

Justin F. Marquez (SBN 262417)
justin@wilshirelawfirm.com
Christina M. Le (SBN 237697)
cle@wilshirelawfirm.com
Arsiné Grigoryan (SBN 319517)
agrigoryan@wilshirelawfirm.com
WILSHIRE LAW FIRM
3055 Wilshire Blvd., 12th Floor
Los Angeles, California 90010
Telephone: (213) 381-9988
Facsimile: (213) 381-9989

Attorneys for Plaintiff

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES – SPRING STREET COURTHOUSE

YOHANNA SANCHEZ, individually, and on
behalf of all others similarly situated,

Plaintiff,

v.

SU CASA DE CAMBIO CESAR CHAVEZ,
INC., a California corporation, and DOES 1
through 10, inclusive,

Defendants.

Case No.: 21STCV32728

CLASS ACTION

*[Assigned for all purposes to Judge Maren
Nelson, Dept. 17]*

**DECLARATION OF JUSTIN F.
MARQUEZ IN SUPPORT OF
PLAINTIFF'S MOTION FOR FINAL
APPROVAL OF CLASS ACTION AND
PAGA SETTLEMENT**

*[Filed concurrently with: Plaintiff's Notice of
Motion and Motion for Final Approval of
Class Action Settlement; Memorandum of
Points and Authorities; Declarations of
Yohanna Sanchez and Stephanie Molina
(Settlement Administrator) in Support of
Motion; and [Proposed] Order Granting
Motion.]*

FINAL APPROVAL HEARING

Date: December 13, 2023

Time: 9:00 a.m.

Dept: 17

Complaint filed: September 3, 2021

FAC filed: February 25, 2022

- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 0
- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 0
- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8

1. I am admitted, in good standing, to practice as an attorney in the State of California, the Ninth Circuit Court of Appeals, and the United States District Courts for the Central, Southern, Eastern, and Northern Districts of California. I am a Senior Partner at Wilshire Law Firm, PLC, the counsel of record for Plaintiff Yohanna Sanchez (“Plaintiff”). I have personal knowledge of the facts set forth in this declaration and could and would competently testify to them under oath if called as a witness. This Declaration is submitted in support of Plaintiff’s Motion for Final Approval of Class Action PAGA Settlement.

2. This is a wage and hour class and Private Attorneys General Act (“PAGA”) (Cal. Lab. Code §§ 2699, *et seq.*) representative action. Plaintiff and the putative class members worked in California as hourly-paid, non-exempt employees for Defendant during the class period. Defendant provides check cashing to the public at various locations throughout California.

4. On September 3, 2021, Plaintiff filed a putative wage-and-hour class action complaint against Defendant for: (1) failure to pay minimum and straight time wages; (2) failure to pay overtime wages; (3) failure to provide meal periods; (4) failure to authorize and permit rest periods; (5) failure to timely pay final wages at termination; (6) failure to provide accurate itemized

1 wage statements; and (7) violation of California’s Unfair Competition Law, California Business
2 and Professions Code §§ 17200, et seq. (*Id.* at ¶ 4.) On November 9, 2021, Plaintiff filed her
3 PAGA complaint. After the parties agreed to mediate this case, they also agreed to Plaintiff filing
4 a First Amended Complaint (“FAC”) to add her PAGA claim to this case. On February 25, 2022,
5 Plaintiff filed her FAC and subsequently dismissed her separately filed PAGA matter. Defendant
6 subsequently answered.

7 5. On August 2, 2023, the Court granted Plaintiff’s Motion for Preliminary Approval
8 of Class Action and PAGA Settlement.

9 DISCOVERY AND INVESTIGATION

10 6. Following the filing of the Complaint, the Parties exchanged documents and
11 information before mediating this action. Defendant produced a 20% sampling of timekeeping and
12 pay records for the class members. Defendant also provided documents of their wage and hour
13 policies and practices during the class period and information regarding the total number of current
14 and former employees in its informal discovery responses.

15 7. After reviewing documents regarding Defendant’s wage and hour policies and
16 practices, and analyzing Defendant’s timekeeping and payroll records, Class Counsel was able to
17 evaluate the probability of class certification, success on the merits, and Defendant’s maximum
18 monetary exposure for all claims. Class Counsel also investigated the applicable law regarding
19 the claims and defenses asserted in the Litigation. Class Counsel reviewed these records and
20 utilized an expert to prepare a damages analysis prior to mediation

21 SETTLEMENT NEGOTIATIONS

22 8. On June 17, 2021, the Parties participated in private mediation with experienced
23 class action mediator, Brandon McKelvey, Esq. The mediation was conducted via Zoom. The
24 settlement negotiations were at arm’s length and, although conducted in a professional manner,
25 were adversarial. The Parties went into the mediation willing to explore the potential for a
26 settlement of the dispute, but each side was also prepared to litigate their position through trial and
27 appeal if a settlement had not been reached.

28 9. After extensive negotiations and discussions regarding the strengths and

1 weaknesses of Plaintiff's claims and Defendant's defenses, the Parties were able to reach a
2 resolution, the material terms of which are encompassed within the Settlement Agreement.
3 Attached as **Exhibit 1** is a true and correct copy of the Class Action and PAGA Settlement and
4 Release and Class Notice ("Settlement" or "Settlement Agreement"); and attached as **Exhibit 2** is
5 a true and correct copy of the redlined version of the Los Angeles County Superior Court Complex
6 Department Model Class Action and PAGA Settlement Agreement and Class Notice (which the
7 Parties based the Settlement Agreement and Class Notice upon, which has been redlined to show
8 the changes to the Model Agreement and Class Notice).

9 10. The Settlement includes \$25,000.00 allocated to Plaintiff's claims under PAGA,
10 with 75% (\$18,750.00) of which is being paid to the LWDA and 25% (\$6,250.00) being paid to
11 the Participating PAGA Members. (Settlement, §3.2.5.) Class Counsel submitted the proposed
12 settlement to the LWDA before filing this Motion for Final Approval.

13 11. The Settlement provides that Defendant will not oppose a fee application of up to
14 33 1/3% (\$117,833.33) of the Gross Settlement Amount, plus out-of-pocket costs not to exceed
15 \$15,000.00. (Settlement, § 3.2.2.)

16 12. I requested several bids from experienced class action settlement administrators to
17 handle the responsibilities of the Settlement Administrator under this Settlement. The Parties
18 accepted the bid of ILYM Group, Inc. ILYM Group, Inc. has multiple years of experience in the
19 field of Class Action Administration, particularly in the wage-and-hour arena. In its bid, ILYM
20 Group, Inc. agreed to cap its costs at \$9,888.40 if there are 140 class members. A true and correct
21 copy of the bid is attached hereto as **Exhibit 3**.

22 13. Plaintiff does not have any interest, financial or otherwise, in the third-party
23 administrator, ILYM Group, Inc.

24 14. No one at Wilshire Law Firm, PLC (meaning the law firm itself and anyone
25 employed at the law firm) has any interest, financial or otherwise, in the third-party administrator,
26 ILYM Group, Inc.

27 15. Wilshire Law Firm, PLC has no fee-splitting agreement with any other counsel in
28 this case.

1 THE PROPOSED SETTLEMENT IS FAIR AND REASONABLE

2 16. Class Counsel has conducted a thorough investigation into the facts of this case.
3 Based on the foregoing discovery and their own independent investigation and evaluation, Class
4 Counsel is of the opinion that the Settlement is fair, reasonable, and adequate and is in the best
5 interests of the Settlement Class Members in light of all known facts and circumstances, the risk
6 of significant delay, the defenses that could be asserted by Defendant both to certification and on
7 the merits, trial risk, and appellate risk.

8 17. Based on an analysis of the facts and legal contentions in this case, documents and
9 information from Defendant, I evaluated Defendant's maximum exposure. I took into account the
10 risk of not having the claims certified and the risk of not prevailing at trial, even if the claims are
11 certified. After using the data Defendant provided, including class member timekeeping and
12 payroll records, as well as class member demographics (i.e., the number of class members,
13 workweeks, and average total compensation of the class), with the assistance of a statistics expert,
14 I created a damages model to evaluate the realistic range of potential recovery for the class. The
15 damages model is based on the following benchmarks:

16 Total Class Members: 107 ¹
17 Terminated Class Members during 3-year statute: 44
18 Total Workweeks: 17,836
19 PAGA Pay Periods: 2,778
20 Avg. Hourly Rate: \$14.08

21 18. Based on Plaintiff's discovery and investigation, Class Counsel reached the
22 conclusion that Defendant: (1) failed to have a legally compliant written policy authorizing and
23 permitting meal and rest period; (2) failed to pay class members for all hours worked, including
24 overtime wages; (3) failed to pay all meal and rest break premiums for non-compliant meal and
25
26
27 _____

28 ¹ Based on information provided by Defendant at the time of mediation.

1 rest breaks; and (4) failed to pay for all necessary business expenses². Defendant denied these
2 claims.

3 19. Plaintiff alleges that Defendant failed to pay for all hours worked, including
4 minimum, straight time, and overtime wages. My expert and I analyzed Defendant's timekeeping
5 and payroll records and found many instances where we concluded that Defendant failed to pay
6 employees for all hours worked, particularly the time performing work-related duties pre-shift,
7 during meal periods, and post-shift. A more conservative estimate was appropriate given the
8 difficulty of proving an off-the-clock work violation on a class-wide basis. Based on information
9 provided by Plaintiff, and assuming that Defendant failed to pay employees for one (1) hour of off-
10 the-clock work per workweek, with 16.5% of that work being paid at the overtime rate, potential
11 liability for this claim is \$328,059.00. Because individualized issues can be a significant obstacle
12 to certifying and proving off-the-clock claims, I discounted this figure by 80% to account for the
13 difficulty of prevailing on a motion for class certification and a trial on the merits, yielding a
14 realistic damage estimate of **\$65,611.80**.³

15 20. With respect to the meal period claim, Plaintiff alleges that Defendant required her
16 and similarly situated class members to either work in lieu of taking meal periods, or their meal
17 periods were untimely or interrupted, and Defendant lacked legally compliant meal period policies
18 during the class period. My expert analyzed Defendant's timekeeping records and opined that
19 approximately 75.1% of all shifts had violations of short, missed, or no meal periods. Potential
20 liability for the meal period claim, which includes shifts 5-6 hours long, shifts over six hours long,
21 shifts over ten hours long, and shifts over 12 hours long, is \$1,155,756.00 including interest;
22 however, I discounted this figure by 80% to account for the difficulty of certifying and proving
23

24 ² This Labor Code section 2802 claim, which is not currently part of Plaintiff's operative
25 complaint, was discovered to exist during the informal discovery process before mediation, and
was brought up as a claim during mediation.

26 ³ This discount for risk at certification and trial is reasonable because the Judicial Council
27 of California found that only 21.4% of all class actions were certified either as part of a
28 settlement *or* as part of a contested certification motion. *See* Findings of the Study of California
Class Action Litigation, 2000-2006, available at [http:// www.courts.ca.gov/documents/class-
action-lit-study.pdf](http://www.courts.ca.gov/documents/class-action-lit-study.pdf).

1 meal period claims, to account for the fact that approximately 1/3 of the violations occurred during
2 shifts between 5-6 hours where meal periods can be waived, as well as Defendant's contention that
3 the claim lacks merit because class members voluntarily chose to forego their meal periods or take
4 them at a later time, yielding a realistic damage estimate of **\$231,151.20**.

5 21. With respect to the rest period claim, Plaintiff alleges that Defendant required him
6 and similarly situated class members to work in lieu of taking rest periods, or their rest periods
7 were untimely or interrupted, and Defendant lacked legally compliant rest period policies during
8 the class period. Assuming a 75% violation rate for the class period based on Plaintiff's and other
9 class members' experience working for Defendant, Defendant's potential liability for the rest
10 period claim is \$1,149,480.00; however, I discounted this figure by 90% to account for the
11 difficulty of certifying and proving rest period claims, particularly because rest periods do not have
12 to be recorded, and to account for the possibility of class members voluntarily choosing to forego
13 a rest period, yielding a realistic damage estimate of **\$114,948.00**.

14 22. With respect to the reimbursement claim, in informal discovery leading to
15 mediation, it was discovered that Plaintiff and other class members were required to use their cell
16 phones for their work tasks and were not reimbursed for their cell phone expenses. Assuming a
17 \$40.00 per month expense for each class member for their work-related cell phone expense based
18 on Plaintiff's and other class members' experience working for Defendant, Defendant's potential
19 liability for the expense reimbursement claim is \$211,536.00; however, I discounted this figure by
20 90% to account for the difficulty of certifying and proving this reimbursement claim, yielding a
21 realistic damage estimate of **\$21,153.60**.

22 23. In sum, I estimated that Plaintiff's maximum recovery for the unpaid wages based
23 on the failure to pay for all hours worked (minimum, straight time, and overtime wages), the meal
24 and rest period violations, and the expense reimbursement claim, is \$2,516,772.00, but, **after**
25 **factoring in the risk and uncertainty of prevailing at certification and trial, I estimate that**
26 **Plaintiff's realistic estimated recovery for the non-penalty claims is \$432,864.60.**

27 24. With respect to Plaintiff's derivative claims for statutory and civil penalties,
28 Plaintiff estimated that Defendant's realistic potential liability is **\$134,604.60**. While Defendant's

1 maximum potential liability for waiting time penalties is \$120,873.00 based on approximately 44
2 terminated class members during the 3-year statute, \$274,350 for inaccurate wage statements based
3 on approximately 69 class members who worked 2,778 pay periods within the 1-year statute, and
4 \$277,800.00 for PAGA violations based on the Court assessing a \$100 penalty for initial violations
5 for all 2,778 pay periods within the 1-year statute, I believe that it would be unrealistic to expect
6 the Court to award the full \$673,023.00 in penalties given Defendant's defenses, the contested
7 nature of Plaintiff's claims, and the discretionary nature of penalties. Considering that the
8 underlying claims are estimated to be \$2,516,772.00, such a disproportionate award would also
9 raise due process concerns. Weighing these factors, and applying an 80% discount to account for
10 the risk and uncertainty of prevailing at trial, I arrived at \$134,604.60 for statutory and civil
11 penalties.

12 25. **Using these estimated figures, Plaintiff predicted that the realistic maximum**
13 **recovery for all claims, including penalties, would be \$567,469.20. This means that the**
14 **\$353,500.00 settlement figure represents 62% of the realistic maximum recovery**
15 **(\$353,500.00/\$567,469.20 = 62%).** Considering the risk and uncertainty of prevailing at class
16 certification and at trial, this is an excellent result for the Class.⁴ Indeed, because of the proposed
17 Settlement, class members will receive timely, guaranteed relief and will avoid the risk of an
18 unfavorable judgment.

19 26. While Plaintiff is confident in the merits of her claims, a legitimate controversy
20 exists as to each cause of action. Plaintiff also recognizes that proving the amount of wages due
21 to each Class Member would be an expensive, time-consuming, and uncertain proposition.

22 27. This Settlement avoids the risks and the accompanying expense of further litigation.
23 Although the Parties had engaged in a significant amount of investigation, informal discovery and
24

25 ⁴ See, e.g., *Wise v. Ulta Salon, Cosmetics & Fragrance, Inc.* 2019 WL 3943859 at *8
26 (E.D. Cal. Aug. 21, 2019) (granting preliminary approval where the proposed allocation to settle
27 class claims was between 9.53 percent of plaintiffs' maximum recovery); *Bravo v. Gale Triangle,*
28 *Inc.*, 2017 WL 708766 at * 10 (C.D. Cal. Feb 16, 2017) (finding that "a settlement for fourteen
percent recovery of Plaintiffs' maximum recovery is reasonable"); *In re Omnivision Techs., Inc.*,
559 F.Supp.2d 1036, 1042 (N.D. Cal. 2008) (approving settlement amount that "is just over 9%
of the maximum potential recovery asserted by either party.").

1 class-wide data analysis, the Parties had not yet completed formal written discovery. Plaintiff
2 intended to depose corporate officers and managers of Defendant. Moreover, preparation for class
3 certification and a trial remained for the Parties as well as the prospect of appeals in the wake of a
4 disputed class certification ruling for Plaintiff and/or adverse summary judgment ruling. Had the
5 Court certified any claims, Defendant could move to decertify the claims. As a result, the Parties
6 would incur considerably more attorneys' fees and costs through trial.

7 28. The Total Maximum Settlement Amount is \$353,500.00. The Net Settlement Sum
8 available for Class Member individual settlement payments is estimated to be payments is
9 estimated to be **\$176,734.111** for a class of 124 persons. (Declaration of Molina, ¶¶ 14, 15.) **As a**
10 **result, each Settlement Class Member is eligible to receive an average gross benefit of**
11 **approximately \$1,425.28, with an average gross benefit of \$60.10 for those who are PAGA**
12 **employees.** (Id. at ¶ 16.) In addition here were no objections to the Settlement or request for
13 exclusions from any Class Members. (Declaration of Molina, ¶¶ 12, 13.)

14 29. The proposed Settlement of \$353,500.00 therefore represents a substantial recovery
15 when compared to Plaintiff's reasonably forecasted recovery. When considering the risks of
16 litigation, the uncertainties involved in achieving class certification, the burdens of proof necessary
17 to establish liability, the probability of appeal of a favorable judgment, it is clear that the settlement
18 amount of \$353,500.00 is within the "ballpark" of reasonableness, and preliminary settlement
19 approval is appropriate.

20 THE PAGA ALLOCATION IS FAIR, JUST, AND REASONABLE

21 30. Plaintiff seeks preliminary approval of a proposed \$353,500.00 non-reversionary,
22 wage, and hour class and PAGA action settlement, which includes a \$25,000.00 allocation to the
23 PAGA claims, with Defendant. The Settlement will provide substantial monetary payments to
24 approximately 124 class members and 104 aggrieved employees. (Declaration of Molina, ¶ 5.)

25 31. With respect to Plaintiff's derivative claims for PAGA penalties, at the time of
26 mediation, Plaintiff evaluated, with the assistance of a consultant, 20% of the time and payroll
27 records for the aggrieved employees from the PAGA Period. Plaintiff determined that Defendant's
28 maximum potential liability for PAGA penalties is \$277,800.00 for PAGA violations based on the

1 Court assessing a \$100 penalty for initial violations for all 2,778 pay periods (approximately 69
2 employees) within the 1-year statute. However, reducing this by at least 90% would bring us to a
3 more realistic figure of \$27,780.00 considering the difficulty of proving some of the underlying
4 claims, and the fact that the PAGA claims are discretionary. This amount may be further reduced
5 based on other issues impacting the PAGA claim.

6 32. Class Counsel believed the \$25,000.00 allocation to the PAGA claim was
7 appropriate given Counsel's evaluation of the PAGA claims, the procedural status of the claim,
8 and the fact that the amounts would serve PAGA's statutory purpose.

9 33. To date, the LWDA has given no indication that they (1) intend to investigate the
10 alleged claims or (2) that they object to the settlement.

11 ENHANCEMENT AWARD FOR PLAINTIFF IS REASONABLE

12 34. Class Counsel represents that Plaintiff devoted a great deal of time and work
13 assisting counsel in the case, communicated with counsel very frequently for litigation and to
14 prepare for mediation, and was frequently in contact with Class Counsel during the mediation.
15 Plaintiff's requested enhancement award is reasonable, particularly in light of the substantial
16 benefits Plaintiff generated for all class members.

17 35. Throughout this Litigation, Plaintiff, who is a former employee of Defendant, has
18 cooperated immensely with my office and has taken many actions to protect the interests of the
19 class. Plaintiff provided valuable information regarding unpaid overtime, meal period, and rest
20 period claims. Plaintiff also informed my office of developments and information relevant to this
21 action, participated in decisions concerning this action, made himself available to answer questions
22 during the mediation, and provided my office with the names and contact information of potential
23 witnesses in this action. Before we filed this case, Plaintiff provided my office with documents
24 regarding the claims alleged in this action. The information and documentation provided by
25 Plaintiff were instrumental in establishing the alleged wage and hour violations alleged in this
26 action, and the recovery provided for in the Settlement Agreement would have been impossible to
27 obtain without Plaintiff's participation.

28 36. At the same time, Plaintiff faced many risks in adding himself as the class

1 representative in this matter. Plaintiff faced actual risks with her future employment, as putting
2 themselves on public record in an employment lawsuit could also very well affect her likelihood
3 for future employment. Furthermore, as part of this Settlement, Plaintiff is executing a general
4 release of all claims against Defendant.

5 37. In turn, class members will now have the opportunity to participate in a settlement,
6 reimbursing them for alleged wage violations they may have never known about on their own or
7 been willing to pursue on their own. If these class members would have each tried to pursue their
8 legal remedies on their own, that would have resulted in each having to expend a significant amount
9 of their own monetary resources and time, which were obviated by Plaintiff putting themselves on
10 the line on behalf of these other class members.

11 38. In the final analysis, this class action would not have been possible without the aid
12 of Plaintiff, who put her own time and effort into this Litigation, sacrificed the value of her own
13 individual claims, and placed herself at risk for the sake of the class members. The requested
14 enhancement award for Plaintiff for her service as the class representative and for her general
15 release of all individual claims is a relatively small amount of money when the time and effort put
16 into the litigation are considered and in comparison, to enhancements granted in other class actions.
17 The requested incentive award is therefore reasonable to compensate Plaintiff for her active
18 participation in this lawsuit. Indeed, in *Karl Adams, III, et al. v. MarketStar Corporation, et al.*,
19 No. 2:14-cv-02509-TLN-DB, a wage and hour class action alleging that class members were
20 misclassified as exempt outside salespersons, I was co-lead Class Counsel and helped negotiate a
21 \$2.5 million class action settlement for 339 class members, and the court approved a \$25,000.00
22 class representative incentive award for each named Plaintiff.

23 THE REQUEST FOR ATTORNEYS' FEES AND COSTS IS REASONABLE

24 39. The Settlement provides for attorney's fees payable to Class Counsel in an amount
25 up to one-third (33 1/3%) of the Settlement Amount, for a maximum fees award of \$117,833.33,
26 plus actual costs and expenses not to exceed \$16,000.00. Class Counsel's costs are currently
27 \$14,044.16 to date. The proposed award of attorneys' fees to Class Counsel in this case can be
28 justified under either method – lodestar or percentage recovery. Class Counsel, however, intend

to base the proposed award of fees, costs and expenses on the percentage method as many of the entries in the time records will have to be redacted to preserve attorney-client and attorney work product privileges.

40. The total current lodestar for Wilshire Law Firm, PLC is not less than the following:

Justin F. Marquez (Senior Partner)

Work Performed	Hours	Lodestar (\$1,500/hr)
Prelawsuit investigation and analyzing legal and factual issues.	2	\$3,000
Research, drafting and review of Plaintiffs' Initial Complaint	0.6	\$510
Communications with counsel regarding early mediation.	0.5	\$425
Preparation for and attendance of mediation with Steve Cerveris	28.7	\$24,395
Negotiation, drafting, and review of Settlement Agreement and related documents, including communications with counsel.	3	\$2,550
Drafting and review of Plaintiffs' Motion for Preliminary Approval.	8.5	\$7,225
Monitor settlement administration, including responding to class member inquiries.	4.8	\$4,080
Motion for Final Approval.	4	\$3,400
Total	52.1	\$44,285

Christina M. Le (Senior Attorney)

Work Performed	Hours	Lodestar (\$750/hr)
Meet and confer re initial status conferences, preparation of statements, and attendance at conferences.	8.3	\$6,225
Meet and confer re mediation and set up of mediation.	3	\$2,250
Preparation for and attendance at mediation, including review of documents and review and drafting of brief.	22.6	\$16,950
Preparation of and finalization of the Settlement Agreement and related documents, including communications with counsel.	4	\$3,000
Drafting of Plaintiffs' Motion for Preliminary Approval and attendance at hearings.	30.9	\$23,175
Additional briefing re: Preliminary Approval.	5.3	\$3,975

Monitor settlement administration, including responding to class member inquiries.	2.4	\$1,800
Drafting of Motion for Final Approval.	20.1	\$15,075
Total	96.6	\$72,450

Arsine Grigoryan (Associate Attorney)

Work Performed	Hours	Lodestar (\$600/hr)
Preparation of joint reports, including meet and confers re joint reports, and attendance at status conference hearings.	5.5	\$3,300
Preparation for and attendance at mediation, including drafting of brief and calls with clients re information for mediation and meet and confers with counsel re further information.	10.3	\$6,180
Total	15.8	\$9,480

41. Plaintiff's counsel has spent over 164.5 attorney hours and the lodestar is currently \$126,215 in litigating this Action to bring it to resolution, not including the time that will be expended monitoring the administration of the settlement and distribution of funds to the Class Members. The efforts expended by Plaintiffs' counsel to achieve this result include, but are not limited to, the following:

- a. the investigation of the matter, including meeting with Plaintiffs, reviewing Defendants' policies, and requesting and reviewing Plaintiffs' time and pay records, personnel files, and exploring the corporate structure of Defendant;
- b. filing the Action;
- c. attending status conferences and meeting and conferring with Defendant regarding the case;
- d. meeting and conferring with Defendant regarding mediation, exchange of informal discovery beforehand, and negotiating with opposing counsel regarding the parameters thereof;
- e. selecting a mediator and mediation date;
- f. working with opposing counsel and consultants for the receipt of a representative sampling and analyzing the same with the aid of expert consultants and Plaintiffs to perform analyses of liability and exposure prior to attendance of the mediation in

1 this matter;

2 g. reviewing policy documents from Defendant;

3 h. preparation of a mediation brief and damages model for use at mediation;

4 i. attendance at mediation by all Parties and Counsel;

5 j. communicating with Plaintiffs who requested updates or other information
6 regarding this matter;

7 k. negotiating, finalizing and fully executing the Settlement Agreement, in which
8 numerous drafts were distributed;

9 l. preparing and filing the Motion for Preliminary Approval and supporting
10 documents;

11 m. preparing the supplemental memorandum in support of the Motion for Preliminary
12 Approval and supporting documents;

13 n. communicating with class members who sought additional information regarding
14 the settlement, including answering questions regarding the settlement and
15 obtaining updated addresses from class members for purposes of receiving the class
16 notices and administering the settlement checks; and

17 o. preparing the instant Motion for Final Approval.

