

HAINES LAW GROUP, APC
Paul K. Haines (SBN 248226)
phaines@haineslawgroup.com
Sean M. Blakely (SBN 264384)
sblakely@haineslawgroup.com
Neil M. Larsen (SBN 276490)
nlarsen@haineslawgroup.com
2155 Campus Drive, Suite 180
El Segundo, California 90245
Tel: (424) 292-2350
Fax: (424) 292-2355

Attorneys for Plaintiff
and Aggrieved Employees

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF SAN DIEGO

ARTEMIO RAMIREZ, on behalf of himself
and all others similarly situated,

Plaintiff,

vs.

HOBIE CAT COMPANY, a Missouri
Corporation; and DOES 1 through 100,

Defendants.

Case No. 37-2020-00032735-CU-OE-CTL

*[Assigned for all purposes to the Hon.
Richard S. Whitney; Dept. C-68]*

**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: October 8, 2021
Time: 10:30 a.m.
Dept.: C-68

Complaint Filed: September 17, 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 Artemio Ramirez (“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. I have been appointed as
23 Class Counsel in over seventy-five (75) wage and hour class action settlements in state and
24 federal courts within California. A few examples of the matters in which I have been appointed
25 as Class Counsel, all of which have been granted final approval, include the following: *Sanchez*
26 *v. Res-Care, Inc.*, Case No. BC526175, California Superior Court, County of Los Angeles,
27 Honorable John S. Wiley, presiding; *Prado v. Warehouse Demo Services, Inc.*, Case No. CV14-
28 3170 JFW (Ex), United States District Court, Central District of California, Honorable Judge

1 John F. Walter, presiding; *Tesla Motors Wage and Hour Litigation*, JCCP 4792, California
2 Superior Court, Santa Clara County, Judge Peter H. Kirwan presiding; *Bower v. Cycle Gear, Inc.*,
3 Case No. CV14-2712 HSG, United States District Court, Northern District of California,
4 Honorable Judge Haywood S. Gilliam, Jr. presiding; *Longstreth v. PAQ, Inc., dba Food 4 Less*,
5 Case No. 15CV-0206, California Superior Court, County of San Luis Obispo, Honorable Judge
6 Charles S. Crandall, presiding; *Nunez v. CompuCom Systems, Inc.*, Case No. BC618385,
7 California Superior Court, County of Los Angeles, Honorable Judge John Shepard Wiley, Jr.
8 presiding; *Mansilla v. Haeco Americas Line Services, LLC, et al*, Case No. BC615310, Superior
9 Court of California, County of Los Angeles, Honorable Judge Elihu M. Berle presiding. *Morales*
10 *v. Caremeridian, LLC, et al.*, Case No. BC593191, California Superior Court, County of Los
11 Angeles, Judge William F. Highberger presiding; *Rodrigues v. CP Kelco U.S., Inc.*, Case No. 37-
12 2017-00004339-CU-OE-CTL, California Superior Court, County of San Diego, Honorable
13 Judge Joel R. Wohlfeil, presiding; *Sandoval v. Rotational Molding, Inc.*, Case No. BC640678,
14 Superior Court of California, County of Los Angeles, Honorable Judge William F. Highberger
15 presiding; *Gooding v. Vita-Mix Corp., et al*, Case No. 2:16-cv-03898-ODW (JEMx), United
16 States District Court for the Central District of California, Honorable Judge Otis D. Wright II
17 presiding.

18 7. I have also moved to certify and have received an order certifying a class action
19 and/or conditionally certifying a collective action, in the following cases: *Medeiros v. Vortex*
20 *Financial Management Inc.*, Case No. 30-2013-00644741-CU-OE-CXC, California Superior
21 Court, County of Orange, Honorable Judge Gail A. Andler, presiding (certifying a class of
22 employees who were misclassified as independent contractors); *Javine v. San Luis Ambulance*
23 *Service, Inc.*, Case No. CV13-07480 BRO (SSx), United States District Court, Central District
24 of California, Honorable Judge Beverly Reid O'Connell, presiding (conditionally certifying an
25 unpaid FLSA overtime wage class); *Prado v. Warehouse Demo Services, Inc.*, Case No. CV14-
26 3170 JFW (Ex), United States District Court, Central District of California, Honorable Judge
27 John F. Walter, presiding (certifying a rest period violation class and conditionally certifying an
28 FLSA unpaid overtime wage class); *Bower v. Cycle Gear, Inc.*, Case No. CV14-2712 HSG,

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

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

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

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

28 ///

1 10. As counsel for Plaintiff and Aggrieved Employees in this case, I have been
2 intimately involved in every aspect of this case from its inception through the present.

3 11. On September 17, 2020, Plaintiff filed a class action complaint in San Diego
4 Superior Court asserting multiple Labor Code claims against Hobie Cat on a class-wide basis.

