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Attorneys for Plaintiff Atlas Vargas

SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF VENTURA

Atlas Vargas, an individual, on behalf of
himself and on behalf of all persons similarly
situated,

Plaintiff,

v.

SKYSKOPES, INC., a Delaware Corporation;
and DOES 1 through 50, inclusive,

Defendants.

Case No. 56-2020-00544196-CU-OE-VTA

Assigned for all Purposes to the Hon. Judge
Mark Borrell (Dept. 40)

Motion Reservation #: 2562304

**DECLARATION OF ALEXANDER I.
DYCHTER ISO MOTION FOR APPROVAL
OF PRIVATE ATTORNEYS GENERAL
ACT (PAGA) SETTLEMENT AND
DISMISSAL OF CLASS CLAIMS
WITHOUT PREJUDICE**

Hearing Date: May 27, 2021
Hearing Time: 8:30 a.m.
Location: Dept. 40

Complaint Filed: August 11, 2020
FAC Filed: October 15, 2020
Trial Date: None Set

1 I, Alexander I. Dychter, declare:

2 1. I am an attorney licensed to practice law in the State of California and the District
3 of Columbia. I am lead counsel for Plaintiff Atlas Vargas (“Plaintiff” or “Vargas”) working with
4 S. Adam Spiewak of Dychter Law Offices, APC, and Walter L. Haines of United Employees
5 Law Group, PC, in this case against SKYSKOPES, INC. (“Defendant” or “SkySkopes”). I have
6 personal knowledge of the matters stated herein and if called and sworn as a witness, I could and
7 would competently testify under oath thereto.

8 2. I graduated from DePaul University College of Law in 2003. Prior to establishing
9 Dychter Law Offices, APC, I worked at the law firm of Cohelan Khoury & Singer in San Diego,
10 California. At Cohelan Khoury & Singer my practice was devoted exclusively to class action
11 lawsuits on behalf of employees, and I litigated over 25 class actions on behalf of plaintiffs. At
12 Cohelan Khoury & Singer I was lead or co-counsel, or otherwise exercised significant case
13 handling responsibilities, in cases resulting in class action judgments or settlements with a
14 cumulative value in excess of \$75 million. In April 2009, I left Cohelan Khoury & Singer to
15 open my own law practice under the name “Dychter Law Offices, APC.” As before, my practice
16 is now devoted almost exclusively to class action lawsuits on behalf of employees. Currently, I
17 am lead counsel or co-counsel on more than 10 class action lawsuits that are pending in state and
18 federal court, and have settled over 50 class or collective action lawsuits in both state and federal
19 court since opening Dychter Law Offices, APC.

20 3. I have substantial experience in all facets of civil litigation in state and federal
21 court, including discovery, law and motion, appellate practice, mediation, arbitration, and trial. I
22 am fully capable of adequately and fairly representing Plaintiff and the Aggrieved Employees in
23 this matter.

24 4. Pursuant to the terms of this Settlement, Defendant will pay a maximum non-
25 reversionary Settlement Payment of \$166,666. Subject to Court approval, from this sum, the
26 following amounts shall be deducted: 1) a Service Payment not to exceed \$5,000 to Plaintiff
27 Atlas Vargas for initiation of the Action, efforts and risks undertaken to do so; 2) Settlement
28 Administration expenses of \$2,000 to Atticus Administration, LLC; 3) PAGA Counsel’s

1 attorneys' fees not to exceed \$55,333.33 (33.33% of the Settlement Payment); and 4)
2 reimbursement of litigation costs of \$5,915.66.

3 The sum remaining estimated at \$97,750 will be disbursed as directed by the PAGA, Cal.
4 Labor Code § 2698, *et seq.*, with approximately \$97,750 (75% of the Settlement) paid to the
5 LWDA and \$24,437 (25%) distributed proportionately to all PAGA Members, b based upon their
6 respective number of pay periods worked during the "Covered Period," which is defined as that
7 period from August 11, 2019 *through* April 8, 2021.

8 5. The Settlement was reached through extensive, arms'-length, informed
9 negotiations, with the help of an experienced mediator following an informal exchange of
10 information, documents, and data. Plaintiff contends that the result is fair, adequate, reasonable,
11 and fulfils PAGA's purposes of enforcing California's laws protecting employees and collecting
12 civil penalties for the State. The amount is consistent with Court-approved amounts in other
13 PAGA cases, and the requests for PAGA Counsel's attorneys' fees and costs and Plaintiff's service
14 payment are reasonable.

15 The LWDA has been provided a copy the instant Motion papers (including a copy of the
16 fully-executed Settlement Agreement) via the LWDA's online filing portal in compliance with
17 Labor Code § 2699(1)(2).

18 6. Defendant has reviewed the instant Motion and **will not** be opposing.

19 7. Plaintiff Atlas Vargas was employed by Defendant as a Drone Pilot flying
20 Unmanned Aerial Vehicles ("UAV") in California from approximately August 2019 to
21 approximately April 24, 2020. Drone Pilots, including Mr. Vargas, primarily navigated UAVs to
22 inspect power lines and electrical transmission poles. The Drone Pilots were also required to
23 perform work tasks beyond the actual flying, including removing and charging the UAV batteries,
24 uploading flight logs into the "SkyWard" software program, removing the SD card with photo data
25 to provide to their supervisors, and attending daily morning meetings.

26 8. PAGA Members are defined as all Drone pilots flying Unmanned Aerial Vehicles
27 ("UAV") and/or similarly titled job positions employed by SkySkopes, Inc. in California at any
28 time between August 11, 2019 through April 8, 2021 (the "Covered Period").

1 9. During the Covered Period, Defendant employed **82 PAGA Members** that worked
2 an aggregate of approximately **1,480 Pay Periods**.

3 10. Plaintiff submitted his PAGA Notice Letter to the LWDA on August 11, 2020 and
4 also filed the original Complaint instant action on August 11, 2020 in the Superior Court of
5 California – County of Ventura.

6 11. In the requisite 65 days following the service of the PAGA Notice, no notice was
7 received from the LWDA of its intention to investigate the violations stated in the PAGA Notice.
8 Pursuant to PAGA (Labor Code § 2699.3), Plaintiff satisfied the procedural notice requirement
9 allowing him to proceed with a civil action in the Superior Court of California, and he filed the
10 First Amended Complaint ("FAC") in the lawsuit on October 15, 2020, adding an additional cause
11 of action under the PAGA for himself and all other allegedly aggrieved employees who were
12 employed by Defendant as drone pilots.

