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Attorneys for Plaintiff and the Putative Classes

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF RIVERSIDE

ENRIQUE AGUILA, on behalf of himself and all others similarly situated,

Plaintiff,

v.

MAGNOLIA FOODS, LLC, a California limited liability company; and DOES 1-50 inclusive.

Defendants.

CASE NO.: CVRI2404553

Assigned to Hon. Harold W. Hopp

DECLARATION OF MEHRDAD BOKHOUR IN SUPPORT OF PLAINTIFF'S MOTION FOR PRELIMINARY APPROVAL OF CLASS ACTION AND PAGA SETTLEMENT

Hearing Information:

Date: July 2, 2025
Time: 8:30 a.m.
Dept.: 1

DECLARATION OF MEHRDAD BOKHOUR

I, Mehrdad Bokhour, say and declare as follows:

1. I am an attorney at law, duly licensed to practice before all the Courts of the State of California, and I am the principal of Bokhour Law Group, P.C., co-counsel with Sam Rezvani of Venture Law, P.C. as attorneys of record for Plaintiff Enrique Aguila ("Plaintiff") and the Class.

2. As such, I am familiar with the file in this matter, and if called as a witness, I could and would competently testify to the following facts of my own personal knowledge.

3. Plaintiff's counsel sought administration bids from multiple administrators, and ILYM Group, Inc. was selected as it provided the lowest bid and is highly experienced and qualified to administer this matter.

Procedural History

4. Plaintiff and the putative class members consisted of food processors, production line workers, shipping and receiving clerks, supervisors, forklift drivers, warehouse associates, maintenance and repair technicians, and all other non-exempt positions at Defendant's food production and distribution facility in Jurupa Valley, California.

5. This Settlement settles the following Action filed on or about August 15, 2024, entitled *Aguila v. Magnolia Foods, LLC*, filed in the Riverside County Superior Court and assigned case number CVRI2404553.

6. Plaintiff asserted claims for (1) failure to pay minimum wages; (2) failure to pay overtime wages; (3) failure to provide compliant meal periods; (4) failure to provide compliant rest breaks; (5) failure to reimburse necessary business expenses; (6) failure to pay due wages at separation of employment; (7) failure to provide accurate itemized wage statements; (8) failure to pay sick pay wages; and (9) unfair competition ("Original Complaint").

7. Also, on August, 15, 2024, Plaintiff submitted a letter to the Labor Workforce Development Agency (the "LWDA") for civil penalties under the Private Attorney General Act of 2004 (the "PAGA"), and simultaneously sent a letter to Defendant requesting the production of personnel and timekeeping records in order to further evaluate their wage and hour claims.

8. Thereafter, Plaintiff's Counsel discovered the existence of two settled actions entitled *Margarita Urrutia v. Magnolia Foods, LLC*, filed in San Bernardino Superior Court case number CIVSB2324321, and *Marisela Martinez de Ornelas v. Magnolia Foods, LLC*, filed in San Bernadino Superior Court case number CIVSB2308953, that encompassed the claims asserted in Plaintiff's Original Complaint. In order to preserve judicial time and resources, Plaintiff agreed to dismiss his class claims without prejudice and pursue a PAGA-only action.

9. Thus, on or about October 23, 2024, the Court approved Plaintiff's Request for Dismissal of Class Claims Without Prejudice and Plaintiff filed a First Amended PAGA Representative Action Complaint ("FAC"), alleging PAGA-claims only.

10. On February 12, 2025, the Parties attended private mediation with a neutral mediator, Dan Turner, Esq. In preparation for the mediation, the Parties informally exchanged documents and information that allowed both sides to calculate the potential damages and evaluate potential risk, including policies and procedures pertaining to each claim alleged, and statistics relating to the number of current and former employees, number of shifts, pay periods worked and other things. Defendant also provided its written policies and practices and a robust sampling of payroll and timekeeping records for Class Members. This information enabled both parties to take a deep dive into the claims. Additionally, during this process, Plaintiff and his counsel analyzed, researched, and investigated the potential issues, including matters related to the calculation of damages, trial, and appellate issues and risks. Plaintiff also retained an expert to perform a statistical analysis of the claims and violations.

