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Attorneys for Plaintiff Francisco Salazar, individually and on behalf of all other aggrieved employees

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES – STANLEY MOSK COURTHOUSE

FRANCISCO SALAZAR, individually
and on behalf of all other aggrieved
employees,

Plaintiffs,

v.

STAFFMARK INVESTMENT LLC, an
active California Limited Liability
Company; and DOES 1 through 10,

Defendants.

Case No.: 21STCV39663

REPRESENTATIVE ACTION

*[Assigned to Hon. Randolph M. Hammock
in Dept. 49]*

**DECLARATION OF ZORIK
MOORADIAN IN SUPPORT OF
UNOPPOSED MOTION FOR
APPROVAL OF PAGA SETTLEMENT,
AND PAYMENT OF ATTORNEYS'
FEES AND COSTS, ADMINISTRATION
COSTS, AND ENHANCEMENT AWARD**

[CONCURRENTLY SUBMITTED NOTICE
OF MOTION AND MOTION;
DECLARATION OF HAIK HACOPIAN;
AND [PROPOSED] ORDER]

Date: December 28, 2023

Time: 8:30 a.m.

Dept.: 49

RESERVATION ID: 619194368852

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1 538257; Uscanga v. Automotive Creations/BC509401; Gonzales v. Nefab
2 Packing/2;13-cv-04499 JAK-ss; Mendoza v. Accentcare/30-2013-00661891-CU-
3 OE-CXC; Nuno v. Universal Building Maintenance/BC541570; Cabrera v.
4 Complete Facilities Maintenance/BC538248; Valencia v. Rubbercraft/BC
5 535816; Fuentes v. Kamran Staffing/BC604535; Perez v. El Pollo
6 Loco/BC624001; Perez v. Quest Nutrition/BC630914; Escalante v. Friendly Hills
7 Country Club/BC640583; Serrano v. Noise Group/30-2017-00949440-CU-OE-
8 CXC; Bitton v. Sterling Jewelry, Inc./CIVDS1612665; Blandin v. Malibu Mgt.
9 Svcs., Inc./BC618629; Barrera v. Coast Composites, Inc./30-2017-00909572 CU-
10 OE-CJC; Aguilar v. Sweet Earth Café/19STCV13373; Balaguer v. Eminent,
11 Inc./19STCV16803; Avina v. Marriott/30-2017-00945551; Azeppita v. Eden
12 Social Restaurants, Inc./30-2019-01077185; Balaguer v. Eminent,
13 Inc./19STCV16803; Barragan v. Golden Hotels Limited Partnership/30-2018-
14 01007420; Boch v. Merchants Building Maintenance/BC681320; Bueno v. Proto
15 Homes/19STCV20011; Cardenas v. Intercon Security/19STCV11259; Castillo v.
16 Robert's Waste/30-2018-01027486; Castro v. Bee Gee Laboratories/BC712857;
17 Contreras Teo v. Golden State Foods/BC708535; Contreras Teo v. Golden State
18 Foods/BC722540; Corona v. Del Amo Hospital/19STCV24741; Cruz Ventura v.
19 WSON-55/19STCV22958; Cruel v. Andreas Elsenhans/19STCV35496;
20 Espinoza v. Don Chava Mgt./19STCV27068; Galvan v. Property Mgt.
21 Associates/BC722781; Godoy v. UCLA/19STCV04634; Gonzalez v. Toyon
22 Catering, Inc./19STCV11369; Gonzalez v. FMS Mgt./30-2019-01065563;
23 Gutierrez v. Anaheim Denn/30-2019-01092546; Guzman v. Millennium
24 Shoes/19STCV33166; Ramos v. Liberty Container Corp./20STCV06560;
25 Hernandez v. Resource Employment Solutions/30-2019-01084740; Herrera v.
26 Color Spot Nurseries/30-2017-00933249; Leon v. Island Hospitality Mgt./30-
27 2019-01060719; Martinez v. Snakerz/19STCV02674; Mendoza v. Savage
28 Service Corp./18STCV04798; Martinez v. Riviera Beverages/ 30-2019-
01056796; Mendoza v. United Production Framing/30-2019-01104255; Morales

1 Cano v. Coordinated Staffing/19STCV29817; Moreno v. DCX-CHOL
2 Enterprises/19STCV19105; Moreno v. DCX-CHOL Enterprises/19STCV26247;
3 Contoran Najera v. TOPH I, LLC/30-2018-00999474; Nunez v. Wonderland
4 Montessori, LLC/18STCV06042; Alvarez v. Greenfield Care Center of
5 Fullerton/30-2017-00958478; Pallares - Mercado v. MB Santa Ana
6 Restaurants/30-2019-01047135; Perez v. First Rate Staffing/18STCV02057;
7 Popoca v. Denim Technologies/19STCV11434; Reidy v. City of
8 Inglewood/18STCV09373; Rosales v. DBR Premium/19STCV32726; Salceda v.
9 GBG USA, Inc./ 18STCV10004; Salceda v. GBG USA, Inc./ 18STCV04778;
10 Torres v. Metro Security/19STCV21114; Torres v. Metro
11 Security/19STCV15680; Trujillo v. Securitas Security Services/19STCV01207;
12 Villacana v. Crothall Laundry Services, Inc./19STCV16330; and Villareal v.
13 Golden Touch Cleaning/30-2019-01108777.

14 4. I am familiar with California wage and hour law and the laws governing the
15 alleged violations in this matter, including but not limited to California Labor Code Sections
16 201 – 203, 226, 226.7, 510, 512, 1194, 1194.2, 2698 and 2802, California Business and
17 Profession Codes 17200 *et. seq.*, the Orders of the Industrial Welfare Commission, and the
18 Private Attorneys General Act.

19 5. As a result of my prior experience in other wage and hour matters, including
20 representative PAGA matters, I believe that the proposed settlement continues is fair and
21 reasonable and more than adequate in view of (i) the strength of Plaintiff's claims and
22 Defendant's defenses, (ii) the risk, expense, complexity and likely duration of further
23 litigation, (iii) potential trial manageability issues, (iv) the total settlement amount of
24 \$1,090,000.00 offered in settlement, (v) the risk of significant discretionary reduction of
25 maximum penalties by a court even assuming liability was established for any violations; (vi)
26 the discovery conducted by the Parties in this case, (vii) my experience with similar
27 settlements that have received court approval, and (viii) the fact that the settlement involved
28

1 arms' length negotiations between experienced counsel facilitated by Mr. Jeffrey Krivis, a
2 respected neutral mediator.

3 6. Defendant Staffmark is a staffing agency based in Cincinnati, Ohio and
4 operates nationally. Staffmark provides staffing services to clients primarily in the light
5 industry, logistics, and manufacturing industries. One such client was Defendant Yusen
6 (Americas) Logistics, Inc. ("Yusen"). Yusen is a global provider of international freight
7 forwarding and supply chain services who operated distribution warehouses in Southern
8 California, primarily in Torrance, where Plaintiff and aggrieved employees worked.

9 7. The number of Aggrieved Employees, i.e. Staffmark employees placed for
10 work at Yusen, at the time of mediation was 3,261 and who worked 41,017 weekly pay
11 periods during the PAGA Period from August 21, 2020 to September 11, 2023.

12 8. Plaintiff Francisco Salazar filed the instant PAGA representative lawsuit,
13 Case No. 21STCV39663, on October 27, 2021 after communicating a PAGA notice to
14 Defendants and the LWDA on August 21, 2021. Upon submission to the LWDA, Plaintiff
15 Salazar's PAGA claim was assigned Case No. LWDA-CM- 842151-21. At the time the
16 PAGA lawsuit was filed, Plaintiff had a pending class action lawsuit against Defendants
17 which was removed to Federal District Court by Yusen and later dismissed. On January 26,
18 2022, the operative First Amended Complaint was filed in this case which added Plaintiff's
19 individual Labor Code claims that were previously part of the class action.

20 9. Plaintiff Salazar filed a notice letter with the California Labor and Workforce
21 Development Agency ("LWDA") on August 21, 2021 giving notice of his intent to pursue a
22 PAGA representative action, on behalf of himself and the State of California as well as on
23 behalf of a group of similarly situated aggrieved employees giving notice of their collective
24 intent to seek penalties under Labor Code sections 2698 et. seq. based on alleged violations
25 of Labor Code sections 201, 202, 203, 204, 212, 213, 226, 226.7, 510, 512, 1194, ("PAGA
26 letter"). A true and correct copy of the noted PAGA Letter is attached hereto as **Exhibit "1"**.

27 10. This lawsuit has involved production of numerous documents and employee
28 data including all relevant policies and procedures and employee metrics as they relate to the

1 asserted PAGA claims. Specifically, Defendant provided data regarding the total number of
2 aggrieved employees and total work weeks and a 10% sample of time and payroll data. This
3 information has been reviewed and assessed by my office. The Parties have conducted
4 investigation of the operative facts and applicable law during the litigation. The Parties have
5 also investigated the applicable law as applied to the facts, potential defenses thereto, and
6 damages claimed by Plaintiff on behalf of aggrieved employees. Subsequently, on July 13,
7 2023, Plaintiff and Staffmark engaged in mediation before an esteemed mediator with
8 significant wage and hour experience, Mr. Jeffrey Krivis. During the Mediation, and with
9 significant assistance from the mediator, the Parties agreed to a PAGA representative
10 settlement, which was negotiated in light of all known facts and circumstances—including
11 the difficulty of proving some of Plaintiff's underlying bases for the PAGA penalty claims,
12 potential defenses asserted by Staffmark to the PAGA penalty claims, the uncertainty
13 associated with litigation, the risks of significant delay, and numerous potential appellate
14 issues. Thereafter, the settlement was solidified between the Parties during the months that
15 followed. Ultimately, a written settlement agreement was entered into. The Parties also
16 agreed to a separate \$10,000 settlement for Plaintiff's individual claims.

17 11. The Parties' settlement allocates \$1,090,000 for settlement of the PAGA
18 claims which is the total amount to be paid by Staffmark under this Settlement. After
19 allocated attorneys' fees of \$381,500, requested costs of \$12,740.18, administrative costs of
20 \$16,750, and \$5,000 enhancement award to Plaintiff, 75% of the net, or \$505,507.36 will be
21 paid as the LWDA's 75% share of PAGA penalties, and \$168,502.46 will be payable to
22 Aggrieved Employees. The amount payable to Aggrieved Employees will be allocated on a
23 pro-rata basis determined by the number of pay periods each such Aggrieved Employee
24 worked for Defendant during the PAGA Period. The Gross Settlement Payment is for civil
25 penalties only and does not act as a waiver to any employee's individual claims for individual
26 relief. At 3,300 Aggrieved Employees, the simple average payment calculates to \$48.14
27 (\$168,502.46 ÷ 3,300).
28

1 12. A true and correct copy of the PAGA Settlement Agreement (“Settlement
2 Agreement” or “S.A”), which is based on the LASC model agreement, is attached hereto as
3 **Exhibit “2”**.

4 13. The Settlement contemplates inclusion of a “Notice of PAGA Settlement
5 Agreement of Claims” with payments to Aggrieved Employees which notifies them of the
6 Lawsuit, Settlement, Release, and calculation of their share. A true and correct copy of the
7 Notice, to be also translated into Spanish, is attached hereto as **Exhibit “3”**.

8 14. My office is unaware of any other PAGA matters affected by this settlement.
9 According to counsel for Staffmark, the Salazar matter is the first to implicate Staffmark’s
10 employees placed for work with Defendant Yusen.

