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SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF SAN MATEO

KENNETH ROBERT BUTERA, an individual on behalf of himself and all others similarly situated, Plaintiff, v. GREEN HILLS COUNTRY CLUB, a California nonprofit corporation; and DOES 1 through 50, inclusive Defendants.	Case No.: 24CIV00331 **<u>CLASS ACTION</u>** **DECLARATION OF NATALIE HARITOONIAN IN SUPPORT OF PLAINTIFF'S MOTION FOR AN ORDER (1) PRELIMINARILY APPROVING THE CLASS ACTION SETTLEMENT; (2) APPROVING NOTICE OF SETTLEMENT; AND (3) SETTING HEARING FOR FINAL APPROVAL** Date: March 12, 2026 Time: 2:00 p.m. Judge: Hon. Mark McCannon Dept: 2 Action filed: January 23, 2024 Trial date: None set

DECLARATION OF NATALIE HARITOONIAN

I, Natalie Haritoonian, declare:

1. I am an attorney licensed and admitted to practice before all courts of the State of California and the United States District Courts for the Central, Southern, Eastern and Northern Districts of California. I am a senior counsel at D.Law, Inc., and attorney of record for Plaintiff KENNETH BUTERA ("Plaintiff" or "Class Representative") on behalf of similarly situated employees of Defendant Green Hills Country Club ("Defendant"). I have personal knowledge of the facts herein, and if called as a witness I could and would competently testify to them.

2. All of the matters set forth herein are within my personal knowledge, except those matters that are stated to be upon information and belief. As to such matters, I believe them to be true. I have represented Plaintiff and the putative Class since the inception of this matter. I submit this Declaration in support of the Motion for Preliminary Approval, filed by Plaintiff, on behalf of himself and other similarly situated employees of Defendant, and without opposition from Defendant, for preliminary approval of the parties' Class Action and PAGA Settlement Agreement ("Settlement Agreement" or "Settlement"), a true and correct copy of which is attached hereto as **Exhibit 1**.

QUALIFICATIONS AND ADEQUACY OF CLASS COUNSEL

3. D.Law, Inc. is well qualified because of our experience, knowledge, and resources to act as counsel and represent Plaintiff and the putative class in this action. My practice is exclusively focused on employment matters, with a substantial percentage devoted to litigating wage, hour, and working-conditions violations on a class-wide basis.

4. I received my Bachelor of Arts in political science from the University of California, Los Angeles, in 2014. I then earned my Juris Doctorate from the University of Southern California, Gould School of Law in May of 2018. Upon graduating from law school, I have exclusively focused my practice on representing employees including in wage-and-hour class actions.

5. During my career, I have represented employees in wage-and-hour class action lawsuits as lead or co-lead counsel, and I have obtained six and seven figure settlements against a

range of defendants. These cases have involved the gamut of wage-and-hour claims, including claims for failure to pay minimum wages, unpaid wages and overtime, failure to provide meal breaks, inaccurate pay statements, and failure to pay timely wages - similar to claims at issue in the present matter.

6. I am experienced in prosecuting employment matters, particularly class actions. In addition to the present case, I am also class counsel for dozens of other putative wage-and-hour class-action lawsuits pending in various state and federal jurisdictions throughout California.

7. My extensive experience in litigating employment wage and hour matters has been integral in identifying legal issues, evaluating the strengths and weaknesses of a case, and generally negotiating fair and reasonable class action settlements. Practice in the narrow field of wage and hour litigation requires skill and knowledge concerning the constantly evolving substantive law (state and federal), as well as the procedural law of class action litigation. In this action, I am fully equipped to use the skills and knowledge I have developed. Therefore, on the account of my resources, experience, and knowledge, I am well qualified to act as Class Counsel and represent Plaintiff and the putative Class Members in this action.

8. I recently successfully certified a case and when necessary, we pursue cases on appeal. Owing to my experience, I am well qualified to evaluate the class claims in this action, to evaluate settlement v. trial and defenses raised. The following are examples of some of my cases that have resulted in favorable settlements for the employee Class Members and Aggrieved Employees I have represented: (a) *Martinez v. Villa & Sons Enterprises, Inc*., San Benito County Superior Court, Case No. CU-19-00120 (Hon. J. Omar Rodriguez); (b) *Herrera v. Pomona Quality Foam, LLC*, Los Angeles County Superior Court, Case No. 19STCV38235 (Hon. Ann Jones); (c) *Torres v. Precision Plastics Packaging Co*., Orange County Superior Court, Case No. 30-2019-01063177-CU-OE-CXC (Hon. Peter Wilson); (d) *Marchbanks v. Torrid Administration, Inc*., et al. San Diego County Superior Court, Case No. 37-2020-00008179-CU-OE-NC (Hon. Blaine K. Bowman); (e) *Becerra v. Tetra Tech, Inc*., Sonoma County Superior Court, Case No. SCV-265511 (Hon. Patrick Broderick); (f) *Foster v. Deckers Outdoor Corporation*, Santa Barbara County Superior Court, Case No. 20CV03699 (Hon. Donna D. Geck); (g) *Stakely v.*

Windsor Palms Care Center of Artesia, Los Angeles Superior Court, Case No. 21STCV10507 (Hon. Carolyn B. Kuhl); (h) *Sosa v. Aurora World, Inc.*, Los Angeles County Superior Court, Case No. 19STCV20182 (Hon. Lawrence R. Riff); (i) *Torres v. Rapid Manufacturing*, Orange County Superior Court, Case No. 30-2019-01089455-CU-OE-CXC (Hon. William D. Claster); (j) *Aleman v. Moonlight Packing Corporation*, Fresno County Superior Court, Case No. 20CECG01196 (Hon. Kristi Culver Kapetan); (k) *Salazar v. Happy FM Group, Inc*., Los Angeles Superior Court, Case No. 20STCV40294 (Hon. Stuart M. Rice); (l) *Baldwin v. Patagonia, Inc*., Los Angeles Superior Court, Case No. 20STCV40245 (Hon. Maren Nelson); (m) *Smith v. NOIA Residential Services, Inc*., Fresno Superior Court, Case No. 20CECG01820 (Hon. Jeffrey Y. Hamilton); (n) *Alvarado v. Faro Logistics Solutions, Inc*., San Bernardino Superior Court, Case No. CIVSB2200441 (Hon. Joseph Ortiz); (o) *Hernandez v*. Clark Pacific Corporation, Yolo Superior Court, Case No. CV-2019-1053 (Hon. Samuel T. McAdam); (p) *Romero v. Hydraulics International, Inc*., Los Angeles Superior Court, Case No. 19STCV04463 (Hon. Stuart M. Rice); and (q) *Broersma v. Platt College Los Angeles, LLC*, Los Angeles Superior Court, Case No. 20STCV47502 (Hon. Stuart M. Rice); and (r) Cruz v. West Coast Prime Meats, LLC, Orange County Superior Court, Case No. 30-2021-01185742-CU-OE-CXC (Hon. Randall J. Sherman).

