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Attorneys for Plaintiff

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF SAN DIEGO

EDUARDO TOVAR, on behalf of himself,
other aggrieved employees, and the State of
California,

Plaintiff,

vs.

SUNSHINE COMMUNICATIONS, INC.,
an Arizona corporation; and DOES 1
through 100,

Defendants.

Case No. 37-2020-00042998-CU-OE-CTL

*[Case assigned for all purposes to the Hon.
Timothy Taylor, Dept. C-72]*

**DECLARATION OF PAUL K.
HAINES IN SUPPORT OF PAGA
SETTLEMENT**

Action Filed: November 23, 2020
Trial Date: None Set

1 I, PAUL K. HAINES, declare as follows:

2 1. I am principal of Haines Law Group, APC, and counsel for the named Plaintiff
3 Eduardo Tovar (“Plaintiff”) in the above-captioned matter. I am a member in good standing of
4 the bar of the State of California. I have personal knowledge of the facts stated in this declaration
5 and could testify competently to them if called upon to do so.

6 2. I am a 2006 graduate of Pepperdine University School of Law, where I graduated
7 *cum laude*. During law school, I worked as a law clerk for the appellate firm of Horvitz & Levy,
8 located in Encino, California. I also spent a semester in law school working as an extern for the
9 Honorable Edward Rafeedie, District Judge for the United States District Court for the Central
10 District of California.

11 3. Since graduating from law school, my practice has focused almost exclusively on
12 employment litigation. In September 2007, I began working as an associate attorney at the
13 international law firm of Littler Mendelson P.C., at its Los Angeles office, which according to
14 its website is the “largest U.S.-based law firm exclusively devoted to representing management
15 in every aspect of labor and employment law.” While at Littler Mendelson, I was primarily
16 staffed on wage and hour class actions venued in both state and federal courts, and I also worked
17 on a number of single and multi-plaintiff wage and hour matters as well.

18 4. During my employment at Littler Mendelson, I played a significant role in the
19 class actions that I was staffed on, as I was often the only associate staffed on such cases. In
20 particular, I received a wide-array of wage and hour class action experience performing the
21 following types of tasks: drafting demurrers, motions to strike and/or dismiss; removing actions
22 from state court to federal court; drafting and responding to written discovery; drafting and
23 opposing discovery related motions; arguing discovery related motions; drafting motions to
24 consolidate related matters; interviewing putative class members and obtaining declarations in
25 connection with class certification; drafting oppositions to motions for class certification;
26 drafting motions for decertification following class certification; conducting exposure analyses
27 to assess the strengths and weaknesses of asserted claims, the likelihood of prevailing at class
28 certification and potential damages resulting from such claims; drafting mediation briefs; serving

1 as the primary contact to in-house counsel; deposing named plaintiffs and putative class
2 members; deposing retained expert witnesses; and defending the depositions of corporate
3 witnesses. In short, I played an integral role in all aspects of litigation from the inception of a
4 matter through and beyond class certification. I also supervised the work of several junior
5 attorneys who were staffed on the same wage and hour class actions.

6 5. In June 2011, I voluntarily resigned from Littler Mendelson in order to accept an
7 associate attorney position with the international law firm of Morgan, Lewis & Bockius LLP, at
8 its Los Angeles office, where I began working in July 2011. During my employment at Morgan,
9 Lewis & Bockius LLP, I worked exclusively on the defense of wage and hour class and collective
10 actions. For the vast majority of these cases, I was the only associate staffed on the matter, and I
11 performed the same job duties as described in the immediately preceding paragraph. In addition
12 to working on wage and hour class actions, at Morgan, Lewis & Bockius I also worked on a
13 number of “hybrid” actions asserting nationwide wage and hour claims under the Fair Labor
14 Standards Act (“FLSA”), as well as California-specific claims under Rule 23 of the Rules of
15 Civil Procedure.

16 6. In July 2012, I transitioned into litigating wage and hour class actions from the
17 Plaintiff’s side, first as a Partner with the law firm of Boren, Osher & Luftman, LLP, and since
18 February 2016, as Principal of the Haines Law Group, APC. Currently, over ninety percent (90%)
19 of my practice is dedicated exclusively to the prosecution of wage and hour class actions, and
20 my law firm is currently responsible for prosecuting over fifty (50) wage and hour class actions
21 filed in both State and Federal courts throughout California. I have been appointed as Class
22 Counsel in over one hundred (100) wage and hour class action settlements in state and federal
23 courts within California. A few examples of the matters in which I have been appointed as Class
24 Counsel, all of which have been granted final approval, include the following: *Sanchez v. Res-*
25 *Care, Inc.*, Case No. BC526175, California Superior Court, County of Los Angeles, Honorable
26 John S. Wiley, presiding; *Prado v. Warehouse Demo Services, Inc.*, Case No. CV14-3170 JFW
27 (Ex), United States District Court, Central District of California, Judge John F. Walter presiding;
28 *Tesla Motors Wage and Hour Litigation*, JCCP 4792, California Superior Court, Santa Clara

County, Judge Peter H. Kirwan presiding; *Bower v. Cycle Gear, Inc.*, Case No. CV14-2712 HSG, United States District Court, Northern District of California, Honorable Judge Haywood S. Gilliam, Jr. presiding; *Longstreth v. PAQ, Inc., dba Food 4 Less*, Case No. 15CV-0206, California Superior Court, County of San Luis Obispo, Honorable Judge Charles S. Crandall, presiding; *Nunez v. CompuCom Systems, Inc.*, Case No. BC618385, California Superior Court, County of Los Angeles, Honorable Judge John Shepard Wiley, Jr. presiding; *Mansilla v. Haeco Americas Line Services, LLC, et al*, Case No. BC615310, Superior Court of California, County of Los Angeles, Honorable Judge Elihu M. Berle presiding. *Morales v. Caremeridian, LLC, et al.*, Case No. BC593191, California Superior Court, County of Los Angeles, Judge William F. Highberger presiding; *Rodrigues v. CP Kelco U.S., Inc.*, Case No. 37-2017-00004339-CU-OE-CTL, California Superior Court, County of San Diego, Honorable Judge Joel R. Wohlfeil, presiding; *Sandoval v. Rotational Molding, Inc.*, Case No. BC640678, Superior Court of California, County of Los Angeles, Honorable Judge William F. Highberger presiding; *Gooding v. Vita-Mix Corp., et al*, Case No. 2:16-cv-03898-ODW (JEMx), United States District Court for the Central District of California, Honorable Judge Otis D. Wright II presiding.