5 12. On September 24, 2020, Plaintiff sent a letter by certified mail to Hobie Cat, and
6 online to the LWDA, describing Hobie Cat's alleged Labor Code violations, as required by Labor
7 Code § 2699.3. A true and correct copy of that letter is attached hereto as **Exhibit 2**.

8 13. On November 30, 2020, after the prescribed 65-day waiting period under Labor
9 Code § 2699.3(a)(2)(A), Plaintiff filed a First Amended Complaint, which added a claim for
10 PAGA civil penalties.

11 14. After the case was at issue, the Parties began an informal exchange of documents
12 and information, and Defendant produced an arbitration agreement signed by Plaintiff that
13 included a class action waiver. After Plaintiff's counsel reviewed the arbitration agreement,
14 Plaintiff's counsel concluded that the arbitration agreement would likely be found by the Court
15 to be enforceable, and the Court would likely require Plaintiff to dismiss his class and individual
16 claims as a result. Based on this understanding, the Parties agreed to mediate Plaintiff's PAGA
17 claims, and as part of the Settlement Agreement, the Parties agreed to seek dismissal of Plaintiff's
18 class and individual claims without prejudice (leaving only the PAGA claim), and to seek
19 permission from the Court for Plaintiff to file an amended Second Amended Representative
20 Action Complaint alleging only the PAGA claim. On May 25, 2021, the Parties submitted a
21 stipulation to dismiss Plaintiff's individual and class claims without prejudice, and leave for
22 Plaintiff to file a Second Amended Representative Action Complaint containing only a PAGA
23 claim. On May 27, 2021, the Court granted the Parties' stipulation and dismissed Plaintiff's
24 individual and class claims without prejudice. On June 3, 2021, Plaintiff filed his Second
25 Amended Representative Action Complaint.

26 15. In connection with mediation, Hobie Cat provided Plaintiff with extensive
27 informal discovery. Hobie Cat provided Plaintiff with timekeeping and payroll records for a 25%
28 random sampling of aggrieved employees during the PAGA Period; a spreadsheet containing hire

1 dates, termination dates, rates of pay, and other information for all aggrieved employees; and its
2 employee handbook and other written policies in effect during the PAGA Period. Plaintiff hired
3 an expert with a Ph.D. in economics to analyze and extrapolate the data produced by Hobie Cat,
4 and to assist Plaintiff in creating a comprehensive damages model.

5 16. The Parties attended mediation with Hon. Peter D. Lichtman (Ret.) on December
6 8, 2020. During mediation, the parties vigorously debated Plaintiff's ability to proceed on a
7 representative basis, the legal basis for Plaintiff's claims and Hobie Cat's defenses, the potential
8 amount of penalties, and the Parties' data analyses and conclusions based thereon. Ultimately, the
9 Parties agreed in principle to resolve Plaintiff's PAGA claims and the Parties memorialized their
10 agreement in a Memorandum of Understanding. Over the following months, the Parties
11 negotiated and finalized the Settlement Agreement.

12 17. A true and correct copy of the fully-executed Settlement Agreement is attached
13 hereto as **Exhibit 1**. The proposed Explanatory Letter to be mailed to Aggrieved Employees with
14 their settlement payments is attached as **Exhibit A** to the Settlement Agreement. The Settlement
15 provides for Hobie Cat to pay a Gross Settlement Amount ("GSA") of \$290,000.00. After
16 deducting amounts for requested attorneys' fees, attorneys' costs, Plaintiff's enhancement
17 payment, and settlement administration costs, the Settlement provides for the Net Settlement
18 Amount ("NSA") to be distributed 75% to the LWDA and 25% to Aggrieved Employees,
19 pursuant to Lab. Code § 2699(i). All portions distributed to Aggrieved Employees shall be
20 distributed pro rata based on the number of pay periods each Aggrieved Employee worked for
21 Hobie Cat during the PAGA Period. This settlement is non-reversionary, and does not require
22 Aggrieved Employees to submit claim forms to reap financial benefit from the Settlement. Based
23 on a GSA of \$290,000, the total amount paid to Aggrieved Employees is estimated at \$41,062.03,
24 with approximately \$123,186.08 paid to the LWDA. According to information provided by Hobie
25 Cat, the number of Aggrieved Employees is approximately 217. Thus, the average payment to
26 Aggrieved Employees is estimated at \$189.22.

27 18. Although Plaintiff steadfastly maintains his claims are meritorious, he
28 acknowledges his position included real risks and uncertainty. For example, with respect to

1 Plaintiff's claim that Hobie Cat failed to pay all overtime wages owed due to improperly
2 implementing an Alternative Workweek Schedule ("AWS"), Hobie Cat maintains that it
3 substantially complied with the requirements of Wage Order 1, § 3(c)(2)-(3)¹ to adopt a valid
4 AWS by distributing written correspondence to Aggrieved Employees, that a secret ballot election
5 would be taking place, where each Aggrieved Employee would be able to vote in favor or against
6 the proposed AWS. Hobie Cat also contends that it complied with the Wage Order's requirements
7 for adopting a valid AWS, by holding meetings with some Aggrieved Employees either 13 or 14
8 days prior to the AWS election. Hobie Cat further contends that more than two-thirds (2/3) of
9 Aggrieved Employees voted in favor of the proposed AWS, which they argue reflects their desire
10 to implement the AWS.