11. Through negotiations with the mediator's assistance, the Parties agreed to a tentative settlement addressing PAGA representative and class action allegations against Defendant.

12. On or about March 28, 2025, pursuant to the Parties' stipulation, the Court entered its Order allowing Plaintiff to file a Second Amended Class Action and Representative PAGA Complaint ("SAC"), re-asserting class claims initially asserted but subject to commencing such claims as of the end of the Defendant liability release periods in the previously resolved prior actions.

13. On or around April 8, 2025, Plaintiff filed a SAC.

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Plaintiff's Claims and Defendant's Defenses

14. Plaintiff's core allegations are that Defendant violated the California Labor Code, *inter alia*, by failing to properly pay minimum and overtime wages, failing to provide compliant meal and rest periods or pay associated premiums, failing to provide compliant wage statements, failing to adequately reimburse incurred business expenses, failing to pay sick wages, and failing to timely pay final wages during employment and upon separation of employment. Specifically, Plaintiff alleges that Defendant's failure to properly pay all compensation due, arises from, *inter alia*, Defendant's timekeeping practices and policies resulting in failure to account for all hours worked and pay all wages. Specifically, Plaintiff alleges he and the Class Members were not compensated at least the minimum wage for all hours worked because, in part, they were required to don and doff personal protective equipment (PPE) before clocking in and starting their shifts and to remove the same after clocking out. These mandatory procedures resulted in uncompensated time during which they were under the control of Defendant. Plaintiff further alleges these employees were not properly compensated at the correct overtime rate for hours worked beyond eight (8) hours per workday and/or forty (40) hours per workweek, due to Defendant's uniform failure to correctly calculate the "regular rate of pay" for overtime, sick pay, and missed meal premiums. Plaintiff further alleges that Defendant failed to provide code compliant 30-minute off-duty meal periods due to its uniform meal period policies, rigid work demands, and operational requirements, and that these employees were not provided with mandated meal period premiums in lieu thereof. Similarly, Plaintiff alleges that Defendant failed to provide two net 10-minute rest periods for each eight-hour shift and a third rest period for shifts exceeding ten hours, in violation of California law. As a result, Plaintiff contends that he and the Class Members are entitled to, *inter alia*, unpaid wages, penalties (including and not limited to, penalties pursuant to PAGA), and attorneys' fees.

15. Defendant denies any liability of any kind associated with the claims and allegations and further denies that Plaintiff or the Class Members are entitled to any relief. Defendant also denies that the Action is appropriate for class or representative treatment for any purpose other than the

Settlement. Defendant maintains, among other things, that it has complied with California laws in all respects.

Discovery and Mediation

16. Prior to mediation, the Parties engaged in informal discovery during which Defendant produced a sampling of timekeeping and payroll data, the relevant Employee Handbook, and wage and hour policies in effect during the Class Period, as well as other documents and information. Defendant's productions included hundreds of pages of documents and data. Class Counsel performed extensive damages and valuation analysis based on class data and a sampling of time and pay data provided by Defendant.

17. On February 12, 2025, the Parties participated in a private mediation before Daniel Turner, Esq., a well-respected mediator with experience in handling complex wage-and-hour matters. During the mediation, the Parties exchanged information and discussed various aspects of the case, including but not limited to, Plaintiff's claims on PAGA-wide and class-wide bases, the risks and delays of further litigation and of proceeding with certification and/or representative adjudication, the law relating to Plaintiff's meal and rest periods, wage-and-hour enforcement, PAGA representative claims, the evidence produced and analyzed, and the possibility of appeals, among other things. After a full-day mediation and the issuance of a mediator's proposal, the Parties reached a settlement.

18. A true and correct copy of the Class Action and PAGA Settlement Agreement ("Settlement" or "Settlement Agreement") is attached hereto as **Exhibit "A"**. The proposed Class Notice, Request for Exclusion Form, and Objection Form are attached hereto as **Exhibit "B"**.

19. According to Defendant, there are approximately 264 Class Members who worked approximately 8,625 workweeks from March 16, 2024 through February 12, 2025.

