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**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SAN DIEGO**

ARNOLD PARTIDA, on behalf of the State of
California and other aggrieved persons,

Plaintiff,

v.

PRO WALL LATH & PLASTER, INC., a
California corporation; and DOES 1 through 10,
inclusive,

Defendants.

Case No.: 37-2021-00046724-CU-OE-CTL

PAGA REPRESENTATIVE ACTION

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

**DECLARATION OF JUSTIN F.
MARQUEZ IN SUPPORT OF JOINT
STIPULATION REGARDING
APPROVAL OF SETTLEMENT UNDER
CALIFORNIA PRIVATE ATTORNEYS
GENERAL ACT**

*[Filed concurrently with: Joint Stipulation
Regarding Approval of Settlement Under
California Private Attorneys General Act,
[Proposed] Order]*

Complaint filed: November 3, 2021
Trial date: Not set

DECLARATION OF JUSTIN F. MARQUEZ

I, Justin F. Marquez, declare as follows:

1. I am admitted, in good standing, to practice as an attorney in the State of California, the Ninth Circuit Court of Appeals, and the United States District Courts for the Central, Southern, Eastern, and Northern Districts of California. I am a Senior Partner at Wilshire Law Firm, PLC, counsel of record for Plaintiff Arnold Partida (“Plaintiff”). I have personal knowledge of the facts set forth in this declaration and could and would competently testify to them under oath if called as a witness. This Declaration is submitted in support of the Joint Stipulation Regarding Approval of Settlement Under California Private Attorneys General Act.

2. On November 3, 2021, Plaintiff filed a Private Attorneys General Act (“PAGA”) action against Defendant Pro Wall Lath & Plaster, Inc., (“Defendant”, and together with Plaintiff, the “Parties”) in the Superior Court of California, County of San Diego (the “Action”). Plaintiff’s PAGA claim is based on Defendant’s alleged failure to pay for all hours worked (minimum, straight time, and overtime wages), failure to provide legally compliant meal periods, failure to authorize and permit rest periods, failure to pay all earned wages twice per month, failure to maintain accurate records of hours worked and meal periods, failure to timely pay all wages at termination, failure to furnish accurate itemized wage statements, and failure to indemnify for necessary business expenditures

3. On August 8, 2024, the Parties reached a resolution through private mediation with Gig Kyriacou, Esq.

4. The Parties entered into an Agreement Re: Settlement Terms setting forth the material terms of the Parties' settlement on or around August 9, 2024.

5. On August 28, 2024, the Parties fully executed a long-form settlement agreement which includes an explanatory letter which will be mailed out to the Aggrieved Employees¹ by the Settlement Administrator. A true and correct copy of the PAGA Settlement Agreement (or “Settlement”) is attached hereto as **Exhibit A**. Plaintiff is also concurrently submitting the

¹ The “Aggrieved Employees” consist of all persons employed by Defendant in California and classified as a non-exempt or hourly-paid employee who worked for Defendant during the PAGA Period.

1 Settlement Agreement to the California Labor & Workforce Development Agency (“LWDA”) in
2 compliance with Cal. Lab. Code section 2699(1)(2).

3 6. Plaintiff and Plaintiff’s counsel concluded, after taking into account the sharply
4 disputed factual and legal issues involved in the Action, the risks associated with further
5 prosecution, and the substantial benefits received and to be received pursuant to the Settlement,
6 that the Settlement is in the best interest of all interested parties and beneficiaries.

7 7. Plaintiff and Plaintiff’s counsel have balanced their evaluation of the validity and
8 strength of these asserted allegations against the problems of proof, collectability, and the legal
9 standards governing said allegations, and found significant risk in proceeding. Based on this
10 evaluation, Plaintiff’s counsel believes that the Settlement satisfies the public policies of PAGA
11 and is fair to all parties and beneficiaries.

12 8. As part of the Settlement, Defendant has agreed to pay a sum of \$875,000.00 (the
13 “Gross Settlement Amount”), which includes payments to all Aggrieved Employees (25% of the
14 Net Settlement Amount [as defined in §1.15 of the Settlement Agreement and in accordance with
15 Cal. Lab. Code section 2699(i)]), payment to the LWDA (75% of the Net Settlement Amount, in
16 accordance with Cal. Lab. Code section 2699(i)), payment of Plaintiff’s counsel’s fees and costs,
17 payment to Plaintiff for service as the PAGA representative and in exchange for executing a
18 general release of claims, and payment to the Settlement Administrator for administration costs.

19 9. The fee award requested here is \$291,666.67, representing one third (33.3333%) of
20 the Gross Settlement Amount. The requested fee award is justified because Plaintiff’s counsel
21 achieved a significant monetary recovery for the Aggrieved Employees and the LWDA in an
22 uncertain and risky case while bearing the substantial burdens of representation on a contingency
23 basis, and the fees requested are in line with market rates. Plaintiff’s counsel expended significant
24 time and resources in litigating this case, which resulted in a favorable result for the LWDA,
25 Plaintiff, and the Aggrieved Employees. Plaintiff’s counsel elected to bear the contingency risk of
26 this litigation for the benefit of the Aggrieved Employees, as well as for the State of California
27 (who elected not to take the case after receiving the PAGA notice). A true and correct copy of
28 Plaintiff’s PAGA notice is attached hereto as **Exhibit B**.

ASSESSMENT OF AMOUNT IN CONTROVERSY AND RISKS OF CONTINUED
LITIGATION

10. Plaintiff and my firm remain confident of the merits of Plaintiff's claims. Plaintiff's allegation that Defendant failed to pay Plaintiff and the aggrieved employees all of their owed wages is based on Defendant's failure to: 1) pay employees for work performed "off-the-clock;" and 2) include non-discretionary remuneration (i.e., bonuses) in the regular rate of pay for overtime purposes. Although present on the face of the records, Defendant may be able to show that any bonuses issued to employees were entirely discretionary, and therefore, did not need to be included in the regular rate of pay for purposes of calculating the overtime rate. (*See* 29 C.F.R. §§ 778.208, 778.211 [excluding "discretionary" bonuses from the regular rate]; *see also* DLSE Manual § 49.1.2.4(3) [bonuses are discretionary, and therefore excludable, if "both the fact that payment is to be made and the amount of the payment" are discretionary].) Moreover, off-the-clock claims are, by their nature, not recorded, and Defendant disputes that any of-the-clock work was done. With respect to the meal period allegation, Plaintiff alleges that Defendant had an auto-deduct meal period policy and would regularly fail to provide aggrieved employees with compliant meal breaks. Although Plaintiff contends that this allegation is meritorious, there is risk with this underlying claim as the evidence will be almost-entirely based on anecdotal testimony, which Defendant claims it can disprove through employee declarations and other admissible evidence. With respect to the rest period allegation, Plaintiff contends that employees, including himself, were not provided with California-compliant rest periods. Again, despite Plaintiff's contention that this allegation is credible, proving rest period allegations is particularly difficult because rest periods do not have to be recorded and Defendant may be able to show that the aggrieved employees chose to voluntarily forego their rest periods. With respect to the unreimbursed business expenses allegation, Plaintiff alleges that Defendant required him and the other aggrieved employees to purchase various work-related tools and equipment, including, without limitation, steel-toed boots, without reimbursement. Defendant disputes this claim and may be able to show that they provided employees with all the necessary tools required for the performance of their duties and as such, any additional tools purchased by employees were not reasonable or necessary expenditures.

1 11. With regard to Plaintiff's wage statement claim, Defendant argues that the wage
2 statements issued to employees meet the requirements of Labor Code § 226(a).

3 12. Plaintiff further believed there was a legitimate risk of the Court significantly
4 reducing penalties given the technical nature of the alleged violations. Without this settlement, the
5 Parties face preparation for trial, as well as extensive formal discovery efforts and depositions. As
6 a result, the Parties would incur considerably more attorneys' fees and costs through trial. This
7 settlement avoids those risks and the accompanying expense.

8 13. My expert determined that there were 66,670 pay periods during the relevant time
9 period which presented issues with regard to unpaid wages, meal period violations, rest period
10 violations, and unreimbursed business expenses. Applying the \$100 "initial violation" penalty for
11 each of these pay periods, Defendant's potential PAGA exposure is \$6,670,000 (based on 66,670
12 pay periods). However, several factors here warrant a significant discount. First, as discussed
13 above, Defendant contends that the underlying allegations lacked merit. Second, Defendant
14 utilizes a weekly pay period schedule, which essentially doubles its penalty exposure compared to
15 an employer who utilizes a bi-weekly pay period schedule. Defendant can argue that it is being
16 unjustly punished simply for paying its workers every week instead of every other week, creating
17 a risk that the court would exercise its discretion to greatly decrease the penalties. Accordingly,
18 Plaintiff discounted this maximum exposure by 80% to account for the risk of not prevailing on
19 the merits and the Court's discretion in reducing penalties, for a total of \$1,333,400.

20 14. Accordingly, Plaintiff predicted that the realistic total potential recovery for the
21 PAGA Employees and the LWDA would be approximately \$1,333,400. The proposed Settlement
22 of \$875,000.00 therefore represents 65% of Plaintiff's reasonably forecasted total recovery. In this
23 case, continued litigation would delay payment to the LWDA and the PAGA Employees as they
24 await trial and, potentially, appellate proceedings. Furthermore, while Plaintiff is confident in the
25 merits of the case, a legitimate controversy exists as to each of the predicate Labor Code violations.
26 The possibility that the Court finds no liability at the PAGA bench trial is also a risk. In sum, when
27 the risks of litigation, the burdens of proof necessary to establish liability, and the probability of
28 appeal of a favorable judgment are balanced against the merits of Plaintiff's claims, it is clear that

1 the settlement amount is fair. Further, because of the proposed Settlement, the PAGA Employees
2 will receive timely, guaranteed relief and will avoid the risk of an unfavorable judgment. Plaintiff
3 also recognizes that proving the amount of wages due to each employee would be an expensive,
4 time-consuming, and uncertain proposition.

5 15. If the Court approves the terms of the Settlement, the gross amount per pay period
6 would be approximately \$13.12 with approximately \$411,312.61 going to the LWDA. In reality,
7 some employees will likely receive more, and others may receive less depending on the length of
8 their employment with Defendant.

9 REASONABLENESS OF COSTS AND FEES

10 16. Plaintiff's counsel has dedicated substantial resources to this litigation, including
11 approximately \$16,616.52 in costs as of August 26, 2024, without receiving any compensation.
12 All of Plaintiff's counsel's litigation costs are documented and reasonably incurred. Additionally,
13 we anticipate incurring \$300.00 in anticipated future costs for filing fees, messenger costs, and
14 copying costs following the Court's Order regarding the Parties' Joint Stipulation, and request
15 reimbursement of such as well. Attached as **Exhibit C** to this declaration is a breakdown of costs
16 incurred by my office.

17 17. Plaintiff requests an enhancement fee of \$10,000.00 for his service as the PAGA
18 representative and in exchange for executing a general release of all claims. The requested
19 enhancement fee is intended to recognize: (1) the substantial time and effort that Plaintiff has
20 expended on behalf of the State and Aggrieved Employees; (2) the risks faced by Plaintiff as a
21 result of bringing this Action; (3) the fact that Plaintiff put the interests of the State of California
22 and other Aggrieved Employees ahead of his own; and (4) the substantial benefit conferred upon
23 the State and the Aggrieved Employees as a result of Plaintiff's actions.

24 18. The Parties propose using Apex Class Action Administration to administer the
25 Settlement. The Settlement Administrator Costs in the amount of \$8,000.00 are reasonable, given
26 the tasks to be performed by the Settlement Administrator, including, but not limited to, the
27 following duties: mailing and re-mailing (if necessary) checks/explanatory letters to the Aggrieved
28 Employees and the LWDA; establishing a Qualified Settlement Fund; preparing and submitting to

the Aggrieved Employees and government entities all appropriate tax filings and forms; distributing the Service Payment to Plaintiff and attorneys' fees and costs; keeping the Parties timely apprised of the performance of all obligations under the Agreement; and voiding uncashed or undeliverable checks to issue those funds a Court-approved nonprofit organization or foundation, the Orange County Trial Lawyers' Charities ("Cy Pres Recipient"). A true and correct copy of Apex Class Action Administration's estimate for administration costs is attached to this declaration as **Exhibit D**.

