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Attorneys for Plaintiff and the Class

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

PERLA MARIN, individually and on
behalf of all others similarly situated,

Plaintiff,

vs.

HB LEISURE, INC., a Florida corporation;
and DOES 1 through 50, inclusive,

Defendants.

Case No.: 37-2021-00048225-CU-OE-CTL

(Assigned to the Honorable Eddie C. Sturgeon,
Department 67)

**DECLARATION OF MAYRA J. GONZALEZ
REGARDING NOTICE AND SETTLEMENT
ADMINISTRATION**

Date: February 16, 2024

Time: 9:00 a.m.

Dept.: 67

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I, Mayra J. Gonzalez, declare as follows:

1. I am a Case Manager at Phoenix Settlement Administrators (“Phoenix”), the Court-appointed Class Action Settlement Administrator for *Perla Marin v. HB Leisure, Inc.* (the “Action”). I have personal knowledge of the facts stated herein and, if called upon to testify, I could and would testify competently to such facts.

2. Phoenix was selected by the Parties to provide notice of the Settlement and perform class administration duties in this Action. Pursuant to the Class Action Settlement Agreement (“Settlement Agreement” or “Settlement”) for this matter, Phoenix was responsible for: (i) preparing, printing, and mailing the *Notice of Proposed Settlement of Class Action and Hearing Date for Final Court Approval* (“Notice”); (ii) responding to inquiries from Class Members; (iii) calculating the number of weeks each Class Member worked during the period from November 12, 2017 through December 31, 2022 (“Class Period” and “PAGA Period”); (iv) determining the validity of letters indicating a request to be excluded from the Class Settlement (“Requests for Exclusion”), written objections to the Class Settlement (“Objections”), and/or dispute regarding the number of pay periods submitted by Class Members; (v) calculating the Net Settlement Amount and the Individual Settlement Payments to Class Members; (vi) calculating and issuing the Individual Settlement Payments and distributing them to Settlement Class Members and Individual PAGA Payments to Aggrieved Employees; (vii) issuing the payment to Class Counsel for attorneys’ fees and costs, the Named Plaintiff Award, and the employer/employee payroll taxes to the appropriate taxing authorities; and (viii) such other tasks as set forth in the Settlement Agreement or as the Parties mutually agree or as the Court orders.

3. On November 7, 2023, Phoenix received a data file from Defense Counsel that contained names, last known mailing addresses, Social Security numbers, dates of employment, and pay periods for each Class Member (“Class List”) during the Class Period. The final mailing list contained two hundred fifty-six (256) individuals identified as Class Members. The dataset received from defendant revealed an increase in the number of pay periods by 13.30% during the

1 Class and PAGA Periods. The increased number of pay periods triggered the escalator clause in
2 the Settlement Agreement and increased the: (1) Gross Settlement amount to \$96,307.21; and (2)
3 class counsel fees to \$32,102.40.

4 4. On November 8, 2023, Phoenix conducted a National Change of Address
5 (“NCOA”) search in an attempt to update the class list of addresses as accurately as possible. A
6 search of this database provides updated addresses for any individual who has moved in the
7 previous four (4) years and notified the U.S. Postal Service of their change of address.

8 5. On November 9, 2023, Phoenix mailed the Notice via U.S. first class mail, in
9 English, to all two hundred fifty-six (256) Class Members on the Class List. A true and correct
10 copy of the mailed Notice is attached hereto as **Exhibit A**.

11 6. As of the date of this declaration, forty-three (43) Notices have been returned to
12 Phoenix. None were returned with a forwarding address. For the forty-three (43) Notices returned
13 from the Post Office without a forwarding address, Phoenix attempted to locate a current mailing
14 address using TransUnion TLOxp, one of the most comprehensive address databases available for
15 skip tracing. Of the forty-three (43) Notices that were skip traced, twenty-nine (29) updated
16 addresses were obtained and the Notice was promptly re-mailed to those Class Members via first
17 class mail.

18 7. As of the date of this declaration, fourteen (14) Notices are considered
19 undeliverable.

20 8. As of the date of this declaration, Phoenix has received zero (0) Requests for
21 Exclusion from Class Members. The deadline to request exclusion from the Class Settlement is
22 February 7, 2024.