7. I have also moved to certify and have received an order certifying a class action and/or conditionally certifying a collective action, in the following cases: *Medeiros v. Vortex Financial Management Inc.*, Case No. 30-2013-00644741-CU-OE-CXC, California Superior Court, County of Orange, Honorable Judge Gail A. Andler, presiding (certifying a class of employees who were misclassified as independent contractors); *Javine v. San Luis Ambulance Service, Inc.*, Case No. CV13-07480 BRO (SSx), United States District Court, Central District of California, Honorable Judge Beverly Reid O'Connell, presiding (conditionally certifying an unpaid FLSA overtime wage class); *Prado v. Warehouse Demo Services, Inc.*, Case No. CV14-3170 JFW (Ex), United States District Court, Central District of California, Honorable Judge John F. Walter, presiding (certifying a rest period violation class and conditionally certifying an FLSA unpaid overtime wage class); *Bower v. Cycle Gear, Inc.*, Case No. CV14-2712 HSG, United States District Court, Northern District of California, Honorable Judge Haywood S. Gilliam, Jr., presiding (conditionally certifying an unpaid FLSA overtime wage class); *Vega v.*

1 *Weatherford U.S., Limited Partnership*, Case No. CV14-1790-JLT, United States District Court,
2 Eastern District of California, Honorable Jennifer L. Thurston, presiding (conditionally certifying
3 an unpaid FLSA overtime wage class); *Galvan v. AMVAC Chemical Corporation*, Case No. 30-
4 2014-00716103-CU-OE-CXC, California Superior Court, County of Orange, Honorable Judge
5 William Claster, presiding (certifying unpaid overtime wage class and waiting time penalty
6 class); *Camacho v. Residential Fire Systems, Inc.*, Case No. 30-2015-775372-CU-OE-CXC,
7 California Superior Court, County of Orange, Honorable Glenda Sanders, presiding (certifying
8 piece rate pay plan classes, expense reimbursement class, wage statement class, and waiting time
9 penalties class); *Ontiveros v. Safelite Fulfillment, Inc.*, et al, Case No. CV 15-7118-DMG
10 (RAOx), United States District Court, Central District of California, Honorable Dolly M. Gee
11 presiding (certifying six classes of employees for rest period violations, wage statement
12 violations, meal period violations, and overtime and double-time violations); *Vazquez, et al v.*
13 *Kraft Heinz Foods Company*, Case No. 16-cv-2749-WQH-BLM, United States District Court,
14 Southern District of California, Honorable William Q. Hayes presiding (certifying six classes of
15 employees for unpaid wages, meal period violations, wage statement violations, and waiting time
16 penalties); *Caudle, et al. v. Sprint/United Management Company, et al.* Case No. C 17-06874-
17 WHA, United States District Court, Northern District of California, Honorable William H. Alsup
18 presiding (certifying three classes of employees for unlawful wage deductions, wage statement
19 violations, and waiting time violations); *Perez v. Sunbelt Rentals, Inc.* Case No. 37-2018-
20 00026405-CU-OE-CTL, California Superior Court, County of San Diego, Honorable Eddie C.
21 Sturgeon presiding (certifying class of employees for wage statement violations); *Staublein v.*
22 *Wells Fargo Bank, N.A.*, Case No. CIV DS1712267, San Bernardino Superior Court, Hon. David
23 S. Cohn presiding (certifying wage statement class); *Bowlin-Burdick, et al v. Life Care Centers*
24 *of America, Inc.*, Case No. BC657139, Los Angeles County Superior Court, Honorable Maren
25 E. Nelson presiding (certifying four classes for meal period violations, rest period violations,
26 wage statement violations, and waiting time penalties).

27 8. Of particular relevance to this case, I served as lead or co-lead counsel for the
28 plaintiff and aggrieved employees in several PAGA-only settlements, including but not limited

1 to: *Resendez v. Bridgestone Retail Operations, LLC*, Case No. BC596892, California Superior
2 Court, County of Los Angeles, Honorable Judge Marc Marmaro presiding; *Canul v. Basmat,*
3 *Inc.*, Case No. BC674940, California Superior Court, County of Los Angeles, Honorable Judge
4 Teresa A. Beaudet presiding; *Watts v. Bank of America, N.A.*, Case No. 30-2018-01007390-CU-
5 OE-CXC, California Superior Court, County of Orange, Honorable Glenda Sanders presiding;
6 *Silva v. CitiStaff Solutions, Inc.*, Case No. BC620115, California Superior Court, County of Los
7 Angeles, Honorable Judge David S. Cunningham III presiding; *Trujillo v. ABC Phones of North*
8 *Carolina, Inc.*, Case No. 30-2018-01022678-CU-OE-CXC, California Superior Court, County
9 of Orange, Honorable Peter Wilson presiding; *Cruz v. Fleetwash, Inc.*, Case No. 19STCV03033,
10 California Superior Court, County of Los Angeles, Honorable Judge Stuart M. Rice presiding;
11 *Corralejo Perez v. TreeSap Farms, LLC*, Case No. 30-2019-01091257-CU-OE-CXC, California
12 Superior Court, County of Orange, Hon. William Claster presiding.

13 9. In 2015, 2016, and 2017, Thomson Reuters and Los Angeles Magazine recognized
14 me as a Top Young Attorney in Southern California in the annual Rising Star Edition of Super
15 Lawyer. This is an honor awarded to no more than two and a half percent of attorneys under the
16 age of forty in Southern California each year. In 2018, 2019, 2020, and 2021, Thomson Reuters
17 recognized me as a “Super Lawyer,” an honor awarded to no more than five percent of attorneys
18 in Southern California each year.

19 10. Tuvia Korobkin, who is also counsel of record for Plaintiff in this matter, is a 2009
20 graduate of UCLA School of Law. Mr. Korobkin was admitted to the California State Bar in
21 December 2009. Since that time, Mr. Korobkin has practiced almost exclusively in the area of
22 employment litigation, with significant experience prosecuting wage and hour class and
23 representative PAGA actions. Mr. Korobkin has been an attorney at my firm since February 2016,
24 first as an Associate and, since December 2019, as a Partner. Mr. Korobkin is currently staffed
25 on approximately forty (40) active wage and hour class and representative actions in which he
26 plays a primary role. Mr. Korobkin has been appointed as class counsel in dozens of wage and
27 hour class action settlements in state and federal courts throughout California. In addition, Mr.
28 Korobkin was named as class counsel in the *Ontiveros*, *Caudle*, and *Perez* actions listed in

Paragraph 7 of my declaration. In 2018, 2019, 2020, and 2021, Thomson Reuters and Los Angeles Magazine recognized Mr. Korobkin as a Top Young Attorney in Southern California in the area of Employment Litigation in the annual Rising Stars Edition of Super Lawyers. This is an honor awarded to no more than two-and-a-half percent (2.5%) of attorneys under the age of 40 in Southern California each year.

11. Alexandra R. McIntosh, who is also counsel of record for Plaintiff in this matter, is a 2017 graduate of UC Irvine School of Law. Since that time, Ms. McIntosh has practiced almost exclusively in the area of employment litigation, and particularly wage and hour class and representative actions. Ms. McIntosh has been an Associate Attorney at my firm since June 2020, and is currently staffed on more than forty (40) wage and hour class and representative actions in which she plays a significant role. Ms. McIntosh has been appointed class counsel, and/or played a significant role in prosecuting, many wage and hour class action settlements in state and federal courts throughout California.

12. As counsel for Plaintiff in this case, I have been intimately involved in every aspect of this case from its inception through the present.

13. On September 17, 2020, pursuant to Labor Code § 2699.3, my office submitted online a letter to the California Labor Workforce Development Agency (“LWDA”) and mailed the letter via certified mail to Defendant Sunshine Communications, Inc. (“Sunshine” or “Defendant”), describing Defendant’s alleged Labor Code violations. Attached hereto as **Exhibit A** is a true and correct copy of the PAGA letter submitted by my office, including the certified mail receipt and the confirming e-mail from the LWDA.

