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Attorneys for Plaintiff
and Aggrieved Employees

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

ARTHUR QUINTERO, JR., as an individual
and on behalf of all others similarly situated,

Plaintiff,

vs.

SEIDNER-MILLER, INC., a California
corporation, dba TOYOTA OF GLENDORA;
SEIDNER-MILLER AUTOMOTIVE, INC., a
California corporation; and DOES 1 through
100,

Defendants.

Case No. 20STCV36852

*[Assigned for all purposes to the Hon. Kevin
C. Brazile; Dept. 20]*

**DECLARATION OF PAUL K.
HAINES IN SUPPORT OF
PLAINTIFF'S MOTION FOR
APPROVAL OF SETTLEMENT OF
CLAIMS BROUGHT UNDER THE
PRIVATE ATTORNEYS'
GENERAL ACT AND
REASONABLE ATTORNEYS'
FEES, COSTS, AND
ENHANCEMENT PAYMENT**

Date: July 12, 2021
Time: 8:30 a.m.
Dept.: 20
Reservation No.: 177700858690

Complaint Filed: September 25, 2020
Trial Date: None Set

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

2 1. I am a shareholder and principal of Haines Law Group, APC, and counsel for the
3 named Plaintiff Arthur Quintero, Jr. ("Plaintiff") and the Aggrieved Employees in the above-
4 captioned matter. I am a member in good standing of the bar of the State of California and am
5 admitted to practice in this Court. I have personal knowledge of the facts stated in this declaration
6 and could testify competently to them if called upon to do so.

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

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

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

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

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

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

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

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

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

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

1 to:

- 2 • *Pentinio v. Southern Wine and Spirits of America, Inc.*, Case No. BC570234,
3 California Superior Court, County of Los Angeles, Honorable Judge Maureen
4 Duffy-Lewis, presiding, approved by the Court on January 19, 2016;
- 5 • *Resendez v. Bridgestone Retail Operations, LLC*, Case No. BC596892, California
6 Superior Court, County of Los Angeles, Honorable Judge Marc Marmaro
7 presiding, approved by the Court on June 13, 2016;
- 8 • *Canul v. Basmat, Inc.*, Case No. BC674940, California Superior Court, County of
9 Los Angeles, Honorable Judge Teresa A. Beaudet presiding, approved by the
10 Court on August 22, 2018;
- 11 • *Silva v. CitiStaff Solutions, Inc.*, Case No. BC620115, California Superior Court,
12 County of Los Angeles, Honorable Judge David S. Cunningham III presiding,
13 approved by the Court on November 19, 2018;
- 14 • *Cruz v. Fleetwash, Inc.*, Case No. 19STCV03033, California Superior Court,
15 County of Los Angeles, Honorable Judge Stuart M. Rice presiding, approved by
16 the Court on October 7, 2019; and
- 17 • *Ibarra v. Baker Commodities, Inc.*, Case No. 19STCV06148, California Superior
18 Court, County of Los Angeles, Honorable Yolanda Orozco presiding, approved
19 by the Court on September 30, 2020.

20 9. In 2015, 2016, and 2017, Thomson Reuters recognized me as a Top Young
21 Attorney in Southern California in the annual Rising Star Edition of Super Lawyer. This is an
22 honor awarded to no more than two and a half percent of attorneys under the age of forty in
23 Southern California each year. In 2018, 2019, and 2020, Thomson Reuters recognized me as a
24 “Super Lawyer,” an honor awarded to no more than five percent of attorneys in Southern
25 California each year.

26 10. As counsel for Plaintiff and Aggrieved Employees in this case, I have been
27 intimately involved in every aspect of this case from its inception through the present, and I
28 believe the proposed Settlement is an excellent result.

1 11. On July 22, 2020, Plaintiff sent a letter by certified mail to Seidner-Miller, and
2 online to the LWDA, describing Seidner-Miller’s alleged Labor Code violations, as required by
3 Labor Code § 2699.3. A true and correct copy of that letter is attached hereto as **Exhibit 2**.

4 12. On September 25, 2020, after the prescribed 65-day waiting period under Labor
5 Code § 2699.3(a)(2)(A), Plaintiff filed his representative Complaint, which alleged a sole cause
6 of action for PAGA civil penalties.

7 13. In connection with mediation, Seidner-Miller provided Plaintiff with extensive
8 informal discovery, including payroll records for a random sampling of Aggrieved Employees,
9 all relevant policy documents and commission compensation pay plans, along with a summary
10 of relevant data necessary for a 1-year PAGA exposure analysis.

11 14. On February 17, 2021, the Parties attended mediation with Steven G. Pearl, Esq.,
12 a well-respected wage and hour mediator. During mediation, the parties vigorously debated
13 Plaintiff’s ability to proceed on a representative basis, the legal basis for Plaintiff’s claims and
14 Seidner-Miller’s defenses, the potential amount of penalties, and the Parties’ data analyses and
15 conclusions based thereon. Ultimately, the Parties agreed in principle to resolve Plaintiff’s PAGA
16 claims and the Parties memorialized their agreement in a Memorandum of Understanding. Over
17 the following months, the Parties negotiated and finalized the Settlement Agreement.

18 15. A true and correct copy of the fully-executed Settlement Agreement is attached
19 hereto as **Exhibit 1**. The proposed Explanatory Letter to be mailed to Aggrieved Employees with
20 their settlement payments is attached as **Exhibit A** to the Settlement Agreement. The Settlement
21 provides for Seidner-Miller to pay a Gross Settlement Amount (“GSA”) of \$150,000.00. After
22 deducting amounts for requested attorneys’ fees, attorneys’ costs, Plaintiff’s enhancement
23 payment, and settlement administration costs, the Settlement provides for the Net Settlement
24 Amount (“NSA”) to be distributed 75% to the LWDA and 25% to Aggrieved Employees,
25 pursuant to Lab. Code § 2699(i). All portions distributed to Aggrieved Employees shall be
26 distributed pro rata based on the number of pay periods each Aggrieved Employee worked for
27 Seidner-Miller during the PAGA Period. This settlement is non-reversionary, and does not require
28 Aggrieved Employees to submit claim forms to reap financial benefit from the Settlement. Based

1 on a GSA of \$150,000, the total amount paid to Aggrieved Employees is estimated at \$21,509.91,
2 with approximately \$64,529.73 paid to the LWDA. According to information provided by
3 Seidner-Miller, the number of Aggrieved Employees is approximately 62. Thus, the average
4 payment to Aggrieved Employees is estimated at \$346.93.

5 16. Plaintiff argues that he and other Aggrieved Employees, who were paid on a
6 commission-only basis, were not separately compensated for time spent working on tasks which
7 were not compensated on a commission basis, including for example, hours spent waiting for
8 customers, cleaning the dealership, and attending mandatory sales meetings (i.e., non-productive
9 time). As a result, Plaintiff alleges he and aggrieved employees were not paid at least the
10 minimum wage for all hours worked. Seidner-Miller argues that all work performed by
11 commissioned employees was directly related to the activities that were being compensated via
12 commissions, and therefore, did not need to be separately compensated. Seidner-Miller further
13 argues that any questions of non-productive time would be highly individualized, as there are no
14 records or other common evidence of time spent on potentially non-productive tasks, thereby
15 making it difficult for Plaintiff to proceed on a representative basis.

16 17. As for Plaintiff's rest period claim, Plaintiff alleges that he and Aggrieved
17 Employees worked shifts in excess of 3.5 hours, and were not provided with a paid rest period
18 for every 4-hour period worked, or major fraction thereof, because Seidner-Miller's commission
19 compensation plans failed to separately compensate Plaintiff and Aggrieved Employees for
20 required rest periods at the correct rate of pay. As a result, Plaintiff and Aggrieved Employees
21 were not provided with compensated rest periods or rest periods compensated at the correct rate
22 of pay as required by Industrial Welfare Commission Wage Order 4, § 12(A). Seidner-Miller
23 contends that it has always maintained lawful written rest period policies, including the number,
24 duration, and frequency of rest periods, and that it has always authorized and permitted rest
25 periods in accordance with those policies. Seidner-Miller also argues that it revised its
26 commission pay plans in approximately December 2020 to separately compensate its
27 commissioned employees for rest periods, thereby cutting off any potential liability for this claim
28 for a portion of PAGA Period.