11 19. As for Plaintiff's rest period claim, Plaintiff alleged that Hobie Cat failed to
12 authorize and permit Plaintiff and Aggrieved Employees from taking all statutorily permitted rest
13 period during their shifts. Hobie Cat contends that it has always maintained lawful written rest
14 period policies, including the number, duration, and frequency of rest periods, and that it has
15 always authorized and permitted rest periods in accordance with those policies. Hobie Cat further
16 contends that Plaintiff and other Aggrieved Employees often worked on their own without direct
17 supervision, and thus Hobie Cat contends that they had complete discretion regarding when and
18 how to take their rest breaks.

19 20. With respect to Plaintiff's meal period claim, Plaintiff alleged that Hobie Cat failed
20 to provide employees with all required meal periods, such that first meal periods often began after
21 five hours of work, and Hobie Cat failed to provide second meal periods during shifts in excess
22 of 10.0 hours. Hobie Cat contends that it has always maintained compliant written meal period
23 policies, including provision of both first and second meal periods. Furthermore, Hobie Cat

24
25 ¹ Pursuant to Wage Order 1, § 3(c)(3), "Prior to the secret ballot vote, any employer who proposed
26 to institute an alternative workweek schedule shall have made a disclosure in writing to the
27 affected employees, including the effects of the proposed arrangement on the employees'
28 wages, hours, and benefits. Such a disclosure shall include meeting(s), duly noticed, held at
least 14 days prior to voting, for the specific purpose of discussing the effects of the alternative
workweek schedule...Failure to comply with this paragraph shall make the election null and
void."

1 asserts that any late or short meal periods were the result of employee choice rather than any
2 policy or practice of Hobie Cat. Hobie Cat also contends that, in practice, it has always provided
3 employees with the *opportunity* to take second meal periods on shifts over 10.0 hours, but that
4 employees choose to waive second meal periods, as they are entitled to do under Labor Code
5 section 512(a). Hobie Cat further argues that it paid meal period premiums during the PAGA
6 Period, thereby demonstrating its commitment to ensuring meal periods are provided, and paying
7 the appropriate remedy when they are not. Hobie Cat also maintains that Plaintiff's meal period
8 claim would not be manageable on a representative basis, as individual inquiries would be
9 required to establish which Aggrieved Employees experienced non-compliant meal periods, how
10 many non-compliant meal periods each Aggrieve Employee experienced, and why a particular
11 Aggrieved Employee had a non-compliant meal period during a particular shift.

12 21. As for Plaintiff's derivative claims that Hobie Cat violated its wage statement and
13 final payment obligations in violation of Labor Code §§ 226 and 203, respectively, Hobie Cat
14 asserts it has strong, good-faith defenses to Plaintiff's underlying claims, precluding a finding of
15 a failure to pay all final wages that would otherwise result in waiting time penalties. Hobie Cat
16 further contends Plaintiff's meal and rest period claims cannot support a claim for violations of
17 Labor Code §§ 226 or 203, as multiple Courts of Appeal have recently held. Hobie Cat further
18 contends that wage statements always accurately reflected amounts paid to employees, and thus
19 Hobie Cat could not be found liable for wage statement violations under the relevant case law.

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

25 23. Plaintiff asserts that he would be able to seek PAGA penalties for each Aggrieved
26 Employee for each pay period in the PAGA limitations period. Based on data provided by Hobie
27 Cat, there were approximately 13,970 pay periods during the PAGA limitations period. Assuming
28 an initial violation rate of \$100 per pay period under Labor Code § 2699(f), Plaintiff estimated a

total potential PAGA exposure of \$1,397,000.00. However, based on Hobie Cat's various defenses as described above, and because the Court maintains discretion to reduce these penalties, Plaintiff discounted that figure by 40% for risk of losing on the merits, and by an additional 60% for risk of the Court reducing penalties, to arrive at a realistic exposure of \$335,280. Therefore, the proposed \$290,000.00 Settlement represents approximately 86.5% of Plaintiff's reasonably forecasted total recovery, while avoiding the risks of proceeding through trial.

24. My office is requesting attorneys' fees of one-third of the Gross Settlement Amount ("GSA") (i.e., \$96,666.67). Based on my experience in similar wage and hour class and representative actions in California state courts, fee awards in matters such as this one generally equal about one-third of the gross recovery. In addition, and as explained below and in the accompanying Motion, the requested fee is fair compensation for undertaking complex, risky, expensive, and time-consuming litigation on a purely contingent basis. This case also involved nuanced legal issues, including the legality of Hobie Cat's AWS, Hobie Cat's obligations to "provide" meal periods and "authorize and permit" rest periods, as well as the availability and amount of PAGA civil penalties for the alleged Labor Code violations. Hobie Cat was also represented by experienced wage-and-hour litigation counsel. Thus, the requested fee award is fair, reasonable and adequate and should be approved.