13 12. On or about December 4, 2020, the Parties executed a Joint Stipulation to submit
14 Plaintiff's individual claims to arbitration and to "stay" the PAGA cause of action before the
15 Superior Court of California – County of Ventura, which the Court granted on December 22, 2020.
16 Over the course of the next several months, to allow for a meaningful effort at mediation, the
17 Parties informally exchanged information and documentation to allow PAGA Counsel to assess
18 the claims alleged and penalties sought for PAGA Members during the Covered Period. Relevant
19 information and documentation provided included Plaintiff's personnel file (including handbooks,
20 policies and procedures, etc.), an Excel spreadsheet with each PAGA Member's dates of
21 employment, and a sampling of wage statements, time records, and reimbursement documentation
22 for PAGA Members. PAGA Counsel and their consultants reviewed and analyzed the data and
23 information and then extrapolated PAGA penalties for the Covered Period using standard
24 statistical methodologies.

25 PAGA Counsel retained the services of Berger Consulting Group in Los Angeles to assist
26 with an analysis of the electronic data produced by Defendant for mediation preparation.

27 13. On April 8, 2021, the Parties engaged in good faith, arms'-length negotiations and
28 completed a full-day mediation with the Kristin Rizzo, Esq., an experienced and well-regarded

1 wage and hour mediator. Although the mediation session concluded without a resolution, the
2 mediator did make a written "Mediator's Proposal" in writing on April 8, 2021, which was
3 accepted by the Parties the next day.

4 14. Plaintiff has complied with the requisite notice, and the Defendant did not provide
5 notice of a cure, and the LWDA did not provide notice it intended to investigate the charges.

6 15. Defendant shall pay the \$166,000 PAGA Settlement Payment from which
7 \$97,751.01, (the "PAGA Penalty Fund"), will be paid pursuant to PAGA, *i.e.*, \$73,313.25 (75%) to
8 the LWDA and \$24,437.75 (25%) to all PAGA Members. Any amount of the requested Service
9 Payment to Plaintiff, and PAGA Counsel's fees and litigation expenses not awarded by the Court,
10 will remain with the PAGA Penalty Fund. Subject to Court approval, Plaintiff proposes the PAGA
11 Settlement Payment be distributed in the following manner:

12	1.	<u>SETTLEMENT PAYMENT:</u>	<u>\$ 166,000.00</u>
13		Plaintiff's Service Payment:	- \$ 5,000.00
14		PAGA Counsel's Fees:	- \$ 55,333.33
15		PAGA Counsel's Litigation Costs (Max):	- \$ 5,915.66
16		Administration Payment:	- \$ 2,000.00
17	2.	<u>PAGA PENALTY FUND:</u>	<u>\$ 97,750.01</u>
18		LWDA: (75% of \$97,751.01)	\$ 73,313.25
19		PAGA Members: (25% of \$97,751.01)	\$ 24,437.75

20 Pursuant to statute, at least \$24,437.75 (25% of the PAGA Penalty Fund) will be
21 distributed proportionately to the **82 PAGA Members** based on their respective number of pay
22 periods in the applicable statutory time period. On average, each PAGA Member will receive
23 *approximately \$300*.

24 16. The operative Complaint alleges Defendant failed to pay all straight-time and
25 overtime wages for all time actually worked, failed to reimburse all business expenditures, failed
26 to pay all owed wages upon separation of employment, and failed to provide accurate wage
27 statements. The PAGA Settlement releases claims asserting PAGA violations, as alleged in the
28 August 11, 2020 Notice to Defendant and the LWDA and asserted in the First Amended
Complaint ("FAC") or that could have been asserted based on the facts alleged in the FAC,
including the specifically alleged violations of California Labor Code sections 201, 202, 203, 204,
226, 226.7, 510, 512, 1194, 1197, and 2802, and Industrial Welfare Commission Wage Order(s),

1 that accrued during the Covered Period.

2 17. If the Cover Letter and check are returned as undeliverable, Atticus will perform a
3 skip-trace using the PAGA Member's social security number to locate a current mailing address,
4 and re-mail the Cover Letter and check to the updated address.

5 18. Here, Plaintiff contends that the proposed Settlement fulfils PAGA's purpose by (1)
6 enforcing the law, (2) collecting penalties from an employer and recovering in excess of \$70,000
7 (75% of the penalties) on behalf of the State of California for purposes of enforcement and
8 education; and (3) distributing 25% of the penalties to the PAGA Members, Labor Code § 2699(i).
9 The Settlement provides an excellent recovery for the State and significant relief for PAGA
10 Members.

11 19. In this matter, the PAGA penalties were significantly discounted in light of the
12 defenses available to Defendant and the evidence presented related to certain payments having
13 been made to PAGA Members related to the alleged claims, including policy changes made by
14 Defendant after receiving the PAGA Notice to offer their pilots reimbursement for incurred
15 internet and mobile device usage, as well as its tracking and compensation of overtime, and its
16 policies and procedures for providing and tracking meal periods.

17 20. The penalties, when considering every employee for every pay period during the
18 covered period (*i.e.* August 11, 2019 through April 8, 2021) – approximately 1,480 pay periods –
19 were estimated at an outside exposure of approximately \$475,000 based on the assumption of a
20 violation of each type (meal period violation, expense reimbursement violation, unpaid wages,
21 inadequate overtime compensation.

22 The overtime compensation claim focused specifically on the failure to incorporate bonus
23 payments into the regular rate of pay when calculating overtime compensation. As such bonus
24 payments occurred infrequently – fewer than 100 total aggregate pay periods during the Covered
25 Period were affected – the total PAGA penalty exposure for this category of violation was less
26 than \$10,000.

27 Significantly, without any 'stacking' of penalties, if the Court issued one (1) PAGA penalty
28 per eligible aggregate pay period during the Covered Period, then the PAGA penalties would have

1 been calculated as follows: $\$100 \times 1,480$ aggregate pay periods totals **\\$148,000**.

2 There are also potential PAGA penalties attributable to the temporary misclassification of
3 some of the aggrieved employees, which added some exposure to Defendant and increased the
4 amount of the settlement. These penalties were estimated to contribute less than \$10,000 more in
5 penalties.

6 21. PAGA Counsel requests \$55,333.33 for their attorneys' fees, (33.33% of the
7 Settlement Payment), and \$5,915.66 in litigation costs.

8 22. Numerous state and federal courts in California routinely approve fee requests equal
9 to or more than the amount sought here.

10 23. PAGA Counsel's fee request is in line with awards in similar cases in California
11 and nationwide and demonstrates PAGA Counsel's fee request is consistent with market rates and
12 is highly reasonable.

13 24. PAGA Counsel have worked a combined total of more than **141.6 hours** (52.0 hrs.
14 + 73.0 hrs. + 16.6), to date prosecuting this Action and calculate the resulting lodestar fee on those
15 hours at more than **\\$87,505** with a calculated combined **lodestar multiplier of 0.63**.