11 15. Plaintiff contended that Defendants implemented employee security checks
12 off-the-clock such that unpaid wages would ensue. Plaintiff contended that employees
13 underwent checks that took up to 10 minutes each time they entered and departed the Yusen
14 warehouse facility. Plaintiff alleged that employees waited in line to go through a metal
15 detector and have their bags checked by security personnel off-the-clock.

16 16. Staffmark countered that the security check was not as involved as Plaintiff
17 alleged. Staffmark represented that employees went through a quick turnstile security check
18 where their attendance was logged before they clocked in to start their day. That this process
19 only took a few minutes, and would never exceed five minutes a day. Also, Staffmark
20 represented that there were no checks conducted when employees came and went for their
21 breaks and when they ended their shifts.

22 17. The above essentially suggests that employees would be owed some amount
23 of wages, to the tune of 2-5 minutes per shift, on account of the security procedures. In light
24 of a regular and common practice, PAGA penalties would be available for each of the 41,017
25 pay periods.

26 18. Plaintiff contended that Staffmark utilized a debit pay card whereby
27 employees were charged a fee to access their pay. Staffmark represented that debit pay cards
28 were not mandatory, very few chose them, and that employees could also opt for physical

1 checks or direct deposit. Employees opting for debit pay cards could use them wherever Visa
2 was accepted or withdraw cash, without charge, at any US bank. Although pay card fees had
3 been an issue in prior litigation, Staffmark insisted that the issue had been resolved such that
4 no Aggrieved Employees were charged fees if they opted for a debit pay card and no wages
5 were underpaid. It was surmised that the likely culprit for the assessment of fees was pay card
6 use at foreign financial institutions.

7 19. Plaintiff alleged that Staffmark did not pay for reporting time to the extent an
8 employee reported to work but was turned away. Staffmark maintained that the issue of
9 reporting time was exceedingly rare and that they in fact paid for reporting time, as reflected
10 by the payroll records provided to Plaintiff. Moreover, it will be difficult for Plaintiff to prove
11 that any employee reported to work and was turned away on any specific instance as there
12 will likely be no paper trail.

13 20. Plaintiff maintained that the security procedures highlighted above would be
14 undermined to the extent employees were allowed to leave the warehouse such that any
15 requirement that employees remain at the warehouse for their meal and rest breaks would
16 result in on-duty meal breaks triggering liability. Staffmark countered that employees
17 underwent security checks only when they started their shifts and employees were free to
18 leave the premises during breaks. To highlight this freedom, Staffmark indicated that food
19 trucks were permitted outside the warehouse and employees regularly took advantage of
20 them.

21 21. Plaintiff additionally alleged that because there were insufficient time clocks
22 at the warehouse, employees would have to cut their meal breaks short by 3-4 minutes in
23 order to get in line to clock back in to arrive at their workstations on time. That net meal
24 breaks would be shorter than what may appear to be compliant meal breaks in the time data.
25 Staffmark countered that shifts and corresponding meal breaks were staggered such that there
26 never was any backup to use time clocks. Also, that were six timeclock stations at the
27 warehouse, more than enough. Notably, the varying circumstances would potentially force
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1 determination on a myriad of individual issues which would present manageability issues for
2 trial.

3 22. Plaintiff contended that due to security concerns, Defendant required that
4 employees purchase and utilize clear bags and backpacks to carry personal items to and from
5 work and that there was no reimbursement for same. Defendant countered that there was no
6 such requirement and that employees could opt to put their items in clear bags to
7 accommodate the security procedure and many simply chose to carry their items in reusable
8 plastic bags.

9 23. The lawsuit implicated 41,017 weekly pay periods from August 21, 2020
10 through the date of mediation. The only realistic route to recovery of penalties will be through
11 the pre-clock in security checks as Plaintiff does not expect to recover on the other predicate
12 claims due to strong factual defenses and trial manageability issues. Maximum penalties
13 pursuant to *Amaral v. Cintas*, assuming a violation for each and every pay period, assessed
14 at the initial violation rate of \$100 for pay periods prior to the PAGA notice date of August
15 21, 2021 (14,356 pay periods) and the subsequent violation rate of \$200 for pay periods after
16 that date (26,661 pay periods), results in maximum potential exposure of \$6,767,500. To the
17 extent Plaintiff is able to trigger predicate violations beyond the security check issue and is
18 able to stack PAGA penalties, the potential maximum could be higher. Although no
19 California appellate decision has addressed whether a plaintiff can stack penalties for
20 different predicate violations, the California Supreme Court's decision in *ZB, N.A. v. Superior*
21 *Court* (2019) 8 Cal.5th 175, rejected an employee's attempt to recover default civil penalties
22 in addition to civil penalties assessed with respect to unpaid wages under Cal. Labor Code
23 558. The Court highlighted that civil penalties "are intended 'to punish the employer' for
24 wrongdoing, often 'without reference to the actual damage sustained' " (citing *Murphy v.*
25 *Kenneth Cole Productions, Inc.* (2007) 40 Cal.4th 1094, 1104). Plaintiff ultimately does not
26 anticipate being able to stack PAGA penalties as he deems it highly likely that a court will
27 potentially be persuaded that assessment of a single penalty per pay period per employee will
28 be sufficient to punish past violations and deter future ones.

1 24. Furthermore, discretionary reductions are anticipated in addition to general
2 litigation risk and delay. Taking the \$6,767,500 as the maximum potential figure and
3 applying a discretionary reduction of 85% (consistent with reported cases) results in
4 \$1,015,125 in available penalties. This reflects the potential value of Plaintiff's PAGA claims
5 for settlement purposes. The Parties' settlement captures this realistic valuation, provides for
6 significant recovery of civil penalties by the state, and is expected to deter future Labor Code
7 violations by Staffmark and Yusen. Accordingly, Plaintiff's counsel believes that this PAGA
8 settlement is fair, reasonable, and in the best interests of the aggrieved employees and the
9 State of California.

10 25. My office is seeking recovery of \$381,500 in attorneys' fees, or thirty-five
11 percent of the Gross Settlement Amount. The incurred fees are necessary and reasonable.
12 Significantly, these fees are contingent in nature for my office. The fees received from one
13 case, are often used to finance and move forward other cases that have failed and bring in
14 revenue for my office.

15 26. In my experience, a gross PAGA settlement of \$1,090,000 is a fair,
16 reasonable, and adequate settlement in light of the strength of the claim, Defendant's
17 defenses, and the strong possibility there would be no recovery without this settlement. Even
18 if Plaintiff was to prevail on the underlying claim, he would face the potential of significant
19 discretionary reduction of maximum penalties by the Court.

20 27. Plaintiff Salazar signed a single retainer with my office. The Retainer
21 Agreement had language providing a maximum of forty percent (40%) in attorneys' fees, of
22 course, subject to a court approval of class wide issues. The Retainer Agreement also had a
23 provision for recovery of costs in relation to the representation.

24 28. As for the representation of the individual rights of Mr. Salazar, a proposed
25 retainer agreement for recovery of fees could be thirty-five percent of the gross recovery.
26 That would be consistent with the market rate, and there is no reason to believe that if my
27 office had signed a retainer agreement with the LWDA to prosecute claims on the LWDA's
28 behalf, it would be any different.

1 29. In almost all the mediations that I have attended, a one-third to 35% attorney
2 fee percentage is generally agreed upon by the defendant and the plaintiff subject to court
3 approval. In this matter, the Parties agreed that PAGA Counsel may request up to 35% and
4 Staffmark would not oppose the same.

5 30. Here, it is beyond any reasonable dispute that, if I had been able to negotiate
6 directly with the LWDA, the LWDA would have found that a thirty-five percent fee
7 arrangement was eminently reasonable.

8 31. I have worked on this matter for over two and half years. This matter has
9 involved litigation in both state and federal courts across two separate lawsuits and Plaintiff's
10 resolve in pushing forward with this matter has made this settlement possible and resulted in
11 over a half a million dollar penalty recovery by the LWDA. During this period my billing
12 rate was \$650 per hour. I have spent 125.60 hours on this matter. Thus my present loadstar is
13 \$81,640. I have also incurred \$12,300.50 costs to date. Attached hereto as **Exhibit "4"** is a
14 true and correct copy of my time and cost ledger for this matter.

15 32. Many courts utilize the Laffey Matrix as a reference for the determination of
16 appropriate hourly rates for counsel. Mr. Hacopian (11-19 year attorney) and myself (20+
17 year attorney), in relation to our experience, have hourly rates that are less than Laffey rates.
18 My rate would be \$997 and Mr. Hacopian's would be \$829 per the present Laffey rates.
19 Attached hereto as **Exhibit "5"** is a true and correct copy of the most recent Laffey Matrix
20 ledger.

21 33. I have reviewed the lodestars submitted by myself and Mr. Hacopian for this
22 matter and calculate the total present lodestar amount at \$112,195. The application of a 3.4
23 multiplier would result in the requested fee award of \$381,500. To the extent the higher
24 Laffey rates are used, the lodestar would calculate to \$181,512.30 and the application of a
25 2.1 multiplier would result in the requested fee award. I will note that the submitted lodestars
26 do not include work performed by office staff.

27 34. While it's generally true that the greater the attorney fees, the less funds there
28 will be for distribution as damages, nevertheless, a balance must be achieved. In the instant

1 matter, the LWDA and Aggrieved Employees got a very balanced and fair settlement. Given
2 the strengths and weaknesses of the case, they will be receiving a fair sum of money. The
3 results and the case law support that the settlement was fair, reasonable and adequate. In light
4 of the favorable settlement, giving more money to the LWDA and Aggrieved Employees
5 after an excellent settlement had been achieved punishes the attorneys without whom such a
6 settlement would not have been attained but for the efforts of good lawyering. Punishing
7 lawyers when they do well is potentially sending the wrong message and serves as a
8 disincentive and unjustly enriches the LWDA and Aggrieved Employees who will be
9 receiving a fair and adequate amount of benefits.

10 35. Counsel has secured a not to exceed bid from CPT Group, Inc., the Parties'
11 selected administrator, in the amount of \$16,750 in relation to dissemination of payments to
12 the various parties as contemplated by the settlement including to 3,300 aggrieved
13 employees. CPT will also translate the notice to Aggrieved Employees into Spanish and will
14 be responsible for the escheatment of uncashed checks. A true and correct copy of the not to
15 exceed quote secured from CPT is attached hereto as **Exhibit "6"**.

16 36. It is important that Mr. Salazar is paid a fair amount for his services to the case
17 and out of around 3,300 employees he was the only one that stepped forward and pushed
18 forward with this matter for over two years. If it was not for him, the \$1,090,000 settlement
19 would not have been obtained. Awarding \$5,000 enhancement award to Mr. Salazar, less
20 than one half percent of the settlement sum, is reasonable and more than justified.

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

23 Executed on December 5, 2023 in Calabasas, California.

24 _____
25 /s/Zorik Mooradian
26 Zorik Mooradian

EXHIBIT “1”
Plaintiff’s PAGA Notice

MOORADIAN LAW, APC
24007 Ventura Boulevard, Suite 210
Calabasas, California 91302
Mooradianlaw.com
Telephone 1-818-487-1998
Facsimile 1-888-783-1030

HAIK HACOPIAN

E-mail: haik@mooradianlaw.com

AUGUST 21, 2021

VIA USPS CERTIFIED MAIL

Yusen Logistics (Americas) Inc.
300 Lighting Way, 6th Floor
Seacaucus, NJ 07094
7019 0700 0002 2582 8441

Staffmark Investment LLC
201 E. 4th St., Suite 800
Cincinnati, OH 45202
7019 0700 0002 2582 8434

VIA ONLINE SUBMISSION

State of California
Labor & Workforce Development Agency
800 Capitol Mall, MIC-55
Sacramento, CA 95814
www.dir.ca.gov

Re: *California Wage & Hour Violations*
Yusen Logistics (Americas) Inc. & Staffmark Investment LLC

To Whom It May Concern:

This office represents Mr. Francisco Salazar with respect to Private Attorneys General Act (“PAGA”) claims that he intends to pursue against Yusen Logistics (Americas) Inc. (“Yusen”) and Staffmark Investment LLC (“Staffmark”) (jointly referred to herein as “Employers”) based upon their illegal wage and hour practices in the State of California as to their non-exempt employees. This letter constitutes the notice required by Labor Code Section 2699.3.

