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SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES

STEVEN HERNANDEZ and STEVEN DOUGLAS ALLGAYER, individually, and on behalf of all others similarly situated, Plaintiffs, vs. SPENCER TECHNOLOGIES, INC.; and DOES 1 through 10, inclusive, Defendants	Case No.: 25STCV15053 CLASS AND REPRESENTATIVE ACTION **DECLARATION OF KANE MOON IN SUPPORT OF PLAINTIFFS' MOTION FOR PRELIMINARY APPROVAL OF CLASS AND REPRESENTATIVE ACTION SETTLEMENT** [*Filed with Notice of Motion and Memorandum of Points and Authorities, the Declaration of Plaintiff Hernandez, the Declaration of Plaintiff Allgayer, and [Proposed] Preliminary Approval Order*] PRELIMINARY APPROVAL HEARING: Date: August 20, 2026 Time: 10:00 a.m. Dept.: 6 Judge: Hon. Elihu M. Berle Complaint Filed: May 22, 2025 Trial Date: Not set

DECLARATION OF KANE MOON

I, KANE MOON, declare as follows:

1. I am an attorney at law duly licensed to practice as such before all Courts of the State of California and am one of the attorneys of record for Plaintiff Steven Hernandez ("Plaintiff Hernandez") and Plaintiff Steven Douglas Allgayer ("Plaintiff Allgayer") (together with Plaintiff Hernandez, "Plaintiffs") and the putative Class. I have personal knowledge of the matters set forth herein and if called as a witness, I could and would testify competently to the facts described herein.

CASE BACKGROUND AND PROCEDURAL HISTORY

2. This is a wage-and-hour class and representative action for alleged Labor Code violations and claims for civil penalties pursuant to the California Private Attorneys General Act, Labor Code sections 2698, *et seq.* ("PAGA"). Plaintiffs seek to represent a class of all individuals who worked for Defendant Spencer Technologies, Inc. ("Defendant") in California as hourly, non-exempt employees during Class Period, as set forth in the Joint Stipulation of Class and Representative Action Settlement Agreement (the "Settlement"). A true and correct copy of the Settlement is attached to the instant Declaration as **Exhibit 1**. The proposed Class Notice is attached to the Settlement as **Exhibit A**.

3. Defendant is an IT solution and service company that provides onsite support and consulting services for retail businesses. Defendant employed Plaintiffs and other non-exempt, hourly-paid employees during the Class Period. Plaintiffs contend they and their coworkers were subjected to the same unlawful labor practices, including failure to pay wages for all hours worked.

4. Plaintiffs' claim for unpaid minimum and overtime wages stems from allegations that Defendant failed to compensate Plaintiffs and Class Members for off-the-clock work and failed to incorporate all remuneration into Class Members' regular rate of pay for purposes of calculating overtime pay and paid time off. Plaintiffs' meal and rest period claims are based on allegations that due to the nature of their work, Class Members' breaks were often short, late, interrupted, and sometimes missed altogether, and that Defendant did not pay all premium wages for non-compliant breaks. Plaintiffs further bring a claim for unreimbursed business expenses based on allegations that Class Members used their personal cell phones for work purposes and incurred unreimbursed uniform maintenance costs. Finally, Plaintiffs also bring

derivative claims for waiting time penalties, wage statement violations, unfair business practices, and civil penalties under PAGA.

5. Because of the foregoing alleged violations of various provisions of the Labor Code, Plaintiffs filed a class action on May 22, 2025, which alleges Defendant systematically: (1) failed to pay minimum wages, (2) failed to pay overtime compensation, (3) failed to provide meal periods, (4) failed to authorize and permit rest periods, (5) failed to indemnify necessary business expenses, (6) failed to timely pay final wages at termination, (7) failed to provide accurate itemized wage statements, and (8) engaged in unfair business practices.

6. Pursuant to PAGA, on May 17, 2025, Plaintiffs gave written notice to the California Labor and Workforce Development Agency (the "LWDA") of the alleged Labor Code violations, with certified mail service on Defendant, and paid the required filing fee. A true and correct copy of Plaintiffs' PAGA Notice is attached hereto as **Exhibit 2**. On July 30, 2025, Plaintiffs timely filed a First Amended Class and Representative Action Complaint to add a ninth cause of action for civil penalties under PAGA (the "Operative Complaint"). Pursuant to Labor Code section 2699(s)(1), Plaintiffs subsequently submitted to the LWDA a file-stamped copy of the Operative Complaint containing the Court-assigned case number. To date, the LWDA has not indicated its intent to investigate the alleged violations or intervene in this Action.

7. Defendant ardently opposes the merits of this case and denies Plaintiffs' factual allegations. Defendant asserts it complied with all its compensation obligations, including compensating Class Members for any and all off-the-clock work and overtime work, and therefore, Plaintiffs and other Class Members were paid all wages owed. Defendant argues it did not fail to incorporate any non-discretionary bonuses into the regular rate of pay for purposes of paying overtime or paid time off, and that all bonuses were discretionary. Defendant maintains compliance with all its meal and rest period obligations. Defendant asserts it complied with all its reimbursement obligations, and that Plaintiffs and other employees were compensated for any and all business expenses necessarily incurred. To the extent employees received wage statements that were allegedly inaccurate, Defendant asserts employees suffered no actual damage or harm as a result. (*See, e.g.*, *Angeles v. U.S. Airways, Inc.* (N.D. Cal. Feb. 19, 2013, No. C 12–05860 CRB) 2013 WL 622032, at *10 ["A plaintiff must adequately plead an injury arising from an employer's failure to

provide full and accurate wage statements, and the omission of the required information alone is not sufficient."].) With respect to Plaintiffs' claim for waiting time penalties, Defendant alleges its good-faith belief that it paid all wages precludes the imposition of waiting time penalties since Plaintiffs cannot prove Defendant's alleged failure to pay all final wages at the time of separation was "willful." (*See, e.g.*, *Pedroza v. PetSmart, Inc.* (C.D. Cal. June 14, 2012, No. ED CV 11–298 GHK (DTBx)) 2012 WL 9506073, *5.) For these reasons, among others, Defendant denies all of Plaintiffs' claims and allegations, and further claims it did not engage in any unfair business practices and denies liability under PAGA. Defendant also maintains the claims are improper for class treatment, in part, due to the individualized and testimony-intensive nature of the wage claims that could bar class certification or significantly reduce Defendant's overall liability.

DISCOVERY AND INVESTIGATION

8. The Parties agreed to mediate this action with Lonnie Giamela, Esq., an experienced class and PAGA action mediator. In preparation for mediation, the Parties agreed to a protocol for an informal production of documents and information before mediation. Prior to mediation, Plaintiffs obtained from Defendant, through informal discovery, documents and data that were necessary and helpful to evaluate the claims asserted in this action. Defendant produced a statistically sound sample of time and pay records for the putative Class, Plaintiffs' personnel file and time and pay records, and Defendant's written employment policies in effect during the Class Period. Defendant also provided information regarding the estimated number of current and formerly employed Class Members, Aggrieved Employees, and PAGA Pay Periods.

9. In preparation for mediation, Plaintiffs' Counsel reviewed and analyzed all the information Defendant provided, including the sample records and documents regarding Defendant's wage-and-hour policies. Plaintiffs' Counsel retained a statistics expert to analyze the sample records and prepare a damage analysis prior to the mediation. The sample time and pay records analyzed represented about 5% of total shifts worked in the Class Period, which allowed Plaintiffs' expert to prepare an analysis with a reasonable degree of certainty. In conjunction with their extensive factual investigation, Plaintiffs' Counsel also investigated the applicable law regarding the claims and defenses asserted in the litigation. Accordingly, Plaintiffs' Counsel was able to evaluate the probability of class certification, success on the merits, and Defendant's maximum and realistic monetary exposure for all claims. Thus, Plaintiffs' and their Counsel's

familiarity with the facts of the case and the legal issues raised by the pleadings allowed them to act intelligently in negotiating the Settlement.