18 42. There are additional hours devoted by me (and by my colleagues, both current and
19 former attorneys at Wilshire Law Firm) to this litigation that are not reflected in Class Counsel's
20 request for attorney's fees.

21 43. We can provide additional billing records in the event the Court requests them but
22 would request the opportunity to redact attorney-client privileged information and any other
23 privileged information.

24 44. Additional time will be required by Class Counsel to obtain final approval of the
25 settlement and requested awards, monitor the settlement and respond to class member inquiries,
26 and oversee the administration of the settlement and distribution of the fund. I estimate that my
27 office will commit no less than 10 hours to those tasks and have included those hours above. Given
28 my firm's time spent on this case and the positive reaction by the class, the requested fee award is

1 reasonable and fair.

2 45. The risk to my office has been very significant, particularly if we would not be
3 successful in pursuing this class action. In that case, we would have been left with no compensation
4 for all the time taken in litigating this case. Indeed, I have taken on a number of class action cases
5 that have resulted in thousands of attorney hours being expended and ultimately having
6 certification denied or the defendant company going bankrupt. The contingent risk in these types
7 of cases is very real and they do occur regularly. Furthermore, we were precluded from focusing
8 on, or taking on, other cases which could have resulted in a larger, and less risky, monetary gain.

9 46. Because most individuals cannot afford to pay for representation in litigation on an
10 hourly basis, Wilshire Law Firm, PLC represents virtually all of its employment law clients on a
11 contingency fee basis. Pursuant to this arrangement, we are not compensated for our time unless
12 we prevail at trial or successfully settle our clients' cases. Because Wilshire Law Firm, PLC is
13 taking the risk that we will not be reimbursed for our time unless our client settles or wins his or
14 her case, we cannot afford to represent an individual employee on a contingency basis if, at the
15 end of our representation, all we are to receive is our regular hourly rate for services. It is essential
16 that we recover more than our regular hourly rate when we win if we are to remain in practice so
17 as to be able to continue representing other individuals in civil rights employment disputes.

18 47. Wilshire Law Firm, PLC has no fee-splitting agreement with any other counsel in
19 this case. As of the drafting of this motion, my office has incurred approximately \$14,044.16 in
20 expenses litigating this action. Attached as **Exhibit 4** is a true and correct copy of the Plaintiff's
21 itemized costs through the date of filing this motion. These expenses are reasonably necessary to
22 the litigation and were actually incurred by my office. Class Counsel, therefore, seeks \$14,044.16
23 in costs. Plaintiff's Counsel requests that these costs be reimbursed in full, up to the maximum
24 amount allowed in the Settlement Agreement (\$16,000.00).

25 CLASS COUNSEL'S EXPERIENCE AND QUALIFICATIONS

26 48. Wilshire Law Firm, PLC was selected by Best Lawyers and U.S. News & World
27 Report as one of the nation's Best Law Firms in 2023 and is comprised of over 60 attorneys and
28 over 500 employees. Wilshire Law Firm, PLC is actively and continuously practicing in

1 employment litigation, representing employees in both individual and class actions in both state
2 and federal courts throughout California.

3 49. Wilshire Law Firm, PLC is qualified to handle this Litigation because its attorneys
4 are experienced in litigating Labor Code violations in both individual, class action, and
5 representative action cases. Wilshire Law Firm, PLC has handled, and is currently handling,
6 numerous wage and hour class action lawsuits, as well as class actions involving consumer rights
7 and data privacy litigation.

8 50. I graduated from the University of California, Los Angeles's College Honors
9 Program in 2004 with Bachelor of Arts degrees in History and Japanese, *magna cum laude* and *Phi*
10 *Beta Kappa*. As an undergraduate, I also received a scholarship to study abroad for one year at
11 Tokyo University in Tokyo, Japan. I received my Juris Doctor from Notre Dame Law School in
12 2008.

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

16 52. I have received numerous awards for my legal work. From 2017 to 2020, Super
17 Lawyers selected me as a "Southern California Rising Star," and in 2022 and 2023, I was selected
18 as a "Southern California Super Lawyer." I was selected as one of the "Best Lawyers in America"
19 in 2023 and 2024. In 2016 and 2017, the National Trial Lawyers selected me as a "Top 40 Under
20 40" attorney. I am also rated 10.0 ("Superb") by Avvo.com.

21 53. I am on the California Employment Lawyers Association ("CELA")'s Wage and
22 Hour Committee and Mentor Committee, and I was selected to speak at CELA's 2019 Advanced
23 Wage & Hour Seminar on the topic of manageability of class actions. Since 2013, I have actively
24 mentored young attorneys through CELA's mentorship program.

25 54. I am also a past member of the Consumer Attorneys of California ("CAOC"). In
26 2020, I was selected for a position on CAOC's Board of Directors. I am also a past member of
27 CAOC's Diversity Committee, and I helped assist the CAOC in defeating bills that harm
28 employees. Indeed, I recently helped assist Jacqueline Serna, Esq., Legislative Counsel for CAOC,

1 in defeating AB 443, which proposed legislation that sought to limit the enforceability of California
2 Labor Code § 226.

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

- 8 a. I served as lead or co-lead in negotiating class action settlements worth over \$10
9 million in gross recovery to class members for each year since 2020, including over
10 \$37.5 million in 2022 and over \$70 million in 2023.
- 11 b. I was part of the team of attorneys that prevailed in *Moore v. Centrelake Medical*
12 *Group, Inc.* (2022) 83 Cal.App.5th 515, the first California appellate decision in a
13 data breach class action holding that consumer plaintiffs adequately alleged injury
14 in fact under the benefit of the bargain theory and monitoring-costs theory.
- 15 c. In 2022, Top Verdict recognized Wilshire Law Firm and myself for having one case
16 in the Top 20 Labor & Employment Settlements in 2021 (including number 19 for
17 the \$1.6 million settlement in *Moreno v. Pretium Packaging, L.L.C*) and four
18 additional cases in the Top 50 Labor & Employment Settlements in 2021 (numbers
19 27, 30, 33, and 37).
- 20 d. To my knowledge, I am the only attorney to appear on each of the following Top
21 Verdict lists for 2018 in California: Top 20 Civil Rights Violation Verdicts, Top 20
22 Labor & Employment Settlements, and Top 50 Class Action Settlements.
- 23 e. As lead counsel, on April 29, 2021, I prevailed against CVS Pharmacy, Inc. by
24 winning class certification on behalf of hundreds of thousands of consumers for
25 misleading advertising claims in *Joseph Mier v. CVS Pharmacy, Inc.*, U.S. Dist. Ct.
26 C.D. Cal. no. SA CV 20-1979-DOC-(ADSx).
- 27 f. As lead counsel, I prevailed against Bank of America by: winning class certification
28 on behalf of thousands of employees for California Labor Code violations; defeating

1 appellate review of the court’s order certifying the class; defeating summary
2 judgment; and defeating a motion to dismiss. (*Frausto v. Bank of America, N.A.*
3 (N.D. Cal. 2019) 334 F.R.D. 192, 2020 WL 1290302 (9th Cir. Feb. 27, 2020), 2019
4 WL 5626640 (N.D. Cal. Oct. 31, 2019), 2018 W.L. 3659251 (N.D. Cal. Aug. 2,
5 2018).). The decision certifying the class in *Frausto* is also discussed in Class
6 Certification Under Fed. R. Civ. P. 23 in Action by Information Technology or Call
7 Center Employees for Violation of State Law Wage and Hour Rules, 35 A.L.R. Fed.
8 3d Art. 8.

9 g. I was the primary author of the class certification and expert briefs in *ABM*
10 *Industries Overtime Cases* (2017) 19 Cal.App.5th 277, a wage and hour class action
11 for over 40,000 class members for off-the-clock, meal period, split shift, and
12 reimbursement claims. *ABM Industries Overtime Cases* is the first published
13 California appellate authority to hold that an employer’s “auto-deduct policy for
14 meal breaks in light of the recordkeeping requirements for California employers is
15 also an issue amenable to classwide resolution.” (*Id.* at p. 310.)⁵ Notably, the Court
16 of Appeal also held that expert analysis of timekeeping records can also support the
17 predominance requirement for class certification. (*Id.* at p. 310-11.) In 2021, the
18 case settled for \$140 million, making it one of the largest ever wage and hour class
19 action settlements for hourly-paid employees in California.

20 h. I briefed, argued, and won *Yocupicio v. PAE Group, LLC* (9th Cir. 2015) 795 F.3d
21 1057. The Ninth Circuit ruled in my client’s favor and held that non-class claims
22 under California’s Private Attorney Generals Act (“PAGA”) cannot be used to
23 calculate the amount in controversy under the Class Action Fairness Act (“CAFA”).
24 This case is cited in several leading treatises such as Wright & Miller’s Federal
25 Practice & Procedure, and Newberg on Class Actions. In October 2016, the U.S.

26
27 ⁵ As a California district court observed before the *ABM Industries Overtime* decision,
28 “[t]he case law regarding certification of auto-deduct classes is mixed.” (*Wilson v. TE*
Connectivity Networks, Inc. (N.D. Cal. Feb. 9, 2017) No. 14-CV-04872-EDL, 2017 WL
1758048, *7.)

1 Supreme Court denied review of a case that primarily concerned Yocupicio. That
2 effort was led by Theodore J. Boutrous, who brought the cert petition, with amicus
3 support from a brief authored by Andrew J. Pincus.⁶ Considering that leading
4 Supreme Court practitioners from the class action defense bar were very motivated
5 in undermining Yocupicio case, but failed, this demonstrates the national
6 importance of the Yocupicio decision.

- 7 i. On December 13, 2018, the United States District Court granted final approval of
8 the \$2,500,000 class action settlement in *Mark Brulee, et al. v. DAL Global Services,*
9 *LLC* (C.D. Cal. Dec. 13, 2018) No. CV 17-6433 JVS(JCGx), 2018 WL 6616659 in
10 which I served as lead counsel. In doing so, the Court found: “Class Counsel’s
11 declarations show that the attorneys are experienced and successful litigators.” (Id.
12 at p. *10.)
- 13 j. *Gasio v. Target Corp.* (C.D. Cal. Sep. 12, 2014) 2014 U.S. Dist. LEXIS 129852, a
14 reported decision permitting class-wide discovery even though the employer has a
15 lawful policy because “[t]he fact that a company has a policy of not violating the
16 law does not mean that the employees follow it, which is the issue here.” The court
17 also ordered Defendants to pay for the cost of *Belaire-West* notice.
- 18 k. In 2013, I represented a whistleblower that reported that his former employer was
19 defrauding the State of California with the help of bribes to public employees. The
20 case, a false claims (qui tam) action, resulted in the arrest and criminal prosecution
21 of State of California employees by the California Attorney General’s Office.
- 22 l. In 2013, I was part of a team of attorneys that obtained conditional certification for
23 over 2,000,000 class members in a federal labor law case for misclassification of
24 independent contractors that did crowdsourced work on the Internet, *Otey v.*
25 *CrowdFlower, Inc.*, N.D. Cal. Case No. 12-cv-05524-JST (MEJ), resulting in the
26 following pro-plaintiff reported decisions:

27
28 ⁶ <http://www.chamberlitigation.com/cases/abm-industries-inc-v-castro>.

- 1 m. 2013 U.S. Dist. LEXIS 151846 (N.D. Cal. Oct. 22, 2013) (holding that an
2 unaccepted Rule 68 offer doesn't moot plaintiff's claims, and granting plaintiff's
3 motion to strike Defendants' affirmative defenses based on *Twombly/Iqbal*).
- 4 n. 2013 U.S. Dist. LEXIS 122007 (N.D. Cal. Aug. 27, 2013) (order granting
5 conditional collective certification).
- 6 o. 2013 U.S. Dist. LEXIS 95687 (N.D. Cal. July 8, 2013) (affirming the magistrate
7 judge's discovery ruling which held that "evidence of other sources of income is
8 irrelevant to the question of whether a plaintiff is an employee within the meaning
9 of the FLSA").
- 10 p. 2013 U.S. Dist. LEXIS 91771 (N.D. Cal. June 20, 2013) (granting broad discovery
11 because "an FLSA plaintiff is entitled to discovery from locations where he never
12 worked if he can provide some evidence to indicate company-wide violations").
- 13 q. From 2012 to 2013, I was part of a team of attorneys that obtained class certification
14 for over 60,000 class members for off-the-clock claims, *Linares v. Securitas*
15 *Security Services USA, Inc.*, Los Angeles Superior Court No. BC416555. We also
16 successfully opposed subsequent appeals to the California Court of Appeal and
17 California Supreme Court.

18 56. Christina M. Le is a Senior Attorney at Wilshire Law Firm. She is admitted to
19 practice in the State of California, the Ninth Circuit Court of Appeals, and the United States District
20 Courts for the Central, Southern, Eastern, and Northern Districts of California. She graduated from
21 Loyola Law School, Los Angeles, and attended the University of California, Berkeley for his
22 undergraduate studies, where she obtained a Bachelor of Arts in History. She has over 15 years of
23 litigation experience, which includes the successful handling of numerous employment, wage and
24 hour, and class and representative action matters during the latter half of his career in state and
25 federal court through inception through case resolution. Prior to joining Wilshire Law Firm in
26 November 2021, Ms. Le gained invaluable litigation experience working at various Plaintiffs and
27 defense firms, including Kristensen Weisberg PLC, Jones Bell LLP, Archer Norris PLC, and Lewis
28 Brisbois Bisgaard & Smith LLP. Ms. Le is a member of NELA, CELA, CAALA, LACBA, and the

1 Vietnamese Bar Association of Southern California, and has been a recognized speaker on wage
2 and hour topics for some of these organizations at various conferences and seminars. Her current
3 contingent billing rate for this case is \$750.00 per hour, which is commensurate with Ms. Le's
4 years of experience and work in this practice area.

5 57. Arsiné Grigoryan is an Associate Attorney at my office. She earned two Bachelor
6 of Arts degrees from the University of California, Berkeley in (1) Political Science with an
7 emphasis on international relations and (2) Media Studies. She obtained her Juris Doctor degree
8 from Southwestern Law School. She is presently admitted to practice in all state courts of
9 California (admitted in 2017) and before all federal district courts in California. The focus of her
10 practice at Wilshire Law Firm is currently on class action wage-and-hour law, including Private
11 Attorneys General Act of 2004 ("PAGA") matters. Prior to joining Wilshire Law Firm, PLC, she
12 worked at a law firm specializing in wage-and-hour class action cases. She is also handling more
13 than a dozen active class action matters currently pending and prosecuting multiple PAGA
14 collective action matters in various courts throughout the State of California. Her current
15 contingency billing rate for this case is \$600.00 per hour which is commensurate with Ms.
16 Grigoryan's years of experience and work in this practice area.

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

- 21 a. I have been paid for legal industry consulting services at \$1,500 per hour by
22 Gerson Lehrman Group (GLG), a company that provides financial information
23 and advises investors and consultants with business clients seeking expert advice.
24 GLG is one of the largest companies that provides expert consulting services.
25 GLG's clients include corporations, hedge funds, private equity firms, and
26 consulting firms. I have worked with GLG on numerous occasions at a rate of
27 \$1,500 per hour, including on three recent occasions in October and November of
28 2023.

- 1 b. On May 6, 2022, the Hon. Jay A. Garcia-Gregory of the United States District
2 Court in Puerto Rico approved my \$850 hourly rate when he granted final
3 approval of the class action settlement in *Serrano v. Inmediata Corp.*, No. 3:19-
4 cv-01811-JAG, Dkt. 57 (U.S. Dist. Ct. P.R. May 6, 2022).
- 5 c. On September 9, 2021, the Hon. Peter Wilson of the Orange County Superior Court
6 approved my \$800 hourly rate when he granted final approval of the class action
7 settlement in *Ricardo Campos Hernandez v. Adams Iron Co., Inc.*, No. 30-2019-
8 01066522-CU-OE-CXC.
- 9 d. On August 6, 2021, the Hon. Stanley Blumenfeld, Jr. of the United States District
10 Court granted final approval of the \$1,600,000 class action settlement in *Carlos*
11 *Moreno v. Pretium Packaging, Inc.* (C.D. Cal. Aug. 6, 2021) No. 8:19-cv-02500-
12 SB-DFM, 2021 WL 3673845 in which I served as lead counsel. In doing so, the
13 Court approved my then \$750 hourly rate after finding it was “reasonable, given the
14 qualifications of the attorneys who worked on this matter.” (*Id.* at p. *3.)
- 15 e. On January 19, 2021, the Hon. Elihu M. Berle of the Los Angeles County Superior
16 Court approved my \$750 hourly rate when he granted final approval of the class
17 action settlement in *Faye Zhang v. Richemont North America, Inc.*, Case No.
18 19STCV32396.

19 59. The reasonableness of my firm’s hourly rates is also supported by several surveys of legal
20 rates, including the following:

- 21 a. The 2022 Real Rate Report survey compiled by Wolters Kluwer, which presents
22 the real market rates of Los Angeles area attorneys who practice litigation. For
23 that category, the third quartile 2022 rate was \$1,045 per hour for partners and
24 \$855 for associates. Likewise, page 32 of the Report describes the rates charged
25 by 183 Los Angeles partners with “21 or more years of experience” and “Fewer
26 than 21 years.” For those categories, the third quartile Los Angeles partner rate in
27 2022 were \$1,133 per hour for 21 or more years and \$1,075 for attorneys with
28

1 fewer than 21 years. A true and correct copy of portions of the 2022 Real Rate
2 Report is attached hereto as **Exhibit 5**.

- 3 b. In an article entitled “Big Law Rates Topping \$2,000 Leave Value ‘In Eye of
4 Beholder,’” written by Roy Strom and published by Bloomberg Law on June 9,
5 2022, the author describes how Big Law firms have crossed the \$2,000-per hour
6 rate. The article also notes that law firm rates have been increasing by just under
7 3% per year. A true and correct copy of this article is attached hereto as **Exhibit 6**.

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

10 Executed on November 17, 2023, at Los Angeles, California.

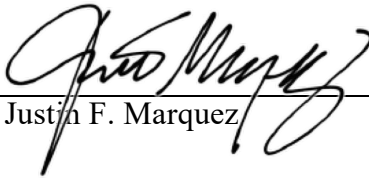
11
12 
13 Justin F. Marquez
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

Exhibit 1

CLASS ACTION AND PAGA SETTLEMENT AGREEMENT AND CLASS NOTICE

This Class Action and PAGA Settlement Agreement (“Agreement”) is made by and between Plaintiff Yohanna Sanchez (“Plaintiff”) and Defendant Su Casa de Cambio Cesar Chavez, Inc. (“SCDC”). The Agreement refers to Plaintiff and SCDC collectively as “Parties,” or individually as “Party.”

1. DEFINITIONS.

- 1.1. “Action” means the Plaintiff’s lawsuit alleging wage and hour violations against SCDC captioned Sanchez v. Su Casa de Cambio Cesar Chavez, Inc., Case No. 21STCV32728, initiated on September 3, 2021 and pending in the Superior Court of the State of California, County of Los Angeles.
- 1.2. “Administrator” means ILYM 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 Preliminary Approval of the Settlement.
- 1.4. “Aggrieved Employee” means a person employed by SCDC in California and classified as a hourly paid, non-exempt employee who worked for SCDC during the PAGA Period.
- 1.5. “Class” means all persons employed by SCDC in California and classified as a hourly paid, non-exempt employee who worked for SCDC during the Class Period.
- 1.6. “Class Counsel” means Justin F. Marquez, Christina M. Le, and Arsine Grigoryan of the Wilshire Law Firm, PLC, 3055 Wilshire Blvd., 12th Floor, Los Angeles, CA 90010.
- 1.7. “Class Counsel Fees Payment” and “Class Counsel Litigation Expenses Payment” mean the amounts allocated to Class Counsel for reimbursement of reasonable attorneys’ fees and expenses, respectively, incurred to prosecute the Action.
- 1.8. “Class Data” means Class Member identifying information in SCDC’s possession including the Class Member’s name, last-known mailing address, Social Security number, and number of Class Period Workweeks and PAGA Pay Periods.
- 1.9. “Class Member” or “Settlement Class Member” means a member of the Class, as either a Participating Class Member or Non-Participating Class Member (including a Non-Participating Class Member who qualifies as an Aggrieved Employee).

- 1.10. “Class Member Address Search” means the Administrator’s investigation and search for current Class Member 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 Class Members.
- 1.11. “Class Notice” means the COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL, to be mailed to Class Members in English, with a Spanish translation in the form, without material variation, attached as Exhibit A and incorporated by reference into this Agreement.
- 1.12. “Class Period” means the period from March 9, 2017 through the date the Court grants Preliminary Approval of the Settlement.
- 1.13. “Class Representative” means the named Plaintiff in the operative complaint in the Action seeking Court approval to serve as a Class Representative.
- 1.14. “Class Representative Service Payment” means the payment to the Class Representative for initiating the Action and providing services in support of the Action.
- 1.15. “Court” means the Superior Court of California, County of Los Angeles.
- 1.16. “SCDC” means named Defendant Su Casa de Cambio Cesar Chavez, Inc.
- 1.17. “Defense Counsel” means Nancy N. Lubrano and Ashley N. Lopezello of CDF Labor Law LLP, 18300 Von Karman Ave., Ste. 800, Irvine, CA 92612.
- 1.18. “Effective Date” means the date by when both of the following have occurred: (a) the Court enters a Judgment on its Order Granting Final Approval of the Settlement; and (b) the Judgment is final. The Judgment is final as of the latest of the following occurrences: (a) if no Participating Class Member objects to the Settlement, the day the Court enters Judgment; (b) if one or more Participating Class Members objects to the Settlement, the day after the deadline for filing a notice of appeal from the Judgment; or if a timely appeal from the Judgment is filed, the day after the appellate court affirms the Judgment and issues a remittitur.
- 1.19. “Final Approval” means the Court’s order granting final approval of the Settlement.
- 1.20. “Final Approval Hearing” means the Court’s hearing on the Motion for Final Approval of the Settlement.
- 1.21. “Final Judgment” means the Judgment Entered by the Court upon Granting Final Approval of the Settlement.

- 1.22. “Gross Settlement Amount” means \$353,500.00 which is the total amount SCDC agrees to pay under the Settlement except as provided in Paragraph 9 below. The Gross Settlement Amount will be used to pay Individual Class Payments, Individual PAGA Payments, the LWDA PAGA Payment, Class Counsel Fees, Class Counsel Expenses, Class Representative Service Payment and the Administrator’s Expenses.
- 1.23. “Individual Class Payment” means the Participating Class Member’s pro rata share of the Net Settlement Amount calculated according to the number of Workweeks worked during the Class Period.
- 1.24. “Individual PAGA Payment” means the Aggrieved Employee’s pro rata share of 25% of the PAGA Penalties calculated according to the number of Workweeks worked during the PAGA Period.
- 1.25. “Judgment” means the judgment entered by the Court based upon the Final Approval.
- 1.26. “LWDA” means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i).
- 1.27. “LWDA PAGA Payment” means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).
- 1.28. “Net Settlement Amount” means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: Individual PAGA Payments, the LWDA PAGA Payment, Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and the Administration Expenses Payment. The remainder is to be paid to Participating Class Members as Individual Class Payments.
- 1.29. “Non-Participating Class Member” means any Class Member who opts out of the Settlement by sending the Administrator a valid and timely Request for Exclusion.
- 1.30. “PAGA Pay Period” means any Pay Period during which an Aggrieved Employee worked for SCDC for at least one day during the PAGA Period.
- 1.31. “PAGA Period” means the period from March 11, 2020 through the date the Court grants Preliminary Approval of the Settlement.
- 1.32. “PAGA” means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).
- 1.33. “PAGA Notice” means Plaintiff’s September 3, 2021 letter to SCDC and the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a).
- 1.34. “PAGA Penalties” means the total amount of PAGA civil penalties (\$25,000.00) to be paid from the Gross Settlement Amount, allocated approximately 25% to the

Aggrieved Employees (\$6,250.00) and approximately 75% to LWDA (\$18,750.00) in settlement of PAGA claims.

- 1.35. "Participating Class Member" means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.
- 1.36. "Plaintiff" means Yohanna Sanchez, the named plaintiff in the Action.
- 1.37. "Preliminary Approval" means the Court's Order Granting Preliminary Approval of the Settlement.
- 1.38. "Preliminary Approval Order" means the proposed Order Granting Preliminary Approval and Approval of PAGA Settlement.
- 1.39. "Released Class Claims" means the claims being released as described in Paragraph 6.2 below.
- 1.40. "Released PAGA Claims" means the claims being released as described in Paragraph 6.3 below.
- 1.41. "Released Parties" means: SCDC and each of its former and present directors, officers, shareholders, owners, members, attorneys, insurers, predecessors, successors, assigns, subsidiaries, and affiliates.
- 1.42. "Request for Exclusion" means a Class Member's submission of a written request to be excluded from the Class Settlement signed by the Class Member.
- 1.43. "Response Deadline" means 45 days after the Administrator mails Notice to Class Members and Aggrieved Employees, and shall be the last date on which Class Members may: (a) fax, email, or mail Requests for Exclusion from the Settlement, or (b) fax, email, or mail his or her Objection to the Settlement. Class Members to whom Notice Packets are resent after having been returned undeliverable to the Administrator shall have an additional 14 calendar days beyond the Response Deadline has expired.
- 1.44. "Settlement" means the disposition of the Action effected by this Agreement and the Judgment.
- 1.45. "Workweek" means any week during which a Class Member worked for SCDC for at least one day, during the Class Period.

