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SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES

ANA RAMIREZ, individually, and on behalf of all others similarly situated, Plaintiff, v. PFC MANAGEMENT LLC, a Delaware limited liability company; and DOES 1 through 10, inclusive, Defendants.	Case No.: 24STCV21957 *Assigned for all purposes to: Hon. Samantha Jessner, Dept. 7* **DECLARATION OF JOHN G. YSLAS IN SUPPORT OF MOTION FOR PRELIMINARY APPROVAL OF CLASS ACTION AND PAGA SETTLEMENT** Date: June 10, 2025 Time: 10:00 a.m. Dept.: 7

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I, John G. Yslas, hereby declare as follows:

1. I am an attorney at law licensed to practice before all of the courts of the State of California. I am a senior partner at Wilshire Law Firm, PLC ("WLF"), counsel for Plaintiff Ana Ramirez ("Plaintiff") in this matter. I am thoroughly familiar with and have personal knowledge of all of the facts set forth herein.

2. I submit this declaration in support of Plaintiff's Motion for Preliminary Approval of Class Action and PAGA Settlement.

Procedural History

3. On August 27, 2024, Plaintiff filed this action as a putative class action against Defendant PFC Management LLC ("Defendant") alleging: (1) failure to pay minimum and straight time wages; (2) failure to pay overtime wages; (3) failure to provide meal periods; (4) failure to authorize and permit rest periods; (5) failure to timely pay final wages at termination; (6) failure to provide accurate itemized wage statements; (7) failure to indemnify employees for expenditures; (8) failure to produce requested employment records; and (9) unfair business practices.

4. On November 1, 2024 and November 18, 2024, Plaintiff provided written notice to the LWDA and Defendant of her intention to file a PAGA claim. The LWDA did not notify Plaintiff that intended to investigate within 65 days of this written notice. Therefore, on January 23, 2025, Plaintiff filed an amended complaint adding a claim under PAGA. A true and correct copy of Plaintiff's PAGA Notices are attached hereto as **Exhibit 2**.

5. On November 15, 2024, Defendant filed a Notice of Related Case, identifying two pending cases which are related to this case: *Oscar Macias v. PFC Management, LLC, et al.*, Case No. 23STCV24738 and *Oscar Macias v. PFC Management LLC, et al.*, Case No. 24STCV25455. On December 4, 2024, the Court issued a minute order relating the cases and designating the instant action as the lead case.

6. The Parties subsequently participated in a private all-day mediation with mediator Hon. Amy D. Hogue (Ret.) on February 7, 2025. The negotiations were adversarial, conducted at arm's length, and tempered by the efforts of both sides to serve the interests of their clients. The mediator made a proposal, which was accepted by both parties.

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7. The parties negotiated the terms of the Settlement over the next several weeks, which was finalized in March 2025. A true and correct copy of the fully executed Settlement Agreement is attached hereto as **Exhibit 1**. Attached thereto as **Exhibit A** is a true and correct copy of the Parties' proposed Class Notice.

8. On March 6, 2025, Plaintiff submitted a copy of the Settlement Agreement to the LWDA. A true and correct copy of the confirmation of submission my office received after submitting the Settlement Agreement to the LWDA is attached hereto as **Exhibit 3**.

Investigation and Exposure Analysis

9. Prior to attending mediation, Plaintiff's Counsel thoroughly investigated the claims, applicable law, and potential defenses. Plaintiff's Counsel assessed the value to the class claims using the documents and data Defendant produced in informal discovery, including class data providing the number of Class Members, the number of workweeks in the Class Period, and the number of pay periods in the PAGA Period, Plaintiff's personnel file, employment handbook and policies, job descriptions, and a 50% random sampling of time and payroll records. Plaintiff's Counsel engaged an expert to quantify the potential exposure using the time and payroll records, and then assessed the risks associated with each claim meriting reductions in the likely success at class certification and likely recovery at trial.

10. Defendant's records show that there are approximately 144 Class Members, making joinder of all Class Members impracticable. Further, given the size and amount of each Class Members' claim, Class Members have little incentive to litigate their claims on an individual basis because the out-of-pocket expenses and personal commitment necessary to litigate each claim likely outweighs any potential recovery

11. Plaintiff has alleged that Defendant maintained common employment policies and/or practices that unlawfully deprived Class Members of wages, meal period, rest periods, reimbursements for business expenses, accurate wage statements, and timely payment of wages upon separation of employment. These allegations present common factual and legal questions of, *inter alia*, whether Defendant applied the same scheduling, timekeeping, pay, meal period, rest period, and reimbursement policies to all Class Members, whether these policies and practices

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resulted in Labor Code violations, whether Defendant's conduct was intention, and whether Class Members are entitled to damages and/or penalties. These common questions could be resolved using Class Members' time records, payroll records, testimony from Defendant's designated representative(s), and Class Members' testimony.

