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SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF SAN DIEGO

KANDACE BATTLE and RACHEL CHRISTINA GOODWIN, individually, and on behalf of all others similarly situated and the State of California under the Private Attorneys General Act, *Plaintiffs,* v. CALIFORNIA CLINIC MANAGEMENT, LLC; and DOES 1 through 50, inclusive, *Defendants*.	Case No.: 37-2023-00039498-CU-OE-CTL **PAGA REPRESENTATIVE ACTION** [*Assigned for all purposes to*: Hon. Lauren G. Freestone, Dept. C-64] **DECLARATION OF BENJAMIN H. HABER IN SUPPORT OF PLAINTIFFS' MOTION TO APPROVE PAGA SETTLEMENT** Approval Hearing Date: Date: May 9, 2025 Time: 10:30 a.m. Dept.: C-64 Complaint filed: September 12, 2023 FAC filed: April 11, 2025 Trial date: Not Set

DECLARATION OF BENJAMIN H. HABER

I, Benjamin H. Haber, 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 Partner at Wilshire Law Firm, PLC, counsel of record for Plaintiff Rachel Christina Goodwin ("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.

2. This Declaration is submitted in support of Plaintiffs' Motion to Approve PAGA Settlement.

Case Background

3. Defendant California Clinic Management, LLC ("Defendant") maintains and operates over numerous eye care clinics throughout Southern California. Plaintiff Battle worked for Defendant from approximately February 2022 to May 2023 and Plaintiff Goodwin worked for Defendant from May 2019 to February 2022.

4. Plaintiffs' PAGA claim stems from Defendant failure to pay for all hours worked (minimum, straight time, and overtime wages), failure to provide meal periods, failure to authorize and permit rest periods, failure to pay all earned wages twice per month, failure to maintain accurate records of hours worked and meal periods, failure to timely pay final wages, failure to furnish accurate wage statements, failure to indemnify for necessary business expenditures, and failure to provide sick pay and COVID-19 supplemental sick pay.

5. On August 26, 2022, Plaintiff Goodwin filed a PAGA representative action against Defendant for civil penalties under PAGA in the Riverside County Superior Court. On May 27, 2022, Plaintiff Goodwin provided notice to the LWDA and Defendant of the violations described above, as required by Labor Code § 2699.3(a)(1). On July 7, 2023, Plaintiff Battle also provided notice to LWDA and Defendant as required by Labor Code § 2699.3(a)(1). Pursuant to Labor Code § 2699.3(a)(2)(A), the LWDA had 65 calendar days to notify Plaintiffs and Defendant whether it intended to investigate the alleged violations. However, the LWDA

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did not do so. On September 12, 2023, Plaintiff Battle filed a PAGA representative action against Defendant for civil penalties under PAGA in the San Diego Superior Court. On August 20, 2024, the San Diego Superior Court deemed the Goodwin PAGA Action and the Battle PAGA Action related. On April 11, 2025, Plaintiffs filed their First Amended Complaint, which formally added Plaintiff Goodwin to this action.

Discovery and Investigation

6. After Plaintiffs filed their complaints, the Parties engaged in extensive settlement discussions. To facilitate settlement, Defendant provided Plaintiffs with the applicable policies in effect during the relevant time period and data points for the aggrieved employees. Ultimately, after an all-day mediation presided over by the well-respected mediator Tagore Subramaniam, the Parties agreed to settle the PAGA claim for $700,000.00, along with a general release that covers Plaintiffs' individuals claims they have against Defendant, which includes all current and former hourly, non-exempt employees who performed work for Defendant in California during the PAGA Period from June 22, 2021 through the date the Court approves the Settlement, subject to the Escalator Clause in the Settlement. The settlement negotiations were at arm's length and, although conducted in a professional manner, were adversarial. There are approximately 1,373 aggrieved employees covered by the settlement. Plaintiffs submitted the Settlement to the LWDA on April 17, 2025, pursuant to Labor Code § 2699(s)(2). A true and correct copy of the Settlement executed by the Parties, along with the confirmation that the Settlement was submitted to the LWDA is attached herein as **Exhibit 1**. Additionally, a true and correct copy of the Settlement Notice that will be sent to Aggrieved Employees with payment after the Court enters a Judgment on its Order Approving the PAGA Settlement is attached as Exhibit A to the Settlement Agreement.

7. Before the Settlement, Plaintiffs' counsel conducted an investigation into the claims alleged by Plaintiffs, conducted legal research, and engaged in informal discovery. Based upon the information obtained through discovery, Plaintiffs' counsel was able to act intelligently and effectively in negotiating the proposed Settlement. The Parties went into the mediation willing to explore the potential for a settlement of the dispute, but each side was also prepared to litigate their

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position through trial and appeal if a settlement had not been reached. Although Plaintiffs and their counsel were prepared to litigate the claims in this action, they support the Settlement as being in the best interest of the State of California and the aggrieved employees.

Assessment of Amount in Controversy and Risks of Continued Litigation

8. Plaintiffs and Plaintiffs' counsel remain confident of the merits of Plaintiffs' claims. Plaintiffs' allegation that Defendant failed to pay Plaintiffs and the aggrieved employees all of their owed wages is based on Defendant's failure to pay employees for work performed "off-the-clock" and failure to pay employees at the correct regular rate of pay resulting from the payment of several different types of incentive programs for employees fulfilling certain job roles and for meeting differing financial goals. With respect to the meal period allegation, Plaintiffs allege that Defendant required them and the other aggrieved employees to work in lieu of taking meal periods. Although Plaintiffs contend that this allegation is meritorious, there is risk with this underlying claim, particularly because Defendant issued meal period premiums to their employees and implemented meal period waivers throughout the covered period. With respect to the rest period allegation, Plaintiffs contend that employees, including themselves, were not provided with California-compliant rest periods. Again, despite Plaintiffs' contention that this allegation is credible, proving rest period allegations is particularly difficult because rest periods do not have to be recorded and Defendant can argue that the aggrieved employees chose to voluntarily forego their rest periods. With respect to the unreimbursed business expenses allegation, Plaintiffs allege that Defendant required them and other employees to use their cell phones to communicate with doctors who were both in and out of the office regarding patient care as well as providing photos of scans for appointments, and to purchase work supplies and work attire for which they were not compensated.

9. With regard to Plaintiffs' wage statement claim, Defendant argues that the wage statements issued to employees meet the requirements of Labor Code § 226(a). Defendant also maintains that any alleged wage statement violation could not be shown to be "knowing and intentional," and that Plaintiffs cannot show that they or any other employee "suffer[ed] injury" as a result of the alleged wage statement violations, as required by Labor Code § 226(e) for the

imposition of penalties.

10. Plaintiffs believed there was a legitimate risk of the Court significantly reducing penalties given the technical nature of the alleged violations. Without this settlement, the Parties face preparation for trial, as well as extensive formal discovery efforts and further depositions. As a result, the Parties would incur considerably more attorneys' fees and costs through trial. This settlement avoids those risks and the accompanying expense. Thus, this factor favors settlement approval.

11. Based on data points provided by Defendant, there are approximately 40,752 pay periods during the relevant time period which presented issues with regard to unpaid wages, meal period violations, rest period violations, wage statement violations claim, and unreimbursed business expenses. Applying the $100 "initial violation" penalty for each of these pay periods, Defendant's potential PAGA exposure is $4,075,200.00 (based on 40,752 pay periods). However, Defendant's contention that the underlying allegations lacked merit led to Plaintiffs discounting this maximum exposure by 70% (to $1,222,560 as Defendant's reasonable potential liability) to account for the risk of not prevailing on the merits, the technical nature of some of the allegations, and the Court's discretion in reducing penalties.

12. Using these estimated figures, Plaintiffs predicted that the realistic total potential recovery for the PAGA Employees and the LWDA would be approximately $1,222,560. The proposed Settlement of $700,000.00 therefore represents 57% of Plaintiffs' reasonably forecasted total recovery. In this case, continued litigation would delay payment to the LWDA and the PAGA Employees as they await trial and, most likely, appellate proceedings. Furthermore, while Plaintiffs are confident in the merits of the case, a legitimate controversy exists as to each of the predicate Labor Code violations. The possibility that the Court finds no liability at the PAGA bench trial is also a risk. In sum, when the risks of litigation, the burdens of proof necessary to establish liability, and the probability of appeal of a favorable judgment are balanced against the merits of Plaintiffs' claims, it is clear that the settlement amount is fair. Further, because of the proposed Settlement, the PAGA Employees will receive timely, guaranteed relief and will avoid the risk of an unfavorable judgment. Plaintiffs also recognize that proving the amount of wages

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due to each employee would be an expensive, time-consuming, and uncertain proposition.

13. If the Court approves the terms of the Settlement, each aggrieved employee's payment will average approximately $75.16 and approximately $309,567.76 will go to the LWDA.[1] In reality, some employees will likely receive more, and others may receive less depending on the length of their employment with Defendant.

PAGA Representative Service Payment

14. The Settlement provides for Service Payments to Plaintiffs in an amount not to exceed $10,000 each ($20,000.00 total). (Settlement, ¶ 33(c).) The requested service awards are intended to recognize: (1) the substantial time and effort that Plaintiffs have expended on behalf of the State and aggrieved employees; (2) the risks faced by Plaintiffs as a result of bringing this action; (3) the fact that Plaintiffs put the interests of the State of California and other aggrieved employees ahead of their own; and (4) the substantial benefit conferred upon the State and the aggrieved employees as a result of Plaintiffs' actions.

15. Plaintiffs have spent numerous hours performing tasks for this case, including, but not limited to: consulting with counsel in-person and over the telephone; searching for and producing relevant documents; reviewing documents produced by Defendant and settlement documents; keeping informed of the developments in the case; and participating in decisions concerning the case, including settlement. As a result of their efforts, the LWDA and about 1,373 aggrieved employees will receive compensation for civil penalties for underpaid wages and other wage and hour violations.

16. Plaintiffs put themselves at significant risk in pursuing this action on behalf of the State, as serving as Plaintiffs in a representative action could affect their prospects for future employment. Plaintiffs also placed themselves at substantial risk because, if Defendant were to prevail in this action, Plaintiffs could be liable for Defendant's costs and attorneys' fees.

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[1] Calculated as follows: $700,000 - $233,333.33 (33 1/3% attorney's fees) - $20,000 (combined enhancement awards for Plaintiffs and for their general release of all claims) - $18,909.65 (requested attorney's costs for Plaintiffs' litigation efforts) - $15,000 (settlement administration costs) = $412,757.02 for the Net Settlement Amount. The Net Settlement Amount is then divided such that 75% goes to the LWDA ($309,567.76) and 25% ($103,189.26) goes to the aggrieved employees, who will earn an approximate average of $75.16 per aggrieved employee.

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17. In short, this action would not have been possible without the aid of Plaintiffs, who put their own time and effort into this litigation, sacrificed the value of their individual claims by entering into a general release of all known and unknown claims, and placed themselves at risk for the sake of the State and the aggrieved employees. Accordingly, the requested Service Payments are reasonable and should be approved by the Court.

Attorneys' Fees And Costs

18. The Settlement provides for a payment of attorneys' fees in the amount of $233,333.33 and up to $30,000.00 in costs to Plaintiffs' counsel. As of the filing date, Wilshire Law Firm lodestar is $84,175 based on at least 103 hours of attorney time at customary hourly rates. Ferraro Vega Employment Lawyers lodestar is $39,000.00, based on 65 hours of attorney time at their customary hourly rates. Plaintiffs' counsel's total lodestar is $123,175, which is based upon at least 168 hours of attorney time. Under these circumstances, Plaintiffs' counsel is requesting a lodestar multiplier of approximately 1.89. Thus, Plaintiffs' request for $233,333.33 in attorneys' fees and costs is reasonable under the lodestar method. Meanwhile, Plaintiffs were previously provided with informed written consent of the joint prosecution agreement between my firm and Ferraro Vega Employment Lawyers, Inc. involving the claims in this case.

19. The efforts expended by Plaintiffs' counsel to achieve this excellent result include, but are not limited to, the following: interviews with Plaintiffs and review of documents provided by Plaintiffs and Defendant; preparing and revising the Complaint; filing of the PAGA complaint; investigating and researching the claims; analyzing the timekeeping and payroll records produced by Defendant in advance of mediation; preparing a mediation brief; participating in mediation; preparing and filing an amended complaint; drafting, negotiating, and revising the Settlement Agreement; communicating with the proposed Settlement Administrator; and drafting this Motion and supporting papers.

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

Attorney	**Hours**	**Rate**	**Lodestar**
Benjamin H. Haber	68	$775	$52,700

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Daniel J. Kramer	4	$725	$2,900
Chase M. Stern	12	$700	$8,400
Bradford Smith	9	$575	$5,175
Justin F. Marquez[2] (former)	10	$1,500	$15,000
Total:			$84,175

21. Wilshire Law Firm, PLC has spent at least 103 hours, for a lodestar of $84,175 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. The efforts expended by Wilshire Law Firm, PLC to achieve this result include, but are not limited to, the following:

a. the investigation of the claims, 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 an action against Defendant;
c. attending multiple case management conference and preparing statements and stipulations related to the conferences;
d. meeting and conferring with Defendant regarding the case, including extensive discussion regarding the *Adolph v. Uber* California Supreme decision and the implications of the ruling on Plaintiff's and the aggrieved employees' claims;
e. Drafting formal discovery to propound on Defendant;
f. meeting and conferring with Defendant regarding mediation, exchange of informal and formal discovery beforehand, and negotiating with opposing counsel regarding the parameters thereof;
g. meeting and conferring with co-counsel on behalf of Plaintiff Battle;

[2] As described below, Justin F. Marquez is no longer with Wilshire Law Firm, PLC as of December 2024. I have conservatively estimated at least 10 hours of work (which I can personally corroborate) by Mr. Marquez on this matter, which includes, but is not limited to, reviewing the complaints, discussing the mediation brief and damages, and attending the mediation.

