FOR FINAL APPROVAL OF CLASS ACTION SETTLEMENT

DECLARATION OF KATHERINE J. ODENBREIT

I, KATHERINE J. ODENBREIT, declare as follows:

- 1. I am an attorney, duly admitted to practice law before the courts in the State of California. Unless otherwise specified, I have personal knowledge of the following facts, and if called as a witness, I could and would testify competently thereto, without intending to waive any attorney-client privilege.
- 2. I am lead counsel of record for Plaintiff ANITA TREJO (hereinafter "Plaintiff" or "Class Representative") in the matter of *Anita Trejo v. Lyneer Staffing Solutions, LLC, et al.*, filed in the Central District of California, case number 2:19-cv-04132DSF (JCx).
- 3. This declaration is submitted in support of Plaintiff's Motion for Final Approval of Class Action Settlement and Motion for Enhancement Payment, Attorney's Fees, and Reimbursement of Costs and Expenses, filed concurrently here within.

BACKGROUND

4. On March 27, 2019, Plaintiff, a former employee of Defendants, filed the Class Action in the Superior Court of California for the County of Los Angeles as a proposed class action on behalf of all current and former non-exempt California employees of Defendants, during the period of March 27, 2019, through the date of final judgment. Plaintiff alleged that Defendants (1) failed to pay all wages, including minimum wages and overtime wages; (2) failed to provide accurate itemized wage statements; (3) failed to pay wages upon termination of employment; and (4) engaged in unfair business practices. Plaintiff sought recovery under the California Labor Code, the applicable Industrial Welfare Commission Wage Order, and the California Business & Professions Code. On May 13, 2019 Defendant Yusen Logistics (Americas), Inc. filed a notice of removal, removing the lawsuit titled *Anita Trejo v. Lyneer Staffing Solutions, LLC, Ciera Staffing, LLC, Employers HR, LLC, and Yusen Logistics (Americas), Inc.* Case No. 19STCV10411 to the United States District Court

for the Central District of California pursuant to 1332(d), 1367(a), 1441(a), 1441(b), 1446, and 1453. On May 30, 2020 Plaintiff filed the PAGA Action in the Superior Court of California for the County of Los Angeles Private Attorney's General Act ("PAGA"). Defendants deny all of the allegations in the complaint and the theories of liability upon which this case was asserted. Defendants asserted affirmative defenses to each of the causes of action asserted therein.

INVESTIGATION AND EXCHANGE OF INFORMATION

- 5. Over the course of the litigation, I and others from my office conducted extensive investigation into the claims asserted in this case. That investigation included the review, analysis and sampling of numerous records, including records of 2,063 class members, and other documents, and research and evaluation of claims and defenses. Plaintiff secured information and documentation concerning the claims set forth in the litigation, such as Defendants' policies and procedures regarding the payment of wages, meal and rest breaks, as well as information regarding the number of putative class members and the mix of current versus former employees, Defendants' written policies and handbook, the wage rates in effect, and length of employment for the average putative class member. In turn, Plaintiff retained her own expert to review and analyze these records to further Plaintiff's evaluation of the Plaintiff's class and PAGA claims and evaluation of settlement value.
- 6. In addition, class counsel has conducted an investigation of the law and facts relating to the claims asserted in the litigation and has concluded, taking into account the sharply contested issues involved, the expense and time necessary to pursue the litigation through trial and any appeals, the risks and costs of further prosecution of the litigation, the risk of an adverse outcome, the uncertainties of complex litigation, and the substantial benefits to be received by the Plaintiff and the members of the class pursuant to this Settlement, that a settlement with Defendants, terms and conditions set forth herein is fair, reasonable, adequate, and in the best interests of the Class Members.

