B. James Fitzpatrick (SBN: 129056)
Sean S. Kaneshiro (SBN: 267285)
FITZPATRICK & SWANSTON
555 S. Main Street
Salinas, CA 93901
Telephone: (831) 755-1311
Facsimile: (831) 755-1319

Larry W. Lee (SBN: 228175)
Simon L. Yang (SBN: 260286)
DIVERSITY LAW GROUP, P.C.
515 S. Figueroa Street, Suite 1250
Los Angeles, CA 90071
Telephone: (213) 488-6555
Facsimile: (213) 488-6554

Attorneys for Plaintiff,
Edwardo Jacquez on behalf of himself
and all similarly aggrieved employees

SUPERIOR COURT OF CALIFORNIA

COUNTY OF MONTEREY

EDWARDO JACQUEZ, on behalf of himself and all similarly aggrieved employees,

Plaintiff,

v.

DANECO ELECTRIC INC.; and DOES 1 through 50, inclusive,

Defendants.

Case No. 24CV003077

DECLARATION OF B. JAMES FITZPATRICK IN SUPPORT OF PLAINTIFF'S MOTION FOR PRELIMINARY APPROVAL OF CLASS ACTION SETTLEMENT

Date: November 20, 2026
Time: 8:30 a.m.
Dept.: 14

I, B. James Fitzpatrick, declare as follows:

1. I am an attorney duly admitted to practice in the State of California and am the owner of the law firm of Fitzpatrick & Swanston, counsel of record for Plaintiff Edwardo Jacquez ("Plaintiff"). I have personal knowledge of the facts set forth below, and if called to testify, I could and would do so competently.

2. Based on their own independent investigation and evaluation, the Parties and their respective counsel are of the opinion that settlement for the consideration and on the terms set forth in the Joint Stipulation of Class Action and PAGA Settlement ("Settlement Agreement") is fair, reasonable, and adequate and is in the best interests of the Class and Defendant in light of all known facts and circumstances and the expenses and risks inherent in litigation. Attached as **Exhibit A** is a true and correct copy of the Joint Stipulation of Class Action and PAGA Settlement

3. **Procedural History:** On July 17, 2024, Angel Mendoza provided written notice to the California Labor and Workforce Development Agency ("LWDA") and Defendant Daneco of alleged Labor Code violations on behalf of himself and other current and former aggrieved employees pursuant to the Private Attorneys General Act of 2004 ("PAGA"). The notice alleged multiple wage-and-hour violations on behalf of Mr. Mendoza and all other aggrieved employees. On July 23, 2024, Mr. Mendoza filed the instant Action.

4. On September 17, 2024, Plaintiff Eduardo Jacquez ("Plaintiff") provided a second written notice to the LWDA and Daneco. Like Mr. Mendoza's earlier notice, Plaintiff's notice alleged the same general categories of wage-and-hour violations, including failure to provide compliant rest periods in violation of Labor Code section 226.7; failure to maintain accurate records of all hours worked in violation of Labor Code section 1174, subdivision (d); failure to pay overtime wages in violation of Labor Code sections 510 and 1194; failure to reimburse necessary business expenses, including expenses associated with the required use of personal vehicles and cellular telephones, in violation of Labor Code section 2802; failure to provide accurate itemized wage statements in violation of Labor Code section 226; and failure

to timely pay all wages during employment and upon separation from employment in violation of Labor Code sections 201, 202, 203, and 204.

5. On October 7, 2024, Plaintiff filed a First Amended Complaint in the Mendoza Action, adding himself as a named plaintiff and putative class representative. On November 5, 2024, Plaintiff amended the complaint to name Dane A. Whitehead as a defendant in place of Doe 1. On November 26, 2024, Plaintiff filed a separate representative action pursuant to PAGA against Defendant in the San Benito County Superior Court, Case No. CU-24-00297 (the "PAGA Action").