25. 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 \$116,921.50 without the use of any multiplier, resulting in a negative multiplier of approximately 0.83 compared to the \$96,666.67 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
Tuvia Korobkin (12th Year Attorney)	\$595	40.8	\$24,276

Neil M. Larsen (10th Year Attorney)	\$550	30.3	\$16,665
Daniel B. Marin-Finn (5th Year Attorney)	\$425	39.4	\$16,745
Firm Paralegals	\$175	5.8	\$1,015
Total Lodestar			\$116,921.50

26. My proposed hourly rate of \$650, Mr. Blakely's proposed hourly rate of \$595, Mr. Korobkin's proposed hourly rate of \$595, Mr. Larsen's proposed hourly rate of \$550, and Mr. Finn's proposed hourly rate of \$425 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). Pursuant to the *Laffey Matrix*, a reasonable hourly rate for an attorney with my, Mr. Blakely's, Mr. Korobkin's, level of experience (11th to 19th year out of law school) is \$759, a reasonable hourly rate for an attorney with Mr. Larsen's level of experience (8th to 10th year out of law school) is \$672, a reasonable hourly rate for an attorney with Mr. Marin-Finn's level of experience (4th to 7th year out of law school) is \$465, and a reasonable hourly rate for paralegals is \$206. Each hourly rate sought by my firm is below the relevant hourly rate cited in the *Laffey Matrix*.

27. My office has expended significant time and effort in this case, including but not limited to: conducting extensive research regarding the merits of Plaintiff's claims, his ability to recover PAGA civil penalties, and Hobie Cat's potential defenses; conducting significant analysis of data and information produced by Hobie Cat, and using this data and analysis to draft a comprehensive mediation brief and exposure analysis; attending a full-day mediation; and preparing and negotiating the Settlement, this Motion and supporting declarations. My office will

1 also oversee the settlement administration process and work with the administrator to prepare a
2 post-disbursement declaration. Given the considerable potential for adverse outcomes in this case,
3 the contingent risk borne by Plaintiff's counsel was great.

4 28. Since undertaking representation of Plaintiff, my firm has dedicated substantial
5 resources to this litigation without receiving any compensation to date. My office is requesting
6 reimbursement of \$16,585.22 in total costs. A summary of the costs incurred by my office in
7 connection with this case is attached hereto as **Exhibit 4**. These costs include filing fees, copying
8 costs, mediation fees, expert costs, and other expenses that were all reasonably incurred in the
9 prosecution of this litigation on behalf of Plaintiff and the Aggrieved Employees.

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

17 I declare under penalty of perjury under the laws of the State of California that the
18 foregoing is true and correct. Executed on June 9, 2021, at El Segundo, California.

19
20 

21 Paul K. Haines
22
23
24
25
26
27
28

EXHIBIT 1

SETTLEMENT AGREEMENT

This Settlement Agreement (“Settlement Agreement” or “Settlement”) is made and entered into between Plaintiff Artemio Ramirez (“Plaintiff”), acting in a private attorney general capacity, and Defendant Hobie Cat Company (“Defendant” or “Hobie Cat”) (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 *Artemio Ramirez v. Hobie Cat Company, et al.*, San Diego Superior Court, Case No. 37-2020-00032735-CU-OE-CTL, and as set forth in Plaintiff’s correspondence to the California Labor and Workforce Development Agency (“LWDA Letter”) dated September 24, 2020.

2. “Aggrieved Employees” consist of all current and former non-exempt employees who worked for Hobie Cat in California at any time during the PAGA Period. The number of Aggrieved Employees, including Plaintiff, is estimated to be 217 individuals.

3. “Hobie Cat” or “Defendant” means Hobie Cat Company.

4. “Settlement Administrator” means ILYM Group, Inc.

5. “Complaint” means the operative complaint in the Action, which the Parties intend will be the Second Amended Complaint, as described below.

6. “Court” means the Superior Court of California for the County of San Diego.

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 Two Hundred Ninety Thousand Dollars and Zero Cents (\$290,000.00), which represents the total amount payable under this Settlement Agreement by Hobie Cat (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 \$25,000.00; (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 April 6, 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, 226.7, 510, 512, 516, 558, 1174, 1182.12, 1194, 1194.2, 1197, 1198; 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 Hobie Cat.

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

16. "Released Parties" means Hobie Cat and its former, present and future owners, shareholders, 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.

II. RECITALS

1. Plaintiff performed work for Hobie Cat as a non-exempt employee in California during the PAGA Period and is therefore an Aggrieved Employee.

