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and all Aggrieved Employees

10
11 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
12 **FOR THE COUNTY OF SANTA CLARA**

13 ALONZO PINEDA, individually, on behalf
14 of those similarly situated, and all Aggrieved
Employees

15 Plaintiff,

16 vs.

17 RECON360, LLC, a California limited
18 liability company; ROSARIO WONG, an
individual; and DOES 1 through 100,
19 inclusive,

20 Defendants.

Case No.: 22CV398574
Assigned to Hon. Charles F. Adams, Dept. 7

**DECLARATION OF JOHN A. VAN HOOK
IN SUPPORT OF PLAINTIFF'S MOTION
FOR APPROVAL OF REPRESENTATIVE
PAGA SETTLEMENT [AND EXHS. 1-3]**

Date: March 6, 2025
Time: 1:30 p.m.
Dept: 7

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1. I am an attorney licensed to practice before all of the courts of the State of California. I am co-lead counsel of record for Plaintiff Alonzo Pineda (“Plaintiff”) and the allegedly aggrieved employees in the above-captioned action. I have personal knowledge of the facts set forth in this declaration and, if called upon to do so, could and would testify competently thereto, except where I make a statement on information and belief, in which case I am informed and believe the statement to be true.

Factual Background

4. Plaintiff started working for Defendants on January 18, 2021. Plaintiff worked as a general construction worker and painter.

6. For the time period covered by this settlement, July 31, 2021, through July 9, 2024 (the “PAGA Period”), Defendants’ records provided in connection with the mediation reflect approximately 291 non-exempt California employees who worked a total of approximately 7,618 pay periods.

Procedural Overview

7. Prior to this lawsuit, Recon360 settled many of the same wage and hour claims through the class action entitled *Carrillo Diaz v. Recon360, LLC*, Santa Clara County Superior Court Case No. 20CV370603 (“*Diaz*”). Plaintiff timely opted out of the class portion of the *Diaz* settlement. The *Diaz* settlement resolved class and PAGA claims on behalf of Recon360’s hourly California employees within the *Diaz* limitations period.

8. As a result of the time period covered by the prior *Diaz* settlement, the PAGA period in this case begins on July 31, 2021.

9. On November 24, 2021, Plaintiff filed a notice with the Labor and Workforce Development Agency (“LWDA”), giving notice of Plaintiff’s potential claims under PAGA.

10. On May 24, 2022, Plaintiff filed this lawsuit as a putative class action and PAGA representative action. Plaintiff alleged nine separate causes of action for unpaid wages, penalties and other relief on a class and representative basis.

11. Following the filing of Plaintiff’s class action and PAGA complaint, counsel for the Parties engaged in multiple meet-and-confer efforts relating to the representative claims and Plaintiff’s arbitration agreement. Defendants subsequently filed a motion seeking to compel Plaintiff to arbitrate his claims on an individual basis and seeking dismissal of Plaintiff’s class action and representative PAGA claims. Plaintiff opposed the motion, arguing that Recon360 had acted inconsistently with its arbitration agreement with Plaintiff by including him (and other employees with arbitration agreements) in the *Diaz* class settlement.

12. On February 27, 2023, following oral argument, the court (Hon. Sunil R. Kulkarni) issued an order granting, in part, Defendants’ motion. The court rejected Plaintiff’s waiver argument, ordering Plaintiff’s individual claims to arbitration. The court also dismissed the class claims. The court declined Defendants’ request to dismiss the representative PAGA claims, instead staying those claims pending the outcome of the individual arbitration.

13. On March 20, 2023, Plaintiff submitted his demand for arbitration to JAMS. The arbitration included Plaintiff’s individual wage and hour claims (including his “individual”

1 PAGA claims), as well as his individual claims relating to the termination of his employment.

2 The Parties selected Judge Melinda A. Johnson (Ret.) as the arbitrator.

3 14. The Parties engaged in substantial discovery in the arbitration. Defendants took a
4 full-day, in-person deposition of Plaintiff. Plaintiff took the depositions of five (5) witnesses that
5 Recon360 produced as person most knowledgeable witnesses. The Parties also engaged in
6 written discovery and document productions.

7 15. The depositions, written discovery, and document productions in the arbitration
8 related not only to Plaintiff's individual claims in the arbitration, but also to Recon360's policies
9 and procedures relating to timekeeping and payroll, meal and rest periods, reimbursement of
10 business expenses and other issues directly relevant to the stayed representative PAGA claims.

11 16. In addition to conducting formal discovery, Plaintiff's counsel conducted their
12 own investigation regarding Defendants' relevant wage and hour practices, including conducting
13 interviews and obtaining written statements from some of Plaintiff's former co-workers (and
14 alleged aggrieved employees).

15 **The Mediation and Settlement**

16 17. Following discovery in the arbitration, the Parties agreed to participate in a
17 private mediation. The mediation sought to resolve both the representative PAGA claims and
18 Plaintiff's individual claims in the arbitration. The Parties chose Brandon Coen, Esq., an
19 experienced employment law mediator. The Parties participated in a full day mediation on July
20 9, 2024.

21 18. To prepare for the mediation, the Parties engaged in informal exchanges, in
22 addition to the formal discovery that had already been conducted. Defendants provided
23 information specifically related to the representative PAGA claims, including data regarding the
24 number of aggrieved employees and pay periods at issue during the PAGA Claim Period, and a
25 sampling of allegedly aggrieved employees' payroll and timekeeping records.

26 19. On July 9, 2024, following a full day mediation, the Parties reached an agreement
27 on the principal terms of a settlement of the entire action, including a confidential settlement of
28

1 Plaintiff's individual claims and a proposed settlement of the representative PAGA claims. The
2 Parties executed a memorandum of understanding ("MOU") regarding the settlement.

3 20. On or about August 13, 2024, the Parties finalized and executed a long-form
4 agreement with respect to the proposed PAGA settlement. Attached as **Exhibit 1** to this
5 Declaration is a true and correct copy of the Private Attorneys General Act Settlement
6 Agreement and Release (the "PAGA Settlement Agreement").

7 21. After the execution of the PAGA Settlement Agreement, I promptly contacted the
8 court to obtain a hearing date for the PAGA settlement approval motion and I reserved the
9 earliest available hearing date, which was March 6, 2025.

10 22. As required by PAGA, concurrently with the filing of this Motion, I will submit
11 the PAGA Settlement Agreement and moving papers to the LWDA for its review.

12 23. In addition, the Parties reached a confidential agreement for the resolution of all
13 Plaintiff's individual claims pending in arbitration. If requested by the Court, Plaintiff will
14 submit the confidential individual settlement agreement for *in camera* review.

15 **Overview of Settlement Terms**

16 24. The PAGA Settlement Agreement provides that Defendants will pay a total of
17 \$195,000 (the "PAGA Settlement Sum"), as a non-reversionary settlement fund to settle the
18 representative PAGA claims in this action.

19 25. The "Aggrieved Employees" for purposes of the PAGA Settlement are
20 Recon360's non-exempt employees that worked in California at any time between July 31, 2021,
21 through July 9, 2024.

22 26. From the Gross Settlement Fund of \$195,000, the following amounts will be paid,
23 subject to this Court's approval:

- 24 • Plaintiff's counsel's attorney's fees of 1/3 of the Gross PAGA Settlement Fund
- 25 (\$65,000.00) in connection with the PAGA claims;
- 26 • Plaintiff's counsel's out-of-pocket litigation expenses of \$6,000.00 arising out of the
- 27 PAGA claims (including Plaintiff's share of the mediation fee);

- PAGA settlement administration expenses of \$4,500.00; and
- An enhancement payment of \$5,000.00 to Plaintiff for serving as representative of the Aggrieved Employees.
- This results in an estimated Net PAGA Settlement Fund of \$114,500.00 (i.e., the Gross PAGA Settlement Fund, minus requested fees, costs, representative plaintiff enhancement, and PAGA settlement administration expenses).

27. As required by the applicable PAGA provisions, 75% of the Net PAGA Settlement Fund will be paid to the LWDA and the remaining 25% of the Net PAGA Settlement Fund will be distributed among the Aggrieved Employees on a pro-rata basis according to their pay periods during the relevant time period. We note that this PAGA settlement is governed by the pre-amended PAGA provisions. On June 27, 2024, the California Legislature passed two bills reforming various provisions of PAGA, Assembly Bill 2288 and Senate Bill 92. However, the amendments were only applicable to civil actions brought on or after June 19, 2024. As a result, this case and this settlement are subject to the original legal landscape for PAGA cases.

28. Defendants provided data in advance of the mediation reflecting approximately 291 non-exempt employees who worked a total of approximately 7,618 pay periods during the PAGA Period. To avoid the dilution of this PAGA Settlement, the Parties agreed to end the settlement as of the mediation date – July 9, 2024 – rather than extending the settlement period through the date of court approval. Recognizing that the final headcount and pay period figures may change somewhat, the Parties agreed that the 7,618 pay periods shall be subject to a 10% buffer, meaning that no additional consideration shall be necessary if the total number of weekly pay periods covered by the PAGA Settlement is not greater than 8,380. If the total number of pay periods is greater than the 10% buffer, then the Gross PAGA Settlement Amount shall be increased by a pro-rata amount for those pay periods greater than 8,380.

