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**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF CONTRA COSTA**

STEPHEN JARAMILLO, as an individual
and on behalf of all others similarly
situated,

Plaintiff,

vs.

USS-UPI, LLC, a Delaware limited
liability company formerly known as
USS POSCO Industries; and DOES 1
through 50, inclusive,

Defendants.

Case No.: C22-00641

(Assigned to the Honorable Charles S. Treat,
Dept. 12)

**DECLARATION OF MAX W. GAVRON IN
SUPPORT OF PLAINTIFF'S MOTION TO
APPROVE SETTLEMENT AGREEMENT
PURSUANT TO THE PRIVATE
ATTORNEYS GENERAL ACT OF 2004**

Date: TBD
Time: 8:30 A.M.
Dept.: 12

Complaint Filed: April 7, 2022
Trial Date: None Set

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1. I am an attorney at law duly admitted to practice before all courts in the State of California and am a member of the law firm of the Diversity Law Group, P.C., one of the attorneys of record for Plaintiff Stephen Jaramillo (“Plaintiff”) in the above-entitled action. I have personal knowledge of the matters set forth herein, and if called upon as a witness to testify to the matters herein, I could and would competently do so.

Plaintiff sent notice to the Labor and Workforce Development
e of his intent to pursue a representative PAGA action against
endant”), on behalf of himself and the State of California, as
ved employees (the “PAGA Notice”).

4. On May 9, 2022, Plaintiff amended the complaint, adding a cause of action for violation of the PAGA, Labor Code § 2698, *et seq.*

6. On July 20, 2022, Plaintiff filed the Second Amended Complaint. The Second Amended Complaint alleges a single cause of action for violation of Labor Code § 2698, *et seq.*, predicated on an underlying violation of Labor Code § 204.

8. Thereafter, the Parties agreed to engage in mediation before neutral Louis Marlin,

1 Esq. In connection with the mediation, Defendant provided Plaintiff and his counsel with
2 information about the number of aggrieved employees, the number of pay periods at issue, and
3 other data to analyze Defendant's potential liability. Based on this information, the Parties
4 conducted settlement negotiations.

5 9. The Parties engaged in mediation on July 20, 2023. After continued arm's length
6 negotiations facilitated by Mr. Marlin following the mediation, with each Party having had the
7 opportunity to consider all known facts and circumstances, the Parties agreed to terms for
8 complete settlement of the Action.

9 10. The Parties have agreed to settle the Action pursuant to the terms and conditions
10 of the Private Attorneys General Act Settlement Agreement and Release ("Settlement
11 Agreement" or "SA"), a true and correct copy of which is attached to this declaration as **Exhibit**
12 **A**.

13 **POTENTIAL PENALTIES**

14 11. Prior to mediation, Defendant provided the number of aggrieved employees, the
15 number of pay periods at issue, and other data for analysis, which permitted Plaintiff to analyze
16 Defendant's potential exposure and liability. As detailed in the Settlement Agreement, there are
17 approximately 609 aggrieved employees or "PAGA Members" and approximately 32,500 pay
18 periods at issue during the time encompassed by this settlement. SA ¶ 3(a)(5).

19 12. Labor Code § 210 provides the penalty structure for violations of Labor Code §
20 204 where an employee's wages are unlawfully withheld, and provides \$100 for initial
21 violations, and \$200 for subsequent ones, plus 25 percent of the amount unlawfully withheld.
22 Lab. Code § 210. The PAGA's default penalty structure also provides \$100 for the initial
23 violation and \$Defendant's potential exposure could be as high as \$6.44 million if the Court
24 were to award a \$100 penalty for an initial violation and a \$200 penalty for each subsequent
25 violation during each pay period encompassed by the proposed settlement $[(32,500 \times \$200) -$
26 $(609 \text{ PAGA Members} \times \$100) = \$6,439,100]$. However, Defendant argued that its exposure was
27 significantly less because it always complied with the law. Defendant also argued that it was
28 exempt from the requirements of Labor Code § 204 because it had a valid collective bargaining

1 agreement. Labor Code § 204(c) provides an exemption for the rules regarding the timing of
2 payment where employees are covered by a valid collective bargaining agreement that provides a
3 different payment schedule. The Parties debated whether the collective bargaining agreement at
4 issue satisfied the exemption requirement. Had Defendant been successful in its argument,
5 Plaintiff's claim would have been completely extinguished.

6 13. While the PAGA does provide for a potentially heightened penalty of \$200 for
7 "subsequent" violations, many courts do not award that penalty unless there has been a prior
8 citation by the LWDA or court ruling demonstrating that the employer previously violated the
9 Labor Code. *Amaral v. Cintas Corp. No. 2*, 163 Cal. App. 4th 1157, 1209 (2008); *accord*
10 *Amalgamated Transit Union Local 1309 v. Laidlaw Transit Service, Inc.*, 2009 WL 2448430,
11 at *9 (S.D. Cal. Aug. 10, 2009) ("[u]nder California law, courts have held that employers are
12 not subject to heightened penalties for subsequent violations unless and until a court or
13 commissioner notifies the employer that it is in violation of the Labor Code"); *see also*
14 *Bernstein v. Virgin Am., Inc.*, 3 F.4th 1127, 1144 (9th Cir. 2021) (holding no subsequent
15 penalty unless prior citation or court ruling). Thus, Defendant argued that even if Plaintiff was
16 able to establish any violation of the Labor Code, the PAGA penalties assessed for these
17 violations will be computed at the \$100 rate, as opposed to the \$200 per pay period rate at
18 maximum, and there is a likelihood that a further reduction of the penalty would be appropriate
19 given Defendant's good faith efforts to comply with the Labor Code and their contentions that
20 they complied with the Labor Code at all times, had a proper collective bargaining agreement
21 that provided an alternate timing for payment, and any alleged violations did not cause real
22 harm to employees who received all wages due and owing.