The Settlement Should Be Preliminarily Approved

20. Although the parties engaged in significant formal and informal discovery in advance of mediation, the parties still had significant discovery to complete in formal litigation had the matter not settled. This would have required expenditure of substantial time and resources by all parties that would have very likely spanned several years. Plaintiff faced numerous risks in

continued litigation, including and not limited to, the risk of receiving no recovery if a class is not certified and/or no liability is found and the Court determining that adjudication on a representative or class basis is unmanageable and not appropriate. Plaintiff also faced the real possibility that the amount recovered against Defendant after years of litigation and a lengthy and costly trial would be less than the amount negotiated in this Settlement. This Settlement avoids those risks and the accompanying expense.

Failure to Pay Wages:

21. As described above, Plaintiff alleges that Defendant failed to accurately record (or record time at all when they were subject to the control of the employer) time worked by Plaintiff and other Class Members because Defendant failed to pay Class Members for pre-shift and post-shift work duties which extended a few minutes beyond their scheduled shifts for which they were not paid.

22. In this regard, Plaintiff assumed Plaintiff and other Class Members were not paid for approximately 5 minutes per shift.

23. Based on Plaintiff's analysis, Class Members worked approximately 39,923 shifts and by assuming five minutes per shift, this resulted in approximately $66,505.06 of unpaid minimum and overtime wages <u>(39,923 shifts x 5.0 minutes per shift /60 x $19.99 hour)</u>.

24. Defendant denies all of Plaintiff's claims and asserts that it maintained lawful timekeeping policies/practices during the Class Period. Specifically, Defendant contends that it rarely required employees to work off the clock and it properly compensated all employees. Defendant argues that an individualized inquiry as to whether each Class Member was underpaid is necessary and would preclude class certification. *See, e.g., Brinker Restaurant Corp. v. Superior Court* (2012) 53 Cal.4th 1004, 1052 (affirming denial of off-the-clock subclass, "[p]roof of off-the-clock liability would have had to continue in an employee-by-employee fashion, demonstrating who worked off the clock, how long they worked, and whether Brinker knew or should have known their work.").

25. In light of these arguments and defenses, Plaintiff discounted Defendant's maximum exposure by 45% to account for the risk of non-certification, and by an additional 35%

for a risk of being unsuccessful on the merits or having the amount of unpaid wages reduced, for a reasonably expected total of approximately **$23,775.56**.

Meal Period Violations:

26. Plaintiff alleges that Defendant failed to provide Plaintiff and other Class Members with all second meal periods of at least thirty (30) minutes before the tenth (10^{th}) hour of their shift. Defendant's payroll records demonstrate that Class members were consistently unable to take second meal periods at all for shifts in excess of 10 hours. Plaintiff's analysis of the data demonstrates 3,407 unique meal period violations comprising a 11.5% violation rate based on the payroll data analyzed. Plaintiff calculates $68,105.93 in unpaid meal period premiums (3,407 non-compliant meal periods x $19.99 meal period premium). As such, the total damages regarding meal period violations are estimated to be $68,105.93. However, Defendant claims that it maintained legally compliant meal period policies throughout the Class Period; such that it allowed non-exempt employees to take compliant and timely meal periods. Defendant also claimed that all or most of the hourly employees had signed second meal period waivers and/or otherwise voluntarily waived a second unpaid meal period that was made available by the company so they could go home sooner rather than taking a second 30-minute unpaid meal break. As such, Defendant vigorously contended that there were no violations for all of the shifts between 10.0 and 12.0 hours. Defendant also contend that this claim would not be certified due to the lack of any common evidence tying together the reason that Class Members experienced an alleged meal period violation. Lastly, Defendant assert that the presence of these affirmative defenses as to the voluntariness of a particular meal period decision would preclude class certification. *See Duran v. U.S. Bank National Association* (2014) 59 Cal.4^{th} 1, 25. In light of these defenses and arguments, Plaintiff discounted Defendant's maximum exposure by 70% for the risk of non-certification, and an additional 50% to account for Defendant's defenses on the merits, to arrive at an estimated total of **$10,215.89**.