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h. selecting a mediator and mediation date;

i. 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;

j. reviewing policy documents from Defendant and researching applicable defenses;

k. preparing and assisting in the preparation of a global mediation brief and accompanying damages model;

l. all-day attendance at mediation by all Parties and Counsel;

m. communicating with Plaintiff who requested updates or other information regarding this matter;

n. engaging in settlement negotiations, followed by finalizing and fully executing the Settlement Agreement;

o. drafting and reviewing a First Amended Complaint and accompanying documents;

p. preparing the instant motion for PAGA approval and supporting documents;

22. There are additional hours devoted by me (and by my colleagues) to this litigation that are not reflected in Plaintiffs' Counsel's request for attorney's fees. We can provide complete, detailed 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.

23. Additional time will be required by Plaintiffs' Counsel to monitor the settlement and respond to inquiries and oversee administration of the settlement and distribution of the fund. I estimate that my office will commit no less than 15 hours to those tasks and have included those hours above.

24. In addition, Wilshire Law Firm incurred $7,876.61 in costs litigating this action and Ferraro Vega Employment Lawyers incurred $10,983.04 in costs. Plaintiffs' counsel incurred $18,859.65 in total litigation costs. Plaintiffs' counsel was required to expend the funds prosecuting this case to a successful resolution on, among other things, court filing fees, document service, postage, and copying. Because these costs are reasonable, Plaintiffs' counsel respectfully

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requests that the Court approve the payment. These expenses were reasonably necessary to the litigation and were actually incurred by my office. They should be reimbursed in full, up to the maximum amount allowed in the Settlement Agreement. Attached as **Exhibit 2** to this declaration is a breakdown of costs incurred by Wilshire Law Firm.

Plaintiffs' Counsel's Experience

25. 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 100 attorneys and over 600 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.

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

27. I am a partner at Wilshire Law Firm. I 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, I was a member of the executive board for the *Hastings Law Journal* and student mediator at the San Francisco Superior Court, Small Claims Division; and a managing editor for *SCOCAblog*, which continues to be a leader in providing substantive coverage on the California Supreme Court and relevant cases before the court. I was admitted to practice law in the State of California in 2017. Since graduating from law school, I have focused my 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. I was also selected as a "Southern California Rising Star" in 2024 and 2025. My current contingent billing rate for this case is $775 per hour.

28. In 2020, I joined Wilshire Law Firm as an associate attorney and was tasked with managing litigation teams beginning in 2021. I have been appointed as class counsel in

numerous wage-and-hour cases throughout California. Below is a non-exhaustive list of cases where I was appointed as class counsel or myself and other members of my firm were appointed as class counsel:

a. *Colter v. Propulsion Controls Engineering*, San Diego County, Case No. 37-2020-00030682-CU-OE-CTL; Motion for Final Approval granted on October 28, 2022.

b. *Rodriguez v. Modesto Restaurant Group, LLC*, Stanislaus County, Case No. CV-21-000269; Motion for Final Approval granted on January 10, 2023.

c. *Kingsbury v. Caravan Foods II, Inc.*, Alameda County, Case No. RG21096357; Motion for Final Approval granted on January 31, 2023.

d. *Frias-Estrada v. Trek Retail Corporation*, Contra Costa County, Case No. MSC20-01916; Motion for Final Approval granted on March 3, 2023.

e. *Varez v. Valley Connection, LLC dba Carl's Jr.*, Merced County, Case No. 22CV-00985; Motion for Final Approval granted on April 27, 2023.

f. *Reyes v. Everytable, PBC, et al.*, Los Angeles County, Case No. 21STCV35987; Motion for Final Approval granted on May 3, 2023.

g. *Ortiz v. Tara Materials, Inc.*, San Diego County, Case No. 37-2021-0001473-CU-OE-CTL; Motion for Final Approval granted on May 30, 2023.

h. *Cruz-Sanchez v. Eagle Lath & Plaster, Inc.*, Sacramento County, Case No. 34-2021-00293739-CU-OE-GDS; Motion for Final Approval granted on May 30, 2023.

i. *Garduno v. New Generation Framing, Inc., et al.*, Stanislaus County, Case No. CV-21-000544; Motion for Final Approval granted on August 11, 2023.

j. *Hernandez, et al. v. Burford Farming Company, Inc.*, Fresno County, Case No. 21CECG03817; Motion for Final Approval granted on August 21, 2023.

k. *Barajas v. Final Phase Construction, Inc.*, San Bernardino County, Case No. CIVSB2118622; Motion for Final Approval granted on September 13, 2023.

l. *Jaimes, et al. v. Infiniti Health LLC*, Los Angeles County, Case No. 22STCV07261; Motion for Final Approval granted on October 17, 2023.

m. *Nunez v. Gabriel Container*, Los Angeles County, Case No. 21STCV09787; Motion for Final Approval granted on November 2, 2023.

n. *Gutierrez v. Next Level Door & Millwork, Inc.*, Riverside County, Case No. CVRI2105455; Motion for Final Approval granted on January 11, 2024.

o. *Lupercio v. Western CNC, Inc.*, San Diego County, Case No. 37-2021-00010314-CU-OE-CTL; Motion for Final Approval granted on January 26, 2024.

p. *Jackson, et al. v. Apple Valley Communications, Inc.*, *et al.*, San Bernardino County, Case No. CIVSB2124721; Motion for Final Approval granted on February 1, 2024.

q. *Cuadras, et al. v. Guinn Corporation*, Kern County, Case No. BCV-21-101520; Motion for Final Approval granted on February 22, 2024.

r. *Canton, et al v. John B. Sanfilippo & Sons, Inc.*, Merced County, Case No. 22-CV-01145; Motion for Final Approval granted on March 15, 2024.

s. *Williams v. Total Longterm Care, Inc., et al.*, San Bernardino County, Case No. CIVSB2213347; Motion for Final Approval granted on April 2, 2024.

t. *Espinoza v. Delallo's Italian Foods, Inc.*, Butte County, Case No. 21CV02640; Motion for Final Approval granted on April 24, 2024.

u. *Meza v. Argus Management Company, LLC*, *et al.*, Los Angeles County, Case No. 21STCV31612; Motion for Final Approval granted on May 20, 2024.

v. *Wade v. Mallory Safety and Supply LLC*, Siskiyou County, Case No. 23CV00951; Motion for Final Approval granted on July 11, 2024.

w. *Abarca-Rueda, et al. v. Foley Family Wines, Inc., et al.*, Sonoma County, Case No. S-CV-268148; Motion for Final Approval granted on August 21, 2024.

x. *Aguilar v. American Pasteurization Company, Inc., et al.*, Sacramento County, Case No. 34-2021-00312027-CU-OE-GDS; Motion for Final Approval granted on September 3, 2024.

y. *Barajas Maya v. United Facilities Group, Inc., et al.*, Santa Clara County, Case No. 22CV397353; Motion for Final Approval granted on November 22, 2024

z. *Arias v. The Shyft Group GTB, LLC, et al.,* Los Angeles County, Case No.22STCV37390; Motion for Final Approval granted on December 3, 2024.

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aa. *Hernandez v. KW California, et al.*, Kern County, Case No. BCV-23-100346; Motion for Final Approval Granted on December 4, 2024.

29. Chase Stern is an Associate Attorney at Wilshire Law Firm. He has more than a decade of complex litigation experience, which has been largely dedicated to representing individual and corporate entity plaintiffs in complex class action and commercial litigation in state and federal courts throughout the country. He is admitted to practice law before all courts in the State of California, the United States District Courts for the Northern, Southern, and Central Districts of California, and the United States Court of Appeals for the Ninth Circuit. Over the course of his career, he has been appointed as class counsel in numerous class action matters throughout California, including wage-and-hour cases. He holds a B.S. in Finance and Entrepreneurship & Emerging Enterprises from Syracuse University and a J.D. from California Western School of Law, graduating from both institutions with honors. His current contingent billing rate for this case is $700 per hour.

30. Daniel J. Kramer is a Senior Attorney at Wilshire Law Firm, PLC. He was admitted to practice law in the State of California and the Central, Eastern, and Northern Districts of California. He graduated from Stanford University with a Bachelor of Arts in History and Political Science, and received his Juris Doctor from Loyola Law School, Los Angeles in 2016. During law school, he was a research editor for the Loyola of Los Angeles International and Comparative Law Review. Before joining Wilshire Law Firm, he practiced briefly at a firm that focused on municipal law and code enforcement and then moved to a respected plaintiff-side firm to practice wage and hour class action litigation. He has several years of work experience litigating wage and hour class actions. His current contingent billing rate for this case is $725 per hour.

31. Bradford Smith is a Law and Motion Attorney at Wilshire Law Firm. He graduated from the University of California, Irvine with a Bachelor of Arts in History and received his Juris Doctor from Loyola Law School, Los Angeles in 2022. He was admitted to practice law in the State of California in 2022. Before joining Wilshire Law Firm, he worked at a law firm specializing in insurance defense litigation. His focus now is on wage and hour class action litigation. His current contingent billing rate for this case is $575 per hour.

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32. Justin F. Marquez is a former Senior Partner at Wilshire Law Firm who was actively involved in the litigation and resolution of this matter from its inception through December 2024. He 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, he also received a scholarship to study abroad for one year at Tokyo University in Tokyo, Japan. He received his Juris Doctor from Notre Dame Law School in 2008. He has received numerous awards for his legal work. From 2017 to 2020, Super Lawyers selected him as a "Southern California Rising Star," and from 2022 to 2025, he was selected as a "Southern California Super Lawyer." He was selected as one of the "Best Lawyers in America" from 2023 to 2025. In 2016 and 2017, the National Trial Lawyers selected him as a "Top 40 Under 40" attorney. In 2024, he, along with his colleagues at Wilshire Law Firm, PLC, received a CLAY (California Lawyer Attorneys of the Year) award for his work on a false advertising case against Apple which ultimately led to a $25 million settlement. His contingent hourly rate for this case while at Wilshire Law Firm, PLC was $1,500 per hour, which has been approved by numerous state courts:

a. On December 8, 2023, the Hon. Marcella O. McLaughlin of the San Diego County Superior Court approved his $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;

b. On January 11, 2024, the Hon. Laurel Beeler of the United States District Court, Northern District of California approved his $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. On January 11, 2024, the Hon. Harold Hopp of the Riverside County Superior Court approved his $1,500 hourly rate when he granted final approval of the class action

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settlement in *Gutierrez v. Next Level Door & Millwork, Inc.,* Case No. CVRI2105455;

d. On February 1, 2024, the Hon. Joseph T. Ortiz of the San Bernardino Court approved his $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.

e. On May 7, 2024, the Hon. Elaine Lu of the Los Angeles County Superior Court approved his $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.

33. 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 **Exhibit 3**.

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

34. Plaintiff's Counsel elected to bear the contingency risk of this litigation for the benefit of the aggrieved employees, as well as for the State of California (who elected not to take

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the case after receiving the PAGA notice).

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

36. In the high-risk, high-cost practice of class action and PAGA litigation, Wilshire Law Firm, PLC has endured financial losses in several of its cases. I believe that the particular risk of taking on this high-cost, high-risk case supports an upward adjustment of the lodestar calculation.

37. Because most individuals cannot afford to pay for representation in litigation on an hourly basis, Wilshire Law Firm, PLC represents 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, we receive less than the amount of attorneys' fees negotiated with defendant. It is therefore essential that we recover our requested fees when we settle cases if we are to remain in practice so as to be able to continue representing other individuals in civil rights employment disputes.

38. I am informed and believe that the efforts of my office have resulted in substantial benefits to the aggrieved employees and the State of California. Through the efforts of my office and Plaintiff in this case, a fair and reasonable resolution has been reached. I am informed and believe that, without the efforts of my office, the Labor Code and Wage Order violations alleged in the complaint would have gone completely unremedied. The attorneys' fees award provided for in the settlement is therefore reasonable given the result achieved.

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

39. The Parties propose using CPT Group to administer the Settlement. The capped Settlement Administrator Costs in the amount of $15.000.00 are reasonable, given the tasks to be performed by the Settlement Administrator, including, but not limited to, the following duties: mailing and re-mailing (if necessary) checks to approximately 1,373 PAGA Employees and the LWDA; preparing and submitting to PAGA Employees and government entities all appropriate tax filings and forms; distributing the PAGA Representative Service Payment and attorneys' fees and costs; keeping the Parties timely apprised of the performance of all obligations under the Agreement; and voiding uncashed or undeliverable checks to issue those funds to the California Controller's Unclaimed Property Fund. Plaintiff respectfully requests that the Court approve the requested costs. A true and correct copy of CPT Group's estimate for administration costs is attached to this Declaration as **Exhibit 5**.

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 April 17, 2025, at Los Angeles, California.

Benjamin H. Haber

WILSHIRE LAW FIRM, PLC
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Exhibit 1

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Attorneys for Plaintiff
KANDACE BATTLE, individually and on behalf of all others similarly situated and the State of California under the Private Attorneys General Act

[Additional counsel on following page]

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF SAN DIEGO

KANDACE BATTLE, individually and on behalf of all others similarly situated and the State of California under the Private Attorneys General Act, Plaintiff, vs. CALIFORNIA CLINIC MANAGEMENT, LLC and DOES 1 through 50, inclusive, Defendants.	Case No. 37-2023-00039498-CU-OE-CTL ASSIGNED FOR ALL PURPOSES TO: HON. LOREN G. FREESTONE, DEPT. C-64 **STIPULATION AND AGREEMENT FOR PAGA REPRESENTATIVE ACTION SETTLEMENT** Date Action Filed: September 12, 2023 Trial Date: Not Scheduled

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Attorneys for Plaintiff
RACHEL CHRISTINA GOODWIN, on behalf of the State of California and other aggrieved persons

This Stipulation and Agreement for PAGA Representative Action Settlement is made and entered into by and between Plaintiffs Rachel Christina Goodwin and Kandace Battle, on behalf of themselves and as representatives of the State of California and the Aggrieved Employees (as defined below), on the one hand, and California Clinic Management, LLC dba Acuity Eye Group, on the other hand (collectively, the "**Parties**"), and is made in compromise of disputed claims. The Parties agree that the above-entitled representative actions shall be settled on the terms and conditions set forth in this Stipulation, subject to the approval of the Court pursuant to Section 2699(l)(2) of the California Labor Code Private Attorneys General Act of 2004, Labor Code §§ 2698, *et seq.* ("PAGA").