2. On September 24, 2020 Plaintiff provided written notice to the LWDA and Hobie Cat 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 17, 2020, Plaintiff filed a class action complaint titled *Artemio Ramirez v. Hobie Cat Company, et al.*, San Diego Superior Court, Case No. 37-2020-00032735-CU-OE-CTL, asserting multiple claims against Hobie Cat for violations of the Labor Code on a class-wide basis. On November 30, 2020, after exhausting his administrative requirements for bringing a claim under the PAGA, Plaintiff filed a First Amended Complaint, which added a claim for PAGA civil penalties.

4. After the Action was filed, Hobie Cat met and conferred with Plaintiff's Counsel about the arbitration agreement and class action waiver previously signed by Plaintiff, and the Parties ultimately agreed to participate in an early mediation of the PAGA Claim in lieu of litigating Hobie Cat's motion to compel individual arbitration. In response to Plaintiff's Counsel's informal discovery requests, Hobie Cat 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 December 8, 2020 the Parties participated in mediation before mediator Hon. Peter D. Lichtman (Ret.). With the assistance of Judge Lichtman, 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 an admission by Hobie Cat of any liability or wrongdoing as to Plaintiff, the Aggrieved Employees or any other person. Hobie Cat specifically disclaims and denies 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.** Hobie Cat shall pay Two Hundred Ninety Thousand Dollars and Zero Cents (\$290,000.00) as the non-reversionary Gross Settlement Amount. Hobie Cat will not pay more than the Gross Settlement Amount (subject to the Escalator Clause below). Hobie Cat shall deposit the Gross Settlement Amount into a Qualified Settlement Account and agrees to fund the settlement within thirty (30) days of the Court's Order approving the PAGA settlement.

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.** Hobie Cat represents that there are approximately 13,970 pay periods worked by Aggrieved Employees in California during the period April 6, 2019 through December 8, 2020 ("Affected Pay Periods"). In the MOU signed December 8, 2020, the Parties agreed to an "Escalator Clause" which provided that, in the event the actual number of pay periods worked by Aggrieved Employees was more than 15% greater than what it was represented to be, the Gross Settlement Amount would be increased in proportion to the same (e.g., if the number of Affected Pay Periods is 18% greater than the number of represented pay periods, Hobie Cat would increase the Gross Settlement Amount by 18%). Since that time, Hobie Cat has provided Plaintiff's counsel with a redacted list of Aggrieved Employees with Affected Pay Period information confirming the accuracy of its representations, and the Parties agree that the Escalator Clause contemplated in the MOU has not, and will not be, triggered.

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.** Hobie Cat 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 \$96,666.67) and costs up to \$25,000.00 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). Hobie Cat, via the Settlement Administrator, will report these payments on IRS Form 1099 issued to Plaintiff's Counsel.

b. Plaintiff's Enhancement Payment. Hobie Cat 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). Hobie Cat, via the Settlement Administrator, will report this payment on IRS Form 1099 issued to Plaintiff.

c. Administration Costs. Hobie Cat 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. Hobie Cat, 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 Labor 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 judgment entered thereon, 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. Filing of Second Amended Complaint. As part of the Settlement process, the Parties will stipulate to the filing of a Second Amended Complaint in the Action, which will effect the dismissal of Plaintiff's individual and class claims without prejudice, leaving only the PAGA cause of action remaining and subject to resolution by this Agreement.

8. 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.

9. **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).

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

11. **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.

12. **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 the Aggrieved Employees.

IV. ADMINISTRATION OF SETTLEMENT

1. **Settlement Administrator.** The Parties agree to engage ILYM Group, Inc. to handle the administration of this settlement.

2. **Provision of Information for Aggrieved Employees.** Within five (5) business days after entry of an order approving the settlement, Hobie Cat shall provide the Settlement Administrator with information for Aggrieved Employees. Hobie Cat 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 pay periods worked during the PAGA Period, and Social Security numbers to the extent available from Hobie Cat'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 7 calendar days of receiving the Aggrieved Employees' information from Hobie Cat, 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 Hobie Cat 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 Hobie Cat, 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 San Diego, 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 San Diego.

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 (Hon. Peter D. Lichtman) 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 he/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

Artemio Ramirez, Plaintiff

HOBIE CAT COMPANY

Dated: April 1, 2021

By: Dan Dooley
Its: Chairman of the Board of Directors

APPROVED AS TO FORM:

Dated: _____, 2021

HAINES LAW GROUP, APC

By: _____
Paul K. Haines
Attorneys for Plaintiff, Artemio Ramirez

Dated: April 5, 2021

HIGGS FLETCHER & MACK LLP

By: Edwin M. Boniske
Attorneys for Defendant, Hobie Cat Company

IN WITNESS THEREOF, the Parties each acknowledge that he/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: 4-1, 2021



Artemio Ramirez, Plaintiff

HOBIE CAT COMPANY

Dated: _____, 2021

By: Dan Dooley

Its: Chairman of the Board of Directors

APPROVED AS TO FORM:

Dated: April 14, 2021

HAINES LAW GROUP, APC

By: 

Paul K. Haines

Attorneys for Plaintiff, Artemio Ramirez

Dated: _____, 2021

HIGGS FLETCHER & MACK LLP

By: _____

Edwin M. Boniske

Attorneys for Defendant, Hobie Cat Company

EXHIBIT A

Re: Payment from Artemio Ramirez v. Hobie Cat Company, et al.
Superior Court of California San Diego County; Case No. 37-2020-00032735-CU-OE-CTL

Date: [REDACTED]/[REDACTED]/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 *Artemio Ramirez v. Hobie Cat Company*, San Diego Superior Court, Case No. 37-2020-00032735-CU-OE-CTL, pending in the Superior Court of the State of California for the County of San Diego (the "Action").

