Justin F. Marquez (SBN 262417)
justin.marquez@wilshirelawfirm.com
Benjamin H. Haber (SBN 315664)
benjamin.haber@wilshirelawfirm.com
Arrash T. Fattahi (SBN 333676)
arrash.fattahi@wilshirelawfirm.com
WILSHIRE LAW FIRM, PLC
3055 Wilshire Boulevard, 12th Floor
Los Angeles, California 90010
Telephone: (213) 381-9988
Facsimile: (213) 381-9989

Attorneys for Plaintiff

Electronically FILED by Superior Court of California, County of Los Angeles 12/13/2024 9:11 PM David W. Slayton, Executive Officer/Clerk of Court, By J. Nunez, Deputy Clerk

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES

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

Plaintiff,

v.

DANCO ANODIZING, INC., a California corporation; and DOES 1 through 10, inclusive,

Defendants.

Case No.: 22STCV10916

CLASS ACTION

[*Assigned for all purposes to:* Hon. Carolyn B. Kuhl, Dept. 12]

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

FINAL APPROVAL HEARING
Date: January 8, 2025
Time: 10:30 a.m.
Dept: 12

Complaint filed: July 26, 2022
Trial date: Not set

DECLARATION OF JUSTIN F. MARQUEZ

I, Justin F. Marquez, declare as follows:

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

CASE BACKGROUND

2. This is a wage and hour class and Private Attorneys General Act ("PAGA") (Cal. Lab. Code §§ 2699, *et seq.*) representative action. Plaintiff and putative class members worked in California as hourly-paid or non-exempt employees for Defendant Danco Anodizing, Inc. ("Defendant") during the class period. Defendant has facilities in Southern California, including in Arcadia and Oxnard, that provide an array of manufacturing services, including aluminum and titanium anodizing, deep imaging, and precision marking, to a variety of businesses in differing sectors.

3. Plaintiff alleges that Defendant's payroll, timekeeping, and wage and hour practices resulted in Labor Code violations. Plaintiff alleges that Defendant failed to pay for all hours worked. Plaintiff further alleges that Defendant failed to provide employees with legally compliant meal and rest periods, and Defendant failed to reimburse business expenses. Based on these allegations, Plaintiff asserts related claims for failure to provide accurate wage statements, failure to pay all final wages at termination, unfair business practices, and civil penalties under PAGA.

4. On March 30, 2022, Plaintiff filed a putative wage-and-hour class action complaint against Defendant for: (1) failure to pay minimum and straight time wages (Labor Code §§ 204, 1194, 1194.2, and 1197); (2) failure to pay overtime wages (Labor Code §§ 1194 and 1198); (3) failure to provide meal periods (Labor Code §§ 226.7 and 512); (4) failure to

WILSHIRE LAW FIRM, PLC
3055 Wilshire Blvd, 12th Floor
Los Angeles, CA 90010-1137

WILSHIRE LAW FIRM, PLC
3055 Wilshire Blvd, 12th Floor
Los Angeles, CA 90010-1137

authorize and permit rest periods (Labor Code §§ 226.7 and 512); (5) failure to provide accurate itemized wage statements (Labor Code § 226); (6) failure to timely pay final wages at termination (Labor Code §§ 201-203); (7) failure to indemnify employees for expenditures (Labor Code § 2802); and (8) unfair business practices (Business and Professions Code 17200 et seq.). Plaintiff sent a notice to Defendant and the California Labor & Workforce Development Agency ("LWDA") alleging wage and hour violations pursuant to the PAGA (Cal. Lab. Code §§ 2699, *et seq.*) on April 8, 2022. On June 22, 2022, Plaintiff separately filed a PAGA-only complaint against Defendant. The matters were related on August 15, 2022. On April 25, 2024, the Parties filed a stipulation to consolidate this matter with the separately filed PAGA matter.

DISCOVERY, INVESTIGATION, AND SETTLEMENT

5. Following the filing of the Complaint, the Parties engaged in formal and informal documents in advance of mediating this action. The Parties exchanged written discovery responses and Defendant produced a sample of time and pay records for class members. Plaintiff also deposed Defendant's Person Most Knowledgeable and Defendant deposed Plaintiff. Defendant also provided documents of its wage and hour policies and practices during the class period, and information regarding the total number of current and former employees in its informal discovery responses.

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

7. On January 26, 2023, the parties participated in private mediation with experienced class action mediator David Phillips, Esq., but were unable to resolve the matter. On October 26, 2023, the Parties participated in a subsequent mediation with the well-regarded former complex

judge Hon. Amy Hogue (Ret.). Both mediations were conducted via Zoom. The settlement negotiations were at arm's length and, although conducted in a professional manner, were adversarial. The Parties went into the mediations willing to explore the potential for a settlement of the dispute, but each side was also prepared to litigate their position through trial and appeal if a settlement had not been reached. After extensive negotiations and discussions regarding the strengths and weaknesses of Plaintiff's claims and Defendant's defenses, the Parties were able to reach a resolution, the material terms of which are encompassed within the Settlement Agreement. Attached as **Exhibit 1** is a true and correct copy of the Amended Class Action and PAGA Settlement Agreement and Class Notice ("Settlement Agreement").

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

9. The Court granted Plaintiff's Motion for Preliminary Approval of the Settlement on August 23, 2024. The deadline for class members to opt out or object to the Settlement was November 29, 2024. The reaction of the Class to the settlement has been overwhelmingly positive. Indeed, as of the filing of this Motion, no Class Member has opted out of the settlement, and no Class Members have objected to the settlement.

10. The settlement obviates the significant risk that the Court may deny certification of all or some of Plaintiff's claims. While Plaintiff is confident in the merits of his claims, a legitimate controversy exists as to each cause of action. Plaintiff also recognizes that proving the amount of wages due to each class member would be an expensive, time-consuming, and uncertain proposition. Furthermore, even if Plaintiff obtained certification of all or some of the claims, continued litigation would be expensive, involving a trial and possible appeals, and would substantially delay and reduce any recovery by the class.

///

WILSHIRE LAW FIRM, PLC
3055 Wilshire Blvd, 12th Floor
Los Angeles, CA 90010-1137

11. The proposed Settlement Agreement was provided to the LWDA in advance of Plaintiff's hearing on the Motion for Preliminary Approval.

ENHANCEMENT AWARD FOR PLAINTIFF IS REASONABLE

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

13. Throughout this litigation, Plaintiff, who is a former employee of Defendant, has cooperated immensely with my office and has taken many actions to protect the interests of the class. Plaintiff provided valuable information regarding unpaid overtime, meal period, and rest period claims. Plaintiff also informed my office of developments and information relevant to this action, participated in decisions concerning this action, made himself available to answer questions during the mediation, and provided my office with the names and contact information of potential witnesses in this action. Plaintiff also prepared for and attended a full-day deposition in this matter, and also made himself available throughout the entire mediations in this case. Meanwhile, before we filed this case, Plaintiff provided my office with several documents, including policy documents, and communications from Defendant regarding the claims alleged in this action. The information and documentation provided by Plaintiff was instrumental in establishing the wage and hour violations alleged in this action, and the recovery provided for in the Settlement Agreement would have been impossible to obtain without Plaintiff's participation.

14. At the same time, Plaintiff faced many risks in adding himself as the class representatives in this matter. Plaintiff faced actual risks with his future employment, as putting himself on public record in an employment lawsuit could also very well affect his likelihood for future employment. Furthermore, as part of this settlement, Plaintiff is executing a general release of all claims against Defendant. The general release includes a claim against Defendant for wrongful termination that Plaintiff made based on alleged age discrimination.

15. In turn, class members will now have the opportunity to participate in a settlement,

WILSHIRE LAW FIRM, PLC
3055 Wilshire Blvd, 12th Floor
Los Angeles, CA 90010-1137

reimbursing them for alleged wage violations they may have never known about on their own or been willing to pursue on their own. If these class members would have each tried to pursue their legal remedies on their own, that would have resulted in each having to expend a significant amount of their own monetary resources and time, which were obviated by Plaintiff putting himself on the line on behalf of these other class members.

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

WILSHIRE LAW FIRM, PLC
3055 Wilshire Blvd, 12th Floor
Los Angeles, CA 90010-1137

THE REQUEST FOR ATTORNEYS' FEES AND COSTS IS REASONABLE

17. The settlement provides for attorney's fees and costs to Class Counsel in an amount up to 33 and 1/3% of the Gross Settlement Amount, for a maximum fees award of $108,333.33, plus reasonable litigation expenses of up to $30,000.00.

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

Person	**Role**	**Hours**	**Rate**	**Lodestar**
Justin F. Marquez	Senior Partner	23	$1,500	$34,500
Benjamin H. Haber	Associate Attorney	57	$775	$44,175
Arrash T. Fattahi	Managing Associate	82	$650	$53,300
Total:		**162**		**$131,975**

19. Wilshire Law Firm, PLC has spent over 162 hours, for a lodestar of $131,975

litigating this Action to bring it to resolution, not including time which will be expended monitoring the administration of the settlement and distribution of funds to the Class Members. The efforts expended by Plaintiff's counsel to achieve this result include, but are not limited to, the following:

a. the investigation of the matter, including meeting with Plaintiff, reviewing Defendant's policies, and requesting and reviewing Plaintiff's time and pay records, personnel files, and exploring the corporate structure of Defendant;
b. filing the Action;
c. attending status conferences and meeting and conferring with Defendant regarding the case;
d. preparing for and conducting a deposition of Defendant's Person Most Knowledgeable;
e. preparing for and attending for a deposition of Plaintiff;
f. propounding written discovery to Defendant, reviewing the responses, and meeting and conferring with Defendant's counsel regarding the responses;
g. preparing written discovery responses and meeting;
h. meeting and conferring with Defendant regarding two mediations, exchange of informal discovery beforehand, and negotiating with opposing counsel regarding the parameters thereof;
i. selecting the mediators and mediation dates;
j. working with opposing counsel and an expert consultant for the receipt of a representative sampling and analyzing the same with the aid of expert consultant and Plaintiff to perform analyses of liability and exposure prior to attendance of the mediation in this matter;
k. reviewing policy documents from Defendant and researching applicable defenses;
l. preparation of mediation briefs and damages model for use at the mediations;
m. attendance at mediations by all Parties and Counsel;
n. communicating with Plaintiff who requested updates or other information regarding

WILSHIRE LAW FIRM, PLC
3055 Wilshire Blvd, 12th Floor
Los Angeles, CA 90010-1137

this matter;

o. engaging in settlement negotiations, followed by finalizing and fully executing the settlement agreement;

p. preparing and assisting in the drafting of the Motion for Preliminary Approval and supporting documents.

q. communicating with the Settlement Administrator to ensure the Class Notice was properly distributed and engaging in extensive follow-up communications with the Settlement Administrator regarding class members who sought additional information about the Settlement; and

r. preparing the instant Motion for Final Approval and supporting documents.

20. There are additional hours devoted by me (and by my colleagues) to this litigation that are not reflected in Class Counsel's request for attorney's fees.

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

22. I am informed and believe that the fee and costs provision is reasonable. The fee percentage requested is less than that charged by my office for most employment cases. My office invested significant time and resources into the case, with payment deferred to the end of the case, and then, of course, contingent on the outcome.

23. It is further estimated that my office will need to expend at least another 10-20 hours to monitor the process leading up to payments made to the class. My office also bears the risk of taking whatever actions are necessary if Defendant fails to pay.

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

WILSHIRE LAW FIRM, PLC
3055 Wilshire Blvd, 12th Floor
Los Angeles, CA 90010-1137

on, or taking on, other cases which could have resulted in a larger, and less risky, monetary gain.

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

26. As of the drafting of this motion, my office has incurred around $34,325.56 in expenses litigating this action, and we anticipate accruing additional costs up to Final Approval of the Settlement. These expenses were reasonably necessary to the litigation and were actually incurred by my office. We also anticipate additional costs in the amount of $300.00, which includes the costs for filing Plaintiff's Motion for Final Approval, the distribution compliance report, and appearing at the hearing. However, the Settlement Agreement permits costs up to $30,000. Accordingly, Class Counsel respectfully requests reimbursements of $30,000.00 in expenses, which should be reimbursed in full. Attached as **Exhibit 2** is a list of the costs and the categories of costs for the costs incurred in this case to date by Wilshire Law Firm, PLC.

PLAINTIFF'S COUNSEL'S EXPERIENCE AND QUALIFICATIONS

27. Wilshire Law Firm, PLC was selected by Best Lawyers and U.S. News & World Report as one of the nation's Best Law Firms for every year since 2020 and is comprised of over 70 attorneys and over 500 employees. Wilshire Law Firm, PLC is actively and continuously practicing in employment litigation, representing employees in both individual and class actions in both state and federal courts throughout California.