16 Alexander I. Dychter, Esq., of Dychter Law Offices, APC has incurred approximately
17 **52.0** hours for a total fee of **\\$32,500** (52 hours $\times$ \$625/hr). S. Adam Spiewak, Esq. of Dychter
18 Law Offices, APC has incurred **73.0 hours** for a total fee of **\\$43,800** (73.0 hours $\times$ \$600/hr).
19 Walter L. Haines, Esq. of United Employees Law Group, PC has incurred **16.6 hours** for a total
20 fee of **\\$11,205** (16.6 hours $\times$ \$675/hr).

21
22 The hours expended were reasonable in light of the complexity and duration of the
23 litigation.

24 The time for Alexander I. Dychter was spent on the following categories of tasks:

25 a. Investigating and researching the case and background of Defendant and intake
26 with Mr. Vargas and UELG; multiple follow-up calls with Vargas and emails/calls with
27 co-counsel related thereto; reviewing initial documents from client; drafting the
28

Complaint/revisions with S. Spiewak; drafting and mailing/uploading PAGA new notice; draft/review FAC; revised Stip re Arbitration: **approximately 15 hours.**

b. Draft mediation data request letter; discussions with SAS and Walter re mediation and the data needed and mediator selection; contact multiple mediators for availability; discussions with Berger Consulting Group, Inc. re data analysis and reviewing work product via phone and email; draft mediation brief, discuss with SAS and Walter and revise; attend full-day mediation via Zoom with mediator Kristin Rizzo (concluded at 7:30 p.m.); follow-up re “mediators proposal”: **approximately 20 hours.**

c. drafting the long-form PAGA-only settlement agreement; engaging Atticus settlement administration for quote; drafting the instant Motion for PAGA Settlement Approval and accompanying settlement documents: **approximately 12 hours.**

d. miscellaneous case updates/strategy discussions with Spiewak and Haines, misc. emails/calls with Defense counsel: **approximately 5 hours.**

25. Listing of Fee Awards, Hourly Rates, & Lodestar Multipliers to PAGA Counsel (Alexander I. Dychter, Esq.):

●On March 10, 2020, the Superior Court of California, County of Los Angeles, Judge Elihu M. Berle (Dept. 6) granted final approval of a wage and hour class action settlement and PAGA claim in the matter of *Edward Barragan v. Consolidated Electrical Distributors, Inc.* (Case No. BC706914) wherein the Court approved Class Counsel’s (Alexander I. Dychter hourly rate of **\$625**) and **33.33%** of the common fund with a provided lodestar multiplier of **1.42**.

●On September 13, 2019, the Superior Court of California, County of Alameda, Judge Winifred Y. Smith (Dept. 21) granted final approval of a wage and hour class action settlement and PAGA claim in the matter of *Gershon v. Northern California Chair Corporation* (Case No. RG18922502) wherein the Court approved Class Counsel’s (Alexander I. Dychter hourly rate of **\$625**) and **33.33%** of the common fund with a provided lodestar multiplier of **2.04**.

1 ●On February 22, 2019, the Superior Court of California, County of San Diego, Judge
2 Gregory W. Pollack (Dept. 71) granted final approval of a wage and hour class action
3 settlement and PAGA claim in the matter of *Garcia v. General Coatings Corporation*
4 (Case No. 37-2016-00041617-CU-OE-CTL) wherein the Court approved Class Counsel's
5 (Alexander I. Dychter hourly rate of **\$625**) and **33.33%** of the common fund.

6 ●On December 27, 2017, the Superior Court of California, County of Los Angeles, Judge
7 Carolyn B. Kuhl (Dept. 7) granted final approval of a wage and hour class action
8 settlement and PAGA claim in the matter of *Oscar Villegas v. Casa Linda Furniture*
9 (Case No. BC636702) wherein the Court approved Class Counsel's (Alexander I.
10 Dychter) hourly rate of **\$600** and **33.33%** of the common fund.

11 ●On November 29, 2017, the Superior Court of California, County of Monterey, Judge
12 Lydia M. Villareal (Dept. 1) granted final approval of a wage and hour class action
13 settlement and PAGA claim in the matter of *Monterey Mushrooms Wage and Hour Cases*
14 (JCCP No. 4891) wherein the Court approved Class Counsel's (Alexander I. Dychter
15 hourly rate of **\$625**) and approved **40.00%** of the common fund.

16 ●On November 14, 2017, United States District Judge Janis L. Sammartino granted final
17 approval of a wage and hour class action settlement and PAGA claim in the matter of
18 *Eduardo Nunez v. BAE Systems San Diego Ship Repair Inc.* (U.S. Dist. S.D. Cal., Case
19 No. 3:16-cv-02162-JLS-NLS) wherein the Court approved Class Counsel's (Alexander I.
20 Dychter) hourly rate of **\$600** and a lodestar multiplier of **1.83**.

21 ●On March 31, 2017, United States Magistrate Judge Nathanael M. Cousins granted final
22 approval of a wage and hour class action settlement and PAGA claim in the matter of
23 *Keyonna Shelton v. Rack Room Shoes, Inc.* (U.S. Dist. N.D. Cal., Case No. 16-cv-00967
24 NC) wherein the Court approved Class Counsel's (Alexander I. Dychter) hourly rate of
25 **\$600** and a lodestar multiplier of **1.48**.

26 ●On March 24, 2017, the Superior Court of California, County of Santa Clara, Judge
27 Thomas E. Kuhnle (Dept. 5) granted final approval of a wage and hour class action
28 settlement and PAGA claim in the matter of *Edith Demayo v. O'Connor Hospital* (Case

No. 1-15-CV-285256) wherein the Court approved Class Counsel's (Alexander I. Dychter) hourly rate of **\$600** and **33.33%** of the common fund with a provided lodestar multiplier of **1.76**.

•On August 17, 2016, the Superior Court of California, County of Los Angeles, Judge William F. Highberger (Dept. CCW-322) granted final approval of a wage and hour class action settlement and PAGA claim in the matter of *Rene Mendoza / Larry Taylor v. HIT Mobile, Inc.* (Lead Case No. BC573977, Consolidated Case No. BC601574) wherein the Court approved Class Counsel's (Alexander I. Dychter) hourly rate of **\$550** and **33.33%** of the common fund with a provided lodestar multiplier of **1.27**.

•On July 26, 2016, the Superior Court of California, County of San Luis Obispo, Judge Charles S. Crandall (Dept. 9) granted final approval of a wage and hour class action settlement and PAGA claim in the matter of *Indica Heredia v. InterMountain Management, L.L.C.* (Case No. 14CV-0429) wherein the Court approved Class Counsel's (Alexander I. Dychter) hourly rate of **\$550** and **33.33%** of the common fund with a provided lodestar multiplier of **1.66**.

26. Dychter Law Offices' practice is limited almost exclusively to litigating employment class actions on behalf of employees and consumers. Dychter Law Offices has settled over 50 wage and hour class action lawsuits since its founding in 2009, and, prior to 2009, its principal worked on numerous wage and hour class action matters for the law firm of Cohelan Khoury & Singer as an associate.