23 14. Defendant also argued that even if Plaintiff prevailed, the recoverable penalties
24 under PAGA are minimal. Indeed, courts often significantly reduce the penalties awarded. *See*
25 *Carrington v. Starbucks Corporation*, 30 Cal. App. 5th 504, 517 (2018) (approving PAGA
26 penalty reduction to \$5 per pay period); *accord Atempa v. Pedrazzani*, 27 Cal. App. 5th 809
27 (2018). If the Court in this case were to reduce penalties as was approved in *Carrington*, the
28 potential exposure would be significantly less, falling somewhere close to \$162,500 (32,500 x

1 \$5).

2 15. Under the circumstances of this case, the payment of \$1,000,000.00 in civil
3 penalties is fair, adequate, and reasonable. The payment of \$1,000,000.00 in exchange for a
4 release of only those claims for civil penalties that are pleaded in the action or that could have
5 been pleaded based on the facts alleged in the Operative Complaint will have a substantial
6 deterrent effect on Defendant and other California employers and will confer benefits on the
7 PAGA Members, who will each receive a portion of the settlement, and the LWDA. This is
8 approximately 15.5% of the calculated maximum exposure ($\$1,000,000.00 \div \$6,439,100.00$),
9 and a significantly higher percentage if the Court were to reduce the PAGA penalties, as done in
10 *Carrington*. While Labor Code § 210 provides for the possibility of an award of 25% of the
11 wages unlawfully withheld, it is still subject to the Court's discretion to reduce penalties under
12 the PAGA and the considerations addressed above. Section 210(c) also provides that "An
13 employee is only entitled to either recover the statutory penalty provided for in this section or to
14 enforce a civil penalty as set forth in subdivision (a) of Section 2699, but not both, for the same
15 violation." Accordingly, the analysis of Defendant's potential exposure and the reasonableness
16 of the settlement demonstrates that the settlement is fair, reasonable, and consistent with
17 PAGA's policies and purposes under these circumstances.

18 **SUMMARY OF THE MONETARY TERMS OF THE SETTLEMENT**

19 16. The Parties have agreed that Defendant will fund the Total Settlement Amount of
20 \$1,000,000.00. SA ¶ 3(a). The Settlement Agreement allocates approximately one-third of the
21 Total Settlement Amount for attorneys' fees, or \$333,333.33, up to \$25,000.00 in litigation costs
22 incurred by Plaintiff's counsel ("PAGA Counsel"), \$10,000.00 to Plaintiff for a service award,
23 and up to \$6,250.00 for settlement administration costs. *Id.* ¶¶ 3(a)(1)-(3). The remainder (or Net
24 Settlement Amount) is allocated to the payment of civil penalties under PAGA, 75% of which is
25 for distribution to the LWDA and 25% of which is for distribution to the PAGA Members on
26 whose behalf Plaintiff filed this action, as required by PAGA. *Id.* ¶¶ 3(a)(4)-(5).

27 17. Based on the potential exposure discussed above, the PAGA penalties total
28 approximately \$6.44 million. As such, PAGA Counsel estimates that the settlement value is

1 approximately 15.5% of the maximum exposure.

2 18. Each PAGA Member will receive a payment proportionate to the number of pay
3 periods worked during the PAGA Period (“Individual Settlement Share”). *See* SA ¶ 7(a)(1). Each
4 Individual Settlement Share will be considered the payment of penalties and treated as IRS Form
5 1099 income. *See* SA ¶ 7(a)(2).

6 19. Any checks not cashed by PAGA Members will be voided and the unclaimed
7 amount will be forwarded to the State of California Controller’s Unclaimed Property Division in
8 the name of the respective PAGA Members. *See* SA ¶ 7(b)(4).

9 20. In exchange for the monetary benefits of the settlement, the PAGA Members will
10 provide the following release:

11 Upon the date the Court has entered an order and/or judgment
12 approving the Settlement Agreement, and except as to the rights and
13 obligations created by this Settlement Agreement, Plaintiff, the State
14 of California, and each of the PAGA Members will be deemed to
15 have knowingly and voluntarily released and forever discharged
16 Defendant and its parent corporation, affiliates, subsidiaries, joint
17 ventures, related entities, divisions, predecessors, insurers,
18 reinsurers, successors, and assigns, including but not limited to,
19 United States Steel Corporation, POSCO-California Corporation,
20 and USS-POSCO Industries, and their current and former
21 employees, attorneys, officers, directors, executives, managers,
22 members, owners, shareholders, representatives, administrators and
23 agents thereof, both individually and in their business capacities,
24 and their employee benefit plans and programs and the trustees,
25 administrators, fiduciaries, and insurers of such plans and programs,
26 both individually and in their business capacities, and any individual
27 or entity that could be liable for any of the Released Claims as
28 defined below (collectively, the “Released Parties”), to the full
extent permitted by law, of and from the PAGA Action and from
any and all claims, arising during the PAGA Period, for civil
penalties under California Labor Code section 2698, et seq.
 (“PAGA”) as well as any interest, fees, and costs available under
PAGA, based on the factual allegations in the Operative Complaint
and PAGA Notice, which occurred during the PAGA Period,
including claims for civil penalties under PAGA premised on the
violation of Labor Code section 204 (time period for payment of
wages) as well as Labor Code section 210 as it relates to Labor Code
section 204.[sic] (collectively, the “Released Claims”).

SA¶ 8(a). These claims are defined as the Released Claims. *Id.*

21. The Parties recognize the risk, expense, and delay in continuing litigation with the PAGA claims, and believe the settlement to be fair, reasonable, and adequate.

22. Each side has apprised the other of their respective factual contentions, legal theories, and defenses, resulting in negotiations taking place between the Parties.

