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Attorneys for Plaintiff

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

JOHN FRANKLIN, individually, and on
behalf of other aggrieved employees pursuant
to the California Private Attorneys General
Act;

Plaintiff,

vs.

NATIONAL COMMUNITY
RENAISSANCE, a California corporation; and
DOES 1 through 100, inclusive,

Defendants.

Case No.: CIVSB2209612

Honorable Joseph T. Ortiz
Department S-17

**DECLARATION OF CHARLES T. SWEENEY
IN SUPPORT OF PLAINTIFF'S MOTION
AND MOTION FOR APPROVAL OF
PRIVATE ATTORNEYS GENERAL ACT
SETTLEMENT AGREEMENT**

Hearing Date: December 16, 2025
Hearing Time: 1:30 p.m.
Department: S-17

Complaint Filed: May 10, 2022
Trial Date: None Set

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1 million dollars.

2 4. From August 2020 to May 2024, I was a Lead Litigation Attorney for the Law Firm
3 Lawyers *for* Justice, PC. My practice at Lawyers *for* Justice, PC focused on complex and
4 contentious litigation in class actions and representative PAGA cases involving violations of the
5 California Labor Code. During a relatively short time, I led a litigation team at Lawyers *for* Justice,
6 PC that recovered millions of dollars on behalf of thousands of California employees.

7 5. As of today's date, I have taken and defended dozens of depositions, have briefed
8 well over 100 motions, many of which required several rounds of briefing, and the vast majority of
9 which I argued. These motions include contested motions for class certification, motions to compel
10 discovery, motions to compel arbitration, demurrers, motions for summary judgement, motions for
11 summary adjudication, *ex parte* applications for various relief, motions to remand, motions for
12 reconsideration, petitions for coordination, and motions for consolidation, among many others. I have
13 also briefed several appeals, none of which I have lost, either because the Courts of Appeal decided
14 in my favor or because settlement was reached prior to a decision. I have litigated close to 300
15 putative class and/or representative actions under the California Private Attorneys General Act
16 ("PAGA"). This includes working to obtain class certification through contested motion practice, as
17 well as working with co-counsel preparing for trial and handling appeals in a certified class action
18 with a class of over 2,000 individuals.

19 6. I have been appointed class counsel by way of contested motion for class
20 certification. I have also been appointed class counsel by way of stipulation. Additionally, I have led
21 litigation efforts for at least 60 putative representative wage and hour cases that settled on a class
22 wide or statewide basis.

23 THE SETTLEMENT REACHED IN THE ACTION

24 7. Marked and attached hereto as "**EXHIBIT 1**" is the Private Attorneys General Act
25 Settlement Agreement and Release ("Settlement," "Agreement," or "Settlement Agreement"),
26 entered into between Plaintiff John Franklin, for himself and on behalf of the State of California with
27 respect to Aggrieved Employees pursuant to the Private Attorneys General Act, and Defendant. The
28 parties have also drafted and agreed to the form and content of the proposed informational cover

letter (“Cover Letter”) for mailing to Aggrieved Employees when Individual Settlement Shares are distributed to them, in substantially the form attached as “EXHIBIT A” to the [Proposed] Order and Judgment Granting Approval of Private Attorneys General Act Settlement Agreement and Release, Award of Attorneys’ Fees and Costs, General Release Fee, and Settlement Administration Costs. The Court is respectfully requested to approve the proposed Cover Letter.

8. The Settlement pertains to the following allegedly aggrieved employees: all current and former hourly-paid or non-exempt individuals employed by Defendant within the State of California at any time during the PAGA Period (“Aggrieved Employees”). The “PAGA Period” means the period between March 11, 2019 through March 5, 2025. Based on information provided by Defendant, it is estimated that during the PAGA Period there are approximately 900 Aggrieved Employees who are credited with 60,000 Compensable Pay Periods.

9. Defendant has agreed to pay the gross amount of \$990,000.00 (“Total Settlement Amount”), subject to possible increase under Section 3(a)(5) of the Settlement Agreement, to settle this matter. The Settlement Agreement provides that the “Net Settlement Amount” will be the Total Settlement Amount less the following amounts: (1) Attorneys’ Fees and Costs in the amount of \$346,500.00 for attorneys’ fees and up to \$25,000.00 for reimbursement of litigation costs and expenses to Lawyers *for* Justice, PC and Sweeny Law, PC (together, “Plaintiff’s Counsel”); (2) General Release Fee in the amount of \$7,500.00 to Plaintiff; and (3) Settlement Administration Costs of up to \$25,000.00 to the PAGA Settlement Administrator. Assuming that the requested Attorneys’ Fees and Costs, General Release Fee, and Settlement Administration Costs, are approved by the Court, the Net Settlement Amount is estimated to be approximately \$586,000.00. The Net Settlement Amount will be distributed to the LWDA and the Aggrieved Employees pursuant to California Labor Code section 2699(i). 75% of the Net Settlement Amount will be distributed to the LWDA, which is estimated to be \$439,500.00 (“LWDA Payment”), and 25% of the Net Settlement Amount, which is estimated to be \$146,500.00 (“Employees’ Portion”), will be distributed to the Aggrieved Employees on a *pro rata* basis, based on the number of pay periods they each worked during the PAGA Period (“Compensable Pay Periods”). The Parties will mutually agree upon an administrator (“PAGA Settlement Administrator”) to handle the administration of the Settlement.

1 The Settlement Administration Costs are estimated not to exceed \$25,000.00 and will be paid out of
2 the Total Settlement Amount, subject to approval by the Court.

3 **THE LITIGATION AND WORK PERFORMED BY SWEENY LAW, PC**

4 10. On September 3, 2024, Sweeny Law, PC associated in as co-counsel for Plaintiff and
5 has been lead counsel alongside Lawyers *for* Justice, PC since that time (together, Lawyers *for*
6 Justice, PC and Sweeny Law, PC are referred to as “Plaintiff’s Counsel”).

7 11. In addition to Paragraphs 21-36 of the declaration of my co-counsel, Helene Mayer,
8 which includes a robust discussion of the litigation and work performed by Plaintiff’s Counsel, upon
9 my association, I progressed this case on two fronts, namely, arbitration/litigation and mediation.