2. RECITALS.

- 2.1. On September 3, 2021, Plaintiff commenced this Action by filing a Complaint alleging causes of action against SCDC for violations under the Labor Code and Business Code. On February 25, 2022, Plaintiff filed a First Amended Complaint alleging causes of action against SDCC for: (1) failure to pay minimum and straight time

wages; (2) failure to pay overtime wages; (3) failure to provide meal periods; (4) failure to authorize and permit rest periods; (5) failure to timely pay final wages at termination; (6) failure to provide accurate itemized wage statements; (7) violation of California's Unfair Competition Law, California Business and Professions Code §§ 17200, et seq.; and (8) civil penalties under the PAGA. The First Amended Complaint is the operative complaint in the Action (the "Operative Complaint.") SCDC 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 SCDC and the LWDA by sending the PAGA Notice.

2.3. On June 17, 2022, the Parties participated in an all-day mediation presided over by mediator Brandon McKelvey, Esq., which led to this Agreement to settle the Action.

2.4. Prior to mediation, Plaintiff obtained, through informal discovery, an adequate sampling of employee time and payroll records and the exchanges of relevant data points pertaining to the Class and PAGA claims. Plaintiff's investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.* (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 129-130 ("*Dunk/Kullar*").

2.5. The Court has not granted class certification.

2.6. The Parties, Class 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, SCDC promises to pay \$353,500.00 and no more as the Gross Settlement Amount and to separately pay any and all employer payroll taxes owed on the Wage Portions of the Individual Class Payments. SCDC has no obligation to pay the Gross Settlement Amount (or any payroll taxes) 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 Participating Class Members or Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to SCDC.

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 Plaintiff: Class Representative Service Payment to the Class Representative of not more than \$10,000.00 (in addition to any Individual Class Payment [and any Individual PAGA Payment] the Class Representative is entitled to receive as a Participating Class Member). SCDC will not oppose Plaintiff's request for a Class Representative Service Payment that does not exceed this amount. As part of the motion for Class Counsel Fees Payment and Class Litigation Expenses Payment, Plaintiff will seek Court approval for any Class Representative Service Payments no later than 16 court days prior to the Final Approval Hearing. If the Court approves a Class Representative Service Payment less than the amount requested, the Administrator will retain the remainder in the Net Settlement Amount. The Administrator will pay the Class Representative Service Payment using IRS Form 1099. Plaintiff assumes full responsibility and liability for employee taxes owed on the Class Representative Service Payment.
- 3.2.2. To Class Counsel: A Class Counsel Fees Payment of not more than 33.3%, which is currently estimated to be \$117,833.33 and a Class Counsel Litigation Expenses Payment of not more than \$16,000.00. SCDC will not oppose requests for these payments provided that do not exceed these amounts. Plaintiff and/or Class Counsel will file a motion for Class Counsel Fees Payment and Class Litigation Expenses Payment no later than 16 court days prior to the Final Approval Hearing. If the Court approves a Class Counsel Fees Payment and/or a Class 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 Class Counsel or any other Plaintiff's Counsel arising from any claim to any portion any Class Counsel Fee Payment and/or Class Counsel Litigation Expenses Payment. The Administrator will pay the Class Counsel Fees Payment and Class Counsel Expenses Payment using one or more IRS 1099 Forms. Class Counsel assumes full responsibility and liability for taxes owed on the Class Counsel Fees Payment and the Class Counsel Litigation Expenses Payment and holds SCDC harmless, and indemnifies SCDC, from any dispute or controversy regarding any division or sharing of any of these Payments.
- 3.2.3. To the Administrator: An Administrator Expenses Payment not to exceed \$10,000.00 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 \$10,000.00, the Administrator will retain the remainder in the Net Settlement Amount.
- 3.2.4. To Each Participating Class Member: An Individual Class Payment calculated by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members during the Class Period and (b) multiplying the result by each Participating Class Member's Workweeks.
- 3.2.4.1. Tax Allocation of Individual Class Payments. 10% of each Participating Class Member's Individual Class Payment will be allocated to settlement of wage claims (the "Wage Portion"). The Wage Portions are

subject to tax withholding and will be reported on an IRS W-2 Form. The 90% of each Participating Class Member's Individual Class Payment will be allocated to settlement of claims for [e.g., interest and penalties] (the "Non-Wage Portion"). The Non-Wage Portions are not subject to wage withholdings and will be reported on IRS 1099 Forms. Participating Class Members assume full responsibility and liability for any employee taxes owed on their Individual Class Payment.

3.2.4.2. Effect of Non-Participating Class Members on Calculation of Individual Class Payments. Non-Participating Class Members will not receive any Individual Class Payments. The Administrator will retain amounts equal to their Individual Class Payments in the Net Settlement Amount for distribution to Participating Class Members on a pro rata basis.

3.2.5. To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of \$25,000.00 to be paid from the Gross Settlement Amount, with 75% (\$18,750.00) allocated to the LWDA PAGA Payment and 25% (\$6,250.00) allocated to the Individual PAGA Payments.

3.2.5.1. The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties \$6,250.00 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.

3.2.5.2. 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. Class Workweeks and Aggrieved Employee Pay Periods. At mediation, SCDC represented that there were 104 Class Members who collectively worked a total of 17,836 Workweeks, and 69 of Aggrieved Employees who worked a total 2,778 of PAGA Pay Periods.

4.2. Class Data. Not later than 15 days after the Court grants Preliminary Approval of the Settlement, SCDC will simultaneously deliver the Class Data to the Administrator, in the form of a Microsoft Excel spreadsheet. To protect Class Members' privacy rights, the Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement and for no other purpose, and restrict access to the Class Data to Administrator employees who need access to the Class Data to effect and perform under this Agreement. SCDC has a continuing duty to immediately notify Class

Counsel if it discovers that the Class Data omitted class member identifying information and to provide corrected or updated Class Data as soon as reasonably feasible. Without any extension of the deadline by which SCDC must send the Class 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 Class Data.

- 4.3. Funding of Gross Settlement Amount. SCDC shall fully fund the Gross Settlement Amount, and also fund the amounts necessary to fully pay SCDC's share of payroll taxes by transmitting the funds to the Administrator no earlier than December 17, 2023, with funding of the Settlement Amount to be paid within 14 days from that date (December 17, 2023), unless SCDC voluntarily chooses to make payment sooner.
- 4.4. Payments from the Gross Settlement Amount. Within 14 days after SCDC funds the Gross Settlement Amount, the Administrator will mail checks for all Individual Class Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class Representative Service Payment. Disbursement of the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment and the Class Representative Service Payment shall not precede disbursement of Individual Class Payments and Individual PAGA Payments.
- 4.4.1. The Administrator will issue checks for the Individual Class Payments and/or Individual PAGA Payments and send them to the Class Members 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. The Administrator will send checks for Individual Settlement Payments to all Participating Class Members (including those for whom Class Notice was returned undelivered). The Administrator will send checks for Individual PAGA Payments to all Aggrieved Employees including Non-Participating Class Members who qualify as Aggrieved Employees (including those for whom Class Notice was returned undelivered). The Administrator may send Participating Class Members a single check combining the Individual Class Payment and the Individual PAGA Payment. 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 a Class Member Address Search for all other Class Members whose checks are returned undelivered without USPS forwarding address. Within 7 days of receiving a returned check the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Class Member Address Search. The Administrator need not take further steps to deliver checks to Class Members whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Class Member whose original check was lost or misplaced, requested by the Class Member prior to the void date.

4.4.3. For any Class Member whose Individual Class Payment check or 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 Class Member thereby, leaving no "unpaid residue" subject to the requirements of California Code of Civil Procedure Section 384, subd. (b).

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

6. RELEASES OF CLAIMS. Effective on the date when SCDC fully funds the entire Gross Settlement Amount and funds all employer payroll taxes owed on the Wage Portion of the Individual Class Payments, Plaintiff, Class Members, Aggrieved Employees, the State of California, and Class Counsel will release claims against all Released Parties as follows:

6.1 Plaintiff's Release. Plaintiff and his or her respective former and present spouses, representatives, agents, attorneys, heirs, administrators, successors, and assigns generally, release and discharge Released Parties from all claims, transactions, or occurrences that occurred during the Class Period, that were, or reasonably could have been, alleged, based on the facts contained, in the Operative Complaint, Plaintiff's PAGA Notice, or ascertained during the Action including, but not limited to: (1) failure to pay minimum and straight time wages (Cal. Lab. Code §§ 204, 1194, 1194.2, and 1197); (2) failure to pay overtime wages (Cal. Lab. Code §§ 1194 and 1198); (3) failure to provide meal periods and to pay premium payments (Cal. Lab. Code §§ 226.7, 512); (4) failure to authorize and permit rest periods and to pay premium payments (Cal. Lab. Code §§ 226.7); (5) failure to timely pay final wages at termination (Cal. Lab. Code §§ 201-203); (6) failure to provide accurate itemized wage statements (Cal. Lab. Code § 226); (7) failure to reimburse business-related expenses (Labor Code § 2802); (8) violation of California's Unfair Competition Law (California Business and Professions Code §§ 17200, *et seq.*); and failure to maintain records (Labor Code § 1174.5); and (9) all PAGA civil penalties pursuant to Labor Code section 2698 *et seq.* based on facts contained in the Operative Complaint, and released under 6.2, below. ("Plaintiff's Release.") Plaintiff's Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, workers' compensation benefits that arose at any time, or based on occurrences outside the Class Period. Plaintiff acknowledges that Plaintiff may discover facts or law different from, or in addition to, the facts or law that Plaintiff now knows or believes to be true but agrees, nonetheless, that Plaintiff's Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiff's discovery of them.

6.1.1 Plaintiff's Waiver of Rights Under California Civil Code Section 1542.
For purposes of Plaintiff's Release, Plaintiff expressly waives and relinquishes the

provisions, rights, and benefits, if any, of section 1542 of the California Civil Code, which reads:

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

6.2 Release by Participating Class Members: All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties from (i) all claims that were alleged, or reasonably could have been alleged, based on the Class Period facts stated in the Operative Complaint and ascertained in the course of the Action including, any and all claims for (1) failure to pay minimum and straight time wages (Cal. Lab. Code §§ 204, 1194, 1194.2, and 1197); (2) failure to pay overtime wages (Cal. Lab. Code §§ 1194 and 1198); (3) failure to provide meal periods and to pay premium payments (Cal. Lab. Code §§ 226.7, 512); (4) failure to authorize and permit rest periods and to pay premium payments (Cal. Lab. Code §§ 226.7); (5) failure to timely pay final wages at termination (Cal. Lab. Code §§ 201-203); (6) failure to provide accurate itemized wage statements (Cal. Lab. Code § 226); (7) failure to reimburse business-related expenses (Labor Code § 2802); (8) violation of California's Unfair Competition Law (California Business and Professions Code §§ 17200, *et seq.*); and failure to maintain records (Labor Code § 1174.5). Except as set forth in Section 6.3 of this Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Period.

6.3 PAGA Release by Plaintiff, Aggrieved Employees and the State of California: Upon either the Date When SCDC Fully Funds the Entire Gross Settlement Amount and Funds All Employer Payroll Taxes Owed on the Wage Portion of the Individual Class Payments, or the Date the Court Grants Final Approval of the Settlement, ***whichever is later***, Plaintiff, all Aggrieved Employees, and the State of California are deemed to release all claims for PAGA civil penalties, which occurred during the PAGA Period, pursuant to Labor Code section 2698 *et seq.* alleged or that could have been alleged based on the allegations asserted in the Operative Complaint and PAGA Notice, including but not limited to claims for (1) failure to pay minimum and straight time wages (Cal. Lab. Code §§ 204, 1194, 1194.2, and 1197); (2) failure to pay overtime wages (Cal. Lab. Code §§ 1194 and 1198); (3) failure to provide meal periods and to pay premium payments (Cal. Lab. Code §§ 226.7, 512); (4) failure to authorize and permit rest periods and to pay premium payments (Cal. Lab. Code §§ 226.7); (5) failure to timely pay final wages at termination (Cal. Lab. Code §§ 201-203); (6) failure to provide accurate itemized wage statements (Cal. Lab. Code § 226); (7) failure to reimburse business-related expenses (Labor Code § 2802); and (8) failure to maintain records (Labor Code § 1174.5).

7. MOTION FOR PRELIMINARY APPROVAL. The Parties agree to jointly prepare and file a motion for preliminary approval (“Motion for Preliminary Approval”) that complies with the Court’s current checklist for Preliminary Approvals.

7.1 SCDC’s Declaration in Support of Preliminary Approval. Within 14 days of the full execution of this Agreement, SCDC will prepare and deliver to Class Counsel a signed Declaration from SCDC and Defense Counsel disclosing all facts relevant to any actual or potential conflicts of interest with the Administrator or the California Controller’s Unclaimed Property Fund (recipient of uncashed or voided settlement checks) . In their Declarations, Defense Counsel and SCDC 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.

7.2 Plaintiff’s Responsibilities. Plaintiff will prepare and deliver to Defense Counsel all documents necessary for obtaining Preliminary Approval, including: (i) a draft of the notice, and memorandum in support, of the Motion for Preliminary Approval that includes an analysis of the Settlement under *Dunk/Kullar* and a request for approval of the PAGA Settlement under Labor Code Section 2699, subd. (f)(2)); (ii) a draft proposed Order Granting Preliminary Approval and Approval of PAGA Settlement; (iii) a draft proposed Class Notice; (iv) 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 Class 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 Class Members; and the nature and extent of any financial relationship with Plaintiff, Class Counsel or Defense Counsel; (v) a signed declaration from Plaintiff confirming willingness and competency to serve and disclosing all facts relevant to any actual or potential conflicts of interest with Class Members, [and/or] the Administrator ; (v) a signed declaration from each Class Counsel firm attesting to its competency to represent the Class Members; 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)); and all facts relevant to any actual or potential conflict of interest with Class Members, the Administrator. In their Declarations, Plaintiff and Class Counsel Declaration 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.

7.3 Responsibilities of Counsel. Class Counsel and Defense Counsel are jointly responsible for expeditiously finalizing and filing the Motion for Preliminary Approval no later than 30 days after the full execution of this Agreement; obtaining a prompt hearing date for the Motion for Preliminary Approval; and for appearing in Court to advocate in favor of the Motion for Preliminary Approval. Class Counsel is responsible for delivering the Court’s Preliminary Approval to the Administrator.

7.4 Duty to Cooperate. If the Parties disagree on any aspect of the proposed Motion for Preliminary Approval and/or the supporting declarations and documents, Class

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 Preliminary Approval or conditions Preliminary Approval on any material change to this Agreement, Class 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.

8. SETTLEMENT ADMINISTRATION.

- 8.1 Selection of Administrator. The Parties have jointly selected ILYM Group, Inc. to serve as the Administrator and verified that, as a condition of appointment, ILYM 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.
- 8.2 Employer Identification Number. The Administrator shall have and use its own Employer Identification Number for purposes of calculating payroll tax withholdings and providing reports state and federal tax authorities.
- 8.3 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.
- 8.4 Notice to Class Members.
- 8.4.1 No later than three (3) business days after receipt of the Class Data, the Administrator shall notify Class Counsel that the list has been received and state the number of Class Members, PAGA Members, Workweeks, and Pay Periods in the Class Data.
- 8.4.2 Using best efforts to perform as soon as possible, and in no event later than 14 days after receiving the Class Data, the Administrator will send to all Class Members identified in the Class Data, via first-class United States Postal Service ("USPS") mail, the Class Notice, with Spanish translation, substantially in the form attached to this Agreement as Exhibit 1. The first page of the Class Notice shall prominently estimate the dollar amounts of any Individual Class Payment and/or Individual PAGA Payment payable to the Class Member, and the number of Workweeks and PAGA Pay Periods (if applicable) used to calculate these amounts. Before mailing Class Notices, the Administrator shall update Class Member addresses using the National Change of Address database.
- 8.4.3 Not later than 3 business days after the Administrator's receipt of any Class Notice returned by the USPS as undelivered, the Administrator shall re-mail

the Class Notice using any forwarding address provided by the USPS. If the USPS does not provide a forwarding address, the Administrator shall conduct a Class Member Address Search, and re-mail the Class Notice to the most current address obtained. The Administrator has no obligation to make further attempts to locate or send Class Notice to Class Members whose Class Notice is returned by the USPS a second time.

8.4.4 The deadlines for Class Members' written objections, challenges to Workweeks and/or Pay Periods, and Requests for Exclusion will be extended an additional 14 days beyond the 45 days otherwise provided in the Class Notice for all Class Members whose notice is re-mailed. The Administrator will inform the Class Member of the extended deadline with the re-mailed Class Notice.

8.4.5 If the Administrator, SCDC or Class Counsel is contacted by or otherwise discovers any persons who believe they should have been included in the Class Data and should have received Class Notice, the Parties will expeditiously meet and confer in person or by telephone, and in good faith. In an effort to agree on whether to include them as Class Members. If the Parties agree, such persons will be Class Members entitled to the same rights as other Class Members, and the Administrator will send, via email or overnight delivery, a Class Notice requiring them to exercise options under this Agreement not later than 14 days after receipt of Class Notice, or the deadline dates in the Class Notice, whichever are later.

8.5 Requests for Exclusion (Opt-Outs).

8.5.1 Class Members who wish to exclude themselves (opt-out of) the Class Settlement must send the Administrator, by fax, email, or mail, a signed written Request for Exclusion not later than 60 days after the Administrator mails the Class Notice (plus an additional 14 days for Class Members whose Class Notice is re-mailed). A Request for Exclusion is a letter from a Class Member or his/her representative that reasonably communicates the Class Member's election to be excluded from the Settlement and includes the Class Member's name, address and email address or telephone number. To be valid, a Request for Exclusion must be timely faxed, emailed, or postmarked by the Response Deadline.

8.5.2 The Administrator may not reject a Request for Exclusion as invalid because it fails to contain all the information specified in the Class Notice. The Administrator shall accept any Request for Exclusion as valid if the Administrator can reasonably ascertain the identity of the person as a Class Member and the Class Member's desire to be excluded. The Administrator's determination shall be final and not appealable or otherwise susceptible to challenge. If the Administrator has reason to question the authenticity of a Request for Exclusion, the Administrator may demand additional proof of the Class Member's identity. The Administrator's determination of authenticity shall be final and not appealable or otherwise susceptible to challenge.

- 8.5.3 Every Class Member who does not submit a timely and valid Request for Exclusion is deemed to be a Participating Class Member under this Agreement, entitled to all benefits and bound by all terms and conditions of the Settlement, including the Participating Class Members' Releases under Paragraphs 6.2 and 6.3 of this Agreement, regardless whether the Participating Class Member actually receives the Class Notice or objects to the Settlement.
- 8.5.4 Every Class Member who submits a valid and timely Request for Exclusion is a Non-Participating Class Member and shall not receive an Individual Class Payment or have the right to object to the class action components of the Settlement. Because future PAGA claims are subject to claim preclusion upon entry of the Judgment, Non-Participating Class Members who are Aggrieved Employees are deemed to release the claims identified in Paragraph 6.4 of this Agreement and are eligible for an Individual PAGA Payment.
- 8.6 Challenges to Calculation of Workweeks. Each Class Member shall have 45 days after the Administrator mails the Class Notice (plus an additional 14 days for Class Members whose Class Notice is re-mailed) to challenge the number of Class Workweeks and PAGA Pay Periods (if any) allocated to the Class Member in the Class Notice. The Class Member may challenge the allocation by communicating with the Administrator via fax, email or mail. The Administrator must encourage the challenging Class Member to submit supporting documentation. In the absence of any contrary documentation, the Administrator is entitled to presume that the Workweeks contained in the Class Notice are correct so long as they are consistent with the Class Data. The Administrator's determination of each Class Member's allocation of Workweeks and/or Pay Periods shall be final and not appealable or otherwise susceptible to challenge. The Administrator shall promptly provide copies of all challenges to calculation of Workweeks and/or Pay Periods to Defense Counsel and Class Counsel and the Administrator's determination the challenges.
- 8.7 Objections to Settlement.
- 8.7.1 Only Participating Class Members may object to the class action components of the Settlement and/or this Agreement, including contesting the fairness of the Settlement, and/or amounts requested for the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Class Representative Service Payment.
- 8.7.2 Participating Class Members may send written objections to the Administrator, by fax, email, or mail. In the alternative, Participating Class Members may appear in Court (or hire an attorney to appear in Court) to present verbal objections at the Final Approval Hearing. A Participating Class Member who elects to send a written objection to the Administrator must do so not later than 45 days after the Administrator's mailing of the Class Notice (plus an additional 14 days for Class Members whose Class Notice was re-mailed).

8.7.3 Non-Participating Class Members have no right to object to any of the class action components of the Settlement.

8.8 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.

8.8.1 Website, Email Address and Toll-Free Number. The Administrator will establish and maintain and use an internet website to post information of interest to Class Members including the date, time and location for the Final Approval Hearing and copies of the Settlement Agreement, Motion for Preliminary Approval, the Preliminary Approval, the Class Notice, the Motion for Final Approval, the Motion for Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and Class Representative Service Payment, the Final Approval and the Judgment. The Administrator will also maintain and monitor an email address and a toll-free telephone number to receive Class Member calls, faxes and emails.

8.8.2 Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will promptly review on a rolling basis Requests for Exclusion to ascertain their validity. Not later than 5 days after the expiration of the deadline for submitting Requests for Exclusion, the Administrator shall email a list to Class Counsel and Defense Counsel containing (a) the names and other identifying information of Class Members who have timely submitted valid Requests for Exclusion (“Exclusion List”); (b) the names and other identifying information of Class Members who have submitted invalid Requests for Exclusion; (c) copies of all Requests for Exclusion from Settlement submitted (whether valid or invalid).

8.8.3 Weekly Reports. The Administrator must, on a weekly basis, provide written reports to Class Counsel and Defense Counsel that, among other things, tally the number of: Class Notices mailed or re-mailed, Class Notices returned undelivered, Requests for Exclusion (whether valid or invalid) received, objections received, challenges to Workweeks and/or Pay Periods received and/or resolved, and checks mailed for Individual Class Payments and Individual PAGA Payments (“Weekly Report”). The Weekly Reports must include provide the Administrator’s assessment of the validity of Requests for Exclusion and attach copies of all Requests for Exclusion and objections received.

8.8.4 Workweek and/or Pay Period Challenges. The Administrator has the authority to address and make final decisions consistent with the terms of this Agreement on all Class Member challenges over the calculation of Workweeks and/or Pay Periods. The Administrator’s decision shall be final and not appealable or otherwise susceptible to challenge.

8.8.5 Administrator’s Declaration. Not later than 14 days before the date by which Plaintiff is required to file the Motion for Final Approval of the Settlement,

the Administrator will provide to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its due diligence and compliance with all of its obligations under this Agreement, including, but not limited to, its mailing of Class Notice, the Class Notices returned as undelivered, the re-mailing of Class Notices, attempts to locate Class Members, the total number of Requests for Exclusion from Settlement it received (both valid or invalid), the number of written objections and attach the Exclusion List. The Administrator will supplement its declaration as needed or requested by the Parties and/or the Court. Class Counsel is responsible for filing the Administrator's declaration(s) in Court.

8.8.6 Final Report by Settlement Administrator. Within 10 days after the Administrator disburses all funds in the Gross Settlement Amount, the Administrator will provide Class Counsel and Defense Counsel with a final report detailing its disbursements by employee identification number only of all payments made under this Agreement. At least 15 days before any deadline set by the Court, the Administrator will prepare, and submit to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its disbursement of all payments required under this Agreement. Class Counsel is responsible for filing the Administrator's declaration in Court.

9. **CLASS SIZE ESTIMATES [and ESCALATOR CLAUSE]** At mediation, SCDC represented that there were: (1) 104 Class Members and 17,836 Total Workweeks during the Class period. If the actual number of Total Workweeks exceeds this figure by more than 10% as of the date of Preliminary Approval (*i.e.*, there are 19,620 or more workweeks worked), SCDC shall increase the Gross Settlement Amount in an amount equal to the increase in class workweeks above the 10% threshold (e.g., if there is an 11% increase in the Total Workweeks then SCDC will increase the Gross Settlement amount by 1%).
10. **SCDC'S RIGHT TO WITHDRAW.** If the number of valid Requests for Exclusion identified in the Exclusion List exceeds 10% of the total of all Class Members, SCDC may, but is not obligated, elect to withdraw from the Settlement. The Parties agree that, if SCDC withdraws, the Settlement shall be void ab initio, have no force or effect whatsoever, and that neither Party will have any further obligation to perform under this Agreement; provided, however, SCDC will remain responsible for paying all Settlement Administration Expenses incurred to that point. SCDC must notify Class Counsel and the Court of its election to withdraw not later than seven days after the Administrator sends the final Exclusion List to Defense Counsel; late elections will have no effect.
11. **MOTION FOR FINAL APPROVAL.** Not later than 16 court days before the calendared Final Approval Hearing, Plaintiff will file in Court, a motion for final approval of the Settlement that includes a request for approval of the PAGA settlement under Labor Code section 2699, subd. (l), a Proposed Final Approval Order and a proposed Judgment (collectively "Motion for Final Approval"). Plaintiff shall provide drafts of these documents to Defense Counsel not later than seven days prior to filing the Motion for Final Approval. Class Counsel and Defense Counsel will expeditiously meet and confer in

person or by telephone, and in good faith, to resolve any disagreements concerning the Motion for Final Approval.