1 18. With respect to Plaintiff's meal period claim, Plaintiff alleges that Seidner-Miller
2 failed to provide employees with all required meal periods, such that first meal periods often
3 began after five hours of work, and Seidner-Miller failed to provide second meal periods during
4 shifts in excess of 10.0 hours. Seidner-Miller contends that it has always maintained compliant
5 written meal period policies, including provision of both first and second meal periods.
6 Furthermore, Seidner-Miller asserts that any late or short meal periods were the result of
7 employee choice rather than any policy or practice of Seidner-Miller. Seidner-Miller also
8 contends that, in practice, it has always provided employees with the *opportunity* to take second
9 meal periods on shifts over 10.0 hours, but that employees choose to waive second meal periods,
10 as they are entitled to do under Labor Code section 512(a). Seidner-Miller also maintains that
11 Plaintiff's meal period claim would not be manageable on a representative basis, as individual
12 inquiries would be required to establish which Aggrieved Employees experienced non-compliant
13 meal periods, how many non-compliant meal periods each Aggrieved Employee experienced, and
14 why a particular Aggrieved Employee had a non-compliant meal period during a particular shift.

15 19. Plaintiff also alleged that Seidner-Miller failed to reimburse Aggrieved Employees
16 for a reasonable portion of cellular phone expenses even though employees were required to use
17 their personal cellular phones for daily work activities. Seidner-Miller argues that that it was rare,
18 if ever, that their employees were required to use their personal cellular phones for business
19 purposes. Seidner-Miller also contends that any cellular phone expenses would be minimal due
20 to the availability of low-cost cellular phone plans.

21 20. As for Plaintiff's derivative claims that Seidner-Miller violated its wage statement
22 and final payment obligations in violation of Labor Code §§ 226 and 203, respectively, Seidner-
23 Miller asserts it has strong, good-faith defenses to Plaintiff's underlying claims, precluding a
24 finding of a failure to pay all final wages that would otherwise result in waiting time penalties.
25 Seidner-Miller further contends Plaintiff's meal and rest period claims cannot support a claim for
26 violations of Labor Code §§ 226 or 203, as multiple Courts of Appeal have recently held. Seidner-
27 Miller further contends that wage statements always accurately reflected amounts paid to
28 employees, and thus Seidner-Miller could not be found liable for wage statement violations under

1 the relevant case law.

2 21. Seidner-Miller further maintains that even if the Court awarded PAGA penalties
3 for any of the alleged violations, the Court would substantially reduce the penalties based on the
4 discretionary factors in Labor Code § 2699(e)(2). Seidner-Miller argues that many courts have
5 reduced PAGA penalties drastically where, as here, the employer presented good-faith defenses
6 and attempted to comply with the law.

7 22. Plaintiff asserts that he would be able to seek PAGA penalties for each Aggrieved
8 Employee for each pay period in the PAGA limitations period. Based on data provided by
9 Seidner-Miller, there were approximately 1,114 pay periods during the PAGA limitations period.
10 Assuming a civil penalty of \$100 per pay period for each initial violation and \$200 for each
11 Aggrieved Employee per pay period for each subsequent violation under Labor Code § 2699(f),
12 Plaintiff estimated a total potential PAGA exposure of \$216,600 ([62 “initial” violations * \$100]
13 + [1052 “subsequent” violations * \$200]). However, because the Court maintains discretion to
14 reduce these penalties, and in light of Seidner-Miller’s arguments and defenses described above,
15 Plaintiff discounted that figure by 15% for a risk of losing on the merits, and an additional 15%
16 for risk of the Court reducing penalties, to arrive at a realistic exposure of \$156,493. The proposed
17 \$150,000.00 GSA therefore represents approximately 95.8% of Plaintiff’s reasonably forecasted
18 total recovery, while avoiding the risks of proceeding through trial.

19 23. My office is requesting attorneys’ fees of one-third of the Gross Settlement
20 Amount (“GSA”) (i.e., \$50,000.00). Based on my experience in similar wage and hour class and
21 representative actions in California state courts, fee awards in matters such as this one generally
22 equal about one-third of the gross recovery. In addition, and as explained below and in the
23 accompanying Motion, the requested fee is fair compensation for undertaking complex, risky,
24 expensive, and time-consuming litigation on a purely contingent basis. This case also involved
25 nuanced legal issues, including Seidner-Miller’s obligations to compensate commission-based
26 employees for all non-productive time, obligations to “provide” meal periods and “authorize and
27 permit” rest periods, as well as the availability and amount of PAGA civil penalties for the alleged
28 Labor Code violations. Seidner-Miller was also represented by experienced wage-and-hour

litigation counsel. Thus, the requested fee award is fair, reasonable and adequate and should be approved.

24. The requested fee award is also supported by counsel's lodestar. Including expected future hours incurred in connection with the hearing on this Motion and overseeing settlement distribution, my firm has a lodestar of approximately \$82,083 without the use of any multiplier, resulting in a negative multiplier of approximately 0.61 compared to the \$50,000 fee request. A general summary showing the number of hours of work performed by each attorney and the paralegals from my firm is set forth below:

Name	Rate	Hours	Pre-Multiplier Lodestar
Paul K. Haines (15th Year Attorney)	\$650	38.4	\$24,960
Sean M. Blakely (12th Year Attorney)	\$595	55.9	\$33,260.50
Neil M. Larsen (10th Year Attorney)	\$550	30.3	\$16,665
Diana M. Martinez (3rd Year Attorney)	\$325	19.4	\$6,305
Firm Paralegals	\$175	5.1	\$892.50
Total Lodestar			\$82,083.00

25. My proposed hourly rate of \$650, Mr. Blakely's proposed hourly rate of \$595, Mr. Larsen's proposed hourly rate of \$550, and Ms. Martinez's proposed hourly rate of \$325 are reasonable in light of our respective skills, wage and hour class action litigation experience, reputation, and fee awards to other attorneys of similar experience in California. In addition, the respective hourly rates requested by the attorneys at my firm are in line with the current *Laffey* Matrix, a true and correct copy of which is attached hereto as **Exhibit 3**. The *Laffey* Matrix has been recognized by California courts as "a widely recognized compilation of attorney and paralegal rates based on various levels of experience." *Theme Promotions, Inc. v. News America Mktg. FSI, Inc.*, 731 F.Supp.2d 937, 948 (N.D. Cal. 2010); *see also Reed v. 1-800 Contacts, Inc.*, No. 12-cv-02359 JM (BGS), 2014 WL 29011 at **8-9 (S.D. Cal. Jan. 2, 2014) (cross-checking requested hourly rates against the *Laffey* Matrix and finding that "the *Laffey* matrix lends further credibility" to counsel's requested hourly rates).

1 26. My office has expended significant time and effort in this case, including but not
2 limited to: conducting extensive research regarding the merits of Plaintiff's claims, his ability to
3 recover PAGA civil penalties, and Seidner-Miller's potential defenses; conducting significant
4 analysis of the data and information produced by Seidner-Miller, and using this data and analysis
5 to draft a comprehensive mediation brief and exposure analysis; attending a full-day mediation;
6 and preparing and negotiating the Settlement, this Motion and supporting declarations. My office
7 will also oversee the settlement administration process and work with the administrator to prepare
8 a post-disbursement declaration. Given the considerable potential for adverse outcomes in this
9 case, the contingent risk borne by Plaintiff's counsel was great.

10 27. Since undertaking representation of Plaintiff, my firm has dedicated substantial
11 resources to this litigation without receiving any compensation to date. My office is requesting
12 reimbursement of \$7,065.36 in total costs. A summary of the costs incurred by my office in
13 connection with this case is attached hereto as **Exhibit 4**. These costs include filing fees, copying
14 costs, mediation fees, and other expenses that were all reasonably incurred in the prosecution of
15 this litigation on behalf of Plaintiff and the Aggrieved Employees.

16 28. I believe the requested \$5,000 enhancement payment to Plaintiff is reasonable
17 given Plaintiff's efforts in this case and the risks he undertook on behalf of Aggrieved Employees.
18 Plaintiff provided substantial factual information and documents to my office, assisted in
19 identifying potential witnesses, and otherwise assisted in the prosecution of this case. Plaintiff
20 also undertook significant risk in the event this case were lost as well as the reputational risk
21 inherent in suing a former employer on a representative basis. Accordingly, I believe Plaintiff's
22 requested enhancement payment is reasonable.