29. Payments will be made to the Aggrieved Employees by check to their last known home address, and Aggrieved Employees will not be required to submit a claim form or take any other steps to receive their payment. As this is a PAGA-only settlement, non-PAGA claims (such

as underlying claims for alleged unpaid wages or statutory penalties) of other Aggrieved Employees are not being released by virtue of the PAGA Settlement.

30. Subject to the Court's approval, the settlement administration, including calculation and issuance of payments, will be performed by Phoenix Settlement Administrators ("Phoenix"), a nationally recognized settlement administrator. Attached as **Exhibit 2** to this Declaration is a true and correct copy of Phoenix's quote in the amount of \$4,500 for administration of the PAGA Settlement. I have worked with Phoenix to administer numerous class and PAGA settlements, and have always found its pricing to be competitive, and its administration services to be competent and professional.

31. The PAGA Settlement Agreement releases Defendants and the defined Released Parties from PAGA penalties for "alleged violations of Labor Code §§ 201, 202, 203, 204, 216, 226, 226.7, 510, 512, 1174, 1194, 1197, 1991.1, 1198, 1199, and 2802, as well as all applicable Industrial Welfare Commission Wage Orders; and claims for attorneys' fees, costs, or interest resulting therefrom." The PAGA release extends for the duration of the PAGA Period.

32. Within 14 days of the Court's order approving the settlement, Defendants will fund with settlement.

33. Within 14 days of funding of the settlement by Defendants, the Settlement Administrator), the Settlement Administrator shall: distribute a total of Twenty-Five percent (25%) of the Net PAGA Fund to the Aggrieved Employees, along with an explanatory letter, translated into English and Spanish (the English version is attached to this Declaration as **Exhibit 1-A**.

34. Aggrieved Employees will not be required to make claims to receive their share of the PAGA settlement. All settlement payments to Aggrieved Employees will be treated as non-wage income for which a Form 1099 will be issued. The payment checks shall be sent to each Aggrieved Employee by U.S. First Class mail to the Aggrieved Employee's last known mailing address. Any checks returned as non-deliverable on or before the check cashing deadline will be sent promptly via regular First-Class U.S. Mail to the forwarding address affixed thereto.

1 If no forwarding address is provided, the Settlement Administrator will promptly attempt to
2 determine the correct address using a skip-trace, or other search using the name, address and/or
3 Social Security number of the Aggrieved Employees involved, and will then perform a single
4 remailing.

5 35. Following court approval, Phoenix will also:

- 6 • distribute a total of Seventy-Five percent (75%) of the Net PAGA Fund to the
- 7 LWDA;
- 8 • distribute Plaintiff's counsel's fees and costs, as approved by the Court;
- 9 • distribute enhancement payment to Plaintiff, as approved by the Court; and
- 10 • pay itself for services as Settlement Administrator, as approved by the Court.

11 **Counsel's Qualifications and Opinion of Settlement**

12 36. The following is a brief description of my legal background. I have been
13 practicing law in the State of California for roughly 25 years and I have practiced labor and
14 employment law almost exclusively for more than 20 years.

15 37. I graduated from Harvard Law School in 1999 and was admitted to the California
16 State Bar in December 1999. I began to practice employment law almost exclusively in May
17 2003, upon joining Seyfarth Shaw LLP as an Associate in its Los Angeles Labor and
18 Employment Department. I worked at Seyfarth Shaw until 2006, and returned to Seyfarth in
19 2008 as Senior Counsel, again handling wage and hour class actions, FLSA collective actions,
20 and representative PAGA actions, among other employment litigation. I also provided clients
21 with employment advice and counsel, including on wage and hour issues.

22 38. From 2006 through 2008, I was in-house counsel for Prospect Medical
23 Holdings, Inc., based in Los Angeles. As in-house counsel for Prospect Medical, my
24 responsibilities included managing and directly handling employment litigation, providing
25 advice on employment policies, procedures and personnel decisions, handling union matters,
26 among other legal responsibilities.

27 39. From 2012 until June 2019, I was a member of the Labor and Employment
28 Department of McGuireWoods LLP. My practice at McGuireWoods focused on handling wage

1 and hour class actions, FLSA collective actions, and representative PAGA actions, in addition
2 to providing clients with employment law advice. I handled approximately 80 class and PAGA
3 representative actions during my career as a defense attorney.

4 40. In June 2019, I left McGuireWoods in order to start my own practice focusing on
5 representing workers in employment litigation, including wage and hour, class and PAGA
6 representative actions.

7 41. Since starting my own practice, I have been the lead/co-lead attorney in numerous
8 class actions and/or PAGA representative actions, including several cases (like this one)
9 involving construction industry employers. The following are some of the recent
10 class/representative PAGA cases in which I have been lead/co-lead counsel and obtained final
11 settlement approval by the court:

- 12 • *Estrada v. Central Transport, LLC*, Los Angeles County Case No. 20STCV5533
13 (Class & PAGA)
- 14 • *Chen v. City National Bank*, San Francisco County Case No. GCG-20-588614
15 (PAGA)
- 16 • *Long v. HMC Group*, San Bernardino County Court Case No. CIVDS2004962
17 (Class & PAGA)
- 18 • *Cazares v. SKS Enterprise, Inc.*, San Joaquin County Case No. CV-40E-2022-
19 3076 (PAGA)
- 20 • *Smeby v. SeaTel, Inc.*, Contra Costa County Case No.: C22-01360 (PAGA);
- 21 • *Pedroza v. Chino Steel, Inc.*, Los Angeles County Case No.: 22STCV03448
22 (PAGA)
- 23 • *Villalobos v. Peggy Day Enterprises, Inc.*, Monterey County Case No. 22CV2959
24 (PAGA)
- 25 • *Sanchez v. Agro Pack, LLC*, Imperial County Case No. ECU002547 (Class &
26 PAGA)

27 42. The above list does not include the numerous class and PAGA cases that I am
28 currently handling that are still pending or have recently settled and are going through the

1 approval process. This list also does not include the dozens of class action and representative
2 PAGA cases that I handled as a defense attorney.

3 43. There were numerous risks, uncertainties, and defenses that were properly
4 considered in valuing and discounting the potential PAGA penalties in this case. Plaintiff faced
5 risk that he would not be able to prove some or all of his claims on the merits, or that violations
6 would be found for only some of the allegedly aggrieved employees and pay periods. This case
7 also faced risks and uncertainties in how penalties would be calculated (including potential
8 “stacking” of penalties). Perhaps the biggest risk factor in this case was the court’s discretion to
9 reduce the amounts of PAGA penalties, even if liability were determined. Given the court’s wide
10 latitude to discount PAGA penalties, it is very difficult to predict the realistic amount of PAGA
11 penalties in the event Plaintiff prevailed.

12 44. Another significant area of uncertainty existed regarding one of Plaintiff’s core
13 theories of liability – that Recon360 improperly rounded employees’ time. The legal issues
14 regarding rounding are currently before the California Supreme Court in *Delmer Camp v. Home*
15 *Depot U.S.A., Inc.*, Case No. S277518. At the time of the mediation (and as of the date of this
16 Motion), the California Supreme Court had not yet scheduled oral argument on this case. The
17 outcome of this case could significantly alter the legal landscape impacting these rounding
18 claims, as well as the various claims that derive from these claims for unpaid wages.

19 45. Based on my experience litigating similar cases, and based on the risks and
20 uncertainties that this case involves, I believe this PAGA settlement is fair, reasonable, and an
21 outstanding result for the State of California and the Aggrieved Employees. I believe that the
22 gross settlement here (\$195,000), equating to approximately \$25 per pay period in penalties, is
23 an excellent result in this case. In light of all of these factors, I fully support this settlement and
24 Plaintiff’s request for approval.

25 **Attorney’s Fees and Costs**

26 46. My hourly rate for employment matters is \$650. This rate has been approved by
27 numerous courts and arbitrators in comparable litigation.

28 47. I use billing software to accurately and contemporaneously track my billable time.
I have kept accurate records of my billable time devoted to this representative PAGA action. I

1 separately recorded by billable time devoted to the arbitration. Certain tasks were relevant to
2 both the representative PAGA claims and the arbitration, such as the depositions of Plaintiff and
3 PMK witnesses, and the mediation. For these tasks, I billed 50% of my time to this
4 representative PAGA matter, and the other 50% to the arbitration. A true and correct copy of my
5 billings records for this representative PAGA matter is attached to this Declaration as **Exhibit 3**.