14. Plaintiff, through my office, filed his initial Complaint in this matter on November 23, 2020 in San Diego Superior Court. The Complaint was given Case No. 37-2020-00042998-CU-OE-CTL, and was assigned to Hon. Timothy Taylor.

15. The parties subsequently agreed to attend a mediation to attempt to resolve this Action.

16. In connection with mediation, the parties engaged in extensive informal discovery, including Defendant’s production of a sampling of Aggrieved Employee timekeeping

and payroll records; provision of several data points including the total number of Aggrieved Employees, total number of pay periods worked during the PAGA Period, and other information; Defendant's employee handbook and relevant wage and hour policies; and other documents and information. In total, Defendant produced thousands of pages of documents and tens of thousands of lines of data. My office analyzed and extrapolated the timekeeping and other data produced by Defendant to create potential damages models.

17. On September 1, 2021, following the submission of detailed mediation briefs, the parties attended a full-day of mediation before Jeffrey Krivis, Esq. At the mediation, the parties vigorously debated the likelihood of Plaintiff's ability to proceed on a representative basis, the legal bases for Plaintiff's claims and Sunshine's defenses, and the parties' data analyses and conclusions based thereon. At the end of mediation, the parties reached an agreement in principle, and memorialized their agreement in a Memorandum of Understanding. Over the following months, the parties negotiated and finalized their agreement and executed the Settlement Agreement ("Settlement") now before the Court. The Settlement is attached as Exhibit 1 to the Joint Stipulation Re: Settlement of Claims Under Private Attorneys General Act ("Stipulation") filed herewith.

18. As noted in the accompanying Stipulation, my firm's lodestar in this case is approximately \$125,562.50. A general summary showing the number of hours of work performed by each attorney and paralegals from my firm is set forth below.

Name	Rate	Hours	Lodestar
Paul K. Haines (16th Year Attorney)	\$650	42.8	\$27,820.00
Tuvia Korobkin (13th Year Attorney)	\$625	83.7	\$52,312.50
Alexandra R. McIntosh (5th Year Attorney)	\$375	109.2	\$40,950.00
Paralegals	\$175	25.6	\$4,480.00
Total Lodestar			\$125,562.50

19. I believe the proposed hourly rates for the attorneys at my firm are reasonable in light of our skills, wage and hour litigation experience (including significant experience litigating

1 PAGA actions), as well as fee awards to other attorneys of similar experience in California, and
2 are in line with rates at which we have been approved in other matters. For example, in the *Caudle*
3 *v. Sprint* matter cited above, Judge William Alsup of the Northern District of California approved
4 my hourly rate of \$650 for work performed in 2017-2019. In *Jiminez et al v. Bon Appetit Danish,*
5 *Inc., et al*, Case No. BC661737 (Hon. Daniel J. Buckley), which received final approval in
6 October 2021, my firm was awarded fees based on requested hourly rates of \$650 for myself and
7 \$625 for Mr. Korobkin, for work performed in 2017-2021. Likewise, in *Afa, et al v. Alliance*
8 *Ground Int’l, LLC*, Case No. BC661449 (Hon. William F. Highberger), which received final
9 approval in November 2019, my firm was awarded attorneys’ fees based on requested hourly
10 rates of, *inter alia*, \$650 for myself, for work performed in 2017-2019.

11 20. The above requested rates are also in line with fee awards by other courts in
12 Southern California. *See, e.g., Rutti v. Lojack Corp.*, No. SACV 06-350 DOC (Cx), 2012 WL
13 3151077 at *11 (C.D. Cal. Jul. 31, 201) (Carter, J.) (in 2012, approving hourly rate of \$650 for
14 attorney with 15 years’ experience for work performed from 2006-2012 in wage and hour case);
15 *Taylor v. TIC – The Industrial Company*, No. EDCV-16-186-VAP, 2018 WL 6131198 at *10
16 (C.D. Cal. Aug. 1, 2018) (Birotte, J.) (in wage and hour class action, finding rates of \$695 for
17 13th-year attorney and \$625 for 10th-year attorney to be “reasonable and in line with those
18 prevailing in...the Central District of California”); *Edwards v. Chartwell Staffing Services, Inc.*,
19 No. 16-CV-9187-PSG, 2018 WL 10455206 at **6-7 (C.D. Cal. Aug. 17, 2018) (Gutierrez, J.) (in
20 wage and hour class action, finding “hourly rates ranging from \$425 for associates to \$850 for
21 partners” to be reasonable).

22 21. In addition, the hourly rates requested by the attorneys at my firm are in line with
23 the current *Laffey Matrix*, a true and correct copy of which is attached hereto as **Exhibit B**. The
24 *Laffey Matrix* has been recognized by California courts as “a widely recognized compilation of
25 attorney rates based on various levels of experience.” *Theme Promotions, Inc. v. News America*
26 *Mktg. FSI, Inc.*, 731 F.Supp.2d 937, 948 (N.D. Cal. 2010); *see also Reed v. 1-800 Contacts, Inc.*,
27 No. 12-cv-02359 JM (BGS), 2014 WL 29011 at **8-9 (S.D. Cal. Jan. 2, 2014) (cross-checking
28 requested hourly rates against the *Laffey Matrix* and finding that “the *Laffey matrix* lends further

credibility” to counsel’s requested hourly rates). Pursuant to the *Laffey* Matrix, a reasonable hourly rate for an attorney with my or Mr. Korobkin’s level of experience (11th to 19th year out of law school) is \$764, for an attorney with Ms. McIntosh’s level of experience (4th to 7th year out of law school) is \$468, and for paralegals \$208. Each hourly rate sought by my firm is below the relevant hourly rate cited in the *Laffey* Matrix.

22. Since undertaking representation of Plaintiff, my firm has dedicated substantial resources to this litigation without receiving any compensation to date. The tasks performed by my firm in connection with this litigation include, but are not limited to: (i) initial client intake; (ii) investigating Plaintiff’s claims and Sunshine’s potential defenses; (iii) drafting and serving the PAGA notice letter; (iv) drafting and filing the Complaint; (v) responding to Defendant’s formal discovery requests; (vi) conducting significant research and analysis of data and information produced by Defendant in connection with mediation, and, with the aide of an expert, drafting a comprehensive mediation brief, including exposure analysis for potential PAGA penalties; (vii) attending a full-day mediation; (viii) preparing the MOU, long-form Settlement, and other settlement-related documents; and (ix) preparing the accompanying Stipulation and supporting documents. My firm will also oversee the settlement administration process, together with the Settlement Administrator. Given the considerable potential for adverse outcomes in this case, including but not limited to Plaintiff losing on the merits as to his underlying theories of recovery, and/or facing a drastic reduction in potential PAGA penalties, the contingent risk borne by my office was great.

23. My office is requesting reimbursement of \$9,498.96 in total costs. A summary of the costs requested by my office in connection with this case is attached hereto as **Exhibit C**. These costs include filing fees, copying costs, mediation fees, expert fees, and other expenses reasonably necessary to the prosecution of this litigation.

24. I have extensive experience in this type of litigation, and it is my opinion that the proposed settlement represents a fair and reasonable result for the Aggrieved Employees. My experience in similar matters was integral in evaluating the strengths and weaknesses of the case against Defendant and the reasonableness of the settlement.