6. On December 5, 2024, Mr. Mendoza was dismissed as a named plaintiff and putative class representative. Thereafter, on March 11, 2025, Plaintiff filed the operative Second Amended Complaint in the Mendoza Action. The Second Amended Complaint removed Mr. Mendoza as a plaintiff and left Mr. Jacquez as the sole named plaintiff and putative class representative. The Second Amended Complaint also asserted Mr. Jacquez's individual claims for retaliation and wrongful termination.

7. During litigation of the action against Defendant, the Parties agreed to exchange information informally to evaluate their respective claims and defenses. The Parties subsequently engaged in informal discovery for Plaintiff to assess the claims, as well as the maximum exposure of damages and penalties. Defendant provided Plaintiff's counsel with informal data and information pertaining to the putative class size and number of pay periods, a sample of time and pay records of the employees, and information concerning the extent of Defendant's wage and hour policies and practices.

8. **Mediation & Investigation:** Prior to the mediation, Plaintiff engaged in informal discovery. Plaintiff was provided with data pertaining to putative class members during the relevant class period, as well as a sample of time and payroll records.

9. From this data, Plaintiff was able to investigate the claims asserted and conduct an exposure analysis that informed Plaintiff's position at the mediation.

10. On July 21, 2026, the Parties attended mediation with Christopher Panetta, Esq., of Fenton & Keller.

11. After thorough investigation and evaluation of the facts and claims at issue, and arm's length negotiations facilitated by the mediator, the Parties reached a global settlement of the Action.

12. **The Operative Complaint:** Plaintiff's class and PAGA claims as pled in the operative Complaint are predicated upon the following allegations. With respect to Plaintiff's failure to pay wages claims, Plaintiff contends that Defendant's timekeeping and payroll practices resulted in employees being undercompensated for hours they worked. Plaintiff's analysis of the available time and payroll data identified discrepancies between employees' recorded hours and the hours for which they were paid, reflecting alleged time shaving and rounding practices that disproportionately resulted in underpayment. Plaintiff contends that this practice resulted in employees performing work for which they were not fully compensated, including regular, overtime, and double-time work.

13. With respect to the meal and rest period claim, Plaintiff contends that employees did not receive proper meal and rest breaks during their shifts. Defendant failed to pay premiums for missed, late, or interrupted breaks. To date, Plaintiff has yet to receive payment of all wages owed.

14. With respect to the business reimbursement claim, Plaintiff contends that Defendant required employees to use their personal cellular telephones for work-related purposes without fully reimbursing them for the associated expenses. Plaintiff's analysis indicates that Defendant did not provide cellular telephone reimbursements until 2024, after which Defendant began providing reimbursements at amounts that Plaintiff contends remained insufficient.

15. Plaintiff further contends that Defendant failed to properly calculate the regular rate of pay for employees who earned both regular wages and prevailing wages. Specifically, Plaintiff contends that Defendant failed to appropriately account for both rates when calculating overtime compensation. Based on the information available at the time of Plaintiff's analysis, Plaintiff contends that this potential exposure may have increased during

later periods of employment and intended to further investigate the issue through supplemental discovery and the deposition of Defendant's person most qualified if the matter did not resolve.

16. With respect to the wage statement claims, Plaintiff contends that Defendant issued inaccurate itemized wage statements as a result of the alleged underlying wage and hour violations. Specifically, Plaintiff contends that Defendant's wage statements failed to accurately report all hours worked, all wages earned, and premium wages allegedly owed for missed, late, short, or interrupted meal and rest periods. Plaintiff further contends that the discrepancies identified between recorded and paid time resulted in wage statements that did not accurately identify the hours worked and wages earned by employees.

17. As a result of the alleged violations above, Plaintiff seeks damages and penalties under the California Labor Code, the California Business & Professions Code, and the PAGA, as well as attorneys' fees and costs. Defendant has at all times denied Plaintiff's collective allegations and has asserted factual and legal defenses to the above claims, including that Defendant maintained procedures that comply with California law, that individualized issues predominate, and that trial on a class or representative basis would be unmanageable.

