

James R. Hawkins (SBN 192925)
James@Jameshawkinsaplc.com
Christina M. Lucio (SBN 253677)
Christina@Jameshawkinsaplc.com
JAMES HAWKINS APLC
9880 Research Drive, Suite 200
Irvine, California 92618
Telephone: (949) 387-7200
Facsimile: (949) 387-6676

Attorneys for Plaintiff PEDRO AYALA and EMI BRUEMMER,
on behalf of themselves and in their representative
capacity as private attorneys general

SUPERIOR COURT FOR THE STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

PEDRO AYALA and EMI BRUEMMER, on
behalf of themselves and in their representative
capacity as private attorneys general,

Plaintiffs,

v.

MACY'S WEST STORES, INC., an Ohio
Corporation, DOING BUSINESS AS
MACY'S, and DOES 1-50, inclusive,

Defendants.

Case No. 20STCV34182

Assigned For All Purposes to:
Hon. Elihu M. Berle

**DECLARATION OF JAMES R. HAWKINS
IN SUPPORT OF MOTION FOR
APPROVAL OF PAGA SETTLEMENT**

Date: August 22, 2024
Time: 8:30 a.m.
Dept: 6

Complaint Filed: September 3, 2020
FAC Filed: February 11, 2021
SAC Filed: June 14, 2021
Trial: Not Set

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1. I am an attorney licensed to practice before all courts in the State of California. I am the attorney and principal of James Hawkins APLC, counsel for Plaintiffs Pedro Ayala and Emi Bruemmer in the above-captioned action. Unless indicated otherwise, I have personal knowledge of the following facts. This declaration and, if called as a witness, I could and would testify to these facts under oath in

3. The Parties request that the Court approve the terms of the PAGA Settlement Agreement (the "Settlement Agreement"), attached hereto as **Exhibit 1**.

4. On June 29, 2020 Plaintiff Ayala filed his class complaint against Defendant in Los Angeles County Superior Court, Case No. 20STCV24778, alleging (1) failure to pay all wages owed; (2) failure to pay overtime; (3) failure to provide lawful meal periods; (4) failure to authorize and permit rest periods; (5) failure to timely pay wages due and payable during employment; (6) failure to timely pay wages owed upon separation from employment; (7) failure to furnish accurate itemized wage statements; (8) failure to reimburse necessary expenses; and (9) violation of the unfair competition law.¹ On July 2, 2020, Plaintiff Ayala submitted notice to the LWDA of his intent to seek civil penalties against Defendant under PAGA. Attached hereto as **Exhibit 2** is a true and correct copy of Plaintiff Ayala's PAGA Complaint submitted to the LWDA.

**DECLARATION OF JAMES R. HAWKINS IN SUPPORT OF PLAINTIFFS' MOTION FOR APPROVAL OF
PAGA SETTLEMENT AGREEMENT**

1 pay compensation for meal periods that were not lawfully provided; (5) failure to authorize and permit
2 rest periods; (6) failure to pay compensation for rest periods that were not lawfully authorized and
3 permitted; (7) failure to timely pay all owed wages during employment; (8) failure to timely pay wages
4 owed upon separation from employment; (9) failure to furnish accurate, itemized wage statements; and
5 (10) failure to reimburse employees for necessary expenses.

6 6. On January 28, 2021 Plaintiff Bruemmer filed her class complaint against Defendant in
7 Marin County superior Court, Case No. CIV2100435, alleging (1) failure to pay minimum wages; (2)
8 failure to pay overtime; (3) failure to provide lawful meal periods; (4) failure to authorize and permit rest
9 periods; (5) failure to timely pay wages due and payable during employment; (6) failure to furnish
10 accurate itemized wage statements; (7) failure to reimburse necessary expenses; and (8) violation of the
11 unfair competition law.² On February 8, 2021, Plaintiff Bruemmer submitted notice to the LWDA of her
12 intent to seek civil penalties against Defendant pursuant to PAGA. Attached hereto as **Exhibit 3** is a true
13 and correct copy of Plaintiff Bruemmer's PAGA letter submitted to the LWDA.

14 7. On April 5, 2021, after the LWDA did not notify Plaintiff Bruemmer of their intent to
15 investigate, Plaintiff Bruemmer filed a PAGA representative complaint in the Superior Court of
16 California, County of Marin, Case No. CIV2101311, seeking penalties under the Private Attorneys'
17 General Act, Labor Code §§ 2698 et seq. based on Defendant's alleged: (1) failure to pay all wage owed
18 including minimum wages; (2) failure to accurately calculate and pay overtime wages; (3) failure to
19 provide meal periods; (4) failure to pay compensation for meal periods that were not lawfully provided;
20 (5) failure to authorize and permit rest periods; (6) failure to pay compensation for rest periods that were
21 not lawfully authorized and permitted; (7) failure to timely pay all owed wages during employment; (8)
22 failure to timely pay wages owed upon separation from employment; (9) failure to furnish accurate,
23 itemized wage statements; (10) failure to properly pay sick leave; and (11) failure to reimburse employees
24 for necessary expenses.

25 8. On June 14, 2021 Plaintiffs Pedro Ayala and Emi Bruemmer filed a Second Amended
26 PAGA Complaint (the "Action") consolidating the claims in both PAGA actions under Case No.

27
28 ² The class action was subsequently removed to federal court and dismissed without prejudice as a result
of an arbitration agreement between the Parties with a class action waiver.

20STCV34182 before the Superior Court of California, County of Los Angeles.

9. In lieu of further formal discovery and motion practice, the parties decided to pursue mediation in order to resolve Plaintiffs' PAGA claims. In preparation for mediation, Plaintiffs and counsel analyzed, researched, and investigated the potential issues, including matters related to calculating damages, trial, and appellate issues and risks. The Parties engaged in an extensive investigation and informal exchange of information in preparation for mediation that allowed both sides to calculate the potential damages and evaluate potential risks. This exchange included a significant sampling of time and payroll records, Defendant's policies, and Plaintiffs' personnel files. Plaintiffs analyzed the provided data with regard to alleged unpaid wages, meal period/rest break violations and other claims.

10. On December 22, 2023 the Parties attended a full-day mediation with Michael J. Loeb, an experienced wage and hour mediator. Though the parties were unable to reach a settlement during mediation, the Parties' subsequently accepted a mediator's proposal, and in the following months finalized and executed a long-form PAGA Settlement Agreement. (See Ex. 1.). This settlement only resolved PAGA Claims with regards to Plaintiff Bruemmer's PAGA action. Plaintiff Ayala's individual PAGA claims are subject to arbitration. The Parties have reach a separate settlement that will result in dismissal of Ayala's individual claims in arbitration and court. This settlement will be lodged with the Court for review.

**Plaintiffs' Counsel Thoroughly Investigated the Factual and Legal Issues in the Action
Allowing Them to Objectively Assess the Settlement's Reasonableness.**

11. Since the filing of the Action and through execution of the Settlement, Plaintiffs' Counsel ("PAGA Counsel") conducted a thorough investigation into the factual and legal issues implicated by Plaintiffs' claims and were able to objectively assess the settlement's reasonableness.

12. Prior to filing the Action (and each of the LWDA letters giving rise to the Action), Plaintiffs provided counsel with the factual bases for pursuing their claims against Defendant for Labor Code violations. Plaintiffs were intimately familiar with Defendant's labor policies and practices, and over the course of multiple interviews, knowledgeably summarized those policies

1 and practices. Plaintiffs explained how the policies and practices were instituted and provided
2 valuable insight into how they gave rise to the alleged Labor Code violations. We also reviewed
3 publicly available information and researched the various issues raised. Based on these interviews
4 and the review of available information, we determined that there were legally sufficient grounds
5 for pursuing the Action against Defendant. Additionally, in preparation for drafting the LWDA
6 notices and the civil complaint for the Action and related class action, we conducted our own
7 independent preliminary investigations into the factual basis for Plaintiffs' claims, which entailed,
8 inter alia, a careful examination of Plaintiffs' personnel files and associated records.

9 13. We have conducted a comprehensive investigation into both the factual and legal
10 elements of this case, specifically focusing on issues relevant to the Plaintiffs and Aggrieved
11 Employees. This rigorous analysis has enabled us to objectively evaluate the reasonableness of
12 the proposed settlement. Prior to initiating litigation, we secured the Plaintiffs' employment
13 records. This crucial step provided us with foundational insights into Defendant's employment
14 policies and practices that appeared to violate California Labor Codes.

15 14. Following the filing of the action, we created a discovery plan and researched
16 various legal issues. The Parties engaged in numerous discussions regarding the claims and
17 defenses at issue in the litigation. We reviewed the various documents that were provided by
18 Plaintiffs which were pertinent to their case, the claims asserted on behalf of Aggrieved
19 Employees, and our evaluation of the strength of the claims. We also took immediate and
20 strategic action to obtain the information necessary to evaluate any potential resolution by
21 submitting an informal discovery request. This was not merely a procedural step; it was a
22 calculated move aimed at mediating the dispute and gathering essential information to strengthen
23 our position. In the realm of potential information, our request was exhaustive. We sought to
24 understand the scope of Aggrieved Employees by asking for the total number of Aggrieved
25 Employees both during the PAGA Period and those currently employed in California.
26 Additionally, we requested data on the number of pay periods and a nuanced breakdown of shifts
27 worked by these employees. This information was pivotal in assessing the extent of the alleged
28 violations and the potential damages involved. Our inquiry into time and wage records was

1 equally comprehensive. We asked for a sampling of schedules, time records, and wage statements
2 for Aggrieved Employees during the PAGA Period. This sampling method was designed to
3 provide a representative overview without overwhelming the discovery process and to allow our
4 expert to extrapolate necessary data points. For the Plaintiffs specifically, we requested all time
5 records, actual wage statements, and even the methods used for time tracking, such as badge or
6 card swipes and computer log-ins. This level of detail allowed us to scrutinize any discrepancies
7 or irregularities in timekeeping and wage calculation. Regarding Defendant's policies and
8 practices, our request was far-reaching. We asked for all employee handbooks used during the
9 PAGA Period, along with a detailed list of policies and practices concerning timekeeping, meal
10 and rest periods, overtime calculations, and other relevant employment conditions. Understanding
11 Defendant's written policies and practices enabled us to pinpoint any systemic issues or violations
12 that may have occurred. Lastly, we sought information on any prior settlements or judgments.
13 This was crucial for evaluating how past legal outcomes could influence our case, particularly
14 any settlements or judgments that could set a precedent or offer insights into the Defendant's
15 litigation behavior. Our comprehensive discovery requests were designed to provide us with a
16 robust set of data, thereby laying a strong foundation for our legal strategy moving forward and
17 aiding us in the formulation of a damages model.

18 15. In all, we received individual documents such as personnel records, time and wage
19 records pertaining to Plaintiffs, as well as comprehensive policy and practice documentation, the
20 sampling data, arbitration agreement exemplars, and class information such as the number of
21 employees, work weeks, and pay periods for the relevant time period.

22 16. In connection with the mediation and settlement, we also extensively researched
23 the claims and settlements in similar actions, and the legal requirements for establishing liability
24 for penalties for the alleged violations.

25 17. Counsel for both parties conducted in-depth communications concerning the data,
26 assessing the merits of their individual claims and defenses, alongside other critical elements
27 pertinent to the settlement. Throughout the information exchange, both Parties remained
28 committed and worked to ensure comprehensive information sharing, thus ensuring well-

1 informed discussions leading up to the mediation.

2 **The Parties Settled the Action After Mediation and Extensive Negotiation**

3 18. The Parties attended full-day mediation with an experienced and respected wage
4 and hour mediator, Michael J. Loeb, on December 22, 2023, where the Parties engaged in
5 extensive and adversarial arms-length negotiations. The Parties were unable to reach a resolution
6 on their own, but after the mediation, Mr. Loeb made a mediator's proposal that set forth the
7 material terms of a proposed PAGA settlement agreement. The Parties accepted the mediator's
8 proposal and in the following months finalized and executed a long-form settlement. The Parties
9 executed the Settlement Agreement on April 15, 2024. (See Ex. 1.)

10 19. The Settlement achieved constitutes a fair, adequate, and reasonable compromise
11 of the claims at issue.

12 20. In summary, PAGA Counsel performed a thorough investigation into the claims
13 at issue, which included: (1) determining Plaintiffs' suitability as a private attorney general
14 through interviews, investigations, and analyses of their employment files and related records; (2)
15 evaluating all of Plaintiffs' potential representative claims and those for Aggrieved Employees;
16 (3) researching similar PAGA actions as to the claims brought, the nature of the positions, and
17 the type of employer; (4) analyzing a sampling of time and wage records; (5) reviewing
18 Defendant's employment policies and practices; (6) researching settlements in similar cases; (7)
19 participating in mediation; (8) evaluating Plaintiffs' claims and estimating Defendant's liability
20 for purposes of settlement; (9) reviewing and refining the scope of the claims; and (10)
21 participating in extensive arm's length negotiations with defense counsel aided by the mediator.

22 21. By engaging in such a thorough investigation and evaluation of Plaintiffs' claims,
23 I can opine that the Settlement Agreement is fair, reasonable, and adequate, and is in the best
24 interests of the LWDA in light of all known facts and circumstances, including the risk of
25 significant delay, the uncertainty associated with litigation, the uncertainty associated with PAGA
26 claims, and various defenses asserted by Defendant.

27 22. While PAGA Counsel argued that Defendant faced maximum potential liability in
28 excess of \$40 million in aggregate penalties for (initial and subsequent) violations of the Labor

Code for (1) Failure to Pay Minimum Wages; (2) Failure to Pay Overtime Wages; (3) Failure to Provide Meal Periods; (4) Failure to Authorize and Permit Rest Periods; (5) Failure to Timely Pay Wages Owed During Employment; (6) Failure to Timely Pay Wages Owed Upon Separation From Employment; (7) Failure to Reimburse Necessary Expenses; (8) Knowing and Intentional Failure to Comply with Itemized Wage Statement Provisions; and (9) Failure to Pay Sick Leave at the Proper Rate (including numerous Labor Code sections and IWC Wage Order 4-2001) PAGA Counsel is cognizant that there is at least an argument that Defendant's realistic exposure would be approximately \$7,416,900.00 (74,169 violative pay periods multiplied by \$100³). Moreover, PAGA Counsel is cognizant of the risks involved with these types of PAGA representative actions.

23. After calculating Defendant's exposure under PAGA, I then discounted that exposure for settlement purposes to account for the risks of continued litigation, including: (i) the strength of Defendant's defenses on the merits; (ii) the risk of losing at trial; (iii) the significant risk that the Court would exercise its discretion under PAGA to drastically reduce the maximum civil penalties available by statute; (iv) the chances of a favorable verdict being reversed on appeal; (v) the potential for a change in applicable law which would undercut the PAGA claim; and (vi) the difficulties attendant to collecting on a judgment. Considering the above contingencies, I determined that the initial realistic exposure estimate of \$7,416,900.00 should be reduced by at least 50%, bringing the potential realistic liability to approximately \$3,708,450.00. The Gross PAGA Settlement Amount of \$900,000 represents approximately 24.3% of Defendant's realistic exposure.

24. The Settlement therefore constitutes a fair, adequate, and reasonable compromise of the claims at issue. Attached hereto as **Exhibit 1** is a true and correct copy of the Settlement Agreement that the Parties request that the Court approve on this Motion.