1 25. I believe the requested \$5,000 enhancement payment to Plaintiff is reasonable in
2 light of Plaintiff's significant contributions to this case. For example, Plaintiff had multiple
3 discussions with my office wherein he discussed Defendant's policies and pay plans, he
4 reviewed documents, reviewed and verified his discovery responses, and otherwise actively
5 assisted in litigating this case. Accordingly, I believe Plaintiff's requested enhancement
6 payment is reasonable.

7 26. I believe the requested \$4,150 in administration costs to Phoenix Settlement
8 Administrators is reasonable in light of the duties and responsibilities Phoenix has agreed to
9 undertake in connection with the Settlement. Phoenix's duties will include, but are not limited
10 to: (i) establishing a settlement fund into which Defendant will deposit the Gross Settlement
11 Amount; (ii) reviewing data from Defendant to calculate each Aggrieved Employee's
12 Individual PAGA Payment; (iii) providing Individual PAGA Payment calculations to counsel
13 and obtaining counsel's approval of same; (iv) translating and mailing the Explanatory Letter
14 to Aggrieved Employees, in English and Spanish, along with their Individual PAGA Payments;
15 (v) making reasonable efforts to re-mail any checks/Explanatory Letters that are returned as
16 non-deliverable; (vi) preparing necessary reports for the parties and/or the Court regarding
17 disbursement of the settlement; and (vii) depositing any uncashed funds with the California
18 Unclaimed Property Fund. Attached hereto as **Exhibit D** is a true and correct copy of the
19 settlement administration bid provided to my office by Phoenix in connection with this matter.

20 I declare under penalty of perjury under the laws of the state of California that the
21 foregoing is true and correct. Executed on November 4, 2021, at El Segundo, California.

22 

23 Paul K. Haines
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EXHIBIT A

HAINES LAW GROUP
EMPLOYMENT ATTORNEYS

September 17, 2020

VIA LWDA WEBSITE

Labor and Workforce Development Agency
Attn: PAGA Administrator
1515 Clay Street, Suite 801
Oakland, CA 94612

Re: *Eduardo Tovar v. Sunshine Communications, Inc.*

To Whom It May Concern:

Please be advised that this law firm represents Eduardo Tovar (“Mr. Tovar”) in claims arising from his employment with Sunshine Communications, Inc. and Does 1 through 100 (collectively, “Sunshine”). Mr. Tovar is an “aggrieved employee” as defined by Labor Code Section 2698, *et seq.*, due to Sunshine’s numerous violations of the Labor Code as set forth below. The purpose of this letter is to comply with Labor Code Section 2699.3, which requires aggrieved employees to notify their employer and the Labor & Workforce Development Agency (“LWDA”) of the specific provisions of the Labor Code allegedly violated.

Pursuant to California Judicial Council Emergency Rule 9, statutes of limitations of more than 180 days are suspended from April 6, 2020 through October 1, 2020. Accordingly, the relevant time period for the violations described herein is based on the tolled statute of limitations date of April 6, 2020. The “aggrieved employees” whom Plaintiff seeks to represent include all non-exempt employees who worked for Sunshine at any time from April 6, 2019 through the present.

Sunshine provides installation and construction services to the cable television industry. Sunshine employed Mr. Tovar as a non-exempt “CBS Installation Technician” from approximately January 7, 2019 until May 2019. As an “Installation Technician,” Mr. Tovar was responsible for completing installations and special request orders for Cox Communication’s residential customers. From approximately October 2019 until July 24, 2020, Mr. Tovar worked for Sunshine as an “Administrative Clerk.”

Throughout Mr. Tovar’s employment with Sunshine, Mr. Tovar recorded his hours worked to the minute using an application on his company-provided smart phone. However, Sunshine utilized a timekeeping system which resulted in Mr. Tovar and other aggrieved employees not being compensated for all hours actually worked, by time-shaving, rounding, or otherwise, such that Mr. Tovar and other aggrieved employees were only paid in quarter of an hour increments. Sunshine regularly, systematically, and impermissibly rounded and/or time-shaved the time worked by Mr. Tovar and other

aggrieved employees in Sunshine's favor. This time shaving/rounding practice utilized by Sunshine was not-even handed over time, and would round and shave in Sunshine's favor such that Mr. Tovar and other aggrieved employees were routinely underpaid for his time worked. Due to Sunshine's timekeeping policies and practices that fail to compensate for all hours worked, Mr. Tovar and other aggrieved employees were deprived of all required minimum wages. Further, on occasions when Mr. Tovar or other aggrieved employees worked over eight hours in a day and/or forty hours in a workweek, this process of time-shaving or rounding also deprived them of overtime wages owed. As such, Mr. Tovar and other aggrieved employees were not compensated for all required minimum and overtime wages.

As an "Installation Technician," Mr. Tovar was paid pursuant to commission/piece-rate pay plans, whereby he was paid a commission and/or a piece-rate based on completed installations, reboots, and/or other jobs. Under this commission/piece-rate pay plan, Mr. Tovar was required to record his hours worked by clocking in and clocking out at the beginning and end of his workday, but was only paid an hourly minimum wage if his commissions and/or piece-rate wages did not exceed his minimum wage floor for the pay period. Because Sunshine's pay system is simply a subterfuge for a commission and/or piece-rate compensation system, on those occasions when Mr. Tovar or other aggrieved employees were paid a piece rate or commission (i.e., when their commissions or piece rate earnings exceeded the minimum wage floor), Mr. Tovar and other aggrieved employees paid pursuant to Sunshine's commission/piece-rate pay plans were not separately compensated for time spent working on tasks which were not compensated on a piece-rate or commission basis (i.e., non-productive time), including but not limited to, hours spent attending weekly meetings and traveling in between job sites. As a result of Sunshine's failure to compensate Mr. Tovar and aggrieved employees for non-productive time, Sunshine failed to compensate its aggrieved employees for all minimum and overtime wages earned. This violates California law, which requires employers to pay piece rate workers separately for all nonproductive time. *See Gonzalez v. Downtown LA Motors, LP*, 215 Cal.App.4th 36 (2013) (holding that where employer pays workers either a minimum wage "floor" or a piece rate if the piece rate exceeds the floor, the employer must separately for nonproductive time when employees are paid a piece rate); Labor Code § 226.2 (requiring employers to pay piece rate employees separately for nonproductive time)

Furthermore, when Mr. Tovar and other aggrieved employees were on a commission and/or piece-rate basis and worked shifts of 3.5 hours or more, they were not provided with a paid rest period for every 4-hour period worked, or major fraction thereof, because Sunshine's commission and/or piece-rate compensation plan failed to separately compensate Mr. Tovar and other aggrieved employees for required rest periods. *See Vaquero v. Stoneledge Furniture LLC*, 9 Cal.App.5th 98 (2017); *Bluford v. Safeway Inc.*, 216 Cal.App.4th 864 (2013) ("There is no dispute that Safeway's activity-based compensation system did not separately compensate drivers for their rest periods."); Labor Code § 226.2(a)(1) (requiring employers to pay piece rate employees separate for rest periods and other nonproductive time). Specifically, Sunshine's "Pay Rate Acknowledgment" specifies the commission and/or piece-rate compensation plans for Mr.