The Action was filed against Hobie Cat Company ("Hobie Cat") 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 Artemio Ramirez ("Mr. Ramirez"), a former employee of Hobie Cat, 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.

In the lawsuit, Mr. Ramirez claimed that Hobie Cat violated the California Labor Code by failing to pay minimum wages, failing to pay overtime wages, failing to provide meal or rest breaks, and failing to provide employees with itemized wage statements. Hobie Cat vehemently disputes all of Mr. Ramirez's allegations and denies that it engaged in any of the alleged misconduct. The parties have reached a settlement of Mr. Ramirez'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 Hobie Cat who were allegedly affected by the alleged violations of the Labor Code. In agreeing to enter into this settlement, Hobie Cat 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, and has denied and disputed all of Mr. Ramirez's contentions. The Court has not decided the merits of Mr. Ramirez's claims or Hobie Cat's defenses.

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. Please note that no deductions/withholdings have been made from your settlement payment, and you will be responsible for any tax consequences arising from your receipt of the same (for which an IRS Form 1099 will issue). 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 Hobie Cat, your decision to cash the check will not affect your employment in any way.

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, Mr. Ramirez's complaint in the Action, including claims for civil penalties, attorneys' fees, costs, or interest under the PAGA based on Hobie Cat's alleged failure to pay overtime, alleged failure to pay all minimum wages, alleged failure to provide proper meal periods, alleged failure to authorize and permit rest periods, alleged failure to furnish accurate wage statements, and alleged failure to timely pay final wages, during the time period April 6, 2019 through <THE DATE OF THE ORDER APPROVING THE PAGA SETTLEMENT> (the "PAGA Period").

If you have any questions, you can contact ILYM Group, Inc., the Settlement Administrator, at 1-[REDACTED]-[REDACTED].

EXHIBIT 2

HAINES LAW GROUP
EMPLOYMENT ATTORNEYS

September 23, 2020

VIA LWDA WEBSITE

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

Re: *Artemio Ramirez v. Hobie Cat Company, et al.*

To Whom It May Concern:

Please be advised that this law firm represents Artemio Ramirez in claims arising from his employment with Hobie Cat Company, and Does 1 through 100 (collectively “Hobie Cat”). Mr. Ramirez is an “aggrieved employee” as defined by Labor Code Section 2698, *et seq.*, due to Hobie Cat’s numerous violations of the Labor Code as set forth below. The purpose of this letter is to comply with Labor Code Section 2699.3, 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.

Mr. Ramirez was employed by Hobie Cat as a non-exempt employee from approximately 1996 until approximately December 2019. Pursuant to California Judicial Council Emergency Rule 9, statutes of limitations of more than 180 days are suspended from April 6, 2020 through October 1, 2020. Accordingly, the relevant time period for the violations described herein is based on the tolled statute of limitations date of April 6, 2020. The “aggrieved employees” on whose behalf Mr. Ramirez seeks to recover civil penalties include all non-exempt employees employed by Hobie Cat in California at any time from April 6, 2019 to the present.

During his employment with Hobie Cat, Hobie Cat required Mr. Ramirez and other aggrieved employees to work four 10-hour shifts per workweek, pursuant to a purported alternative workweek schedule (“AWS”). However, upon information and belief, the AWS was not properly instituted because, prior to any AWS election, Hobie Cat failed to follow the notice/disclosures procedures required by Wage Order 1, § 3(C), including (but not limited to) by failing to provide proper written notice/disclosure regarding the AWS to Mr. Ramirez and other aggrieved employees and/or failing to provide written notice/disclosure regarding the AWS in Spanish, even though at least 5% of Hobie Cat’s workforce primarily speak Spanish. As a result of its failure to properly institute an AWS, Hobie Cat has improperly failed to pay Mr. Ramirez and other aggrieved employees overtime wages for all overtime hours worked, resulting in unpaid overtime wages.

Hobie Cat has also failed to pay Mr. Ramirez and other aggrieved employees for all hours worked, including (but not limited to) by requiring and/or permitting employees to work while off-the-clock. This has resulted in Mr. Ramirez and other aggrieved employees not being paid all required wages for all hours worked, including minimum wages and overtime wages.