The Terms of the Settlement

25. The Settlement Agreement negotiated by the parties provides for Defendant to pay

³ Moreover, PAGA Counsel is aware that certain statutes provide for different penalties under PAGA (e.g., LC 226.3 provides for \$250 for an initial violation and \$1,000 for a subsequent violation); however, for the sake of discussion PAGA Counsel evaluated the claims using a \$100/\$200 framework.

1 \$900,000 as the “Gross PAGA Settlement Amount.” (Ex. 1, (“Settlement”), §§ 1.9, 3.a.) From
2 the Gross Settlement Amount, Plaintiffs will apply for the following allocations: (1) up to
3 \$300,000.00 shall be paid to Plaintiffs’ Counsel (“PAGA Counsel) for payment of attorneys’ fees
4 (*Id.* at § 3b.i.); (2) up to \$30,000 (estimated \$25,856.53) shall be paid to Plaintiffs’ Counsel for
5 actual litigation expenses incurred in prosecuting the PAGA claims (*Id.*); (3) up to \$5,000 shall
6 be paid to Plaintiff Bruemmer (*Id.* at § 3.b.ii.), (4) up to the amount of \$7,750 shall be paid for
7 Settlement Administration Costs to the Settlement Administrator , ILYM Group, Inc. (*Id.* at §
8 3.b.iii.), and (5) of the \$ 557,250.00 Net Settlement Amount (“Net PAGA Settlement Amount”)
9 75% or \$ 417,937.50 will be paid to the LWDA and 25% or \$ 139,312.50 to the “Covered
10 Employees.” (*Id.* at § 3.b.iv.). Any reduction in awards from these maximum amounts will be
11 added to the Net Settlement Amount.

12 26. The Settlement is subject to Court approval consistent with Labor Code § 2699.
13 Upon approval, the Net Settlement Amount shall be allocated 75% to the LWDA and 25% among
14 Covered Employees.

15 27. The “Covered Employees” means all persons employed by Defendant in
16 California and classified as a non-exempt employee who worked during the PAGA Period and
17 are not subject to arbitration under Defendant’s Solutions InSTORE Program. (Ex. 1 at § 1.4.)

18 28. The “PAGA Period” means the period from January 26, 2020 to the date the Court
19 signs the Approval Order (Ex. 1 at § 12.) It is currently estimated that there are 1,329 Covered
20 Employees for the period of January 26, 2020, to December 22, 2023 and 74,169 PAGA Pay
21 Periods.

22 29. The 25% of the Net PAGA Settlement Amount payable to the Covered Employees
23 will be divided among the Covered Employees as follows: The Administrator will calculate each
24 Individual PAGA Payment by (a) dividing the amount of the Covered Employees’ 25% share of
25 PAGA Penalties (estimated \$139,312.50) by the total number of PAGA Pay Periods worked by
26 all Covered Employees during the PAGA Period and (b) multiplying the result by each Covered
27 Employee’s PAGA Pay Periods. Each Covered Employee assumes full responsibility and liability
28 for any taxes owed on his or her Individual PAGA Payment.

30. Within 30 calendar days after the entry of the Judgment in the Litigation approving the PAGA Settlement, Defendant will compile a list of all Covered Employees. (Ex. 1 at § 4.b.) Within 40 calendar days after entry of the Judgment in the Litigation approving the PAGA Settlement, Defendant shall transmit the entire Gross PAGA Settlement Amount due under this Settlement Agreement to the Settlement Administrator for deposit into the PAGA Settlement Fund Account. (Id. at § 4.c.)

31. Within 15 calendar days after Defendant has funded the Gross PAGA Settlement Amount, the Settlement Administrator shall distribute all payments due under the Settlement (with the exception of the amount allocated to settlement administration costs). (Id. at § 4.d.) The notice to be provided to each Covered Employee is attached hereto as **Exhibit 8**.

32. Settlement checks shall remain valid and negotiable for one hundred and twenty (120) calendar days from the date of their issuance. (Id. at § 4.d.i.) Funds represented by settlement checks returned as undeliverable and those settlement checks remaining un-cashed for more than 120 days after issuance will be tendered to the State Controller's Office, Unclaimed Property Division, in the name of the affected Employee. (Id.) Covered Employees will remain subject to the Judgment and associated release of claims, even if their settlement checks are returned to the Settlement Administrator or otherwise not negotiated. (Id.)

33. Upon approval by the Court, Plaintiff Emi Bruemmer and each Covered Employee will release Defendant and each Released Party of the Released Claims set forth in the PAGA Release. (Id. at ¶ 5.) Per the PAGA Release:

All Covered Employees, on behalf of themselves, their respective former and present representatives, agents, attorneys, heirs, administrators, successors, assigns, and the State of California, are deemed to release the Released Parties from all claims for PAGA civil penalties under California Labor Code §§ 2698 et seq. that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint and or the PAGA Notices sent by Plaintiff to the LWDA dated June 29, 2020, January 26, 2021, January 27, 2021, March 17, 2021, and June 11, 2021, for the entirety of the PAGA Period. Such released claims include but are not limited to alleged violations of California Labor Code §§ 201-204, 210, 216, 218.5, 218.6, 221- 224, 226, 226.3, 226.7, 245-249, 510, 512, 516, 558, 1174, 1174.5, 1182.12, 1194, 1194.2, 1195, 1197, 1197.1, 1198, 2800, 2802, California Industrial Welfare Commission Wage Order 7-2001, and California Code of Regulations, Title 8, § 11000 et seq. The claims to be released also include all claims against the Released Parties for interest, costs, expenses, and attorney fees

1 arising from the Released PAGA Claims.
2 (Id.)

3 34. The LWDA will be served with a copy of this motion with the Settlement
4 Agreement through the online process as required by Labor Code § 2699(l), and therefore the
5 LWDA has been provided notice of this PAGA settlement and this motion. This service on the
6 LWDA is verified in the accompanying proof of service. The proof of electronic submission is
7 attached hereto as **Exhibit 4**.

8 **THE PAGA SETTLEMENT IS FAIR AND REASONABLE**

9 35. While PAGA and its legislative background do not explicitly mandate a Court's
10 evaluation of a PAGA settlement against the "value" of the claims, the penalties proposed here
11 are also reasonable within this framework.

12 36. In this case, Plaintiffs' expert calculated Defendant's maximum potential penalty
13 exposure to be in excess of \$40 million. The analysis assumes full penalties were awarded, and
14 that stacking was allowed. The penalties were also based upon \$100 per employee per violation
15 for each initial violation and \$200 per employee per violation for each subsequent violation. This
16 sum did not take into account Defendant's defenses or discount liability based upon potential
17 risks. At the core of the analysis were the penalties associated with the failure to pay minimum
18 wages, failure to pay overtime, failure to provide meal periods or lawful premiums in lieu thereof,
19 failure to authorize and permit rest period or lawful premiums in lieu thereof, failure to reimburse
20 expenses, failure to provide accurate itemized wage statements, failure to pay sick leave, and
21 failure to pay wages during employment and at termination. Counsel determined that this
22 maximum sum was not realistic based upon the strength of Defendant's defenses, issues of proof,
23 risks associated with continued litigation, the current state of the law with regard to PAGA
24 penalties, as well as the authorities set forth below.

25 37. Based upon the current estimates provided by Defendant, Plaintiff's Counsel
26 estimates that maximum realistic liability that Defendant faced during the PAGA period was
27 approximately \$7,416,900.00 based on approximately 74,169 PAGA Pay Periods at issue. The
28 risks associated with continuing the litigation underscore that the Settlement represents a fair
resolution of the contested claims, achieved through thorough arm's length negotiations.

1 Additionally, Defendant denies any liability, arguing that if any were to be established, it is likely
2 that the Court would exercise its discretion to lessen any penalties, asserting that any violations
3 were unintentional and of minor consequence.

4 38. Regarding the calculation of civil penalties, PAGA stipulates a \$100 penalty per
5 aggrieved employee for each pay period of the first violation and usually \$200 for each aggrieved
6 employee for subsequent violations, as per Labor Code § 2699(f)(2). Plaintiffs, citing *Amaral v.*
7 *Cintas Corp.*, 163 Cal.App.4th 1157 (2008), contended that a \$200 civil penalty should be levied
8 for each violation after Plaintiffs had notified Defendant of their claims via PAGA letters to the
9 LWDA. In contrast, the Defendant strongly disagreed, referencing a later district court
10 interpretation of *Amaral*. This interpretation stated that a \$200 civil penalty for “subsequent”
11 violations can only be imposed after an employer is notified of a violation by a court or
12 commission (*Amalgamated Transit Union Local 1309 v. Laidlaw Transit Servs.*, C.D. Cal 2009).
13 This viewpoint is supported by several cases, including *Bernstein v. Virgin Am., Inc.*, 990 F.3d
14 1157, 1173 (9th Cir. 2021) and *Vieyara-Flores v. Sika Corp.*, No. EDCV19606JVSKKX, 2019
15 WL 2436998, which states that heightened penalties are not applicable until an employer is
16 formally notified of a Labor Code violation by a court or the Labor Commissioner. As a result,
17 Defendant argued that the \$200 penalty rate was not applicable, as they had not been previously
18 cited for such violations.

19 39. Plaintiffs maintained that penalty stacking was permissible, arguing for a \$100
20 penalty for each initial Labor Code violation and \$200 for subsequent ones, suggesting that
21 separate penalties for each violation could potentially subject Defendant to nearly \$24 million in
22 liability for both initial and subsequent violations. On the other hand, Defendant vehemently
23 opposed this view, insisting that the maximum penalty under PAGA should not exceed \$100 per
24 pay period, citing various precedents to support this stance (as previously detailed). Defendant
25 argued against the possibility of penalty stacking, noting that even if permissible, it's rare for
26 courts to exercise discretion in favor of such stacking. Aware of this perspective, PAGA Counsel
27 acknowledged that, based on this line of reasoning, Defendant's highest potential liability for the
28 primary claims (including unpaid minimum and overtime wages, regular rate violations, meal/rest

1 violations, and related claims for wage statement violations and waiting time penalties) might be
2 estimated at about \$7,416,900.00 . This figure is derived from multiplying 74,169 violative pay
3 periods by \$100 per period.

4 40. However, this projected maximum realistic liability doesn't consider various
5 potential risks and defenses against the claims presented. Defendant denies all factual allegations
6 raised by Plaintiffs, denies any wrongdoing, and contends that it complied with all laws at all
7 times relevant.

8 41. For instance, Defendant asserts that it adheres to a comprehensive time reporting
9 policy, ensuring employees are paid for all time worked, including overtime. It asserted that its
10 policies are facially compliant and that the timekeeping system automatically compensates for
11 breaks and that employees are encouraged to report any policy violations; and managers are
12 prohibited from asking employees to work off the clock.

13 42. Defendant also argues that it provides more than the required rest breaks and meal
14 periods in accordance with the law. It argued that employees are provided with two 15-minute
15 paid rest breaks and an unpaid 30-minute meal break for shifts exceeding five hours. For shifts
16 longer than ten hours, a second meal break is provided. Defendant contends that its rest period
17 policies exceed the state law requirements, which mandate a 10-minute paid rest break. Defendant
18 asserts that they not only meet but exceed state requirements, thereby negating any claims of
19 break policy violations. Defendant also argues that they provide necessary equipment and
20 supplies to employees, and has a policy and practice of reimbursing employee expenses.

21 43. Further, Defendant asserts that even if the claims were substantiated, this
22 estimation does not consider the courts' broad discretion to reduce civil penalties based on the
23 specifics of a case, particularly if full penalties would be unjust, arbitrary, oppressive, or
24 confiscatory, as per Labor Code § 2699(h). Additionally, Defendant challenges the fundamental
25 validity of the claims, especially arguing that the standards of "willfulness" and the existence of
26 "good faith" defenses significantly diminish the certainty of any civil penalties. Given these
27 factors, Plaintiffs believed that the maximum realistic exposure should be reduced by at least
28 50%, bringing the potential liability to approximately \$3,708,450.00.

1 44. In the face of these defenses, Plaintiffs successfully secured a settlement wherein
2 Defendant agreed to pay \$900,000 (approximately 24.3% of the realistic liability) to resolve the
3 action. This outcome is highly favorable and stands as a particularly reasonable resolution
4 considering the risks and uncertainties inherent in the PAGA claims in this case. The amount is
5 adequate to fulfill the objectives of PAGA without being deemed unjust, arbitrary, oppressive, or
6 confiscatory.

7 **PLAINTIFF BRUEMMER'S SERVICE AWARD PAYMENT IS PROPER**

8 45. Plaintiff Bruemmer is a former employee of Defendant who has displayed
9 exceptional courage in challenging their former employer's actions by filing this lawsuit. Her
10 belief is that Defendant should be held accountable for its serious violations of the Labor Code.
11 As a result of Plaintiff Bruemmer's actions, there has been a substantial recovery under PAGA.
12 Throughout the process, Plaintiff Bruemmer has been an active participant, providing valuable
13 information, sharing vital documents, and keeping herself well-informed about the progress of
14 the case. Her dedication and effort has been instrumental in achieving a positive outcome. Plaintiff
15 Bruemmer's unwavering commitment to justice and fairness is highly commendable and was
16 critical to achieving this substantial settlement.

17 46. The proposed Service Award of \$5,000.00 to Plaintiff Bruemmer, constituting
18 0.56% of the Gross Settlement Amount, is entirely justifiable. It is important to recognize that
19 without Plaintiff Bruemmer's proactive involvement, neither LWDA nor the Covered Employees
20 would have benefitted from the outcomes of this action. The value and impact of Plaintiff
21 Bruemmer's actions cannot be overstated. Moreover, given that the Plaintiff Bruemmer was fully
22 within her rights to resolve both her individual wage and hour and PAGA claims and her non-
23 individual PAGA claims on behalf of the state, it is respectfully submitted that this Court should
24 acknowledge the fairness and prudence of the Settlement Agreement and approve the Service
25 Payment to Plaintiff Bruemmer. This approval would not only honor the legal process but also
26 underscore the effectiveness of assertive legal action in achieving equitable results for all parties
27 involved.

28 **THE REQUESTED ATTORNEYS' FEES ARE FAIR AND REASONABLE**

1 47. In 1993, I graduated from the University of California, Los Angeles with a
2 Bachelor of Arts Degree. Following graduation, I attended Whittier Law School. In 1996,
3 while a full-time law student, I was also a full-time Judicial Extern for the Honorable Consuelo
4 B. Marshall, United States District Court for the Central District of California. After
5 approximately five months of service for Judge Marshall, I became a full-time extern for the
6 United States Attorney's Office, Central District of California. My externship lasted for
7 approximately five months. Thereafter, in 1997, I graduated from Whittier Law School. The
8 same year, I was admitted to practice law in the State of California.

9 48. From 1997-2007, I was a named partner at Hawkins & Sofonio, a law firm based
10 out of Irvine, California. At Hawkins & Sofonio, I pioneered the employment department
11 litigating Plaintiffs related employment issues such as: Wrongful Termination, Age
12 Discrimination, Disability, Wage and Hour and Sexual Harassment claims. Through the
13 success and experience I obtained litigating employment related matters; I commenced the
14 Wage and Hour division of our employment department in 2002. Since then, I have spent the
15 vast majority of my practice litigating Wage and Hour Class Actions.

16 49. In 2007, I incorporated my wage and hour class action practice as James
17 Hawkins APLC. Since its inception, this law firm has been exclusively involved in class action
18 and complex litigation. In 2009, I opened an additional office in Miami, Florida, prosecuting
19 wage and hour class actions.