27. The \$5,000 Service Payment requested will compensate Plaintiff, Atlas Vargas for his assistance in documenting the alleged violations, initiating this Action, and participating in its prosecution. Service payments are routinely approved. Here, Plaintiff Vargas is requesting approximately three percent of the total settlement sum.

28. Pursuant to an October 30, 2019 Arbitration Agreement signed by Plaintiff, Plaintiff waived "any substantive or procedural rights that [he] may have to bring an action on a class, collective, or other similar basis against."

EXHIBITS

1. Attached hereto as **Exhibit 1** is a fully-executed copy of the Settlement Agreement.
2. Attached hereto as **Exhibit 2** is the e-mail confirmation from the LWDA confirming receipt of the Settlement Agreement and the instant Motion papers on May 5, 2021.
3. Attached hereto as **Exhibit 3** is the proposed Notice Letter to the PAGA Members.
4. Attached hereto as **Exhibit 4** is the estimate received from Atticus Administration.
5. Attached hereto as **Exhibit 5** is a detailed listing of Plaintiff's litigation costs.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct and that this Declaration was executed on this 5th day of May, 2021 in San Diego, California.



Alexander I. Dychter

EXHIBIT 1

PRIVATE ATTORNEYS GENERAL ACT SETTLEMENT AND RELEASE

This Settlement and Release (hereinafter “Settlement” or “Agreement”) is made and entered into by and between Plaintiff ATLAS VARGAS (hereinafter “Plaintiff” or “Vargas”) on behalf of himself, the State of California, and other allegedly aggrieved employees (as defined below), on the one hand, and Defendant SKYSKOPES, INC. (hereinafter, “Defendant” or “SkySkopes”), on the other hand. Plaintiff, the aggrieved employees, and Defendant are collectively referred to herein as the “Parties.”

I NATURE OF ACTION

1. Plaintiff commenced a putative class action lawsuit in the Superior Court of California – County of Ventura, on August 11, 2020, alleging six (6) causes of action against Defendant based on various wage and hour claims involving violations of the California Labor Code, on behalf of drone pilots and/or similarly titled job positions in California at any time since August 11, 2016 (the "Class Claims"), *Atlas Vargas v. SkySkopes, Inc.*, Case No. 56-2020-00544196-CU-OE-VTA (the Lawsuit"). Additionally, on August 11, 2020, Plaintiff electronically submitted a new Private Attorneys General Act (“PAGA”) Claim Notice via the California Labor Workforce Development Agency (“LWDA”) online portal and notified Defendant, via certified return-receipt mail, of the alleged PAGA claims. Thereafter, after exhausting his administrative requirements under the PAGA, on October 15, 2020, Plaintiff filed his First Amended Complaint (“FAC”) in the Lawsuit, adding an additional cause of action under the PAGA for himself and all other allegedly aggrieved employees who were employed by Defendant as drone pilots flying Unmanned Aerial Vehicles (“UAV” or “Drones”) and/or similarly titled job positions in the State of California at any time since August 11, 2019 (hereafter, the "Aggrieved Employees" or "PAGA Members"). Thereafter, on or about December 4, 2020, the Parties executed a Joint Stipulation to submit Plaintiff’s individual claims to arbitration and to “stay” the PAGA cause of action before the Superior Court of California – County of Ventura, which the Court granted on December 22, 2020.

2. This Settlement relates only to the PAGA cause of action asserted by Plaintiff in the Lawsuit and the dismissal of the Class Claims as set forth herein.

3. The Parties wish to avoid the expense of further proceedings and any future prosecution of Plaintiff's PAGA cause of action, as alleged in the Lawsuit and FAC.

II REPRESENTATIONS AND DEFINITIONS

4. "Lawsuit" refers to the civil action filed in the Superior Court of the State of California for the County of Ventura, entitled *Atlas Vargas v. SkySkopes, Inc.* (Case No. 56-2020-00544196-CU-OE-VTA), as currently presented in the operative FAC.

5. "PAGA Counsel" shall refer to Dychter Law Offices, APC and United Employees Law Group, PC, collectively.

6. Counsel for Defendant ("Defense Counsel") shall refer to Cary Kinkead, Esq. and Christopher Cianci, Esq. of Lagasse Branch Bell + Kinkead LLP.

7. "Covered Period" shall mean the period commencing on August 11, 2019 through April 8, 2021.

8. "PAGA Plaintiff" shall refer to the Plaintiff, Mr. Atlas Vargas.

9. "PAGA Members" shall refer to all Drone pilots flying Unmanned Aerial Vehicles ("UAV") and/or similarly titled job positions employed by SkySkopes, Inc. in California at any time between August 11, 2019 through April 8, 2021. Defendant represents that there are 82 PAGA Members, including PAGA Plaintiff.

10. "Court" refers to the Superior Court of California – County of Ventura (Dept. 40), the Honorable Mark Borrell, presiding.

11. "Covered Claims" means any and all claims, demands, rights, liabilities and/or causes of action asserting PAGA violations and seeking PAGA penalties, as alleged in the August 11, 2020 Notice to Defendant and the LWDA and asserted in the FAC or that could have been asserted based on the facts alleged in the FAC, including the specifically alleged violations of California Labor Code sections 201, 202, 203, 204, 226, 226.7, 510, 512, 1194, 1197, and 2802, and Industrial Welfare Commission Wage Order(s), that accrued during the Covered Period.

12. "Settlement" shall mean this Settlement and Release.

13. “Effective Date” shall mean the first court date after final approval of this settlement is granted by the Court.

14. Defendant denies any liability or wrongdoing of any kind associated with the claims alleged in the Lawsuit, including but not limited to the Covered Claims asserted in the FAC. Defendant contends, among other things, that they have complied at all times with the California Labor Code, the related California Industrial Welfare Commission (I.W.C.) Wage Orders, and all other state and federal wage and hour laws, and further contend that all PAGA Members were properly paid all wages owed at the lawful applicable rates of pay, were provided with all required reimbursements, received all required breaks, were paid all wages owed in a timely manner upon separation of employment, received compliant itemized wage statements, and that the Lawsuit is without merit. Defendant has denied and continues to deny each and every material factual allegation and alleged claim asserted against them in the Lawsuit.

15. Neither the existence of this Settlement nor anything contained in this Settlement shall be construed or deemed as an admission of liability, culpability, negligence or wrongdoing on the part of Defendant. Nothing herein shall constitute an admission by Defendant that the Lawsuit was properly brought against Defendant. Settlement of the Lawsuit, the negotiation and execution of this Settlement, and all acts performed or documents executed pursuant to or in furtherance of this Settlement or the settlement of the Lawsuit: (a) are not, shall not be deemed to be, and may not be used as, an admission or evidence of any wrongdoing or liability on the part of either Defendant or of the truth of any of the factual allegations in the operative Complaint in the Lawsuit; and (b) are not, shall not be deemed to be, and may not be used as, an admission or evidence of any fault or omissions on the part of Defendant in any civil, criminal, or administrative proceeding in any court, administrative agency or other tribunal.