23. From the inception of the case, PAGA Counsel have zealously represented the interests of the PAGA Members. PAGA Counsel have engaged in written discovery and meet and confer discussions with opposing counsel to obtain informal data and to discuss the merits of the claims on behalf of the PAGA Members. The settlement was obtained for the benefit of the PAGA Members, as opposed to the individual Plaintiff.

24. Further, PAGA Counsel have significant experience in the area of employment and wage and hour class and representative actions. PAGA Counsel's practice focuses on representing employees in employment matters, particularly wage and hour cases on a contingency basis.

ATTORNEY EXPERIENCE

25. My qualifications are as follows: I received a full-tuition scholarship, and graduated from Southwestern Law School in 2013, magna cum laude. I was in the top 5% of my class. During my time at Southwestern, I was a Notes and Comments Editor on the Southwestern Law Review. I also received awards for achieving the highest grade in my class in several courses. In 2012, I was a full-time extern, at the United States District Court for the Central District. Immediately after law school, I taught several courses at Southwestern, including Principles of Legal Analysis and Legal Methods. I taught those courses for approximately four years.

26. I practiced civil litigation at Haight Brown & Bonesteel LLP from approximately September 2013, through January 2016. I was third-chair in a federal court jury trial that resulted in a defense verdict in our client's favor on a \$21 million commercial breach of contract dispute. I also regularly litigated cases across the civil litigation spectrum, including employment matters.

27. From February 2016, through Fall 2017, I practiced at the international law firm

1 of Arnold & Porter, which had recently merged with Kaye Scholer, LLP. I defended Fortune 50
2 companies in Multi-District Litigation primarily in the product liability sphere. I also
3 successfully drafted an appellate brief in the Ninth Circuit resulting in the reversal of a summary
4 judgment decision regarding trade secret issues, in addition to working in several other practice
5 groups. *See Experian Info. Solutions v. Nationwide Marketing Servs. Inc.*, 893 F.3d 1176 (9th
6 Cir. 2018).

7 28. From September 2017, through September 2018, I served as a law clerk to a
8 Judge sitting on the United States District Court, Central District of California. I regularly
9 prepared bench memoranda, on cases involving all types of civil litigation, including regularly
10 working on wage and hour class actions.

11 29. I am currently an attorney at the law firm Diversity Law Group, P.C., an
12 employment law firm that has handled numerous wage and hour class and individual actions, on
13 both plaintiff and defense sides. My current practice focuses on employment matters involving
14 both class actions, and single plaintiffs. The firm currently has cases in the Los Angeles Superior
15 Courts, the Orange County Superior Courts, the San Diego County Superior Courts, and the
16 United States District Courts for the Central, Northern, and Eastern Districts of California. I am
17 currently handling, or have handled, numerous wage and hour class action lawsuits with the firm,
18 including, but not limited to: *Agar v. Sensient Natural Ingredients, LLC* (Case No. CV-19-
19 001906, Stanislaus County Superior Court); *Heredia v. Eddie Bauer LLC* (Case No.
20 16CV300475, United States District Court, Northern District of California); *Parsons v. Estenson*
21 *Logistics, LLC* (Case No. 34-2019-00252929, Sacramento County Superior Court); *Wood v.*
22 *Reeve Trucking Co., Inc.* (Case No. STK-CV-UOE-2018-0004414, San Joaquin County Superior
23 Court); *Coronel v. Pinnacle Agriculture* (Case No. 18CV004287, Monterey County Superior
24 Court), and *Tice v. Trader Joe's Company* (Case No. 20CV00892, Santa Barbara County
25 Superior Court), *Hyde v. Prime Now LLC*, Alameda County Superior Court Case No.
26 RG20068286, among others.

27 30. I have been certified as class counsel in a number of cases, including *Smith v.*
28 *Gold Country Health Center, Inc.* (Case No. PC20180491, El Dorado County Superior Court)

1 and *Pantoja v. RAMCO Enterprises, L.P.* (Case No. M126835, Monterey County Superior
2 Court). I have also assisted in numerous wage and hour class action mediations.

3 31. On June 14, 2019, I argued two related cases in front of the Ninth Circuit Court of
4 Appeals. One of them was *Rodriguez v Nike Retail Service Inc.*, Case No. 17-16866. On June 28,
5 2019, the Ninth Circuit issued a published decision, reversing and remanding in favor of our
6 clients. *Rodriguez v. Nike Retail Servs., Inc.*, 928 F.3d 810 (9th Cir. 2019). The related case
7 decision was *Chavez v. Converse, Inc.*, 772 Fed. Appx. 571 (June 28, 2019).

8 32. To date, I have incurred approximately 162.3 hours in connection with the
9 litigation of this lawsuit. I also anticipate spending approximately 5 hours after approval
10 responding to correspondence and phone calls from PAGA Members, the Settlement
11 Administrator, and Defendant's counsel. Attached hereto as **Exhibit B** is a summary of the hours
12 I have incurred to date.

13 33. The total lodestar for my hours will be approximately \$108,745.00 based on an
14 hourly rate of \$650.00 per hour 162.3 hours + 5 anticipated hours) x \$650]. In January 2024, I
15 increased my hourly rate to \$650 per hour. Prior to that, I have been approved at \$600.00 per
16 hour in *Weybrew v. BEI Construction*, Solano County Superior Court Case No. FCS055658
17 (January 14, 2022), *In re See's Candies Wage and Hour Cases*, Case No. JCCP5004 (March 30,
18 2022), *Pevey v. Lumber City Corp*, San Bernardino County Superior Court Case No.
19 CIVDS2010240 (May 2, 2022), *Anguiano v. Mann Packing Co., Inc.*, Monterey County Superior
20 Court Case No. 19CV001178, and *Schneider v. Amazon Retail LLC*, Los Angeles County
21 Superior Court Case No. 21STCV26226 (December 1, 2022), *Hyde v. Prime Now LLC*, Alameda
22 County Superior Court Case No. RG20068286 (August 11, 2023), among others. Prior to that
23 throughout 2020 and 2021, I was approved at an hourly rate of at \$550.00 per hour in *James v*
24 *RADC Enterprises, Inc.*, San Bernardino County Superior Court, Case No. CIV-DS1933035
25 (September 29, 2020), *Hector Luna v. Triple Canopy, Inc.*, Santa Clara County Superior Court,
26 Case No. 19CV345169 (October 22, 2020), *Melbert Magpugay v. Harbor Electronics, Inc.*,
27 Santa Clara County Superior Court Case No. 19CV352547 (January 27, 2021), *Foster v.*
28 *Schindler Elevator Corp.*, Alameda County Superior Court Case no. RG19029640 (March 2,