10 12. With respect to arbitration/litigation, after my association, I began proposing several
11 new arbitrators to take over for Justice Zebrowski, whose case manager had informed the Parties that
12 Justice Zebrowski could no longer serve as arbitrator due to a health issue. In the context of these
13 discussions, ADR Services informed me that they were closing the arbitration case file and could not
14 merely reassign a different arbitrator. When Defendant’s Counsel did not agree to my alternative
15 proposed arbitrators, I researched whether the circumstances could be analogized to fall within the
16 recently enacted statutes rendering late payment of arbitration fees a material breach of the agreement
17 giving Plaintiff the right to withdraw from arbitration and/or lift the stay on non-individual PAGA
18 claims. (*See*, Code Civ. Proc. §§ 1281.97 and 1281.98). I also researched whether any delays by
19 Defendant could be construed as a waiver of the right to arbitration, even *after* arbitration was
20 already invoked, under the more relaxed waiver standards (e.g., those articulated by the United States
21 Supreme Court in *Morgan v. Sundance, Inc.* (2022) 596 U.S. 411 and the California Supreme Court
22 in *Quach v. Cal. Commerce Club* (2024) 16 Cal.5th 562. After research and analysis, I began
23 drafting a Motion for an Order Allowing Plaintiff to Withdraw from Arbitration, or, Alternatively,
24 Lifting the Stay on Non-Individual PAGA Claims, which I discussed with Defendant’s counsel.

25 13. Defendant’s counsel disagreed with my position, and Defendant maintained that
26 arbitration was the proper venue for Plaintiff’s individual PAGA claim, and, following arbitration,
27 Defendant would be entitled to assert further defenses against representative litigation and could seek
28

dismissal, which meant that there would be substantial expense and length of continued proceedings necessary to pursue this matter through post-arbitration motions, trial, and any possible appeals.

14. With respect to mediation, after the first mediation, which was scheduled to take place on July 9, 2024, did not go forward, upon my association, and after meeting and conferring on potential arbitration-related motion practice, the Parties agreed to focus their efforts on mediation. Following extensive additional data production and analysis, on March 5, 2025, the Parties attended a private mediation session with well-regarded mediator, Hon. Peter J. Wilson (Ret.), a well-respected former Orange County Superior Court, Complex Division trial judge and highly regarded mediator experienced in mediating and adjudicating complex labor and employment matters, but the Parties did not settle at that session.

15. Following mediation, I continued to engage in extensive settlement dialogue through Judge Wilson.

16. On April 2, 2025, I appeared for a Case Management Conference and reported that a settlement had not been reached at mediation, but that the Parties were continuing to engage in settlement dialogue. Moreover, with respect to the arbitration, I reported that I and my client viewed the departure of Justice Zebrowski from the arbitration, the closing of the case file, and my proposals for alternative arbitrators, combined with Defendant never agreeing to those alternatives arbitrators, as the same type of procedural limbo that motivated the California legislature to enact new statutes rendering late payment of arbitration fees a material breach of the agreement giving Plaintiff the right to withdraw from arbitration and/or lift the stay on non-individual PAGA claims. (*See*, Code Civ. Proc. §§ 1281.97 and 1281.98). I explained that Plaintiff viewed the delays as a waiver of the right to arbitration under the more relaxed waiver standards (e.g., those articulated by the United States Supreme Court in *Morgan v. Sundance, Inc.* (2022) 596 U.S. 411 and the California Supreme Court in *Quach v. Cal. Commerce Club* (2024) 16 Cal.5th 562), and that should a settlement not be reached, Plaintiff would be filing his contemplated motion.

17. Still, the Parties continued to engage in settlement negotiations through Judge Wilson, and ultimately, through his further assistance, reached the settlement that is described herein.

ATTORNEYS' FEES REQUESTED BY PLAINTIFF'S COUNSEL

1 18. As set forth more fully in the accompanying Motion, Plaintiff's Counsel seek
2 attorneys' fees in the amount of \$346,500.00, which represents approximately thirty-five percent
3 (35%) of the Total Settlement Amount. Pursuant to the contingency-fee agreement entered into by
4 and between Plaintiff and Plaintiff's Counsel, Plaintiff has agreed to a contingency-fee of at least
5 thirty-five percent (35%) of the recovery. The attorneys' fees sought are commensurate with: (1) the
6 risk that Plaintiff's Counsel took in commencing the case; (2) the time, effort, and expense that
7 Plaintiff's Counsel dedicated to the case; (3) the skill and determination that Plaintiff's Counsel have
8 shown; (4) the results that Plaintiff's Counsel have achieved throughout the litigation; (5) value of the
9 settlement that Plaintiff's Counsel have achieved in the case; and (6) the other cases that Plaintiff's
10 Counsel have turned down in order to devote their time and efforts to this case. I have litigated this
11 case since my office's association with the very real possibility of an unsuccessful outcome and no
12 fee recovery of any kind. This required me to devote significant investigation, invest time reviewing
13 and analyzing relevant information, thousands of pages documents, and data to evaluate the
14 allegations, including, and not limited to, calculating the potential monetary recovery under PAGA.
15 Other work that I performed included, but was not limited to: but was not limited to: meeting and
16 conferring with Defendant's counsel regarding the pleadings, case management, informal discovery,
17 arbitration, mediation, and settlement negotiations, among other issues; case strategy and analysis;
18 researching, drafting, reviewing, and revising pleadings, court filings, motion-related papers (e.g.,
19 with respect to settlement approval motion papers and an initial, unfiled draft of a motion to
20 withdraw from arbitration), briefs for settlement negotiations and mediation, and the settlement
21 agreement; claims evaluation and analysis; preparing for and participating in settlement negotiations
22 and the mediation; and appearing for court proceedings.

23 19. While not necessarily required to be demonstrated because a percentage fee is proper
24 for this settlement, it should be noted that Plaintiff's Counsel have performed many hours of work in
25 connection with prosecuting this matter such that the requested attorneys' fees award is also justified
26 under a lodestar analysis. Sweeny Law, PC has spent a total of **130.20 hours** performing tasks to
27 obtain a recovery on behalf of Plaintiff, the State of California, and the Aggrieved Employees.
28 Attached hereto as "**EXHIBIT 2**" is an Attorney Task and Time Chart that sets forth in detail the

1 nature of the legal services provided by Sweeny Law, PC and the time incurred in performing those
2 services. It excludes extensive administrative activities that were necessary to prosecuting the case.

3 20. I believe my billing rate of \$750 per hour is reasonable and commensurate with my
4 individual background, training, and experience in litigating complex wage-and-hour actions, and, in
5 particular, employment class actions and representative actions. The work I performed in this matter,
6 the background of Sweeny Law, PC, as well as my individual background, training, and experience,
7 all of which are detailed in my original declaration and are outlined below in updated fashion,
8 support an hourly rate of \$750 per hour for work performed by Sweeny Law, PC.

