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Attorneys for Plaintiff  
DANIEL RODRIGUEZ, individually,  
and on behalf of Aggrieved Employees  
pursuant to the California Private  
Attorneys General Act

**SUPERIOR COURT OF THE STATE OF CALIFORNIA**  
**FOR THE COUNTY OF LOS ANGELES**

DANIEL RODRIGUEZ, individually, and on  
behalf of Aggrieved Employees pursuant to the  
California Private Attorneys General Act;

Plaintiff,

vs.

REPUBLIQUE, LLC, a California Limited  
Liability Company; and DOES 1 through 25,  
inclusive,

Defendants.

Case No. 23STCV14521

*Assigned for all purposes to Hon. Joseph Lipner,  
Dept. 72*

**DECLARATION OF JONATHAN M.  
GENISH IN SUPPORT OF PLAINTIFF'S  
MOTION FOR APPROVAL OF PAGA  
SETTLEMENT AND REQUEST FOR  
AWARD OF FEES AND COSTS**

Date: October 1, 2024  
Time: 8:30 a.m.  
Dept.: 72  
Reservation ID: 143101574900

Complaint Filed: June 22, 2023

## DECLARATION OF JONATHAN M. GENISH

I, Jonathan M. Genish, declare and state as follows:

1. I am a shareholder and the founder of Blackstone Law, APC, attorneys of record for Plaintiff Daniel Rodriguez (“Plaintiff”). I am an attorney admitted to practice in all Courts of the State of California. I submit this declaration in support of Plaintiff’s (“Plaintiff”) Motion for Approval of PAGA Settlement and Request for Award of Fees and Costs (“Motion”). I have personal knowledge of the facts contained herein, and, if called to testify, I could and would competently do so.

## Background and Experience

2. I received my law degree from Benjamin N. Cardozo School of Law and was admitted to the California State Bar in 2008. During law school, I clerked at the litigation firm Oved & Oved, LLP and was published several times in various small publications. Upon graduation, I was rehired by Freedman & Taitelman, LLP as an associate and remained employed there from September 2008 through August 2015. During my tenure, I managed hundreds (perhaps thousands) of complex litigation cases, ranging from employment, corporate, entertainment, and general business litigation matters, though my primary area of expertise was employment, both single plaintiff and representative actions.

3. On the vast majority of those cases, I was the only or primary attorney managing the case and thus obtained extensive experience. In that capacity, I conducted wage and hour and wrongful termination labor and employment intakes; was the primary contact for all clients; took and defended hundreds (if not thousands) of depositions; propounded and responded to all discovery; prepared and opposed all motions and pleadings, including dispositive and certification motions; strategized on all cases; attended all hearings; attended all mediations; coordinated with class action administrators; prepared and worked with experts; first and second chaired multiple trials and arbitrations; and engaged in all other intricate facets of litigation. During that time, I represented a wide range of clients from sole proprietorships to Fortune 500 companies in state, federal, complex, and appellate courts. Many of the cases I managed were highly publicized, with articles written about them in the Los Angeles Times, Deadline, The Hollywood Reporter, Business Insider, Law360, and others. Super Lawyers has regularly honored me as a Southern California Rising Star since 2012.

1           4.     In February 2018, I started the law firm of Blackstone Law, APC, representing  
2 plaintiffs in individual and representative employment litigation. The firm has grown exponentially  
3 over the past six-plus years, now maintaining twenty highly pedigreed attorneys working on almost  
4 exclusively labor and employment class actions, California Labor Code Private Attorney General Act  
5 of 2004 (“PAGA”) cases, and individual matters, with roughly 15% of the firm focused on other  
6 complex general litigation matters.

7           5.     I have considerable experience in handling class and representative action lawsuits  
8 throughout my career and have been approved as counsel in a number of cases, including, most  
9 recently:

- 10           •     *Consumer Protection Group, LLC v. A. D. Sutton & Sons, Inc.*, Los Angeles County  
11 Superior Court, Case No. 19STCV29979, a private attorney general action for penalties  
12 pursuant to Health and Safety Code section 25249.7.
- 13           •     *Consumer Protection Group, LLC v. Shaxon Industries, Inc., et al.*, Los Angeles  
14 County Superior Court, Case No. 19STCV30306, a private attorney general action for  
15 penalties pursuant to Health and Safety Code section 25249.7.
- 16           •     *Consumer Protection Group, LLC v. Home Depot U.S.A., Inc.*, Los Angeles County  
17 Superior Court, Case No. 19STCV30445, a private attorney general action for penalties  
18 pursuant to Health and Safety Code section 25249.7.
- 19           •     *Eric Savoy v. Collector’s Universe, Inc., et al.*, Central District Court of California,  
20 Case No.: 8:20-cv-00632-DOC-ADS (remanded to Orange County Superior Court,  
21 Case No. 30-2020-01130892-CU-RI-CXC), a consumer fraud class action.

22           6.     Blackstone Law, APC has been counsel of record on several class action and PAGA  
23 actions that have since been resolved, the most recent of which are as follows:

- 24           •     *Theresa Bendorf, et al. v. Sea World LLC, et al.*, San Diego County Superior Court,  
25 Case No. 37-2021-00034922-CU-OE-CTL, preliminarily approved as class counsel, in  
26 association with other counsel, in settlement of wage and hour class and PAGA action.
- 27           •     *Victor De La Cruz v. Northwest Pipe Company*, San Bernardino County Superior  
28 Court, Case No. CIVSB2211140, preliminarily approved as class counsel in settlement

of wage and hour class and PAGA action.

- *Maria Ayala, et al. v. SDH Services West, LLC*, Kern County Superior Court, Case No. BCV-21-101933, approved as class counsel in final settlement of wage and hour class action.
- *Alfredo Sanchez v. Greenworld, Inc.*, Riverside County Superior Court, Case No. CVRI2105756, approved as class counsel in final settlement of wage and hour class and PAGA action.
- *Michael Bravo v. Michels Pacific Energy, Inc.*, Santa Clara County Superior Court, Case No. 22CV403427, preliminarily approved as class counsel in settlement of wage and hour class and PAGA action.
- *Oscar Bryant v. Midwest Construction Services, Inc. dba Trillium*, San Bernardino County Superior Court, Case No. CIVSB2121529, approved as class counsel in settlement of wage and hour class action.
- *Bobby Birdi v. Lucid USA, Inc.*, Alameda County Superior Court, Case No. 21CV003541, preliminarily approved as class counsel in settlement of wage and hour class and PAGA action.
- *David Williams v. Rancho Nicasio, LLC*, Marin County Superior Court, Case No. CIV2203067, preliminarily approved as class counsel in settlement of wage and hour class and PAGA action.
- *Matthew Savattieri v. AMI Expeditionary Healthcare, LLC, et al.*, Los Angeles County Superior Court, Case No. 21STCV33372, approved as class counsel in final settlement of wage and hour class and PAGA action.
- *Lexy Barajas, et al. v. H. W. Hunter, Inc.*, Los Angeles County Superior Court, Case No. 22STCV01892, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Alejandro Valdez v. C.H.I. Automart, Inc.*, Los Angeles County Superior Court, Case No. 21STCV40168, approved as class counsel in final settlement of wage and hour class and PAGA action.

- 1 • *Sheizan Bawa v. Meathead Movers, Inc.*, Orange County Superior Court, Case No. 30-  
2 2021-01211895-CU-OE-CXC, approved as counsel in settlement of representative  
3 wage and hour action pursuant to PAGA.
- 4 • *Tanisha Lopez, et al. v. Restorix Health, Inc.*, Los Angeles County Superior Court,  
5 Case No. 21STCV33067, approved as class counsel, in association with other counsel,  
6 in final settlement of wage and hour class and PAGA action.
- 7 • *Perla Soto, et al. v. Nippon Express U.S.A., Inc.*, Los Angeles County Superior Court,  
8 Case No. 21STCV24902, approved as class counsel in final settlement of wage and  
9 hour class and PAGA action.
- 10 • *Angel Garcia, et al. v. J&B Investments, Inc., et al.*, San Bernardino County Superior  
11 Court, Case No. CIVSB2208601, approved as class counsel, in association with other  
12 counsel, in final settlement of wage and hour class and PAGA action.
- 13 • *Sindy Aviles, et al. v. Freeway Insurance Services America, LLC*, Los Angeles County  
14 Superior Court, Case No. 21STCV34864, approved as counsel, in association with  
15 other counsel, in settlement of representative wage and hour action pursuant to PAGA.
- 16 • *Alexander Gnaedig, et al. v. Favorite Healthcare Staffing, Inc.*, Los Angeles County  
17 Superior Court, Case No. 21STCV20904, approved as class counsel, in association  
18 with other counsel, in final settlement of wage and hour class and PAGA action.
- 19 • *Richard Evans v. My Paint Stop, LLC, et al.*, Contra Costa County Superior Court, Case  
20 No. MSC21-01812, approved as class counsel in final settlement of wage and hour  
21 class and PAGA action.
- 22 • *Jose Luis Parada George v. Main Electric Supply Company, LLC, et al.*, Orange  
23 County Superior Court, Case No. 30-2021-01220136-CU-OE-CXC, approved as  
24 counsel in settlement of representative wage and hour action pursuant to PAGA.
- 25 • *Samia Salazar Yunis v. Sharif Jewelers*, Sacramento County Superior Court, Case No.  
26 34-2020-00290080, approved as class counsel in final settlement of wage and hour  
27 class and PAGA action.
- 28 • *Daniel Analco v. Felix Chevrolet, LP, et al.*, Los Angeles County Superior Court, Case

No. 21STCV36654, approved as class counsel in final settlement of wage and hour class and PAGA action.

- *Sasha Aiono v. Benefit Cosmetics*, Los Angeles County Superior Court, Case No. 21STCV33719, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Anthony DiRico v. Seek Capital, LLC*, Los Angeles County Superior Court, Case No. BC698076, approved as class counsel in final settlement of wage and hour class and PAGA action.

7. I am currently the managing partner overseeing roughly 500 labor and employment cases, approximately 80% of which include a wage and hour component. The majority of those cases are wage-and-hour putative class actions or representative PAGA actions seeking relief on behalf of thousands of California employees.

#### **Procedural History of the Action**

8. I am informed and believe that Defendant Republique, LLC (“Defendant”) is a restaurant, bar, and bakery in the Miracle Mile area of Los Angeles. I am informed and believe that Defendant employed Plaintiff as an hourly-paid, non-exempt Line Cook from approximately May 1, 2022 to June 22, 2022.

9. On May 16, 2023, Plaintiff provided written notice by electronic submission to the California Labor and Workforce Development Agency (“LWDA”) and by U.S. Certified Mail to Defendant, pursuant to California Labor Code § 2699.3, of the specific provisions of the California Labor Code alleged to have been violated by Defendant. A true and correct copy of the notice is attached hereto as **Exhibit 1**.

10. On June 22, 2023, Plaintiff filed a Complaint for Enforcement Action Under the Private Attorneys General Act, Cal. Labor Code §§ 2698 *Et Seq* (“Operative Complaint”) in the action entitled *Daniel Rodriguez v. Republique, LLC*, Los Angeles County Superior Court Case No. 23STCV14521 (“Action”) alleging one cause of action under PAGA.

11. During the course of informal discovery in the Action, PAGA Counsel conducted an intense investigation into the facts of the Actions. This included obtaining data, information, and

documents relating to the underlying alleged violations, including, but not limited to, Plaintiff's employee files, all of the Aggrieved Employees' time and payroll data, Defendant's Employee Handbooks, and Aggrieved Employees' data points so that Plaintiff could assess the number of alleged potential violations and value of the recoverable penalties, as well as evaluate the strengths and weaknesses of his claims.

12. Based on the data, information, and documents received, as well as thorough discussions with Defendant's counsel, PAGA Counsel was able to (i) determine the total number of distinct individuals falling within the definition of "Aggrieved Employees" for the relevant statutory period, (ii) the number of affected pay periods at issue among them, and (iii) construct a damages model that calculated the maximum realistic amount of PAGA penalties that could be levied against Defendant within the relevant statutory period. Defendant, however, disputed Plaintiff's claims and disputed both the existence of and extent of liability as alleged by Plaintiff, which allowed PAGA Counsel to further assess the strength of Plaintiff's claims. PAGA Counsel's experience in litigating similar representative wage and hour claims, the degree of investigation that was conducted here, and the amount of data, information, and documents that was obtained, was sufficient to determine the potential value of the PAGA claims, and to evaluate the strength of these claims for purposes of settlement.