- 7. Defendants' counsel and Plaintiff's counsel have worked cooperatively regarding document and data productions sufficient for both sides to fully evaluate this case. The information provided by Defendants and class counsel's independent investigation of the facts has allowed class counsel to fully assess the strengths and weaknesses of Plaintiff's class claims against Defendants.
- 8. Class counsel is experienced in class action wage-and-hour litigation and has significant knowledge of the relevant operations of Defendants, given the disclosures made by Defendants throughout the course of the case. The experience of Class counsel is detailed in Plaintiff's Further Statement Re: Adequacy of Plaintiff's Counsel Pursuant to Court Order filed January 27, 2020 (DKT. No. 35). Plaintiff's Counsel's experience is further detailed in the Declaration of Katherine J. Odenbreit in Support of the Joint Motion for Preliminary Approval. DKT. No. 53, ¶ 29, Exhibits E and F.
- 9. Plaintiff and Plaintiff's counsel believe the case is suitable for class certification in that there were company-wide policies that affected all of Defendants' non-exempt hourly employees which could be established using representative testimony and declarations from class members, as well as the policies and procedures reflected in the documents produced by Defendants during discovery. However, while Plaintiff contends this is a suitable case for certification, Plaintiff realizes that there is always a significant risk associated with class certification proceedings.
- 10. Defendants, in their responsive pleadings, asserted a multitude of affirmative defenses, each of which is still claimed as a valid defense by Defendants. In addition to disputing the merits of Plaintiff's claims, Defendants would strongly challenge any request for class certification. Proceeding with this litigation poses various risks, including possible decertification, the uncertainty of proceeding on a class basis through trial, the risk of establishing class-wide damages, overcoming Defendants' defenses and the always present possibility of appeals and Plaintiff's Counsel adjusted the value of each claim accordingly.

- 1 **SETTLEMENT** On August 26, 2020, the Parties engaged in private mediation with 2 11. mediator Steve Serratore, a mediator highly-experienced in the type of wage and hour 3 allegations brought in this matter by Plaintiff. While the case did not settle at 4 mediation on August 26, 2020, the Parties continued with good faith arm-length 5 settlement negotiations through Mr. Serratore and ultimately the Parties reached an 6 agreement and memorialized the agreement in a Joint Stipulation of Class Action 7 Settlement and Release ("Settlement Agreement" or "Agreement") that was fully 8 9 executed on April 22, 2021. Following the Court's June 1, 2021, Order to correct the references to exhibits delineated in the Amended Proposed Order and address the 10 amount of time class members have to object to any award of fees and costs, the 11 Parties entered into a subsequent Joint Stipulation of Class Action Settlement and 12 Release with the Addendum and Amended Class Notice amended pursuant to the 13 Court's order. At all times, the negotiations leading to the Settlement Agreement have 14 been adversarial, non-collusive, and at arm's length. 15 Plaintiff now submits the settlement to this Court for final approval. A 12. 16 17 hereto as Exhibit "A." 18 19
 - true and correct copy of the Parties' Settlement Agreement and Addendum is attached
 - 13. Key provisions of the Settlement include the following:

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- Defendants stipulate to certification of the class for purposes of settlement only;
- The Gross Settlement Amount ("GSA") has increased to six hundred twenty-six thousand seven hundred five dollars and forty-five cents (\$626,705.45) to account for the increase in class size and work weeks worked by Class Members from the time of mediation to preliminary approval of the Settlement. Pursuant to Settlement Agreement Defendants will pay an additional \$146,705.45 to the GSA making the total to be paid \$626,705.45. (Exhibit A, ¶1.20.) Defendants were not

required to pay more than the GSA as long as the work weeks did not increase more than 10%. If the class increased, the GSA shall increase proportionately. Wherein the number of work weeks did increase from nineteen thousand nine hundred forty-two (19,942) to twenty-six thousand thirty-seven (26,037) or 30.6%, the GSA increased proportionately;

- Defendants will not oppose Class Counsel's request for fees of up to one-third of the GSA or two hundred eight thousand nine hundred one dollars and eighty-two cents (\$208,901.82). Class Counsel originally estimated the litigation costs to be sixteen thousand dollars (\$16,000.00). Attorneys' actual costs in the amount of thirteen thousand three hundred ninety-nine dollars and ninety-one cents (\$13,399.91) are requested by Class Counsel to be paid from the GSA. The remaining amount of two thousand six hundred dollars and nine cents (\$2,600.09) will become part of the Net Settlement Fund for distribution to Settlement Class Members;
- An Enhancement Award in the amount of seven thousand five hundred dollars (\$7,500.00), if approved by the Court, will be paid to Named Plaintiff, Anita Trejo, to be paid out of the GSA;
- A PAGA payment of twenty thousand dollars (\$20,000.00) in PAGA penalties, 75% (or \$15,000) to the LWDA and 25% (or \$5,000), if approved by the Court, will be distributed among PAGA Members;
- Phoenix Settlement Administrators to be awarded full costs of administration at the termination of its duties as the class administrator in the amount of fifteen thousand dollars (\$15,000.00), if approved by the Court, for Settlement Administrator Cost to Phoenix Class Action Solutions.
- By no later than fifteen (15) calendar days after the Final Approval Date, Defendants shall provide the Settlement Administrator the GSA. Within