2021), *Martin v. Streetplus Company, LLC, et al*, Los Angeles Superior Court Case No. 19STCV15522 (July 13, 2021), *Morris v. Blue Mountain Enterprises, LLC*, Solano County Superior Court, Case No. FCS05.858 (August 4, 2021).

34. Based on the hours and applicable rates of myself and my co-counsel, Larry Lee and Kwanporn Tulyathan, the lodestar amount through the finalization of this settlement – without a multiplier – will be approximately \$186,858.00 which results in a modest multiplier of 1.78.

COSTS

35. To date, my firm has incurred costs in the amount of \$11,476.84. These costs were directly incurred in the prosecution of this action, including, but not limited to, filing fees, service fees, and mediation fees. Attached hereto as **Exhibit C** is a true and correct copy of the firm's cost report.

NOTICE TO THE LWDA AND AGGRIEVED EMPLOYEES

36. On January 17, 2024, my office uploaded the instant motion, Settlement Agreement, and proposed order to the LWDA's website. Attached hereto as **Exhibit D** is a true and correct copy of the LWDA confirmation.

37. Attached hereto as Exhibit A to the Settlement Agreement is a true and correct copy of proposed notice to accompany the settlement checks to the PAGA Members. The Settlement Administrator will distribute this notice to the PAGA Members with their settlement checks.

38. I obtained the attached bid from Phoenix Settlement Administrators to distribute the settlement, which I believe is reasonable given the scope of the settlement and my experience in handling PAGA settlements. A true and correct copy of the bid is attached as **Exhibit E**.

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

Executed on this 18th day of January 2024, at Los Angeles, California.


Max W. Gavron
10

EXHIBIT A

**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 Stephen Jaramillo (“Plaintiff”), for himself and as a representative of the State of California and the PAGA Members (as defined in Section 3(a)(5) below), and USS-UPI, LLC (“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 July 2006 through approximately June 2022;

(b) On March 2, 2022, Plaintiff, with the assistance of Diversity Law Group, P.C. (“Plaintiff’s Counsel”), submitted a letter to the California Labor and Workforce Development Agency (“LWDA”), to notify the LWDA 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 section 204, thereby initiating LWDA Case Number LWDA-CM-871115-22 (the “PAGA Notice”);

(c) On April 7, 2022, Plaintiff filed a Class Action Complaint against Defendant for a violation of Labor Code sections 201-203, case No. C22-00641 (the “Action”) in Contra Costa County Superior Court. On May 9, 2022, Plaintiff amended the Class Action Complaint to include a PAGA cause of action based on the alleged violation of Labor Code section 204. On July 18, 2023, the Court signed a stipulation and order dismissing Plaintiff’s Class Action cause of action without prejudice and allowing Plaintiff to file a Second Amended Complaint (the “Operative Complaint”) that only included the PAGA cause of action for alleged violation of Labor Code section 204. Defendant filed an answer to the Operative Complaint on August 22, 2022, denying all allegations.

(e) On July 20, 2023, the Parties mediated the Action with Louis Marlin, and, with the aid of the mediator’s evaluation, the Parties ultimately reached the Settlement described herein to resolve the Action in its entirety;

(f) 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(a) below).

2. **No Admission of Wrongdoing.** The Parties agree that neither this Settlement Agreement nor the furnishing of the consideration for this Settlement Agreement shall be deemed or construed at any time for any purpose as an admission by the Released Parties of wrongdoing or evidence of any liability or unlawful conduct of any kind.

3. **Consideration.**

(a) In consideration for Plaintiff signing this Settlement Agreement and complying with its terms, Defendant shall pay the maximum gross sum of One Million Dollars and No Cents (\$1,000,000.00) (the "Total Settlement Amount") to resolve the Action and Released Claims (as defined herein), which will be paid as follows:

(1) Attorneys' fees in the amount of Thirty-Three Percent (33%) of the Total Settlement Amount, which is Three Hundred Thirty-Three Thousand Thirty-Three Dollars and Thirty-Three Cents (\$333,333.33), and reimbursement of litigation costs and expenses in the amount of up to Twenty-Five Thousand Dollars and No Cents (\$25,000.00) (collectively, "Attorneys' Fees and Costs") to Plaintiff's Counsel, which Defendant will not contest.

(2) A service award of up to the amount of Ten Thousand Dollars and No Cents (\$10,000.00) ("Service Award") to Plaintiff, which Defendant will not contest.

(3) Costs and expenses of administration of the Settlement up to the amount of Six Thousand Two Hundred Fifth Dollars and No Cents (\$6,250.00) ("Settlement Administration Costs") to Phoenix Settlement Administrators (the "PAGA Settlement Administrator").

(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 PAGA Members, defined solely for purposes of this Settlement as all individuals who are or previously were employed by Defendant in California who were classified as non-exempt during the period March 5, 2021 to December 31, 2023 (the "PAGA Members"). The period March 5, 2021 to December 31, 2023 is the "PAGA Period". The PAGA Members are estimated to consist of approximately 609 individuals who worked approximately 32,500 Compensable Pay Periods. If the actual number of Compensable Pay Periods during the PAGA Period is more than five percent (5%) above 32,500 (i.e., more than 34,125), the Total Settlement Amount will be increased proportionally by the pay periods in excess of 34,125. The 25% portion of the Net Settlement Amount payable to PAGA Members is referred to as the "Employees' Portion."