9 **GENERAL RELEASE FEE TO PLAINTIFF**

10 21. For his broader individual waiver and release of claims with a California Civil Code
11 Section 1542 waiver (set forth in Section 8(b) of the Settlement Agreement), the Settlement provides
12 a General Release Fee to Plaintiff in the total amount of \$7,500.00 to be paid out of the Total
13 Settlement Amount, subject to approval by the Court. The requested General Release Fee is fair and
14 appropriate. It is also worth noting that Plaintiff has undertaken significant efforts and work to
15 spearhead the pursuit of this matter. By initiating and pursuing this matter, Plaintiff stepped into the
16 shoes of the State of California and undertook the responsibilities of serving in a representative
17 capacity. Plaintiff has spent a substantial amount of time and effort discussing his employment with
18 his counsel, gathering and producing relevant documents and information, and providing the facts
19 and evidence necessary to attempt to prove the allegations. Plaintiff was available whenever his
20 counsel needed him and actively tried to obtain and provide information that would facilitate the
21 pursuit of the PAGA claim. Accordingly, it is appropriate and just for Plaintiff to receive a General
22 Release Fee, in addition to any individual penalties payment he will receive as an aggrieved
23 employee.

24 **THE PAGA SETTLEMENT ADMINISTRATOR**

25 22. Pursuant to Section 3(a)(3) of the Settlement Agreement, the Parties have agreed to
26 retain, subject to approval by the Court, Phoenix Class Action Administration Solutions (the "PAGA
27 Settlement Administrator") to handle the administration of the Settlement, and have further agreed
28 that costs and expenses of administration of the Settlement up to the amount of \$25,000.00

1 (“Settlement Administration Costs”) shall be paid to the PAGA Settlement Administrator out of the
2 Total Settlement Amount. Attached hereto as “**EXHIBIT 3**” is a true and correct copy of the flat-fee
3 quote of \$8,000.00 for the Settlement Administration Costs, including an itemized breakdown of
4 what the costs cover.

5 23. Plaintiff’s Counsel submits that the Settlement fulfills the purpose of the PAGA
6 statute, is within the accepted range of recoveries for this type of litigation, and is fair, reasonable,
7 and adequate given the substantial monetary benefits provided for by the Settlement, the strengths
8 and weaknesses of this case, and the inherent delay, costs, risks, and uncertainty associated with
9 continued litigation.

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

12 Executed this 26th day of November 2025, at Los Angeles, California.

13 

14 _____
Charles T. Sweeny

EXHIBIT 1

**PRIVATE ATTORNEYS GENERAL ACT SETTLEMENT AGREEMENT AND
RELEASE**

This Private Attorneys General Act Settlement Agreement and Release ("Settlement Agreement" or "Settlement") is entered into by and between John Franklin ("Plaintiff"), for himself and as a representative of the State of California and the Aggrieved Employees (as defined in Section 3(a)(5) below) and National Community Renaissance ("Defendant"), subject to approval by the Court. The term "Party" or "Parties" as used herein shall refer to Plaintiff, Defendant, or both, as may be appropriate.

1. **Recitals.** This Settlement Agreement is made with reference to the following facts:

(a) Plaintiff is a former employee of Defendant. Plaintiff was employed by Defendant from approximately June 2021 to approximately February 2022;

(b) On May 10, 2022, after having previously submitted a first letter and then an amended letter to the California Labor and Workforce Development Agency ("LWDA") on behalf of Plaintiff, to notify the LWDA and Defendant pursuant to the Private Attorneys General Act of 2004, Labor Code section 2698, *et seq.* ("PAGA") of Plaintiff's intent to seek civil penalties under PAGA for Defendant's alleged violations of California Labor Code sections 201, 202, 203, 204, 226(a), 226.7, 510, 512(a), 551, 552, 558, 1174(d), 1194, 1197, 1197.1, 1198, 2800, and 2802 and Industrial Welfare Commission Wage Orders, including *inter alia*, Wage Orders 4-2001, 5-2001, and 16-2001 in LWDA Case Number LWDA-CM-871684-22 (collectively, the "PAGA Notice"), Plaintiff filed his Complaint for Enforcement Under the Private Attorneys General Act, California Labor Code § 2698, *Et Seq.* ("Operative Complaint"), commencing a representative action under PAGA against Defendant, entitled *John Franklin v. National Community Renaissance*, San Bernardino County Superior Court Case No. CIVSB2209612 (the "Action"). The Operative Complaint asserts a single cause of action for civil penalties under PAGA, for violations of multiple provisions of the California Labor Code and applicable Industrial Welfare Commission Wage Orders;

(c) On March 5, 2025, the Parties mediated the Action with the Honorable Peter J. Wilson (Ret.) but were unable to resolve the Action during that session. However, with the aid of the mediator's continued evaluation, efforts, and ultimate mediator's proposal, the Parties ultimately reached the Settlement described herein to resolve the Action in its entirety;

(d) There has been no determination on the merits of the Action or the PAGA Notice but, in order to avoid additional cost and the uncertainty of litigation, the Parties desire to resolve the Released Claims (as defined in Section 8 below).

2. **No Admission of Wrongdoing.** The Parties expressly recognize that the making of this Settlement does not in any way constitute an admission or concession of wrongdoing on the part of Defendant. Nothing in this Settlement, nor any action taken in implementation thereof, nor any statements, discussions or communications, nor any materials prepared, exchanged, issued or used during the pendency of the Action, is intended by the Parties to, nor will any of the foregoing constitute, be introduced, be used or be admissible in any way in any other judicial, arbitral, administrative, investigative or other forum or proceeding, as evidence of any violation of any federal, state, or local law, statute, ordinance, regulation, rule or executive

order, or any obligation or duty at law or in equity. Notwithstanding the foregoing, this Settlement may be used in any proceeding in the Court that has as its purpose the interpretation, implementation, or enforcement of the Settlement or any orders or judgments of the Court entered into in connection therewith.