- 11.1 Response to Objections. Each Party retains the right to respond to any objection raised by a Participating Class Member, including the right to file responsive documents in Court no later than five court days prior to the Final Approval Hearing, or as otherwise ordered or accepted by the Court.
- 11.2 Duty to Cooperate. If the Court does not grant Final Approval or conditions Final Approval on any material change to the Settlement (including, but not limited to, the scope of release to be granted by Class Members), the Parties will expeditiously work together in good faith to address the Court's concerns by revising the Agreement as necessary to obtain Final Approval. The Court's decision to award less than the amounts requested for the Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Administrator Expenses Payment shall not constitute a material modification to the Agreement within the meaning of this paragraph.
- 11.3 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.
- 11.4 Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment reflected set forth in this Settlement, the Parties, their respective counsel, and all Participating Class Members who did not object to the Settlement as provided in this Agreement, 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 an objector 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.
- 11.5 Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a material modification of this Agreement (including, but not limited to, the scope of release to be granted by Class Members), this Agreement shall be null and void. The Parties shall nevertheless expeditiously work together in good faith to address the appellate court's concerns and to obtain Final Approval and entry of Judgment, sharing, on a 50-50 basis, any additional Administration Expenses reasonably incurred after remittitur. An appellate decision to vacate, reverse, or modify the Court's award of the Class Representative Service Payment or any payments to Class Counsel shall not

constitute a material modification of the Judgment within the meaning of this paragraph, as long as the Gross Settlement Amount remains unchanged.

- 12. AMENDED JUDGMENT.** If any amended judgment is required under Code of Civil Procedure section 384, the Parties will work together in good faith to jointly submit and a proposed amended judgment.

13. ADDITIONAL PROVISIONS.

- 13.1 No Admission of Liability, Class Certification 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 SCDC that any of the allegations in the Operative Complaint have merit or that SCDC has any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that SCDC's defenses in the Action have merit. The Parties agree that class certification and representative treatment is for purposes of this Settlement only. If, for any reason the Court does grant Preliminary Approval, Final Approval or enter Judgment, SCDC reserves the right to contest certification of any class for any reasons, and SCDC reserves all available defenses to the claims in the Action, and Plaintiff reserves the right to move for class certification on any grounds available and to contest SCDC'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).

- 13.2 Confidentiality Prior to Preliminary Approval. Plaintiff, Class Counsel, SCDC and Defense Counsel separately agree that, until the Motion for Preliminary Approval of Settlement is filed, they and each of them will not disclose, disseminate and/or publicize, or cause or permit another person to disclose, disseminate or publicize, any of the terms of the Agreement directly or indirectly, specifically or generally, to any person, corporation, association, government agency, or other entity except: (1) to the Parties' attorneys, accountants, or spouses, all of whom will be instructed to keep this Agreement confidential; (2) counsel in a related matter; (3) to the extent necessary to report income to appropriate taxing authorities; (4) in response to a court order or subpoena; or (5) in response to an inquiry or subpoena issued by a state or federal government agency. Each Party agrees to immediately notify each other Party of any judicial or agency order, inquiry, or subpoena seeking such information. Plaintiff, Class Counsel, SCDC and Defense Counsel separately agree not to, directly or indirectly, initiate any conversation or other communication, before the filing of the Motion for Preliminary Approval, any with third party regarding this Agreement or the matters giving rise to this Agreement except to respond only that "the matter was resolved," or words to that effect. This paragraph does not restrict Class Counsel's communications with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.

- 13.3 No Solicitation. The Parties separately agree that they and their respective counsel and employees will not solicit any Class Member to opt out of or object to the

Settlement, or appeal from the Judgment. Nothing in this paragraph shall be construed to restrict Class Counsel's ability to communicate with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.

- 13.4 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.
- 13.5 Attorney Authorization. Class Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiff and SCDC, 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.
- 13.6 Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying the Settlement Agreement, submitting supplemental evidence and supplementing points and authorities as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of a mediator and/or the Court for resolution.
- 13.7 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.
- 13.8 No Tax Advice. Neither Plaintiff, Class Counsel, SCDC, 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.
- 13.9 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.
- 13.10 Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.
- 13.11 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.

- 13.12 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.
- 13.13 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.
- 13.14 Use and Return of Class Data. Information provided to Class Counsel pursuant to Cal. Evid. Code §1152, and all copies and summaries of the Class Data provided to Class Counsel by SCDC 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 date when the Court discharges the Administrator's obligation to provide a Declaration confirming the final pay out of all Settlement funds, Plaintiff shall destroy, all paper and electronic versions of Class Data received from SCDC unless, prior to the Court's discharge of the Administrator's obligation, SCDC makes a written request to Class Counsel for the return, rather than the destructions, of Class Data.
- 13.15 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.
- 13.16 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.
- 13.17 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:

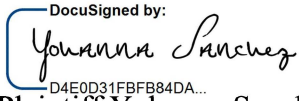
To Plaintiff Yohanna Sanchez:

Justin F. Marquez, Esq.
WILSHIRE LAW FIRM
3055 Wilshire Blvd., 12th Floor
Los Angeles, California 90010
Telephone: (213) 381-9988
Facsimile: (213) 381-9989
justin@wilshirelawfirm.com

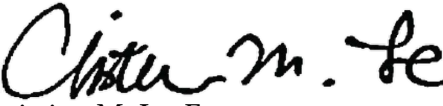
To Su Casa de Cambio Cesar Chavez, Inc.:

Nancy N. Lubrano, Esq.
Ashley N. Lopezello, Esq.
CDF LABOR LAW LLP
18300 Von Karman Ave., Ste. 800
Irvine, California 92612
Telephone: (949) 622-1661
Facsimile: (949) 577-5201
nlubrano@cdflaborlaw.com
alopezello@cdflaborlaw.com

- 13.18 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.
- 13.19 Stay of Litigation. The Parties agree that upon the execution of this Agreement, the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that pursuant to CCP section 583.330 to extend the date to bring a case to trial under CCP section 583.310 for the entire period of this settlement process.

[Signature] 
[name] For Plaintiff Yohanna Sanchez
Yohanna Sanchez

[Signature]
[name and title]
Rod Garza, President for Su Casa de
Cambio Cesar Chavez, Inc.

[Signature] 
[name] Christina M. Le, Esq.
Counsel for Plaintiff Yohanna Sanchez

[Signature]
[name]
Counsel for Su Casa de Cambio Cesar
Chavez, Inc.

COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL

Johanna Sanchez v. Su Casa de Cambio Cesar Chavez, Inc., Los Angeles Superior Court, Case
No. 21STCV32728

***The Superior Court for the State of California authorized this Notice. Read it carefully!
It's not junk mail, spam, an advertisement, or solicitation by a lawyer. You are not being sued.***

You may be eligible to receive money from an employee class action lawsuit (“Action”) against Su Casa de Cambio Cesar Chavez, Inc. (“SCDC”) for alleged wage and hour violations. The Action was filed by a former SCDC employee, Yohanna Sanchez (“Plaintiff”) and seeks payment of back wages and other relief for a class of non-exempt hourly employees (“Class Members”) who worked for SCDC during the Class Period (March 9, 2017 through the date the Court grants Preliminary Approval of the Settlement); and (2) penalties under the California Private Attorneys General Act (“PAGA”) for all non-exempt hourly employees who worked for SCDC during the PAGA Period (March 11, 2020 through the date the Court grants Preliminary Approval of the Settlement) (“Aggrieved Employees”).

The proposed Settlement has two main parts: (1) a Class Settlement requiring SCDC to fund Individual Class Payments, and (2) a PAGA Settlement requiring SCDC to fund Individual PAGA Payments and pay penalties to the California Labor and Workforce Development Agency (“LWDA”).

Based on SCDC’s records, and the Parties’ current assumptions, **your Individual Class Payment is estimated to be \$_____ (less withholding) and your Individual PAGA Payment is estimated to be \$_____**. The actual amount you may receive likely will be different and will depend on a number of factors. (If no amount is stated for your Individual PAGA Payment, then according to SCDC’s records you are not eligible for an Individual PAGA Payment under the Settlement because you didn’t work during the PAGA Period.)

The above estimates are based on SCDC’s records showing that **you worked _____ workweeks** during the Class Period and **you worked _____ workweeks** during the PAGA Period. If you believe that you worked more workweeks during either period, you can submit a challenge by the deadline date. See Section 4 of this Notice.

The Court has already preliminarily approved the proposed Settlement and approved this Notice. The Court has not yet decided whether to grant final approval. Your legal rights are affected whether you act or not act. Read this Notice carefully. You will be deemed to have carefully read and understood it. At the Final Approval Hearing, the Court will decide whether to finally approve the Settlement and how much of the Settlement will be paid to Plaintiff and Plaintiff’s attorneys (“Class Counsel”). The Court will also decide whether to enter a judgment that requires SCDC to make payments under the Settlement and requires Class Members and Aggrieved Employees to give up their rights to assert certain claims against SCDC.

If you worked for SCDC during the Class Period and/or the PAGA Period, you have two basic options under the Settlement:

(1) **Do Nothing.** You don't have to do anything to participate in the proposed Settlement and be eligible for an Individual Class Payment and/or an Individual PAGA Payment. As a Participating Class Member, though, you will give up your right to assert Class Period wage claims and PAGA Period penalty claims against SCDC.

(2) **Opt-Out of the Class Settlement.** You can exclude yourself from the Class Settlement (opt-out) by submitting the written Request for Exclusion or otherwise notifying the Administrator in writing. If you opt-out of the Settlement, you will not receive an Individual Class Payment. You will, however, preserve your right to personally pursue Class Period wage claims against SCDC, and, if you are an Aggrieved Employee, remain eligible for an Individual PAGA Payment. You cannot opt-out of the PAGA portion of the proposed Settlement.

SCDC will not retaliate against you for any actions you take with respect to the proposed Settlement.

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

You Don't Have to Do Anything to Participate in the Settlement	If you do nothing, you will be a Participating Class Member, eligible for an Individual Class Payment and an Individual PAGA Payment (if any). In exchange, you will give up your right to assert the wage claims against SCDC that are covered by this Settlement (Released Claims).
You Can Opt-out of the Class Settlement but not the PAGA Settlement The Opt-out Deadline is [date]	If you don't want to fully participate in the proposed Settlement, you can opt-out of the Class Settlement by sending the Administrator a written Request for Exclusion. Once excluded, you will be a Non-Participating Class Member and no longer eligible for an Individual Class Payment. Non-Participating Class Members cannot object to any portion of the proposed Settlement. See Section 6 of this Notice. You cannot opt-out of the PAGA portion of the proposed Settlement. SCDC must pay Individual PAGA Payments to all Aggrieved Employees and the Aggrieved Employees must give up their rights to pursue Released Claims (defined below).
Participating Class Members Can Object to the Class Settlement but not the PAGA Settlement Written Objections Must be Submitted by [date]	All Class Members who do not opt-out ("Participating Class Members") can object to any aspect of the proposed Settlement. The Court's decision whether to finally approve the Settlement will include a determination of how much will be paid to Class Counsel and Plaintiff who pursued the Action on behalf of the Class. You are not personally responsible for any payments to Class Counsel or Plaintiff, but every dollar paid to Class Counsel and Plaintiff reduces the overall amount paid to Participating Class Members. You can object to the amounts requested by Class Counsel or

	Plaintiff if you think they are unreasonable. See Section 7 of this Notice.
You Can Participate in the [date] Final Approval Hearing	The Court's Final Approval Hearing is scheduled to take place on [date]. You don't have to attend but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person, by telephone or by using the Court's virtual appearance platform. Participating Class Members can verbally object to the Settlement at the Final Approval Hearing. See Section 8 of this Notice.
You Can Challenge the Calculation of Your Workweeks/Pay Periods Written Challenges Must be Submitted by [date]	The amount of your Individual Class Payment and PAGA Payment (if any) depend on how many workweeks you worked at least one day during the Class Period and how many Pay Periods you worked at least one day during the PAGA Period, respectively. The number Class Period Workweeks and number of PAGA Period Pay Periods you worked according to SCDC's records is stated on the first page of this Notice. If you disagree with either of these numbers, you must challenge it by [date]. See Section 4 of this Notice.

1. WHAT IS THE ACTION ABOUT?

Plaintiff is a former SCDC employee. The Action accuses SCDC of violating California labor laws by failing to pay [e.g., overtime wages, minimum wages, wages due upon termination and reimbursable expenses] and failing to provide [e.g., meal periods, rest breaks and accurate itemized wage statements]. Based on the same claims, Plaintiff has also asserted a claim for civil penalties under the California Private Attorneys General Act (Labor Code §§ 2698, et seq.) ("PAGA"). Plaintiff is represented by attorneys in the Action: Justin F. Marquez, Christina M. Le, and Arsine Grigoryan of the Wilshire Law Firm, PLC, 3055 Wilshire Blvd., 12th Floor, Los Angeles, CA 90010 ("Class Counsel.")

SCDC strongly denies violating any laws or failing to pay any wages and contends it complied with all applicable laws.

2. WHAT DOES IT MEAN THAT THE ACTION HAS SETTLED?

So far, the Court has made no determination whether SCDC or Plaintiff is correct on the merits. In the meantime, Plaintiff and SCDC hired a mediator in an effort to resolve the Action by negotiating to an end the case by agreement (settle the case) rather than continuing the expensive and time-consuming process of litigation. The negotiations were successful. By signing a lengthy written settlement agreement ("Agreement") and agreeing to jointly ask the Court to enter a judgment ending the Action and enforcing the Agreement, Plaintiff and SCDC have negotiated a proposed Settlement that is subject to the Court's Final Approval. Both sides agree the proposed Settlement is a compromise of disputed claims. By agreeing to settle, SCDC does not admit any violations or concede the merit of any claims.

Plaintiff and Class Counsel strongly believe the Settlement is a good deal for you because they believe that: (1) SCDC has agreed to pay a fair, reasonable and adequate amount considering the strength of the claims and the risks and uncertainties of continued litigation; and (2) Settlement is in the best interests of the Class Members and Aggrieved Employees. The Court preliminarily approved the proposed Settlement as fair, reasonable and adequate, authorized this Notice, and scheduled a hearing to determine Final Approval.

3. WHAT ARE THE IMPORTANT TERMS OF THE PROPOSED SETTLEMENT?

1. SCDC Will Pay \$353,500.00 as the Gross Settlement Amount (Gross Settlement). SCDC has agreed to deposit the Gross Settlement into an account controlled by the Administrator of the Settlement. The Administrator will use the Gross Settlement to pay the Individual Class Payments, Individual PAGA Payments, Class Representative Service Payment, Class Counsel's attorney's fees and expenses, the Administrator's expenses, and penalties to be paid to the California Labor and Workforce Development Agency ("LWDA"). Assuming the Court grants Final Approval, SCDC will fund the Gross Settlement Amount, and also fund the amounts necessary to fully pay SCDC's share of payroll taxes by transmitting the funds to the Administrator no earlier than December 17, 2023.. The Judgment will be final on the date the Court enters Judgment, or a later date if Participating Class Members object to the proposed Settlement or the Judgment is appealed.
2. Court Approved Deductions from Gross Settlement. At the Final Approval Hearing, Plaintiff and/or Class Counsel will ask the Court to approve the following deductions from the Gross Settlement, the amounts of which will be decided by the Court at the Final Approval Hearing:
 - A. Up to \$ 117,833.33 (33 1/3% of the Gross Settlement] to Class Counsel for attorneys' fees and up to \$16,000.00 for their litigation expenses. To date, Class Counsel have worked and incurred expenses on the Action without payment.
 - B. Up to \$10,000.00 as a Class Representative Award for filing the Action, working with Class Counsel and representing the Class. A Class Representative Award will be the only monies Plaintiff will receive other than Plaintiff's Individual Class Payment and any Individual PAGA Payment.
 - C. Up to \$10,000.00 to the Administrator for services administering the Settlement.
 - D. Up to \$25,000.00 for PAGA Penalties, allocated 75% to the LWDA PAGA Payment and 25% in Individual PAGA Payments to the Aggrieved Employees based on their PAGA Period Pay Periods.

Participating Class Members have the right to object to any of these deductions. The Court will consider all objections.

3. Net Settlement Distributed to Class Members. After making the above deductions in amounts approved by the Court, the Administrator will distribute the rest of the Gross Settlement (the “Net Settlement”) by making Individual Class Payments to Participating Class Members based on their Class Period Workweeks.
4. Taxes Owed on Payments to Class Members. Plaintiff and SCDC are asking the Court to approve an allocation of 10% of each Individual Class Payment to taxable wages (“Wage Portion”) and 90% to penalties and interest (“Non-Wage Portion.”). The Wage Portion is subject to withholdings and will be reported on IRS W-2 Forms. SCDC will separately pay employer payroll taxes it owes on the Wage Portion. The Individual PAGA Payments are counted as penalties rather than wages for tax purposes. The Administrator will report the Individual PAGA Payments and the Non-Wage Portions of the Individual Class Payments on IRS 1099 Forms.

Although Plaintiff and SCDC have agreed to these allocations, neither side is giving you any advice on whether your Payments are taxable or how much you might owe in taxes. You are responsible for paying all taxes (including penalties and interest on back taxes) on any Payments received from the proposed Settlement. You should consult a tax advisor if you have any questions about the tax consequences of the proposed Settlement.

5. Need to Promptly Cash Payment Checks. The front of every check issued for Individual Class Payments and Individual PAGA Payments will show the date when the check expires (the void date). If you don’t cash it by the void date, your check will be automatically cancelled, and the monies will be deposited with the California Controller's Unclaimed Property Fund in your name. If the monies represented by your check is sent to the Controller’s Unclaimed Property, you should consult the rules of the Fund for instructions on how to retrieve your money.
6. Requests for Exclusion from the Class Settlement (Opt-Outs). You will be treated as a Participating Class Member, participating fully in the Class Settlement, unless you notify the Administrator in writing, not later than [date], that you wish to opt-out. The easiest way to notify the Administrator is to send a written and signed Request for Exclusion by the [date] Response Deadline. The Request for Exclusion should be a letter from a Class Member or his/her representative setting forth a Class Member’s name, present address, telephone number, and a simple statement electing to be excluded from the Settlement. Excluded Class Members (i.e., Non-Participating Class Members) will not receive Individual Class Payments, but will preserve their rights to personally pursue wage and hour claims against SCDC.

You cannot opt-out of the PAGA portion of the Settlement. Class Members who exclude themselves from the Class Settlement (Non-Participating Class Members) remain eligible for Individual PAGA Payments and are required to give up their right to assert PAGA claims against SCDC based on the PAGA Period facts alleged in the Action.

7. The Proposed Settlement Will be Void if the Court Denies Final Approval. It is possible the Court will decline to grant Final Approval of the Settlement or decline enter a

Judgment. It is also possible the Court will enter a Judgment that is reversed on appeal. Plaintiff and SCDC have agreed that, in either case, the Settlement will be void: SCDC will not pay any money and Class Members will not release any claims against SCDC.

8. Administrator. The Court has appointed a neutral company, ILYM Group, Inc. (the “Administrator”) to send this Notice, calculate and make payments, and process Class Members’ Requests for Exclusion. The Administrator will also decide Class Member Challenges over Workweeks, mail and re-mail settlement checks and tax forms, and perform other tasks necessary to administer the Settlement. The Administrator’s contact information is contained in Section 9 of this Notice.
9. Participating Class Members’ Release. After the Judgment is final and SCDC has fully funded the Gross Settlement and separately paid all employer payroll taxes, Participating Class Members will be legally barred from asserting any of the claims released under the Settlement. This means that unless you opted out by validly excluding yourself from the Class Settlement, you cannot sue, continue to sue, or be part of any other lawsuit against SCDC or related entities for wages based on the Class Period facts and PAGA penalties based on PAGA Period facts, as alleged in the Action and resolved by this Settlement.

The Participating Class Members will be bound by the following release:

All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties from (i) all claims that were alleged, or reasonably could have been alleged, based on the Class Period facts stated in the Operative Complaint and ascertained in the course of the Action including, (1) failure to pay minimum and straight time wages (Cal. Lab. Code §§ 204, 1194, 1194.2, and 1197); (2) failure to pay overtime wages (Cal. Lab. Code §§ 1194 and 1198); (3) failure to provide meal periods and to pay premiums payments (Cal. Lab. Code §§ 226.7, 512); (4) failure to authorize and permit rest periods and to pay premium payments (Cal. Lab. Code §§ 226.7); (5) failure to timely pay final wages at termination (Cal. Lab. Code §§ 201-203); (6) failure to provide accurate itemized wage statements (Cal. Lab. Code § 226); (7) failure to reimburse business-related expenses (Labor Code § 2802); (8) violation of California’s Unfair Competition Law (California Business and Professions Code §§ 17200, *et seq.*); and failure to maintain records (Labor Code § 1174.5). Except as set forth in Section 6.3 of the Settlement Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers’ compensation, or claims based on facts occurring outside the Class Period.

10. Aggrieved Employees’ PAGA Release. After the Court’s judgment is final, and SCDC has paid the Gross Settlement (and separately paid the employer-side payroll taxes), all Aggrieved Employees will be barred from asserting PAGA claims against SCDC, whether or not they exclude themselves from the Settlement. This means that all

Aggrieved Employees, including those who are Participating Class Members and those who opt-out of the Class Settlement, cannot sue, continue to sue, or participate in any other PAGA claim against SCDC or its related entities based on the PAGA Period facts alleged in the Action and resolved by this Settlement.

The Aggrieved Employees' Releases for Participating and Non-Participating Class Members are as follows:

All Participating and Non-Participating Class Members who are Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties, from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the Operative Complaint, and the PAGA Notice and ascertained in the course of the Action including, (1) failure to pay minimum and straight time wages; (2) failure to pay overtime wages; (3) failure to provide meal periods; (4) failure to authorize and permit rest periods; (5) failure to timely pay final wages at termination; (6) failure to provide accurate itemized wage statements; (7) failure to reimburse business related expenses under Labor Code section 2802; and (8) violation of California's Unfair Competition Law, California Business and Professions Code §§ 17200, *et seq.*

4. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?

1. Individual Class Payments. The Administrator will calculate Individual Class Payments by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members, and (b) multiplying the result by the number of Workweeks worked by each individual Participating Class Member.
2. Individual PAGA Payments. The Administrator will calculate Individual PAGA Payments by (a) dividing \$6,250.00 by the total number of PAGA Pay Periods worked by all Aggrieved Employees and (b) multiplying the result by the number of PAGA Period Pay Periods worked by each individual Aggrieved Employee.
3. Workweek/Pay Period Challenges. The number of Class Workweeks you worked during the Class Period and the number of PAGA Pay Periods you worked during the PAGA Period, as recorded in SCDC's records, are stated in the first page of this Notice. You have until [date] to challenge the number of Workweeks and/or Pay Periods credited to you. You can submit your challenge by signing and sending a letter to the Administrator via mail, email or fax. Section 9 of this Notice has the Administrator's contact information.

You need to support your challenge by sending copies of pay stubs or other records. The Administrator will accept SCDC's calculation of Workweeks and/or Pay Periods based on SCDC's records as accurate unless you send copies of records containing contrary information. You should send copies rather than originals because the documents will not be returned to you. The Administrator will resolve Workweek and/or Pay Period

challenges based on your submission and on input from Class Counsel (who will advocate on behalf of Participating Class Members) and SCDC's Counsel. The Administrator's decision is final. You can't appeal or otherwise challenge its final decision.

5. HOW WILL I GET PAID?

1. Participating Class Members. The Administrator will send, by U.S. mail, a single check to every Participating Class Member (i.e., every Class Member who doesn't opt-out) including those who also qualify as Aggrieved Employees. The single check will combine the Individual Class Payment and the Individual PAGA Payment.
2. Non-Participating Class Members. The Administrator will send, by U.S. mail, a single Individual PAGA Payment check to every Aggrieved Employee who opts out of the Class Settlement (i.e., every Non-Participating Class Member).

Your check will be sent to the same address as this Notice. If you change your address, be sure to notify the Administrator as soon as possible. Section 9 of this Notice has the Administrator's contact information.

6. HOW DO I OPT-OUT OF THE CLASS SETTLEMENT?

Submit a written and signed letter with your name, present address, telephone number, and a simple statement that you do not want to participate in the Settlement. The Administrator will exclude you based on any writing communicating your request be excluded. Be sure to personally sign your request, identify the Action as *Yohanna Sanchez v. Su Casa de Cambio Cesar Chavez, Inc.*, Los Angeles Superior Court, Case No. 21STCV32728, and include your identifying information (full name, address, telephone number, approximate dates of employment, and social security number for verification purposes). You must make the request yourself. If someone else makes the request for you, it will not be valid. **The Administrator must be sent your request to be excluded by [date], or it will be invalid.** Section 9 of the Notice has the Administrator's contact information.

7. HOW DO I OBJECT TO THE SETTLEMENT?

Only Participating Class Members have the right to object to the Settlement. Before deciding whether to object, you may wish to see what Plaintiff and SCDC are asking the Court to approve. At least 16 days before the [date] Final Approval Hearing, Class Counsel and/or Plaintiff will file in Court (1) a Motion for Final Approval that includes, among other things, the reasons why the proposed Settlement is fair, and (2) a Motion for Fees, Litigation Expenses and Service Award stating (i) the amount Class Counsel is requesting for attorneys' fees and litigation expenses; and (ii) the amount Plaintiff is requesting as a Class Representative Service Award. Upon reasonable request, Class Counsel (whose contact information is in Section 9 of this Notice) will send you copies of these documents at no cost to you. You can also view them on the Administrator's Website [need details] or the Court's website [need details].