Tovar and other aggrieved employees; however, the plans do not make any reference to separate compensation for rest periods.

Moreover, throughout the entirety of Mr. Tovar's employment with Sunshine, Sunshine maintained an unlawful written rest period policy which only permits and authorizes Mr. Tovar and other aggrieved employees to take a 10-minute rest period "within each 4 hours worked," instead of every 4 hours *or a major fraction thereof*, in violation of Labor Code § 226.7 and Wage Order 4, § 12, which requires employers to authorize and permit a 10-minute paid rest period for every 4 hours worked or major fraction thereof. Thus, Sunshine failed to authorize and permit the proper number of rest periods on "major fraction" shifts, including one rest period on shifts of 3.5-3.99 hours, 2 rest periods on shifts of 6.01-7.99 hours, and 3 rest periods on shifts of 10.01-11.99 hours.

As a result of Sunshine's failure to provide all legally required rest periods and its unlawful rest period policy, Sunshine failed to compensate their employees with the required rest period premium for each workday in which Mr. Tovar and other aggrieved employees experienced a rest period violation, and failed to compensate Mr. Tovar and other aggrieved employees for all minimum and overtime wages that should have been earned during paid rest periods. Upon information and belief, during at least a portion of the relevant time period, Sunshine maintained no payroll code for paying rest period premiums under Labor Code § 226.7.

Sunshine also failed to provide Mr. Tovar and other aggrieved employees with legally-compliant meal periods of at least 30-minutes commencing before the conclusion of the fifth hour of work and/or a second meal period when they worked shifts in excess of 10.0 hours. As Mr. Tovar and other aggrieved employees were required to provide installation services at numerous different locations per shift, Mr. Tovar and other aggrieved employees were often required to take a meal period after the fifth hour of work and/or take a meal period that was less than 30-minutes. For instance, although Mr. Tovar's shift regularly began at 7:00 am, Mr. Tovar was regularly not provided with a meal period until after 12:00 pm, or after the fifth hour of work. Mr. Tovar and other aggrieved employees were also often required to take their meal periods while traveling in between jobs and were not provided with a second meal period when they worked shifts over ten hours. On those workdays when Sunshine failed to provide all legally required meal periods, Sunshine failed to compensate their employees with the required meal period premium for each workday in which employees experienced a meal period violation. Upon information and belief, during at least a portion of the relevant time period, Sunshine maintained no payroll code for paying meal period premiums under Labor Code § 226.7.

Sunshine also failed to reimburse Mr. Tovar and other aggrieved employees for all reasonable and necessary work expenditures, including, but not limited to, car insurance, mileage, parking fees, and other personal vehicle expenses. Specifically, Sunshine required Mr. Tovar and other technicians to purchase a large vehicle in order to transport a 28" ladder and other equipment needed to assist Cox Communication's customers, without

reimbursing technicians for the costs associated with the purchase or use of such a large vehicle. Sunshine also required Mr. Tovar and other aggrieved employees to use their personal vehicles to travel in between job locations and to pick up and drop off equipment, without properly compensating them for all mileage, parking fees, or other expenses incurred. Further, Sunshine required Mr. Tovar and other aggrieved employees to purchase and maintain an insurance policy with a minimum coverage of: Bodily Injury - \$100,000 per person/\$300,000 per accident; Property Damages - \$100,000 per accident or \$400,000 combined single limit per accident, without reimbursing the costs of such a comprehensive insurance policy. Additionally, when aggrieved employees did get in on-the-job motor vehicle accidents, Sunshine failed to reimburse employees for costs associated with the accident. Instead, Sunshine has a written policy and practice which requires employees to “indemnify [Sunshine] and its owners against any and all claims, losses, damages and expenses, including legal fees, which the company may incur up to the minimum insurance requirements” when employees get in an on-the-job accident. As a result of Sunshine’s failure to reimburse Mr. Tovar and other aggrieved employees for these necessary work expenditures, Mr. Tovar and other aggrieved employees are entitled to reimbursement pursuant to Labor Code § 2802.

Sunshine also unlawfully deducted the costs of broken tools from employee wages in violation of California Labor Code §§ 221-223. *See Hudgins v. Nieman Marcus Group, Inc.*, (1995) 34Cal.App.4th 1109, 1118 (“As interpreted by the Industrial Welfare Commission (IWC) and the California courts, section 221 has long been held to prohibit deductions from an employee's wages for cash shortages, breakage, loss of equipment, and other business losses that may result from the employee's simple negligence.”); *see also* Wage Order 4, § 8 (prohibiting deductions from employee wages for, *inter alia*, “breakage, or loss of equipment”).

As a result of Sunshine’s failure to pay all minimum and overtime wages, as well as meal and rest period premium wages, Sunshine maintained inaccurate payroll records, and issued inaccurate wage statements to Mr. Tovar and other aggrieved employees. Additionally, Sunshine issued facially non-compliant wage statements to Mr. Tovar and other aggrieved employees by failing to list the number of piece-rate units earned and any applicable piece rate, in violation of Labor Code § 226(a)(3); failing to list all applicable hourly rates in effect during the pay period (including but not limited to the overtime rate of pay) and the corresponding number of hours worked at each hourly rate by the employee, in violation of § 226(a)(9); failing to list the total hours of compensable rest and recovery periods and the corresponding rate of compensation and gross wages for those periods, in violation of Labor Code § 226.2(a)(2)(A); and failing to state the total hours of non-productive time along with the corresponding rate of compensation and gross wages for non-productive time worked in violation of Labor Code § 226.2(a)(2)(B).

As a result of its failure to pay all minimum wages, overtime wages, and meal and rest period premiums, and as a result of its unlawful deductions from wages described above, Sunshine failed to pay all final wages to Mr. Tovar and other aggrieved former employees at the separation of their employment.

As described above, Sunshine committed, and continues to commit, the following violations of the Labor Code and Industrial Welfare Commission Wage Order No. 4 (“Wage Order 4”):

Minimum Wage Violations

Sunshine was, and is, required to pay Mr. Tovar and other aggrieved employees an hourly rate at least equal to the minimum wage for each hour worked. *See* Labor Code §§ 226.2, 558, 1182.12, 1194, 1194.2, 1197, 1198, and Wage Order 4, § 4. As alleged above, Sunshine maintained, and continues to maintain, timekeeping policies/practices and pay policies/practices that regularly, systematically, and impermissibly fail to compensate Mr. Tovar and other aggrieved employees for all hours worked. As a result of these policies/practices, Mr. Tovar and other aggrieved employees have been, and continue to be, deprived of all required minimum wages.

Overtime Violations

Sunshine is required to properly compensate non-exempt employees, including Mr. Tovar, and other aggrieved employees, for all overtime hours worked pursuant to Labor Code § 204, 226.2, 510, 558, 1194, 1198 and Wage Order 4. Wage Order 4, § 3 requires an employer to pay an employee “one and one-half (1½) times [the] employee’s regular rate of pay” for work in excess of 8 hours per workday or over 40 hours in a workweek, and for the first eight (8) hours and/or in excess of 40 hours of work in the workweek, and “double the employee’s regular rate of pay” for all hours worked in excess of 12 hours in a workday or in excess of 8 hours on the seventh day of a workweek. As alleged herein, Sunshine has caused Mr. Tovar and other aggrieved employees to work overtime and/or double-time hours but has not compensated Mr. Tovar or other aggrieved employees at one and one-half times (or two times, in the case of double-time) their “regular rate” of pay for such hours.