Facts

Staffmark is a staffing agency which provides employees to Yusen, which is engaged in the business of warehousing and transportation. Mr. Salazar worked as a non-exempt hourly employee of Employers at the facility located at 2211 East Carson Street in Carson, California. Employers employ numerous non-exempt, hourly paid employees such as Mr. Salazar in California. Unfortunately, Employers have engaged in the following practices:

Failure to Pay Wages

Employers implemented the policy and practice of failing to pay employees for all hours worked. Employers engaged in the practice of engaging in security checks pre and/or post shift off-the-clock. Employees also did not receive net 30-minute meal breaks. Additionally, Employers adopted a system of paying employees through debit pay cards that did not result in the full and timely payment of wages owed to employees, including due to the imposition of fees. The foregoing practices resulted in underpayment of wages, including underpayment of overtime and double-time to the extent applicable.

Meal Breaks

Employers engage in the practice of not allowing mandated meal breaks and not compensating employees for any missed, late, or short meal breaks. Employees did not receive premium pay for any missed, late, or short meal period. Notably, meal breaks were not off-duty as employees were prevented from leaving the facility and not at least a net thirty (30) minutes in duration on account of the clock in and out process.

Rest Breaks

Employers engage in the practice of not allowing mandated rest breaks and not compensating employees for any missed, late, or short rest breaks. Employees did not receive premium pay for these missed rest breaks. Notably, rest breaks were not off-duty as employees were required to remain at the work premises during rest breaks.

Waiting Time

At the time of an employee's separation (whether it be by termination or resignation) Employers have failed to provide the employee with all monies owed, including meal break premiums, rest break premiums, and unpaid wages for work performed, including overtime and double-time wages to the extent applicable.

Noncompliant Wage Statements

Employers have adopted a custom and practice of failing to provide wage statements which reflect all hours worked during any pay period, whether or not employees received all wages entitled to, including meal and rest break premiums.

Additional Penalties

Mr. Salazar and all other similarly aggrieved California employees intend to seek all available civil penalties for the violations described above.

Code Provisions Violated and Legal Theories

The specific provisions of the California Labor Code which Employers have violated, and applicable legal theories which establish the violations, are as follows:

Labor Code Section 201: Employers violated, and continue to violate, Labor Code Section 201 by failing to pay the employees they have discharged the complete and correct amount of all wages owing at the time of termination. The wages earned but not paid at termination include uncompensated work time, including overtime and double-time as applicable, and premium wages for missed meal and rest breaks.

Labor Code Section 202: Employers violated, and continue to violate, Labor Code Section 202 by failing to pay employees who quit the correct amount of all wages, within 72 hours of the termination. As already stated, the wages earned but not paid at termination include the above.

Labor Code Section 203: Employers violated, and continue to violate, Labor Code Section 203 by failing to pay 30 days of continuing wages to employees owed wages (explained above) whose employment ended.

Labor Code Section 204: Employers violated, and continue to violate, Labor Code Section 204 by failing to pay wages to employees for all hours worked as explained above.

Labor Code Section 212: Employers violated, and continue to violate, Labor Code Section 212 by paying wages to employees through debit pay cards that did not permit the withdrawal of cash, on demand, without discount.

Labor Code Section 213: Employers violated, and continue to violate, Labor Code Section 213 by imposing the mandatory use debit pay cards by employees to access wages they were owed.

Labor Code Section 226: Employers violated, and continue to violate, Labor Code Section 226(a) by failing to provide employees with accurate and compliant itemized wage statements.

Labor Code Section 226.7: Employers violated, and continue to violate, Labor Code Section 226.7 by failing to provide meal periods and/or rest periods that are in accordance and in compliance with the IWC's applicable wage order.

Labor Code Section 510: Employers violated, and continue to violate, Labor Code Section 510 by failing to pay minimum wage or overtime compensation required by law.

Labor Code Section 512: Employers violated, and continue to violate, Labor Code Section 512 by not providing aggrieved employees with legally compliant meal periods.

Labor Code Section 1194: Employers violated, and continue to violate, Labor Code Section 1194 by failing to pay employees minimum wage and overtime compensation required by law.

Conclusion

Please inform us if you intend to investigate this matter. We look forward to prompt administrative action so that the identified unlawful practices can be rectified. In the absence of such action, we may file an appropriate action, pursuant to Labor Code Section 2698 *et seq.* Mr. Salazar and all other similarly aggrieved California employees intend to seek all penalties for the violations described above. Should you require any additional information, do not hesitate to contact the undersigned.

Very truly yours,
MOORADIAN LAW, APC

/s/ Haik Hacopian
HAIK HACOPIAN

7019 0700 0002 2582 8434

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 Extra Services & Fees (check box, add fee as appropriate)
☐ Return Receipt (hardcopy) \$0.00
☐ Return Receipt (electronic) \$0.00
☐ Certified Mail Restricted Delivery \$0.00
☐ Adult Signature Required \$0.00
☐ Adult Signature Restricted Delivery \$0.00

Postage \$0.55

Total Postage and Fees \$4.15

0712
07

Postmark
Here

08/21/2021

Sent To STAFFMARK INVESTMENTS LLC
 Street and Apt. No., or PO Box No. 201 E. 4TH ST., SUITE 800
 City, State, ZIP+4® CINCINNATI, OH 45202

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

See Reverse for Instructions

7019 0700 0002 2582 8442

U.S. Postal Service™
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For delivery information, visit our website at www.usps.com®.

Seacucus, NJ 07094

OFFICIAL USE

Certified Mail Fee \$3.60
 \$0.00
 Extra Services & Fees (check box, add fee as appropriate)
☐ Return Receipt (hardcopy) \$0.00
☐ Return Receipt (electronic) \$0.00
☐ Certified Mail Restricted Delivery \$0.00
☐ Adult Signature Required \$0.00
☐ Adult Signature Restricted Delivery \$0.00

Postage \$0.55

Total Postage and Fees \$4.15

0712
07

Postmark
Here

08/21/2021

Sent To YUSEN LOGISTICS (AMERICAS) INC.
 Street and Apt. No., or PO Box No. 300 LIGHTING WAY, 6TH FLOOR
 City, State, ZIP+4® SEACUCUS, NJ 07094

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

See Reverse for Instructions



Haik Hacobian <haik.hacobian@gmail.com>

Thank you for submission of your PAGA Case.

LWDA DO NOT REPLY <lwdadonotreply@dir.ca.gov>
To: "haik.hacobian@gmail.com" <haik.hacobian@gmail.com>

Sat, Aug 21, 2021 at 3:27 PM

8/21/2021

LWDA Case No. LWDA-CM-842151-21
Law Firm : Mooradian Law, APC
Plaintiff Name : Francisco Salazar
Employer: Yusen Logisticas (Americas) Inc.
Filing Fee : \$75.00
IFP Claimed : No

Item submitted: Initial PAGA Notice

Thank you for your submission to the Labor and Workforce Development Agency. Please make a note of the LWDA Case No. above as you may need this number for future reference when filing any subsequent documents for this Case.

If you have questions or concerns regarding this submission or your case, please send an email to pagainfo@dir.ca.gov.

DIR PAGA Unit on behalf of
Labor and Workforce Development Agency

Website: http://labor.ca.gov/Private_Attorneys_General_Act.htm



Haik Hacopian <haik.hacopian@gmail.com>

Thank you for your Court Complaint Submission.

DIR PAGA Unit <lwdadonotreply@dir.ca.gov>
Reply-To: DIR PAGA Unit <lwdadonotreply@dir.ca.gov>
To: haik.hacopian@gmail.com

Wed, Nov 3, 2021 at 4:01 PM

11/03/2021 04:01:26 PM

Thank you for your submission to the Labor and Workforce Development Agency.

Item submitted: Court Complaint

If you have questions or concerns regarding this submission or your case, please send an email to pagainfo@dir.ca.gov.

DIR PAGA Unit on behalf of
Labor and Workforce Development Agency

Website: http://labor.ca.gov/Private_Attorneys_General_Act.htm

EXHIBIT “2”
PAGA Settlement Agreement

PAGA SETTLEMENT AGREEMENT

This PAGA Settlement Agreement (“Agreement”) is made by and between plaintiff Francisco Salazar (“Plaintiff”) and defendant Staffmark Investment LLC (“STAFFMARK”). The Agreement refers to Plaintiff and STAFFMARK collectively as “Parties,” or individually as “Party.”

1. DEFINITIONS.

- 1.1. “Action” means the Plaintiff’s PAGA lawsuit alleging wage and hour violations against STAFFMARK captioned Francisco Salazar, individually and on behalf of all aggrieved employees v. Yusen Logistics (Americas), Inc., Staffmark Investment LLC, Case Number 21STCV39663 initiated on October 27, 2021 and pending in Superior Court of the State of California, County of Los Angeles.
- 1.2. “Administrator” means CPT Group, Inc., the neutral entity the Parties have agreed to appoint to administer the Settlement.
- 1.3. “Administration Expenses Payment” means the amount the Administrator will be paid from the Gross 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 non-exempt employee placed by STAFFMARK to work at YUSEN in California at any time during the PAGA Period.
- 1.5. “Aggrieved Employee Data” means Aggrieved Employee identifying information in STAFFMARK’s possession including 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 Los Angeles.
- 1.8. “Defense Counsel” means Susan M. Steward of Atkinson, Andelson, Loya, Ruud & Romo.
- 1.9. “Enhancement Award” means Five Thousand Dollars (\$5,000.00) payable to Plaintiff to reward his efforts at bringing and prosecuting this Action and

negotiating this settlement for the benefit of the LWDA and Aggrieved Employees.

- 1.10. “Effective Date” of this settlement shall be the date the Court's order approving the settlement and judgment thereon ("Judgment") becomes final. For purposes of the Settlement Agreement, the Court's Judgment "becomes final" upon the later of: (i) if no appeal is filed, the expiration date of the time for the filing or noticing of any appeal from, or other challenge to, the Court's Judgment (i.e., 60 calendar days after notice of entry of the Court's Judgment); (ii) if an appeal is filed, the date affirmance of an appeal of the Judgment becomes final; or (iii) if an appeal is filed, the date of final dismissal of any appeal from the Judgment or the final dismissal of any proceeding on review of any court of appeal decision relating to the Judgment.
- 1.11. “Gross Settlement Amount” means One Million Ninety Thousand Dollars (\$1,090,000) which is the total amount STAFFMARK agrees to pay under the Settlement except as provided in Paragraph 9 below. The Gross Settlement Amount will be used to pay Individual PAGA Payments, the LWDA PAGA Payment, PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, the Enhancement Award, and the Administrator’s Expenses Payment.
- 1.12. “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.
- 1.13. “Judgment” means the judgment entered by the Court based upon the Final Approval.
- 1.14. “LWDA” means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i).
- 1.15. “LWDA PAGA Payment” means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).
- 1.16. “Net Settlement Amount” means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, the Enhancement Award, and the Administration Expenses Payment. The remainder is to be designated PAGA Penalties paid to Aggrieved Employees as Individual PAGA Payments and the LWDA as the LWDA PAGA Payment, as apportioned by the 25% and 75% split provided in this Agreement.