12. Although the exposure Plaintiff's Counsel calculated is substantial, the various risks at succeeding at class certification and through trial affected the valuation of the claims for settlement purposes.

13. Minimum and Overtime Wages: Plaintiff's unpaid minimum and overtime wage claims were based on the allegation that Defendant required Class Members to perform work duties before clocking in. Based on Plaintiff's estimate that she worked a total of 1 hour off-the-clock each week, Plaintiff's Counsel assumed each Class Member worked 1-hour off-the-clock per week in calculating potential exposure to be approximately $450,000.00 for these claims. However, Defendant argued that any off-the-clock time was undocumented and unknown to Defendant, and that Defendant was therefore not obligated to pay for this time. Because this claim would have relied heavily on Class Member testimony and would not be evidenced in Defendant's time and payroll records, the risk of succeeding at class certification was substantial. Accordingly, Plaintiff's Counsel applied a 90% risk discount to this claim to reach a settlement value of approximately $40,000.00 (or 10% of the Gross Settlement Amount).

14. Meal Periods: Plaintiff's meal period claim was based on the allegation that Defendant failed to maintain a policy and practice of paying meal period premiums when its time records showed Class Members' meal periods were late, short, or missed. Plaintiff's Counsel found a violation rate of nearly 42.6% in Defendant's time and payroll records and calculated potential exposure on this claim to be approximately $700,000.00. However, Defendant argued that it paid nearly $150,000.00 in meal period premiums and had compliant written policies. Accordingly, Plaintiff's Counsel applied a 45% risk discount to reach a settlement value of approximately $300,000.00 (or 75% of the Gross Settlement Amount).

15. Rest Breaks: Plaintiff's rest period claim was based on the allegation that Defendant failed to relieve Class Members of all duties during rest periods because it required them to remain

on call during rest periods. Plaintiff's Counsel applied a 100% violation rate to all shifts over 3.5 hours and calculated a potential exposure of $1.5 million for this claim. However, Defendant argued that there was no evidence of any policy or practice requiring Class Members to remain on call during rest periods. Because this claim would have relied exclusively on Class Member testimony, Plaintiff's Counsel applied a 97% risk discount to this claim to reach a settlement value of approximately $40,000.00 (or 10% of the Gross Settlement Amount).

16. Reimbursements: Plaintiff's reimbursement claim was based on the allegation that Defendant required Class Members to use their personal cell phones to answer calls when working from home. Based on Plaintiff's estimate that she incurred $60 in unreimbursed expenses per month, Plaintiff's Counsel assumed each Class Member incurred $60 in unreimbursed expenses per month in calculating potential exposure to be approximately $140,000.00 for this claim. However, Defendant argued that these expenses were not required by Defendant because working from home was optional. Accordingly, Plaintiff's Counsel applied an 85% risk discount to reach a settlement value of approximately $20,000.00 (or 5% of the Gross Settlement Amount).

17. Derivative Penalties: Plaintiff alleged that as a result of Defendant's alleged failure to pay all wages and meal and rest period premiums owed, Defendant owed waiting time penalties and wage statement penalties. However, Defendant argued that it had good faith defenses that made the imposition of these penalties unwarranted. Moreover, Plaintiff could not recover these penalties if she failed to prove the underlying claims. Although Plaintiff's Counsel calculated that potential exposure for the waiting time penalty claim was approximately $450,000.00 for the waiting time penalty claim and approximately $250,000.00 for the wage statement penalty claim, Plaintiff's Counsel could not attribute any value to these claims in terms of settlement value.

18. PAGA: For the PAGA claim, Plaintiff's Counsel determined that Defendant's potential exposure could potentially reach $261,100.00, assuming the initial $100 penalty would apply for each of the 2,611 pay periods in the PAGA Period. However, even assuming success on the merits of each claim, PAGA gives the Court discretion to reduce penalties for a variety of reasons, including where to do otherwise would result in an award that is unjust, arbitrary and

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oppressive, or confiscatory. Therefore, the settlement allocates $10,000.00 of the Gross Settlement Amount to PAGA, which amounts to approximately $100 per Aggrieved Employee.