16. The Parties recognize that, absent this Settlement, the issues presented in the Lawsuit are likely to be resolved only with extensive and costly pretrial and trial proceedings, and that further litigation will cause inconvenience, distraction, disruption, delay and expense disproportionate to the potential benefits of litigation. The Parties have taken into account the risk and uncertainty of the outcome inherent in any litigation.

17. Plaintiff and PAGA Counsel have diligently pursued an investigation of the claims against Defendant.

18. Based on their own independent investigations and evaluations, Plaintiff and PAGA Counsel are of the opinion that the resolution for the consideration and on the terms set forth in this Settlement is fair, reasonable and adequate and is in the best interests of all Parties.

19. The purpose of this Settlement is to settle and compromise all Covered Claims by Plaintiff that Plaintiff, on behalf of himself, the State of California, the California LWDA and all other PAGA Members, have against Defendant and the Releasees (as defined in Section IV, below).

III TERMS OF SETTLEMENT

20. In consideration of the mutual covenants, promises and representations set forth in this Settlement, Plaintiff and Defendant agree to fully and finally settle and compromise the Covered Claims, subject to the terms and conditions set forth in this Settlement.

21. The Amount of Settlement. As consideration for the settlement described herein and the release contained in this Settlement, the Parties have agreed that a total of \$166,000.00 (the “Gross PAGA Amount”) shall be paid by Defendant for all penalties under California Labor Code § 2698 *et seq.*, the Private Attorneys General Act of 2004 (the “PAGA”).

22. Pursuant to Labor Code § 2699(g)(1), the Parties agree that Plaintiff’s counsel is entitled to seek an award of attorney’s fees not to exceed \$55,333.33 (33.33% of the Gross PAGA Amount) and costs not to exceed \$7,500.00, subject to approval by the Court, which will both be paid from the Gross PAGA Amount and will not be opposed by Defendant.

23. The Parties agree that Plaintiff Atlas Vargas may seek a service award/incentive award in an amount not to exceed \$5,000.00, subject to approval by the Court, which will be paid from the Gross PAGA Amount, and will not be opposed by Defendant.

24. The Parties agree to utilize Atticus Administration, LLC (“Atticus”) for settlement administration purposes, the costs of which are estimated to be \$2,000.00, subject to approval by the Court, which will be paid from the Gross PAGA Amount.

25. The balance of the Gross PAGA Amount that remains after deduction of the amounts awarded for (i) attorney's fees, (ii) costs, (iii) service award, and (iv) settlement administration shall be the "Net PAGA Amount."

26. 75% of the Net PAGA Amount shall be paid directly to the LWDA by the court-approved settlement administration company.

27. 25% of the Net PAGA Amount shall be paid directly to the approximately 82 PAGA Members by the court-approved settlement administration company, including Plaintiff's share, based upon their respective number of pay periods in the applicable statutory time period. The payments to the PAGA Members shall be accompanied by a written notice letter, in a form agreed upon by Counsel for Plaintiff and Defendant and approved by the Court, providing a brief description of the resolution and the reasons the funds are being distributed and the basis for the calculated settlement payment. Such mailing to PAGA Members shall be conclusive evidence of payment and shall satisfy any and all due process requirements.

- a. Within ten (10) business days after the Effective Date, Defendant shall provide Atticus with an Excel Spreadsheet that contains the following information (herein, the "PAGA Members' Information"):
 - i. the full name of each individual;
 - ii. their last known home mailing addresses;
 - iii. their social security numbers; and
 - iv. the number of pay periods that they each worked, respectively, during the Covered Period (*i.e.* August 11, 2019 through April 8, 2021).
- b. Atticus shall use the PAGA Members' Information solely for the purpose of giving the PAGA Members notice of the right to a share of the funds and for distribution of those funds. PAGA Members' Information shall be kept confidential by Atticus and will not be disclosed to anyone other than as required to report to applicable taxing authorities or as required to carry out the reasonable efforts to identify PAGA Members' Information, pursuant to Defendant's express written authorization, or by order of the Court.

- c. In the event that Atticus mails a check to a PAGA Member that remains uncashed after 120 days, any and all such checks shall expire and the amounts shall be considered to be "Unclaimed Funds." The aggregated Unclaimed Funds shall be sent directly by Atticus to the designated *cy pres* of "Ventura County Legal Aid, Inc." www.vclegalaid.org, a 501(c)(3) IRS tax-exempt entity, providing free civil legal services to the underserved and impoverished population in the Ventura County Area. In the event the Court does not approve of "Ventura County Legal Aid, Inc." as the designated *cy pres*, the Parties and their counsel agree to select a different mutually agreeable *cy pres* that meets with the Court's approval.

28. Tax Treatment of Settlement Amounts. Form IRS 1099s shall be issued by Atticus to Plaintiff and the PAGA Members for the settlement payments, as deemed necessary by Atticus in accordance with the applicable IRS regulations. Nothing in this Settlement is intended to constitute legal advice regarding federal, state and/or local tax obligations. To the extent that this Settlement or any of its attachments is interpreted to contain or constitute advice regarding any U.S. or Federal tax issue, such advice is not intended or written to be used, and cannot be used, by any person for the purpose of avoiding penalties under the Internal Revenue Code. Each individual who receives a payment from this Settlement will be responsible for payment of any taxes owing on said amount. Neither Defendant, Defendant's counsel nor PAGA Counsel are responsible for any tax obligations regarding the allocation of the settlement payments. Plaintiff agrees to hold Defendant harmless from any liability, including, but not limited to, penalties imposed by the IRS or other government agency, resulting from the characterization and reporting of payments made pursuant to this Agreement.

EACH PARTY TO THIS AGREEMENT ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS AGREEMENT, AND NO WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN OR AMONG THE PARTIES OR THEIR ATTORNEYS AND OTHER ADVISERS, IS OR WAS INTENDED TO BE, NOR SHALL ANY SUCH COMMUNICATION OR DISCLOSURE CONSTITUTE OR BE CONSTRUED OR BE RELIED UPON AS, TAX ADVICE WITHIN THE MEANING OF UNITED STATES