SETTLEMENT NEGOTIATIONS AND NOTICE TO THE LWDA

10. On March 12, 2026, the Parties participated in a full day of private mediation with Lonnie Giamela, Esq. The negotiations were at arm's length and, although conducted in a professional manner, were adversarial. The Parties went into the mediation willing to explore the potential for a settlement of the dispute, but each side was also prepared to litigate their position through trial and appeal if a settlement had not been reached. After a full discussion regarding the strengths and weaknesses of Plaintiffs' claims and Defendant's defenses and with the assistance of the mediator, the Parties reached a resolution, the material terms of which are set out in the Settlement.

11. In compliance with Labor Code section 2699(s)(2), notice of settlement and a copy of the proposed Settlement has been submitted to the LWDA along with a copy of Plaintiffs' preliminary approval motion and the hearing date. A true and correct copy of the LWDA's email confirming receipt thereof is attached hereto as **Exhibit 3**. To date, the LWDA has not indicated any objection to the Settlement.

KEY TERMS OF SETTLEMENT

12. GSA and Funding: The Gross Settlement Amount ("GSA") is $300,000.00, subject to potential increase under an Escalator Clause, and is non-reversionary. (Settlement, ¶ 3.0.) Defendant will separately pay its employer-side payroll taxes owed on the Wage Portion of Individual Class Payments. (*Id.*) The GSA and all employer payroll taxes owed on the Wage Portions of the Individual Class Payments shall be fully funded by transmission of such funds to the Administrator within fourteen (14) calendar days of the Effective Date. (*Id.* at ¶ 4.0.)

13. Escalator Clause: The Settlement is based on Defendant's belief that there are approximately 6,290 workweeks at issue during the Class Period, as of March 12, 2026. (*Id.* at ¶ 7.) If the number of workweeks is ten percent (10%) higher, or 6,919 workweeks worked, then Defendant shall pay a pro-rata increase in the GSA equal to the percentage increase in workweeks above 6,919 (i.e., if the total number of workweeks increases by 12%, then a 2% increase to the GSA).

14. Class Representative Service Payment: The Settlement includes a payment up to $7,500.00 each, payable from the GSA, subject to the Court's approval, to Plaintiffs as the Class Representatives, in addition to the amount they are eligible to receive as Class Members. (*Id.* at ¶¶ 1.14, 3.1.1.) This award is for their services in support of the Action and General Release. (*Id.* at ¶ 1.14.) In the event the award finally approved is less, the difference will revert to Participating Class Members. (*Id.* at ¶ 3.1.1.)

15. Class Counsel Fees and Expenses Payments: The Settlement permits a fee application of not to exceed one-third (i.e. $100,000.00) of the GSA, for reasonable attorneys' fees, plus reimbursement for actual litigation costs not to exceed $25,000.00, payable to Class Counsel from the GSA. (*Id.* at ¶ 3.1.2.) In the event the amounts finally approved are less, the difference will revert to Participating Class Members. (*Id.*) To date, my firm has incurred $11,566.54 in actual litigation costs, and a true and correct copy of a report showing current costs is attached hereto as **Exhibit 4**.

16. Administration Costs Payment: The Settlement provides an Administration Expenses Payment to the Administrator, payable from the GSA, in an amount not to exceed $5,000.00, except for a showing of good cause and as approved by the Court. (*Id.* at ¶ 3.1.3.) In the event the amount of actual administration costs is less and/or the amount approved by the Court is less than requested, the difference will be allocated to the Net Settlement Amount. (*Id.*) The Parties jointly selected Phoenix Class Action Administration Solutions ("Phoenix") as the neutral entity to administer this Settlement. (*Id.* at ¶¶ 1.1, 6.0.) A true and correct copy of Phoenix's bid of $5,000.00 is attached hereto as **Exhibit 5**.

17. Aggrieved Employees; PAGA Period: Aggrieved Employees is defined as all individuals who worked for Defendant in California as hourly, non-exempt employees during PAGA Period. (*Id.* at ¶ 1.3.) For purposes of Settlement, the "PAGA Period" is May 22, 2024, and May 15, 2026. (Settlement, ¶ 1.31.)

18. PAGA Penalties; Individual PAGA Payments: The Settlement allocates $20,000.00 from the GSA for settlement of the Released PAGA Claims, which will be distributed 65% ($13,000.00) to the LWDA and 35% ($7,000.00) to Aggrieved Employees pursuant to PAGA law governing Plaintiffs' claims. (*Id.* at ¶¶ 1.34, 3.1.4.) Each Aggrieved Employee will be entitled to a pro rata share of the 35% share of the PAGA Penalties directly proportional to their number of PAGA Pay Periods. (*Id.* at ¶ 3.1.4.1.) This results in an average Individual PAGA Payment of roughly **$189.19** for each of the estimated 37 Aggrieved Employees

($7,000.00 / 37), and a PAGA Pay Period value of roughly **$3.14** for each of the 2,228 estimated Pay Periods in the PAGA Period ($7,000.00 / 2,228).

19. Net Settlement Amount: After deducting the Class Representative Service Payments, the Class Counsel Fees and Expenses Payments, the PAGA Penalties allocation, and the Administration Expenses Payment from the GSA, in the amounts specifically approved by the Court, any difference in the amounts requested and the amounts awarded will be allocated to the Net Settlement Amount for distribution to Participating Class Members. (*Id.* at ¶ 3.1.) Accordingly, the Net Settlement Amount will be *no less than* **$135,000.00** for an estimated Class of **68 individuals**.[1]

20. Class Members/Period: The Settlement Class is defined as all individuals who worked for Defendant in California as hourly, non-exempt employees during Class Period. (*Id.* at ¶ 1.4.) For purposes of Settlement, the "Class Period" is May 22, 2021, to May 15, 2026. (Settlement, ¶ 1.12.)

21. Individual Class Payments: Each Class Member who does not opt-out will be entitled to a pro rata share of the Net Settlement Amount that is directly proportional to the number of Workweeks worked during the Class Period. (*Id.* at ¶¶ 1.23, 3.1.3.1.) The estimated **$135,000.00** Net Settlement Amount results in an average Individual Class Payment of roughly **$1,985.29** for each of the estimated 68 Class Members ($135,000.00 / 68), and a Workweek value of roughly **$21.46** for each of the 6,290 estimated Workweeks in the Class Period ($135,000.00 / 6,290).

22. Tax Allocations: Individual Class Payments will be allocated as 20% as wages and 80% as interest, reimbursement, and penalties for tax purposes. (*Id.* at ¶ 3.1.3.2.) Individual PAGA Payments will be allocated as 100% penalties for tax purposes. (*Id.* at ¶ 3.1.4.2.)

23. Disbursement and Uncashed Funds: The GSA and all employer payroll taxes owed on the Wage Portions of the Individual Class Payments shall be fully funded by transmission of such funds to the Administrator within fourteen (14) calendar days of the Effective Date. (*Id.* at ¶ 4.0.) Class Members will not need to submit any claim form as a condition of receiving individual settlement payments. (*Id.* at ¶ 3.0.) Any

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[1] The Net Settlement Amount was calculated by deducting the following from the $300,000.00 GSA: $15,000.00 for the Class Representative Service Payments, up to $5,000.00 for the Administration Expenses Payment, $20,000.00 for the PAGA Penalties to the LWDA and Aggrieved Employees, $100,000.00 for the Class Counsel Fees Payment, and up to $25,000.00 for the Class Counsel Expenses Payment. (Settlement, ¶¶ 3.1–3.1.4.)

funds remaining uncashed after 180 days from issuance will be transmitted to the California Controller's Unclaimed Property Fund in the name of each individual who failed to timely cash his or her check. (*Id.* at ¶¶ 4.1.1, 4.1.3.)