fifteen (15) calendar days after the GSA is fully funded, the Settlement Administrator shall pay all payments due under the Settlement, including all Individual Settlement Payments, Individual PAGA Payments, the Attorney Fee Award, the Cost Award, the Class Representative Enhancement Award, the LWDA PAGA Allocation payment, and the Administration costs in the amounts mentioned above;

• Class Members will automatically be paid their share if they did not opt out of the Settlement, no claim form is required.

THE SETTLEMENT IS FAIR, JUST, AND REASONABLE

- 14. This Settlement is fair and reasonable because it provides substantial and immediate benefits to the class members. The Settlement is jointly presented as the product of extensive arms' length negotiations by experienced counsel on both sides after mutual discovery and recognition of the strengths and weaknesses of each other's positions. In calculating the appropriate settlement amount, the parties had sufficient information, including number of putative class members and the mix of current versus former employees, the number of work weeks worked by Class Members, the wage rates in effect, and length of employment for the average putative class member, and had conducted an adequate investigation to allow them to make an educated and informed analysis and conclusion.
- 15. As stated in the Declaration of Katherine J. Odenbreit in support of the Motion for Preliminary Approval (DKT. No. 53, ¶¶ 6-25), it is estimated that the reasonable value for all claims is approximately two million one hundred eighty-two thousand nine hundred twenty-four dollars and fifty-one cent (\$2,182,924.51). Given the increase in class size and workweeks, the adjusted estimated reasonable value would be approximately \$2,706,826.39. The Gross Settlement Amount of six hundred twenty-six thousand seven hundred five dollars and forty-five cents (\$626,705.45) still represents approximately 22% of the reasonable value of the case which was found by the Court at preliminary approval to be a fair and reasonable recovery. (DKT. 53

Odenbreit Dec., ¶23.) The Parties contemplated a potential increase in Class Members and to account for the potential increase and ensure this settlement was reasonable the Parties agreed to an Escalator Clause in the Settlement Agreement (Ex. A, ¶1.20) wherein the Gross Settlement Amount ("GSA") has increased to six hundred twenty-six thousand seven hundred five dollars and forty-five cents (\$626,705.45) to account for the increase in class size. Wherein the class size did increase from two thousand sixty-one (2,061) to two thousand five hundred sixty-one (2,561) Class Members. Wherein the number of work weeks did increase from nineteen thousand nine hundred forty-two (19,942) to twenty-six thousand thirty-seven (26,037). Accordingly, based on the contemplated increase in class size and or work weeks and the corresponding increase in the GSA, Class Counsel maintains that this settlement is fair, adequate, and reasonable.

CONTRIBUTION OF PLAINTIFF AND REASONABLENESS OF ENHANCEMENT AWARD

16. Defendants have agreed it will not oppose a request for a Class Representative Enhancement Award in an amount of seven thousand five hundred dollars (\$7,500.00) for Plaintiff Anita Trejo. Compared to the amount available to Class Members, the enhancement award is not unreasonably high. Taking the risk of filing a lawsuit against an employer deserves recognition, especially in light of the favorable settlement achieved by Plaintiff. Plaintiff was instrumental in this litigation by assisting counsel in understanding the realities of Defendants' workplace, policies at issue, identification of witnesses and in understanding and reviewing documents. Additionally, Plaintiff was actively involved in the litigation and settlement negotiations in this Action, expending considerable effort in advancing the interests of the Class.

CLASS CERTIFICATION

17. The class is ascertainable by objective criteria. The Settlement Class Members (or "Settlement Class") are identified by their classification as non-exempt,

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hourly workers of Defendants. Settlement Class Members are all non-exempt, hourly workers who were assigned by Lyneer Staffing Solutions, LLC, Ciera Staffing, LLC, and Employers HR, LLC to perform work for Yusen Logistics (America), Inc. in California at any time from July 1, 2017 through and including August 25, 2019.