(b) 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, Service Award and the Net Settlement Amount to be paid to the LWDA and PAGA Members 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 PAGA Members, 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, or if final approval is not given following an appeal of the Court's order, 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, after all of the following has occurred: (i) the Settlement Agreement is fully executed by all Parties and their counsel; (ii) the Court has entered an order approving the Settlement Agreement; and (iii) the time period for appealing the Court's order has expired or, if there is an appeal of the Court's order, the appeal has been denied.

(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 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 Benjamin J. Schnayerson of Jackson Lewis P.C. ("Defendant's Counsel") for review and approval prior to filing. The motion for approval of the settlement shall include a request that the court enter judgment, which will resolve and adjudicate all of the claims in the Action, and result in the termination of the Action.

(b) The Parties further agree to cooperate in the 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.

(c) Plaintiff shall comply with all statutory requirements necessary to execute and complete the administration of the Settlement, including providing notice to the LWDA in accordance with Labor Code section 2699(l).

(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 enter judgment in the Action and close the Action based on the Settlement, the entirety of this Settlement Agreement shall be null and void.

7. Payment of PAGA Settlement Sum / 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, within twenty-eight (28) calendar days of the

date provided in Section 5 above. If the date by which 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.

(1) Each PAGA Member 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"), according to Defendant's payroll records. Specifically, to calculate each PAGA Member's share of the Employees' Portion ("Individual Settlement Share"), the PAGA Settlement Administrator shall: (i) for each PAGA Member, divide the number of Compensable Pay Periods he or she individually worked by the total aggregate number of Compensable Pay Periods worked by all PAGA Members, and then (ii) multiply this amount by the Employees' Portion to arrive at each PAGA Member's Individual Settlement Share.

(2) 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. PAGA Members' Individual Settlement Shares will be reported on an IRS Form 1099 as required by the IRS.

(3) The PAGA Members shall be solely and legally responsible for correctly characterizing any payment to them pursuant to this Settlement for tax purposes and for paying any taxes on the amounts received. The PAGA Members agree to indemnify and hold the Released Parties harmless from any claim or liability for taxes, penalties, or interest arising as a result of any payment to them pursuant to this Settlement.

(4) All settlement payments to PAGA Members shall be deemed to be paid to such PAGA Members solely in the year in which such payments actually are received by the PAGA Members. It is expressly understood and agreed that the receipt of such individual settlement awards will not entitle any PAGA Member to additional compensation or benefit plan or agreement in place during the period covered by the Settlement, nor will it entitle any PAGA Member to any increased retirement, 401K benefits or matching benefits, or deferred compensation benefits. It is the intent of this Settlement that the individual settlement payments provided for in this Settlement are the sole payments to be made by Defendant to the PAGA Members, and that the PAGA Members are not entitled to any new or additional compensation or benefits as a result of having received the individual settlement awards.

(b) 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 thirty (30) calendar days after the Court's order granting approval of the Settlement, Defendant shall provide the PAGA Settlement Administrator with a list of all PAGA Members (the "PAGA Members List"), containing the following information for each PAGA Member: (i) first and last name; (ii) last known address; (iii) last known telephone number and/or email address (if available); (iv) Social Security number; (v) dates worked during the PAGA Period; and (vi) Compensable Pay Periods.

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

(3) No later than fourteen (14) calendar days after the PAGA Settlement Administrator receives the PAGA Members 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 PAGA Members 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 PAGA Member 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 PAGA Members shall remain valid for one hundred eighty (180) 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 PAGA Member(s) at issue and in the amount of his or her respective Individual Settlement Share(s).

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

(d) No later than fourteen (14) calendar days after the PAGA Settlement Administrator receives the PAGA Members List and Total Settlement Amount, the PAGA Settlement Administrator shall transmit the Attorneys' Fees and Costs to Plaintiff's Counsel.

(e) No later than fourteen (14) calendar days after the PAGA Settlement Administrator receives the PAGA Members List and Total Settlement Amount, the PAGA Settlement Administrator shall transmit the Service Award to Plaintiff.

(f) Only after the PAGA Settlement Packages have been mailed to all PAGA Members, the PAGA Settlement Administrator receives the PAGA Members List and Total Settlement Amount, the PAGA Settlement Administrator shall transmit the Settlement Administration Costs to itself.

8. **Release of Claims by Plaintiff, PAGA Members, and the State of California.**

(a) Upon the date the Court has entered an order and/or judgment approving the Settlement Agreement, and except as to the rights and obligations created by this Settlement Agreement, Plaintiff, the State of California, and each of the PAGA Members will be deemed to have knowingly and voluntarily released and forever discharged Defendant and its parent corporation, affiliates, subsidiaries, joint ventures, related entities, divisions, predecessors, insurers, reinsurers, successors, and assigns, including but not limited to, United States Steel Corporation, POSCO-California Corporation, and USS-POSCO Industries, and their current and former employees, attorneys, officers, directors, executives, managers, members, owners, shareholders, representatives, administrators 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, both individually and in their business capacities, and any individual or entity that could be liable for any of the Released Claims as defined below (collectively, the “Released Parties”), to the full extent permitted by law, of and from the PAGA Action and from any and all claims, arising during the PAGA Period, for civil penalties under California Labor Code section 2698, et seq. (“PAGA”) as well as any interest, fees, and costs available under PAGA, based on the factual allegations in the Operative Complaint and PAGA Notice, which occurred during the PAGA Period, including claims for civil penalties under PAGA premised on the violation of Labor Code section 204 (time period for payment of wages) as well as Labor Code section 210 as it relates to Labor Code section 204. (collectively, the “Released Claims”).