24. Released Class Claims by Participating Class Members: Upon final approval of the settlement and payment by Defendant of the Gross Settlement Amount to the Administrator, all Participating Class Members, excluding those who opt out therefrom, fully and finally release and discharge the Released Parties from any and all claims, debts, liabilities, demands, obligations, penalties, costs, expenses, attorney's fees, damages, and causes of action that were alleged or that reasonably could have been alleged based on the facts alleged in the First Amended Class and Representative Action Complaint. (*Id.* at ¶ 5.1.) This release includes a release of all claims alleged in the First Amended Class and Representative Action Complaint for alleged failure to pay minimum wages, failure to pay overtime compensation, failure to provide meal periods, failure to authorize and permit rest breaks, failure to indemnify necessary business expenses, failure to pay all unpaid wages at termination, failure to provide accurate itemized wage statements, violation of California Business and Professions Code §§ 17200, et seq., and statutory waiting time penalties based on the foregoing (collectively, the "Released Class Claims"). (*Id.*) The Released Class Claims exclude claims not permitted by law and are limited to claims arising during the Class Period. (*Id*. at ¶ 5.1.1.)

25. Released PAGA Claims by PAGA Members and LWDA: Plaintiffs and the LWDA fully and finally release and discharge the Released Parties only for claims for civil penalties under PAGA asserted in Plaintiffs' PAGA Notice filed with the LWDA on or about May 17, 2025, and claims for civil penalties under PAGA that arise based on the allegations in the PAGA Notice, for the duration of the PAGA Period, including failure to pay minimum wages, failure to pay overtime compensation, failure to provide meal periods, failure to authorize and permit rest breaks, failure to indemnify necessary business expenses, failure to pay all unpaid wages at termination, and failure to provide accurate itemized wage statements. (collectively, the "Released PAGA Claims"). (*Id.* at ¶ 5.2.) The Released PAGA Claims are limited to claims arising during the PAGA Period and do not release any Aggrieved Employees' claims for wages or statutory penalties. In light of the binding nature of a PAGA judgment on non-party employees under *Arias v. Sup. Ct.* (*Angelo Dairy*) (2009) 46 Cal.4th 969 and *Cardenas v. McLane Foodservice, Inc.* (2011) 796

F.Supp.2d 1246, individuals otherwise meeting the definition of an Aggrieved Employee who are eligible to receive an Individual PAGA Payment shall be deemed to have released the Released PAGA Claims, regardless of whether his or her check for the Individual PAGA Payment is cashed or not, and regardless of whether he or she is a Non-Participating Class Member. (*Id.* at ¶ 5.2.1.)

26. Plaintiffs' Section 1542 Release: Plaintiffs fully and finally release and discharge the Released Parties from any and all claims they have or may have against it at this time and will waive any and all rights they have or may have under California Civil Code section 1542,which reads: A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release, and that if known by him or her would have materially affected his or her settlement with the debtor or Released Party. (*Id.* at ¶ 5.0.)

27. Effective date of claims releases: Upon final approval of the settlement and payment made by Defendant of the Gross Settlement Amount to the Administrator, Plaintiffs, Participating Class Members, and Aggrieved Employees will release claims against all Released Parties. (*Id.* at ¶ 5.)

28. Released Parties: Defendant, and each of its former, present, and future owners, parents, and subsidiaries, and all of their current, former, and future officers, directors, members, managers, employees, consultants, partners, shareholders, joint venturers, agents, predecessors, successors, assigns, accountants, insurers, reinsurers, and/or legal representatives. (*Id.* at ¶ 1.40.)

29. Class Notice; Disputes, Requests for Exclusion, Objections: The Class Notice will be mailed via first-class U.S. mail in English and Spanish to the current address of each Class Member. (*Id.* at ¶ 6.3.) The proposed Class Notice sets forth, in plain terms, a statement of case, the terms of the Settlement, the approximate amounts of attorneys' fees, costs, PAGA Penalties, and service award being sought, an explanation of how the individual payments are calculated, the Final Approval Hearing information, the procedure for disputing the number of Workweeks and/or Pay Periods credited to each Class Members, and how Class Members may, should they choose, opt-out or otherwise object to the Settlement. (*Id.* at ¶¶ 6.3–6.5, Ex. A.)

30. No Related Actions: To the best of my knowledge, there is no other pending litigation involving similar claims against Defendant that may be impacted by approval of the Settlement at issue, nor has Defendant pointed to any.

THE PROPOSED SETTLEMENT IS FAIR, REASONABLE, AND ADEQUATE

31. Plaintiffs' Counsel have conducted a thorough investigation into the facts of this case. As previously noted, the Settlement at issue was reached through arm's-length negotiations, private mediation, and the assistance of a statistics expert. Based on Defendant's informal class-wide discovery production, on Plaintiffs' Counsel independent investigation and evaluation, and on their extensive experience in wage-and-hour litigation, Plaintiffs' Counsel are of the opinion that the proposed Settlement is fair, reasonable, and adequate. Furthermore, considering all known facts and circumstances, the risk of significant delay, trial risk, appellate risk, and the defenses Defendant may assert both to certification and on the merits, the Settlement is in the best interest of the Class and LWDA.

32. Based on Plaintiffs' Counsel's review of the time, payroll, and additional data provided by Defendant, on Plaintiffs' expert's analysis of the sample records provided by Defendant, and on information from Plaintiff, Plaintiffs' Counsel evaluated the estimated maximum and risk-adjusted exposure that Defendant faced. Based on a review of Defendant's records, it is estimated that there are approximately 68 Class Members who collectively worked 6,290 Workweeks during the Class Period, and 37 Aggrieved Employees who collectively worked 2,228 PAGA Pay Periods during the PAGA Period. Additionally, there were an estimated 40 former employees falling within the three-year statute of limitations ("SOL") period for waiting time penalties, that Class Members' average hourly rate was $22.49, and that the average regular hourly rate was $22.75.

Accordingly, we calculated Defendant's potential exposure as follows:

Claim	**Relevant Time Period**	**Rate**	**Number of Violations**	**Realistic Recovery**
Unpaid Wages (Regular Rate)	6,290 Workweeks	$22.75 average regular rate	Based on Expert Analysis of Records	**$1,128.50****

Unpaid Wages (Off the Clock)	6,290 Workweeks	$22.49 average hourly rate	4,839 net unpaid hours (assuming 10 minutes per shift) (72.9% overtime)	**$14,849.73*** **
Meal Period Violations	6,290 Workweeks	$22.49 average hourly rate	25,840 unique meal break violations	**$290,570.80***
Rest Period Violations	6,290 Workweeks	$22.49 average hourly rate	27,918 rest break violations (assuming 100% break violations for shifts of at least 3.5 hours)	**$62,787.58*** **
Unreimbursed Business Expenses Violations	6,290 Workweeks	$25.00 per month	Assumes $25.00 per month	**$3,931.25*** **
Labor Code § 203	Based on approx. 40 terminated employees within the 3-year SOL	$22.49 average hourly rate / 30-day max.	Assumes 9.7 hours / day	**$14,330.15**** **
Labor Code § 226	Based on approx. 37 employees within the 1-year SOL	$50 per initial pay period / $100 per subsequent pay periods / $4,000 employee max.	Based on 2,228 pay periods within the 1-year SOL	**$7,400.00**** **
PAGA	Based on 2,228 pay periods within the 1-year SOL	$100 per pay period	Based on 2,228 pay periods within the 1-year SOL	**$11,140.00**** **
Total				**$406,137.01**

