	\$ 600.00	\$ 102.00
10/31/24	Nazie Baharloo (Formerly Employed 5+ Year Paralegal)	review file/claendar re deadline; respond to ct email re cmc statement	0.17	\$ 200.00	\$ 34.00
10/31/24	Nazie Baharloo (Formerly Employed 5+ Year Paralegal)	Review/respond to emails; draft joint notice/stip continue from FV, revise as needed, send to CT.	0.33	\$ 200.00	\$ 66.00
11/1/24	Caroline Tahmassian (10+ Year Attorney)	revise notice of settlement and email dgs; email notice of sett to OC	0.50	\$ 600.00	\$ 300.00
11/4/24	Caroline Tahmassian (10+ Year Attorney)	review/revise MOU and email OC; prep for arb hearing and attend hearing and email notes of hearing	0.75	\$ 600.00	\$ 450.00

TSLF TIME PERALES

Time Date	Attorney/Paralegal	Description	Hours	Hourly Rate	Pre-Multiplier Lodestar Amount
11/4/24	Nazie Baharloo (Formerly Employed 5+ Year Paralegal)	review/respond to emails re stip; update tasks	0.17	\$ 200.00	\$ 34.00
11/4/24	Nazie Baharloo (Formerly Employed 5+ Year Paralegal)	review/respond emails with team and oc re stip; finalize stip and send to CT; serve/file; send to client; save/enter expense	0.83	\$ 200.00	\$ 166.00
11/4/24	Nazie Baharloo (Formerly Employed 5+ Year Paralegal)	finalize stip to pdf, send to oc	0.08	\$ 200.00	\$ 16.00
11/5/24	Daniela Linares (2nd Year Intake Assistant)	Review docs, review emails	0.17	\$ 150.00	\$ 25.50
11/7/24	Nazie Baharloo (Formerly Employed 5+ Year Paralegal)	email review/update calendar/save arb notice	0.08	\$ 200.00	\$ 16.00
11/7/24	Nazie Baharloo (Formerly Employed 5+ Year Paralegal)	email review; resubmit notice settlement/stip for filing; email team; save/enter expense; confirm doc sent to client.	0.17	\$ 200.00	\$ 34.00
11/15/24	Nazie Baharloo (Formerly Employed 5+ Year Paralegal)	Confer with CT re hearing; review docket/filing history; save circulate filed stip/order; update calendar; send copy to oc; prepare ntc entry and send for signature	0.50	\$ 200.00	\$ 100.00
11/15/24	Nazie Baharloo (Formerly Employed 5+ Year Paralegal)	(ARB) receive JAMS notification, save/circulate	0.08	\$ 200.00	\$ 16.00
11/19/24	Nazie Baharloo (Formerly Employed 5+ Year Paralegal)	review file/emails re ntc entry order; check odyssey and lexis; email team.	0.17	\$ 200.00	\$ 34.00
11/20/24	Nazie Baharloo (Formerly Employed 5+ Year Paralegal)	review/respond emails; update calendar and lit chain	0.17	\$ 200.00	\$ 34.00
11/27/24	Daniela Linares (2nd Year Intake Assistant)	saved doc, email to team	0.08	\$ 150.00	\$ 12.00
11/27/24	Breck Oyama (15+ Year Paralegal)	review/update settlement tab for agmt	0.75	\$ 300.00	\$ 225.00
12/6/24	Caroline Tahmassian (10+ Year Attorney)	draft settl agreement	1.00	\$ 600.00	\$ 600.00
12/10/24	Caroline Tahmassian (10+ Year Attorney)	review dgs revisions and email/call with dgs; revise settl agreement and draft individual agreement	1.50	\$ 600.00	\$ 900.00
12/10/24	David Spivak (28+ Year Attorney)	review and revise PAGA settlement	0.33	\$ 900.00	\$ 297.00
12/17/24	David Spivak (28+ Year Attorney)	review and revise individual agreement and PAGA agreement	0.58	\$ 900.00	\$ 522.00
12/17/24	Breck Oyama (15+ Year Paralegal)	review tasks, request bids from TPA for settlement	0.33	\$ 300.00	\$ 99.00
12/18/24	Lizzett Cortez (10+ Year Paralegal)	emails and messaged DL re JAMS	0.08	\$ 250.00	\$ 20.00
12/18/24	Caroline Tahmassian (10+ Year Attorney)	revise settlement agreements and email OC	0.50	\$ 600.00	\$ 300.00
12/18/24	Lizzett Cortez (10+ Year Paralegal)	emails, fv, messaged DL re JAMS doc	0.25	\$ 250.00	\$ 62.50
12/20/24	Lizzett Cortez (10+ Year Paralegal)	emails, fv, calls w/ DL re Term sheet.	0.17	\$ 250.00	\$ 42.50
12/20/24	Daniela Linares (2nd Year Intake Assistant)	email to client, tc w lc	0.17	\$ 150.00	\$ 25.50
12/20/24	Daniela Linares (2nd Year Intake Assistant)	prep mou, email review, tc w lc	0.25	\$ 150.00	\$ 37.50
12/20/24	Daniela Linares (2nd Year Intake Assistant)	tc w lc	0.08	\$ 150.00	\$ 12.00
12/23/24	Daniela Linares (2nd Year Intake Assistant)	saved and sent dgs paga term sheet for sig, sent to uelg, email review	0.25	\$ 150.00	\$ 37.50
12/26/24	Daniela Linares (2nd Year Intake Assistant)	sent uelg mou for sign	0.08	\$ 150.00	\$ 12.00
12/26/24	Daniela Linares (2nd Year Intake Assistant)	email to uelg	0.08	\$ 150.00	\$ 12.00
12/30/24	Daniela Linares (2nd Year Intake Assistant)	saved mou, email to team, updated fv	0.17	\$ 150.00	\$ 25.50