28. Wilshire Law Firm, PLC is qualified to handle this litigation because its attorneys are experienced in litigating Labor Code violations in both individual, class action, and representative action cases. Wilshire Law Firm, PLC has handled, and is currently handling,

WILSHIRE LAW FIRM, PLC
3055 Wilshire Blvd, 12th Floor
Los Angeles, CA 90010-1137

numerous wage and hour class action lawsuits, as well as numerous class actions involving consumer rights and data privacy litigation.

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

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

31. I have received numerous awards for my legal work. From 2017 to 2020, Super Lawyers selected me as a "Southern California Rising Star," and from 2022 to 2025, I was selected as a "Southern California Super Lawyer." I was selected as one of the "Best Lawyers in America" from 2023 to 2025. In 2016 and 2017, the National Trial Lawyers selected me as a "Top 40 Under 40" attorney. In 2024, I, along with my colleagues at Wilshire Law Firm, received a CLAY (California Lawyer Attorneys of the Year) award for my work on a false advertising case against Apple which ultimately led to a $25 million settlement. I am also rated 5.0 ("Superb") by Avvo.com.

32. I am on the California Employment Lawyers Association ("CELA")'s Wage and Hour Committee and Mentor Committee. I have been selected to speak at multiple CELA conferences throughout my career – in 2019, I spoke on the topic of manageability of class actions at CELA's 2019 Advanced Wage & Hour Seminar, and in 2024, I spoke on the topic of dealings with multiple cases against the same defendant at CELA's 2024 Advanced Wage & Hour Seminar. Since 2013, I have actively mentored young attorneys through CELA's mentorship program.

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

WILSHIRE LAW FIRM, PLC
3055 Wilshire Blvd, 12th Floor
Los Angeles, CA 90010-1137

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

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

a. I served as lead or co-lead in negotiating class action settlements worth over $10 million in gross recovery to class members for each year since 2020, including over $37.5 million in 2022 and over $75 million in 2023.

b. I led a team of attorneys that successfully obtained class certification of meal period, rest period, and related derivative claims on April 5, 2024 in *Aguilar-Flores, et al., v. Javier's CC LLC, et al.,* Los Angeles Superior Court, Case No. 19STCV36438 (Hon. Elihu M. Berle).

c. I was part of the team of attorneys that prevailed in *Moore v. Centrelake Medical Group, Inc*. (2022) 83 Cal.App.5th 515, the first California appellate decision in a data breach class action holding that consumer plaintiffs adequately alleged injury in fact under the benefit of the bargain theory and monitoring-costs theory.

d. In 2023, Top Verdict recognized Wilshire Law Firm and myself for having one case in the Top 20 Labor & Employment Settlements (including number 15 for the $3.5 million settlement in Black & Decker Wage and Hour Cases) and three additional cases in the Top 50 Labor & Employment Settlements (number 21, 29, and 39).

e. In 2022, Top Verdict recognized Wilshire Law Firm and myself for having one case in the Top 20 Labor & Employment Settlements (including number 19 for the $4.1 million settlement in The FPI Management Wage and Hour Cases) and four additional cases in the Top 50 Labor & Employment Settlements (numbers

36, 39, 41, and 49).

f. In 2021, Top Verdict recognized Wilshire Law Firm and myself for having one case in the Top 20 Labor & Employment Settlements (including number 19 for the $1.6 million settlement in *Moreno v. Pretium Packaging, L.L.C*) and four additional cases in the Top 50 Labor & Employment Settlements (numbers 27, 30, 33, and 37).

g. To my knowledge, I am the only attorney to appear on each of the following Top Verdict lists for 2018 in California: Top 20 Civil Rights Violation Verdicts, Top 20 Labor & Employment Settlements, and Top 50 Class Action Settlements.

h. As lead counsel, on April 29, 2021, I prevailed against CVS Pharmacy, Inc. by winning class certification on behalf of hundreds of thousands of consumers for misleading advertising claims in *Joseph Mier v. CVS Pharmacy, Inc.*, U.S. Dist. Ct. C.D. Cal. no. SA CV 20-1979-DOC-(ADSx).

i. As lead counsel, I prevailed against Bank of America by: winning class certification on behalf of thousands of employees for California Labor Code violations; defeating appellate review of the court's order certifying the class; defeating summary judgment; and defeating a motion to dismiss. (*Frausto v. Bank of America, N.A.* (N.D. Cal. 2019) 334 F.R.D. 192, 2020 WL 1290302 (9th Cir. Feb. 27, 2020), 2019 WL 5626640 (N.D. Cal. Oct. 31, 2019), 2018 W.L. 3659251 (N.D. Cal. Aug. 2, 2018).). The decision certifying the class in *Frausto* is also discussed in Class Certification Under Fed. R. Civ. P. 23 in Action by Information Technology or Call Center Employees for Violation of State Law Wage and Hour Rules, 35 A.L.R. Fed. 3d Art. 8.

j. I was the primary author of the class certification and expert briefs in *ABM Industries Overtime Cases* (2017) 19 Cal.App.5th 277, a wage and hour class action for over 40,000 class members for unpaid work time, meal period, split shift, and reimbursement claims. *ABM Industries Overtime Cases* is the first published California appellate authority to hold that an employer's "auto-deduct policy for meal breaks in light of the recordkeeping requirements for California employers is also an issue amenable to classwide resolution." (*Id.* at p. 310.)[1] Notably, the Court of Appeal also held that expert analysis of timekeeping records can also support the predominance requirement for class certification. (*Id.* at pp. 310-11.) In 2021, the case settled for $140 million, making it one of the largest ever wage and hour class action settlements for hourly-paid employees in California.

k. I briefed, argued, and won *Yocupicio v. PAE Group, LLC* (9th Cir. 2015) 795 F.3d 1057. The Ninth Circuit ruled in my client's favor and held that non-class claims under California's Private Attorney Generals Act ("PAGA") cannot be used to calculate the amount in controversy under the Class Action Fairness Act ("CAFA"). This case is cited in several leading treatises such as Wright & Miller's Federal Practice & Procedure, and Newberg on Class Actions. In October 2016, the U.S. Supreme Court denied review of a case that primarily concerned *Yocupicio*. That effort was led by Theodore J. Boutrous, who brought the cert petition, with amicus support from a brief authored by Andrew J. Pincus.[2] Considering that leading Supreme Court practitioners from the class action defense bar were very motivated in undermining Yocupicio case, but failed, this demonstrates the national importance of the Yocupicio decision.

l. On December 13, 2018, the United States District Court granted final approval of the $2,500,000 class action settlement in *Mark Brulee, et al. v. DAL Global Services, LLC* (C.D. Cal. Dec. 13, 2018) No. CV 17-6433 JVS(JCGx), 2018 WL 6616659 in which I served as lead counsel. In doing so, the Court found: "Class Counsel's declarations show that the attorneys are experienced and successful

---

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

[2] http://www.chamberlitigation.com/cases/abm-industries-inc-v-castro.

WILSHIRE LAW FIRM, PLC
3055 Wilshire Blvd, 12th Floor
Los Angeles, CA 90010-1137

litigators." (*Id*. at p. *10.)

m. *Gasio v. Target Corp.* (C.D. Cal. Sep. 12, 2014) 2014 U.S. Dist. LEXIS 129852, a reported decision permitting class-wide discovery even though the employer has a lawful policy because "[t]he fact that a company has a policy of not violating the law does not mean that the employees follow it, which is the issue here." The court also ordered Defendants to pay for the cost of *Belaire-West* notice.

n. In 2013, I represented a whistleblower that reported that his former employer was defrauding the State of California with the help of bribes to public employees. The case, a false claims (qui tam) action, resulted in the arrest and criminal prosecution of State of California employees by the California Attorney General's Office.

o. In 2013, I was part of a team of attorneys that obtained conditional certification for over 2,000,000 class members in a federal labor law case for misclassification of independent contractors that did crowdsourced work on the Internet, *Otey v. CrowdFlower, Inc.*, N.D. Cal. Case No. 12-cv-05524-JST (MEJ), resulting in the following pro-plaintiff reported decisions:

1) 2013 U.S. Dist. LEXIS 151846 (N.D. Cal. Oct. 22, 2013) (holding that an unaccepted Rule 68 offer doesn't moot plaintiff's claims, and granting plaintiff's motion to strike Defendants' affirmative defenses based on *Twombly/Iqbal*).

2) 2013 U.S. Dist. LEXIS 122007 (N.D. Cal. Aug. 27, 2013) (order granting conditional collective certification).

3) 2013 U.S. Dist. LEXIS 95687 (N.D. Cal. July 8, 2013) (affirming the magistrate judge's discovery ruling which held that "evidence of other sources of income is irrelevant to the question of whether a plaintiff is an employee within the meaning of the FLSA").

4) 2013 U.S. Dist. LEXIS 91771 (N.D. Cal. June 20, 2013) (granting

WILSHIRE LAW FIRM, PLC
3055 Wilshire Blvd, 12th Floor
Los Angeles, CA 90010-1137

broad discovery because "an FLSA plaintiff is entitled to discovery from locations where he never worked if he can provide some evidence to indicate company-wide violations").

p. From 2012 to 2013, I was part of a team of attorneys that obtained class certification for over 60,000 class members for off-the-clock claims, *Linares v. Securitas Security Services USA, Inc.*, Los Angeles Superior Court No. BC416555. We also successfully opposed subsequent appeals to the California Court of Appeal and California Supreme Court.

35. My current contingent billing rate of $1,500 per hour is consistent with my actual billing rate for paid legal industry consulting services, my practice area, lead appellate experience in the Ninth Circuit Court of Appeals, numerous awards received, legal market and accepted hourly rates:

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

b. On January 11, 2024, the Hon. Laurel Beeler of the United States District Court, Northern District of California approved my $1,500 hourly rate when she granted final approval of the class action settlement in *Suarez v. Bank of America, N.A.* (N.D. Cal. Jan. 11, 2024), No. 18-cv-01202-LB, 2024 WL150721, *3 ("As for the lodestar cross-check, the billing rates are normal and customary for timekeepers with similar qualifications and experience in the relevant market.")

c. My $1,500 hourly rate was approved by many California state courts:

1) On December 8, 2023, the Hon. Marcella O. McLaughlin of the San Diego County Superior Court approved my $1,500 hourly rate when she granted final approval of the class action settlement in *Payabyab v. Bridge Hospice, LLC,* Case No. 7-2021-00046218-CU-OE-CTL.

2) On January 11, 2024, the Hon. Harold Hopp of the Riverside County Superior Court approved my $1,500 hourly rate when he granted final approval of the class action settlement in *Gutierrez v. Next Level Door & Millwork, Inc.,* Case No. CVRI2105455.

3) On January 26, 2024, the Hon. Loren G. Freestone of the San Diego Superior Court approved my $1,500 hourly rate when he granted final approval of the class action settlement in *Lupercio v. Western CNC, Inc*., Case No. 37-2021-00010314-CU-OE-CTL.

4) On February 1, 2024, the Hon. Joseph T. Ortiz of the San Bernardino Court approved by $1,500 hourly rate when he granted final approval of the class action settlement in *Jackson, et al. v. Apple Valley Communications, Inc.*, et al., Case No. CIVSB2124721.

5) On February 2, 2024, the Hon. Harold Hopp of the Riverside County Superior Court approved by $1,500 hourly rate when he granted final approval of the class action settlement in *Barrera v. Paradise Chevrolet Cadillac,* Case No. CVSW2107199.

6) On May 7, 2024, the Hon. Elaine Lu of the Los Angeles County Superior Court approved my $1,500 hourly rate when she granted final approval of the class action settlement in *Meza v. Argus Management Company, LLC, et al.,* Case No. 21STCV31612.

d. On May 6, 2022, the Hon. Jay A. Garcia-Gregory of the United States District Court in Puerto Rico approved my $850 hourly rate when he granted final

WILSHIRE LAW FIRM, PLC
3055 Wilshire Blvd, 12th Floor
Los Angeles, CA 90010-1137

approval of the class action settlement in *Serrano v. Inmediata Corp.,* No. 3:19-cv-01811-JAG, Dkt. 57 (U.S. Dist. Ct. P.R. May 6, 2022).

e. On September 9, 2021, the Hon. Peter Wilson of the Orange County Superior Court approved my $800 hourly rate when he granted final approval of the class action settlement in *Ricardo Campos Hernandez v. Adams Iron Co., Inc.*, No. 30-2019-01066522-CU-OE-CXC.

f. On August 6, 2021, the Hon. Stanley Blumenfeld, Jr. of the United States District Court granted final approval of the $1,600,000 class action settlement in *Carlos Moreno v. Pretium Packaging, Inc*. (C.D. Cal. Aug. 6, 2021) No. 8:19-cv-02500-SB-DFM, 2021 WL 3673845 in which I served as lead counsel. In doing so, the Court approved my then $750 hourly rate after finding it was "reasonable, given the qualifications of the attorneys who worked on this matter." (*Id.* at p. *3.)