20 50. I have a great deal of experience in wage and hour class action and representative
21 action litigation. I have obtained certification of numerous classes and have obtained resolutions
22 of numerous other class actions and representative actions. I have also been approved as class
23 counsel in many other wage/hour class actions, and I am currently litigating numerous others.
24 Although not an all-inclusive list, over the years I have prosecuted the following class action
25 matters as lead and/or co-lead counsel, all of which implicated similar law and facts to those
26 associated with this action:

- 27 a. *Aguilar v. 7-Eleven, Inc.*, et. al., Orange County Superior Court- Case No.: 30-
28 2009-00268714-CU-OE-CXC.

- b. *Carey, et. al. v. Arthur J. Gallagher, et. al.*, USDC, SOUTHERN DISTRICT- Case No.: 09-cv-0168.
- c. *Dao v. 3M Company, et al.* USDC, CENTRAL DISTRICT, Case No. CV-08-04554.
- d. *Ortiz v. Kmart*, USDC, CENTRAL DISTRICT, Case No. SACV 06-638 ODW.
- e. *Morgan v. Aramark Campus, LLC*, USDC, CENTRAL DISTRICT, Case No. SACV08-00412.
- f. *West v Iron Mountain Information Management, Inc, et. al.*; Los Angeles County Superior Court, Case No. BC393709.
- g. *Gonzalez v. Superior Industries Inter, Inc., et al.*, Los Angeles County Superior Court, Case No. BC 357912.
- h. *Acosta v. Fleetwood Travel Trailers of California, Inc., et al.*, Riverside County Superior Court, Case No. RIC 440630.
- i. *Walker v. Sharkeez, et al.*, Orange County Superior Court, Case No. 05CC00293.
- j. *Padron v. Universal Protection Service, et al*, Orange County Superior Court, Case No. 05CC00013.
- k. *Martinez v. Securitas Security Services USA, et al.*, Santa Clara Superior Court, Case No. 105-CV047499, et al. J.C.C.P. No. 4460.
- l. *Velasquez-Lopez v. Hotel Cleaning Services, Inc. et al.*, Riverside Superior Court, Case No. RIC 420909.
- m. *Ruiz, et al. v. Unisourse Worldwide, Inc., et al.*, USDC, CENTRAL DISTRICT, Case No. CV09-05848.
- n. *Herrador v. Culligan International Company, et al.*, USDC, CENTRAL DISTRICT, Case No. SACV 08-680.
- o. *Defries v. Domain Restaurants, et al.*, Orange County Superior Court, Case No. 05CC00128.
- p. *Denton v. BLB Enterprises, Inc., et al.*, Orange County Superior Court, Case No. 07CC01292.

1 q. *Rios v. Sandberg Furniture Manufacturing Co., Inc, et al.*, Los Angeles Superior
2 Court, Case No. BC411477.

3 r. *McMurray v. Dave and Busters, Inc.*, et al., Orange County Superior Court, Case
4 No. 06CC00099.

5 s. *Osuna v. DFG Restaurants, Inc.*, et al., Los Angeles Superior Court, Case No. BC
6 330145.

7 t. *Burns v. Gymboree Operations, Inc.*, et al., San Francisco Superior Court, Case
8 No. CGC-07-461612.

9 u. *Willems v. Diedrich Coffee, Inc.*, et al., Orange County Superior Court, Case No.
10 07CC00015.

11 v. *Davila, et al. v. Beckman Coulter, Inc.*, et al., Orange County Superior Court, Case
12 No. 07CC01347.

13 w. *Perez v. Naked Juice Company of Glendora, Inc.*, Los Angeles Superior Court,
14 Case No. BC387088.

15 x. *Coordination Proceeding Special Title [Rule 1550(b)] Wackenhut Wage and Hour*
16 *Cases*, Los Angeles Superior Court, Case No. JCCP 4545.

17 y. *Placencia v. Amcor Packaging Distribution, Inc.*, Orange County Superior Court,
18 Case No. 30-2013-00694012-CU-OE-CXC.

19 z. *Trani v. Lisi Aerospace, et al.*, Los Angeles Superior Court, Case No. BC495527.

20 aa. *Galvan v. Goodwin Co.*, Orange County Superior Court, Case No. 30-2013-
21 00637062-CU-OE-CXC.

22 bb. *Reyes v. Bristol Fiberlite*, Orange County Superior Court, Case No. 30-2013-
23 00653425-CU-OE-CXC.

24 cc. *Gutierrez v. HMT Tank*, USDC Central Dist., Case No. CV14-1967-CAS(MANx).

25 dd. *Williams v. Il Fornaio America Corp.*, Sacramento County, Case No. 34-2011-
26 0009616.

27 ee. *Aguilar v. 7-Eleven, Inc.*, Orange County, Case No. 30-2009-002687141-CU-OE-
28 CXC.

ff. *Madrigal v. Huntington Beach Market Broiler, Inc.*, Orange County, Case No. 30-2012-00611260.

gg. *Vang v. Jazz Semiconductor, Inc.*, Orange County, Case no. 30-2011-00460278.

hh. *Cano v. Financial Statement Services, Inc.*, Orange County, Case No. 30-2013-00653349-CU-OE-CXC.

ii. *Gonzalez v. Quality Aluminum Force, LLC*, Orange County, Case No. 30-2015-00817941-CU-OE-CXC.

jj. *Smith v. Space Exploration Technologies Corp.*, Los Angeles County Case No. BC554258.

kk. *Madrigal v. Balda C Brewer, Inc.*, Orange County Case No. 30-2015-00820218-CU-OE-CXC.

ll. *Mendez v. Liberty Glass Fabricators, Inc.*, Riverside County Case No. RIC 1800119.

mm. *Attia v. Neiman Marcus Group, Inc.*, United States District Court for the Central District of California Case No. 8:16-cv-001504-DOC-FFM

nn. *Vigueras v. Red Robin*, United States District Court for the Central District of California Case No. 8:17-cv-1422-JVS-DFM.

oo, *Payne v. Marriott Ownership Resorts, Inc.*, San Diego County Case No. 37-2018-00015175-CU-OE-CTL.

51. In sum, my firm has been the lead or co-lead counsel in hundreds of cases since its inception. We have recovered hundreds of millions of dollars for employees in the State of California and millions for the State as well through PAGA.

52. Our firm has served as class counsel in a number of significant wage and hour settlements. Of particular note, in 2019, our firm was co-lead counsel in securing the largest wage and hour class action settlement in California history at \$130,000,000. During this case, the plaintiff's appealed a decertification order. This case involved several appeals. The appellate record amassed an extensive appellate record comprising a 23-volume joint appendix, a three-volume reporters' transcript, five briefs, four letter briefs, two motions for judicial

1 notice, a motion to augment the record, and several additional letters informing the appellate
2 court of new legal authority issued after *Dukes*. The matter was argued to and submitted by the
3 Court of Appeal on September 15, 2016, and on November 21, 2016, the decertification order
4 was reversed and the case was remanded for further proceedings. (*Lubin v. The Wackenhut*
5 *Corporation* (“*Lubin*”), 5 Cal. App. 5th 960 (2016)). Wackenhut filed a petition for review of
6 the Court of Appeal decision to the California Supreme Court. The Supreme Court denied
7 Wackenhut’s petition for review of *Lubin*. The Court of Appeal issued remittitur on April 10,
8 2017. Eventually through more litigation, the parties were able to secure the 130 million
9 settlement that was approved on October 21, 2019 by Judge Highberger in the Los Angeles
10 Superior Court.

11 53. Additionally, in early 2020, our firm served as lead counsel in a class action jury
12 trial in the Central District of California involving the class and PAGA representative claims of
13 over 23,000 employees which were successfully resolved in the midst of trial for \$8,500,000.

14 54. Even more recently, our office along with co-counsel filed an appeal in the 9th
15 circuit in *Valiente, et. al. vs. Swift Transportation Co. of Arizona*, Case No. 21-55456,
16 challenging the retroactive application of The Motor Vehicle Safety Act, 49 U.S.C. § 31141
17 preemption of California meal and rest periods laws as applied to commercial drivers.

18 55. Our firm has settled many high-stakes class and representative actions. Hawkins’
19 settlements have directly compensated hundreds of thousands of California workers and
20 consumers. Hawkins’ actions have also forced employers to modify their policies for the benefit
21 of employees including changing the compensation structure for certain employees and
22 changing practices to ensure that workers will be able to take timely rest and meal breaks. A
23 leader in prosecuting PAGA enforcement actions, Hawkins has secured millions of dollars in
24 civil penalties for the State of California.

25 56. Based on our experience, demonstrated competence, resources to prosecute the
26 claims at issue and reputation among our colleagues in the both the defense and Plaintiffs’ bar, I
27 respectfully submit our firm’s experience in the field of wage and hour cases provides us the
28 ability to prosecute claims swiftly and often times without the need for protracted litigation.

Although, as demonstrated in the *Wackenhut* cases, we do not give up fighting for class members when challenged and necessary.

1. Here, the Parties' agreement to pay PAGA Counsel's fees of up to \$300,000.00 (or 1/3 of the Gross Settlement Amount) is reasonable. To date, my firm has expended in excess of 500 hours litigating this matter. Accordingly, the total lodestar amount is \$340,002.50 and no multiplier is required for the requested fee award. This amount will only increase up until the settlement is approved and has been fully administrated. I submit that the requested attorneys' fees of one-third the Gross Settlement Amount that PAGA Counsel has obtained on behalf of the Plaintiffs, State and the Covered Employees is fair and reasonable, as are the hourly rates at which our attorneys bill, in light of the hourly rates charged in the marketplace for comparable skill, years of experience and services.

James Hawkins APLC Lodestar Summary				
Timekeeper	Years	Hours	Rate	Total
James Hawkins, Esq.	26	136.4	\$1050	\$143,220.00
Christina Lucio	16	151.9	\$775	\$117,722.50
Mitchell Murray	12	20.9	\$750	\$15,675.00
Associate Attorneys	1-2	109.7	\$450	\$49,365.00
Paralegal Staff		80.1	\$200	\$16,020.00
TOTALS				\$340,002.50

57. I have devoted in excess of 136 hours in prosecuting the Action on behalf of Plaintiffs and the State. The following is a summary of my tasks and activities in prosecuting this matter: review client intakes; conferences regarding additional client and issues; research and investigation regarding claims; client interviews; review documents provided by clients; conferences regarding claims and causes of action; review class action complaint and PAGA notice; reviewing the PAGA complaint; conferences related to litigation and discovery plan; due diligence; conferences re strategy; reviewing documents to prepare for mediation; preparation and strategy regarding litigation of the action; preparation and strategy regarding the mediation; preparing damages models and consulting with experts; reviewing issues related to arbitration agreement and legal issues; conferences regarding settlement agreement; review and revise pleadings and declarations in support of approval; consulting regarding client inquiries; consulting with expert; conferences and correspondence regarding the action. My hourly rate is

1 \$1,050.00 per hour. The number of hours I have expended for work performed and the
2 corresponding attorney's fees of \$143,220.00 are reasonable and necessary.

3 58. Christina Lucio is Of Counsel to James Hawkins, APLC. She has devoted in
4 excess of 151 hours in prosecuting the Action. Such hours were reasonable and necessary. Ms.
5 Lucio has 16 years of experience and primarily handled the day-to-day litigation of this matter
6 during the action. Ms. Lucio graduated from the University of California, Riverside in 2003 and
7 received her law degree from the University of Southern California in 2007. She has been a
8 member of the State Bar of California since 2007. Her practice focuses primarily on
9 employment law including wrongful termination, discrimination, retaliation, wage and hour
10 violations (individual and class action), and sexual harassment claims. In recent years, a
11 substantial part of her practice has been focused on class actions, including wage and hour
12 litigation. The following is a summary of Ms. Lucio's tasks and activities in prosecuting this
13 matter: conferences with clients regarding claims, review client documents, research regarding
14 Defendant entities, draft and revise CMC statements, draft complaints and revise same, draft
15 and revise PAGA notices, review arbitration agreements and legal issues, conferences
16 regarding arbitrations, draft informal discovery list for mediation, preparing discovery plans,
17 day to day correspondences, conferences with defense counsel, conferences with counsel in
18 related actions, research regarding legal issues and claims, correspondence with clients,
19 correspondence with defense counsels, review defense document production and mediation
20 preparation, meet and confer efforts, conference regarding mediation preparation, assist with the
21 drafting of the mediation brief, strategizing regarding damages model and research re theories,
22 participating in conferences with consultants regarding claims and potential barriers to
23 resolution, continued negotiations post-mediation with defense counsel, work with prospective
24 administrators for bids, correspondence regarding settlement, multiple drafts and revisions
25 regarding settlement agreement and notice documents, review and revise approval motion and
26 supplemental documents, review and revise related documents, appear at case management
27 conferences, and review and revise complaints. Ms. Lucio's hourly rate is currently \$775 per
28

1 hour. The number of hours Ms. Lucio expended for work performed and the corresponding
2 attorney's fees of \$117,722.50 are reasonable and necessary.

3 59. Mitchell Murray is Of Counsel to James Hawkins, APLC. Mr. Murray is a 2007
4 graduate of the University of California, San Diego and 2012 graduate of California Western
5 School of Law. He was admitted to the State Bar of California in 2012. He is a member of the
6 Consumers Attorneys of San Diego. He was selected as a "Rising Star" in 2019 by Super
7 Lawyers Magazine. Mr. Murray's legal experience has focused primarily on all areas of
8 employment law. Since 2016, he has focused his practice in the area of wage and hour class
9 action. Mr. Murray has dedicated 20.9 hours in prosecuting this action on behalf of Plaintiffs
10 and the class. Such hours are reasonable and necessary. The following is a summary of Mr.
11 Murray's tasks and activities in prosecuting this matter: correspondence with client, research
12 regarding claims and defenses, preparing for and attending mediation, reviewing and revising
13 the settlement agreement, conferences with the mediator. Mr. Murray's hourly rate is \$750.00
14 per hour. The number of hours expended by Mr. Murray for work performed and the
15 corresponding attorney's fees of \$15,675.00 are reasonable and necessary.

16 60. Our associate attorneys, including Paul Brown, have dedicated approximately
17 109.7 hours to prosecuting this action on behalf of Plaintiffs and the aggrieved group. Our
18 associates' hourly rates are \$450.00 per hour. The following is a summary of our associates'
19 tasks and activities in prosecuting this matter: draft demand for arbitration, appear at arbitration
20 conferences, draft mediation brief, review document production, preparing for and attending
21 mediation, appear at case management conferences, reviewing and revising settlement
22 agreement, drafting approval motion and supporting documents, correspondence with
23 administrators for bids, conferences with clients. The number of hours expended by our
24 associates for work performed and the corresponding attorney's fees of \$49,365.00 are
25 reasonable and necessary.

26 61. Our paralegals have dedicated over 80 hours in assisting with the prosecution of
27 this case. Their hourly rate is \$200.00 per hour. The number of hours expended for work
28 performed and the corresponding fees of \$16,020.00 are reasonable and necessary.

62. We respectfully submit that our hourly rates are reasonable in light of the hourly rates charged in the marketplace for comparable skill, years of experience and services. A true and correct copy of the 2021 Wolters Kluwer Real Rate Report, attached as **Exhibit 5**, and the Laffey Matrix, attached as **Exhibit 6**.