TREASURY DEPARTMENT CIRCULAR 230 (31 CFR PART 10, AS AMENDED); (2) PLAINTIFF (A) HAS RELIED EXCLUSIVELY UPON HIS OWN, INDEPENDENT LEGAL AND TAX ADVISERS FOR ADVICE (INCLUDING TAX ADVICE) IN CONNECTION WITH THIS AGREEMENT, (B) HAS NOT ENTERED INTO THIS AGREEMENT BASED UPON THE RECOMMENDATION OF ANY OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO ANY OTHER PARTY, AND (C) IS NOT ENTITLED TO RELY UPON ANY COMMUNICATION OR DISCLOSURE BY ANY ATTORNEY OR ADVISER TO ANY OTHER PARTY TO AVOID ANY TAX PENALTY THAT MAY BE IMPOSED ON HIM; AND (3) NO ATTORNEY OR ADVISER TO ANY OTHER PARTY HAS IMPOSED ANY LIMITATION THAT PROTECTS THE CONFIDENTIALITY OF ANY SUCH ATTORNEY'S OR ADVISER'S TAX STRATEGIES (REGARDLESS OF WHETHER SUCH LIMITATION IS LEGALLY BINDING) UPON DISCLOSURE BY PLAINTIFF OF THE TAX TREATMENT OR TAX STRUCTURE OF ANY TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED BY THIS AGREEMENT

29. Defendant's monetary obligation under this Agreement is limited to the Gross PAGA Amount. Defendant shall not be required to contribute any additional monies above the Gross PAGA Amount under any circumstances whatsoever. Under no circumstances will Defendant be required to pay more than the Gross PAGA Amount to obtain the relief provided in this Agreement or to fully and finally settle and resolve the Covered Claims.

Notwithstanding the above, in the event that this Agreement is canceled, rescinded, terminated, voided, or nullified, in whole or in part, however that may occur, or the Settlement is barred by operation of law, or invalidated, or ordered not to be carried out by a court of competent jurisdiction, Defendant will cease to have any obligation to pay any portion of the Gross PAGA Amount to anyone under the terms of this Agreement. Defendant also does not waive but rather expressly reserves all rights to challenge the PAGA claim and allegations on all procedural and factual grounds, and to assert all applicable defenses, if this Agreement is not approved by the Court.

IV RELEASE

30. Release by Plaintiff. Upon the Effective Date of this Settlement, Plaintiff, the LWDA, and all PAGA Members shall fully release and forever discharge Defendant and its respective past, present, and future officers, directors, owners, employees, shareholders, agents, trustees, representatives, attorneys, insurers, parent companies, subsidiaries, divisions, affiliates, related entities, predecessors, successors, assigns, including and any individual or entity that could be jointly liable with, or vicariously liable, for Defendant (the foregoing are collectively referred to herein as the “Releasees”) from the Covered Claims that arose during the Covered Period.

V COURT APPROVAL

31. The Parties recognize that in accordance with Labor Code section 2699(l), Court approval is required in the event of a settlement of a PAGA action. The Agreement is contingent upon the approval by the Court of this Settlement. Plaintiff shall file a noticed motion seeking Court approval of the PAGA Settlement. At the same time that Plaintiff files and serves his motion to approve the settlement, he shall also submit the motion to the LWDA, in accordance with Labor Code section 2699(l)(2). Plaintiff shall also provide the LWDA with the Order approving or denying the settlement, upon its entry by the Court, in compliance with Labor Code section 2699(l)(3).

32. This Settlement and any and all releases contained herein shall be void if the Court declines to approve the Settlement or if the approval of the Settlement does not survive any appeals process.

33. Should the Court approve of this Settlement, Plaintiff will also request that the Court dismiss the remaining Class Claims on behalf of the putative class ***without prejudice***.

VI PAYMENT OF THE SETTLEMENT

34. Within ten (10) business days after the Effective Date, Defendant shall wire transfer the Gross PAGA Amount (*i.e.*, \$166,000.00) to the Qualified Settlement Fund (“QSF”) setup and maintained by Atticus, and Atticus shall thereafter distribute the Gross PAGA Amount in accordance with the terms of this Agreement, no later than seven (7) business days after receipt of the Gross PAGA Amount and PAGA Members’ Information excel spreadsheet.

VII DUTIES OF THE PARTIES PRIOR TO APPROVAL

35. Promptly upon execution of this Settlement, PAGA Counsel shall file a noticed motion to approve the Settlement and to request dismissal of the remaining Class Claims ***without prejudice***. PAGA Counsel shall provide a draft of the settlement motion to counsel for Defendant at least two (2) court days prior to filing, for purposes of receiving any feedback or comments. Provided that the noticed motion is consistent with the terms of this Settlement Agreement, the motion will be unopposed and Defendant shall file a notice of non-opposition within two (2) court days of Plaintiff's motion seeking approval of the Settlement being filed.

36. Neither Plaintiff nor Defendant, nor their respective counsel, will directly or indirectly solicit or otherwise encourage any PAGA Member to object to the Settlement.

VIII PARTIES' AUTHORITY

37. The signatories hereto hereby represent that they are fully authorized to enter into this Settlement and bind the Parties hereto to the terms and conditions hereof.

IX MUTUAL FULL COOPERATION

38. The Parties agree to cooperate fully with each other to accomplish the terms of this Settlement, including but not limited to, execution of such documents, and to take such other action(s) as may reasonably be necessary to implement the terms of this Settlement. The Parties to this Settlement shall use their best efforts, including all efforts contemplated by this Settlement, and any other efforts that may become necessary by Order of the Court, or otherwise, to effectuate this Settlement and the terms set forth herein. As soon as practicable after execution of this Agreement, PAGA Counsel shall, with the assistance and cooperation of Defendant and its counsel, take all necessary steps to secure the approval of this Settlement from the Court.

X NO PRIOR ASSIGNMENTS

39. The Parties hereto represent, covenant 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 rights herein released and discharged except as set forth herein.

XI NO ADMISSION

40. The Parties agree that this Agreement does not constitute an admission by Defendant or any of the Releasees of any of the matters alleged in the Lawsuit or of any violation by any of them of any federal, state or local law, ordinance or regulation, or of any violation of any policy or procedure, or of any liability or wrongdoing whatsoever. Neither this Agreement nor anything in this Agreement shall be construed to be or shall be admissible in any proceeding as evidence of liability or wrongdoing by Defendant or the Releasees. Each of the Parties hereto has entered into this Settlement with the intention to avoid further disputes and litigation with the attendant inconvenience and expenses.

XII CONSTRUCTION

41. The Parties hereto agree that the terms and conditions of this Settlement are the result of lengthy, extensive arm's-length negotiations between the Parties and were achieved only after a full-day mediation session with Kristin Rizzo, Esq. and via a "mediator's proposal." This Agreement supersedes all prior agreements, written or oral, between or among the Parties with regard to the Covered Claims and is entered into concurrently along with the Confidential Settlement Agreement and General Release of Individual Claims between Plaintiff and Defendant, releasing all of Plaintiff's non-PAGA individual claims that have been asserted against Defendant.

XIII CAPTIONS AND INTERPRETATIONS

42. Paragraph titles or captions contained herein are inserted as a matter of convenience and for reference, and in no way define, limit, extend or describe the scope of this Settlement or any provision hereof. Each term of this Settlement is contractual and not merely a recital.

XIV MODIFICATION

43. This Settlement may not be changed, altered, or modified, except in writing and signed by the Parties hereto, and approved by the Court. This Settlement may not be discharged except by performance in accordance with its terms or by a writing signed by the Parties hereto.