* These figures are discounted based on a 50% probability of prevailing at class certification and on the merits.
** These figures are discounted based on a 25% probability of prevailing at class certification and on the merits.
*** These figures are discounted based on a 10% probability of prevailing at class certification and on the merits.
**** These figures are discounted based on a 5% probability of prevailing at class certification

and on the merits.[2]

33. Plaintiffs' unpaid wages claim is based on allegations that Defendant failed to incorporate all remuneration, including nondiscretionary bonus and incentive payments, into Class Members' regular rate of pay for purposes of calculating overtime and paid time off. Plaintiffs' expert reviewed the limited sample records available and identified 180 affected pay periods, resulting in approximately $4,347.00 in unpaid overtime and $167.00 in underpaid paid time off, for a total maximum exposure of $4,514.00. Because the analysis was based on a limited subset of records rather than companywide payroll data, Plaintiffs contend the figures may not reflect the full potential exposure if the same pay practices applied more broadly. However, Defendant argues bonuses were discretionary, and therefore Defendant was not required to incorporate those payments into the regular rate. Due to the lack of written policies regarding criteria for bonus payments and Defendant's *de minimis* exposure, I acknowledge the foregoing presents significant risk with certifying this claim and proof on the merits. Thus, I applied a 75% discount to the maximum exposure figure; accordingly, I arrived at **a realistic damage estimate of $1,128.50 for the regular rate claim**.

34. Plaintiffs' unpaid wages claim is based on allegations that Defendant failed to pay all minimum and overtime wages due to off-the-clock work performed before the start of scheduled shifts. Plaintiffs allege that Class Members were required to participate in pre-shift meetings, receive instructions from supervisors, organize materials, and prepare tools and equipment before beginning their assignments, but were not permitted to clock in before completing those tasks. Therefore, Plaintiffs' Counsel estimated Class Members spent an average 10 minutes off the clock per shift. Accordingly, Plaintiffs' Counsel and data expert estimated Defendant failed to pay Class Members for approximately 4,839 hours, 72.9% of which should have been paid at the overtime rate. From this, and in light of the average rates of the Class Members, Defendant's estimated maximum potential liability is $148,497.32 Defendant contends that all time worked was compensated, that the time spent waiting to clock in and out of work was *de minimis*, that Class Members were not permitted to work off-the-clock, and that this claim is highly individualized and not

[2] It is reasonable to apply discounts to account for risks at certification and trial, in part, because the Judicial Council of California found that only 21.4% of all class actions were certified either as part of a settlement *or* as part of a contested certification motion. (*See* Findings of the Study of California Class Action Litigation, 2000-2006, available at http://www.courts.ca.gov/documents/class-action-lit-study.pdf.) Further, the likelihood that Defendant could assert viable legal defenses would likely further reduce its overall exposure.

susceptible to class-wide treatment. I acknowledge that "off-the-clock" claims are difficult to be tried on a class wide basis because there is no apparatus that can be used to prove this claim—there are no records to be used as evidence. In light of these defenses, and for purposes of settlement, I discounted the maximum potential liability by 90%. **Plaintiffs' realistic recovery estimate for the unpaid wages claim due to off-the-clock work is therefore $14,849.73.**

35. Plaintiffs' meal period claim is based on allegations that Defendant did not provide or maintain sufficient meal period practices, such that Class Members were not always permitted or able to take meal periods and/or were sometimes subjected to late, short and/or interrupted meal periods without compensation in lieu thereof. The sample of time and corresponding payroll records for the putative Class indicated that Defendant either failed to provide a meal period or provided a short and/or untimely meal period 25,840 times throughout the Class Period, resulting in a 99.7% violation rate. Plaintiffs' Counsel and its data expert then calculated that, in light of these violations and the average hourly rate of the putative Class, that Defendant had a potential liability of $581,141.60 (25,840 unique violations x $22.49 avg. hourly rate). Defendant nonetheless contends that many meal breaks were taken and, where a violation appears, it was a result of the Class Member voluntarily choosing to forego a meal period, to take it after the end of the fifth hour, or to stop his or her break early to return to work. Moreover, certification and proof of this claim would require declarations from Class Members and obtaining such declarations potentially would reveal that each Class Member had a different experience with respect to meal periods. In light of these defenses, and for purposes of settlement, Plaintiffs' Counsel believe it reasonable to apply a 50% discount to the potential liability. **Plaintiffs' realistic recovery estimate for the meal period claim is therefore $290,570.80.**

36. The rest break claim is based on the allegation that Defendant did not provide or maintain sufficient rest break practices, such that Class Members were regularly required to work in excess of four consecutive hours a day, or a major fraction thereof, without authorization or permission to take a ten-minute, continuous and uninterrupted rest period or without compensation in lieu thereof. The precise number of rest break violations could not be calculated since Defendant neither documented, nor is required to document, when Class Members took their required rest breaks. Therefore, in preparation for mediation, Plaintiffs' Counsel assumed a 100% violation rate for shifts of at least to 3.5 hours in length and, based on the average

hourly rate of the putative Class, calculated Defendant's potential liability to be $627,875.82 (27,918 unique rest break violations x $22.49 per hour). Defendant nonetheless contends rest periods do not have to be recorded, that Class Members voluntarily chose to forego some rest breaks and, significant for purposes of class certification, that this claim is individualized in nature and therefore would require declarations indicating the majority of Class Members experienced issues as to rest breaks. In light of these defenses, and for purposes of settlement, I discounted Defendant's potential liability by 90%. **Plaintiffs' realistic recovery estimate for the rest break claim is therefore $62,787.58.**

37. The unreimbursed business expenses claim is based on the allegation that Defendant did not reimburse Class Members for all expenses incurred in direct consequence of the discharge of duties, used personal cell phones for work purposes, including communications and mobile hotspot access when work phones were unavailable, and incurred unreimbursed uniform maintenance costs. The precise value of all necessary business expenses Class Members incurred could not be calculated. Therefore, in preparation for mediation, Plaintiffs' Counsel estimated Defendant owed approximately $25.00 a month to each Class Member in the statutory period and that Defendant's potential liability is $39,312.50. Defendant contends it complied with all its reimbursement obligations, that it provided Class Members with necessary tools, that cellphone use was not required for work, and further, that the reimbursement claim would be difficult to certify, given the individualistic nature of this claim. In light of these defenses, and for purposes of settlement, I discounted Defendant's potential liability by 90%. **Plaintiffs' realistic recovery estimate for the unreimbursed expenses claim is therefore $3,931.25.**

38. With respect to Plaintiffs' derivative claims for statutory and civil penalties, Plaintiffs estimate Defendant's maximum potential recovery, prior to risk-adjustment, is $657,403.00, which breaks down as follows: **$286,603.00** for waiting time penalties for approximately 40 terminated Class Members in the 3-year SOL; a **$148,000.00** penalty for inaccurate wage statements based on approximately 37 Class Members in the 1-year SOL; and **$222,800.00** for PAGA penalties based on 2,228 Pay Periods and the Court assessing a $100.00 penalty for each pay period containing a violation. However, I believe it would be unrealistic to expect the Court to award the full exposure amount given the discretionary nature of awarding penalties and given Defendant's defenses, including without limitation, that any failure to pay all final wages at the time

of separation was not willful or intentional and that to the extent Plaintiffs received wage statements that were allegedly inaccurate, Plaintiffs suffered no actual resulting damage or harm. Moreover, I understand the individualized and testimony-intensive nature of the wage claims could bar class certification or otherwise significantly reduce Defendant's overall liability for statutory and civil penalties. Furthermore, considering the underlying wage claims are realistically estimated to be $373,267.86, awarding such a disproportional amount in penalties would also raise Due Process concerns. Weighing these factors, I applied a 95% discount to each penalty (resulting in **$14,330.15** for waiting time penalties, **$7,400.00** for inaccurate wage statement penalties, and **$11,140.00** for PAGA penalties) and accordingly arrived at **a realistic recovery estimate of $32,870.15 for statutory and civil penalties**.