6 48. In litigating and settling this PAGA representative action, I expended 91.2 hours
7 of billable time, for a lodestar of \$59,280.00. This does not including additional billable work
8 that will likely be performed, including work relating to the approval and administration of the
9 settlement. This also does not include the hours billed by my co-counsel, Adrian Byrne, on this
10 matter. His billable hours are described in his concurrently filed declaration.

11 49. From the outset of the case to the present, prosecution of this action has involved
12 significant financial risk. Mr. Byrne and I undertook this matter on a contingent basis, investing
13 significant time, resources, and out-of-pocket costs, with no guarantee of recovery, and at the
14 expense of other work that we could have performed.

15 50. In litigating this case, I incurred out of pocket litigation costs. These costs were
16 reasonably necessary to successfully litigate and resolve this case.

17 51. The following is a summary of the out-of-pocket litigation costs I have advanced
18 in the litigation and settlement of this PAGA action. As the mediation related to both the
19 representative PAGA action and arbitration, we attribute \$3,000 of the \$4,500 paid by Plaintiff to
20 the representative PAGA action. In addition, we incurred \$1,407.92 in travel and transcript costs
21 for Plaintiff's deposition. We attribute \$500 of that amount to the representative PAGA action.

Cost Type	Amount
PAGA notice to LWDA	\$75.00
Complaint filing (including complex fee)	\$1,518.10
Additional court filings	\$166.19
Court reporter – hearing on motion to compel arbitration	\$1,094.25

Travel and court reporter costs for Plaintiff's deposition	\$500.00
Mediation fee (Plaintiff's portion)	\$3,000.00
Filing fee for PAGA approval motion	\$60.00
Costs total	\$6,413.54

52. Plaintiff is seeking reimbursement of only \$6,000.00 in litigation costs.

53. At every stage of this litigation, including our investigation prior to filing this action, as well as the mediation and settlement negotiations, Mr. Pineda has provided regular, substantial assistance to myself and co-counsel. Mr. Pineda appeared for an in-person, full day of deposition. He also actively participated in a full day private mediation. Without Mr. Pineda's efforts, over a span of years of litigation, and his courage to step forward on behalf of his former co-workers, we would not have been able to reach this outcome.

54. For all the reasons set forth in Plaintiff's Motion and as described herein, I strongly support this settlement and Plaintiff's Motion.

55. I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed on February 3, 2025.

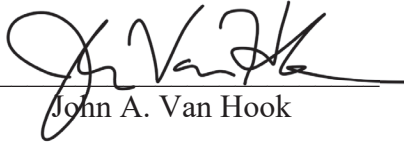

John A. Van Hook

Exhibit 1

PRIVATE ATTORNEYS GENERAL ACT
SETTLEMENT AGREEMENT AND RELEASE

This Settlement Agreement (“PAGA Settlement” or the “PAGA Settlement Agreement”) is made and entered into between Plaintiff Alonzo Pineda (“Plaintiff”), acting in a representative capacity pursuant to the California Labor Code Private Attorneys General Act of 2004 (“PAGA”), and Defendants Recon360, LLC (“Recon360”) and Rosario Wong (“Wong”) (together, “Defendants”) (collectively with Plaintiff, the “Parties”).

I. DEFINITIONS

The following terms, when used in this PAGA Settlement Agreement, shall have the following meanings:

1. “Action” means the matter titled *Alonzo Pineda v. Recon360, LLC, et al.*, Santa Clara County Superior Court, Case No. 22CV398574, and as set forth in Plaintiff’s notices to the California Labor and Workforce Development Agency (“LWDA Notice”) dated November 24, 2021, and May 20, 2022.

2. “Aggrieved Employees” consist of all of Defendants’ current and former hourly, non-exempt employees who worked for Defendants in California at any time from July 31, 2021, through July 9, 2024 (the “PAGA Period”).

3. “Settlement Administrator” means Phoenix Settlement Administrators.

4. “Complaint” means the Complaint in the Action, filed on May 24, 2022.

5. “Court” means the Superior Court of California for the County of Santa Clara.

6. “Individual PAGA Payment” means the amount of PAGA penalties to be paid to each Aggrieved Employee based on the formula described herein.

7. “LWDA” means the California Labor and Workforce Development Agency.

8. “Gross PAGA Settlement Amount” is the non-reversionary sum of One Hundred Ninety-Five Thousand Dollars and Zero Cents (\$195,000.00), which represents the total amount payable under this Settlement Agreement by Defendants in connection with the PAGA settlement, including, without limitation, payments to all Aggrieved Employees, payment to the LWDA, payment of Plaintiff’s attorneys’ fees and costs, payment of Plaintiff’s enhancement payment, and payment to the Settlement Administrator for administration costs.

9. “Net PAGA Settlement Amount” is the amount remaining to distribute to the LWDA and Aggrieved Employees after the following amounts, if approved by the Court, are subtracted from the Gross PAGA Settlement Amount: (a) Plaintiff’s attorneys’ fees up to Sixty-Five Thousand Dollars (\$65,000.00); (b) Plaintiff’s litigation costs up to Six Thousand Dollars (\$6,000.00); (c) Plaintiff’s enhancement payment up to Five Thousand Dollars (\$5,000.00); and (d) settlement administration costs up to Four Thousand Five Hundred Dollars (\$4,500.00).

10. “PAGA Released Claims” mean all claims, rights, demands, liabilities and causes of action that arose during the PAGA Period for civil penalties under the PAGA, that were alleged in the Action or that reasonably could have been alleged in the Action. The PAGA Released Claims include, but are not limited to, claims under the PAGA for civil penalties for alleged violations of Labor Code §§ 201, 202, 203, 204, 216, 226, 226.7, 510, 512, 1174, 1194, 1197, 1991.1, 1198, 1199, and 2802, as well as all applicable Industrial Welfare Commission Wage Orders; and claims for attorneys’ fees, costs, or interest resulting therefrom. The release of the PAGA Released Claims shall extend for the duration of the PAGA Period.

11. “Plaintiff’s Counsel” means John A. Van Hook of Van Hook Law Firm and Adrian Byrne of The Byrne Law Group.

12. “Released Parties” means (i) Defendants Recon360 and Wong, (ii) Recon360’s past and present parents, subsidiaries, and affiliates including, without limitation, any corporation, limited liability company, partnership, affiliated medical entity, trust, foundation, and non-profit entity which controls, is controlled by, or is under common control with Recon360, LLC; (iii) the past and present shareholders, directors, officers, agents, employees, attorneys, insurers, members, partners, managers, contractors, owners, trustees, consultants, representatives, administrators, fiduciaries, benefit plans, transferees, predecessors, successors, and assigns of any of the foregoing; and (iv) any individual or entity which could be jointly liable with any of the foregoing.

II. RECITALS

1. Plaintiff performed work for Recon360 as a non-exempt employee in California during the PAGA Period.

2. On November 24, 2021, Plaintiff provided written notice to the LWDA and Recon360, asserting claims for civil penalties pursuant to PAGA stemming from alleged violations of various Labor Code sections, and providing notice of Plaintiff’s intent to file a civil lawsuit under PAGA. On May 20, 2022, Plaintiff submitted an amended notice to the LWDA and Recon360, clarifying that the beginning date of Plaintiff’s intended PAGA claims was July 31, 2021.

3. On May 24, 2022, Plaintiff filed a complaint titled *Alonzo Pineda v. Recon360, LLC and Rosario Wong*, Santa Clara Superior Court, Case No. 22CV398574, asserting putative class action and representative PAGA claims against Defendants based on alleged violations of the Labor Code.

4. On October 12, 2022, Defendants filed a motion to compel arbitration with the Court, seeking to compel Plaintiff’s individual claims to arbitration, and seeking dismissal of the class and PAGA claims. Plaintiff opposed the motion and the Court heard oral argument on the motion on February 23, 2023.

5. On February 27, 2023, the Court issued its order on Defendants’ motion. The Court granted the motion in part, ordering Plaintiff’s individual claims to arbitration, dismissing Plaintiff’s putative class action claims, and staying the representative PAGA claims pending the individual arbitration.

6. Subsequently, the Parties agreed to select Hon. Melinda A. Johnson (Ret.) of JAMS as the arbitrator for the arbitration of Plaintiff's individual claims, and Plaintiff initiated arbitration proceedings with JAMS.

7. The Parties conducted discovery in the arbitration, including the exchange of initial disclosures, a deposition of Plaintiff, a deposition of Recon360's persons most knowledgeable, and various written discovery and exchanges of documents. This discovery addressed issues including Recon360's policies and procedures relating to timekeeping, payment of wages, meal and rest periods, reimbursement of business expenses, among other issues.

8. The Parties agreed to attempt resolution through a private mediation of Plaintiff's individual claims in the arbitration, as well as Plaintiff's representative PAGA claims pending in Court. The Parties selected Brandon Coen, Esq. as the private mediator, and scheduled a mediation for July 9, 2024. Prior to the July 9, 2024, mediation, Defendants provided Plaintiff with additional information relating to the PAGA representative claims, including data regarding the relevant potentially aggrieved employees and pay periods, and a sampling of timekeeping and payroll data. Additional information was provided during the mediation, at Plaintiff's counsel's request.