Rest Period Violations:

27. Plaintiff alleges that Defendant failed to authorize and permit all legally compliant rest periods throughout the Class Period. More specifically, Plaintiff alleged that Defendant failed

to authorize and permit Plaintiff and other aggrieved employees from taking legally compliant rest periods due to its unlawful rest period policies and operational requirements as enforced by their supervisors. Plaintiff's analysis of Defendant's data demonstrates there were approximately 29,701 rest period eligible shifts. For this claim, Plaintiff assumed a 33% violation rate and calculated Defendant's maximum exposure on this claim at $197,901 (9,900 non-compliant rest periods x $19.99 rest period premium).

28. However, Defendant denies Plaintiff rest period allegations and asserts that they maintained compliant rest period policies throughout the Class Period and authorized and permitted all rest periods to Class Members. In addition, Defendant argued that, in practice, Class Members were allowed to be free and did in fact leave the premises during rest periods. Further, Defendant contend that this claim is not amenable to class treatment because individualized inquiries would be required to determine which employees failed to take rest periods, and the reasons why each employee failed to take a rest period on a particular shift. As such, Plaintiff discounted Defendant's maximum exposure by 65% to account for the risk of non-certification, and an additional 50% to account for Defendant's defenses on the merits, to arrive at an estimated exposure of approximately **$34,632.68**.

Wage Statement Violation

29. Plaintiff contends that, because of the foregoing Labor Code violations, Defendant issued inaccurate wage statements in violation of Labor Code section 226(a). More specifically, Plaintiff alleged that the wage statements issued uniformly failed to reflect all net wages earned, gross wages earned, the appropriate overtime rate, sick pay rate, and the appropriate rate of premium pay for non-compliant meal and rest periods. Further, the wage statements issued by Defendant failed to indicate the applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate. Plaintiff's data analysis reveals there were approximately 9,143 wage statements issued during the Class Period. Therefore, Plaintiff calculates Defendant's maximum exposure for this claim at $457,150 (i.e., 9,143 statements * $50).

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30. Based on Defendant's arguments that: (i) no violations occurred; (ii) any alleged violations were not "knowing and intentional" as required by Labor Code § 226(e); (iii) no actual injury was suffered; and (iv) that its wage statements always accurately reflected hours worked and amounts paid to employees, *see Maldonado v. Epsilon Plastics, Inc.* (2018) 22 Cal.App.5th 1308 (agreeing with employer's "commonsense position that the pay stubs were accurate in that they correctly reflected the hours worked and the pay received), Plaintiff discounted Defendant's calculated maximum exposure by 75% for a risk of non-certification, and an additional 50% for a risk of being unsuccessful on the merits, to arrive at an estimated total of **$57,143.75**.

<u>Waiting Time Penalties</u>:

31. Defendant's records reflected approximately 80 former Class Members who separated from their employment with Defendant during the Class Period. [Bokhour Decl., ¶ 31.] Based on an average hourly rate of $19.99, Plaintiff estimated the average waiting time penalty per former employee to be $4,797.60 ($19.99 x 8 hours per day x 30 days). Therefore, Plaintiff estimated Defendant's maximum exposure for potential waiting time penalties to be $383,808 (80 former employees * $4,797.60 average waiting time penalty). Defendant presented several defenses to this claim, most notably, the assertion that because they possessed good-faith defenses to the underlying claims, any failure to pay wages was not "willful" as a matter of law. Defendant further contend that no waiting time penalties are recoverable as a matter of law as to Plaintiff's claims predicated on a failure to provide meal and/or rest periods as a Court of Appeal recently held in Naranjo v. Spectrum Security Servs., Inc. (2019) 40 Cal.App.5th. 444, 473-75 (review granted Jan. 2, 2020). To account for Defendant's defenses, Plaintiff discounted the maximum exposure by 40% for the risk of non-certification, and an additional 60% for risk of losing on the merits, and/or not receiving the maximum penalties sought, to arrive at an estimated exposure of **$92,113.92**.

<u>Unreimbursed Business Expenses:</u>

32. Plaintiff alleges that Defendant failed to reimburse Plaintiff and putative class members for all necessary business expenses such during the Class Period. Plaintiff alleges that

the business expenses incurred by Plaintiff and other Class Members were for certain of their own tools, safety gear and other devices required to perform their job duties.