39. Using these estimated figures, Plaintiffs predicted **the realistic (risk-adjusted) recovery for all claims, including penalties, is $406,138.01**. This means **the $300,000.00 gross settlement figure represents roughly 74% of the total realistic recovery**. This is an excellent result for the Class, particularly because, under the Settlement, Class Members will receive timely and guaranteed relief, avoiding the risk of not being able to recover anything.

40. With regards to the PAGA claims, the Settlement is a fair and reasonable resolution that satisfies PAGA's dual statutory purposes of deterrence and punishment, on the one hand, and providing Aggrieved Employees with genuine and meaningful relief, on the other. As a result of this litigation, Defendant has had to hire legal counsel, engage in informal class-wide discovery, and participate in mediation. Defendant will also have to pay civil penalties to the LWDA under the Settlement, assuming final settlement approval is granted. (Settlement, ¶ 3.1.4.) Not including its own attorneys' fees and costs as well as the employer's share of payroll taxes, Defendant will pay no less than $300,000.00 to resolve this matter—of which $20,000.00 is allocated toward the PAGA claims and will be distributed, in compliance with Labor Code section 2699 as 65% ($13,000.00) to the LWDA and 35% ($7,000.00) to Aggrieved Employees—and the release obtained under the Settlement does not preclude Aggrieved Employees from pursuing any individual claims they may have against Defendant or the other Released Parties. Moreover, Plaintiffs' Counsel are of the opinion that because the issues here are fairly contested, there is a possibility of the Court not awarding the PAGA penalties even if Plaintiffs prevailed on the merits

due to the largely discretionary nature of awarding PAGA penalties. In other words, were this matter to go to trial, any award granted would be at the discretion of the Court and subject to a substantial reduction.

41. Further, Plaintiffs' Counsel took into account the risk of not being able to proceed on a representative basis due to the potential manageability issues and that even if Plaintiffs prevailed at trial, penalties would likely be limited due to the largely discretionary nature of awarding PAGA penalties and in light of other defenses available to Defendant. Thus, it is entirely possible that even if Plaintiffs would be successful at trial, assuming they are first able to certify the claims and defeat the manageability issues presented at litigation, Plaintiffs could be awarded substantially less than what was obtained through the Settlement. In sum, the $20,000.00 PAGA Penalties allocation under the Settlement constitutes genuine and meaningful relief.

42. Here, the Settlement represents a substantial recovery when considered against the risk and uncertainties involved in continued litigation, the burdens of proof necessary to certify the claims and establish liability, and the probability of appeal. While Plaintiffs are confident in the merits of their claims, a legitimate controversy exists as to each cause of action. Plaintiffs also recognize that proving the amount owed to each Class Member would be an expensive, time-consuming, and uncertain proposition.

43. The Settlement obviates the significant risk that this Court may deny certification of all or some of Plaintiffs' claims. Plaintiffs' Counsel took into account the risk of not prevailing at trial due to low or no participation by Class Members. Indeed, the individualized and testimony-intensive nature of the claims could bar manageability of the representative claims or otherwise significantly reduce any recovery whatsoever. For example, the rest period and unreimbursed expense claims are testimony-driven claims and assume a 100% violation rate, which would not likely be demonstrated at trial, as it assumes either the participation of a majority or all employees (which would be difficult given the reality that many, if not all, employees would be unwilling to participate due to fear of retaliation), or alternatively, the use of surveys or statistical data as a surrogate (which would still require the participation of a majority of employees to establish a sound representation of all non-exempts). Even assuming employees would be willing to participate, obtaining declarations would potentially reveal that each individual employee had a different experience.

44. Furthermore, even if Plaintiffs were able to pursue their claims on a class-wide basis and obtain certification of all or some of the claims, continued litigation would be expensive, involving a trial and possible appeals, and would substantially delay and reduce any recovery by the Class. Although the Parties have engaged in a significant amount of investigation, informal discovery, and class-wide data analysis, they have not conducted extensive formal discovery. Moreover, preparation for class certification and a trial would remain for the Parties as well as the prospect of appeals in the wake of a disputed class certification ruling for Plaintiffs and/or any summary judgment ruling. As a result, the Parties would incur considerably more attorneys' fees and costs through trial. In sum, this Settlement avoids the risks, burdens, and the accompanying expense of further litigation.

45. The proposed $300,000.00 Settlement represents a substantial recovery when compared to the reasonably forecasted recovery for the Class. When considering the risks of litigation, the uncertainties involved in continued litigation, the burdens of proof necessary to establish liability, and the probability of appeal, it is clear the Settlement amount is within the "ballpark" of reasonableness, and that preliminary settlement approval is appropriate. (*Kullar v. Foot Locker Retail, Inc*. (2008) 168 Cal.App.4th 116, 133; *see Munoz v. BCI Coca-Cola Bottling Co. of L.A.* (2010) 186 Cal.App.4th 399, 408–09 [holding that *Kullar* does not require "an explicit statement of the maximum amount the plaintiff class could recover if it prevailed on all its claims," but instead, only an "understanding of the amount that is in controversy and the realistic range of outcomes of the litigation"].)

<u>THE SERVICE PAYMENTS TO PLAINTIFFS ARE REASONABLE</u>

46. Throughout this litigation, Plaintiffs, who were former employees of Defendant, have cooperated immensely with my office and have taken many actions to protect the interests of the Class. Plaintiffs provided valuable information regarding their hours worked, and what duties were performed during those hours. Plaintiffs also provided information regarding meal periods taken and missed by Plaintiffs and other Class Members. Plaintiffs participated in decisions concerning this action, assisted in preparation for the mediation, and provided my office with the names and contact information of potential witnesses in this action. Before we filed this case, Plaintiffs worked with my office to determine the viability of their claims. Plaintiffs also provided information and documents relating to their employment by

Defendant. The information and documentation provided by Plaintiffs was instrumental in establishing the wage-and-hour violations alleged in this action, and the recovery provided for in the Settlement would have been impossible to obtain without their participation.

47. At the same time, Plaintiffs faced many risks in adding themselves as the named Plaintiffs in this matter. Plaintiffs faced actual risks with their future employment, as putting themselves on public record in an employment lawsuit could also very well affect their likelihood for future employment. For example, a search of Plaintiffs' name will reveal this action, and as a result, many employers may likely forego hiring Plaintiffs in learning they sued a former employer.

48. In turn, Class Members can now participate in a settlement, reimbursing them for wage violations they may have never known about or been willing to pursue on their own. If each Class Member would have tried to pursue legal remedies on their own, that would have resulted in each having to expend a significant amount of their own monetary resources and time, not to mention limited judicial resources, which were obviated by Plaintiffs putting themselves on the line on behalf of the Class.

49. This class action would not have been possible without the aid of Plaintiffs, who put their own time and effort into this litigation and placed themselves at risk for the sake of the Class. The requested service payments to Plaintiffs for their service as the Class Representatives are relatively small amounts of money considering the time and effort put into the litigation and compared to enhancements granted in other class actions. The requested service payments are therefore reasonable to compensate Plaintiffs for their active participation in this lawsuit, in addition to their general release of claims, both known and unknown, and waiver of section 1542 rights.