9. As a result of the full-day mediation, the Parties reached an agreement to resolve all of Plaintiff's claims, including the PAGA representative claims (the "PAGA Settlement") and a confidential settlement of Plaintiff's individual claims (the "Individual Settlement"). Accordingly, on July 9, 2024, the Parties executed a Memorandum of Understanding documenting the key settlement terms of the PAGA Settlement and the Individual Settlement, with the agreement that long-form settlement agreements would be prepared and executed.

III. OPERATIVE TERMS OF PAGA SETTLEMENT AGREEMENT

The Parties agree as follows:

1. **Non-Admission.** Nothing in this PAGA Settlement Agreement shall be construed to be an admission by Defendants or any of the Released Parties of any liability or wrongdoing as to Plaintiff, the Aggrieved Employees or any other person. Defendants specifically disclaim and deny any such liability or wrongdoing. The Parties have entered into this PAGA Settlement Agreement with the intention to avoid further disputes and litigation with the attendant expenses, uncertainties, and risks. This PAGA Settlement Agreement and any related court documents or orders are not and may not be cited or admitted as evidence of liability.

2. **Gross PAGA Settlement Amount.** Defendants shall pay One Hundred Ninety-Five Thousand Dollars and Zero Cents (\$195,000.00) as the non-reversionary Gross PAGA Settlement Amount. Defendants will not pay more than the Gross Settlement Amount, except at Defendants' option as provided in Paragraph III.7. Defendants shall deposit the Gross PAGA Settlement Amount into a Qualified Settlement Account and agree to fund the settlement within fourteen (14) calendar days of the Court's Order approving the PAGA settlement. The Gross PAGA Settlement Amount shall be used to pay: (1) Amounts distributable to the LWDA and Aggrieved Employees; (2) Plaintiff's attorneys fees and litigation costs in connection with the PAGA Settlement, as approved by the Court; (3) Plaintiff's PAGA enhancement payment as approved by the Court; and (4) settlement administration costs as approved by the Court.

3. **Net PAGA Settlement Amount.** The Parties agree that the following amounts should be subtracted from the Gross PAGA Settlement Amount, if approved by the Court, resulting in a Net PAGA Settlement Amount to distribute to the LWDA and Aggrieved Employees:

a. **Plaintiff's Attorneys' Fees and Costs.** Defendants will not oppose Plaintiff's request for attorneys' fees in connection with the Action, in the amount up to one-third of the Gross PAGA Settlement Amount of \$195,000.00 (i.e., \$65,000.00) and costs up to \$6,000.00 incurred by Plaintiff's Counsel in litigation and settling the Action. In the event the Court approves less than these amounts, the difference will be added to the Net PAGA Settlement Amount (although Plaintiff may appeal an order granting less than the full amount sought for attorneys' fees and costs).

b. **Plaintiff's PAGA Enhancement Payment.** Defendants will not oppose Plaintiff's request for an enhancement payment of up to \$5,000.00 for serving as the representative Plaintiff in the Action. In the event the Court approves a payment of less than the requested amount, the difference will be added to the Net PAGA Settlement Amount (although Plaintiff may appeal an order granting less than the full amount sought for Plaintiff's enhancement payment).

c. **Administration Costs.** Defendants will not oppose the Settlement Administrator's costs in the amount up to \$4,500.00 for administering the settlement. In the event the Court approves a payment of less than this amount, the difference will be added to the Net PAGA Settlement Amount.

4. **Allocation of Net PAGA Settlement Amount.** One hundred percent (100%) of the Net PAGA Settlement Amount shall be designated as "civil penalties" and shall be distributed 75% to the LWDA and 25% to Aggrieved Employees, pursuant to Labor Code § 2699(i). The 25% portion to be paid to Aggrieved Employees shall be paid to all Aggrieved Employees pro rata, based on the number of pay periods employed by each Aggrieved Employee during the PAGA Period.

5. **PAGA Released Claims.** Plaintiff agrees that upon entry of an Order approving the PAGA Settlement and judgment entered thereon, and upon the PAGA Settlement being fully funded, Plaintiff, the LWDA, and all Aggrieved Employees release the PAGA Released Claims against the Released Parties that arose during the PAGA Period. Upon entry of the Order approving the PAGA Settlement and judgment entered thereon and the PAGA Settlement being fully funded, Plaintiff, the LWDA, and all Aggrieved Employees will be forever barred from pursuing any and all of the PAGA Released Claims that arose during the PAGA Period against the Released Parties.

6. **No Additional Claims.** With the exception of Plaintiff's individual claims that are pending in the arbitration and are addressed via a separate confidential Individual Settlement Agreement, Plaintiff warrants and agrees that he shall not pursue any other claims or actions against Defendants or the Released Parties relating to the Action. Plaintiff shall not appeal the dismissal of the putative class action claims asserted in the Action, nor shall Plaintiff bring any other class action, collective and/or representative action claims against Defendants or the

Released Parties relating to claims or allegations in the Action or this PAGA Settlement Agreement.

7. **Estimated Pay Periods; Escalator Clause.** Based on a review of its records, Defendants estimate that there are approximately 291 Aggrieved Employees who were employed for a total of approximately 7,618 pay periods. These figures were the basis for the Parties' PAGA settlement at mediation. If the actual number of total pay periods is more than 10% above this estimate (i.e., if there are more than 8,380 pay periods during the PAGA Period, Defendants shall have the option to (i) end the PAGA Period as of the first date that the pay period count does not exceed 8,380, or (ii) increase the Gross PAGA Settlement Amount in proportion to the increase in pay periods in excess of 10% (e.g., if the number of pay periods is 15% greater than 7,618, Defendants shall have the option to increase the Gross PAGA Settlement Amount by 5%).

8. **Covenants and Representations by Plaintiff and Plaintiff's Counsel.**

a. Plaintiff represents and warrants that he has not assigned or transferred or purported to assign or transfer to any person or entity, any claim or portion thereof, or interest therein, which is or may be subject to this PAGA Settlement Agreement.

b. Plaintiff acknowledges that he has read and/or had the contents of this PAGA Settlement Agreement explained to him in Spanish, that he fully understands his rights, obligations and duties under the PAGA Settlement Agreement, and enters into this PAGA Settlement Agreement freely and voluntarily. Plaintiff further acknowledges that he has had the opportunity to consult with his attorneys to explain the terms of this PAGA Settlement Agreement and the consequences of signing this PAGA Settlement Agreement.

9. **Motion for Approval of PAGA Settlement by Plaintiff's Counsel.** Plaintiff's Counsel shall be responsible for obtaining a hearing date and promptly preparing and filing the Motion for Approval of the PAGA Settlement and proposed Order and Judgment to be entered by the Court to enforce this PAGA Settlement Agreement and shall do so within 60 days of the execution of this Settlement Agreement. The proposed Order and Judgment will be submitted concurrently with the documents asking the court to approve the PAGA Settlement. The Parties will cooperate in good faith and execute all documents to the extent reasonably necessary to effectuate the terms of this PAGA Settlement Agreement. To permit judicial review and approval of the Settlement, as required by Labor Code section 2698, *et seq.*, Plaintiff's Counsel will file the Settlement Agreement with the Court and submit the Settlement to the LWDA as part of the parties seeking Court approval of the Settlement, per Labor Code § 2699(1)(2). As part of the Motion for Approval of the PAGA Settlement, Plaintiff shall identify the Parties' separate Individual Settlement Agreement. If required by the Court in connection with the Motion for Approval, Plaintiff shall be permitted to submit the Individual Settlement Agreement to the Court for its review, provided that Plaintiff will first seek permission to lodge the Individual Settlement Agreement for *in-camera* review by the Court.

10. **Termination of Settlement Agreement.** If the Court does not approve the PAGA Settlement, if the Court does not enter judgment as provided for in this PAGA Settlement Agreement, or if appellate review is sought and, on such review, the Court's decision is materially modified or reversed, or if one or more of the material terms of the PAGA Settlement Agreement is not approved or is materially modified or reversed or found to be invalid, then

either of the Parties shall have the right within 10 days of written notice thereof to elect to terminate the PAGA Settlement Agreement, in which case the PAGA Settlement Agreement shall have no force or effect, and the Parties shall be deemed to have reverted to their respective status as of the date and time immediately prior to the execution of this PAGA Settlement Agreement. Further, this PAGA Settlement Agreement shall be terminated and have no force or effect, in the event that the Parties do not sign the separate long-form settlement agreement regarding Plaintiff's individual claims.