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 cannot be 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) Other than Plaintiff, Plaintiff’s Counsel represents that they are not currently in communication with any current or former employee of Defendant regarding claims against Defendant aside from the Released Claims and that they have no plans to represent anyone in bringing any claims, actions, charges, or complaints against Defendant. Nothing in this paragraph prevents Plaintiff’s Counsel from maintaining their ethical obligations.

(b) Plaintiff and Plaintiff’s Counsel will keep all terms of this settlement confidential and will not make any public disclosure or social media postings of the dispute, the Settlement, the previously signed memorandum of understanding, or the Settlement Agreement except for what is necessary to obtain approval of this PAGA Settlement from the Court. If comment or information is requested by the media, Plaintiff and Plaintiff’s Counsel will provide no information other than direct the media to the public records of the action on file with the Court. Plaintiff’s Counsel will take all steps necessary to ensure Plaintiff is aware of, and will encourage him to adhere to, the restriction against public disclosure and media comment on the Settlement and its terms. Plaintiff’s Counsel and Plaintiff agree that this Confidentiality term is a material term and that breach of this provision shall be deemed a material breach of this Settlement. The parties agree that breach of this term shall cause irreparable harm.

(c) The Parties agree to stay all proceedings in the Action, except such proceedings necessary to implement and complete the Settlement, pending approval of the Settlement.

(d) 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.

(e) 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.

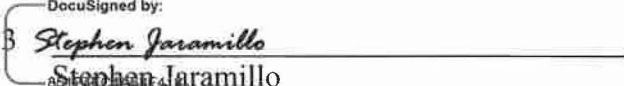
(f) This Settlement Agreement was the result of negotiations between the Parties and their respective counsel under the auspices of mediator Louis Marlin. In the event of vagueness, ambiguity or uncertainty, this Settlement Agreement shall not be construed against the Party preparing it but shall be 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.

(g) 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.

(h) The Court shall retain jurisdiction over the Parties and this matter to enforce terms of the Settlement Agreement under CCP Section 664.6, including after judgment is entered. Should either Party be required to enforce the Settlement Agreement through court action, the prevailing party shall be entitled to reasonable attorneys' fees and costs.

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: December 12, 2023 
 Stephen Jaramillo
 Individually and On Behalf of
 the State of California and PAGA Members

Date: 12/18/23, 2023 

PRIVATE ATTORNEYS GENERAL ACT SETTLEMENT AGREEMENT AND RELEASE

Travis Swenson
V.P. of Administration and Finance

As to Sections 11(a) and (b), and as to content and form

DIVERSITY LAW GROUP

Date: December 12, 2023



Max Gavron
Attorneys for Plaintiff Stephen Jaramillo

Approved as to form and content.

JACKSON LEWIS P.C.

Date: _____, 2023

Benjamin J. Schnayerson
Attorneys for Defendant USS-UPI

Travis Swenson
V.P. of Administration and Finance

As to Sections 11(a) and (b), and as to content and form

DIVERSITY LAW GROUP

Date: _____, 2023 _____
Max Gavron
Attorneys for Plaintiff Stephen Jaramillo

Approved as to form and content.

JACKSON LEWIS P.C.

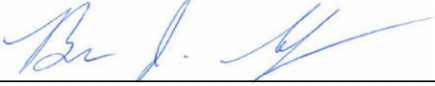
Date: _____ January 5 _____, 2024 _____

Benjamin J. Schnayerson
Attorneys for Defendant USS-UPI

Exhibit A

<<Mailing Date>>

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

Re: Settlement Payment from *Stephen Jaramillo v. USS-UPI, LLC*, Contra Costa County Superior Court Case No. C22-00641

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 *Stephen Jaramillo v. USS-UPI, LLC*, Contra Costa County Superior Court Case No. C22-00641 ("Action").

The lawsuit was filed on April 7, 2022 by Stephen Jaramillo ("Plaintiff") against USS-UPI, LLC, which is his former employer. On May 9, 2022, Plaintiff amended his complaint to be a single cause of action, 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 alleged violation of California Labor Code section 204 – failure to timely pay wages. Prior to filing the lawsuit, on March 2, 2022, Plaintiff submitted a letter to the California Labor and Workforce Development Agency ("LWDA"), pursuant to PAGA, to provide notice of his intent to seek civil penalties under PAGA for Defendant's alleged violation of California Labor Code section 204, thereby initiating LWDA Case Number LWDA-CM-871115-22 (the "PAGA Notice").

Defendant denies all of Plaintiff's allegations and denies any wrongdoing of any kind associated with Plaintiff's allegations.

A settlement was reached between Plaintiff and Defendant USS-UPI, LLC ("Defendant").

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 non-exempt individuals who were employed by Defendant within the State of California and from March 5, 2021 to July 31, 2022 ("PAGA Members"). The period March 16, 2020 to December 31, 2023 is the "PAGA Period".

You are receiving a portion of the settlement (the enclosed Individual Settlement Share) because you have been identified as a PAGA Member. 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>>, the Released Parties were fully released and forever discharged from any and all Released Claims.

"Released Parties" means Defendant and its parent corporation, affiliates, subsidiaries, joint ventures, related entities, divisions, predecessors, insurers, reinsurers, successors, and assigns, including but not limited to, United States Steel Corporation, POSCO-California Corporation, and USS-POSCO Industries, and their current and former employees, attorneys, officers, directors, executives, **managers, members, owners**, shareholders, representatives, administrators 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, both individually and in their business capacities, and any individual or entity that could be liable for any of the Released Claims as defined below.