Rest Period Violations

As alleged above, Sunshine failed, and continues to fail, to authorize and permit Mr. Tovar and other aggrieved employees to take all rest periods to which they are legally entitled. *See* Labor Code §§ 226.2, 226.7, 516, 1198; Wage Order 4, § 12.

As a result, Mr. Tovar and other aggrieved employees are owed an additional hour of wages at their regular rate of compensation for each workday that they were not authorized and permitted to take all legally required rest periods. *See* Labor Code § 226.7 (“If an employer fails to provide an employee a meal period or rest period in accordance with an applicable order of the Industrial Welfare Commission, the employer shall pay the employee one additional hour of pay at the employee’s regular rate of compensation for each workday that the meal or rest period is not provided.”). As alleged above, Sunshine has failed to pay them the premium wages to which they are legally entitled.

Meal Period Violations

As alleged above, Sunshine failed, and continues to fail, to provide Mr. Tovar and other aggrieved employees with all required and compliant meal periods, due to Sunshine's meal period policies/practices that often fail to provide legally-compliant 30-minute first meal periods before the end of the fifth hour of work, and which fail to provide second meal periods for shifts of over 10.0 hours. *See* Labor Code §§ 226.7, 512, 1198; Wage Order 4, § 11.

As a result, Mr. Tovar and other aggrieved employees are owed an additional hour of wages at their regular rate of compensation for each workday they experienced a meal period violation. *See* Labor Code § 226.7 ("If an employer fails to provide an employee a meal or rest or recovery period in accordance with...[an] order of the Industrial Welfare Commission...the employer shall pay the employee one additional hour of pay at the employee's regular rate of compensation for each workday that the meal or rest period is not provided."). As alleged above, Sunshine has failed to pay them the premium wages to which they are legally entitled.

Failure to Reimburse Employees for Necessary Business Expenditures

As alleged above, due to Sunshine's unlawful policy and practice of requiring employees to purchase, use, and maintain personal vehicles for work purposes; pay for parking and other auto-related expenses; maintain their own auto insurance for said vehicles, and failing to pay reimbursements to Mr. Tovar and other aggrieved employees, Sunshine has violated Labor Code §2802. ("An employer shall indemnify his or her employees for all necessary expenditures or losses incurred by the employee in direct consequence of the discharge of his or her duties, or of his or obedience to the directions of the employer.") Mr. Tovar and other aggrieved employees are therefore entitled to reimbursement of such unpaid work expenses with interest.

Unlawful Deductions from Wages

As alleged above, as a result of Sunshine's practice of deducting the costs of broken tools from its employees' wages, Sunshine has failed to pay all wages owed to aggrieved employees in violation of Labor Code §§ 221-223, which prohibit, among other things, the paying of a lower wage than required under contract or statute, and the taking of any deductions from employee wages, as well as Wage Order 4, §§ 8 and 9.

Wage Statement Violations

As alleged herein, Sunshine knowingly and intentionally, as a matter of uniform policy and practice, failed to furnish Mr. Tovar and other aggrieved employees with accurate and itemized wage statements that included, among other requirements, all applicable hourly rates in effect during the pay period and the corresponding number of

hours worked at each hourly rate by the employee in violation of § 226(a)(9). Sunshine also failed to furnish Mr. Tovar and other aggrieved employees who were compensated on a piece-rate basis with accurate and itemized wage statements that included the number of piece-rate earnings and the applicable piece rate in violation of Labor Code § 226, the total hours of compensable rest and recovery periods and the corresponding rate of compensation and gross wages for those periods, and the total hours of non-productive time along with the corresponding rate of compensation and gross wages for non-productive time worked in violation of Labor Code § 226.2. Sunshine also failed to accurately report the number of hours worked and wages owed as a result of its failures to pay all wages owed and to pay all meal and rest period premium wages owed, as alleged herein. Sunshine's failure to comply with its wage statement obligations was knowing and intentional, and Mr. Tovar and other aggrieved employees have suffered injury as a result.

Waiting Time Penalties

Labor Code §§ 201 and 202 require that employees receive all of their final wages at the time of their separation of employment. As alleged herein, Sunshine failed to timely pay aggrieved former employees all of their final wages at the time of separation. Pursuant to Labor Code § 203, Sunshine's failure to pay all final wages due to aggrieved employees was willful and, consequently, entitles aggrieved former employees to waiting time penalties equal to one day of wages at their standard rate for each day Sunshine failed to pay their final wages after their separation, up to a maximum of thirty days.

Mr. Tovar is informed and believes, and based thereon alleges, that the violations alleged herein are continuing to the present. As an "aggrieved employee," Mr. Tovar will initiate a civil action on behalf of himself and other aggrieved employees to recover civil penalties resulting from the wage and hour violations alleged herein. Based on Mr. Tovar's own investigation, and on information and belief, Sunshine has committed the following Labor Code violations:

- a. Sunshine has violated Labor Code §§ 204, 226.2, 558, 1182.12, 1194, 1194.2, 1197, and 1198 by failing to pay Mr. Tovar and other aggrieved employees at least the statutory minimum wage for all hours worked;
- b. Sunshine has violated Labor Code §§ 204, 226.2, 510, 558, 1194, and 1198 by failing to pay Mr. Tovar and other aggrieved employees all overtime and/or double-time compensation earned;
- c. Sunshine has violated Labor Code §§ 226.7, 512, 558, and 1198 by failing to provide all legally required meal periods and by failing to pay meal period premiums to Mr. Tovar and other aggrieved employees at these employees' respective regular rates of compensation for meal period violations;
- d. Sunshine has violated Labor Code §§ 226.7, 226.2, 516, 558, and 1198 by failing to authorize and permit all legally required rest periods and by failing to

pay rest period premiums to Mr. Tovar and other aggrieved employees at these employees' respective regular rates of compensation for rest period violations;

- e. Sunshine has violated Labor Code §§ 2802 and 2804 by failing to reimburse Mr. Tovar and other aggrieved employees for all necessary expenditures incurred;
- f. Sunshine has violated Labor Code §§ 226 and 226.2 by failing to furnish Mr. Tovar and other aggrieved employees with accurate and complete itemized wage statements;
- g. Sunshine has violated Labor Code §§ 221-223 by taking unlawful deductions from aggrieved employees' wages and thereby failing to pay aggrieved employees all earned wages;
- h. Sunshine has violated Labor Code §§ 201, 202 and 203 by failing to timely pay all final wages due to aggrieved former employees.
- i. Sunshine has violated Labor Code § 204 by failing to pay Mr. Tovar and other aggrieved employees all earned wages at least twice during each calendar month; and
- j. Sunshine has violated Labor Code §§ 1174, 1198 and 1199 by failing to maintain accurate records on behalf of Mr. Tovar and other aggrieved employees.

Pursuant to Labor Code section 2699.3, please notify us and Sunshine if the LWDA intends to investigate these alleged violations of the Labor Code. Please contact me should you require additional information.