23 I declare under penalty of perjury under the laws of the State of California that the
24 foregoing is true and correct. Executed on June 17, 2021, at El Segundo, California.

25
26 
27 Paul K. Haines
28

EXHIBIT 1

SETTLEMENT AGREEMENT

This Settlement Agreement (“Settlement Agreement” or “Settlement”) is made and entered into between Plaintiff Arthur Quintero, Jr. (“Plaintiff”), acting in a private attorney general capacity, and Defendants Seidner-Miller, Inc., dba Toyota of Glendora, and Seidner-Miller Automotive, Inc. (“Defendants” or “Seidner-Miller”)) (collectively, the “Parties”).

I. DEFINITIONS

The following terms, when used in this Settlement Agreement, shall have the following meanings:

1. “Action” means the matter titled *Arthur Quintero, Jr. v. Seidner-Miller, Inc., et al.*, Los Angeles Superior Court, Case No. 20STCV36852, and as set forth in Plaintiff’s correspondence to the California Labor and Workforce Development Agency (“LWDA Letter”) dated July 22, 2020.

2. “Aggrieved Employees” consist of all current and former commission-based employees that are not salary-exempt and worked for Defendants in California at any time during the PAGA Period. The number of Aggrieved Employees, including Plaintiff, is estimated to be 62 individuals.

3. “Seidner-Miller” or “Defendants” means Seidner-Miller, Inc., dba Toyota of Glendora, and Seidner-Miller Automotive, Inc.

4. “Settlement Administrator” means Phoenix Settlement Administrators.

5. “Complaint” means the operative complaint in the Action.

6. “Court” means the Superior Court of California for the County of Los Angeles.

7. “Individual PAGA Payment” means the amount to be paid to each Aggrieved Employee based on the formula described herein.

8. “LWDA” means the California Labor and Workforce Development Agency.

9. “Gross Settlement Amount” is the non-reversionary sum of One Hundred Fifty Thousand Dollars and Zero Cents (\$150,000.00), which represents the total amount payable under this Settlement Agreement by Seidner-Miller (subject to the Escalator Clause described below), including, without limitation, payments to all Aggrieved Employees, payment to the LWDA, payment of Plaintiff’s attorneys’ fees and costs, payment of Plaintiff’s enhancement payment, and payment to the Settlement Administrator for administration costs.

10. “Net Settlement Amount” is the amount remaining to distribute to the LWDA and Aggrieved Employees after the following amounts, if approved by the Court, are subtracted from the Gross Settlement Amount: (a) Plaintiff’s attorneys’ fees up to one third of the Gross Settlement Amount; (b) Plaintiff’s costs up to \$20,000.00; (c) Plaintiff’s enhancement payment up to \$5,000.00; and (d) administration costs up to \$7,500.00.

11. “PAGA” means the California Labor Code Private Attorneys General Act, California Labor Code § 2698, *et seq.*

12. “PAGA Period” means the time period from July 22, 2019 through the date of the Court Order granting approval of the PAGA Settlement.

13. “PAGA Released Claims” mean all claims, rights, demands, liabilities and causes of action that arose during the PAGA Period for civil penalties under the PAGA, that were alleged in the Action or that could have been alleged based on the facts alleged in the Action. The PAGA Released Claims include, but are not limited to, claims under the PAGA for civil penalties for alleged violations of Labor Code §§ 201-204, 226, 226.3, 226.7, 510, 512, 516, 558, 1174, 1182.12, 1194, 1194.2, 1197, 1198, 2802, 2804 and/or the IWC Wage Order(s); and claims for attorneys’ fees, costs, or interest resulting therefrom. The release of the PAGA Released Claims shall extend for the duration of the PAGA Period.

14. “Parties” means, collectively, Plaintiff and Seidner-Miller.

15. “Plaintiff’s Counsel” means Paul K. Haines, Sean M. Blakely, and Neil M. Larsen of Haines Law Group, APC.

16. “Released Parties” means Seidner-Miller and its former, present and future owners, parents, and subsidiaries, and all of their current, former and future officers, directors, members, managers, partners, shareholders, joint venturers, successors, assigns, accountants, insurers, or legal representatives.

17. “Effective Date” means the earliest date, following entry by the Court of the Judgment or order approving the Settlement, upon which one of the following has occurred: (i) expiration of all potential appeal periods without a filing of a notice of appeal of the Judgment; (ii) final affirmance of the Judgment by an appellate court as a result of any appeal(s); or (iii) final dismissal or denial of all such appeals (including any petitions for review, rehearing, certiorari, etc.) such that the Judgment is no longer subject to further judicial review.

II. RECITALS

1. Plaintiff performed work for Seidner-Miller, Inc. and/or Seidner-Miller Automotive, Inc. as a commission-based employee in California during the PAGA Period and is therefore an Aggrieved Employee.

2. On July 22, 2020, Plaintiff provided written notice to the LWDA and Seidner-Miller asserting claims for civil penalties pursuant to PAGA stemming from alleged violations of various Labor Code sections and his intent to file a civil lawsuit under the PAGA.

3. On September 25, 2020, Plaintiff filed his representative complaint titled *Arthur Quintero, Jr. v. Seidner-Miller, Inc.*, Los Angeles Superior Court, Case No. 20STCV36852, asserting multiple claims against Seidner-Miller for violations of the Labor Code on a representative basis.

4. In response to Plaintiff’s Counsel’s informal discovery requests, Seidner-Miller provided Plaintiff’s Counsel with information and documents pertaining to Plaintiff and other

Aggrieved Employees in order for Plaintiff's Counsel to investigate Plaintiff's allegations and value the claims prior to mediation.

5. On February 17, 2021, the Parties participated in mediation before mediator Steven G. Pearl, Esq. With the assistance of Mr. Pearl, the Parties agreed to fully and finally resolve the PAGA Released Claims as to Plaintiff and Aggrieved Employees.

III. OPERATIVE TERMS OF SETTLEMENT AGREEMENT

The Parties agree as follows:

1. **Non-Admission.** Nothing in this Settlement Agreement shall be construed to be an admission by Plaintiff that his claims do not have merit or by Seidner-Miller of any liability or wrongdoing as to Plaintiff, Aggrieved Employees or any other person, and Seidner-Miller specifically disclaims any such liability or wrongdoing. The Parties have entered into this Settlement Agreement with the intention to avoid further disputes and litigation with the attendant inconvenience, expenses and risks. This Settlement Agreement and any related court documents or orders are not and may not be cited or admitted as evidence of liability.

2. **Gross Settlement Amount.** Seidner-Miller shall pay One Hundred Fifty Thousand Dollars and Zero Cents (\$150,000.00) as the non-reversionary Gross Settlement Amount. Seidner-Miller will not pay more than the Gross Settlement Amount (subject to the Escalator Clause below). Seidner-Miller shall deposit the Gross Settlement Amount into a Qualified Settlement Account and agrees to fund the settlement within thirty (30) days of the Effective Date.

The Gross Settlement Amount shall be used to pay: (1) Amounts distributable to the LWDA and Aggrieved Employees; (2) Plaintiff's attorneys fees and costs; (3) Plaintiff's enhancement payment; and (4) Settlement administration costs.

3. **Escalator Clause.** Seidner-Miller represents that there are approximately 1,114 pay periods worked by Aggrieved Employees in California during the PAGA Period ("Affected Pay Periods"). If the actual number of Affected Pay Periods is more than 15% greater than this number (i.e., if there are more than 1,282 Affected Pay Periods), Seidner-Miller shall either (a) increase the Gross Settlement Amount in proportion to the increase in Affected Pay Periods (e.g., if the number of Affected Pay Periods is 18% greater than 1,114, Seidner-Miller will increase the Gross Settlement Amount by 18%) or (b) or cap the PAGA Period on the date that the 15% is exceeded.