19. The regular and customary practice at Wilshire Law Firm, PLC is for all attorneys to maintain contemporaneous time records setting forth the amount of time spent (rounded to the nearest 0.1 hour) on each task in each case, with explanatory descriptions of each task performed. My colleagues and I followed this practice throughout this litigation. To calculate my firm's lodestar for this case, I reviewed the time records and exercised discretion in eliminating excessive entries. Using these time records, my office derived the following summary chart of timekeeping activities of the attorneys working on this case:

Attorney	Hours	Rate	Lodestar
Justin F. Marquez	53.5	\$1,500	\$80,250
Benjamin H. Haber	92.6	\$825	\$76,395
Arrash Fattahi	20.2	\$625	\$12,625
Maxim Gorbunov	51	\$575	\$29,325
Bradford Smith	14.8	\$525	\$7,770
Total:	232.1		\$206,365

20. Plaintiff's counsel has spent over 232.1 hours litigating this Action to bring it to resolution, not including the time which will be expended monitoring the administration of the settlement and distribution of funds. I estimate that my office will commit no less than 10 hours to those tasks and have included those hours above. Accordingly, the requested fee of \$291,666.67 is reasonable and fair as it is based on a multiplier of approximately 1.41. The efforts expended by Plaintiff's counsel to achieve this result include, but are not limited to, the following:

a. the investigation of the matter, including meeting with Plaintiff, reviewing

- 1 Defendant's policies, and requesting and reviewing Plaintiff's time and pay records,
2 personnel files, and exploring the corporate structure of Defendant;
- 3 b. filing the Action;
- 4 c. attending status conferences and meeting and conferring with Defendant regarding
5 the case;
- 6 d. drafting, reviewing, and filing a fully briefed opposition to Defendant's demurrer;
- 7 e. drafting, reviewing, and filing an opposition to Defendant's Motion to compel
8 arbitration, as well as related documents including a supporting declaration;
- 9 f. meeting and conferring with Defendant regarding mediation, exchange of informal
10 discovery beforehand, and negotiating with opposing counsel regarding the
11 parameters thereof;
- 12 g. selecting a mediator and mediation date;
- 13 h. working with opposing counsel and an expert consultant for the receipt of a
14 representative sampling and analyzing the same with the aid of expert consultant
15 and Plaintiff to perform analyses of liability and exposure prior to attendance of the
16 mediation in this matter;
- 17 i. reviewing policy documents from Defendant and researching applicable defenses;
- 18 j. preparation of a mediation brief and damages model for use at mediation;
- 19 k. attendance at mediation by all Parties and Counsel;
- 20 l. communicating with Plaintiff who requested updates or other information regarding
21 this matter;
- 22 m. engaging in extensive settlement negotiations, including gathering updated pay
23 period and aggrieved employee counts;
- 24 n. finalizing and fully executing the settlement agreement;
- 25 o. preparing and drafting the Joint Stipulation Regarding Approval of Settlement under
26 California Private Attorneys General Act and supporting documents, including this
27 declaration;
- 28 21. There are additional hours devoted by me (and by my colleagues) to this litigation

1 that are not reflected in Plaintiff's Counsel's request for attorneys' fees.

2 22. We can provide complete, detailed billing records in the event the Court requests
3 them but would request the opportunity to redact attorney-client privileged information and any
4 other privileged information.

5 EXPERIENCE AND QUALIFICATIONS

6 23. Wilshire Law Firm, PLC was selected by Best Lawyers and U.S. News & World
7 Report as one of the nation's Best Law Firms for every year since 2020 and is comprised of over
8 70 attorneys and over 500 employees. Wilshire Law Firm, PLC is actively and continuously
9 practicing in employment litigation, representing employees in both individual and class actions
10 in both state and federal courts throughout California.

11 24. Wilshire Law Firm, PLC is qualified to handle this Litigation because its attorneys
12 are experienced in litigating Labor Code violations in both individual, class action, and
13 representative action cases. Wilshire Law Firm, PLC has handled, and is currently handling,
14 numerous wage and hour class action lawsuits, as well as class actions involving consumer rights
15 and data privacy litigation.

16 25. I graduated from the University of California, Los Angeles's College Honors
17 Program in 2004 with Bachelor of Arts degrees in History and Japanese, *magna cum laude* and *Phi*
18 *Beta Kappa*. As an undergraduate, I also received a scholarship to study abroad for one year at
19 Tokyo University in Tokyo, Japan. I received my Juris Doctor from Notre Dame Law School in
20 2008.

21 26. My practice is focused on advocating for the rights of consumers and employees in
22 class action litigation and appellate litigation. I am currently the primary attorney in charge of
23 litigating several class action cases in state and federal courts across the United States.

24 27. I have received numerous awards for my legal work. From 2017 to 2020, Super
25 Lawyers selected me as a "Southern California Rising Star," and from 2022 to 2024, I was selected
26 as a "Southern California Super Lawyer." I was selected as one of the "Best Lawyers in America"
27 in 2023 and 2024. In 2016 and 2017, the National Trial Lawyers selected me as a "Top 40 Under
28 40" attorney. In 2024, I, along with my colleagues at Wilshire Law Firm, received a CLAY

(California Lawyer Attorneys of the Year) award for my work on a false advertising case against Apple which ultimately led to a \$25 million settlement. I am also rated 10.0 (“Superb”) by Avvo.com.

28. I am on the California Employment Lawyers Association (“CELA”)’s Wage and Hour Committee and Mentor Committee. I have been selected to speak at multiple CELA conferences throughout my career – in 2019, I spoke on the topic of manageability of class actions at CELA’s 2019 Advanced Wage & Hour Seminar, and in 2024, I spoke on the topic of dealings with multiple cases against the same defendant at CELA’s 2024 Advanced Wage & Hour Seminar. Since 2013, I have actively mentored young attorneys through CELA’s mentorship program.

29. I am also a past member of the Consumer Attorneys of California (“CAOC”). In 2020, I was selected for a position on CAOC’s Board of Directors. I am also a past member of CAOC’s Diversity Committee, and I helped assist the CAOC in defeating bills that harm employees. Indeed, I recently helped assist Jacqueline Serna, Esq., Legislative Counsel for CAOC, in defeating AB 443, which proposed legislation that sought to limit the enforceability of California Labor Code § 226.

30. As the attorney responsible for day-to-day management of this matter at the Wilshire Law Firm, PLC, I have over fourteen years of experience with litigating wage and hour class actions. Over the last fourteen years, I have managed and assisted with the litigation and settlement of several wage and hour class actions. In those class actions, I performed similar tasks as those performed in the course of prosecuting this action. My litigation experience includes:

- a. I served as lead or co-lead in negotiating class action settlements worth over \$10 million in gross recovery to class members for each year since 2020, including over \$37.5 million in 2022 and over \$75 million in 2023.
- b. I led a team of attorneys that successfully obtained class certification of meal period, rest period, and related derivative claims on April 5, 2024 in *Aguilar-Flores, et al., v. Javier’s CC LLC, et al.*, Los Angeles Superior Court, Case No. 19STCV36438 (Hon. Elihu M. Berle).
- c. I was part of the team of attorneys that prevailed in *Moore v. Centrelake Medical*

1 *Group, Inc.* (2022) 83 Cal.App.5th 515, the first California appellate decision in a
2 data breach class action holding that consumer plaintiffs adequately alleged injury
3 in fact under the benefit of the bargain theory and monitoring-costs theory.

4 d. In 2023, Top Verdict recognized Wilshire Law Firm and myself for having one case
5 in the Top 20 Labor & Employment Settlements (including number 15 for the \$3.5
6 million settlement in Black & Decker Wage and Hour Cases) and three additional
7 cases in the Top 50 Labor & Employment Settlements (number 21, 29, and 39.)

8 e. In 2022, Top Verdict recognized Wilshire Law Firm and myself for having one case
9 in the Top 20 Labor & Employment Settlements (including number 19 for the \$4.1
10 million settlement in The FPI Management Wage and Hour Cases) and four
11 additional cases in the Top 50 Labor & Employment Settlements (numbers 36, 39,
12 41, and 49).

13 f. In 2021, Top Verdict recognized Wilshire Law Firm and myself for having one case
14 in the Top 20 Labor & Employment Settlements (including number 19 for the \$1.6
15 million settlement in *Moreno v. Pretium Packaging, L.L.C*) and four additional
16 cases in the Top 50 Labor & Employment Settlements (numbers 27, 30, 33, and 37).

17 g. To my knowledge, I am the only attorney to appear on each of the following Top
18 Verdict lists for 2018 in California: Top 20 Civil Rights Violation Verdicts, Top 20
19 Labor & Employment Settlements, and Top 50 Class Action Settlements.

20 h. As lead counsel, on April 29, 2021, I prevailed against CVS Pharmacy, Inc. by
21 winning class certification on behalf of hundreds of thousands of consumers for
22 misleading advertising claims in *Joseph Mier v. CVS Pharmacy, Inc.*, U.S. Dist. Ct.
23 C.D. Cal. no. SA CV 20-1979-DOC-(ADSx).

24 i. As lead counsel, I prevailed against Bank of America by: winning class certification
25 on behalf of thousands of employees for California Labor Code violations; defeating
26 appellate review of the court's order certifying the class; defeating summary
27 judgment; and defeating a motion to dismiss. (*Frausto v. Bank of America, N.A.*
28 (N.D. Cal. 2019) 334 F.R.D. 192, 2020 WL 1290302 (9th Cir. Feb. 27, 2020), 2019

WL 5626640 (N.D. Cal. Oct. 31, 2019), 2018 W.L. 3659251 (N.D. Cal. Aug. 2, 2018).). The decision certifying the class in *Frausto* is also discussed in Class Certification Under Fed. R. Civ. P. 23 in Action by Information Technology or Call Center Employees for Violation of State Law Wage and Hour Rules, 35 A.L.R. Fed. 3d Art. 8.

- j. I was the primary author of the class certification and expert briefs in *ABM Industries Overtime Cases* (2017) 19 Cal.App.5th 277, a wage and hour class action for over 40,000 class members for off-the-clock, meal period, split shift, and reimbursement claims. *ABM Industries Overtime Cases* is the first published California appellate authority to hold that an employer’s “auto-deduct policy for meal breaks in light of the recordkeeping requirements for California employers is also an issue amenable to classwide resolution.” (*Id.* at p. 310.)² Notably, the Court of Appeal also held that expert analysis of timekeeping records can also support the predominance requirement for class certification. (*Id.* at p. 310-11.) In 2021, the case settled for \$140 million, making it one of the largest ever wage and hour class action settlements for hourly-paid employees in California.
- k. I briefed, argued, and won *Yocupicio v. PAE Group, LLC* (9th Cir. 2015) 795 F.3d 1057. The Ninth Circuit ruled in my client’s favor and held that non-class claims under California’s Private Attorney Generals Act (“PAGA”) cannot be used to calculate the amount in controversy under the Class Action Fairness Act (“CAFA”). This case is cited in several leading treatises such as Wright & Miller’s Federal Practice & Procedure, and Newberg on Class Actions. In October 2016, the U.S. Supreme Court denied review of a case that primarily concerned *Yocupicio*. That effort was led by Theodore J. Boutrous, who brought the cert petition, with amicus support from a brief authored by Andrew J. Pincus.³ Considering that leading

² As a California district court observed before the *ABM Industries Overtime* decision, “[t]he case law regarding certification of auto-deduct classes is mixed.” (*Wilson v. TE Connectivity Networks, Inc.* (N.D. Cal. Feb. 9, 2017) No. 14-CV-04872-EDL, 2017 WL 1758048, *7.)

³ <http://www.chamberlitigation.com/cases/abm-industries-inc-v-castro>.

Supreme Court practitioners from the class action defense bar were very motivated in undermining *Yocupicio* case, but failed, this demonstrates the national importance of the *Yocupicio* decision.

1. On December 13, 2018, the United States District Court granted final approval of the \$2,500,000 class action settlement in *Mark Brulee, et al. v. DAL Global Services, LLC* (C.D. Cal. Dec. 13, 2018) No. CV 17-6433 JVS(JCGx), 2018 WL 6616659 in which I served as lead counsel. In doing so, the Court found: “Class Counsel’s declarations show that the attorneys are experienced and successful litigators.” (*Id.* at p. *10.)
- m. *Gasio v. Target Corp.* (C.D. Cal. Sep. 12, 2014) 2014 U.S. Dist. LEXIS 129852, a reported decision permitting class-wide discovery even though the employer has a lawful policy because “[t]he fact that a company has a policy of not violating the law does not mean that the employees follow it, which is the issue here.” The court also ordered defendant to pay for the cost of *Belaire-West* notice.
- n. In 2013, I represented a whistleblower that reported that his former employer was defrauding the State of California with the help of bribes to public employees. The case, a false claims (qui tam) action, resulted in the arrest and criminal prosecution of State of California employees by the California Attorney General’s Office.
- o. In 2013, I was part of a team of attorneys that obtained conditional certification for over 2,000,000 class members in a federal labor law case for misclassification of independent contractors that did crowdsourced work on the Internet, *Otey v. CrowdFlower, Inc.*, N.D. Cal. Case No. 12-cv-05524-JST (MEJ), resulting in the following pro-plaintiff reported decisions:
 - i. 2013 U.S. Dist. LEXIS 151846 (N.D. Cal. Oct. 22, 2013) (holding that an unaccepted Rule 68 offer doesn’t moot plaintiff’s claims, and granting plaintiff’s motion to strike defendant’s affirmative defenses based on *Twombly/Iqbal*).
 - ii. 2013 U.S. Dist. LEXIS 122007 (N.D. Cal. Aug. 27, 2013) (order granting

conditional collective certification).

iii. 2013 U.S. Dist. LEXIS 95687 (N.D. Cal. July 8, 2013) (affirming the magistrate judge’s discovery ruling which held that “evidence of other sources of income is irrelevant to the question of whether a plaintiff is an employee within the meaning of the FLSA”).

iv. 2013 U.S. Dist. LEXIS 91771 (N.D. Cal. June 20, 2013) (granting broad discovery because “an FLSA plaintiff is entitled to discovery from locations where he never worked if he can provide some evidence to indicate company-wide violations”).

p. From 2012 to 2013, I was part of a team of attorneys that obtained class certification for over 60,000 class members for off-the-clock claims, *Linares v. Securitas Security Services USA, Inc.*, Los Angeles Superior Court No. BC416555. We also successfully opposed subsequent appeals to the California Court of Appeal and California Supreme Court.