11. **Preclusive Effect of PAGA Settlement Agreement and Approval.** The terms of this PAGA Settlement Agreement and the Order and judgement are binding on Plaintiff, the State of California, and all Aggrieved Employees, as well as their heirs, executors and administrators, successors and assigns, and those terms shall have res judicata, collateral estoppel and other preclusive effect in all pending and future claims, lawsuits or other proceedings maintained by or on behalf of any such persons, to the extent those claims, lawsuits or other proceedings constitute PAGA Released Claims as set forth in this PAGA Settlement Agreement. This PAGA Settlement Agreement and the Order and judgment in the Action may be filed in any action against or by Defendants or the Released Parties to support a defense of res judicata, collateral estoppel, release, waiver, good-faith settlement, judgment bar or reduction, full faith and credit, or any other theory of claim preclusion, issue preclusion or similar defense or counterclaim.

IV. **ADMINISTRATION OF SETTLEMENT**

1. **Settlement Administrator.** The Parties agree to engage Phoenix Settlement Administrators to handle the administration of this settlement.

2. **Provision of Information for Aggrieved Employees.** Within fourteen (14) calendar days after entry by the Court of an order approving the settlement, Defendants shall provide the Settlement Administrator with information for Aggrieved Employees. Defendants will in good faith compile from Recon360's records a list of Aggrieved Employees that will be in a computer-readable format, such as a Microsoft Excel spreadsheet, and shall include each Aggrieved Employee's full name, last known mailing address, number of pay periods employed during the PAGA Period, and Social Security numbers to the extent available from Recon360's records. Because Social Security numbers are included in the list, the Settlement Administrator will maintain the list in confidence, and access shall be limited to those with a need to use the list as part of the administration of the Settlement. Within seven (7) calendar days of receiving the Aggrieved Employees' information from Defendants, the Settlement Administrator will circulate to counsel for both Parties a spreadsheet (without names or other personally identifying information) containing the Individual PAGA Payments to each Aggrieved Employee and the data used to calculate said payments. The Settlement Administrator shall obtain approval from all counsel of the calculations before mailing Individual PAGA Payments.

3. **Explanatory Letter and Individual PAGA Payments.** Upon receipt of the information for Aggrieved Employees, the Settlement Administrator will perform a search on the National Change of Address database to update the Aggrieved Employees' addresses. Within fourteen (14) calendar days after the Settlement has been fully funded and after receiving approval from Plaintiff's Counsel and Defendants' counsel of the payment calculations as provided above, the Settlement Administrator shall mail copies of the explanatory letter, in

English and Spanish, along with Individual PAGA Payments to all Aggrieved Employees via regular First-Class U.S. Mail. An English-language version is attached hereto as **Exhibit A**.

The Settlement Administrator will calculate the amount to be received by each Aggrieved Employee, which will be based on the formula set forth above. The Settlement Administrator will send each Aggrieved Employee a check for his or her Individual PAGA Payment along with the explanatory letter. Checks will remain negotiable for 180 days. Each Individual PAGA Payment shall be deemed penalties and reported using IRS Form 1099, with no withholdings taken.

4. **Undeliverable Notices.** The Settlement Administrator shall exercise its best judgment to determine the current mailing address for each Aggrieved Employee. The address identified by the Settlement Administrator as the current mailing address shall be presumed to be the best mailing address for each Aggrieved Employee.

Any checks returned as non-deliverable on or before the check cashing deadline will be sent promptly via regular First-Class U.S. Mail to the forwarding address affixed thereto. If no forwarding address is provided, the Settlement Administrator will promptly attempt to determine the correct address using a skip-trace or other reputable search method using the name, address or Social Security number of the Aggrieved Employee involved and will perform up to a single re-mailing if a new address is located.

Funds represented by checks returned as undeliverable after a re-mailing, checks for whom the Settlement Administrator could not locate an updated address after performing a skip trace, and funds represented by checks remaining un-cashed more than 180 days after issuance (collectively, "Uncashed Checks"), shall be tendered to the State Controller's Office, Unclaimed Property Division.

In the event that an Aggrieved Employee's check is undeliverable, uncashed, or otherwise distributed to the State Controller's Office, Unclaimed Property Division, the terms of the final judgment and the Release of Claims will nevertheless be binding upon that Aggrieved Employee.

5. **Distribution of Payments.** Within fourteen (14) calendar days of the Settlement being fully funded, the Settlement Administrator shall issue payments to (1) Aggrieved Employees; (2) the LWDA; (3) Plaintiff's Counsel for Plaintiff's Counsel's Court-approved attorneys' fees and litigation costs and expenses; (4) Plaintiff for the Court-approved enhancement payment; and (5) the Settlement Administrator for Court-approved settlement administration costs incurred in connection with the Settlement.

6. **Accounting.** Within forty-five (45) calendar days after all payments have been made under the PAGA Settlement, the Settlement Administrator will provide an accounting under oath to the Parties of the amounts paid from the PAGA Settlement.

7. **Tax Consequences.** Plaintiff and Aggrieved Employees will be solely responsible for correctly characterizing any compensation received under the PAGA Settlement on his/her personal income tax returns for tax purposes and paying all appropriate taxes due for any and all amounts owed by them under the PAGA Settlement. Plaintiff, Defendants, Plaintiff's Counsel, and Defendants' Counsel make no representations or warranties with respect to tax consequences of any payment under this PAGA Settlement Agreement, do not intend anything contained in

this PAGA Settlement Agreement to constitute advice regarding taxes or taxability, nor shall anything in this Settlement Agreement be relied upon as such.

V. MISCELLANEOUS PROVISIONS

1. **Successors.** This PAGA Settlement Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective heirs, trustees, executors, administrators and successors.

2. **Costs and Fees.** The Parties shall each bear their own costs and attorneys' fees incurred in connection with this PAGA Settlement Agreement, the Action and Plaintiff's claims, except as otherwise set forth specifically herein, and except as provided for in Plaintiff's Individual Settlement.

3. **Governing Law.** This PAGA Settlement Agreement shall be construed under and governed by the laws of the State of California. This PAGA Settlement Agreement shall be deemed to have been entered into in San Jose, California, and all questions of validity, interpretation or performance of any of its terms or of any rights or obligations of the Parties to this PAGA Settlement Agreement shall be governed by California law. If any legal or equitable action is necessary to enforce the terms of this PAGA Settlement Agreement, it shall be brought in the State of California, County of Santa Clara.

4. **Complete Agreement.** The Parties each acknowledge and represent that no promise or representation not contained in this PAGA Settlement Agreement has been made to them with respect to the subject matter of this PAGA Settlement Agreement, and acknowledge and represent that this PAGA Settlement Agreement contains the entire understanding between them and contains all terms and conditions pertaining to the compromise and settlement of the PAGA claims in the Action.

5. **Judgment and Continued Jurisdiction.** As noted above, after approval of this PAGA Settlement, the Court will have continuing jurisdiction under Cal. Code Civ. Proc. § 664.6 for purposes of addressing: (i) the interpretation and enforcement of the terms of the PAGA Settlement, (ii) PAGA Settlement administration matters, and (iii) such post-Judgment matters as may be appropriate under court rules or as set forth in this PAGA Settlement Agreement.

6. **Amendment or Modification.** This PAGA Settlement Agreement may be amended or modified only by a written instrument, signed by either the Parties or their successors-in-interest, or by counsel for all Parties, and any such amendment or modification must be submitted by Plaintiff's Counsel to the Court for approval.

7. **Authorization to Enter into Settlement Agreement.** Counsel for all Parties warrant and represent that they are expressly authorized by the Parties whom they represent to negotiate this PAGA Settlement Agreement and to take all appropriate action required or permitted to be taken by such Parties pursuant to this PAGA Settlement Agreement to effectuate its terms, and to execute any other documents required to effectuate the terms of this PAGA Settlement Agreement. The Parties and their counsel will cooperate with each other and use their best efforts to effect the implementation of the PAGA Settlement. If the Parties are unable to reach agreement on the form or content of any document needed to implement the PAGA

Settlement, or on any supplemental provisions that may become necessary to effectuate the terms of this PAGA Settlement, the Parties may seek the assistance of the mediator (Brandon Coen, Esq.) or the Court to resolve such disagreement.

8. **Execution and Counterparts.** The PAGA Settlement Agreement may be executed in one or more counterparts. The PAGA Settlement Agreement may be executed through electronic signature (e.g., via DocuSign or similar program). All executed counterparts, and each of them, including scanned copies of the signature page, will be deemed to be one and the same instrument provided that counsel for the Parties will exchange among themselves original signed counterparts.

9. **Acknowledgement that the PAGA Settlement is Fair and Reasonable.** The Parties believe this PAGA Settlement Agreement is a fair, adequate and reasonable settlement of the Action, and have arrived at this PAGA Settlement after arm's-length negotiations by experienced counsel, and with the assistance of an experienced employment law mediator. The Parties further acknowledge that they have had an opportunity to consult with their counsel regarding the fairness and reasonableness of this settlement.