- 1.17. “PAGA Counsel” means Zorik Mooradian and Haik Hacopian of Mooradian Law, APC, the attorneys representing the Plaintiff in the Action.
- 1.18. “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.
- 1.19. “PAGA Pay Period” means any Pay Period during which an Aggrieved Employee worked for STAFFMARK on temporary assignment at YUSEN for at least one day during the PAGA Period.
- 1.20. “PAGA Period” means the period from August 21, 2020 to September 11, 2023.
- 1.21. “PAGA” means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).
- 1.22. “PAGA Notice” means Plaintiff’s August 21, 2021 letter to STAFFMARK and the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a) and which was assigned LWDA Case No. LWDA-CM-842151-21.
- 1.23. “PAGA Penalties” means the total amount of PAGA civil penalties to be paid from the Net Settlement Amount after deducting from the Gross Settlement Amount the items enumerated in the definition of Net Settlement Amount, the remainder which is allocated 25% to the Aggrieved Employees and the 75% to LWDA in settlement of PAGA claims.
- 1.24. “Plaintiff” means Francisco Salazar, the named plaintiff in the Action.
- 1.25. "Approval Order" means the proposed Court Order Granting Approval of PAGA Settlement.
- 1.26. “Released PAGA Claims” means the claims being released in Paragraph 5 below.
- 1.27. “Released Parties” means: Staffmark Investment LLC, Staffmark Group, LLC, Advantage Technical Resourcing, Inc., and Yusen Logistics (Americas) Inc., as well as each of their past and present divisions, affiliates, affiliated entities, related entities, parents, subsidiaries, predecessors, successors, joint ventures, assigns, and their respective shareholders, owners, officers, directors, employees, agents, trustees, managers, operators, insurers, representatives, administrators, fiduciaries, subrogees, executors, partners, privies, representatives, consultants, and attorneys..
- 1.28. “Settlement” means the disposition of the Action effected by this Agreement and the Judgment.

1.29. "STAFFMARK" means named Defendant Staffmark Investment LLC.

1.30. "YUSEN" means named Defendant Yusen Logistics (Americas) Inc.

2. RECITALS.

2.1. On October 27, 2021, Plaintiff commenced this Action by filing a Complaint alleging causes of action against STAFFMARK and YUSEN for Violations of the Private Attorneys General Act ("PAGA"). On January 26, 2022, Plaintiff filed a First Amended Complaint. The First Amended Complaint is the operative complaint in the Action (the "Operative Complaint.>"). STAFFMARK denies the allegations in the Operative Complaint, denies any failure to comply with the laws identified 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 gave timely written notice to STAFFMARK and the LWDA by sending the PAGA Notice.

2.3. On July 13, 2023, Plaintiff and STAFFMARK participated in an all-day mediation presided over by Mr. Jeffrey Krivis which led to this Agreement to settle the Action.

2.4. Prior to mediation , Plaintiff obtained, through informal discovery, all relevant policies and a 10% sample of time and payroll records for Aggrieved Employees during the PAGA Period which was sufficient to assess the asserted claims and potential PAGA penalties thereto.

2.5. The Parties, PAGA Counsel and Defense Counsel represent that they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement.

3. MONETARY TERMS.

3.1. Gross Settlement Amount. Except as otherwise provided by Paragraph 9 below, STAFFMARK promises to pay One Million Ninety Thousand Dollars (\$1,090,000) and no more as the Gross Settlement Amount. STAFFMARK has no obligation to pay the Gross Settlement Amount prior to the deadline stated in Paragraph 6.1 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 STAFFMARK.

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 Final Approval:

- 3.2.1. To PAGA Counsel: A PAGA Counsel Fees Payment of not more than thirty-five percent (35%) which is currently estimated to be Three Hundred Eighty One Thousand Five Hundred Dollars (\$381,500) and PAGA Counsel Litigation Expenses Payment of not more than Fifteen Thousand Dollars (\$15,000). STAFFMARK 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 of any PAGA Counsel Fee Payment and/or PAGA Counsel Litigation Expenses Payment. The Administrator will pay the PAGA Counsel Fees Payment and PAGA Counsel Expenses Payment using one or more IRS 1099 Forms. PAGA Counsel assumes full responsibility and liability for taxes owed on the PAGA Counsel Fees Payment and the PAGA Counsel Litigation Expenses Payment and holds STAFFMARK harmless, and indemnifies STAFFMARK, from any dispute or controversy regarding any division or sharing of any of these Payments.
- 3.2.2. To the Administrator: An Administrator Expenses Payment not to exceed Twenty-Five Thousand Dollars (\$25,000) except for 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 \$25,000, the Administrator will retain the remainder in the Net Settlement Amount.
- 3.2.3. To Plaintiff: An Enhancement Award not to exceed Five Thousand Dollars (\$5,000) as approved by the Court. To the extent the Enhancement Award is less or the Court approves payment less than \$5,000, the Administrator will retain the remainder in the Net Settlement Amount.
- 3.2.4. To the LWDA and Aggrieved Employees: PAGA Penalties paid from the remainder of the Net Settlement Amount after deducting from the Gross Settlement Amount all items enumerated in the definition of 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 assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

- 3.2.4.2. If the Court approves PAGA Penalties of less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount. 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, STAFFMARK estimates there are 3,261 Aggrieved Employees who worked a total 42,884 of PAGA Pay Periods.
- 4.2. Aggrieved Employee Data. Within fifteen (15) days after the Effective Date, STAFFMARK 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. STAFFMARK 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 STAFFMARK 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. STAFFMARK shall fully fund the Gross Settlement Amount by transmitting the funds to the Administrator no later than sixty-one (61) days after the Effective Date.
- 4.4. Payments from the Gross Settlement Amount. Within fourteen (14) days after STAFFMARK funds the Gross Settlement Amount, the Administrator will mail checks for all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the PAGA Counsel Litigation Expenses Payment, PAGA Counsel Fees Payment, and Enhancement Award. 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 seven (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. 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.
 - 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 the California Controller's Unclaimed Property Fund in the name of the Aggrieved Employee.
 - 4.4.4. The payment of Individual PAGA Payments shall not obligate STAFFMARK 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 STAFFMARK fully funds the entire Gross Settlement Amount Aggrieved Employees and PAGA Counsel will release claims against all Released Parties as follows:

5.1. 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 PAGA claims alleged or that could have been alleged based on the facts alleged in the Operative Complaint and the PAGA Notice that arose during the PAGA Period.

5.2. 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 PAGA Fees incurred in connection with the Operative Complaint and the PAGA Period facts stated in the Operative Complaint and the PAGA Notice.

6. MOTION OR APPLICATION FOR APPROVAL OF SETTLEMENT. PAGA Counsel agrees to prepare and file an application or motion for approval of this Settlement. Defense Counsel shall have the right to review and provide input, which Defense Counsel will not unreasonably withhold.

- 6.1. Plaintiff's Responsibilities. Plaintiff will prepare and deliver to Defense Counsel all documents necessary for obtaining approval of this Settlement under Labor Code Section 2699, subd. (f)(2)) including (i) a draft proposed Order Granting Approval of PAGA Settlement; (ii) a signed declaration from the Administrator attaching its "not to exceed" bid for administering the Settlement and attesting to its willingness to serve; competency; operative procedures for protecting the security of Aggrieved Employee Data; amounts of insurance coverage for any data breach, defalcation of funds or other misfeasance; all facts relevant to any actual or potential conflicts of interest with Aggrieved Employees or the LWDA; and the nature and extent of any financial relationship with Plaintiff, PAGA Counsel or Defense Counsel; (iii) a signed declaration from PAGA Counsel firm attesting to its timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), Operative Complaint (Labor Code section 2699, subd. (l)(1)), this Agreement (Labor Code section 2699, subd. (l)(2)); (iv) a redlined version of the parties' Agreement showing all modifications made to the Model Agreement ready for filing with the Court; and (v) all facts relevant to any actual or potential conflict of interest with Aggrieved Employees and/or the Administrator. In their Declarations, Plaintiff and PAGA Counsel shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.
- 6.2. Responsibilities of PAGA Counsel. PAGA Counsel is responsible for expeditiously finalizing and filing the application or motion for approval of this Settlement 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 Preliminary Approval to the Administrator.
- 6.3. Duty to Cooperate. If the Parties disagree on any aspect of the proposed application or motion for approval of this 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 motion 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 modify the Agreement and otherwise satisfy the Court's concerns, provided neither Party shall be required to accept a material modification to this Agreement. A modification by the Court of the PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, or Enhancement Award to Plaintiff does not constitute a material modification to this Agreement.

7. SETTLEMENT ADMINISTRATION.

- 7.1. Selection of Administrator. The Parties have jointly selected CPT Group, Inc. to serve as the Administrator and verified that, as a condition of appointment, CPT Group, Inc. agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of 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, if applicable, 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, STAFFMARK estimates that, as of the date of this Settlement Agreement, the Aggrieved Employees worked 42,884 Pay Periods during the PAGA Period. If the number of pay periods during the PAGA Period exceeds 42,884 by more than 10%, Staffmark will have the choice to either: (a) Increase the GSA amount pro rata per additional pay period exceeding the estimate; or (b) Shorten the end date of the PAGA Period so that there is no increase in the GSA amount.

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 STAFFMARK that any of the allegations in the Operative Complaint have merit or that STAFFMARK has any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that STAFFMARK's defenses in the Action have merit. The Parties agree that representative treatment is for purposes of this Settlement only. If, for any reason the Court does not approve this Settlement, STAFFMARK reserves all available defenses to the claims in the Action, and Plaintiff reserves the right to contest STAFFMARK'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 (except for proceedings to enforce or effectuate the Settlement and this Agreement).
- 10.2. Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party.
- 10.3. Attorney Authorization. PAGA Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiff and STAFFMARK, 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 (except the Parties shall not be required to make material modifications), 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 nonmaterial 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, STAFFMARK 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.
- 10.12. Use and Return of Aggrieved Employee Data. Information provided to PAGA Counsel pursuant to California Evidence Code section 1152, and all copies and summaries of the PAGA Data provided to PAGA Counsel by STAFFMARK 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 STAFFMARK unless, prior to the Administrator's payment of all Settlement Funds, STAFFMARK 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: Zorik Mooradian, Haik Hacopian; Mooradian Law, APC, 24007 Ventura Blvd., Suite 210, Calabasas, CA 91302; Tel. 818.487.1998; Fax. 818.783.1030

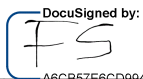
To STAFFMARK: Susan M. Steward; Atkinson, Andelson, Loya, Ruud & Romo, 12800 Center Court Drive, Suite 300, Cerritos, California 90703; Tel. 562-653-3200; Fax. 562-653-3333; ssteward@aalrr.com

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

under Code of Civil Procedure section 583.310 for the entire period of this
settlement process.

Dated: 11/30/2023

PLAINTIFF FRANCISCO SALAZAR


A6CB57E6CD9946E...
Francisco Salazar

Dated: _____

DEFENDANT STAFFMARK
INVESTMENT LLC

By: Suzanne Perry, Chief People Officer

[APPROVED AS TO FORM]

Dated: _____

MOORADIAN LAW, APC

Zorik Mooradian
Haik Hacopian
Attorneys for Plaintiff

Dated: _____

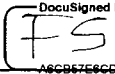
ATKINSON, ANDELSON, LOYA, RUUD &
ROMO

Susan M. Steward
Attorney for Defendant Staffmark
Investment LLC

under Code of Civil Procedure section 583.310 for the entire period of this settlement process.