13. On February 28, 2024, Plaintiff and Defendant (collectively, the "Parties") participated in a formal mediation conducted by Chris Barnes, Esq., a neutral and respected mediator with extensive experience in complex wage and hour matters, during which the Parties were able to reach an agreement to resolve the Action in its entirety. Attached hereto as **Exhibit 2** is a true and correct copy of the Private Attorneys General Act Settlement Agreement and Release ("Agreement" or "Settlement Agreement") entered into between the Parties.

14. I believe the Settlement Agreement is fair, reasonable, and adequate. I understand, acknowledge, and agree that the Settlement Agreement constitutes a compromise of Plaintiff's PAGA claims, and that it is the desire and intention of the Parties to affect a final and complete resolution of the Actions.

15. I am informed and believe that Defendant denies all of the claims in the Actions, and

1 does not waive, but rather expressly reserves, all rights to challenge all such claims and allegations  
2 upon all legal, procedural, and factual grounds should the Settlement Agreement not become final.  
3 The Settlement Agreement reflects a compromise reached to end litigation in the Actions. Following  
4 significant investigation and extensive settlement negotiations, Plaintiff now seeks approval of the  
5 proposed Settlement Agreement, which will resolve all representative claims alleged in the Actions.

6 **Notice to the LWDA**

7 16. In accordance with California Labor Code sections 2699 *et. seq.*, a copy of the proposed  
8 Settlement Agreement was submitted to the LWDA via online submission through the LWDA's  
9 website on June 25, 2024. Attached as **Exhibit 3** is a copy of the confirmation for this submission.

10 17. Concurrently with the filing of the Motion, information on the hearing of the Motion  
11 was provided to the LWDA.

12 **Summary of the Terms of the Settlement Agreement**

13 18. For purposes of settlement only, the Parties have agreed that the "Aggrieved  
14 Employees" shall be defined as current and former non-exempt employees who worked for  
15 Republique in California at any time from May 16, 2022 to February 28, 2024. The "PAGA Period"  
16 is the period from May 16, 2022 to February 28, 2024. Based on its records, Defendant has represented  
17 that there are 275 Aggrieved Employees who worked 5,992 pay periods as of February 28, 2024.

18 19. The Parties have agreed to settle the PAGA claims at issue in the Actions for a non-  
19 reversionary Gross Settlement Amount of Two Hundred Ninety Thousand Dollars and Zero Cents  
20 (\$225,000.00). The Gross Settlement Amount is a common fund and therefore includes all requested  
21 costs, fees, and other allocations. The Gross Settlement Amount includes: (1) PAGA Counsel's fees  
22 in the amount of thirty percent (30%) of the Gross Settlement Amount, equaling Ninety-Six Thousand  
23 Six Hundred Sixty-Six Dollars and Sixty-Seven Cents (\$67,500.00); (2) PAGA Counsel's actual  
24 litigation costs and expenses in the amount of Twelve Thousand Five Hundred and Twenty Dollars  
25 and Sixteen Cents (\$12,520.16); and (3) Administration Expenses Payment, not to exceed Four  
26 Thousand Four Hundred Fifty Dollars and Zero Cents (\$4,450.00).

27 20. After the above-estimated amounts are deducted from the Gross Settlement Amount,  
28 the Net Settlement Amount will amount to approximately One Hundred Forty Thousand and Five

1 Hundred Twenty-Nine Dollars and Eighty-Four Cents (\$140,529.84), of which seventy-five percent  
2 (75%), or One Hundred Five Thousand Three Hundred Ninety-Seven Dollars and Thirty-Eight Cents  
3 (\$105,397.38), will be paid to the LWDA (“LWDA PAGA Payment”), and twenty-five percent (25%),  
4 or Thirty-Five Thousand One Hundred Thirty-Two Dollars and Forty-Six Cents (\$35,132.46), will be  
5 distributed and paid to Aggrieved Employees on a pro rata basis based on their number of pay periods  
6 they each worked for Defendant for at least one day during the PAGA Period (“PAGA Pay Periods”).

7 21. Under the terms of the Settlement Agreement, within fourteen (14) calendar days of  
8 the Effective Date (the latter of: (a) the Court’s approval of the Settlement; or (b) the final resolution  
9 of any appeal that has been filed), Defendant will deliver Aggrieved Employee identifying information  
10 in Defendant’s possession including each Aggrieved Employee’s full name, last-known mailing  
11 address, Social Security number, and number of PAGA Pay Periods (collectively, “Aggrieved  
12 Employee Data”) to the Administrator in the form of a Microsoft Excel spreadsheet.

13 22. Under the terms of the Settlement Agreement, within thirty (30) calendar days of the  
14 Effective Date, Defendant will fund the Gross Settlement Amount by transmitting the funds to the  
15 Administrator.

16 23. Under the terms of the Settlement Agreement, within twenty-one (21) calendar days  
17 after Defendant funds the Gross Settlement Amount, the Administrator will mail checks for all  
18 Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the  
19 PAGA Counsel Fees Payment, and the PAGA Counsel Litigation Expenses Payment.

20 24. Under the terms of the Settlement Agreement, the Settlement Administrator shall  
21 exercise its best judgment to determine the current mailing address for each Aggrieved Employee.  
22 Any checks returned as non-deliverable on or before the check cashing deadline will be sent promptly  
23 via regular First-Class U.S. Mail to the forwarding address affixed thereto. If no forwarding address  
24 is provided, the Settlement Administrator will promptly attempt to determine the correct address using  
25 a skip-trace or other search using the name, address or Social Security Number of the Aggrieved  
26 Employee involved and will perform up to a single re-mailing if a new address is located.

27 25. Under the terms of the Settlement Agreement, individual PAGA Payment checks that  
28 are issued to Aggrieved Employees will be valid and negotiable for up to one hundred and eighty (180)

1 calendar days after the checks are initially mailed to the Aggrieved Employees, and thereafter, will be  
2 canceled. Any funds associated with such canceled checks will be distributed to California  
3 Controller's Unclaimed Property Fund in the name of the Aggrieved Employee.

4 26. Under the terms of the Settlement Agreement, if the actual number of pay periods  
5 during the period May 16, 2022 to February 28, 2024 is more than ten percent (10%) above 5,992,  
6 then the Gross Settlement Amount will be increased by the percentage in excess of this ten percent  
7 (10%) threshold.

8 **The Agreement is Fair and Reasonable and Took Into Consideration the Strengths and**  
9 **Weaknesses of Plaintiff's Claims and the Defenses thereto, as well as the Risks and Benefits of**  
10 **the Agreement**

11 27. Here, the Agreement is presumptively fair because: (1) it occurred after counsel for the  
12 Parties engaged in significant investigation to evaluate the strength and potential value of the PAGA  
13 claims, and the risks of litigating these claims through trial; and (2) it was negotiated at great length  
14 and effort by counsel with significant experience in similar complex labor and employment matters.

15 28. This case and settlement address important employee protections embodied in the  
16 California Labor Code. Plaintiff's core allegations are that Defendant systematically violated the  
17 California Labor Code by, *inter alia*, failing to properly pay wages for all hours worked, failing to pay  
18 overtime, failing to provide compliant meal and rest periods, failing to pay premiums, failing to timely  
19 pay wages during employment and upon termination, failing to maintain accurate payroll records,  
20 failing to provide accurate wage statements, and failing to reimburse necessary business expenses.

21 29. Defendant maintained several defenses to Plaintiff's theories of liability, which, if  
22 successfully argued and proven, had the potential to eliminate or substantially reduce recovery.  
23 Throughout this litigation, Defendant maintained, and continues to maintain, that it had, and continues  
24 to have, compliant employment policies and practices throughout the time period at issue. Defendant  
25 denies that it ever violated any provision of the California Labor Code, including, but not limited to,  
26 those sections for which Plaintiff seeks penalties under PAGA. Defendant further denied, and  
27 continues to deny, that the lawsuits are appropriate for representative treatment for any purpose other  
28 than settlement. Defendant also challenged Plaintiff's standing as an aggrieved employee and denied

1 that any of Defendant's other employees whom Plaintiffs seek to represent are aggrieved. Defendant  
2 also argued that an important feature of PAGA is that the Court retains discretion to lower the penalties  
3 if, based on the facts and circumstances of the particular case, to do otherwise would result in an award  
4 that is "unjust, arbitrary and oppressive, or confiscatory."

5 30. Even if violations of the California Labor Code occurred, which Defendant denies,  
6 Defendant contended that said violations would only be considered "initial violations" and thus  
7 heightened "subsequent violation" penalties were not warranted.

8 31. Defendant also contended that, with respect to PAGA claims, the Court was unlikely  
9 to assess cumulative penalties for the maximum number of possible, separate California Labor Code  
10 violations, because it would be unjust, arbitrary, oppressive, and/or confiscatory, especially where  
11 certain conduct may be regulated by multiple provisions of the California Labor Code that are  
12 interrelated and work in tandem. As such, Defendant contended that cumulative penalties and  
13 heightened penalties would be unjust, arbitrary, oppressive, and confiscatory.

14 32. While Plaintiff maintains that his PAGA claims have merit, in reaching the Agreement,  
15 Plaintiff and his counsel took into account the strengths and weaknesses of each side's position, and  
16 the uncertainty of how the cases might have concluded as litigation continued, at trial, and/or upon  
17 appeal. The Agreement achieves a sizeable benefit obtained.

18 33. As set forth in the Motion, the California Labor Code does not set forth the criteria by  
19 which a PAGA settlement is to be evaluated; it is presumed that a reviewing court may take into  
20 consideration some of the factors that courts use when reviewing a class action settlement.<sup>1</sup> "[A]  
21 PAGA claim asserted on a non-class representative basis...is not considered a class action but a law  
22 enforcement action, and therefore does not have to meet the requirements of [a class action]." *Casida*  
23 *v. Sears Holdings Corp.*, 2012 U.S. Dist. LEXIS 9302 at \*8 (E.D. Cal. Jan. 25, 2012). However, a  
24 discussion of the strengths and weaknesses of each claim, along with an estimate of the total potential  
25 recovery is as follows:

26 *i. Unpaid Wages*

27  
28 <sup>1</sup> As this is not a class action, the *Kullar* factors pertaining to the risk of maintaining class action status through trial and the reaction of class members to the proposed settlement are inapplicable.

1           34. Plaintiff alleged that Defendant failed to compensate Plaintiff and the Aggrieved  
2 Employees at their applicable minimum, regular, and overtime rates for their work, and failed to  
3 compensate them for all hours that they worked. Plaintiff reported that Defendant required Plaintiff  
4 and the other Aggrieved Employees to perform work off-the-clock by requiring them to attend pre-  
5 shift meetings led by the head chef. Plaintiff also alleged that Plaintiffs and other Aggrieved  
6 Employees were required to perform pre-shift work activities off-the-clock, including donning aprons  
7 and other work attire. Additionally, Plaintiffs alleged that Defendant failed to pay overtime  
8 compensation for all overtime hours worked.

9           35. Defendant denied these claims, arguing that its compensation policies and practices  
10 comply with California. Defendant further contended that its non-exempt employees were responsible  
11 for accurately recording their own hours and that it was not aware that any work had been performed  
12 off-the-clock. Defendant also produced payroll data evidencing overtime paid to its employees.

13           36. If a violation was found to have occurred in every one of the aggregate pay periods  
14 within the relevant time period, the potential maximum exposure for this claim would be \$645,500.<sup>2</sup>

15                   *ii. Meal Periods*

16           37. Plaintiff asserted that Defendant failed to provide employees with lawful meal periods.  
17 For example, Plaintiff reported that meal breaks were imposed at the beginning of the shift but that  
18 Plaintiff and other Aggrieved Employees had to work throughout this meal break. Plaintiff reported  
19 that Defendant required its employees to show up for work, clock in, immediately clock out, work for  
20 thirty (30) minutes, and then clock back in for the rest of the shift. Additionally, Plaintiff alleged that  
21 throughout the relevant time period, Defendant, at times, failed to provide meal periods at all.  
22 Plaintiff's analysis of the time data revealed that in 33% of all shifts there was at least one unique meal  
23 period violation.