DEFINITIONS

1. "**Actions**" means and refers to the PAGA representative claim pending in *Kandace Battle v. California Clinic Management, LLC*, Case No. 37-2023-00039498-CU-OE-CTL, which will be amended to add the PAGA representative claim pending in *Rachel Christina Goodwin v. California Clinic Management, LLC dba Acuity Eye Group*, Riverside County Superior Court Case No. CVPS2203511.

2. "**Aggrieved Employees**" means all current and former hourly, non-exempt employees who performed work for Defendant in California during the PAGA Period.

3. The terms "**Agreement**," "**Settlement**," and "**Settlement Agreement**" mean this Stipulation and Agreement for PAGA Representative Action Settlement, which the Parties acknowledge sets forth all material terms and conditions of the Settlement between them, and which is subject to Court approval pursuant to Section 2699(s)(2) of the California Labor Code Private Attorneys General Act of 2004, Labor Code §§ 2698, *et seq.*

4. "**Court**" means the California Superior Court, County of San Diego.

5. "**Defendant**" means California Clinic Management, LLC.

6. "**Effective Date**" of this Agreement shall be the later of: (i) the 61st day after service of notice of entry of the Final Order and Judgment, if no appeal, review, or writ has been filed; or (ii) if an appeal, review, or writ is sought from the Final Order and Judgment, the day after the Final Order and Judgment is affirmed or the appeal, review, or writ is dismissed or denied, and the Final

Order and Judgment are no longer subject to further judicial review. The Effective Date is conditioned upon all of the following occurring: (a) this Agreement has been signed by the Parties, PAGA Counsel, and Defendant's counsel; and (b) the Court has entered the Final Order and Judgment.

7. "**Enhancement Awards**" means the amount the Court authorizes to be paid to each of the Representative Plaintiffs in addition to their respective Individual PAGA Payments, in recognition of their efforts and work in prosecution of the Actions, up to $10,000.00 each.

8. "**Final Order and Judgment**" means the proposed order granting approval of the Settlement and entering Judgment, in the form substantially similar to that attached to this Agreement as Exhibit B.

9. "**Gross Settlement Amount**" means a maximum total of $700,000.00, which includes all payments owing as a result of this Agreement and includes: the Net Settlement Amount; Settlement Administration Costs; Representative Plaintiffs' Enhancement Awards; and PAGA Counsel Attorneys' Fees and Costs as awarded by the Court.

10. "**LWDA Payment**" means a payment to the California Labor Workforce and Development Agency in an amount equal to 75% of the Net Settlement Amount.

11. "**Net Settlement Amount**" is the Gross Settlement Amount less (1) PAGA Counsel's Attorneys' Fees and Costs; (2) Representative Plaintiffs' Enhancement Awards; and (3) Settlement Administration Costs.

12. "**PAGA Aggrieved Employee Payment**" means a payment of 25% of the Net Settlement Amount, which the Parties have agreed to pay the Aggrieved Employees in connection with the settlement of the PAGA Claim.

13. "**PAGA Claim**" means the claim for civil penalties under the California Labor Code Private Attorneys General Act of 2004 (Cal. Lab. Code sections 2698 *et seq.*, "PAGA") alleged in the Actions and stated in Representative Plaintiffs' May 27, 2022 and July 7, 2023 notice letters to the LWDA, true and correct copies of which are attached as Exhibit C.

14. "**PAGA Counsel**" means Wilshire Law Firm and Ferraro Vega Employment Lawyers, Inc.

15. “**PAGA Period**” means June 22, 2021, through the date the Court approves the Settlement.

16. “**Released Claims**” means all claims or causes of action for PAGA penalties that were, or could have been asserted based on the facts in Representative Plaintiffs’ May 27, 2022 and July 7, 2023 notice letters to the LWDA and in the operative complaint in the Actions, pursuant to the California Labor Code Private Attorneys General Act of 2004, Labor Code §§ 2698, *et seq.*, based on the alleged violations of Labor Code §§ 201-204, 206, 206.5, 210, 216, 218.5, 218.6, 221, 223, 225.5, 226, 226.3, 226.6, 226.7, 227.3, 233, 234, 245-248.7, 256, 510, 512, 516, 558, 558.1, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 2698, 2699, 2699.5, 2800, 2802, and the applicable IWC California Wage Orders, whether for civil penalties or attorneys’ fees and costs, arising out of the PAGA Claim at issue, including: failure to pay for all hours worked; failure to pay minimum wages for all hours worked; failure to calculate and pay all overtime wages earned; failure to provide meal periods and pay meal period premiums at the regular rate of pay; failure to provide rest breaks and pay rest break premiums at the regular rate of pay; failure to pay all wages in full and on time during employment; failure to maintain accurate records; failure to pay all wages due upon termination; failure to provide accurate itemized wage statements; failure to indemnify employees for necessary expenditures incurred in discharge of duties; failure to provide sick pay and COVID-19 supplemental sick pay.

17. “**Released Parties**” means Defendant and each of its subsidiaries, affiliates, parent companies, shareholders, members, owners, officers, employees, attorneys, representatives, agents, insurers, predecessors, successors, and assigns, and any individual or entity which could be jointly liable with Defendant.

18. “**Representative Plaintiffs**” means Plaintiffs Rachel Christina Goodwin (individually, “Plaintiff Goodwin”) and Kandace Battle (individually, “Plaintiff Battle”).

19. “**Settlement Administrator**” shall mean CPT Group, Inc., a neutral third-party administrator chosen by the Parties, subject to approval by the Court.

RECITALS

20. On May 27, 2022, Plaintiff Rachel Christina Goodwin filed a class action complaint

in the Superior Court of the State of California, County of Riverside in the case entitled *Rachel Christina Goodwin v. California Clinic Management, LLC dba Acuity Eye Group*, Case No. CVRI2202173 ("***Goodwin* Individual Action**"). On February 2, 2023, the Court ordered Ms. Goodwin's individual claims to arbitration and dismissed without prejudice the non-individual class claims brought on behalf of other employees. Plaintiff Goodwin agreed to only file a demand for arbitration of her individual claims if the Parties were unable to settle their claims in the mediation discussed below.

21. On May 27, 2022, Plaintiff Rachel Christina Goodwin sent a PAGA Notice to the Labor Workforce and Development Agency, with a copy to Defendant. On August 26, 2022, Plaintiff Rachel Christina Goodwin filed a PAGA representative action in the Superior Court of the State of California, County of Riverside in the case entitled *Rachel Christina Goodwin v. California Clinic Management, LLC dba Acuity Eye Group*, Case No. CVPS2203511 ("***Goodwin* Action**").

22. On July 7, 2023, Plaintiff Kandace Battle sent a PAGA Notice to the Labor Workforce and Development Agency, with a copy to Defendant. On September 12, 2023, Plaintiff Kandace Battle filed a PAGA representative action in the Superior Court of the State of California, County of San Diego in the case entitled *Kandace Battle v. California Clinic Management, LLC*, Case No. 37-2023-00039498-CU-OE-CTL ("***Battle* Action**").

23. On July 12, 2024, the Parties participated in a mediation with mediator Tagore Subramaniam. The mediation concluded with a mediator's proposal, which the Parties accepted.

24. On or around August 20, 2024, Defendant filed notices of related cases in both the *Goodwin* and *Battle* Actions.

25. Within 14 days of executing this Agreement, Plaintiff Goodwin shall dismiss the pending *Goodwin* Action pursuant to Rule 3.110 of the California Rules of Court and Representative Plaintiffs shall file an amended complaint in the *Battle* Action. The amended complaint shall include all claims from both the *Battle* and *Goodwin* Actions, which includes all wage-and-hour violations set forth in Representative Plaintiffs' May 27, 2022 and July 7, 2023 notice letters to the LWDA, such that all claims covered by this Settlement may be consolidated into the pending *Battle* Action in San Diego County Superior Court where the Parties have agreed to seek final approval of

this Settlement.

26. The Parties agree that they will take all actions necessary to ensure that the PAGA representative claim pending in the *Goodwin* Action is consolidated with the *Battle* Action for purposes of settlement.

27. Representative Plaintiffs believe that the Settlement is fair, reasonable, and adequate. The Parties understand, acknowledge, and agree that this Settlement Agreement constitutes a compromise of Representative Plaintiffs' and the Aggrieved Employees' PAGA Claim, and that it is the desire and intention of the Parties to effect a final and complete resolution of the PAGA Claim that the Representative Plaintiffs and the Aggrieved Employees have against Defendant or any persons or companies affiliated with Defendant based on employment with Defendant.

28. The Parties enter into this Settlement Agreement on a conditional basis. In the event the Court does not enter a Final Order and Judgment as defined in this Settlement Agreement, this Settlement Agreement will be deemed null and void *ab initio* and will be of no force or effect whatsoever, and will not be referred to or utilized for any purpose whatsoever.

29. Defendant denies that it engaged in any misconduct in connection with the wage-and-hour practices associated with the Aggrieved Employees. Defendant further denies that it has any liability of any kind associated with the claims alleged in the Actions. Defendant contends that it has complied with both federal and state wage-and-hour laws, and all other laws regulating its relationship with the Aggrieved Employees, including the Representative Plaintiffs.

30. Defendant denies all of the claims in the Actions, and does not waive, but rather expressly reserves, all rights to challenge all such claims and allegations upon all legal, procedural and factual grounds should this Settlement Agreement not become final. This Settlement Agreement reflects a compromise reached to end litigation.

31. The Parties stipulate and agree to the following terms of this Settlement Agreement with the intent that this Agreement finally disposes of the Actions with prejudice as set forth in this Agreement.

/ / /

/ / /

TERMS AND CONDITIONS

32. **Settlement Payments and Calculation of Claims**. Subject to final Court approval and the conditions specified in this Agreement, and in consideration of the mutual covenants and promises set forth in this Agreement, Defendant agrees to pay the Gross Settlement Amount of **$700,000.00**. For the avoidance of doubt, except for the employer taxes necessary to effectuate the settlement and pursuant to Paragraph 33.f below, Defendant shall not be required to pay any amount over $700,000.00 for this Settlement. The Gross Settlement Amount includes, but is not limited to, payments to be made to PAGA Counsel's attorneys' fees and costs, the LWDA Payment, Plaintiffs' Enhancement Awards, and Settlement Administration Costs. The following table summarizes the allocation of the Gross Settlement Amount:

Gross Settlement Amount of $700,000.00 Is Broken Down As Follows:

• PAGA Counsel Attorneys' Fees not to exceed **33 and one third percent (or $233,333.33)**.
• PAGA Counsel's Costs not to exceed **$30,000.00**.
• Plaintiffs' Enhancement Awards not to exceed **$20,000.00** (combined).
• Settlement Administration Costs, not to exceed **$15,000.00**.
• Approximately **$401,666.67** for the Net Settlement Amount:
    o 25% of the Net Settlement Amount for the PAGA Aggrieved Employee Payment (approximately **$100,416.67**).
    o 75% of the Net Settlement Amount for the LWDA Payment (approximately **$301,250.00**).

33. **Apportionment of Gross Settlement Amount**. The Parties agree, subject to Court approval and the conditions specified in this Agreement, that the Gross Settlement Amount shall be apportioned as follows:

a. Settlement Administration Fees and Costs: The fees and costs associated with settlement administration (*e.g.*, preparing and mailing payments to the Aggrieved Employees, tax documentation, etc.) (the "**Settlement Administration Costs**") will be paid from the Gross Settlement Amount and are estimated to be up to **$15,000.00**. The Parties agree to use CPT Group, Inc. as the Settlement Administrator. To the extent Settlement Administration Costs are not approved by the Court in the amounts set forth above, and the order becomes final, then the non-approved amount will be added to the Net Settlement Amount to be distributed based on the formula set forth in Paragraph 33.d.

b. PAGA Counsel's Attorneys' Fees and Costs: The Parties agree that, subject to the Court's review and approval, PAGA Counsel will be paid from the Gross Settlement Amount an amount that is up to 33 and one third percent of the Gross Settlement Amount for attorneys' fees (**$233,333.33**), plus actual litigation costs, not to exceed **$30,000.00**. Except as provided in this Paragraph 33.b, each party will bear its own attorneys' fees, costs, and expenses incurred in the prosecution, defense, or settlement of the Actions. To the extent attorneys' fees and costs are not approved by the Court in the amounts set forth above, and the order becomes final, then the non-approved amounts will be added to the Net Settlement Amount to be distributed based on the formula set forth in Paragraph 33.d.

c. Representative Plaintiffs' Enhancement Awards. The Parties agree that, subject to the Court's review and approval, Representative Plaintiffs will each receive an enhancement award of **$10,000.00** for their services in bringing the Actions on behalf of the Aggrieved Employees, which will be paid from the Gross Settlement Fund. To the extent the Enhancement Awards are not approved by the Court in the amounts set forth above, and the order becomes final, then the non-approved amount will be added to the Net Settlement Amount to be distributed based on the formula set forth in Paragraph 33.d.

d. Net Settlement Amount: After deducting PAGA Counsel's Attorneys' Fees and Costs, Plaintiffs' Enhancement Awards, and the Settlement Administration Costs from the Gross Settlement Amount, the remaining amount will comprise the Net Settlement Amount. The Net Settlement Amount is comprised of the LWDA Payment and the PAGA Aggrieved Employee Payment. The Net Settlement Amount of approximately **$401,666.67** shall be allocated 75% to the LWDA Payment, which is estimated to total **$301,250.00** ($401,666.67 x 75%). The remaining 25% of the Net Settlement Amount, estimated to total **$100,416.67** ($401,666.67 x 25%), shall be allocated to the PAGA Aggrieved Employee Payment to be paid to the Aggrieved Employees on a *pro rata* basis as noted below**,** which shall be referred to as the Aggrieved Employee's "**Individual PAGA Payment**."