33. Defendant contended that Plaintiff and other putative class members never requested reimbursement from Defendant for these items, and Defendant did not know and had no reason to know that the alleged business-related expenses were incurred and not reimbursed.

34. Defendant further contended that the reason for why a putative class member undertook certain expenses, while not others, and failed to receive reimbursement for certain expenses while not others, would raise individual issues that could not be certified. Defendant contended that the California Labor Code only requires reimbursement of "necessary" expenses—as opposed to any expense that is incurred in the course of performing work—and argued that distinguishing a necessary expense from an unnecessary one would require individualized inquiry. *See*, Cal. Lab. Code § 2802; *Gattuso v. Harte-Hanks Shoppers, Inc.* (2007) 42 Cal.4th 554. Furthermore, whether or not an expense was necessary, would depend, in part, on the reasonableness of the employee's choice, and whether or not an expense was incurred, would have to be established by way of extensive individual factual inquiry and/or statistical evidence.

35. In light of these defenses and arguments, Plaintiff discounted Defendant's maximum exposure by 100% for the risk of non-certification and to account for Defendant's defenses on the merits, to arrive at an estimated total of $**0.00.**

<u>PAGA Penalties</u>:

36. Based on the data provided by Defendant, there are approximately 8,625 pay periods during the relevant PAGA Period. Based on the violations addressed above, Plaintiff contends that Defendant is liable for a PAGA civil penalty in the amount of $100 for each of the 8,625 pay periods worked during the PAGA Period. Accordingly, Plaintiff estimated Defendant's maximum potential PAGA exposure at $862,500 (8,625 violations x $100 "initial" penalty). *Amaral v. Cintas Corp. No. 2* (2009) 163 Cal.App.4th 1157, 1207 (finding "initial" violation rate applies until employer is notified that it is violating a Labor Code provision). However, Defendant asserts a host of credible defenses to Plaintiff's PAGA claims. First, while Plaintiff

argues that these penalties derive from the underlying wage and hour violations discussed above, Defendant vigorously disputes this. *See e.g.*, *Green v. Lawrence Service Co.* (C.D. Cal. 2013) Case No. LA CV12-06155 JAK (VBKx), 2013 WL 3907506, *5, n.5 (explaining that a PAGA claim's success was determined by the merits of its underlying claims). Defendant further contend that the Court would drastically reduce any award of PAGA penalties as "confiscatory." *See also Thurman v. Bayshore Transit Mgmt., Inc*. (2012) 203 Cal.App.4th 1112, 1135 (affirming reduction of PAGA penalties); *Fleming v. Covidien Inc*. (C.D. Cal. 2011) Case No. ED CV10-01487 RGK (OPx), 2011 WL 7563047, at *4 (reducing PAGA penalties from $2.8 million to $500,000). Therefore, Plaintiff discounted the maximum figure by 65% for risk of losing on the merits, and an additional 75% to account for the possibility of this Court reducing penalties, to arrive at an estimated exposure of **$75,468.75**.

37. In sum, while Plaintiff asserts that this is a suitable case for certification, he realizes that there is always a significant risk associated with class certification proceedings and considering Defendant's various defenses on the merits and to class certification, difficulties of proof, and other risks as described above, Plaintiff predicted that the potential likely recovery for the Class at trial would be approximately **$293,350.54**.

<u>The Settlement Is Within the Range of Possible Approval</u>

38. The Settlement amount reached in this case provides significant recovery to Participating Class Members and easily falls within the range of reasonableness.

39. Plaintiff's counsel obtained a Gross Settlement Amount of $235,000. Class Counsel considers this to be an excellent settlement for Class Members, when taking into account all issues and risks related to liability and class certification and considering the case law regarding fair, reasonable, and adequate settlements. *Rebney v. Wells Fargo Bank* (1990) 220 Cal.App.3d 1117, 1139 ["Compromise is inherent and necessary in the settlement process … even if the relief afforded by the proposed settlement is substantially narrower than it would be if the suits were to be successfully litigated, this is no bar to a class settlement because the public interest may indeed be served by a voluntary settlement in which each side gives ground in the interest of avoiding litigation."]; *Officers for Justice v. Civil Service Comm'n,* 688 F.2d 615, 62(9th Cir.