63. We have borne the entire risk and cost of this litigation on a pure contingency fee basis.⁴ The legal issues raised drew significantly upon our experience and the extensive review and analysis of documents and information by me and others at my firm. In a complex action such as this, the proposed attorneys' fees are on the low side of the market rate for contingency fees as we have invested numerous hours and costs into the litigation of this matter. We have also incurred or will incur approximately \$25,856.53 in costs for, among other things, filing and service fees, expert fees, mediation, certified mailings, and related expenditures. Accordingly, we request an award of all such reasonable costs. The Settlement provides for the payment of costs up to \$30,000 and any allocation to costs not awarded will return to the Net Settlement Amount. Thus, Plaintiffs respectfully submits that the requested fee and cost awards are fair and reasonable terms of the Settlement, and should be approved. Attached as **Exhibit 7** is a true and correct itemization of the costs incurred in the prosecution of the action.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed on July 22, 2024, in Irvine, California.


James R. Hawkins

⁴ Indeed as an example, James Hawkins APLC litigated a certified class case entitled *Cole, et. al. v. CRST*, in the Central District of California Case No. ED-CV 08-1570-VAP, for approximately 11 years which ultimately resulted in Judgment in favor of the Defendant and confirmed on appeal, where hundreds of thousands of dollars in costs including thousands of hours of attorney time by Plaintiffs were never recovered.

EXHIBIT 1

PAGA SETTLEMENT AGREEMENT

This PAGA Settlement Agreement (“Agreement”) is made by and between Plaintiff Emi Bruemmer (“Plaintiff”), on behalf of herself, similarly situated employees, and the State of California, and defendant Macy’s West Stores, Inc. n/k/a Macy’s Retail Holdings, LLC (“Defendant”). The Agreement refers to Plaintiff and Defendant collectively as “Parties,” or individually as “Party.”

1. DEFINITIONS.

- 1.1. “Action” means the Plaintiff’s PAGA lawsuit alleging wage and hour violations against Defendant captioned *Pedro Ayala and Emi Bruemmer v. Macy’s West Stores, Inc.*, Superior Court of California, County of Los Angeles, Case No. 20STCV34182 and Coordinated Proceeding No. JCCP5202, initiated on April 5, 2021 and pending in Superior Court of the State of California, County of Los Angeles.
- 1.2. “Administrator” means ILYM Group, Inc., the neutral entity the Parties have agreed to appoint to administer the Settlement.
- 1.3. “Administration Expenses Payment” means the amount the Administrator will be paid from the Gross PAGA Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator’s “not to exceed” bid submitted to the Court in connection with approval of this Settlement.
- 1.4. “Covered Employees” means all persons employed by Defendant in California and classified as a non-exempt employee who worked during the PAGA Period and are not subject to arbitration under Defendant’s Solutions InSTORE Program. Emi Bruemmer is a Covered Employee under this Agreement.
- 1.5. “Covered Employee Data” means Covered Employee identifying information in Defendant’s possession including the Covered Employee’s name, last-known mailing address, Social Security Number, and number of PAGA Pay Periods.
- 1.6. “Covered Employee Address Search” means the Administrator’s investigation and search for current Covered Employee mailing addresses using all reasonably available sources, methods, and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Covered Employees.
- 1.7. “Court” means the Superior Court of California, County of Los Angeles.
- 1.8. “Defense Counsel” means Michael C. Christman of Macy’s Law Department and Cary Palmer of Jackson Lewis P.C.

- 1.9. “Gross PAGA Settlement Amount” means \$900,000.00, which is the total amount Defendant agrees to pay under the Settlement except as provided in Paragraph 8 below. The Gross PAGA Settlement Amount consists of, and will be used to pay, the Individual PAGA Payments, LWDA PAGA Payment, PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, and Administration Expenses Payment.
- 1.10. “Individual PAGA Payment” means the Covered Employee’s pro rata share of 25% of the Net PAGA Settlement Amount calculated according to the number of Pay Periods the Covered Employee worked during the PAGA Period.
- 1.11. “Judgment” means the judgment entered by the Court based upon Court approval of this agreement.
- 1.12. “LWDA” means the California Labor and Workforce Development Agency, the agency entitled under Labor Code section 2699, subd. (i).
- 1.13. “LWDA PAGA Payment” means the 75% portion of the PAGA Penalties to be paid to the LWDA under Labor Code section 2699, subd. (i).
- 1.14. “Net PAGA Settlement Amount” means the Gross PAGA Settlement Amount of \$900,000.00, less the following payments in the amounts approved by the Court: PAGA Counsel Fees Payment (\$300,000.00), PAGA Counsel Litigation Expenses Payment (up to \$30,000.00), a Service Award to Plaintiff (up to \$5,000.00), and the Administration Expenses Payment (up to \$7,750.00). The remainder is to be paid to Covered Employees as Individual PAGA Payments and to the LWDA as the LWDA PAGA Payment.
- 1.15. “PAGA Counsel” means James Hawkins, APLC, the attorneys representing the Plaintiff in the Action.
- 1.16. “PAGA Counsel Fees Payment” and “PAGA Counsel Litigation Expenses Payment” mean the amounts allocated to PAGA Counsel for reimbursement of reasonable attorneys’ fees, costs, and expenses, respectively, incurred to prosecute the Action.
- 1.17. “PAGA Pay Period” means any Pay Period during which a Covered Employee worked for Defendant during at least one day during the PAGA Period.
- 1.18. “PAGA Period” and “Release Period” mean the period from January 26, 2020 to the date the Court signs the Approval Order, except as provided in Paragraph 8.
- 1.19. “PAGA” means the Private Attorneys General Act (Labor Code §§ 2698 et seq.).
- 1.20. “PAGA Notice” means Plaintiff’s June 29, 2020, January 26, 2021, January 27, 2021, March 17, 2021, and June 11, 2021 letters to Defendant and the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a).

- 1.21. “PAGA Penalties” means the total amount of PAGA civil penalties to be paid from the Gross PAGA Settlement Amount, allocated 25% to the Covered Employees (estimated \$139,312.50) and the 75% to LWDA (estimated \$417,937.50) in settlement of PAGA claims.
- 1.22. “Plaintiff” means Emi Bruemmer, the named plaintiff in the Action.
- 1.23. “Approval Order” means the signed Court Order Granting Approval of PAGA Settlement.
- 1.24. “Released PAGA Claims” means the claims being released by the Covered Employees as described in Paragraph 5 below.
- 1.25. “Released Parties” mean Macy’s, Inc. and all of Macy’s, Inc.’s past, present, and future subsidiaries, divisions, and affiliates (regardless of tier and including but not limited to Macy’s Retail Holdings, Inc., Macy’s Retail Holdings, LLC, Macy’s West Stores, Inc., Macy’s West Stores, LLC, Macy’s Corporate Services, Inc., Macy’s Corporate Services, LLC, Macy’s Backstage, Inc., Macy’s Off Price, Inc., Macy’s Brooklyn, LLC, Advertex Communications, Inc. (a/k/a Macy’s Marketing), Macy’s IP Holdings, LLC, Bloomingdale’s, Inc., Bloomingdale’s, LLC, Bloomingdale’s By Mail Ltd., Bloomingdales.com, LLC, Bloomingdale’s Real Estate, LLC, Bloomingdale’s Merchandising, LLC, Bloomingdale’s The Outlet Store, Inc., Bloomingdale’s The Outlet Store, LLC, Bluemercury, Inc., Bluemercury Gift Card Services, LLC, FDS Bank, FDS Thrift Holding Co., Inc., Department Stores National Bank, Macy’s China Limited, Macy’s (China) Trading Co., Ltd., Macy’s Merchandising Group, Inc., Macy’s Credit and Customer Services, Inc., Macy’s Credit Operations, Inc., Macy’s Florida Stores, LLC, Macy’s Logistics and Operations, Macy’s Logistics, LLC, Macy’s Merchandising Corporation, Macy’s Merchandising Group International, LLC, Macy’s Merchandising Group, Inc., Macy’s Puerto Rico, Inc., Macy’s West Virginia Land Leasing, LLC, Macy’s Systems and Technology, Inc., Macy’s Systems Leasing, Inc., Macy’s North Star Relief Fund, Macys.com, Inc., Macys.com, LLC, Bloomingdale’s Atlantic City, Inc., Bloomingdale’s Gift Card, LLC, Macy’s USQ, LLC, Macy’s Propco Holdings, LLC, Bloomingdale’s Union Square, LLC, Central Regional Claims Corporation, Dayton’s Iron Horse Liquors, Inc., Novel Spirits, LLC, Jordan Servicenter, Inc., Kaufmann’s Carousel, Inc., Macy’s Property Exchange I, LLC, Laurel Plaza Development I, Inc., Macy’s Global Technology Services India Private Limited, Macy’s California Realty, LLC, Macy’s Escondido, Inc., Macy’s Foundation, Macy’s Gift Card, LLC, Macy’s Hamilton By Appointment, Inc., Macy’s Insurance, Inc., Macy’s Merchandising Group (Hong Kong) Limited, Macy’s Marketplace, LLC, Macy’s Merchandising Group International (Hong Kong) Limited, Macy’s Merchandising Group Procurement, LLC, Macy’s Real Estate, LLC, Macy’s State Street, LLC, Macy’s Mall Real Estate, LLC, Macy’s Union Square, LLC, Macy’s West Virginia, LLC, Marshall Field’s Chicago, Inc., Macy’s Inventory Funding, LLC, Macy’s Inventory Holdings, LLC, May Company Montgomery Condominium, LLC, May Department Stores International, Inc., May Properties of Maryland, Inc., May Stores IV, Inc., McIre One, Inc., MF Distribution Center of Illinois, LLC, MF Fargo-Grand Forks-Bismarck Stores LLC, MOA Rest, Inc.,

Reverse Logistics Advantage, LLC, Nimbus Stores LLC, OBP, LLC, R.H. Macy Holdings (HK), Ltd., R.H. Macy Warehouse (HK), Ltd., Rooftop, Inc., Southdale Stores LLC, West 34th Street Insurance Company, West 34th Street Insurance Company New York, and FACS Group, Inc.), and includes each and all of the foregoing named and unnamed entities' past and present parents, divisions (regardless of tier), subsidiaries (regardless of tier), affiliates, successors, and assigns, and includes each and all of the foregoing named and unnamed entities' respective past and present officers, directors, shareholders, employees, representatives, agents, attorneys, insurers, heirs, executors, and estates.

- 1.26. "Settlement" means the disposition of the Action effected by this Agreement and the Judgment.
- 1.27. "Defendant" means Macy's West Stores, Inc. n/k/a Macy's Retail Holdings, LLC, the named defendant in the Action.

2. RECITALS.

- 2.1. On September 3, 2020, Plaintiff Pedro Ayala commenced this Action by filing a PAGA Complaint in the Superior Court of California, County of Los Angeles, Case No. 20STCV34182, seeking penalties under the Private Attorneys' General Act, Labor Code §§ 2698 et seq. based on Defendant's alleged: (1) failure to pay all wages owed including minimum wages; (2) failure to accurately calculate and pay overtime wages; (3) failure to provide meal periods; (4) failure to pay compensation for meal periods that were not lawfully provided; (5) failure to authorize and permit rest periods; (6) failure to pay compensation for rest periods that were not lawfully authorized and permitted; (7) failure to timely pay all owed wages during employment; (8) failure to timely pay wages owed upon separation from employment; (9) failure to furnish accurate, itemized wage statements; and (10) failure to reimburse employees for necessary expenses.
- 2.2. On April 5, 2021, Plaintiff Emi Bruemmer filed a PAGA representative complaint in the Superior Court of California, County of Marin, Case No. CIV2101311, seeking penalties under the Private Attorneys' General Act, Labor Code §§ 2698 et seq. based on Defendant's alleged: (1) failure to pay all wage owed including minimum wages; (2) failure to accurately calculate and pay overtime wages; (3) failure to provide meal periods; (4) failure to pay compensation for meal periods that were not lawfully provided; (5) failure to authorize and permit rest periods; (6) failure to pay compensation for rest periods that were not lawfully authorized and permitted; (7) failure to timely pay all owed wages during employment; (8) failure to timely pay wages owed upon separation from employment; (9) failure to furnish accurate, itemized wage statements; (10) failure to properly pay sick leave; and (11) failure to reimburse employees for necessary expenses.
- 2.3. On June 14, 2021 Plaintiffs Pedro Ayala and Emi Bruemmer filed a Second Amended PAGA Complaint consolidating the claims in both PAGA actions under Case No. 20STCV34182 before the Superior Court of California, County of Los Angeles.

- 2.4. The Second Amended PAGA Complaint is the operative complaint in the Action (the “Operative Complaint”). Defendant denies the allegations in the Complaint, denies any failure to comply with the laws identified in the Complaint, and denies any and all liability for the causes of action alleged.
- 2.5. Pursuant to Labor Code section 2699.3, subd.(a), Plaintiff gave timely written notice to Defendant and the LWDA by sending the PAGA Notice.
- 2.6. On December 22, 2023, the Parties participated in an all-day mediation presided over by Michael Loeb, which led to this Agreement to settle the Action.
- 2.7. Prior to mediation, Plaintiff obtained, through formal and informal discovery, extensive data and documentation from Defendant regarding Plaintiff and the allegedly aggrieved employees, including timekeeping policies, codes of conduct, sick leave policies, meal and rest break policies, and time and pay data.

3. MONETARY TERMS.

- a. Gross PAGA Settlement Amount. Except as otherwise provided by Paragraph 8 below, Defendant will pay a maximum of \$900,000.00 as the Gross PAGA Settlement Amount. Defendant has no obligation to pay the Gross PAGA Settlement Amount prior to the deadline stated in Paragraph 4.c. of this Agreement. The Administrator will disburse the entire Gross PAGA Settlement Amount without asking or requiring Covered Employees to submit any claim as a condition of payment. Defendant will not have any other monetary obligations under this Agreement and none of the Gross PAGA Settlement Amount will revert to Defendant.
- b. Payments from the Gross PAGA Settlement Amount. The Administrator will make and deduct the following payments from the Gross PAGA Settlement Amount, in the amounts specified by the Court in the Approval Order:
 - i. To PAGA Counsel: A PAGA Counsel Fees Payment of not more than one third of the Gross PAGA Settlement Amount which is currently estimated to be \$300,000.00, and PAGA Counsel Litigation Expenses Payment of not more than \$30,000. Defendant will not oppose requests for Court approval of these payments provided the payments do not exceed these amounts. Plaintiff and/or PAGA Counsel will file an application or motion for PAGA Counsel Fees Payment and PAGA Litigation Expenses Payment. If the Court approves a PAGA Counsel Fees Payment and/or a PAGA Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Net PAGA Settlement Amount. Released Parties shall have no liability to PAGA Counsel or any other Plaintiff’s Counsel arising from any claim to any portion of any PAGA Counsel Fees Payment and/or PAGA Counsel Litigation Expenses Payment. The Administrator will pay the PAGA Counsel Fees Payment and PAGA Counsel Litigation Expenses Payment using one or more IRS 1099 Forms. PAGA Counsel assumes full responsibility and liability for taxes owed on the PAGA Counsel Fees Payment and the PAGA Counsel Litigation Expenses Payment and holds Defendant harmless, and

indemnifies Defendant, from any dispute or controversy regarding any division or sharing of any of these payments.