TSLF TIME PERALES

Time Date	Attorney/Paralegal	Description	Hours	Hourly Rate	Pre-Multiplier Lodestar Amount
1/6/25	Breck Oyama (15+ Year Paralegal)	review emails, email OC re bids, request add'l TPA bids	0.33	\$ 300.00	\$ 99.00
1/6/25	Daniela Linares (2nd Year Intake Assistant)	email review, sent mou to oc and client	0.25	\$ 150.00	\$ 37.50
1/7/25	Breck Oyama (15+ Year Paralegal)	save/email OC bid	0.08	\$ 300.00	\$ 24.00
1/10/25	Caroline Tahmassian (10+ Year Attorney)	revise settlement agreements and email OC	0.50	\$ 600.00	\$ 300.00
1/10/25	Daniela Linares (2nd Year Intake Assistant)	email review	0.08	\$ 150.00	\$ 12.00
1/16/25	Daniela Linares (2nd Year Intake Assistant)	email review, sent client paga SA	0.25	\$ 150.00	\$ 37.50
1/16/25	Caroline Tahmassian (10+ Year Attorney)	draft motion prelim	1.00	\$ 600.00	\$ 600.00
1/17/25	Daniela Linares (2nd Year Intake Assistant)	saved and circulated paga agreement, email to cc	0.25	\$ 150.00	\$ 37.50
1/23/25	Caroline Tahmassian (10+ Year Attorney)	draft approval motion	3.00	\$ 600.00	\$ 1,800.00
1/24/25	Caroline Tahmassian (10+ Year Attorney)	draft motion PAGA approval	3.50	\$ 600.00	\$ 2,100.00
1/27/25	Caroline Tahmassian (10+ Year Attorney)	draft motion PAGA approval	3.25	\$ 600.00	\$ 1,950.00
1/28/25	Daniela Linares (2nd Year Intake Assistant)	review emails and docs, call and tc w lc	0.58	\$ 150.00	\$ 87.00
1/28/25	Daniela Linares (2nd Year Intake Assistant)	tc w lc, docs	0.17	\$ 150.00	\$ 25.50
1/28/25	Lizzett Cortez (10+ Year Paralegal)	Call w/ DL re case, reviewed emails re settlement. messages CT update, emailed OC, made file for settlement, saved docs	0.75	\$ 250.00	\$ 187.50
2/3/25	Caroline Tahmassian (10+ Year Attorney)	review dgs revisions to motion PAGA sett approval and finalize and email motion to OC; messages with LC re hearing dates	0.25	\$ 600.00	\$ 150.00
2/3/25	Lizzett Cortez (10+ Year Paralegal)	emails, fv, calls w/ court, calendared prelim, messages w/ CT, prelim review, set up exhs folder and tabs	1.25	\$ 250.00	\$ 312.50
2/4/25	Daniela Linares (2nd Year Intake Assistant)	emails	0.08	\$ 150.00	\$ 12.00
2/5/25	Breck Oyama (15+ Year Paralegal)	mx paga settlement	0.42	\$ 300.00	\$ 126.00
2/5/25	Daniela Linares (2nd Year Intake Assistant)	costs	1.00	\$ 150.00	\$ 150.00
		TOTAL PRE-MULTIPLIER LODESTAR THROUGH 2/5/25	286.80		\$ 115,040.50

EXHIBIT 12

TSLF COSTS PERALES

Date	Type of Expense	Description/Invoice#	Amount
9/19/22	LWDA Filing Fee	LWDA - Order Number: ORD-ORD-000194184	\$ 75.00
9/19/22	Attorney Service-Filing	Odyssey Transaction ID: 010002578-0	\$ 450.56
9/20/22	Postage	Letterstream Invoice No. 6861208	\$ 16.44
10/4/22	Lexis or Westlaw	Lexis usage Sept 2022	\$ 3.74
10/5/22	Postage	Letterstream Invoice No. 6944584	\$ 13.70
11/2/22	Lexis or Westlaw	Lexis usage Oct 2022	\$ 3.56
11/8/22	Attorney Service-Filing	Odyssey No. 10431303	\$ 3.60
11/17/22	Attorney Service-Filing	Odyssey No. 10507431 (jury fee not collected/rejected)	\$ 3.60
12/2/22	Lexis or Westlaw	Lexis usage Nov 2022	\$ 6.47
12/5/22	Postage	Letter Stream #7184946 (Suppl LWDA Letter Cert Mail x4)	\$ 70.89
12/9/22	Postage	22.12.09 Invoice 83092_Excelsior	\$ 20.46
12/9/22	Postage	Letter Stream #7206365 (Discovery Set One)	\$ 12.72
12/9/22	Attorney Service-Filing	Odyssey Envelope ID 10676939	\$ 3.60
12/13/22	Postage	Letter Stream #7218796 (N&A for new Defendants)	\$ 54.44
12/13/22	Attorney Service-Filing	Odyssey #10695902	\$ 3.60
12/19/22	Postage	22.12.19 Invoice_7224406 cell ev pres lt	\$ 1.17
12/30/22	Postage	Letter Stream Invoice #7275149	\$ 38.22
1/3/23	Lexis or Westlaw	Lexis usage Dec 2022	\$ 7.27
1/4/23	Mediator Fees	Ortman Mediation Invoice No. 2806	\$ 13,000.00
1/6/23	Attorney Service-Filing	Odyssey # 10863887	\$ 157.72
1/6/23	Postage	23.01.06 Excelsior_DigitalInvoice_83181	\$ 20.74
1/20/23	CourtCall	Vcourt, Confirmation 05415E	\$ 30.35
1/24/23	Attorney Service-Filing	Odyssey Envelope Id 11009467	\$ 3.60
2/1/23	Lexis or Westlaw	Westlaw usage Jan 2023	\$ 30.36
2/2/23	Lexis or Westlaw	Lexis usage Jan 2023	\$ 9.15
2/21/23	Attorney Service-Filing	Odyssey Envelope Number- 11235327	\$ 3.60
2/21/23	Attorney Service-Filing	Odyssey Envelope Number- 11236698	\$ 3.60
2/24/23	Attorney Service-Filing	Odyssey No. 11250555	\$ 24.15
3/1/23	Lexis or Westlaw	Lexis usage Feb 2023	\$ 6.84
3/2/23	Attorney Service-Filing	Odyssey Envelope Number- 11330218	\$ 3.60
3/2/23	Attorney Service-Filing	Odyssey Envelope Number- 11328458	\$ 3.60
3/2/23	Attorney Service-Filing	Odyssey Envelope Number- 11328580	\$ 3.60
3/8/23	Attorney Service-Filing	Odyssey Envelope Number- 11380841	\$ 3.60
3/8/23	Attorney Service-Filing	Odyssey Envelope Number- 11379650	\$ 3.60
4/3/23	Lexis or Westlaw	Lexis Usage March 2023	\$ 6.88
5/1/23	Lexis or Westlaw	Lexis Usage April 2023	\$ 6.38
6/1/23	Lexis or Westlaw	Lexis Usage May 2023	\$ 5.14
6/2/23	Attorney Service-Filing	Odyssey #Envelope Id 12131841	\$ 3.60
6/13/23	CourtCall	VCourt Conf: 09204E, cancellation fee	\$ 10.00
6/26/23	CourtCall	VCourt Conf: 00413E	\$ 30.35
7/3/23	Lexis or Westlaw	Lexis usage June 2023	\$ 7.48
7/6/23	Attorney Service-Filing	Odyssey eFiling 12405537	\$ 24.15
7/7/23	CourtCall	VCourt Conf# 07327E	\$ 30.35
7/11/23	Attorney Service-Filing	Odyssey Envelope # 12452008	\$ 3.60
7/27/23	Expert or Data Analysis	Data Lab Analytics Invoice Number 10570	\$ 960.00
8/2/23	Lexis or Westlaw	Lexis Usage July 2023	\$ 16.11
8/3/23	Attorney Service-Filing	Odyssey File & Serve - Envelope 12656453	\$ 3.60
8/17/23	CourtCall	VCourt Pymt Conf 00943G	\$ 30.35
9/1/23	Lexis or Westlaw	Lexis usage Aug 2023	\$ 4.93
9/1/23	Lexis or Westlaw	Westlaw usage Aug 2023	\$ 2.32