XV MISCELLANEOUS

44. This Settlement contains the entire agreement between the Parties relating to the

Settlement of the Covered Claims, and all prior or contemporaneous agreements, understandings, representations and statements, whether oral or written and whether by a Party or such Party's legal counsel, regarding the resolution of the Covered Claims, are merged herein. No rights hereunder may be waived except in writing.

45. This Settlement shall be binding upon and inure to the benefit of the Parties hereto and their respective heirs, trustees, executors, administrators, successors and assigns.

46. This Settlement may be executed in counterparts, and when each Party has signed and delivered at least one such counterpart, each counterpart shall be deemed an original, and, when taken together with other signed counterparts, shall constitute one Settlement, which shall be binding upon and effective as to all Parties. The counterparts may be transmitted electronically (as PDF files) or by facsimile.

47. The Parties agree that upon approval by the Court, this Settlement shall be enforceable by the Court, and the Court shall retain exclusive and continuing equity jurisdiction of this action over all Parties to interpret and enforce the terms, conditions and obligations set forth in this Settlement. The Parties agree that if any provision of this Settlement is determined to be invalid, the invalid portion shall be deemed severed and the remaining Settlement deemed enforceable, which the Parties shall cooperate to effectuate. The Parties intend for this Agreement to be enforceable pursuant to Code of Civil Procedure Section 664.6.

**I HAVE READ THE FOREGOING AGREEMENT CONTAINING 48
PARAGRAPHS. I ACCEPT AND AGREE TO THE PROVISIONS IT
CONTAINS, AND HEREBY EXECUTE IT VOLUNTARILY WITH FULL
UNDERSTANDING OF ITS CONSEQUENCES AND WITH AMPLE
OPPORTUNITY TO CONSULT WITH LEGAL COUNSEL.**

DATED: May 3, 2021


Atlas (May 3, 2021 19:23 PDT)

Atlas Vargas

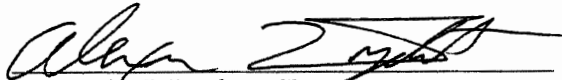
DATED: _____

SKYSKOPES, INC.

By: Dan Daffinrud, CFO

APPROVED AS TO FORM AND CONTENT:

DATED: MAY 3, 2021



Alexander I. Dychter, Esq.
Dychter Law Offices, APC
Co-Counsel for Plaintiff Vargas

DATED: May 4, 2021



Walter L. Haines, Esq.
United Employees Law Group, PC
Co-Counsel for Plaintiff Vargas

DATED: _____

Cary Kinhead, Esq.
Christopher Cianci, Esq.
Lagasse Branch Bell + Kinhead LLP
Counsel for Defendant SKYSKOPES, INC.

DATED: 5-5-2021



SKYSKOPES, INC.

By: Dan Daffinrud, CFO

APPROVED AS TO FORM AND CONTENT:

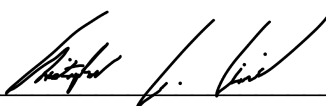
DATED: _____

Alexander I. Dychter, Esq.
Dychter Law Offices, APC
Co-Counsel for Plaintiff Vargas

DATED: _____

Walter L. Haines, Esq.
United Employees Law Group, PC
Co-Counsel for Plaintiff Vargas

DATED: 05/05/2021



Cary Kinkead, Esq.
Christopher Cianci, Esq.
Lagasse Branch Bell + Kinkead LLP
Counsel for Defendant SKYSKOPES, INC.

EXHIBIT 2

EXHIBIT 3

DATE

<<ID>>
<<Name>>
<<Address>>
<<City>>, <<St>> <<Zip>>

NOTICE OF PRIVATE ATTORNEYS GENERAL ACT SETTLEMENT

Re: Atlas Vargas v. SkySkopes, Inc.
Ventura County Superior Court (Case No. 56-2020-00544196-CU-OE-VTA)

Dear <<Name>>

Notice is hereby given that a Private Attorneys General Act (“PAGA”) settlement, pursuant to California Labor Code section 2698, *et seq.*, has been approved by the Court in the lawsuit filed by Atlas Vargas (“Plaintiff”) against SKYSKOPES, INC. (“Defendant” or “SkySkopes”) in the California Superior Court for the County of Ventura, entitled *Atlas Vargas v. SKYSKOPES, INC.*, case no. 56-2020-00544196-CU-OE-VTA (the “Lawsuit”).

A. PURPOSE OF THIS NOTICE

This notice is being sent to you because you have been identified as an allegedly aggrieved employee who is entitled to a portion of this PAGA settlement. For purposes of this Lawsuit, an allegedly aggrieved employee means “all drone pilots flying Unmanned Aerial Vehicles (UAV) and/or similarly titled job positions employed by SkySkopes, Inc. in California at any time between August 11, 2019 *through* April 8, 2021.”

Receipt of this notice means that you are entitled to your share in the proceeds from the PAGA settlement. Your share of the settlement proceeds is enclosed herewith.

B. DESCRIPTION OF THE LAWSUIT

In the Lawsuit, Plaintiff alleges that he and other drone pilots flying UAV’s and/or similarly titled job positions who worked in California at any time from from August 11, 2019 through April 8, 2021 and that SkySkopes violated the California Labor Code by failing to pay straight-time wages and overtime wages at the lawful regular rate of pay for all work performed; failing to provide all required, compliant uninterrupted, duty-free meal periods; failing to reimburse required expenses; failing to pay all owed wages each and every pay period; failing to provide accurate, compliant, itemized wage statements; and failing to pay all wages owed upon separation of employment. For these alleged violations, Plaintiff sought civil penalties pursuant to PAGA. This settlement resolves only the cause of action under the PAGA. **SkySkopes denies the allegations in the Lawsuit and is prepared to defend the action vigorously. By entering into the settlement, SkySkopes is not admitting any violation or liability in any way to Plaintiff or to allegedly aggrieved employees. The Court has not made any rulings on the merits of the Lawsuit.**

PLEASE DO NOT CALL OR WRITE THE COURT ABOUT THIS NOTICE

C. TERMS OF THE SETTLEMENT

After accounting for Court-approved deductions from the settlement amount for attorney's fees, costs, and settlement administration costs, the remaining \$ [REDACTED], referred to as "civil penalties," will be allocated as required by PAGA with 75% (\$ [REDACTED]) sent to the State of California, and 25% (\$ [REDACTED]) distributed to all allegedly aggrieved employees.

The enclosed check represents your pro rata share of the settlement amount and is based on a formula that took into account the total number of pay periods during the "Covered Period" (*i.e.* August 11, 2019 *through* April 8, 2021) that you worked for SkySkopes as a drone pilot flying UAV's and/or similarly titled job positions in California in relation to the number of total pay periods drone pilots flying UAV's and/or similarly titled job positions in California were paid by SkySkopes for services performed during the Covered Period.