3. **Consideration.**

(a) In consideration for Plaintiff signing this Settlement Agreement and complying with its terms, Defendant shall pay the maximum gross sum of Nine Hundred Ninety Thousand Dollars and Zero Cents (\$990,000.00) (the "Total Settlement Amount") which includes the Attorneys' Fees and Costs, General Release Fee, Settlement Administration Costs, and the LWDA Payment to resolve the Action and Released Claims (as defined herein), which will be paid as follows:

(1) Defendant agrees not to oppose or impede any application or motion by Plaintiff's Counsel for an award out of the Total Settlement Amount of attorneys' fees in the amount of thirty five percent (35%) of the Total Settlement Amount, which is Three Hundred Forty Six Thousand Five Hundred Dollars and Zero Cents (\$346,500.00), and reimbursement of litigation costs and expenses in the amount of up to Twenty Five Thousand Dollars and Zero Cents (\$25,000.00) (collectively, "Attorneys' Fees and Costs"). The Attorneys' Fees and Costs referred to herein shall fully compensate and reimburse Plaintiff's Counsel for any and all of the work already performed in connection with the Action and all work remaining to be performed in fully and finally resolving the Action, including but not limited to securing Court approval of the Settlement Agreement, appearing at hearings, making sure that the Settlement is fairly and properly administered, defending the Settlement Agreement in any challenge, appeal or other post-approval matter, all other work that Plaintiff's Counsel has performed or will perform, and all costs that Plaintiff's Counsel has incurred or will incur.

(2) For a general release of all claims Plaintiff may have against Defendant, Defendant agrees not to oppose any application or motion by Plaintiff's Counsel for up to the amount of Seven Thousand Five Hundred Dollars and Zero Cents (\$7,500.00) ("General Release Fee") to be paid to Plaintiff out of the Total Settlement Amount.

(3) Costs and expenses of administration of the Settlement up to the amount of Twenty Five Thousand Dollars and Zero Cents (\$25,000.00) ("Settlement Administration Costs") to be paid to a mutually agreed upon administrator (the "PAGA Settlement Administrator") out of the Total Settlement Amount.

(4) The amounts stated in Sections 3(a)(1) – 3(a)(3) above, once approved by the Court, shall be paid from the Total Settlement Amount. The balance remaining after these deductions is referred to as the "Net Settlement Amount."

(5) Seventy-five percent (75%) of the Net Settlement Amount will be distributed to the LWDA ("LWDA Payment"); and the remaining twenty-five percent (25%) will be distributed to the Aggrieved Employees, defined solely for purposes of this Settlement as all current and former hourly-paid or non-exempt individuals employed by Defendant within the State of California at any time during the PAGA Period (the "Aggrieved Employees"). The period March 11, 2019 through March 5, 2025, is the "PAGA Period". The Aggrieved Employees are estimated to consist of approximately 900 individuals who worked

approximately 60,000 Compensable Pay Periods as of the date of mediation. If the actual number of Compensable Pay Periods during the PAGA Period is more than ten percent (10%) above 60,000, the Total Settlement Amount will be increased by the percentage that the actual number exceeds 60,000 (which is 10% more than 60,000). The 25% portion of the Net Settlement Amount payable to Aggrieved Employees is referred to as the "Employees' Portion."

(6) Because this is a settlement of PAGA claims for civil penalties only, no portion of the Settlement is allocated to unpaid wages. One Hundred Percent (100%) of the payments for Attorneys' Fees and Costs, General Release Fee, and the Net Settlement Amount to be paid to the LWDA and Aggrieved Employees as described in Section 3(a) above will be treated and reported for tax purposes as non-wage payments and the PAGA Settlement Administrator will be responsible for issuing IRS Forms 1099 as required.

4. **Court Approval is Required.** Plaintiff understands and agrees that the State of California and Aggrieved Employees, including Plaintiff, would not receive the consideration specified in Section 3(a) above, except for Plaintiff's execution of this Settlement Agreement, and the fulfillment of the promises contained herein, as well as Court approval of the Settlement. If this Settlement Agreement is not approved by the Court, it shall be null and void.

5. **Disbursal of Settlement Funds.**

(a) Subject to Section 4 above, Defendant shall remit to the PAGA Settlement Administrator the sums described more fully in Section 3(a) above, in two equal installments of \$495,000.00. The first installment of \$495,000.00 shall be remitted to the PAGA Settlement Administrator within 30 days from the date that the Court enters an order approving the Settlement Agreement. The second installment of \$495,000.00 shall be remitted to the PAGA Settlement Administrator within the first quarter of 2027 (i.e., between January 1, 2027 and March 31, 2027).

(b) Upon complete distribution of the Total Settlement Amount by the PAGA Settlement Administrator in accordance with this Settlement Agreement, the PAGA Settlement Administrator will notify the Parties of distribution of the entire Total Settlement Amount.

6. **Approval and Implementation of the PAGA Settlement.**

(a) The Parties are aware that some courts have approved a PAGA settlement and entered an order approving the settlement and judgment and thereafter closed the case, while others have approved a PAGA settlement and entered only an order approving the settlement with later instructions to file a request for dismissal of the action. The Parties agree to cooperate and take any and all steps required by the Court in the Action to implement the settlement and terminate the Action pursuant to settlement (i.e., to terminate the Action by way of judgment or dismissal). Plaintiff's Counsel shall ultimately be responsible for preparing and presenting to the Court all filings required by the Court in the Action to implement the Settlement and terminate the Action pursuant to settlement.

(b) The Parties further agree that Plaintiff's Counsel shall be responsible for drafting and/or filing of any further documents and/or filings reasonably necessary to be prepared and/or filed, and to take all steps that may be requested by the Court in order to obtain approval and implementation of this Settlement Agreement, and the payments described in

Section 3(a) above. The Parties have agreed that Defendant is to provide a declaration regarding Defendant's financial condition to be filed alongside the documents to obtain approval of this Settlement Agreement.

(c) The Parties shall seek to obtain Court approval of this Settlement Agreement by way of an unopposed motion to be filed by Plaintiff's Counsel. Plaintiff's Counsel shall provide a draft of all documents to be submitted in connection with the motion to approve this Settlement Agreement to Mark Jacobs, Nathan Low, and/or Ryan Wheeler of Fisher & Phillips LLP ("Defendant's Counsel") for review and approval prior to filing.

(d) The Parties expressly acknowledge that the Court's approval of the Settlement Agreement is a condition precedent to any payments described in this Settlement Agreement. Therefore, the Parties further acknowledge that, should the Court not grant approval of this Settlement Agreement and/or should the Court refuse to grant judgment or dismissal of the Action and close the Action based on the Settlement, the entirety of this Settlement Agreement shall be null and void.

7. Payment of Total Settlement Amount / Notice to Recipients.

(a) Subject to Court approval of this Settlement Agreement, payment of the sums described in Section 3(a) above shall be made by Defendant by transmitting the required sums to a qualified settlement account established by the PAGA Settlement Administrator for administration of this Settlement, in two equal installments of \$495,000.00 as described in Section 5(a) above. If the date by which either payment by Defendant is due falls on a Saturday, Sunday or legal holiday in the State of California, then the due date shall be extended the next following day which is not a Saturday, Sunday or legal holiday in the State of California.