TSLF COSTS PERALES

Date	Type of Expense	Description/Invoice#	Amount
9/29/23	Attorney Service-Filing	Odyssey File & Serve - Envelope Receipt # 13169545	\$ 3.60
10/2/23	Lexis or Westlaw	Lexis Usages September 2023	\$ 6.22
10/2/23	Lexis or Westlaw	Westlaw Usage September 2023	\$ 0.92
10/11/23	CourtCall	VCourt Receipt, Conf 05127G	\$ 30.35
11/1/23	Lexis or Westlaw	Lexis Usages October 2023	\$ 9.86
12/1/23	Lexis or Westlaw	Nov 2023 Lexis Use	\$ 12.64
1/1/24	Lexis or Westlaw	Lexis Usages December 2023	\$ 14.13
2/14/24	Attorney Service-Filing	Odyssey File & Serve Envelope #14408593	\$ 3.60
2/15/24	Attorney Service-Filing	Odyssey File & Serve Envelope #14421731	\$ 3.60
2/22/24	Attorney Service-Filing	Odyssey File & Serve Envelope #14481549	\$ 3.60
2/22/24	CourtCall	VCourt Receipt, Conf 103347	\$ 30.35
3/3/24	Lexis or Westlaw	Westlaw usage Feb 2024	\$ 48.56
3/8/24	Lexis or Westlaw	Lexis Usages Feb 2024	\$ 9.16
3/12/24	Attorney Service-Filing	Odyssey Efile 14682561	\$ 3.60
4/2/24	Lexis or Westlaw	Lexis usage Mar 2024	\$ 23.47
4/3/24	Lexis or Westlaw	Westlaw usage March 2024	\$ 5.21
4/11/24	Attorney Service-Filing	Odyssey File & Serve Envelope #14988546	\$ 3.60
4/23/24	Attorney Service-Filing	Odyssey File & Serve Envelope # 15112421	\$ 3.60
4/30/24	CourtCall	Vcourt Confirmation Number: 168717	\$ 30.35
5/9/24	Lexis or Westlaw	Lexis Usage April 2024	\$ 11.61
5/17/24	Lexis or Westlaw	Westlaw usage April 2024	\$ 402.62
6/6/24	Lexis or Westlaw	Lexis usage May 2024	\$ 15.11
7/24/24	Lexis or Westlaw	Lexis usage June 2024	\$ 12.81
8/2/24	Attorney Service-Filing	Odyssey efile 16147587	\$ 24.15
8/7/24	Lexis or Westlaw	Lexis usage July 2024	\$ 12.87
9/10/24	Lexis or Westlaw	Lexis usage August 2024	\$ 12.94
10/30/24	Lexis or Westlaw	SEPT 2024 Lexis Usage	\$ 11.52
10/29/24	Data Analysis	JT Invoice #241031	\$ 1,500.00
11/4/24	Attorney Service-Filing	24.11.04 Odyssey File & Serve Envelope# 17189271	\$ 4.50
11/7/24	Attorney Service-Filing	24.11.07 Odyssey File & Serve Envelope # 17236752	\$ 24.50
11/8/24	Lexis or Westlaw	OCT 2024 Lexis Usage	\$ 7.18
11/15/24	Attorney Service-Filing	24.11.15 Odyssey File & Serve Envelope # 17327572	\$ 4.50
1/21/25	Lexis or Westlaw	Lexis usage Nov 2024	\$ 7.94
1/22/25	Lexis or Westlaw	Westlaw usage Nov 2024	\$ 10.94
1/22/25	Lexis or Westlaw	December 2024 Lexis Usage	\$ 6.24
2/4/25	Lexis or Westlaw	Lexis Usage January 2025	\$ 6.21
TBD	Attorney Service-Filing	Estimated Attorney Service charges for filing the motion for approval of PAGA settlement	\$66.74
TBD	CourtCall	Estimated Vcourt charge for appearing at hearing on motion for approval of PAGA settlement	\$37.35
TBD	Attorney Service-Filing	Estimated Attorney Service charges for efilng notice of entry of order	\$5.95
TBD	Attorney Service-Filing	Estimated Attorney Service charges for efilng final accounting declarations	\$ 11.90
TSLF CURRENT COSTS THROUGH 2/5/25			\$ 17,674.49
TSLF ESTIMATED FUTURE COSTS			\$121.94
UELG CURRENT COSTS THROUGH 2/5/25			\$ 1.09
TOTAL APPROX COSTS THROUGH FINAL ACCOUNTING			\$ 17,797.52

EXHIBIT 13



Reference No. 20250107-PJI-07

January 7, 2025

Breck Oyama
The Spivak Law Firm
1801 Century Park East, 25th Floor
Los Angeles, CA 90067

RE: *Perales v. Ships Pizza, Inc.*

Dear Breck,

Thank you for this opportunity to provide a quote for your PAGA settlement. Using the parameters you described, Simpluris' total estimated cost is \$8,190. As a courtesy, we are applying a \$3,190 discount, for a discounted total of \$5,000.

Please let me know if you have questions. I look forward to this opportunity to work together.

Sincerely yours,

A handwritten signature in blue ink, appearing to read "Patrick J. Ivie".

PATRICK J. IVIE
Chief Revenue Officer

m: 310-995-6455
o: 714-975-5260
e: pivie@simpluris.com



3194-C Airport Loop Drive, Costa Mesa, CA 92626
www.simpluris.com | 1 (800) 779 - 2104



3194-C Airport Loop Drive
Costa Mesa, CA 92626
800-779-2104
www.simpluris.com

Estimate Number:	20250107-PJI-07	Prepared By:	Patrick J. Ivie
Estimate Date:	1/7/2025	Telephone Number (mobile):	310.995.6455
Estimate Expiration Date:	4/7/2025	Email:	pjvie@simpluris.com

Primary Contact
Attorney: **Breck Oyama**
Firm: The Spivak Law Firm
Email: boyama@spivaklaw.com

Opposing Counsel Contact
Attorney:
Firm:
Email:

Case Name: *Perales v. Ships Pizza, Inc.*
PAGA Settlement

Assumptions

In addition to the assumptions enumerated below, this estimate assumes that

- (1) Simpluris will receive data in a single, complete file; (2) there will be no substantial change to class size or in response rate;
- (3) administration costs will be paid from the QSF, and (4) Simpluris will submit revisions to this estimate to account for any material changes to scope.