24           38. Defendant argued that the Aggrieved Employees were permitted, if not encouraged, to  
25 take their meal breaks. Defendant also argued that its written meal break policy was lawful and  
26

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27 <sup>2</sup> While the California Labor Code provides for \$100 for the first violation and up to \$250 for each subsequent violation  
28 (depending on the underlying violation), Plaintiff used this simple computation of the total number of aggregate pay periods  
times a \$100 penalty for analysis purposes only to account for the argument that the imposition of PAGA penalties is  
discretionary and courts have the power to reduce or assess penalties based on the specifics of each case.

employees' time records reflected that they took lawful meal periods. Defendant further contended that it had valid meal period waivers in place for the Aggrieved Employees. Moreover, litigating the meal period claims would be inherently difficult as it would need to be proven that compliant meal periods were not provided, but time records would not indicate whether or not a meal period was interrupted.

39. If a violation was found to have occurred in every one of the aggregate pay periods within the relevant time period, the potential maximum exposure for this claim would be \$359,400.

*iii. Rest Periods*

40. Plaintiff argued that Defendant failed to schedule, permit, or authorize compliant rest periods. Plaintiff alleged that Plaintiff and other Aggrieved Employees were unable to take their rest breaks because of their heavy workloads. Plaintiff reported that if he was able to take a rest break, they were frequently interrupted by supervisors, coworkers, and/or customers. In response, Defendant pointed to their written rest break policies as being compliant with California law. Here, Plaintiff faced the challenge of having to prove each alleged rest period violation with only testimony from Aggrieved Employees.

41. If a violation was found to have occurred in every one of the aggregate pay periods within the relevant time period, the potential maximum exposure for this claim would be \$645,500.

*iv. Unreimbursed Business Expenses*

42. Plaintiff alleged that Aggrieved Employees were required to purchase uniforms and various instruments and tools needed to perform their job duties and were not compensated by Defendant.

43. Defendant contended that it had a policy and practice of reimbursing employees for necessary business-related expenses. Defendant further contended that, with respect to the alleged expenses for which Plaintiff and Aggrieved Employees never requested reimbursement from Defendant, it did not know and had no reason to know that alleged business-related expenses had been incurred.

44. If a violation was found to have occurred in every one of the aggregate pay periods within the relevant time period, the potential maximum exposure for this claim would be \$645,500.

1                   v. *Derivative Claims*

2           45.     As with all derivative claims, success depends on the success of the underlying claims.  
3     Here, Plaintiff's claims for inaccurate wage statements, failure to pay all wages due during  
4     employment and upon termination, and failure to keep requisite payroll records would only succeed if  
5     the underlying claims for failure to pay wages for off-the-clock work, failure to pay overtime, and  
6     failure to pay premiums for all meal and rest periods not lawfully provided were successful. Therefore,  
7     these claims were subject to the same risks of failure as discussed above.

8           46.     Again, if a violation was found to have occurred in every one of the aggregate pay  
9     periods within the relevant time period, the potential maximum exposure for these claims would be  
10    (1) \$133,500 for the failure to maintain accurate records; (2) \$645,500 for wage statement violations;  
11    (3) 645,500 for failure to timely pay wages during employment; and (4) \$12,600 for failure to timely  
12    pay wages upon termination.

13                   vi. *Total PAGA Penalties*

14           47.     PAGA Counsel considered information obtained through investigations and obtained  
15    from Plaintiff and Aggrieved Employees, as well as data provided by Defendant, and created valuation  
16    models. Based thereon and assuming that the Court would be satisfied that the PAGA claims were  
17    susceptible to being efficiently tried and adjudicated on a representative basis, and that it could be  
18    shown that civil penalties under the California Labor Code are owed of one penalty per pay period  
19    during the relevant time period, Defendant's estimated total exposure was \$3,733,000. However,  
20    PAGA Counsel considered the defenses asserted, information and evidence obtained, and  
21    circumstances in these cases, which posed risks to representative adjudication and monetary recovery.  
22    PAGA Counsel also considered the fact that, by law, the Court has the discretion to reduce and/or  
23    assess lower penalties, that it was not clear that heightened penalties would apply, and that stacking  
24    and/or cumulative penalties may not be allowed. Accordingly, a discount of 75% was applied to  
25    account for the risks associated with proving the underlying violations and the cost and delay in  
26    recovering the alleged potential penalties (bringing the value of this claim closer to \$933,250), and a  
27    further discount of 75% was applied to account for the risks associated with succeeding on the merits  
28    and establishing liability (bringing the value of this claim closer to \$233,313). In light thereof, the

1 Gross Settlement Amount of \$225,000 is a significant settlement.

2 **The Amount in the Settlement Agreement**

3 48. The Net Settlement Amount is currently estimated to be One Hundred Forty Thousand  
4 and Five Hundred Twenty-Nine Dollars and Eighty-Four Cents (\$140,529.84). After all deductions  
5 from the Gross Settlement Amount are made for the PAGA Counsel Fees Payment, PAGA Counsel  
6 Litigation Expenses Payment, and Administration Expenses Payment, One Hundred Five Thousand  
7 Three Hundred Ninety-Seven Dollars and Thirty-Eight Cents (\$105,397.38) (i.e. 75% of the Net  
8 Settlement Amount) will go to the LWDA, and Thirty-Five Thousand One Hundred Thirty-Two  
9 Dollars and Forty-Six Cents (\$35,132.46) (i.e. 25% of the Net Settlement Amount) will go to the  
10 Aggrieved Employees, as required by California Labor Code § 2699(i) (“civil penalties recovered by  
11 aggrieved employees shall be distributed as follows: 75 percent to the Labor and Workforce  
12 Development Agency . . . and 25 percent to the aggrieved employees.”). There is no reason to doubt  
13 the fairness of the proposed plan of allocation of the Net Settlement Amount as it fully complies with  
14 California Labor Code section 2699(i).

15 49. The Settlement Agreement is a compromise of highly disputed claims. Plaintiff and  
16 his counsel recognize the expense and length of continued proceedings necessary to litigate the matter  
17 through trial and any possible appeals. Plaintiff and his counsel have also taken into account the  
18 uncertainty and risk of the outcome of further litigation, and the difficulties and delays inherent in  
19 such litigation. Plaintiff and his counsel are also aware of the burdens of proof necessary to establish  
20 liability, both generally and in response to Defendant’s defenses thereto, and the difficulties in  
21 establishing Defendant’s liability for, and the right to recover, penalties on behalf of Plaintiff, the State  
22 of California, and other Aggrieved Employees. Plaintiff and his counsel have also taken into account  
23 Defendant’s agreement to enter into a settlement that confers significant relief upon the Aggrieved  
24 Employees and the State of California. Considering all of the facts in this case, Plaintiff and his  
25 counsel have determined that the Agreement represents a fair, adequate, and reasonable resolution of  
26 the PAGA claims, and that it is in the best interests of the Aggrieved Employees and the State of  
27 California.

28 50. The result achieved in this case is well within the range of what is considered an

1 acceptable settlement under the circumstances, especially when compared to the settlement of PAGA  
2 claims in other cases.

3 **The Agreement was Negotiated by Experienced Counsel**

4 51. PAGA Counsel is experienced in complex representative and class action wage-and-  
5 hour litigation. In the view of PAGA Counsel, the benefits conferred by the Agreement are eminently  
6 fair and reasonable, and in the best interests of the State of California and the Aggrieved Employees  
7 in light of the risk, delay, and uncertainty of continued litigation and the substantial monetary benefits  
8 provided for by the Agreement.

9 52. Here, the extent of informal discovery conducted was sufficient to enable PAGA  
10 Counsel to evaluate the strength and value of the PAGA claims for purposes of settlement. The  
11 settlement negotiations were conducted by highly capable and experienced counsel. PAGA Counsel  
12 are respected members of the bar with strong records of vigorous and effective advocacy, and are  
13 experienced in handling complex wage and hour class action litigation. Accordingly, PAGA Counsel  
14 had sufficient information and experience to act intelligently in negotiating the Agreement.

15 **The Requested PAGA Counsel Fees Payment is Fair and Reasonable**

16 53. PAGA Counsel's application for attorneys' fees in light of the facts and circumstances  
17 surrounding the cases is well-within the range of reasonableness. PAGA Counsel has vigorously  
18 litigated this case since it was commenced, with the very real possibility of an unsuccessful outcome  
19 and no fee recovery of any kind.

20 54. In the present cases, PAGA Counsel has borne all of the risks and costs of litigation  
21 and will not receive any compensation until recovery is obtained. PAGA Counsel is experienced in  
22 complex wage-and-hour litigation and used that experience to obtain a favorable result for Plaintiff,  
23 the Aggrieved Employees, and the State of California. Considering the amount of fees requested,  
24 work performed, risks incurred, and experience of PAGA Counsel in handling similar matters,  
25 Plaintiff maintains that the requested attorneys' fees of thirty percent (30%) of the Gross Settlement  
26 Amount (i.e., \$67,500.00) are reasonable and should be awarded.

27 55. The effectiveness of PAGA Counsel's prosecution of this matter has translated into  
28 tangible monetary benefits for the Aggrieved Employees as follows: (1) Aggrieved Employees will

1 obtain monetary recovery over a relatively short period of time, as opposed to waiting additional years  
2 for the same, or potentially worse, result; (2) a guaranteed result that compares favorably with other  
3 representative PAGA actions of these types, given the strengths and weaknesses of the cases; and (3)  
4 significant savings in PAGA Counsel's fees and/or costs that would have only increased significantly  
5 had the cases progress through trial and/or appeals. The attorneys who worked on this Action are all  
6 experienced in litigating wage and hour matters as follows:

7       a. Karen I. Gold graduated *cum laude* from UCLA in 2005 with a Bachelor of Science  
8 degree in Cognitive Science and a Specialization in Computing. She graduated from Boston  
9 University School of Law in 2008. Ms. Gold joined Cox Castle & Nicholson, LLP in 2008, and  
10 worked there for approximately a decade as a general litigation attorney focused primarily on high-  
11 stakes sophisticated cases including class action defense matters. Ms. Gold then spent approximately  
12 five years working for Marlin & Saltzman, LLP, which is a well-known plaintiff-side wage and hour  
13 law firm in Los Angeles, before transitioning over to Blackstone Law as a Senior Trial Attorney and  
14 Team Lead. Ms. Gold's billable rate is \$950 per hour, which is well within the prevailing rate for  
15 attorneys with her education, experience and expertise in this area of practice in Southern California.

16       b. Ashley H. Cruz is a tenth-year lawyer who is part of the team at Blackstone that  
17 litigated this matter. She graduated *cum laude* from Loyola University Chicago School of Law in  
18 2014, and she is a 2011 graduate of University of California, Los Angeles where she majored in  
19 International Development Studies with minors in Political Science and French. Ms. Cruz was  
20 admitted to practice law in Illinois in 2014 and in California in 2015. Since passing the California bar,  
21 Ms. Cruz has exclusively represented plaintiffs in employment litigation, including wage-and-hour  
22 disputes, as well as whistleblower, harassment, discrimination, and retaliation litigation. Her hourly  
23 rate of \$750 is reasonable based on her education and experience and is in line with the market rate.

24       56. Marissa Mayhood graduated from Pepperdine University School of Law with a juris  
25 doctorate and a certificate in dispute resolution from Pepperdine's Straus Institute. Ms. Mayhood  
26 spent approximately five years working for Marlin & Saltzman, LLP, which is a well-known plaintiff-  
27 side wage and hour law firm in Los Angeles. Ms. Mayhood is a senior attorney at Blackstone Law,  
28 APC. Her billable rate is \$575 per hour, which is well within the prevailing rate for attorneys with her

education, experience, and expertise in this area of practice in Southern California.

57. Blackstone Law, APC has spent approximately 199.3 total hours litigating this matter. To date, our total fees incurred amount to \$186,525. Each attorney who worked on this matter engaged in a multitude of tasks, including communicating with the client and defense counsel; investigating the facts and researching applicable legal issues; drafting pleadings, discovery, and briefs; reviewing documents; preparing for and attending mediation; and facilitating the settlement by drafting the settlement documents and documents for obtaining settlement approval.