Dated: 11/30/2023

PLAINTIFF FRANCISCO SALAZAR

DocuSigned by:

ASCB57E6CD0046E
Francisco Salazar

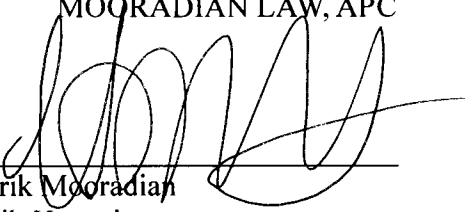
Dated: _____

DEFENDANT STAFFMARK
INVESTMENT LLC

By: Suzanne Perry, Chief People Officer

[APPROVED AS TO FORM]

Dated: 12/1/2023

MOORADIAN LAW, APC

Zorik Mooradian
Haik Hacopian
Attorneys for Plaintiff

Dated: _____

ATKINSON, ANDELSON, LOYA, RUUD &
ROMO

Susan M. Steward
Attorney for Defendant Staffmark
Investment LLC

under Code of Civil Procedure section 583.310 for the entire period of this settlement process.

Dated: _____

PLAINTIFF FRANCISCO SALAZAR

Francisco Salazar

Dated: Nov 30, 2023

DEFENDANT STAFFMARK
INVESTMENT LLC

Suzanne Perry

By: Suzanne Perry, Chief People Officer

[APPROVED AS TO FORM]

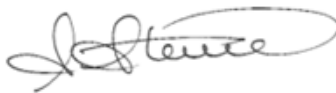
Dated: _____

MOORADIAN LAW, APC

Zorik Mooradian
Haik Hacopian
Attorneys for Plaintiff

Dated: 11-30-23

ATKINSON, ANDELSON, LOYA, RUUD &
ROMO



Susan M. Steward
Attorney for Defendant Staffmark
Investment LLC

EXHIBIT “3”
PAGA Settlement Notice

Notice of PAGA Settlement and Release of Claims

*Francisco Salazar, et al. v. Yusen Logistics (Americas) Inc., Staffmark Investment LLC, et al.,
Los Angeles Superior Court (LASC) Case No. 21STCV39663*

<<EmployeeName>>
<<Address1>> <<Address2>>
<<City>>, <<State>> <<Zip Code>>
XX - XX - <<W9SSN>>

I. NOTICE OF PAGA SETTLEMENT

The Los Angeles County Superior Court (the “Court”) has approved a settlement in the above-captioned action filed by Francisco Salazar (“Plaintiff”) on behalf of himself and all allegedly aggrieved non-exempt employees who were placed by Staffmark Investment LLC (“Staffmark”) to work at Yusen Logistics (Americas) Inc. (“Yusen”) in California at any time during the period from August 21, 2020 to September 11, 2023 (“PAGA Period.”)

In this lawsuit, Plaintiff claims non-compliance with requirements of the California Labor Code relating to non-payment of wages, non-provision of meal and rest breaks, untimely payment of final wages upon separation, and the issuance of non-compliant wage statements. Plaintiff is solely seeking civil penalties on behalf of the California Labor and Workforce Development Agency (“LWDA”) and other allegedly aggrieved employees under the Private Attorneys General Act (“PAGA”) in conformity with Plaintiff’s PAGA Notice communicated to Yusen, Staffmark, and the LWDA on August 21, 2021 (“PAGA Notice.”)

Staffmark maintains that it was in compliance with the California Labor Code at all times and enters into this Settlement with no admission of liability and solely for the purposes of compromising and settling the action to avoid the cost and burden of continued litigation.

The Court has not made a determination about Plaintiff’s allegations. This Notice is not to be understood as an expression of any opinion by the Court as to the merits of the claim.

You are receiving this Notice because you are in the group of employees referred to as “Aggrieved Employees,” which is defined as: all non-exempt employees placed by Staffmark to work at Yusen in California at any time during the PAGA Period.

II. CALCULATION OF INDIVIDUAL PAGA PAYMENT

You worked <<PayPeriods>> pay periods during the PAGA Period. The total amount of pay periods worked by all Aggrieved Employees during the PAGA Period is [INSERT NUMBER].

Your individual PAGA payment is estimated to be <<CheckAmount>>, which is enclosed with this Notice.

Each individual PAGA payment was calculated on a pro rata basis (i.e., proportional) based on the number

of pay periods worked by each Aggrieved Employee during the PAGA Period divided into the total number of pay periods worked by all Aggrieved Employees during the PAGA Period.

III. RELEASE

The Court has approved the Parties' PAGA Settlement Agreement (the "Agreement").

Effective on the date when Staffmark fully funds the entire Gross Settlement Amount, Aggrieved Employees will release claims against all Released Parties as follows:

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 PAGA claims alleged or that could have been alleged based on the facts alleged in the Operative Complaint and the PAGA Notice that arose during the PAGA Period.

"Released Parties" means: Staffmark Investment LLC, Staffmark Group, LLC, Advantage Technical Resourcing, Inc., and Yusen Logistics (Americas) Inc., as well as each of their past and present divisions, affiliates, affiliated entities, related entities, parents, subsidiaries, predecessors, successors, joint ventures, assigns, and their respective shareholders, owners, officers, directors, employees, agents, trustees, managers, operators, insurers, representatives, administrators, fiduciaries, subrogees, executors, partners, privies, representatives, consultants, and attorneys.

IV. SETTLEMENT ADMINISTRATION

PLEASE DO NOT CALL THE COURT ABOUT THIS NOTICE.

You may call CPT GROUP, INC. at **[INSERT PHONE NUMBER]** with any questions. If your check is lost or misplaced, you should contact CPT GROUP, INC. immediately to request a replacement.

Settlement checks will be null and void 180 days after issuance if not deposited or cashed. In such event, those residual funds shall be sent by the Administrator to the California State Controller Office's Unclaimed Property Fund in the name(s) and amount(s) of the Aggrieved Employees who did not cash his or her payment check(s).

EXHIBIT “4”
Fee and Cost Ledger

MOORADIAN LAW, APC
Mooradianlaw.com
24007 Ventura Blvd., Suite 210, Calabasas, CA 91302/Tel. 818.487.1998 - Fax 888.783.1030

Zorik Mooradian, Esq./Salazar v. Yusen, et al.			
Date	\$ Costs	Atty. Hrs.	Activity on File/Case
5/10/2021		1.30	Client Interview, Intake and opened file.
5/21/2021		0.50	receipt of additional records from client and comm. With him
6/17/2021		0.50	letter to client
6/30/2021		0.20	comm. With client
7/5/2021		1.20	Meeting with client and execution of retention documents
7/5/2021		2.00	Review of records, corporate bus. Research, analysis of issues
7/20/2021		0.50	letter to client
8/6/2021	\$ 4.50		Cost of certified letter - LC Section 226
8/6/2021		1.50	review of file and drafted LC Section 226 letter to Staffmark
8/26/2021		4.00	class action complaint/defendant's operations/binding arb.
8/26/2021	\$ 1,435.00		Class action complaint filing fee
8/26/2021	\$ 150.00		posting of jury fees
9/7/2021		1.30	research on wage and hour issues
9/7/2021		1.50	internal memos and emails regarding liability/damages
9/28/2021		1.70	call with client, review file, assess liability, discovery plan
9/28/2021		0.50	comms. On file with client and co counsel re liability
9/29/2021		2.00	conference call with counsel, counsel, client and report
9/29/2021		0.30	Receipt and review of addition records from client
10/4/2021		0.50	review file, call with client, and follow up call with co counsel
10/4/2021		0.80	Receipt and review of records
10/19/2021		0.20	Staffmark's notice of appearance in case No. 21STCV31753
10/20/2021		0.10	call with counsel
10/20/2021		0.80	Letter from opposing counsel/representation and binding arb.
10/20/2021		1.10	comm. With client/conference call/analysis of the claims
10/27/2021		3.20	PAGA complaint/further examination of binding arb. Issues
10/27/2021	\$ 435.00		PAGA complaint filing fee
10/28/2021		1.40	attention to meet and confer letter/re binding arbitration
11/1/2021		0.60	Internal communications regarding facts/liability/damages
11/1/2021		0.10	Notice of CMC from Department 49/memo to file
11/3/2021		0.10	comm. With client re status and examination of records
11/3/2021		1.00	follow up conference call/interview of client
11/3/2021		0.50	Memo to file regarding conference call with client
11/4/2021		1.50	comms. with co counsel/assessment/removal/Yusan's liability
11/4/2021		0.60	comms. Re enforceability issues with purported arb. Agreement

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11/4/2021		2.30	Orders from Judge Klausner/review of local rules/notices
11/5/2021		1.00	att. to Standing Order in Case No. 2:21-cv-08664/removed case
11/5/2021		3.80	work on file/removal/arb. Agreement/joint liability/records
11/9/2021		1.70	Received Removal Papers/Federal Court proceeding/Yusan
11/10/2021		0.20	emails on file re defense counsel/appearance
11/10/2021		0.70	comm. With co counsel/memo to file/attention to removal
11/12/2021		0.20	F.R. Civ. P. 16(b) notice and order of Judge Klausner
11/16/2021		1.20	Review of file re liability and damages/binding arbitration
11/18/2021		1.20	attention to meet and confer letter/re binding arbitration
11/24/2021		0.20	receipt of Judge Klausner's order and call on file
12/3/2021		0.10	emails on file with defense counsel re documents
12/6/2021		0.10	Rectip and review of Staffmark's Answer to Repres. Complaint
12/10/2021		0.20	emails on file with defense counsel re service
12/13/2021		1.20	Letter from opposing counsel/examined irregularities pers. File
12/13/2021		0.50	attention to file re Staffmark/Yusan
12/13/2021		0.20	examination of information regarding hiring procedures
12/22/2021		0.40	Receipt and revies of Staffmark's Joinder
12/28/2021		0.30	comm. With client re status of the case
1/1/2022		2.30	Review of/att. to Motion to Stay/CCP 410.30/supportive rclds.
1/5/2022		1.30	office meeting/Federal Court case/Answers of Dfds./strategy
1/6/2022		1.80	preparation for Rule 26 meeting
1/6/2022		1.00	Rule 26 meeting with defense counsel
1/13/2022		0.50	meet and confer with opposing counsel
1/13/2022		0.20	series of emails with defense counsel re meeting
1/19/2022		1.60	Preparation for Zoom call/review file/calls with co counsel
1/19/2022		0.70	Zoom conference with defense counsel on class/PAGA scope
1/24/2022		2.00	Multiple emails/tolling agreement/comm. With client
1/24/2022		2.80	work and attention to Joint Rule 26(f) Report
1/26/2022		1.20	First Amended Complaint/comm. With counsel/memo to file
1/27/2022		0.20	Yusan's Notice of Withdrawal of Motion/Memo to file
1/27/2022		1.00	review of Fed. Court docket/receipt of order to dismiss/calls
2/28/2022		0.20	Answer from Staffmark and memo to file
3/7/2022		0.50	Received Yusan's Answer/Call on file/Memo to file
3/14/2022		0.40	Memo to file regarding status/review of file
3/21/2022		0.10	receipt and review of Staffmark's CMC statement
3/21/2022		0.10	receipt and review of Yusan's CMC statement
3/22/2022		0.50	comm. With counsel regarding CMC statement
3/30/2022		1.20	series of communications regarding mediation/records