36. The reasonableness of my firm's hourly rates is also supported by several surveys of legal rates, including the following:

a. The 2022 Real Rate Report survey compiled by Wolters Kluwer, which presents the real market rates of Los Angeles area attorneys who practice litigation. For that category, the third quartile 2022 rate was $1,045 per hour for partners and $855 for associates. Likewise, page 32 of the Report describes the rates charged by 183 Los Angeles partners with "21 or more years of experience" and "Fewer than 21 years." For those categories, the third quartile Los Angeles partner rate in 2022 were $1,133 per hour for 21 or more years and $1,075 for attorneys with fewer than 21 years. A true and correct copy of portions of the 2022 Real Rate Report is attached hereto as **<u>Exhibit 3</u>**.

b. In an article entitled "Big Law Rates Topping $2,000 Leave Value 'In Eye of Beholder,'" written by Roy Strom and published by Bloomberg Law on June 9, 2022, the author describes how Big Law firms have crossed the $2,000-per hour rate. The article also notes that law firm rates have been increasing by just under

WILSHIRE LAW FIRM, PLC
3055 Wilshire Blvd, 12th Floor
Los Angeles, CA 90010-1137

3% per year. A true and correct copy of this article is attached hereto as **Exhibit 4**.

37. Benjamin H. Haber is an eighth-year Associate Attorney at Wilshire Law Firm. His current hourly rate for this case is $775. He graduated from the University of California, Los Angeles, with a Bachelor of Arts in Political Science, and received his Juris Doctor from the University of California, Hastings College of the Law in 2016. During law school, he was a member of the executive board for the *Hastings Law Journal* and student mediator at the San Francisco Superior Court, Small Claims Division. He was admitted to practice law in the State of California in 2017. Since graduating from law school, he has focused his legal work primarily on wage-and-hour litigation and has helped obtain dozens of settlements on behalf of tens of thousands of workers in California. He was also selected as a "Southern California Rising Star" in 2024 and 2025.

38. Arrash T. Fattahi is a fourth-year Managing Associate Attorney at Wilshire Law Firm, PLC. He is admitted to practice law in the State of California and the Central, Southern, Eastern, and Northern Districts of California. Arrash graduated from the University of California, Los Angeles, with a Bachelor of Arts in Political Science, summa cum laude. He received his Juris Doctor from The George Washington University Law School. During law school, he was a member of the student editorial board for the Federal Circuit Bar Journal. Since January 2021, his practice has mainly been focused on wage and hour class action litigation. His current contingent billing rate for this case is $650 per hour. He was selected as a "Southern California Rising Star" in 2025.

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

Executed on December 13, 2024, in Los Angeles, California.

Justin F. Marquez

WILSHIRE LAW FIRM, PLC
3055 Wilshire Blvd, 12th Floor
Los Angeles, CA 90010-1137

Exhibit 1

AMENDED CLASS ACTION AND PAGA SETTLEMENT AGREEMENT AND CLASS NOTICE

This Amended Class Action and PAGA Settlement Agreement ("Agreement") is made by and between Plaintiff Ivan Sanchez ("Plaintiff") and Defendant Danco Anodizing, Inc. ("Defendant"). The Agreement refers to Plaintiff and Defendant collectively as "Parties," or individually as "Party."

1. <u>DEFINITIONS</u>.

1.1. "Action" means the Plaintiff's lawsuit alleging wage and hour violations against Defendant captioned *Ivan Sanchez v. Danco Anodizing, Inc.*, Case No. 22STCV10916, initiated on March 30, 2022 and pending in Superior Court of the State of California, County of Los Angeles.

1.2. "Administrator" means Apex Class Action, the neutral entity the Parties have agreed to appoint to administer the Settlement.

1.3. "Administration Expenses Payment" means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator's "not to exceed" bid submitted to the Court in connection with Preliminary Approval of the Settlement.

1.4. "Aggrieved Employee" means all persons employed by Defendant in California and classified as hourly paid or non-exempt employee during the PAGA period.

1.5. "Class" means all persons employed by Defendant in California and classified as hourly paid or non-exempt employee during the Class period.

1.6. "Class Counsel" means Justin F. Marquez, Benjamin H. Haber, and Arrash T. Fattahi of Wilshire Law Firm, PLC.

1.7. "Class Counsel Fees Payment" and "Class Counsel Litigation Expenses Payment" mean the amounts allocated to Class Counsel for reimbursement of reasonable attorneys' fees and expenses, respectively, incurred to prosecute the Action.

1.8. "Class Data" means Class Member identifying information in Defendant's possession including the Class Member's name, last-known mailing address, Social Security number, and number of Class Period Workweeks and PAGA Pay Periods.

1.9. "Class Member" or "Settlement Class Member" means a member of the Class, as either a Participating Class Member or Non-Participating Class Member (including a Non-Participating Class Member who qualifies as an Aggrieved Employee).

1.10. “Class Member Address Search” means the Administrator’s investigation and search for current Class Member mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Class Members.

1.11. “Class Notice” means the COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL, to be mailed to Class Members in English with a Spanish translation, if applicable in the form, without material variation, attached as Exhibit A and incorporated by reference into this Agreement.

1.12. “Class Period” means the period from March 30, 2018 to December 31, 2023.

1.13. “Class Representative” means the named Plaintiff in the operative complaint in the Action seeking Court approval to serve as the Class Representative.

1.14. “Class Representative Service Payment” means the payment to the Class Representative for initiating the Action and providing services in support of the Action.

1.15. “Court” means the Superior Court of California, County of Los Angeles.

1.16. “Defendant” or “Danco” means named Defendant Danco Anodizing, Inc..

1.17. “Defense Counsel” means Steven Groode and Grace Waddell of Littler Mendelson, P.C..

1.18. “Effective Date” means the date by when both of the following have occurred: (a) the Court enters a Judgment on its Order Granting Final Approval of the Settlement; and (b) the Judgment is final. The Judgment is final as of the latest of the following occurrences: (a) the day after the deadline for filing a notice of appeal from the Judgment; or (b) if a timely appeal from the Judgment is filed, the day after the appellate court affirms the Judgment and issues a remittitur.

1.19. “Final Approval” or “Final Approval Order” means the Court’s Order Granting Final Approval of the Settlement.

1.20. “Final Approval Hearing” means the Court’s hearing on the Motion for Final Approval of the Settlement.

1.21. “Final Judgment” means the Judgment entered by the Court upon granting Final Approval of the Settlement.

1.22. “Gross Settlement Amount” means $325,000 which is the total amount Defendant agrees to pay under the Settlement except as provided in Paragraph 9 below. The Gross Settlement Amount will be used to pay Individual Class Payments, Individual PAGA

Payments, the LWDA PAGA Payment, Class Counsel Fees, Class Counsel Expenses, Class Representative Service Payment and the Administrator's Expenses.

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

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

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

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

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

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

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

1.30. "PAGA Pay Period" means any Pay Period during which an Aggrieved Employee worked for Defendant for at least one day during the PAGA Period.

1.31. "PAGA Period" means the period from April 8, 2021 to December 31, 2023.

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

1.33. "PAGA Notice" means Plaintiff's April 8, 2022 letter to Defendant and the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a).

1.34. "PAGA Penalties" means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 25% to the Aggrieved Employees ($2,500) and the 75% to LWDA ($7,500) in settlement of PAGA claims.

1.35. "Participating Class Member" means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.

1.36. “Plaintiff” means Ivan Sanchez, the named plaintiff in the Action.

1.37. “Preliminary Approval” means the Court’s Order Granting Preliminary Approval of the Settlement.

1.38. "Preliminary Approval Order" means the proposed Order Granting Preliminary Approval of the Settlement.

1.39. “Released Class Claims” means the claims being released as described in Paragraph 5.2 below.

1.40. “Released PAGA Claims” means the claims being released as described in Paragraph 5.3 below.

1.41. “Released Parties” means: Defendant and its present and former parent companies, subsidiaries, divisions, related, or affiliated companies, including those that provided temporary workers to Defendant during the Class or PAGA periods, and their officers, directors, employees, agents, attorneys, insurers, successors, and assigns.

1.42. “Request for Exclusion” means a Class Member’s submission of a written request to be excluded from the Settlement signed by the Class Member.

1.43. "Response Deadline" means 45 days after the Administrator mails Notice to Class Members and Aggrieved Employees, and shall be the last date on which Class Members may: (a) fax, email, or mail Requests for Exclusion from the Settlement, or (b) fax, email, or mail his or her Objection to the Settlement. Class Members to whom Notice Packets are resent after having been returned undeliverable to the Administrator shall have an additional 14 calendar days beyond the Response Deadline has expired.

1.44. “Settlement” means the disposition of the Action effected by this Agreement and the Judgment.

1.45. “Workweek” means any week during which a Class Member worked for Defendant for at least one day, during the Class Period.

2. **RECITALS**.

2.1. On March 30, 2022, Plaintiff commenced this Action by filing a Complaint alleging causes of action against Defendant for (1) Failure to Pay Minimum and Straight Time Wages (Cal. Lab. Code §§ 204, 1194, 1194.2, and 1197); (2) Failure to Pay Overtime Wages (Cal. Lab. Code §§ 1194 and 1198); (3) Failure to Provide Meal Periods (Cal. Lab. Code §§ 226.7, 512); (4) Failure to Authorize and Permit Rest Periods (Cal. Lab. Code §§ 226.7); (5) Failure to Timely Pay Final Wages at Termination (Cal. Lab. Code §§ 201-203); (6) Failure to Provide Accurate Itemized Wage Statements (Cal. Lab. Code § 226); (7) Failure to Provide Indemnify Employees (Cal. Lab. Code § 2802);

and (8) Unfair Business Practices (Cal. Bus. & Prof. Code §§ 17200, et seq.). On or around August 7, 2024, Plaintiff filed a Joint Stipulation seeking the Court's leave to file a First Amended Class Action Complaint to add a claim for Violation of the Fair Labor Standards Act.

2.2. On June 22, 2022, Plaintiff separately filed a PAGA action seeking civil penalties in the matter of *Ivan Sanchez v. Danco Anodizing, Inc,* Los Angeles County Superior Court, Case No. 22AHCV00398.

2.3. With regard to both complaints identified above in Paragraphs 2.1 and 2.2, Defendant denies the allegations, denies any failure to comply with the laws identified therein, and denies any and all liability for the causes of action alleged.

2.4. Pursuant to Labor Code section 2699.3, subd.(a), Plaintiff gave timely written notice to Defendant and the LWDA by sending the PAGA Notice.

2.5. On October 26, 2023, the Parties participated in an all-day mediation presided over by Hon. Amy Hogue (Ret.), which led to this Agreement to settle the Action.

.

2.6. Prior to mediation, Plaintiff obtained, through formal and informal discovery, documents produced by Defendant which included timekeeping records and payroll information for a randomized sampling of the class, Defendant's policies relating to Plaintiff's claims, and Plaintiff's personnel file. Plaintiff's investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.* (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 129-130 ("*Dunk/Kullar*").

2.7. The Court has not granted class certification.

2.8. On March 19, 2024, the Parties entered into a Class Action and PAGA Settlement Agreement and Class Notice.

2.9. On April 26, 2024, the Parties filed a Joint Stipulation to consolidate the two actions identified above in Paragraphs 2.1 and 2.2. Additionally, Plaintiff filed a Motion for Preliminary Approval of Class Action Settlement, which was heard on June 26, 2024.

2.10. Based on the Court's feedback at the hearing on June 26, 2024, the Parties are entering into this Agreement.

2.11. The Parties, Class Counsel and Defense Counsel represent that they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement.

3. MONETARY TERMS.

3.1. Gross Settlement Amount. Except as otherwise provided by Paragraph 8 below, Defendant promises to pay $325,000 and no more as the Gross Settlement Amount and to separately pay any and all employer payroll taxes owed on the Wage Portions of the Individual Class Payments. Defendant has no obligation to pay the Gross Settlement Amount (or any payroll taxes) prior to the deadline stated in Paragraph 4.3 of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Participating Class Members or Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendant.

3.2. Payments from the Gross Settlement Amount. The Administrator will make and deduct the following payments from the Gross Settlement Amount, in the amounts specified by the Court in the Final Approval:

3.2.1. To Plaintiff: Class Representative Service Payment to the Class Representative of not more than $12,500 (in addition to any Individual Class Payment and any Individual PAGA Payment the Class Representative is entitled to receive as a Participating Class Member). Defendant will not oppose Plaintiff's request for a Class Representative Service Payment that does not exceed this amount. As part of the Final Approval motion, Plaintiff will seek Court approval for any Class Representative Service Payments no later than 16 court days prior to the Final Approval Hearing. If the Court approves a Class Representative Service Payment less than the amount requested, the Administrator will retain the remainder in the Net Settlement Amount. The Administrator will pay the Class Representative Service Payment using IRS Form 1099. Plaintiff assumes full responsibility and liability for employee taxes owed on the Class Representative Service Payment.