9. For purposes of this motion, the "Class" or "Class Members" consist of "all persons employed by Defendant in California and classified as a non-exempt, hourly employee who worked for Defendant at any time between October 20, 2019, to February 9, 2025." I do not believe that I have any conflicts of interest with the Class or with the Class Representative. I am not related to the Class Representative. I have not previously represented Defendant in any matter. I respectfully submit that I, and D.Law, Inc. are well suited to act as Class Counsel in this action, and we have and will continue to vigorously represent the interests of the Class Members.

PROCEDURAL HISTORY

10. On January 23, 2024, Plaintiff filed a class action complaint against Defendant alleging thirteen causes of action: (1) Failure to Pay Minimum Wages; (2) Failure to Pay Wages and Overtime Under Labor Code § 510; (3) Failure to Pay Reporting Time Pay; (4) Meal Period Liability Under Labor Code § 226.7; (5) Rest Break Liability Under Labor Code § 226.7; (5)

Violation of Labor Code § 226(a); (6) Failure to Pay Vacation Wages; (7) Violation of Labor Code § 226(a); (8) Violation of Labor Code § 203; (9) Violation of Labor Code § 204; (10) Failure to Keep Required Payroll Records Under Labor Code §§ 1174 and 1174.5; (11) Violation of Labor Code § 221; (12) Failure to Produce Requested Employment Records Under Labor Code §§ 226(b), 1198.5; and (13) Violation of Business & Professions Code §§ 17200, *et seq*.

11. Plaintiff contends that Defendant failed to pay Class Members all wages due and owing, including by requiring off the clock work, failing to pay the correct regular rate, failing to provide meal and rest breaks, failing to pay reporting time pay, failing to provide vacation wages, making unlawful deductions to wages, failing to furnish accurate wage statements, failing to timely pay wages including final wages, failing to maintain accurate records, and failing to produce requested records.

12. Simultaneously, on January 23, 2024, Plaintiff submitted a Private Attorneys General Act ("PAGA") notice letter to the Labor Workforce Development Agency ("LWDA") and served Defendant. A true and correct copy of the confirmatory email and the LWDA letter submitted on behalf of Plaintiff is attached hereto as **Exhibit 2**. The LWDA did not express an interest in investigating Plaintiff's claims within the 65-day period. Therefore, on March 28, 2024, Plaintiff filed a First Amended Complaint adding a cause of action for penalties under the Private Attorneys General Act ("PAGA").

INVESTIGATION AND DISCOVERY

13. I have participated in all discovery, mediation and negotiations since the inception of Plaintiff's case. Before filing the lawsuit, Class Counsel investigated and researched the facts and circumstances underlying the pertinent issues and the law applicable thereto. This required thorough discussions and interviews between Class Counsel and Plaintiff, as well as preliminary research into the various legal issues involved in the case. After conducting their initial investigation, Class Counsel determined that Plaintiff's claims were well-suited for class and representative action adjudication owing to what appeared to be a common course of conduct affecting a similarly situated group of employees.

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14. After filing the lawsuit, Class Counsel conducted a thorough investigation of the facts and claims giving rise to the action, including: (1) conducting informal discovery and meeting and conferring with defense counsel about same; (2) reviewing and analyzing a sampling of time and pay records as well as employment handbooks, Plaintiff's personnel files, relevant policies and other documentation; (3) researching the applicable law and potential defenses; (4) constructing damage models based on interpretations of California law; and (5) reviewing information provided by Defendant at the mediation. The Class enumerated in this action is ascertainable because the Class Members may be readily identified by reference to Defendant's records. Defendant has agreed to share the information from these records with the Settlement Administrator in order to identify and contact the Class Members. I understand there are approximately 337 total Class Members.

15. Defendant, for its part, vigorously contested liability, the amount of claimed damages, and the propriety of class certification. After Class Counsel analyzed the relevant documents and gathered data, Class Counsel believed that this case was appropriate for resolution via mediation. Given the high level of risk present for both sides, the parties elected to mediate Plaintiff's claims and explore the possibility of settlement.

16. On January 29, 2025, the parties mediated this case with Todd Smith, a respected and highly experienced mediator in wage and hour class actions. During mediation, Plaintiff's and Defendant's counsel discussed all aspects of the case, including the risks of litigation and the risks to both parties of proceeding with a motion for class certification as well as the law relating to unpaid wages, meal periods, rest periods, wage statements, and final pay. As a result of the mediation, the parties agreed to settle the lawsuit according to the terms set forth in the Settlement Agreement. From Class Counsel's review of the facts, strengths, and weaknesses of the case, the risks and delays posed by further litigation, and Class Counsel's own prior litigation experience, Class Counsel believes that the recovery for each class member is fair and reasonable taking into consideration the amounts received in other wage and hour class actions, the risks inherent in litigation of this genre, and the reasonable tailoring of each Class Member's claim to the settlement award he or she will receive. Further, and based on the settlement negotiations, which

were extensive and conducted in good faith and at arm's length between attorneys with substantial experience litigating class actions and wage and hour cases, the Settlement Agreement was the product of a non-collusive settlement process in which the parties were forced to make significant compromises in the interest of reaching a full and complete settlement of the lawsuit.

SUMMARY OF SETTLEMENT

17. The parties have executed a Settlement Agreement attached hereto and incorporated herein as **Exhibit 1**. Under the terms of the proposed Settlement Agreement, Defendant has agreed to pay Three Hundred and Fifty Thousand Dollars and Zero Cents ($350,000.00) ("Gross Settlement Amount") on a non-reversionary basis to settle and release all claims asserted by Plaintiff in the Class Action and PAGA Action on behalf of the proposed Class. (Exh. 1, § 3.1.)

18. The Settlement Agreement defines the "Class" or "Class Members" as "all persons employed by Defendant in California and classified as a non-exempt, hourly employee who worked for Defendant at any during the Class Period." (Exh. 1, § 1.5.) However, it does not include any person who submits a timely and valid request for exclusion. (Exh. 1, § 7.5.4.) "Class Period" means the period from January 23, 2020 to the date the Preliminary Approval Order is filed, or the Alterative End Date, if elected pursuant to section 8 of the Settlement Agreement. (Exh. 1, § 1.12.)

19. The "Net Settlement Amount" shall be the Gross Settlement Amount, less the Attorneys' Fees and Costs, the Class Representative Enhancement Payment, Settlement Administration Costs, seventy-five percent (75%) of the LWDA Payment, and the Individual PAGA Payments. (Exh. 1, § 1.28.) These amounts are detailed as follows:

- not more than One Hundred and Sixteen Thousand Six Hundred and Sixty-Six Dollars and Sixty-Seven Cents ($116,666.67) to Class Counsel for attorneys' fees, and not more than Twenty Thousand Dollars and Zero Cents ($20,000.00) to Class Counsel for litigation costs; (Exh. 1, § 3.2.2);
- not more than Nine Thousand Dollars and Zero Cents ($9,000.00) for the Settlement Administration Costs; (Exh. 1, § 3.2.3);
- not more than Seven Thousand Five Hundred Dollars and Zero Cents ($7,500.00)

to Plaintiff for a Class Representative Enhancement Payment; (Exh. 1, § 3.2.1); and

- Twenty Thousand Dollars and Zero Cents ($20,000.00) for civil penalties under the PAGA, where 75% ($15,000.00) will be paid to the LWDA and 25% ($5,000.00) will be paid to Aggrieved Employees for their Individual PAGA Payments. (Exh. 1, § 3.2.5)

20. The "Individual Class Payment," which is each Class Member's share of the Net Settlement Amount, will be calculated and apportioned from the Net Settlement Amount based on the number of workweeks a Class Member worked during the Class Period as a non-exempt employee in California. (Exh. 1, § 1.23.)