23 9. As of the date of this declaration, Phoenix has received zero (0) Notices of
24 Objection from Class Members. The deadline for objecting to the Class Settlement is February 7,
25 2024.

26 10. As of the date of this declaration, Phoenix has received zero (0) disputes as to the
27 pay period count from Class Members. The deadline for submitting a dispute is February 7, 2024.
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1 11. The Net Settlement Amount of \$46,544.64 available to pay Settlement Class
2 Members was determined by subtracting the requested Class Counsel attorneys' fees (\$32,102.40),
3 and Class Counsel costs (\$3,710.17), requested Named Plaintiff Award to Plaintiff Perla Marin
4 (\$5,000.00), the PAGA Amount (\$4,000.00), and the requested Settlement Administration Costs
5 (\$5,950.00) from the Gross Settlement Amount (\$96,307.21).

6 12. Based upon the calculations stipulated in the Settlement, the highest Individual
7 Settlement Payment to be paid is approximately \$1,238.47, the lowest Individual Settlement
8 Payment to be paid is approximately \$30.96, while the average Individual Settlement Payment to
9 be paid is approximately \$177.91. Settlement Class Members will be issued payment of their
10 Individual Settlement Payments subject to reduction for the employee's share of taxes and
11 withholdings with respect to the wages portion of the Individual Settlement Payment.

12 13. Additionally, \$4,000.00 of the Gross Settlement Amount has been allocated toward
13 penalties under the Private Attorneys General Act ("PAGA Amount"), of which 75%, or
14 \$3,000.00, shall be paid to the Labor and Workforce Development Agency ("LWDA"), and 25%,
15 or \$1,000.00, of which shall be paid to all non-exempt employees who were paid a bonus and
16 overtime wages in the same periods and who were employed in California during the PAGA
17 Period. There are one hundred ten (110) Aggrieved Employees who worked a total of five hundred
18 six (506) pay periods during the PAGA Period. The highest Individual PAGA Payment to be paid
19 is approximately \$51.38, and the average Individual PAGA Payment to be paid is approximately
20 \$9.09.

21
22 14. Phoenix's costs associated with the administration of this matter are \$5,950.00. A
23 true and correct copy of the invoice from Phoenix is attached hereto as **Exhibit B**.

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

3 Executed on January 23, 2024, at Orange, California.
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6 Mayra Gonzalez
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8 MAYRA J. GONZALEZ
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Exhibit A

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

(*Marin v. HB Leisure, Inc.*, Superior Court of the State of California, County of San Diego, Case No. 37-2021-00048225-CU-OE-CTL, consolidated with Case No. 37-2022-00001086-CU-OE-CTL)

YOUR LEGAL RIGHTS MAY BE AFFECTED WHETHER YOU ACT OR DO NOT ACT. PLEASE READ THIS NOTICE CAREFULLY.

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:	
Do Nothing and Receive a Payment	To receive a cash payment from the Settlement, you do not have to do anything. Your estimated Settlement Share is: «Est_Set_Amt». See the explanation in Section 5 below. If you do nothing, you will be considered a Participating Class Member and will be part of the Settlement as explained more fully below. After final approval by the Court, the payment will be mailed to you at the same address as this notice. In exchange for the Settlement Share payment, you will release the Released Class Claims as detailed in Section 4 below. If your address has changed, you must notify the Settlement Administrator as explained in Section 6 below.
Exclude Yourself	To exclude yourself, you must send a written request for exclusion to the Settlement Administrator as provided below. If you request to be excluded from the Settlement, you will receive no money from the Settlement and you will not be bound by the Settlement. However, if you are an Aggrieved Employee who opts out, you will still be paid your allocation of the PAGA Payment and will remain bound by the release of the Released PAGA Claims regardless of whether you submit a request for exclusion. If you choose to do so, you must notify the Settlement Administrator as explained in Section 7 below.
Object	Write to the Court about why you do not agree with the Settlement or appear at the Final Approval Hearing to make an oral objection. Instructions are provided in Section 8 below.