"Released Claims" means the PAGA Action and from any and all claims, arising during the PAGA Period, for civil penalties under California Labor Code section 2698, et seq. ("PAGA") as well as any interest, fees, and costs available under PAGA, based on the factual allegations in the operative Complaint and PAGA Notice, which occurred during the PAGA Period, including claims for civil penalties under PAGA premised on the violation of Labor Code section 204 (time period for payment of wages) as well as Labor Code section 210 as it relates to Labor Code section 204.

The enclosed check is valid for 180 days from the original date of issuance and mailing, and if it is not cashed, deposited, or otherwise negotiated within the 180-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.

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].

4867-2368-2446, v. 1

EXHIBIT B

Jaramillo v. USS-UPI
Max W. Gavron Time and Task Chart

Hours	Description of Work
18.4	Initial research and review of background facts in preparation for filing of claims; draft PAGA letter; confer with co-counsel re theories of liability and conduct research re same; analysis and research re defendant
8.5	Meet and confer with defense counsel re First Amended Complaint; analysis and research re additional theory of liability premised on violation of Labor Code § 203; additional factual investigation re claim given defense counsel representations.
1.1	Analysis, research, and strategy re assignment to Judge and evaluation re initial court notices.
2.8	Further conferences with co-counsel and defense counsel re Labor Code § 203 claim and anticipated dismissal given evidence produced by Defendant; analyze and review declaration of Marianne Smith provided by Defendant re payment of final wages.
1.9	Draft and revise stipulation to file Second Amended Complaint; confer with defense counsel re same; draft and revise Second Amended Complaint; confer with co-counsel and client re same.
.5	Analyze and review court's order granting leave to file Second Amended Complaint; confer with client and co-counsel re same.
1.1	Draft and revise Case Management Statement for August 2022 conference; prepare for and attend same.
.4	Analyze and review Defendant's answer to Second Amended Complaint.
.2	Draft and revise joint case management conference statement.
2.7	Prepare drafts of initial written discovery requests
18.1	Analyze and review Defendant's responses to written discovery; meet and confer with defense counsel re same; draft and revise meet and confer correspondence; confer with co-counsel re same.
10.1	Analyze, review, and summarize Defendant's document production spanning over 900 pages; further meet and confer efforts with Defendant following review of documents; confer with co-counsel re theories of liability and anticipated defenses.
9.9	Analysis and legal research re defense premised on collective bargaining agreement given Defendant's contentions; analyze and review collective bargaining agreements considering same.
2.6	Meet and confer with defense counsel re anticipated motion for summary judgment premised on collective bargaining agreement; confer with co-counsel re same.

Hours	Description of Work
10.7	Draft and revise memo re anticipated opposition to motion for summary judgment and conduct legal research re same; confer with co-counsel re same.
7.1	Draft and revise notice of deposition of person most qualified; analyze and review documents to prepare same; confer with client and co-counsel re same.
3.2	Meet and confer with defense counsel re PMQ deposition topics and designation of appropriate witness; confer with co-counsel re same.
3.8	Communications with witnesses identified by client and further investigation re claims and defenses.
3.7	Confer with defense counsel re mediation and information required for the same; research potential mediators; confer with co-counsel re same.
6.7	Research re Defendant's corporate entity given representation that operations would close following acquisition by US Steel; determine whether appropriate entity and analyze and strategize re path forward considering same; confer with co-counsel re same and conduct legal research re liability following acquisition.
2.9	Analysis, strategy, and research re information required from defendant to participate in mediation; draft and revise data requests for defense counsel in advance of mediation; confer with co-counsel re the same
8.4	Draft and revise mediation brief; conduct legal research for same; review of case law; analyze and review data provided by Defendants to calculate damages exposure in advance of mediation; confer with co-counsel
1.5	Research re settlements of similar claims to prepare for mediation; confer with co-counsel re same.
12.8	Prepare for, and attend, mediation; confer with and co-counsel client re same.
4.2	Draft and revise memorandum of understanding; meet and confer with defense counsel re same; confer with co-counsel re same.
10.1	Review and revise settlement agreement; conversations with opposing counsel re same; confer with co-counsel re terms of settlement agreement and make revisions considering same
8.9	Draft and revise motion for approval and supporting documents; confer with co-counsel re the same; conduct legal research re same.
162.3	TOTAL HOURS

EXHIBIT C

1/4/2024
8:31 AM

DIVERSITY LAW GROUP
Slip Listing

Page 1

Selection Criteria

Slip.Classification Open
Client (hand select) Include: Jaramillo, Stephen v USS-UP
Slip.Transaction Ty 2 - 2

Rate Info - identifies rate source and level

Slip ID		Timekeeper	Units	Rate	Slip Value
Dates and Time		Activity	DNB Time	Rate Info	
Posting Status		Client	Est. Time	Bill Status	
Description		Reference	Variance		
70928	EXP	Mariana Becerra	1	75.00	75.00
3/2/2022		Court fees			
WIP		Jaramillo, Stephen v USS-UP			
LWDA					
71457	EXP	Olympia	4	0.25	1.00
3/31/2022		Photocopies			
WIP		Jaramillo, Stephen v USS-UP			
Photocopies					
71458	EXP	Olympia	1	12.26	12.26
3/31/2022		Postage			
WIP		Jaramillo, Stephen v USS-UP			
Postage					
71662	EXP	Linda Lee	1	1692.17	1692.17
4/7/2022		Atty Service			
WIP		Jaramillo, Stephen v USS-UP			
Attorney Service - Complaint					
71668	EXP	Linda Lee	1	78.35	78.35
4/8/2022		Atty Service			
WIP		Jaramillo, Stephen v USS-UP			
Attorney Service - Complaint Service					
71712	EXP	Linda Lee	1	112.92	112.92
4/27/2022		Atty Service			
WIP		Jaramillo, Stephen v USS-UP			
Attorney Service - POS of Summons					
72290	EXP	Erika Mejia	1	24.15	24.15
6/30/2022		Court fees			
WIP		Jaramillo, Stephen v USS-UP			
Odyssey - Stip to file SAC					
72519	EXP	Olympia	13	0.25	3.25
6/30/2022		Photocopies			
WIP		Jaramillo, Stephen v USS-UP			
Photocopies					