1982) 8 [“It is well-settled law that a cash settlement amounting to only a fraction of the potential recovery does not … render the settlement inadequate or unfair.”].

40. The proposed settlement reflects approximately 80% of the estimated recovery the Class could reasonably expect in light of the significant litigation risks and will provide tangible, monetary compensation for hotly disputed claims. Indeed, the percentage of the liability exposure recovered in this case exceeds percentages routinely approved by courts.

The Allocation for Enhancement Awards Is Reasonable

41. Subject to Court approval, Plaintiff will receive a Class Representative Service Award in the amount of Ten Thousand Dollars ($10,000). The Service Payment will be paid in addition to Plaintiff’s individual Settlement Share. Plaintiff spent considerable time and effort to produce relevant documents and past employment records and provide the facts and evidence necessary to support the allegations. Plaintiff was available whenever his counsel needed him and tried to obtain documents and information that would benefit the Class.

The Allocation for Attorneys’ Fees and Costs Are Reasonable

42. The Settlement establishes a Gross Settlement Amount of $235,000 and provides for Class Counsel to apply for attorney’s fees in the amount of $78,333.33. Class Counsel will apply for attorneys’ fees when seeking final approval of the proposed Settlement.

43. The Class Counsel Attorneys’ Fees provided for by the Settlement are reasonable, particularly in light of the time and effort expended by Class Counsel. Class Counsel litigated this case with the possibility of an unsuccessful outcome and no fee recovery. The ongoing work has been demanding and ultimately achieved a substantial Settlement. Given the strengths and weaknesses of the claims and the risk and expense of further litigation, Plaintiff believes that his counsel achieved an excellent result on behalf of the Class. Considering the amount of the fees to be requested, the work performed, and the risks incurred, the Class Counsel Fees Payment and Class Counsel Litigation Costs provided for by the Settlement are reasonable and should be awarded.

44. Class Counsel have borne, and continue to bear, the entire risk and cost of litigation associated with this class action on a pure contingency basis. The factual and legal issues posed in this case were evolving and difficult. Based on Class Counsel’s past experience in wage

and hour class action litigation, it is safe to state that Class Counsel is very likely to be called upon, after the Class Notice has been sent, to expend substantial amounts of additional time to help Class Members understand the terms of the proposed settlement, and to assist Class Members in the preparation and documentation of their claims. It is also likely that, even after final approval of the settlement has been granted, Class Counsel will be called upon to expend additional amounts of time in the presentation and resolution of contests and disputes relating to Class Members' claims under the terms of the proposed settlement, as to the amounts of individual claims and perhaps other individual issues.

45. The Court should preliminarily approve the requested Class Counsel Fees Payment and Class Counsel Litigation Costs justified by the outstanding results achieved, the complexity of the issues, the difficulty of the case, and the great risk undertaken by Class Counsel. The requested payments will not be opposed by Defendant and are well within established guidelines.

46. I graduated with a Bachelor of Arts with a major in Political Science from the University of California, Berkeley in 2007. I received my Juris Doctorate from Loyola Law School–Los Angeles in 2012 and became a member of the California State Bar in December 2012. I began my legal career as an associate for Carney Shegerian and Ebby Bakhtiar, focusing on plaintiff-side employment litigation with an emphasis on disability discrimination and harassment matters under the Fair Employment and Housing Act.

47. After practicing for several years as a member of Cohen & Lord, P.C., practicing in an amorphous range of civil litigation on behalf of both plaintiffs and defendants, I opened my law firm in 2014 with a concentration in representation of employees against employers to recover unpaid wages and vindicate harassment, discrimination and retaliation claims in various contexts.

48. I was selected as a "Super Lawyer Rising Star" in Employment Litigation during the years 2017 through 2022, and in 2023-2024, I was selected as a "Super Lawyer," a distinction that is reserved for the top 2.5% of lawyers in the practice area.

49. I have also been recognized by TopVerdicts.com for achieving several of the top wage and hour class and PAGA action settlements in California.