4. **Net Settlement Amount.** The Parties agree that the following amounts should be subtracted from the Gross Settlement Amount, if approved by the Court, resulting in a Net Settlement Amount to distribute to the LWDA and Aggrieved Employees:

a. **Plaintiff's Attorneys' Fees and Costs.** Seidner-Miller will not oppose Plaintiff's request for attorneys' fees in the amount up to one third of the Gross Settlement Amount (currently estimated to be \$50,000) and costs up to \$20,000.00 incurred in prosecuting this Action. In the event the Court approves less than these amounts, the difference will be added to the Net Settlement Amount (although Plaintiff may appeal an order granting less than the full amount

sought for attorneys' fees and costs). Seidner-Miller, via the Settlement Administrator, will report these payments on IRS Form 1099 issued to Plaintiff's Counsel.

b. Plaintiff's Enhancement Payment. Seidner-Miller will not oppose Plaintiff's request for an enhancement payment of up to \$5,000.00 for serving as the representative plaintiff in this Action. In the event the Court approves a payment of less than the requested amount, the difference will be added to the Net Settlement Amount (although Plaintiff may appeal an order granting less than the full amount sought for Plaintiff's enhancement payment). Seidner-Miller, via the Settlement Administrator, will report this payment on IRS Form 1099 issued to Plaintiff.

c. Administration Costs. Seidner-Miller will not oppose the Settlement Administrator's costs in the amount up to \$7,500.00 for administering the settlement. In the event the Court approves a payment of less than this amount, the difference will be added to the Net Settlement Amount. Seidner-Miller, via the Settlement Administrator, will report this payment on IRS Form 1099 issued to the Settlement Administrator.

5. Allocation of Net Settlement Amount. One hundred percent (100%) of the Net Settlement Amount shall be designated as "civil penalties" and shall be distributed 75% to the LWDA and 25% to Aggrieved Employees, pursuant to Lab. Code § 2699(i). The 25% portion to be paid to Aggrieved Employees shall be paid to all Aggrieved Employees pro rata based on the number of pay periods worked by each Aggrieved Employee during the PAGA Period.

a. The parties agree that should the Court deny approval of the Settlement based on the allocation of the Gross Settlement Amount or the Net Settlement Amount, the parties agree to re-negotiate in good faith in an effort to obtain approval of the Settlement.

6. PAGA Released Claims. Plaintiff agrees that upon entry of an Order approving the Settlement, and upon the Settlement being fully funded, Plaintiff and all Aggrieved Employees will release the PAGA Released Claims against the Released Parties that arose during the PAGA Period. Upon entry of the Order approving the settlement and judgment entered thereon and the Settlement being fully funded, Plaintiff and all Aggrieved Employees will be forever barred from pursuing any and all of the PAGA Released Claims that arose during the PAGA Period against the Released Parties.

7. Covenants and Representations by Plaintiff and Plaintiff's Counsel.

a. Plaintiff represents and warrants that he has not assigned or transferred or purported to assign or transfer to any person or entity, any claim or portion thereof, or interest therein, which is or may be subject to this Settlement Agreement.

b. Plaintiff acknowledges that he has read this Settlement Agreement, that he fully understands his rights, privileges and duties under the Settlement Agreement, and enters into this Settlement Agreement freely and voluntarily. Plaintiff further acknowledges that he has had the opportunity to consult with his attorneys to explain the terms of this Settlement Agreement and the consequences of signing this Settlement Agreement.

8. Confidentiality. Except as provided below to the extent necessary to effectuate the settlement or as required by court or legal process, Plaintiff and Plaintiff's Counsel will keep

the terms of this Settlement Agreement confidential. Neither Plaintiff nor Plaintiff's Counsel shall issue a press release, hold a press conference, publish information about the settlement on any website or through any social media or otherwise publicize the settlement or communicate its terms in public or in private, unless ordered by the Court. However, for the limited purpose of establishing adequacy of counsel in future actions, Plaintiff's counsel may reference the Action by name and case number in a declaration establishing adequacy as class or representative counsel.

To permit judicial review and approval of the Settlement, as required by Labor Code section 2698, *et seq.*, Plaintiff's Counsel will file the Settlement Agreement with the Court and submit the Settlement to the LWDA as part of the parties' seeking Court approval of the Settlement, per Labor Code § 2699(1)(2).

9. **Motion for Approval of PAGA Settlement by Plaintiff's Counsel.** Plaintiff's Counsel shall be responsible for preparing and filing the Motion for Approval of the PAGA Settlement.

10. **Termination of Settlement Agreement.** If the Court does not approve the settlement, if the Court does not enter judgment as provided for in this Settlement Agreement, or if appellate review is sought and, on such review, the Court's decision is materially modified or reversed, or if one or more of the material terms of the Settlement Agreement is not approved or is materially modified or reversed or found to be invalid, then either of the Parties shall have the right within 10 days of written notice thereof to elect to terminate the Settlement Agreement, in which case the Settlement Agreement shall have no force or effect, and the Parties shall be deemed to have reverted to their respective status as of the date and time immediately prior to the execution of this Settlement Agreement.

11. **Judgment.** As part of the Motion to approve the Settlement, Plaintiff shall submit a proposed judgment which enters judgment in the Action in accordance with the terms of the Settlement, retains jurisdiction over the Action under Cal. Code Civ. Proc. § 664.6 for the purpose of enforcing the terms of the Settlement following approval of the Settlement, and enjoins the prosecution of any of the PAGA Released Claims against any of the Released Parties upon the judgment being entered and the Settlement being fully funded. This Settlement Agreement is expressly conditioned upon the Court entering judgment as set forth herein. The judgment will not release or bar any claims other than the PAGA Released Claims as to Plaintiff and Aggrieved Employees.

IV. ADMINISTRATION OF SETTLEMENT

1. **Settlement Administrator.** The Parties agree to engage Phoenix Settlement Administrators to handle the administration of this settlement.

2. **Provision of Information for Aggrieved Employees.** Within five (5) business days after the Effective Date, Seidner-Miller shall provide the Settlement Administrator with information for Aggrieved Employees. Seidner-Miller will in good faith compile from its records a list of Aggrieved Employees that will be in a computer-readable format, such as a Microsoft Excel spreadsheet, and shall include each Aggrieved Employee's full name, last known mailing address, last known telephone number, number of Affected Pay Periods worked during the PAGA Period, and Social Security numbers to the extent available from Seidner-Miller's records. Because

Social Security numbers are included in the list, the Settlement Administrator will maintain the list in confidence, and access shall be limited to those with a need to use the list as part of the administration of the Settlement. Within the same 5 business-day period, Seidner-Miller shall also send Plaintiff's Counsel a redacted list of Aggrieved Employees with Affected Pay Period information, so that Plaintiff's Counsel can determine whether the Escalator Clause has been triggered. Within 7 calendar days of receiving the Aggrieved Employees' information from Seidner-Miller, the Settlement Administrator will circulate to counsel for both Parties an anonymized spreadsheet containing the Individual PAGA Payments to each Aggrieved Employee and the data used to calculate said payments. The Settlement Administrator shall obtain approval from all counsel of the calculations before mailing Individual PAGA Payments.

3. **Explanatory Letter and Individual PAGA Payments.** Upon receipt of the information for Aggrieved Employees, the Settlement Administrator will perform a search on the National Change of Address database to update the Aggrieved Employees' addresses. Within twenty-one (21) calendar days after the Settlement has been fully funded and after receiving approval from Plaintiff's Counsel and Defendant's counsel of the payment calculations as provided above, the Settlement Administrator shall mail copies of the explanatory letter, which has been mutually approved by the Parties and is attached hereto as **Exhibit A**, in English and Spanish, along with Individual PAGA Payments to all Aggrieved Employees via regular First-Class U.S. Mail.

The Settlement Administrator will calculate the amount to be received by each Aggrieved Employee, which will be based on the formula set forth in Section III.5., *supra*. The Settlement Administrator will send each Aggrieved Employee a check for his or her Individual PAGA Payment along with the explanatory letter. Checks will remain negotiable for 180 days. Each Individual PAGA Payment shall be deemed penalties and reported using IRS Form 1099, with no withholdings taken.

4. **Undeliverable Notices.** The Settlement Administrator shall exercise its best judgment to determine the current mailing address for each Aggrieved Employee. The address identified by the Settlement Administrator as the current mailing address shall be presumed to be the best mailing address for each Aggrieved Employee.