3.2.2. To Class Counsel: A Class Counsel Fees Payment of not more than 33 1/3%, which is currently estimated to be $108,333.33 and a Class Counsel Litigation Expenses Payment of not more than $30,000. Defendant will not oppose requests for these payments provided that do not exceed these amounts. As part of the Final Approval motion, Plaintiff and/or Class Counsel will request approval of the Class Counsel Fees Payment and Class Litigation Expenses Payment. If the Court approves a Class Counsel Fees Payment and/or a Class Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. Released Parties shall have no liability to Class Counsel or any other Plaintiff's Counsel arising from any claim to any portion any Class Counsel Fee Payment and/or Class Counsel Litigation Expenses Payment. The Administrator will pay the Class Counsel Fees Payment and Class Counsel Expenses Payment using one or more IRS 1099 Forms. Class Counsel assumes full responsibility and liability for taxes owed on the Class Counsel Fees Payment and the Class Counsel Litigation Expenses Payment and holds Defendant harmless, and indemnifies Defendant, from any dispute or controversy regarding any division or sharing of any of these Payments.

3.2.3. <u>To the Administrator:</u> An Administrator Expenses Payment not to exceed $10,000 except for a showing of good cause and as approved by the Court. To the extent the Administration Expenses are less or the Court approves payment less than $10,000, the Administrator will allocate the remainder to the Net Settlement Amount.

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

3.2.4.1. <u>Tax Allocation of Individual Class Payments.</u> 25% of each Participating Class Member's Individual Class Payment will be allocated to settlement of wage claims (the "Wage Portion"). The Wage Portions are subject to tax withholding and will be reported on an IRS W-2 Form. The 75% of each Participating Class Member's Individual Class Payment will be allocated to settlement of claims for interest and penalties (the "Non-Wage Portion"). The Non-Wage Portions are not subject to wage withholdings and will be reported on IRS 1099 Forms. Participating Class Members assume full responsibility and liability for any employee taxes owed on their Individual Class Payment.

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

3.2.5. <u>To the LWDA and Aggrieved Employees:</u> PAGA Penalties in the amount of $10,000 to be paid from the Gross Settlement Amount, with 75% ($7,500) allocated to the LWDA PAGA Payment and 25% ($2,500) allocated to the Individual PAGA Payments.

3.2.5.1. The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties by the total number of PAGA Period Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA Period Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

3.2.5.2. If the Court approves PAGA Penalties of less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

4. SETTLEMENT FUNDING AND PAYMENTS.

4.1. Class Workweeks and Aggrieved Employee Pay Periods. Based on a review of its records, Defendant has calculated that there a total of 31,784 Workweeks through December 31, 2023, which previously had been estimated to be 34,273 workweeks when the Parties entered into the original settlement agreement.

4.2. Class Data. Not later than 15 days after the Court grants Preliminary Approval of the Settlement, Defendant will simultaneously deliver the Class Data to the Administrator, in the form of a Microsoft Excel spreadsheet. To protect Class Members' privacy rights, the Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement and for no other purpose, and restrict access to the Class Data to Administrator employees who need access to the Class Data to effect and perform under this Agreement. Defendant has a continuing duty to immediately notify Class Counsel if it discovers that the Class Data omitted class member identifying information and to provide corrected or updated Class Data as soon as reasonably feasible. Without any extension of the deadline by which Defendant must send the Class Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Class Data.

4.3. Funding of Gross Settlement Amount. Defendant shall fully fund the Gross Settlement Amount and also fund the amounts necessary to fully pay Defendant's share of payroll taxes by transmitting the funds to the Administrator no later than 14 days after the Effective Date.

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

4.4.1. The Administrator will issue checks for the Individual Class Payments and Individual PAGA Payments and send them to the Participating Class Members and Aggrieved Employees via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (not less than 180 days after the date of mailing) when the check will be voided. The Administrator will cancel all checks not cashed by the void date. The Administrator will send checks for Individual Settlement Payments to all Participating Class Members (including those for whom Class Notice was returned undelivered). The Administrator will send checks for Individual PAGA Payments to all Aggrieved Employees including Non-Participating Class Members who qualify as Aggrieved Employees (including those for whom Class Notice was returned undelivered). The Administrator may send Participating Class Members a single check combining the Individual Class Payment and the Individual PAGA Payment. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database.

4.4.2. The Administrator must conduct a Class Member Address Search for all Participating Class Members and Aggrieved Employees whose checks are retuned undelivered without USPS forwarding address. Within seven days of receiving a returned check the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Class Member Address Search. The Administrator need not take further steps to deliver checks to Participating Class Members and Aggrieved Employee whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Participating Class Member and/or Aggrieved Employee whose original check was lost or misplaced, requested by the Participating Class Member and/or Aggrieved Employee prior to the void date.

4.4.3. For any Participating Class Member and/or Aggrieved Employee whose Individual Class Payment check or Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the California Controller's Unclaimed Property Fund in the name of the Class Member thereby leaving no "unpaid residue" subject to the requirements of California Code of Civil Procedure Section 384, subd. (b).

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

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

5.1 Plaintiff's Release. Plaintiff and his or her respective former and present spouses, representatives, agents, attorneys, heirs, administrators, successors, and assigns generally, release and discharge Released Parties from all claims, transactions, or occurrences that occurred during the Class Period, including, but not limited to: (a) all claims that were, or reasonably could have been, alleged, based on the facts contained, in the Operative Complaint and (b) all PAGA claims that were, or reasonably could have been, alleged based on facts contained in the Operative Complaint, Plaintiff's PAGA Notice. ("Plaintiff's Release.") Plaintiff's Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, workers' compensation benefits that arose at any time, or based on occurrences outside the Class Period. Plaintiff acknowledges that Plaintiff may discover facts or law different from, or in addition to, the facts or law that Plaintiff now knows or believes to be true but agrees, nonetheless, that Plaintiff's Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiff's discovery of them.

5.1.1 Plaintiff's Waiver of Rights Under California Civil Code Section 1542. For purposes of Plaintiff's Release, Plaintiff expressly waives and relinquishes the provisions, rights, and benefits, if any, of section 1542 of the California Civil Code, which reads:

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

5.2 Release by Participating Class Members : All class members who do not opt-out will release Defendant from any and all claims asserted in the operative complaint, and any future amendments to the operative complaint, including, but not limited to, state and federal wage and hour claims for any and all violations of California's Labor Code and Unfair Competition Law, and Fair Labor Standards Act based on Defendant's failure to pay for all hours worked (including minimum, straight time, and overtime wages), failure to provide meal periods and to properly provide premium pay in lieu thereof, failure to authorize and permit rest periods and to properly provide premium pay in lieu thereof, failure to timely pay wages during employment, failure to timely pay final wages at termination, failure to pay wages at the proper rate of pay, failure to furnish accurate itemized wage statements and/or maintain accurate payroll records, failure to indemnify employees for expenditures, and all damages, interest, penalties, attorneys' fees, costs, and other amounts recoverable under said causes of action under California and federal law, to the extent permissible, including, but not limited to, the California Labor Code and the applicable Wage Orders. The release under the Fair Labor Standards Act will only apply to Participating Class Members that cash their Individual Settlement Payments before the check void date as described above in Paragraph 4.4.1.

5.3 Release by Non-Participating Class Members Who Are Aggrieved Employees: All Non-Participating Class Members who are Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint and the PAGA Notice.

6. **MOTION FOR PRELIMINARY APPROVAL.** Plaintiff shall prepare and file a motion for preliminary approval ("Motion for Preliminary Approval") that complies with the Court's current checklist for Preliminary Approvals. At least five days before filing the Motion for Preliminary Approval, Plaintiff's counsel shall furnish Defendant's counsel a draft of the Motion.

6.1 Responsibilities of Counsel. Class Counsel is responsible for expeditiously finalizing and filing the Motion for Preliminary Approval no later than 45 days after the full execution of this Agreement; and Class Counsel and Defense Counsel are jointly responsible for obtaining a prompt hearing date for the Motion for Preliminary Approval; and for appearing in Court to advocate in favor of the Motion for Preliminary Approval. Class Counsel is responsible for delivering the Court's Preliminary Approval to the Administrator.

6.2 Duty to Cooperate. If the Parties disagree on any aspect of the proposed Motion for Preliminary Approval and/or the supporting declarations and documents, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant Preliminary Approval or conditions Preliminary Approval on any material change to this Agreement, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns.

7. SETTLEMENT ADMINISTRATION.

7.1 Selection of Administrator. The Parties have jointly selected Apex Class Action to serve as the Administrator and verified that, as a condition of appointment, Apex Class Action agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Expenses. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.

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

7.3 Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation section 468B-1.

7.4 Notice to Class Members.

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

7.4.2 Using best efforts to perform as soon as possible, and in no event later than 14 days after receiving the Class Data, the Administrator will send to all Class Members identified in the Class Data, via first-class United States Postal

Service ("USPS") mail, the Class Notice with Spanish translation, if applicable substantially in the form attached to this Agreement as Exhibit A. The first page of the Class Notice shall prominently estimate the dollar amounts of any Individual Class Payment and/or Individual PAGA Payment payable to the Class Member, and the number of Workweeks and PAGA Pay Periods (if applicable) used to calculate these amounts. Before mailing Class Notices, the Administrator shall update Class Member addresses using the National Change of Address database.

7.4.3 Not later than three (3) business days after the Administrator's receipt of any Class Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class Notice using any forwarding address provided by the USPS. If the USPS does not provide a forwarding address, the Administrator shall conduct a Class Member Address Search, and re-mail the Class Notice to the most current address obtained. The Administrator has no obligation to make further attempts to locate or send Class Notice to Class Members whose Class Notice is returned by the USPS a second time.

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

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

7.5 <u>Requests for Exclusion (Opt-Outs).</u>

7.5.1 Class Members who wish to exclude themselves (opt-out of) the Settlement must send the Administrator, by fax, email, or mail, a signed written Request for Exclusion not later than 45 days after the Administrator mails the Class Notice (plus an additional 14 days for Class Members whose Class Notice is re-mailed). A Request for Exclusion is a letter from a Class Member or his/her representative that reasonably communicates the Class Member's election to be excluded from the Settlement and includes the Class Member's name, address and email address or telephone number. To be valid, a Request for Exclusion must be timely faxed, emailed, or postmarked by the Response Deadline.

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

7.5.3 Every Class Member who does not submit a timely and valid Request for Exclusion is deemed to be a Participating Class Member under this Agreement, entitled to all benefits and bound by all terms and conditions of the Settlement, including the Participating Class Members' Release and Aggrieved Employees' Release under Paragraphs 5.2 and 5.3 of this Agreement, regardless of whether the Participating Class Member actually receives the Class Notice or objects to the Settlement.

7.5.4 Every Class Member who submits a valid and timely Request for Exclusion is a Non-Participating Class Member and shall not receive an Individual Class Payment or have the right to object to the class action components of the Settlement. Because future PAGA claims are subject to claim preclusion upon entry of the Judgment, Non-Participating Class Members who are Aggrieved Employees are deemed to release the claims identified in Paragraph 5.3 of this Agreement and are eligible for an Individual PAGA Payment.

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

7.7 <u>Objections to Settlement.</u>

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

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

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

7.8 Administrator Duties. The Administrator has a duty to perform or observe all tasks to be performed or observed by the Administrator contained in this Agreement or otherwise.

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

7.8.2 Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will promptly review on a rolling basis Requests for Exclusion to ascertain their validity. Not later than 5 days after the expiration of the deadline for submitting Requests for Exclusion, the Administrator shall email to Class Counsel and Defense Counsel the number of valid Requests for Exclusion that have been timely submitted.

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

Administrator's assessment of the validity of Requests for Exclusion and attach copies of all objections received.

7.8.4 Workweek and/or Pay Period Challenges. The Administrator has the authority to address and make final decisions consistent with the terms of this Agreement on all Class Member challenges over the calculation of Workweeks and/or Pay Periods. The Administrator's decision shall be final and not appealable or otherwise susceptible to challenge. In the absence of circumstances indicating fraud, manipulation or destruction, Defendant's records will be given a rebuttable presumption of accuracy.

7.8.5 Administrator's Declaration. Not later than 14 days before the date by which Plaintiff is required to file the Motion for Final Approval of the Settlement, the Administrator will provide to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its due diligence and compliance with all of its obligations under this Agreement, including, but not limited to, its mailing of the Class Notice, the total number of Class Notices returned as undelivered, the re-mailing of Class Notices, attempts to locate Class Members, the total number of Requests for Exclusion from the Settlement it received (both valid or invalid), the number of written objections and attach the Exclusion List. The Administrator will supplement its declaration as needed or requested by the Parties and/or the Court. Class Counsel is responsible for filing the Administrator's declaration(s) in Court.

