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11 Attorneys for Plaintiffs and Petitioners

12
13 SUPERIOR COURT OF THE STATE OF CALIFORNIA
14 FOR THE COUNTY OF SACRAMENTO
15 GORDON D. SCHABER COURTHOUSE

16 LUCKY CHANCES, INC.; V C CARDROOM,
INC.; HALCYON GAMING, LLC; PACIFIC
17 GAMING SERVICES, LLC; BJ GAMING,
LLC; FORTUNE PLAYERS GROUP, INC.;
18 GOLD GAMING CONSULTANTS, INC.;
CERTIFIED PLAYERS, INC.; LE GAMING,
19 INC.; and RHINO GAMING INC., on their
own behalf and on behalf of those similarly
20 situated,

21 Plaintiffs and Petitioners,

22 vs.

23 THE STATE OF CALIFORNIA;
CALIFORNIA GAMBLING CONTROL
24 COMMISSION; BUREAU OF GAMBLING
CONTROL, A DIVISION OF THE
25 CALIFORNIA DEPARTMENT OF JUSTICE;
FIONA MA, in her official capacity as the State
26 Treasurer; and DOES 1 through 20, Inclusive,

27 Defendants and Respondents.
28

ELECTRONICALLY FILED
Superior Court of California
County of Sacramento
08/11/2025
By: R. Lopez Deputy

Case No. 34-2020-80003510-CU-WM-GDS

Judge: Lauri A. Damrell

**DECLARATION OF MICHAEL
MALAKOUTI IN SUPPORT OF
PLAINTIFFS' AMENDED MOTION FOR
PRELIMINARY APPROVAL OF CLASS
ACTION SETTLEMENT**

RESERVATION NO. A-80003510-001

DATE: September 5, 2025

TIME: 9:00 a.m.

DEPT: 22

[Filed Concurrently With Notice of Motion and
Motion; Memorandum of Points and Authorities;
Declarations and Exhibits; [Proposed] Order]

Action Filed: 5/12/2020

Trial Date: TBD

DECLARATION OF MICHAEL MALAKOUTI

I, Michael Malakouti, declare as follows:

1. I am an attorney at the law firm of Rutan & Tucker, LLP, counsel of record for Plaintiffs Lucky Chances, Inc., V C Cardroom Inc., Halcyon Gaming, LLC, Pacific Gaming Services, LLC, BJ Gaming, LLC, Fortune Players Group, Inc., Gold Gaming Consultants, Inc., Certified Players, Inc., L.E. Gaming, Inc., and Rhino Gaming Inc. (“Plaintiffs”) in this action. I am a member in good standing of the State Bar of California. I make this Declaration in support of Plaintiff’s Amended Motion for Preliminary Approval of Class Action Settlement. I have personal knowledge of the facts set forth in this Declaration and, if called as a witness, could and would testify competently to such facts under oath.

2. In or about July 2024, I am informed and believe that my office conducted preliminary research concerning potential settlement administrators in connection with this action. Based on that research, it was determined that Kroll Settlement Administration (“Kroll”), JND Legal Administration (“JND”), and Epiq Global (“Epiq”) would be sufficiently qualified potential settlement administrators.

3. In early August 2024, I submitted written requests for proposals to each of Kroll, JND, and Epiq concerning administration of the parties’ contemplated settlement.

4. On or about August 6, 2024, I discussed separately via telephone / remote video conference with each of Kroll, JND, and Epiq the general terms and scope of the potential engagement, including issues relating to approximate class composition, notice requirements and procedures, claims and dispute processes, and payment disbursements.

5. At the conclusion of these meetings, I requested each of Kroll, JND, and Epiq provide a cost estimate for their respective services based on the information that was able to be shared during these conversations and, subsequently, Epiq provided a cost estimate on August 15, 2024, and JND provided a cost estimate on August 16, 2024. Kroll did not provide a cost estimate.

6. JND and Epiq’s initial cost estimates were similar, with Epiq’s estimate being slightly less.

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EXHIBIT 17



Lucky Chances Settlement

Project Requirements and Estimated Volumes

Total Notice Population	300
Email Notice Population	300
Percentage of Undeliverable email	15%
Mail Notice Population	300
Percentage of Undeliverable mail	15%
Toll-Free Phone with IVR	Yes
Contact Center Agent Support	No
Settlement Website	Yes
Claim Response Percentage	75%
Estimated Claims Received	225
Digital Payment Percentage	0%
Case Duration (Months)	12
Mailing Packet Content	12-image Notice & Claim Packet
Mailing Packet Format	Inserted into a Windowed Envelope

Summary Estimate

	Total Amount
Data Standardization and Class Notice	\$ 13,050
Project Management and Reporting	\$ 24,190
Settlement Website	\$ 4,400
Toll-Free Contact Center	\$ 4,715
Claims Processing and Claimant Support	\$ 5,233
Distribution and Fund Management	\$ 4,968
Postage and Expenses	\$ 6,598
Total Estimate	<u>\$ 63,154</u>



