

JCL LAW FIRM, APC

Jean-Claude Lapuyade (State Bar #248676)
Sydney Castillo-Johnson (State Bar #343881)
Perssia Razma (State Bar #351398)
5440 Morehouse Drive, Suite 3600
San Diego, CA 92121
Telephone: (619)599-8292
Facsimile: (619) 599-8291
jlapuyade@jcl-lawfirm.com
scastillo@jcl-lawfirm.com
prazma@jcl-lawfirm.com

ZAKAY LAW GROUP, APLC

Shani O. Zakay (State Bar #277924)
5440 Morehouse Drive, Suite 3600
San Diego, CA 92121
Telephone: (619)255-9047
Facsimile: (858) 404-9203
shani@zakaylaw.com

Attorneys for Plaintiff BRAD KLEIN

SUPERIOR COURT OF THE STATE OF CALIFORNIA

IN AND FOR THE COUNTY OF RIVERSIDE

BRAD KLEIN, an individual, on behalf of
himself and on behalf of all persons similarly
situated,

Plaintiff,

v.

REDZONE SECURITY INC., a California
Corporation; and DOES 1-50, Inclusive;

Defendants.

Case No. CVRI2202841

**DECLARATION OF KENNETH L. CREAL,
CPA**

Date: April 29, 2024

Time: 8:30 a.m.

Judge: Hon. Harold W. Hopp

Dept.: 1

Reservation #: 804963484303

DECLARATION OF KENNETH L. CREAL, CPA

I, Kenneth L. Creal, CPA declare as follows:

1. I am a Certified Public Accountant, licensed in the State of California, engaged in the full-time practice of public accounting since 1975 and licensed continuously as a Certified Public Accountant in the State of California since 1978. In more than 400 cases, I have offered forensic accounting expert testimony or reports on many economic topics including more than 325 wage & hour class action damage models, numerous individual wage & hour claims, as well as other employment law and business disputes. In addition, over the last decade, I have been retained on more than 325 occasions to offer expert opinions as to various Defendants' affordability of proposed settlement amounts or to determine the maximum amount a Defendant could afford to pay in settling wage & hour class actions and/or PAGA claims, without causing the defendant to go out of business. Such cases have often considered settlement payments over extended periods. The wage & hour class actions for which I have been retained have been for employee groups working for many different commercial enterprises, hospitals, and numerous non-profit organizations. Additionally, for the last ten years, I have served as an expert for the general counsel's office of the California Labor Relations Board (ALRB).
2. I have a Bachelor of Science Degree from the University of California in business administration with a major in accounting. I was a senior auditor at a Big-Eight auditing firm prior to establishing my own practice as a CPA in 1978. In total, I have spent 49 years in public accounting as a preparer of thousands of financial statements and tax returns for business enterprises.
3. I was retained by Plaintiffs' Counsel in this matter (Klein v Redzone Security, Inc.) to review the financial documents provided to me regarding the defendant's business. The financial documents consist of the following:
 - i. Business tax returns for 2020, 2021, and 2022.
 - ii. Profit and loss statement presented through November, 2023.
4. The financial documents provided insight into areas of interest such as cash and investment balances, other assets, if any, debts, credit lines, and variability of assets, and debts over a

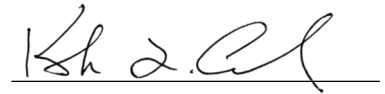
1 broad period of years. The documents provided insight as to revenues, expenses, and
2 profitability.

3 5. I satisfied myself that I had a clear understanding of the business financial documents. I
4 advised Plaintiffs' counsel that the defendant could afford a class wide settlement. I advised
5 Plaintiffs' counsel that in my opinion a settlement of \$200,000 is fair and reasonable based on
6 the facts and circumstances.

7 6. In summary, in my opinion, the settlement amount is fair and reasonable and will not destroy
8 the business.

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

11 Executed this 4th day of April, 2024 at Long Beach, California.

12 
13

14 KENNETH L. CREAL, CPA
15
16
17
18
19
20
21
22
23
24
25
26
27
28