(b) Each Aggrieved Employee will be entitled to a *pro-rata* share of 25% of the Net Settlement Amount (i.e., the Employees' Portion) based upon the number of pay periods they each worked during the PAGA Period ("Compensable Pay Periods"), based on Defendant's payroll records. Specifically, to calculate each Aggrieved Employee's share of the Employees' Portion ("Individual Settlement Share"), the PAGA Settlement Administrator shall: (i) for each Aggrieved Employee, divide the number of Compensable Pay Periods he or she individually worked by the total aggregate number of Compensable Pay Periods worked by all Aggrieved Employees, and then (ii) multiply this amount by the Employees' Portion to arrive at each Aggrieved Employee's Individual Settlement Share.

(1) One Hundred Percent (100%) of all Individual Settlement Shares are to be considered penalties and the PAGA Settlement Administrator will not undertake any deductions, withholding, or remittances for local, state, or federal taxes. Aggrieved Employees' Individual Settlement Shares will be reported on an IRS Form 1099, as required by the IRS.

(c) The PAGA Settlement Administrator shall distribute each Individual Settlement Share by way of check, along with a cover letter ("Cover Letter") agreed to by the Parties and approved by the Court, in substantially the form attached hereto as "Exhibit A", in the following manner:

(1) No later than fourteen (14) calendar days after the Court's order granting approval of the Settlement, Defendant shall provide the PAGA Settlement Administrator with a list of all Aggrieved Employees (the "Aggrieved Employees List"), containing

the following information for each Aggrieved Employee: (i) first and last name; (ii) last known address; (iii) last known telephone number; (iv) Social Security number; and (v) the number of Compensable Pay Periods worked by each Aggrieved Employee during the PAGA Period.

(2) The PAGA Settlement Administrator shall conduct one (1) National Change of Address ("NCOA") search for all individuals identified on the Aggrieved Employees List.

(3) No later than fourteen (14) calendar days after the PAGA Settlement Administrator receives the Aggrieved Employees List and Total Settlement Amount, the PAGA Settlement Administrator shall mail the agreed-upon Cover Letter and Individual Settlement Share checks (together, the "PAGA Settlement Package") to all Aggrieved Employees by first-class United States mail. For each PAGA Settlement Package that is returned undeliverable within thirty (30) calendar days of the initial mailing, the PAGA Settlement Administrator shall promptly attempt to locate an alternate, updated address for the Aggrieved Employee at issue, by using a skip-trace search and shall attempt one (1) re-mailing of the PAGA Settlement Package.

(4) The Individual Settlement Share checks issued to Aggrieved Employees shall remain valid for ninety (90) calendar days, and thereafter, shall be canceled. Funds associated with canceled checks shall be transmitted to the State Controller's Office Unclaimed Property Division in the name of the Aggrieved Employee(s) at issue and in the amount of his or her respective Individual Settlement Share(s).

(d) No later than fourteen (14) calendar days after the PAGA Settlement Administrator receives the Aggrieved Employees List and Total Settlement Amount, the PAGA Settlement Administrator shall transmit the LWDA Payment to the LWDA.

(e) No later than fourteen (14) calendar days after the PAGA Settlement Administrator receives the Aggrieved Employees List and Total Settlement Amount, the PAGA Settlement Administrator shall transmit the Attorneys' Fees and Costs to Plaintiff's Counsel, unless instructed otherwise by Plaintiff's Counsel. At the request of Plaintiff's Counsel, the PAGA Settlement Administrator may purchase annuities, utilize United States Treasuries and bonds, or utilize any other attorney fee deferral vehicles and any additional expenses associated with doing so will be paid separately by Plaintiff's Counsel.

(f) No later than fourteen (14) calendar days after the PAGA Settlement Administrator receives the Aggrieved Employees List and Total Settlement Amount, the PAGA Settlement Administrator shall transmit the General Release Fee to Plaintiff.

(g) No later than fourteen (14) calendar days after the PAGA Settlement Administrator receives the Aggrieved Employees List and Total Settlement Amount, the PAGA Settlement Administrator shall transmit the Settlement Administration Costs to itself, only after the PAGA Settlement Packages have been mailed to all Aggrieved Employees.

8. **Release of Claims by Plaintiff, Aggrieved Employees, and the State of California.**

(a) Upon the date the Court has entered an order approving the Settlement Agreement and full funding of the Total Settlement Amount, and except as to the rights and obligations created by this Settlement Agreement, Plaintiff and the State of California with

respect to Aggrieved Employees, will be deemed to have knowingly and voluntarily released and forever discharged Defendant, including Defendant's parent corporation, franchisees, affiliates, subsidiaries, divisions, predecessors, insurers, successors and assigns, and their current and former employees, attorneys, officers, directors and agents thereof, both individually and in their business capacities, and their employee benefit plans and programs and the trustees, administrators, fiduciaries and insurers of such plans and programs (collectively, the "Released Parties"), to the full extent permitted by law, of and from the Action and from any and all claims, arising during the PAGA Period, for civil penalties under the California Labor Code, Wage Orders, and/or regulations, pursuant to California Labor Code section 2698, *et seq.* ("PAGA") as well as any interest, fees, and costs available under PAGA, including but not limited to, for failure to pay minimum, regular, and overtime, failure to provide compliant meal periods and associated premiums, failure to provide compliant rest periods and associated premiums, failure to timely pay wages during employment, failure to timely pay wages upon termination, failure to provide compliant and accurate wage statements, failure to maintain complete and accurate payroll records, failure to reimburse necessary business-related expenses and costs, and for violations of California Labor Code sections 201, 202, 203, 204, 226(a), 226.7, 510, 512(a), 551, 552, 558, 1174(d), 1194, 1197, 1197.1, 1198, 2800, and 2802 and Industrial Welfare Commission Wage Orders, including *inter alia*, Wage Orders 4-2001, 5-2001, and 16-2001 (collectively, the "Released Claims").