31. My current contingent billing rate of \$1,500.00 per hour is consistent with my actual billing rate for paid legal industry consulting services, my practice area, lead appellate experience in the Ninth Circuit Court of Appeals, numerous awards received, legal market and accepted hourly rates.

a. I have been paid for legal industry consulting services at \$1,500 per hour by Gerson Lehrman Group (GLG), a company that provides financial information and advises investors and consultants with business clients seeking expert advice. GLG is one of the largest companies that provides expert consulting services. GLG’s clients include corporations, hedge funds, private equity firms, and consulting firms. I have worked with GLG on numerous occasions at a rate of \$1,500 per hour, including on three recent occasions in October and November of 2023.

b. On January 11, 2024, the Hon. Laurel Beeler of the United States District Court, Northern District of California approved my \$1,500 hourly rate when she granted final approval of the class action settlement in *Suarez v. Bank of America, N.A.*

(N.D. Cal. Jan. 11, 2024), No. 18-cv-01202-LB, 2024 WL150721, *3 (“As for the lodestar cross-check, the billing rates are normal and customary for timekeepers with similar qualifications and experience in the relevant market.”)

c. My \$1,500 hourly rate was approved by many California state courts:

1. On December 8, 2023, the Hon. Marcella O. McLaughlin of the San Diego County Superior Court approved my \$1,500 hourly rate when she granted final approval of the class action settlement in *Payabyab v. Bridge Hospice, LLC*, Case No. 7-2021-00046218-CU-OE-CTL.
2. On January 11, 2024, the Hon. Harold Hopp of the Riverside County Superior Court approved my \$1,500 hourly rate when he granted final approval of the class action settlement in *Gutierrez v. Next Level Door & Millwork, Inc.*, Case No. CVRI2105455.
3. On January 26, 2024, the Hon. Loren G. Freestone of the San Diego Superior Court approved my \$1,500 hourly rate when he granted final approval of the class action settlement in *Lupercio v. Western CNC, Inc.*, Case No. 37-2021-00010314-CU-OE-CTL.
4. On February 1, 2024, the Hon. Joseph T. Ortiz of the San Bernardino Court approved by \$1,500 hourly rate when he granted final approval of the class action settlement in *Jackson, et al. v. Apple Valley Communications, Inc.*, et al., Case No. CIVSB2124721.
5. On February 2, 2024, the Hon. Harold Hopp of the Riverside County Superior Court approved by \$1,500 hourly rate when he granted final approval of the class action settlement in *Barrera v. Paradise Chevrolet Cadillac*, Case No. CVSW2107199.
6. On January 11, 2024, the Hon. Harold Hopp of the Riverside County Superior Court approved my \$1,500 hourly rate when he granted final approval of the class action settlement in *Gutierrez v. Next Level Door & Millwork, Inc.*, No. CVRI2105455.

- 1 7. On May 7, 2024, the Hon. Elaine Lu of the Los Angeles County
2 Superior Court approved my \$1,500 hourly rate when she granted
3 final approval of the class action settlement in *Meza v. Argus*
4 *Management Company, LLC, et al.*, Case No. 21STCV31612.
- 5 8. On May 6, 2022, the Hon. Jay A. Garcia-Gregory of the United States
6 District Court in Puerto Rico approved my \$850 hourly rate when he
7 granted final approval of the class action settlement in *Serrano v.*
8 *Inmediata Corp.*, No. 3:19-cv-01811-JAG, Dkt. 57 (U.S. Dist. Ct.
9 P.R. May 6, 2022).
- 10 d. On September 9, 2021, the Hon. Peter Wilson of the Orange County Superior Court
11 approved my \$800 hourly rate when he granted final approval of the class action
12 settlement in *Ricardo Campos Hernandez v. Adams Iron Co., Inc.*, No. 30-2019-
13 01066522-CU-OE-CXC.
- 14 e. On August 6, 2021, the Hon. Stanley Blumenfeld, Jr. of the United States District
15 Court granted final approval of the \$1,600,000 class action settlement in *Carlos*
16 *Moreno v. Pretium Packaging, Inc.* (C.D. Cal. Aug. 6, 2021) No. 8:19-cv-02500-
17 SB-DFM, 2021 WL 3673845 in which I served as lead counsel. In doing so, the
18 Court approved my then \$750 hourly rate after finding it was “reasonable, given the
19 qualifications of the attorneys who worked on this matter.” (*Id.* at p. *3.)
- 20 32. The reasonableness of my firm’s hourly rates is also supported by several surveys
21 of legal rates, including the following:
- 22 a. The 2022 Real Rate Report survey compiled by Wolters Kluwer, which presents the
23 real market rates of Los Angeles area attorneys who practice litigation. For that
24 category, the third quartile 2022 rate was \$1,045 per hour for partners and \$855 for
25 associates. Likewise, page 32 of the Report describes the rates charged by 183 Los
26 Angeles partners with “21 or more years of experience” and “Fewer than 21 years.”
27 For those categories, the third quartile Los Angeles partner rate in 2022 were \$1,133
28 per hour for 21 or more years and \$1,075 for attorneys with fewer than 21 years. A

true and correct copy of portions of the 2022 Real Rate Report is attached hereto as **Exhibit E**.

b. In an article entitled “Big Law Rates Topping \$2,000 Leave Value ‘In Eye of Beholder,’” written by Roy Strom and published by Bloomberg Law on June 9, 2022, the author describes how Big Law firms have crossed the \$2,000-per hour rate. The article also notes that law firm rates have been increasing by just under 3% per year. A true and correct copy of this article is attached hereto as **Exhibit F**.

33. Benjamin H. Haber is an eighth-year Associate Attorney at Wilshire Law Firm. His current hourly rate is \$825. He graduated from the University of California, Los Angeles, with a Bachelor of Arts in Political Science, and received his Juris Doctor from the University of California, Hastings College of the Law in 2016. During law school, he was a member of the executive board for the Hastings Law Journal and student mediator at the San Francisco Superior Court, Small Claims Division. He was admitted to practice law in the State of California in 2017. Since graduating from law school, he has focused his legal work primarily on wage-and-hour litigation and has helped obtain dozens of settlements on behalf of tens of thousands of workers in California. He was also selected as a “Southern California Rising Star” in 2024.

34. Arrash T. Fattahi is a fourth-year Associate Attorney at Wilshire Law Firm, PLC. He was admitted to practice law in the State of California and the Central and Southern Districts of California in January 2021. Arrash graduated from the University of California, Los Angeles, with a Bachelor of Arts in Political Science, *summa cum laude*. He received his Juris Doctor from The George Washington University Law School. During law school, he was a member of the student editorial board for the *Federal Circuit Bar Journal*. Since January 2021, his practice has mainly been focused on wage and hour class action litigation. His current contingent billing rate for this case is \$625 per hour

35. Maxim Gorbunov is a third-year Associate Attorney at Wilshire Law Firm, PLC. He was admitted to practice law in the State of California in 2021, the Northern and Central District of California in 2022, and the Southern and Eastern Districts of California in 2023. He graduated from the University of California, Irvine, with a Bachelor of Arts in Cognitive Science, completing

1 the Psychology Honors Program. He received his Juris Doctor from the University of California,
2 Hastings College of Law in 2021. During law school, he was a Board Member, competitor, and
3 student coach of the Hastings Moot Court Team, being awarded the Student Coach of the Year
4 award. Since November 2021, his practice has mainly been focused on employment and wage and
5 hour class actions. His current contingent billing rate for this case is \$575 per hour.

6 36. Bradford Smith is a Law and Motion Attorney at Wilshire Law Firm. He graduated
7 from the University of California, Irvine with a Bachelor of Arts in History and received his Juris
8 Doctor from Loyola Law School, Los Angeles in 2022. He was admitted to practice law in the
9 State of California in 2022. Before joining Wilshire Law Firm, he worked at a law firm
10 specializing in insurance defense litigation. His focus now is on wage and hour class action
11 litigation. His current contingent billing rate for this case is \$525 per hour.

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

14 Executed on September 17, 2024, at Los Angeles, California.

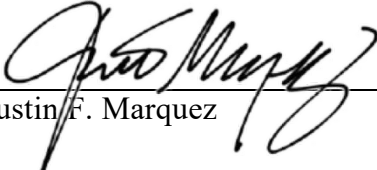
15
16 
17 Justin F. Marquez
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Exhibit A

PAGA SETTLEMENT AGREEMENT

This Private Attorney General Act (“PAGA”) Settlement Agreement (“Agreement”) is made by and between plaintiff Arnold Partida (“Plaintiff”) and defendant Pro Wall Lath & Plaster, Inc. (“Defendant”). The Agreement refers to Plaintiff and Defendant collectively as “Parties,” or individually as “Party.”

1. DEFINITIONS.

- 1.1. “Action” means the Plaintiff’s PAGA lawsuit alleging wage and hour violations against Defendant captioned *Arnold Partida v. Pro Wall Lath & Plaster, Inc.*, Case No. 37-2021-00046724-CU-OE-CTL, initiated on November 3, 2021 and pending in Superior Court of the State of California, County of San Diego.
- 1.2. “Administrator” means Apex Class Action Administration, the neutral entity the Parties have agreed to appoint to administer the Settlement.
- 1.3. “Administration Expenses Payment” means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator’s “not to exceed” bid submitted to the Court in connection with approval of this Settlement.
- 1.4. “Aggrieved Employee” means a person employed by Defendant in California and classified as a non-exempt or hourly-paid employee who worked for Defendant during the PAGA Period.
- 1.5. “Aggrieved Employee Data” means Aggrieved Employee identifying information in Defendant’s possession, consisting of the Aggrieved Employee’s name, last-known mailing address, Social Security number, and number of PAGA Pay Periods.
- 1.6. “Aggrieved Employee Address Search” means the Administrator’s investigation and search for current Aggrieved Employee mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Aggrieved Employees.
- 1.7. “Court” means the Superior Court of California, County of San Diego.
- 1.8. “Defense Counsel” means Kyle D. Kring and Kerri N. Kramer of Kring & Chung Attorneys LLP.
- 1.9. “Effective Date” means the date by when both of the following have occurred: (a) the Court enters a Judgment on its Order Approving the PAGA Settlement and (b) the Judgment is final. The Judgment is final as of the latest of the following occurrences: (a) the day the Court enters Judgment assuming no appeal is filed; or (b) if a timely appeal is filed, the date of final resolution of that appeal (including any requests for rehearing

and/or petitions for writs of certiorari) resulting in final judicial approval of the Settlement.

- 1.10. “Gross Settlement Amount” means \$875,000.00 which is the total amount Defendant agrees to pay under the Settlement except as provided in Paragraph 8 below. The Gross Settlement Amount will be used to pay Individual PAGA Payments, the LWDA PAGA Payment, PAGA Representative Service Award, PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, and the Administration Expenses Payment.
- 1.11. “Individual PAGA Payment” means the Aggrieved Employee’s pro rata share of 25% of the PAGA Penalties calculated according to the number of Pay Periods the Aggrieved Employee worked during the PAGA Period.
- 1.12. “Judgment” means the judgment entered by the Court based upon the Approval Order.
- 1.13. “LWDA” means the California Labor and Workforce Development Agency.
- 1.14. “LWDA PAGA Payment” means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).
- 1.15. “Net Settlement Amount” means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: PAGA Representative Service Award, PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, and the Administration Expenses Payment. The remainder is to be paid to Aggrieved Employees as Individual PAGA Payments and to the LWDA as the LWDA PAGA Payment.
- 1.16. “PAGA Counsel” means Justin F. Marquez, Benjamin H. Haber, and Maxim Gorbunov of Wilshire Law Firm, PLC, the attorneys representing the Plaintiff in the Action.
- 1.17. “PAGA Counsel Fees Payment” and “PAGA Counsel Litigation Expenses Payment” mean the amounts allocated to PAGA Counsel for reimbursement of reasonable attorneys’ fees and expenses, respectively, incurred to prosecute the Action.
- 1.18. “PAGA Pay Period” means any Pay Period during which an Aggrieved Employee worked for Defendant while classified as a non-exempt or hourly-paid employee for at least one day during the PAGA Period.
- 1.19. “PAGA Period” means the period from March 2, 2020 to October 10, 2024.
- 1.20. “PAGA Representative Service Award” means the payment to the Plaintiff for initiating the Action and providing services in support of the Action.

- 1.21. “PAGA Notice” means Plaintiff’s August 27, 2021 letter to Defendant and the LWDA providing notice pursuant to Labor Code section 2699.3, subd. (a).
- 1.22. “PAGA Penalties” means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 25% to the Aggrieved Employees and the 75% to LWDA in settlement of PAGA claims.
- 1.23. “Approval Order” means the Court Order Granting Approval of PAGA Settlement.
- 1.24. “Released PAGA Claims” means the claims being released by the Plaintiff, the Aggrieved Employees, and PAGA Counsel, as described in Paragraph 5 below.
- 1.25. “Released Parties” means: Defendant and each of its former and present directors, officers, shareholders, owners, members, attorneys, insurers, predecessors, successors, assigns, subsidiaries, and affiliates.
- 1.26. “Settlement” means the disposition of the Action effected by this Agreement and the Judgment.