Class/Aggrieved Employees:	1,143	Undeliverable Rate:	10%
Claims Rate:	n/a	Call Rate:	n/a
Opt-out Rate:	n/a	Average Call Length:	n/a
Language(s) for Communication	EN/SP	Fund Distribution:	Simpluris
Reminder Mailing:	n/a	Number of Distributions:	1
Unclaimed Funds:	Escheat	State(s):	CA
Length of Administration:	6 Months	Tax Year(s):	1

Case Setup

- Undertake postings on Simpluris website of key documents as ordered by the Court (e.g. orders and the Settlement Agreement)
- Data compilation: develop case-specific response tracking

Category	Unit Value	# of Units	Total
Project Manager - Case Setup	\$110.00	2	\$220.00
Case Document Web Postings	\$225.00	1	\$225.00
Database Manager - Initial Data Analysis	\$125.00	3	\$375.00
Total:			\$820.00

Award Disbursement

- Establish 26 CFR § 1.468B-1 compliant Qualified Settlement Fund ("QSF")
- Spanish translation of the 2-page cover letter
- Disburse notice with award payments and tax documents, sent by First Class US Mail
- Uncashed funds will be sent to the California Controller's Unclaimed Property Fund
- Conduct regular and annual IRS-mandated QSF reporting and reconciliation (one per calendar year)
- Complete all required filings with state and federal tax authorities

Category	Unit Value	# of Units	Total
Disbursement Data Preparation	\$125.00	2	\$250.00
Disbursement Manager - Data Validation	\$90.00	2	\$180.00
Setup Banking Account/QSF	\$675.00	1	\$675.00
QSF Monthly Reconciliation and Maintenance	\$125.00	6	\$750.00
Spanish Translation (assuming 900 words)	\$0.25	900	\$225.00
NCOA/CASS/LACS	\$0.14	1,143	\$160.02
Print & Mail Distribution Check and Tax Docs	\$1.10	1,143	\$1,257.30
Postage	\$0.72	1,143	\$822.96
Process Returned Checks	\$0.20	115	\$23.00
Skip Trace Search Undeliverable Checks	\$0.12	115	\$13.80
Remail Checks (includes postage)	\$2.20	115	\$253.00
Escheat Uncashed Checks	\$500.00	1	\$500.00
QSF Reporting and Final Declaration	\$500.00	1	\$500.00
Reissue Checks / Mailing	\$2.50	4	\$10.00
Reissue 1099s	\$2.50	4	\$10.00
Responding to IRS/State/Agency Inquiries	\$75.00	2	\$150.00
QSF Annual Tax Reporting and Reconciliation	\$850.00	1	\$850.00
Distribution Manager	\$90.00	2	\$180.00
Total:			\$6,810.08

Case Completion

- Final audit and review
- Send final declaration and reporting to counsel

Category	Unit Value	# of Units	Total
Data Manager-Final Reporting	\$125.00	2	\$250.00
Clerical-Clean Up Any Misc.	\$45.00	2	\$90.00
Project Manager-Wrap-up Final Issues	\$110.00	2	\$220.00
Total:			\$560.00

Total Estimated Cost of Administration:	\$8,190
Less Client Courtesy Discount:	<u>-\$3,190</u>
Discounted Total:	<u><u>\$5,000</u></u>

Terms and Conditions

All administration services to be provided by Simpluris to Client, are provided subject to the following terms and conditions ("Agreement"):

1. Services: Simpluris agrees to provide Client those services set forth in the Proposal (the "Services") to which these terms and conditions are attached and which has been provided to Client. As compensation for such Services, Client agrees to pay the fees for Services outlined in the Proposal. Simpluris will often take direction from Client's representatives, employees, agents and or professionals (collectively, the "Client Parties") with respect to the Services. The parties agree that Simpluris may rely upon, and Client agrees to be bound by, any direction, advice or information provided by the Client Parties to the same extent as if provided by Client. Client agrees and understands that Simpluris shall not provide Client or any other party with any legal advice.

2. Fee Estimates Not Binding: Simpluris and Client acknowledge that it is difficult to determine all necessary work required for the Services or the total amount of fees that may be incurred in performing the Services. Client agrees that fees for Services described in the Proposal are estimated based on the requirements provided by Client. Actual fees charged by Simpluris may be greater or less than such estimate. Client specifically agrees that it will be responsible for the payment of all such fees. Simpluris will provide estimates and budgets, but they are not intended to be binding; are subject to unforeseen circumstances, and by their nature are inexact.

3. Billing and Payment: Simpluris will invoice Client on a regular basis unless a specific timeframe is otherwise set forth in the Proposal. Client shall pay all invoices within 30 days of receipt. Amounts unpaid after thirty (30) days are subject to a service charge at the rate of 1.5% per month or, if less, the highest rate permitted by law. Services are not provided on a contingency basis and Client shall remain liable to Simpluris for all fees incurred by Simpluris in performing the Services, regardless of any circumstance that impacts the outcome of Client's matter, including but not limited to, court decisions, actions by the parties, or a failure to consummate a settlement.

4. Further Assurances: Client agrees that it will use its best efforts to include provisions reasonably acceptable to Simpluris in any relevant court order, settlement agreement or similar document that provide for the payment of Simpluris' fees and expenses hereunder. No agreement to which Simpluris is not a party shall reduce or limit the full and prompt payment of Simpluris' fees and expenses as set forth herein and in the Proposal.

5. Rights of Ownership: The parties understand that the software programs and other materials furnished Simpluris to Client and/or developed during the course of the performance of Services are the sole property of Simpluris. The term "program" shall include, without limitation, data processing programs, specifications, applications, routines, and documentation. Client agrees not to copy or permit others to copy the source code from the support software or any other programs or materials furnished to Client. Fees and expenses paid by Client do not vest in Client any rights in such property, it being understood that such property is only being made available for Client's use during and in connection with the Services provided by Simpluris.

6. Bank Accounts: Simpluris will establish a demand deposit checking account (i.e. non-interest bearing) for funds received related to a distribution, unless directed otherwise in writing by the parties or unless the settlement agreement stipulates otherwise. Simpluris 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 compensation for services Simpluris performs for financial institutions to be eligible for FDIC deposit insurance. The amounts held pursuant to these Terms and Conditions are at the sole risk of Client and, without limiting the generality of the foregoing, Simpluris shall have no responsibility or liability for any diminution of the fund that may result from any deposit made with a financial institution including any losses resulting from a default by such institution or other credit losses. It is acknowledged and agreed that Simpluris will have acted prudently in depositing the fund at such institution.

7. Retention of Documents & Data: Unless otherwise required in writing by the Client or court orders, all returned/undeliverable physical documents will be securely shredded after the data has been confirmed uploaded to our systems. Simpluris will retain bank and tax documents for such period of time as it determines is required to maintain compliance with various federal and state law requirements. Unless otherwise required in writing by the Client or court orders, Simpluris will adhere to the Company's data deletion policies and will destroy all remaining project-related information from our systems three (3) years after the conclusion of the project. Storage beyond three (3) years is available upon request and will be billed as incurred.