10. **Invalidity of Any Provision.** Before declaring any provision of this PAGA Settlement Agreement invalid, the Court will first attempt to construe the provision as valid to the fullest extent possible consistent with applicable precedents, so as to deem all provisions of this PAGA Settlement Agreement valid and enforceable.

11. **Severability.** If any term or provision of this PAGA Settlement Agreement is held to be invalid or unenforceable, the remaining portions of this Settlement Agreement will continue to be valid and will be performed, construed and enforced to the fullest extent permitted by law, and the invalid or unenforceable term will be deemed amended and limited in accordance with the intent of the Parties, as determined from the face of the Agreement, to the extent necessary to permit the maximum enforceability or validation of the term or provision.

12. **Waiver.** No waiver of any condition or covenant contained in this Settlement Agreement or failure to exercise a right or remedy by any of the Parties hereto will be considered to imply or constitute a further waiver by such Party of the same or any other condition, covenant, right or remedy.

13. **Enforcement Action.** In the event that one or more of the Parties institutes any legal action or other proceeding against any other Party or Parties to enforce the provisions of this PAGA Settlement Agreement or to declare rights and/or obligations under this PAGA Settlement, the successful Party or Parties will be entitled to recover from the unsuccessful Party or Parties reasonable attorneys' fees and costs incurred in connection with any enforcement actions.

14. **Mutual Preparation.** The Parties have had a full opportunity to negotiate the terms and conditions of this PAGA Settlement Agreement. Accordingly, this PAGA Settlement Agreement will not be construed more strictly against one Party merely by virtue of the fact that it may have been prepared by counsel for one of the Parties, it being recognized that, because of the arm's-length negotiations between the Parties, all Parties have contributed to the preparation of this PAGA Settlement Agreement.

15. **Cooperation and Execution of Necessary Documents.** All Parties will cooperate in good faith and execute all documents to the extent reasonably necessary to effectuate the terms of this PAGA Settlement Agreement.

16. **Binding Agreement.** The Parties warrant that they understand and have full authority to enter into this PAGA Settlement, and further intend that this PAGA Settlement Agreement will be fully enforceable and binding on all Parties, and agree that it will be admissible and subject to disclosure in any proceeding to enforce its terms, notwithstanding any mediation confidentiality provisions that otherwise might apply under federal or state law.

IN WITNESS THEREOF, the Parties each acknowledge that he/it has read the foregoing Settlement Agreement, accepts and agrees to the provisions contained in this PAGA Settlement Agreement and hereby executes it voluntarily and with full understanding of its consequences.

[SIGNATURES ON FOLLOWING PAGE]

PLAINTIFF

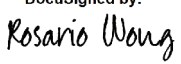
Dated: 08/12/24, 2024


Alonzo Pineda / Aug 12 2024 13:11 PDT

Alonzo Pineda

RECON360, LLC

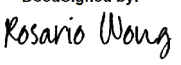
Dated: 08/13, 2024

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By: Rosario wong

Its: President

Dated: 08/13, 2024

DocuSigned by:

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Rosario Wong, Individually

APPROVED AS TO FORM:

Dated: 08/12/24, 2024

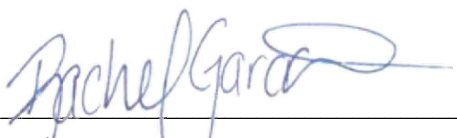
**VAN HOOK LAW FIRM
THE BYRNE LAW GROUP**

By: 

John A. Van Hook
Adrian C. Byrne
Attorneys for Plaintiff Alonzo Pineda

Dated: August 13, 2024

HOGUE FENTON

By: 

Sarju Naran
Rachel Garcia
Attorneys for Defendants Recon360, LLC and
Rosario Wong

EXHIBIT A

**Re: Payment from Settlement of *Alonzo Pineda v. Recon360, LLC*
Superior Court of California, Santa Clara County, Case No. 22CV398574**

Date: [REDACTED], 2024

Name
Address

Dear Name:

Enclosed, please find a check made payable to you. This is your payment from the settlement of a lawsuit titled *Alonzo Pineda v. Recon360, LLC, et al.*, Santa Clara County Superior Court Case No. 22CV398574 (the “Action”).

The Action was filed against Recon360, LLC and Rosario Wong (“Defendants”). The Action includes claims pursuant to the California Labor Code Private Attorneys General Act of 2004, California Labor Code § 2698, *et seq.* (“PAGA”). The Action was brought by Plaintiff Alonzo Pineda (“Plaintiff”), a former employee of Recon360, LLC, on behalf of the State of California and other alleged aggrieved employees. You have been identified as one of the aggrieved employees on whose behalf the case was brought.

In the Action, Plaintiff claimed that Defendants violated the California Labor Code by failing to pay minimum wage, failing to pay all overtime wages due, failing to provide compliant meal periods and rest periods, failing to timely pay all wages owed upon separation, failing to reimburse all reasonable and necessary business expenses incurred, failing to maintain and provide accurate itemized wage statements, and failing to keep complete and accurate payroll records, and unfair business practices. Defendants dispute all of Plaintiff’s allegations and deny that they have engaged in any of the alleged misconduct. The parties have reached a settlement of Plaintiff’s representative PAGA claims, and on [DATE], the Court approved the settlement, including the amount of civil penalties to be paid under the settlement. A portion of the civil penalty settlement amount goes to the State of California’s Labor and Workforce Development Agency. Another portion of the civil penalty settlement amount goes to employees of Recon360, LLC who were allegedly affected by the alleged violations of the Labor Code. In agreeing to enter into this settlement, Defendants do not admit that they are liable in any way to current or former employees for any violations of the California Labor Code, or any penalties. Defendants deny and dispute all of Plaintiff’s contentions. The Court has not decided the merits of Plaintiff’s claims or Defendants’ defenses.

Pursuant to the settlement, enclosed is a check for your share of a portion of the civil penalties. This check will remain valid for 180 days from the date of issuance. Please note that no deductions/withholdings have been made from your settlement payment, and you will be responsible for any tax consequences arising from your receipt of this payment, for which an IRS Form 1099 will issue. If you do not cash your check within 180 days of issuance, the funds will be tendered to the State Controller’s Office, Unclaimed Property Division. If you are still employed by Recon360, LLC, your decision to cash the check will not affect your employment in any way.

While you were not a party to the Action, you and the State of California have been bound by the settlement entered in this matter and approved by the Court, including the release contained in the settlement. The release pertains to civil penalties under PAGA only. The release includes all claims under the PAGA that were alleged in, or could have been alleged in Plaintiff's complaint in the Action, including claims for civil penalties, attorneys' fees or costs, during the time period of July 31, 2021, through July 9, 2024 (the "PAGA Period").

If you have any questions, you can contact Phoenix Settlement Administrators, the administrator of this settlement, at [REDACTED]-[REDACTED].

Exhibit 2



PHOENIX

CLASS ACTION ADMINISTRATION SOLUTIONS

CASE ASSUMPTIONS

Aggrieved Members	291
Opt Out Rate	N/A
Opt Outs Received	
Total Aggrieved Claimants	291
Subtotal Admin Only	\$4,500.00

Not-to-Exceed Total \$4,500.00

For 291 Aggrieved Members

Pricing Good for Scope of Estimate Only

January 29, 2025

Case: Pineda PAGA Administration wTranslation

Phoenix Contact: Jodey Lawrence

Contact Number: 949.566.1455

Email: Jodey@phoenixclassaction.com

Requesting Attorney: John A. Van Hook

Firm: Van Hook Law Firm

Contact Number: (310) 405-2426

Email: john@vanhooklawfirm.com

Assumptions and Estimate are based on information provided by counsel. If class size changes, PHX will need to adjust this Estimate accordingly.
Estimate is based on 291 Aggrieved Members. Class data Must be sent in Microsoft Excel or uploaded in the same format. Class Data Must be sent in one spreadsheet, with no additional programming needed. A rate of \$150 per hour will be charged for any additional analysis or programming. Pricing good for 90 days.

Case & Database Setup / Toll Free Setup & Call Center / NCOA (USPS)

Administrative Tasks:	Rate	Hours/Units	Line Item Estimate
Programming Manager	\$125.00	3	\$375.00
Programming Database & Setup	\$125.00	3	\$375.00
Toll Free Setup*	\$49.56	1	\$49.56
Call Center & Long Distance	\$1.75	7	\$12.73
Static Website	\$200.00	1	\$200.00
Language Translation	\$250.00	1	\$250.00
Total			\$1,262.29

* Up to 120 days after disbursement

Data Merger & Scrub / Notice Packet, Check & Postage

Project Action	Rate	Hours/Units	Line Item Estimate
Notice Packet Formatting	\$125.00	2	\$250.00
Data Merge & Duplication Scrub	\$0.25	291	\$72.75
Notice and Check Packet	\$1.00	291	\$291.00
Estimated Postage (up to 1 oz.)*	\$0.76	291	\$221.16
Total			\$834.91

* Prices good for 90 days. Subject to change with the USPS Rate or change in Notice pages or Translation, if any.