18. **Summary of Allegations:** Based on the data provided by Defendant, Plaintiff estimated Defendant's potential exposure as follows:

- Unpaid Wages: $477,299 based on a 68.9% violation rate derived from Defendant's sample timekeeping records.
- Meal Period Violations: $142,791 based on a 5.7% violation rate derived from Defendant's sample timekeeping records. Of 24,992 meal-period-eligible shifts in the sample, 1,468 reflected a missed or late meal period.
- Rest Period Violations: $127,697 based on a 5.7% violation rate reflected in the meal-period data.
- Unreimbursed Business Expenses: $75,144 based on an estimate of an under-reimbursed $5 per pay period for required personal cell phone use, and gas and mileage, for the approximately 14,600 pay periods worked by putative Class Members.
- Waiting Time Penalties: $587,925 based on approximately 84 former employees, 8.1 hours per day, an average hourly rate of $28.91, and the maximum 30-day penalty provided by Labor Code section 203.
- Wage Statement Penalties: $388,750 based on approximately 119 Class Members and 3,947 pay periods, applying the statutory

penalties and individual $4,000 cap where appropriate.

- PAGA Penalties: $470,800 based on approximately 4,708 pay periods worked by approximately 119 aggrieved employees during the relevant PAGA period and a $100 penalty per pay period.

19. While the total theoretical exposure of Plaintiff's class and PAGA claims based on the above amounts to as high as approximately $2,270,406, this analysis does not take into account Defendant's arguments to liability and to class certification as further explained below.

20. On the merits, there are also significant risks presented if Plaintiff was to move forward with litigation. Defendant maintains that its written policies complied with California law, including policies requiring timely meal periods and authorizing rest periods. If Defendant successfully established these positions, they would present substantial risks to Plaintiff's ability to establish liability and obtain class certification.

21. With respect to the unpaid wage claims, Plaintiff contends that Defendant had a systematic pattern of "synthetic timekeeping" in which recorded hours, particularly overtime hours, were shaved or rounded away before payment, producing underpayment in the large majority of pay periods. Based on this sample, Plaintiff calculated Defendant's total potential exposure to the full Class of $477,299 based on a 68.9% violation rate.

22. With respect to meal and rest period claims, Plaintiff contends that Defendant's synthetic timekeeping records hide a pattern of noncompliant breaks. Nonetheless, of the 24,992 meal-period-eligible shifts in Defendant's sample, approximately 5.7% still reflected a missed or late meal period. Based on this sample, Plaintiff calculated Defendant's total potential exposure to the full Class at $142,791. Plaintiff applied the same violation rate to rest periods, which Defendant did not record, resulting in estimated exposure of $127,697. At mediation, Plaintiff contended that *Donohue v. AMN Services, LLC* (2021) 11 Cal.5th 58, 74-78 supported a rebuttable presumption of meal period violations based on Defendant's records. Defendant, however, maintained that it had lawful written policies requiring timely meal periods, authorizing rest periods, and prohibiting off-the-clock work. Defendant relied on *Brinker Restaurant Corp. v. Superior Court* (2012) 53 Cal.4th 1004, 1040, to argue that an

employer need only provide employees the opportunity to take compliant breaks and is not required to police whether they do so. Defendant further contended that determining why individual employees missed or took late breaks would require individualized inquiries, creating a significant risk to both class certification and Plaintiff's ability to establish class-wide liability.

23. With respect to unreimbursed business expenses, Plaintiff contends that Defendant violated Labor Code section 2802 by failing to reimburse employees for necessary expenditures incurred for Defendant's benefit, including work-related use of personal cell phones, and mileage or vehicle expenses incurred performing work-related errands between Defendant's locations. At mediation, Plaintiff relied on *Cochran v. Schwan's Home Service, Inc.* (2014) 228 Cal.App.4th 1137, 1144, which held that an employer must reimburse a reasonable portion of an employee's personal cell phone expenses when the phone is required for work. Defendant insufficiently reimbursed employees $5 per week at first and then $15 per month. For mediation purposes, Plaintiff estimated these underreimbursed expenses at $5 per weekly pay period, resulting in potential class-wide exposure of $75,144. Defendant disputed the claim, contending that employees were not required to use their personal cell phones because company phones were available at both locations and that Defendant supplied the tools and equipment necessary for employees to perform their duties.