8. Limitation of Liability; Disclaimer of Warranties: Simpluris warrants that it will perform the Services diligently, with competence and reasonable care. In no event will Simpluris be liable to Client or any third party for any claims, losses, costs, penalties, fines, judgments, tax activities, lost profits or business opportunities, business interruptions or delay, special, exemplary, punitive, consequential, indirect or incidental damages relating to the performance of the Services, regardless of whether Client's claim is for breach of contract, tort (including negligence and strict liability) or otherwise, regardless of whether such damage was foreseeable and whether such party has been advised of the possibility of such damages. Simpluris' cumulative liability for damages to Client hereunder will be limited to the total fees charged or chargeable to Client for the particular portion of the Services affected by Simpluris' omission or error. THE WARRANTIES SET FORTH IN THIS SECTION ARE EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES, EXPRESS, IMPLIED OR STATUTORY, INCLUDING WITHOUT LIMITATION ANY IMPLIED WARRANTY OF MERCHANTABILITY OR OF FITNESS FOR A PARTICULAR PURPOSE.

9. Force Majeure: To the extent performance by Simpluris of any of its obligations hereunder is substantially prevented or delayed by reason of any act of God, flood, fire, earthquake or explosion, war, terrorism, invasion, riot or other civil unrest, embargoes or blockades in effect on or after the date

that Simpluris began performing Services, epidemic, pandemic, quarantine, civil commotion, national or regional emergency, strikes, labor stoppages or slowdowns or other industrial disturbances, passage of Law or any action taken by a governmental or public authority, including imposing an export or import restriction, quota, or other restriction or prohibition or any complete or partial government shutdown, or national or regional shortage of adequate power or telecommunications or transportation or because of any other matter beyond Simpluris' reasonable control, then Simpluris' performance shall be excused and this Agreement, at Simpluris' option, be deemed suspended during the continuation of such condition and for a reasonable time thereafter.

10. Rights in Data: Client agrees that it will not obtain, nor does Simpluris convey, any rights of ownership in the programs, system data, or materials provided or used by Simpluris in the performance of the Services.

11. Electronic Communications: During the provision of the Services, the parties may wish to communicate electronically with each other at a business e-mail address. However, the electronic transmission of information cannot be guaranteed to be secure or error free and such information could be intercepted, corrupted, lost, destroyed, arrive late or incomplete or otherwise be adversely affected or unsafe to use. Accordingly, each party agrees to use commercially reasonable procedures to check for the then most commonly known viruses and to check the integrity of data before sending information to the other electronically, but each party recognizes that such procedures cannot be a guarantee that transmissions will be virus free. It remains the responsibility of the party receiving an electronic communication from the other to carry out a virus check on any attachments before launching any documents whether received on disk or otherwise.

12. Notice: Any notice required or permitted hereunder shall be in writing and shall be delivered personally, by, or sent by registered mail, postage prepaid, or overnight courier to the address identified by each Party in the Proposal. Notice 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. Notice should be addressed to an officer or principal of Client and Simpluris, as the case may be.

13. Waiver: Failure or delay on the part of a party to exercise any right, power or privilege hereunder shall not operate as a waiver thereof or any of other subject, right, power or privilege.

14. Termination: Client may terminate the Services at any time upon 30 days prior written notice to Simpluris. Termination of Services shall in no event relieve Client of its obligation make any payments due and payable to Simpluris for Services rendered up to the effective date of Termination. Simpluris may terminate this Agreement (i) for any reason upon no less than 60 days prior written notice to the Client; or (ii) upon 15 calendar days' prior written notice if the Client is not current in payment of fees.

15. Jurisdiction: These Terms and Conditions will be governed by and construed in accordance with the laws of the state of California, without giving effect to any choice of law principles.

16. Survival: Any remedies for breach of this Agreement, this Section and the following Sections will survive any expiration or termination of this Agreement: Section 4 - Limitation of Liability; Disclaimer of Warranties, Section 6 – Rights in Data, and Section 12- Jurisdiction, 14 -Confidentiality, and Section 15 – Indemnification.

17. Confidentiality: Simpluris maintains reasonable and appropriate safeguards to protect the confidentiality and security of data provided by Client to Simpluris in connection with the Services. If, pursuant to a court order or other proceeding, a third-party requests that Simpluris to disclose any confidential data provided by or for Client, Simpluris will promptly notify the Client unless prohibited by applicable law. Client will then have the option to provide Simpluris with qualified legal representation at Client's expense to defend against such request. If, pursuant to a court order, Simpluris is required to disclose data, produce documents, or otherwise act in contravention of the obligation to maintain confidentiality set forth in these terms and conditions, Simpluris will not be liable for breach of said obligation.

18. Indemnification: Client will indemnify and hold Simpluris (and the officers, employees, affiliates and agents) harmless against any losses whatsoever incurred by Simpluris, arising out of any action by a third party, including governmental agencies, in connection with , or related to (i) any breach of the terms by Client; (ii) the processing and handling of any payment by Simpluris 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 Simpluris pursuant to Client's instructions.

19. Severability: If any term or condition or provisions of this Agreement shall be held to be invalid, illegal, unenforceable or in conflict with the law of any jurisdiction, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

20. Database Administration: Simpluris' database administration for Client assumes that Client will provide complete data that includes all information required to send notifications and calculate and mail settlement payments. Data must be provided in a complete, consistent, standardized electronic format. Simpluris' standardized format is Microsoft Excel, however, Simpluris may accept other formats at its discretion. Further developments or enhancements to non-standardized data will be billed to Client by Simpluris on a time and materials basis according to Simpluris' Standard Rates.

21. Entire Agreement: These Terms and Conditions together with the Proposal constitutes the entire agreement between the parties with respect of the subject matter hereof and supersede all prior understandings, agreements, or representations by or among the parties, written or oral, to the extent they relate in any way to the subject matter hereof.