58. When preparing for a mediation of a wage and hour class action or PAGA case, my attorneys treat the mediation preparation as a mini-trial. They interview witnesses, review all relevant documents and data, perform a thorough damages analysis, conduct legal research and take all other steps necessary to ensure that the mediator has a full and complete understanding of the action. In the event the case does not settle, the team then has a roadmap for preparing the case for trial.

59. A summary of Blackstone's lodestar for each attorney who worked on this matter is as follows:

| <u>Attorney</u>    | <u>Position</u>  | <u>Hours</u> | <u>Rate</u> | <u>Total</u> |
|--------------------|------------------|--------------|-------------|--------------|
| Jonathan M. Genish | Managing Partner | 34.5         | \$1,150     | \$39,675     |
| Karen I. Gold      | Senior Counsel   | 125          | \$950       | \$118,750    |
| Ashley H. Cruz     | Senior Associate | 29.8         | \$750       | \$22,350     |
| Marissa A. Mayhood | Associate        | 10           | \$575       | \$5,750      |

60. We expect to spend an additional 10 hours – 3 hours by Ms. Gold and 7 hours by Ms. Cruz – (\$8,100) in connection with finalizing the Motion, preparing for the approval hearing, and managing the Agreement through its conclusion, including anticipated communications with defense counsel, the Administrator, and our client. Based thereon, the total amount of Blackstone's fees through closure of this matter are estimated to be approximately \$194,625.

**The Requested PAGA Counsel Litigation Expenses Payment is Fair and Reasonable**

61. The Agreement provides for reimbursement of litigation costs and expenses of up to \$16,000.00. Blackstone seeks reimbursement of a total of \$12,520.16 in litigation costs and expenses.

1 A true and correct itemized list of my firm's litigation costs and expenses is attached hereto as **Exhibit**  
2 **4.** This amount was reasonable and necessary in the prosecution of this matter.

3 **The Administration Expenses Payment is Fair and Reasonable**

4 62. As set forth in the Settlement Agreement, the Parties have agreed to retain, subject to  
5 approval by the Court, Phoenix Settlement Administrators to handle the administration of the  
6 Agreement. The fees and expenses of the Administrator are estimated not to exceed \$4,450.00. These  
7 costs include, but are not limited to, expenses for preparing, printing, and mailing the Cover Letter  
8 and Individual PAGA Payment checks to the Aggrieved Employees, re-mailing the returned Individual  
9 PAGA Payment checks to any new addresses obtained, and handling inquiries from Aggrieved  
10 Employees regarding the Agreement, among other things. Accordingly, the Court should grant  
11 approval of the Administration Expenses Payment in the amount of up to \$4,450.00 to Phoenix  
12 Settlement Administrators, a necessary third-party for handling the settlement process. A true and  
13 correct copy of the price quote from Phoenix Settlement Administrators is attached as **Exhibit 5.**

14 **Pending Actions**

15 63. Neither I nor Plaintiff are aware of any other pending matter or action asserting claims  
16 that will be extinguished or adversely affected by the Agreement.

17  
18 I declare under penalty of perjury under the laws of the State of California that the  
19 foregoing is true and correct.

20 Executed on August 23, 2024, at Beverly Hills, California.

21 

22  
23 \_\_\_\_\_  
Jonathan M. Genish

## **EXHIBIT 1**

May 16, 2023

**PAGA Claim Notice Via Online Electronic Submission**

California Labor & Workforce Development Agency

800 Capitol Mall, Suite 5000 (MIC-55)

Sacramento, CA 95814

<https://www.dir.ca.gov/Private-Attorneys-General-Act/Private-Attorneys-General-Act.html>

**RE: *Daniel Rodriguez v. Republique, LLC***

Dear Representative:

This office represents Daniel Rodriguez (“Claimant”) with respect to his claims under the California Labor Code against Republique, LLC (including any and all affiliates, subsidiaries, parents, directors, and officers thereof) (collectively referred to herein as “Employers”). This letter is being sent simultaneously to Employers by certified mail.

Employers employed Claimant from approximately May 2022 to June 2022 as a non-exempt, hourly-paid employee. During his employment with Employers, Claimant was employed as a Line Cook. Claimant worked at 624 S La Brea Ave, Los Angeles, CA 90036.

Claimant intends to bring a representative action seeking penalties for violations of the California Labor Code which are recoverable under the Labor Code Private Attorneys General Act of 2004, California Labor Code section 2698, *et seq.* (“PAGA”). Claimant is seeking penalties on behalf of himself and in a representative capacity on behalf of the State of California and all current and former hourly-paid and/or non-exempt employees who worked for Employers in the State of California during the relevant statutory period (“Aggrieved Employees”). This letter is being sent in compliance with California Labor Code section 2699.3, and shall serve as Claimant’s notice of the provisions of the California Labor Code alleged to have been violated, including the facts and theories in support thereof.

As detailed below, Employers violated several of California’s wage and hour laws during Claimant’s employment, including but not limited to California Labor Code sections 201, 202, 203, 204, 226(a), 226.7, 510, 512(a), 1174(d), 1194, 1197, 1197.1, 1198, 2800, 2802, and the Industrial Welfare Commission Wage Orders (“IWC Wage Order”) including, *inter alia*, IWC Wage Order

No. 5-2001. The claims made on behalf of Claimant and Aggrieved Employees are based upon the following facts and theories:

**1. FAILURE TO PAY FOR ALL TIME WORKED AT CORRECT RATES OF PAY, INCLUDING MINIMUM WAGES, STRAIGHT TIME WAGES, AND OVERTIME COMPENSATION**

Employers have engaged in numerous unlawful practices which resulted in the failure to pay Claimant and other Aggrieved Employees for all time worked at the correct rates of pay, including minimum wages, straight time wages, and overtime compensation.

California Labor Code sections 1194, 1197, and 1197.1 and IWC Wage Order No. 5-2001 require employers to pay at least the legal minimum wage to their employees. California Labor Code sections 510 and 1198 and IWC Wage Order No. 5-2001 further require employers to pay no less than one and one-half times the regular rate of pay of the employee for hours worked in excess of eight (8) hours in one workday, for hours worked in excess of forty (40) hours in one workweek, and for the first eight (8) hours worked on the seventh day of work in any one workweek, and to pay no less than twice the regular rate of pay of the employee for hours worked in excess of twelve (12) hours in one workday and for any work in excess of eight (8) hours on any seventh day of a workweek.

Throughout the relevant time period, Employers regularly required Claimant and other Aggrieved Employees to perform work off-the-clock. This off-the-clock work included, amongst other things, requiring Claimant and other Aggrieved Employees to prepare meal orders, stock the kitchen, and clean the workstations during purported meal periods. Employers failed to compensate Claimant and other Aggrieved Employees for any of this off-the-clock work, in violation of California law.

In addition, Employers utilized time rounding practices that resulted in the systematic underpayment of wages (including minimum wages, straight time wages and overtime wages) to Claimant and Aggrieved Employees.

Employers also failed to accurately record the actual time worked by Claimant and Aggrieved Employees. Moreover, the uncompensated work described herein was often performed when Claimant and other Aggrieved Employees had already worked eight (8) hours in a day and/or forty (40) hours in week resulting in a failure to pay overtime compensation. Finally, Employers failed to pay overtime to Claimant and Aggrieved Employees for all overtime hours worked based on regular rates of pay correctly calculated to include all applicable remuneration, including non-discretionary commissions, non-discretionary bonuses, and non-discretionary performance pay.

As a result of the foregoing practices, Employers have failed to pay Claimant and other Aggrieved Employees for all wages earned at the correct rates of pay, including minimum wages, straight time wages, and overtime compensation. Accordingly, Employers violated IWC Wage Order No. 5-2001 and California Labor Code sections 204, 510, 1194, 1197, 1197.1 and 1198.

Claimant and Aggrieved Employees will therefore seek PAGA default penalties pursuant to California Labor Code section 2699; penalties pursuant to paragraph 20(A) of IWC Wage Order No. 5-2001; penalties pursuant to California Labor Code sections 558, 1197.1, and 1199; and attorneys' fees and costs.

## **2. FAILURE TO PROVIDE MEAL PERIODS AND PAY MEAL PERIOD PREMIUMS**

California law requires employers to provide employees with an opportunity to take an uninterrupted meal period of no less than thirty (30) minutes before the end of the fifth hour of work when an employee works more than five (5) hours in a day. Cal. Lab. Code §§ 226.7, 512(a). A second meal period of no less than thirty (30) minutes must be provided before the end of the tenth hour of work when an employee works more than ten (10) hours in a day. Cal. Lab. Code §§ 226.7, 512(a). When an employer fails to provide a meal or rest period, an hour of pay at the employee's regular rate of compensation is owed to the employee. Cal. Lab. Code § 226.7(c).

During the relevant time period, Employers failed to provide Claimant and other Aggrieved Employees with legally-compliant 30-minute meal periods. Claimant and other Aggrieved Employees were required by Employers to work more than five (5) hours per day, but were not provided with uninterrupted 30-minute meal periods. Further, Claimant and other Aggrieved Employees were not provided with a second uninterrupted 30-minute meal period when they worked over ten (10) hours per day. Employers regularly required Claimant and other Aggrieved Employees to work through their first and second meal periods, to take their first meal period after their fifth (5<sup>th</sup>) hour of work, and/or to take their second meal periods after their tenth (10<sup>th</sup>) hour of work. Meal periods, when provided, were oftentimes interrupted or cut short.

Employers' policies, practices, and procedures were responsible for the violations alleged above and prevented Claimant and other Aggrieved Employees from taking timely, complete and duty-free meal periods because, amongst other reasons: (1) Employers did not have legally-compliant policies regarding the provision and timing of meal periods or systematically disregarded its own purported meal period policies; (2) Employers' management at various levels failed and refused to implement and enforce legally compliant meal period policies and practices; (3) Employers failed to adequately inform and train Claimant and other Aggrieved Employees regarding their right to take timely, uninterrupted, and duty-free meal periods; (4) Employers failed to adequately inform and train Claimant and other Aggrieved Employees about their right to premium wages for non-compliant meal periods; (5) Employers failed to ensure that there was adequate staffing to allow Claimant and other Aggrieved Employees to take timely, uninterrupted, and duty-free meal periods; (6) Employers required Claimant and other Aggrieved Employees to respond to work-related requests at all times, including during meal periods; and (7) Employers' policy and culture prevented Claimant and other Aggrieved Employees from taking timely, uninterrupted, and duty-free meal periods because of the priority placed on maximizing profits over employees' right to receive timely, uninterrupted, and duty-free meal periods.

Claimant and other Aggrieved Employees did not receive an extra hour of wages at their regular rate of pay for the meal periods which were not provided to them in compliance with California law.

Accordingly, Employers violated IWC Wage Order No. 5-2001 and California Labor Code sections 226.7, 512(a) and 1198.

Claimants and Aggrieved Employees will therefore seek PAGA default penalties pursuant to California Labor Code section 2699; penalties pursuant to paragraph 20(A) of IWC Wage Order No. 5-2001; penalties pursuant to California Labor Code sections 558 and 1199; and attorneys' fees and costs.

### **3. FAILURE TO AUTHORIZE AND PERMIT REST PERIODS AND PAY REST PERIOD PREMIUMS**

California law requires employers to authorize and permit employees to take an uninterrupted rest period of no less than ten (10) minutes for every four (4) hours, or major fraction thereof, worked. Cal. Lab. Code § 226.7. When an employer fails to authorize and permit a rest period, an hour of pay at the employee's regular rate of compensation is owed to the employee. Cal. Lab. Code § 226.7(c).

Employers failed to authorize and permit Claimant and other Aggrieved Employees to take legally-compliant 10-minute rest periods. Employers required Claimant and other Aggrieved Employees to work through rest periods. Claimant and Aggrieved Employees were not provided with uninterrupted, duty-free rest periods when they worked more than four (4) hours or a major fraction thereof. Further, Claimant and other Aggrieved Employees were not provided with a second uninterrupted, duty-free rest period when they worked more than six (6) hours in a day, or a third uninterrupted, duty-free rest period after working more than ten (10) hours in day. In the rare event that a rest period was taken, it was frequently interrupted or cut short. Moreover, Claimant and other Aggrieved Employees were not completely relieved of duty as required by *Augustus v. ABM Security Services, Inc.*, 2 Cal.5th 257 (2016).