Any checks returned as non-deliverable on or before the check cashing deadline will be sent promptly via regular First-Class U.S. Mail to the forwarding address affixed thereto. If no forwarding address is provided, the Settlement Administrator will promptly attempt to determine the correct address using a skip-trace or other reputable search method using the name, address or Social Security number of the Aggrieved Employee involved, and will perform up to a single re-mailing if a new address is located.

Funds represented by checks returned as undeliverable after a re-mailing, checks for whom the Settlement Administrator could not locate an updated address after performing a skip trace, and funds represented by checks remaining un-cashed more than 180 days after issuance (collectively, "Uncashed Checks"), shall escheat to the California State Controller's Office for deposit in the Unclaimed Property Fund, in the name of the Aggrieved Employee.

5. **Distribution of Payments.** Within twenty-one (21) calendar days of the Settlement being fully funded, the Settlement Administrator shall issue payments to (1) Aggrieved

Employees; (2) the LWDA; (3) Plaintiff's Counsel for Plaintiff's Counsel's Court-approved attorneys' fees and litigation costs and expenses; (4) Plaintiff for the Court-approved enhancement payment and (5) the Settlement Administrator for Court-approved Settlement administration costs incurred in connection with the Settlement. Payments made by Seidner-Miller pursuant to this Settlement shall be held by the Settlement Administrator in an interest-bearing account until they are disbursed, with any accrued interest inuring to the benefit of the Aggrieved Employees in the form of pro rata increases to Aggrieved Employees' Individual PAGA Payments.

6. **Accounting.** Within 45 days after all payments have been made under the Settlement, the Settlement Administrator will provide an accounting under oath to the Parties of the amounts paid from the settlement.

7. **Tax Consequences.** Neither Plaintiff nor Seidner-Miller, nor counsel for either of the Parties, makes any representations or warranties with respect to tax consequences of any payment under this Settlement Agreement.

V. MISCELLANEOUS PROVISIONS

1. **Drafting.** The Parties agree that the terms and conditions of this Settlement Agreement are the result of lengthy, intensive, arm's-length negotiations between the Parties and that neither Party shall be considered the "drafter" of this Settlement Agreement for purposes of having terms construed against that Party.

2. **Successors.** This Settlement Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective heirs, trustees, executors, administrators and successors.

3. **Costs and Fees.** The Parties shall each bear their own costs and attorneys' fees incurred in connection with this Settlement Agreement, the Action and Plaintiff's claims, except as otherwise set forth specifically herein.

4. **Governing Law.** This Settlement Agreement shall be construed under and governed by the laws of the State of California. This Settlement Agreement shall be deemed to have been entered into in Los Angeles, California, and all questions of validity, interpretation or performance of any of its terms or of any rights or obligations of the Parties to this Settlement Agreement shall be governed by California law. If any legal or equitable action is necessary to enforce the terms of this Settlement Agreement, it shall be brought in the State of California, County of Los Angeles.

5. **Complete Agreement.** The Parties each acknowledge and represent that no promise or representation not contained in this Settlement Agreement has been made to them with respect to the subject matter of this Settlement Agreement, and acknowledge and represent that this Settlement Agreement contains the entire understanding between them and contains all terms and conditions pertaining to the compromise and settlement of the PAGA claim in the Action.

6. **Nullification of Settlement Agreement.** In the event that: (i) the Court does not approve the settlement as provided herein; or (ii) the settlement does not become final for any other reason, then this Settlement Agreement and any documents generated to bring it into effect, will be null and void, and the Parties will be returned to their respective positions before the

Settlement was executed.

7. **Judgment and Continued Jurisdiction.** As noted above, after approval of this settlement, the Court will have continuing jurisdiction under Cal. Code Civ. Proc. § 664.6 for purposes of addressing: (i) the interpretation and enforcement of the terms of the settlement, (ii) settlement administration matters, and (iii) such post-Judgment matters as may be appropriate under court rules or as set forth in this Settlement Agreement.

8. **Amendment or Modification.** This Settlement Agreement may be amended or modified only by a written instrument, signed by either the Parties or their successors-in-interest, or by counsel for all Parties.

9. **Authorization to Enter into Settlement Agreement.** Counsel for all Parties warrant and represent that they are expressly authorized by the Parties whom they represent to negotiate this Settlement Agreement and to take all appropriate action required or permitted to be taken by such Parties pursuant to this Settlement Agreement to effectuate its terms, and to execute any other documents required to effectuate the terms of this Settlement Agreement. The Parties and their counsel will cooperate with each other and use their best efforts to effect the implementation of the settlement. If the Parties are unable to reach agreement on the form or content of any document needed to implement the settlement, or on any supplemental provisions that may become necessary to effectuate the terms of this settlement, the Parties may seek the assistance of the mediator Steven Pearl, Esq. or the Court to resolve such disagreement.

10. **Execution and Counterparts.** This Settlement Agreement is subject only to the execution of all Parties. However, the Settlement Agreement may be executed in one or more counterparts. All executed counterparts, and each of them, including facsimile and scanned copies of the signature page, will be deemed to be one and the same instrument provided that counsel for the Parties will exchange among themselves original signed counterparts.

11. **Acknowledgement that the Settlement is Fair and Reasonable.** The Parties believe this Settlement Agreement is a fair, adequate and reasonable settlement of the Action, and have arrived at this settlement after arm's-length negotiations by experienced counsel. The Parties further acknowledge that they are each represented by competent counsel and that they have had an opportunity to consult with their counsel regarding the fairness and reasonableness of this settlement.

12. **Invalidity of Any Provision.** Before declaring any provision of this Settlement Agreement invalid, the Court will first attempt to construe the provision as valid to the fullest extent possible consistent with applicable precedents, so as to define all provisions of this Settlement Agreement valid and enforceable.

13. **Severability.** If any term or provision of this Settlement Agreement is held to be invalid or unenforceable, the remaining portions of this Settlement Agreement will continue to be valid and will be performed, construed and enforced to the fullest extent permitted by law, and the invalid or unenforceable term will be deemed amended and limited in accordance with the intent of the Parties, as determined from the face of the Agreement, to the extent necessary to permit the maximum enforceability or validation of the term or provision.

14. **Waiver.** No waiver of any condition or covenant contained in this Settlement Agreement or failure to exercise a right or remedy by any of the Parties hereto will be considered to imply or constitute a further waiver by such Party of the same or any other condition, covenant, right or remedy.

15. **Enforcement Action.** In the event that one or more of the Parties institutes any legal action or other proceeding against any other Party or Parties to enforce the provisions of this Settlement Agreement or to declare rights and/or obligations under this settlement, the successful Party or Parties will be entitled to recover from the unsuccessful Party or Parties reasonable attorneys' fees and costs, including expert witness fees incurred in connection with any enforcement actions.

16. **Mutual Preparation.** The Parties have had a full opportunity to negotiate the terms and conditions of this Settlement Agreement. Accordingly, this Settlement Agreement will not be construed more strictly against one Party merely by virtue of the fact that it may have been prepared by counsel for one of the Parties, it being recognized that, because of the arm's-length negotiations between the Parties, all Parties have contributed to the preparation of this Settlement Agreement.

17. **Representation by Counsel.** The Parties acknowledge that they have been represented by counsel throughout all negotiations that preceded the execution of this Settlement Agreement, and this Settlement Agreement has been executed with the consent and advice of counsel, and reviewed in full.

18. **Cooperation and Execution of Necessary Documents.** All Parties will cooperate in good faith and execute all documents to the extent reasonably necessary to effectuate the terms of this Settlement Agreement.

19. **Binding Agreement.** The Parties warrant that they understand and have full authority to enter into this settlement, and further intend that this Settlement Agreement will be fully enforceable and binding on all Parties, and agree that it will be admissible and subject to disclosure in any proceeding to enforce its terms, notwithstanding any mediation confidentiality provisions that otherwise might apply under federal or state law.

[SIGNATURES ON FOLLOWING PAGE]

[REMAINDER OF PAGE LEFT INTENTIONALLY BLANK]

IN WITNESS THEREOF, the Parties each acknowledge that she/it has read the foregoing Settlement Agreement, accepts and agrees to the provisions contained in this Settlement Agreement and hereby executes it voluntarily and with full understanding of its consequences.