EXHIBIT 14

**Quotation Request:**

Breck Oyama
Spivak Law
boyama@spivaklaw.com

Case Name:

Perales v. Ships Pizza, Inc

Date:

Thursday, December 19, 2024

RFP Number:

27460001

Prepared By:

Michael Sutherland
Apex Class Action LLC
mike@apexclassaction.com
321.223.5067

Settlement Specifications

Number of Aggrieved Employees	1,143
Certified Language Translation:	Yes
Static Settlement Website	Yes
Percentage of Undeliverable Mail	20%

Professional Services	Fee Calculation	Rate(s)	Quantity	Estimated Cost
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Data Analytics and Standardization

Import and Standardize Data*	Per Hour	\$125.00	2	\$250.00
Data Analyst	Per Hour	\$150.00	2	\$300.00
*Data provided must be in a workable format. Apex can standardize provided data at an additional cost of \$150/hr.				
Sub Total:				\$550.00

Project Management

Project Management	Per Hour	\$150.00	2	\$300.00
Project Coordinator	Per Hour	\$90.00	2	\$180.00
Data Analyst and Reporting	Per Hour	\$140.00	2	\$280.00
Sub Total:				\$760.00

Toll-Free Contact Center, Website, Reporting & Pre-Distribution

Form Set Up	Per Hour	\$120.00	1	\$120.00
Bilingual Toll-Free Contact Center	Static Rate	\$100.00	1	\$100.00
NCOA Address Update (USPS)	Static Rate	\$228.60	1	\$228.60
Settlement Website: Static Apex URL	Static Rate	\$500.00	1	\$500.00
Settlement Status Reports	Static Rate	\$750.00	1	Waived
Sub Total:				\$1,698.60



Professional Services	Fee Calculation	Rate(s)	Quantity	Estimated Cost
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Distribution & Settlement Fund Management				
Settlement Calculations	Per Hour	\$120.00	3	\$360.00
Account Management and Reconciliation	Per Hour	\$140.00	3	\$420.00
Print & Mail Distribution Settlement Check (IRS Form 1099 if applicable)	Per Piece	\$1.00	1,143	\$1,143.00
USPS First Class Postage	Per Piece	\$0.68	1,143	\$777.24
Remail Distribution to Updated Address (Skip Trace)	Per Piece	\$2.50	114	\$285.75
Individual Income Tax Preparation & Reporting	Per Hour	\$100.00	8	\$800.00
QSF Income Tax Reporting (per calendar year)	Per Year	\$1,250.00	1	\$1,250.00
Unclaimed Funds: State Controller's Unclaimed Property Fund	Static Rate	\$500.00	1	\$500.00
Sub Total:				\$5,535.99

Post Distribution Reconciliation				
Bank Account Reconciliation	Per Hour	\$135.00	1	\$135.00
Project Management Reconciliation	Per Hour	\$100.00	1	\$100.00
Declarations	Per Hour	\$120.00	1	\$120.00
Sub Total:				\$355.00

ESTIMATED COST:				\$8,899.59
WILL NOT EXCEED:				\$8,000.00

Thank you for your business!





Terms & Conditions

The following Terms and Conditions govern the provision of all services to be provided by Apex Class Action and its affiliates ("Apex") to the Client. These terms and conditions are binding and shall apply to all services provided by Apex in relation to any related services or products.

1. Services: Apex commits to providing the Client with the administrative services detailed in the attached Proposal (the "Services").

2. Payment Terms: As compensation for the legal services to be provided, the Client agrees to pay Apex all fees detailed in the Proposal. The fees quoted in the Proposal (and any subsequent proposals for additional services) are estimates based on the information provided to Apex by the Client. Apex makes no representation that the estimated fees in the Proposal or any subsequent proposals for additional services shall equal the actual fees charged by Apex to the Client, which fees (including individual line items) may be greater or less than estimated. If additional services are requested on an hourly basis and are not specifically detailed in the Proposal, Apex will prepare estimates for such services subject to approval by the Client. In the performance of such additional services, Apex will charge standard hourly fees which shall apply.

3. Incurred Expenses: In relation to the provision of services outlined in this agreement, the Client agrees to reimburse Apex for all reasonable out-of-pocket expenses incurred. Such expenses may include, but are not limited to, costs associated with postage, media production or publication, banking fees, brokerage fees, messenger and delivery service expenses, travel expenses, filing fees, office supplies, meals, staff overtime expenses, and other related costs and expenses. If not otherwise specified in writing, fees for print notice and certain expenses, such as media publication and postage, must be paid immediately upon invoicing and, in certain cases, at least ten (10) days prior to the date on which such expenses will be incurred.

4. Invoicing: Apex shall present invoices for its fees and expenses on a monthly basis, except as provided in Section 3. The Client agrees to pay each invoice within 30 days of receipt. In the event of non-payment within 90 days of the billing date, an additional service charge of 1.5% per month may apply. Apex reserves the right to increase its prices, charges, and rates annually, subject to reasonable adjustments. If any price increases exceed 10%, Apex shall give thirty (30) days' notice to the Client. In the event of any unpaid invoices beyond 120 days of the due date, Apex reserves the right to withhold services and reports until payment is received, subject to notice to the Client. It is important to note that Apex's failure to provide services and reports in such instances shall not constitute a default under this agreement.

5. Case Duration: The duration of these Terms and Conditions, except for the data storage obligations stated in Section 13, shall be in effect until 30 days following the completion of the Services as described in the Proposal. The parties may extend these Terms and Conditions in writing for a mutually agreed-upon period beyond this initial 30-day period.

6. Termination of Services: Either party may terminate the Services by providing thirty (30) days written notice to the other party. Alternatively, termination may occur immediately upon written notice for Cause, as defined below. Cause means (i) Apex's gross negligence or willful misconduct that causes serious and material harm to the Client; (ii) the Client's failure to pay Apex invoices for more than one hundred twenty (120) days from the date of the invoice; or (iii) the accrual of invoices or unpaid services where Apex reasonably believes it will not be paid. Termination of the Services shall not relieve the Client of its obligation to pay Apex for services rendered prior to the termination.

7. Independent Contractor: As an independent contractor, Apex will provide services under the terms of this agreement. It is agreed that neither Apex nor any of its employees will be considered an employee of the Client. Consequently, Apex and its employees will not be eligible for any benefits provided by the Client to its employees. The Client will not make any tax deductions from the payments due to Apex for state or federal tax purposes. Apex will be solely responsible for paying all taxes and other payments due on payments received from the Client under this agreement.

8. Apex warrants that the Services outlined in the Proposal will be performed in accordance with the standards generally adhered to by professionals providing similar services. It is acknowledged that the Services may entail the likelihood of some human and machine errors, omissions, delays, and losses that may result in damage. However, Apex shall not be held liable for such errors, omissions, delays, or losses unless they are caused by its gross negligence or willful misconduct. In the event of any breach of this warranty by Apex, the Client's sole remedy will be limited to Apex's rerunning, at its expense, any inaccurate output provided that such inaccuracies occurred solely as a result of Apex's gross negligence or willful misconduct under this agreement.

9. Limitation of Liability: The Client acknowledges that Apex shall not be held liable for any consequential, special, or incidental damages incurred by the Client in relation to the performance of Services, whether the claim is based on breach of warranty, contract, tort (including negligence), strict liability, or any other grounds. Under no circumstances shall Apex's liability to the Client, for any Losses (including court costs and reasonable attorney's fees), arising out of or in connection with these Terms and Conditions, exceed the total amount charged or chargeable to the Client for the specific service(s) that caused the Losses.

10. Indemnification: The Client agrees to indemnify and hold harmless Apex from any losses, suits, actions, judgments, fines, costs, liabilities, or claims arising from any action or proceeding relating to the Services provided by Apex, regardless of whether or not it results in liability (collectively referred to as "Indemnified Claims"). However, this indemnification provision shall not apply to the extent that such Indemnified Claims are caused by Apex's willful misconduct, gross negligence, or breach of these Terms and Conditions. This provision shall survive termination of the Services.