Employers' policies, practices, and procedures were responsible for the violations alleged above and prevented Claimant and other Aggrieved Employees from taking timely and complete rest periods because, amongst other reasons: (1) Employers did not have legally-compliant policies regarding the provision and timing of rest periods or systematically disregarded its own purported rest period policies; (2) Employers' management at various levels failed and refused to implement and enforce legally compliant rest period policies and practices; (3) Employers failed to adequately inform and train Claimant and other Aggrieved Employees regarding their right to take timely, uninterrupted, and duty-free rest periods; (4) Employers failed to adequately inform and train Claimant and other Aggrieved Employees about their right to premium wages for non-compliant rest periods; (5) Employers failed to ensure that there was adequate staffing to allow Claimant and

other Aggrieved Employees to take timely, uninterrupted, and duty-free rest periods; (6) Employers required Claimant and other Aggrieved Employees to respond to work-related requests at all times, including during rest periods; and (7) Employers' policy and culture prevented Claimant and other Aggrieved Employees from taking timely, uninterrupted, and duty-free rest periods because of the priority placed on completing job requirements over employees' right to receive rest periods.

Claimant and other Aggrieved Employees did not receive an extra hour of wages at their regular rate of pay for the rest periods which were not provided to them in compliance with California law.

Accordingly, Employers violated IWC Wage Order No. 5-2001 and California Labor Code sections 226.7, and 1198.

Claimant and Aggrieved Employees will therefore seek PAGA default penalties pursuant to California Labor Code section 2699; penalties pursuant to paragraph 20(A) of IWC Wage Order No. 5-2001; California Labor Code sections 558 and 1199 penalties; and attorneys' fees and costs.

#### **4. FAILURE TO TIMELY PAY WAGES DURING EMPLOYMENT**

California Labor Code section 204 requires that all wages earned by any person in any employment between the 1st and the 15th days, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 16th and the 26th day of the month during which the labor was performed, and that all wages earned by any person in any employment between the 16th and the last day, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 1st and the 10th day of the following month. California Labor Code section 204 also requires that 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. During the relevant time period, Employers have failed to timely pay all wages earned because Claimant and other Aggrieved Employees were not paid all the wages they were owed including, *inter alia*, overtime compensation, straight time wages, minimum wages, and meal and rest period premiums. Accordingly, Employers violated California Labor Code section 204(a).

Claimant and Aggrieved Employees will therefore seek PAGA default penalties pursuant to Labor Code section 2699; penalties pursuant to California Labor Code sections 210 and 1199; and attorneys' fees and costs.

#### **5. FAILURE TO PROVIDE ACCURATE ITEMIZED WAGE STATEMENTS**

California Labor Code section 226(a) requires an employer semimonthly or at the time of each payment of wages to furnish wage statements to its employees setting forth, *inter alia*, (1) gross wages earned, (2) total hours worked by the employee, (3) the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis, (4) all deductions, provided that all deductions made on written orders of the employee may be aggregated and shown

as one item, (5) net wages earned, (6) the inclusive dates of the period for which the employee is paid, (7) the name of the employee and only the last four digits of his or her social security number or an employee identification number other than a social security number, and (8) the name and address of the legal entity that is the employer.

As a result of the practices described herein, the wage statements provided to Claimant and other Aggrieved Employees failed to include the actual hours worked (including time spent working off-the-clock), the actual gross wages earned (including wages owed for time spent working off the clock and meal and rest period premiums), and the correct rates of pay. The wage statements provided to Claimant and other Aggrieved Employees also failed to include the name of the legal entity that employed Claimant and the Aggrieved Employees. Accordingly, Employers violated California Labor Code section 226(a).

Claimant and Aggrieved Employees will therefore seek PAGA default penalties; penalties pursuant to California Labor Code section 226.3; and attorneys' fees and costs.

## **6. FAILURE TO MAINTAIN ACCURATE RECORDS**

California Labor Code section 1174(d) requires an employer to 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 with rules established for this purpose by the commission, but in any case, shall be kept on file for not less than two years. During the relevant time period, Employers have failed to maintain accurate records relating to Claimant and other Aggrieved Employees' work periods, meal periods, total daily hours worked, and total hours worked per payroll period. Accordingly, Employers violated IWC Wage Order No. 5-2001 and California Labor Code sections 1198.5 and 1174(d).

Claimant and Aggrieved Employees will therefore seek PAGA default penalties pursuant to California Labor Code section 2699; penalties pursuant to paragraph 20(A) of IWC Wage Order No. 5-2001; California Labor Code section 1174.5 penalties; and attorneys' fees and costs.

## **7. FAILURE TO REIMBURSE NECESSARY EXPENDITURES**

California Labor Code sections 2800 and 2802 require an employer to reimburse its employees for all necessary expenditures incurred by the employee in direct consequence of the discharge of his or her job duties or in direct consequence of his or her obedience to the directions of the employer. IWC Wage Order No. 5-2001 requires employers to provide employees with the tools or equipment necessary for the performance of their job. During the relevant time period, Claimant and Aggrieved Employees incurred necessary business-related expenses and costs that were not fully reimbursed by Employers. These costs include but are not limited to the purchase of

uniform logo shirts, non-slip shoes, and kitchen tools for work-related purposes.

Accordingly, Employers violated IWC Order No. 5-2001 and California Labor Code sections 2800 and 2802. Claimant and Aggrieved Employees will therefore seek PAGA default penalties pursuant to California Labor Code section 2699; penalties pursuant to paragraph 20(A) of IWC Wage Order No. 5-2001; and attorneys' fees and costs.

## **8. FAILURE TO TIMELY PAY ALL WAGES UPON TERMINATION OF EMPLOYMENT**

California Labor Code sections 201 and 202 provide that if an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately, and if an employee quits his or her employment, his or her wages shall become due and payable not later than seventy-two (72) hours thereafter, unless the employee has given seventy-two (72) hours' 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.

During the relevant time period, upon the termination of employment (including but not limited to when they were temporarily laid off, laid off, discharged, and/or resigned), Aggrieved Employees were not paid all wages due to them within twenty-four (24) hours or even within seventy-two (72) hours for those who resigned. Specifically, as a result of Employers' practices of requiring Aggrieved Employees to work off-the-clock without compensation, failing to pay proper overtime compensation, unlawful rounding practices, failure to properly calculate regular rates, and failure to accurately record all hours actually worked, Employers failed to pay Aggrieved Employees for all straight time wage, minimum wages and overtime compensation owed to them upon termination of their employment. Employers also failed to pay Aggrieved Employees for meal period premiums and rest period premiums they were owed, amongst other wages. Accordingly, Employers violated California Labor Code sections 201 and 202.

Claimant and Aggrieved Employees will therefore seek PAGA default penalties pursuant to California Labor Code section 2699; penalties pursuant to California Labor Code sections 203 and 1199; and attorneys' fees and costs.

Employers are in direct violation of numerous California wage and hour laws including but not limited to said sections stated above. We hereby provide notice under the California Labor Code Private Attorneys General Act of 2004, California Labor Code Sections 2698, et seq., and specifically ask for an investigation, or if the agency does not intend to investigate the alleged violations, a letter confirming the same so that we may allege a cause of action under PAGA against Employers for the violations discussed in this letter.

This letter is sent in compliance with the reporting requirements of California Labor Code section 2699.3. By law, an employee alleging a violation of one of the above referenced sections must notify his or her employer and the Labor and Workforce Development Agency (LWDA) before

he or she can invoke the provisions of Sections 2699, et seq., by seeking redress in court. Cal. Lab. Code § 2699.3(a)(1). The LWDA must then notify the employer and the employee within 60 calendar days regarding whether it intends to investigate the alleged violation. Cal. Lab. Code § 2699.3(a)(2)(B). If the LWDA advises it will not investigate, or if no notice is provided within 65 calendar days, the employee may file a lawsuit invoking the provisions under Labor Code § 2699. Cal. Lab. Code § 2699.3(a)(2)(A). It is Claimant's intention to file a civil complaint and to bring the appropriate claims under California Labor Code § 2699 on behalf of themselves, the State of California and all Aggrieved Employees should your office not address Employers' alleged violations within this time.

If you have any questions or require additional information, please do not hesitate to contact my office. Thank you for your attention to this matter.

**BLACKSTONE LAW, APC**

*Miriam L. Schimmel*

Miriam L. Schimmel, Esq.

Cc: By U.S. Certified Mail, Return Receipt Requested

Debra Cole  
Agent for Service of Process for Republique, LLC  
3547 Voyager St., Ste. 201  
Torrance, CA 90503

## **EXHIBIT 2**

**PRIVATE ATTORNEYS GENERAL ACT SETTLEMENT AGREEMENT AND  
RELEASE**

This Private Attorneys General Act Settlement Agreement and Release ("Settlement Agreement" or "Settlement") is entered into by and between Plaintiff Daniel Rodriguez ("Plaintiff") and Defendant Republique, LLC ("Defendant" or Republique), subject to approval by the Court. The term "Party" or "Parties" as used herein shall refer to Plaintiff, Defendant, or both, as may be appropriate.

**I. DEFINITIONS**

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

1. "Action" means the matter entitled as *Daniel Rodriguez v. Republique, LLC*, Los Angeles County Superior Court Case No. 23STCV14521 (the "Action"), and Plaintiff's notice dated May 16, 2023 to the LWDA asserting claims for civil penalties under PAGA ("PAGA Notice").

2. "Aggrieved Employees" means current and former non-exempt employees who worked for Republique in California at any time from May 16, 2022 to February 28, 2024. The number of Aggrieved Employees, including Plaintiff, is estimated to be 271 individuals.

3. "Complaint" means the Complaint titled *Daniel Rodriguez v. Republique, LLC*, Los Angeles County Superior Court Case No. 23STCV14521.

4. "Court" means the Superior Court of California for the County of Los Angeles.

5. "Defendant" or "Republique" means Defendant Republique, LLC.

6. "Defense Counsel" means James A. Bowles, Richard S. Zuniga, and Elissa L. Gysi of Hill, Farrer & Burrill, LLP.

7. "Effective Date" means the latter of: (a) the Court's approval of the Settlement; or (b) the final resolution of any appeal that has been filed.

8. "Gross Settlement Amount" is the non-reversionary sum of two hundred and twenty five thousand dollars and zero cents (\$225,000.00), which represents the total amount payable under this Agreement by Defendant, including, without limitation, Individual PAGA Payments to all Aggrieved Employees, payment to the LWDA, payment of Plaintiff's attorneys' fees and costs, and payment to the Settlement Administrator for administration costs.

9. "Individual PAGA Payment" means the amount to be paid to each Aggrieved Employee based on the formula described herein.

10. "Judgment" means the judgment entered by the Court based upon the approval of the Settlement.

11. "LWDA" means the California Labor and Workforce Development Agency.

12. "Net Settlement Amount" is the amount remaining to distribute to the LWDA and Aggrieved Employees after the following amounts, if approved by the Court, are subtracted from

**PRIVATE ATTORNEYS GENERAL ACT SETTLEMENT AGREEMENT AND RELEASE**

the Gross Settlement Amount: (a) settlement administration costs not to exceed \$4,450; (b) Plaintiff's attorneys' fees up to thirty percent (30%) not to exceed \$67,500; and (c) reimbursement of actual litigation costs and expenses not to exceed \$16,000.

13. "PAGA" means the California Labor Code Private Attorneys General Act, California Labor Code § 2698, *et seq.*

14. "PAGA Notice" means Plaintiff's May 16, 2023 letter to Defendant Republique and the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a).

15. "PAGA Period" means the time period from May 16, 2022 to February 28, 2024.

16. "PAGA Released Claims" means any and all claims for civil penalties that were alleged or reasonably could have been assessed upon and collected from the Defendant and the Released Parties under PAGA, based on the factual allegations in the Action and the PAGA Notice, including but not limited to purported violations of California Labor Code sections 201, 202, 203, 204, 226(a), 226.7, 510, 512(a), 1174(d), 1194, 1197, 1197.1, 1198, 2800, and 2802 and Industrial Welfare Commission Wage Orders, including *inter alia*, Wage Order 5-2001, arising under the PAGA Period from the alleged claims against Defendant for Republique's alleged failure to provide meal and rest periods and premiums; failure to pay minimum wages; failure to pay overtime; failure to pay wages during employment; failure to pay all wages upon termination, failure to provide accurate wage statements; failure to maintain complete and accurate payroll records of hours worked and meal periods; and failure to reimburse business expenses.