(b) Upon the date the Court has entered an order approving the Settlement Agreement and full funding of the Total Settlement Amount, and except as to the rights and obligations created by this Settlement Agreement, Plaintiff has agreed to separate individual settlement agreement whereby Plaintiff, individually and on behalf of his heirs, executors, administrators, representatives, attorneys, successors and assigns, will be deemed to have knowingly and voluntarily released and forever discharged Released Parties, to the full extent permitted by law, from any and all claims of every nature whatsoever, known or unknown, suspected or unsuspected, which Plaintiff has or may have as of the date the Court has entered an order approving the Settlement Agreement. This broader release includes, but is not limited to, all claims arising directly or indirectly from Plaintiff's employment with Defendant and the termination of that employment, including without limitation claims arising under federal, state, or local laws and claims for unpaid wages, penalties, liquidated damages, breach of contract, breach of the implied covenant of good faith and fair dealing, infliction of emotional distress, wrongful or retaliatory discharge, harassment, discrimination, defamation, impairment of economic opportunity, and violations of public policy, the Fair Labor Standards Act, the California Labor Code, the California Fair Employment and Housing Act, the California Business and Professions Code, the California Constitution, the Civil Rights Act of 1866, Title VII of the Civil Rights Act of 1964, and the Americans with Disabilities Act of 1990. With respect to those claims released by Plaintiff in an individual capacity, Plaintiff acknowledges and waives any and all rights and benefits available under California Civil Code Section 1542, which provides:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

Plaintiff understands and agrees that claims or facts in addition to or different from those which are now known or believed by him to exist may hereafter be discovered. It is Plaintiff's intention

to, upon the date the Court has entered an order approving the Settlement Agreement and full funding of the Total Settlement Amount, settle fully and release all claims he now has against the Released Parties, whether known or unknown, suspected or unsuspected. Notwithstanding the above, the general release by Plaintiff shall not extend to claims for workers' compensation benefits, claims for unemployment benefits, or other claims that may not be released by law.

9. **Governing Law and Interpretation.**

(a) This Settlement Agreement shall be governed and conformed in accordance with the laws of the State of California. Should any non-material provision of this Settlement Agreement be declared illegal or unenforceable by any court of competent jurisdiction and should that provision be incapable of being modified to be enforceable, such provision immediately shall become null and void, leaving the remainder of this Settlement Agreement in full force and effect.

(b) In the event of a breach of any provision of this Settlement Agreement, any Party reserves the right to institute an action specifically to enforce any term or terms of this Settlement Agreement or seek damages for breach. In an action to enforce any term or terms of this Settlement Agreement or to seek damages for breach of this Settlement Agreement, the prevailing Party in that action shall be entitled to recover reasonable attorney's fees and costs from the non-prevailing Party.

10. **Amendment.** This Settlement Agreement may not be modified, altered or changed except in writing and signed by both Parties' counsel, wherein specific reference is made to this Settlement Agreement, subject to approval by the Court.

11. **Miscellaneous.**

(a) The Parties agree to stay all proceedings in the Action, including with respect to California Code of Civil Procedure section 583.310, except such proceedings necessary to implement and complete the Settlement, pending approval of the Settlement.

(b) This Settlement Agreement may be signed in counterparts, each of which shall be deemed an original, but all of which, taken together shall constitute the same instrument. A signature made on a faxed or electronically transmitted copy of the Settlement Agreement or a signature transmitted by facsimile or electronic mail shall have the same effect as the original signature.

(c) The section headings used in this Settlement Agreement are intended solely for convenience of reference and shall not in any manner amplify, limit, modify or otherwise be used in the interpretation of any of the provisions hereof.

(d) This Settlement Agreement was the result of negotiations between the Parties and their respective counsel with the assistance of the third-party mediator, Hon. Peter J. Wilson (Ret.). In the event of vagueness, ambiguity or uncertainty, this Settlement Agreement shall not be construed against the Party preparing it but shall be construed as if both Parties prepared it jointly, and the Parties may present their disputes to the mediator to resolve any vagueness, ambiguity, or uncertainty.

(e) If Plaintiff or Defendant fail to enforce this Settlement Agreement or to insist on performance of any term, that failure does not mean a waiver of that term or of the Settlement Agreement. The Settlement Agreement remains in full force and effect anyway.

(f) Other than information necessary to secure Court approval of this Settlement Agreement and the settlement contained herein, the Parties agree to keep confidential all matters relative to this Settlement Agreement, including the claims asserted by Plaintiff in the Action and PAGA Notice, and the settlement terms, including the facts and circumstances leading up to it. None of the Parties will issue any press release or other disclosure regarding the Settlement Agreement and/or settlement other than as necessary to obtain Court approval or effectuate the settlement and release terms. Plaintiff further agrees that neither he, nor his respective counsel, will discuss the existence of this Settlement Agreement except as necessary to effectuate its terms or as otherwise required by law, including any and all obligations towards the LWDA and warranted responses to inquiries and/or concerns from Aggrieved Employees. The Parties may, however, discuss the terms of this Settlement Agreement with their spouses, attorneys, financial advisors, tax advisors, and accountants as necessary for tax related purposes, or upon a valid court order, at which time the individual receiving information about the terms of this Settlement Agreement shall be informed that the terms of this Settlement Agreement are confidential, and the individual may not reveal or disclose to any third party the terms of the Settlement Agreement. Nothing herein will restrict Plaintiff's Counsel from including publicly available information regarding this Settlement in future judicial submissions regarding Plaintiff's Counsel's qualifications and experience.

(g) The Parties acknowledge that they have been represented by counsel throughout all negotiations that preceded the execution of this Settlement Agreement, and that this Settlement Agreement has been executed with the consent and advice of counsel, and reviewed in full.

HAVING ELECTED TO EXECUTE THIS SETTLEMENT AGREEMENT, TO FULFILL THE PROMISES, AND TO RECEIVE THE CONSIDERATION SET FORTH ABOVE, PLAINTIFF AND DEFENDANT, FREELY AND KNOWINGLY, AND AFTER DUE CONSIDERATION, ENTER INTO THIS SETTLEMENT AGREEMENT.

IN WITNESS WHEREOF, the Parties hereto knowingly and voluntarily executed this Settlement Agreement as of the date set forth below:

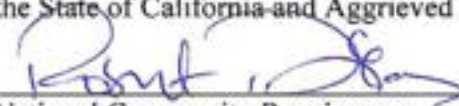
Date: Nov 16, 2025



John Franklin (Nov 16, 2025 19:36:39 PST)

John Franklin
Individually and On Behalf of
the State of California and Aggrieved Employees

Date: 11/16/2025



National Community Renaissance
By: Robert Diaz
Its: EVP & General Counsel

Exhibit A

<<Mailing Date>>

To: <<First Name>><<Last Name>>
<<Street Address>>
<<City>> <<State>> <<Zip>>

Re: Settlement Payment from *John Franklin v. National Community Renaissance*, San Bernardino County Superior Court Case No. CIVSB2209612

Dear <<First Name>><<Last Name>>:

Please find enclosed a check in the amount of <<amount of payment>> ("Individual Settlement Share"). This check is your payment from the settlement in the lawsuit entitled *John Franklin v. National Community Renaissance*, San Bernardino County Superior Court Case No. CIVSB2209612 ("Action").