Hobie Cat has also failed to provide Mr. Ramirez and other aggrieved employees with all legally compliant meal periods due to Hobie Cats' meal period policies/practices, which have frequently resulted in late (commencing after the fifth hour of work), short (less than 30 minutes), and missed meal periods. In addition, Hobie Cat failed to provide Mr. Ramirez or other aggrieved employees with second meal periods on shifts over 10.0 hours. On those occasions when Mr. Ramirez was not provided with all legally-required meal periods to which he was entitled, Hobie Cat failed to compensate Mr. Ramirez 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, during at least a portion of the putative class period, Hobie Cat maintained no payroll code for paying meal period premiums under Labor Code § 226.7.

Hobie Cat has also failed to authorize and permit all required rest periods for Mr. Ramirez and other aggrieved employees. Specifically, Hobie Cat has often failed to authorize and permit a net 10-minute rest period for every four hours worked or major fraction thereof, and Mr. Ramirez and other employees often have had to take short (less than 10 minutes) rest periods, due to their workload. Despite failing to authorize and permit Mr. Ramirez and other aggrieved employees to take all rest periods to which they are entitled, upon information and belief, during at least a portion of the relevant time period, Hobie Cat maintained no mechanism for the payment of rest period premium payments as required by Labor Code section 226.7 and did not pay Mr. Ramirez or other aggrieved employees any rest period premiums.

As a result of the above violations, Hobie Cat has issued inaccurate wage statements to Mr. Ramirez and other aggrieved employees because, among other things, the wage statements issued do not include all wages earned and fail to reflect meal and rest period premium pay for meal and rest period violations.

As a result of the above violations, Hobie Cat also failed to timely pay Mr. Ramirez and other aggrieved former employees all wages owed at the time of their respective separations from employment.

As described above, committed, and continues to commit, the following violations of the Labor Code and Industrial Welfare Commission Wage Order No. 1 ("Wage Order 1"):

Overtime Violations

Hobie Cat is required to properly compensate non-exempt employees, including Mr. Ramirez and other aggrieved employees, for all overtime hours worked pursuant to Labor Code §§ 204, 510, 558, 1194, 1198 and Wage Order 1. Wage Order 1, § 3(B) requires an employer to pay an employee “one and one-half (1½) times [the] employee’s regular rate of pay” for work in excess of 8 hours per workday or over 40 hours in a workweek, and for the first eight (8) hours and/or in excess of 40 hours of work in the workweek, and “double the employee’s regular rate of pay” for all hours worked in excess of 12 hours in a workday or in excess of 8 hours on the seventh day of a workweek. As alleged above, Hobie Cat caused Mr. Ramirez and other aggrieved employees to work overtime and/or double-time hours but has not compensated Mr. Ramirez or other aggrieved employees at one and one-half times (or two times, in the case of double-time) their “regular rate” of pay for such hours.

Minimum Wage Violations

Hobie Cat was, and is, required to pay Mr. Ramirez and other aggrieved employees an hourly rate at least equal to the minimum wage for each hour worked. See Labor Code §§ 558, 1182.12, 1194, 1194.2, 1197, 1198, and Wage Order 1, § 4. As alleged above, Hobie Cat maintained, and continues to maintain, timekeeping policies/practices and pay policies/practices that regularly, systematically, and impermissibly fail to compensate Mr. Ramirez and other aggrieved employees for all hours worked. As a result of these policies/practices, Mr. Ramirez and other aggrieved employees have been, and continue to be, deprived of all required minimum wages.

Meal Period Violations

As alleged above, Hobie Cat failed, and continues to fail, to provide Mr. Ramirez and other aggrieved employees with all required and compliant meal periods, due to Hobie Cat’s meal period policies/practices that often fail to provide legally-compliant first meal periods, and which fail to provide second meal periods for shifts of over 10.0 hours, in violation of Labor Code §§ 226.7 and 512 and Wage Order 1, § 11.

As a result, Mr. Ramirez and other aggrieved employees are owed an additional hour of wages at their regular rate of compensation for each workday they experienced a meal period violation. See Labor Code § 226.7 (“If an employer fails to provide an employee a meal or rest or recovery period in accordance with...[an] 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.”); Wage Order 1, § 11(D)(same). As alleged above, Hobie Cat has failed to pay them the premium wages to which they are legally entitled.

///

Rest Period Violations

As alleged above, Hobie Cat also failed, and continues to fail, to authorize and permit Mr. Ramirez and other aggrieved employees to take all rest periods to which they are legally entitled, in violation of Labor Code §§ 226.7, 516, 1198 and Wage Order 1, § 12.

As a result, Mr. Ramirez and other aggrieved employees are owed an additional hour of wages at their regular rate of compensation for each workday that they were not authorized and permitted to take all legally required rest periods. 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.”); Wage Order 1, § 12(B)(same). As alleged above, Hobie Cat has failed to pay them the premium wages to which they are legally entitled.