MY EXPERIENCE AND QUALIFICATIONS

50. I received a B.A. in History in 1998 from UCLA, and my J.D. from Loyola Marymount Law School in 2006. I became an Active Member of the State Bar of California in June 2007 and have been an Active Member in good standing continuously since then. I have been selected to Super Lawyers each year from 2019 to 2025.

51. I co-founded Moon & Yang, APC—now Moon Law Group, PC—in March 2010. My practice is focused exclusively on advocating for the rights of employees in wage-and-hour litigation, almost entirely

in class and/or representative actions.

52. For the past decade, I have built my practice to have an emphasis on employment and related civil litigation cases and have both prosecuted and defended employment-related litigation cases. I have been heavily, successfully, and continuously involved in active litigation and trial work, and have conducted bench and jury trials on behalf of both employees and employers in wage-and-hour cases.

53. My current billing rate is $950.00 per hour, which is my usual hourly rate in wage-and-hour litigations. A $950.00 per hour rate is reasonable considering my years of experience practicing in the highly specialized area of employment and labor law and my Laffey Matrix rate (The Laffey Matrix, http://www.laffeymatrix.com/see.html [last visited June 19, 2026].) The Laffey Matrix is a "well-established objective source for rates that vary by experience" used by the District of Columbia. (*In re HPL Tech., Inc. Sec. Litig.* (N.D. Cal. 2005) 366 F. Supp 2d 912, 921.) A true and correct copy of the Laffey Matrix is attached hereto as **Exhibit 6**. California Courts have adjusted the Laffey Matrix rate upwards based on "locality pay differentials" and the location of counsel's office in California to determine whether counsel's rates are reasonable. (*See, e.g.*, *id.* [applying a 9% upward adjustment to the Laffey Matrix rate based on an approximate difference of 9% between the locality pay differential of the District of Columbia and San Francisco, California, where counsel's office was located].) To determine the locality pay differential, the Court in *In re HPL Technologies, Inc.* utilized the locality pay differentials within the federal courts. (*Id.* at pp. 921–22.) Using the same method here and based on my firm's location in Los Angeles, California, the locality pay differential of the Los Angeles-Long Beach area is 36.47% and the locality pay differential of the Washington-Baltimore-Arlington area is 33.94%, which results in a difference of approximately 2.53%. (*Compare* Judiciary Salary Plan of Los Angeles-Long Beach, CA, Effective January 12, 2026, *with* Judiciary Salary Plan of Washington-Baltimore-Arlington, Effective January 12, 2026.) True and correct copies of the Los Angeles-Long Beach, CA and Washington-Baltimore-Arlington salary plans are attached hereto as **Exhibit 7** and **Exhibit 8**, respectively. Based on my 19+ years of experience out of law school, my Laffey Matrix rate is $1,019 per hour. (*See* Ex. 6.) Accordingly, my current billing rate of $950.00 per hour is reasonable.

54. I am experienced in prosecuting and defending employment matters, particularly class actions

and PAGA representative actions. My firm has focused a substantial percentage of its practice on wage, hour, and working conditions violations. In addition to the present case, I am also class counsel for other wage-and-hour class action lawsuits pending in various California counties, including in state and federal courts. The following is a list of some of our recent class action settlements that have received preliminary and final approval: *Aparicio v. Lineage Logistics, LLC* (LASC No. BC722764) (class size approx. 155; lead counsel); *Black v. Mission Healthcare Servs., Inc*. (LASC No. 19STCV04602) (class size approx. 1,000; lead counsel); *Campa v. Bloomingdeals, Inc*. (LASC No. BC700366) (class size approx. 1,500; lead counsel); *Garcia v. Comfy U.S.A. Apparel, Inc.* (LASC No. BC709630) (class size approx. 210; lead counsel); *Gomez v. H Mart Cos., Inc.* (LASC No. BC671525) (class size approx. 2,500; co-counsel); *Jones v. Citiguard, Inc.* (LASC No. BC664890) (class size approx. 587; lead counsel); *Jones v. Fitness Alliance, LLC* (Riverside No. PSC1404079) (class size approx. 1,000; lead counsel); *Lagos v. ThyssenKrupp Elevator Corp.* (LASC No. BC682972) ($750,000 for 79 class members; lead counsel); *Mark Brulee et al. v. DAL Global Servs., LLC* (C.D. Cal. Dec. 20, 2018, No. CV 17-6433 JVS(JCGx)) 2018 WL 6616659, at *10 (class size approx. 2,650; lead counsel) (in approving my hourly rate in that case, the Court found: "Class Counsel's declarations show that the attorneys are experienced and successful litigators. Other courts have approved the attorneys' current rates for the Moon & Yang, APC attorneys"); *Martinez v. Bail Hotline Bail Bonds, Inc.* (LASC No. BC700131) (class size approx. 173; lead counsel); *Montoya v. Golden 1 Credit Union* (Sacramento No. 34-2018-00228252) (class size approx. 1,900; lead counsel); *Onofre v. Caitac Garment Processing, Inc*. (LASC No. BC702283) (class size approx. 750; lead counsel); *Rodriguez v. Rossmoyne, Inc.* (LASC No. BC699137) (class size approx. 220; lead counsel); *Sison v. Cha Hollywood Med. Ctr., L.P.* (LASC No. BC6441 29) (class size approx. 2,100; co-counsel); *Slaughter v. ACA Sec. Stems, LP* (LASC No. BC699137) (class size approx. 300; lead counsel); *Taylor v. Sherman's Delicatessen & Bakery, LLC* (LASC No. BC722765) (class size approx. 515; lead counsel); *Vargas v. AMS Paving, Inc*. (LASC No. BC722767) (case size approx. 260; lead counsel); *Vertti v. Bagcraft Papercon III, LLC* (LASC No. 19STCV12729) (class size approx. 260; lead counsel); and *Wallick v. Campbell Soup Supply Co., LLC* (San Joaquin No. STK-CV-UOE-2021-0000865) (class size 435; lead counsel).

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ALLEN FEGHALI'S EXPERIENCE AND QUALIFICATIONS

55. Allen Feghali is a Senior Partner at Moon Law Group, PC. He received his B.A. in Global and International Studies in 2011 from UC Santa Barbara, and his J.D. from University of La Verne College of Law in 2014. Mr. Feghali became an Active Member of the State Bar of California in December 2014 and has been an Active Member in good standing continuously since then. He was selected by Super Lawyers as a "Southern California Rising Star" in 2020–2023.

56. Mr. Feghali began working at Moon Law Group, PC in May 2015, and his practice focuses on advocating for the rights of employees at the trial-court and appellate level. Prior to approximately June 2018, with the exception of a handful of cases, his practice focused on individual FEHA and wrongful termination claims, as well as individual wage-and-hour claims. In June 2018, Mr. Feghali became heavily involved in the firm's class action practice.

57. Mr. Feghali's current billing rate is $900.00 per hour, which is his usual hourly rate in wage and hour litigations. Based on Mr. Feghali's 11+ years of experience out of law school, his Laffey Matrix rate is $1,019 per hour. (*See* Ex. 6.) As compared to the Laffey Matrix rate and when considering his experience, Mr. Feghali's billing rate of $900.00 per hour is reasonable.

58. During Mr. Feghali's tenure with Moon Law Group, PC, he has played a critical role in obtaining outstanding results for employees who have been wronged by their employers. Mr. Feghali's litigation experience includes, but is not limited to:

(a) In March 2021, Mr. Feghali prepared the briefing in the matter of *Rivera, et al. v. Clearpath Federal Credit Union* (LASC No. 19STCV33504), which resulted in a certification order on all causes of action following contested briefing in a wage-and-hour class action.

(b) Mr. Feghali prepared the briefing in a contested class certification motion in the matter of *Dawson, et al. v. GoHealth, LLC, et al.* (No. CGC-19-577790), which was argued and taken under submission by the Court on February 3, 2022.