21. Defendant's corporate payroll tax obligations shall be paid in addition to the Gross Settlement Amount, and none of the Gross Settlement Amount will revert to Defendant. (Exh. 1, § 3.1.)

22. The settlement amount was a compromise figure, factoring in the inherent risks related to certification, liability and damages. However, taking into account all of the circumstances of the action and the defenses raised by Defendant against certification, liability and damages, Class Counsel believes that the settlement is fair and reasonable.

23. Class Members shall each receive a Notice of Settlement ("Class Notice") via regular First-Class U.S. Mail, using the most current, known mailing addresses identified in the Class List. (Exh. 1, § 7.4.2.) Before mailing, the Settlement Administrator will perform a search based on the National Change of Address Database for information to update and correct for any known or identifiable address changes. (Exh. 1, § 7.4.2.) If the Class Notice is returned as non-deliverable on or before the Response Deadline and a new address is obtained by way of a returned Class Notice, then the Settlement Administrator will promptly forward the original Class Notice to the updated address via first-class regular U.S. mail, indicating on the original packet the date of such re-mailing. (Exh. 1, § 7.4.3.)

24. Class Members will have an opportunity to dispute the information provided in their Class Notice and they must timely produce evidence to support the information is inaccurate.

(Exh. 1, § 7.6.) The Settlement Administrator shall decide the dispute and may ask Defendant to produce the personnel and payroll files of the Class Member disputing their credited workweeks in order to resolve the dispute. (Exh. 1, § 7.6.)

25. Class Members wishing to opt-out from the Settlement Agreement must sign and postmark a written request for exclusion to the Settlement Administrator. (Exh. 1, § 7.5). Class Members will also have the opportunity to object to the Settlement Agreement, by serving a copy of the objection to the Settlement Administrator. (Exh. 1, § 7.7.) All opt outs and objections must be served within sixty (60) calendar days of first mailing of the Class Notice. (Exh. 1, §1.43.) Class Members who do not serve written objections may not object to the settlement by way of appeal. (Exh. 1, § 10.4.)

THE STRENGTH OF PLAINTIFF'S CASE

IN LIGHT OF THE SETTLEMENT AMOUNT

26. Because the class consists of numerous employees, it was unlikely that the potential monetary claims of individual Class Members would have proved viable without the class-action mechanism. The Settlement Agreement should be approved in light of two California appellate decisions: *Clark v. American Residential Services LLC* (2009) 175 Cal.App.4th 785 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116.

27. The strength of the plaintiff's case in light of the settlement amount is deemed by courts to be the "most important." *Clark v. American Residential Services, LLC* (2009) 175 Cal.App.4th 785, 799 (citing *Kullar*). Here, Plaintiff alleges that Defendant failed to pay minimum wages and overtime, failed to pay reporting time pay, failed to provide proper meal breaks or provide premium pay in lieu thereof, failed to provide proper rest breaks or provide premium pay in lieu thereof, failed to pay vacation wages, failed to provide accurate wage statements, failed to timely pay all wages upon termination, failed to maintain employment records, failed to produce requested employment records, and made unlawful deductions to employee's wages in violation of California law. Plaintiff seeks related violations of California's Business & Professions Code, and penalties pursuant to Labor Code § 2699 *et seq*. Plaintiff conducted informal discovery and investigated each of the claims they alleged. Specifically,

Defendant produced the following: (a) all versions of Defendant's employee handbook in effect during the Class Period; (b) Defendant's policies and procedures pertaining to minimum wages, overtime, meal breaks, and rest breaks, which were in effect during the Class Period; (c) Plaintiff's personnel files; (d) Plaintiff's timekeeping and payroll records; (e) a sampling of the Class Members' timekeeping and payroll records; and (f) information on the class demographics including the total number of Class Members during the Class Period, total number of Class Members during the PAGA Period, total number of current employees, total number of former employees in the relevant time period, average hourly rate of pay, total number of workweeks worked during the Class Period, and the total number of paychecks issued during the relevant time period. The merits of each of these claims will be addressed separately below.

28. Based on the data provided, Class Counsel estimated the following maximum exposures: unpaid wage claim at $467,147, meal period claim at $441,944, rest period claim at $441,944, wage statement claim at $317,400, waiting time penalties at $1,344,394, reporting time pay penalties at $176,777.70, vacation wage penalties at $122,087.4, unlawful deduction penalties at $0, and on PAGA, Plaintiff estimated the maximum exposure at $326,600.

29. However, taking into account the difficulties of proof, the Defendant's defenses, and other attendant risks, Plaintiff estimates that the total amount of damages, monetary penalties, or other relief that the class could reasonably expect to be awarded at trial is significantly less than the maximum exposure.

Minimum Wages and Overtime

30. Plaintiff alleged that Defendant failed to pay Plaintiff and Class Members minimum wages for all hours worked, in violation of minimum wage laws. Plaintiff contended that Class Members were not paid all wages they were owed including for all worked performed and for all overtime hours worked. Specifically, Class Members were required to work outside of their scheduled shifts by spending several minutes responding to work demands, including emptying garbage, before being allowed to clock in. Additionally, numerous employees, including Plaintiff, were required to use a single time clock to be able to clock in. Due to their being only one clock available, Class Members would frequently have to wait in line before their scheduled shifts to be

able to clock in, and they were not paid for this time. Furthermore, Defendant also required Class Members work through portions of their scheduled meal periods, but inserted synthetic 30-minute time entries to indicate a compliant lunch had been taken, resulting in off the clock work.

31. Defendant contended that it paid for all reported hours worked, that Class Members were trained to record all hours worked, and that it paid proper minimum wages. Defendant also maintained that the allegations regarding failure to pay wages for hours worked in excess of eight hours in a day did not constitute a basis for violation of Labor Code § 510. Defendant argued that given their written policies and practices, any unrecorded hours were likely subject to individualized inquiry and unlikely to be certified. Given the difficulty in certifying this claim, Class Counsel had to apply a significant discount to damages based on this theory.

32. Based on the above detailed facts, Class Counsel estimated Defendant's exposure on unpaid wages claims to be approximately $467,147 (Plaintiff's expert calculated 10 minutes of off the clock work per shift). However, Class Counsel believes this estimate is high given that many individualized issues would apply making certification of this claim difficult to achieve.

Meal Periods and Rest Breaks

33. Plaintiff alleged that Defendant consistently failed to provide timely and uninterrupted meal breaks to Class Members. *See Brinker Restaurant Corp. v. Super. Ct.* (2012) 53 Cal.4th 1004, 1040 ("[T]he wage order's meal period requirement is satisfied if the employee (1) has at least 30 minutes uninterrupted, (2) is free to leave the premises, and (3) is relieved of all duty for the entire period.").