Wage Statement Violations

As alleged above, Hobie Cat has knowingly and intentionally, as a matter of uniform policy and practice, failed to furnish Mr. Ramirez and other aggrieved employees with complete and accurate wage statements with respect to their total hours worked, total gross wages earned, total net wages earned, and the applicable hourly rates and hours worked at each hourly rate in effect during the pay period, in violation of Labor Code § 226 *et seq.* Hobie Cat’s failure in furnishing Mr. Ramirez and other aggrieved employees with complete and accurate itemized wage statements resulted in injury, as said failures led to, among other things, the non-payment of all earned wages and deprived them of the information necessary to identify the discrepancies in Hobie Cat’s reported data.

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 in the event the employer discharges the employee or the employee provides at least 72 hours of notice of his/her intent to quit. In the event the employee provides less than 72 hours of notice of his/her intent to quit, said employee’s wages become due and payable not later than 72 hours upon said employee’s last date of employment.

As alleged above, Hobie Cat failed to timely pay aggrieved former employees all of their final wages at the time of separation. Pursuant to Labor Code § 203, Hobie Cat’s failure to pay all final wages due to aggrieved employees was willful and, consequently, entitles aggrieved employees to waiting time penalties equal to one day of wages at their standard rate for each day Hobie Cat has failed to pay their final wages after their separation, up to a maximum of thirty days.

Mr. Ramirez is informed and believes, and based thereon alleges, that the violations alleged herein are continuing to the present. As an “aggrieved employee,” Mr. Ramirez will initiate a civil action on behalf of himself and other aggrieved employees to recover civil penalties resulting from the wage and hour violations alleged herein. Based on Mr. Ramirez’s own investigation, and on information and belief, Hobie Cat committed the following Labor Code violations:

- a. Hobie Cat has violated Labor Code §§ 204, 510, 558, 1194, and 1198 by failing to pay Mr. Ramirez and other aggrieved employees all overtime and/or double-time compensation earned;
- b. Hobie Cat has violated Labor Code §§ 204, 558, 1182.12, 1194, 1194.2, 1197, and 1198 by failing to pay Mr. Ramirez and other aggrieved employees at least the statutory minimum wage for all hours worked;
- c. Hobie Cat has violated Labor Code §§ 226.7, 512, 558, and 1198 by failing to provide all legally required meal periods and by failing to pay meal period premiums to Mr. Ramirez and other aggrieved employees at these employees’ respective regular rates of compensation for meal period violations;
- d. Hobie Cat has violated Labor Code §§ 226.7, 516, 558, and 1198 by failing to authorize and permit all legally required rest periods and by failing to pay rest period premiums to Mr. Ramirez and other aggrieved employees at these employees’ respective regular rates of compensation for rest period violations;
- e. Hobie Cat has violated Labor Code § 226 by failing to furnish Mr. Ramirez and other aggrieved employees with accurate and complete itemized wage statements;
- f. Hobie Cat violated Labor Code §§ 201, 202 and 203 by failing to timely pay all final wages due to aggrieved former employees.
- g. Hobie Cat has violated Labor Code § 204 by failing to pay Mr. Ramirez and other aggrieved employees all earned wages at least twice during each calendar month; and
- h. Hobie Cat has violated Labor Code § 1174 by failing to maintain accurate records on behalf of Mr. Ramirez and other aggrieved employees.

///

LWDA
September 23, 2020
Page 6 of 6

Pursuant to Labor Code section 2699.3, please notify us and Hobie Cat 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: Hobie Cat Company, c/o Steven J. Cologne, Agent for Service of Process (via certified mail)

7019 2280 0002 0357 4334

U.S. Postal ServiceTM
CERTIFIED MAIL[®] RECEIPT
Domestic Mail Only

For delivery information, visit our website at www.usps.com[®].

OFFICIAL USE

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	\$	

Postage

To: **Hobie Cat Company**
\$ c/o Steven J. Cologne, Agent of
\$ Service of Process
\$ 401 W A Street, Suite 2000
St:
Ci: **Oceanside, CA 92056**



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:

Hobie Cat Company
c/o Steven J. Cologne, Agent of
Service of Process
401 W A Street, Suite 2600
Oceanside, CA 92056



9590 9402 5710 9346 3670 30

2. Article Number (Transfer from service label)

7019 2280 0002 0357 4334

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

- ☐ Agent
☐ Addressee

B. Received by (Printed Name)

SW 96

C. Date of Delivery

9/27

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

4925 OCEANSIDE
OCEANSIDE, 92056

3. Service Type

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

EXHIBIT 3

LAFFEY MATRIX

[History](#)
[Case Law](#)
[Expert Opinions](#)
[See the Matrix](#)
[Contact us](#)
[Home](#)
[Links](#)

			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

Artemio Ramirez v. Hobie Cat Company

EXPENSE	AMOUNT
Mediation Costs	\$7,450.00
Expert Costs	\$6,564.00
Filing, Service, and Messenger Fees	\$1,878.12
Copying and Postage Costs	\$326.61
Westlaw Charges	\$366.49
TOTAL:	\$16,585.22