- ii. To Plaintiff: A Service Award of up to \$5,000.00 for Plaintiff Emi Bruemmer for her services provided to the Covered Employees and the State, and for the risk she undertook in having her name associated with this lawsuit against her former employer. If the Court approves a Service Award of less than \$5,000, the Administrator will allocate the remainder to the Net PAGA Settlement Amount. Defendant considers this amount to appropriately offset Defendant's claims against Bruemmer.¹ The Administrator will issue Emi Bruemmer an IRS Form 1099 for this payment.
- iii. To the Administrator: An Administration Expenses Payment not to exceed \$7,750.00 except for a showing of good cause and as approved by the Court. To the extent the administration expenses are less than \$7,750 or the Court approves payment less than \$7,750, the Administrator will allocate the remainder to the Net PAGA Settlement Amount.
- iv. To the LWDA and Covered Employees: The Net PAGA Settlement Amount is the amount remaining after deducting from the Gross PAGA Settlement Amount the PAGA Counsel Fees Payment, the PAGA Counsel Litigation Expenses Payment, the Service Award to Emi Bruemmer, and the Administration Expenses Payment, and will be paid as PAGA Penalties in the estimated amount of \$557,250.00, with 75% (\$417,937.50) allocated to the LWDA PAGA Payment and 25% (\$139,312.50) allocated to the Individual PAGA Payments.
 1. The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Covered Employees' 25% share of PAGA Penalties (estimated \$139,312.50) by the total number of PAGA Pay Periods worked by all Covered Employees during the PAGA Period and (b) multiplying the result by each Covered Employee's PAGA Pay Periods. Each Covered Employee assumes full responsibility and liability for any taxes owed on his or her Individual PAGA Payment.
 2. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

4. SETTLEMENT FUNDING AND PAYMENTS.

- a. Covered Employee Pay Periods. Based on a review of its records as of the date of mediation, Defendant estimates the Covered Employees worked a total of 74,169 PAGA Pay Periods.

¹ Plaintiff Bruemmer denies any liability to Defendant, and disputes the existence and merits of any such claim and does not concede the validity of any claim asserted by Defendant by entering into the Settlement.

- b. Covered Employee Data. Within 30 days after the Approval Order is signed, Defendant will provide the Covered Employee Data to the Administrator in the form of a Microsoft Excel spreadsheet. To protect Covered Employees' privacy rights, the Administrator must maintain the Covered Employee Data in confidence, use the Covered Employee Data only for purposes of this Settlement and for no other purpose, and restrict access to the Covered Employee Data to Administrator employees who need access to the Covered Employee Data to effectuate and perform under this Agreement. Defendant has a continuing duty to immediately notify PAGA Counsel if it discovers that the Covered Employee Data omitted employee identifying information and to provide corrected or updated Covered Employee Data as soon as reasonably feasible. Without any extension of the deadline by which Defendant must send the Covered Employee Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Covered Employee Data.
- c. Funding of Gross PAGA Settlement Amount. Defendant shall fully fund the Gross PAGA Settlement Amount by transmitting the funds to the Administrator no later than 40 days after the Approval Order is signed. The Administrator will deposit the funds into the bank account of the Qualified Settlement Fund established by the Administrator in relation to this Settlement. All amounts to be paid to Plaintiff Bruemmer, Covered Employees, PAGA Counsel, the Administrator, and the LWDA shall be paid from this Qualified Settlement Fund.
- d. Payments from the Gross PAGA Settlement Amount. Within 15 days after Defendant funds the Gross PAGA Settlement Amount, the Administrator will mail checks for all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the PAGA Counsel Fees Payment, and the PAGA Counsel Litigation Expenses Payment. Disbursement of the PAGA Counsel Fees Payment and PAGA Counsel Litigation Expenses Payment shall not precede disbursement of Individual PAGA Payments.
 - i. The Administrator will issue checks for the Individual PAGA Payments and send them to the Covered Employees via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (not less than 120 days after the date of mailing) when the check will be voided. The Administrator will cancel all checks not cashed by the void date. Before mailing any checks, the Administrator must update the recipients' mailing addresses using the National Change of Address Database. The checks mailed to each of the Covered Employees will be accompanied by a notice (similar in form and content to the sample form set forth in Exhibit A) explaining the deadline to cash his/her check.
 - ii. The Administrator must conduct a Covered Employee Address Search for all Covered Employees whose checks are returned undelivered without USPS forwarding address. Within 15 days of receiving a returned check the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Covered Employee Address Search. The Administrator need

not take further steps to deliver checks to Covered Employees whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Covered Employee whose original check was lost or misplaced, requested by the Covered Employee prior to the void date.

- iii. For any Covered Employee whose Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the California Controller's Office Unclaimed Property Fund in the name of the Covered Employee.
 - iv. The payment of Individual PAGA Payments shall not obligate Defendant to confer any additional benefits or make any additional payments to the Covered Employees (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.
 - v. The Administrator, Plaintiff, PAGA Counsel, Defendant, and Defense Counsel will not have any liability for lost or stolen settlement checks, forged signatures on settlement checks, or unauthorized negotiation of settlement checks, and will not have any duty to seek or obtain any funds from the California Controller's Office Unclaimed Property Fund.
- 5. RELEASES OF CLAIMS.** Effective on the date the Approval Order is signed and contingent upon funding of the Gross PAGA Settlement Amount, all Covered Employees will release claims against all Released Parties as follows:

All Covered Employees, on behalf of themselves, their respective former and present representatives, agents, attorneys, heirs, administrators, successors, assigns, and the State of California, are deemed to release the Released Parties from all claims for PAGA civil penalties under California Labor Code §§ 2698 *et seq.* that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint and or the PAGA Notices sent by Plaintiff to the LWDA dated June 29, 2020, January 26, 2021, January 27, 2021, March 17, 2021, and June 11, 2021, for the entirety of the PAGA Period. Such released claims include but are not limited to alleged violations of California Labor Code §§ 201-204, 210, 216, 218.5, 218.6, 221-224, 226, 226.3, 226.7, 245-249, 510, 512, 516, 558, 1174, 1174.5, 1182.12, 1194, 1194.2, 1195, 1197, 1197.1, 1198, 2800, 2802, California Industrial Welfare Commission Wage Order 7-2001, and California Code of Regulations, Title 8, § 11000 *et seq.* The claims to be released also include all claims against the Released Parties for interest, costs, expenses, and attorney fees arising from the Released PAGA Claims.

- 6. MOTION OR APPLICATION FOR APPROVAL OF SETTLEMENT.** The Parties agree to jointly prepare and file an application or motion for approval of this Agreement.

- 6.1 Plaintiff's Responsibilities. Plaintiff will prepare and deliver to Defense Counsel all documents necessary for obtaining approval of this Agreement under Labor Code Section 2699, subd. (f)(2)) including: (i) a draft proposed Order Granting Approval of

PAGA Settlement; (ii) a signed declaration from the Administrator attaching its “not to exceed” bid for administering the settlement under this Agreement and attesting to its willingness to serve, competency, operative procedures for protecting the security of Covered Employee Data, amounts of insurance coverage for any data breach, defalcation of funds, or other misfeasance, all facts relevant to any actual or potential conflicts of interest with Covered Employees or the LWDA, and the nature and extent of any financial relationship with Plaintiff, PAGA Counsel, or Defense Counsel; (iii) a signed declaration from PAGA Counsel attesting to its timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), Operative Complaint (Labor Code section 2699, subd. (1)(1)), and this Agreement (Labor Code section 2699, subd. (1)(2)); and (iv) all facts relevant to any actual or potential conflict of interest with Covered Employees and/or the Administrator.

- 6.2 Responsibilities of PAGA Counsel. PAGA Counsel and Defense Counsel are jointly responsible for expeditiously finalizing and filing the application or motion for approval of this Agreement after the full execution of this Agreement and, if necessary, obtaining a prompt hearing date for the motion and appearing in Court to advocate in favor of the motion. PAGA Counsel is responsible for delivering the Court’s Approval Order to the Administrator.
- 6.3 Duty to Cooperate. If the Parties disagree on any aspect of the proposed application or motion for approval of this Agreement and/or the supporting declarations and documents, PAGA Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting and conferring, in good faith, to resolve the disagreement. If the Court does not grant the motion for approval of this Agreement or conditions its approval on any material change to this Agreement, PAGA Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting and conferring, in good faith, to modify the Agreement and/or otherwise satisfy the Court’s concerns.

7. SETTLEMENT ADMINISTRATION.

- 7.1 Selection of Administrator. The Parties have jointly selected ILYM Group, Inc. to serve as the Administrator and verified that, as a condition of appointment, ILYM Group, Inc. agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of the Administration Expenses Payment. The Parties and their counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.
- 7.2 Employer Identification Number. The Administrator shall have and use its own Employer Identification Number for purposes of calculating any payroll tax withholdings and providing any reports to state and federal tax authorities.

7.3 Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund under US Treasury Regulation section 468B-1.

7.4 Administrator Duties. The Administrator has a duty to perform or observe all tasks to be performed or observed by the Administrator contained in this Agreement or otherwise.

8. ESCALATOR CLAUSE

Based on its records, Defendant estimates that the Covered Employees worked 74,169 PAGA Pay Periods between January 26, 2020 and November 23, 2023. If the number of PAGA Pay Periods exceeds 74,169 by more than 10% (an additional 7,417 PAGA Pay Periods, for a total of 81,586), Defendant will pay an additional \$12.50 per PAGA Pay Period in excess of 81,586. Alternatively, Defendant may choose to end the Release Period at a date when the PAGA Pay Periods are less than 81,586 to avoid triggering this escalator clause.

9. **CONTINUING JURISDICTION OF THE COURT**. The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties, Action, and the Settlement solely for purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters, and (iii) addressing such post-Judgment matters as are permitted by law.

9.1 Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the PAGA Counsel Fees Payment and PAGA Counsel Litigation Expenses Payment, the Parties and their respective counsel waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs, or appeals. If another party appeals the Judgment, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect the amount of the Net PAGA Settlement Amount.

10. ADDITIONAL PROVISIONS.

10.1 No Admission of Liability. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendant that any of the allegations in the Operative Complaint have merit or that Defendant has any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that Defendant's defenses in the Action have merit. The Parties agree that representative treatment is for purposes of this Settlement only. If for any reason the Court does not approve this Settlement, Defendant reserves all available defenses to the claims in the Action, and

Plaintiff reserves the right to contest Defendant's defenses. The Settlement, this Agreement, and the Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).

- 10.2 Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party.
- 10.3 Attorney Authorization. PAGA Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiff and Defendant, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.
- 10.4 Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things and if reasonably necessary, modifying this Agreement, submitting supplemental evidence, and supplementing points and authorities as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of a mediator and/or the Court for resolution.
- 10.5 No Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber, to any person or entity any portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.
- 10.6 No Tax Advice. Neither Plaintiff, PAGA Counsel, Defendant, nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Agreement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.
- 10.7 Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties, their representatives, or their attorneys (pursuant to Paragraph 10.3), and approved by the Court.
- 10.8 Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors, heirs, trustees, executors, administrators, and assigns of each of the Parties.

- 10.9 Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the state of California, without regard to conflict of law principles.
- 10.10 Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.
- 10.11 Confidentiality. To the extent permitted by law, all agreements made, and orders entered, during the Action and in this Agreement relating to the confidentiality of information, shall survive the execution of this Agreement. Plaintiff and PAGA Counsel agree to maintain the confidentiality of this Agreement until such time as PAGA Counsel files with the Court the motion and proposed order requesting the Court to approve this Agreement. Additionally, following the filing of such motion and proposed order, Plaintiff and PAGA Counsel agree (i) not to contact any member of the print, electronic, or other media to discuss the Action or this Agreement, (ii) not to respond substantively to any request for comment from any member of the print, electronic, or other media with regard to this Action or this Agreement, and (iii) not to publish or publicize the Action or this Agreement on any website or social media platform.
- 10.12 Use and Return of Covered Employee Data. Information provided to PAGA Counsel pursuant to Cal. Evid. Code §1152, and all copies and summaries of the data and other information provided to PAGA Counsel by Defendant in connection with the mediation, other settlement negotiations, or the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. Not later than 90 days after the Administrator discharges its obligation to pay out all Settlement funds, Plaintiff and PAGA Counsel shall destroy all paper and electronic versions of Covered Employee Data and other data and information provided by Defendant in connection with the mediation, other settlement negotiations, or the Settlement unless, prior to the Administrator's payment of all Settlement funds, Defendant makes a written request to PAGA Counsel for the return, rather than the destruction, of the data and other information.
- 10.13 Headings. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.
- 10.14 Calendar Days. Unless otherwise noted, all reference to "days" in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.

- 10.15 Notice. All notices, demands, or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email or messenger, addressed as follows:

To Plaintiff:

James R. Hawkins
james@Jameshawkinsaplc.com
Christina M. Lucio
christina@Jameshawkinsaplc.com
JAMES HAWKINS APLC
9880 Research Drive, Suite 200
Irvine, California 92618
Telephone: (949) 387-7200
Facsimile: (949) 387-6676

To Defendant:

Chief Legal Counsel
Macy's, Inc.
151 West 34th Street
New York, NY 10001
legalcontracts@macys.com
OpsServiceAgent@macys.com

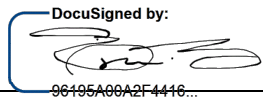
With a copy, which shall not constitute notice, to:

Michael C. Christman
Macy's Law Department
11477 Olde Cabin Road, Suite 400
St. Louis, MO 63141
Telephone: (314) 342-6334
michael.christman@macys.com

- 10.16 Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e. DocuSign), or email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.
- 10.17 Stay of Litigation. The Parties agree that upon the execution of this Agreement the Action shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that pursuant to CCP section 583.330 to extend the date to bring a case to trial under CCP section 583.310 for the entire period of this settlement process.

10.18 Entry of Judgment. After the Court has entered the Approval Order, the Parties will submit to the Court a proposed form of the Judgment. The proposed form of the Judgment will include a copy of the Court's Approval Order and provide that judgment shall be entered according to the terms of this Agreement.

Dated: 4/10/2024

By: 
Emi Bruemmer (Plaintiff)

Dated: _____

By: _____
On behalf of Defendant Macy's West Stores,
Inc. n/k/a Macy's Retail Holdings, LLC

Dated: 4/15/2024

By: 
JAMES HAWKINS APLC
James R. Hawkins
Christina M. Lucio
Mitchell J. Murray

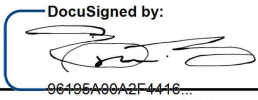
Attorneys for Plaintiff

Dated: _____

By: _____
Michael C. Christman
Attorneys for Defendant

10.18 Entry of Judgment. After the Court has entered the Approval Order, the Parties will submit to the Court a proposed form of the Judgment. The proposed form of the Judgment will include a copy of the Court's Approval Order and provide that judgment shall be entered according to the terms of this Agreement.

Dated: 4/10/2024

By: 
Emi Bruemmer (Plaintiff)

Dated: Apr 15, 2024

By: Tracy M. Preston
Tracy M. Preston (Apr 15, 2024 13:42 EDT)
On behalf of Defendant Macy's West Stores,
Inc. n/k/a Macy's Retail Holdings, LLC

Dated: _____

By: _____
JAMES HAWKINS APLC
James R. Hawkins
Christina M. Lucio
Mitchell J. Murray

Attorneys for Plaintiff

Dated: 04/15/24

By: 
Michael C. Christman
Attorneys for Defendant

EXHIBIT 2

JAMES *JH* HAWKINS

A PROFESSIONAL LAW CORPORATION

9880 RESEARCH DRIVE, SUITE 200, IRVINE, CALIFORNIA 92618
TELEPHONE (949) 387-7200; FACSIMILE (949) 387-6676

June 29, 2020

Via Online Filing (LWDA) and Certified Mail (Employer)

Labor and Workforce Development Agency
Attn: PAGA Administrator
1515 Clay Street, Ste. 801
Oakland, CA 94612
<http://www.dir.ca.gov/Private-Attorneys-General-Act>

Macy's West Stores, Inc.
7 West 7th Street
Cincinnati, OH 45202
Certified Mail Receipt: 7020 0640 0001 0089 8571

Macy's West Stores, Inc.
Agent for Service of Process:
Corporate Creations Network Inc.
4640 Admiralty Way, 5th Floor
Marina del Rey, CA 90292
Certified Mail Receipt: 7018 0680 0001 9386 0007

Re: NOTICE PURSUANT TO LABOR CODE SECTIONS 2698 *et seq.*

To Whom It May Concern:

PLEASE TAKE NOTICE that Plaintiff Pedro Ayala, on behalf of himself and all others similarly situated, hereby gives NOTICE of his Complaint pursuant to Labor Code Sections 2698, *et seq.* against Defendant Macy's West Stores, Inc., an Ohio corporation, and DOES 1 through 50, inclusive. Plaintiff intends to commence an action against Defendants pursuant to Labor Code sections 2698 *et seq.* Plaintiff hereby gives written notice by online submission to the Labor and Workforce Development Agency, and by certified mail to Defendant Macy's West Stores, Inc. via its agent for service of process.