11. Confidentiality: Apex will uphold strict confidentiality between Apex and the Client and applies to all non-public records, documents, systems, procedures, processes, software, and other information received by either party in connection with the performance of services under these terms. Both Apex and the Client agree to keep confidential all such non-public information, including any material marked or identified as confidential or proprietary. Any such confidential information shall not be disclosed, provided, disseminated, or otherwise made available to any third party, except as required to fulfill the parties' obligations under these terms. The parties acknowledge that in the event of any request to disclose any confidential information in connection with a legal or administrative proceeding, or otherwise to comply with a legal requirement, prompt notice of such request must be given to the other party to enable that party to seek an appropriate protective order or other remedy or to waive compliance with the relevant provisions of these terms. If the Client seeks a protective order or another remedy, Apex, at the Client's expense, will cooperate with and assist the Client in such efforts. If the Client fails to obtain a protective order or waives compliance with the relevant provisions of these terms, Apex will disclose only that portion of the confidential information that it determines it is required to disclose. This confidentiality provision shall survive termination of the services provided. Both parties acknowledge and agree that any breach of this confidentiality may cause irreparable harm to the non-breaching party and that injunctive relief may be necessary to prevent any actual or threatened breach. The terms set forth between the parties supersede all prior negotiations, understandings, and agreements between the parties concerning confidentiality. These terms may only be amended in writing and signed by both parties.

12. Ownership of the programs, system data, and materials provided by Apex to the Client during the course of providing services herein shall solely belong to Apex. It is acknowledged that fees and expenses paid by the Client do not confer any rights in such property. It is also understood that the said property is made available to the Client solely for the purpose of using it during and in connection with the services provided by Apex.

13. Upon the completion of the administration and unless retention instructions are ordered by the court, Apex will notify the client that it will destroy and/or return all confidential information and property within 90 days upon the client's written request. Alternatively, the material may be stored for one year at a monthly fee of \$1.50 per storage box for paper documents and \$0.01 per image for electronic copies over a period of three years, which compensates Apex for its electronic and hard-copy storage costs. Apex will not be liable for any damages, liability, or expenses incurred in connection with any delay in delivery of, or damage to disks, magnetic tapes, or any input data provided by the client or its representatives unless Apex has agreed in writing to assume such responsibility.

14. COMPLETE AGREEMENT. These Terms and Conditions, along with the attached Proposal, represent the complete agreement and understanding between the parties and override any prior agreements (whether written or oral) between Apex and the Client regarding the subject matter. Any modification to these Terms and Conditions may only be made in writing and must be signed by both Apex and the Client. The headings in this document are included for convenience only and do not alter or restrict any provisions in these Terms and Conditions. They may not be used in the interpretation of these Terms and Conditions.

15. This provision outlines the requirements for providing notice or other communication under this agreement. All such communications must be in writing and can be delivered either by personal delivery or through U.S. Mail with prepaid postage or overnight courier. Once delivered personally or sent through the mail, the notice will be considered given after five (5) days from the deposit date in the U.S. Mail. Alternatively, if sent through an overnight courier, the notice will be considered given one business day after delivery to the such courier. It's important to note that the notice must be provided to a responsible officer or principal of the Client or Apex, depending on the case.

16. Force Majeure: In the event of any failure or delay in performance due to circumstances beyond Apex's control, including but not limited to strikes, lockouts, fires, floods, acts of God or public enemy, riots, civil disorders, insurrections, war or war conditions, or interference by civil or military authorities, Apex shall not be held liable for any resulting loss or damage. The time for performance under this agreement shall be extended for a period equal to the duration of the disabling cause and a reasonable time thereafter. This provision shall constitute a force majeure clause and shall be construed accordingly.

17. The applicable state and federal laws shall govern the interpretation and enforcement of these Terms and Conditions. No choice of law or conflict of laws provisions shall affect this governing law provision.

18. Severability: This applies to all clauses and covenants contained within these Terms and Conditions. In the event that any clause or covenant is deemed invalid, illegal, or unenforceable, the remaining provisions shall remain valid and enforceable to the fullest extent permissible by law. The validity, legality, and enforceability of the remaining provisions shall in no way be affected or impaired by the invalidity, illegality, or unenforceability of any provision deemed so.

19. Nonwaiver: This applies to these Terms and Conditions. This means that any failure by one party to enforce a provision of these terms on one or more occasions shall not be construed as a waiver of that provision. In other words, any failure to enforce a provision does not give up the right to enforce it in the future. All provisions of these Terms and Conditions remain in full force and effect, regardless of any prior failure to enforce them.

EXHIBIT 15

Case Name: Perales v. Ships Pizza, Inc
Monday, January 6, 2025

Requesting Attorney:

Breck Oyama
The Spivak Law Firm
boyama@spivaklaw.com
818.582.3180

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	1,143
Estimated Percentage of Remails	15%
Certified Spanish Translation	Yes
ILYM Group Static Website	Yes
NCOA	Yes
Case Duration (Years)	1

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

Case Startup:	\$3,084.65
Distribution (Includes EIN, Bank Acct * /QSF Setup):	\$5,875.35
Case Conclusion:	\$990.00

Estimated ILYM Fees & Expenses: \$9,950.00

ILYM | GROUP, Inc.

CLASS ACTION ADMINISTRATION

Case Name: Perales v. Ships Pizza, Inc

Monday, January 6, 2025

Requesting Attorney's Name: Breck Oyama

Activity	Rate Type	Unit Cost	Volume	Amount
CASE STARTUP				
Initial Setup - <i>Import and Formatting of Data*</i>	Hourly	\$150.00	3	\$450.00
Project Manager (Case notification and maintenance)	Hourly	\$120.00	4	\$480.00
Certified Spanish Translation	Flat Fee	\$750.00	1	\$750.00
ILYM Group Static Website	Flat Fee	\$750.00	1	\$750.00
NCOA	Flat Rate	\$304.65	1	\$304.65
Toll-Free Telephone Support	Flat Rate	\$350.00	1	\$350.00

**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 \$3,084.65

DISTRIBUTION (Includes EIN, Bank Acct /QSF Setup)*				
Distribution Setup & Management	Hourly	\$150.00	3	\$450.00
Account Reconciliation & Distribution Reporting	Hourly	\$125.00	3	\$375.00
Notice, Check, Stub & Release - (including 1099)	Per Check	\$1.50	1,143	\$1,714.50
USPS First Class 1oz Postage	Per Piece	\$0.65	1,143	\$742.95
Remails (Forward/Skip Trace Undeliverables)	Per Piece	\$2.00	171	\$342.90
Preparation of Taxes	Hourly	\$150.00	5	\$750.00
Annual Filing of Tax Return	Per Year	\$1,500.00	1	\$1,500.00

**Additional Bank fees may apply*

Subtotal \$5,875.35

CASE CONCLUSION				
Data Manager Final Reporting	Hourly	\$100.00	2	\$200.00
Process Unclaimed Funds	Flat Fee	\$550.00	1	\$550.00
Declaration	Hourly	\$120.00	2	\$240.00

Subtotal \$990.00

Estimated ILYM Fees & Expenses: \$9,950.00

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 16

XPAND

Case Name:

Perales v. Ships Pizza, Inc.