34. Plaintiff argued that Defendant had a common practice and policy of denying compliant meal periods and that Defendant's meal policies were facially defective. Specifically, Rather than permitting employees to take an unpaid lunch before the end of the fifth hour, as required by California law, Defendant did not set strict lunch schedules and instead only permitted employees to take lunches when there was a lull in the day, which often resulted in Plaintiff and the Class Members taking lunches well after the end of the fifth hour. Additionally, Defendant's own time and pay records indicate that Class Members often took lunch periods of less than thirty minutes, took late meal periods, or missed their meal period entirely. According to

Defendant's payroll data, 60% of shifts longer than five hours did not have a compliant meal period. Despite these violations, Defendant paid only a negligible number of meal premiums. This practice of providing untimely and late meal periods comports with Defendant's defective meal period policy (failing to set strict lunch schedules and instead permitting employees to take lunches when there was a lull in the day) uniformly applicable to all Class Members. For each meal period missed, of less than 30 minutes, or taken late for which the employee was not provided a reasonable opportunity to take a complete and timely meal period, an employer must pay the employee an additional one hour of compensation. Labor Code § 226.7. This additional hour of compensation is referred to as "premium pay." To comply with these laws, every employer must keep, for each employee, accurate time records showing when the employee begins and ends each work period and takes his or her meal periods. *See* Wage Order 1-2001(7)(A)(3).

35. Defendant disagreed with Class Counsel's interpretation of the law and facts. Defendant contended that Class Members were given a reasonable opportunity to take their meal periods, and in fact received their meal periods most of the time. Defendant argued it has a high meal period compliance rate.

36. Class Counsel estimated Defendant's maximum total exposure on the meal break claim at approximately $441,944 (14,552 workweeks x 1 (1 meal break violation per workweek) x $30.37 average hourly pay). However, Class Counsel believes this estimate is high given that Defendant's meal break policy was valid, and many individualized issues would apply making certification of this claim difficult to achieve.

37. The same argument applied to rest breaks. Plaintiff contended that Defendant did not provide Class Members with paid 10-minute rest breaks for every four hours or major fraction thereof. Class Members consistently worked in excess of consecutive four-hour shifts and were entitled to paid rest breaks of not less than ten minutes for each consecutive four-hour shift which they were denied. Class Members were required to work through their rest breaks, and through their entire shifts. Plaintiff and Class Members report that Defendant required so much work product from each Class Member that rest breaks were often not allowed as a matter of practice.

Defendant required Plaintiff to work through his rest break multiple times per week. Plaintiff reports that, as with meal periods, employees were only permitted to take breaks when working conditions allowed, which resulted in breaks not being timely or being missed entirely.

38. Defendant maintained that it did provide the reasonable opportunity for Class Members to take duty-free rest breaks. Defendant also pointed out that, unlike meal periods, rest breaks need not be recorded, and Defendant disputes all allegations that breaks were not received. As these considerations would likely depress the damages *vel non* ultimately awarded, Class Counsel applied significant and appropriate discounts to the rest-break claim.

39. Class Counsel estimated Defendant's maximum total exposure on the rest break claim at approximately $441,944 (14,552 workweeks x 1 (1 rest break violation per workweek) x $30.37 average hourly pay). However, Class Counsel believes this estimate is high given that Defendant's rest break policy was valid, and many individualized issues would apply making certification of this claim difficult to achieve.

Paystub Violations

40. Plaintiff also contended that Defendant failed to provide Class Members with accurate, itemized wage statements in writing as required by California Labor Code § 226(a) because the wage statements failed to accurately account for all off the clock work. Moreover, Plaintiff contended the wage statements failed to accurately account for premium pay for deficiently provided meal and rest breaks which Defendant knew or reasonably should have known were owed to Plaintiff and Class Members. As a direct and proximate cause of Defendant's violation of Labor Code § 226(a), the Class Members suffered injuries, including, among other things, confusion over whether they received all wages owed to them. Pursuant to Labor Code §§ 226(a) and 226(e), employees are entitled to recover the greater of all actual damages or fifty dollars ($50) for the initial pay period in which a violation occurs and one hundred dollars ($100) for each violation in a subsequent pay period, not exceeding an aggregate penalty of four thousand dollars ($4,000). They are also entitled to an award of costs and reasonable attorneys' fees.

41. Defendant contend that Plaintiff's claim for further Labor Code § 226(e) penalties would depend in large part on his underlying meal period and wage claims, and thus be subject to

the same defenses. Additionally, Defendant argues this claim has little or no value. *See Maldonado v. Epsilon Plastics, Inc.*, 22 Cal. App. 5th 1308, 1336-1337 (2018) (wage statements that accurately report wages paid to employees do not violate Labor Code § 226, even if it is later determined that employer did not properly pay all wages due). Defendant further contends that Labor Code § 226(e) penalties are not automatic. Rather, the employee must show (1) that he or she "suffered injury" from the employer's failure to provide compliant wage statements, *see Elliot v. Spherion Pacific Work, LLC* (2008) 572 F.Supp.2d 1169, 1181 (applying California law) (holding employee was not entitled to penalties because no injury was shown), and (2) Defendant's noncompliance was "knowing and intentional." Finally, because the damages for this cause of action are penalties, the statute of limitations only runs from one year prior to the filing of the original complaint. *See* Cal. Civ. Pro. § 340.

42. Class Counsel estimated Defendant's maximum total exposure on the section 226 claim at approximately $317,400 ($50/$100 x 3,266 number of paystubs from January 23, 2023 to January 29, 2025, based on 184 employees). Class Counsel believes it may be difficult to prevail on this claim because Class Members would need to show that they suffered an injury and that Defendant's noncompliance was knowing and intentional (on top of the challenges described above with the underlying wage and break claims) which are both subject to many individualized issues making certification of this claim difficult to achieve.

Failure to Pay Final Wages

43. In failing to pay the California Class Members their minimum wages, overtime wages, and premium pay for deficiently provided meal periods and rest breaks, all discussed above, Defendant willfully failed to pay these the California Class Members all wages due and certain at the time of termination or within seventy-two (72) hours of resignation, as required under Labor Code § 203.

44. Labor Code § 203 provides that if an employer willfully fails to pay an employee all wages due at termination or within 72 hours of resignation, then that employee's wages shall continue as a penalty until paid for a period of up to thirty (30) days from the date they were due. Because Class Members stopped working for Defendant but again were not paid their full

compensation for the reasons discussed above, Class Members did not receive all wages due upon termination of employment.

45. Defendant argued that, under Labor Code § 203, employers are only obligated to pay waiting-time penalties if they "willfully" fail to pay wages due and owing at the time of termination or resignation. As Title 8, California Code of Regulations, § 13520 states:

> A willful failure to pay wages within the meaning of Labor Code Section 203 occurs when an employer intentionally fails to pay wages to an employee when those wages are due. However, a good faith dispute that any wages are due will preclude imposition of waiting time penalties under Section 203.
>
> A "good faith dispute" that any wages are due occurs when an employer presents a defense, based in law or fact, which, if successful, would preclude any recovery on the part of the employee. The fact that a defense is ultimately unsuccessful will not preclude a finding that a good faith dispute did exist. Defenses presented which, under all the circumstances, are unsupported by any evidence, are unreasonable, or are presented in bad faith, will preclude a finding of a "good faith dispute."