2. RECITALS.

- 2.1. On November 3, 2021, Plaintiff commenced this Action by filing a Complaint alleging a cause of action against Defendant for civil penalties under PAGA for Defendant’s purported failure to pay for all hours worked (minimum, straight time, and overtime wages), failure to provide legally compliant meal periods, failure to authorize and permit rest periods, failure to pay all earned wages twice per month, failure to maintain accurate records of hours worked and meal periods, failure to timely pay final wages at termination, failure to furnish accurate itemized wage statements, and failure to indemnify for necessary business expenditures. The Complaint is the operative complaint in the Action (the “Operative Complaint.”) Defendant denies the allegations in the Operative Complaint, denies any failure to comply with the laws identified in in the Operative Complaint and denies any and all liability for the causes of action alleged.
- 2.2. Pursuant to Labor Code section 2699.3, subd. (a), Plaintiff represents that he gave timely written notice to Defendant and the LWDA by sending the PAGA Notice.
- 2.3. On August 8, 2024, the Parties participated in an all-day mediation presided over by Gig Kyriacou, Esq., which led to a mediator’s proposal that resulted in this Agreement to settle the Action.
- 2.4. Prior to mediation, Plaintiff obtained, through informal discovery, a sampling of time and pay records for the Aggrieved Employees, as well as documents that described Defendant’s policies and procedures during the PAGA Period.

3. MONETARY TERMS.

- 3.1. Gross Settlement Amount. Except as otherwise provided by Paragraph 8 below, Defendant promises to pay \$875,000.00 and no more as the Gross Settlement Amount. Defendant has no obligation to pay the Gross Settlement Amount prior to the deadline stated in Paragraph 4.3 of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendant.
- 3.2. Payments from the Gross Settlement Amount. The Administrator will make and deduct the following payments from the Gross Settlement Amount, in the amounts specified by the Court in the Approval Order:
 - 3.2.1. To Plaintiff: PAGA Representative Service Award to Plaintiff of not more than \$10,000.00 (in addition to any Individual PAGA Payment the Plaintiff is entitled to receive as an Aggrieved Employee). Defendant will not oppose Plaintiff's request for a PAGA Representative Service Award that does not exceed this amount. If the Court approves a PAGA Representative Service Award less than the amount requested, the Administrator will retain the remainder in the Net Settlement Amount. The Administrator will report the PAGA Representative Service Award using IRS Form 1099. Plaintiff assumes full and sole responsibility and liability for any and all taxes owed on the PAGA Representative Service Award.
 - 3.2.2. To PAGA Counsel: A PAGA Counsel Fees Payment of not more than 33 and 1/3% of the Gross Settlement Amount, which is currently estimated to be \$291,666.67 and PAGA Counsel Litigation Expenses Payment of not more than \$30,000.00. Defendant will not oppose requests for Court approval of these payments provided that they do not exceed these amounts. Plaintiff and/or PAGA Counsel will file an application or motion for PAGA Counsel Fees Payment and PAGA Litigation Expenses Payment. If the Court approves a PAGA Counsel Fees Payment and/or a PAGA Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. Released Parties shall have no liability to PAGA Counsel or any other Plaintiff's Counsel arising from any claim to any portion any PAGA Counsel Fees Payment and/or PAGA Counsel Litigation Expenses Payment. The Administrator will report the PAGA Counsel Fees Payment and PAGA Counsel Expenses Payment using one or more IRS 1099 Forms. PAGA Counsel assumes sole and full responsibility and liability for taxes owed on the PAGA Counsel Fees Payment and the PAGA Counsel Litigation Expenses Payment and holds Defendant harmless, and indemnifies Defendant, from any dispute or controversy regarding any division or sharing of any of these Payments.
 - 3.2.3. To the Administrator: An Administration Expenses Payment not to exceed \$8,000.00 except upon a showing of good cause and as approved by the Court. To the extent the Administration Expenses are less, or the Court approves payment less than

\$8,000.00, the Administrator will retain the remainder in the Net Settlement Amount.

3.2.4. To the LWDA and Aggrieved Employees: PAGA Penalties in the amount to be paid from the Net Settlement Amount, with 75% allocated to the LWDA PAGA Payment and 25% allocated to the Individual PAGA Payments.

3.2.4.1. The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties by the total number of PAGA Period Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA Period Pay Periods. Aggrieved Employees each assume full and sole responsibility and liability for any taxes owed on their Individual PAGA Payment.

3.2.4.2. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

4. SETTLEMENT FUNDING AND PAYMENTS.

4.1. Aggrieved Employee Pay Periods. Based on a review of its records to date, Defendant estimates there are 1,288 Aggrieved Employees who worked a total of 66,670 PAGA Pay Periods as of August 8, 2024.

4.2. Aggrieved Employee Data. Within 30 days of the Approval Order, Defendant will deliver the Aggrieved Employee Data to the Administrator in the form of a Microsoft Excel spreadsheet. To protect Aggrieved Employee's privacy rights, the Administrator must maintain the Aggrieved Employee Data in confidence, use the Aggrieved Employee Data only for purposes of this Settlement and for no other purpose, and restrict access to the Aggrieved Employee Data to Administrator employees who need access to the Aggrieved Employee Data to effect and perform under this Agreement. Defendant has a continuing duty to immediately notify PAGA Counsel if it discovers that the Aggrieved Employee Data omitted employee identifying information and to provide corrected or updated Aggrieved Employee Data as soon as reasonably feasible. Without any extension of the deadline by which Defendant must send the Aggrieved Employee Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Aggrieved Employee Data.

4.3. Funding of Gross Settlement Amount. Defendant shall fully fund the Gross Settlement Amount by transmitting the funds to the Administrator no later than 30 days after the Effective Date.

4.4. Payments from the Gross Settlement Amount. Within 14 days after Defendant funds the Gross Settlement Amount, the Administrator will mail checks for all PAGA Representative Service Award, Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the PAGA Counsel Fees Payment, and PAGA

Counsel Litigation Expenses Payment. Disbursement of the PAGA Counsel Litigation Expenses Payment shall not precede disbursement of Individual PAGA Payments.

4.4.1. The Administrator will issue checks for the Individual PAGA Payments and send them to the Aggrieved Employees via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (not less than 180 days after the date of mailing) when the check will be voided. The Administrator will cancel all checks not cashed by the void date. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database.

4.4.2. The Administrator must conduct an Aggrieved Employee Address Search for all Aggrieved Employees whose checks are returned undelivered without USPS forwarding address. Within 7 days of receiving a returned check the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Aggrieved Employee Address Search, if such address is different from the address to which delivery was first attempted. The Administrator need not take further steps to deliver checks to Aggrieved Employees whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Aggrieved Employee whose original check was lost or misplaced, requested by the Aggrieved Employee prior to the void date. Neither Plaintiff nor Defendant, nor their respective counsel, shall bear any liability for lost or stolen checks, forged signatures on checks, or unauthorized negotiation of checks. Unless responsible by its own acts of omission or commission, the same is true for the Administrator

4.4.3. For any Aggrieved Employee whose Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to a Court-approved nonprofit organization or foundation ("Cy Pres Recipient"), the Orange County Trial Lawyers' Charities. The Parties, PAGA Counsel and Defense Counsel represent that they have no interest or relationship, financial or otherwise, with the intended Cy Pres Recipient.

4.4.4. The payment of Individual PAGA Payments shall not obligate Defendant to confer any additional benefits or make any additional payments to the Aggrieved Employees (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

5. RELEASES OF CLAIMS. Effective on the date when Defendant fully funds the entire Gross Settlement Amount, Plaintiff, the Aggrieved Employees, and PAGA Counsel will release claims against all Released Parties as follows:

5.1. Plaintiff's Release. Plaintiff and his or her respective former and present spouses, representatives, agents, attorneys (including PAGA Counsel), heirs, administrators, successors, and assigns generally, release and discharge Released Parties from all claims,

transactions, or occurrences, including, but not limited to: all claims that were, or reasonably could have been, alleged, based on the facts contained in the Operative Complaint and the PAGA Notice (“Plaintiff’s Release”). Plaintiff’s Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, workers’ compensation benefits that arose at any time. Plaintiff acknowledges that Plaintiff may discover facts or law different from, or in addition to, the facts or law that Plaintiff now knows or believes to be true but agrees, nonetheless, that Plaintiff’s Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiff’s discovery of them.

5.1.1. Plaintiff’s Waiver of Rights Under California Civil Code Section 1542. For purposes of Plaintiff’s Release, Plaintiff expressly waives and relinquishes the provisions, rights, and benefits, if any, of section 1542 of the California Civil Code, which reads:

A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release, and that if known by him or her would have materially affected his or her settlement with the debtor or Released Party.

5.2. Release by Aggrieved Employees: All Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the Operative Complaint, and the PAGA Notice, including, but not limited to, any claims for civil penalties based on Defendant’s alleged failure to pay minimum, straight time, and overtime wages, failure to provide legally compliant meal periods, failure to authorize and permit rest periods, failure to pay all earned wages twice per month, failure to maintain accurate records of hours worked and meal periods, failure to timely pay final wages at termination, failure to provide accurate itemized wage statements, failure to indemnify employees for expenditure, and unfair business practices.

5.3. Release by PAGA Counsel: PAGA Counsel release on behalf of their present and former attorneys, employees, agents, successors and assigns the Released Parties from all claims for fees and/or expenses incurred in connection with the Action.

6. STIPULATION FOR APPROVAL OF PAGA SETTLEMENT. The Parties agree to jointly prepare and file a stipulation for approval of PAGA Settlement.

6.1. Plaintiff’s Responsibilities. Plaintiff will prepare documents necessary for obtaining approval of this Settlement under Labor Code Section 2699, subd. (f)(2)) and any applicable orders of the Court.

6.2. Responsibilities of Counsel. PAGA Counsel and Defense Counsel are jointly responsible for expeditiously finalizing and filing the stipulation for approval of this Settlement no later than 30 days after the full execution of this Agreement and, if

necessary, obtaining a prompt hearing date for the motion and appearing in Court to advocate in favor of the motion. PAGA Counsel is responsible for delivering the Court's Approval Order to the Administrator.

- 6.3. Duty to Cooperate. If the Parties disagree on any aspect of the proposed stipulation for approval of this Settlement and/or the supporting declarations and documents, PAGA Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant the stipulation for approval of this Settlement or conditions its approval on any material change to this Agreement, PAGA Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to determine whether they can reach an agreement to modify the Agreement and/or otherwise satisfy the Court's concerns.

7. SETTLEMENT ADMINISTRATION.

- 7.1. Selection of Administrator. The Parties have jointly selected Apex Class Action Administration to serve as the Administrator and verified that, as a condition of appointment, Apex Class Action Administration agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement or otherwise reasonably necessary to effectuate the Settlement in exchange for payment of Administration Expenses. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.
- 7.2. Employer Identification Number. The Administrator shall have and use its own Employer Identification Number for purposes of calculating payroll tax withholdings and providing reports to state and federal tax authorities.
- 7.3. Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation section 468B-1.
- 7.4. Administrator Duties. The Administrator has a duty to perform or observe all tasks to be performed or observed by the Administrator contained in this Agreement or otherwise.

- 8. AGGRIEVED EMPLOYEE SIZE ESTIMATES AND ESCALATOR CLAUSE.** Based on its records, Defendant estimates that, as of August 8, 2024, there are approximately 1,288 Aggrieved Employees who worked 66,670 Pay Periods during the PAGA Period. In the event that the actual number of PAGA Pay Periods worked by all Aggrieved Employees during the PAGA Period increases by more than 10% (or 6,667 PAGA Pay Periods) then Defendant shall increase the Gross Settlement Amount on a proportional basis in excess of ten percent (i.e., if there were an eleven percent (11%) increase in the number of PAGA Pay Periods,

then Defendant will increase the Gross Settlement Amount by 1%). In the event Defendant is required to increase the Gross Settlement Amount under this Paragraph, Defendant agrees to fund the remaining balance within 14 days of receiving notice from the Administrator that that the actual number of PAGA Pay Periods worked by all Aggrieved Employees during the PAGA Period is more than 10% larger than the estimated 66,670 Pay Periods (i.e., exceeds 73,337 Pay Periods).

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

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

10. ADDITIONAL PROVISIONS.

10.1. No Admission of Liability or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendant that any of the allegations in the Operative Complaint have merit or that Defendant has any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that Defendant's defenses in the Action have merit. The Parties agree that representative treatment is appropriate for purposes of this Settlement only. If, for any reason the Court does not approve this Settlement, Defendant reserves all available defenses to the claims in the Action, and Plaintiff reserves the right to contest Defendant's defenses. The Settlement, this Agreement and Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation or arbitration (except for proceedings to enforce or effectuate the Settlement and this Agreement).

10.2. Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral or prior written representations, warranties, covenants, or inducements made to or by any Party.