Example:

Aggrieved Employee A was actively employed during the PAGA Period for 41 pay periods. All Aggrieved Employees were actively employed a combined total of 41,000 pay periods during the PAGA Period. Aggrieved Employee A's Individual PAGA Payment would be calculated as follows:

- 41 pay periods for Aggrieved Employee A ÷ 41,000 total pay periods for all Aggrieved Employees = 0.1%.
- Aggrieved Employee A is entitled to an Individual PAGA Payment in an amount that is 0.1% of the PAGA Aggrieved Employee Payment.[1]

e. Taxes and Reporting: The Individual PAGA Payments will be treated as non-wage income to the Aggrieved Employees and reported by the Settlement Administrator on IRS Form 1099.

f. Escalator Clause: Based on its records, Defendant estimates that, as of July 12, 2024, (1) there were approximately 40,752 pay periods worked by Aggrieved Employees during the PAGA Period. Should the actual number of pay periods during the PAGA Period increase beyond 10% of the 40,752 pay periods, Defendant, at its sole discretion, has the option of either: (1) agreeing to increase the Gross Settlement Amount on a pro rata basis according to the number of additional pay periods worked by Aggrieved Employees over the 10% cap basis (i.e., if there was a 12% increase in the number of aggregate pay periods, Defendant shall increase the Gross Settlement Amount by 2%), or (2) agreeing to close the PAGA Period just before the date the pay periods exceed this 10% cap.

34. **Release By Aggrieved Employees and the State of California**.

a. Terms of Release. Upon the Funding Date, as defined below, in exchange for the consideration recited in this Settlement Agreement, Representative Plaintiffs, as the representatives for the State of California and all Aggrieved Employees, and on behalf of their current, former, and future heirs, executors, administrators, attorneys, agents, and assigns will

[1] The Individual PAGA Payment will be rounded to the nearest penny with .5 rounded up.

forever completely release and discharge the Released Parties of any and all Released Claims, as defined in Paragraph 16. The Aggrieved Employees and the State of California are deemed by operation of the Final Order and Judgment to have agreed not to sue or otherwise make a claim against any of the Released Parties for any Released Claims. The release will not be effective until Defendant has made all payments due under the terms of this Settlement Agreement. The Representative Plaintiffs do not release any Aggrieved Employee's claim for wages or damages.

b. No Claims Based on Stipulation and Agreement. No Aggrieved Employee will have any claim against any of the Released Parties, Defendant's counsel, the Representative Plaintiffs, or PAGA Counsel, based on errors in administrating claims or performing the mailing and skip-tracing requirements of the Settlement Administrator under this Agreement.

35. **General Release By Representative Plaintiffs**.

a. Terms of Release. Upon the Funding Date, as defined below, in exchange for the consideration recited in this Settlement Agreement, including the Representative Plaintiff Enhancement Awards, the Representative Plaintiffs, on behalf of themselves and on behalf of their current, former, and future heirs, executors, administrators, attorneys, agents, and assigns, does hereby and forever release, waive, acquit and discharge the Released Parties from all claims (known or unknown) which they have, had or might otherwise have had against the Released Parties, from the beginning of time to the date they sign this Agreement, regarding any aspect of their employment including, but not limited to, the Released Claims, any common law or statutory torts, any federal, state or governmental constitution, statute, regulation or ordinance, and any claim for wages or any other compensation or benefit.

b. California Civil Code Section 1542. Upon the Funding Date, as defined below, the Representative Plaintiffs will be deemed to have, and by operation of the Final Order and Judgment will have, expressly waived and relinquished, to the fullest extent permitted by law, the provisions, rights, and benefits of section 1542 of the California Civil Code which provides as follows:

> **"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.”

c. No Other Actions. The Representative Plaintiffs are deemed by operation of the Final Order and Judgment to have agreed not to sue or otherwise make any claim against any of the Released Parties based upon any action, event, or occurrence prior to the date the Representative Plaintiffs sign this Settlement Agreement.

36. **Release by PAGA Counsel**. Upon the Funding Date, as defined below, PAGA Counsel release on behalf of their present and former attorneys, employees, agents, successors and assigns, the Released Parties from all claims for attorneys' fees and costs incurred in connection with the facts and theories alleged in the Complaints, the PAGA notices, and the Released Claims.

37. **Request For Final Order and Judgment**.

a. Upon execution of this Agreement, the Representative Plaintiffs shall promptly file a stipulation or motion with the Court requesting approval of this Settlement by submitting a proposed Final Order and Judgment, in a form substantially similar to Exhibit B.

b. The Representative Plaintiffs shall not file the stipulation or motion requesting approval or final judgment with the Court until Defendant has reviewed and approved it, which approval will not be unreasonably withheld. Defendant agrees to provide any proposed changes to the stipulation or motion no later than 7 days after receiving the draft stipulation or motion from the Representative Plaintiffs.

c. On the date Representative Plaintiffs file the stipulation or motion discussed in this Paragraph, Plaintiffs will also submit to the LWDA a notice of the Settlement enclosing a copy of the Settlement Agreement. Plaintiffs' notice of the Settlement to the LWDA shall comply with the notice requirement of PAGA.

38. **Settlement Funding**.

a. Upon the Court entering the Final Order and Judgment, and within 14 calendar days after the Effective Date, the Settlement Administrator shall send Defendant's counsel electronic wiring instructions to fund the Gross Settlement Amount.

b. Defendant shall wire to the Settlement Administrator the Gross Settlement

Amount the later of: 30 calendar days of the Effective Date or May 30, 2025 (the "**Funding Date**").

c. Within 20 calendar days after the Funding Date, the Settlement Administrator shall issue all payments required by this Agreement (the "**Payment Date**").

39. **<u>Request for Dismissal of Individual Action</u>**.

Within 30 calendar days after the Funding Date, Plaintiff Rachel Christina Goodwin shall file a request for dismissal of the *Goodwin* Individual Action. Within 10 days of the execution of this Agreement, Plaintiff Rachel Christina Goodwin shall file a Notice of Settlement in the *Goodwin* Individual Action.

40. **<u>PAGA List</u>**.

Within 10 calendar days after the Effective Date, Defendant will provide a PAGA List to the Settlement Administrator which will identify all Aggrieved Employees by name, social security number, and last known home address ("PAGA List"). The PAGA List will also contain the number of pay periods credited to each Aggrieved Employee.

41. **<u>List Of Individual Settlement Amounts</u>**.

Within 10 calendar days after the Settlement Administrator receives the PAGA List, the Settlement Administrator will provide to PAGA Counsel and Defendant's counsel a Proceeds List reflecting the Individual PAGA Payment for each Aggrieved Employee ("**Proceeds List**"). The Proceeds List provided to PAGA Counsel will not include the Aggrieved Employees' names, social security numbers or contact information.

42. **<u>PAGA Payments to Aggrieved Employees</u>**.

a. On the Payment Date, the Settlement Administrator will mail to each Aggrieved Employee, via first-class United States Mail, the following: (a) the PAGA Settlement Notice, attached as <u>Exhibit A</u> to this Agreement and (b) their Individual PAGA Payment (collectively, the "**PAGA Packet**").

b. Prior to mailing, the Settlement Administrator will update all addresses using the National Change of Address System (NCOA). In the event that a PAGA Packet is returned to the Settlement Administrator with a forwarding address, the Settlement Administrator will re-send the PAGA Packet to the forwarding address identified. If no forwarding address is provided, then the Settlement Administrator will promptly conduct a “standard search,” sometimes called, “Skip Trace” or “Credit Header” searches, to locate a better address. If a better address is found, the Settlement Administrator will promptly re-send the PAGA Packet. If a better address is not found or the PAGA Packet is ultimately returned without a forwarding address, neither the Settlement Administrator, Defendant, or PAGA Counsel shall be required to take further action.

c. Aggrieved Employees shall have 180 calendar days after the date the PAGA Packet is mailed to them to cash their settlement payment checks. If any Aggrieved Employee’s check is not cashed within that period, the settlement payment check will be voided and a stop-payment will be issued. Neither Defendant, Defendant’s counsel, Representative Plaintiffs, nor PAGA Counsel will have any liability for lost or stolen settlement payment checks, forged signatures on settlement payment checks, unauthorized negotiation of settlement payment checks or failure to timely cash a settlement payment check within the 180-day period.

d. Any unpaid cash residue or unclaimed Aggrieved Employee funds, plus any accrued interest that has not otherwise been distributed pursuant to order of the Court, shall be transmitted to CASA of Orange County.

43. **Payments Of Attorneys’ Fees And Costs, and the LWDA Settlement Payment**.

a. On the Payment Date, the Settlement Administrator will pay from the Gross Settlement Amount the Representative Plaintiffs’ Enhancement Awards as awarded by the Court. The Settlement Administrator will confirm the address for the Representative Plaintiffs with their respective counsel prior to sending the payments.

b. On the Payment Date, the Settlement Administrator will pay from the Gross Settlement Amount to PAGA Counsel its Court-approved Attorneys’ Fees and Costs.

c. On the Payment Date, the Settlement Administrator will pay the LWDA Payment from the Net Settlement Amount by issuing a check payable to “California Labor Workforce and Development Agency.”

44. **Deadlines**.

If any deadline specified in this Agreement falls on a Saturday, Sunday, or Court holiday, the deadline will be automatically extended to the next regular business day. Unless specified otherwise, all references to "days" shall mean calendar days.

45. **Enforcement and Continuing Jurisdiction of the Court**.

Pursuant to the Parties agreement, this Settlement Agreement will need to be approved by the Court and will be enforceable by the Court pursuant to California Code of Civil Procedure section 664.6. Even after the entry of the Final Order and Judgment, this Court will have and retain continuing jurisdiction over the Actions and over all Parties and the Aggrieved Employees, to the fullest extent necessary or convenient to enforce and effectuate the terms and intent of this Settlement Agreement and all matters provided for in it, and to interpret it.

46. **Mutual Full Cooperation**.

The Parties will fully cooperate with each other to accomplish the terms of this Settlement Agreement, including, but not limited to, execution of such documents and taking such other action as may be reasonably necessary or convenient to implement it.

47. **Non-Admission Of Liability**.

The Parties enter into this Agreement to resolve the dispute that has arisen between them and to avoid the burden, expense, and risk of continued litigation. In entering into this Agreement, Defendant does not admit, and specifically denies, that it has violated any federal, state, or local law; violated any regulations or guidelines promulgated pursuant to any statute or any other applicable laws, regulations or legal requirements; violated or breached any duty; engaged in any misrepresentation or deception; or engaged in any other unlawful conduct with respect to the Actions. Neither this Agreement, nor any of its terms or provisions, nor any of the negotiations connected with it, shall be construed as an admission or concession by Defendant of any such violations or failures to comply with any applicable law. Except as necessary in a proceeding to enforce the terms of this Agreement, this Agreement and its terms and provisions shall not be offered or received as evidence in any action or proceeding to establish any liability or admission on the part of Defendant or to establish the existence of any condition constituting a violation of, or a non-compliance with, federal, state, local or other applicable law.

48. **Effective Date Of Defendant's Obligations Under This Agreement**.

Defendant's obligations under this Settlement Agreement will become final and effective only upon the occurrence of the Effective Date. In the event that any of the conditions specified in this Settlement Agreement are not satisfied, or in the event that this Settlement does not obtain approval of the Court for any reason, all matters covered by this Agreement will be null and void. In such event, neither this Agreement, nor any negotiations leading to this Settlement, will be used or construed by or against any Party as a determination, admission, or concession of any issue of law or fact in the litigation; and the Parties do not waive, and instead expressly reserve, their respective rights regarding the prosecution and defense of the Actions, including all available defenses and affirmative defenses, and to challenge any claim, as if this Settlement Agreement never existed.

49. **Nullification**.

If: (1) the Court should for any reason fail to enter the Final Order and Judgment; or (2) the Court's Final Order and Judgment is reversed or modified as to any material term as defined above, or declared or rendered void as to any material term as defined above, then (a) the Settlement Agreement shall become null and void; (b) the Parties will revert to their respective positions immediately prior to reaching the settlement; and (c) Defendant will be responsible for any Settlement Administration Costs.

50. **Invalidation**.

Invalidation of any material term of this Settlement Agreement will invalidate this Agreement in its entirety unless the Parties subsequently agree in writing that the remaining provisions will remain in full force and effect.

51. **Confidentiality/No Publicity**.

The Parties and their counsel agree that the terms of this Settlement Agreement (including, but not limited to, the Gross Settlement Amount), the negotiations leading to the execution of this Settlement Agreement, and the Settlement Agreement itself, shall not be discussed with or publicized or promoted to the media (including, without limitation, legal periodicals and publications such as "Jury Verdicts," disclosure of the Settlement Agreement on any web site of Representative Plaintiffs' counsel or any other website, or on any blogs, articles, or on any social media platforms or channels), or the public at large, without the advance written consent of

Defendant. The Parties intend this Paragraph 51 to prohibit Plaintiffs and their counsel from discussing, answering questions about, promoting or publicizing the Settlement Agreement, its terms, or the negotiations leading to the Settlement Agreement with anyone other than the Court or those individuals necessary to effectuate the terms of the Agreement. Notwithstanding the foregoing, Representative Plaintiffs and their counsel (1) may tell the public in general only that certain claims "have been resolved by the Parties;" and (2) may disclose the terms of the Settlement Agreement (a) in appropriate filings with the Court in this case; (b) where required by law (*e.g.*, income tax returns); and (c) to accountants or other tax professionals for the purpose of preparing tax returns. In addition, PAGA Counsel may respond to questions received from, and discuss any aspect of this Agreement with Aggrieved Employees. Nothing shall prevent PAGA Counsel from referring to the Actions in a declaration before the courts relating to the adequacy of counsel.