Date:

December 18, 2024

Client Name:

Breck Oyama

Client Email:

boyama@spivaklaw.com

Xpand Contact:

Jonathan Paul

Xpand Contact Email Address:

jonathan@xpandlegal.com

Xpand Contact Phone Number:

310.948.7117

**Cost Estimate for Legal Administration Services*

**Pricing Good for 90 Days*

**Assumes Scope Within - Additional Services Priced Accordingly*

Key Assumptions Used for Pricing

Class Size	1,143
Undeliverable Mail (estimated %)	10%
Forwarded Mail (estimated %)	5%
Toll Free Telephone Support	Yes
Website	Yes
Spanish Translation	Yes
National Change of Address (NCOA)	No
Wage Tax Reporting	Yes
Number of States for Tax Reporting	1
Number of Payment Distributions	1
Tax Reporting Years	1
	Government
	Recipient of
Remaining Funds After Distribution	Unclaimed Funds

Case Setup

Service	Type	Cost Per Piece	Volume	Total
Project Manager - Case Setup, Document Review & Timeline	Hourly	\$125.00	1	\$125.00
Data Analyst - Data Analysis, Formatting, Uploading to Database*	Hourly	\$125.00	1	\$125.00
NCOA (Includes CASS & LACS)	Flat Fee	\$250.00	1	\$250.00
Spanish Translation	Flat Fee	\$350.00	1	\$350.00
Toll Free Telephone Support	Flat Fee	\$430.34	1	\$430.34
Static Website	Flat Fee	\$0.00	2	\$0.00

*Xpand assumes mailing data will be provided in Microsoft Excel or other usable format and will not require substantial manipulation. Additional formatting and manipulation will be billed at \$125/hour.

Total \$1,280.34

Project Management

Service	Type	Cost Per Piece	Volume	Total
Project Manager - Client Inquiries, General Oversight & Management	Hourly	\$125.00	3	\$375.00
Status Reporting (Final)	Hourly	\$75.00	3	\$225.00
Executive Oversight	Hourly	\$200.00	1	Waived

Total \$600.00

Distribution

Service	Type	Cost Per Piece	Volume	Total
Project Manager - Setup & Preparation	Hourly	\$125.00	1	\$125.00
Data Analyst - Payment File Production & Quality Review	Hourly	\$125.00	1	\$125.00
Print & Mail Payments	Per Piece	\$1.00	1,143	\$1,143.00
USPS First Class Mail - 1oz	Per Piece	\$0.70	1,143	\$800.10
Undeliverable Payment Processing	Per Piece	\$2.00	114	\$228.60
Address Trace Undeliverable Payments	Per Piece	\$2.00	114	\$228.60
Remail Payments (Undeliverable & Forwards)	Per Piece	\$4.00	149	\$594.36
Tax ID Setup & Shutdown	Flat Fee	\$150.00	1	\$150.00
Qualified Settlement Fund (QSF) Creation, Reporting & Closure	Hourly	\$125.00	2	\$250.00
QSF Monthly Fees & Account Reconciliation	Per Piece	\$75.00	3	\$225.00
Process Remaining Funds	Flat Fee	\$750.00	1	\$750.00

Total \$4,619.66

Total Case Cost - Flat Fee:

\$6,500.00

Terms & Conditions

All services to be provided by Xpand Legal (hereinafter, "Xpand") to Client shall be subject to the following Terms and Conditions of this Agreement:

- **Services:** Subject to the terms hereof, Xpand 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 referenced and in accordance of the Court's direction. The estimate is in good faith and does not cover any applicable taxes and fees. The estimate does not include any services not referenced in the request for proposal. These services do not constitute legal services or advice. Xpand is performing its services as an Independent Contractor and neither it nor its employees shall be deemed to be employees of the Client.
- **Charges for Services:** Charges to the Client for services shall be on a time and materials basis at our prevailing rates and are subject to change. Any fee estimates set forth in the proposal are estimates only, based on information provided by Client to Xpand. Actual fees charged by Xpand to Client may be greater or less than the estimate, and Client shall be responsible for the payment of all charges and expenses in accordance with Section 3 below. Charges incurred related to 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. Xpand may derive financial benefits from financial institutions in connection with the deposit and investment of funds with such institutions, including without limitation, discounts on eligible banking services and fees, and loans at favorable rates.
- **Payment of Charges:** Xpand will process payment of charges once payments are made to class members and counsel in accordance with direction from the court. However, decisions of the court and actions of the parties, including disapproval or withdrawal of a settlement or case status, do not affect the Client's liability to Xpand for payment of services. Services are not provided on a contingency fee basis.
- **Indemnification:** Client will indemnify and hold Xpand (and the officers, employees, affiliates and agents harmless against any Losses incurred by Xpand, arising out of, in connection with, or related to (i) any breach of the terms by Client; (ii) the processing and handling of any aspect of the project by Xpand in accordance with Client's instructions.
- **Confidentiality:** Xpand maintain reasonable and appropriate security measures and safeguards to protect the security and confidentiality of data provided to Xpand by Client or another party to the action. Should Xpand 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, Xpand will notify the Client, unless prohibited by applicable law. The Client will have the option to (1) provide legal representation at the Client's expense to avoid such access or (2) promptly reimburse Xpand 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 Xpand 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, Xpand will not be liable for breach of said obligation.
- **Data Rights:** Xpand does not convey nor does the Client obtain any right in the programs, system data, or materials utilized or provided by Xpand in the ordinary course of business in the performance of this Agreement.
- **Document Retention:** Unless directed otherwise in writing by Client, Xpand will maintain documents 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:** Xpand is not responsible to the Client for any special, consequential or incidental damages incurred by Client. Any liability of Xpand to the Client shall not exceed the total amount billed to the Client for the 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 Xpand. 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. Xpand may terminate this Agreement at will (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. The Client is obligated to pay for all Services at the time of termination under this paragraph; no deferral period shall take place.
- **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 Xpand 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 Xpand of any of its obligations hereunder is substantially prevented by reason of any act of God or by reason of any other matter beyond Xpand's reasonable control, then such performance shall be excused and this Agreement, at Xpand'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 either party in exercising any right will operate as a waiver of, or impair, any 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 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.
- **Counterparts:** This Agreement may be executed in any number of counterparts, each of which when executed and delivered shall constitute a duplicate original, but all counterparts together shall constitute a single agreement.