Defendant maintained that because it had viable defenses in both law and fact, especially in light of the *Brinker* holding, that waiting-time penalties could not be awarded and, in any case, such penalties were subject to a three-year limitations period under Labor Code § 203(b).

46. Class Counsel estimated Defendant's maximum total exposure on the section 203 claim at approximately $1,344,394 (201 terminated employees from January 23, 2021 x 30 days x 7.3 hours per shift x $30.37 average rate of pay). Class Counsel estimates it would be difficult to recover waiting time penalties given that Plaintiff would need to show willfulness on top of proving the underlying wage and break claims which are both subject to many individualized issues making certification of this claim difficult to achieve.

Reporting Time Pay

47. Defendant required Plaintiff and the Class members to, on occasion, report for a scheduled work day to be told whether work was available for them or not, and when there was no work, Plaintiff and the Class members would be sent home after waiting for hours. On such days when Defendant required Plaintiff and the Class Members to report to work only to be sent home because work was not available, they were not paid required reporting time wages for the hours they waited without receiving their regular hourly rate of pay for them.

48. Section 5(A) of the applicable Wage Order(s), requires that for "[E]ach workday an employee is required to report for work and does report, but is not put to work or is furnished less than half said employee's usual or scheduled day's work, the employee shall be paid for half the usual or scheduled day's work, but in no event for less than two (2) hours nor more than four (4) hours, at the employee's regular rate of pay, which shall not be less than the minimum wage."

49. Reporting time pay constitutes wages that remain unpaid to Plaintiff and the Class members, despite the fact that they were required by Defendant to report for work and were under Defendant's control during these times and were unable to use their time for their own purposes. The failure to pay for reporting time pay is a violation of the California wage orders and is a failure to pay all wages owed, which is a violation of Labor Code §1198.

50. Under Section 20(A) of the applicable IWC Wage Orders, Plaintiff and the Class members are entitled to recover civil penalties, in addition to other penalties, for each underpaid Employee for violation of Section 5 of the IWC Wage Orders in the amount of $50 for the initial violation and $100 for subsequent violations during each relevant pay period when Defendant failed to pay reporting time pay. These reporting time pay violations also give rise to violations of Labor Code §§ 203, 226, and under the PAGA.

51. Defendant contends that, to the extent any employees reported to work on a scheduled workday and were sent home early due to a lack of work, those employees were properly paid Reporting Time Pay.

52. Class Counsel estimated Defendant's maximum liability on the Reporting Time Pay claim as $176,777.70 (14,552 workweeks x 4 hours x 30.37 average rate of pay x .1 (10% violation rate as a conservative estimate). However, Class Counsel believes this estimate is high given Defendant's defenses and potential hurdles facing certification of this claim.

Vacation Wages

53. Pursuant to California Labor Code § 227.3, whenever a contract of employment or employment policy provides for vacation time and an employee is terminated without having taken off his vested vacation time, all vested vacation time shall be paid to him as wages at his

final rate in accordance with said contract of employment or policy respecting eligibility or time served.

54. All class members might not have had vacation time vested at the time of their employment end, and many individualized issues make class certification of this claim difficult to achieve.

55. Defendant contends that, to the extent any employees had accrued vacation time at separation, they were appropriately paid for that time.

56. Class Counsel estimated Defendant's maximum liability on the vacation wages claim as $122,087.4 (estimated 20 hours of vacation time x estimated $30.37 average rate of pay x 201 employees). However, Class Counsel believes this estimate is high given Defendant's defenses and potential hurdles facing certification of this claim.

Unlawful Deductions

57. Defendant unlawfully received and/or collected wages from employees by implementing a policy of automatically deducting 30-90 minutes worth of vested wages, from Employees, for alleged meal periods which they were consistently denied, as well as by understating the hours worked by employees.

58. Labor Code § 221 provides, "It shall be unlawful for any employer to collect or receive from an employee any part of wages theretofore paid by said employer to said employee."

59. Since this claim is based on the meal periods claim, it is subject to the same defenses. Defendant contended that any deductions were lawful and agreed to by employees.

60. Class Counsel estimated Defendant's maximum liability on the unlawful deduction claim as $0 given Defendant's defenses and potential hurdles facing certification of this claim.

PAGA Penalties

61. The Labor Code Private Attorneys General Act, Labor Code § 2699 et seq., allows Plaintiff to obtain civil penalties on behalf of himself and other Class Members for Defendant's violation of any provision of the Labor Code enumerated under Labor Code § 2699.5. Where civil penalties are provided in the statute, those civil penalties are recoverable; where no civil penalties are recoverable, Labor Code § 2699(f) establishes civil penalties of one hundred dollars ($100)

for each aggrieved employee per pay period for the initial violation and two hundred dollars ($200) for each aggrieved employee per pay period for each subsequent violation. Pursuant to Labor Code § 2699(i), seventy-five (75) percent of the penalties recovered must be allocated to the Labor and Workforce Development Agency (LWDA), with the remaining twenty-five (25) percent allocated to the affected employees. The limitations period as for all penalties is one year prior to the filing of the complaint.

62. The provisions of the Labor Code potentially triggering PAGA penalties in this case include but are not limited to Labor Code §§ 203, 204, 226(a), 226.2, 226.7, 510, and 1194, Defendant asserted that if PAGA penalties were mandatory, an employer's PAGA liability would be huge because of the possibility of collecting multiple civil penalties for a single violation, and thus such penalties would almost always dwarf the damages available under the causes of action. However, PAGA penalties are not mandatory but permissive. Labor Code § 2699(e)(2) states that "a court may award a lesser amount than the maximum civil penalty amount specified by this part if, based on the facts and circumstances of the particular case, to do otherwise would result in an award that is unjust, arbitrary and oppressive, or confiscatory." *See, e.g., Lopez v. Friant & Assocs., LLC*, 15 Cal. App. 5th 773, 788 (2017), *rev. denied* (2018), (recognizing court's ability to reduce PAGA penalties). Courts have held that situations similar to the current one (e.g. injuryless violations, technical errors, and substantial compliance) should lead to reductions in penalties. *See Thurman v. Bayshore Transit Management, Inc.*, 203 Cal. App. 4th 1112, 1134-1135 (2012) (holding that reduction was justified when employer "attempted to comply with the law"); *Fleming v. Covdien, Inc.*, No. ED CV10-01487 RGK (OPx), 2011 U.S. Dist. LEXIS 154590 at *8-9 (C.D. Cal. August 12, 2011) (reducing PAGA penalties more than 80% – from $2.8 million to $500,000 – when "employees suffered no injury" employers were "not aware" of the violation and "took prompt steps to correct all violations once notified"). Defendant here maintained that it had a strong argument that it would be unjust to award maximum PAGA penalties.