- 10.3. Attorney Authorization. PAGA Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiff and Defendant, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.
- 10.4. Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying the Settlement Agreement, submitting supplemental evidence and supplementing points and authorities as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of a mediator and/or the Court for resolution.
- 10.5. No Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity and portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.
- 10.6. No Tax Advice. Neither Plaintiff, PAGA Counsel, Defendant nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.
- 10.7. Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their representatives, and approved by the Court.
- 10.8. Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.
- 10.9. Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the state of California, without regard to conflict of law principles.
- 10.10. Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.
- 10.11. Confidentiality. To the extent permitted by law, all agreements made, and orders entered during Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement. Plaintiff and PAGA Counsel agree not to disclose or publicize the Settlement, its terms or contents, or the negotiations underlying the same, in any manner or form, directly or indirectly, to any person or entity, except as otherwise required by law, ordered by the Court, or

contractually necessary to effectuate the terms of the Settlement as set forth herein.

- 10.12. Use and Return of Aggrieved Employee Data. Information provided to PAGA Counsel pursuant to Cal. Evid. Code §1152, and all copies and summaries of the Aggrieved Employee Data provided to PAGA Counsel by Defendant (including indirectly through the Administrator) in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. Not later than 90 days after the Administrator discharges its obligation to pay out of all Settlement funds, Plaintiff shall destroy all paper and electronic versions of Aggrieved Employee Data received from Defendant (including indirectly through the Administrator) unless, prior to the Administrator's payment of all Settlement Funds, Defendant makes a written request to PAGA Counsel for the return, rather than the destructions, of Aggrieved Employee Data.
- 10.13. Headings. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.
- 10.14. Calendar Days. Unless otherwise noted, all reference to "days" in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.
- 10.15. Notice. All notices, demands or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email or messenger, addressed as follows:

To Plaintiff:

Justin F. Marquez (justin@wilshirelawfirm.com)
Benjamin H. Haber (benjamin@wilshirelawfirm.com)
Maxim Gorbunov (maxim.gorbunov@wilshirelawfirm.com)
Wilshire Law Firm, PLC
3055 Wilshire Blvd., 12th Floor
Los Angeles, CA 90010
Telephone: (213) 784-3830
Facsimile: (213) 381-9989

To Defendant:

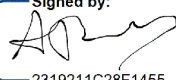
Kyle D. Kring (kkring@kringandchung.com)
Kerri N. Kramer (kkramer@kringandchung.com)
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Facsimile: (949) 261-8800

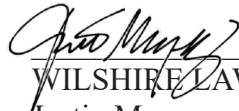
10.16. Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e. DocuSign), or email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

10.17. Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that pursuant to CCP section 583.330 to extend the date to bring a case to trial under CCP section 583.310 for the entire period of this settlement process.

Dated: 8/26/2024

Signed by:

2319211C28F1455...
Plaintiff

Dated: 8/26/2024


WILSHIRE LAW FIRM, PLC
Justin Marquez
Benjamin Haber
Maxim Gorbunov
Attorneys for Plaintiff

Dated: _____

PRO WALL LATH & PLASTER, INC.

By: _____

Title: _____

Dated: _____

KRING & CHUNG ATTORNEYS LLP
Kyle D. Kring
Kerri N. Kramer
Attorneys for Defendant

Irvine, CA 92606
Telephone: (949) 345-1621
Facsimile: (949) 261-8800

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Dated: _____

Arnold Partida
Plaintiff

Dated: _____

WILSHIRE LAW FIRM, PLC
Justin Marquez
Benjamin Haber
Maxim Gorbunov
Attorneys for Plaintiff

Dated: 8/28/24

Mary Kathan
PRO WALL LATH & PLASTER, INC.
By: Mary Kathan
Title: president

Dated: August 28, 2024

KR KR KRAMER
KRING & CHUNG ATTORNEYS LLP
Kyle D. Kring
Kerri N. Kramer
Attorneys for Defendant

Exhibit B

NOTICE OF SETTLEMENT OF PAGA REPRESENTATIVE ACTION

Arnold Partida v. Pro Wall Lath & Plaster, Inc., et al.

Superior Court for the State of California, County of San Diego Case No. 37-2021-00046724-CU-OE-CT

Eligible Employee

Address

Address

You are receiving this notice in connection with a Court-approved settlement (the “Settlement”) in the lawsuit entitled *Arnold Partida v. Pro Wall Lath & Plaster, Inc., et al.*, filed in the San Diego County Superior Court for the State of California, Case No. 37-2021-00046724-CU-OE-CT (the “Action”), brought on a representative basis under the Labor Code Private Attorneys General Act of 2004, codified at California Labor Code section 2698, *et seq.* (“PAGA”). The Plaintiff in the lawsuit is Arnold Partida (“Plaintiff”) and the Defendant is Pro Wall Lath & Plaster, Inc. (“Pro Wall”). The Settlement provides for recovery of civil penalties for alleged violations of the California Labor Code on behalf of all hourly-paid or non-exempt employees who were employed by Pro Wall in the State of California (“Aggrieved Employees”) between March 2, 2020 to October 10, 2024 (the “PAGA Period”). The PAGA statute provides that 75% of any recovery pursuant to the Settlement be paid to the State of California and 25% of any recovery be paid to the “aggrieved employee” group, which in this case is the group of Aggrieved Employees.

Pro Wall denies all claims and allegations in the Action, denies that they owe any penalties, and asserts that they have fully complied with all applicable Labor Code provisions. Nevertheless, to avoid further costs, distractions, and time in defending the Action, Pro Wall has settled the Action. By settling the lawsuit, Pro Wall is not admitting that it has done anything wrong.

All Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the Operative Complaint, and the PAGA Notice, including, but not limited to, any claims for civil penalties based on Defendant’s alleged failure to pay minimum, straight time, and overtime wages, failure to provide legally compliant meal periods, failure to authorize and permit rest periods, failure to pay all earned wages twice per month, failure to maintain accurate records of hours worked and meal periods, failure to timely pay final wages at termination, failure to provide accurate itemized wage statements, failure to indemnify employees for expenditure, and unfair business practices. The “Released Parties” means Pro Wall and each of its former and present directors, officers, shareholders, owners, members, attorneys, insurers, predecessors, successors, assigns, subsidiaries, and affiliates.

By an Order dated **XXXX**, the Superior Court of California approved the Settlement of the PAGA Released Claims. **By approving the Settlement, the Court did not decide in favor of either Plaintiff or Pro Wall.**

According to Pro Wall’s records, you are an Aggrieved Employee and are therefore entitled to a share of the Settlement based upon the Court-approved allocation. Enclosed with this Notice is your check for your share. The settlement check shall remain valid for one hundred eighty (180) days, until **XXXX**. Thereafter, all uncashed checks shall be canceled and funds associated with such checks shall be considered unpaid, unclaimed, or abandoned cash pursuant to Code of Civil Procedure section 384 (“Unpaid Residue”). The Unpaid Residue plus accrued interest, if any, as provided in Code of Civil Procedure section 384, shall be transmitted to the Orange County Trial Lawyers’ Charities. **Therefore, if you want to receive the funds from this check, you must cash it on or before XXX.**

Please Note: One hundred percent (100%) of the payment you are receiving in connection with the Settlement will be considered penalties reported on IRS Form 1099, and may be subject to local, state, or federal

tax withholdings and will be reported to the IRS and state tax authorities. You should rely on your own tax advisors as to the tax consequences of your settlement payment. Neither Plaintiff nor Pro Wall have made any representations or warranties regarding the taxation of your settlement payment. Nothing in this Notice or any other communication shall constitute or be construed or relied upon as tax advice.

PLEASE DO NOT CALL OR WRITE THE COURT OR OFFICE OF THE CLERK TO ASK QUESTIONS ABOUT THE SETTLEMENT. IF YOU HAVE ANY QUESTIONS, YOU MAY CALL OR WRITE TO THE SETTLEMENT ADMINISTRATOR AT:

APEX CLASS ACTION LLC

[ADDRESS]

[ADDRESS]

[ADDRESS]

Exhibit C

Wilshire Law Firm, PLC
Transaction Detail by Account
All Transactions

8/26/2024

Accrual Basis

<u>Type</u>	<u>Date</u>	<u>Num</u>	<u>Memo</u>	<u>Amount</u>	<u>Balance</u>
COS					
Mediation Fees					
	1/30/2024	8002621a	Mediation Fee	10,500.00	10,500.00
Total MEDIATION FEES				10,500.00	10,500.00
Expert Fees					
	8/22/2024	12534	Expert Fees	2,430.00	2,430.00
Total EXPERT FEES				2,430.00	2,430.00
Legal Expenses					
	8/27/2021		PAGA Fee	75.00	75.00
	9/8/2021	844958460	Legal Research	8.03	8.03
	1/13/2022	845647063	Legal Research	72.87	72.87
	1/13/2022	845647063	Legal Research	89.28	89.28
	6/3/2022		Document Retrieval	50.00	50.00
	6/7/2022		Document Retrieval	1.00	1.00
	6/7/2022		Document Retrieval	5.00	5.00
	6/7/2022		Document Retrieval	12.00	12.00
	6/24/2022		Document Retrieval	3.00	3.00
	7/6/2022	846630730	Legal Research	245.72	245.72
	1/11/2023	847619313	Legal Research	32.08	32.08
	2/6/2023	847783910	Legal Research	93.05	93.05
	9/14/2023	848896021	Legal Research	14.21	14.21
	7/30/2024	INV113452-01-01	Investigation Services	1,422.50	1,422.50
Total LEGAL EXPENSES				2,123.74	2,123.74
Process Service Fees					
	11/4/2021	41790	Attorney Services	563.50	563.50
	11/10/2021	42012	Attorney Services	135.00	135.00
	11/10/2021	42043	Attorney Services	45.00	45.00
	4/21/2022		Attorney Services	13.90	13.90
	6/2/2022		Attorney Services	13.90	13.90
	6/7/2022		Attorney Services	13.90	13.90

	10/7/2022		Attorney Services	13.90	13.90
	1/1/2023		Attorney Services	13.90	13.90
	1/5/2023	54020	Attorney Services	85.00	85.00
	7/13/2023	20795404	Attorney Services	14.36	14.36
	1/16/2024	22023603	Attorney Services	16.42	16.42
Total PROCESS SERVICE FEES				928.78	928.78
Other Costs					
	5/20/2021		Case Administration Fee for In-House Services	500.00	500.00
	6/3/2021	E-515588	Postage Cost	5.86	5.86
	6/3/2021	E-515579	Postage Cost	5.86	5.86
	4/21/2022	E-1472199	Printing Cost	2.75	2.75
	6/3/2022	E-515775	Printing Cost	1.50	1.50
	6/7/2022	E-1469149	Printing Cost	30.25	30.25
	6/13/2022	7-783-61353	FedEx	41.48	41.48
	3/1/2024	E-3183465	Postage Cost	0.64	0.64
	7/30/2024	8-570-68387	FedEx	45.66	45.66
Total OTHER COSTS				634.00	634.00
TOTAL				16,616.52	16,616.52

Exhibit D

**Quotation Request:**

Justin Marquez
Wilshire Law Firm
Justin@wilshirelawfirm.com

Case Name:

Partida v. Pro Wall Lath & Plaster, Inc.

Date:

Friday, August 16, 2024

RFP Number:

215880014

Prepared By:

Michael Sutherland
Apex Class Action LLC
mike@apexclassaction.com
321.223.5067

Settlement Specifications

Number of Aggrieved Employees	1,300
Certified Language Translation:	Yes
Static Settlement Website	Yes
Percentage of Undeliverable Mail	20%

Professional Services	Fee Calculation	Rate(s)	Quantity	Estimated Cost
-----------------------	-----------------	---------	----------	----------------

Data Analytics and Standardization

Import and Standardize Data*	Per Hour	\$125.00	1	\$125.00
Data Analyst	Per Hour	\$150.00	1	\$150.00
*Data provided must be in a workable format. Apex can standardize provided data at an additional cost of \$150/hr.				\$275.00

Project Management

Project Management	Per Hour	\$150.00	2	\$300.00
Project Coordinator	Per Hour	\$90.00	2	\$180.00
Data Analyst and Reporting	Per Hour	\$140.00	2	\$280.00
Sub Total:				\$760.00

Toll-Free Contact Center, Website, Reporting & Pre-Distribution

Certified Language Translation: Spanish	Static Rate	\$500.00	1	\$500.00
Settlement Website: Static Apex URL	Static Rate	\$1.00	1	\$1.00
Settlement Status Reports	Static Rate	\$750.00	1	Waived
Sub Total:				\$692.00



Professional Services	Fee Calculation	Rate(s)	Quantity	Estimated Cost
Distribution & Settlement Fund Management				
Settlement Calculations	Per Hour	\$120.00	3	\$360.00
Account Management and Reconciliation	Per Hour	\$140.00	3	\$420.00
Print & Mail Distribution Settlement Check (IRS Form 1099 if applicable)	Per Piece	\$1.00	1,300	\$1,300.00
USPS First Class Postage	Per Piece	\$0.68	1,300	\$884.00
Remail Distribution to Updated Address (Skip Trace)	Per Piece	\$2.50	130	\$325.00
Individual Income Tax Preparation & Reporting	Per Hour	\$100.00	6	\$600.00
QSF Income Tax Reporting (per calendar year)	Per Year	\$1,000.00	1	\$1,000.00
Unclaimed Funds: State Controller's Unclaimed Property Fund	Static Rate	\$500.00	1	\$500.00
Sub Total:				\$5,389.00
Post Distribution Reconciliation				
Bank Account Reconciliation	Per Hour	\$135.00	2	\$270.00
Project Management Reconciliation	Per Hour	\$100.00	2	\$200.00
Declarations	Per Hour	\$120.00	2	\$240.00
Sub Total:				\$710.00
WILL NOT EXCEED:				\$7,826.00

Thank you for your business!