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3/31/2022		1.20	prepared/appeared at Zoom call with Staffmark counsel
3/31/2022		0.50	calls with counsel in advance of the Zoom meeting
5/10/2022		0.50	report to client re status of the case
5/29/2022		1.00	Receipt and review of Staffmark's informal responses
10/3/2022		1.00	meeting on further action, FSC and Trial in PAGA case, etc.
10/5/2022		0.30	call with defense counsel regarding issues/mediation
10/28/2022		0.20	inquiry from client and prepared response
10/28/2022		1.20	review of records/research/analysis
11/1/2022		0.50	status report to client and research re issues/liability
11/2/2022		0.70	comms. On file regarding informal exchange and mediation
11/4/2022	\$ 10,000.00		Mediation Fee to First Mediation Corporation
11/30/2022		0.20	notice of appearance and withdrawal of defense counsel
1/17/2023		1.70	review file/prepared detailed report to Salazar
1/17/2023		0.20	file review
2/27/2023		0.10	comm. With client re timeline
4/24/2023		0.10	call on file re status
5/3/2023		0.50	call with opposing counsel re details of the working conditions
5/3/2023		1.80	analysis regarding exposure/per received data/research
5/9/2023		0.30	review of file re records needed for mediation
5/9/2023		0.20	informal production exchange
6/21/2023		3.50	received/reviewed informal production/14 batches of files, etc.
6/22/2023		0.50	mediation engagement package/review/execution
6/22/2023		1.30	review of records re mediation production
6/23/2023		2.40	review of sample records/calls with counsel/analysis
7/6/2023		2.30	review and examination of file/evaluation of claims/exposure
7/7/2023		3.80	Review of the records/in preparation for mediation
7/7/2023		1.60	comm. on file/counsel/examination of the data/calls/memo
7/7/2023		1.60	further review and analysis/evaluation and exposure/mediation
7/10/2023		1.70	coordination regarding Plaintiff's Mediation Brief, etc.
7/11/2023		2.70	preparation for the mediation
7/12/2023		3.80	preparation for the mediation
7/13/2023		0.20	call with counsel and comm. with client re settlement
7/13/2023		8.00	Mediation with Jeffrey Kravis/MOU/comm. With client, etc.
7/25/2023		0.20	emails on file re settlement
8/2/2023		0.10	calls with Salazar re status
8/7/2023		0.10	comm. With opposing counsel re settlement
8/21/2023		0.50	Stipulation to Vacate Post Med. Status Conf./Notice of settmt.

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10/4/2023		1.20	attention to draft PAGA settlement agreement
10/5/2023		0.10	call with the court/clerk
10/10/2023		0.10	comm. Re finalization of the settlement
11/1/2023		0.20	call with client re status and review file
11/16/2023		0.10	email to file re index information
11/19/2023		2.60	attention to PAGA settlement agreement
11/20/2023		1.30	further revisions to PAGA settlement agreement
11/21/2023		2.50	attention to individual settlement agreement
11/29/2023		1.00	communications regarding execution/settlement agreements
11/30/2023		0.20	attention to signed settlement agreements/comm. with client
12/4/2023	\$ 276.00		Production/copying/postage expenses for the case
12/4/2023		3.20	Review of PAGA approval motion/comm. With co counsel
	\$ 12,300.50		
		125.60	

EXHIBIT “5”
Laffey Matrix

LAFFEY MATRIX

History

Case Law

See the Matrix

Contact us

Home

			Years Out of Law School *				
Year	Adjustmt Factor**	Paralegal/ Law Clerk	1-3	4-7	8-10	11-19	20 +
6/01/23- 5/31/24	1.059295	\$239	\$437	\$538	\$777	\$878	\$1057
6/01/22- 5/31/23	1.085091	\$225	\$413	\$508	\$733	\$829	\$997
6/01/21- 5/31/22	1.006053	\$208	\$381	\$468	\$676	\$764	\$919
6/01/20- 5/31/21	1.015894	\$206	\$378	\$465	\$672	\$759	\$914
6/01/19- 5/31/20	1.0049	\$203	\$372	\$458	\$661	\$747	\$899
6/01/18- 5/31/19	1.0350	\$202	\$371	\$455	\$658	\$742	\$894
6/01/17- 5/31/18	1.0463	\$196	\$359	\$440	\$636	\$717	\$864
6/01/16- 5/31/17	1.0369	\$187	\$343	\$421	\$608	\$685	\$826
6/01/15- 5/31/16	1.0089	\$180	\$331	\$406	\$586	\$661	\$796
6/01/14- 5/31/15	1.0235	\$179	\$328	\$402	\$581	\$655	\$789
6/01/13- 5/31/14	1.0244	\$175	\$320	\$393	\$567	\$640	\$771
6/01/12- 5/31/13	1.0258	\$170	\$312	\$383	\$554	\$625	\$753
6/01/11- 5/31/12	1.0352	\$166	\$305	\$374	\$540	\$609	\$734
6/01/10- 5/31/11	1.0337	\$161	\$294	\$361	\$522	\$589	\$709
6/01/09- 5/31/10	1.0220	\$155	\$285	\$349	\$505	\$569	\$686
6/01/08- 5/31/09	1.0399	\$152	\$279	\$342	\$494	\$557	\$671
6/01/07-5/31/08	1.0516	\$146	\$268	\$329	\$475	\$536	\$645
6/01/06-5/31/07	1.0256	\$139	\$255	\$313	\$452	\$509	\$614
6/1/05-5/31/06	1.0427	\$136	\$249	\$305	\$441	\$497	\$598
6/1/04-5/31/05	1.0455	\$130	\$239	\$293	\$423	\$476	\$574
6/1/03-6/1/04	1.0507	\$124	\$228	\$280	\$405	\$456	\$549
6/1/02-5/31/03	1.0727	\$118	\$217	\$267	\$385	\$434	\$522
6/1/01-5/31/02	1.0407	\$110	\$203	\$249	\$359	\$404	\$487
6/1/00-5/31/01	1.0529	\$106	\$195	\$239	\$345	\$388	\$468
6/1/99-5/31/00	1.0491	\$101	\$185	\$227	\$328	\$369	\$444
6/1/98-5/31/99	1.0439	\$96	\$176	\$216	\$312	\$352	\$424
6/1/97-5/31/98	1.0419	\$92	\$169	\$207	\$299	\$337	\$406
6/1/96-5/31/97	1.0396	\$88	\$162	\$198	\$287	\$323	\$389
6/1/95-5/31/96	1.032	\$85	\$155	\$191	\$276	\$311	\$375

6/1/94-5/31/95	1.0237	\$82	\$151	\$185	\$267	\$301	\$363
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The methodology of calculation and benchmarking for this Updated Laffey Matrix has been approved in a number of cases. See, e.g., *DL v. District of Columbia*, 267 F.Supp.3d 55, 69 (D.D.C. 2017)

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

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

EXHIBIT “6”
Administration Quote

CASE NAME: SALAZAR V. YUSEN, STAFFMARK

Date: November 10, 2023

Requesting Attorney: Haik Hacopian

Plaintiff or Defense: Plaintiff

Firm Name: Mooradian Law

Telephone: (818) 439-3121

Email: haik.hacopian@gmail.com

PAGA Disbursement Only

Aggrieved Employees: 3,330

Postage Total: \$2,212.74

Grand Total: \$24,271.49

DISCOUNTED FLAT FEE: \$16,750.00

The services and numbers reflected herein are an estimate provided by counsel. If the actual services and number are different, our cost estimate will change accordingly.

The attached Terms and Conditions are included as part of our cost proposal. By accepting our costs proposal for this matter, you are thereby agreeing to the Terms and Conditions.

CASE SETUP

Upon Intake of the Data, CPT will Scrub all Records to a Useable Format to Reduce Duplicates, Anomalies and Increase the Success Rate of Deliverability of the Class Notice. Aggrieved Employees will be Assigned a Unique Mailing ID which will be Used Throughout Administration. The Notice Packet will be Translated into Spanish.

ADMINISTRATIVE TASKS	UNIT PRICE	PIECES/HOURS	COST ESTIMATE
Project Manager: Case Intake & Review	\$95.00	7	\$665.00
Project Manager: Notice Format	\$95.00	1	\$95.00
Programming: Data Base Setup	\$150.00	7	\$1,050.00
Spanish Translation	\$250.00	1	\$250.00
TOTAL			\$2,060.00

TELEPHONE SUPPORT

CPT will Maintain a Toll-Free Phone Number with IVR Capabilities and Live Call Center Support Representatives During Normal Business Hours, Monday-Friday, 9:00 AM - 5:30 PM, PT. The Dedicated Phone Number will Remain Active Up to 120 Days After Disbursement.

ADMINISTRATIVE TASKS	UNIT PRICE	PIECES/HOURS	COST ESTIMATE
Toll-Free Number Establish/Setup	\$150.00	2	\$300.00
Live Call Center Support Reps.	\$3.00	333	\$999.00
TOTAL			\$1,299.00

SSN VERIFICATION

Verify SSN for Validity with IRS / IRS Backup Withholdings

ADMINISTRATIVE TASKS	UNIT PRICE	PIECES/HOURS	COST ESTIMATE
Programming: SSN Selection	\$150.00	1	\$150.00
Department Manager: Analysis & Reporting	\$95.00	3	\$285.00
IRS SSN Verification	\$0.20	3,330	\$666.00
TOTAL			\$1,101.00

DISTRIBUTION SERVICES

CPT will Establish and Manage the Qualified Settlement Fund (QSF) for up to One Year After Disbursement. Upon Approval, CPT will Perform all Necessary Calculations and Disburse Funds. To Ensure Mailing to the Most Current Address Possible, CPT will Perform an Address Update via NCOA and Further Skip Trace if Necessary. From There, CPT will Mail an 8.5"x11" MICR Check and Notice to Valid Aggrieved Employees. CPT Uses a Payee Positive Pay System to Reconcile Checks Cashed and Conducts Monthly Account Reconciliations for the QSF.

ADMINISTRATIVE TASKS	UNIT PRICE	PIECES/HOURS	COST ESTIMATE
Programming: Calculation Totals	\$150.00	2	\$300.00
Project Supervisor: Review of Distribution	\$150.00	9	\$1,350.00
Project Manager: Correspondence w/Parties	\$95.00	5	\$475.00
Obtain EIN, Setup QSF/Bank Account	\$150.00	3	\$450.00
Programming: Setup & Printing of Checks	\$150.00	5	\$750.00
National Change of Address Search (NCOA)	\$250.00	1	\$250.00
XML Lex ID Skip Trace	\$0.75	333	\$249.75
Print & Mail Notice, Checks & 1099	\$3.00	3,330	\$9,990.00
First-Class Postage (up to 1 oz.)*	\$0.63	3,330	\$2,097.90
		TOTAL	\$15,912.65

*Postage costs are subject to change at anytime. The final rate will be determined at the time of mailing.

POST-DISTRIBUTION & TAX REPORTING

CPT Estimates that 6% of the Checks will be Returned Undeliverable and Skip Traced to Locate a Current Address and Remailed Accordingly. CPT will Process all Requests for Check Re-Issues Continuously. CPT Prepares Annual Tax Reporting on Behalf of the QSF. Throughout the Duration of Administration, CPT will Provide the Parties with Bi-Weekly Status Reports. Upon the Conclusion of the Disbursement, CPT will Issue a Due Process Declaration.