Your options are further explained in this Class Notice. To exclude yourself from, or object to, the Settlement you must take action by certain deadlines. If you want the Settlement as proposed, you don't need to do anything to obtain your share of the Settlement. Defendant will not retaliate against you for any actions you take with respect to the Settlement.

1. Why did I get this Notice?

A proposed class action settlement (the "Settlement") of the above-captioned action pending in the Superior Court of the State of California, in and for the County of San Diego (the "Court") has been reached between Plaintiff Perla Marin ("Plaintiff") and Defendant HB Leisure, Inc. ("Defendant") and has been granted preliminary approval by the Court. You may be entitled to receive money from this Settlement.

You have received this Class Notice because you have been identified as a member of the Class, which is defined as:

All individuals who are or previously were employed by Defendant who were classified as non-exempt employees who were paid a bonus and overtime wages in the same period and who were employed in California during the Class Period.

The Class Period is November 12, 2017, through December 31, 2022.

This Class Notice explains the lawsuit, the Settlement, and your legal rights. It is important that you read this Class Notice carefully as your rights may be affected by the Settlement.

2. What is this class action lawsuit about?

On November 12, 2021, Plaintiff filed a Complaint against Defendant in the Superior Court of the State of California, County of San Diego, alleging the following class claims against Defendant: failure to pay wages including overtime and minimum wage; failure to provide accurate itemized wage statements; and unfair business practices (the "Class Complaint"). On January 10, 2022, Plaintiff filed a separate Complaint against Defendant in the Superior Court of the State of California, County of San Diego, alleging a single cause of action under the Private Attorneys General Act California Labor Code §§ 2698, *et seq.* (the "PAGA") alleging that Defendant: failed to pay wages including overtime and minimum wage; failed to timely pay wages; and failed to provide accurate itemized wage statements (the "PAGA Complaint"). On February 1, 2022, the Court consolidated the Class Complaint and the PAGA Complaint for all purposes. This lawsuit is referred to as the "Action."

Defendant denies and disputes all such claims. Specifically, Defendant contends that Plaintiff and the Class Members were properly compensated for wages under California law; that Defendant complied with California wage statement requirements; that Defendant is not liable for any of the penalties claimed or that could be claimed in the Action; that Defendant did not engage in unfair business practices; and that this Action cannot be maintained as a class action.

The Court granted preliminary approval of the Settlement on October 6, 2023. At that time, the Court also preliminarily approved the Plaintiff to serve as the Class Representative, and the law firms: Diversity Law Group, P.C.; Law Offices of Choi and Associates; and Polaris Law group to serve as Class Counsel.

3. What are the terms of the Settlement?

Defendant has agreed to pay an “all in” amount of Ninety-Six Thousand Three Hundred Seven and 21/100 Dollars (\$96,307.21) (the “Gross Settlement Amount”) to fund the settlement of this Action. The Gross Settlement Amount includes all payments of Settlement Shares to Class Members contemplated by the Settlement, the Settlement Administration Expenses, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, Class Representative Service Payment, and the PAGA Payment for civil penalties. Any employer-side payroll taxes on the portion of the Settlement Shares allocated to wages shall be separately paid by Defendant.

Within thirty (30) days of the Effective Date, Defendant will fund the Gross Settlement Amount by depositing the money with the Settlement Administrator. The “Effective Date” means the date of entry of the Court’s order granting Final Approval of the Settlement, or if there are objections or any appeal, sixty (60) days after final approval or after any appeal is dismissed or withdrawn or appeal is decided upholding propriety of settlement. Fifteen (15) days after the Settlement is funded, the Settlement Administrator will mail checks for the Settlement Shares to Participating Class Members.