A Participating Class Member who disagrees with any aspect of the Agreement, the Motion for Final Approval and/or Motion for Fees, Litigation Expenses and Service Award may wish to object, for example, that the proposed Settlement is unfair, or that the amounts requested by Class Counsel or Plaintiff are too high or too low. **The deadline for sending written objections to the Administrator is [date].** Be sure to tell the Administrator what you object to, why you object, and any facts that support your objection. Make sure you identify the Action [*Johanna Sanchez v. Su Casa de Cambio Cesar Chavez, Inc.*, Los Angeles Superior Court, Case No. 21STCV32728] and include your name, current address, telephone number, and approximate dates of employment with SCDC, and sign the objection. Section 9 of this Notice has the Administrator's contact information.

Alternatively, a Participating Class Member can object (or personally retain a lawyer to object at your own cost) by attending the Final Approval Hearing. You (or your attorney) should be ready to tell the Court what you object to, why you object, and any facts that support your objection. See Section 8 of this Notice (immediately below) for specifics regarding the Final Approval Hearing.

8. CAN I ATTEND THE FINAL APPROVAL HEARING?

You can, but don't have to, attend the Final Approval Hearing on [date] at [time] in Department 17 of the Los Angeles Superior Court, located at 312 North Spring Street, Los Angeles, CA 90012. At the Hearing, the judge will decide whether to grant Final Approval of the Settlement and how much of the Gross Settlement will be paid to Class Counsel, Plaintiff, and the Administrator. The Court will invite comment from objectors, Class Counsel and Defense Counsel before making a decision. You can attend (or hire a lawyer to attend) either personally or virtually via **LACourtConnect (<https://www.lacourt.org/lacc/>)**. Check the Court's website for the most current information.

It's possible the Court will reschedule the Final Approval Hearing. You should check the Administrator's website [[www.etc.](#)] beforehand or contact Class Counsel to verify the date and time of the Final Approval Hearing.

9. HOW CAN I GET MORE INFORMATION?

The Agreement sets forth everything SCDC and Plaintiff have promised to do under the proposed Settlement. The easiest way to read the Agreement, the Judgment or any other Settlement documents is to go to [specify whose] website at [URL of website]. You can also telephone or send an email to Class Counsel or the Administrator using the contact information listed below, or consult the Superior Court website by going to (<http://www.lacourt.org/casesummary/ui/index.aspx>) and entering the Case Number for the Action, Case No. 21STCV32728. You can also make an appointment to personally review court documents in the Clerk's Office at the Stanley Mosk Courthouse by calling (213) 830-0800.

DO NOT TELEPHONE THE SUPERIOR COURT TO OBTAIN INFORMATION ABOUT THE SETTLEMENT.

Class Counsel:

Justin F. Marquez, Esq.
WILSHIRE LAW FIRM
3055 Wilshire Blvd., 12th Floor
Los Angeles, California 90010
Telephone: (213) 381-9988
Facsimile: (213) 381-9989
justin@wilshirelawfirm.com

Settlement Administrator:

IYLM Group, Inc.

Email Address:

Mailing Address:

Telephone:

Fax Number:

10. WHAT IF I LOSE MY SETTLEMENT CHECK?

If you lose or misplace your settlement check before cashing it, the Administrator will replace it as long as you request a replacement before the void date on the face of the original check. If your check is already void, you will have no way to recover the money.

11. WHAT IF I CHANGE MY ADDRESS?

To receive your check, you should immediately notify the Administrator if you move or otherwise change your mailing address.

Exhibit 2

CLASS ACTION AND PAGA SETTLEMENT AGREEMENT AND CLASS NOTICE

This Class Action and PAGA Settlement Agreement (“Agreement”) is made by and between Plaintiff Yohanna Sanchez (“Plaintiff”) and Defendant Su Casa de Cambio Cesar Chavez, Inc. (“SCDC”). The Agreement refers to Plaintiff and SCDC collectively as “Parties,” or individually as “Party.”

1. DEFINITIONS.

- 1.1. “Action” means the Plaintiff’s lawsuit alleging wage and hour violations against SCDC captioned Sanchez v. Su Casa de Cambio Cesar Chavez, Inc., Case No. 21STCV32728, initiated on September 3, 2021 and pending in the Superior Court of the State of California, County of Los Angeles.
- 1.2. “Administrator” means JLYM 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 Preliminary Approval of the Settlement.
- 1.4. “Aggrieved Employee” means a person employed by SCDC in California and classified as a hourly paid, non-exempt employee who worked for SCDC during the PAGA Period.
- 1.5. “Class” means all persons employed by SCDC in California and classified as a hourly paid, non-exempt employee who worked for SCDC during the Class Period.
- 1.6. “Class Counsel” means Justin F. Marquez, Christina M. Le, and Arsine Grigoryan of the Wilshire Law Firm, PLC, 3055 Wilshire Blvd., 12th Floor, Los Angeles, CA 90010.
- 1.7. “Class Counsel Fees Payment” and “Class Counsel Litigation Expenses Payment” mean the amounts allocated to Class Counsel for reimbursement of reasonable attorneys’ fees and expenses, respectively, incurred to prosecute the Action.
- 1.8. “Class Data” means Class Member identifying information in SCDC’s possession including the Class Member’s name, last-known mailing address, Social Security number, and number of Class Period Workweeks and PAGA Pay Periods.
- 1.9. “Class Member” or “Settlement Class Member” means a member of the Class, as either a Participating Class Member or Non-Participating Class Member (including a Non-Participating Class Member who qualifies as an Aggrieved Employee).

Deleted: [FORM]

Deleted: plaintiff [name]

Deleted: defendant XYZ [name] (“XYZ”).

Deleted: XYZ

Deleted: XYZ

Deleted: [caption and case number]

Deleted: [filing date]

Deleted: [name],

Deleted: [e.g.,

Deleted: XYZ

Deleted: _____

Deleted: XYZ

Deleted:].

Deleted: [define class e.g.,

Deleted: XYZ

Deleted: _____

Deleted: XYZ

Deleted:].

Deleted: <#>“Class Counsel” means [name].¶

Deleted: XYZ’s

Deleted: ,

- 1.10. “Class Member Address Search” means the Administrator’s investigation and search for current Class Member 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 Class Members.
- 1.11. “Class Notice” means the COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL, to be mailed to Class Members in English, with a Spanish translation in the form, without material variation, attached as Exhibit A and incorporated by reference into this Agreement.
- 1.12. “Class Period” means the period from March 9, 2017 through the date the Court grants Preliminary Approval of the Settlement.
- 1.13. “Class Representative” means the named Plaintiff in the operative complaint in the Action seeking Court approval to serve as a Class Representative.
- 1.14. “Class Representative Service Payment” means the payment to the Class Representative for initiating the Action and providing services in support of the Action.
- 1.15. “Court” means the Superior Court of California, County of Los Angeles.
- 1.16. “SCDC” means named Defendant Su Casa de Cambio Cesar Chavez, Inc.
- 1.17. “Defense Counsel” means Nancy N. Lubrano and Ashley N. Lopezello of CDF Labor Law LLP, 18300 Von Karman Ave., Ste. 800, Irvine, CA 92612.
- 1.18. “Effective Date” means the date by when both of the following have occurred: (a) the Court enters a Judgment on its Order Granting Final Approval of the Settlement; and (b) the Judgment is final. The Judgment is final as of the latest of the following occurrences: (a) if no Participating Class Member objects to the Settlement, the day the Court enters Judgment; (b) if one or more Participating Class Members objects to the Settlement, the day after the deadline for filing a notice of appeal from the Judgment; or if a timely appeal from the Judgment is filed, the day after the appellate court affirms the Judgment and issues a remittitur.
- 1.19. “Final Approval” means the Court’s order granting final approval of the Settlement.
- 1.20. “Final Approval Hearing” means the Court’s hearing on the Motion for Final Approval of the Settlement.
- 1.21. “Final Judgment” means the Judgment Entered by the Court upon Granting Final Approval of the Settlement.

Deleted: [

Deleted: , if applicable]

Deleted: [

Deleted:] to [date].

Deleted: “XYZ

Deleted: [name].

Deleted: [name].

1.22. “Gross Settlement Amount” means ~~\$353,500.00~~ which is the total amount ~~SCDC~~ agrees to pay under the Settlement except as provided in Paragraph 9 below. The Gross Settlement Amount will be used to pay Individual Class Payments, Individual PAGA Payments, the LWDA PAGA Payment, Class Counsel Fees, Class Counsel Expenses, Class Representative Service Payment and the Administrator’s Expenses.

Deleted: \${amount}

Deleted: XYZ

1.23. “Individual Class Payment” means the Participating Class Member’s pro rata share of the Net Settlement Amount calculated according to the number of Workweeks worked during the Class Period.

1.24. “Individual PAGA Payment” means the Aggrieved Employee’s pro rata share of 25% of the PAGA Penalties calculated according to the number of Workweeks worked during the PAGA Period.

1.25. “Judgment” means the judgment entered by the Court based upon the Final Approval.

1.26. “LWDA” means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i).

1.27. “LWDA PAGA Payment” means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).

1.28. “Net Settlement Amount” means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: Individual PAGA Payments, the LWDA PAGA Payment, Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and the Administration Expenses Payment. The remainder is to be paid to Participating Class Members as Individual Class Payments.

1.29. “Non-Participating Class Member” means any Class Member who opts out of the Settlement by sending the Administrator a valid and timely Request for Exclusion.

1.30. “PAGA Pay Period” means any Pay Period during which an Aggrieved Employee worked for ~~SCDC~~ for at least one day during the PAGA Period.

Deleted: XYZ

1.31. “PAGA Period” means the period from ~~March 11, 2020 through the date the Court grants Preliminary Approval of the Settlement.~~

Deleted: [

Deleted:] to [date].

1.32. “PAGA” means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).

1.33. “PAGA Notice” means Plaintiff’s ~~September 3, 2021~~ letter to ~~SCDC~~ and the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a).

Deleted: [date]

Deleted: XYZ

1.34. “PAGA Penalties” means the total amount of PAGA civil penalties ~~(\$25,000.00)~~ to be paid from the Gross Settlement Amount, allocated ~~approximately~~ 25% to the

Deleted: [and Plaintiff’s [date] letter to XYZ and the LWDA]...

Deleted: Aggrieved Employees ([insert amount]) and the 75% to LWDA ([insert amount]) in settlement of PAGA claims.

Aggrieved Employees (\$6,250.00) and approximately 75% to LWDA (\$18,750.00) in settlement of PAGA claims.

- 1.35. “Participating Class Member” means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.
- 1.36. “Plaintiff” means Yohanna Sanchez, the named plaintiff in the Action.
- 1.37. “Preliminary Approval” means the Court’s Order Granting Preliminary Approval of the Settlement.
- 1.38. “Preliminary Approval Order” means the proposed Order Granting Preliminary Approval and Approval of PAGA Settlement.
- 1.39. “Released Class Claims” means the claims being released as described in Paragraph 6.2 below.
- 1.40. “Released PAGA Claims” means the claims being released as described in Paragraph 6.3 below.
- 1.41. “Released Parties” means: SCDC and each of its former and present directors, officers, shareholders, owners, members, attorneys, insurers, predecessors, successors, assigns, subsidiaries, and affiliates.
- 1.42. “Request for Exclusion” means a Class Member’s submission of a written request to be excluded from the Class Settlement signed by the Class Member.
- 1.43. “Response Deadline” means 45 days after the Administrator mails Notice to Class Members and Aggrieved Employees, and shall be the last date on which Class Members may: (a) fax, email, or mail Requests for Exclusion from the Settlement, or (b) fax, email, or mail his or her Objection to the Settlement. Class Members to whom Notice Packets are resent after having been returned undeliverable to the Administrator shall have an additional 14 calendar days beyond the Response Deadline has expired.
- 1.44. “Settlement” means the disposition of the Action effected by this Agreement and the Judgment.
- 1.45. “Workweek” means any week during which a Class Member worked for SCDC for at least one day, during the Class Period.

2. RECITALS.

- 2.1. On September 3, 2021, Plaintiff commenced this Action by filing a Complaint alleging causes of action against SCDC for violations under the Labor Code and Business Code. On February 25, 2022, Plaintiff filed a First Amended Complaint alleging causes of action against SDCD for: (1) failure to pay minimum and straight time

Deleted: [name],

Deleted: 2

Deleted: XYZ

Deleted: [

Deleted:],

Deleted: [

Deleted:] [

Deleted:],

Deleted: [e.g., 60]

Deleted: XYZ

Deleted: [date],

Deleted: XYZ

Deleted: [specify causes of action]. [The Complaint is the operative complaint in the Action (the “Operative Complaint.”)] [

Deleted: [date],

Deleted: [e.g.,

Deleted:]

Deleted: XYZ

Deleted: [specify causes of action]. The [e.g.,

wages; (2) failure to pay overtime wages; (3) failure to provide meal periods; (4) failure to authorize and permit rest periods; (5) failure to timely pay final wages at termination; (6) failure to provide accurate itemized wage statements; (7) violation of California's Unfair Competition Law, California Business and Professions Code §§ 17200, et seq.; and (8) civil penalties under the PAGA. The First Amended Complaint is the operative complaint in the Action (the "Operative Complaint.") SCDC 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 SCDC and the LWDA by sending the PAGA Notice.

2.3. On June 17, 2022, the Parties participated in an all-day mediation presided over by mediator Brandon McKelvey, Esq., which led to this Agreement to settle the Action.

2.4. Prior to mediation, Plaintiff obtained, through informal discovery, an adequate sampling of employee time and payroll records and the exchanges of relevant data points pertaining to the Class and PAGA claims. Plaintiff's investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.* (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 129-130 ("*Dunk/Kullar*").

2.5. The Court has not granted class certification.

2.6. The Parties, Class 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, SCDC promises to pay \$353,500.00 and no more as the Gross Settlement Amount and to separately pay any and all employer payroll taxes owed on the Wage Portions of the Individual Class Payments. SCDC has no obligation to pay the Gross Settlement Amount (or any payroll taxes) 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 Participating Class Members or Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to SCDC.

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:

Deleted:]

Deleted: .")] XYZ

Deleted: XYZ

Deleted: [date[s], [

Deleted: [mediator's name]

Deleted: [or describe alternative means of negotiation]...

Deleted: [

Deleted:] [negotiating the Settlement],

Deleted: [formal][

Deleted:]

Deleted: [identify documents, testimony

Deleted: information obtained].

Moved down [1]: 116, 129-130 ("*Dunk/Kullar*").

Moved (insertion) [1]

Deleted: [has][

Deleted:]

Deleted: [Insert details as needed.]

Deleted: XYZ

Deleted: \${amount}

Deleted: [

Deleted: .] XYZ

Deleted: XYZ

3.2.1. To Plaintiff: Class Representative Service Payment to the Class Representative of not more than ~~\$10,000.00~~ (in addition to any Individual Class Payment [and any Individual PAGA Payment] the Class Representative is entitled to receive as a Participating Class Member). ~~SCDC will not oppose Plaintiff's request for a Class Representative Service Payment that does not exceed this amount.~~ As part of the motion for Class Counsel Fees Payment and Class Litigation Expenses Payment, Plaintiff will seek Court approval for any Class Representative Service Payments no later than ~~16 court days prior to the Final Approval Hearing.~~ If the Court approves a Class Representative Service Payment less than the amount requested, the Administrator will retain the remainder in the Net Settlement Amount. The Administrator will pay the Class Representative Service Payment using IRS Form 1099. Plaintiff assumes full responsibility and liability for employee taxes owed on the Class Representative Service Payment.

Deleted: \${amount}

Deleted: XYZ

Deleted: [

Deleted:]

3.2.2. To Class Counsel: A Class Counsel Fees Payment of not more than ~~33.3%~~, which is currently estimated to be ~~\$117,833.33~~ and a Class Counsel Litigation Expenses Payment of not more than ~~\$16,000.00~~. ~~SCDC will not oppose requests for these payments provided that do not exceed these amounts.~~ Plaintiff and/or Class Counsel will file a motion for Class Counsel Fees Payment and Class Litigation Expenses Payment no later than ~~16 court days prior to the Final Approval Hearing.~~ If the Court approves a Class Counsel Fees Payment and/or a Class 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 Class Counsel or any other Plaintiff's Counsel arising from any claim to any portion any Class Counsel Fee Payment and/or Class Counsel Litigation Expenses Payment. The Administrator will pay the Class Counsel Fees Payment and Class Counsel Expenses Payment using one or more IRS 1099 Forms. Class Counsel assumes full responsibility and liability for taxes owed on the Class Counsel Fees Payment and the Class Counsel Litigation Expenses Payment and holds ~~SCDC~~ harmless, and indemnifies ~~SCDC~~, from any dispute or controversy regarding any division or sharing of any of these Payments.

Deleted: %,

Deleted: \${amount}

Deleted: \${amount}. XYZ

Deleted: [

Deleted:]

Deleted: XYZ

Deleted: XYZ

3.2.3. To the Administrator: An Administrator Expenses Payment not to exceed ~~\$10,000.00~~ 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 ~~\$10,000.00~~, the Administrator will retain the remainder in the Net Settlement Amount.

Deleted: \${amount}

Deleted: \${amount},

3.2.4. To Each Participating Class Member: An Individual Class Payment calculated by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members during the Class Period and (b) multiplying the result by each Participating Class Member's Workweeks.

Moved down [2]: (b) multiplying the result by each Participating Class Member's Workweeks.

Moved (insertion) [2]

3.2.4.1. Tax Allocation of Individual Class Payments. ~~10%~~ of each Participating Class Member's Individual Class Payment will be allocated to settlement of wage claims (the "Wage Portion"). The Wage Portions are

Deleted: [Specify percentage]

subject to tax withholding and will be reported on an IRS W-2 Form. The ~~90%~~ of each Participating Class Member's Individual Class Payment will be allocated to settlement of claims for [e.g., interest and penalties] (the "Non-Wage Portion"). The Non-Wage Portions are not subject to wage withholdings and will be reported on IRS 1099 Forms. Participating Class Members assume full responsibility and liability for any employee taxes owed on their Individual Class Payment.

Deleted: [specify percentage]

3.2.4.2. Effect of Non-Participating Class Members on Calculation of Individual Class Payments. Non-Participating Class Members will not receive any Individual Class Payments. The Administrator will retain amounts equal to their Individual Class Payments in the Net Settlement Amount for distribution to Participating Class Members on a pro rata basis.

3.2.5. To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of ~~\$25,000.00~~ to be paid from the Gross Settlement Amount, with 75% (~~\$18,750.00~~) allocated to the LWDA PAGA Payment and 25% (~~\$6,250.00~~) allocated to the Individual PAGA Payments.

Deleted: \$[amount]

Deleted: amount

Deleted: amount

3.2.5.1. The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties ~~\$6,250.00~~ 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.

Deleted: (\$amount)

3.2.5.2. 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. Class Workweeks and Aggrieved Employee Pay Periods. ~~At mediation, SCDC represented that~~ there ~~were 104~~ Class Members who collectively worked a total of ~~17,836~~ Workweeks, and ~~69~~ of Aggrieved Employees who worked a total ~~2,778~~ of PAGA Pay Periods.

Deleted: Based on a review of its records to date, XYZ estimates

Deleted: are [number]

Deleted: [amount]

Deleted: [number]

Deleted: [amount]

Deleted: [e.g.,

Deleted:]

Deleted: XYZ

4.2. Class Data. Not later than ~~15~~ days after the Court grants Preliminary Approval of the Settlement, ~~SCDC~~ will simultaneously deliver the Class Data to the Administrator, in the form of a Microsoft Excel spreadsheet. To protect Class Members' privacy rights, the Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement and for no other purpose, and restrict access to the Class Data to Administrator employees who need access to the Class Data to effect and perform under this Agreement. ~~SCDC~~ has a continuing duty to immediately notify Class

Deleted: XYZ

Counsel if it discovers that the Class Data omitted class member identifying information and to provide corrected or updated Class Data as soon as reasonably feasible. Without any extension of the deadline by which SCDC must send the Class 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 Class Data.

Deleted: XYZ

- 4.3. Funding of Gross Settlement Amount. SCDC shall fully fund the Gross Settlement Amount, and also fund the amounts necessary to fully pay SCDC's share of payroll taxes by transmitting the funds to the Administrator no earlier than December 17, 2023, with funding of the Settlement Amount to be paid within 14 days from that date (December 17, 2023), unless SCDC voluntarily chooses to make payment sooner.

Deleted: XYZ

Deleted: XYZ's

Deleted: later

Deleted: [14] days after

Deleted: Effective Date.

- 4.4. Payments from the Gross Settlement Amount. Within 14 days after SCDC funds the Gross Settlement Amount, the Administrator will mail checks for all Individual Class Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class Representative Service Payment. Disbursement of the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment and the Class Representative Service Payment shall not precede disbursement of Individual Class Payments and Individual PAGA Payments.

Deleted: [

Deleted:]

Deleted: XYZ

- 4.4.1. The Administrator will issue checks for the Individual Class Payments and/or Individual PAGA Payments and send them to the Class Members 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. The Administrator will send checks for Individual Settlement Payments to all Participating Class Members (including those for whom Class Notice was returned undelivered). The Administrator will send checks for Individual PAGA Payments to all Aggrieved Employees including Non-Participating Class Members who qualify as Aggrieved Employees (including those for whom Class Notice was returned undelivered). The Administrator may send Participating Class Members a single check combining the Individual Class Payment and the Individual PAGA Payment. 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 a Class Member Address Search for all other Class Members whose checks are returned undelivered without USPS forwarding address. Within 7 days of receiving a returned check the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Class Member Address Search. The Administrator need not take further steps to deliver checks to Class Members whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Class Member whose original check was lost or misplaced, requested by the Class Member prior to the void date.

Deleted: [

Deleted:]

4.4.3. For any Class Member whose Individual Class Payment check or 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 Class Member thereby, leaving no "unpaid residue" subject to the requirements of California Code of Civil Procedure Section 384, subd. (b).

Deleted: [

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

Deleted: (b).] [or to a Court-approved nonprofit organization or foundation consistent with Code of Civil Procedure Section 384, subd. (b) ("Cy Pres Recipient") [adding name]]. The Parties, Class Counsel and Defense Counsel represent that they have no interest or relationship, financial or otherwise, with the intended Cy Pres Recipient.

Deleted: XYZ

6. **RELEASES OF CLAIMS.** Effective on the date when SCDC fully funds the entire Gross Settlement Amount and funds all employer payroll taxes owed on the Wage Portion of the Individual Class Payments, Plaintiff, Class Members, Aggrieved Employees, the State of California, and Class Counsel will release claims against all Released Parties as follows:

Deleted: XYZ

6.1 Plaintiff's Release. Plaintiff and his or her respective former and present spouses, representatives, agents, attorneys, heirs, administrators, successors, and assigns generally, release and discharge Released Parties from all claims, transactions, or occurrences that occurred during the Class Period, that were, or reasonably could have been, alleged, based on the facts contained, in the Operative Complaint, Plaintiff's PAGA Notice, or ascertained during the Action including, but not limited to: (1) failure to pay minimum and straight time wages (Cal. Lab. Code §§ 204, 1194, 1194.2, and 1197); (2) failure to pay overtime wages (Cal. Lab. Code §§ 1194 and 1198); (3) failure to provide meal periods and to pay premium payments (Cal. Lab. Code §§ 226.7, 512); (4) failure to authorize and permit rest periods and to pay premium payments (Cal. Lab. Code §§ 226.7); (5) failure to timely pay final wages at termination (Cal. Lab. Code §§ 201-203); (6) failure to provide accurate itemized wage statements (Cal. Lab. Code § 226); (7) failure to reimburse business-related expenses (Labor Code § 2802); (8) violation of California's Unfair Competition Law (California Business and Professions Code §§ 17200, et seq.); and failure to maintain records (Labor Code § 1174.5); and (9) all PAGA civil penalties pursuant to Labor Code section 2698 et seq. based on facts contained in the Operative Complaint, and released under 6.2, below. ("Plaintiff's Release.") Plaintiff's Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, workers' compensation benefits that arose at any time, or based on occurrences outside the Class Period. Plaintiff acknowledges that Plaintiff may discover facts or law different from, or in addition to, the facts or law that Plaintiff now knows or believes to be true but agrees, nonetheless, that Plaintiff's Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiff's discovery of them.

Deleted: [

Deleted:], including, but not limited to: (a) all claims...

Deleted: (b)

Deleted: claims that were, or reasonably could have been, alleged

Deleted: Plaintiff's PAGA Notice, [or ascertained during the Action

Deleted:].

6.1.1 Plaintiff's Waiver of Rights Under California Civil Code Section 1542. For purposes of Plaintiff's Release, Plaintiff expressly waives and relinquishes the

provisions, rights, and benefits, if any, of section 1542 of the California Civil Code, which reads:

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

- 6.2 Release by Participating Class Members: All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties from (i) all claims that were alleged, or reasonably could have been alleged, based on the Class Period facts stated in the Operative Complaint and ascertained in the course of the Action including, any and all claims for (1) failure to pay minimum and straight time wages (Cal. Lab. Code §§ 204, 1194, 1194.2, and 1197); (2) failure to pay overtime wages (Cal. Lab. Code §§ 1194 and 1198); (3) failure to provide meal periods and to pay premium payments (Cal. Lab. Code §§ 226.7, 512); (4) failure to authorize and permit rest periods and to pay premium payments (Cal. Lab. Code §§ 226.7); (5) failure to timely pay final wages at termination (Cal. Lab. Code §§ 201-203); (6) failure to provide accurate itemized wage statements (Cal. Lab. Code § 226); (7) failure to reimburse business-related expenses (Labor Code § 2802); (8) violation of California's Unfair Competition Law (California Business and Professions Code §§ 17200, *et seq.*); and failure to maintain records (Labor Code § 1174.5). Except as set forth in Section 6.3 of this Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Period.