Plaintiff has attached his Complaint, and incorporates the allegations in the Complaint as though fully set forth herewith, setting out the specific provisions of the Labor Code that Plaintiff alleges have been violated, including the facts and relevant theories alleged against Defendants in the Complaint.

June 29, 2020

Page 2

Plaintiff alleges that Defendants committed the violations specified in the Complaint against both her and the group of aggrieved employees that he seeks to represent: Any and all persons who are or were employed as non-exempt employees, however titled, in Defendants' retail locations (the "Aggrieved Employees") during the liability period.

In addition to the violations specified in the attached Complaint, Plaintiff alleges that Defendants failed to pay sick leave pay to Plaintiff and the Aggrieved Employees at the proper rate. Labor Code 246 (a) (1) provides: An employee who, on or after July 1, 2015, works in California for the same employer for 30 or more days within a year from the commencement of employment is entitled to paid sick days as specified. Labor Code section 246(1) provides: "For the purposes of this section, an employer shall calculate paid sick leave using any of the following calculations: (1) Paid sick time for nonexempt employees shall be calculated in the same manner as the regular rate of pay for the workweek in which the employee uses paid sick time, whether or not the employee actually works overtime in that workweek. (2) Paid sick time for nonexempt employees shall be calculated by dividing the employee's total wages, not including overtime premium pay, by the employee's total hours worked in the full pay periods of the prior 90 days of employment." In this case, Plaintiff alleges that Defendant failed to pay sick leave at the proper rate because it failed to take all forms of compensation, including incentives, bonuses, commissions, and other wages into account in calculating the regular rate. This constitutes a violation of Labor Code.

All Labor Code and related Complaint allegations pertain to all entities or individuals named in the Complaint, even if not so specified.

Please advise by certified mail within sixty-five (65) days of the post mark on this letter if the LWDA intends to investigate these claims. Thank you, and please contact me if you have any questions or require additional information.

Very Truly Yours,

A handwritten signature in black ink, appearing to read 'Christina M. Lucio', with a stylized flourish at the end.

Christina M. Lucio, Esq.

Enclosure: Class Action Complaint

EXHIBIT 3

JAMES JH HAWKINS
A PROFESSIONAL LAW CORPORATION

9880 RESEARCH DRIVE, SUITE 200, IRVINE, CALIFORNIA 92618
TELEPHONE (949) 387-7200; FACSIMILE (949) 387-6676

January 26, 2021

Via Online Filing (LWDA) and Certified Mail (Employer)

California Labor and Workforce Development Agency
Attn: PAGA Administrator
1515 Clay Street, Ste. 801
Oakland, CA 94612
<http://www.dir.ca.gov/Private-Attorneys-General-Act>

Macy's West Stores, Inc.
7 West 7th Street
Cincinnati, OH 45202
Certified Mail Receipt: 7020 0640 0001 0089 9066

Macy's West Stores, Inc.
Agent for Service of Process:
Corporate Creations Network Inc.
4640 Admiralty Way, 5th Floor
Marina del Rey, CA 90292
Certified Mail Receipt: 7020 0640 0001 0089 9059

Re: NOTICE PURSUANT TO LABOR CODE SECTIONS 2698 *et seq.*

To Whom It May Concern:

PLEASE TAKE NOTICE that Plaintiff Emi Bruemmer, on behalf of herself and all others similarly situated, hereby gives NOTICE of her Complaint pursuant to Labor Code Sections 2698, *et seq.* against Defendant Macy's West Stores, Inc., an Ohio corporation, and DOES 1 through 50, inclusive. Plaintiff intends to commence an action against Defendants pursuant to Labor Code sections 2698 *et seq.* Plaintiff hereby gives written notice by online submission to the Labor and Workforce Development Agency, and by certified mail to Defendant Macy's West Stores, Inc. via its agent for service of process. This notice is timely as it is provided within one year of the violations. In addition, the statute of limitation for the claim under the Private Attorney Generals Act, is tolled by operation of law under Emergency Rule 9 due to the COVID-19 pandemic.

Plaintiff has attached her Complaint, and incorporates the allegations in the Complaint as though fully set forth herewith, setting out the specific provisions of the Labor Code that Plaintiff alleges have been violated, including the facts and relevant theories alleged against Defendants in the Complaint.

Plaintiff alleges that Defendants committed the violations specified in the Complaint against both her and the group of aggrieved employees that she seeks to represent: Any and all persons who are or were employed as non-exempt employees, however titled, in Defendants' retail locations (the "Aggrieved Employees") during the liability period.

Pursuant to *Huff v. Securitas Security Services*, 23 Cal. App. 5th 745, 751 (2018), an employee who brings a representative action and was affected by at least one of the violations alleged in the complaint has standing to pursue penalties on behalf of the state not only for that violation, but for violations affecting other employees as well. Accordingly, Ms. Bruemmer has standing to pursue penalties on behalf of the state for violations affecting all the aggrieved employees at Macy's West Stores, Inc. regardless of their classification, job title, locations, or whether they were hired directly or through a labor contractor or staffing agency.

In addition to the violations specified in the attached Complaint, Plaintiff alleges that Defendants failed to pay sick leave pay to Plaintiff and the Aggrieved Employees at the proper rate. Labor Code 246 (a) (1) provides: An employee who, on or after July 1, 2015, works in California for the same employer for 30 or more days within a year from the commencement of employment is entitled to paid sick days as specified. Labor Code section 246(l) provides: "For the purposes of this section, an employer shall calculate paid sick leave using any of the following calculations: (1) Paid sick time for nonexempt employees shall be calculated in the same manner as the regular rate of pay for the workweek in which the employee uses paid sick time, whether or not the employee actually works overtime in that workweek. (2) Paid sick time for nonexempt employees shall be calculated by dividing the employee's total wages, not including overtime premium pay, by the employee's total hours worked in the full pay periods of the prior 90 days of employment." In this case, Plaintiff alleges that Defendant failed to pay sick leave at the proper rate because it failed to take all forms of compensation, including incentives, bonuses, commissions, differentials, and other wages into account in calculating the regular rate. This constitutes a violation of Labor Code.

Moreover, Plaintiff alleges that Defendant violated Labor Code section 246(i). Labor Code Section 246(i) provides that, "an employer shall provide an employee with written notice that sets forth the amount of paid sick leave available, or paid time off leave an employer provides in lieu of sick leave, for use on either the employee's itemized wage statement described in Section 226 or in a separate writing provided on the designated pay date with the employee's payment of wages. If an employer provides unlimited paid sick leave or unlimited paid time off to an employee, the employer may satisfy this section by indicating on the notice or the employee's itemized wage statement

‘unlimited.’ The penalties described in this article for a violation of this subdivision shall be in lieu of the penalties for a violation of Section 226.” Here, Plaintiff asserts that Defendant violated Labor Code section 246(i) because Defendant frequently omitted sick leave from the wage statements of Plaintiff and the other aggrieved employees.

Plaintiff further alleges that Defendants’ failure to timely and properly pay sick leave as required by Healthy Workplace Healthy Family Act of 2014 (HWHFA), the Families First Coronavirus Response Act (FFCRA) and California Covid-19 Supplemental Paid Sick Leave laws also constituted violations of Labor Code section 1194 and 1197 because Defendants failed to pay the sick leave at the rates required by statute. Further, the failure to timely and properly pay sick leave when taken according to the timelines set forth in Labor Code § 204 constituted a violation Labor Code section 204 and subjects Defendants to penalties under Labor Code § 210. Former employees are also entitled to penalties under Labor Code section 203 for the failure to properly pay all sick leave wages owed for sick leave taken during employment in violation of Labor Code section 201-202.

All Labor Code and related Complaint allegations pertain to all entities or individuals named in the Complaint, even if not so specified.

Please advise by certified mail within sixty-five (65) days of the post mark on this letter if the LWDA intends to investigate these claims. Thank you, and please contact me if you have any questions or require additional information.

Very Truly Yours,

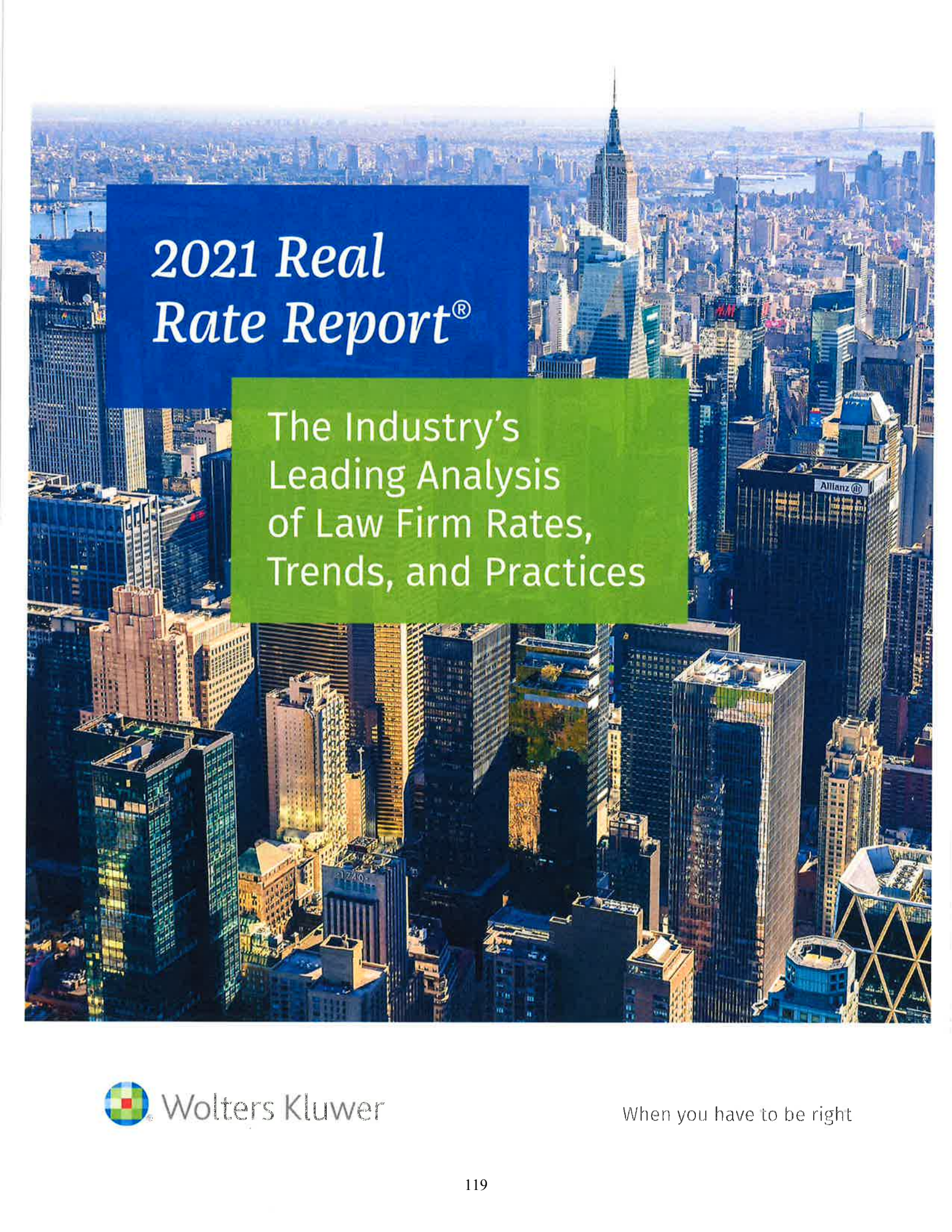
/s/ Christina M. Lucio

Christina M. Lucio, Esq.

Enclosure: Class Action Complaint

EXHIBIT 4

EXHIBIT 5

An aerial photograph of the New York City skyline, featuring numerous skyscrapers and the Empire State Building prominently in the background. The image is used as a background for the report cover.

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Data Engineer
Wolters Kluwer's ELM Solutions

ELM Solutions Creative

David Andrews

Senior Graphic Designer
Wolters Kluwer's ELM Solutions

Contributing Analysts and Authors

Jason Bender

Legal Analytics Product Manager
Wolters Kluwer's ELM Solutions

Deniece Bushell

Senior Product Marketing Manager
Wolters Kluwer's ELM Solutions

Nathan Cemenska

Associate Director, Product Management
Wolters Kluwer's ELM Solutions

Margie Sleboda

Lead Technology Product Manager
Wolters Kluwer's ELM Solutions

Executive Sponsor

Barry Ader

Vice President, Product Management and Marketing
Wolters Kluwer's ELM Solutions

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ELM Solutions, a Wolters Kluwer business
20 Church Street
Hartford, CT 06103 United States
ATTN: Marketing
+1-860-549-8795

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A Letter to Our Readers

Welcome to the Wolters Kluwer's ELM Solutions Real Rate Report®, the industry's leading data-driven benchmark report for lawyer rates.

Our Real Rate Report has been a relied upon data analytics resource to the legal industry since its inception in 2010 and continues to evolve. The Real Rate Report is powered by Wolters Kluwer's ELM Solutions LegalVIEW® data warehouse, the world's largest source of legal performance benchmark data, which has grown to include over \$150 billion in anonymized legal data.

This year, we launched our LegalVIEW Insights Report series, which explores the emerging trends behind the overall legal spend volatility seen in corporate legal departments. The insights reports coupled with the Real Rate Report are great tools to drive actionable decisions.

The legal services industry relies on internal analytics and the use of external data resources, such as the LegalVIEW® data warehouse, to support legal management strategies. The depth and details of the data in the Real Rate Report enable you to better benchmark and make more informed investment and resourcing decisions for your organization.

As with past Real Rate Reports, all of the data analyzed are from corporations' and law firms' e-billing and time management solutions. We have included lawyer and paralegal rate data filtered by specific practice and sub-practice areas, metropolitan areas, and types of matters to give legal departments and law firms greater ability to pinpoint areas of opportunity. We strive to make the Real Rate Report a valuable and actionable reference tool for legal departments and law firms.

As always, we welcome your comments and suggestions on what information would make this publication more valuable to you. We thank our data contributors for participating in this program. And we thank you for making Wolters Kluwer's ELM Solutions your trusted partner for legal industry domain expertise, data, and analytics and look forward to continuing to provide market-leading, expert solutions that deliver the best business outcomes for collaboration among legal departments and law firms.