- 18. Class is sufficiently numerous. Based on Defendants' representations, there are two thousand five hundred sixty-one (2,561) total Class Members. Class Counsel believes Defendants' data is reliable as it was taken from employers' payroll records.
- Plaintiff's claims are typical of the Class. Plaintiff was hired as a non-19. exempt hourly worker by Defendants during the Class Period. Like other Class Members, Plaintiff worked for Defendants in California and was subject to the same policies and practices concerning time keeping, meal breaks, rest breaks, payment of wages, and derivative wage and hour claims as the Class Members. Plaintiff asserts that she and other Settlement Class Members share the same claims stemming from Defendants' aforementioned alleged violations of the Labor Code and the wage order. No unique defenses applicable to Plaintiff have been identified that do not also exist as to other Settlement Class Members.
- 20. Common issues exist and predominate. Here, a limited set of employment practices are at issue including: (1) whether Defendants engaged in a common course of failing to provide and/or compensate employees for all hours worked at the appropriate rate, 2) provided all required meal and rest periods or compensation in lieu thereof; and (3) whether these alleged violations resulted in ancillary violations of Lab. Code, sections 203, and 226, as well whether they justify penalties under PAGA and support the basis for relief under the UCL. The factual and legal issues are the same for all the identified Class Members including Plaintiff.
- 21. Common questions also predominate. This case concerns the legality of Defendants' practices with regard to time keeping, payment of wages, including minimum and overtime wages, meal and rest periods, wage calculations, inaccurate

- 22. Plaintiff has demonstrated, through her participation in this action for over two years, her willingness to serve as representative for the Class. Plaintiff has no known conflicts of interest with Class Members and has agreed to place the Class's interests above her own. Plaintiff's efforts throughout this litigation also demonstrate her adequacy to represent the Class.
- 23. By consolidating two thousand five hundred sixty-one (2,561) potential individual actions into one proceeding, this Court's use of the class action device enables it to manage this litigation in a manner that serves the economics of time, effort and expense for the litigants and the judicial system. Absent class treatment, similarly situated employees with small but potentially meritorious claims for damages would, as a practical matter, have no means of redress because of the time, effort and expense required to prosecute individual actions. Moreover, in the context of settlement, superiority concerns are almost non-existent because case management is controlled and a methodology for trial is not needed.

THIRD PARTY ADMINISTRATOR COSTS

24. The Parties have agreed to pay reasonable expenses for administration. The "Settlement Administrator" is Phoenix Settlement Administrators. The Settlement Administrator shall be responsible for administering the Settlement pursuant to the terms of the Agreement, the Notice Packet, the preliminary approval order, and the final judgment. The Settlement Administrator shall agree to the confidentiality terms as may be required by Defendants regarding personnel and payroll data provided to the Settlement Administrator. The Settlement Administration Costs in the amount of fifteen thousand dollars (\$15,000.00) shall be paid out of the GSA. The Declaration from the Settlement Administrator's representative is contemporaneously filed herewith (Declaration of Taylor Mitzner on Behalf of

1 | Settlement Administrator ("Mitzner Decl.") detailing the Settlement Administrator's 2 | costs/invoice.

PAGA COMPLIANCE

- 25. Plaintiff's action seeks penalties pursuant to PAGA. The Settlement allocates PAGA civil penalties. Per Labor Code section 2699, subdivision (i), seventy-five percent (75%) of such penalties, or fifteen thousand dollars (\$15,000.00) will be payable to the Labor & Workforce Development Agency ("LWDA"), and the remaining twenty-five percent (25%), or five thousand dollars (\$5,000.00), will be divided equally among Class Members that worked from May 30, 2018 through and including August 25, 2019.
- 26. On April 22, 2021, class counsel provided a copy of the Settlement Agreement to the LWDA by submitting a copy via the LWDA's online platform. A true and correct copy of the confirmation of submissions to the LWDA is attached hereto as Exhibit B.