Detailed Estimate

Lucky Chances Settlement

Activity	Unit	Rate	Volume	Amount
Data Standardization and Class Notice				
Supplemental Media Program	See Attached			\$ 5,000
Import and Standardize Data*	Per File	\$ 750	1	\$ 750
Data Analyst	Per Hour	\$ 155	20	\$ 3,100
Email Notice (includes setup, delivery and undeliverable processing)	Flat Fee	\$ 450	1	\$ 450
Mailing Notice (includes setup, NCOA, printing, undeliverable processing, address research and remails)	Flat Fee	\$ 2,500	1	\$ 2,500
*Data provided must meet Epiq data standards. Epiq can standardize data at additional cost of \$165/hr.				\$ 13,050
Project Management				
Project Manager	Per Hour	\$ 165	67	\$ 11,055
Project Coordinator	Per Hour	\$ 100	80	\$ 8,000
Data Analyst and Reporting	Per Hour	\$ 155	17	\$ 2,635
				\$ 24,190
Website and Reporting				
Static Website Deployment and Testing	Per Language	\$ 2,000	1	\$ 2,000
Website Hosting	Per Month	\$ 200	12	\$ 2,400
				\$ 4,400
Toll-Free Contact Center - IVR Only				
IVR Configuration and Recording	Per Language	\$ 2,000	1	\$ 2,000
IVR Maintenance Fee	Per Month	\$ 225	12	\$ 2,700
IVR Minutes of Use	Per Minute	\$ 0.25	60	\$ 15
Message Recording Fee (IVR Script Change)	Per Hour	\$ 125	-	\$ -
				\$ 4,715
Claims Processing and Claimant Support				
Complex Claim - Intake and OCR	Per Claim	\$ 3.50	225	\$ 788
Scanning and Image Storage	Per Image	\$ 0.12	675	\$ 81
Claims Review	Per Hour	\$ 65	38	\$ 2,438
Quality Assurance	Per Hour	\$ 80	2	\$ 150
Claimant Notification Letters (Payment Appeal)	Per Letter	\$ 0.75	23	\$ 17
Claimant Correspondence Review and Response (including review of payment appeals)	Per Hour	\$ 65	24	\$ 1,560
Opt Out and Objection Reporting	Per Document	\$ 10	20	\$ 200
				\$ 5,233



Lucky Chances Settlement

Activity	Unit	Rate	Volume	Amount
Distribution and Fund Management				
Escrow Management	Per Year	\$ 3,500	1	As incurred
Programming Distribution Calculation	Per Hour	\$ 155	8	\$ 1,240
Payment Run Coordination (w/2 Reissue Runs)	Per Hour	\$ 65	30	\$ 1,950
Account Management and Reconciliation	Per Hour	\$ 80	18	\$ 1,440
Print 1-image Paper Check with Stub	Per Check	\$ 0.50	225	\$ 113
TIN Matching - IRS Verification of SSNs	Per TIN	\$ 0.50	225	\$ 113
Print Form 1099-MISC	Per Form	\$ 0.50	225	\$ 113
				\$ 4,968

Total Estimated Administration Fee \$ 56,555

Postage and Expenses

Post Office Box - Dedicated	Per 6 Months	\$ 800	2	Waived
Postage* - Notice/Letter/1099s	Blended Total			\$ 378
Postage* - USPS Priority Flat Rate Envelope with Signature Requirement	Per Piece	\$ 17.85	225	\$ 4,016
Photocopies, Delivery and Box Storage	As Used			\$ 204
Translation	As Used			\$ -
Bank Fees - Account	Per Month	\$ 250	6	Waived
Settlement Fund (QSF) Income Tax Return	Per Year	\$ 2,000	1	\$ 2,000
				\$ 6,598

Total Estimated Costs \$ 6,598

Total Estimate \$ 63,154

Estimate does not include sales tax where applicable.



Lucky Chances Settlement

Standard Rates

Clerical and Data Entry	\$	50.00
Contact Center (Dedicated)	\$	55.00
Contact Center (Shared Per Minute)	\$	1.15
Claims Analyst/Check & Mailing Coordinators	\$	65.00
Correspondence	\$	65.00
Claims Specialist/Account Reconciliation	\$	85.00
Project Coordinator	\$	110.00
Project Specialist/Contract Attorney	\$	125.00
Data Analyst and Reporting/Legal Notice Specialist	\$	165.00
Disbursement/Contact Center Manager	\$	175.00
Project Manager	\$	175.00
Sr. Project Manager/Software Engineer	\$	195.00
Notice Manager	\$	200.00
Project Director/Solutions Architect	\$	250.00
Client Services Managers/Notice Director	\$	275.00
Vice President/Sr. Solutions Architect	\$	325.00
Executive Management and Testimony	\$	450.00
Photocopy or Image	\$	0.12
Box Storage (Per Box/Per Month)	\$	10.00
Long Distance, Per Minute		As Used

Estimate Valid Until: 3/17/2025

Lucky Chances, Inc., et al. v. The State of California, et al.