52. **Entire Agreement**.

This Settlement Agreement constitutes the entire integrated agreement between the Parties relating to the Actions, and no oral representations, warranties, or inducements have been made to any party concerning this Settlement Agreement other than the representations, warranties, and covenants contained and memorialized in this Settlement Agreement.

53. **Authorization To Act**.

PAGA Counsel warrants and represents that they are authorized by the Representative Plaintiffs, and counsel of record for Defendant warrants that they are authorized by Defendant, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Settlement Agreement to effectuate its terms, and to execute any other documents required to effectuate the terms of this Settlement Agreement, except for any documents, including but not limited to this Settlement Agreement, that are required to be executed by the Parties.

54. **Modification Only In Writing**.

This Settlement Agreement may be amended or modified only by a written instrument signed by all Parties or their successors in interest.

55. **Binding On Successors**.

This Settlement Agreement is binding upon and will inure to the benefit of the Parties to this

Agreement, as well as their respective attorneys, past, present, and future predecessors, successors, shareholders, officers, directors, employees, agents, trustees, representatives, administrators, fiduciaries, assigns, insurers, executors, partners, parent corporations, subsidiaries, and related or affiliated entities.

56. **No Prior Assignments**.

The Aggrieved Employees are deemed by operation of the Final Order and Judgment to represent, covenant, and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand, cause of action, or rights released and discharged by this Agreement.

57. **Governing Law**.

All terms of this Settlement Agreement will be governed by and interpreted according to the laws of the State of California, without giving effect to conflicts of laws principles.

58. **Counterparts**.

This Settlement Agreement may be executed in one or more counterparts. All executed counterparts and each of them will be deemed to be one and the same instrument. Counsel for the Parties will exchange among themselves any signed counterparts.

59. **Headings For Convenience Only**.

The descriptive headings of any paragraphs or sections of this Settlement Agreement are inserted for convenience of reference only and do not constitute a part of this Settlement Agreement.

60. **Construction Of This Agreement**.

The Parties agree that the terms and conditions of this Settlement Agreement are the result of arms-length negotiations between the Parties and that this Settlement Agreement will not be construed in favor of or against any Party by reason of the extent to which any Party, or her or its counsel participated in the drafting of this Agreement. This Settlement Agreement constitutes the entire agreement between the Parties. Except as expressly provided in this Agreement, this Settlement Agreement has not been executed in reliance upon any other oral or written representations or terms and no such extrinsic oral or written representations or terms will modify, vary or contradict the terms of this Settlement Agreement. In entering this Settlement Agreement, the Parties explicitly recognize California Civil Code section 1625 and California Code of Civil Procedure section 1856(a), which provide that a written agreement is to be construed according to its terms and may not be varied or contradicted by extrinsic evidence. The Representative Plaintiffs and Defendant had available to them the advice and assistance of independent counsel. As such, neither Representative Plaintiffs nor Defendant may claim that any ambiguity in this Settlement Agreement should be construed against the other.

61. **Corporate Signatories**.

Any person executing this Settlement Agreement or any related document on behalf of a corporate signatory warrants and promises for the benefit of all Parties that such person has been duly authorized by such corporation to execute this Settlement Agreement or any related document.

62. **Representation By Counsel**.

All of the Parties hereto acknowledge that they have been represented by counsel throughout all negotiations which preceded the execution of this Settlement Agreement and that this Agreement has been executed with the consent and advice of counsel.

63. **Attorneys' Fees And Costs**.

Except as otherwise provided in this Agreement, the Parties will bear responsibility for their own attorneys' fees and costs, taxable or otherwise, incurred by them or arising out of this Action and will not seek reimbursement thereof from any Party to this Settlement Agreement. In the event of a proven material breach of this Agreement, the breaching party will be required to pay the prevailing Party's reasonable attorneys' fees and costs incurred in enforcing this Agreement.

[**SIGNATURE PAGE TO FOLLOW**]

IT IS SO AGREED:

Dated: Nov 25, 2024

Kandace Battle

Kandace Battle

Dated:

Rachel Christina Goodwin

Dated:

CALIFORNIA CLINIC MANAGEMENT, LLC

By:
Its:

Dated: Nov 22, 2024

APPROVED AS TO FORM AND AGREEMENT TO BE BOUND BY PARAGRAPH 51:

By: Nicholas J. Ferraro

Nicholas J. Ferraro
Lauren N. Vega
FERRARO VEGA EMPLOYMENT LAWYERS, INC.
Attorneys for Plaintiff Kandace Battle, individually and on behalf of all others similarly situated and the State of California under the Private Attorneys General Act

Dated:

APPROVED AS TO FORM AND AGREEMENT TO BE BOUND BY PARAGRAPH 51:

By:

Justin F. Marquez
Benjamin H. Haber
Maxim Gorbunov
WILSHIRE LAW FIRM
Attorneys for Plaintiff Rachel Christina Goodwin, on behalf of the State of California and other aggrieved persons

Dated:

APPROVED AS TO FORM:

By:

Maria Z. Stearns
Noell Rice
RUTAN & TUCKER, LLP
Attorneys for Defendant California Clinic Management, LLC

IT IS SO AGREED:

Dated: _______________________________ Kandace Battle

Dated: 11/25/2024

DocuSigned by: Rachel Goodwin
EDB5B5DC703F4A0...

Rachel Christina Goodwin

Dated: CALIFORNIA CLINIC MANAGEMENT, LLC

____
By:
Its:

Dated: APPROVED AS TO FORM AND AGREEMENT TO BE BOUND BY PARAGRAPH 51:

By: _______________________________
Nicholas J. Ferraro
Lauren N. Vega
FERRARO VEGA EMPLOYMENT LAWYERS, INC.
Attorneys for Plaintiff Kandace Battle, individually and on behalf of all others similarly situated and the State of California under the Private Attorneys General Act

Dated: 11/25/2024 APPROVED AS TO FORM AND AGREEMENT TO BE BOUND BY PARAGRAPH 51:

By: [signature]
Justin F. Marquez
Benjamin H. Haber
Maxim Gorbunov
WILSHIRE LAW FIRM
Attorneys for Plaintiff Rachel Christina Goodwin, on behalf of the State of California and other aggrieved persons

Dated: APPROVED AS TO FORM:

By: _______________________________
Maria Z. Stearns
Noell Rice
RUTAN & TUCKER, LLP
Attorneys for Defendant California Clinic Management, LLC

IT IS SO AGREED:

Dated:

Kandace Battle

Dated:

Rachel Christina Goodwin

Dated: 12/20/24

CALIFORNIA CLINIC MANAGEMENT, LLC

By: Tom Chang
Its: CEO and Founder

Dated:

APPROVED AS TO FORM AND AGREEMENT TO BE BOUND BY PARAGRAPH 51:

By:

Nicholas J. Ferraro
Lauren N. Vega
FERRARO VEGA EMPLOYMENT LAWYERS, INC.
Attorneys for Plaintiff Kandace Battle, individually and on behalf of all others similarly situated and the State of California under the Private Attorneys General Act

Dated:

APPROVED AS TO FORM AND AGREEMENT TO BE BOUND BY PARAGRAPH 51:

By:

Justin F. Marquez
Benjamin H. Haber
Maxim Gorbunov
WILSHIRE LAW FIRM
Attorneys for Plaintiff Rachel Christina Goodwin, on behalf of the State of California and other aggrieved persons

Dated: 1/6/2025

APPROVED AS TO FORM:

By:

Maria Z. Stearns
Noell Rice
RUTAN & TUCKER, LLP
Attorneys for Defendant California Clinic Management, LLC

Exhibit A

[Administrator's Letterhead]

To: «FirstName» «LastName»
«Address1» «Address2»
«City» «State» «Zip»

Enclosed please find a check in the amount of [INDIVIDUAL SETTLEMENT SHARE].

You are receiving this check in connection with a claim brought by two former employees ("Plaintiffs") of California Clinic Management, LLC ("Defendant") in California. The claim is currently pending in an action filed in San Diego County Superior Court under Case No. 37-2023-00039498-CU-OE-CTL (the "Action").

Plaintiffs' claim against Defendant is for civil penalties pursuant to the California Private Attorneys General Act of 2004 ("PAGA"), a law that allows Plaintiffs to attempt to stand in the shoes of the government and to seek penalties on the government's behalf and on behalf of those employees who Plaintiffs contend were "aggrieved" by Defendant's alleged unlawful conduct. Specifically, Plaintiffs allege that Defendant failed to comply with wage-and-hour laws as to non-exempt employees who worked for Defendant in California.

Defendant strongly denies these allegations and maintains that it fully complied with all applicable wage-and-hour laws. The Court has not issued any ruling regarding the merits of the Action. Nevertheless, to avoid further costs and distraction to the business, Defendant has agreed to settle the Action. As part of the Settlement, Defendant agreed to pay a certain amount of penalties under PAGA. Under the PAGA statutes, penalties are divided between the State of California and aggrieved employees, with the State receiving 75 percent of the penalties.

The settlement covers Defendant and each of its subsidiaries, affiliates, parent companies, shareholders, members, owners, officers, employees, attorneys, representatives, agents, insurers, predecessors, successors, and assigns, and any individual or entity which could be jointly liable with Defendant (all of whom are referred to here as the "Released Parties"). The Court has approved the settlement and release of claims described below. By settling this claim, Defendant and the Released Parties are not admitting they have done anything wrong, and they deny that they owe any penalties to the government or to you.

As part of the settlement, Defendant agreed to pay $700,000.00 which includes the following payments: [$301,250.00] to the State of California; [$100,416.67] to be distributed amongst the aggrieved employees; [$233,333.33] to Plaintiffs' counsel for attorneys' fees; up to [$30,000.00] to Plaintiff's counsel for litigation costs and expenses; up to [$20,000.00] for Plaintiffs Enhancement Award (combined); and [$15,000.00] for settlement administration costs. The enclosed settlement check represents your pro-rata portion of the Court-approved PAGA settlement to the aggrieved employees based on the number of pay periods you worked for the period spanning June 22, 2021 to and including ____________.

On May ___, 2025, the settlement was approved by the Court. A portion of the settlement is being paid to the government and a portion is being paid to each non-exempt employee who worked for Defendant in California from June 22, 2021 to and including ________________ (the "Aggrieved Employees"). You are receiving a portion of the settlement because Defendant's records indicate that you worked for Defendant as a non-exempt employee during the period June 22, 2021 to and including ____________ (the "PAGA Period").

You will not be retaliated against for cashing the check. It is entirely up to you if you cash your check or not. Checks that are not cashed within 180 days of issuance shall be sent to CASA of Orange County. Regardless of what you do with the check issued to you, by law and Court order, you have released the Released Parties from the Released Claims described below.

One hundred percent (100%) of your payment under this settlement will be treated as non-wage income and will be reported to the IRS and state tax authorities.

This settlement forever completely bars you and other Aggrieved Employees, along with your and other Aggrieved Employees' current, former, and future heirs, executors, administrators, attorneys, agents, and assigns, for the period spanning June 22, 2021 to and including ______________, from suing or otherwise making a claim against any of the Released Parties for all claims or causes of action for PAGA penalties that were, or could have been asserted based on the facts in

Representative Plaintiffs' May 27, 2022 and July 7, 2023 notice letters to the LWDA and in the operative complaint in the Actions, pursuant to the California Labor Code Private Attorneys General Act of 2004, Labor Code §§ 2698, et seq., based on the alleged violations of Labor Code §§ 201-204, 206, 206.5, 210, 216, 218.5, 218.6, 221, 223, 225.5, 226, 226.3, 226.6, 226.7, 227.3, 233, 234, 245-248.7, 256, 510, 512, 516, 558, 558.1, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 2698, 2699, 2699.5, 2800, 2802, and the applicable IWC California Wage Orders, whether for civil penalties or attorneys' fees and costs, arising out of the PAGA Claim at issue, including: failure to pay for all hours worked; failure to pay minimum wages for all hours worked; failure to calculate and pay all overtime wages earned; failure to provide meal periods and pay meal period premiums at the regular rate of pay; failure to provide rest breaks and pay rest break premiums at the regular rate of pay; failure to pay all wages in full and on time during employment; failure to maintain accurate records; failure to pay all wages due upon termination; failure to provide accurate itemized wage statements; failure to indemnify employees for necessary expenditures incurred in discharge of duties; failure to provide sick pay and COVID-19 supplemental sick pay.

THIS NOTICE IS NOT AN EXPRESSION OF ANY OPINION BY THE COURT AS TO THE MERITS OF THE CLAIMS OR DEFENSES BY EITHER SIDE IN THE ACTION. PLEASE DO NOT CONTACT THE COURT TO ASK QUESTIONS ABOUT THE SETTLEMENT.