ADMINISTRATIVE TASKS	UNIT PRICE	PIECES/HOURS	COST ESTIMATE
Clerical Staff	\$60.00	1	\$60.00
Update Undeliverable Mail Database	\$0.50	200	\$100.00
Skip Trace for Best Address	\$0.50	178	\$89.00
Remail Undeliverable Checks	\$3.00	140	\$420.00
First-Class Postage (up to 1 oz.)	\$0.66	140	\$92.40
Re-Issue Checks as Required	\$5.00	34	\$170.00
First-Class Postage (up to 1 oz.)	\$0.66	34	\$22.44
Project Supervisor: Account Reconciliation	\$150.00	6	\$900.00
Project Supervisor: Reconcile Uncashed Chk	\$150.00	1	\$150.00
Programming: Weekly & Final Reports	\$150.00	1	\$150.00
Project Manager: Account Files Sent to Atty	\$95.00	1	\$95.00
Project Supervisor: Final Declaration	\$150.00	1	\$150.00
Annual Tax Reporting to IRS*	\$1,000.00	1	\$1,000.00
QSF Annual Tax Reporting	\$500.00	1	\$500.00
		TOTAL	\$3,898.84

*CPT will file Federal taxes in accordance to current state and federal regulations. Additional charges will apply if the Settlement/Order/parties require(s) multiple state tax filings.

GRAND TOTAL	\$24,271.49
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TERMS AND CONDITIONS

These Terms and Conditions are made a part of, and incorporated by reference into, any cost proposal or Bid presented by CPT Group, Inc. to Client

1. Definitions.

- a) **"Affiliate"** means a party that partially (at least 50%) or fully controls, is partially or fully controlled by, or is under partial (at least 50%) or full common control with another party.
- b) **"Approved Bank"** means a financial institution insured by the Federal Deposit Insurance Corporation.
- c) **"Case"** means the particular judicial matter identified by the name of plaintiff(s) and defendant(s) on the applicable Order.
- d) **"Claims Administrator"** means CPT Group, Inc., a reputable third-party Claims Administrator selected by all the Parties (Plaintiff and Defense Counsel) to administer the Settlement or Notification Mailing.
- e) **"Client"** means collectively Plaintiff Counsel and Defense Counsel.
- f) **"Client Content"** means all Class Member written document communications relating to the Case, including claim forms, opt-out forms, and objections, which contain Client Data.
- g) **"Client Data"** means proprietary or personal data regarding Client or any of its Class Members under this Agreement, as provided by Client.
- h) **"Class Member"** means an individual who is eligible under the Settlement Agreement to receive a designated amount of the Settlement, including the named Plaintiff(s) in the Case and all other putative persons so designated or addressed therein.
- i) **"Confidential Information"** means any non-public information of CPT or Client disclosed by either party to the other party, either directly or indirectly, in writing, orally or by inspection of tangible objects, or to which the other party may have access, which a reasonable person would consider confidential and/or which is marked "confidential" or "proprietary" or some similar designation by the disclosing party. Confidential Information shall also include the terms of this Agreement, except where this Agreement specifically provides for disclosure of certain items. Confidential Information shall not, however, include the existence of the Agreement or any information which the recipient can establish: (i) was or has become generally known or available or is part of the public domain without direct or indirect fault, action, or omission of the recipient; (ii) was known by the recipient prior to the time of disclosure, according to the recipient's prior written documentation; (iii) was received by the recipient from a source other than the discloser, rightfully having possession of and the right to disclose such information; or (iv) was independently developed by the recipient, where such independent development has been documented by the recipient.
- j) **"Court Order"** means a legal command or direction issued by a court, judicial office, or applicable administrative body requiring one or more parties to the Case to carry out a legal obligation pursuant to the Case.
- k) **"Defendant"** means the named party and/or parties in the Case against whom action is brought.
- l) **"Defense Counsel"** means the attorney of record for the defendant(s) in the Case.
- m) **"Intellectual Property Right"** means any patent, copyright, trade or service mark, trade dress, trade name, database right, goodwill, logo, trade secret right, or any other intellectual property right or proprietary information right, in each case whether registered or unregistered, and whether arising in any jurisdiction, including without limitation all rights of registrations, applications, and renewals thereof and causes of action for infringement or misappropriation related to any of the foregoing.
- n) **"Order"** means a Product purchase in a schedule, statement of work, addendum, exhibit, or amendment signed by Client and CPT.
- o) **"Parties"** shall mean collectively Defendants, Defense and Plaintiff as defined in the Settlement Agreement or Court Order.
- p) **"Plaintiff"** means the named party and/or parties in the Case who are bringing the action.
- q) **"Plaintiff Counsel"** means the attorney of record for plaintiff Class Members in the Case.
- r) **"Products"** means any and all CPT Services, and work products resulting from Services.
- s) **"Qualified Settlement Fund"** means the entity as defined by Treasury Regulation section 4686-1 under which a bank account is established to receive settlement funds from the Defendant in the Case, which such funds are then disbursed by CPT according to the Settlement Agreement and pursuant to Court Order.
- t) **"Service"** means any service rendered by CPT specifically to Client, including, but not limited to: (i) notifications to Class Members; (ii) setting up a Qualified Settlement Fund with a financial institution; (iii) management of disbursement of funds from the Qualified Settlement Fund to applicable parties pursuant to the Settlement Agreement; (iv) provision of customer support relating to the Case; (v) management of Case claim forms and correspondence; and/or (vi) any administrative or consulting service.
- u) **"Software"** means any and all of CPT's proprietary applications, including, without limitation, all updates, revisions, bug-fixes, upgrades, and enhancements thereto.
- v) **"Settlement"** means the total dollar amount agreed to between parties to the Case, as negotiated by Plaintiff Counsel and Defense Counsel, to resolve the Case to mutual satisfaction.
- w) **"Settlement Agreement"** means the contract between parties to the Case to resolve the same, which specifies amounts to be disbursed from the Qualified Settlement Fund to attorneys, CPT, and individual Class Members.
- x) **"Term"** means the term of the Agreement, as set forth in the Order.
- y) **"Transmission Methods"** means the secure authorized manner to send Client Data and/or Wire Information as specified on a schedule or Order hereto.
- z) **"Wire Information"** means instructions for (i) Defense Counsel to transfer funds from Defendant to the Qualified Settlement Fund or (ii) CPT to transfer funds from the Qualified Settlement Fund to applicable parties pursuant to the Settlement Agreement.

2. Client Obligations. Client will ensure that it has obtained all necessary consents and approvals for CPT to access Client Data for the purposes permitted under this Agreement and shall only transmit Client Data and/or Wire Instructions to CPT via the Transmission Methods. Client shall use and maintain appropriate administrative, technical, and physical safeguards designed to protect Client Data provided under this Agreement. Client shall not send, or attempt to send, Client Data and/or Wire Instructions via email, facsimile, unprotected spreadsheet, USB flash drive or other external or removable storage device, cloud storage provider, or any other method not specified in the Transmission Methods. Notwithstanding the foregoing, Client acknowledges and understands that the electronic transmission of information cannot be guaranteed to be secure or error free, and such information could be intercepted, corrupted, lost, and/or destroyed. Client further warrants that any Client Data and/or Wire Instructions it transmits shall be free of viruses, worms, Trojan horses, or other harmful or disabling codes which could adversely affect the Client Data and/or CPT. If Client is in breach of this section, CPT may suspend Services, in addition to any other rights and remedies CPT may have at law or in equity.

3. Security. The Parties and CPT shall each use reasonable administrative, technical, and physical safeguards that are reasonably designed to: (a) protect the security and confidentiality of any personally identifiable information provided by Class Members and/or Client under this Agreement; (b) protect against any anticipated threats or hazards to the security or integrity of such personally identifiable information; (c) protect against unauthorized access to or use of such personally identifiable information that could result in substantial harm or inconvenience to any individual; and (d) protect against unauthorized access to or use of such personally identifiable information in connection with its disposal. Each Party will respond promptly to remedy any known security breach involving the personally identifiable information provided by you and/or Client under this Agreement and shall promptly inform the other Parties of such breaches.

4. CPT Obligations. Provided that Client complies with all provisions of Section "Client Obligations", CPT will (i) maintain appropriate safeguards for the protection of Client Data, including regular back-ups, security and incident response protocols, and (ii) not access or disclose Client Data except (A) as compelled by law, (B) to prevent or address service or technical issues, (C) in accordance with this Agreement or the provisions of the Settlement Agreement, or (D) if otherwise permitted by Client.

5. Mutual Obligations.

- a) Resources. Each party agrees to: (i) provide the resources reasonably necessary to enable the performance of the Services; (ii) manage its project staffing, milestones, and attendance at status meetings; and (iii) ensure completion of its project deliverables and active participation during all phases of a Service project. The parties acknowledge that failure to cooperate during a Service project may delay delivery of the Service.

If there is a delay, the party experiencing the delay will notify the other party as soon as reasonably practicable, and representatives of each party will meet to discuss the reason for the delay and applicable consequences. Changes beyond the scope of an Order and/or a party's delay in performing its obligations may require an amended Order.

- b) **Incident Notification.** Each party will promptly inform the other parties in the event of a breach of Client Data in their possession and shall utilize best efforts to assist the other parties to mitigate the effects of such incident.
6. **Qualified Settlement Fund Account.** At Client's request, CPT shall be authorized to establish one or more bank accounts at an Approved Bank. The amounts held at the Approved Bank under this Agreement are at the sole risk of Client. Without limiting the generality of the foregoing, CPT shall have no responsibility or liability for any diminution of the funds that may result from the deposit thereof at the Approved Bank, including deposit losses, credit losses, or other claims made against the Approved Bank. It is acknowledged and agreed that CPT has acted reasonably and prudently in depositing funds at an Approved Bank, and CPT is not required to conduct diligence or make any further inquiries regarding such Approved Bank.
7. **Fees and Payment.** Pricing stated within the proposal is good for 90 Days. All postage charges and 50% of the final administration charges are due at the commencement of the case and will be billed immediately upon receipt of the Client data and /or notice documents. Client will be invoiced for any remaining fees according to the applicable Order. Pricing stated within any proposal from CPT to Client is for illustrative purposes only and is only binding upon an Order executed by CPT and Client. Payment of fees will be due within 30 days after the date of the invoice, except where this Agreement expressly prescribes other payment dates. All fees set forth in an Order are in U.S. dollars, must be paid in U.S. dollars, and are exclusive of taxes and applicable transaction processing fees. Late payments hereunder will incur a late charge of 1.5% (or the highest rate allowable by law, whichever is lower) per month on the outstanding balance from the date due until the date of actual payment. In addition, Services are subject to suspension for failure to timely remit payment therefor. If travel is required to effect Services, Client shall reimburse CPT for pre-approved, reasonable expenses arising from and/or relating to such travel, including, but not limited to, airfare, lodging, meals, and ground transportation.
8. **Term and Termination.**
- a) **Term.** The Term is set forth in the Order. The Agreement may be renewed by mutual written agreement of the parties.
- b) **Termination for Cause.** Either party may immediately terminate this Agreement if the other party materially breaches its obligations hereunder, and, where capable of remedy, such breach has not been materially cured within forty-five (45) days of the breaching party's receipt of written notice describing the breach in reasonable detail.
- c) **Bankruptcy Events.** A party may immediately terminate this Agreement if the other party: (i) has a receiver appointed over it or over any part of its undertakings or assets; (ii) passes a resolution for winding up (other than for a bona fide scheme of solvent amalgamation or reconstruction), or a court of competent jurisdiction makes an order to that effect and such order is not discharged or stayed within ninety (90) days; or (iii) makes a general assignment for the benefit of its creditors.
- d) **Effect of Termination.** Immediately following termination of this Agreement, upon Client's written request, Client may retrieve Client Data via Client's secure FTP site in the same format in which the Client Data was originally inputted into the Software, at no additional charge. Alternatively, Client Data can be returned in a mutually agreed format at a scope and price to be agreed. CPT will maintain a copy of Client Data and Client Content for no more than four (4) years following the date of the final check cashing deadline for Class Members under the Settlement Agreement, after which time any Client Data and Client Content not retrieved will be destroyed.
- e) **Final Payment.** If Client terminates this Agreement due to Section "Termination", Client shall pay CPT all fees owed through the termination date. If CPT terminates the Agreement in accordance with Section "Termination," Client shall pay CPT all fees invoiced through the termination date, plus all fees remaining to be invoiced during the Term, less any costs CPT would have incurred had the Agreement not been terminated.