Amounts to be Paid from the Gross Settlement Amount. The proposed payments subject to Court approval will be deducted from the Gross Settlement Amount before Settlement Shares are made to Class Members who do not request to be excluded from the Settlement (“Participating Class Members”):

- Settlement Administration Expenses. Payment to the Settlement Administrator, estimated not to exceed \$5,950.00, for expenses, including without limitation, expenses of notifying the Class Members of the Settlement, processing opt outs, and distributing Settlement Shares and tax forms, and handling inquiries and uncashed checks.
- Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment. Payment to Class Counsel of reasonable attorneys’ fees not to exceed thirty-three and one-third percent (33.3%) of the Gross Settlement Amount, which is presently \$32,102.40 and an additional amount to reimburse actual litigation costs incurred by the Plaintiff not to exceed \$15,000.00. Class Counsel has been prosecuting the Action on behalf of Plaintiff and the Class on a contingency fee basis (that is, without being paid any money) and has been paying all litigation costs and expenses. The amounts stated are what Class Counsel will be requesting and the final amounts to be paid will be decided at the Final Approval Hearing.
- Class Representative Service Payment. Class Representative Service Payment in an amount not to exceed Five Thousand Dollars (\$5,000.00) to the Plaintiff, or such lesser amount as may be approved by the Court, to compensate her for services on behalf of the Class in initiating and prosecuting the Action, and for the risks she undertook. The amount stated is what Plaintiff will be requesting and the final amount to be paid will be decided at the Final Approval Hearing.
- PAGA Payment. A payment of \$4,000 relating to the claim for penalties under the PAGA, \$3,000.00 of which will be paid to the State of California’s Labor and Workforce Development Agency (“LWDA Payment”). The remaining \$1,000.00 will be distributed to the Aggrieved Employees based on their respective pay periods during the PAGA Period (November 8, 2020 through December 31, 2022). “Aggrieved Employees” means all non-exempt employees who were paid a bonus and overtime wages in the same periods and who were employed in California during the PAGA Period. All Aggrieved Employees will be sent their share of the PAGA Payment and will be subject to the release of the Released PAGA Claims as set forth below, whether or not they opt out of the Settlement.

Calculation of Payments to Class Members. After all of the payments of the Court-approved Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, the Class Representative Service Payment, the PAGA Payment, and the Settlement Administration Expenses are deducted from the Gross Settlement Amount, the remaining portion, called the “Net Settlement Amount”, shall be distributed as Settlement Shares to the Participating Class Members. The Net Settlement Amount is estimated to be approximately \$35,254.81, based upon the above proposed deductions. Settlement Administrator will pay a Settlement Share from the Net Settlement Amount to each Participating Class Member, which shall be calculated as follows: (i) Defendant will provide the Settlement Administrator with the total number of pay periods a Class Member was paid a bonus and overtime wages in the same pay period during the Class Period; (ii) the Settlement Administrator will divide the Net Settlement Amount by the total pay periods to determine a dollar amount per pay period (“Pay Period Rate”); and (iii) the Settlement Administrator will take the number of pay periods (reduced by pay periods whereby the participating Class Member previously released claims, if any) for each Participating Class Member and multiply it by the Pay Period Rate to calculate their Settlement Share.

Tax Matters. Ten percent (10%) of each Participating Class Member’s Settlement Share is in settlement of wage claims (the “Wage Portion”). Accordingly, the Wage Portion is subject to wage withholdings, and shall be reported on IRS Form W-2. Five percent (5%) of each Participating Class Member’s Settlement Share is in settlement of claims for interest and eighty-five percent (85%) of each Participating Class Member’s Settlement Share is in settlement of claims for penalties, including waiting time penalties and PAGA penalties, allegedly due to employees (collectively the “Non-Wage Portion”). The Non-Wage Portion shall not be subject to wage withholdings and shall be reported on IRS Form 1099. The employee portion of all applicable income and payroll taxes will be the responsibility of the Participating Class Members. Neither Class Counsel nor Defendant’s Counsel intend or represent that anything contained in this Class Notice constitutes advice regarding taxes or taxability. The tax issues for each Participating Class Member are unique to him/her, and each Participating Class Member may wish to consult a tax advisor concerning the tax consequences of the payments received under the Settlement.

Conditions of Settlement. This Settlement is conditioned upon the Court granting final approval of the Settlement and entering the Judgment.

4. What Do I Release Under the Settlement?

Released Class Claims. Upon funding of the Gross Settlement Amount, the Released Parties shall receive a release from the Participating Class Members of all claims and/or causes of action occurring during the Class Period based on facts that were pled in the operative class action including, the failure to pay overtime compensation, the failure to provide accurate itemized statements, waiting-time penalties, Business and Professions Code section 17200 predicated on the claims pled in the operative class action complaint. This release expressly excludes claims for vested benefits, wrongful termination, unemployment insurance, disability, social security, workers' compensation, and class claims outside of the Class Period ("Released Class Claims").