Dated: 05/12, 2021


Arthur Quintero (May 12, 2021 12:36 PDT)

Arthur Quintero, Jr., Plaintiff

SEIDNER-MILLER, INC.

Dated: _____, 2021

By:
Its:

SEIDNER-MILLER AUTOMOTIVE, INC.

Dated: _____, 2021

By:
Its:

APPROVED AS TO FORM:

Dated: May 12, 2021

HAINES LAW GROUP, APC

By: 

Paul K. Haines
Attorneys for Plaintiff

Dated: _____, 2021

FISHER & PHILLIPS LLP

By: _____
Shaun J. Voigt
Attorneys for Defendants

IN WITNESS THEREOF, the Parties each acknowledge that she/it has read the foregoing Settlement Agreement, accepts and agrees to the provisions contained in this Settlement Agreement and hereby executes it voluntarily and with full understanding of its consequences.

Dated: _____, 2021

Arthur Quintero, Jr., Plaintiff

SEIDNER-MILLER, INC.

Dated: 5-20, 2021

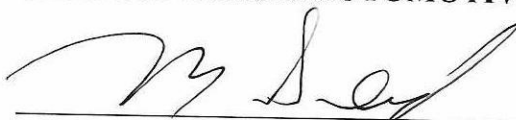


By:

Its:

SEIDNER-MILLER AUTOMOTIVE, INC.

Dated: 5-20, 2021



By:

Its:

APPROVED AS TO FORM:

Dated: _____, 2021

HAINES LAW GROUP, APC

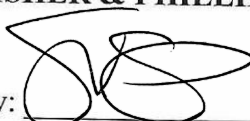
By: _____

Paul K. Haines

Attorneys for Plaintiff

Dated: May 20, 2021

FISHER & PHILLIPS LLP

By: _____


Shaun J. Voigt

Attorneys for Defendants

EXHIBIT A

Re: Payment from Arthur Quintero, Jr. v. Seidner-Miller, Inc., et al
Superior Court of California for the County of Los Angeles; Case No. 20STCV36852

Date: / /2021

SIMID
Name
Address

Dear Name:

Enclosed, please find a check made payable to you. This is your payment from the settlement of a lawsuit titled *Arthur Quintero, Jr. v. Seidner-Miller, Inc. et al.*, Los Angeles Superior Court, Case No. 20STCV36852, pending in the Superior Court of the State of California for the County of Los Angeles (the “Action”).

The Action was filed against Defendants Seidner-Miller, Inc., dba Toyota of Glendora, and Seidner-Miller Automotive, Inc. (“Seidner-Miller”) and includes a claim pursuant to the California Labor Code Private Attorneys General Act of 2004, California Labor Code § 2698, *et seq.* (“PAGA”). The Action was brought by Plaintiff Arthur Quintero, Jr. (“Plaintiff”), a former employee of Seidner-Miller, on behalf of the State of California and other alleged aggrieved employees. You have been identified as one of the employees on whose behalf the case was brought.

Plaintiff claimed that Seidner-Miller owed civil penalties under PAGA for alleged violations of the California Labor Code. The parties have reached a settlement of Plaintiff’s representative PAGA claims, and on [DATE], the Court approved the settlement, including the amount of civil penalties to be paid under the settlement. A portion of the civil penalty settlement amount goes to the State of California’s Labor and Workforce Development Agency. Another portion of the civil penalty settlement amount goes to employees of Seidner-Miller who were allegedly affected by the alleged violations of the Labor Code. In agreeing to this settlement, Seidner-Miller does not admit that it is liable in any way to current or former employees for any violations of the California Labor Code or any penalties. The Court has not decided the merits of Plaintiff’s claims.

Pursuant to the settlement, enclosed is a check for your share of a portion of the civil penalties. This check will remain valid for 180 days from the date of issuance. If you do not cash your check within 180 days of issuance, the funds will be deposited by the Settlement Administrator with the California State Controller to be deposited in the Unclaimed Property Fund in your name. If you are still employed by Seidner-Miller, your decision to cash the check will not affect your employment.

While you were not a party to the Action, you and the State of California have been bound by the settlement entered in this matter and approved by the Court, including the release contained in the settlement. The release pertains to civil penalties under PAGA only. The release includes all claims under the PAGA that were alleged in, or could have been alleged based on the facts alleged in, Plaintiff’s complaint in the Action, including claims for civil penalties, attorneys’ fees, costs, or interest under the PAGA based on Seidner-Miller’s alleged failure to pay overtime, alleged failure to pay all minimum wages, alleged failure to provide proper meal periods and pay required meal period premium wages, alleged failure to authorize and permit rest periods and pay rest period premium wages, alleged failure to separately compensate commission-based employees for required rest periods, alleged failure to reimburse employees for all business expenses incurred, alleged failure to furnish accurate wage statements, and alleged failure to timely pay final wages, during the time period July 22, 2019 through <THE DATE OF THE ORDER APPROVING THE PAGA SETTLEMENT> (the “PAGA Period”).

If you have any questions, you can contact Phoenix Settlement Administrators, the Settlement Administrator, at 1-____-____.

EXHIBIT 2

HAINES LAW GROUP
EMPLOYMENT ATTORNEYS

July 22, 2020

VIA LWDA WEBSITE

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

Re: *Arthur Quintero Jr. v. Seidner-Miller, Inc. dba Toyota of Glendora, et al.*

To Whom It May Concern:

Please be advised that this law firm represents Arthur Quintero Jr. (“Mr. Quintero”) with respect to claims arising from his employment with Seidner-Miller, Inc. dba Toyota of Glendora, Seidner-Miller Automotive, Inc., and Does 1 through 100 (collectively “Defendants”). Mr. Quintero is an “aggrieved employee” as defined by Labor Code Section 2699 *et seq.*, due to Defendants’ numerous violations of the Labor Code as set forth below. The purpose of this letter is to comply with Labor Code Section 2699.3(a)(1), which requires aggrieved employees to notify their employer and the Labor & Workforce Development Agency (“LWDA”) of the specific provisions of the Labor Code allegedly violated. For purposes of this letter, the term “aggrieved employees” is intended to include all of Defendants’ current and former non-exempt employees who performed work for Defendants in the State of California during the one year preceding the date of this letter and continuing through the present.

Defendants own and operate Toyota of Glendora, an automotive retailer in California. Mr. Quintero worked for Defendants as a non-exempt “Sales Closer” from approximately March 2019 until approximately May 2020. During Mr. Quintero’s employment with Defendants, Mr. Quintero and aggrieved employees were paid on a commission-only basis, whereby they were paid a commission per vehicle sold or leased. While paid on a commission-only basis, Mr. Quintero and aggrieved employees were not separately compensated for time spent working on tasks which were not compensated on a commission basis, including for example, hours spent waiting for customers, cleaning the dealership, and attending mandatory sales meetings (i.e., non-productive time). As a result, Mr. Quintero and aggrieved employees were not paid at least the minimum wage for all hours worked.

Further, while working on a commission-only basis, Mr. Quintero and aggrieved employees worked shifts in excess of 3.5 hours, and were not provided with a paid rest period for every 4-hour period worked, or major fraction thereof, because Defendants’ commission compensation plan failed to separately compensate Mr. Quintero and aggrieved employees for required rest periods at the correct rate of pay. *See Vaquero v.*

Stoneledge Furniture LLC, 9 Cal.App.5th 98 (2017); *Bluford v. Safeway Inc.*, 216 Cal.App.4th 864 (2013) (“There is no dispute that Safeway’s activity-based compensation system did not separately compensate drivers for their rest periods.”). As a result, Mr. Quintero and aggrieved employees were not provided with compensated rest periods or rest periods compensated at the correct rate of pay as required by Industrial Welfare Commission Wage Order 4, § 12(A). Moreover, Mr. Quintero and aggrieved employees were not authorized and permitted to take legally-compliant rest periods due to work demands imposed by Defendants.