7.8.6 Settlement Checks. The Administrator will be responsible for undertaking appropriate deductions, required tax reporting, and issuing the Individual Class Settlement Payments by way of check to the Participating Class Members, and Individual PAGA Settlement Payments by way of check to the Non-Participating Aggrieved Employees in accordance with the Settlement Agreement. When issuing payments, the Settlement Administrator may combine the Individual Class Settlement Payment, and Individual PAGA Payment into one check is the intended recipient for both payments is one individual. The Administrator shall include a legend on the settlement check stating "By cashing this check, I am opting into the settlement in *Ivan Sanchez v. Danco Anodizing, Inc.* Los Angeles County Superior Court, Case No. 22STCV10916, under FLSA, 29 U.S.C. § 216(b), and releasing the Released Class Claims described in the Settlement Agreement." Each Individual Class Settlement Payment and Individual PAGA Settlement Payment will be valid and negotiable for one hundred and eighty (180) calendar days from the date the checks are issued, and thereafter, shall be canceled. All funds associated with such canceled checks will be transmitted to the State of California Office of the Controller Unclaimed Property Division in the name of the Participating Class Members and/or PAGA Employee who did not cash his/her/their Settlement check. The Parties agree to coordinate their efforts to seek Court approval for such an escheatment process of uncashed funds. If, for some reason, the Court does not approve the escheatment of uncashed funds, the Parties agree to meet and confer to identify a mutually-agreeable *cy pres* recipient(s).

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

8. **CLASS SIZE ESTIMATES AND ESCALATOR CLAUSE.** Based on its records, Defendant has calculated that there are 31,784 Total Workweeks during the Class Period ("Compensable Workweeks"), which is 2,489 workweeks less than previously estimated in the Parties original settlement agreement. In the event the number of Compensable Workweeks ends up increasing to more than 34,273 Compensable Workweeks, then Defendant shall have the option to (1) shorten the Class Period to reduce the number of Compensable Workweeks below 34,273 and avoid application of this Escalator Clause or (2) pay the increase on a *pro rata* basis. This shall be determined by Defendant prior to the Class notice being delivered to the Class Members.

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

10. **MOTION FOR FINAL APPROVAL.** Not later than 16 court days before the calendared Final Approval Hearing, Plaintiff will file in Court, a motion for final approval of the Settlement that includes a request for approval of the PAGA settlement under Labor Code section 2699, subd. (l), a Proposed Final Approval Order and a proposed Judgment (collectively "Motion for Final Approval"). Plaintiff shall provide drafts of these documents to Defense Counsel at least five days before filing the Motion for Final Approval. Class Counsel and Defense Counsel will expeditiously meet and confer in person or by telephone, and in good faith, to resolve any disagreements concerning the Motion for Final Approval.

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

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

10.3 Continuing Jurisdiction of the Court. The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties, Action, and the Settlement solely for purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters, and (iii) addressing such post-Judgment matters as are permitted by law.

10.4 Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment reflected set forth in this Settlement, the Parties, their respective counsel, and all Participating Class Members who did not object to the Settlement as provided in this Agreement, waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals. If an objector appeals the Judgment, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect the amount of the Net Settlement Amount.

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

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

12. ADDITIONAL PROVISIONS.

12.1 No Admission of Liability, Class Certification or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendant that any of the allegations in the Operative Complaint have merit or that Defendant has any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that Defendant's defenses in the Action have merit. The Parties agree that class certification and representative treatment is for purposes of this Settlement only. If, for any reason the Court does grant Preliminary Approval, Final Approval or enter Judgment, Defendant reserves the right to contest certification of any class for any reasons, and Defendant reserves all available defenses to the claims in the Action, and Plaintiff reserves the right to move for class certification on any grounds available and to contest Defendant's defenses. The Settlement, this Agreement and the Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).

12.2 Confidentiality Prior to Preliminary Approval. Plaintiff and Class Counsel, agree that, until the Motion for Preliminary Approval of Settlement is filed, they and each of them will not disclose, disseminate and/or publicize, or cause or permit another person to disclose, disseminate or publicize, any of the terms of the Agreement directly or indirectly, specifically or generally, to any person, corporation, association, government agency, or other entity except: (1) to the Parties' attorneys, accountants, or spouses, all of whom will be instructed to keep this Agreement confidential or (2) in response to an inquiry or subpoena issued by a state or federal government agency. Plaintiff and Class Counsel will not initiate any contact with the putative Class Members or anyone else about the Settlement, except that: (a) Class Counsel, if contacted by a putative Class Member, may respond that a settlement has been reached and that the details will be communicated in a forthcoming Court-approved notice; and (b) Plaintiff, if contacted by a putative Class Member or Aggrieved Employee, may respond only that the Settlement Class Member or Aggrieved Employee should contact Class Counsel. Nothing in this paragraph shall prevent Class Counsel and Plaintiff from undertaking all required submissions to the LWDA as required by the PAGA statute in connection with this Settlement. Class Counsel and Plaintiff will also provide Defendant's Counsel with a copy of the papers submitted to the LWDA, either prior to or on the same day as the submission to the LWDA.

.

12.3 No Solicitation. The Parties separately agree that they and their respective counsel and employees will not solicit any Class Member to opt out of or object to the Settlement, or appeal from the Judgment.

12.4 Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party.

12.5 Attorney Authorization. Class Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiff and Defendant, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.

12.6 Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying the Settlement Agreement, submitting supplemental evidence and supplementing points and authorities as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of a mediator and/or the Court for resolution.

12.7 No Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity and portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.

12.8 No Tax Advice. Neither Plaintiff, Class Counsel, Defendant nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.

12.9 Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their representatives, and approved by the Court.

12.10 Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.

12.11 Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the state of California, without regard to conflict of law principles.

12.12 Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.

12.13 Confidentiality. To the extent permitted by law, all agreements made, and orders entered during Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.

12.14 Use and Return of Class Data. Information provided to Class Counsel pursuant to Cal. Evid. Code §1152, and all copies and summaries of the Class Data provided to Class Counsel by Defendant in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. Not later than 90 days after the date when the Court discharges the Administrator's obligation to provide a Declaration confirming the final pay out of all Settlement funds, Plaintiff shall destroy, all paper and electronic versions of Class Data received from Defendant unless, prior to the Court's discharge of the Administrator's obligation, Defendant makes a written request to Class Counsel for the return, rather than the destructions, of Class Data.

12.15 Headings. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.

12.16 Calendar Days. Unless otherwise noted, all reference to "days" in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.

12.17 Notice. All notices, demands or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email or messenger, addressed as follows:

To Plaintiff:

Justin Marquez
justin@wilshirelawfirm.com
Benjamin Haber
benjamin@wilshirelawfirm.com
Arrash Fattahi
afattahi@wilshirelawfirm.com
WILSHIRE LAW FIRM, PLC
3055 Wilshire Blvd., 12th Floor
Los Angeles, CA 90010

To Defendant:

Steven A. Groode
sgroode@littler.com
Grace L. Waddell
gwaddell@littler.com
LITTLER MENDELSON, P.C.
2049 Century Park East, 5th Floor
Los Angeles, California 90067-3107

12.18 Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e. DocuSign), or email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

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

Dated: ____________________

____
Ivan Sanchez
Plaintiff

Dated: ____________________

____
WILSHIRE LAW FIRM
Justin Marquez, Esq.
Benjamin Haber, Esq.
Arrash Fattahi, Esq.

Counsel for Plaintiff and the Putative Class/Aggrieved Parties

Dated: August 11, 2024

Sherri Scherer
Sherri Scherer, President
Danco Anodizing, Inc.

Dated: August 10, 2024

____
LITTLER MENDELSON, P.C.
Steven A. Groode
Grace L. Waddell

Counsel for Defendant

Steven A. Groode
sgroode@littler.com
Grace L. Waddell
gwaddell@littler.com
LITTLER MENDELSON, P.C.
2049 Century Park East, 5th Floor
Los Angeles, California 90067-3107

12.18 Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e. DocuSign), or email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

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

Dated: 8/12/2024

DocuSigned by:
Ivan Sanchez
AE1D797AF80D486...
Ivan Sanchez
Plaintiff

Dated: 8/12/2024

WILSHIRE LAW FIRM
Justin Marquez, Esq.
Benjamin Haber, Esq.
Arrash Fattahi, Esq.

Counsel for Plaintiff and the Putative Class/Aggrieved Parties

Dated: ____________________

Sherri Scherer, President
Danco Anodizing, Inc.

Dated: ____________________

LITTLER MENDELSON, P.C.
Steven A. Groode
Grace L. Waddell

Counsel for Defendant

Exhibit A

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

Ivan Sanchez v. Danco Anodizing, Inc., Case No. 22STCV10916

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

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

The Court has preliminarily approved a settlement an employment class action lawsuit ("Action") against Danco Anodizing, Inc. (abbreviate name; "Defendant" is used herein as a placeholder) for alleged wage and hour violations. The Action was filed by a former Defendant employee Ivan Sanchez ("Plaintiff"). Plaintiff sought payment of back wages and other relief for a class of persons employed by Danco Anodizing, Inc. in California and classified as hourly paid or non-exempt employee during the Class Period (March 8, 2018 to December 31, 2023) ("Class Members"); and (2) penalties under the California Private Attorney General Act ("PAGA") for all persons employed by Danco Anodizing, Inc. in California and classified as hourly paid or non-exempt employee during the PAGA Period (April 8, 2021 to December 31, 2023) ("Aggrieved Employees"). Defendant denies the claims and contends that at all times, it complied with the law.

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

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

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

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

Members and Aggrieved Employees to give up their rights to assert certain claims against Defendant.

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

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

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

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

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

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

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

1. WHAT IS THE ACTION ABOUT?

Plaintiff is a former Defendant employee. The Action accuses Defendant of violating California labor laws by failing to pay minimum and straight time wages, overtime wages, failing to provide meal and rest periods, failing to timely pay wages during employment, failing to pay wages upon termination, failing to provide accurate itemized wage statements, and failing to reimburse employees for expenditures. Based on the same claims, Plaintiff has also asserted a claim for civil penalties under the California Private Attorneys General Act (Labor Code §§ 2698, et seq.) ("PAGA") and a claim for unpaid wages under the Fair Labor Standard Act (29 U.S.C. sections 201, et. seq.) ("FLSA"). Plaintiff is represented by attorneys in the Action: Justin F. Marquez, Esq., Benjamin H. Haber, Esq., and Arrash T. Fattahi, Esq., of Wilshire Law Firm ("Class Counsel.")

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

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

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

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

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

Defendant Will Pay $325,000 as the Gross Settlement Amount (Gross Settlement). Defendant has agreed to deposit the Gross Settlement into an account controlled by the Administrator of the Settlement. The Administrator will use the Gross Settlement to pay the Individual Class Payments, Individual PAGA Payments, Class Representative Service Payment, Class Counsel's attorney's fees and expenses, the Administrator's expenses, and penalties to be paid to the California Labor and Workforce Development Agency ("LWDA"). Assuming the Court grants Final Approval, Defendant will fund the Gross Settlement not more than 14 days after the Judgment entered by the Court becomes final. The Judgment will be final 61 days after date the Court enters Judgment, or a later date if the Judgment is appealed.

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

- Up to $108,333.33 (33 1/3% of the Gross Settlement to Class Counsel for attorneys' fees and up to $30,000 for their litigation expenses. To date, Class Counsel have worked and incurred expenses on the Action without payment.

- Up to $12,500 for the Class Representative's Service Payment for filing the Action, working with Class Counsel and representing the Class. The Class Representative's Service Payment will be the only monies Plaintiff will receive other than Plaintiff's Individual Class Payment and any Individual PAGA Payment.

- Up to $10,000 to the Administrator for services administering the Settlement.

- Up to $10,000 for PAGA Penalties, allocated 75% to the LWDA PAGA Payment and 25% in Individual PAGA Payments to the Aggrieved Employees based on their PAGA Period Pay Periods.

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

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

Taxes Owed on Payments to Class Members. Plaintiff and Defendant are asking the Court to approve an allocation of 25% of each Individual Class Payment to taxable wages ("Wage Portion") and 75% to interest and penalties ("Non-Wage Portion.). The Wage Portion is subject to withholdings and will be reported on IRS W-2 Forms. Defendant will separately pay employer payroll taxes it owes on the Wage Portion. The Individual PAGA Payments are counted as penalties rather than wages for tax purposes. The Administrator will report the Individual PAGA Payments and the Non-Wage Portions of the Individual Class Payments on IRS 1099 Forms.