Released PAGA Claims. Upon funding of the Gross Settlement Amount, Defendant shall receive a release from the State of California of all PAGA claims pled in the operative complaint and PAGA letter sent by the Plaintiff that occurred during the PAGA Period as to the Class Members, and expressly excluding claims for vested benefits, wrongful termination, unemployment insurance, disability, social security, workers' compensation, and class claims outside of the Class Period and PAGA claims outside of the PAGA Period. The release of the Released PAGA Claims shall be effective as to all Aggrieved Employees, regardless of whether an Aggrieved Employee submitted a request to be excluded from the Settlement.

5. How much will my payment be?

Based on the calculations of payments to Class Members discussed above, your estimated Settlement Share from the Net Settlement Amount is «Est_Set_Amt».

If you wish to challenge the information set forth above, then you must submit a written and signed dispute challenging the information along with supporting documents, to the Settlement Administrator at the address provided in this Class Notice no later than February 7, 2024.

6. How can I get a payment?

To get money from the Settlement, you do not have to do anything. A check for your Settlement Share will be mailed automatically to the same address as this Class Notice. If your address is incorrect or has changed, you must notify the Settlement Administrator. The Settlement Administrator can be contacted at: Phoenix Settlement Administrators or (800) 523-5773.

The Court will hold a Final Approval Hearing on February 16, 2024, at 9:00 a.m., to decide whether to approve the Settlement and fix the amounts to be paid as attorneys' fees and costs to Class Counsel and as service awards to the Plaintiff. If the Court approves the Settlement and there are no objections or appeals, payments will be mailed approximately forty-five (45) days after this hearing. If there are objections or appeals, resolving them can take time, usually more than a year. Please be patient.

7. What if I don't want to be a part of the Settlement?

If you do not wish to participate in the Settlement, you may exclude yourself from the Settlement or "opt out." If you opt out, you will not receive a Settlement Share from the Settlement, and you will not be bound by the Settlement which means you will retain the right to sue Defendant for the Released Class Claims. However, Aggrieved Employees who opt out will still be paid their allocation of the PAGA Payment and will remain bound by the release of the Released PAGA Claims regardless of whether they submit a request for exclusion.

To opt out, you must mail to the Settlement Administrator, by First Class Mail, a written, signed and dated request to opt-out postmarked no later than February 7, 2024. The request to opt-out must be postmarked or received by the Settlement Administrator by this deadline and should: (1) contain a clear statement that you are requesting to opt out of, or be excluded from the Class and Released Class Claims in the *Marin v. HB Leisure, Inc.* lawsuit; (2) contain the name, address, and the last four digits of the Social Security Number of the person requesting exclusion; (3) state the Class Member's request to exclude himself or herself from the Settlement and to opt out of the Settlement; and (4) be signed by the Class Member or his or her lawful representative. Please include the name and number of the case, which is *Marin v. HB Leisure, Inc.*, Case No. 37-2021-00048225-CU-OE-CTL. The request to opt-out must be signed by you. No other person may opt-out for a living member of the Class.

The address for the Settlement Administrator is Phoenix Settlement Administrators, P.O. Box 7208, Orange, CA 92863. Written requests for exclusion from the Settlement that are postmarked after February 7, 2024, or are incomplete or unsigned may be rejected; and if so, those Class Members will remain bound by the Settlement and the Released Class Claims described above.

8. How do I tell the Court that I don't agree with the Settlement?

Any Class Member who has not opted out and believes that the Settlement should not be finally approved by the Court for any reason may object to the proposed Settlement, the attorneys' fees, the costs and/or the service awards, either in writing or in person.

Objections that are in writing should state the Class Member's name, current address, telephone number, and the dates of employment in California by Defendant, and describe why you believe the Settlement is unfair. All written objections or other correspondence should also state the name and number of the case, which is *Marin v. HB Leisure, Inc.*, in the Superior Court of the State of California, County of San Diego, Case No. 37-2021-00048225-CU-OE-CTL.