In addition, Defendants routinely failed to provide Mr. Quintero and aggrieved employees with timely, full 30-minute first meal periods commencing before the conclusion of the fifth hour of work in violation of Labor Code § 512, and Wage Order 4, § 11(A). Specifically, due to work demands imposed by Defendants, Mr. Quintero and aggrieved employees were occasionally not provided with any first meal period. Further, upon information and belief, for a portion of the liability period, Mr. Quintero and aggrieved employees were not provided with a legally-compliant second meal period for shifts in excess of 10.0 hours. On those occasions when Mr. Quintero was not provided with all legally-required meal periods to which he was entitled, Defendants failed to compensate Mr. Quintero with the required meal period premium for each workday in which he experienced a meal period violation as mandated by Labor Code § 226.7. Upon information and belief, Defendants did not maintain a payroll code or other mechanism for the payment of meal period premiums under Labor Code § 226.7 in the event that Defendants failed to provide a legally compliant meal period to their non-exempt employees.

Mr. Quintero and aggrieved employees also routinely worked in excess of 8 hours per workday and/or 40 hours per workweek, but did not receive overtime compensation equal to one and one-half times their regular rate of pay for working overtime hours. Specifically, Defendants paid Mr. Quintero and aggrieved employees commission earnings, non-discretionary bonuses, and other forms of non-discretionary pay that are not excludable from the regular rate of pay (hereinafter the aforementioned forms of pay are referred to as “Incentive Pay”). Despite Defendants’ payment of Incentive Pay to Mr. Quintero and aggrieved employees, Defendants failed to properly calculate the regular rate of pay, thereby causing Mr. Quintero and aggrieved employees to be underpaid all required overtime wages. Further, Mr. Quintero and aggrieved employees were not paid all overtime wages owed because Defendants failed to include the value of non-productive time when calculating the regular rate of pay for overtime purposes.

Defendants also failed to reimburse Mr. Quintero and aggrieved employees for use of their personal cellular phones for a variety of work activities, including, but not limited to, communicating with coworkers and customers. Mr. Quintero and aggrieved employees were required to use their personal cellular phones for such work activities; however, Mr. Quintero and aggrieved employees were never reimbursed for their cellular phone expenses.

As a result of Defendants' failure to pay all minimum and overtime wages, rest period premium wages, and meal period premium wages, Defendants maintained inaccurate payroll records and issued inaccurate wage statements to Mr. Quintero and aggrieved employees. Further, Defendants issued facially non-compliant wage statements to Mr. Quintero and aggrieved employees that failed to list all hourly rates and corresponding hours worked at each rate in violation of Labor Code § 226(a)(9). Specifically, the wage statements issued by Defendants to Mr. Quintero and aggrieved employees fail to list the hourly rate for their respective "Regular" rates of pay. For example, during the pay period beginning on February 1, 2020 and ending on February 15, 2020, Defendants paid Mr. Quintero \$2,275.00 for "Regular" but failed to list the rate and corresponding number of hours associated with "Regular" pay.

As a further result of Defendants' failure to pay all minimum and overtime wages, rest period premium wages, and meal period premium wages, Defendants failed to pay all wages owed to Mr. Quintero and aggrieved employees upon their separation of employment with Defendants.

As described above, Defendants committed the following violations of the Labor Code, and Industrial Welfare Commission Wage Order 4 ("Wage Order 4"):

Minimum Wage Violations

Defendants were required to pay Mr. Quintero and aggrieved employees an hourly rate at least equal to the minimum wage for each hour actually worked. *See* Labor Code §§ 1182.12, 1194, 1194.2, 1197; Wage Order 4, § 4. Because Defendants failed to compensate Mr. Quintero and aggrieved employees for non-productive time when they were paid on a commission-only basis, Defendants failed to compensate Mr. Quintero and aggrieved employees for all hours worked. As a result of these policies/practices, which fail to compensate for all hours worked, Mr. Quintero and aggrieved employees were deprived of all required minimum wages.

Rest Period Violations

As described above, Defendants failed to properly compensate Mr. Quintero and aggrieved employees for required rest periods at the correct rate of pay while they worked pursuant to Defendants' commission compensation plans. *See Vaquero v. Stoneledge Furniture LLC*, 9 Cal.App.5th 98 (2017); *Bluford v. Safeway Inc.*, 216 Cal.App.4th 864 (2013). Further, Mr. Quintero and aggrieved employees were not authorized and permitted to take legally-compliant rest periods due to work demands. As a result, Mr. Quintero and aggrieved employees are owed rest period premium payments.

Meal Period Violations

Defendants failed to provide Mr. Quintero and aggrieved employees with timely, full 30-minute first meal periods commencing before the conclusion of the fifth hour of

work, in violation of Labor Code § 512, and Wage Order 4, §11(A). Further, upon information and belief, for at least a portion of the relevant liability period, Mr. Quintero and aggrieved employees were also not provided with all required meal periods due to Defendants' meal period policies/practices which fail to provide a second meal period for shifts over 10.0 hours. *See* Labor Code §§ 226.7, 512; Wage Order 4, § 11. As a result, Mr. Quintero and aggrieved employees are owed an additional hour of wages at their regular rate of compensation for each workday that meal periods were not provided. *See* Labor Code § 226.7 ("If an employer fails to provide an employee a meal period or rest period in accordance with an applicable order of the Industrial Welfare Commission, the employer shall pay the employee one additional hour of pay at the employee's regular rate of compensation for each workday that the meal or rest period is not provided.").

Overtime Wage Violations

Defendants were required to pay Mr. Quintero and aggrieved employees overtime wages for all hours worked in excess of eight hours per workday and/or forty hours per workweek. *See* Labor Code §§ 1194(a) and 1198; Wage Order 4, § 3. According to Labor Code § 510(a), "Any work in excess of eight hours in one workday and any work in excess of 40 hours in any one workweek and the first eight hours worked on the seventh day of work in any one workweek shall be compensated at the rate of no less than one and one-half times the regular rate of pay for an employee." This section further provides, "Any work in excess of 12 hours in one day shall be compensated at the rate of no less than twice the regular rate of pay for an employee. In addition, any work in excess of eight hours on any seventh day of a workweek shall be compensated at the rate of no less than twice the regular rate of pay of an employee." As alleged above, Defendants failed to include Incentive Pay and the value of non-productive time when calculating the regular rate of pay for overtime purposes. As a result of this policy/practice, Mr. Quintero and aggrieved employees were not compensated for all overtime wages on occasions when Mr. Quintero and aggrieved employees worked over eight hours in a workday and/or 40 hours in a workweek.

Failure to Reimburse Employees for Necessary Business Expenses

Defendants failed to reimburse Mr. Quintero and aggrieved employees for necessary business expenses incurred due to Defendants' policy/practice of not providing any reimbursement for cellular phone expenses incurred in the direct discharge of the job duties of such employees. *See* Wage Order 4, § 9; Labor Code §§ 2802 and 2804 ("An employer shall indemnify his or her employees for all necessary expenditures or losses incurred by the employee in direct consequence of the discharge of his or her duties, or of his or her obedience to the directions of the employer."); *see also Cochran v. Schwan's Home Service, Inc.*, 228 Cal.App.4th 1137 (2014). Accordingly, Mr. Quintero and aggrieved employees are entitled to reimbursement for all expenditures incurred as a direct consequence of the discharge of their duties for Defendants and/or at the direction of Defendants.

Wage Statement Violations

Defendants are required to furnish Mr. Quintero and aggrieved employees with complete and accurate itemized wage statements that show, among other things, their rates of pay, corresponding number of hours worked at each rate of pay, total gross wages earned, and total net wages earned. *See* Labor Code §§ 226(a) and 1174(d); Wage Order 4, § 7. As a result of Defendants' failure to pay all minimum and overtime wages, rest period premium wages, and meal period premium wages, Defendants maintained inaccurate payroll records and issued inaccurate wage statements to Mr. Quintero and aggrieved employees in violation of Labor Code § 226. Further, Defendants issued facially deficient wage statements which failed to list all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee. Defendants' failure to comply with the wage statement obligations was knowing and intentional, and Mr. Quintero and aggrieved employees have suffered injury as a result.

Waiting Time Penalties

Labor Code §§ 201 and 202 require that employees receive all of their final wages at the time of their separation of employment. Defendants failed to timely pay Mr. Quintero and aggrieved employees all of their final wages at the time of separation, which included all minimum and overtime wages, rest period premium wages, and meal period premium wages. Defendants' failure to pay all final wages due to Mr. Quintero and aggrieved employees was willful and, consequently, entitles Mr. Quintero and aggrieved employees to waiting time penalties equal to one day of wages at their standard hourly rate for each day Defendants failed to pay their final wages after their separation, up to a maximum of thirty days.