63. Furthermore, PAGA penalties are also derivative of each and every other claim, and Defendant therefore argued the PAGA claims would be subject to the same defenses to the

underlying claims. Finally, under *Amaral v. Cintas Corp.* (2008) 163 Cal.App.4th 1157, it can be argued that penalties under PAGA could, at best, be awarded only at the rates obtainable for initial violations under the applicable statutes, because Defendant has never been notified of the alleged violations. *Id.* at 1208-1209. Moreover, Section 2699(e)(1) authorizes the Court to exercise the same discretion as the DLSE whether to award civil penalties. *Amaral* 163 Cal. App. 4th 1157, 1211-12. Therefore, if Labor Commissioner - on whose behalf Plaintiff's is prosecuting this action for civil penalties - would not impose civil penalties in a case like this, the Court may not award civil penalties. Moreover, in *Thurman v. Bayshore Transit Mgmt., Inc.* (2012) 203 Cal.App.4th 1112, 1136, the Court of Appeal affirmed the trial court's reduction of PAGA civil penalties by 30 percent, finding that awarding the full penalties would have been "unjust" because "…a court may award a lesser amount than the maximum civil penalty amount specified by this part if, based on the facts and circumstances of the particular case, to do otherwise would result in an award that is unjust, arbitrary and oppressive, or confiscatory."

64. Class Counsel estimated Defendant's maximum total exposure on the PAGA claim at approximately $326,600 ($100 x. 3,266 paystubs from January 23, 2023 to January 29, 2025. However, Class Counsel notes that owing to the discretionary nature of PAGA penalties and the foregoing case law it is unlikely the Court would award the full penalty and that it would be substantially reduced. Class Counsel applied discounts in light of the countervailing arguments with regard to the other causes of action, and moreover the Court's power to award "a lesser amount than the maximum civil liability." The parties also considered that the purpose of PAGA is to "achieve maximum compliance with state labor laws," *Iskanian v. CLS Transp. Los Angeles, LLC* (2014) 59 Cal. 4th 348, 379. This makes the settlements contemplated PAGA payment of $20,000 appropriate.

<u>Unfair Business Practices</u>

65. Plaintiff pled this cause of action in order to augment his other causes of action and aid in their prosecution. Business & Professions Code § 17208 extends the statute of limitations on Plaintiff's wage claims, which qualify as unfair business practices, to four years rather than the three years provided by statute.

Summary

66. The foregoing discussion has sought to explain how the settlement amount is adequate in light of the merits of Plaintiff's case. It has done this by explaining the legal basis for each of Plaintiff's causes of action, summarizing the evidence that Class Counsel gathered in support of those causes of action, and relating Defendant's legal and factual arguments that worked to derogate from the strength of Plaintiff's case.

67. Class Counsel had to apply appropriate discounts in light of the facts and law as discussed above. In addition, meal period liability exposure is limited by the fact that not all Class Members worked on the same schedule and under the same supervisors, making the certification of all Class Members across all locations less than a certainty. Thus, this settlement, like most others, was the product of compromise. Because of these and other risks, a recovery of Three Hundred Fifty Thousand Dollars and Zero Cents ($350,000.00) under the Settlement Agreement is an excellent result. Under the Settlement, each of the approximately 337 Class Members will receive on average, assuming they worked throughout the class period, $524.72 after expenses.

THE RISK, EXPENSE, AND LIKELY DURATION OF FURTHER LITIGATION, AS WELL AS THE RISK OF MAINTAINING CLASS ACTION STATUS THROUGH TRIAL

68. The next *Clark/Kullar* factors recognize that settlements take into consideration the risks and expenses posed by further litigation and, in the class-action context, the risk of non-certification. Consequently, it is proper that trial courts should keep these considerations in mind when judging the adequacy of class action settlements.

69. Further litigation of this case posed real risks for a number of reasons. First, there were the risks of unfavorable rulings on the merits of the various indeterminate legal issues outlined in the previous section. In that section, it was observed that almost every cause of action was subject to some unique indeterminacy of its own, and that the derivative causes of action were thus subject to a double indeterminacy, both their own and those of the causes of action on which they were based.

70. The parties disputed the effect of these and other issues on class certification and

decertification. Class Counsel maintained that there were several legal and factual questions at issue in the case that could best be decided on a class wide basis. Class Counsel contended that the same policies and practices applied to all Class Members and therefore common questions obtained and were likely to predominate over individual inquiries. Defendant disputed these contentions and insisted that the *Brinker* decision called into question the certifiability of cases such as this one. Defendant also argued that its policies were compliant with the law, while Plaintiff disputes that the policies were lawful, and argued the lawfulness of such policies would give rise to common questions amenable to certification. Thus, the parties had set positions on the propriety of certifiability and liability that did not admit of an easy resolution.

71. Finally, it is always preferable to reach a relatively early resolution of a dispute because, in addition to what has already been said, such resolutions save time and money that would otherwise go to litigation. In light of the risk and expense of the lawsuit proceeding to trial there was a need to resolve this matter soon than later. Most cases settle sooner or later. If this case settled after further litigation, the settlement amount would have taken into account the additional costs incurred, and there might have been less available for Class Members after all was said and done. This is not just an abstract contention. The parties were moving into the phase of this litigation where they would have had to depose a number of people such as managers, supervisors, and employees in order to establish liability for trial. Discovery disputes would have been in the offing. The parties were also aware that a class action trial would be a complicated and expensive proceeding, and then there was the likelihood of a long, drawn-out appeals process. In contrast, the settlement provides real benefits for Class Members in the immediate future. The benefits are not insignificant for anyone, especially given the current economic climate. Consequently, the risk and expense of further litigation outweighed any benefit that might have been gained otherwise.

NOTICE TO AND REACTION OF CLASS MEMBERS TO THE PROPOSED SETTLEMENT

72. It is premature to address this factor now, at the preliminary approval stage; however, some observations are in order. First, the notification procedure set out in the Settlement

Agreement provides the greatest likelihood that each and every Class Member will receive the Notice of Settlement ("Class Notice"), attached to the Settlement Agreement as **Exhibit A**. Under the Settlement Agreement, the Settlement Administrator will send the Class Notice to each Class Member via First Class U.S. mail. (Exh. 1, § 7.4.2.) Before mailing, the Settlement Administrator will perform a search based on the National Change of Address Database for information to update and correct for any known or identifiable address changes. (Exh. 1, § 7.4.2.) If the Class Notice is returned as non-deliverable on or before the Response Deadline and a new address is obtained by way of a returned Class Notice, then the Settlement Administrator will promptly forward the original Class Notice to the updated address via first-class regular U.S. mail, indicating on the original packet the date of such re-mailing. (Exh. 1, § 7.4.3.) Thus, most, if not all, Class Members will likely receive the Class Notice.

73. The Class Notice itself fully apprises Class Members of the nature of the lawsuit, the claims involved, the terms of the settlement, and their options thereunder. They provide for a specific procedure to seek exclusion from the Class, and for lodging objections to the settlement. The efforts taken to ensure that Class Members receive the Class Notice and are well informed about the settlement augur a favorable response rate.