PHOENIX

CLASS ACTION ADMINISTRATION SOLUTIONS

Skip Tracing & Remailing Notice Packets / Tracking & Programming Undeliverables

Project Action:	Rate	Hours/Units	Line Item	Estimate
Case Associate	\$50.00	2		\$100.00
Skip Tracing Undeliverables	\$1.50	29		\$43.65
Remail Notice Packets	\$1.00	29		\$29.10
Estimated Postage	\$0.76	29		\$22.12
Programming Undeliverables	\$50.00	2		\$100.00
			Total	\$294.87

Database Programming

Project Action:	Rate	Hours/Units	Line Item	Estimate
Programming Claims Database	\$125.00	1		\$125.00
Case Manager	\$125.00	1		\$125.00
			Total	\$250.00

Calculation & Disbursement Programming/ Create & Manage QSF/ Mail Checks

Project Action:	Rate	Hours/Units	Line Item	Estimate
Programming Calculations	\$125.00	1		\$125.00
Disbursement Review	\$125.00	1		\$125.00
Programming Manager	\$100.00	2		\$200.00
QSF Bank Account & EIN	\$50.00	1		\$50.00
Check Run Setup & Printing	\$100.00	3		\$300.00
			Total	\$800.00

* Checks are printed on 8.5 x 11 in. sheets with W2/1099 Tax Filing



PHOENIX

CLASS ACTION ADMINISTRATION SOLUTIONS

Tax Reporting & Reconciliation / Re-Issuance of Checks / Conclusion Reports and Declarations			
Project Action:	Rate	Hours/Units	Line Item Estimate
Case Supervisor	\$100.00	2	\$200.00
Remail Undeliverable Checks (Postage Included)	\$1.50	55	\$82.94
Case Associate	\$85.00	1	\$85.00
Reconcile Uncashed Checks	\$90.00	1	\$90.00
Conclusion Reports	\$75.00	1	\$75.00
Case Manager Conclusion	\$75.00	1	\$75.00
Final Reporting & Declarations	\$125.00	1	\$125.00
QSF Annual Tax Reporting * (State Tax Reporting Included)	\$325.00	1	\$325.00
Total			\$1,057.94

* All applicable California State & Federal taxes, which include SUI, ETT, and SDI, and FUTA filings. Additional taxes are Defendant's responsibility.

Estimate Total: \$4,500.00



TERMS AND CONDITIONS

Provisions: The case estimate is in good faith and does not cover any applicable taxes and fees. The estimate does not make any provision for any services or class size not delineated in the request for proposal or stipulations. Proposal rates and amounts are subject to change upon further review, with Counsel/Client, of the Settlement Agreement. Only pre-approved changes will be charged when applicable. No modifications may be made to this estimate without the approval of PSA (Phoenix Settlement Administrators). All notifications are mailed in English language only unless otherwise specified. Additional costs will apply if translation into other language(s) is required. Rates to prepare and file taxes are for Federal and California State taxes only. Additional charges will apply if multiple state tax filing(s) is required. **Pricing is good for ninety (90) days.**

Data Conversion and Mailing: The proposal assumes that data provided will be in ready-to-use condition and that all data is provided in a single, comprehensive Excel spreadsheet. PSA cannot be liable for any errors or omissions arising due to additional work required for analyzing and processing the original database. A minimum of two (2) business days is required for processing prior to the anticipated mailing date with an additional two (2) business days for a National Change of Address (NCOA) update. Additional time may be required depending on the class size, necessary translation of the documents, or other factors. PSA will keep counsel apprised of the estimated mailing date.

Claims: PSA's general policy is to not accept claims via facsimile. However, in the event that facsimile filing of claims must be accepted, PSA will not be held responsible for any issues and/or errors arising out of said filing. Furthermore, PSA will require disclaimer language regarding facsimile transmissions. PSA will not be responsible for any acts or omissions caused by the USPS. PSA shall not make payments to any claimants without verified, valid Social Security Numbers. All responses and class member information are held in strict confidentiality.

Payment Terms: All postage charges and 50% of the final administration charges are due at the commencement of the case and will be billed immediately upon receipt of the data and/or notice documents. PSA bills are due upon receipt unless otherwise negotiated and agreed to with PSA by Counsel/Client. In the event the settlement terms provide that PSA is to be paid out of the settlement fund, PSA will request that Counsel/Client endeavor to make alternate payment arrangements for PSA 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 Defendant, or no later than the time of disbursement. Amounts not paid within thirty (30) days are subject to a service charge of 1.5% per month or the highest rate permitted by law.

Tax Reporting Requirements

PSA will file the necessary tax returns under the EIN of the QSF, including federal and state returns. Payroll tax returns will be filed if necessary. Under the California Employment Development Department, all taxes are to be reported under the EIN of the QSF with the exception of the following taxes: Unemployment Insurance (UI) and Employment Training Tax (ETT), employer-side taxes, and State Disability Insurance (SDI), an employee-side tax. These are reported under Defendant's EIN. Therefore, to comply with the EDD payroll tax filing requirements we will need the following information:

1. Defendant's California State ID and Federal EIN.
2. Defendant's current State Unemployment Insurance (UI) rate and Employment Training Tax (ETT) rate. This information can be found in the current year DE 2088, Notice of Contribution Rates, issued by the EDD.
3. Termination dates of the class members, or identification of current employee class members, so we can account for the periods that the wages relate to for each class member.
4. An executed Power of Attorney (Form DE 48) from Defendant. This form is needed so that we may report the UI, SDI, and ETT taxes under Defendant's EIN on their behalf. If this form is not provided we will work with the EDD auditors to transfer the tax payments to Defendant's EIN.
5. Defendant is responsible for reporting the SDI portion of the settlement payments on the class member's W-2. PSA will file these forms on Defendant's behalf for an additional fee and will issue an additional W-2 for each class member under Defendant's EIN, as SDI is reported under Defendant's EIN rather than the EIN of the QSF. The Power of Attorney (Form DE 48) will be needed in order for PSA to report SDI payments.

Exhibit 3

Activities Export

02/03/2025

7:41 PM

Date	Type	Description	Matter	User	Qty	Rate (\$)	Non-billable (\$)	Billable (\$)
05/21/2021	 Unbilled	Prepare class/PAGA complaint	00003-Pineda Class/PAGA wage and hour matter	John Van Hook	3.60h	\$650.00	-	\$2,340.00
10/25/2021	 Unbilled	Prepare LC 226 request for personnel records	00003-Pineda Class/PAGA wage and hour matter	John Van Hook	0.30h	\$650.00	-	\$195.00
11/21/2021	 Unbilled	Analyze documents produced by defendants; analysis regarding potential wage and hour claims	00003-Pineda Class/PAGA wage and hour matter	John Van Hook	1.70h	\$650.00	-	\$1,105.00
11/22/2021	 Unbilled	Prepare PAGA notice; analysis and strategy re PAGA and class claims	00003-Pineda Class/PAGA wage and hour matter	John Van Hook	1.20h	\$650.00	-	\$780.00
11/24/2021	 Unbilled	Prepare PAGA Notice; analyze personnel records re same	00003-Pineda Class/PAGA wage and hour matter	John Van Hook	1.30h	\$650.00	-	\$845.00
11/25/2021	 Unbilled	Revise and file PAGA notice; confer with A. Byrne re PAGA notice	00003-Pineda Class/PAGA wage and hour matter	John Van Hook	0.60h	\$650.00	-	\$390.00
12/01/2021	 Unbilled	Analysis regarding Diaz settlement and impact on class/PAGA claims; legal research re arb waiver	00003-Pineda Class/PAGA wage and hour matter	John Van Hook	1.40h	\$650.00	-	\$910.00
05/20/2022	 Unbilled	Prepare and file amended PAGA notice	00003-Pineda Class/PAGA wage and hour matter	John Van Hook	0.80h	\$650.00	-	\$520.00
					91.20h		\$0.00 0.00h	\$59,280.00 91.20h