If you have any questions, you may call or write [insert], at the following phone number or address: [insert address and telephone number for Administrator's contact person]

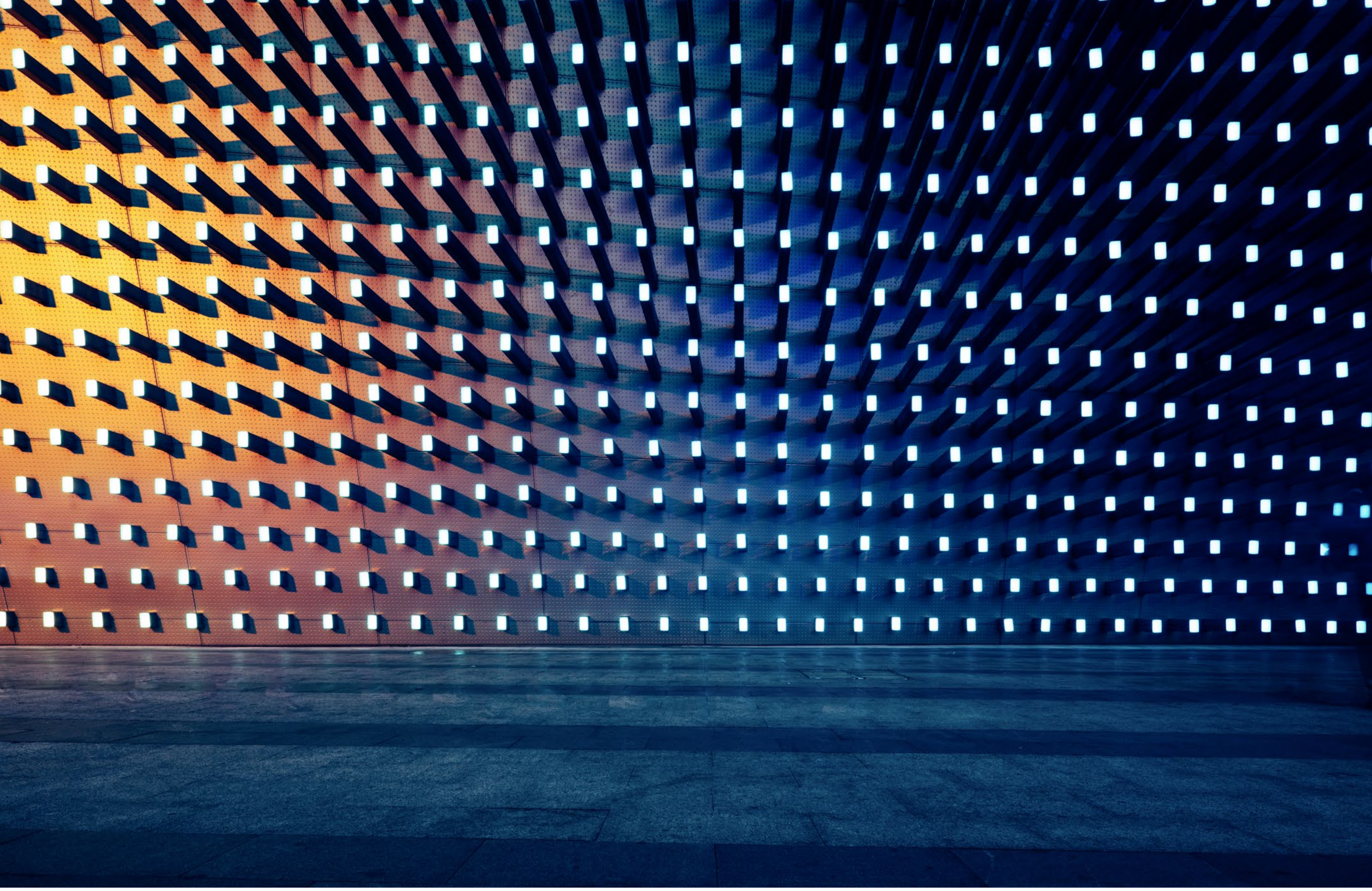
Exhibit 2

Wilshire Law Firm, PLC
Transaction Detail by Account
All Transactions

4/14/2025
Accrual Basis

Type	Date	Num	Memo	Amount	Balance
COS					
Expert Fees					
	1/10/2024	25226	Mediation Fee	4,250.00	4,250.00
Total EXPERT FEES				4,250.00	4,250.00
Legal Expenses					
	5/28/2022	61400	PAGA Fee	75.00	75.00
	6/10/2022	846472397	Legal Research	15.17	15.17
	6/9/2022		Document Retrieval	18.50	18.50
	11/16/2022		Document Retrieval	7.00	7.00
	11/16/2022		Document Retrieval	11.50	11.50
	12/7/2022		Document Retrieval	5.00	5.00
	9/15/2023		Document Retrieval	5.00	5.00
Total LEGAL EXPENSES				137.17	137.17
Process Service Fees					
	5/31/2022		Attorney Services	1,509.56	1,509.56
	6/10/2022	48315	Attorney Services	157.50	157.50
	6/13/2022	48371	Attorney Services	45.00	45.00
	7/25/2022		Attorney Services	17.81	17.81
	9/6/2022		Attorney Services	17.81	17.81
	9/9/2022		Attorney Services	480.06	480.06
	9/15/2022	50890	Attorney Services	147.40	147.40
	9/16/2022	50923	Attorney Services	45.00	45.00
	9/29/2022		Attorney Services	17.81	17.81
	10/10/2022		Attorney Services	38.40	38.40
	10/19/2022		Attorney Services	17.81	17.81
	11/8/2022		Attorney Services	17.81	17.81
	12/8/2022		Attorney Services	17.81	17.81
	1/5/2023		Attorney Services	38.40	38.40
	1/5/2023		Attorney Services	17.81	17.81
	1/9/2023		Attorney Services	17.81	17.81
	2/1/2023		Attorney Services	18.27	18.27
	3/7/2023	24862926	Attorney Services	23.02	23.02
	6/20/2023	20708987	Attorney Services	38.86	38.86
	7/13/2023	20792103	Attorney Services	18.27	18.27
	7/26/2023	20869559	Attorney Services	18.27	18.27
	8/12/2023	20971977	Attorney Services	18.27	18.27
	8/31/2023	21118089	Attorney Services	18.27	18.27
	11/9/2023	21598623	Attorney Services	18.27	18.27
	8/27/2024	23605397	Attorney Services	40.92	40.92
	9/6/2024	23641224	Attorney Services	20.33	20.33
	11/24/2024	24175168	Attorney Services	42.64	42.64
	12/18/2024	24299184	Attorney Services	20.96	20.96
	3/3/2025	24806548	Attorney Services	17.50	17.50
	3/4/2025	24835412	Attorney Services	44.71	44.71
Total PROCESS SERVICE FEES				2,962.36	2,962.36
Other Costs					
	3/9/2022		Case Administration Fee for In-House Services	500.00	500.00
	1/4/2023	E-3116615	Printing Cost	1.89	1.89
	1/10/2023	E-3116671	Printing Cost	1.89	1.89
	8/9/2024	E-3235672	Printing Cost	1.89	1.89
	5/27/2022	E-1080936	Printing Cost	2.75	2.75
	5/31/2022	E-1096282	Postage Cost	6.33	6.33
	5/31/2022	E-1096281	Postage Cost	6.33	6.33
	7/25/2022	E-1454265	Printing Cost	6.00	6.00
Total OTHER COSTS				527.08	527.08
TOTAL				7,876.61	7,876.61

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).

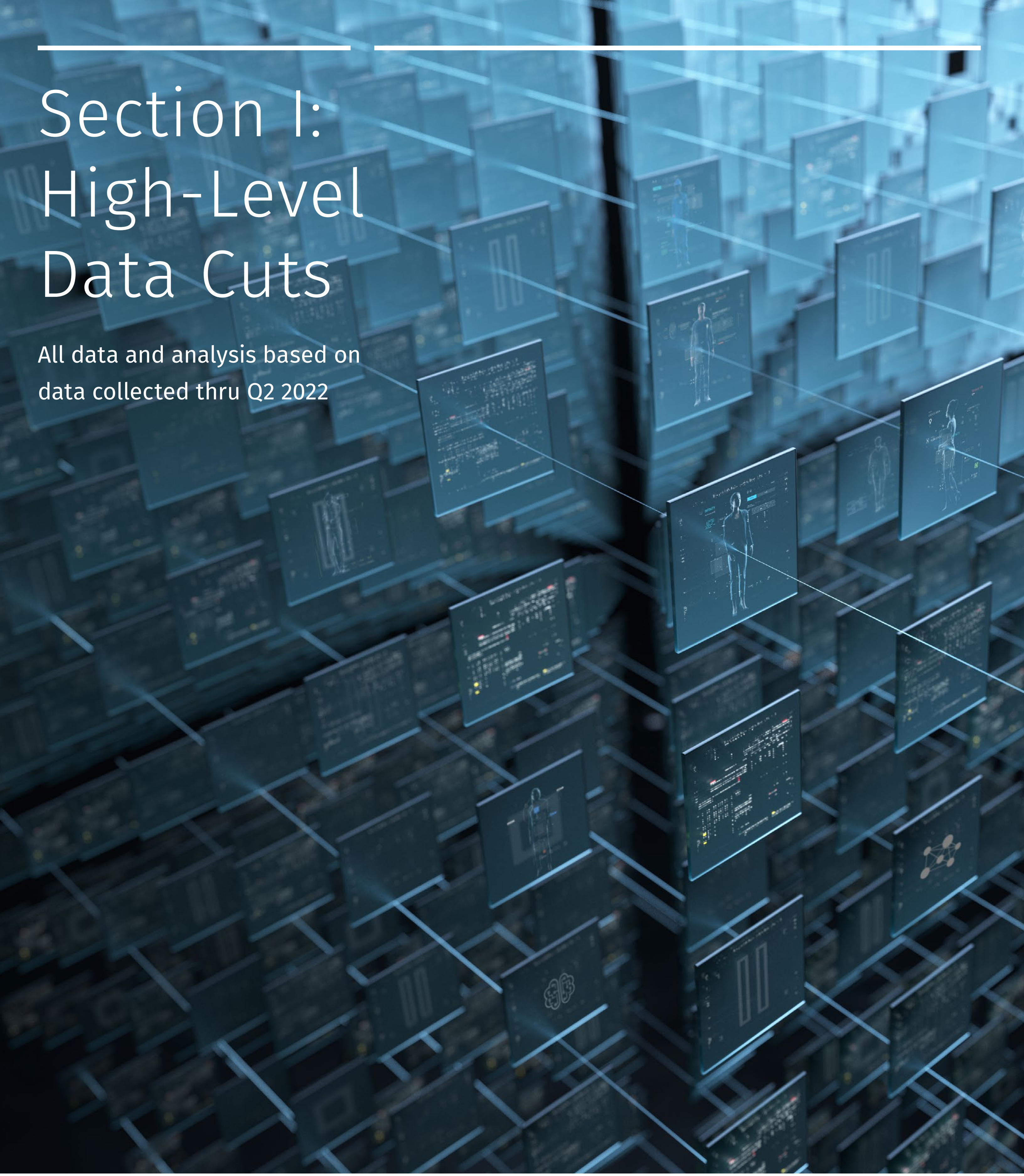
Years of experience and reputation - A more experienced, higher-profile lawyer is often going to charge more, but absorbing this higher cost at the outset may make more sense than hiring a less expensive lawyer who will likely take time and billable hours to come up to speed on unfamiliar legal and procedural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