24. With respect to waiting time penalties, Plaintiff contends that Defendant failed to pay all wages due to former employees upon separation, including unpaid meal and rest period premiums, unpaid wages, and other compensation. Plaintiff relies on *Naranjo v. Spectrum Security Services, Inc*. (2022) 13 Cal.5th 93, 117, which holds that missed-break premium pay constitutes wages that may support waiting time penalties under Labor Code section 203 when the statutory requirements are satisfied. Based on Defendant's data identifying approximately 84 former employees, Plaintiff calculated potential exposure of $587,925, assuming the maximum 30-day penalty, an average day of 8.1 hours, and an average hourly rate of $28.91. Defendant disputed this derivative claim based on its position that no underlying wages or premiums were owed and, therefore, no unpaid wages remained due at separation.

Additionally, Plaintiff also faced a potential defense as to the willfulness required by section 203. *See, e.g. Naranjo, supra*, 13 Cal.5th at pp. 105-106.

25. With respect to wage statement penalties, Plaintiff contends that Defendant's failure to pay and report meal and rest period premiums, overtime wages, and other compensation resulted in inaccurate wage statements in violation of Labor Code section 226. Plaintiff relied on *Naranjo, supra*, 13 Cal.5th at page 121, which recognizes that unpaid meal and rest period premiums constitute wages and that the failure to report such premiums may support wage statement liability. Based on approximately 119 Class Members and 3,947 pay periods, Plaintiff estimated potential statutory penalties of $388,750, applying the $50 initial and $100 subsequent-pay-period penalties and the $4,000 per-employee statutory cap. Defendant disputed the claim as derivative of the underlying wage-and-hour violations and maintains that no wages or premiums were improperly omitted. Moreover, section 226 penalties require a "knowing and intentional" violation. Defendant was thus entitled to a "good faith" defense on this claim. *See, e.g. Naranjo, supra*, 13 Cal.5th at pp. 103-104.

26. With respect to PAGA, Plaintiff contends that the same Labor Code violations underlying the class claims—including meal and rest period violations, unreimbursed business expenses, wage statement violations, and derivative waiting time violations—support civil penalties on behalf of Plaintiff and other aggrieved employees. Plaintiff also recognized uncertainty concerning whether PAGA penalties could be "stacked" by imposing a separate penalty for each distinct Labor Code violation occurring during the same pay period. In light of the uncertainty concerning stacking and heightened penalties, Plaintiff conservatively elected not to stack penalties for the multiple Labor Code violations alleged in this action and applied only initial $100 penalties. Accordingly, based on Defendant's data identifying approximately 119 aggrieved employees who worked 4,708 pay periods, Plaintiff applied only the single $100 penalty per pay period, resulting in estimated maximum PAGA exposure of $470,800.

27. Defendant disputed the underlying violations and further contended that even if violations were established, the Court has discretion under Labor Code section 2699 to

substantially reduce PAGA penalties where the resulting award would be unjust, arbitrary, oppressive, or confiscatory. Defendant further asserted that its good-faith efforts to comply with California wage-and-hour law and its corrective measures after learning of potential compliance issues are grounds for reducing any penalty award.

28. Based on the foregoing, Plaintiff estimates Defendant's potential exposure to all claims as follows:

Claim	**Potential Exposure**
Unpaid Wages and Overtime	$477,299
Meal Period Premiums	$142,791
Rest Period Premiums	$127,697
Unreimbursed Business Expenses	$75,144
Waiting Time Penalties	$587,925
Wage Statement Penalties	$388,750
PAGA Penalties	$470,800
Total Estimated Exposure	$2,270,406

29. With respect to Plaintiff's class claims, exclusive of PAGA penalties, Plaintiff calculated Defendant's potential exposure at approximately $1,799,606 ($2,270,406 less $470,800 in estimated PAGA penalties). Although Plaintiff believes in the merits of the alleged claims, he recognizes the substantial risks inherent in continued litigation and Defendant's asserted defenses. In particular, penalties, including waiting time and wage statement penalties, accounted for approximately $976,675 of the estimated class exposure, and Defendant's good-faith defenses, if successful, could prevent recovery of those damages. Defendant also asserted legal and factual defenses to the underlying wage-and-hour claims, including its facially compliant meal and rest period policies. Plaintiff further faced risks in establishing that the violations reflected uniform practices rather than isolated errors or, with respect to meal and rest periods, individual employee choice. Taking these risks into account, the Parties negotiated a $400,000 settlement of the class claims, representing approximately 22.2% of Defendant's estimated maximum class-wide exposure.