Very truly yours,
HAINES LAW GROUP, APC



Paul K. Haines

cc: Sunshine Communications, Inc., c/o Tana L. Corbin, Agent for Service of Process
(via certified mail)

**U.S. Postal Service™
CERTIFIED MAIL® RECEIPT**
Domestic Mail Only

For delivery information, visit our website at www.usps.com®.

OFFICIAL USE

Certified Mail Fee

Extra Services & Fees (check box, add fee as appropriate)

- ☐ Return Receipt (hardcopy) \$
☐ Return Receipt (electronic) \$
☐ Certified Mail Restricted Delivery \$
☐ Adult Signature Required \$
☐ Adult Signature Restricted Delivery \$

Postage

\$
Total Pos

\$
Sent To

Street and

City, State

Sunshine Communications, Inc.
c/o Tana L. Corbin
350 Cypress Lane, Suite D
El Cajon, CA 92020 (Attn AC)

PS Form 3800, April 2015 PSN 7530-02-000-9047

See Reverse for Instructions

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Sunshine Communications, Inc.
c/o Tana L. Corbin
350 Cypress Lane, Suite D
El Cajon, CA 92020



9590 9402 5238 9122 7248 98

2. Article Number (Transfer from service label)

7019 2280 0001 9441 1946

COMPLETE THIS SECTION ON DELIVERY

A. Signature

x T. ST CLAIR

- ☐ Agent
☐ Addressee

B. Received by (Printed Name)

PJ 2016 C.19

C. Date of Delivery

09/21/20

D. Is delivery address different from item 1? ☐ Yes
 If YES, enter delivery address below: ☐ No

3. Service Type

- ☐ Adult Signature
☐ Adult Signature Restricted Delivery
☒ Certified Mail®
☐ Certified Mail Restricted Delivery
☐ Collect on Delivery
☐ Collect on Delivery Restricted Delivery
☐ Insured Mail
☐ Priority Mail Express®
☐ Registered Mail™
☐ Registered Mail Restricted Delivery
☐ Return Receipt for Merchandise
☐ Signature Confirmation™
☐ Signature Confirmation Restricted Delivery

Restricted Delivery

PS Form 3811, July 2015 PSN 7530-02-000-9053

Domestic Return Receipt

From: noreply@salesforce.com on behalf of [LWDA DO NOT REPLY](#)
To: [Aaron Clark](#)
Subject: Thank you for submission of your PAGA Case.
Date: Thursday, September 17, 2020 5:10:45 PM

9/17/2020

LWDA Case No. LWDA-CM-806755-20
Law Firm : Haines Law Group, APC
Plaintiff Name : Eduardo Tovar
Employer: Sunshinie Communications, Inc.

Item submitted: Initial PAGA Notice

Thank you for your submission to the Labor and Workforce Development Agency. Please make a note of the LWDA Case No. above as you may need this number for future reference when filing any subsequent documents for this Case.

If you have questions or concerns regarding this submission or your case, please send an email to pagainfo@dir.ca.gov.

DIR PAGA Unit on behalf of
Labor and Workforce Development Agency

Website: http://labor.ca.gov/Private_Attorneys_General_Act.htm

EXHIBIT B

LAFFEY MATRIX

[History](#)
[Case Law](#)
[See the Matrix](#)
[Contact us](#)
[Home](#)

			Years Out of Law School *				
Year	Adjustmt Factor**	Paralegal/ Law Clerk	1-3	4-7	8-10	11-19	20 +
6/01/21- 5/31/22	1.006053	\$208	\$381	\$468	\$676	\$764	\$919
6/01/20- 5/31/21	1.015894	\$206	\$378	\$465	\$672	\$759	\$914
6/01/19- 5/31/20	1.0049	\$203	\$372	\$458	\$661	\$747	\$899
6/01/18- 5/31/19	1.0350	\$202	\$371	\$455	\$658	\$742	\$894
6/01/17- 5/31/18	1.0463	\$196	\$359	\$440	\$636	\$717	\$864
6/01/16- 5/31/17	1.0369	\$187	\$343	\$421	\$608	\$685	\$826
6/01/15- 5/31/16	1.0089	\$180	\$331	\$406	\$586	\$661	\$796
6/01/14- 5/31/15	1.0235	\$179	\$328	\$402	\$581	\$655	\$789
6/01/13- 5/31/14	1.0244	\$175	\$320	\$393	\$567	\$640	\$771
6/01/12- 5/31/13	1.0258	\$170	\$312	\$383	\$554	\$625	\$753
6/01/11- 5/31/12	1.0352	\$166	\$305	\$374	\$540	\$609	\$734
6/01/10- 5/31/11	1.0337	\$161	\$294	\$361	\$522	\$589	\$709
6/01/09- 5/31/10	1.0220	\$155	\$285	\$349	\$505	\$569	\$686
6/01/08- 5/31/09	1.0399	\$152	\$279	\$342	\$494	\$557	\$671
6/01/07-5/31/08	1.0516	\$146	\$268	\$329	\$475	\$536	\$645
6/01/06-5/31/07	1.0256	\$139	\$255	\$313	\$452	\$509	\$614
6/1/05-5/31/06	1.0427	\$136	\$249	\$305	\$441	\$497	\$598
6/1/04-5/31/05	1.0455	\$130	\$239	\$293	\$423	\$476	\$574
6/1/03-6/1/04	1.0507	\$124	\$228	\$280	\$405	\$456	\$549
6/1/02-5/31/03	1.0727	\$118	\$217	\$267	\$385	\$434	\$522
6/1/01-5/31/02	1.0407	\$110	\$203	\$249	\$359	\$404	\$487
6/1/00-5/31/01	1.0529	\$106	\$195	\$239	\$345	\$388	\$468
6/1/99-5/31/00	1.0491	\$101	\$185	\$227	\$328	\$369	\$444
6/1/98-5/31/99	1.0439	\$96	\$176	\$216	\$312	\$352	\$424
6/1/97-5/31/98	1.0419	\$92	\$169	\$207	\$299	\$337	\$406
6/1/96-5/31/97	1.0396	\$88	\$162	\$198	\$287	\$323	\$389
6/1/95-5/31/96	1.032	\$85	\$155	\$191	\$276	\$311	\$375
6/1/94-5/31/95	1.0237	\$82	\$151	\$185	\$267	\$301	\$363

The methodology of calculation and benchmarking for this Updated Laffey Matrix has been approved in a number of cases. See, e.g., *DL v. District of Columbia*, 267 F.Supp.3d 55, 69 (D.D.C. 2017)

* “Years Out of Law School” is calculated from June 1 of each year, when most law students graduate. “1-3” includes an attorney in his 1st, 2nd and 3rd years of practice, measured from date of graduation (June 1). “4-7” applies to attorneys in their 4th, 5th, 6th and 7th years of practice. An attorney who graduated in May 1996 would be in tier “1-3” from June 1, 1996 until May 31, 1999, would move into tier “4-7” on June 1, 1999, and tier “8-10” on June 1, 2003.

** The Adjustment Factor refers to the nation-wide Legal Services Component of the Consumer Price Index produced by the Bureau of Labor Statistics of the United States Department of Labor.

EXHIBIT C

Haines Law Group, APC Expense Summary
Tovar v. Sunshine Communications, Inc.