(c) Mr. Feghali prepared the briefing in a contested class certification motion in the matter of *Brown v. NTI-CA, Inc., et al.* (No. 21STCV04397).

(d) Mr. Feghali was part of a team that prepared the briefing in a contested class certification motion in the matter of *Thong, et al. v. Outlook Resources, Inc., et al.* (No. 19STCV44400), which was granted in part and denied in part in October 2022.

(e) Mr. Feghali prepared the briefing which resulted in a remand order in the matter of *Andrade v. Rehrig Pacific Corp.* (C.D. Cal. April 22, 2020, No. CV 20-1448 FMP (RAOx)) 2020 WL 1934954, where defendant removed a wage-and-hour class alleging that Plaintiffs' claims were pre-empted by the Labor Management Relations Act.

(f) Mr. Feghali briefed, argued, and won the matter of *Lee, et al. v. The Christian Herald, U.S.A., Inc.* (Cal. Ct. App. Dec. 12, 2017, No. B266853) 2017 WL 6333905, at *1. There, the Court of Appeal reversed a dismissal of an individual defendant following the trial court's granting of a demurrer without leave to amend relating to alter ego allegations.

(g) Mr. Feghali prepared the briefing which resulted in a remand order in the matter of *Sotelo v. Belfor USA Group, Inc.* (C.D. Cal. March 13, 2018, No. 2:17–cv–09056–RSWL–MRWx) 2018 WL 1352910. Defendants there sought to remove the case based on the inclusion of a "sham defendant," but the court agreed with Mr. Feghali's briefing which argued that the individual defendant, who was alleged to have harassed the Plaintiffs under FEHA, was a proper defendant.

(h) Mr. Feghali has been the lead counsel, or co-lead counsel, in individual cases that settled for $850,000.00, $375,000.00, and $250,000.00. In addition to the foregoing, Mr. Feghali has resolved or assisted in the resolution of approximately 100 cases which has resulted in millions of dollars of unpaid wages being returned to low-wage employees.

(i) Mr. Feghali was part of a team that prepared the briefing in a contested class certification motion in the matter of Hernandez v. CR Laurence, Inc., et al. (No. 20STCV32372), which was granted, in part, and denied, in part, in February 2024.

59. Since June 2018, Mr. Feghali's practice has shifted to almost exclusively representing employees in wage-and-hour class and representative actions. His fee has been approved by Courts throughout the state. He has participated as lead, or co-lead counsel, in the litigation and resolution of over

100 wage-and-hour class actions, including obtaining preliminary and final approval of settlements. A selection of settled cases wherein Mr. Feghali served as lead or co-lead class counsel includes the following: *Barahona v. Methodist Hosp. of Cal*. (No. 20STCV09876) ($5,000,000); *Stanley Black & Decker Wage and Hour Cases* (No. JCCP5218) ($3,500,000); *Vazquez v. St. Mar 2.0 Inc.* (No. 37-2021-00042702-CU-OE-CTL) ($2,250,000); *Duncan v. Infineon Technologies Americas Corp*. (No. 21STCV16872) ($2,500,000); *Aquino v. Coast King Packing, LLC* (No. 21CV002448) ($2,300,000); *Martinez, et al. v. Curative LLC* (No. 21STCV20778) ($1,500,000); *Calderon v. Installed Building Products* (No. 37-2021-00035844-CU-OE-CTL) ($1,500,000); *Majdoub v. Argent Hotel Mgmt.* (No. CGC-20-582921) ($1,800,000); *Fuentes v. Covid Clinic, Inc*. (No. CIVSB2106806) ($1,526,317.57); *Rahman, et al. v. Gate Gourmet, Inc*. (No. 3:20-cv-03047) ($3,850,000); *Pagoulatos v. Coast Hills Credit Union* (No. 20CV02801) ($1,100,000); *Hammers v. Redwood Oil Co., Inc*. (No. SCV-269625) ($1,180,000); *Cuadras v. R.C. Wendt Painting, Inc*. (No. BC705964) ($1,400,000); *Zaragoza v. The Roman Catholic Bishop of Fresno* (No. 22CV-00282) ($1,500,000); *Garcia v. San Jose Water Co.* (22CV396328) ($1,200,000); *Garcia v. Tri-Valley Plastering, Inc*. (No. 22CECG00591) ($1,250,000); *Garcia v. Tapia Enter., Inc*. ($2,137,651 for 507 class members); *Cha v. Center Point, Inc*. (No. CIV2102081) ($1,000,000); *Sison v. Cha Hollywood Med. Ctr., L.P*. (No. BC644129) (2,137 class members); *Lagos v. ThyssenKrupp Elevator Corp.* (No. BC682972) ($750,000 for 79 class members); and *Montoya v. Golden 1 Credit Union* (No. 34-2018-00228252) ($1,250,000).

ENZO NABIEV'S EXPERIENCE AND QUALIFICATIONS

60. Enzo Nabiev is an associate attorney at Moon Law Group, PC. Mr. Nabiev represents employees in all aspects of employment litigation, including wage and hour class action and representative actions involving claims related to overtime and minimum wages, meal and rest break violations, improper wage statements, the California Private Attorneys General Act and unfair business practices.

61. Mr. Nabiev received his Bachelor of Arts in Political Science from the University of California, Berkeley and his Juris Doctorate from The George Washington University Law School, where he served as a member of the Federal Circuit Bar Journal. He also served as a Judicial Extern for the Honorable William Nooter of the Superior Court of the District of Columbia.

62. Mr. Nabiev is a member in good standing with the California State Bar and in the United States District Court for the Central and Northern Districts. Mr. Nabiev's billing rate is $850 per hour. Based on Mr. Nabiev's 6 years of experience out of law school, his Laffey Matrix rate with a 2.53% upward adjustment is $640.81 per hour ($625 + ($625 x 2.53%). (*See* Ex. 6.) When considering the Laffey Matrix rate and Mr. Nabiev's experience, his billing rate of $850 per hour is reasonable.

63. During his employment with Moon Law Group, PC, he has played a critical role in obtaining outstanding results for employees who have been wronged by their employers. His litigation experience includes, but is not limited to:

(a) In August 2025, he fully briefed a motion for class certification in *Slaughter v. Finelite, Inc.* (Case No. 22CV018565), where class certification was granted in part.

(b) In March 2023, he prepared the briefing in AGUIRRE, JR., v. BW PACKAGING SYSTEMS, INC. et al., No. 222CV04980ODWGJSX, 2023 WL 2605016 (C.D. Cal. Mar. 22, 2023), which resulted in a remand order where defendant's removal was based on CAFA jurisdiction.

(c) In April 2022, he fully briefed, argued, and won in the Court of Appeal in the Fourth Appellate District, regarding the issue of whether a pre-dispute arbitration agreement is enforceable under the Federal Arbitration Act when it includes a contractual waiver of representative claims under PAGA.

(d) In March 2022, as the lead attorney, he successfully resolved an individual wage & hour case resulting in a settlement of over $56,000 for his client who was earning minimum wage per hour.

(e) In February 2022, he fully briefed a motion for class certification in *Brown v. NTI-CA, Inc.* (LASC No. 21STCV04397) where Defendant elected to file bankruptcy.

(f) In September 2021, he fully briefed, argued, and won an Opposition to a Motion for Summary Adjudication in the matter of *Dorsey v. Circa Tile & Stone, Inc.* (LASC Case No: 19STCV08365) where Defendant attempted to release individual claims under PAGA on behalf of each employee who executed a release agreement.