74. All Class Members will benefit because Defendant who have been sued is generally more likely to comply with the law in the future. If a Class Member disputes the number of workweeks stated for that Class Member in the Class Notice, the Class Member must ask the Settlement Administrator to resolve the matter by submitting in writing under penalty of perjury the workweeks that the Class Member claims to have actually worked for Defendant during the Class Period. (Exh. 1, § 7.6.) After consultation with Class Counsel and Defendant's Counsel, the Class Action Administrator will make a determination of the Class Member's total workweeks during the applicable period. (*Id.*)

CONCLUSION OF THE *CLARK/KULLAR* ANALYSIS

75. The foregoing discussion establishes the fairness of the class-action settlement in the instant case. It has done this by analyzing the settlement in light of the appellate decisions in *Clark* and *Kullar*. This analysis has concluded that the settlement is fair, reasonable, and

adequate. Class Counsel conducted a thorough investigation of the subject wage-and-hour practices and engaged in non-collusive, arm's-length negotiations in order to reach a settlement. Defendant has agreed to pay fair value to settle Plaintiff's claims given the existence of legal uncertainty, particularly with regard to Plaintiff's claim for failure to provide proper meal periods. From Class Counsel's substantial experience with wage-and-hour class action lawsuits Class Counsel believe that this case could not have settled on better terms under the circumstances. Request therefore is made that the settlement be granted preliminary approval so that those persons whom it was intended to benefit shall be afforded the opportunity to determine its adequacy.

REQUEST FOR ATTORNEYS' FEES

76. Under the Settlement, Class Counsel also requests, without opposition from Defendant, an award of Attorneys Fees and Costs consisting of: (1) One Hundred Sixteen Thousand Six Hundred and Sixty-Six Dollars and Sixty-Seven Cents ($116,666.67) in Attorneys' Fees and (2) Twenty Thousand Dollars and Zero Cents ($20,000.00) for reimbursement of Class Counsel's costs. (Exh. 1, § 3.2.2.) This request is fair, reasonable, and adequate to compensate Class Counsel for the substantial work they have put into this case and, moreover, the risk they assumed by taking it in the first place. The attorneys' fees award is intended to reimburse Class Counsel for all uncompensated work that they have already done and for all the work they will continue to do in carrying out and overseeing the notification to Class Members, communicating with Class Members regarding their claims, and assisting in the administration of the settlement if it is preliminarily approved.

77. D.Law, Inc. took this case on a contingent-fee basis against a business represented by a reputable defense firm. When we take contingent cases, we must pay careful attention to the economics involved or one bad case can destroy years of work. Accordingly, when we take contingency cases, we anticipate that we shall, if successful, receive a fee that exceeds our normal hourly rate; otherwise, the risk is often too great to bear. Even when we work long hours, the number of hours in a day is limited. Because of this, when we take on one particular matter, we are unable to take on other matters. When Class Counsel became involved in this case, we

realized the time commitment that it would entail and we were forced to turn down matters that we otherwise should have been able to handle. In sum, this case claimed a significant portion of Class Counsel's time and attention throughout its pendency.

78. The requested fee is reasonable for the services provided to Class Members and for the benefits they are to receive. Indeed, even with a modest multiplier under the lodestar theory, *see Bihun v. AT&T Information System* (1993) 13 Cal.App.4th 976, 997, Class Counsel's fees would still be justified. Here, the lodestar may exceed the requested fees. Class Counsel will more fully brief the Court on its lodestar in the motion for final approval.

ENHANCEMENT TO PLAINTIFF AS THE CLASS REPRESENTATIVE

79. Plaintiff herein is entitled to a reasonable service payment for his efforts and initiative in bringing and helping to prosecute this action. Plaintiff spent a considerable amount of time better apprising himself of his rights, deciding whether remedial action should be taken, how it should be taken, searching for attorneys, and finally contacting Class Counsel, who spent many hours with Plaintiff discussing the case and the law. In the end, Plaintiff decided to vindicate not only his own rights but also those of his co-workers by filing a class action lawsuit.

80. The courage it took to stand up to Defendant by filing and litigating this action in this way should not be underestimated. By suing Defendant, Plaintiff increased his risk of retaliation by prospective employers. Plaintiff's lawsuit has now required Defendant to expend considerable resources, and Plaintiff justifiably fears the fact that he served as class representative in a wage and hour class action will not be lost on a prospective employer who has to choose between an applicant who has never sued a prior employer and one who has. Plaintiff contends this risk is particularly real in the information age, where employers can, more easily than ever, perform background checks of prospective employees, sometimes with the stroke of a key. It is common for employers to screen employee candidates to determine whether they have ever filed suit, and employee candidates who might be branded "litigious" are likely to be screened out of the process. In fact, an entire industry has developed for providing employers with background information on employee candidates.

81. But Plaintiff did not allow his fear of the potential repercussions of being a class

representative deter him from acting for the benefit of Class Members. To the contrary, Plaintiff has been intimately involved in this case since its inception. He has devoted a substantial amount of time to helping Class Counsel effectively develop and prosecute this action at every stage of the litigation. Both before and after the filing of this lawsuit, Plaintiff conferred with Class Counsel on numerous occasions to discuss every aspect of his case. Plaintiff provided Class Counsel with information about Defendant and about the industry generally, reviewed documents, identified witnesses, consulted Class Counsel throughout the litigation repeatedly and at length, participated in the mediation process, monitored the progress of the litigation with Class Counsel, and reviewed and signed the Settlement Agreement.

82. Plaintiff has spent a significant amount of time with Class Counsel detailing his knowledge of Defendant's practices and helping Class Counsel with the prosecution of this action. He has diligently, adequately, and fairly represented Class Members, and has not placed his interests above any member of the putative class. The payment to Plaintiff is intended to recognize his time and effort on behalf of the Class. The amount requested is fair and appropriate based on his contribution and involvement. For example, Plaintiff instigated the lawsuit by bringing these violations to the attention of Class Counsel. He spent several hours answering questions and providing information to Class Counsel throughout the pendency of this action. He identified witnesses, explained to Class Counsel day to day business practices of Defendant with regard to work schedules and meal breaks, etc. The parties are in agreement that Plaintiff is entitled to an enhancement for his time and effort in this matter. This sort of payment to a class representative has been a common feature of settlements negotiated by Class Counsel and has been routinely approved by trial courts.

83. In light of the foregoing, Class Counsel believes that the Class Representative Enhancement payment in the amount of Seven Thousand Five Hundred Dollars and Zero Cents ($7,500.00) to Plaintiff is fair and reasonable. This amount is a far cry from the $50,000 of enhancement awards to the two named plaintiff approved by the trial court in *Clark. See Clark, supra*, 175 Cal.App.4th at 807. Although Class Counsel appreciate that the Court has a duty to ensure that class representatives are not overcompensated at the expense of the class, modest

incentive awards in employment class actions, such as the one here, are necessary not only to compensate class representatives for the time they spend in the case, but also, and more importantly, to encourage aggrieved employees to challenge questionable employment practices notwithstanding the very real consequences they may face.