As an "aggrieved employee," Mr. Quintero will initiate a civil action on behalf of himself and aggrieved employees to recover damages, statutory penalties, and civil penalties resulting from the wage and hour violations alleged herein. Based on Mr. Quintero's own investigation, and on information and belief, Defendants committed, and continues to commit, the following violations:

- a. Defendants violated Labor Code §§ 558, 1182.12, 1194, 1194.2 and 1197, by failing to pay Mr. Quintero and aggrieved employees the statutory minimum wage for all hours worked;
- b. Defendants violated Labor Code §§ 226.7, 516, 558, and 1198 by failing to authorize and permit all rest periods as required by law, and failing to separately compensate Mr. Quintero and aggrieved employees for required rest periods at the correct rate of pay;
- c. Defendants violated Labor Code §§ 226.7, 512, 558, and 1198 by failing to provide meal periods as required by law and failing to pay meal period

premiums to Mr. Quintero and aggrieved employees at these employee's respective regular rates of compensation for meal period violations;

- d. Defendants violated Labor Code §§ 204, 510, 558, 1194, and 1198 by failing to pay Mr. Quintero and aggrieved employees all overtime compensation earned;
- e. Defendants violated Labor Code §§ 2802 and 2804 by failing to reimburse Mr. Quintero and aggrieved employees for all necessary business expenses incurred;
- f. Defendants violated Labor Code § 226 by failing to furnish Mr. Quintero and aggrieved employees with accurate and complete itemized wage statements;
- g. Defendants violated Labor Code §§ 201-203 by failing to timely pay all final wages due, including but not limited to minimum and overtime wages, rest period premium wages, and meal period premium wages, to Mr. Quintero and aggrieved employees upon their separation of employment;
- h. Defendants violated Labor Code § 204 by failing to pay Mr. Quintero and aggrieved employees all wages earned at least twice during each calendar month; and
- i. Defendants violated Labor Code § 1174 by failing to maintain accurate records on behalf of Mr. Quintero and aggrieved employees.

Pursuant to Labor Code Section 2699.3(a)(2)(A), please notify us and Defendants if the LWDA intends to investigate these alleged violations of the Labor Code. Please contact me should you require additional information.

Very truly yours,

HAINES LAW GROUP, APC



Paul K. Haines

cc: SEIDNER-MILLER, INC. (via certified mail)
SEIDNER-MILLER AUTOMOTIVE, INC. (via certified mail)

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

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Certified Mail Fee

Extra Services & Fees (check box, add fee as appropriate)
☐ Return Receipt (hardcopy) \$
☐ Return Receipt (electronic) \$
☐ Certified Mail Restricted Delivery \$
☐ Adult Signature Required \$
☐ Adult Signature Restricted Delivery \$

Postmark
Here

Postage

\$ Total Seidner-Miller Automotive, Inc.
 \$ c/o Murrey Seidner
 Sent 1949 Auto Centre Dr
 Street Glendora, CA 91740 (AC)
 City, State, ZIP+4®

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

See Reverse for Instructions

**U.S. Postal Service™
CERTIFIED MAIL® RECEIPT**
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Certified Mail Fee

Extra Services & Fees (check box, add fee as appropriate)
☐ Return Receipt (hardcopy) \$
☐ Return Receipt (electronic) \$
☐ Certified Mail Restricted Delivery \$
☐ Adult Signature Required \$
☐ Adult Signature Restricted Delivery \$

Postmark
Here

Postage

\$ Total Seidner-Miller Automotive, Inc.
 \$ c/o Murrey Seidner
 Sent 1949 Auto Centre Dr
 Street Glendora, CA 91740 (AC)
 City, State, ZIP+4®

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

See Reverse for Instructions

SENDER: COMPLETE THIS SECTION

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

1. Article Addressed to:

Seidner-Miller, Inc
 c/o Murrey Seidner
 1949 Auto Centre Dr
 Glendora, CA 91740



9590 9402 5816 0034 9278 74

2. Article Number (Transfer from service label)

7019 1640 0000 8009 8429

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

Domestic Return Receipt

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X ☐ Agent
☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

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

3. Service Type

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

SENDER: COMPLETE THIS SECTION

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

1. Article Addressed to:

Seidner-Miller, Inc
 c/o Murrey Seidner
 1949 Auto Centre Dr
 Glendora, CA 91740



9590 9402 5816 0034 9278 67

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X ☐ Agent
☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

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

3. Service Type

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

EXHIBIT 3

LAFFEY MATRIX

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			Years Out of Law School *				
Year	Adjustmt Factor**	Paralegal/ Law Clerk	1-3	4-7	8-10	11-19	20 +
6/01/20- 5/31/21	1.015894	\$206	\$378	\$465	\$672	\$759	\$914
6/01/19- 5/31/20	1.0049	\$203	\$372	\$458	\$661	\$747	\$899
6/01/18- 5/31/19	1.0350	\$202	\$371	\$455	\$658	\$742	\$894
6/01/17- 5/31/18	1.0463	\$196	\$359	\$440	\$636	\$717	\$864
6/01/16- 5/31/17	1.0369	\$187	\$343	\$421	\$608	\$685	\$826
6/01/15- 5/31/16	1.0089	\$180	\$331	\$406	\$586	\$661	\$796
6/01/14- 5/31/15	1.0235	\$179	\$328	\$402	\$581	\$655	\$789
6/01/13- 5/31/14	1.0244	\$175	\$320	\$393	\$567	\$640	\$771
6/01/12- 5/31/13	1.0258	\$170	\$312	\$383	\$554	\$625	\$753
6/01/11- 5/31/12	1.0352	\$166	\$305	\$374	\$540	\$609	\$734
6/01/10- 5/31/11	1.0337	\$161	\$294	\$361	\$522	\$589	\$709
6/01/09- 5/31/10	1.0220	\$155	\$285	\$349	\$505	\$569	\$686
6/01/08- 5/31/09	1.0399	\$152	\$279	\$342	\$494	\$557	\$671
6/01/07-5/31/08	1.0516	\$146	\$268	\$329	\$475	\$536	\$645

6/01/06-5/31/07	1.0256	\$139	\$255	\$313	\$452	\$509	\$614
6/1/05-5/31/06	1.0427	\$136	\$249	\$305	\$441	\$497	\$598
6/1/04-5/31/05	1.0455	\$130	\$239	\$293	\$423	\$476	\$574
6/1/03-6/1/04	1.0507	\$124	\$228	\$280	\$405	\$456	\$549
6/1/02-5/31/03	1.0727	\$118	\$217	\$267	\$385	\$434	\$522
6/1/01-5/31/02	1.0407	\$110	\$203	\$249	\$359	\$404	\$487
6/1/00-5/31/01	1.0529	\$106	\$195	\$239	\$345	\$388	\$468
6/1/99-5/31/00	1.0491	\$101	\$185	\$227	\$328	\$369	\$444
6/1/98-5/31/99	1.0439	\$96	\$176	\$216	\$312	\$352	\$424
6/1/97-5/31/98	1.0419	\$92	\$169	\$207	\$299	\$337	\$406
6/1/96-5/31/97	1.0396	\$88	\$162	\$198	\$287	\$323	\$389
6/1/95-5/31/96	1.032	\$85	\$155	\$191	\$276	\$311	\$375
6/1/94-5/31/95	1.0237	\$82	\$151	\$185	\$267	\$301	\$363

The methodology of calculation and benchmarking for this Updated Laffey Matrix has been approved in a number of cases. See, e.g., *McDowell v. District of Columbia*, Civ. A. No. 00-594 (RCL), LEXSEE 2001 U.S. Dist. LEXIS 8114 (D.D.C. June 4, 2001); *Salazar v. Dist. of Col.*, 123 F.Supp.2d 8 (D.D.C. 2000).

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

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

EXHIBIT 4

Haines Law Group, APC

Expense Summary

Arthur Quintero, Jr. v. Seidner-Miller, Inc., et al.

EXPENSE	AMOUNT
Mediation Costs	\$6,000.00
Filing, Service, and Messenger Fees	\$709.33
Copying and Postage Costs	\$250.91
Westlaw Charges	\$105.12
TOTAL:	\$7,065.36