17. "Parties" means Plaintiff and Defendant, collectively.

18. "Plaintiff" means Daniel Rodriguez, the named Plaintiff in the Action.

19. "Plaintiff's Counsel" means Jonathan M. Genish, Karen I. Gold, Ashley H. Cruz, Marissa A. Maywood of Blackstone Law, APC.

20. "Released Parties" means Republique, LLC and each of its former and present directors, officers, shareholders, owners, attorneys, insurers, predecessors, successors, assigns, subsidiaries, and affiliates.

21. "Settlement Administrator" means Phoenix Settlement Administrators, a neutral entity the Parties have agreed to appoint to administer the Settlement, subject to approval by the Court.

## **II. RECITALS**

This Settlement Agreement is made with reference to the following facts:

1. Plaintiff is a former employee of Republique who was employed by Republique from approximately May 17, 2022 to approximately June 22, 2023.

2. Plaintiff's Counsel submitted the PAGA Notice dated May 16, 2023 on behalf of Plaintiff to the LWDA and Defendant, to notify the LWDA and Defendant, pursuant to the Private Attorneys General Act of 2004, California Labor Code section 2698, *et seq.* ("PAGA")

## **PRIVATE ATTORNEYS GENERAL ACT SETTLEMENT AGREEMENT AND RELEASE**

of Plaintiff's intent to seek civil penalties under PAGA for alleged violations of California Labor Code sections 201, 202, 203, 204, 226(a), 226.7, 510, 512(a), 1174(d), 1194, 1197, 1197.1, 1198, 2800, and 2802 and Industrial Welfare Commission Wage Orders, including *inter alia*, Wage Order 5-2001.

3. On June 22, 2023, Plaintiff filed a Complaint for Enforcement Action Under The Private Attorneys General Act (Labor Code Section 2698, et seq.) against Defendant, entitled *Daniel Rodriguez v. Republique, LLC*, Los Angeles County Superior Court Case No. 23STCV14521.

4. Defendant provided Plaintiff's Counsel with information and documents pertaining to Plaintiff and other Aggrieved Employees in order for Plaintiff's Counsel to investigate Plaintiff's allegations and analyze the claims prior to mediation.

5. On January 21, 2024, the Parties participated in mediation of the Action with mediator Christopher Barnes. With the assistance of the mediator, the Parties agreed to fully and finally resolve the Action in its entirety.

6. The Parties, Plaintiff's Counsel and Defense Counsel represent that they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement.

### **III. OPERATIVE TERMS OF SETTLEMENT AGREEMENT**

The Parties agree as follows:

1. **Gross Settlement Amount.** The Parties agree to settle the Action for the non-reversionary amount of two hundred and twenty-five thousand dollars and zero cents (\$225,000.00). Defendant shall deposit the Gross Settlement Amount with the Settlement Administrator within thirty (30) days after the Effective Date.

2. **Escalator Clause.** Defendant represents that there are approximately 5,992 pay periods worked by Aggrieved Employees in California ("Affected Pay Periods") from May 16, 2022 to February 28, 2024. If the actual number of Affected Pay Periods from May 16, 2022 to February 28, 2024 is more than 10% greater than this number (i.e., if there are more than 6,592 Affected Pay Periods from May 16, 2022 to February 28, 2024, Defendant will increase the Gross Settlement Amount in proportion to the increase in Affected Pay Periods over 5,992 (e.g., if the number of Affected Pay Periods from May 16, 2022 to February 28, 2024 is 12% greater than 5,992, Defendant will increase the Gross Settlement Amount by 2%)).

3. **Net Settlement Amount.** The Parties agree that the following amounts should be subtracted from the Gross Settlement Amount, if approved by the Court, resulting in a Net Settlement Amount to distribute to the LWDA and Aggrieved Employees:

a. **Administration Costs.** Defendant will not oppose a request for the Settlement Administrator's costs, in an amount not to exceed \$4,450.00, for administering the settlement. In the event the Court approves a payment of less than this amount, the difference will be added to the Net Settlement Amount. Defendant, via the Settlement Administrator, will report this payment on IRS Form 1099 issued to the Settlement Administrator.

b. Plaintiff's Attorneys' Fees and Costs. Defendant will not oppose Plaintiff's request for attorneys' fees in the amount up to 30% of the Gross Settlement Amount (not to exceed \$67,500.00) and costs not to exceed \$16,000 incurred in prosecuting the Action. In the event the Court approves payments of less than these amounts, the difference will be added to the Net Settlement Amount. Defendant, via the Settlement Administrator, will report these payments on IRS Form 1099 issued to Plaintiff's Counsel. Except as specifically provided herein, Defendant shall not be liable for costs or attorneys' fees regarding the PAGA released claims.

4. Allocation of Net Settlement Amount. One hundred percent (100%) of the Net Settlement Amount shall be designated as "civil penalties" and shall be distributed 75% to the LWDA and 25% to Aggrieved Employees, pursuant to Labor Code § 2699(i). The 25% portion to be paid to Aggrieved Employees shall be paid to each Aggrieved Employee pro rata on the proportional number of pay periods worked during the PAGA Period.

5. PAGA Released Claims. Upon the Effective Date and payment of all funds under this Settlement, Aggrieved Employees (including Plaintiff) and the State of California, (including the LWDA,) will be forever barred from pursuing any and all PAGA Released Claims defined in Section 1.16 herein. This release of claims expressly excludes any non-PAGA claims held individually by Aggrieved Employees other than Plaintiff.

6. Covenants and Representations by Plaintiff.

a. Plaintiff represents and warrants that he has not assigned or transferred or purported to assign or transfer to any person or entity, any claim or portion thereof, or interest therein, which is or may be subject to this Agreement.

b. Plaintiff acknowledges that he has read this Agreement, that he fully understands his rights, privileges and duties under the Agreement, and enters into this Agreement freely and voluntarily. Plaintiff further acknowledges that he has had the opportunity to consult with his attorneys to explain the terms of this Agreement and the consequences of signing this Agreement.

7. Confidentiality. To the extent permitted by law, all agreements made, including the agreement that information and documents produced in informal discovery for mediation shall remain confidential to the extent it is not required to be disclosed to the Court for Court approval of the Settlement, and orders entered during Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.

8. Obligation of Plaintiff's Counsel to Submit Settlement Agreement to the LWDA. To permit judicial review and approval of the PAGA Payment, as required by Labor Code section 2698, et seq., Plaintiff's Counsel will submit the Settlement to the LWDA as part of the Parties' seeking court approval of the Settlement, per Labor Code section 2698(l),

9. Filing of Joint Stipulation of Settlement by Plaintiff's Counsel. Plaintiff's Counsel shall be responsible for preparing the Joint Stipulation for Approval of the Settlement ("Stipulation") and providing Defendant's Counsel with a sufficient opportunity to propose revisions to the Stipulation prior to filing. Plaintiff's Counsel will file the Stipulation, which is mutually agreed to by the Parties, as soon as practicable. Plaintiff's Counsel will serve the Stipulation on Defendant's Counsel. Pursuant to California Labor Code section 2698, et seq.,

**PRIVATE ATTORNEYS GENERAL ACT SETTLEMENT AGREEMENT AND RELEASE**

Plaintiff's Counsel and Defendant's Counsel shall undertake all required submissions and disclosures to the Court to obtain approval of the Settlement. The Stipulation and order approving the Settlement shall include a provision that the Action is dismissed with prejudice, which shall constitute a final and binding resolution of Plaintiff's claims alleged in the Action.

Should the Court not allow approval of the Settlement by Stipulation, Plaintiff's Counsel shall be responsible for preparing and filing a motion for court approval of the Settlement. Plaintiff's counsel shall provide Defendant's Counsel with a sufficient opportunity to propose revisions to the motion prior to its filing with the court.

10. **Termination of Settlement Agreement.** If the Court does not approve the settlement, if the Court does not enter judgment as provided for in this Agreement, or if appellate review is sought and, on such review, the Court's decision is materially modified or reversed, or if one or more of the material terms of the Agreement is not approved or is materially modified or reversed or found to be invalid, then either of the Parties shall have the right within 10 days of written notice thereof to elect to terminate the Agreement, in which case the Agreement shall have no force or effect, and the Parties shall be deemed to have reverted to their respective status as of the date and time immediately prior to the execution of this Agreement. However, if the Court declines to approve the Agreement as drafted, the Parties agree to attempt in good faith to amend the Agreement to resolve the Court's concerns with the Agreement, before either Party terminates the Agreement.

11. **Judgment.** As part of the Motion to approve the Settlement, Plaintiff shall submit a proposed order and judgment which enters judgment in the Action in accordance with the terms of the Settlement, retains jurisdiction over the Action for the purpose of enforcing the terms of the Settlement following approval of the Settlement, and enjoins the prosecution of any of the PAGA Released Claims against Defendant. The judgment will not release or bar any claims other than the PAGA Released Claims as to Plaintiff, the State of California, and Aggrieved Employees.

#### IV. ADMINISTRATION OF SETTLEMENT

1. **Settlement Administrator.** The Parties agree to use Phoenix Settlement Administrators to handle the administration of this settlement, subject to Court approval.

2. **Provision of Information for Aggrieved Employees.** Within fourteen (14) calendar days after the Effective Date, Defendant shall provide the Settlement Administrator with information for Aggrieved Employees. Defendant will in good faith compile from its payroll records a list of Aggrieved Employees and shall include each Aggrieved Employee's full name, last known mailing address, total Affected Pay Periods worked during the PAGA Period, and Social Security numbers to the extent available from Defendant's records. The Settlement Administrator will maintain the list in confidence, and access shall be limited to those with a need to use the list as part of the administration of the settlement.

3. **Explanatory Letter and Individual PAGA Payments.** Upon receipt of the information for Aggrieved Employees, the Settlement Administrator will perform a search on the National Change of Address database to update the Aggrieved Employees' addresses. Within twenty-one (21) calendar days after the Gross Settlement Amount has been fully funded, and after receiving approval from counsel of the payment calculations as provided above, the Settlement Administrator shall mail copies of an explanatory letter in the form attached as

**PRIVATE ATTORNEYS GENERAL ACT SETTLEMENT AGREEMENT AND RELEASE**

"Exhibit A," in English and Spanish, along with Individual PAGA Payments to all Aggrieved Employees via regular First-Class U.S. Mail.

The Settlement Administrator will calculate the amount to be received by each Aggrieved Employee, which will be based on the formula set forth in Section III.3., *supra*. The Settlement Administrator will send each Aggrieved Employee a check for his or her Individual PAGA Payment along with the explanatory letter, Exhibit A hereto. Checks will remain negotiable for 180 days. Each Individual PAGA Payment shall be deemed penalties and reported using IRS Form 1099, with no withholdings taken.

4. **Undeliverable Notices.** The Settlement Administrator shall exercise its best judgment to determine the current mailing address for each Aggrieved Employee. The address identified by the Settlement Administrator as the current mailing address shall be presumed to be the best mailing address for each Aggrieved Employee. It will be conclusively presumed that, if an envelope so mailed has not been returned within 30 days of the mailing, the Aggrieved Employee received the explanatory letter and Individual PAGA Payment.

Any checks returned as non-deliverable on or before the check cashing deadline will be sent promptly via regular First-Class U.S. Mail to the forwarding address affixed thereto. If no forwarding address is provided, the Settlement Administrator will promptly attempt to determine the correct address using a skip-trace or other search using the name, address or Social Security number of the Aggrieved Employee involved and will perform up to a single re-mailing if a new address is located.

Funds represented by checks returned as undeliverable after a re-mailing, checks for whom the Settlement Administrator could not locate an updated address after performing a skip trace, and funds represented by checks remaining un-cashed for more than 180 days after issuance (collectively, "Uncashed Checks"), will be deposited by the Settlement Administrator with the California State Controller to be deposited in the Unclaimed Property Fund, in the name of the Aggrieved Employee.

5. **Distribution of Payments.** Within twenty-one (21) calendar days of the Gross Settlement Amount being fully funded, the Settlement Administrator shall issue payments to: (1) Aggrieved Employees; (2) the LWDA; (3) the Settlement Administrator for Court-approved administration costs incurred in connection with the Settlement; and (4) Plaintiff's Counsel for Plaintiff's Counsel's Court-approved attorneys' fees and costs. All payments made by Defendant pursuant to this Settlement shall be held by the Settlement Administrator in an interest-bearing account until they are disbursed, with all accrued interest inuring to the benefit of the Aggrieved Employees in the form of pro rata increases to Aggrieved Employees' Individual PAGA Payments.