Confidentiality. Each of the parties agrees: (i) not to disclose any Confidential Information to any third parties except as mandated by law and except to those subcontractors of CPT providing Products hereunder who agree to be bound by confidentiality obligations no less stringent than those set forth in this Agreement; (ii) not to use any Confidential Information for any purposes except carrying out such party's rights and responsibilities under this Agreement; and (iii) to keep the Confidential Information confidential using the same degree of care such party uses to protect its own confidential information; provided, however, that such party shall use at least reasonable care. These obligations shall survive termination of this Agreement.

- a) **Compelled Disclosure.** If receiving party is compelled to disclose any Confidential Information by judicial or administrative process or by other requirements of law, such party shall (i) promptly notify the other party, (ii) reasonably cooperate with the other party in such party's efforts to prevent or limit such compelled disclosure and/or obtain confidential treatment of the items requested to be disclosed, and (iii) shall disclose only that portion of such information which each party is advised by its counsel in writing is legally required to be disclosed.
- b) **Remedies.** If either party breaches any of its obligations with respect to confidentiality or the unauthorized use of Confidential Information hereunder, the other party shall be entitled to seek equitable relief to protect its interest therein, including but not limited to, injunctive relief, as well as money damages.
10. **Intellectual Property.** As between the parties, CPT will and does retain all right, title and interest (including, without limitation, all Intellectual Property Rights) in and to the Products. Client retains all ownership rights to Client Data.
11. **Indemnification.** Client agrees to indemnify, defend, and hold harmless CPT, its Affiliates, and the respective officer, directors, consultants, employees, and agents of each (collectively, Covered CPT Parties") from and against any and all third party claims and causes of action, as well as related losses, liabilities, judgments, awards, settlements, damages, expenses and costs (including reasonable attorney's fees and related court costs and expenses) (collectively, "Damages") incurred or suffered by CPT which directly relate to or directly arise out of (i) Client's breach of this Agreement; (ii) CPT's performance of Services hereunder; (iii) the processing and/or handling of any payment by CPT; (iv) any content, instructions, information or Client Data provided by Client to CPT in connection with the Services provided by CPT hereunder. The foregoing provisions of this section shall not apply to the extent the Damages relate to or arise out of CPT's willful misconduct. To obtain indemnification, indemnitee shall: (i) give written notice of any claim promptly to indemnitor; (ii) give indemnitor, at indemnitor's option, sole control of the defense and settlement of such claim, provided that indemnitor may not, without the prior consent of indemnitee (not to be unreasonably withheld), settle any claim unless it unconditionally releases indemnitee of all liability; (iii) provide to indemnitor all available information and assistance; and (iv) not take any action that might compromise or settle such claim.
12. **Warranties.** Each party represents and warrants to the other party that, as of the date hereof: (i) it has full power and authority to execute and deliver the Agreement; (ii) the Agreement has been duly authorized and executed by an appropriate employee of such party; (iii) the Agreement is a legally valid and binding obligation of such party; and (iv) its execution, delivery and/or performance of the Agreement does not conflict with any agreement, understanding or document to which it is a party. CPT WARRANTS THAT ANY AND ALL SERVICES PROVIDED BY IT HEREUNDER SHALL BE PERFORMED IN A PROFESSIONAL MANNER CONSISTENT WITH PREVAILING INDUSTRY STANDARDS. TO THE EXTENT PERMITTED BY APPLICABLE LAW, CPT DISCLAIMS ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, STATUTORY OR OTHERWISE, INCLUDING WITHOUT LIMITATION WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT AND ANY WARRANTIES ARISING FROM A COURSE OF DEALING, USAGE OR TRADE PRACTICE.
13. **Liability.**
- a) **Liability Cap.** EXCEPT FOR A PARTY'S WILLFUL MISCONDUCT, EACH PARTY'S MAXIMUM AGGREGATE LIABILITY ARISING OUT OF OR RELATING TO THIS AGREEMENT, REGARDLESS OF THE THEORY OF LIABILITY, WILL BE LIMITED TO THE TOTAL CLAIMS ADMINISTRATOR FEES PAID OR PAYABLE BY CLIENT TO CPT HEREUNDER. THE EXISTENCE OF MORE THAN ONE CLAIM SHALL NOT EXPAND SUCH LIMIT. THE PARTIES ACKNOWLEDGE THAT THE FEES AGREED UPON BETWEEN CLIENT AND CPT ARE BASED IN PART ON THESE LIMITATIONS, AND THAT THESE LIMITATIONS WILL APPLY NOTWITHSTANDING ANY FAILURE OF ANY ESSENTIAL PURPOSE OF ANY LIMITED REMEDY. THE FOREGOING LIMITATION SHALL NOT APPLY TO A PARTY'S PAYMENT OBLIGATIONS UNDER THE AGREEMENT.
- b) **Exclusion of Consequential Damages.** NEITHER PARTY WILL BE LIABLE FOR LOST PROFITS, LOST REVENUE, LOST BUSINESS OPPORTUNITIES, LOSS OF DATA, INTERRUPTION OF BUSINESS, OR ANY OTHER INDIRECT, SPECIAL, PUNITIVE, INCIDENTAL OR CONSEQUENTIAL DAMAGES ARISING OUT OF OR RELATING TO THIS AGREEMENT, REGARDLESS OF THE THEORY OF LIABILITY, EVEN IF IT HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.
14. **Communications.** CPT may list Client's name and logo alongside CPT's other clients on the CPT website and in marketing materials, unless and until Client revokes such permission. CPT may also list the Case name and/or number, and certain Qualified Settlement Fund information, on the CPT website and in marketing materials, unless stated otherwise in the Settlement Agreement.

15. Miscellaneous Provisions.

- a) Governing Law; Jurisdiction. This Agreement will be governed by and construed in accordance with the laws of the State of California and the federal laws of the United States of America, without regard to conflict of law principles. CPT and Client agree that any suit, action or proceeding arising out of, or with respect to, this Agreement or any judgment entered by any court in respect thereof shall be brought exclusively in the state or federal courts of the State of California located in the County of Orange, and each of CPT and Client hereby irrevocably accepts the exclusive personal jurisdiction and venue of those courts for the purpose of any suit, action or proceeding.
- b) Force Majeure. Neither party will be liable for any failure or delay in its performance under this Agreement due to any cause beyond its reasonable control, including without limitation acts of war, acts of God, earthquake, flood, weather conditions, embargo, riot, epidemic, acts of terrorism, acts or omissions of vendors or suppliers, equipment failures, sabotage, labor shortage or dispute, governmental act, failure of the Internet or other acts beyond such party's reasonable control, provided that the delayed party: (i) gives the other party prompt notice of such cause; and (ii) uses reasonable commercial efforts to correct promptly such failure or delay in performance.
- c) Counterparts. This Agreement may be executed in any number of counterparts and electronically, each of which shall be an original but all of which together shall constitute one and the same instrument.
- d) Entire Agreement. This Agreement contains the entire understanding of the parties in respect of its subject matter and supersedes all prior agreements and understandings (oral or written) between the parties with respect to such subject matter. The schedules and exhibits hereto constitute a part hereof as though set forth in full herein.
- e) Modifications. Any modification, amendment, or addendum to this Agreement must be in writing and signed by both parties.
- f) Assignment. Neither party may assign this Agreement or any of its rights, obligations, or benefits hereunder, by operation of law or otherwise, without the other party's prior written consent; provided, however, either party, without the consent of the other party, may assign this Agreement to an Affiliate or to a successor (whether direct or indirect, by operation of law, and/or by way of purchase, merger, consolidation or otherwise) to all or substantially all of the business or assets of such party, where the responsibilities or obligations of the other party are not increased by such assignment and the rights and remedies available to the other party are not adversely affected by such assignment. Subject to that restriction, this Agreement will be binding on, inure to the benefit of, and be enforceable against the parties and their respective successors and permitted assigns.
- g) No Third-Party Beneficiaries. The representations, warranties, and other terms contained herein are for the sole benefit of the parties hereto and their respective successors and permitted assigns and shall not be construed as conferring any rights on any other persons.
- h) Statistical Data. Without limiting the confidentiality rights and Intellectual Property Rights protections set forth in this Agreement, CPT has the perpetual right to use aggregated, anonymized, and statistical data ("Statistical Data") derived from the operation of the Software, and nothing herein shall be construed as prohibiting CPT from utilizing the Statistical Data for business and/or operating purposes, provided that CPT does not share with any third-party Statistical Data which reveals the identity of Client, Client's Class Members, or Client's Confidential Information.
- i) Export Controls. Client understands that the use of CPT's Products is subject to U.S. export controls and trade and economic sanctions laws and agrees to comply with all such applicable laws and regulations, including the Export Administration Regulations maintained by the U.S. Department of Commerce and the trade and economic sanctions maintained by the Treasury Department's Office of Foreign Assets Control.
- j) Severability. If any provision of this Agreement is held by a court or arbitrator of competent jurisdiction to be contrary to law, such provision shall be changed by the court or by the arbitrator and interpreted so as to best accomplish the objectives of the original provision to the fullest extent allowed by law, and the remaining provisions of this Agreement shall remain in full force and effect.
- k) Notices. Any notice or communication required or permitted to be given hereunder may be delivered by hand, deposited with an overnight courier, sent by electronic delivery, or mailed by registered or certified mail, return receipt requested and postage prepaid to the address for the other party first written above or at such other address as may hereafter be furnished in writing by either party hereto to the other party. Such notice will be deemed to have been given as of the date it is delivered, if by personal delivery; the next business day, if deposited with an overnight courier; upon receipt of confirmation of electronic delivery (if followed up by such registered or certified mail); and five days after being so mailed.
- l) Independent Contractors. Client and CPT are independent contractors, and nothing in this Agreement shall create any partnership, joint venture, agency, franchise, sales representative or employment relationship between Client and CPT. Each party understands that it does not have authority to make or accept any offers or make any representations on behalf of the other. Neither party may make any statement that would contradict anything in this section.
- m) Subcontractors. CPT shall notify Client of its use of any subcontractors to perform Client-specific Services. CPT shall be responsible for its subcontractors' performance of Services under this Agreement.
- n) Headings. The headings of the sections of this Agreement are for convenience only, do not form a part hereof, and in no way limit, define, describe, modify, interpret, or construe its meaning, scope or intent.
- o) Waiver. No failure or delay on the part of either party in exercising any right, power or remedy under this Agreement shall operate as a waiver, nor shall any single or partial exercise of any such right, power or remedy preclude any other or further exercise or the exercise of any other right, power, or remedy.
- p) Survival. Sections of the Agreement intended by their nature and content to survive termination of the Agreement shall so survive.