The lawsuit was filed on May 10, 2022 by John Franklin ("Plaintiff") against his former employer, on behalf of the State of California, with respect to himself and other alleged aggrieved employees, to seek recovery of civil penalties pursuant to the Private Attorneys General Act of 2004, California Labor Code § 2698, *et seq.* ("PAGA"), for multiple alleged violations of the California Labor Code and Industrial Welfare Commission Wage Orders, including, *inter alia*, for failure to properly pay minimum and overtime wages, failure to provide compliant meal and rest periods and associated premiums, failure to pay wages during employment and upon termination, failure to provide compliant wage statements, failure to maintain requisite payroll records, and failure to reimburse business expenses. Prior to filing the lawsuit, Plaintiff submitted a first letter and then an amended letter to the California Labor and Workforce Development Agency ("LWDA") on behalf of Plaintiff, to notify the LWDA and Defendant pursuant to the Private Attorneys General Act of 2004, Labor Code section 2698, *et seq.* ("PAGA") of Plaintiff's intent to seek civil penalties under PAGA for Defendant's alleged violations of California Labor Code sections 201, 202, 203, 204, 226(a), 226.7, 510, 512(a), 551, 552, 558, 1174(d), 1194, 1197, 1197.1, 1198, 2800, and 2802 and Industrial Welfare Commission Wage Orders, including *inter alia*, Wage Orders 4-2001, 5-2001, and 16-2001 in LWDA Case Number LWDA-CM-871684-22 (collectively, the "PAGA Notice").

A settlement was reached between Plaintiff and Defendant National Community Renaissance ("Defendant"). In agreeing to this settlement, Defendant does not admit that it is liable in any way for any penalties. In fact, Defendant denies all claims asserted in the Action and maintains that it fully complies with all applicable wage and hour laws.

On << Date>>, the settlement was approved by the Court, with a portion to be paid to the LWDA and a portion to be paid to all current and former hourly-paid or non-exempt individuals employed by Defendant within the State of California at any time during the PAGA Period ("Aggrieved Employees"). The period March 11, 2019 through March 5, 2025 is the "PAGA Period".

You are receiving a portion of the settlement (the enclosed Individual Settlement Share) because you have been identified as an Aggrieved Employee. Your Individual Settlement Share is based on the total number of pay periods that you worked for Defendant in California during the PAGA Period. The Individual Settlement Share is considered to be 100% penalties, which will be reported on an IRS Form 1099. You are responsible for paying any and all taxes that may be due as a result of any payment issued to you under the settlement and should consult a tax advisor regarding the tax consequences of such payment.

Under the settlement, as of <<date of entry of order by the Court approving the Settlement and full funding of Total Settlement Amount>>, the Released Parties were fully released and forever discharged from any and all Released Claims.

"Released Parties" means Defendant, including Defendant's parent corporation, franchisees, affiliates, subsidiaries, divisions, predecessors, insurers, successors and assigns, and their current and former employees, attorneys, officers, directors and agents thereof, both individually and in their business capacities, and their employee benefit plans and programs and the trustees, administrators, fiduciaries and insurers of such plans and programs.

"Released Claims" means any and all claims, arising during the PAGA Period, for civil penalties under the California Labor Code, Wage Orders, and/or regulations, pursuant to California Labor Code section 2698, *et seq.* ("PAGA") as well as any interest, fees, and costs available under PAGA, including but not limited to, for failure to pay minimum, regular, and overtime, failure to provide compliant meal periods and associated premiums, failure to provide compliant rest periods and associated premiums, failure to timely pay wages during employment, failure to timely pay wages upon termination, failure to provide compliant and accurate wage statements, failure to maintain complete and accurate payroll records, failure to reimburse necessary business-related expenses and costs, and for violations of California Labor Code sections 201, 202, 203, 204, 226(a), 226.7, 510, 512(a), 551, 552, 558, 1174(d), 1194, 1197, 1197.1, 1198, 2800, and 2802 and Industrial Welfare Commission Wage Orders, including *inter alia*, Wage Orders 4-2001, 5-2001, and 16-2001.

The enclosed check is valid for 90 days from the original date of issuance and mailing, and if it is not cashed, deposited, or otherwise negotiated within the 90-day timeframe, it will be cancelled, and the funds associated with the cancelled check will be transmitted to the State Controller's Office Unclaimed Property Division in your name and in the amount of your respective Individual Settlement Share.

EXHIBIT A – COVER LETTER

Do not call or write the Court, Office of the Clerk of the Court, Defendant, or Defendant's counsel to ask questions about the settlement or to ask tax-related questions. If you have any such questions, you may contact [PAGA Settlement Administrator] at [toll-free phone number] or via email at [insert email address].

EXHIBIT 2

JOHN FRANKLIN V. NATIONAL COMMUNITY RENAISSANCE
San Bernardino County Superior Court Case No. CIVSB2209612 (“State Action”)
ADR Services Case No. 23-4171-JZ (“Arbitration Action”)

SWEENEY LAW, PC ATTORNEY TASK AND TIME CHART

Task	Time
Investigation and Research / Due Diligence	
Meet and Communicate with Plaintiff John Franklin (“Plaintiff”) during the Case	18.90
Pleadings and Court Filings	
Draft, Review, and/or Revise Notice of Association of Counsel (filed on September 3, 2024) (State Action)	0.40
Review Defendant’s Case Management Statement (filed on November 22, 2024) (State Action)	0.10
Meet and Confer with Defendants’ Counsel, and Draft, Review and Revise Joint Case Management Conference Statement (filed on November 26, 2024) (State Action)	1.40
Review Notice of Change of Address or Other Contact Information (filed on January 14, 2025) (State Action)	0.10
Review Notice of Change of Address or Other Contact Information (filed on January 14, 2025) (Arbitration Action)	0.10
Review Defendant’s Case Management Conference Statement (served on March 18, 2025) (State Action)	0.10
Meet and Confer with Defendants’ Counsel, and Draft, Review and Revise Joint Case Management Conference Statement (filed on April 1, 2025) (State Action)	1.10
Review Court’s Minute Order Re: Further Case Management Conference (filed on April 2, 2025) (State Action)	0.10