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

Section I: High-Level Data Cuts

Cities

By Years of Experience

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

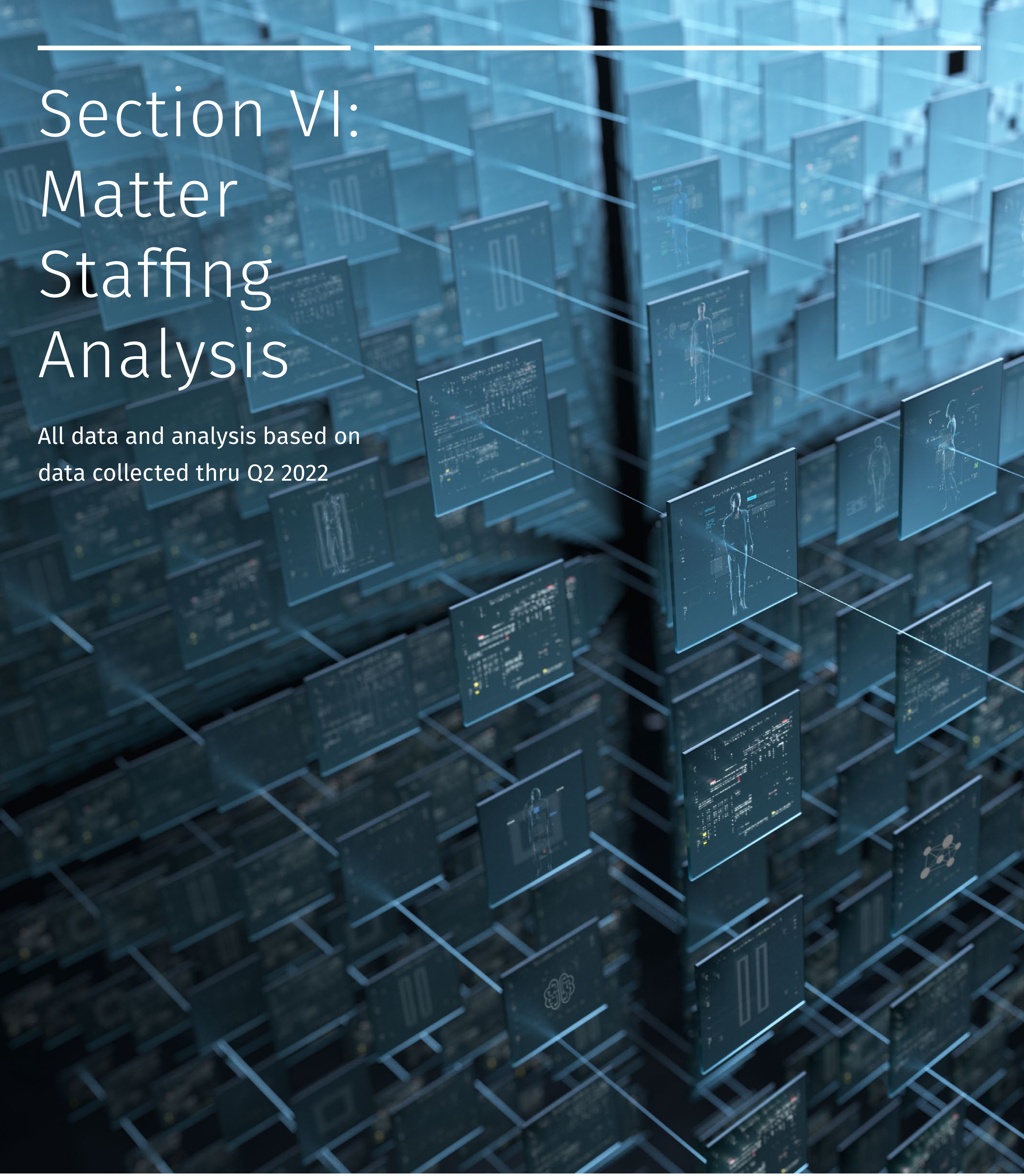
Section I: High-Level Data Cuts

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



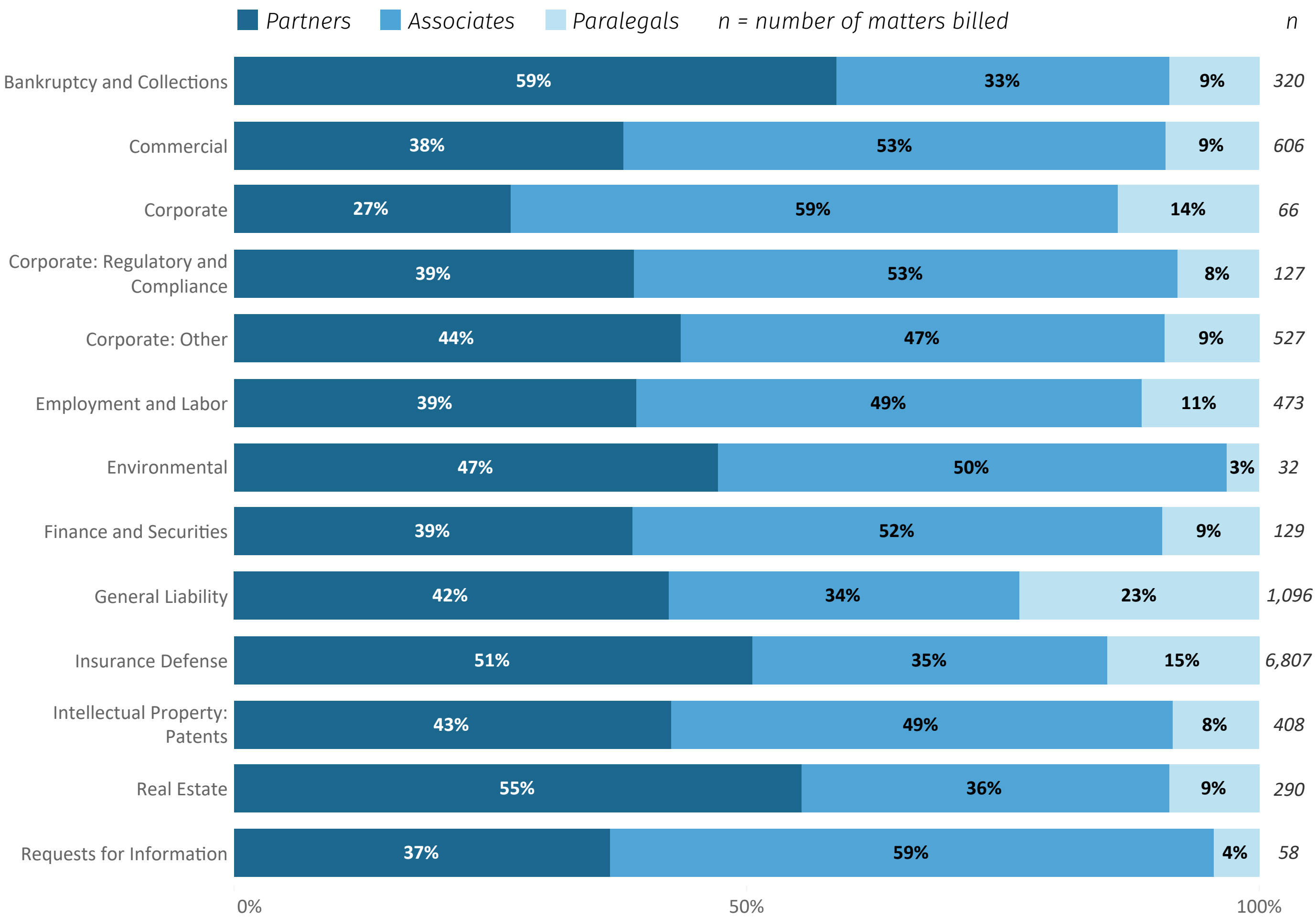
Section VI: Matter Staffing Analysis

All data and analysis based on data collected thru Q2 2022

Section VI: Matter Staffing Analysis

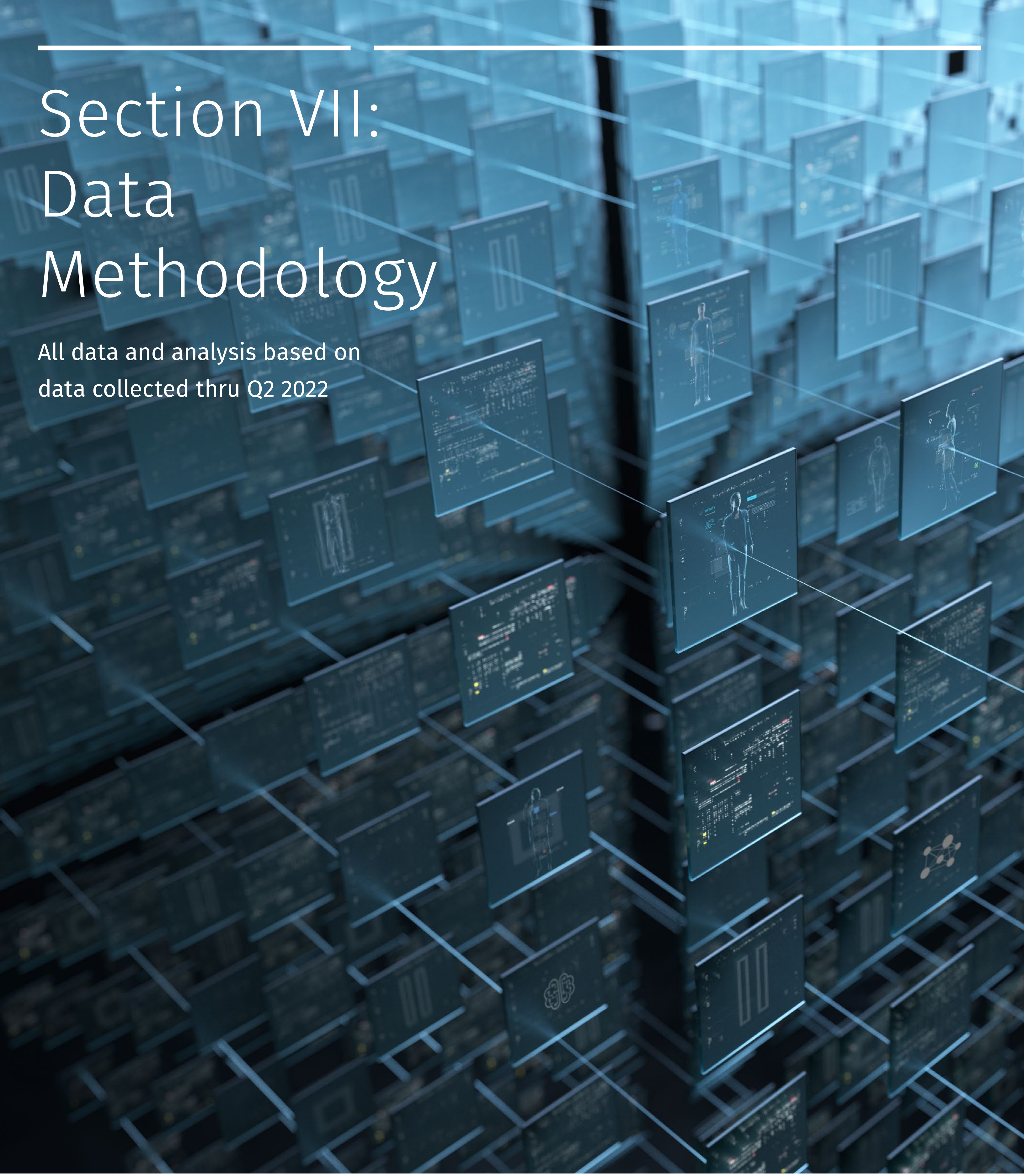
Long Litigation Matters, More Than 100 Total Hours Billed

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

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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

Exhibit 5

CPTGroup
Class Action Administrators

CASE NAME: BATTLE v CALIFORNIA CLINIC MANAGEMENT

Requesting Legal Assistant:	Gerry Fasquelle	**Date:**	August 1, 2024
Plaintiff or Defense:	Plainitff	**Prepared By:**	Dominique Fite, Esq.
Firm Name:	Ferraro Vega Employment Lawyers		50 Corporate Park, Irvine CA 92606
Telephone:	(619) 737-1720		DFite@CPTGroup.com
Email:	gerry@ferrarovega.com	**Direct Number:**	(619) 613-1653
		Main Number:	(800) 542-0900

PROJECT ASSUMPTIONS & ADMINISTRATIVE COSTS

Number of Aggrieved Employees:	1,373	**Check Reminder Postcard:**	No
Language Translation Services:	No	**Unclaimed Funds:**	SCO
Settlement Website:	No	**Postage Total:**	$1,045.75
Payment Option:	Check	**Grand Total:**	$16,177.02
Undeliverable Check Rate:	6%	**CPT'S DISCOUNTED FEE:**	**$11,000.00**

The services and numbers reflected herein are estimates based on the information provided by counsel at the time of this Bid. If the actual services and numbers are different, our cost estimate will change accordingly. Client expressly acknowledges and agrees that estimated fees and costs may fluctuate and agrees to pay for any such increases to such estimates as if set forth herein.

The attached Terms and Conditions are included as part of and incorporated by reference to our cost proposal. By accepting our cost proposal for this matter, you are thereby agreeing to the Terms and Conditions.

CASE SETUP

After receiving the data, CPT will scrub all records to eliminate duplicates and anomalies; this process is designed to achieve a higher success percentage in delivering the distribution proceeds. Each aggrieved employee will receive a unique mailing ID that will be utilized for all administrative purposes. CPT will perform an address update via NCOA and, if necessary, conduct an additional skip trace in order to ensure that mail is delivered to the most current address possible.

ADMINISTRATIVE TASKS	UNIT PRICE	PIECES/HOURS	COST ESTIMATE
Project Manager: Case Intake & Review	$95.00	7	$665.00
Project Manager: Format Documents	$95.00	1	$95.00
Programming: Data Base Setup	$150.00	7	$1,050.00
National Change of Address Search (NCOA)	$135.00	1	$135.00
XML Lex ID Skip Trace	$0.85	137	$116.45
		Sub Total:	**$2,061.45**

AGGRIEVED EMPLOYEE SUPPORT

CPT will establish a toll-free telephone number equipped with interactive voice response (IVR) capabilities and live customer support representatives. Live support will be available during regular business hours, Monday to Friday, 9:00 AM to 5:30 PM, Pacific Time (PT). The dedicated case phone number shall be operational for a maximum of 120 days following the disbursement.

ADMINISTRATIVE TASKS	UNIT PRICE	PIECES/HOURS	COST ESTIMATE
Toll-Free Number Establish/Setup	$150.00	2	$300.00
Live Call Center Support Reps.	$3.00	275	$825.00
		Sub Total:	**$1,125.00**

SSN VERIFICATION

Authenticate Social Security Number for validity using IRS verification processes and/or IRS backup withholdings processes.

ADMINISTRATIVE TASKS	UNIT PRICE	PIECES/HOURS	COST ESTIMATE
Programming: SSN Selection	$150.00	1	$150.00
Department Manager: Analysis & Reporting	$95.00	3	$285.00
IRS SSN Verification	$0.10	1,373	$137.30
		Sub Total:	**$572.30**

DISTRIBUTION SERVICES

CPT will establish a 26 CFR § 1.468B-1 compliant Qualified Settlement Fund (QSF). Upon approval, CPT will perform the required payment calculations, and once approved by the parties, CPT will print a one-page notice and issue a (MICR) check to all eligible employees. CPT will also issue an IRS Form 1099 when applicable. CPT utilizes the bank's Payee Positive Pay to prevent check fraud and performs monthly account reconciliations for the QSF bank account. Undeliverable checks are skip-traced to obtain a current address and are remailed accordingly. Requests for check reissues will be processed throughout the check cashing period. CPT's administration of the QSF will continue for a maximum duration of one year following the initial distribution of funds.

ADMINISTRATIVE TASKS	UNIT PRICE	PIECES/HOURS	COST ESTIMATE
Programming: Calculation Totals	$150.00	3	$450.00
Project Supervisor: Review of Distribution	$150.00	3	$450.00
Project Manager: Correspondence w/Parties	$95.00	2	$190.00
Programming: Setup & Printing of Checks	$150.00	4	$600.00
Obtain EIN, Setup QSF/Bank Account	$150.00	3	$450.00
Print & Mail Notice, Checks & 1099	$2.75	1,373	$3,775.75
First-Class Postage (up to 1 oz.)*	$0.69	1,373	$947.37
Project Supervisor: Account Reconciliation	$150.00	6	$900.00
Update Undeliverable Checks Database	$0.50	82	$41.19
Clerical Staff	$60.00	1	$60.00
Skip Trace for Best Address	$1.00	82	$82.38
Remail Undeliverable Checks	$3.00	75	$225.00
First-Class Postage (up to 1 oz.)	$0.69	75	$51.75
Re-Issue Checks as Required	$5.00	55	$275.00
First-Class Postage (up to 1 oz.)	$0.69	55	$37.95
		Sub Total:	**$8,536.39**

*Postage costs are subject to change at anytime. The final rate will be determined at the time of mailing.

TAX REPORTING & SETTLEMENT CONCLUSION

CPT prepares annual tax reporting on behalf of the QSF and Federal and State taxes in accordance with current state and federal regulations. All parties will be furnished with weekly and final reports. A declaration attesting to due process will be provided to all parties.