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

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

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

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

The Proposed Settlement Will be Void if the Court Denies Final Approval. It is possible the Court will decline to grant Final Approval of the Settlement or decline enter a Judgment. It is also possible the Court will enter a Judgment that is reversed on appeal. Plaintiffs and Defendant have agreed that, in either case, the Settlement will be void: Defendant will not pay any money and Class Members will not release any claims against Defendant.

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

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

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

> All class members who do not opt-out will release Defendant from any and all claims asserted in the operative complaint, and any future amendments to the operative complaint, including, but not limited to, state wage and hour claims for any and all violations of California's Labor Code and Unfair Competition Law, and Fair Labor Standards Act based on Defendant's failure to pay for all hours worked (including minimum, straight time, and overtime wages), failure to provide meal periods and to properly provide premium pay in lieu thereof, failure to authorize and permit rest periods and to properly provide premium pay in lieu thereof, failure to timely pay wages during employment, failure to timely pay final wages at termination, failure to pay wages at the proper rate of pay, failure to furnish accurate itemized wage statements and/or maintain accurate payroll records, failure to indemnify employees for expenditures, and all damages, interest, penalties, attorneys' fees, costs, and other amounts recoverable under said causes of action under California and federal law, to the extent permissible, including, but not limited to, the California Labor Code and the applicable Wage Orders. The release under the Fair Labor Standards Act will only apply to Participating Class Members that cash their checks before the void date.

Aggrieved Employees' PAGA Release. After the Court's judgment is final, and Defendant has paid the Gross Settlement (and separately paid the employer-side payroll taxes), all Aggrieved Employees will be barred from asserting PAGA claims against Defendant, whether or not they exclude themselves from the Settlement. This means that all Aggrieved Employees, including those who are Participating Class Members and those who opt-out of the Settlement, cannot sue, continue to sue, or participate in any other PAGA claim against Defendant or its related entities based on the PAGA Period facts alleged in the Action and resolved by this Settlement.

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

> All Participating and Non-Participating Class Members who are Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties, from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the Operative Complaint and the PAGA Notice.

4. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?

Individual Class Payments. The Administrator will calculate Individual Class Payments by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members, and (b) multiplying the result by the number of Workweeks worked by each individual Participating Class Member.

Individual PAGA Payments. The Administrator will calculate Individual PAGA Payments by (a) dividing $__________ by the total number of PAGA Pay Periods worked by all Aggrieved Employees and (b) multiplying the result by the number of PAGA Pay Periods worked by each individual Aggrieved Employee.

Workweek/Pay Period Challenges. The number of Workweeks you worked during the Class Period and the number of PAGA Pay Periods you worked during the PAGA Period, as recorded in Defendant's records, are stated in the first page of this Notice. You have until DATE to challenge the number of Workweeks and/or Pay Periods credited to you. You can submit your challenge by signing and sending a letter to the Administrator via mail, email or fax. Section 9 of this Notice has the Administrator's contact information.

You need to support your challenge by sending copies of pay stubs or other records. The Administrator will accept Defendant's calculation of Workweeks and/or Pay Periods based on Defendant's records as accurate unless you send copies of records containing contrary information. You should send copies rather than originals because the documents will not be returned to you. The Administrator will resolve Workweek and/or Pay Period challenges based on your submission and on input from Class Counsel (who will advocate on behalf of Participating Class Members) and Defendant's Counsel. The Administrator's decision is final. You can't appeal or otherwise challenge its final decision.

5. HOW WILL I GET PAID?

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

Non-Participating Class Members. The Administrator will send, by U.S. mail, a single Individual PAGA Payment check to every Aggrieved Employee who opts out of the Settlement (i.e., every Non-Participating Class Member).

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

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

Submit a written and signed letter with your name, present address, telephone number, and a simple statement that you do not want to participate in the Settlement. The Administrator will exclude you based on any writing communicating your request be excluded. Be sure to personally sign your request, identify the Action as *Ivan Sanchez v. Danco Anodizing, Inc.*, Case No. 22STCV10916, and include your identifying information (full name, address, telephone number, approximate dates of employment, and social security number for verification purposes). You must make the request yourself. If someone else makes the request for you, it will not be valid. **The Administrator must be sent your request to be excluded by DATE, or it will be invalid.** Section 9 of the Notice has the Administrator's contact information.

7. HOW DO I OBJECT TO THE SETTLEMENT?

Only Participating Class Members have the right to object to the Settlement. Before deciding whether to object, you may wish to see what Plaintiff and Defendant are asking the Court to approve. At least 16 court days before the Final Approval Hearing, Class Counsel and/or Plaintiff will file in Court a Motion for Final Approval that includes, among other things, the reasons why the proposed Settlement is fair, and stating (i) the amount Class Counsel is requesting for attorneys' fees and litigation expenses; (ii) the amount Plaintiff is requesting as the Class Representative's Service Payment; and (iii) the amount the Settlement Administrator is requesting for costs related to performing its duties under the Settlement. Upon reasonable request, Class Counsel (whose contact information is in Section 9 of this Notice) will send you copies of these documents at no cost to you. You can also view them on the Court's website at https://www.lacourt.org/casesummary/ui/index.aspx?casetype=civil and entering the Case Number for the Action, Case No. 22STCV10916.

A Participating Class Member who disagrees with any aspect of the Agreement or the Motion for Final Approval may wish to object, for example, that the proposed Settlement is unfair, or that the amounts requested by Class Counsel or Plaintiff are too high or too low.

The deadline for sending written objections to the Administrator is DATE. Be sure to tell the Administrator what you object to, why you object, and any facts that support your objection. Make sure you identify the Action *Ivan Sanchez v. Danco Anodizing, Inc.*, Case No. 22STCV10916, and include your name, current address, telephone number, and approximate dates of employment for Defendant and sign the objection. Section 9 of this Notice has the Administrator's contact information.

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

8. CAN I ATTEND THE FINAL APPROVAL HEARING?

You can, but don't have to, attend the Final Approval Hearing on DATE at TIME in Department 12 of the Los Angeles Superior Court, located at 312 N Spring St, Los Angeles, California 90012. At the Hearing, the judge will decide whether to grant Final Approval of the Settlement and how much of the Gross Settlement will be paid to Class Counsel, Plaintiff, and the Administrator. The Court will invite comment from objectors, Class Counsel and Defense Counsel before making a decision. You can attend (or hire a lawyer to attend) either personally or virtually. Check the Court's website for the most current information.

It's possible the Court will reschedule the Final Approval Hearing. You should check the Court's website beforehand or contact Class Counsel to verify the date and time of the Final Approval Hearing.

9. HOW CAN I GET MORE INFORMATION?

The Agreement sets forth everything Defendant and Plaintiff have promised to do under the proposed Settlement. To obtain more information, you can telephone or send an email to Class Counsel or the Administrator using the contact information listed below, or consult the Superior Court website by going to https://www.lacourt.org/casesummary/ui/index.aspx?casetype=civil and entering the Case Number for the Action, Case No. 22STCV10916.

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

Class Counsel:
Justin Marquez
justin@wilshirelawfirm.com
Benjamin Haber
benjamin@wilshirelawfirm.com
Arrash Fattahi
afattahi@wilshirelawfirm.com
WILSHIRE LAW FIRM, PLC
3055 Wilshire Blvd., 12th Floor
Los Angeles, CA 90010

Settlement Administrator:
[Admin Name]
[Email Address]
[Mailing Address]
[Telephone] [Fax Number]

10. WHAT IF I LOSE MY SETTLEMENT CHECK?

If you lose or misplace your settlement check before cashing it, the Administrator will replace it as long as you request a replacement before the void date on the face of the original check. If your check is already void you should consult the Unclaimed Property Fund for instructions on how to retrieve the funds.

11. WHAT IF I CHANGE MY ADDRESS?

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

Exhibit 2

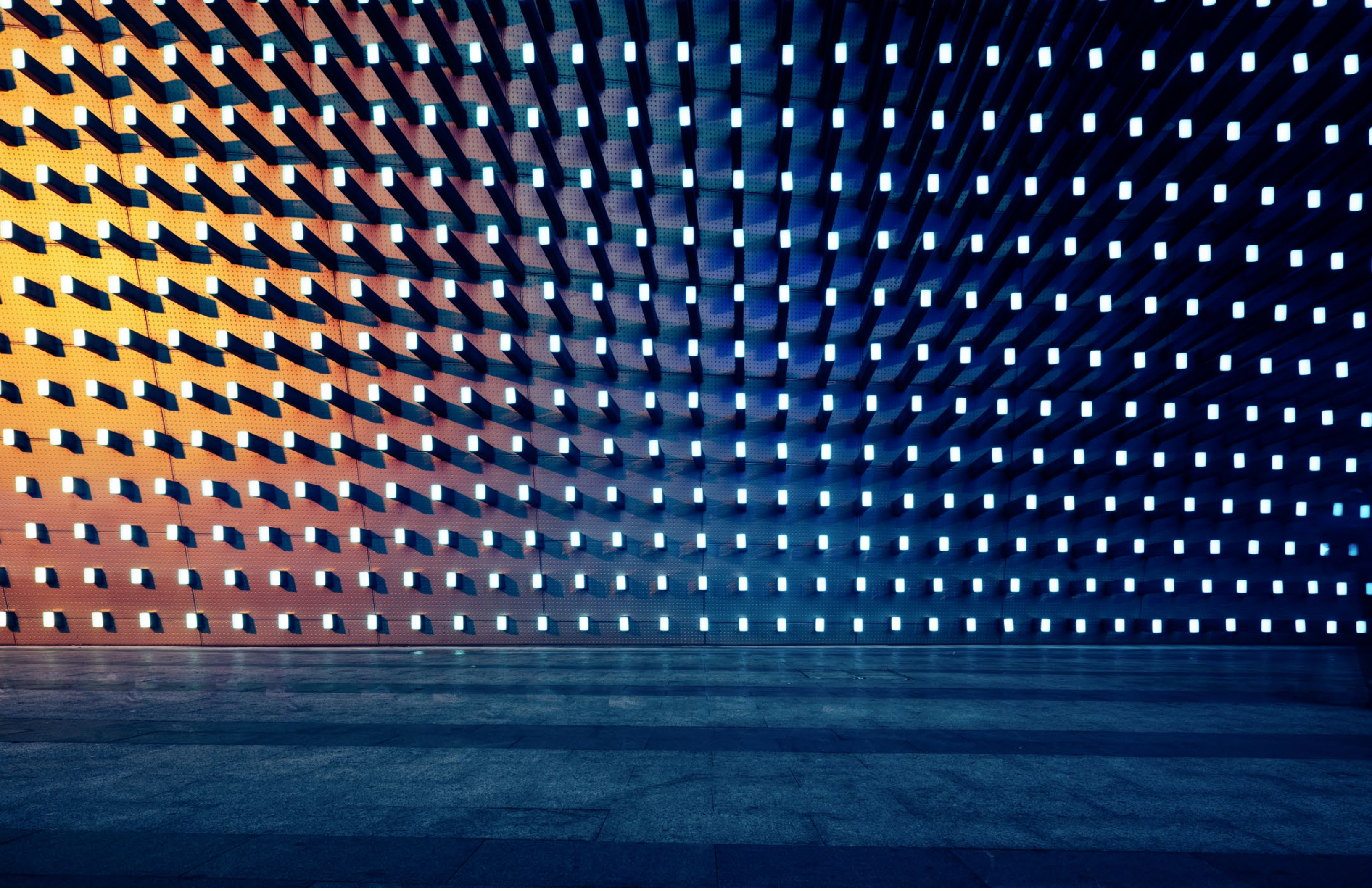
Wilshire Law Firm, PLC
Transaction Detail by Account
All Transactions