6. **Accounting.** Within 45 days after all payments have been made under the Settlement, the Settlement Administrator will provide an accounting under oath to the Parties of the amounts paid from the settlement.

7. **Tax Consequences.** Neither Plaintiff nor Defendant, nor counsel for either of the Parties, makes any representations or warranties with respect to tax consequences of any payment under this Agreement.

8. **No Further Obligation.** The payment of Individual PAGA Payments shall not obligate Defendant to confer any additional benefits or make any additional payments to the Aggrieved Employees (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

## V. **MISCELLANEOUS PROVISIONS**

1. **No Admission of Liability.** Nothing in this Agreement shall be construed to be an admission by Plaintiff that his claims do not have merit, or by Defendant of any liability or wrongdoing as to Plaintiff, Aggrieved Employees, or any other person, and Defendant specifically disclaims any such liability or wrongdoing. Defendant does not admit to liability or to the suitability of this case for representative litigation other than for purposes of settlement. The Parties have entered into this Agreement with the intention to avoid further disputes and litigation with the attendant inconvenience, expenses, and risks. This Agreement and any related court documents or orders are not, and may not be cited or admitted as, evidence of liability. If the Court does not grant approval of this settlement, then the Parties revert to their previous positions and Defendant will contend that a representative action is not appropriate.

2. **Drafting.** The Parties agree that the terms and conditions of this Agreement are the result of lengthy, intensive, arm's-length negotiations between the Parties and that neither Party shall be considered the "drafter" of this Agreement for purposes of having terms construed against that Party.

3. **Successors.** This Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective heirs, trustees, executors, administrators and successors.

4. **Costs and Fees.** The Parties shall each bear their own costs, attorneys' fees, mediator fees and other fees incurred in connection with this Agreement, the Action and Plaintiff's claims, except as otherwise set forth specifically herein.

5. **Governing Law.** This Agreement shall be construed under and governed by the laws of the State of California. This Agreement shall be deemed to have been entered into in Los Angeles, California, and all questions of validity, interpretation or performance of any of its terms or of any rights or obligations of the Parties to this Agreement shall be governed by California law. If any legal or equitable action or arbitration is necessary to enforce the terms of this Agreement, it shall be brought in the State of California, County of Los Angeles.

6. **Complete Agreement.** The Parties each acknowledge and represent that no promise or representation not contained in this Agreement has been made to them and acknowledge and represent that this Agreement contains the entire understanding between them and contains all terms and conditions pertaining to the compromise and settlement of the PAGA claim in the Action.

7. **Nullification of Settlement Agreement.** In the event that: (i) the Court does not approve the settlement as provided herein; or (ii) the settlement does not become final for any other reason, then this Agreement and any documents generated to bring it into effect, will be null and void, and the Parties will be returned to their respective positions before the Settlement was executed.

8. **Judgment and Continued Jurisdiction.** After approval of this settlement, the  
**PRIVATE ATTORNEYS GENERAL ACT SETTLEMENT AGREEMENT AND RELEASE**

Court will have continuing jurisdiction solely for purposes of addressing: (i) the interpretation and enforcement of the terms of the settlement, (ii) settlement administration matters, and (iii) such post-Judgment matters as may be appropriate under court rules or as set forth in this Agreement.

9. **Amendment or Modification.** This Agreement may be amended or modified only by a written instrument, signed by either the Parties or their successors-in-interest or counsel for all Parties.

10. **Authorization to Enter into Settlement Agreement.** Counsel for all Parties warrant and represent that they are expressly authorized by the Parties whom they represent to negotiate this Agreement and 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 required to effectuate the terms of this Agreement. The Parties and their counsel will cooperate with each other and use their best efforts to affect the implementation of the settlement. If the Parties are unable to reach agreement on the form or content of any document needed to implement the settlement, or on any supplemental provisions that may become necessary to effectuate the terms of this settlement, the Parties may seek the assistance of the Court to resolve such disagreement.

11. **Execution and Counterparts.** This Agreement is subject only to the execution of all Parties. However, the Agreement may be executed in one or more counterparts. All executed counterparts, and each of them, including facsimile, and scanned copies of the signature page, will be deemed to be one and the same instrument.

12. **Acknowledgement that the Settlement is Fair and Reasonable.** The Parties believe this Agreement is a fair, adequate, and reasonable settlement of the Action, and have arrived at this settlement after arm's-length negotiations by experienced counsel. The Parties further acknowledge that they are each represented by competent counsel and that they have had an opportunity to consult with their counsel regarding the fairness and reasonableness of this settlement.

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

14. **Severability.** If any term or provision of this Agreement is held to be invalid or unenforceable, the remaining portions of this Agreement will continue to be valid and will be performed, construed and enforced to the fullest extent permitted by law, and the invalid or unenforceable term will be deemed amended and limited in accordance with the intent of the Parties, as determined from the face of the Agreement, to the extent necessary to permit the maximum enforceability or validation of the term or provision.

15. **Waiver.** No waiver of any condition or covenant contained in this Agreement or failure to exercise a right or remedy by any of the Parties hereto will be considered to imply or constitute a further waiver by such Party of the same or any other condition, covenant, right or remedy.

16. **Enforcement Action.** In the event that one or more of the Parties institutes any legal action or other proceeding against any other Party or Parties to enforce the provisions of this Agreement or to declare rights and/or obligations under this settlement, the successful Party or Parties will be entitled to recover from the unsuccessful Party or Parties reasonable attorneys' fees and costs, including expert witness fees incurred in connection with any enforcement actions.

17. **Mutual Preparation.** The Parties have had a full opportunity to negotiate the terms and conditions of this Agreement. Accordingly, this Agreement will not be construed more strictly against one Party merely by virtue of the fact that it may have been prepared by counsel for one of the Parties, it being recognized that, because of the arm's-length negotiations between the Parties, all Parties have contributed to the preparation of this Agreement.

18. **Representation by Counsel.** The Parties acknowledge that they have been represented by counsel throughout all negotiations that preceded the execution of this Agreement, and this Agreement has been executed with the consent and advice of counsel and reviewed in full.

19. **Cooperation and Execution of Necessary Documents.** All Parties will cooperate in good faith and execute all documents to the extent reasonably necessary to effectuate the terms of this Agreement.

20. **Binding Agreement.** The Parties warrant that they understand and have full authority to enter into this settlement, and further intend that this Agreement will be fully enforceable and binding on all Parties and agree that it will be admissible and subject to disclosure in any proceeding to enforce its terms, notwithstanding any mediation confidentiality provisions that otherwise might apply under federal or state law.

**IN WITNESS THEREOF,** the Parties each acknowledge that he/it has read the foregoing Agreement, accepts, and agrees to the provisions contained in this Settlement Agreement and hereby executes it voluntarily and with full understanding of its consequences.

Date: 06/21/2024, 2024



Daniel Rodriguez

REPUBLIQUE, LLC

Date: \_\_\_\_\_, 2024

By \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

[Signatures continue on following page.]

16. **Enforcement Action.** In the event that one or more of the Parties institutes any legal action or other proceeding against any other Party or Parties to enforce the provisions of this Agreement or to declare rights and/or obligations under this settlement, the successful Party or Parties will be entitled to recover from the unsuccessful Party or Parties reasonable attorneys' fees and costs, including expert witness fees incurred in connection with any enforcement actions.

17. **Mutual Preparation.** The Parties have had a full opportunity to negotiate the terms and conditions of this Agreement. Accordingly, this Agreement will not be construed more strictly against one Party merely by virtue of the fact that it may have been prepared by counsel for one of the Parties, it being recognized that, because of the arm's-length negotiations between the Parties, all Parties have contributed to the preparation of this Agreement.

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19. **Cooperation and Execution of Necessary Documents.** All Parties will cooperate in good faith and execute all documents to the extent reasonably necessary to effectuate the terms of this Agreement.

20. **Binding Agreement.** The Parties warrant that they understand and have full authority to enter into this settlement, and further intend that this Agreement will be fully enforceable and binding on all Parties and agree that it will be admissible and subject to disclosure in any proceeding to enforce its terms, notwithstanding any mediation confidentiality provisions that otherwise might apply under federal or state law.

IN WITNESS THEREOF, the Parties each acknowledge that he/it has read the foregoing Agreement, accepts, and agrees to the provisions contained in this Settlement Agreement and hereby executes it voluntarily and with full understanding of its consequences.

Date: \_\_\_\_\_, 2024

\_\_\_\_\_  
Daniel Rodriguez

Date: 6/20, 2024

REPUBLICQUE LLC

By \_\_\_\_\_

Name: \_\_\_\_\_

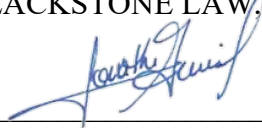
Title: \_\_\_\_\_

[Signatures continue on following page.]

**Approved as to form.**

BLACKSTONE LAW, APC

Date: June 20, 2024, 2024



Jonathan M. Genish

Karen I. Gold

Ashley H. Cruz

Marissa A. Mayhood

Attorneys for Plaintiff Daniel Rodriguez

HILL, FARRER & BURRILL LLP

Date: \_\_\_\_\_, 2024

James A. Bowles

Richard S. Zuniga

Elissa L. Gysi

Attorneys for Defendant Republique, LLC

Approved as to form.

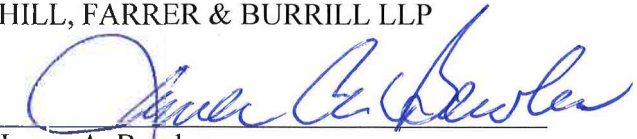
BLACKSTONE LAW, APC

Date: \_\_\_\_\_, 2024

Jonathan M. Genish  
Karen I. Gold  
Ashley H. Cruz  
Marissa A. Mayhood  
Attorneys for Plaintiff Daniel Rodriguez

HILL, FARRER & BURRILL LLP

Date: 6/20/24, 2024

  
James A. Bowles  
Richard S. Zuniga  
Elissa L. Gysi  
Attorneys for Defendant Republique, LLC

**Exhibit A**

<<Mailing Date>>

[(INSERT NAME OF SETTLEMENT ADMINISTRATOR) LETTERHEAD]

To: <<First Name>><<Last Name>>  
<<Street Address>>  
<<City>> <<State>> <<Zip>>

Re: Settlement Payment from *Daniel Rodriguez, et al. v. Republique, LLC*, Los Angeles County Superior Court Case No. 23STCV14521

Dear <<First Name>><<Last Name>>:

Enclosed you will find a check made payable to you. This is your payment from the court-approved settlement of the lawsuit entitled *Daniel Rodriguez, et al. v. Republique, LLC*, Los Angeles County Superior Court Case No. 23STCV14521 (the “Action”). The court approved the settlement on \_\_\_\_\_, 2024.

\_\_\_\_\_ is the third-party administrator who has been appointed by the court to administer the settlement.

The Action was filed against Republique, LLC (“Republique” or “Defendant”) pursuant to the California Labor Code Private Attorneys General Act of 2004, Cal. Lab. Code § 2698 *et seq.* (“PAGA”). The claim was brought on behalf of the State of California and all current and former non-exempt hourly employees who worked for Republique in California at any time during the PAGA Period (May 16, 2022 to February 28, 2024). You have been identified as one of the employees on whose behalf the case was brought because you were employed as a non-exempt employee by Republique during the PAGA Period.

The Plaintiff in the case claimed that Defendant owed penalties under PAGA for certain California Labor Code violations. Defendant denies doing anything wrong and deny owing any penalties. The Parties agreed to resolve the case, and as part of that settlement, Defendant agreed to pay a certain amount of money categorized as PAGA penalties. Under the PAGA statute, the penalties are divided between the State and the aggrieved employees. The amount allocated to employees is being distributed on a *pro rata* basis, based on the respective number of pay periods the employee worked for Defendant during the PAGA Period. The enclosed check represents your portion of the penalties allocated to the employees.

If you have questions, please contact \_\_\_\_\_ at \_\_\_\_\_.