Plaintiff's Counsel's Qualifications

19. Plaintiff is represented by WLF. The attorneys at WLF performed significant work and expended litigation costs in prosecuting this matter with no guarantee of payment.

20. WLF was selected by Best Lawyers and U.S. News & World Report as one of the nation's Best Law Firms since 2020 and is comprised of more than 100 attorneys and over 600 employees. WLF is actively and continuously practicing in employment litigation, representing employees in both individual and class actions in both state and federal courts throughout California.

21. WLF is qualified to handle this Litigation because its attorneys are experienced in litigating Labor Code violations in both individual, class action, and representative action cases. WLF has handled, and is currently handling, numerous wage and hour class action lawsuits, as well as class actions involving consumer rights and data privacy litigation.

22. I graduated from the University of California, Santa Barbara with High Honors in 1991 with Bachelor of Arts degrees in Psychology. I received my Juris Doctor from UCLA Law School in 1996.

23. Upon graduating from law school in 1996, I worked for a boutique law firm practicing general litigation which included employment law matters. Since 2000 (that is, the last 23 years) my practice has been exclusively focused on labor and employment matters including handling wage and hour class, collective and representative actions (including the California Private Attorneys General Act, or "PAGA"), including in the international law firms of Morgan, Lewis & Bockius LLP (where I was a senior associate), Foley & Lardner LLP (where I was a partner and a national Vice Chair of the Labor and Employment Group), Norton Rose Fulbright LLP (where I was a partner) and Seyfarth Shaw (where I was a partner and member of the Wage and Hour Practice Group). During my time at these law firms, I was the primary attorney or took a major leading role in defending employers on numerous wage and hour class, collective and representative actions.

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24. In 2022 I left Seyfarth Shaw and joined my current firm, WLF, to represent plaintiff employees. I have been and am handling many wage and hour class and representative actions litigating such matters on behalf of plaintiff employees in numerous Superior Courts and District Courts. From matters representing both plaintiffs and defendants, I have successfully mediated the resolution of many wage and hour class, collective, and representative actions. Just since last year after joining WLF (and thus joining the plaintiff's bar) I have already successfully mediated matters in which I have been counsel or co-counsel resulting in nearly $90 million in settlements which are in the process of being finalized, and with numerous upcoming mediations scheduled. In those and numerous other matters, I have managed and assisted with the litigation and settlement of many wage and hour PAGA and class actions. In those actions, I performed similar tasks as those performed in the course of prosecuting this action.

25. I have received numerous awards for my legal work. For example, from 2015 to 2018, I was listed in Los Angeles Super Lawyers for Employment Litigation (Thomson Reuters). have also served on numerous prominent boards and in other leadership positions, including currently serving as Southern California Regional President for the Hispanic National Bar Association and on the board of directors of the Mexican American Bar Foundation. I also previously served on the 5-member Los Angeles Civil Service Commission, which generally oversees the personnel decisions for the City of Angeles.

26. I have also published numerous blogs on labor and employment issues including on wage and hour issues. For example, I published "Headline News: Wal-Mart v. Dukes-Impact on Class Action Litigation" (while a partner with Foley & Lardner LLP) and "Are You Really Protected From Wage-and-Hour Successor Liability in an Asset Purchase" (while a partner with Seyfarth Shaw LLP). I have also been a presenter at numerous conferences, including being a presenter involving the "Employment Law Update" at a National Employment Law Council conference.

27. Fawn F. Bekam is a junior partner at WLF. She is a graduate of the University of California, Irvine School of Law, where she received her J.D. in 2015. She received her B.A. from the University of California, Los Angeles in 2012. While in law school, she was the recipient of

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numerous honors, including multiple Dean's Awards, Dean's Merit Scholarship, and pro bono graduation honors. She has been chosen as a Super Lawyer Rising Star every year since 2020 and selected for inclusion in Best Lawyers: Ones to Watch every year since 2021. Ms. Bekam has been appointed class counsel in dozens of cases through both contested and uncontested motions.

28. Desiree Ruiz Alfaro is an associate attorney at WLF. Ms. Ruiz Alfaro graduated from the University of California, Irvine with a Bachelor of Arts in Psychology. She received her Juris Doctor from Southwestern Law School. While in law school, she was the recipient of multiple Dean's Merit Scholarships, named a Donald E. Biederman Scholar, was a Dean's Fellow, member of the Negotiation Honors Program, and supervising editor of Law Commentator. Since being admitted to practice law in California in November 2023, her practice has mainly been focused on wage and hour class action litigation.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed on March 7, 2025 at Los Angeles, California.

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John G. Yslas

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