EXPENSE	AMOUNT
Expert Fees	\$1,405.00
Mediation Fee:	\$7,000.00
Filing and Service Fees	\$622.96
Copying and Postage Costs	\$236.47
Legal Research Costs	\$234.53
TOTAL:	\$9,498.96

EXHIBIT D



PHOENIX
SETTLEMENT ADMINISTRATORS

CLASS ACTION SETTLEMENT SOLUTIONS

CASE ASSUMPTIONS

Class Members	400
Total Claims Processed	400
Subtotal Admin Only	\$4,150.00
WILL NOT EXCEED	\$4,150.00

Price good for Scope of Quote

September 9, 2021

Case: Tovar v. Sunshine Communications PAGA Settlement wLanguage

Phoenix Contact: Jodey Lawrence

Contact Number: 949.566.1455

Email: Jodey@phoenixclassaction.com

Requesting Attorney: Tuvia Korobkin

Firm: Haines Law Group, APC

Contact Number: 424.292.2353

Email: tkorobkin@haineslawgroup.com

Assumptions and Estimate are based on information provided by counsel. If class size changes, PSA will need to adjust this Estimate accordingly. Estimate is based on 400 Class Members. PSA assumes class data will be sent in Microsoft Excel or other usable format with no or reasonable additional formatting needed. A rate of \$150 per hour will be charged for any additional analysis or programming.

Case & Database Setup/ NCOA (USPS)/Language Translation				
Administrative Tasks:	Rate	Hours/Units	Line Item Estimate	
Programming Manager	\$125.00	2	\$250.00	
Programming Database & Setup	\$125.00	2	\$250.00	
Toll Free Setup*	\$45.50	1	\$45.50	
Call Center & Long Distance	\$0.75	40	\$30.00	
NCOA (USPS)	\$100.00	1	\$100.00	
Language Translation	\$200.00	1	\$200.00	
Staic Website	\$100.00	1	\$100.00	
Total			\$975.50	

Data Merger & Scrub				
Project Action	Rate	Hours/Units	Line Item Estimate	
Notice Packet/Check Formatting	\$125.00	2	\$250.00	
Data Merge & Duplication Scrub	\$0.05	400	\$20.00	
Total			\$270.00	

* Prices good for 90 days. Subject to change with the USPS Rate or change in Notice pages or Translation, if any.

Mailing and Case Management				
Project Action:	Rate	Hours/Units	Line Item Estimate	
Case Associate	\$125.00	2	\$250.00	
QSF Bank Account Fees	\$35.00	3	\$105.00	
Programming Calculations	\$125.00	2	\$250.00	
Disbursement Review	\$125.00	2	\$250.00	
Setup Printing Notice & Check	\$125.00	2	\$250.00	
Notice & Check	\$1.00	400	\$400.00	
Estimated Postage (up to 2 oz.)*	\$0.56	400	\$224.00	
Skip Tracing Undeliverables	\$0.75	60	\$45.00	
Remail Notice and Checks Packets	\$1.00	60	\$60.00	
Estimated Postage	\$0.55	60	\$33.00	
Programming Undeliverables	\$125.00	1	\$125.00	
Reconcile Uncashed Checks	\$125.00	2	\$250.00	
State Controller Notice of Uncashed Check and Postage	\$1.25	30	\$37.50	
State Controller Uncashed Check QSF	\$625.00	1	\$625.00	
Annual Tax Reporting and Setup *				
Total			\$2,904.50	

* All applicable California State & Federal taxes, which include SUI, ETT, and SDI, and FUTA filings. Additional taxes are Defendant's responsibility.

Estimate Total:

\$4,150.00



TERMS AND CONDITIONS

Provisions: The case estimate is in good faith and does not cover any applicable taxes and fees. The estimate does not make any provision for any services or class size not delineated in the request for proposal or stipulations. Proposal rates and amounts are subject to change upon further review, with Counsel/Client, of the Settlement Agreement. Only pre-approved changes will be charged when applicable. No modifications may be made to this estimate without the approval of PSA (Phoenix Settlement Administrators). All notifications are mailed in English language only unless otherwise specified. Additional costs will apply if translation into other language(s) is required. Rates to prepare and file taxes are for Federal and California State taxes only. Additional charges will apply if multiple state tax filing(s) is required. **Pricing is good for ninety (90) days.**

Data Conversion and Mailing: The proposal assumes that data provided will be in ready-to-use condition and that all data is provided in a single, comprehensive Excel spreadsheet. PSA cannot be liable for any errors or omissions arising due to additional work required for analyzing and processing the original database. A minimum of two (2) business days is required for processing prior to the anticipated mailing date with an additional two (2) business days for a National Change of Address (NCOA) update. Additional time may be required depending on the class size, necessary translation of the documents, or other factors. PSA will keep counsel apprised of the estimated mailing date.

Claims: PSA's general policy is to not accept claims via facsimile. However, in the event that facsimile filing of claims must be accepted, PSA will not be held responsible for any issues and/or errors arising out of said filing. Furthermore, PSA will require disclaimer language regarding facsimile transmissions. PSA will not be responsible for any acts or omissions caused by the USPS. PSA shall not make payments to any claimants without verified, valid Social Security Numbers. All responses and class member information are held in strict confidentiality. Additional class members are at \$10.00 per claim.

Payment Terms: All postage charges and 50% of the final administration charges are due at the commencement of the case and will be billed immediately upon receipt of the data and/or notice documents. PSA bills are due upon receipt unless otherwise negotiated and agreed to with PSA by Counsel/Client. In the event the settlement terms provide that PSA is to be paid out of the settlement fund, PSA will request that Counsel/Client endeavor to make alternate payment arrangements for PSA charges that are due at the onset of the case. The entire remaining balance is due and payable at the time the settlement account is funded by Defendant, or no later than the time of disbursement. Amounts not paid within thirty (30) days are subject to a service charge of 1.5% per month or the highest rate permitted by law.

Tax Reporting Requirements

PSA will file the necessary tax returns under the EIN of the QSF, including federal and state returns. Payroll tax returns will be filed if necessary. Under the California Employment Development Department, all taxes are to be reported under the EIN of the QSF with the exception of the following taxes: Unemployment Insurance (UI) and Employment Training Tax (ETT), employer-side taxes, and State Disability Insurance (SDI), an employee-side tax. These are reported under Defendant's EIN. Therefore, to comply with the EDD payroll tax filing requirements we will need the following information:

1. Defendant's California State ID and Federal EIN.
2. Defendant's current State Unemployment Insurance (UI) rate and Employment Training Tax (ETT) rate. This information can be found in the current year DE 2088, Notice of Contribution Rates, issued by the EDD.
3. Termination dates of the class members, or identification of current employee class members, so we can account for the periods that the wages relate to for each class member.
4. An executed Power of Attorney (Form DE 48) from Defendant. This form is needed so that we may report the UI, SDI, and ETT taxes under Defendant's EIN on their behalf. If this form is not provided we will work with the EDD auditors to transfer the tax payments to Defendant's EIN.
5. Defendant is responsible for reporting the SDI portion of the settlement payments on the class member's W-2. PSA will file these forms on Defendant's behalf for an additional fee and will issue an additional W-2 for each class member under Defendant's EIN, as SDI is reported under Defendant's EIN rather than the EIN of the QSF. The Power of Attorney (Form DE 48) will be needed in order for PSA to report SDI payments.