ATTORNEYS' FEES AND COSTS

- 27. Defendants will not oppose Class Counsel's request for fees of up to one-third of the GSA or two hundred eight thousand nine hundred one dollars and eighty-two cents (\$208,901.82), and application for costs that are thirteen thousand three hundred ninety-nine dollars and ninety-one cents (\$13,399.91). Mahoney Law Group, APC has expended 308.33 hours on this matter for a lodestar of one hundred sixty-seven thousand six hundred sixty-one dollars and fifty cents (\$167,661.50).
- 28. Mahoney Law Group, APC has extensively litigated wage and hour class action lawsuits in federal and state court. My rate of seven hundred fifty dollars (\$750.00) per hour has been approved in similar type lawsuits in state court. Associate attorneys of Mahoney Law Group, APC with less than 5 years of experience have been approved in similar type lawsuits in state court at a rate of four hundred fifty dollars (\$450.00) per hour. It is anticipated that an additional 7 to 8 hours of work will be required to finalize this matter including time spent attending the final approval

hearing, following up with the Settlement Administrator to facilitate the settlement payments and responding to class member inquiries.

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- 29. Mahoney Law Group, APC typically works on a contingency basis, only recovering fees if successful in the action. This is the agreement Mahoney Law Group, APC has with Plaintiff in this matter, providing for a contingency fee of 33.33%-40%. Class Counsel submits the following hours reflecting work performed on this matter by attorneys and paralegals at Mahoney Law Group, APC. Each attorney and paralegal at Mahoney Law Group, APC maintains contemporaneous hours of time worked and does not engage in block billing. Class Counsel in this case have spent over 308.33 hours working on this matter for a total lodestar of one hundred sixty-seven thousand six hundred sixty-one dollars and fifty cents (\$167,661.50), which does not include the anticipated 7 to 8 more hours to attend the hearing and subsequent work with the Administrator and/or class members. Attached hereto as Exhibit "C" is a true and correct copy of a printout of time spent litigating for Anita Trejo v. Lyneer Staffing, LLC, et al., Case No. 2:19-cv-4132-DSF (JCx). Attached hereto as Exhibit "D" is a true and correct copy of a printout of time spent litigating the separately filed PAGA action that is being resolved in this action, Anita Trejo v. Lyneer Staffing, LLC, et al., Case No. 19STCV18725.
- 30. Also, California courts have regularly approved attorneys' fees equaling one-third of the common fund or higher: *Chavez v. Netflix, Inc.*, 162 Cal.App.4th 43, 66, n.11 (2008) (numerous studies have shown that "fee awards in class actions average around one-third of the recovery"); *Weber v. Einstein Noah Restaurant Group, Inc.*, No. 37-2008-00077680 (San Diego Super. Ct.) (40% award); *Chalmers v. Elecs. Boutique*, No. BC306571 (L.A. Super. Ct.) (33% award); *Boncore v. Four Points Hotel ITT Sheraton*, No. GIC807456 (San Diego Super. Ct.) (33% award); *Vivens, et al. v. Wackenhut Corp.*, No. BC290071 (L.A. Super. Ct.) (31% award); *Crandall v. U-Haul Intl., Inc.*, Case No. BC178775 (L.A. Super. Ct.) (40% award); *Albrecht v. Rite Aid Corp.*, No. 729219 (San Diego Super. Ct.) (35% award);

Marroquin v. Bed Bath & Beyond, No. RG04145918 (Alameda Super. Ct.) (33% award); In re Milk Antitrust Litig., No. BC070061 (L.A. Super. Ct.) (33% award).

- 31. Mahoney Law Group, APC has incurred costs in this litigation of thirteen thousand three hundred ninety-nine dollars and ninety-one cents (\$13,399.91). The remaining amount from the anticipated sixteen thousand dollars (\$16,000.00) for costs will become part of the Net Settlement Fund for distribution to Settlement Class Members. Attached hereto as Exhibit "E" is a true and correct list of the costs spent litigating *Anita Trejo v. Lyneer Staffing, LLC, et al.*, Case No. 2:19-cv-4132-DSF (JCx). Attached hereto as Exhibit "F" is a true and correct list of the costs spent litigating the separately filed PAGA action *Anita Trejo v. Lyneer Staffing, LLC, et al.*, Case No. 19STCV18725. Plaintiff's PAGA action was dismissed without prejudice and added as a cause of action to this action.
- 32. As Mahoney Law Group, APC has been doing throughout this case, we will continue to fulfill our responsibility to the Plaintiff and the Proposed Classes in this matter. We will continue to zealously prosecute this case.
- 33. I declare under penalty of perjury under the laws of the United States of American and State of California that the foregoing is true and correct.

Executed this 4th day of March 2022 at Long Beach, California.

By: /s/Katherine J. Odenbreit Katherine J. Odenbreit, Esq.