Sincerely,



Barry Ader

Vice President, Product Management and Marketing
Wolters Kluwer's ELM Solutions

Report Use Considerations

2021 Real Rate Report

- Examines law firm rates over time
- Identifies rates by location, experience, firm size, areas of expertise, industry, and timekeeper role (i.e., partner, associate, and paralegal)
- Itemizes variables that drive rates up or down

All the analyses included in the report derive from the actual rates charged by law firm professionals as recorded on invoices submitted and approved for payment.

Examining real, approved rate information, along with the ranges of those rates and their changes over time, highlights the role these variables play in driving aggregate legal cost and income. The analyses can energize questions for both corporate clients and law firm principals.

Clients might ask whether they are paying the right amount for different types of legal services, while law firm principals might ask whether they are charging the right amount for legal services and whether to modify their pricing approach.

Some key factors¹ that drive rates²:

Attorney location - Lawyers in urban and major metropolitan areas tend to charge more when compared with lawyers in rural areas or small towns.

Litigation complexity - The cost of representation will be higher if the case is particularly complex or time-consuming; for example, if there are a large number of documents to review, many witnesses to depose, and numerous procedural steps, the case is likely to cost more (regardless of other factors like the lawyer's level of experience).

Years of experience and reputation - A more experienced, higher-profile lawyer is often going to charge more, but absorbing this higher cost at the outset may make more sense than hiring a less expensive lawyer who will likely take time and billable hours to come up to speed on unfamiliar legal and procedural issues.

Overhead - The costs associated with the firm's support network (paralegals, clerks, and assistants), document preparation, consultants, research, and other expenses.

Firm size - The rates can increase if the firm is large and has various timekeeper roles at the firm. For example, the cost to work with an associate or partner at a larger firm will be higher compared to a firm that has one to two associates and a paralegal.

Rates increase in geographic areas with growing population

Additional analysis was performed to examine the impact of geographic location on law firm hourly rates. This report, like previous ones, shows that large, cosmopolitan legal services markets like New York City, San Francisco, and Los Angeles are associated with higher hourly rates. In addition, our analysis reveals a significant spike in hourly rates in areas of the country

¹ David Goguen, J.D., University of San Francisco School of Law (2020) Guide to Legal Services Billing Retrieved from: <https://www.lawyers.com/legal-info/research/guide-to-legal-services-billing-rates.html>

² Source: 2018 RRR. Factor order validated in multiple analyses since 2010

Report Use Considerations

that are currently experiencing high population growth. Significant average rate increases occurred from 2020 to 2021 in many areas, but especially Fresno, California (~15% average rate increase), Greenville, SC (~18%), Miami, FL (~9%), Nashville, TN (~11%), Oklahoma City (~13%), Phoenix, AZ (~10%), and Seattle, WA (~11%) -- all of which have experienced much higher than average population growth in recent years.

The correlation between hourly rates and population growth makes sense. When people and businesses move into an area, it creates a spike in demand for all sorts of goods and services, including legal services. However, it is hard for the supply of legal services to move as quickly as demand because attorneys looking to move into a new geographic area face high switching costs that most will refuse to pay unless they absolutely have to.

First, attorneys looking to take work in a new state have to get licensed there, which takes time and effort and is a distraction that can reduce their current income in the form of the number of hours they are able to bill to clients. Second, despite the rise in remote working, many attorneys looking to establish practices in a new geographic location may have to establish at least some physical presence there, find a new office, new lodging, and potentially uproot their entire family. Third, even if the switching costs of licensure, physically moving, etc. are paid, attorneys may fear yet another switching cost in the form of attrition of their existing clients from their original geographic locale, who may view them as no longer investing in their knowledge of the legal problems and legal solutions that are specific to the original locale.

³ Source: 2020 RRR. Factor order validated in multiple analyses since 2010

Section I: High-Level Data Cuts

Cities

By Matter Type

2021 - Real Rates for Associate and Partner

Trend Analysis - Mean

City	Matter Type	Role	n	First Quartile	Median	Third Quartile	2021	2020	2019
Kansas City MO	Non-Litigation	Associate	95	\$250	\$320	\$385	\$323	\$288	\$278
		Partner	14	\$285	\$350	\$484	\$402	\$445	\$413
Las Vegas NV	Non-Litigation	Partner	19	\$250	\$300	\$445	\$375	\$421	\$480
		Associate	12	\$238	\$323	\$377	\$320	\$282	\$280
Little Rock AR	Non-Litigation	Partner	12	\$215	\$215	\$300	\$267	\$290	\$274
Los Angeles CA	Litigation	Partner	342	\$475	\$715	\$1,042	\$759	\$708	\$694
		Associate	433	\$402	\$602	\$806	\$610	\$583	\$535
Los Angeles CA	Non-Litigation	Partner	559	\$600	\$880	\$1,160	\$894	\$872	\$816
		Associate	761	\$480	\$685	\$895	\$696	\$665	\$620
Louisville KY	Litigation	Partner	18	\$265	\$356	\$405	\$344	\$353	\$338
		Associate	16	\$178	\$200	\$278	\$225	\$227	\$214
Louisville KY	Non-Litigation	Associate	12	\$208	\$215	\$249	\$224	\$230	\$197
		Partner	15	\$244	\$389	\$529	\$421	\$424	\$430
Madison WI	Non-Litigation	Partner	15	\$244	\$389	\$529	\$421	\$424	\$430
Memphis TN	Litigation	Partner	16	\$290	\$415	\$425	\$364	\$355	\$347
		Associate	20	\$298	\$340	\$369	\$345	\$346	\$334
Miami FL	Litigation	Partner	100	\$282	\$475	\$614	\$465	\$473	\$453
		Associate	100	\$282	\$475	\$614	\$465	\$473	\$453

Section I: High-Level Data Cuts

Cities

By Years of Experience

2021 - Real Rates for Associate

Trend Analysis - Mean

City	Years of Experience	n	First Quartile	Median	Third Quartile	2021	2020	2019
Jackson MS	7 or More Years	22	\$55	\$55	\$183	\$124	\$125	\$183
Kansas City MO	3 to Fewer Than 7 Years	26	\$252	\$310	\$349	\$306	\$294	\$292
	7 or More Years	28	\$295	\$325	\$370	\$325	\$283	\$282
Los Angeles CA	Fewer Than 3 Years	70	\$494	\$533	\$622	\$543	\$511	\$413
	3 to Fewer Than 7 Years	128	\$533	\$709	\$821	\$673	\$582	\$510
	7 or More Years	164	\$412	\$565	\$841	\$629	\$604	\$576
Miami FL	3 to Fewer Than 7 Years	14	\$277	\$340	\$408	\$364	\$323	\$323
	7 or More Years	30	\$310	\$475	\$540	\$431	\$429	\$374
Minneapolis MN	3 to Fewer Than 7 Years	23	\$330	\$351	\$462	\$394	\$388	\$355
	7 or More Years	26	\$326	\$448	\$580	\$441	\$397	\$384
Nashville TN	7 or More Years	13	\$245	\$283	\$325	\$287	\$271	\$253
New Orleans LA	3 to Fewer Than 7 Years	13	\$235	\$238	\$280	\$251	\$260	\$248
	7 or More Years	13	\$260	\$340	\$364	\$324	\$326	\$276
New York NY	Fewer Than 3 Years	160	\$440	\$590	\$775	\$629	\$560	\$513
	3 to Fewer Than 7 Years	237	\$412	\$670	\$875	\$681	\$625	\$559

Section I: High-Level Data Cuts

Cities

By Years of Experience

2021 - Real Rates for Partner

Trend Analysis - Mean

City	Years of Experience	n	First Quartile	Median	Third Quartile	2021	2020	2019
Los Angeles CA	Fewer Than 21 Years	173	\$550	\$855	\$1,065	\$815	\$724	\$703
	21 or More Years	332	\$527	\$725	\$1,145	\$844	\$818	\$758
Memphis TN	Fewer Than 21 Years	11	\$283	\$300	\$340	\$317	\$324	\$309
	21 or More Years	17	\$365	\$415	\$425	\$391	\$379	\$370
Miami FL	Fewer Than 21 Years	44	\$408	\$540	\$583	\$503	\$484	\$485
	21 or More Years	99	\$414	\$550	\$750	\$569	\$564	\$532
Milwaukee WI	Fewer Than 21 Years	14	\$306	\$358	\$433	\$373	\$355	\$323
	21 or More Years	26	\$375	\$470	\$545	\$535	\$530	\$431
Minneapolis MN	Fewer Than 21 Years	41	\$400	\$520	\$604	\$513	\$515	\$478
	21 or More Years	82	\$450	\$659	\$789	\$619	\$591	\$579
Nashville TN	Fewer Than 21 Years	27	\$375	\$464	\$495	\$436	\$413	\$374
	21 or More Years	49	\$420	\$470	\$536	\$481	\$472	\$433
New Orleans LA	Fewer Than 21 Years	24	\$275	\$305	\$390	\$346	\$361	\$337
	21 or More Years	40	\$295	\$332	\$412	\$352	\$373	\$369
New York NY	Fewer Than 21 Years	456	\$656	\$1,044	\$1,407	\$1,033	\$987	\$938

Section I: High-Level Data Cuts

Cities

By Role

2021 - Real Rates for Associate and Partner

Trend Analysis - Mean

City	Role	n	First Quartile	Median	Third Quartile	2021	2020	2019
Little Rock AR	Partner	16	\$215	\$250	\$300	\$272	\$287	\$282
Los Angeles CA	Partner	786	\$536	\$822	\$1,101	\$843	\$808	\$766
	Associate	1,110	\$450	\$653	\$860	\$664	\$636	\$587
Louisville KY	Partner	25	\$278	\$355	\$400	\$348	\$363	\$348
	Associate	25	\$180	\$210	\$264	\$224	\$228	\$210
Madison WI	Partner	15	\$241	\$389	\$536	\$419	\$435	\$440
Memphis TN	Partner	30	\$290	\$351	\$415	\$354	\$351	\$342
Miami FL	Partner	226	\$360	\$530	\$675	\$525	\$524	\$516
	Associate	149	\$265	\$361	\$475	\$375	\$381	\$365
Milwaukee WI	Partner	52	\$316	\$390	\$476	\$452	\$450	\$387
	Associate	36	\$270	\$305	\$358	\$316	\$305	\$269
Minneapolis MN	Partner	175	\$419	\$595	\$711	\$578	\$544	\$531
	Associate	137	\$295	\$406	\$521	\$405	\$377	\$376
Nashville TN	Partner	108	\$375	\$468	\$535	\$463	\$457	\$414
	Associate	73	\$252	\$311	\$338	\$305	\$283	\$257

EXHIBIT 6

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 +
6/01/23- 5/31/24	1.059295	\$239	\$437	\$538	\$777	\$878	\$1057
6/01/22- 5/31/23	1.085091	\$225	\$413	\$508	\$733	\$829	\$997
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
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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)

* $\frac{1}{2}$ Years Out of Law School $\frac{1}{2}$ is calculated from June 1 of each year, when most law students graduate. $\frac{1}{2}$ 1-3" includes an attorney in his 1st, 2nd and 3rd years of practice, measured from date of graduation (June 1). $\frac{1}{2}$ 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 $\frac{1}{2}$ 1-3" from June 1, 1996 until May 31, 1999, would move into tier $\frac{1}{2}$ 4-7" on June 1, 1999, and tier $\frac{1}{2}$ 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 7

Matter Billing Detail

Report Date:4/16/2024

Report Time:4:27PM

Page:1 of 2

User ID:R. Hawkins

JAMES HAWKINS APLC

Date Range:01/01/1900 to 04/16/2024

Client:MACYS006 - Emi Bruemmer

Matter:MACYWEST004 - Macys West Stores-PAGA,- Emi Bruemmer

Date	Expense Code	Description	Debit	Credit	Billing Status	On Hold	Invoice Number	Check Number	Payee
		Balance Forward:	\$0.00						
04/05/2021	FST	First Legal Network- Filing, PAGA complaint and initial docs IN#30157230	\$126.05		Unbilled				
06/02/2021	FST	First Legal Network- ADD Billing- PAGA Complaint and Initial Docs Processed- (4) PAGA Complaint and Initial Docs IN#30162706	\$2,419.24		Unbilled				
06/14/2021	POS	Postage - LWDA CERT MAIL X4	\$35.96		Unbilled				
07/19/2021	FST	First Legal Network- FILED- Request for Dismissal IN# 30166121	\$89.65		Unbilled				
01/11/2024	EXA	Expert Analysis IN#10356 CK#11435	\$4,185.00		Unbilled				
		Total:	\$6,855.90	\$0.00					
		Balance:	\$6,855.90						

Matter Billing Detail

JAMES HAWKINS APLC

Date	Expense Code	Description	Debit	Credit	Billing Status	On Hold	Invoice Number	Check Number	Payee
Total Fees Billed-----			\$0.00						
Total Fees Unbilled : -----			\$0.00						
Total Fees Received : -----			\$0.00						
Total Soft Cost Billed : -----			\$0.00						
Total Soft Cost Unbilled : -----			\$0.00						
Total Soft Cost Received : -----			\$0.00						
Total Hard Cost Billed : -----			\$0.00						
Total Hard Cost Unbilled : -----			\$6,855.90						
Total Hard Cost Received : -----			\$0.00						
Total Taxes Billed : -----			\$0.00						
Total Taxes Unbilled : -----			\$0.00						
Total Taxes Received : -----			\$0.00						
Total Late Charges Billed : -----			\$0.00						
Total Late Charges Unbilled: -----			\$0.00						
Total Late Charges Received : -----			\$0.00						
Trust Balance: -----			\$0.00						

Matter Billing Detail

JAMES HAWKINS APLC

Date Range: 01/01/1900 to 04/16/2024
Client: MACY001 - Pedro Ayala
Matter: MACYS WEST - Macy’s West Stores Inc- Pedro Ayala

Date	Expense Code	Description	Debit	Credit	Billing Status	On Hold	Invoice Number	Check Number	Payee
		Balance Forward:	\$0.00						
06/29/2020	FIL	Filing Fee LWDA filing CK#8715	\$75.00		Unbilled				
06/29/2020	POS	Postage- Certified Mail sent to 2 Agents	\$17.98		Unbilled				
06/29/2020	FST	First Legal Network- FILED- Complaint, Summons, Civil Cover Sheet, Civil Addendum IN#30131279	\$1,630.75		Unbilled				
12/03/2020	CAS	Case Anywhere E-Service- System Access Fee - In#206929	\$1.20		Unbilled				
03/04/2021	CAS	Case Anywhere E-Service-System Access Fee- In#215061	\$126.00		Unbilled				
12/07/2021	CAS	Case Anywhere E-Service- System Access Fee & Document service- In#240049	\$120.00		Unbilled				
06/08/2022	CAS	Case Anywhere E-Service Invoice #255742	\$120.00		Unbilled				
09/23/2022	CAS	Case Anywhere E-Service- IN#264239	\$120.00		Unbilled				
05/04/2023	ARB	Arbitration FEE- Demand with AAA (visa)	\$129.37		Unbilled				
11/06/2023	MED	Mediation Services IN#6882620 CK#11268	\$9,500.00		Unbilled				
12/29/2023	CAS	Case Anywhere E-Service 309778	\$120.00		Unbilled				
03/05/2024	CAS	Case Anywhere E-Service - IN# 319551 Ck# 11618	\$120.00		Unbilled				
		Total:	\$12,080.30	\$0.00					
		Balance:	\$12,080.30						