30. With respect to Plaintiff's claim under the PAGA, Plaintiff estimated that Defendant could face civil penalties of at least $470,800 (based on 4,708 pay periods at issue during the PAGA Period). The $45,000 allocated to PAGA penalties thus represents

approximately 9.6*% of Defendant's total potential PAGA exposure. This settlement amount took into account the substantial uncertainty associated with any ultimate PAGA award, including the need to prove the underlying claims and the Court's discretion to reduce civil penalties.

31. Here, Plaintiff calculated Defendant's combined potential exposure on the class and PAGA claims at approximately $2,270,406. Against that potential exposure, the $445,000 non-reversionary Gross Settlement Amount represents approximately 19.6% of Plaintiff's estimated maximum recovery. As discussed above, however, Plaintiff's maximum exposure calculation assumes that he would successfully establish the underlying violations, obtain and maintain class certification, overcome Defendant's defenses, recover substantial waiting time and wage statement penalties, and obtain PAGA penalties without a significant discretionary reduction. The Settlement eliminates these uncertainties and provides Class Members with an immediate monetary recovery without the expense, delay, and risk of continued litigation, trial, and potential appeals.

32. Accordingly, considering the strength of Plaintiff's claims together with the substantial litigation risks, the informed and arm's-length negotiations of experienced counsel, and the assistance of an experienced neutral mediator, the $445,000 Gross Settlement Amount is fair, reasonable, and within the range of possible approval.

33. The Parties recognize the risk, expense, and delay in continuing litigation with the class and PAGA claims, and believe the settlement to be fair, reasonable, and adequate.

34. Although Plaintiff believes in the merits of his Class and PAGA claims and that the proposed Class can be certified, the Settlement appropriately accounts for the substantial risks identified above, including Defendant's defenses to the underlying claims, the possibility that Plaintiff would not prevail on one or more claims or theories of liability, the risks associated with class certification, the Court's discretion to substantially reduce PAGA penalties, and the delay and uncertainty associated with trial and potential appeals.

35. Based on a review of all the information and their experience in class action litigation, Class Counsel believes this settlement to be fair, adequate, and reasonable.

36. In addition, Plaintiff's counsel was retained based upon a contingency fee arrangement wherein Plaintiff's counsel agreed to advance all costs and receive no fee unless a recovery was accomplished. Specifically, had Plaintiff failed to prevail in this case, counsel for Plaintiff would have spent a significant amount of time, money and other resources without any benefit or return. Had Plaintiff failed to prevail in the present case, Defendant would have been able to seek costs in connection with their defense of the case. Thus, the settlement for each Settlement Class Member is fair, reasonable, and adequate, given the inherent risks of litigation, the costs of pursuing such an action, and benefit to the Class. The settlement is the result of extensive arm's length negotiations between the Parties and their counsel and was facilitated by an experienced and neutral mediator.

37. **Summary of the Settlement:** The Settlement Agreement provides for $445,000.00 as the Gross Settlement Amount. SAR ¶¶ 5.1. The Net Settlement Amount, calculated after deduction of Class Counsel's attorneys' fees of up to $148,333.33, reimbursement of actual litigation costs and expenses of up to $25,000.00, a Class Representative Service Award to Plaintiff of up to $5,000.00, $45,000.00 in PAGA penalties, and Settlement Administration Costs of up to $7,000.00, is estimated to be approximately $214,666.67. SAR ¶¶ 5.1.1-5.1.4.

38. Participating Class Members are not required to submit claim forms and will receive a share of the Net Settlement Amount based on the number of Workweeks they worked during the Class Period and a multiple if they did not receive remedial payments made by Defendant during the course of the litigation. *See* SAR ¶ 5.3.