Activities Export

02/03/2025

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Date ▲	Type	Description	Matter	User	Qty	Rate (\$)	Non-billable (\$)	Billable (\$)
05/20/2022	 	Research re waiver of right to enforce arb agt Unbilled	00003-Pineda Class/PAGA wage and hour matter	John Van Hook	2.50h	\$650.00	-	\$1,625.00
05/22/2022	 	Research re waiver of arbitration; prepare class/PAGA complaint Unbilled	00003-Pineda Class/PAGA wage and hour matter	John Van Hook	2.00h	\$650.00	-	\$1,300.00
05/23/2022	 	Revise class/PAGA complaint and strategize with A. Byrne re same Unbilled	00003-Pineda Class/PAGA wage and hour matter	John Van Hook	1.60h	\$650.00	-	\$1,040.00
05/23/2022	 	Analysis re Supreme Court decision re arbitration waiver standard Unbilled	00003-Pineda Class/PAGA wage and hour matter	John Van Hook	0.40h	\$650.00	-	\$260.00
05/24/2022	 	Revise and file class/PAGA complaint and supporting documents Unbilled	00003-Pineda Class/PAGA wage and hour matter	John Van Hook	3.30h	\$650.00	-	\$2,145.00
05/31/2022	 	Meet and confer with defense counsel re arbitration and PAGA issues Unbilled	00003-Pineda Class/PAGA wage and hour matter	John Van Hook	0.40h	\$650.00	-	\$260.00
06/01/2022	 	Confer with S. Naran re service of complaint and possible motion to compel arbitration Unbilled	00003-Pineda Class/PAGA wage and hour matter	John Van Hook	0.50h	\$650.00	-	\$325.00
06/03/2022	 	Prepare CCP 170.6 Unbilled	00003-Pineda Class/PAGA wage and hour matter	John Van Hook	0.60h	\$650.00	-	\$390.00
					91.20h		\$0.00 0.00h	\$59,280.00 91.20h

Activities Export

02/03/2025

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Date ▲	Type	Description	Matter	User	Qty	Rate (\$)	Non-billable (\$)	Billable (\$)
06/13/2022	 	Review complex designation order; prepare notice of ruling ● Unbilled	00003-Pineda Class/PAGA wage and hour matter	John Van Hook	0.40h	\$650.00	-	\$260.00
07/08/2022	 	Meet and confer with S. Naran re arbitration and class/PAGA issues; confer with Byrne re case ● Unbilled	00003-Pineda Class/PAGA wage and hour matter	John Van Hook	0.60h	\$650.00	-	\$390.00
09/27/2022	 	Prepare joint status report; confer with defense counsel re same ● Unbilled	00003-Pineda Class/PAGA wage and hour matter	John Van Hook	0.80h	\$650.00	-	\$520.00
09/29/2022	 	Revise joint status report; confer with defense counsel re same ● Unbilled	00003-Pineda Class/PAGA wage and hour matter	John Van Hook	0.30h	\$650.00	-	\$195.00
10/06/2022	 	Attend case management conference ● Unbilled	00003-Pineda Class/PAGA wage and hour matter	John Van Hook	1.20h	\$650.00	-	\$780.00
01/23/2023	 	Prepare opposition to defendants' motion to compel arb ● Unbilled	00003-Pineda Class/PAGA wage and hour matter	John Van Hook	4.30h	\$650.00	-	\$2,795.00
01/25/2023	 	Prepare opposition and supporting documents to defendants' motion to compel arb ● Unbilled	00003-Pineda Class/PAGA wage and hour matter	John Van Hook	3.90h	\$650.00	-	\$2,535.00
02/06/2023	 	Prepare notice of supplemental authority in opp to motion to compel arb ● Unbilled	00003-Pineda Class/PAGA wage and hour matter	John Van Hook	2.20h	\$650.00	-	\$1,430.00
					91.20h		\$0.00 0.00h	\$59,280.00 91.20h

Activities Export

02/03/2025

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Date ▲	Type	Description	Matter	User	Qty	Rate (\$)	Non-billable (\$)	Billable (\$)
02/09/2023		Review reply in support of motion to compel arb; confer with Byrne re strategy issues  Unbilled	00003-Pineda Class/PAGA wage and hour matter	John Van Hook	1.00h	\$650.00	-	\$650.00
02/22/2023		Prepare for oral argument on motion to compel arb  Unbilled	00003-Pineda Class/PAGA wage and hour matter	John Van Hook	1.80h	\$650.00	-	\$1,170.00
02/23/2023		Oral argument on defendants' motion to compel arbitration; prepare for oral argument  Unbilled	00003-Pineda Class/PAGA wage and hour matter	John Van Hook	2.20h	\$650.00	-	\$1,430.00
02/27/2023		Research and analysis regarding potential appeal or writ petition on order compelling arb  Unbilled	00003-Pineda Class/PAGA wage and hour matter	John Van Hook	1.80h	\$650.00	-	\$1,170.00
11/20/2023		Meeting with plaintiff for depo prep [2.0 total time - 1.0 billed to arb]  Unbilled	00003-Pineda Class/PAGA wage and hour matter	John Van Hook	1.00h	\$650.00	-	\$650.00
03/11/2024		Meet with plaintiff for depo prep [2.6 total hrs - 1.3 billed to arb]  Unbilled	00003-Pineda Class/PAGA wage and hour matter	John Van Hook	1.30h	\$650.00	-	\$845.00
03/13/2024		Defend plaintiff at deposition and travel [16.4 total time - half billed to arbitration]  Unbilled	00003-Pineda Class/PAGA wage and hour matter	John Van Hook	8.20h	\$650.00	-	\$5,330.00
04/13/2024		Prepare for PMK depositions [6.5 total hrs - 3.3 billed to arb]  Unbilled	00003-Pineda Class/PAGA wage and hour matter	John Van Hook	3.20h	\$650.00	-	\$2,080.00
					91.20h		\$0.00 0.00h	\$59,280.00 91.20h

Activities Export

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Date ▲	Type	Description	Matter	User	Qty	Rate (\$)	Non-billable (\$)	Billable (\$)
04/14/2024	 	Prepare for PMK depositions [5.6 total hours - 2.8 billed to arb] ● Unbilled	00003-Pineda Class/PAGA wage and hour matter	John Van Hook	2.80h	\$650.00	-	\$1,820.00
04/15/2024	 	Take deposition of defendants' PMK witnesses [8.8 total hours - 4.4 billed to arb] ● Unbilled	00003-Pineda Class/PAGA wage and hour matter	John Van Hook	4.40h	\$650.00	-	\$2,860.00
04/29/2024	 	Confer with defense counsel re mediation ● Unbilled	00003-Pineda Class/PAGA wage and hour matter	John Van Hook	0.30h	\$650.00	-	\$195.00
05/24/2024	 	Confer with Naran re mediation and sampling of PAGA ees; confer with Byrne re same ● Unbilled	00003-Pineda Class/PAGA wage and hour matter	John Van Hook	0.40h	\$650.00	-	\$260.00
05/30/2024	 	Confer with defense counsel re PAGA agg'd ee sample; analyze PAGA ee list ● Unbilled	00003-Pineda Class/PAGA wage and hour matter	John Van Hook	0.60h	\$650.00	-	\$390.00
07/05/2024	 	Analyze data and sample records of PAGA agg ees ● Unbilled	00003-Pineda Class/PAGA wage and hour matter	John Van Hook	2.30h	\$650.00	-	\$1,495.00
07/07/2024	 	Prepare plaintiff's mediation brief and analysis of time records [6.6 total hrs - 3.3 billed to arb] ● Unbilled	00003-Pineda Class/PAGA wage and hour matter	John Van Hook	3.30h	\$650.00	-	\$2,145.00
07/08/2024	 	Prepare plaintiff's mediation brief and analysis of time records [5.0 total hrs - 2.5 billed to arb]	00003-Pineda Class/PAGA wage and hour matter	John Van Hook	2.50h	\$650.00	-	\$1,625.00
					91.20h		\$0.00 0.00h	\$59,280.00 91.20h

Activities Export

02/03/2025
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Date	Type	Description	Matter	User	Qty	Rate (\$)	Non-billable (\$)	Billable (\$)
		● Unbilled						
07/09/2024	🕒	Attend private mediation [6.8 total hrs - 3.4 billed to arb] ● Unbilled	00003-Pineda Class/PAGA wage and hour matter	John Van Hook	3.40h	\$650.00	-	\$2,210.00
07/16/2024	🕒	Prepare PAGA settlement agreement ● Unbilled	00003-Pineda Class/PAGA wage and hour matter	John Van Hook	1.20h	\$650.00	-	\$780.00
07/18/2024	🕒	Prepare PAGA settlement agreement ● Unbilled	00003-Pineda Class/PAGA wage and hour matter	John Van Hook	2.60h	\$650.00	-	\$1,690.00
08/28/2024	🕒	Prepare motion for approval of PAGA settlement and proposed order ● Unbilled	00003-Pineda Class/PAGA wage and hour matter	John Van Hook	2.50h	\$650.00	-	\$1,625.00
08/30/2024	🕒	Prepare motion for approval of PAGA settlement ● Unbilled	00003-Pineda Class/PAGA wage and hour matter	John Van Hook	3.20h	\$650.00	-	\$2,080.00
01/27/2025	🕒	Prepare motion and supporting declaration for approval of PAGA settlement ● Unbilled	00003-Pineda Class/PAGA wage and hour matter	John Van Hook	3.70h	\$650.00	-	\$2,405.00
02/03/2025	🕒	Revise motion for PAGA approval and supporting counsel declarations ● Unbilled	00003-Pineda Class/PAGA wage and hour matter	John Van Hook	1.60h	\$650.00	-	\$1,040.00
					91.20h		\$0.00 0.00h	\$59,280.00 91.20h