Matter Billing Detail

JAMES HAWKINS APLC

Date	Expense Code	Description	Debit	Credit	Billing Status	On Hold	Invoice Number	Check Number	Payee
Total Fees Billed- - - - -			\$0.00						
Total Fees Unbilled : - - - - -			\$0.00						
Total Fees Received : - - - - -			\$0.00						
Total Soft Cost Billed : - - - - -			\$0.00						
Total Soft Cost Unbilled : - - - - -			\$0.00						
Total Soft Cost Received : - - - - -			\$0.00						
Total Hard Cost Billed : - - - - -			\$0.00						
Total Hard Cost Unbilled : - - - - -			\$12,080.30						
Total Hard Cost Received : - - - - -			\$0.00						
Total Taxes Billed : - - - - -			\$0.00						
Total Taxes Unbilled : - - - - -			\$0.00						
Total Taxes Received : - - - - -			\$0.00						
Total Late Charges Billed : - - - - -			\$0.00						
Total Late Charges Unbilled: - - - - -			\$0.00						
Total Late Charges Received : - - - - -			\$0.00						
Trust Balance: - - - - -			\$0.00						

Matter Billing Detail

Report Date:4/16/2024

Report Time:4:28PM

Page:1 of 2

User ID: R. Hawkins

JAMES HAWKINS APLC

Date Range: 01/01/1900 to 04/16/2024

Client: MACYS006 - Emi Bruemmer

Matter: MACYSWEST005 - Macys West Stores, LLC- Emi Bruemmer

Date	Expense Code	Description	Debit	Credit	Billing Status	On Hold	Invoice Number	Check Number	Payee
		Balance Forward:	\$0.00						
01/27/2021	FST	First Legal Network - Filing, Class complaint and initial docs IN#30149229	\$116.25		Unbilled				
01/28/2021	FIL	Filing Fee - 01.26.2021 LWDA Filing Fee	\$75.00		Unbilled				
01/29/2021	POS	Postage - 01.26.2021 Cert Mail to Agents (x2) re LWDA Notice	\$17.30		Unbilled				
01/29/2021	POS	Postage - 01.27.2021 Cert Mail to Agents (x4) re Amended Notice	\$34.60		Unbilled				
03/26/2021	FST	First Legal Network - Process, complaint and initial docs (3) ,ADDITIONAL billing, class complaint and initial docs, Process, Summons, complaint for damages, Civ, Summons, complaint for damages, civ, IN#30154513	\$2,818.86		Unbilled				
03/31/2021	FST	First Legal Network - Filing, POS (4) IN#30157230	\$89.65		Unbilled				
06/11/2021	POS	Postage - LWDA CERT MAIL X4	\$35.96		Unbilled				
03/29/2022	MED	Mediation Services IN#18500 CK#9872	\$6,250.00		Unbilled				
08/09/2022	MED	Mediation Services Refund of Mediation Fee CK#17514		\$6,250.00	Unbilled				
09/09/2022	POS	Postage- Cert Mail to Client re Settlement Checks	\$8.06		Unbilled				
		Total:	\$9,445.68	\$6,250.00					
		Balance:	\$3,195.68						

Matter Billing Detail

JAMES HAWKINS APLC

Date	Expense Code	Description	Debit	Credit	Billing Status	On Hold	Invoice Number	Check Number	Payee
Total Fees Billed- - - - -			\$0.00						
Total Fees Unbilled : - - - - -			\$0.00						
Total Fees Received : - - - - -			\$0.00						
Total Soft Cost Billed : - - - - -			\$0.00						
Total Soft Cost Unbilled : - - - - -			\$0.00						
Total Soft Cost Received : - - - - -			\$0.00						
Total Hard Cost Billed : - - - - -			\$0.00						
Total Hard Cost Unbilled : - - - - -			\$3,195.68						
Total Hard Cost Received : - - - - -			\$0.00						
Total Taxes Billed : - - - - -			\$0.00						
Total Taxes Unbilled : - - - - -			\$0.00						
Total Taxes Received : - - - - -			\$0.00						
Total Late Charges Billed : - - - - -			\$0.00						
Total Late Charges Unbilled: - - - - -			\$0.00						
Total Late Charges Received : - - - - -			\$0.00						
Trust Balance: - - - - -			\$0.00						

Matter Billing Detail

Report Date: 4/16/2024
Report Time: 4:23PM
Page: 1 of 2
User ID: R. Hawkins

JAMES HAWKINS APLC

Date Range: 01/01/1900 to 04/16/2024
Client: MACY001 - Pedro Ayala
Matter: SILVERFARM002 - Macy's West Stores--PAGA - Pedro Ayala

Date	Expense Code	Description	Debit	Credit	Billing Status	On Hold	Invoice Number	Check Number	Payee
		Balance Forward:	\$0.00						
09/03/2020	FST	First Legal Network- PAGA Complaint, Summons, Civil Case Cover Sheet IN#30139041	\$1,655.95		Unbilled				
11/11/2020	FST	First Legal Network Notice and Acknowledgment IN#30143879	\$52.25		Unbilled				
11/18/2020	CRT	Court Documents- Complaint-research	\$13.80		Unbilled				
11/18/2020	CRT	Court Documents- Complaint-research	\$9.80		Unbilled				
12/04/2020	CCL	Court Call - LACourtConnect 12-02-2020 Further Status Conference for CML	\$15.00		Unbilled				
02/11/2021	FST	First Legal Network - Filing, First amended PAGA complaint IN#30151807	\$66.25		Unbilled				
03/03/2021	CCL	Court Call - 02.23.2021 Further Status Conference for CML	\$15.00		Unbilled				
05/14/2021	FST	First Legal Network - Filing, DECL of Christina M. Lucio; POS; PL IN#30159758	\$19.75		Unbilled				
06/04/2021	CAS	Case Anywhere E-Service-System Access Fee & Document Access Fee - In#223448	\$138.00		Unbilled				
06/14/2021	FST	First Legal Network- Filed- SAC- IN#30162706	\$148.85		Unbilled				
06/21/2021	FST	First Legal Network- Filed- Plf SC Report- IN#30162706	\$115.25		Unbilled				
07/13/2021	FST	First Legal Network- FILED- Stipulation and Proposed Order re Date of Filing IN#30166121	\$116.25		Unbilled				
08/17/2021	CCL	Court Call- 08.19.21- LA court connect- further Status Conference- CML	\$15.00		Unbilled				
09/17/2021	SIP	SIMPLURIS - Class Action Settlement Administration- IN#21610-P3 CK#9508	\$550.00		Unbilled				
02/25/2022	CRT	Court Documents - 02.25.22 needed to pull ntc of ruling off docket	\$11.50		Unbilled				
07/06/2022	CRT	Court Documents- Minute Order	\$2.00		Unbilled				
12/19/2022	CAS	Case Anywhere E-Service - 272870	\$120.00		Unbilled				
03/06/2023	CAS	Case Anywhere E-Service - IN#281437	\$120.00		Unbilled				
06/02/2023	CAS	Case Anywhere E-Service IN# 290557 CK# 10995	\$120.00		Unbilled				

Matter Billing Detail

JAMES HAWKINS APLC

Date	Expense Code	Description	Debit	Credit	Billing Status	On Hold	Invoice Number	Check Number	Payee
09/03/2023	CAS	Case Anywhere E-Service - IN# 299897 CK# 11118	\$120.00		Unbilled				
Total:			\$3,424.65	\$0.00					
Balance:			\$3,424.65						
Total Fees Billed- - - - -			\$0.00						
Total Fees Unbilled : - - - - -			\$0.00						
Total Fees Received : - - - - -			\$0.00						
Total Soft Cost Billed : - - - - -			\$0.00						
Total Soft Cost Unbilled : - - - - -			\$0.00						
Total Soft Cost Received : - - - - -			\$0.00						
Total Hard Cost Billed : - - - - -			\$0.00						
Total Hard Cost Unbilled : - - - - -			\$3,424.65						
Total Hard Cost Received : - - - - -			\$0.00						
Total Taxes Billed : - - - - -			\$0.00						
Total Taxes Unbilled : - - - - -			\$0.00						
Total Taxes Received : - - - - -			\$0.00						
Total Late Charges Billed : - - - - -			\$0.00						
Total Late Charges Unbilled: - - - - -			\$0.00						
Total Late Charges Received : - - - - -			\$0.00						
Trust Balance: - - - - -			\$0.00						

EXHIBIT 8

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES**

PEDRO AYALA and EMI BRUEMMER, on
behalf of themselves and in their
representative capacity as private attorneys
general,

Plaintiffs,

v.

MACY'S WEST STORES, INC., an Ohio
Corporation, DOING BUSINESS AS
MACY'S, and DOES 1-50, inclusive,

Defendants.

Case No. 20STCV34182

**NOTICE OF PRIVATE ATTORNEYS
GENERAL ACT SETTLEMENT**

This letter is to notify you that you have been designated to receive a settlement award pursuant to the California Labor Code Private Attorneys General Act ("PAGA"), Labor Code § 2699, *et seq.*, in connection with your employment with Macy's West Stores, Inc. n/k/a Macy's Retail Holdings, LLC ("Defendant"). This award arises from settlement of a lawsuit filed by Plaintiff Emi Bruemmer ("Plaintiff") against Defendant in Los Angeles County Superior Court, entitled *Ayala, et al. v. Macy's West Stores, Inc.*, Case No. 20STCV34182.

In the lawsuit, Plaintiff alleged that Defendant violated California labor laws by failing to provide non-exempt employees with meal periods and rest breaks or premiums in lieu thereof, minimum and overtime wages, timely payment of wages during employment and upon separation from employment, accurate itemized wage statements, reimbursement for business expenses, and sick leave at the proper rate, among other derivative claims ("Complaint"). Plaintiff sought civil penalties under PAGA on behalf of all persons employed by Defendant in California and classified as non-exempt employees who worked during the PAGA Period and are not subject to arbitration under Defendant's Solutions InSTORE Program ("Covered Employees") from any time between January 26, 2020 to November 23, 2023 (the "PAGA Period"). Defendant denies any wrongdoing and denies all liability in the action, and contends it complied with all applicable laws, but has agreed to settle the matter to avoid the expense and disruption of further litigation.

Enclosed please find a check in the amount of \$ [REDACTED], which may be cashed until [120 calendar days from date of mailing]. Funds attributable to any uncashed check will be sent to the California State Controller's Office, Unclaimed Property Division to be held in your name. The amount of your settlement check is based on the number of pay periods you worked for Defendant in California during the PAGA Period. The amount represents penalties and will be reported on an

IRS Form 1099 issued to you by the Settlement Administrator in 2024. If you have any questions regarding tax reporting or payment, you should contact a tax professional.

Under the terms of the Court-approved settlement, you have released Macy's, Inc. and all of Macy's, Inc.'s past, present, and future subsidiaries, divisions, and affiliates (regardless of tier and including but not limited to Macy's Retail Holdings, Inc., Macy's Retail Holdings, LLC, Macy's West Stores, Inc., Macy's West Stores, LLC, Macy's Corporate Services, Inc., Macy's Corporate Services, LLC, Macy's Backstage, Inc., Macy's Off Price, Inc., Macy's Brooklyn, LLC, Advertex Communications, Inc. (a/k/a Macy's Marketing), Macy's IP Holdings, LLC, Bloomingdale's, Inc., Bloomingdale's, LLC, Bloomingdale's By Mail Ltd., Bloomingdales.com, LLC, Bloomingdale's Real Estate, LLC, Bloomingdale's Merchandising, LLC, Bloomingdale's The Outlet Store, Inc., Bloomingdale's The Outlet Store, LLC, Bluemercury, Inc., Bluemercury Gift Card Services, LLC, FDS Bank, FDS Thrift Holding Co., Inc., Department Stores National Bank, Macy's China Limited, Macy's (China) Trading Co., Ltd., Macy's Merchandising Group, Inc., Macy's Credit and Customer Services, Inc., Macy's Credit Operations, Inc., Macy's Florida Stores, LLC, Macy's Logistics and Operations, Macy's Logistics, LLC, Macy's Merchandising Corporation, Macy's Merchandising Group International, LLC, Macy's Merchandising Group, Inc., Macy's Puerto Rico, Inc., Macy's West Virginia Land Leasing, LLC, Macy's Systems and Technology, Inc., Macy's Systems Leasing, Inc., Macy's North Star Relief Fund, Macys.com, Inc., Macys.com, LLC, Bloomingdale's Atlantic City, Inc., Bloomingdale's Gift Card, LLC, Macy's USQ, LLC, Macy's Propco Holdings, LLC, Bloomingdale's Union Square, LLC, Central Regional Claims Corporation, Dayton's Iron Horse Liquors, Inc., Novel Spirits, LLC, Jordan Servicenter, Inc., Kaufmann's Carousel, Inc., Macy's Property Exchange I, LLC, Laurel Plaza Development I, Inc., Macy's Global Technology Services India Private Limited, Macy's California Realty, LLC, Macy's Escondido, Inc., Macy's Foundation, Macy's Gift Card, LLC, Macy's Hamilton By Appointment, Inc., Macy's Insurance, Inc., Macy's Merchandising Group (Hong Kong) Limited, Macy's Marketplace, LLC, Macy's Merchandising Group International (Hong Kong) Limited, Macy's Merchandising Group Procurement, LLC, Macy's Real Estate, LLC, Macy's State Street, LLC, Macy's Mall Real Estate, LLC, Macy's Union Square, LLC, Macy's West Virginia, LLC, Marshall Field's Chicago, Inc., Macy's Inventory Funding, LLC, Macy's Inventory Holdings, LLC, May Company Montgomery Condominium, LLC, May Department Stores International, Inc., May Properties of Maryland, Inc., May Stores IV, Inc., McIre One, Inc., MF Distribution Center of Illinois, LLC, MF Fargo-Grand Forks-Bismarck Stores LLC, MOA Rest, Inc., Reverse Logistics Advantage, LLC, Nimbus Stores LLC, OBP, LLC, R.H. Macy Holdings (HK), Ltd., R.H. Macy Warehouse (HK), Ltd., Rooftop, Inc., Southdale Stores LLC, West 34th Street Insurance Company, West 34th Street Insurance Company New York, and FACS Group, Inc.), and includes each and all of the foregoing named and unnamed entities' past and present parents, divisions (regardless of tier), subsidiaries (regardless of tier), affiliates, successors, and assigns, and includes each and all of the foregoing named and unnamed entities' respective past and present officers, directors, shareholders, employees, representatives, agents, attorneys, insurers, heirs, executors, and estates from any and all claims for PAGA civil penalties under California Labor Code §§ 2698 et seq. that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint and or the PAGA Notices sent by Plaintiff to the LWDA dated June 29, 2020, January 26, 2021, January 27, 2021, March 17, 2021, and June 11, 2021, for the entirety of the PAGA Period. Such released claims include but are not limited to alleged violations of California Labor Code §§ 201-204, 210, 216, 218.5, 218.6, 221-224, 226, 226.3, 226.7, 245-249, 510, 512,

516, 558, 1174, 1174.5, 1182.12, 1194, 1194.2, 1195, 1197, 1197.1, 1198, 2800, 2802, California Industrial Welfare Commission Wage Order 7-2001, and California Code of Regulations, Title 8, § 11000 et seq. The claims to be released also include all claims against the Released Parties for interest, costs, expenses, and attorney fees arising from the Released PAGA Claims.

If you have any questions regarding this award or the case, you may contact the settlement administrator identified below:

ILYM Group, Inc.
Telephone : (888) 250-6810
Facsimile: (888) 845-6185
Email: info@ilymgroup.com

PLEASE DO NOT CALL OR WRITE TO THE COURT ABOUT THIS NOTICE.