All written objections must be mailed to the Settlement Administrator at Phoenix Settlement Administrators, P.O. Box 7208, Orange, CA 92863, no later than February 7, 2024.

Alternatively, Class Members may appear in person or remotely at the Final Approval Hearing on February 16, 2024, at 9:00 a.m., to make an oral objection without submitting a written objection or to otherwise participate in the Final Approval Hearing. Check the Court's website for the most current information concerning appearances and procedures at the Court - <https://www.sdcourt.ca.gov/sdcourt/generalinformation>. For assistance in making an appearance at the Final Approval Hearing, please contact Class Counsel below.

To object to the Settlement, you must not opt out, and if the Court approves the Settlement despite your objection, you will be bound by the terms of the Settlement in the same way as Class Members who do not object and you will still be mailed a check for your Settlement Share.

The addresses for Parties' counsel are as follows:

Class Counsel:

Larry Lee

Christine S. Lee

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Counsel for Defendant:

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Arcelia N. Magaña

Jackson Lewis P.C.

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San Diego, CA 92101

Tel: 619-573-4900

Email:

Paul.sorrentino@jacksonlewis.com

Arcelia.magana@jacksonlewis.com

9. When and where will the Court decide whether to approve the Settlement?

The Court will hold a Final Approval Hearing on February 16, 2024, at 9:00 a.m., at the San Diego Superior Court, located at 330 W Broadway, San Diego, California 92101, in Department C-67 before Judge Eddie C. Sturgeon. At this hearing the Court will consider whether the Settlement is fair, reasonable, and adequate. The purpose of this hearing is for the Court to determine whether to grant final approval to the Settlement and to fix the amounts to be paid as attorneys' fees and costs to Class Counsel and as service payment to Plaintiff. If there are objections, the Court will consider them. This hearing may be rescheduled by the Court without further notice to you. If you are interested in participating in the Final Approval Hearing, you should confirm the date, time and location by contacting Class Counsel. **You are not required to attend** the Final Approval Hearing, although any Class Member is welcome to attend the hearing. Hearing dates are posted on the Internet via the Register of Actions page for the California Superior Court for the County of San Diego and entering Case No. 37-2021-00048225-CU-OE-CTL.

10. How do I get more information about the Settlement?

You may call the Settlement Administrator at (800) 523-5773 or write to *Marin v. HB Leisure, Inc.* Settlement Administrator, c/o Phoenix Settlement Administrators; or contact Class Counsel at Phoenix Settlement Administrators, P.O. Box 7208, Orange, CA 92863.

This Class Notice summarizes the proposed settlement. More details are in the Settlement Agreement. You may receive a copy of the Settlement Agreement, the Judgment, the motion for attorneys' fees, costs, and service awards, the motion for final approval, or other Settlement documents by contacting Class Counsel. You may also get more details by examining the Court's file on the Internet via the Register of Actions for the San Diego Superior Court (<https://roa.sdcourt.ca.gov/roa/faces/NameSearch.xhtml>) and entering the Case No. 37-2021-00048225. If you wish to view the Court files in person, you must make an appointment with the Clerk's Office at the San Diego Superior Court: Hall of Justice, 330 W. Broadway, San Diego, California 92101.

PLEASE DO NOT CALL THE COURT ABOUT THIS NOTICE.

IMPORTANT:

- You must inform the Settlement Administrator of any change of address to ensure receipt of your settlement payment.
- Settlement checks will be null and void 180 days after issuance if not deposited or cashed, and this expiration date will be printed on the check. In such event, the Settlement Administrator shall pay all unclaimed funds as follows: Seventy-five percent (75%) to Free to Thrive, a non-profit organization helping survivors of human trafficking by providing restorative justice to enable them to become gainfully employed and rejoin the community; and twenty-five percent (25%) to the State Treasury for deposit in the Trial Court Improvement and Modernization Fund established in Section 77209 of the Government Code, and subject to appropriation in the annual Budget Act for the Judicial Council to provide grants to trial courts for new or expanded collaborative courts or grants for Sargent Shriver Civil Counsel.
- If your check is lost or misplaced, you should contact the Settlement Administrator immediately to request a replacement.