1/4/2024
8:31 AM

DIVERSITY LAW GROUP
Slip Listing

Page 2

Slip ID Dates and Time Posting Status Description	Timekeeper Activity Client Reference	Units DNB Time Est. Time Variance	Rate Rate Info Bill Status	Slip Value
72520 EXP 6/30/2022 WIP Postage	Olympia Postage Jaramillo, Stephen v USS-UP	1	0.93	0.93
72666 EXP 7/19/2022 WIP Attorney Service - Stip and Order	Erika Mejia Atty Service Jaramillo, Stephen v USS-UP	1	212.41	212.41
72476 EXP 7/20/2022 WIP Odyssey - NOE	Erika Mejia Court fees Jaramillo, Stephen v USS-UP	1	3.60	3.60
72602 EXP 7/29/2022 WIP Odyssey - CMS	Erika Mejia Court fees Jaramillo, Stephen v USS-UP	1	3.60	3.60
73417 EXP 10/25/2022 WIP Odyssey - Joint CMS	Erika Mejia Court fees Jaramillo, Stephen v USS-UP	1	3.60	3.60
74283 EXP 1/27/2023 WIP Odyssey - Joint CMS	Olympia Court fees Jaramillo, Stephen v USS-UP	1	3.60	3.60
75322 EXP 5/31/2023 WIP Louis Marlin Mediations LLC	Olympia Arbitrators Jaramillo, Stephen v USS-UP	1	9000.00	9000.00
77105 EXP 1/4/2024 WIP MFA Filing Fees	Max Gavron Court fees Jaramillo, Stephen v USS-UP	1	250.00	250.00
Grand Total	Billable Unbillable Total	0.00 0.00 0.00		11476.84 0.00 11476.84

EXHIBIT D

EXHIBIT E



CASE ASSUMPTIONS

Class Members	609
Opt Out Rate	N/A
Opt Outs Received	
Total Class Claimants	609
Subtotal Admin Only	\$6,250.00

Not-to-Exceed Total \$6,250.00

For 609 Class Members

Pricing Good for Scope of Estimate Only

November 2, 2023

Case: Jaramillo v USS-UI PAGA Administration wTranslation

Phoenix Contact: Jodey Lawrence

Contact Number: 949.566.1455

Email: Jodey@phoenixclassaction.com

Requesting Attorney: Max W. Gavron

Firm: Diversity Law Group, APC

Contact Number: (213) 488-6555

Email: mgavron@diversitylaw.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 609 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	\$125.00	2	\$250.00
Programming Database & Setup	\$125.00	2	\$250.00
Toll Free Setup*	\$76.52	1	\$76.52
Call Center & Long Distance	\$2.00	61	\$121.80
Static Website	\$225.00	1	\$225.00
Language Translation	\$250.00	1	\$250.00
Total			\$1,173.32

* Up to 120 days after disbursement

Data Merger & Scrub / Notice Packet, Check & Postage

Project Action	Rate	Hours/Units	Line Item Estimate
Notice Packet Formatting	\$100.00	2	\$200.00
Data Merge & Duplication Scrub	\$0.25	609	\$152.25
Notice and Check Packet	\$1.75	609	\$1,065.75
Estimated Postage (up to 1 oz.)*	\$0.64	609	\$389.76
Total			\$1,807.76

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



PHOENIX

CLASS ACTION ADMINISTRATION SOLUTIONS

Skip Tracing & Remailing Notice Packets / Tracking & Programming Undeliverables			
Project Action:	Rate	Hours/Units	Line Item Estimate
Case Associate	\$50.00	2	\$100.00
Skip Tracing Undeliverables	\$1.50	91	\$137.03
Remail Notice Packets	\$1.75	91	\$159.86
Estimated Postage	\$0.64	91	\$58.46
Programming Undeliverables	\$50.00	2	\$100.00
Total			\$555.35

Database Programming			
Project Action:	Rate	Hours/Units	Line Item Estimate
Programming Claims Database	\$135.00	2	\$270.00
Case Manager	\$125.00	1	\$125.00
Total			\$395.00

Calculation & Disbursement Programming/ Create & Manage QSF/ Mail Checks			
Project Action:	Rate	Hours/Units	Line Item Estimate
Programming Calculations	\$125.00	2	\$250.00
Disbursement Review	\$125.00	2	\$250.00
Programming Manager	\$125.00	2	\$250.00
QSF Bank Account & EIN	\$50.00	1	\$50.00
Check Run Setup & Printing	\$125.00	2	\$250.00
Total			\$1,050.00

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



PHOENIX

CLASS ACTION ADMINISTRATION SOLUTIONS

Tax Reporting & Reconciliation / Re-Issuance of Checks / Conclusion Reports and Declarations			
Project Action:	Rate	Hours/Units	Line Item Estimate
Case Supervisor	\$100.00	2	\$200.00
Remail Undeliverable Checks (Postage Included)	\$1.50	116	\$173.57
Case Associate	\$50.00	2	\$100.00
Reconcile Uncashed Checks	\$85.00	2	\$170.00
Conclusion Reports	\$75.00	1	\$75.00
Case Manager Conclusion	\$75.00	1	\$75.00
Final Reporting & Declarations	\$125.00	1	\$125.00
QSF Annual Tax Reporting * (State Tax Reporting Included)	\$350.00	1	\$350.00
Total			\$1,268.57
* All applicable California State & Federal taxes, which include SUI, ETT, and SDI, and FUTA filings. Additional taxes are Defendant's responsibility.			
Estimate Total:			\$6,250.00



TERMS AND CONDITIONS

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

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

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

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

Tax Reporting Requirements

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

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