CRITERIA SATISFIED FOR CERTIFICATION OF SETTLEMENT CLASS

84. The proposed Classes satisfy the criteria for certification of a settlement class under California law, as embodied in California Code of Civil Procedure § 382. Defendant has agreed to the certification of the class for settlement purposes. In general, courts may take a proposed settlement into account in evaluating the propriety of class certification. *See Dunk v. Ford Motor Co.* (1996) 48 Cal.App.4th 1794, 1807 fn. 19. Indeed, a "lesser standard" of scrutiny applies in certifying classes for settlement purposes. *Ibid.* Therefore the Court should take into consideration the fact that the parties have settled their claims and stipulated to certification for settlement purposes when assessing typicality and adequacy.

a. Numerosity. The putative classes are so numerous that joinder of all members is impractical. Class Members are "all persons employed by Defendant in California and classified as a non-exempt, hourly employee who worked for Defendant during the Class Period." There are approximately 337 persons answering to this definition. Thus, there are a sufficient number of Class Members to warrant certifying this as a class action for settlement purposes.

b. Ascertainability. The putative classes are defined in a manner that is precise, objective, and ascertainable. The Class Members have already been identified by reference to Defendant's payroll and personnel records.

c. Typicality. A class representative's claims are typical when they arise from the same event, practice, or course of conduct that gives rise to the claims of other putative class members, and if their claims rest on the same legal theories. The class representative's claims must be "typical" but not necessarily identical to the claims of other class members. It is sufficient that the representative is similarly situated so that he or she will have the motive to litigate on behalf of all Class Members. *Classen v. Weller* (1983) 145 Cal.App.3d 27, 47; *B.W.I. Custom Kitchens v. Owens-Illinois, Inc.* (1987) 191 Cal.App.3d 1341, 1347 ("[I]t has never been the law in California that the class representative must have identical interests with the class members."). Thus, it is not necessary that the class representative should have personally incurred all of the damages suffered by each of the other class members. *Wershba v. Apple Computer, Inc.* (2001) 91 Cal.App.4th 224, 228.

Plaintiff's claims are typical of Class Members' claims because they arose from the same factual basis and are based on the same legal theories. Plaintiff was employed by Defendant during the Class Period subject to the allegedly unlawful meal and rest break policies and pay practices at issue in this litigation. Accordingly, Plaintiff is a member of the class. The central issues of this litigation (whether Defendant failed to pay all wages, whether Defendant failed to provide meal and rest periods, etc.), which would arise if this were an individual action brought by Plaintiff, apply to the other Class Members as well, and the answer to these questions would determine Defendant's liability to the entire putative class. Thus, Plaintiff's claims are typical of the claims of the putative class. Accordingly, the typicality requirement is satisfied.

d. <u>Adequacy</u>. A class representative must possess the same interest and suffer the same injury as the class members. "To assure 'adequate' representation, the class representative's personal claim must not be inconsistent with the claims of other members of the class." *J.P. Morgan & Co., Inc. v. Sup.Ct. (Heliotrope General, Inc.)* (2003) 113 Cal.App.4th 195, 212. Thus, the adequacy requirement is satisfied when the class representative's interests are not antagonistic to those of the class. *McGhee v. Crocker-Citizens Nat. Bank* (1976) 60 Cal.App.3d 442, 451.

Plaintiff does not have any conflicts with the class and in fact his interests are aligned with those of the class. Because Plaintiff's claims are identical to those that would be asserted by the unnamed Class Members were they before the Court, Plaintiff has every interest in zealously representing the unnamed class members. Plaintiff has not shrunk from this responsibility. Indeed, Plaintiff has devoted a substantial amount of time and energy to litigating this action and effecting a settlement. Furthermore, as detailed above, Class Counsel are experienced in wage-and-hour litigation, especially class actions, and have zealously represented the interests of the class in litigating this case. *See infra* ¶¶3-9. Accordingly, the adequacy requirement is satisfied.

e. <u>Commonality</u>. Common questions of law or fact in this case predominate over individual questions. This action involves, *inter alia*, a determination about Defendant's alleged failure to provide meal period and rest periods, failure to pay wages and overtime due to allegedly common and unlawful policies, failure to pay final wages when required, failure to provide accurate paystubs, failure to pay reporting time pay, failure to pay vacation wages, unlawful deductions to wages, failure to maintain employment records, failure to produce requested employment records, and largely derivative claims under the Business & Professions Code and PAGA. Plaintiff contends these practices, including an alleged practice of failing to provide complete meal periods, related meal period policies applicable to the class, and the alleged failure to provide corresponding premium payments, that affected class members in the same way. All class members were employed during the Class Period. Therefore, the operative complaint delineates a common course of conduct applicable to all Class Members. Therefore, based on Class Counsel's investigation, the review of the discovery produced by Defendant, and their discussions with Plaintiff, Plaintiff contends the evidence supports his position that the employment practices and policies of Defendant's business were consistent and uniform.

f. Predominance. Individualized issues do not predominate over the issues of law and fact that are common to the class as a whole. The principal issues of controversy are whether Class Members were paid for all hours worked and provided lawful meal breaks. As explained, *supra*, there are common issues of law and fact given that Plaintiff and all Class Members were subjected to the same policies and pay practices during the relevant time period. Plaintiff and Class Members seek meal and rest break premiums, unpaid wages and overtime, and penalties for work performed as non-exempt employees for Defendant. These issues are suitable for common adjudication because all Class Members were subject to the same employment policies and Plaintiff contends the practices applied uniformly to all Class Members.

g. Superiority. Class resolution is superior to other available methods for the fair and efficient adjudication of the controversy. There is little interest or incentive for Class Members to individually control the prosecution of separate actions. Although the injury resulting from Defendant's policies and practices are real and significant, the cost of individually litigating each such case against Defendant would easily exceed the value of any relief that could be obtained by any one Class Member individually. If Class Members are forced to litigate their claims individually this would result in about 337 individual actions against Defendant. Here, the alternative methods of resolution are individual suits for relatively small amounts. Hence, an individual suit would prove uneconomical for potential plaintiffs because litigation costs would dwarf a potential recovery.

h. Except for Plaintiff's case before this Court, Plaintiff is unaware of any other actions by Class Members against Defendant asserting similar claims as here. Furthermore, San Mateo is a compelling forum for this action given that Defendant's location is in San Mateo County and numerous Class Members work in this County.

i. There are no serious manageability difficulties presented by preliminarily approving the case for settlement purposes. As this case will not go to trial if finally approved, all that would remain is settlement administration and responding to possible objectors.

85. On February 10, 2026, Plaintiff uploaded the Settlement Agreement and the Memorandum of Points and Authorities in Support of Plaintiff's Motion for an Order Preliminarily Approving the Class Action Settlement, Approving Notice of Settlement, and Setting Hearing for Final Approval. A true and correct copy of the confirmatory email from the LWDA is attached hereto as **Exhibit 3**.

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

Executed this 10th day of February, 2026, at Glendale, California.

Natalie Haritoonian

EXHIBIT 1

EXHIBIT 2

EXHIBIT 3