Terms & Conditions

The following Terms and Conditions govern the provision of all services to be provided by Apex Class Action and its affiliates ("Apex") to the Client. These terms and conditions are binding and shall apply to all services provided by Apex in relation to any related services or products.

1. Services: Apex commits to providing the Client with the administrative services detailed in the attached Proposal (the "Services").

2. Payment Terms: As compensation for the legal services to be provided, the Client agrees to pay Apex all fees detailed in the Proposal. The fees quoted in the Proposal (and any subsequent proposals for additional services) are estimates based on the information provided to Apex by the Client. Apex makes no representation that the estimated fees in the Proposal or any subsequent proposals for additional services shall equal the actual fees charged by Apex to the Client, which fees (including individual line items) may be greater or less than estimated. If additional services are requested on an hourly basis and are not specifically detailed in the Proposal, Apex will prepare estimates for such services subject to approval by the Client. In the performance of such additional services, Apex will charge standard hourly fees which shall apply.

3. Incurred Expenses: In relation to the provision of services outlined in this agreement, the Client agrees to reimburse Apex for all reasonable out-of-pocket expenses incurred. Such expenses may include, but are not limited to, costs associated with postage, media production or publication, banking fees, brokerage fees, messenger and delivery service expenses, travel expenses, filing fees, office supplies, meals, staff overtime expenses, and other related costs and expenses. If not otherwise specified in writing, fees for print notice and certain expenses, such as media publication and postage, must be paid immediately upon invoicing and, in certain cases, at least ten (10) days prior to the date on which such expenses will be incurred.

4. Invoicing: Apex shall present invoices for its fees and expenses on a monthly basis, except as provided in Section 3. The Client agrees to pay each invoice within 30 days of receipt. In the event of non-payment within 90 days of the billing date, an additional service charge of 1.5% per month may apply. Apex reserves the right to increase its prices, charges, and rates annually, subject to reasonable adjustments. If any price increases exceed 10%, Apex shall give thirty (30) days' notice to the Client. In the event of any unpaid invoices beyond 120 days of the due date, Apex reserves the right to withhold services and reports until payment is received, subject to notice to the Client. It is important to note that Apex's failure to provide services and reports in such instances shall not constitute a default under this agreement.

5. Case Duration: The duration of these Terms and Conditions, except for the data storage obligations stated in Section 13, shall be in effect until 30 days following the completion of the Services as described in the Proposal. The parties may extend these Terms and Conditions in writing for a mutually agreed-upon period beyond this initial 30-day period.

6. Termination of Services: Either party may terminate the Services by providing thirty (30) days written notice to the other party. Alternatively, termination may occur immediately upon written notice for Cause, as defined below. Cause means (i) Apex's gross negligence or willful misconduct that causes serious and material harm to the Client; (ii) the Client's failure to pay Apex invoices for more than one hundred twenty (120) days from the date of the invoice; or (iii) the accrual of invoices or unpaid services where Apex reasonably believes it will not be paid. Termination of the Services shall not relieve the Client of its obligation to pay Apex for services rendered prior to the termination.

7. Independent Contractor: As an independent contractor, Apex will provide services under the terms of this agreement. It is agreed that neither Apex nor any of its employees will be considered an employee of the Client. Consequently, Apex and its employees will not be eligible for any benefits provided by the Client to its employees. The Client will not make any tax deductions from the payments due to Apex for state or federal tax purposes. Apex will be solely responsible for paying all taxes and other payments due on payments received from the Client under this agreement.

8. Apex warrants that the Services outlined in the Proposal will be performed in accordance with the standards generally adhered to by professionals providing similar services. It is acknowledged that the Services may entail the likelihood of some human and machine errors, omissions, delays, and losses that may result in damage. However, Apex shall not be held liable for such errors, omissions, delays, or losses unless they are caused by its gross negligence or willful misconduct. In the event of any breach of this warranty by Apex, the Client's sole remedy will be limited to Apex's rerunning, at its expense, any inaccurate output provided that such inaccuracies occurred solely as a result of Apex's gross negligence or willful misconduct under this agreement.

9. Limitation of Liability: The Client acknowledges that Apex shall not be held liable for any consequential, special, or incidental damages incurred by the Client in relation to the performance of Services, whether the claim is based on breach of warranty, contract, tort (including negligence), strict liability, or any other grounds. Under no circumstances shall Apex's liability to the Client, for any Losses (including court costs and reasonable attorney's fees), arising out of or in connection with these Terms and Conditions, exceed the total amount charged or chargeable to the Client for the specific service(s) that caused the Losses.

10. Indemnification: The Client agrees to indemnify and hold harmless Apex from any losses, suits, actions, judgments, fines, costs, liabilities, or claims arising from any action or proceeding relating to the Services provided by Apex, regardless of whether or not it results in liability (collectively referred to as "Indemnified Claims"). However, this indemnification provision shall not apply to the extent that such Indemnified Claims are caused by Apex's willful misconduct, gross negligence, or breach of these Terms and Conditions. This provision shall survive termination of the Services.

11. Confidentiality: Apex will uphold strict confidentiality between Apex and the Client and applies to all non-public records, documents, systems, procedures, processes, software, and other information received by either party in connection with the performance of services under these terms. Both Apex and the Client agree to keep confidential all such non-public information, including any material marked or identified as confidential or proprietary. Any such confidential information shall not be disclosed, provided, disseminated, or otherwise made available to any third party, except as required to fulfill the parties' obligations under these terms. The parties acknowledge that in the event of any request to disclose any confidential information in connection with a legal or administrative proceeding, or otherwise to comply with a legal requirement, prompt notice of such request must be given to the other party to enable that party to seek an appropriate protective order or other remedy or to waive compliance with the relevant provisions of these terms. If the Client seeks a protective order or another remedy, Apex, at the Client's expense, will cooperate with and assist the Client in such efforts. If the Client fails to obtain a protective order or waives compliance with the relevant provisions of these terms, Apex will disclose only that portion of the confidential information that it determines it is required to disclose. This confidentiality provision shall survive termination of the services provided. Both parties acknowledge and agree that any breach of this confidentiality may cause irreparable harm to the non-breaching party and that injunctive relief may be necessary to prevent any actual or threatened breach. The terms set forth between the parties supersede all prior negotiations, understandings, and agreements between the parties concerning confidentiality. These terms may only be amended in writing and signed by both parties.

12. Ownership of the programs, system data, and materials provided by Apex to the Client during the course of providing services herein shall solely belong to Apex. It is acknowledged that fees and expenses paid by the Client do not confer any rights in such property. It is also understood that the said property is made available to the Client solely for the purpose of using it during and in connection with the services provided by Apex.

13. Upon the completion of the administration and unless retention instructions are ordered by the court, Apex will notify the client that it will destroy and/or return all confidential information and property within 90 days upon the client's written request. Alternatively, the material may be stored for one year at a monthly fee of \$1.50 per storage box for paper documents and \$0.01 per image for electronic copies over a period of three years, which compensates Apex for its electronic and hard-copy storage costs. Apex will not be liable for any damages, liability, or expenses incurred in connection with any delay in delivery of, or damage to disks, magnetic tapes, or any input data provided by the client or its representatives unless Apex has agreed in writing to assume such responsibility.

14. COMPLETE AGREEMENT. These Terms and Conditions, along with the attached Proposal, represent the complete agreement and understanding between the parties and override any prior agreements (whether written or oral) between Apex and the Client regarding the subject matter. Any modification to these Terms and Conditions may only be made in writing and must be signed by both Apex and the Client. The headings in this document are included for convenience only and do not alter or restrict any provisions in these Terms and Conditions. They may not be used in the interpretation of these Terms and Conditions.

15. This provision outlines the requirements for providing notice or other communication under this agreement. All such communications must be in writing and can be delivered either by personal delivery or through U.S. Mail with prepaid postage or overnight courier. Once delivered personally or sent through the mail, the notice will be considered given after five (5) days from the deposit date in the U.S. Mail. Alternatively, if sent through an overnight courier, the notice will be considered given one business day after delivery to the such courier. It's important to note that the notice must be provided to a responsible officer or principal of the Client or Apex, depending on the case.

16. Force Majeure: In the event of any failure or delay in performance due to circumstances beyond Apex's control, including but not limited to strikes, lockouts, fires, floods, acts of God or public enemy, riots, civil disorders, insurrections, war or war conditions, or interference by civil or military authorities, Apex shall not be held liable for any resulting loss or damage. The time for performance under this agreement shall be extended for a period equal to the duration of the disabling cause and a reasonable time thereafter. This provision shall constitute a force majeure clause and shall be construed accordingly.

17. The applicable state and federal laws shall govern the interpretation and enforcement of these Terms and Conditions. No choice of law or conflict of laws provisions shall affect this governing law provision.

18. Severability: This applies to all clauses and covenants contained within these Terms and Conditions. In the event that any clause or covenant is deemed invalid, illegal, or unenforceable, the remaining provisions shall remain valid and enforceable to the fullest extent permissible by law. The validity, legality, and enforceability of the remaining provisions shall in no way be affected or impaired by the invalidity, illegality, or unenforceability of any provision deemed so.

19. Nonwaiver: This applies to these Terms and Conditions. This means that any failure by one party to enforce a provision of these terms on one or more occasions shall not be construed as a waiver of that provision. In other words, any failure to enforce a provision does not give up the right to enforce it in the future. All provisions of these Terms and Conditions remain in full force and effect, regardless of any prior failure to enforce them.

Exhibit E



ELM Solutions

2022 Real Rate Report[®]

The industry's leading
analysis of law firm rates,
trends, and practices

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Report Use Considerations

2022 Real Rate Report

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

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

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

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

Some key factors¹ that drive rates²:

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

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

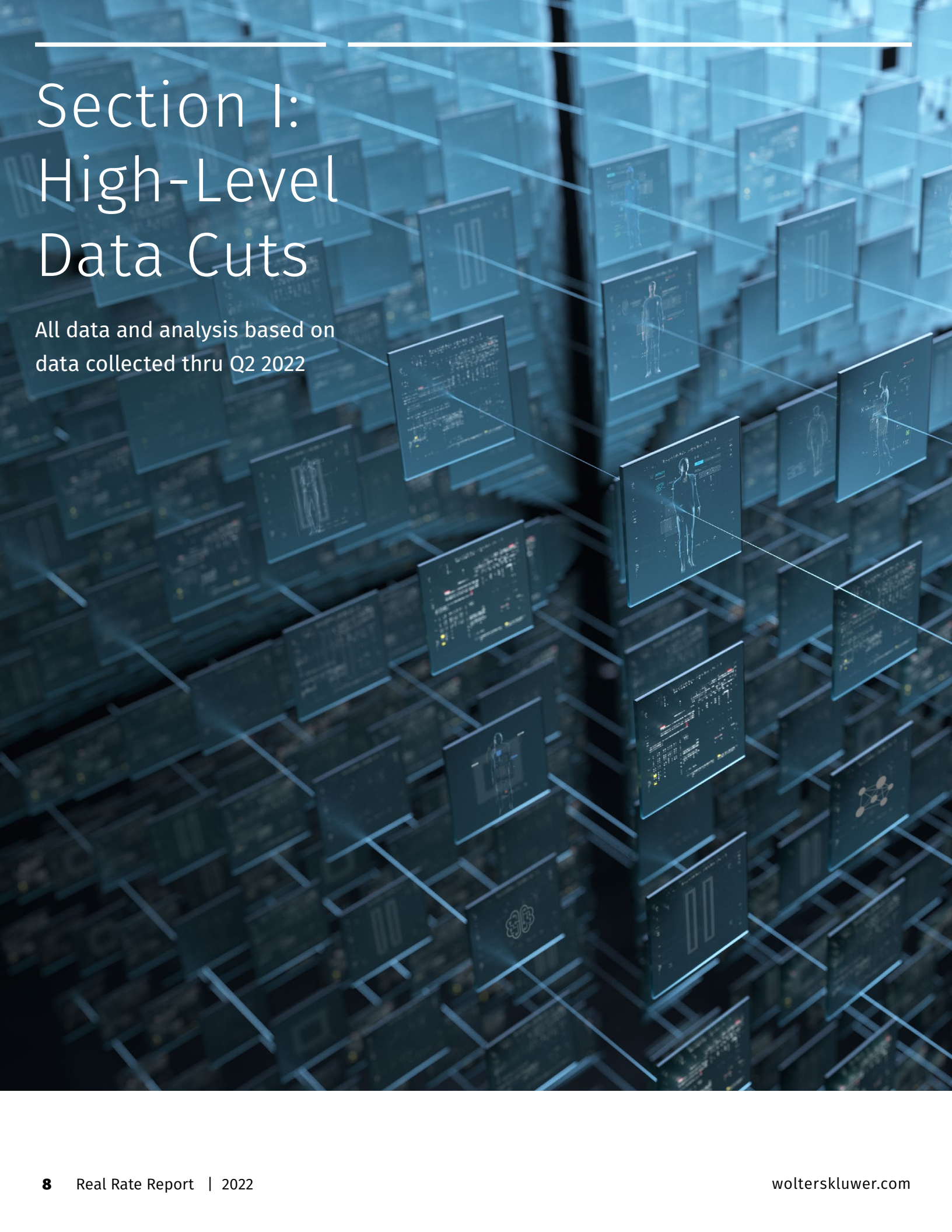
Years of experience and reputation - A more experienced, higher-profile lawyer is often going to charge more, but absorbing this higher cost at the outset may make more sense than hiring a less expensive lawyer who will likely take time and billable hours to come up to speed on unfamiliar legal and procedural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