12/13/2024
Accrual Basis

Type	Date	Num	Memo	Amount	Balance
COS					
Mediation Fees					
	8/21/2023	50467	Mediation Fee	7,000.00	7,000.00
	9/29/2022	38026	Mediation Fee	7,450.00	14,450.00
Total MEDIATION FEES				14,450.00	14,450.00
Expert Fees					
	11/20/2023	10032	Expert Fees	810.00	810.00
	2/10/2023	8158	Expert Fees	2,370.00	3,180.00
Total EXPERT FEES				3,180.00	3,180.00
Legal Expenses					
	11/20/2024	29977 (2)	Depo Transcript Cost	1,461.77	1,461.77
	10/5/2024	346307	Case Anywhere	177.00	1,638.77
	7/5/2024	334854	Case Anywhere	165.00	1,803.77
	4/4/2024	323915	Case Anywhere	141.00	1,944.77
	1/9/2024	313749	Case Anywhere	165.00	2,109.77
	11/15/2023	7072D9F3-0006-A	Legal Research	68.50	2,178.27
	11/15/2023	7072D9F3-0006-B	Legal Research	82.20	2,260.47
	11/15/2023	7072D9F3-0006-C	Legal Research	95.89	2,356.36
	11/15/2023	7072D9F3-0006-D	Legal Research	95.89	2,452.25
	10/9/2023	303797	Case Anywhere	141.00	2,593.25
	9/13/2023	7072D9F3-0005-B	Legal Research	68.50	2,661.75
	9/13/2023	7072D9F3-0005-C	Legal Research	68.50	2,730.25
	9/13/2023	7072D9F3-0005-D	Legal Research	68.50	2,798.75
	7/24/2023	29977	Depo Cost	7,472.50	10,271.25
	7/5/2023	294291	Case Anywhere	183.00	10,454.25
	4/19/2023	159271	Depo Cost	948.25	11,402.50
	4/17/2023	285228	Case Anywhere	189.00	11,591.50
	4/4/2023	848097210	Legal Research	25.75	11,617.25
	2/6/2023	847783910	Legal Research	62.25	11,679.50
	1/10/2023	276440	Case Anywhere	135.00	11,814.50
	10/10/2022	267891	Case Anywhere	111.30	11,925.80
	10/4/2022	847129568	Legal Research	13.21	11,939.01
	4/9/2022		PAGA Fee	75.00	12,014.01
	4/6/2022	846130079	Legal Research	8.16	12,022.17
	3/8/2022	845970981	Legal Research	68.67	12,090.84
Total LEGAL EXPENSES				12,090.84	12,090.84
Process Service Fees					
	9/6/2024		Attorney Services	5.80	5.80
	9/5/2024	23670523	Attorney Services	20.74	26.54
	8/26/2024		Attorney Services	5.80	32.34
	8/26/2024	23604640	Attorney Services	20.74	53.08
	8/13/2024	23513429	Attorney Services	20.74	73.82
	8/8/2024	23482374	Attorney Services	41.33	115.15
	8/8/2024	23490572	Attorney Services	20.74	135.89
	8/4/2024		Attorney Services	8.00	143.89
	7/30/2024	23418152	Attorney Services	41.33	185.22
	6/11/2024	77209	Attorney Services	199.00	384.22
	4/29/2024	22777808	Attorney Services	81.48	465.70
	4/26/2024	22766655	Attorney Services	41.33	507.03
	1/16/2024	22014154	Attorney Services	20.74	527.77
	11/21/2023	21680444	Attorney Services	39.28	567.05
	10/18/2023	21446064	Attorney Services	18.69	585.74
	10/16/2023		Attorney Services	5.80	591.54
	8/21/2023	21044243	Attorney Services	39.28	630.82
	6/23/2023	20626753	Attorney Services	18.69	649.51
	6/22/2023	20598135	Attorney Services	39.28	688.79
	6/8/2023		Attorney Services	18.69	707.48
	5/15/2023		Attorney Services	39.28	746.76
	5/10/2023		Attorney Services	18.69	765.45
	4/25/2023		Attorney Services	39.28	804.73
	8/29/2022		Attorney Services	5.40	810.13
	8/25/2022	50348	Attorney Services	1,235.00	2,045.13
	8/23/2022	50245	Attorney Services	85.00	2,130.13

	8/8/2022		Attorney Services	18.22	2,148.35
	7/15/2022		Attorney Services	171.62	2,319.97
	7/12/2022	49089	Attorney Services	45.00	2,364.97
	7/11/2022		Attorney Services	18.22	2,383.19
	6/23/2022		Attorney Services	465.03	2,848.22
	6/3/2022		Attorney Services	12.87	2,861.09
	4/28/2022	47154	Attorney Services	45.00	2,906.09
	4/28/2022	47096	Attorney Services	144.00	3,050.09
	4/26/2022		Attorney Services	9.40	3,059.49
	3/30/2022	63123	Attorney Services	1,494.53	4,554.02
Total PROCESS SERVICE FEES				4,554.02	4,554.02
Other Costs					
	8/12/2024	E-3235661	Postage Cost	1.89	1.89
	3/14/2024	E-3195262	Postage Cost	1.89	3.78
	9/11/2023	E-3128770	Postage Cost	1.89	5.67
	4/8/2022	E-2981712	Printing Cost	6.75	12.42
	7/15/2022	E-1375203	Printing Cost	1.00	13.42
	7/8/2022	E-1325615	Printing Cost	0.50	13.92
	4/11/2022	E-932813	Postage Cost	6.13	20.05
	4/11/2022	E-932812	Postage Cost	6.13	26.18
	4/11/2022	E-932782	Printing Cost	6.13	32.31
	3/2/2022	E-837765	Postage Cost	6.13	38.44
	3/2/2022	E-837764	Postage Cost	6.13	44.57
	3/2/2022	E-837763	Printing Cost	6.13	50.70
Total OTHER COSTS				50.70	50.70
TOTAL				**34,325.56**	**34,325.56**

Exhibit 3



ELM Solutions

2022 Real Rate Report®

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

Wolters Kluwer

wolterskluwer.com

Table of Contents - 2022 Real Rate Report

Report Use Considerations

2022 Real Rate Report

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

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

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

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

Some key factors[1] that drive rates[2]:

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

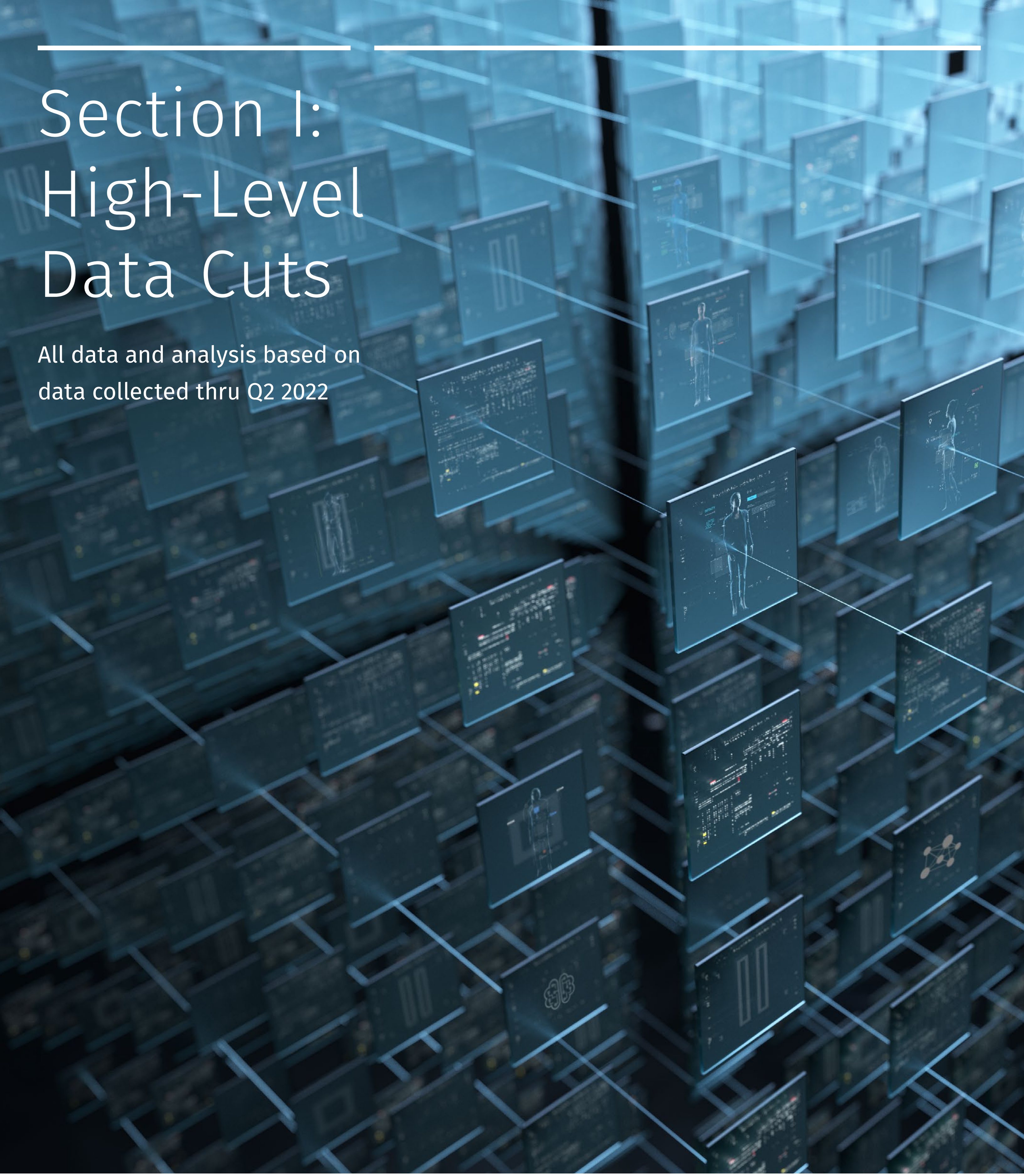
Litigation complexity - The cost of representation will be higher if the case is particularly complex or time-consuming; for example, if there are a large number of documents to review, many witnesses to depose, and numerous procedural steps, the case is likely to cost more (regardless of other factors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

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

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

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

1 **David Goguen, J.D., University of San Francisco School of Law (2020) Guide to Legal Services Billing Retrieved from:** https://www.lawyers.com/legal-info/research/guide-to-legal-services-billing-rates.html
2 **Source: 2018 RRR.** Factor order validated in multiple analyses since 2010