- 6.3 PAGA Release by Plaintiff, Aggrieved Employees and the State of California: Upon either the Date When SCDC Fully Funds the Entire Gross Settlement Amount and Funds All Employer Payroll Taxes Owed on the Wage Portion of the Individual Class Payments, or the Date the Court Grants Final Approval of the Settlement, whichever is later, Plaintiff, all Aggrieved Employees, and the State of California are deemed to release all claims for PAGA civil penalties, which occurred during the PAGA Period, pursuant to Labor Code section 2698 *et seq.* alleged or that could have been alleged, based on the allegations asserted in the Operative Complaint and PAGA Notice, including but not limited to claims for (1) failure to pay minimum and straight time wages (Cal. Lab. Code §§ 204, 1194, 1194.2, and 1197); (2) failure to pay overtime wages (Cal. Lab. Code §§ 1194 and 1198); (3) failure to provide meal periods and to pay premium payments (Cal. Lab. Code §§ 226.7, 512); (4) failure to authorize and permit rest periods and to pay premium payments (Cal. Lab. Code §§ 226.7); (5) failure to timely pay final wages at termination (Cal. Lab. Code §§ 201-203); (6) failure to provide accurate itemized wage statements (Cal. Lab. Code § 226); (7) failure to reimburse business-related expenses (Labor Code § 2802); and (8) failure to maintain records (Labor Code § 1174.5).

Deleted: Who Are Not Aggrieved Employees:

Deleted: [and ascertained in the course of the Action] [including, e.g., "(a) any and all claims involving any alleged failure to pay minimum wage; etc.]. ...

Deleted: Non-Participating Class Members Who Are...

Deleted: : All Non-Participating Class Members who are ...

Deleted: , on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from

Deleted: that were

Deleted: ,

Deleted: reasonably

Deleted: ,

Deleted: PAGA Period facts stated

Deleted: [,] [

Deleted:] the

Deleted: [and ascertained in the course of the Action][...]

Deleted: , e.g., "(a) any and all

Deleted: involving any alleged

Deleted: ; etc.].

7. **MOTION FOR PRELIMINARY APPROVAL.** The Parties agree to jointly prepare and file a motion for preliminary approval (“Motion for Preliminary Approval”) that complies with the Court’s current checklist for Preliminary Approvals.

7.1 SCDC’s Declaration in Support of Preliminary Approval. Within 14 days of the full execution of this Agreement, SCDC will prepare and deliver to Class Counsel a signed Declaration from SCDC and Defense Counsel disclosing all facts relevant to any actual or potential conflicts of interest with the Administrator, Controller’s Unclaimed Property Fund (recipient of uncashed checks). In their Declarations, Defense Counsel and SCDC shall not be aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.

Ashley N. Lopezello
2023-06-13 21:34:00

Please see comment in Christina’s Declaration.

Deleted: XYZ’s

Deleted: []

Deleted: XYZ

Deleted: XYZ

Deleted: and Cy Pres Recipient.

Deleted: XYZ

7.2 Plaintiff’s Responsibilities. Plaintiff will prepare and deliver to Defense Counsel all documents necessary for obtaining Preliminary Approval, including: (i) a draft of the notice, and memorandum in support, of the Motion for Preliminary Approval that includes an analysis of the Settlement under *Dunk/Kullar* and a request for approval of the PAGA Settlement under Labor Code Section 2699, subd. (f)(2)); (ii) a draft proposed Order Granting Preliminary Approval and Approval of PAGA Settlement; (iii) a draft proposed Class Notice; (iv) 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 Class 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 Class Members; and the nature and extent of any financial relationship with Plaintiff, Class Counsel or Defense Counsel; (v) a signed declaration from Plaintiff confirming willingness and competency to serve and disclosing all facts relevant to any actual or potential conflicts of interest with Class Members, [and/or] the Administrator; (v) a signed declaration from each Class Counsel firm attesting to its competency to represent the Class Members; 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)); and all facts relevant to any actual or potential conflict of interest with Class Members, the Administrator. In their Declarations, Plaintiff and Class Counsel Declaration 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.

Deleted: [and/or the proposed Cy Pres];

Deleted: [and/or the proposed Cy Pres];

Deleted: and/or the Cy Pres Recipient.

7.3 Responsibilities of Counsel. Class Counsel and Defense Counsel are jointly responsible for expeditiously finalizing and filing the Motion for Preliminary Approval no later than 30 days after the full execution of this Agreement; obtaining a prompt hearing date for the Motion for Preliminary Approval; and for appearing in Court to advocate in favor of the Motion for Preliminary Approval. Class Counsel is responsible for delivering the Court’s Preliminary Approval to the Administrator.

Deleted: []

Deleted: []

7.4 Duty to Cooperate. If the Parties disagree on any aspect of the proposed Motion for Preliminary Approval and/or the supporting declarations and documents, Class

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 Preliminary Approval or conditions Preliminary Approval on any material change to this Agreement, Class 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.

8. SETTLEMENT ADMINISTRATION.

8.1 Selection of Administrator. The Parties have jointly selected JLYM Group, Inc. to serve as the Administrator and verified that, as a condition of appointment, JLYM 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.

8.2 Employer Identification Number. The Administrator shall have and use its own Employer Identification Number for purposes of calculating payroll tax withholdings and providing reports state and federal tax authorities.

8.3 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.

8.4 Notice to Class Members.

8.4.1 No later than three (3) business days after receipt of the Class Data, the Administrator shall notify Class Counsel that the list has been received and state the number of Class Members, PAGA Members, Workweeks, and Pay Periods in the Class Data.

8.4.2 Using best efforts to perform as soon as possible, and in no event later than 14 days after receiving the Class Data, the Administrator will send to all Class Members identified in the Class Data, via first-class United States Postal Service ("USPS") mail, the Class Notice, with Spanish translation, substantially in the form attached to this Agreement as Exhibit 1. The first page of the Class Notice shall prominently estimate the dollar amounts of any Individual Class Payment and/or Individual PAGA Payment payable to the Class Member, and the number of Workweeks and PAGA Pay Periods (if applicable) used to calculate these amounts. Before mailing Class Notices, the Administrator shall update Class Member addresses using the National Change of Address database.

8.4.3 Not later than 3 business days after the Administrator's receipt of any Class Notice returned by the USPS as undelivered, the Administrator shall re-mail

Deleted: [name]

Deleted: [name]

Deleted: [

Deleted:]

Deleted: [

Deleted: if applicable]

Deleted: ____.

Deleted: [

Deleted:]

the Class Notice using any forwarding address provided by the USPS. If the USPS does not provide a forwarding address, the Administrator shall conduct a Class Member Address Search, and re-mail the Class Notice to the most current address obtained. The Administrator has no obligation to make further attempts to locate or send Class Notice to Class Members whose Class Notice is returned by the USPS a second time.

- 8.4.4 The deadlines for Class Members' written objections, challenges to Workweeks and/or Pay Periods, and Requests for Exclusion will be extended an additional 14 days beyond the 45 days otherwise provided in the Class Notice for all Class Members whose notice is re-mailed. The Administrator will inform the Class Member of the extended deadline with the re-mailed Class Notice.

Deleted: Challenges

Deleted: [14] days

Deleted: [60]

- 8.4.5 If the Administrator, SCDC or Class Counsel is contacted by or otherwise discovers any persons who believe they should have been included in the Class Data and should have received Class Notice, the Parties will expeditiously meet and confer in person or by telephone, and in good faith. In an effort to agree on whether to include them as Class Members. If the Parties agree, such persons will be Class Members entitled to the same rights as other Class Members, and the Administrator will send, via email or overnight delivery, a Class Notice requiring them to exercise options under this Agreement not later than 14 days after receipt of Class Notice, or the deadline dates in the Class Notice, which ever are later.

Deleted: XYZ

Deleted: in

Deleted: [

Deleted:]

8.5 Requests for Exclusion (Opt-Outs).

- 8.5.1 Class Members who wish to exclude themselves (opt-out of) the Class Settlement must send the Administrator, by fax, email, or mail, a signed written Request for Exclusion not later than 60 days after the Administrator mails the Class Notice (plus an additional 14 days for Class Members whose Class Notice is re-mailed). A Request for Exclusion is a letter from a Class Member or his/her representative that reasonably communicates the Class Member's election to be excluded from the Settlement and includes the Class Member's name, address and email address or telephone number. To be valid, a Request for Exclusion must be timely faxed, emailed, or postmarked by the Response Deadline.

Deleted: [

Deleted:]

Deleted: [

Deleted:]

- 8.5.2 The Administrator may not reject a Request for Exclusion as invalid because it fails to contain all the information specified in the Class Notice. The Administrator shall accept any Request for Exclusion as valid if the Administrator can reasonably ascertain the identity of the person as a Class Member and the Class Member's desire to be excluded. The Administrator's determination shall be final and not appealable or otherwise susceptible to challenge. If the Administrator has reason to question the authenticity of a Request for Exclusion, the Administrator may demand additional proof of the Class Member's identity. The Administrator's determination of authenticity shall be final and not appealable or otherwise susceptible to challenge.

8.5.3 Every Class Member who does not submit a timely and valid Request for Exclusion is deemed to be a Participating Class Member under this Agreement, entitled to all benefits and bound by all terms and conditions of the Settlement, including the Participating Class Members' Releases under Paragraphs 6.2 and 6.3 of this Agreement, regardless whether the Participating Class Member actually receives the Class Notice or objects to the Settlement.

8.5.4 Every Class Member who submits a valid and timely Request for Exclusion is a Non-Participating Class Member and shall not receive an Individual Class Payment or have the right to object to the class action components of the Settlement. Because future PAGA claims are subject to claim preclusion upon entry of the Judgment, Non-Participating Class Members who are Aggrieved Employees are deemed to release the claims identified in Paragraph 6.4 of this Agreement and are eligible for an Individual PAGA Payment.

8.6 Challenges to Calculation of Workweeks. Each Class Member shall have 45days after the Administrator mails the Class Notice (plus an additional 14days for Class Members whose Class Notice is re-mailed) to challenge the number of Class Workweeks and PAGA Pay Periods (if any) allocated to the Class Member in the Class Notice. The Class Member may challenge the allocation by communicating with the Administrator via fax, email or mail. The Administrator must encourage the challenging Class Member to submit supporting documentation. In the absence of any contrary documentation, the Administrator is entitled to presume that the Workweeks contained in the Class Notice are correct so long as they are consistent with the Class Data. The Administrator's determination of each Class Member's allocation of Workweeks and/or Pay Periods shall be final and not appealable or otherwise susceptible to challenge. The Administrator shall promptly provide copies of all challenges to calculation of Workweeks and/or Pay Periods to Defense Counsel and Class Counsel and the Administrator's determination the challenges.

8.7 Objections to Settlement.

8.7.1 Only Participating Class Members may object to the class action components of the Settlement and/or this Agreement, including contesting the fairness of the Settlement, and/or amounts requested for the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Class Representative Service Payment.

8.7.2 Participating Class Members may send written objections to the Administrator, by fax, email, or mail. In the alternative, Participating Class Members may appear in Court (or hire an attorney to appear in Court) to present verbal objections at the Final Approval Hearing. A Participating Class Member who elects to send a written objection to the Administrator must do so not later than 45 days after the Administrator's mailing of the Class Notice (plus an additional 14 days for Class Members whose Class Notice was re-mailed).

Moved down [3]: 6.4 of this Agreement and are eligible for an Individual PAGA Payment.

Moved (insertion) [3]

Deleted: [60] days

Deleted: [14] days

Deleted: [60]

Deleted: [

Deleted:]

8.7.3 Non-Participating Class Members have no right to object to any of the class action components of the Settlement.

8.8 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.

8.8.1 Website, Email Address and Toll-Free Number. The Administrator will establish and maintain and use an internet website to post information of interest to Class Members including the date, time and location for the Final Approval Hearing and copies of the Settlement Agreement, Motion for Preliminary Approval, the Preliminary Approval, the Class Notice, the Motion for Final Approval, the Motion for Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and Class Representative Service Payment, the Final Approval and the Judgment. The Administrator will also maintain and monitor an email address and a toll-free telephone number to receive Class Member calls, faxes and emails.

8.8.2 Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will promptly review on a rolling basis Requests for Exclusion to ascertain their validity. Not later than 5 days after the expiration of the deadline for submitting Requests for Exclusion, the Administrator shall email a list to Class Counsel and Defense Counsel containing (a) the names and other identifying information of Class Members who have timely submitted valid Requests for Exclusion ("Exclusion List"); (b) the names and other identifying information of Class Members who have submitted invalid Requests for Exclusion; (c) copies of all Requests for Exclusion from Settlement submitted (whether valid or invalid).

8.8.3 Weekly Reports. The Administrator must, on a weekly basis, provide written reports to Class Counsel and Defense Counsel that, among other things, tally the number of: Class Notices mailed or re-mailed, Class Notices returned undelivered, Requests for Exclusion (whether valid or invalid) received, objections received, challenges to Workweeks and/or Pay Periods received and/or resolved, and checks mailed for Individual Class Payments and Individual PAGA Payments ("Weekly Report"). The Weekly Reports must include provide the Administrator's assessment of the validity of Requests for Exclusion and attach copies of all Requests for Exclusion and objections received.

8.8.4 Workweek and/or Pay Period Challenges. The Administrator has the authority to address and make final decisions consistent with the terms of this Agreement on all Class Member challenges over the calculation of Workweeks and/or Pay Periods. The Administrator's decision shall be final and not appealable or otherwise susceptible to challenge.

8.8.5 Administrator's Declaration. Not later than 14 days before the date by which Plaintiff is required to file the Motion for Final Approval of the Settlement,

Deleted: [

Deleted:]

Deleted: [

Deleted:]

the Administrator will provide to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its due diligence and compliance with all of its obligations under this Agreement, including, but not limited to, its mailing of Class Notice, the Class Notices returned as undelivered, the re-mailing of Class Notices, attempts to locate Class Members, the total number of Requests for Exclusion from Settlement it received (both valid or invalid), the number of written objections and attach the Exclusion List. The Administrator will supplement its declaration as needed or requested by the Parties and/or the Court. Class Counsel is responsible for filing the Administrator's declaration(s) in Court.

8.8.6 Final Report by Settlement Administrator. Within 10 days after the Administrator disburses all funds in the Gross Settlement Amount, the Administrator will provide Class Counsel and Defense Counsel with a final report detailing its disbursements by employee identification number only of all payments made under this Agreement. At least 15 days before any deadline set by the Court, the Administrator will prepare, and submit to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its disbursement of all payments required under this Agreement. Class Counsel is responsible for filing the Administrator's declaration in Court.

Deleted: [

Deleted:]

Deleted: [

Deleted:]

9. CLASS SIZE ESTIMATES [and ESCALATOR CLAUSE] At mediation, SCDC represented that there were: (1) 104 Class Members and 17,836 Total Workweeks during the Class period. If the actual number of Total Workweeks exceeds this figure by more than 10% as of the date of Preliminary Approval (i.e., there are 19,620 or more workweeks worked), SCDC shall increase the Gross Settlement Amount in an amount equal to the increase in class workweeks above the 10% threshold (e.g., if there is an 11% increase in the Total Workweeks then SCDC will increase the Gross Settlement amount by 1%).

Deleted: Based on its records, XYZ estimates

Deleted: , as of the date of this Settlement Agreement, (1) there are [number]

Deleted: [number]

Deleted: and (2) there were [number] Aggrieved Employees who...

Deleted: [number] Pay Periods during the PAGA Period....

10. SCDC'S RIGHT TO WITHDRAW. If the number of valid Requests for Exclusion identified in the Exclusion List exceeds 10% of the total of all Class Members, SCDC may, but is not obligated, elect to withdraw from the Settlement. The Parties agree that, if SCDC withdraws, the Settlement shall be void ab initio, have no force or effect whatsoever, and that neither Party will have any further obligation to perform under this Agreement; provided, however, SCDC will remain responsible for paying all Settlement Administration Expenses incurred to that point. SCDC must notify Class Counsel and the Court of its election to withdraw not later than seven days after the Administrator sends the final Exclusion List to Defense Counsel; late elections will have no effect.

Deleted: XYZ'S

Deleted: [specify percentage]

Deleted: XYZ

Deleted: XYZ

Deleted: XYZ

Deleted: XYZ

Deleted: [

Deleted:]

11. MOTION FOR FINAL APPROVAL. Not later than 16 court days before the calendared Final Approval Hearing, Plaintiff will file in Court, a motion for final approval of the Settlement that includes a request for approval of the PAGA settlement under Labor Code section 2699, subd. (l), a Proposed Final Approval Order and a proposed Judgment (collectively "Motion for Final Approval"). Plaintiff shall provide drafts of these documents to Defense Counsel not later than seven days prior to filing the Motion for Final Approval. Class Counsel and Defense Counsel will expeditiously meet and confer in

Deleted: [

Deleted:]

Deleted: [

Deleted:]

person or by telephone, and in good faith, to resolve any disagreements concerning the Motion for Final Approval.

- 11.1 Response to Objections. Each Party retains the right to respond to any objection raised by a Participating Class Member, including the right to file responsive documents in Court no later ~~than five court days~~ prior to the Final Approval Hearing, or as otherwise ordered or accepted by the Court.

Deleted: that [

Deleted:]

- 11.2 Duty to Cooperate. If the Court does not grant Final Approval or conditions Final Approval on any material change to the Settlement (including, but not limited to, the scope of release to be granted by Class Members), the Parties will expeditiously work together in good faith to address the Court's concerns by revising the Agreement as necessary to obtain Final Approval. The Court's decision to award less than the amounts requested for the Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Administrator Expenses Payment shall not constitute a material modification to the Agreement within the meaning of this paragraph.

- 11.3 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.

- 11.4 Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment reflected set forth in this Settlement, the Parties, their respective counsel, and all Participating Class Members who did not object to the Settlement as provided in this Agreement, 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 an objector 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.

- 11.5 Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a material modification of this Agreement (including, but not limited to, the scope of release to be granted by Class Members), this Agreement shall be null and void. The Parties shall nevertheless expeditiously work together in good faith to address the appellate court's concerns and to obtain Final Approval and entry of Judgment, sharing, on a 50-50 basis, any additional Administration Expenses reasonably incurred after remittitur. An appellate decision to vacate, reverse, or modify the Court's award of the Class Representative Service Payment or any payments to Class Counsel shall not

constitute a material modification of the Judgment within the meaning of this paragraph, as long as the Gross Settlement Amount remains unchanged.

12. AMENDED JUDGMENT. If any amended judgment is required under Code of Civil Procedure section 384, the Parties will work together in good faith to jointly submit and a proposed amended judgment.

13. ADDITIONAL PROVISIONS.

13.1 No Admission of Liability, Class Certification 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 SCDC that any of the allegations in the Operative Complaint have merit or that SCDC has any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that SCDC's defenses in the Action have merit. The Parties agree that class certification and representative treatment is for purposes of this Settlement only. If, for any reason the Court does grant Preliminary Approval, Final Approval or enter Judgment, SCDC reserves the right to contest certification of any class for any reasons, and SCDC reserves all available defenses to the claims in the Action, and Plaintiff reserves the right to move for class certification on any grounds available and to contest SCDC'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).

Deleted: XYZ

Deleted: XYZ

Deleted: XYZ's

Deleted: XYZ

Deleted: XYZ

Deleted: XYZ's

13.2 Confidentiality Prior to Preliminary Approval. Plaintiff, Class Counsel, SCDC and Defense Counsel separately agree that, until the Motion for Preliminary Approval of Settlement is filed, they and each of them will not disclose, disseminate and/or publicize, or cause or permit another person to disclose, disseminate or publicize, any of the terms of the Agreement directly or indirectly, specifically or generally, to any person, corporation, association, government agency, or other entity except: (1) to the Parties' attorneys, accountants, or spouses, all of whom will be instructed to keep this Agreement confidential; (2) counsel in a related matter; (3) to the extent necessary to report income to appropriate taxing authorities; (4) in response to a court order or subpoena; or (5) in response to an inquiry or subpoena issued by a state or federal government agency. Each Party agrees to immediately notify each other Party of any judicial or agency order, inquiry, or subpoena seeking such information. Plaintiff, Class Counsel, SCDC and Defense Counsel separately agree not to, directly or indirectly, initiate any conversation or other communication, before the filing of the Motion for Preliminary Approval, any with third party regarding this Agreement or the matters giving rise to this Agreement except to respond only that "the matter was resolved," or words to that effect. This paragraph does not restrict Class Counsel's communications with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.

Deleted: XYZ

Deleted: XYZ

13.3 No Solicitation. The Parties separately agree that they and their respective counsel and employees will not solicit any Class Member to opt out of or object to the

Settlement, or appeal from the Judgment. Nothing in this paragraph shall be construed to restrict Class Counsel's ability to communicate with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.

- 13.4 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.
- 13.5 Attorney Authorization. Class Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiff and ~~SCDC~~, 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.
- 13.6 Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying the Settlement Agreement, submitting supplemental evidence and supplementing points and authorities as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of a mediator and/or the Court for resolution.
- 13.7 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.
- 13.8 No Tax Advice. Neither Plaintiff, Class Counsel, ~~SCDC~~, 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.
- 13.9 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.
- 13.10 Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.
- 13.11 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.

Deleted: XYZ

Deleted: XYZ

13.12 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.

13.13 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.

13.14 Use and Return of Class Data. Information provided to Class Counsel pursuant to Cal. Evid. Code §1152, and all copies and summaries of the Class Data provided to Class Counsel by SCDC 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 date when the Court discharges the Administrator's obligation to provide a Declaration confirming the final pay out of all Settlement funds, Plaintiff shall destroy, all paper and electronic versions of Class Data received from SCDC unless, prior to the Court's discharge of the Administrator's obligation, SCDC makes a written request to Class Counsel for the return, rather than the destructions, of Class Data.

Deleted: XYZ

Deleted: XYZ

Deleted: XYZ

13.15 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.

13.16 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.

13.17 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 Yohanna Sanchez:

Deleted: :

Justin F. Marquez, Esq.
WILSHIRE LAW FIRM
3055 Wilshire Blvd., 12th Floor
Los Angeles, California 90010
Telephone: (213) 381-9988
Facsimile: (213) 381-9989
justin@wilshirelawfirm.com

Deleted: ¶

¶

¶

To XYZ:¶

¶

¶

¶

To Su Casa de Cambio Cesar Chavez, Inc.:

Nancy N. Lubrano, Esq.
Ashley N. Lopezello, Esq.
CDF LABOR LAW LLP
18300 Von Karman Ave., Ste. 800
Irvine, California 92612
Telephone: (949) 622-1661
Facsimile: (949) 577-5201
nlubrano@cdflaborlaw.com
alopezello@cdflaborlaw.com

- 13.18 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.
- 13.19 Stay of Litigation. The Parties agree that upon the execution of this Agreement, the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that pursuant to CCP section 583.330 to extend the date to bring a case to trial under CCP section 583.310 for the entire period of this settlement process.

DocuSigned by:
[Signature]

[name] For Plaintiff Yohanna Sanchez
Yohanna Sanchez

[Signature]
[name and title]
Rod Garza, President for Su Casa de
Cambio Cesar Chavez, Inc.

[Signature]
[name] Christina M. Le, Esq.

[Signature]
[name]

Counsel for Plaintiff Yohanna Sanchez

Counsel for Su Casa de Cambio Cesar
Chavez, Inc.

Moved (insertion) [4]

Deleted: For XYZ

Moved down [4]:
[Signature]

Deleted: [Signature]

Deleted: [Signature]

Deleted: [name]

Deleted: XYZ

COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL

Johanna Sanchez v. Su Casa de Cambio Cesar Chavez, Inc., Los Angeles Superior Court, Case No. 21STCV32728

The Superior Court for the State of California authorized this Notice. Read it carefully! It's not junk mail, spam, an advertisement, or solicitation by a lawyer. You are not being sued.

You may be eligible to receive money from an employee class action lawsuit ("Action") against Su Casa de Cambio Cesar Chavez, Inc. ("SCDC") for alleged wage and hour violations. The Action was filed by a former SCDC employee, Yohanna Sanchez ("Plaintiff") and seeks payment of back wages and other relief for a class of non-exempt hourly employees ("Class Members") who worked for SCDC during the Class Period (March 9, 2017 through the date the Court grants Preliminary Approval of the Settlement); and (2) penalties under the California Private Attorneys General Act ("PAGA") for all non-exempt hourly employees who worked for SCDC during the PAGA Period (March 11, 2020 through the date the Court grants Preliminary Approval of the Settlement) ("Aggrieved Employees").

The proposed Settlement has two main parts: (1) a Class Settlement requiring SCDC to fund Individual Class Payments, and (2) a PAGA Settlement requiring SCDC to fund Individual PAGA Payments and pay penalties to the California Labor and Workforce Development Agency ("LWDA").

Based on SCDC's records, and the Parties' current assumptions, **your Individual Class Payment is estimated to be \$_____ (less withholding) and your Individual PAGA Payment is estimated to be \$_____.** The actual amount you may receive likely will be different and will depend on a number of factors. (If no amount is stated for your Individual PAGA Payment, then according to SCDC's records you are not eligible for an Individual PAGA Payment under the Settlement because you didn't work during the PAGA Period.)

The above estimates are based on SCDC's records showing that **you worked _____ workweeks** during the Class Period and **you worked _____ workweeks** during the PAGA Period. If you believe that you worked more workweeks during either period, you can submit a challenge by the deadline date. See Section 4 of this Notice.

The Court has already preliminarily approved the proposed Settlement and approved this Notice. The Court has not yet decided whether to grant final approval. Your legal rights are affected whether you act or not act. Read this Notice carefully. You will be deemed to have carefully read and understood it. At the Final Approval Hearing, the Court will decide whether to finally approve the Settlement and how much of the Settlement will be paid to Plaintiff and Plaintiff's attorneys ("Class Counsel"). The Court will also decide whether to enter a judgment that requires SCDC to make payments under the Settlement and requires Class Members and Aggrieved Employees to give up their rights to assert certain claims against SCDC.