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

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

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

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



Section I: High-Level Data Cuts

All data and analysis based on
data collected thru Q2 2022

Section I: High-Level Data Cuts

Cities

By Matter Type

2022 - Real Rates for Associate and Partner

Trend Analysis - Mean

City	Matter Type	Role	n	First Quartile	Median	Third Quartile	2022	2021	2020
Jackson MS	Litigation	Associate	56	\$55	\$225	\$250	\$178	\$203	\$175
	Non-Litigation	Partner	24	\$315	\$420	\$485	\$418	\$394	\$375
		Associate	25	\$55	\$126	\$255	\$155	\$125	\$259
Kansas City MO	Litigation	Partner	74	\$413	\$450	\$556	\$472	\$450	\$450
		Associate	50	\$252	\$329	\$385	\$319	\$316	\$305
	Non-Litigation	Partner	101	\$411	\$487	\$615	\$519	\$487	\$464
		Associate	73	\$250	\$320	\$385	\$322	\$312	\$285
Las Vegas NV	Non-Litigation	Partner	20	\$350	\$425	\$525	\$440	\$422	\$432
		Associate	11	\$238	\$267	\$368	\$301	\$297	\$282
Little Rock AR	Non-Litigation	Partner	11	\$215	\$215	\$308	\$264	\$256	\$298
Los Angeles CA	Litigation	Partner	322	\$516	\$725	\$1,045	\$799	\$739	\$702
		Associate	408	\$400	\$615	\$855	\$642	\$606	\$564
	Non-Litigation	Partner	521	\$596	\$868	\$1,201	\$903	\$902	\$858
		Associate	667	\$441	\$603	\$845	\$653	\$712	\$648

Section I: High-Level Data Cuts

Cities

By Matter Type

2022 - Real Rates for Associate and Partner

Trend Analysis - Mean

City	Matter Type	Role	n	First Quartile	Median	Third Quartile	2022	2021	2020
Minneapolis MN	Non-Litigation	Associate	83	\$340	\$421	\$528	\$425	\$408	\$384
Nashville TN	Litigation	Partner	24	\$275	\$320	\$456	\$363	\$378	\$403
	Non-Litigation	Partner	78	\$412	\$484	\$576	\$505	\$481	\$470
		Associate	59	\$270	\$330	\$384	\$340	\$315	\$285
New Orleans LA	Litigation	Partner	47	\$290	\$332	\$412	\$343	\$330	\$340
		Associate	42	\$231	\$243	\$340	\$278	\$290	\$275
	Non-Litigation	Partner	32	\$295	\$347	\$405	\$419	\$380	\$391
		Associate	21	\$244	\$250	\$278	\$273	\$303	\$258
New York NY	Litigation	Partner	614	\$475	\$675	\$1,088	\$808	\$784	\$746
		Associate	631	\$323	\$460	\$729	\$545	\$527	\$509
	Non-Litigation	Partner	1,376	\$765	\$1,235	\$1,638	\$1,189	\$1,139	\$1,090
		Associate	1,809	\$550	\$776	\$1,050	\$796	\$766	\$716
Oklahoma City OK	Non-Litigation	Partner	14	\$235	\$338	\$393	\$337	\$319	\$311
Omaha NE	Litigation	Partner	12	\$293	\$339	\$353	\$329	\$338	\$341

Section I: High-Level Data Cuts

Cities

By Matter Type

2022 - Real Rates for Associate and Partner

Trend Analysis - Mean

City	Matter Type	Role	n	First Quartile	Median	Third Quartile	2022	2021	2020
Rochester NY	Non-Litigation	Partner	12	\$270	\$360	\$488	\$386	\$341	\$446
		Associate	13	\$220	\$310	\$375	\$314	\$278	\$287
Sacramento CA	Non-Litigation	Partner	11	\$381	\$437	\$682	\$534	\$559	\$516
Salt Lake City UT	Litigation	Partner	14	\$246	\$353	\$468	\$363	\$333	\$379
	Non-Litigation	Partner	42	\$297	\$371	\$447	\$391	\$363	\$353
		Associate	22	\$220	\$240	\$270	\$248	\$247	\$228
San Diego CA	Litigation	Associate	23	\$151	\$225	\$300	\$255	\$258	\$264
	Non-Litigation	Partner	89	\$332	\$540	\$1,066	\$699	\$667	\$649
		Associate	71	\$250	\$325	\$424	\$373	\$378	\$351
San Francisco CA	Litigation	Partner	143	\$423	\$675	\$995	\$742	\$711	\$691
		Associate	98	\$325	\$430	\$731	\$525	\$517	\$470
	Non-Litigation	Partner	221	\$475	\$750	\$950	\$758	\$746	\$741
		Associate	151	\$338	\$486	\$702	\$545	\$563	\$507
San Jose CA	Litigation	Partner	33	\$654	\$921	\$1,133	\$916	\$907	\$864

Section I: High-Level Data Cuts

Cities

By Matter Type

2022 - Real Rates for Associate and Partner

Trend Analysis - Mean

City	Matter Type	Role	n	First Quartile	Median	Third Quartile	2022	2021	2020
San Jose CA	Litigation	Associate	22	\$461	\$580	\$745	\$608	\$593	\$498
	Non-Litigation	Partner	50	\$660	\$864	\$1,303	\$969	\$985	\$887
		Associate	46	\$380	\$460	\$775	\$616	\$639	\$567
Seattle WA	Litigation	Partner	76	\$497	\$655	\$760	\$635	\$567	\$510
		Associate	61	\$394	\$468	\$530	\$447	\$453	\$395
	Non-Litigation	Partner	148	\$410	\$526	\$760	\$571	\$547	\$547
		Associate	113	\$310	\$395	\$502	\$422	\$401	\$377
St. Louis MO	Litigation	Partner	46	\$260	\$350	\$435	\$376	\$373	\$388
		Associate	17	\$197	\$225	\$250	\$228	\$237	\$232
	Non-Litigation	Partner	57	\$352	\$419	\$540	\$451	\$446	\$473
Tampa FL	Litigation	Partner	31	\$369	\$508	\$595	\$490	\$467	\$452
		Associate	15	\$269	\$298	\$368	\$316	\$302	\$306
Trenton NJ	Non-Litigation	Partner	21	\$408	\$600	\$700	\$569	\$620	\$581
		Associate	12	\$480	\$495	\$500	\$448	\$376	\$387

Section I: High-Level Data Cuts

Cities

By Years of Experience

2022 - Real Rates for Associate

Trend Analysis - Mean

City	Years of Experience	n	First Quartile	Median	Third Quartile	2022	2021	2020
Kansas City MO	3 to Fewer Than 7 Years	15	\$270	\$325	\$360	\$318	\$295	\$283
	7 or More Years	28	\$292	\$334	\$391	\$333	\$312	\$302
Los Angeles CA	Fewer Than 3 Years	63	\$429	\$595	\$654	\$556	\$524	\$488
	3 to Fewer Than 7 Years	144	\$486	\$688	\$838	\$662	\$626	\$530
	7 or More Years	171	\$351	\$550	\$840	\$600	\$634	\$586
Miami FL	3 to Fewer Than 7 Years	19	\$300	\$360	\$457	\$380	\$331	\$313
	7 or More Years	36	\$295	\$450	\$595	\$460	\$433	\$385
Minneapolis MN	Fewer Than 3 Years	11	\$374	\$405	\$446	\$408		\$230
	3 to Fewer Than 7 Years	27	\$340	\$451	\$510	\$421	\$358	\$356
	7 or More Years	27	\$423	\$468	\$585	\$478	\$438	\$392
Nashville TN	7 or More Years	12	\$219	\$245	\$345	\$282	\$266	\$262
New Orleans LA	3 to Fewer Than 7 Years	12	\$232	\$243	\$265	\$261	\$242	\$245
	7 or More Years	18	\$243	\$312	\$343	\$306	\$318	\$294
New York NY	Fewer Than 3 Years	142	\$443	\$622	\$775	\$629	\$600	\$652

Section I: High-Level Data Cuts

Cities

By Years of Experience

2022 - Real Rates for Partner

Trend Analysis - Mean

City	Years of Experience	n	First Quartile	Median	Third Quartile	2022	2021	2020
Kansas City MO	Fewer Than 21 Years	46	\$400	\$450	\$537	\$473	\$411	\$397
	21 or More Years	68	\$440	\$553	\$658	\$539	\$497	\$491
Las Vegas NV	Fewer Than 21 Years	12	\$284	\$381	\$495	\$389	\$349	\$343
	21 or More Years	13	\$350	\$425	\$515	\$468	\$456	\$472
Los Angeles CA	Fewer Than 21 Years	183	\$533	\$801	\$1,075	\$804	\$797	\$682
	21 or More Years	333	\$550	\$765	\$1,133	\$863	\$842	\$808
Memphis TN	Fewer Than 21 Years	14	\$288	\$331	\$380	\$345	\$317	\$328
	21 or More Years	15	\$355	\$415	\$425	\$394	\$382	\$375
Miami FL	Fewer Than 21 Years	57	\$370	\$450	\$598	\$490	\$498	\$443
	21 or More Years	104	\$388	\$581	\$749	\$584	\$580	\$536
Milwaukee WI	21 or More Years	16	\$302	\$454	\$613	\$589	\$515	\$530
Minneapolis MN	Fewer Than 21 Years	36	\$470	\$530	\$607	\$532	\$486	\$499
	21 or More Years	84	\$507	\$675	\$796	\$656	\$620	\$589
Nashville TN	Fewer Than 21 Years	28	\$375	\$405	\$535	\$449	\$405	\$397



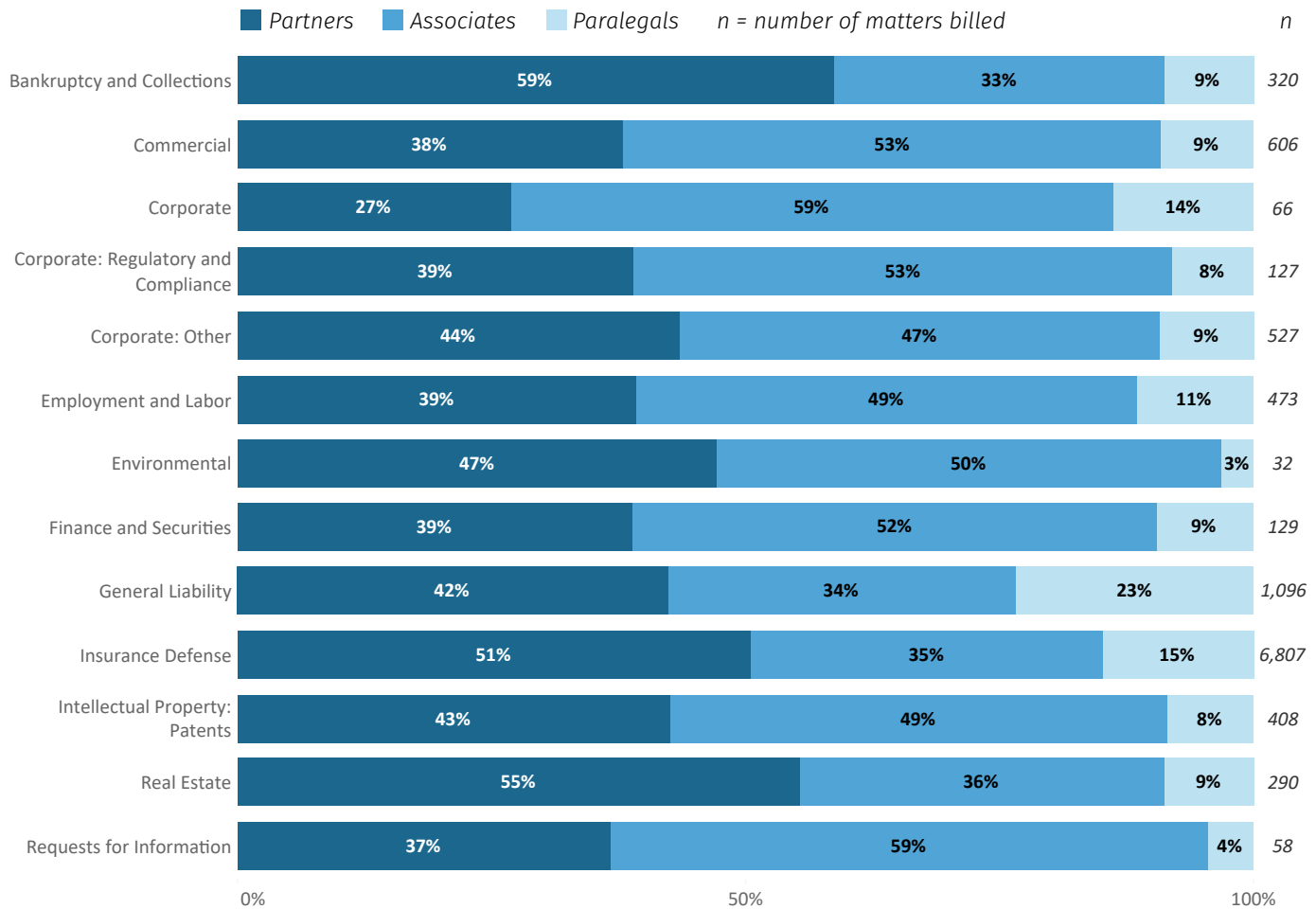
Section VI: Matter Staffing Analysis

All data and analysis based on
data collected thru Q2 2022

Section VI: Matter Staffing Analysis

Long Litigation Matters, More Than 100 Total Hours Billed

2019 to 2022 -- Percentage of Hours Billed per Matter



Section VII: Data Methodology

All data and analysis based on
data collected thru Q2 2022

Appendix: Data Methodology

Invoice Information

Data in Wolters Kluwer ELM Solutions' reference database and the 2022 Real Rate Report were taken from invoice line-item entries contained in invoices received and approved by participating companies.