The settlement releases SkySkopes from any and all claims for civil penalties specifically available under the PAGA, as alleged in the lawsuit, derived based on alleged underlying violations of the California Labor Code that SkySkopes failed to pay all straight-time and overtime wages for all time actually worked, failed to provide compliant meal periods, failed to reimburse all business expenditures, failed to pay all owed wages upon separation of employment, and failed to provide accurate wage statements, in violation of, *inter alia*, California Labor Code sections 201, 202, 203, 204, 226, 226.7, 510, 512, 1194, 1197, and 2802.

The enclosed check is valid for 180 days from the date of issuance. Funds attributable to any uncashed checks after 120 days will be sent to **Ventura County Legal Aid, Inc.** If you have any questions concerning this notice or the settlement, please contact the settlement administration company (Atticus) at: [REDACTED].

To obtain a copy of the complaint and other filed documents related to the Lawsuit and this settlement, you may contact the Office of the Clerk of the California Superior Court for the County of Ventura during normal business hours.

PLEASE DO NOT CALL OR WRITE THE COURT ABOUT THIS NOTICE

EXHIBIT 4

Atticus Administration, LLC
Chris Longley - CEO

Vargas PAGA case

Prepared for

Alexander I. Dychter | Attorney
619-487-0777
alex@dychterlaw.com

Dychter Law Offices, APC
180 Broadway, Suite 1835
San Diego, CA 92101



Estimate E2021-04-E05
Vargas PAGA case

Prepared on April 9, 2021
By Chris Longley – CEO | Atticus Administration LLC

Estimate Summary

Atticus Services & Cost Description

NOTICE MAILING-Mailed First Class	\$ 0
<i>Not applicable</i>	
PROJECT MANAGEMENT/ADMIN FEES/Technical	\$1,045
COMMUNICATIONS	\$ 0
<i>PO Box rental, translation, objections</i>	Included
<i>IVR, 800#</i>	Included
<i>correspondence</i>	Included
FUND, TAX, REPORTING	\$ 900
<i>setup QSF, file annual tax returns</i>	included
DISTRIBUTION	\$1,158
<i>check printing, payment calculation & verification, bank fees</i>	included
DISCOUNT	(\$1,103)
TOTAL:	\$2,000

Key Assumptions

- Class Size: **85 individuals PAGA case.**
- No Noticing.
- Data review, cleansing and preparing file for mailing; including NCOA, and new address searches (skip-tracing).
- Communications includes, dedicated 800#, and IVR for FAQ.
- PAGA payments to all 85 individuals along with explanatory letter.
- Class Member tax reporting will consist of 1099's.
- CA only.

 PRINT NAME

 ROLE

 Client Signature

By signing above, I understand and agree to the pricing terms and services to be provided by Atticus Administration for the stated project.

PLEASE NOTE: *This estimate and pricing is for the services stated herein and is valid for 30 days from the date of the estimate. If the Settlement Agreement or other service scope document(s) require additional services not included or priced in this estimate, we will separately price those scope changes and submit an updated quote prior to proceeding with the work.*

 Date

Payment Terms:

100% payable PAGA distribution



Detailed Budget

Atticus Services & Cost Description

DESCRIPTION		UNITS	SUBTOTAL
NOTICE MAILING (not applicable)		85 Class Mbrs	\$0
PROJECT MANAGEMENT		9 hrs	\$945
TECHNICAL SET UP (includes project kick-off)		1 hrs	\$100
COMMUNICATIONS - English only			\$0
FUND, TREASURY & TAX Reporting			\$900
Set-Up QSF		1.00 Hrs	\$117
Prepare/File Annual Fund Return, 1096 and other Tax Forms		6.00 Hrs	\$702
Mail 1099s no postage - mailed with check		- postage	\$0
Print 1099's		85 1099's	\$81
DISTRIBUTION, Payment Calculations & Reporting			\$1,158
Cover Letter & Check - Design/Review/Finalize		2.00 Hrs	\$182
Payment Data - Calculate & Verify Payments		2.00 Hrs	\$182
Prepare Payment Reports		2.00 Hrs	\$182
Check - Print Set-up/Printing/Mail Prep		85 checks	\$164
Check Mailing Postage (will be 1x mailings)		85 mailed	\$41
Check - Undeliverable/ NCAO /Return Mail Processing & Remail (1% Return)		1 1.0% est	\$81
Bank Fees (Account Set-Up & Monthly Fee)		6 months	\$325
DATA STORAGE		n/a	\$0
DISCOUNT			(1,103)
		TOTAL	\$2,000

Operating Assumptions

- Class Size: **85 – individuals - CA Only**
- Class Notice-no noticing. Distribution includes explanatory letter to check recipients.
- Data review, cleansing and preparing file for mailing; including NCOA, and new address searches, and skip tracing if required.
- Communications includes, PO BOX, Mail Correspondence, 800# and IVR.
- Project management assumes 10 hours at a blended rate of \$105 per hour. Includes summary reporting on a weekly basis if needed otherwise monthly.
- Qualified Settlement fund assumes 6 months. Price includes positive pay fraud protection and tax reporting both state and federal returns. All bank fees are included in pricing.
- All Class members receive a PAGA check along with explanatory letter.
- Uncashed checks – Cy Pres or escheat.
- Disbursement includes positive pay "anti-fraud" features.

Thank you



Chris Longley – CEO

612-315-9007 (Direct)
651-755-2552 (Cell)
chris@atticusadmin.com

1250 Northland Drive
Suite 250
Mendota Heights, MN 55120

www.atticusadmin.com

EXHIBIT 5

Atlas Vargas v. SkySkopes, Inc.

CASE COSTS

Date	Amount	Description
8/11/2020	\$1,481.21	Filing of Complex Complaint (via Court E-Filing - Journal Technologies) in Ventura Sup. Ct.
8/11/2020	\$75.00	Initial PAGA Notice Filing Fee via Check (#1861) to LWDA
8/11/2020	\$8.20	PAGA Certified Mailing via USPS to Defendant/Employer
9/28/2020	\$157.00	Service via Vanguard Legal Solutions of Complaint on Defendant's ASOP
10/7/2020	\$6.75	Filing of POSS via Court E-Filing
10/15/2020	\$6.75	FAC Filing via Court E-Filing
4/8/2021	\$2,420.00	Mediation Fee to "NCRC West Coast Resolution Group" (Mediator = Kristin Rizzo, Esq.)
5/3/2021	\$1,600.00	Berger Consulting Group - Statistical Work for Mediation Prep.
5/5/2021	\$66.75	Filing Fee to Court for Motion and E-Filing for PAGA Approval
5/5/2021	\$94.00	CourtCall Appearance Reservation for Hearing on May 27, 2021 for PAGA Settlement for Dychter
	\$5,915.66	TOTALCOSTS