Section I: High-Level Data Cuts

All data and analysis based on data collected thru Q2 2022

Section I: High-Level Data Cuts

Cities

By Matter Type

2022 - Real Rates for Associate and Partner **Trend Analysis - Mean**

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

Section I: High-Level Data Cuts

Cities
By Matter Type

2022 - Real Rates for Associate and Partner — **Trend Analysis - Mean**

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

Section I: High-Level Data Cuts

Cities

By Matter Type

2022 - Real Rates for Associate and Partner | **Trend Analysis - Mean**

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

Section I: High-Level Data Cuts

Cities

By Matter Type

2022 - Real Rates for Associate and Partner | **Trend Analysis - Mean**

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

2022 - Real Rates for Associate — **Trend Analysis - Mean**

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

Section I: High-Level Data Cuts

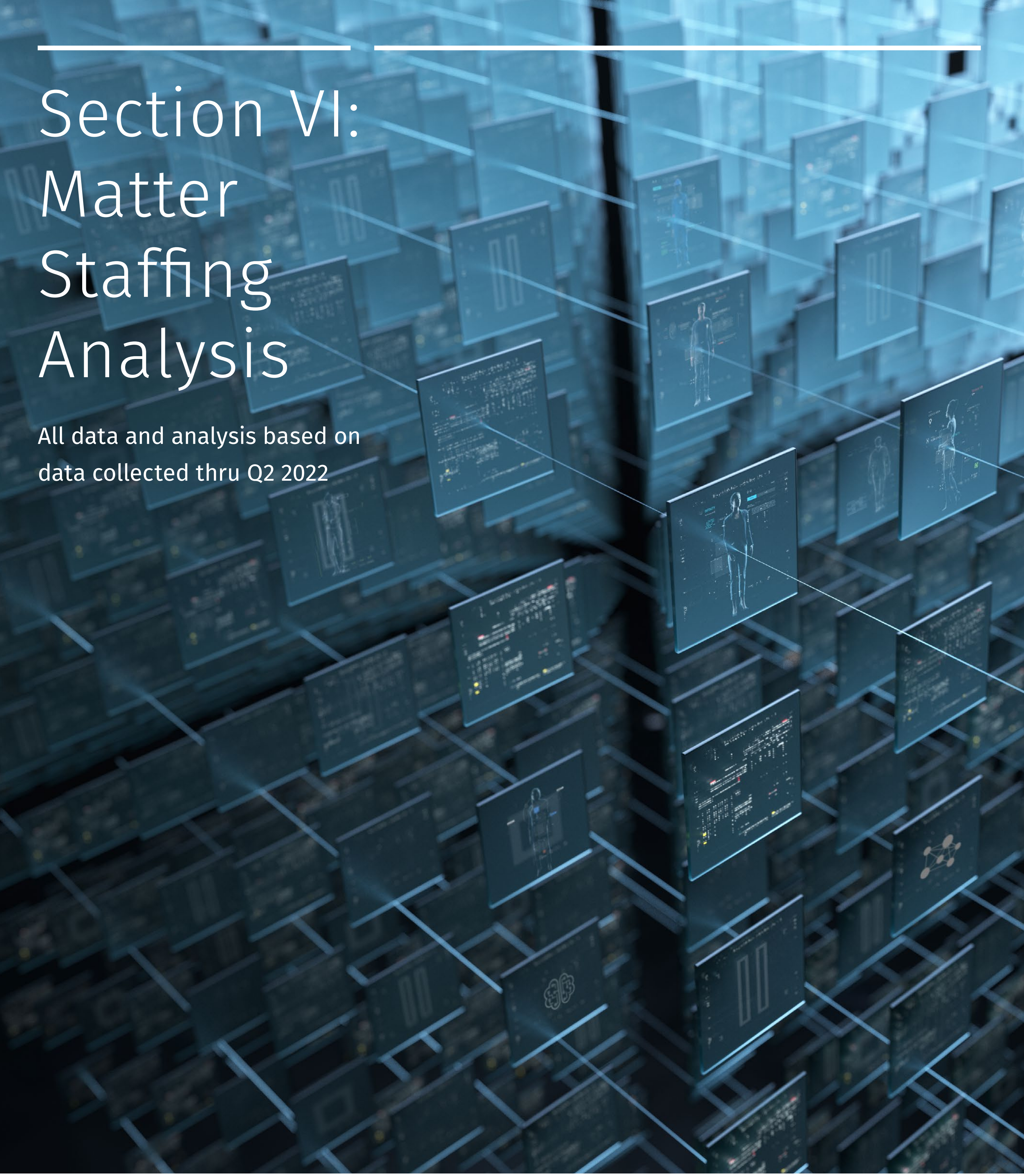
Cities
By Years of Experience

2022 - Real Rates for Partner | **Trend Analysis - Mean**

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

Section VI: Matter Staffing Analysis

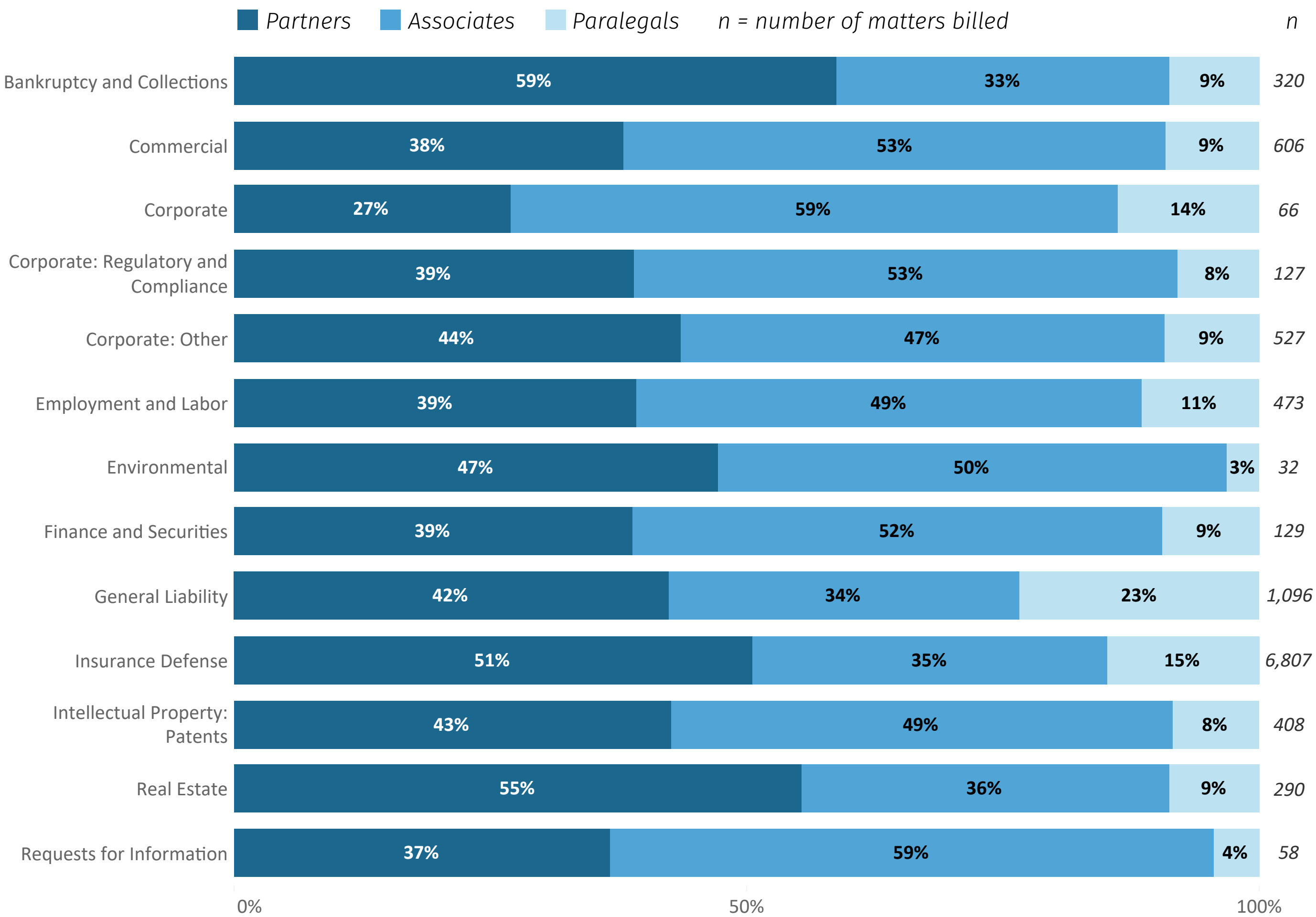
All data and analysis based on data collected thru Q2 2022

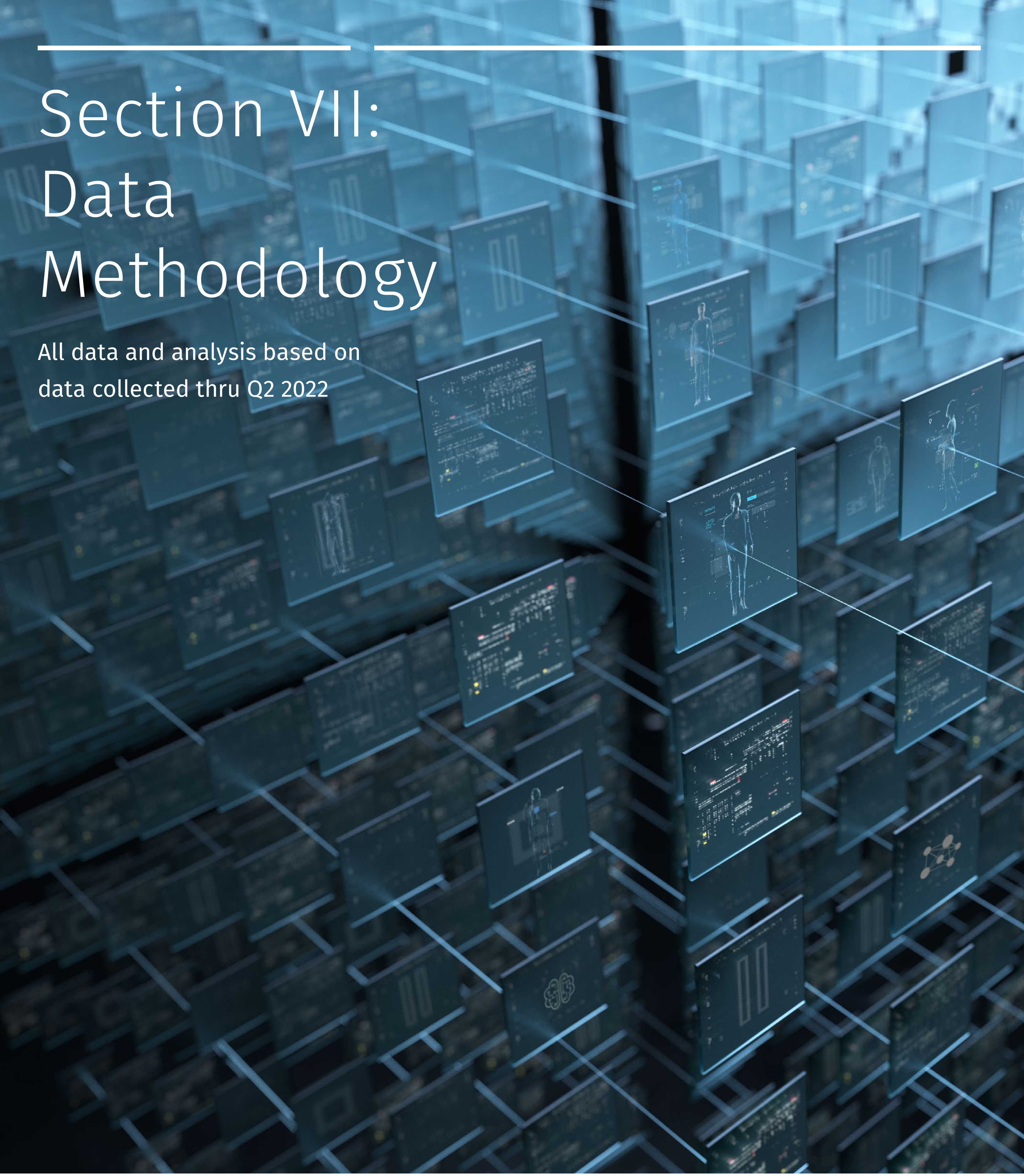


Section VI: Matter Staffing Analysis

Long Litigation Matters, More Than 100 Total Hours Billed

2019 to 2022 -- Percentage of Hours Billed per Matter





Section VII: Data Methodology

All data and analysis based on data collected thru Q2 2022

Appendix: Data Methodology

Invoice Information

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

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

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

Non-Invoice Information

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

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

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

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

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

Appendix: Data Methodology

A Note on US Cities

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

Appendix: Data Methodology

Bankruptcy and Collections

Chapter 11
Collections
General/Other
Workouts and Restructuring

Commercial (Commercial Transactions and Agreements)

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

Corporate[1]

Antitrust and Competition
Corporate Development
General/Other
Governance
Information and Technology
Mergers, Acquisitions, and Divestitures
Partnerships and Joint Ventures
Regulatory and Compliance
Tax
Treasury
White Collar/Fraud/Abuse

Employment and Labor

ADA
Agreements
Compensation and Benefits
Discrimination, Retaliation, and Harassment/EEO
Employee Dishonesty/Misconduct
ERISA
General/Other
Immigration
Union Relations and Negotiations/NLRB
Wages, Tips, and Overtime
Wrongful Termination

Environmental

General/Other
Health and Safety
Superfund
Waste/Remediation

Finance and Securities

Commercial Loans and Financing
Debt/Equity Offerings
Fiduciary Services
General/Other
Investments and Other Financial Instruments
Loans and Financing
SEC Filings and Financial Reporting
Securities and Banking Regulations

General Liability

Asbestos/Mesothelioma
Auto and Transportation
Consumer Related Claims
Crime, Dishonesty and Fraud
General/Other
Personal Injury/Wrongful Death
Premises
Product and Product Liability
Property Damage
Toxic Tort

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

Exhibit 4

Business & Practice

Big Law Rates Topping $2,000 Leave Value 'In Eye of Beholder'

By Roy Strom

Column
June 9, 2022, 2:30 AM

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

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

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

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

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

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

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

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

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

Charge It Up

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

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

Source: Court documents

Bloomberg Law

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Worth Your Time

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

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

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

00:00:00

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

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

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

Documents

Trustee's Objection

Related Articles

Overworked Big Law Can't Find Enough Lawyers With Demand Surging	Dec. 9, 2021, 3:00 AM
Never Underestimate Big Law's Ability to Raise Billing Rates	Aug. 12, 2021, 3:00 AM

Law Firms

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

Topics

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

Companies

Johnson & Johnson
Thomson Reuters Corp

WILSHIRE LAW FIRM, PLC
3055 Wilshire Blvd, 12th Floor
Los Angeles, CA 90010-1137

PROOF OF SERVICE

Sanchez v. Danco Anodizing, Inc., et al.
22STCV10916

STATE OF CALIFORNIA)
) ss
COUNTY OF LOS ANGELES)

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

On December 13, 2024, I served the foregoing **DECLARATION OF JUSTIN F. MARQUEZ IN SUPPORT OF PLAINTIFF'S MOTION FOR FINAL APPROVAL OF CLASS ACTION SETTLEMENT**, on the interested parties by placing a true copy thereof, enclosed in a sealed envelope by following one of the methods of service as follows:

Steven A. Groode (SBN 210500)
sgroode@littler.com
Grace L. Waddell (SBN 327186)
gwaddell@littler.com
LITTLER MENDELSON, P.C.
2049 Century Park East, 5th Floor
Los Angeles, California 90067-3107
Telephone: (310) 553-0308
Facsimile: (310) 553-5583

Attorneys for Defendant

(X) **BY ELECTRONIC SERVICE:** Based on a court order or an agreement of the parties to accept electronic service, I caused the documents to be sent to the persons at the electronic service addresses listed above via third-party cloud service **CASEANYWHERE**.

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

Executed on December 13, 2024, at Los Angeles, California.

Rebecca Padilla