If you worked for SCDC during the Class Period and/or the PAGA Period, you have two basic options under the Settlement:

Deleted: [case name and number] ¶
¶

Deleted: [name of defendant] (abbreviate name; "XYZ" is used herein as a placeholder)

Deleted: [n][

Deleted:] XYZ

Deleted: [name]

Deleted: (1)

Deleted: [

Deleted:]

Deleted: [e.g.,

Deleted:]

Deleted: XYZ

Deleted: ([

Deleted:] to [date]);

Deleted: Attorney

Deleted: [e.g.,

Deleted:]

Deleted: XYZ

Deleted: ([date] to [date])

Deleted: XYZ

Deleted: XYZ

Deleted: XYZ's

Deleted: \$ _____

Deleted: \$ _____.

Deleted: XYZ's

Deleted: XYZ's

Deleted: _____

Deleted: _____

Deleted: XYZ

Deleted: XYZ.

Deleted: XYZ

(1) **Do Nothing.** You don't have to do anything to participate in the proposed Settlement and be eligible for an Individual Class Payment and/or an Individual PAGA Payment. As a Participating Class Member, though, you will give up your right to assert Class Period wage claims and PAGA Period penalty claims against SCDC.

Deleted: XYZ.

(2) **Opt-Out of the Class Settlement.** You can exclude yourself from the Class Settlement (opt-out) by submitting the written Request for Exclusion or otherwise notifying the Administrator in writing. If you opt-out of the Settlement, you will not receive an Individual Class Payment. You will, however, preserve your right to personally pursue Class Period wage claims against SCDC, and, if you are an Aggrieved Employee, remain eligible for an Individual PAGA Payment. You cannot opt-out of the PAGA portion of the proposed Settlement.

Deleted: XYZ

SCDC will not retaliate against you for any actions you take with respect to the proposed Settlement.

Deleted: XYZ

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

You Don't Have to Do Anything to Participate in the Settlement	If you do nothing, you will be a Participating Class Member, eligible for an Individual Class Payment and an Individual PAGA Payment (if any). In exchange, you will give up your right to assert the wage claims against SCDC that are covered by this Settlement (Released Claims).
You Can Opt-out of the Class Settlement but not the PAGA Settlement The Opt-out Deadline is [date]	If you don't want to fully participate in the proposed Settlement, you can opt-out of the Class Settlement by sending the Administrator a written Request for Exclusion. Once excluded, you will be a Non-Participating Class Member and no longer eligible for an Individual Class Payment. Non-Participating Class Members cannot object to any portion of the proposed Settlement. See Section 6 of this Notice. You cannot opt-out of the PAGA portion of the proposed Settlement. SCDC must pay Individual PAGA Payments to all Aggrieved Employees and the Aggrieved Employees must give up their rights to pursue Released Claims (defined below).
Participating Class Members Can Object to the Class Settlement but not the PAGA Settlement Written Objections Must be Submitted by [date]	All Class Members who do not opt-out ("Participating Class Members") can object to any aspect of the proposed Settlement. The Court's decision whether to finally approve the Settlement will include a determination of how much will be paid to Class Counsel and Plaintiff who pursued the Action on behalf of the Class. You are not personally responsible for any payments to Class Counsel or Plaintiff, but every dollar paid to Class Counsel and Plaintiff reduces the overall amount paid to Participating Class Members. You can object to the amounts requested by Class Counsel or

	Plaintiff if you think they are unreasonable. See Section 7 of this Notice.
You Can Participate in the [date] Final Approval Hearing	The Court's Final Approval Hearing is scheduled to take place on [date]. You don't have to attend but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person, by telephone or by using the Court's virtual appearance platform. Participating Class Members can verbally object to the Settlement at the Final Approval Hearing. See Section 8 of this Notice.
You Can Challenge the Calculation of Your Workweeks/Pay Periods Written Challenges Must be Submitted by [date]	The amount of your Individual Class Payment and PAGA Payment (if any) depend on how many workweeks you worked at least one day during the Class Period and how many Pay Periods you worked at least one day during the PAGA Period, respectively. The number Class Period Workweeks and number of PAGA Period Pay Periods you worked according to SCDC's records is stated on the first page of this Notice. If you disagree with either of these numbers, you must challenge it by [date]. See Section 4 of this Notice.

1. WHAT IS THE ACTION ABOUT?

Plaintiff is a former SCDC employee. The Action accuses SCDC of violating California labor laws by failing to pay [e.g., overtime wages, minimum wages, wages due upon termination and reimbursable expenses] and failing to provide [e.g., meal periods, rest breaks and accurate itemized wage statements]. Based on the same claims, Plaintiff has also asserted a claim for civil penalties under the California Private Attorneys General Act (Labor Code §§ 2698, et seq.) ("PAGA"). Plaintiff is represented by attorneys in the Action: Justin F. Marquez, Christina M. Le, and Arsine Grigoryan of the Wilshire Law Firm, PLC, 3055 Wilshire Blvd., 12th Floor, Los Angeles, CA 90010 ("Class Counsel.")

SCDC strongly denies violating any laws or failing to pay any wages and contends it complied with all applicable laws.

Deleted: [n] [

Deleted:] XYZ

Deleted: XYZ

Deleted: [name of attorney

Deleted: law firm]

Deleted: XYZ

2. WHAT DOES IT MEAN THAT THE ACTION HAS SETTLED?

So far, the Court has made no determination whether SCDC or Plaintiff is correct on the merits. In the meantime, Plaintiff and SCDC hired a mediator in an effort to resolve the Action by negotiating to an end the case by agreement (settle the case) rather than continuing the expensive and time-consuming process of litigation. The negotiations were successful. By signing a lengthy written settlement agreement ("Agreement") and agreeing to jointly ask the Court to enter a judgment ending the Action and enforcing the Agreement, Plaintiff and SCDC have negotiated a proposed Settlement that is subject to the Court's Final Approval. Both sides agree the proposed Settlement is a compromise of disputed claims. By agreeing to settle, SCDC does not admit any violations or concede the merit of any claims.

Deleted: XYZ

Deleted: XYZ [

Deleted: [an experienced, neutral

Deleted:] [a retired judge]] [describe alternative means of negotiations]]

Deleted: to

Deleted: XYZ

Deleted: XYZ

Plaintiff and Class Counsel strongly believe the Settlement is a good deal for you because they believe that: (1) SCDC has agreed to pay a fair, reasonable and adequate amount considering the strength of the claims and the risks and uncertainties of continued litigation; and (2) Settlement is in the best interests of the Class Members and Aggrieved Employees. The Court preliminarily approved the proposed Settlement as fair, reasonable and adequate, authorized this Notice, and scheduled a hearing to determine Final Approval.

Deleted: XYZ

3. WHAT ARE THE IMPORTANT TERMS OF THE PROPOSED SETTLEMENT?

1. SCDC Will Pay, \$353,500.00 as the Gross Settlement Amount (Gross Settlement). SCDC has agreed to deposit the Gross Settlement into an account controlled by the Administrator of the Settlement. The Administrator will use the Gross Settlement to pay the Individual Class Payments, Individual PAGA Payments, Class Representative Service Payment, Class Counsel's attorney's fees and expenses, the Administrator's expenses, and penalties to be paid to the California Labor and Workforce Development Agency ("LWDA"). Assuming the Court grants Final Approval, SCDC will fund the Gross Settlement Amount, and also fund the amounts necessary to fully pay SCDC's share of payroll taxes by transmitting the funds to the Administrator no earlier than December 17, 2023. The Judgment will be final on the date the Court enters Judgment, or a later date if Participating Class Members object to the proposed Settlement or the Judgment is appealed.

Deleted: XYZ

Deleted: \$[amount]

Deleted: XYZ

Deleted: XYZ

Deleted: not more than [14] days after

Deleted: Judgment entered

Deleted: Court become final.

2. Court Approved Deductions from Gross Settlement. At the Final Approval Hearing, Plaintiff and/or Class Counsel will ask the Court to approve the following deductions from the Gross Settlement, the amounts of which will be decided by the Court at the Final Approval Hearing:

- A. Up to \$ 117,833.33 (33 1/3% of the Gross Settlement) to Class Counsel for attorneys' fees and up to \$16,000.00 for their litigation expenses. To date, Class Counsel have worked and incurred expenses on the Action without payment.

Deleted: [\$ amount] (x

Deleted: \$[amount]

- B. Up to \$10,000.00 as a Class Representative Award for filing the Action, working with Class Counsel and representing the Class. A Class Representative Award will be the only monies Plaintiff will receive other than Plaintiff's Individual Class Payment and any Individual PAGA Payment.

Deleted: \$[amount]

- C. Up to \$10,000.00 to the Administrator for services administering the Settlement.

Deleted: \$[amount]

- D. Up to \$25,000.00 for PAGA Penalties, allocated 75% to the LWDA PAGA Payment and 25% in Individual PAGA Payments to the Aggrieved Employees based on their PAGA Period Pay Periods.

Deleted: \$[amount]

Participating Class Members have the right to object to any of these deductions. The Court will consider all objections.

3. Net Settlement Distributed to Class Members. After making the above deductions in amounts approved by the Court, the Administrator will distribute the rest of the Gross Settlement (the “Net Settlement”) by making Individual Class Payments to Participating Class Members based on their Class Period Workweeks.

4. Taxes Owed on Payments to Class Members. Plaintiff and **SCDC** are asking the Court to approve an allocation of 10% of each Individual Class Payment to taxable wages (“Wage Portion”) and 90% to penalties and interest (“Non-Wage Portion.”). The Wage Portion is subject to withholdings and will be reported on IRS W-2 Forms. **SCDC** will separately pay employer payroll taxes it owes on the Wage Portion. The Individual PAGA Payments are counted as penalties rather than wages for tax purposes. The Administrator will report the Individual PAGA Payments and the Non-Wage Portions of the Individual Class Payments on IRS 1099 Forms.

Although Plaintiff and **SCDC** have agreed to these allocations, neither side is giving you any advice on whether your Payments are taxable or how much you might owe in taxes. You are responsible for paying all taxes (including penalties and interest on back taxes) on any Payments received from the proposed Settlement. You should consult a tax advisor if you have any questions about the tax consequences of the proposed Settlement.

5. Need to Promptly Cash Payment Checks. The front of every check issued for Individual Class Payments and Individual PAGA Payments will show the date when the check expires (the void date). If you don’t cash it by the void date, your check will be automatically cancelled, and the monies will be deposited with the California Controller’s Unclaimed Property Fund in your name. If the monies represented by your check is sent to the Controller’s Unclaimed Property, you should consult the rules of the Fund for instructions on how to retrieve your money.

6. Requests for Exclusion from the Class Settlement (Opt-Outs). You will be treated as a Participating Class Member, participating fully in the Class Settlement, unless you notify the Administrator in writing, not later than **[date]**, that you wish to opt-out. The easiest way to notify the Administrator is to send a written and signed Request for Exclusion by the **[date]** Response Deadline. The Request for Exclusion should be a letter from a Class Member or his/her representative setting forth a Class Member’s name, present address, telephone number, and a simple statement electing to be excluded from the Settlement. Excluded Class Members (i.e., Non-Participating Class Members) will not receive Individual Class Payments, but will preserve their rights to personally pursue wage and hour claims against **SCDC**.

You cannot opt-out of the PAGA portion of the Settlement. Class Members who exclude themselves from the Class Settlement (Non-Participating Class Members) remain eligible for Individual PAGA Payments and are required to give up their right to assert PAGA claims against **SCDC** based on the PAGA Period facts alleged in the Action.

7. The Proposed Settlement Will be Void if the Court Denies Final Approval. It is possible the Court will decline to grant Final Approval of the Settlement or decline enter a

Deleted: XYZ

Deleted: [specify percentage]

Deleted: [specify percentage]

Deleted: [e.g.,

Deleted: . etc.]

Deleted: [Option 1: (XYZ

Deleted: .)]

Deleted: XYZ

Deleted: [

Deleted:] [will irrevocably lost to you because they will be paid to a non-profit organization or foundation (“Cy Pres”)]. [

Deleted: .]

Deleted: XYZ.

Deleted: XYZ

Judgment. It is also possible the Court will enter a Judgment that is reversed on appeal. Plaintiff and SCDC have agreed that, in either case, the Settlement will be void: SCDC will not pay any money and Class Members will not release any claims against SCDC.

8. Administrator. The Court has appointed a neutral company, JLYM Group, Inc. (the “Administrator”) to send this Notice, calculate and make payments, and process Class Members’ Requests for Exclusion. The Administrator will also decide Class Member Challenges over Workweeks, mail and re-mail settlement checks and tax forms, and perform other tasks necessary to administer the Settlement. The Administrator’s contact information is contained in Section 9 of this Notice.

9. Participating Class Members’ Release. After the Judgment is final and SCDC has fully funded the Gross Settlement and separately paid all employer payroll taxes, Participating Class Members will be legally barred from asserting any of the claims released under the Settlement. This means that unless you opted out by validly excluding yourself from the Class Settlement, you cannot sue, continue to sue, or be part of any other lawsuit against SCDC or related entities for wages based on the Class Period facts and PAGA penalties based on PAGA Period facts, as alleged in the Action and resolved by this Settlement.

The Participating Class Members will be bound by the following release:

All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties from (i) all claims that were alleged, or reasonably could have been alleged, based on the Class Period facts stated in the Operative Complaint and ascertained in the course of the Action including, (1) failure to pay minimum and straight time wages (Cal. Lab. Code §§ 204, 1194, 1194.2, and 1197); (2) failure to pay overtime wages (Cal. Lab. Code §§ 1194 and 1198); (3) failure to provide meal periods and to pay premiums payments (Cal. Lab. Code §§ 226.7, 512); (4) failure to authorize and permit rest periods and to pay premium payments (Cal. Lab. Code §§ 226.7); (5) failure to timely pay final wages at termination (Cal. Lab. Code §§ 201-203); (6) failure to provide accurate itemized wage statements (Cal. Lab. Code § 226); (7) failure to reimburse business-related expenses (Labor Code § 2802); (8) violation of California’s Unfair Competition Law (California Business and Professions Code §§ 17200, *et seq.*); and failure to maintain records (Labor Code § 1174.5). Except as set forth in Section 6.3 of the Settlement Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers’ compensation, or claims based on facts occurring outside the Class Period.

10. Aggrieved Employees’ PAGA Release. After the Court’s judgment is final, and SCDC has paid the Gross Settlement (and separately paid the employer-side payroll taxes), all Aggrieved Employees will be barred from asserting PAGA claims against SCDC, whether or not they exclude themselves from the Settlement. This means that all

Deleted: Plaintiffs

Deleted: XYZ

Deleted: XYZ

Deleted: XYZ.

Deleted: [name]

Deleted: XYZ

Deleted: [Option 1: (

Deleted:)],

Deleted: XYZ

Deleted: [

Deleted:] [

Deleted: e.g., “(a) any and all claims involving any alleged...

Deleted: ; etc.].

Deleted: .

Deleted: XYZ

Deleted: XYZ

Aggrieved Employees, including those who are Participating Class Members and those who opt-out of the Class Settlement, cannot sue, continue to sue, or participate in any other PAGA claim against SCDC or its related entities based on the PAGA Period facts alleged in the Action and resolved by this Settlement.

Deleted: XYZ

The Aggrieved Employees' Releases for Participating and Non-Participating Class Members are as follows:

All Participating and Non-Participating Class Members who are Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties, from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the Operative Complaint, and the PAGA Notice and ascertained in the course of the Action including, (1) failure to pay minimum and straight time wages; (2) failure to pay overtime wages; (3) failure to provide meal periods; (4) failure to authorize and permit rest periods; (5) failure to timely pay final wages at termination; (6) failure to provide accurate itemized wage statements; (7) failure to reimburse business related expenses under Labor Code section 2802; and (8) violation of California's Unfair Competition Law, California Business and Professions Code §§ 17200, et seq.

Deleted: [,] [

Deleted:]

Deleted: [

Deleted:] [

Deleted: e.g., (a) any and all claims involving any alleged...

Deleted: ; etc.].

4. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?

1. Individual Class Payments. The Administrator will calculate Individual Class Payments by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members, and (b) multiplying the result by the number of Workweeks worked by each individual Participating Class Member.
2. Individual PAGA Payments. The Administrator will calculate Individual PAGA Payments by (a) dividing \$6,250.00 by the total number of PAGA Pay Periods worked by all Aggrieved Employees and (b) multiplying the result by the number of PAGA Period Pay Periods worked by each individual Aggrieved Employee.
3. Workweek/Pay Period Challenges. The number of Class Workweeks you worked during the Class Period and the number of PAGA Pay Periods you worked during the PAGA Period, as recorded in SCDC's records, are stated in the first page of this Notice. You have until [date] to challenge the number of Workweeks and/or Pay Periods credited to you. You can submit your challenge by signing and sending a letter to the Administrator via mail, email or fax. Section 9 of this Notice has the Administrator's contact information.

Deleted: \$[amount]

Deleted: XYZ's

You need to support your challenge by sending copies of pay stubs or other records. The Administrator will accept SCDC's calculation of Workweeks and/or Pay Periods based on SCDC's records as accurate unless you send copies of records containing contrary information. You should send copies rather than originals because the documents will not be returned to you. The Administrator will resolve Workweek and/or Pay Period

Deleted: XYZ's

Deleted: XYZ's

challenges based on your submission and on input from Class Counsel (who will advocate on behalf of Participating Class Members) and SCDC's Counsel. The Administrator's decision is final. You can't appeal or otherwise challenge its final decision.

Deleted: XYZ's

5. HOW WILL I GET PAID?

1. Participating Class Members. The Administrator will send, by U.S. mail, a single check to every Participating Class Member (i.e., every Class Member who doesn't opt-out) including those who also qualify as Aggrieved Employees. The single check will combine the Individual Class Payment and the Individual PAGA Payment.
2. Non-Participating Class Members. The Administrator will send, by U.S. mail, a single Individual PAGA Payment check to every Aggrieved Employee who opts out of the Class Settlement (i.e., every Non-Participating Class Member).

Your check will be sent to the same address as this Notice. If you change your address, be sure to notify the Administrator as soon as possible. Section 9 of this Notice has the Administrator's contact information.

6. HOW DO I OPT-OUT OF THE CLASS SETTLEMENT?

Submit a written and signed letter with your name, present address, telephone number, and a simple statement that you do not want to participate in the Settlement. The Administrator will exclude you based on any writing communicating your request be excluded. Be sure to personally sign your request, identify the Action as Yohanna Sanchez v. Su Casa de Cambio Cesar Chavez, Inc., Los Angeles Superior Court, Case No. 21STCV32728, and include your identifying information (full name, address, telephone number, approximate dates of employment, and social security number for verification purposes). You must make the request yourself. If someone else makes the request for you, it will not be valid. **The Administrator must be sent your request to be excluded by [date], or it will be invalid.** Section 9 of the Notice has the Administrator's contact information.

Deleted: [caption of Action],

7. HOW DO I OBJECT TO THE SETTLEMENT?

Only Participating Class Members have the right to object to the Settlement. Before deciding whether to object, you may wish to see what Plaintiff and SCDC are asking the Court to approve. At least 16 days before the [date] Final Approval Hearing, Class Counsel and/or Plaintiff will file in Court (1) a Motion for Final Approval that includes, among other things, the reasons why the proposed Settlement is fair, and (2) a Motion for Fees, Litigation Expenses and Service Award stating (i) the amount Class Counsel is requesting for attorneys' fees and litigation expenses; and (ii) the amount Plaintiff is requesting as a Class Representative Service Award. Upon reasonable request, Class Counsel (whose contact information is in Section 9 of this Notice) will send you copies of these documents at no cost to you. You can also view them on the Administrator's Website [need details] or the Court's website [need details].

Deleted: XYZ

Deleted: [insert]

A Participating Class Member who disagrees with any aspect of the Agreement, the Motion for Final Approval and/or Motion for Fees, Litigation Expenses and Service Award may wish to object, for example, that the proposed Settlement is unfair, or that the amounts requested by Class Counsel or Plaintiff are too high or too low. **The deadline for sending written objections to the Administrator is [date].** Be sure to tell the Administrator what you object to, why you object, and any facts that support your objection. Make sure you identify the Action [*Johanna Sanchez v. Su Casa de Cambio Cesar Chavez, Inc., Los Angeles Superior Court, Case No. 21STCV32728*] and include your name, current address, telephone number, and approximate dates of employment with SCDC, and sign the objection. Section 9 of this Notice has the Administrator's contact information.

Deleted: case caption

Deleted: for [XYZ]

Alternatively, a Participating Class Member can object (or personally retain a lawyer to object at your own cost) by attending the Final Approval Hearing. You (or your attorney) should be ready to tell the Court what you object to, why you object, and any facts that support your objection. See Section 8 of this Notice (immediately below) for specifics regarding the Final Approval Hearing.

8. CAN I ATTEND THE FINAL APPROVAL HEARING?

You can, but don't have to, attend the Final Approval Hearing on [date] at [time] in Department 17 of the Los Angeles Superior Court, located at 312 North Spring Street, Los Angeles, CA 90012. At the Hearing, the judge will decide whether to grant Final Approval of the Settlement and how much of the Gross Settlement will be paid to Class Counsel, Plaintiff, and the Administrator. The Court will invite comment from objectors, Class Counsel and Defense Counsel before making a decision. You can attend (or hire a lawyer to attend) either personally or virtually via LACourtConnect (<https://www.lacourt.org/lacc/>). Check the Court's website for the most current information.

Deleted: [7]

Deleted: [://www.lacourt.org/lacc/](https://www.lacourt.org/lacc/). [confirm].

It's possible the Court will reschedule the Final Approval Hearing. You should check the Administrator's website [[www.etc.](#)] beforehand or contact Class Counsel to verify the date and time of the Final Approval Hearing.

9. HOW CAN I GET MORE INFORMATION?

The Agreement sets forth everything SCDC and Plaintiff have promised to do under the proposed Settlement. The easiest way to read the Agreement, the Judgment or any other Settlement documents is to go to [specify whose] website at [URL of website]. You can also telephone or send an email to Class Counsel or the Administrator using the contact information listed below, or consult the Superior Court website by going to (<http://www.lacourt.org/casesummary/ui/index.aspx>) and entering the Case Number for the Action, Case No. 21STCV32728. You can also make an appointment to personally review court documents in the Clerk's Office at the Stanley Mosk Courthouse by calling (213) 830-0800.

Deleted: XYZ

Deleted: (<http://www.lacourt.org/casesummary/ui/index.aspx>) [confirm]

Deleted: [number].

DO NOT TELEPHONE THE SUPERIOR COURT TO OBTAIN INFORMATION ABOUT THE SETTLEMENT.

Class Counsel:
Justin F. Marquez, Esq.
WILSHIRE LAW FIRM
3055 Wilshire Blvd., 12th Floor
Los Angeles, California 90010
Telephone: (213) 381-9988
Facsimile: (213) 381-9989
justin@wilshirelawfirm.com

Settlement Administrator:
IYLM Group, Inc.
Email Address:
Mailing Address:
Telephone:
Fax Number:

10. WHAT IF I LOSE MY SETTLEMENT CHECK?

If you lose or misplace your settlement check before cashing it, the Administrator will replace it as long as you request a replacement before the void date on the face of the original check. If your check is already void, you will have no way to recover the money.

11. WHAT IF I CHANGE MY ADDRESS?

To receive your check, you should immediately notify the Administrator if you move or otherwise change your mailing address.

Deleted: ¶

¶
Class Counsel:¶
[Name of Attorney]¶
[Email Address]¶
[Name of Firm]¶
[Mailing Address]¶
[Telephone]¶

¶

¶

¶

¶

Settlement Administrator:¶
[Name of Company]¶
[Email Address]¶
[Mailing Address]¶
[Telephone]¶
[Fax Number]¶

¶

¶

Page Break

... [1]

Deleted: [you should consult the Unclaimed Property Fund [website] for instructions on how to retrieve the funds] [

Deleted:].

Exhibit 3

ILYM | GROUP, Inc.

SETTLEMENT ADMINISTRATION EXPERTS

Case Name: Sanchez v. Su Casa de Cambio

Requesting Attorney:	Justin Marquez
E-Mail:	Justin@wilshirelawfirm.com
ILYM Contact:	Sean Hartranft
E-Mail:	Sean@ilymgrouppclassaction.com
Contact Number:	949.690.2564

ESTIMATE FOR ADMINISTRATION SOLUTIONS

ASSUMPTIONS	
Total Number of Class Members	140
Estimated Percentage of Undeliverable Mail	20%
NCOA	Yes
Certified Spanish Translations	Yes
Case Duration (Years)	1

Activity	Rate Type	Unit Cost	Volume	Amount
CASE STARTUP				
Initial Setup - Import and Formatting of Data*	Hourly	\$150.00	2	\$300.00
Programming of Class Database	Hourly	\$175.00	2	\$350.00

*ILYM assumes that data will be in a standard format. Client will be notified immediately if not in standard format to correct data or ILYM can convert to standard format @ \$150.00 per hour.

Subtotal \$650.00

PROJECT MANAGEMENT				
Project Manager (Case notification and maintenance)	Hourly	\$120.00	5	\$600.00
Staff Hours for Processing Opt-Outs, Disputes & Objections	Hourly	\$70.00	1	\$70.00
Staff Hours for Processing Returned Mail	Hourly	\$70.00	0	\$0.00
Report Processing	Hourly	\$70.00	3	\$210.00
NCOA	Flat Rate	\$25.00	1	\$25.00
Toll-Free Customer Service	Flat Rate	\$45.00	1	\$45.00
Certified Spanish Translation	Flat Rate	\$1,250.00	1	\$1,250.00
ILYM Group Static Website, Includes Hosting	Flat Rate	\$750.00	1	\$750.00
Weekly Reports	Flat Rate	\$750.00	1	Waived

Subtotal \$2,950.00

ILYM | GROUP, Inc.