39. Based on an estimated Class of 169 individuals, on a raw average, each Participating Class Member may recover approximately $1,270.22, on average ($214,666.67 ÷ 169 Class Members). Based on approximately 14,600 Workweeks, the estimated value of the Net Settlement Amount is approximately $14.70 per Workweek. The amount actually paid to each Participating Class Member will increase or decrease depending on the number of qualifying Workweeks credited to that individual during the Class Period and whether they received remedial payments from Defendant during the course of the litigation.

40. Additionally, the Settlement allocates $45,000.00 to PAGA penalties, of which 65%, or $29,250.00, will be paid to the LWDA, and 35%, or $15,750.00, will be distributed to PAGA Members on a *pro rata* basis based on the number of pay periods worked during the PAGA Period. *See* SAR ¶ 5.3.1.

41. Based on the data provided by Defendant prior to mediation, there are an estimated 119 PAGA Members. Accordingly, on a raw average basis, each PAGA Member is estimated to receive approximately $132.35 ($15,750.00 ÷ 119 PAGA Members), with the actual payment varying according to the number of pay periods worked during the PAGA Period.

42. Finally, pursuant to the Settlement Agreement, funds from settlement checks that remain uncashed after the applicable check-cashing period will be distributed to the designated *cy pres* beneficiary. *See* SAR ¶ 5.6

43. **Class Notice:** If Class Members need further information about the settlement and/or the lawsuit, Class Counsel's contact information and the Settlement Administrator's contact information are provided in the Notice Packet.

44. **Attorney Qualification:** I have spent significant time researching and pursuing the claims that have been alleged in this action. From the inception of the case, Class Counsel have zealously represented the interests of the Class. Class Counsel have engaged in significant meet and confer discussions with opposing counsel to obtain informal data and documents and to discuss the merits of the claims on behalf of the Class. This settlement was obtained for the benefit of the Class, as opposed to the individual Class Representative. Based on my review of all the documents and information, and based on my experience in class action litigation, I believe this settlement to be fair, adequate, and reasonable.

45. I am one of the primary attorneys on this matter. My qualifications are as follows: I received my bachelor's degree from the University of California, Santa Barbara, and my Juris Doctor degree from the University of Santa Clara School of Law. I have practiced law since 1987. The primary emphasis of my practice is employment litigation. I have represented both employers and employees. Over 20 years ago, my office commenced

handling plaintiff class action wage and hour cases. Since then, my office has handled hundreds of wage and hour cases to conclusion and has been class counsel and/or co-counsel in over 100 class actions. My firm currently has wage and hour cases in Alameda County Superior Court, Monterey County Superior Court, Nevada County Superior Court, Santa Clara Superior Court, San Benito Superior Court, San Bernardino County Superior Court, San Joaquin County Superior Court, Santa Cruz Superior Court, Ventura County Superior Court, and the United States District Courts for the Eastern and Northern District of California.

46. **Absence of Conflicts:** I do not have a conflict of interest with Plaintiff or the Class Members. My co-counsel and I will adequately represent the Class Members in this action. Co-Counsel and I have and will zealously represent Plaintiff and the Class and pursue this lawsuit to its conclusion.

47. Neither counsel nor their respective firms have any relationship with the proposed *cy pres* recipient that would create an actual or potential conflict of interest. Defense counsel and I further agree that *cy pres* recipient satisfies the legislative intent set out in Code of Civil Procedure § 384(a).

48. **Notice of the LWDA:** As required by California Labor Code § 2699(s)(2), the proposed settlement has been submitted to the Labor and Workforce Development at the same time as the filing of this Motion. Attached as **Exhibit B** is a true and correct copy of the confirmation that the proposed settlement was submitted to the Labor and Workforce Development Agency ("LWDA").

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct and if called as a witness I could and would competently testify to each of the matters stated herein, and I state that these matters are based upon my own personal knowledge acquired through first-hand observation, except where stated otherwise. This declaration was executed by me on September 4, 2026, in Salinas, California.

B. James Fitzpatrick