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

## **EXHIBIT 3**

## Thank you for your Proposed Settlement Submission

DIR PAGA Unit <lwdadonotreply@dir.ca.gov>

Tue 6/25/2024 12:47 PM

To: Natalia Michele <nmichele@blackstonepc.com>

[External Email].

06/25/2024 12:47:06 PM

Thank you for your submission to the Labor and Workforce Development Agency.

Item submitted: Proposed Settlement

If you have questions or concerns regarding this submission or your case, please send an email to [pagainfo@dir.ca.gov](mailto:pagainfo@dir.ca.gov).

DIR PAGA Unit on behalf of  
Labor and Workforce Development Agency

Website: [http://labor.ca.gov/Private Attorneys General Act.htm](http://labor.ca.gov/Private_Attorneys_General_Act.htm)

## **EXHIBIT 4**

| Date       | Type of Expense | Description of Expense                                          | Amount     |
|------------|-----------------|-----------------------------------------------------------------|------------|
| 11/18/2022 | Mailing         | Records Request to Republique LLC                               | \$7.82     |
| 5/16/2023  | Mailing         | Mailing to Debra Cole                                           | \$8.10     |
| 5/16/2023  | Filing          | LWDA Receipt: PAGA Letter                                       | \$75.00    |
| 6/30/2023  | Filing          | First Legal: Complaint & Initiating Docs Filing                 | \$492.35   |
| 7/31/2023  | Service         | First Legal: Service of Complaint & Initiating Docs             | \$180.04   |
| 8/24/2023  | Mailing         | Mailing Cost of Notice of CMC to Hill, Farrer & Burrill, LLP    | \$0.63     |
| 2/12/2024  | Mediation       | Payment to Barnes Dispute Resolution, Inc.                      | \$3,750.00 |
| 2/12/2024  | Mailing         | Mailing of mediation payment to Barnes Dispute Resolution, Inc. | \$5.04     |
| 3/15/2024  | Mediation       | Payment to Berger Consulting Group, LLC                         | \$7,880.00 |
| 3/15/2024  | Mailing         | Mailing to Berger Consulting Group, LLC                         | \$0.64     |
| 4/23/2024  | Filing          | Steno: Notice of Conditional Settlement                         | \$59.95    |
| 5/28/2024  | Mailing         | Mailing Cost of No Contact Letter to Daniel Rodriguez           | \$0.64     |
| 6/11/2024  | Filing          | Steno: Declaration of Ashley Cruz                               | \$59.95    |

Total: **\$12,520.16**

## **EXHIBIT 5**



# PHOENIX

CLASS ACTION ADMINISTRATION SOLUTIONS

## CASE ASSUMPTIONS

|                          |            |
|--------------------------|------------|
| Aggrieved Employee       | 275        |
| Opt Out Rate             | N/A        |
| Opt Outs Received        |            |
| Total Aggrieved Employee | 275        |
| Subtotal Admin Only      | \$4,450.00 |

**Not-to-Exceed Total \$4,450.00**

**For 275 Aggrieved Employee**

Pricing Good for Scope of Estimate Only

**June 6, 2024**

## Case: Rodriguez, Daniel v. Republique, LLC PAGA Administration wTranslation

Phoenix Contact: Jodey Lawrence

Contact Number: 949.566.1455

Email: Jodey@phoenixclassaction.com

Requesting Attorney: Ashley Cruz

Firm: BLACKSTONE LAW, APC

Contact Number: (310) 622-4278

Email:acruz@blackstonepc.com

Assumptions and Estimate are based on information provided by counsel. If class size changes, PHX will need to adjust this Estimate accordingly.

Estimate is based on 275 Aggrieved Employee. Class data Must be sent in Microsoft Excel or uploaded in the same format. Class Data Must be sent in one

spreadsheet, with no additional programming needed. A rate of \$150 per hour will be charged for any additional analysis or programming. Pricing good for 90 days.

### Case & Database Setup / Toll Free Setup & Call Center / NCOA (USPS)

| Administrative Tasks:        | Rate     | Hours/Units | Line Item Estimate |
|------------------------------|----------|-------------|--------------------|
| Programming Manager          | \$125.00 | 2           | \$250.00           |
| Programming Database & Setup | \$125.00 | 2           | \$250.00           |
| Toll Free Setup*             | \$43.90  | 1           | \$43.90            |
| Call Center & Long Distance  | \$2.00   | 13          | \$26.00            |
| NCOA (USPS)                  | \$75.00  | 1           | \$75.00            |
| Language Translation         | \$200.00 | 1           | \$200.00           |
| Total                        |          |             | \$844.90           |

\* Up to 120 days after disbursement

### Data Merger & Scrub / Notice Packet, Check & Postage

| Project Action                   | Rate     | Hours/Units | Line Item Estimate |
|----------------------------------|----------|-------------|--------------------|
| Notice Packet Formatting         | \$100.00 | 1           | \$100.00           |
| Data Merge & Duplication Scrub   | \$0.25   | 275         | \$68.75            |
| Notice and Check Packet          | \$1.75   | 275         | \$481.25           |
| Estimated Postage (up to 1 oz.)* | \$0.64   | 275         | \$176.00           |
| Total                            |          |             | \$826.00           |

\* Prices good for 90 days. Subject to change with the USPS Rate or change in Notice pages or Translation, if any.



# PHOENIX

CLASS ACTION ADMINISTRATION SOLUTIONS

| Skip Tracing & Remailing Notice Packets / Tracking & Programming Undeliverables |         |             |                    |
|---------------------------------------------------------------------------------|---------|-------------|--------------------|
| Project Action:                                                                 | Rate    | Hours/Units | Line Item Estimate |
| Case Associate                                                                  | \$50.00 | 2           | \$100.00           |
| Skip Tracing Undeliverables                                                     | \$2.00  | 28          | \$55.00            |
| Remail Notice Packets                                                           | \$1.75  | 28          | \$48.13            |
| Estimated Postage                                                               | \$0.64  | 28          | \$17.60            |
| Programming Undeliverables                                                      | \$50.00 | 1           | \$50.00            |
| Total                                                                           |         |             | \$270.73           |

| Database Programming        |          |             |                    |
|-----------------------------|----------|-------------|--------------------|
| Project Action:             | Rate     | Hours/Units | Line Item Estimate |
| Programming Claims Database | \$125.00 | 2           | \$250.00           |
| Case Manager                | \$75.00  | 2           | \$150.00           |
| Total                       |          |             | \$400.00           |

| Calculation & Disbursement Programming/ Create & Manage QSF/ Mail Checks |          |             |                    |
|--------------------------------------------------------------------------|----------|-------------|--------------------|
| Project Action:                                                          | Rate     | Hours/Units | Line Item Estimate |
| Programming Calculations                                                 | \$125.00 | 2           | \$250.00           |
| Disbursement Review                                                      | \$125.00 | 2           | \$250.00           |
| Programming Manager                                                      | \$95.00  | 1           | \$95.00            |
| QSF Bank Account & EIN                                                   | \$50.00  | 2           | \$100.00           |
| Check Run Setup & Printing                                               | \$125.00 | 2           | \$250.00           |
| Total                                                                    |          |             | \$945.00           |

\* Checks are printed on 8.5 x 11 in. sheets with W2/1099 Tax Filing



# PHOENIX

CLASS ACTION ADMINISTRATION SOLUTIONS

| Tax Reporting & Reconciliation / Re-Issuance of Checks / Conclusion Reports and Declarations |          |             |           |            |
|----------------------------------------------------------------------------------------------|----------|-------------|-----------|------------|
| Project Action:                                                                              | Rate     | Hours/Units | Line Item | Estimate   |
| Case Supervisor                                                                              | \$125.00 | 2           |           | \$250.00   |
| Remail Undeliverable Checks<br>(Postage Included)                                            | \$1.50   | 52          |           | \$78.38    |
| Case Associate                                                                               | \$50.00  | 3           |           | \$150.00   |
| Reconcile Uncashed Checks                                                                    | \$85.00  | 1           |           | \$85.00    |
| Conclusion Reports                                                                           | \$100.00 | 1           |           | \$100.00   |
| Case Manager Conclusion                                                                      | \$75.00  | 1           |           | \$75.00    |
| Final Reporting & Declarations                                                               | \$100.00 | 1           |           | \$100.00   |
| QSF Annual Tax Reporting *<br>(State Tax Reporting Included)                                 | \$325.00 | 1           |           | \$325.00   |
| Total                                                                                        |          |             |           | \$1,163.38 |

\* All applicable California State & Federal taxes, which include SUI, ETT, and SDI, and FUTA filings. Additional taxes are Defendant's responsibility.

**Estimate Total: \$4,450.00**



# PHOENIX

CLASS ACTION ADMINISTRATION SOLUTIONS

## **TERMS AND CONDITIONS**

**Provisions:** The case estimate is in good faith and does not cover any applicable taxes and fees. The estimate does not make any provision for any services or class size not delineated in the request for proposal or stipulations. Proposal rates and amounts are subject to change upon further review, with Counsel/Client, of the Settlement Agreement. Only pre-approved changes will be charged when applicable. No modifications may be made to this estimate without the approval of PSA (Phoenix Settlement Administrators). All notifications are mailed in English language only unless otherwise specified. Additional costs will apply if translation into other language(s) is required. Rates to prepare and file taxes are for Federal and California State taxes only. Additional charges will apply if multiple state tax filing(s) is required. **Pricing is good for ninety (90) days.**

**Data Conversion and Mailing:** The proposal assumes that data provided will be in ready-to-use condition and that all data is provided in a single, comprehensive Excel spreadsheet. PSA cannot be liable for any errors or omissions arising due to additional work required for analyzing and processing the original database. A minimum of two (2) business days is required for processing prior to the anticipated mailing date with an additional two (2) business days for a National Change of Address (NCOA) update. Additional time may be required depending on the class size, necessary translation of the documents, or other factors. PSA will keep counsel apprised of the estimated mailing date.

**Claims:** PSA's general policy is to not accept claims via facsimile. However, in the event that facsimile filing of claims must be accepted, PSA will not be held responsible for any issues and/or errors arising out of said filing. Furthermore, PSA will require disclaimer language regarding facsimile transmissions. PSA will not be responsible for any acts or omissions caused by the USPS. PSA shall not make payments to any claimants without verified, valid Social Security Numbers. All responses and class member information are held in strict confidentiality.

**Payment Terms:** All postage charges and 50% of the final administration charges are due at the commencement of the case and will be billed immediately upon receipt of the data and/or notice documents. PSA bills are due upon receipt unless otherwise negotiated and agreed to with PSA by Counsel/Client. In the event the settlement terms provide that PSA is to be paid out of the settlement fund, PSA will request that Counsel/Client endeavor to make alternate payment arrangements for PSA 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 Defendant, or no later than the time of disbursement. Amounts not paid within thirty (30) days are subject to a service charge of 1.5% per month or the highest rate permitted by law.

### **Tax Reporting Requirements**

PSA will file the necessary tax returns under the EIN of the QSF, including federal and state returns. Payroll tax returns will be filed if necessary. Under the California Employment Development Department, all taxes are to be reported under the EIN of the QSF with the exception of the following taxes: Unemployment Insurance (UI) and Employment Training Tax (ETT), employer-side taxes, and State Disability Insurance (SDI), an employee-side tax. These are reported under Defendant's EIN. Therefore, to comply with the EDD payroll tax filing requirements we will need the following information:

1. Defendant's California State ID and Federal EIN.
2. Defendant's current State Unemployment Insurance (UI) rate and Employment Training Tax (ETT) rate. This information can be found in the current year DE 2088, Notice of Contribution Rates, issued by the EDD.
3. Termination dates of the class members, or identification of current employee class members, so we can account for the periods that the wages relate to for each class member.
4. An executed Power of Attorney (Form DE 48) from Defendant. This form is needed so that we may report the UI, SDI, and ETT taxes under Defendant's EIN on their behalf. If this form is not provided we will work with the EDD auditors to transfer the tax payments to Defendant's EIN.
5. Defendant is responsible for reporting the SDI portion of the settlement payments on the class member's W-2. PSA will file these forms on Defendant's behalf for an additional fee and will issue an additional W-2 for each class member under Defendant's EIN, as SDI is reported under Defendant's EIN rather than the EIN of the QSF. The Power of Attorney (Form DE 48) will be needed in order for PSA to report SDI payments.