Invoice data were received in the Legal Electronic Data Exchange Standard (LEDES) format (LEDES.org). The following information was extracted from those invoices and their line items:

- Law firm (which exists as a random number in the ELM Solutions reference database)
- Timekeeper ID (which exists as a random number in the ELM Solutions reference database)
- Matter ID (which exists as a random number in the ELM Solutions reference database)
- Timekeeper's position (role) within the law firm (partner, associate, paralegal, etc.)
- Uniform Task-Based Management System Code Set, Task Codes, and Activity Codes (UTBMS.com)
- Date of service
- Hours billed
- Hourly rate billed
- Fees billed

Non-Invoice Information

To capture practice area details, the matter ID within each invoice was associated with matter profiles containing areas of work in the systems of each company. The areas of work were then systematically categorized into legal practice areas. Normalization of practice areas was done based on company mappings to system-level practice areas available in the ELM Solutions system and by naming convention.

The majority of analyses included in this report have been mapped to one of 11 practice areas, further divided into sub-areas and litigation/non-litigation (for more information on practice areas and sub-areas, please refer to pages 232-234).

To capture location and jurisdiction details, law firms and timekeepers were systematically mapped to the existing profiles within ELM Solutions systems, as well as with publicly available data sources for further validation and normalization. Where city location information is provided, it includes any address within that city's defined Core-Based Statistical Area (CBSA) as defined by the Office of Management and Budget (OMB). The CBSAs are urban centers with populations of 10,000 or more and include all adjacent counties that are economically integrated with that urban center.

Where the analyses focus on partners, associates, and paralegals, the underlying data occasionally included some sub-roles, such as "senior partner" or "junior associate." In such instances, those timekeeper sub-roles were placed within the broader partner, associate, and paralegal segments.

Demographics regarding law firm size, location, and lawyer years of experience were augmented by incorporating publicly available information.

Appendix: Data Methodology

A Note on US Cities

Principal City	CBSA Name
Hartford, CT	Hartford-East Hartford-Middletown, CT
Honolulu, HI	Urban Honolulu HI
Houston, TX	Houston-The Woodlands-Sugar Land, TX
Indianapolis, IN	Indianapolis-Carmel-Anderson, IN
Jackson, MS	Jackson, MS
Jacksonville, FL	Jacksonville, FL
Kansas City, MO	Kansas City, MO-KS
Lafayette, LA	Lafayette, LA
Las Vegas, NV	Las Vegas-Henderson-Paradise, NV
Lexington, KY	Lexington-Fayette, KY
Little Rock, AR	Little Rock-North Little Rock-Conway, AR
Los Angeles, CA	Los Angeles-Long Beach-Anaheim, CA
Louisville, KY	Louisville/Jefferson County, KY-IN
Madison, WI	Madison, WI
Memphis, TN	Memphis-Forrest City, TN-MS-AR
Miami, FL	Miami-Fort Lauderdale-Pompano Beach, FL
Milwaukee, WI	Milwaukee-Waukesha, WI
Minneapolis, MN	Minneapolis-St. Paul-Bloomington, MN-WI
Nashville, TN	Nashville-Davidson-Murfreesboro-Franklin, TN
New Haven, CT	New Haven-Milford, CT
New Orleans, LA	New Orleans-Metairie, LA
New York, NY	New York-Newark-Jersey City, NY-NJ-PA
Oklahoma City, OK	Oklahoma City, OK
Omaha, NE	Omaha-Council Bluffs, NE-IA
Orlando, FL	Orlando-Kissimmee-Sanford, FL
Philadelphia, PA	Philadelphia-Camden-Wilmington, PA-NJ-DE-MD
Phoenix, AZ	Phoenix-Mesa-Chandler, AZ
Pittsburgh, PA	Pittsburgh, PA
Portland, ME	Portland-South Portland, ME
Portland, OR	Portland-Vancouver-Hillsboro, OR-WA
Providence, RI	Providence-Warwick, RI-MA
Raleigh, NC	Raleigh-Cary, NC
Reno, NV	Reno-Carson City-Fernley, NV

Appendix: Data Methodology

Bankruptcy and Collections

Chapter 11
Collections

General/Other
Workouts and Restructuring

Commercial (Commercial Transactions and Agreements)

Contract Breach or Dispute
General, Drafting, and Review
General/Other

Corporate¹

Antitrust and Competition
Corporate Development
General/Other
Governance
Information and Technology
Mergers, Acquisitions, and Divestitures

Partnerships and Joint Ventures
Regulatory and Compliance
Tax
Treasury
White Collar/Fraud/Abuse

Employment and Labor

ADA
Agreements
Compensation and Benefits
Discrimination, Retaliation, and Harassment/EEO
Employee Dishonesty/Misconduct
ERISA

General/Other
Immigration
Union Relations and Negotiations/NLRB
Wages, Tips, and Overtime
Wrongful Termination

Environmental

General/Other
Health and Safety

Superfund
Waste/Remediation

Finance and Securities

Commercial Loans and Financing
Debt/Equity Offerings
Fiduciary Services
General/Other

Investments and Other Financial Instruments
Loans and Financing
SEC Filings and Financial Reporting
Securities and Banking Regulations

General Liability

Asbestos/Mesothelioma
Auto and Transportation
Consumer Related Claims
Crime, Dishonesty and Fraud
General/Other

Personal Injury/Wrongful Death
Premises
Product and Product Liability
Property Damage
Toxic Tort

¹ All references to “Corporate: General/Other” in the Real Rate Report are the aggregation of all Corporate sub-areas excluding the Mergers, Acquisitions, and Divestitures sub-area and the Regulatory and Compliance sub-area.

Exhibit F

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Business & Practice

Big Law Rates Topping \$2,000 Leave Value ‘In Eye of Beholder’

By Roy Strom

Column

June 9, 2022, 2:30 AM

Welcome back to the Big Law Business column on the changing legal marketplace written by me, Roy Strom. Today, we look at a new threshold for lawyers' billing rates and why it's so difficult to put a price on high-powered attorneys. Sign up to receive this column in your inbox on Thursday mornings. Programming note: Big Law Business will be off next week.

Some of the nation's top law firms are charging more than \$2,000 an hour, setting a new pinnacle after a two-year burst in demand.

Partners at Hogan Lovells and Latham & Watkins have crossed the threshold, according to court documents in bankruptcy cases filed within the past year.

Other firms came close to the mark, billing more than \$1,900, according to the documents. They include Kirkland & Ellis, Simpson Thacher & Bartlett, Boies Schiller Flexner, and Sidley Austin.

Simpson Thacher & Bartlett litigator Bryce Friedman, who helps big-name clients out of jams, especially when they're accused of fraud, charges \$1,965 every 60 minutes, according to a court document.

In need of a former acting US Solicitor General? Hogan Lovells partner Neal Katyal bills time at \$2,465 an hour. Want to hire famous litigator David Boies? That'll cost \$1,950 an hour (at least). Reuters was first to report their fees.

Eye-watering rates are nothing new for Big Law firms, which typically ask clients to pay higher prices at least once a year, regardless of broader market conditions.

"Value is in the eye of the beholder," said John O'Connor, a San Francisco-based expert on legal fees. "The perceived value of a good lawyer can reach into the multi-billions of dollars."

Kirkland & Ellis declined to comment on its billing rates. None of the other firms responded to requests to comment.

Charge It Up

Big Law firms are crossing the \$2,000-an-hour threshold after two years of surging rates driven by an increase in demand for lawyers.

Firm	Highest Billing Rate
Hogan Lovells	\$2,465
Latham & Watkins	\$2,075
Kirkland & Ellis	\$1,995
Simpson Thacher & Bartlett	\$1,965
Boies Schiller Flexner	\$1,950
Sidley Austin	\$1,900

Source: Court documents

Bloomberg Law

Law firms have been more successful raising rates than most other businesses over the past 15 years.

Law firm rates rose by roughly 40 percent from 2007 to 2020, or just short of 3 percent per year, Thomson Reuters Peer Monitor data show. US inflation rose by about 28% during that time.

The 100 largest law firms in the past two years achieved their largest rate increases in more than a decade, Peer Monitor says. The rates surged more than 6% in 2020 and grew another 5.6% through November of last year. Neither level had been breached since 2008.

The price hikes occurred during a once-in-a-decade surge in demand for law services, which propelled profits at firms to new levels. Fourteen law firms reported average profits per equity partner in 2021 over \$5 million, according to data from The American Lawyer. That was up from six the previous year.

The highest-performing firms, where lawyers charge the highest prices, have outperformed their smaller peers. Firms with leading practices in markets such as mergers and acquisitions, capital markets, and real estate were forced to turn away work at some points during the pandemic-fueled surge.

Firms receive relatively tepid pushback from their giant corporate clients, especially when advising on bet-the-company litigation or billion-dollar deals.

The portion of bills law firms collected—a sign of how willingly clients pay full-freight—rose during the previous two years after drifting lower following the Great Financial Crisis. Collection rates last year breached 90% for the first time since 2009, Peer Monitor data show.

Professional rules prohibit lawyers from charging “unconscionable” or “unreasonable” rates. But that doesn’t preclude clients from paying any price they perceive as valuable, said Jacqueline Vinaccia, a San Diego-based lawyer who testifies on lawyer fee disputes.

Lawyers’ fees are usually only contested when they will be paid by a third party.

That happened recently with Hogan Lovells’ Katyal, whose nearly \$2,500 an hour fee was contested in May by a US trustee overseeing a bankruptcy case involving a Johnson & Johnson unit facing claims its talc-based powders caused cancer.

The trustee, who protects the financial interests of bankruptcy estates, argued Katyal’s fee was more than \$1,000 an hour higher than rates charged by lawyers in the same case at Jones Day and Skadden Arps Slate Meagher & Flom.

A hearing on the trustee’s objection is scheduled for next week. Hogan Lovells did not respond to a request for comment on the objection.

Vinaccia said the firm’s options will be to reduce its fee, withdraw from the case, or argue the levy is reasonable, most likely based on Katyal’s extensive experience arguing appeals.

Still, the hourly rate shows just how valuable the most prestigious lawyers’ time can be—even compared to their highly compensated competitors.

“If the argument is that Jones Day and Skadden Arps are less expensive, then you’re already talking about the cream of the crop, the top-of-the-barrel law firms,” Vinaccia said. “I can’t imagine a case in which I might argue those two firms are more reasonable than the rates I’m dealing with.”

Worth Your Time

On Cravath: Cravath Swaine & Moore is heading to Washington, opening its first new office since 1973 by hiring former heads of the U.S. Securities and Exchange Commission and Federal Deposit Insurance Corporation. Meghan Tribe reports the move comes as Big Law firms are looking to add federal government expertise as clients face more regulatory scrutiny.

On Big Law Promotions: It’s rare that associates get promotions to partner in June, but Camille Vasquez is now a Brown Rudnick partner after she shot to fame representing Johnny Depp in his defamation trial against ex-wife Amber Heard.

On Working From Home: I spoke this week with Quinn Emanuel’s John Quinn about why he thinks law firm life is never going back to the office-first culture that was upset by the pandemic. Listen to the podcast [here](#).



That's it for this week! Thanks for reading and please send me your thoughts, critiques, and tips.

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Documents

[Trustee's Objection](#)

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STATE OF CALIFORNIA)
) ss
COUNTY OF LOS ANGELES)

I, Rebecca Padilla, state that I am employed in the aforesaid County, State of California; I am over the age of eighteen years and not a party to the within action; my business address is 3055 Wilshire Blvd., 12th Floor, Los Angeles, California 90010. My electronic service address is rebecca.padilla@wilshirelawfirm.com.

On **September 17, 2024** I served the foregoing **DECLARATION OF JUSTIN F. MARQUEZ IN SUPPORT OF JOINT STIPULATION REGARDING APPROVAL OF SETTLEMENT UNDER CALIFORNIA PRIVATE ATTORNEYS GENERAL ACT**, on the interested parties by placing a true copy thereof, enclosed in a sealed envelope by following one of the methods of service as follows:

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Attorneys for Defendant

(X) **BY E-MAIL:** I hereby certify that this document was served from Los Angeles, California, by e-mail delivery on the parties listed herein at their most recent known email address or e-mail of record in this action.

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

Executed on **September 17, 2024**, at Los Angeles, California.



Rebecca Padilla