50. I am also an active member of the California Employment Lawyers Association ("CELA") and have attended various Continuing Legal Education courses pertaining to advocacy on behalf of employees.

51. My firm has the experience, resources, and means necessary to allow us to provide adequate representation as Class Counsel to all Class Members in this litigation. Currently, my firm serves as counsel in at least twenty wage-and-hour class actions and co-counsel in at least twenty-five others.

The Settlement Resulted From Serious, Informed Negotiations

52. The Settlement that has been reached, subject to this Court's approval, is the product of a substantial effort by the parties and their counsel. The settlement was reached after extensive factual and legal investigation and research, numerous discussions, exchanges of documents and information, correspondences, a full day session of mediation, review of pleadings, evidence, and rulings in similar actions litigated elsewhere in the state, and review of similar cases in the same industry elsewhere in the country. The Settlement amount is, of course, a compromise figure. It took into account the risks related to liability, damages, and all the defenses asserted by Defendant.

53. Plaintiff asserts that the wage and hour claims and the PAGA claims for resulting penalties would be certified. Plaintiff's counsel reviewed documents produced by Defendant, including but not limited to employee handbooks, time and payroll records for Class Members, etc., and based thereon reasonably believed that Plaintiff would have a significant chance of certifying the Class.

54. On the other hand, Defendant argued that Plaintiff cannot meet class certification requirements. In particular, Defendant believed that it paid the Class Members for all hours worked, that compliant meal and rest periods were provided, and Defendant did not deter employees from taking compliant meal and rest periods, and Defendant's meal and rest period policies were likewise compliant. Defendant further contended that class certification would not be warranted because individual liability issues predominate Plaintiff's claims.

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55. While Plaintiff believes in his chance of success of certifying the claims, Plaintiff recognized the potential risk, expense, and complexity posed by further litigation. Litigating Plaintiff's claims in this litigation–claims that involve numerous Class Members during the Class Period–would require substantial additional preparation and discovery and ultimately would involve the deposition and presentation of numerous witnesses (including expert witnesses), as well as the consideration, preparation, and analysis of expert reports. Therefore, should litigation have progressed any further, there would have been significant expense incurred by each side.

56. Plaintiff and Defendant have very strong positions on liability in this case. Defendant denies any liability or wrongdoing of any kind associated with the claims alleged in Plaintiff's operative complaint, and further denies that, for any purpose other than that of settling this lawsuit, this action is appropriate for class treatment. In light of the sharply contested legal and factual issues, the risks of continued litigation, and substantial benefits to Class Members under the Settlement, the terms and conditions of this class settlement are fair and reasonable to all sides.

57. Class Counsel conducted a thorough investigation into the facts of the case, including, *inter alia*, interviews with Plaintiff, and diligently investigated the allegations in this lawsuit. Class Counsel reviewed a large volume of pages of documents and data produced by Defendant and obtained through other sources, including and not limited to, Plaintiff's employment records (including, *inter alia*, time and payroll data, timecards, earning statements, and personnel records), as well as excerpts of Defendant's employee handbook (such as excerpts pertaining to Defendant's meal and rest break policies), class-wide data, various documents regarding Defendant's wage-and-hour policies, various internal memoranda various agreements, various training and on-boarding material, and various forms, among other information and documents.

58. The parties exchanged information and documents formally and informally. The parties also met and conferred on numerous occasions over issues relating to the pleadings, jurisdiction, vigorous motion practice, and discovery. The parties reached the Settlement after reviewing all available evidence, arm's-length bargaining, and participating in mediation conducted by Daniel Turner, Esq., a well-respected mediator experienced in handling complex wage-and-hour

matters. During the mediation, the parties exchanged information and discussed various aspects of the case, including and not limited to, Plaintiff's claims, the risks and delays of further litigation and of proceeding with certification and/or representative adjudication, the law relating to off-the-clock theory, regular rate theory, meal and rest periods, wage-and-hour enforcement, and PAGA representative claims pursuant to the revised PAGA, the evidence produced and analyzed, and the possibility of appeals, among other things.