(g) In May 2021, he fully briefed and won an Opposition to a Motion to Compel Arbitration in the matter of *Morales v. Precision Aerospace Corp.* (Case No: CIV-DS2006541) where Defendant attempted to compel individual arbitration and dismiss class action claims based on Plaintiff's signed arbitration agreement within an employee handbook. There, the matter was settled on a class-wide basis for $900,000.00.

(h) In December 2020, he fully briefed, argued, and won an Opposition to a Motion for Summary Judgment in the matter of *Gonzalez v. Lipscomb* (LASC Case No: 19STCV10352) where he successfully established triable issues of material facts of whether a general manager of a hotel is considered a joint employer for purposes of liability for wage & hour violations.

64. He has participated in the litigation and resolution of approximately 50 wage and hour class actions, including obtaining preliminary and final approval of settlements on the first attempt.

JASON KWAK'S EXPERIENCE AND QUALIFICATIONS

65. Jason Kwak is an associate attorney at Moon Law Group, PC. Mr. Kwak represents employees in all aspects of employment litigation, including wage and hour class action and representative actions involving claims related to overtime and minimum wages, meal and rest break violations, improper wage statements, the California Private Attorneys General Act and unfair business practices.

66. Mr. Kwak received his Juris Doctorate from the Dale E. Fowler School of Law at Chapman University. While in law school, he served as a Law Clerk for the Los Angeles County District Attorney's Office. Mr. Kwak is a member in good standing with the California State Bar.

67. Mr. Kwak's billing rate is $400 per hour. Based on Mr. Kwak's 1 year of experience, his Laffey Matrix rate is $508 per hour. (*See* Ex. 6.) Accordingly, his billing rate of $400 per hour is reasonable.

CLASS COUNSEL'S EXPERIENCE AND QUALIFICATIONS

68. As demonstrated by the foregoing, my office is qualified to handle this litigation because we are experienced in litigating Labor Code and Wage Order violations in individual, class, and representative

actions. The attorneys at my office have been appointed as lead or co-lead counsel in numerous wage-and-hour class and/or PAGA actions in state and federal courts by way of motion for settlement approval. Including myself, Moon Law Group, PC is comprised of approximately 35 attorneys, all of whom are actively and continuously practicing employment litigation, representing almost entirely employee-plaintiffs, in both individual and class and/or PAGA actions, in this Superior Court and other Superior Courts throughout the State, in the Courts of Appeal, and in various federal courts. The attorneys at my firm have a high level of skill and knowledge in wage-and-hour class actions, PAGA representative actions, and labor and employment law generally, the substantiative (state and federal) and procedural law of which is frequently evolving.

69. Moon Law Group, PC has been engaged in the practice of employment and labor law for over a decade, and presently focuses exclusively on plaintiffs' employment law. The firm and its lawyers have tried both bench and jury trials (representing both plaintiffs and defendants) relating to employment matters. As noted above, Moon Law Group, PC has been appointed lead or co-lead class counsel in federal and state courts in California. Also, the firm and its lawyers have successfully settled hundreds of cases during that time, including wage-and-hour class and/or PAGA actions.

70. The foregoing experience of myself and other attorneys of Moon Law Group, PC is helpful in assessing the reasonableness of settlements, such as the one at issue here, and from this experience we concluded that this litigation could not have been settled on better terms than provided under the Settlement.

71. I respectfully submit that the attorneys of Moon Law Group, PC, myself included, are well suited to act as Class Counsel in this action, and we have, and will continue to, vigorously represent the interests of the Class. To my knowledge, we do not have any conflicts of interest with Plaintiff, other Class Members, or the proposed Administrator, and we are not related to Plaintiff. We respectfully request to be appointed as Class Counsel, for settlement purposes.

<u>THE REQUEST FOR ATTORNEYS' FEES AND COSTS IS REASONABLE</u>

72. The Settlement provides for attorneys' fees payable to Class Counsel in an amount up to one-third of the Gross Settlement Amount or $100,000.00, and litigation costs up to $25,000.00. (Settlement, ¶ 3.1.2.) The proposed award of attorneys' fees can be justified under either the lodestar method or the

percentage/common-fund recovery method. however, we base the proposed fees award on the percentage method, as many of the entries in the time records will have to be redacted to preserve attorney-client and attorney work product privileges.

73. I am informed and believe that the fees and costs provision in the Settlement is reasonable. The fee percentage requested is less than that charged by my office for most employment cases. Moreover, my office invested significant time and resources into the case, with payment deferred to the end of the case, and then, of course, contingent on the outcome.

74. It is further estimated that my office will need to expend at least another 50 to 100 hours to monitor the administration process leading up to the final approval, prepare for final approval, and oversee distribution to the Class following final approval. My office also bears the risk of taking whatever actions are necessary should Defendant fail to pay.

75. The risk to my office has been very significant, particularly if we would not be successful in pursuing this class action. In such instance, we would have been left with no compensation for all the time taken in litigating this case due to the contingency fee arrangement. Indeed, I have taken on a number of class action cases that have resulted in thousands of attorney hours being expended and ultimately having the defendant company going bankrupt during litigation. The contingent risk in these types of cases is very real and occurs regularly. Furthermore, we were precluded from focusing on, or taking on, other cases which could have resulted in a larger, and less risky, monetary gain.

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

77. As of the drafting of this motion, my office has incurred $11,566.54 in expenses litigating this action, and we anticipate accruing additional costs up to final approval. These expenses were reasonably necessary to the litigation and were actually incurred by my office. Moreover, because total litigation costs are below the maximum amount allowed under the Settlement, the difference will revert to Participating Class Members. (*Id.* at ¶ 3.1.2.) Therefore, our costs should be reimbursed in full.

78. My office invested significant time and resources into the case, with payment deferred to the end of the case, and then, of course, contingent on the outcome. My office's efforts have included, and will include following preliminary and final approval, without limitation, the following:

(a) Numerous interviews with Plaintiffs and review of documents provided by them;

(b) Legal research and investigation regarding Defendant's business and employment practices at numerous points in the litigation;

(c) Preparation and submission of Plaintiffs' PAGA notice;

(d) Preparation, finalization, and filing of multiple drafts of the original class action complaint and subsequent first amended complaint;

(e) Extensive "meet and confer" correspondence and discussions with Defense Counsel regarding mediation and to obtain relevant documents and information through informal discovery;

(f) Research and preparation of Plaintiffs' mediation brief;

(g) Analysis of the discovery production and preparation of a damages model with the aid of a statistics expert;

(h) Attendance and active participation at a full day of mediation;

(i) Drafting, negotiating, and reviewing multiple drafts of the Settlement and Class Notice;

(j) Preparation of the motion for preliminary approval and the accompanying filings;

(k) Anticipated preparation for and attendance at the preliminary approval hearing;

(l) Anticipated conferring with Defense Counsel and the Administrator regarding the Class Notice mailing, Class responses, and preliminary and final calculations;

(m) Anticipated preparation, finalization, filing, and service of a motion for final approval and accompanying filings;

(n) Anticipated preparation for and anticipated attendance at the final approval hearing, and then monitoring of the distribution of funds following final approval; and

(o) Anticipated responding to Class Member inquiries and communicating with Plaintiffs regarding the case.

79. Through the efforts of my office and Plaintiffs in this case, a fair and reasonable joint resolution has been reached that includes a gross, non-reversionary payment by Defendant of *no less than* $300,000.00 to compensate Class Members for the alleged unlawful wage-and-hour practices. I am informed and believe that, without the efforts of my office or Plaintiff, the Labor Code and Wage Order violations alleged in the Operative Complaint would have gone completely unremedied.

I declare under penalty of perjury under the laws of the State of California and the United States that the foregoing is true and correct. Executed on June 22, 2026, at Los Angeles, California.

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Kane Moon