Joshua Gruenberg, Esq. SB # 163281
Katherine Krebs, Esq. SB # 339223
Daniella Doern Esq. SB # 347927
GRUENBERG LAW
2155 FIRST AVENUE
SAN DIEGO, CALIFORNIA 92101-2013
TELEPHONE: (619) 230-1234
TELECOPIER: (619) 230-1074

Attorneys for Plaintiffs
Sun Ae Chung, individually and in a representative capacity on behalf of other members of the general public similarly situated,

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF SAN DIEGO

SUN AE CHUNG, individually and in a representative capacity on behalf of other members of the general public similarly situated,

Plaintiff,

v.

SUSHI KAMI, INC., a California Corporation; CHUNG SOOK, an individual; and DOES 1 through 25, inclusive,

Defendant(s).

Case No. 37-2023-00047861-CU-OE-CTL

DECLARATION OF KATHERINE KREBS IN SUPPORT OF PLAINTIFF'S *UNOPPOSED* MOTION FOR PAGA SETTLEMENT APPROVAL

Hearing Date: April 25, 2025
Hearing Time: 8:30 a.m.
Dept.: C-74
Judge: Hon. Blaine K. Bowman

I, KATHERINE KREBS, declare:

1. I am an attorney licensed to practice law before all the courts of the State of California, and am employed with the law firm of Gruenberg Law, attorneys of record for PLAINTIFF SUN AE CHUNG, individually and in a representative capacity on behalf of other members of the public similarly situated in this matter.
2. I make this declaration in support of Plaintiff's Unopposed Motion for PAGA Settlement Approval. I am personally familiar with the facts set forth in this declaration and, if called to testify, could and would do so.
3. This case involves PAGA and individual claims. The PAGA Period begins on October 8, 2022. There are approximately **1056** pay periods and **30** aggrieved employees
4. After several months of pre-filing investigation and following lengthy settlement discussions, the parties agreed to the terms of the proposed PAGA settlement. The parties have drafted and executed a formal PAGA Settlement Agreement Attached hereto as **Exhibit A** is a true and correct copy of the Settlement Agreement.
5. On March 21, 2025, Plaintiffs' counsel uploaded via the LWDA's electronic filing portal the parties' Settlement Agreement. Attached hereto as **Exhibit B** is a true and correct copy of the "auto-generated" e-mail received from the LWDA.
6. On March 21, 2025, Plaintiffs' counsel uploaded via the LWDA's electronic filing portal copies of this entire Motion, including the Notice, this supporting Memorandum, Declaration, Proposed Order & Judgment, and PAGA Settlement Agreement. Attached hereto as **Exhibit C** is a true and correct copy of the "auto-generated" e-mail received from the LWDA.
7. If the LWDA contacts Plaintiffs' counsel at any time prior to the April 25, 2025, hearing, Plaintiffs' counsel will provide an updated declaration to the Court.
8. The proposed terms of the settlement are as follows:
   a. PAGA Members: 30
   b. Settlement Fund ("GSA"): $20,000.00
   c. Claims Period: October 8, 2022 until the date of approval
   d. LWDA Payment: $3,643.75

e. Attorney’s Fees: $6,666.67

f. Litigations Costs: $6,000.00

g. Third Party Administrator: $2,475.00

h. Resultant Net Settlement Fund: $1,214.58

An “average” PAGA employee will receive a payment of approximately **$40.49.**

9. There are no restrictions for any of the 30 employees to file individual actions, as the PAGA Settlement Agreement only covers PAGA claims.

10. The Parties reached the terms of their proposed PAGA Settlement Agreement, following the exchange of extensive information and employment records. The Parties submit the proposed settlement of PAGA penalties is fair, adequate, and reasonable. The Parties are unaware of any other cases that may be impacted by the PAGA Settlement.

11. After deducting the proposed amounts for Plaintiffs’ counsel’s Attorneys’ Fees and Costs, and the Settlement Administration Costs, from the Gross Settlement Amount, the amount remaining is defined as the “PAGA Payment.” One hundred percent (100%) of the PAGA Payment shall be allocated to the payment of civil penalties under the PAGA (the “PAGA Payment”). Pursuant to the PAGA, seventy-five percent (75%) of the PAGA Payment, or $3,643.75 shall be allocated to the State of California Labor and Workforce Development Agency (the “LWDA PAGA Payment”), with the remaining twenty-five percent (25%) or $1,214.58 allocated to the PAGA Employees (“Aggrieved Employees PAGA Payments”).

12. Attached as **Exhibit D** is a true and correct copy of the proposed notice of the PAGA Settlement to be sent to the allegedly aggrieved employees.

13. The Settlement Administrator shall be responsible for: (a) processing the data provided by Defendant to be used in calculating PAGA Employees’ Individual PAGA Payments; (b) preparing, printing and mailing the Notice to PAGA Employees, as well as following up with reasonable skip tracing; (c) calculating and mailing Individual PAGA Payments to PAGA Employees; (d) calculating and paying the employer’s share of the applicable federal and state withholding tax; (e) filing any required federal and state tax forms and related agency reporting;

(f) filing any required reports with the Court; and (g) any and all such tasks to which the Parties mutually agree, or which the Court orders the Settlement Administrator to perform.

14. The instant request is based on the fact that (1) the PAGA Period "cutoff date" is contingent on Court approval, any delay diminishes the amounts received by the impacted employees; (2) Notice to certain ex-employees may be adversely impacted by further delay (i.e. ex-employees may change their mailing address without filing a proper "forwarding address").
15. An expedient approval of this settlement will provide a direct benefit to the impacted employees at issue. The "fixes" provide a guarantee of future Labor Code compliance, and an immediate monetary benefit. It also allows Defendants (who admirably "stepped up" to address these issues) the opportunity to move on, and focus on future business.
16. One of the main issues of this litigation concerned allegations that Plaintiff was denied legally compliant meal and rest periods and was not paid for all overtime hours worked.
17. Investigations completed by Plaintiff's counsel revealed that Defendant's timekeeping policies and employee records were not in compliance with California law, but Defendant disputes this claim. However, these investigations also revealed that the "rate of violation" by Defendant was significantly less than 100%. On many of those occasions, it appears that Defendant did, in fact, comply with the law.
18. Based on the above, the maximum liability in a case of this type would be in the range of $40,000.00 to $100,000.00.
19. Plaintiffs' counsel is aware of the Court's discretion to mitigate penalties pursuant to California Labor Code section 2699(e)(2).
20. Plaintiffs' counsel agrees with the provision of the Labor Code, that penalties should be mitigated where violations are minimal (or rare), or where the employer makes significant efforts to comply with the Labor Code.
21. The parties agree that, given the number of violations at issue here, that this settlement represents a fair and adequate payment.
22. Defendant, and its counsel, deserve credit for their willingness to consider – and address – the allegations. Specifically, Defense Counsel, (who have extensive experience and knowledge and

"Wage and Hour" litigation) agreed to produce a substantial amount of documents and information necessary to evaluate the parameters of settlement. Following month-long informal negotiation at arms length, the parties have reached a proposed settlement. That includes a payment of penalties under PAGA.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed 21st day of March 2025, in San Diego California.

By: ______________________________

Katherine Krebs