Exhibit B



CASE ASSUMPTIONS

Class Members	94
Opt Out Rate	1%
Opt Outs Received	1
Total Class Claimants	93
Subtotal Admin Only	\$5,950.00

Will Not Exceed Fix Fee \$5,950.00

For 94 Members

Pricing Good for Scope of Estimate Only

February 13, 2023

Case: Marin v. HB Leisure Opt-Out Administration

Phoenix Contact: Jodey Lawrence

Contact Number: 949.566.1455

Email: Jodey@phoenixclassaction.com

Requesting Attorney: Christine Lee

Firm: DIVERSITY LAW GROUP, A P.C.

Contact Number: (213) 488-6555

Email: christine@diversitylaw.com

Assumptions and Estimate are based on information provided by counsel. If class size changes, PSA will need to adjust this Estimate accordingly. Estimate is based on 94 Class Members. PSA assumes class data will be sent in Microsoft Excel or other usable format with no or reasonable additional formatting needed. A rate of \$150 per hour will be charged for any additional analysis or programming.

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

Administrative Tasks:	Rate	Hours/Units	Line Item Estimate
Programming Manager	\$100.00	2	\$200.00
Programming Database & Setup	\$100.00	2	\$200.00
Toll Free Setup*	\$148.23	1	\$148.23
Call Center & Long Distance	\$2.00	16	\$32.00
NCOA (USPS)	\$200.00	1	\$200.00
Total			\$780.23

* Up to 120 days after disbursement

Data Merger & Scrub / Notice Packet, Opt-Out Form & Postage / Spanish Translation / Reporting

Project Action	Rate	Hours/Units	Line Item Estimate
Notice Packet Formatting	\$100.00	2	\$200.00
Data Merge & Duplication Scrub	\$0.50	94	\$47.00
Notice Packet & Opt-Out Form	\$1.75	94	\$164.50
Estimated Postage (up to 2 oz.)*	\$0.87	94	\$81.78
Static Website	\$200.00	1	\$200.00
Total			\$693.28

* 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	\$55.00	2	\$110.00
Skip Tracing Undeliverables	\$2.00	19	\$37.60
Remail Notice Packets	\$1.75	19	\$32.90
Estimated Postage	\$0.87	19	\$16.36
Programming Undeliverables	\$50.00	2	\$100.00
Total			\$296.86

Database Programming / Processing Opt-Outs, Deficiencies or Disputes			
Project Action:	Rate	Hours/Units	Line Item Estimate
Programming Claims Database	\$135.00	2	\$270.00
Non Opt-Out Processing	\$125.00	1	\$125.00
Case Associate	\$55.00	2	\$110.00
Opt-Outs/Deficiency/Dispute Letters	\$10.00	3	\$30.00
Case Manager	\$75.00	2	\$150.00
Total			\$685.00

Calculation & Disbursement Programming/ Create & Manage QSF/ Mail Checks			
Project Action:	Rate	Hours/Units	Line Item Estimate
Programming Calculations	\$135.00	2	\$270.00
Disbursement Review	\$135.00	2	\$270.00
Programming Manager	\$95.00	2	\$190.00
QSF Bank Account & EIN	\$100.00	2	\$200.00
Check Run Setup & Printing	\$135.00	1	\$135.00
Mail Class Checks *	\$2.00	93	\$186.12
Estimated Postage	\$0.64	93	\$59.56
Total			\$1,310.68

* 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	3	\$300.00
Remail Undeliverable Checks (Postage Included)	\$1.50	9	\$13.96
Case Associate	\$50.00	3	\$150.00
Reconcile Uncashed Checks	\$75.00	2	\$150.00
Conclusion Reports	\$100.00	2	\$200.00
Case Manager Conclusion	\$85.00	2	\$170.00
Final Reporting & Declarations	\$100.00	2	\$200.00
IRS & QSF Annual Tax Reporting * (1 State Tax Reporting Included)	\$1,000.00	1	\$1,000.00
Total			\$2,183.96

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

Estimate Total: \$5,950.00



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CLASS ACTION ADMINISTRATION SOLUTIONS

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. Additional class members are \$10.00 per opt-out.

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.