59. During all settlement discussions, the parties conducted their negotiations at arm's length from an adversarial position. Arriving at a settlement that was acceptable to both parties was not easy. The data and documents produced and obtained in this case enabled Class Counsel to prepare damages/valuation models in preparation for the mediation, to determine the value and strength of the claims. With the aid of the mediator's evaluations, the parties agreed that the Action was well-suited for settlement given the legal issues relating to the claims, as well as the costs and risks to both sides that would attend further litigation. The Settlement takes into account the strengths and weaknesses of each side's position and the uncertainty of how the case might have concluded at certification, trial, and/or appeals.

60. The Settlement is based on this large volume of facts, evidence, and investigation, and the parties' negotiations during the mediation. While the parties disagree over the merits and certifiability of Plaintiff's claims, Plaintiff and Class Counsel agree that the Settlement is fair, reasonable, adequate, and in the best interest of the Class, in light of all known facts and circumstances.

61. I am not aware of any other class action pending in this matter that potentially includes a class or group of individuals who would also be Members of the Class defined in this Action.

62. The proposed Class Notice provides the best notice practicable and is adequate in light of the fact that Defendant is in possession of the addressed for Class Members. While Class Counsel considered alternative methods such as publication or notice via the web or social media, it ultimately determined that first class mail was the best choice given that the identities of the Class Members are known and readily identifiable from Defendant's records.

63. The Class Notice provides information on, *inter alia*, the nature of the lawsuit, the definition of the Class, the terms of the Settlement, the scope of the Released Claims, the binding effect of the Settlement, and the allocations for the Class Counsel Attorneys' Fees and Costs, Class Representative Service Award, and Settlement Administration Costs. Each Class Member's Class Notice will state his or her number of pay periods/workweeks, estimated Individual Settlement Payment, and estimated PAGA Employee payment. The Class Notice summarizes the proceedings and provides the date, time, and place of the Final Approval Hearing.

64. The Class Notice fulfills the requirement of neutrality in class notices. The Class Notice provides a brief, neutral explanation of the case from the perspective of both Parties and recognizes that the Court has not yet granted final approval of the Settlement. The Class Notice sets forth in an accurate and informative manner the procedures and deadlines governing the submission of Requests for Exclusion, objections, and workweek disputes. The proposed Class Notice satisfies all due process requirements and complies with the standards of fairness, completeness, and neutrality. Accordingly, the Court should approve the proposed Class Notice.

65. On information and belief, the Class Notice has been drafted in a manner that is likely to be readily understood by the members of the Class. Class Members vary in age, education and experience. All Class Members read and comprehend English and/or Spanish. As such, the Class Notice has been drafted in plain English and Spanish and is readily understandable to current and former employees.

66. The Parties have selected ILYM Group, Inc. ("ILYM") as the Settlement Administrator to handle the notice and administration of the Settlement. ILYM will mail a Class Notice to each Class Member; receive, review, and process Requests for Exclusion, objections, and workweek disputes; calculate estimated Individual Settlement Payments; withhold applicable taxes and withholdings; prepare and transmit necessary tax documentation and filings; and transmit all required payments. ILYM will also handle inquiries from Class Members regarding the Settlement and perform any other usual and customary duties for administering a class action settlement.

67. Settlement Administration Costs are currently estimated not to exceed Seven Thousand Five Hundred Dollars ($7,500) and will be paid out of the Gross Settlement Amount subject

to approval by the Court. Plaintiff's counsel sought a settlement administration bid from ILYM Group, Inc. and selected this administrator as it provided a fair and objectively reasonable not to exceed bid, and is highly experienced and qualified to administer this matter. Plaintiff respectfully requests that the Court appoint ILYM as the Settlement Administrator and direct distribution of the Class Notice in the manner and in accordance with the proposed scheduled.

68. Plaintiff has concurrently submitted the Settlement to the LWDA in accordance with Labor Code Section 2699(1)(2). The proof of submission is attached hereto as **Exhibit "C."**

I declare under penalty of perjury under the laws of California that the foregoing is true and correct this 5th day of June 2025, in Los Angeles, California.

Mehrdad Bokhour

EXHIBIT “A”

EXHIBIT “B”

EXHIBIT “C”