Meet and Confer with Defendants' Counsel, and Draft, Review and Revise Joint Case Management Conference Statement (filed on September 22, 2025) (State Action)	0.90
Review Court's Minute Order Re: Further Case Management Conference (filed on September 29, 2025) (State Action)	0.10
Meet and Confer with Defendants' Counsel and Co-Counsel, and Draft, Review and Revise Joint Stipulation to Shorten Briefing Time on Plaintiff's Motion for Approval of Private Attorneys General Act Settlement; [Proposed] Order (submitted on November 19, 2025) (State Action)	1.80
Appearances	
Prepare for, Remotely Attend, and Compile Notes of Case Management Conference (April 2, 2025) (State Action)	2.00
Prepare for, Remotely Attend, and Compile Notes of Case Management Conference (September 29, 2025) (State Action)	0.70
Letters and Correspondence	
Draft, Review, and/or Revise Correspondence to, Respond to Correspondence from, and Telephonically communicate with, Defendants' Counsel	13.60
Meet with, Draft, Review, and/or Revise Correspondence to, a Respond to Correspondence from, and Telephonically communicate with, Co-Counsel	16.50
Draft, Review, and/or Revise Correspondence to, and Respond to Correspondence from, and telephonically communicate with mediator, (Hon.) Peter J. Wilson, following mediation.	1.60
Draft, Review, and/or Revise Correspondence to, and Respond to Correspondence from, and telephonically communicate with ADR Services regarding issues with postponed Arbitration Proceedings	1.30
Mediation/Settlement	
Review and Analyze Information, Data, and Documents Obtained from Plaintiff, Defendant, and Other Sources, and Prepare for Mediation, Including Researching Settlement-Related and Merits-Related Issues, Drafting the Mediation Brief and Compiling the Mediation Exhibits in Support of Plaintiff's Mediation Brief (submitted March 4, 2025), Communicating with Data Expert, and Performing Penalties Analysis and Calculations	29.40

Attend Full Day Mediation with (Hon.) Peter J. Wilson (Ret.)	8.00
Review and Analyze Mediator's Proposal with Plaintiff (issued March 7, 2025; not accepted)	1.40
Review and Analyze Mediator's Proposal with Plaintiff (issued April 25, 2025; accepted)	0.90
Draft, Review with Plaintiff, Revise, Negotiate, and/or Finalize Memorandum of Understanding Re: PAGA Representative Action Settlement (executed on November 6, 2025)	6.40
Draft, Review, Revise, Negotiate, and/or Finalize Private Attorneys General Act Settlement Agreement and Release (executed on November 16, 2025) and Draft Related Cover Letter to Aggrieved Employees	4.20
Law and Motion	
Research and Preliminarily Draft Motion for Order Allowing Plaintiff to Withdraw from Arbitration (not filed)	2.40
Research and Draft, Review, and Revise Plaintiff's Motion for Preliminary Approval of Private Attorneys General Act Settlement Agreement, including Memorandum of Points and Authorities in Support Thereof; Declaration of Charles T. Sweeny in Support Thereof, Declaration of Helene Mayer in Support Thereof; Declaration of Plaintiff John Franklin in Support Thereof, and [Proposed] Order and Judgment Granting Approval of Private Attorneys General Act Settlement Agreement (contemplated to be filed on November 26, 2025)	18.20
Total Hours:	130.20

EXHIBIT 3



CLASS ACTION ADMINISTRATION SOLUTIONS

PHOENIX

CASE ASSUMPTIONS

Class Members	900
Opt Out Rate	N/A
Opt Outs Received	
Total Class Claimants	900
Subtotal Admin Only	\$8,257.70

Flat Fee Total **\$8,000.00**

For 900 Class Members

Pricing Good for Scope of Estimate Only

All Aspects of Escheating to the State of CA Included

November 25, 2025

Case: Franklin v. National Community Renaissance, PAGA Administration

Phoenix Contact: Michael E. Moore
Contact Number: 949.331.0131
Email: mike@phoenixclassaction.com

Requesting Attorney: Charlie Sweeny
Firm: Sweeny Law, PC
Contact Number: 818-684-2694
Email: charlie@sweenylaw.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 **900** Class 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	\$100.00	2	\$200.00
Programming Database & Setup	\$100.00	2	\$200.00
Toll Free Setup*	\$100.00	1	\$100.00
Call Center & Long Distance	\$2.50	144	\$360.00
NCOA (USPS)	\$200.00	1	\$200.00
Total			\$1,060.00

* Up to 120 days after disbursement

Data Merger & Scrub / PAGA Letter & Check / Postage

Project Action	Rate	Hours/Units	Line Item Estimate
Notice Packet Formatting	\$100.00	1	\$100.00
Data Merge & Duplication Scrub	\$0.09	900	\$81.00
PAGA Letter and Check Packet	\$1.00	900	\$900.00
Estimated Postage (up to 1 oz.)*	\$0.70	900	\$630.00
Total			\$1,711.00

* 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 PAGA Packets / Tracking & Programming Undeliverables			
Project Action:	Rate	Hours/Units	Line Item Estimate
Case Associate	\$55.00	4	\$220.00
Skip Tracing Undeliverables	\$0.75	194	\$145.50
Remail PAGA Packets	\$1.00	191	\$191.00
Estimated Postage	\$0.70	191	\$133.70
Programming Undeliverables	\$50.00	1	\$50.00
Total			\$740.20

Case Management			
Project Action:	Rate	Hours/Units	Line Item Estimate
Case Associate	\$55.00	7	\$385.00
Case Manager	\$85.00	5	\$425.00
Total			\$810.00

Calculation & Disbursement Programming/ Create & Manage QSF/ Mail Checks			
Project Action:	Rate	Hours/Units	Line Item Estimate
Programming Calculations	\$135.00	1	\$135.00
Disbursement Review	\$135.00	1	\$135.00
Programming Manager	\$95.00	2	\$190.00
QSF Bank Account & EIN	\$135.00	1	\$135.00
Check Run Setup & Printing	\$135.00	8	\$1,080.00
Total			\$1,675.00

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



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	\$80.00	2	\$160.00
Remail Undeliverable Checks (Postage Included)	\$1.50	101	\$151.50
Case Associate	\$55.00	3	\$165.00
Reconcile Uncashed Checks	\$85.00	4	\$340.00
Conclusion Reports	\$115.00	2	\$230.00
Case Manager Conclusion	\$85.00	2	\$170.00
Final Reporting & Declarations	\$115.00	3	\$345.00
QSF Annual Tax Reporting *	\$700.00	1	\$700.00
(State Tax Reporting & Escheating Uncashed Checks to the State of CA included)			
		Total	\$2,261.50

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

Estimate Total: \$8,257.70



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.