Notice Plan Proposal

Proprietary and Confidential

May 19, 2025



Print (Newspaper)	Insertions	Distribution	Ad Size	Cost
<i>Los Angeles Times</i>	14 Consecutive Issues	Los Angeles, CA	2 col x 3.25"	\$18,896
<i>Sacramento Bee</i>	14 Consecutive Issues	Sacramento, CA	2 col x 4"	\$11,345
Plan Total:^				\$30,241

^Expert and professional time to be billed separately.

Quote valid for 60 days from issue date. All advertising is subject to publisher's approval and availability at the time of the buy.

1 **PROOF OF SERVICE**

2 **STATE OF CALIFORNIA, COUNTY OF ORANGE**

3 I am employed by the law office of Rutan & Tucker, LLP in the County of Orange, State
4 of California. I am over the age of 18 and not a party to the within action. My business address is
18575 Jamboree Road, 9th Flr., Irvine, CA 92612. My electronic notification address is
5 dcorwin@rutan.com.

6 On August 11, 2025, I served on the interested parties in said action the within:

7 **PLAINTIFFS' NOTICE OF AMENDED MOTION AND AMENDED MOTION**
8 **FOR PRELIMINARY APPROVAL OF CLASS ACTION SETTLEMENT;**
9 **MEMORANDUM OF POINTS AND AUTHORITIES**

10 **DECLARATION OF LUCAS K. HORI IN SUPPORT OF PLAINTIFFS'**
11 **AMENDED MOTION FOR PRELIMINARY APPROVAL OF CLASS ACTION**
12 **SETTLEMENT**

13 **DECLARATION OF JARHETT BLONIEN IN SUPPORT OF PLAINTIFFS'**
14 **AMENDED MOTION FOR PRELIMINARY APPROVAL**

15 **DECLARATION OF MICHAEL MALAKOUTI IN SUPPORT OF PLAINTIFFS'**
16 **AMENDED MOTION FOR PRELIMINARY APPROVAL**

17 **DECLARATION OF ROMMEL MEDINA IN SUPPORT OF PLAINTIFFS'**
18 **AMENDED MOTION FOR PRELIMINARY APPROVAL OF CLASS ACTION**
19 **SETTLEMENT**

20 **DECLARATION OF TRICIA CASTELLANOS IN SUPPORT OF PLAINTIFFS'**
21 **AMENDED MOTION FOR PRELIMINARY APPROVAL OF CLASS ACTION**
22 **SETTLEMENT**

23 **DECLARATION OF CAMERON AZARI IN SUPPORT OF PLAINTIFFS'**
24 **AMENDED MOTION FOR PRELIMINARY APPROVAL**

25 **[PROPOSED] ORDER GRANTING AMENDED MOTION FOR PRELIMINARY**
26 **APPROVAL OF CLASS ACTION SETTLEMENT**

27 as stated below:

28 Daniel Robertson, Esq.
Michael Sapoznikow, Esq.
Rob Bonta, Esq.
Jennifer Henderson, Esq.
Office of the Attorney General
1300 I Street, Suite 125
P.O. Box 944255
Sacramento, CA 94244-2550

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1 Email: Daniel.Robertson@doj.ca.gov;
2 Michael.Sapoznikow@doj.ca.gov; Rob.Bonta@doj.ca.gov;
3 Jennifer.Henderson@doj.ca.gov

4 Jarhett P. Blonien
5 Danielle M. Guard
6 J. BLONIEN, APLC
7 1121 L Street Suite 105
8 Sacramento, CA 95814-3970

9 Phone: 916-441-4242

10 Email: jarhett@jblonien.com; dguard@jblonien.com

11 (BY MAIL) by placing a true copy thereof in sealed envelope(s) addressed as shown
12 above.

13 In the course of my employment with Rutan & Tucker, LLP, I have, through first-hand
14 personal observation, become readily familiar with Rutan & Tucker, LLP's practice of collection
15 and processing correspondence for mailing with the United States Postal Service. Under that
16 practice, I deposited such envelope(s) in an out-box for collection by other personnel of Rutan &
17 Tucker, LLP, and for ultimate posting and placement with the U.S. Postal Service on that same
18 day in the ordinary course of business. If the customary business practices of Rutan & Tucker,
19 LLP with regard to collection and processing of correspondence and mailing were followed, and I
20 am confident that they were, such envelope(s) were posted and placed in the United States mail at
21 Costa Mesa, California, that same date. I am aware that on motion of party served, service is
22 presumed invalid if postal cancellation date or postage meter date is more than one day after date
23 of deposit for mailing in affidavit.

24 (BY FEDEX) by depositing in a box or other facility regularly maintained by FedEx, an
25 express service carrier, or delivering to a courier or driver authorized by said express
26 service carrier to receive documents, a true copy of the foregoing document in sealed
27 envelopes or packages designated by the express service carrier, addressed as shown
28 above, with fees for overnight delivery provided for or paid.

(BY E-MAIL VIA ONE LEGAL) by transmitting a true copy of the foregoing
document(s) to the e-mail addresses set forth above.

Executed on August 11, 2025, at Costa Mesa, California.

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

Debbie Corwin
(Type or print name)

/s/ Debbie Corwin
(Signature)