SETTLEMENT ADMINISTRATION EXPERTS

Activity	Rate Type	Unit Cost	Volume	Amount
----------	-----------	-----------	--------	--------

NOTIFICATION/MAILING				
Fulfillment of Notice, English & Spanish	Per Piece	\$3.00	140	\$420.00
USPS First Class Postage	Per Piece	\$0.81	140	\$113.40
Re-Mails (Forward/Skiptrace Undeliverables)	Per Piece	\$3.50	28	\$98.00
Storage, Photocopies, Deliveries	Flat Fee	\$300.00	1	\$300.00

Subtotal \$931.40

DISTRIBUTION (Includes EIN, Bank Acct /QSF Setup)				
Distribution Setup & Management	Hourly	\$150.00	3	\$450.00
Account Reconciliation & Distribution Reporting	Hourly	\$125.00	3	\$375.00
Check Stub & Release - Print & Mail (including W2/1099)**	Per Check	\$2.00	140	\$280.00
Check Mailing Postage	Per Piece	\$0.60	140	\$84.00
Re-Mails (Forward/Skiptrace Undeliverables)	Per Piece	\$2.00	14	\$28.00
Preparation of Taxes (Single State Filing)	Hourly	\$120.00	10	\$1,200.00
Annual Filing of Tax Return	Per Year	\$1,500.00	1	\$1,500.00

***Additional Bank fees may apply*

Subtotal \$3,917.00

CASE CONCLUSION				
Data Manager Final Reporting	Hourly	\$100.00	2	\$200.00
Project Manager Final Reporting	Hourly	\$120.00	2	\$240.00
Processing Unclaimed Funds to State Contorller's Office	Flat Fee	\$750.00	1	\$750.00
Declarations	Hourly	\$125.00	2	\$250.00

Subtotal \$1,440.00

Total Case Estimate: \$9,888.40

Terms and Conditions

All services to be provided by ILYM Group, Inc. (hereinafter, "ILYM") to Client shall be subject to the following terms and conditions:

Services: Subject to the terms hereof, ILYM agrees to provide the Client with Administration Services (hereinafter, "services") as specified in the Proposal provided to Client to which these Terms and Conditions are attached. The estimate is in good faith and does not cover any applicable taxes and fees. The estimate does not make provision for any services or class members/size not delineated in the request for proposal or stipulations. Such services do not in any way constitute legal services or advice. ILYM is performing its services as an Independent Contractor and neither it nor its employees shall be deemed to be employees of the Client.

Mailing and Data Conversion: ILYM's database administration assumes the Client will provide complete data that includes all information required to send notifications and complete the administration process. Data must be provided in a complete, consistent, standardized electronic format. ILYM's standard format is Microsoft Excel, however, ILYM may accept other formats at its discretion. Further developments or enhancements to non-standardized data will be billed to Client by ILYM on a time and materials basis, according to ILYM's Standard Rates.

Charges for Services: Charges to the Client for services shall be on a time and materials basis at our prevailing rates, as the same may change from time to time. Any fee estimates set forth in the proposal are estimates only, based on information provided by Client to ILYM. Actual fees charged by ILYM to Client may be greater or less than such estimate, and Client shall be responsible for the payment of all such charges and expenses in accordance with Section 5 hereof. Charges incurred related to resolving post distribution withholdings and related corrective files due to voids and re-issues of payments and related correspondence with state and federal taxing authorities will not be charged to the Client to the extent that funds are received from the taxing authorities offset these charges. ILYM may derive financial benefits from financial institutions in connection with the deposit and investment of settlement funds with such institutions, including without limitation, discounts on eligible banking services and fees, and loans at favorable rates.

Indemnification: Client will indemnify and hold ILYM (and the officers, employees, affiliates and agents harmless against any Losses incurred by ILYM, arising out of, in connection with, or related to (i) any breach of the terms by Client; (ii) the processing and handling of any payment by ILYM in accordance with Client's instructions, including without limitation, the imposition of any stop payment or void payment on any check or the wrongful dishonor of a check by ILYM pursuant to Client's instructions.

Payment of Charges: ILYM reserves the right to request payment of postage charges and 50% of the final administration charges at the start of the case. ILYM bills are due upon receipt unless otherwise negotiated and agreed to with the Client. In the event settlement terms provide that ILYM is to be paid out of the Settlement Fund, ILYM will request that Counsel endeavor to make alternate payment arrangements for ILYM charges that are due at the onset of the case. The entire remaining balance is due and payable at the time the Settlement Account is funded by, or no later than the time of disbursement. Decisions of the court and actions of the parties, including disapproval or withdrawal of a settlement, do not affect the Client's liability to ILYM for payment of services. Services are not provided on a contingency fee basis.

Confidentiality: ILYM maintain reasonable and appropriate security measures and safeguards to protect the security and confidentiality of Client data provided to ILYM by Client in connection herewith. Should ILYM ever be notified of any judicial order or other proceedings in which a third party seeks to obtain access to the confidential data created by or for the Client, ILYM will promptly notify the Client, unless prohibited by applicable law. The Client shall have the option to (1) provide legal representation at the Client's expense to avoid such access or (2) promptly reimburse ILYM for any of its costs, including attorneys' fees, reasonably incurred in avoiding, attempting to avoid or providing such access and not paid by the entity seeking the data. If ILYM is required, pursuant to a court order, to produce documents, disclose data, or otherwise act in contravention of the obligations imposed by this Agreement, or otherwise, with respect to maintaining the confidentiality, proprietary nature and secrecy of the produced documents or disclosed data, ILYM will not be liable for breach of said obligation.

Data Rights: ILYM does not convey nor does the Client obtain any right in the programs, system data, or materials utilized or provided by ILYM in the ordinary course of business in the performance of this Agreement.

Document Retention: Unless directed otherwise in writing by Client, ILYM will destroy undeliverable mail on the effective date of the settlement or the date that the disposition of the case is no longer subject to appeal or review, whichever is later. ILYM will maintain claim forms and other correspondence for one year after final distribution of funds or benefits, or until the date that the disposition of the case is no longer subject to appeal or review, whichever is later.

Limitation of damages: ILYM is not responsible to the Client for any special, consequential or incidental damages incurred by Client. Any liability of ILYM to the Client shall not exceed the total amount billed to the Client for the particular services that give rise to any loss.

Termination: The services to be provided under this Agreement may be terminated, at will by the Client upon at least 30 calendar days' prior written notice to ILYM. The Client's obligation to pay for services or projects in progress at the time of notice of withdrawal shall continue throughout that 30 day period. ILYM may terminate this Agreement (i) with 10 calendar days' prior written notice, if the Client is not current in payment of charges or (ii) in any event, upon at least 3 months' prior written notice to the Client.

Notice: Any notice required or permitted hereunder shall be in writing and shall be delivered personally, or sent by registered mail, postage prepaid, or overnight courier service to the responsible officer or principal of ILYM or the Client, as applicable, and shall be deemed given when so delivered personally, or, if mailed, five days after the date of deposit in United States mail, or, if sent by courier, one business day after delivery to such courier service.

Force Majeure: To the extent performance by ILYM of any of its obligations hereunder is substantially prevented by reason of any act of God or by reason of any other matter beyond ILYM's reasonable control, then such performance shall be excused and this Agreement, at ILYM's option, be deemed suspended during the continuation of such condition and for a reasonable time thereafter.

Waiver of Rights: No failure or delay on the part of a party in exercising any right hereunder will operate as a waiver of, or impair, any such right. No single or partial exercise of any such right will preclude any other or further exercise thereof or the exercise of any other right. No waiver of any such right will be effective unless given in a signed writing.

Jurisdiction: The parties hereto submit to the jurisdiction of the Court of the applicable case for purposes of any suit, action or proceeding to enforce any provision of, or based on any right arising out of, this Agreement. The parties hereto hereby waive any objection to the laying of venue of any such suit, action or proceeding in the Court.

Entire Agreement: These terms and conditions and the proposal embody the entire agreement between the parties with respect to the subject matter hereof, and cancels and supersedes all prior negotiations, representations, and agreements related thereto, either written or oral, except to the extent they are expressly incorporated herein. No changes in, additions to, or waivers of, the terms and conditions set forth herein will be binding upon any party, unless approved in writing by such party's authorized representative.

Exhibit 4

Wilshire Law Firm, PLC
Transaction Detail by Account
All Transactions

11/15/2023
Accrual Basis

Type	Date	Num	Memo	Amount	Balance
COS					
Expert Fees					
	3/2/2022	5008	Mediation	6,686.78	6,686.78
	6/23/2022	6280	Expert Fees	1,500.00	1,500.00
	6/29/2022	12232563	Expert Fees	69.34	69.34
	11/11/2022	7076	Expert Fees	450.00	450.00
Total EXPERT FEES				8,706.12	8,706.12
Legal Expenses					
	9/4/2021		PAGA Fee	75.00	75.00
	9/20/2021		Document Retrieval	3.00	3.00
	10/11/2021	845122362	Case Investigation Services	53.24	53.24
	5/11/2022	253789	Case Anywhere	132.30	132.30
	6/24/2022	7072D9F3-0004	Case Investigation Services	123.57	123.57
	8/8/2022	262238	Case Anywhere	135.00	135.00
	11/4/2022	847287176	Case Investigation Services	35.94	35.94
	11/10/2022	270962	Case Anywhere	135.00	135.00
	2/10/2023	279519	Case Anywhere	135.00	135.00
	5/10/2023	288394	Case Anywhere	141.00	141.00
	8/8/2023	297580	Case Anywhere	153.00	153.00
	11/8/2023	307339	Case Anywhere	135.00	135.00
Total LEGAL EXPENSES				1,257.05	1,257.05
Process Service Fees					
	9/3/2021	39951	Attorney Services	1,708.50	1,708.50
	9/20/2021	40386	Attorney Services	125.00	125.00
	9/22/2021	40441	Attorney Services	146.60	146.60
	9/24/2021	40489	Attorney Services	45.00	45.00
	10/12/2021	40998	Attorney Services	45.00	45.00
	11/12/2021	42053	Attorney Services	134.00	134.00
	11/15/2021	42170	Attorney Services	45.00	45.00
	11/24/2021	42460	Attorney Services	85.00	85.00
	12/1/2021	41956	Attorney Services	563.50	563.50
	1/4/2022	43603	Attorney Services	250.00	250.00
	1/4/2022	43625	Attorney Services	89.95	89.95
	2/16/2022	49913	Attorney Services	85.00	85.00
	2/17/2022	44914	Attorney Services	85.00	85.00
	2/28/2022		Attorney Services	16.68	16.68
	3/1/2022	45306	Attorney Services	85.00	85.00
	3/14/2022	45730	Attorney Services	85.00	85.00
	7/6/2022		Attorney Services	17.19	17.19
	7/22/2022		Attorney Services	18.22	18.22
	9/20/2022		Attorney Services	18.22	18.22
	10/10/2022	51537	Attorney Services	185.00	185.00
	10/18/2022		Attorney Services	18.22	18.22
	11/3/2022		Attorney Services	79.99	79.99
	1/11/2023		Attorney Services	18.22	18.22
	3/2/2023		Attorney Services	18.69	18.69
	3/24/2023		Attorney Services	39.28	39.28
	4/10/2023		Attorney Services	18.69	18.69
	4/13/2023		Attorney Services	18.69	18.69
	6/22/2023		Attorney Services	17.66	17.66
	7/27/2023		Attorney Services	18.69	18.69
Total PROCESS SERVICE FEES				4,080.99	4,080.99
TOTAL				14,044.16	14,044.16

Exhibit 5



ELM Solutions

2022 Real Rate Report[®]

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

Table of Contents - 2022 Real Rate Report

A Letter to Our Readers • 4

Report Use Considerations • 5

Section I: High-Level Data Cuts • 8

- Partners, Associates, and Paralegals
- Partners, Associates, and Paralegals by Practice Area and Matter Type
- Partners and Associates by City
- Partners and Associates by City and Matter Type
- Partners by City and Years of Experience
- Associates by City and Years of Experience
- Partners and Associates by Firm Size and Matter Type

Section II: Industry Analysis • 63

- Partners, Associates, and Paralegals by Industry Group
- Partners and Associates by Industry Group and Matter Type
- Basic Materials and Utilities
- Consumer Goods
- Consumer Services
- Financials (Excluding Insurance)
- Health Care
- Industrials
- Technology and Telecommunications

Section III: Practice Area Analysis • 84

- Bankruptcy and Collections
- Commercial
- Corporate: Mergers, Acquisitions, and Divestitures
- Corporate: Regulatory and Compliance
- Corporate: Other
- Employment and Labor
- Environmental
- Finance and Securities
- General Liability (Litigation Only)
- Insurance Defense (Litigation Only)
- Intellectual Property: Patents
- Intellectual Property: Trademarks
- Intellectual Property: Other
- Real Estate

Section IV: In-Depth Analysis for Select US Cities • 172

- Boston, MA
- Chicago, IL
- Los Angeles, CA
- New York, NY
- Philadelphia, PA
- San Francisco, CA
- Washington, DC

Section V: International Analysis • 191

Section VI: Matter Staffing Analysis • 221

Appendix: Data Methodology • 226

Report Use Considerations

2022 Real Rate Report

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

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

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

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

Some key factors¹ that drive rates²:

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

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

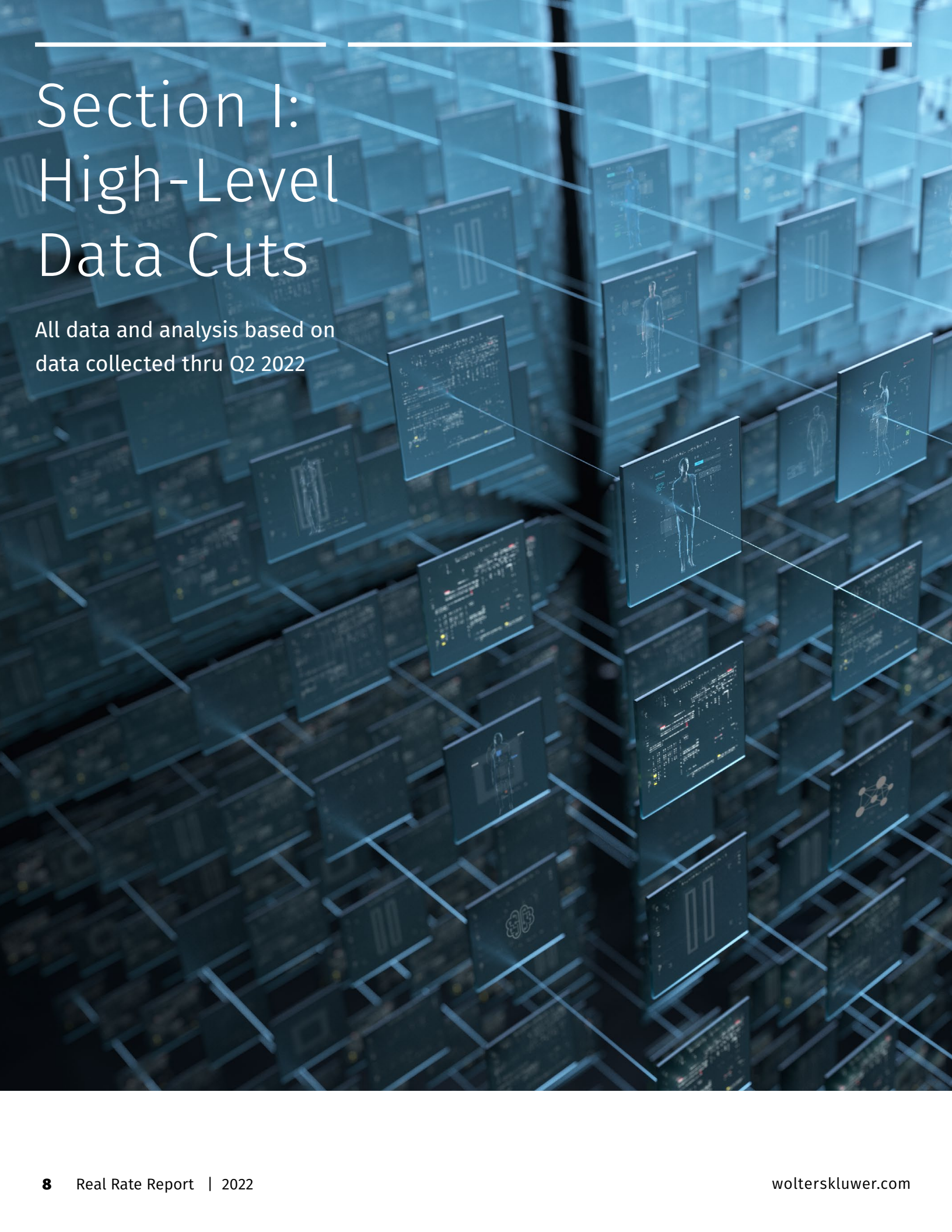
Years of experience and reputation - A more experienced, higher-profile lawyer is often going to charge more, but absorbing this higher cost at the outset may make more sense than hiring a less expensive lawyer who will likely take time and billable hours to come up to speed on unfamiliar legal and procedural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

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

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

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

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



Section I: High-Level Data Cuts

All data and analysis based on
data collected thru Q2 2022

Section I: High-Level Data Cuts

Cities

By Matter Type

2022 - Real Rates for Associate and Partner

Trend Analysis - Mean

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

Section I: High-Level Data Cuts

Cities

By Matter Type

2022 - Real Rates for Associate and Partner

Trend Analysis - Mean

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

Section I: High-Level Data Cuts

Cities

By Matter Type

2022 - Real Rates for Associate and Partner

Trend Analysis - Mean

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

Section I: High-Level Data Cuts

Cities

By Matter Type

2022 - Real Rates for Associate and Partner

Trend Analysis - Mean

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

Section I: High-Level Data Cuts

Cities

By Years of Experience

2022 - Real Rates for Associate

Trend Analysis - Mean

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

Section I: High-Level Data Cuts

Cities

By Years of Experience

2022 - Real Rates for Partner

Trend Analysis - Mean

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

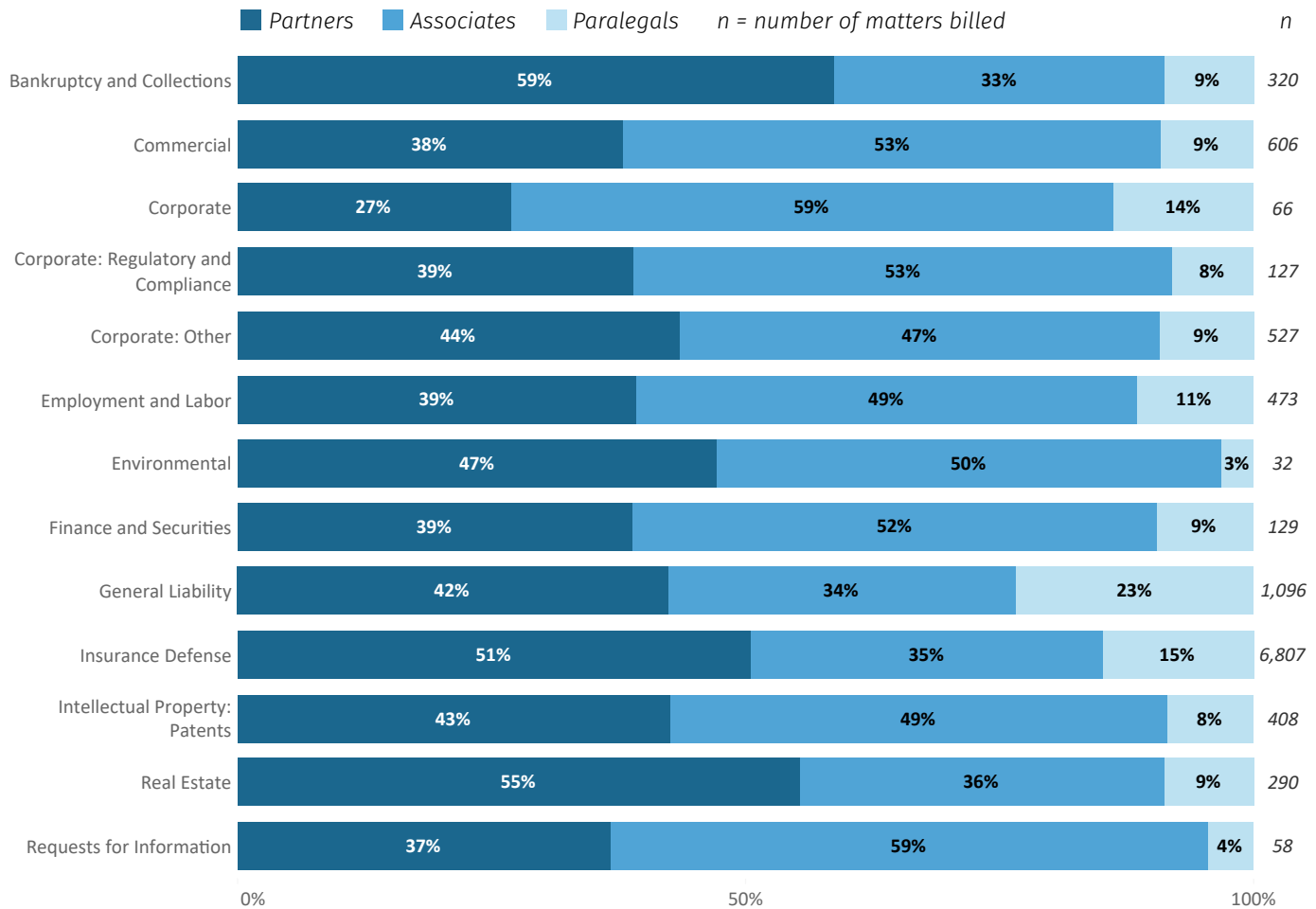
Section VI: Matter Staffing Analysis

All data and analysis based on
data collected thru Q2 2022

Section VI: Matter Staffing Analysis

Long Litigation Matters, More Than 100 Total Hours Billed

2019 to 2022 -- Percentage of Hours Billed per Matter



Section VII: Data Methodology

All data and analysis based on
data collected thru Q2 2022

Appendix: Data Methodology

Invoice Information

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

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

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

Non-Invoice Information

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

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

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

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

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

Appendix: Data Methodology

A Note on US Cities

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

Appendix: Data Methodology

Bankruptcy and Collections

Chapter 11
Collections

General/Other
Workouts and Restructuring

Commercial (Commercial Transactions and Agreements)

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

Corporate¹

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

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

Employment and Labor

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

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

Environmental

General/Other
Health and Safety

Superfund
Waste/Remediation

Finance and Securities

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

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

General Liability

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

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

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

Exhibit 6

Free Newsletter Sign Up

Business & Practice

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

By Roy Strom

Column

June 9, 2022, 2:30 AM

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

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

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

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

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

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

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

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

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

Charge It Up

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

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

Source: Court documents

Bloomberg Law

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Worth Your Time

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

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

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



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

To contact the reporter on this story: Roy Strom in Chicago at rstrom@bloomberglaw.com

To contact the editors responsible for this story: Chris Opfer at copfer@bloomberglaw.com; John Hughes at jhughes@bloombergindustry.com

Documents

[Trustee's Objection](#)

Related Articles

[Overworked Big Law Can't Find Enough Lawyers With Demand Surging](#) Dec. 9, 2021, 3:00 AM

[Never Underestimate Big Law's Ability to Raise Billing Rates](#) Aug. 12, 2021, 3:00 AM

Law Firms

Simpson Thacher
Hogan Lovells
Jones Day
Skadden
Sidley Austin
Quinn Emanuel
Cravath Swaine & Moore
Latham & Watkins
Kirkland & Ellis
Boies Schiller Flexner

Topics

expert fees
compensation of bankruptcy attorney
acquisitions
U.S. trustees
financial markets
client-paid legal fees
data breaches

Companies

Johnson & Johnson
Thomson Reuters Corp

PROOF OF SERVICE

Sanchez v. Su Casa de Cambio Cesar Chavez, Inc.
21STCV32728

STATE OF CALIFORNIA)
) ss
COUNTY OF LOS ANGELES)

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

On **November 17, 2023**, I served the foregoing **DECLARATION OF JUSTIN F. MARQUEZ IN SUPPORT OF PLAINTIFF'S MOTION FOR FINAL APPROVAL OF CLASS ACTION AND PAGA SETTLEMENT**, on the interested parties by placing a true copy thereof, enclosed in a sealed envelope by following one of the methods of service as follows:

Nancy N. ("Niki") Lubrano, Esq. (SBN 263037)

nlubrano@cdflaborlaw.com

Ashley N. Lopezello, Esq. (SBN 329254)

alopezello@cdflaborlaw.com

Debbie Smith

dsmith@cdflaborlaw.com

Marina Ortega

mortega@cdflaborlaw.com

CDF LABOR LAW LLP

18300 Von Karman Ave., Ste. 800

Irvine, California 92612

Telephone: (949) 622-1661

Facsimile: (949) 577-5201

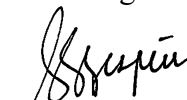
Attorneys for Defendant, Su Casa de Cambio Cesar Chavez, Inc.

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

(X) **BY UPLOAD:** I hereby certify that the documents were uploaded by my office to the State of California Labor and Workforce Development Agency Online Filing Site.

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

Executed on November 17, 2023, at Los Angeles, California.



Sandy S. Sespene