ADMINISTRATIVE TASKS	UNIT PRICE	PIECES/HOURS	COST ESTIMATE
Project Supervisor: Reconcile Uncashed Chk	$150.00	1	$150.00
Programming: Weekly & Final Reports	$150.00	2	$300.00
Project Supervisor: Final Declaration	$150.00	2	$300.00
Project Manager: Account Files Sent to Atty	$95.00	2	$190.00
CA Tax Preparation*	$600.00	1	$600.00
Annual Tax Reporting to IRS*	$1,000.00	1	$1,000.00
QSF Annual Tax Reporting	$500.00	1	$500.00
		Sub Total:	**$3,040.00**

*CPT will file Federal and California taxes in accordance with current state and federal regulations. Additional charges will apply if the Settlement/Order/parties require(s) multiple state tax filings.

SCO ESCHEATMENT PROCESSING

Escheatment Processing to the State Controller Unclaimed Property Division / Uncashed Check Rate 21%

ADMINISTRATIVE TASKS	UNIT PRICE	PIECES/HOURS	COST ESTIMATE
UPEnterprise Reporting Services	$0.15	288	$43.20
Project Manager: Reporting & Remittance	$95.00	2	$190.00
Project Supervisor: Review of Report	$150.00	1	$150.00
Certified Mail Report to SCO	$8.68	1	$8.68
Add'l Account Recons	$150.00	3	$450.00
		Sub Total:	**$841.88**

Total Administration Costs:	**$16,177.02**
Courtesy Discount:	***-$5,177.02***
CPT'S DISCOUNTED FLAT FEE:	**$11,000.00**

TERMS AND CONDITIONS

These Terms and Conditions ("**Terms and Conditions**") are made a part of, and incorporated by reference into, any Bid presented by CPT Group, Inc. ("**CPT**") to Client. Each of Client and CPT is a "**Party**" to this Agreement, and collectively, the "**Parties**".

1. Definitions.
   a) "**Affiliate**" means a party that partially (at least 50%) or fully controls, is partially or fully controlled by, or is under partial (at least 50%) or full common control with another party.
   b) "**Agreement**" means these Terms and Conditions and the Bid.
   c) "**Applicable Laws**" means all applicable local, state and federal laws, ordinances, rules and regulations.
   d) "**Approved Bank**" means any financial institution that is insured by the Federal Deposit Insurance Corporation.
   e) "**Bid**" means a proposal, statement of work, order form, and/or schedule for Services (including any and all addendums, exhibits, or amendments thereto) provided by CPT to Client.
   f) "**Case**" means the case referred to in the attached Bid and/or the particular judicial matter identified by the name of plaintiff(s) and defendant(s) on the caption of the applicable Court Order.
   g) "**Class**" means Members and putative Members collectively.
   h) "**Client**" means the party or parties engaging CPT for Services as set forth in the Bid, namely Plaintiff Counsel and/or Defense Counsel.
   i) "**Confidential Information**" means any non-public information of CPT or Client disclosed by either Party to the other Party, either directly or indirectly, in writing, orally or by inspection of tangible objects, or to which the other Party may have access, which a reasonable person would consider confidential and/or which is marked "confidential" or "proprietary" or some similar designation by the disclosing Party. Confidential Information shall also include the terms of this Agreement, except where this Agreement specifically provides for disclosure of certain items. Confidential Information shall not, however, include the existence of the Agreement or any information which the recipient can establish: (i) was or has become generally known or available or is part of the public domain without direct or indirect fault, action, or omission of the recipient; (ii) was known by the recipient prior to the time of disclosure, according to the recipient's prior written documentation; (iii) was received by the recipient from a source other than the discloser, rightfully having possession of and the right to disclose such information; or (iv) was independently developed by the recipient, where such independent development has been documented by the recipient.
   j) "**Court Order**" means a legal command or direction issued by a court, judicial office, or applicable administrative body requiring one or more Parties To The Case to carry out a legal obligation pursuant to the Case.
   k) "**Defendant**" means the named Party and/or Parties in the Case against whom action is brought.
   l) "**Defense Counsel**" means the attorney(s) of record for the Defendant(s) in the Case.
   m) "**Intellectual Property Right**" means any patent, copyright, trade or service mark, trade dress, trade name, database right, goodwill, logo, trade secret right, or any other intellectual property right or proprietary information right, in each case whether registered or unregistered, and whether arising in any jurisdiction, including without limitation all rights of registrations, applications, and renewals thereof and causes of action for infringement or misappropriation related to any of the foregoing.
   n) "**Member**" means an individual who is eligible under the Case or Class to receive a communication about their pending legal rights under the matter and/or designated amount of the Settlement, including the named Plaintiff(s) in the Case and all other putative persons or other parties in the representative action so designated or addressed therein.
   o) "**Member Content**" means all Member written document communications relating to the Case, including claim forms, opt-out forms, and/or objections, which may contain Member Data.
   p) "**Member Data**" means proprietary or personal data regarding Members under this Agreement.
   q) "**Parties To The Case**" shall mean collectively Defendant(s) and Plaintiff(s) as defined in the Settlement Agreement or Court Order.
   r) "**Plaintiff**" means the named party and/or parties in the Case who are bringing the action.
   s) "**Plaintiff Counsel**" means the attorney(s) of record for Plaintiff(s) in the Case, and/or upon certification by the Court the attorney(s) of record designated to represent the Class.
   t) "**Products**" means any and all CPT Services and work product resulting from Services.
   u) "**Qualified Settlement Fund**" or "**QSF**" means a bank account established pursuant to U.S. Department of Treasury Regulations §1468B-1.
   v) "**Service**" means any service rendered by CPT specifically to Client, including, but not limited to: (i) notifications to Members; (ii) setting up a QSF with an Approved Bank; (iii) management of disbursement of funds from the QSF to applicable parties pursuant to the Settlement Agreement; (iv) provision of customer support relating to the Case; (v) management of Case claim forms and correspondence; and/or (vi) any administrative or consulting service.
   w) "**Settlement Agreement**" means the contract between Parties To The Case to resolve the same, which specifies amounts to be disbursed from the Qualified Settlement Fund to attorneys, CPT, and individual Members.
   x) "**Settlement Amount**" means the total dollar amount agreed to between Parties To The Case to resolve the Case to mutual satisfaction.
   y) "**Software**" means any and all of CPT's software applications, including, without limitation, all updates, revisions, bug-fixes, upgrades, and enhancements thereto.
   z) "**Transmission Methods**" means the secure authorized manner to send Member Data and/or Wire Information as specified on a schedule or exhibit hereto.
   aa) "**Term**" means the period commencing on the date set forth on the Bid and continuing until the date of final judgment (if a settlement) or upon completion of all Services as set forth in the Bid.
   bb) "**Wire Information**" means instructions for (i) Defense Counsel to transfer funds from Defendant to the Qualified Settlement Fund or (ii) CPT to transfer funds from the Qualified Settlement Fund to applicable parties pursuant to the Settlement Agreement.
2. Client Obligations. Client will ensure that it has obtained all necessary consents and approvals for CPT to access and use Member Data for the purposes permitted under this Agreement and shall only transmit Member Data and/or Wire Information to CPT via the Transmission Methods. Client shall use and maintain appropriate administrative, technical, and physical safeguards designed to protect Member Data provided under this Agreement. Client further warrants that any Member Data, Wire Information, or other content, data, materials or information it transmits shall be free of viruses, worms, Trojan horses, or other harmful or disenabling codes which could adversely affect Member Data and/or CPT. If Client is in breach of this section, CPT may suspend Services, in addition to any other rights and remedies CPT may have at law or in equity.
3. CPT Obligations. CPT will (i) maintain appropriate safeguards designed to protect Member Data, including regular back-ups, security and incident response protocols, and (ii) not access or disclose Member Data except (A) as compelled by law, (B) to prevent or address service or technical issues, (C) in accordance with this Agreement or the provisions of the Settlement Agreement, or (D) if otherwise permitted by Parties To The Case, Members, Plaintiff Counsel or Defense Counsel as applicable.
4. Security. Client and CPT shall each use reasonable administrative, technical, and physical safeguards that are reasonably designed to: (a) protect the security and confidentiality of any Member Data in its possession or control under this Agreement; (b) protect against any anticipated threats or hazards to the security or integrity of such Member Data; (c) protect against unauthorized access to or use of such Member Data that could result in substantial harm or inconvenience to any individual; and (d) protect against unauthorized access to or use of such Member Data in connection with its disposal.
   a) Incident Notification. In the event a Party discovers that Member Data relating to the Case is the subject of (i) any unauthorized acquisition, loss, access or use and/or (ii) an actual or suspected breach concerning such Party's systems (items (i) and/or (ii) a "**Security Incident**"), or a Party has a reasonable belief that a Security Incident has occurred or is at risk of occurring, such Party will promptly but no later than forty-eight (48) hours of its discovery of such circumstances, inform the other Parties in the event of such Security Incident, and shall utilize best efforts to assist the other Parties to mitigate the effects of such Security Incident.
   b) b) Response Procedures. In the event of a Security Incident, the breached party shall (i) cooperate with any reasonable investigation concerning the Security Incident by the other Parties, regulators and/or law enforcement; and (ii) cooperate with the other Parties to comply with Applicable Laws concerning such Security Incident, including any notification to affected individuals. The Parties acknowledge that the breached party in any Security Incident shall be the Party responsible for

any and all remedies and costs under Applicable Laws concerning such Security Incident, unless such breach occurred due to another Party's actions hereunder, in which instance such party shall be comparatively responsible for all remedies and costs. In no event will any Party serve notice or otherwise publicize a Security Incident without the prior written consent of the other Parties. The Parties shall reasonably cooperate and coordinate with each other to respond to the Security Incident, including with regard to the content of notification to affected individuals.

6. Qualified Settlement Fund Account. When the Case has a Settlement Amount CPT shall be authorized to establish one or more QSF bank accounts at an Approved Bank if and as applicable to the Services as set forth in the Bid. The amounts held at the Approved Bank under this Agreement are at the sole risk of Defendant. Without limiting the generality of the foregoing, CPT shall have no responsibility or liability for any diminution of the funds that may result from the deposit thereof at the Approved Bank, including deposit losses, credit losses, or other claims made against the Approved Bank. It is acknowledged and agreed that CPT has acted reasonably and prudently in depositing funds at an Approved Bank, and CPT is not required to conduct diligence or make any further inquiries regarding such Approved Bank.

7. Fees and Payment. Pricing for Services is as stated on the Bid, and Client agrees to pay CPT in the amounts set forth on the Bid. Client will be invoiced per the schedule set forth in the Bid, and payment of fees will be due within 30 days after the date of the invoice, except where the Bid or terms of the Settlement Agreement or Court Order expressly prescribes other payment dates. All fees set forth in a Bid are in U.S. dollars, must be paid in U.S. dollars, and are exclusive of taxes and applicable transaction processing fees. Late payments hereunder will incur a late charge of 1.5% per month (or the highest rate allowable by law, whichever is lower) on the outstanding balance from the date due until the date of actual payment, which such late charge(s) may be charged against the QSF account if incurred in connection with Services provided pursuant to administration of a settlement. In addition, Services are subject to suspension for failure to timely remit payment therefor. If travel is required to effect Services, Client shall reimburse CPT for pre-approved, reasonable expenses arising from and/or relating to such travel, including, but not limited to, airfare, lodging, meals, and ground transportation. . In connection with CPT's administration of a QSF, unless otherwise stated in the Settlement Agreement or Court Order concerning disbursement of unclaimed funds in the QSF account, CPT reserves the right, after one (1) year of issuance of disbursements to Members, to classify any remaining balance in such QSF account as additional administrative fees payable to CPT until such time as the QSF account balance becomes zero ($0.00), and thereafter close such account.

8. Term and Termination.

   a) Term. The Term is set forth in the Bid. The Agreement may be renewed by mutual written agreement of the parties.

   b) Termination for Cause. Either Party may immediately terminate this Agreement if the other Party materially breaches its obligations hereunder, and, where capable of remedy, such breach has not been materially cured within forty-five (45) days of the breaching Party's receipt of written notice describing the breach in reasonable detail.

   c) Bankruptcy Events. A Party may immediately terminate this Agreement if the other Party: (i) has a receiver appointed over it or over any part of its undertakings or assets; (ii) passes a resolution for winding up (other than for a bona fide scheme of solvent amalgamation or reconstruction), or a court of competent jurisdiction makes an order to that effect and such order is not discharged or stayed within ninety (90) days; or (iii) makes a general assignment for the benefit of its creditors.

   d) Effect of Termination. Immediately following termination of this Agreement, upon written request, Member Data may be retrieved via the secure FTP site in the same format in which the Member Data was originally inputted into the Software, at no additional charge. Alternatively, Member Data can be returned in a mutually agreed format at a scope and price to be agreed upon. CPT will maintain a copy of Member Data and Member Content for no more than four (4) years following the date of the final check cashing deadline for Members under the Settlement Agreement, after which time any Member Data and Member Content not retrieved will be destroyed.

   e) Final Payment. If Client terminates this Agreement due to Section "Termination", Client shall pay CPT all fees owed through the termination date. If CPT terminates the Agreement in accordance with Section "Termination," Client shall pay CPT all fees invoiced through the termination date, plus all fees remaining to be invoiced during the Term, less any costs CPT would have incurred had the Agreement not been terminated.

9. Confidentiality. Each Party agrees: (i) not to disclose any Confidential Information to any third parties except as mandated by law and except to those subcontractors of CPT providing Products hereunder who agree to be bound by confidentiality obligations no less stringent than those set forth in this Agreement; (ii) not to use any Confidential Information for any purposes except carrying out such Party's rights and responsibilities under this Agreement; and (iii) to keep the Confidential Information confidential using the same degree of care such Party uses to protect its own confidential information; provided, however, that such Party shall use at least reasonable care. These obligations shall survive termination of this Agreement.

   a) Compelled Disclosure. If receiving Party is compelled to disclose any Confidential Information by judicial or administrative process or by other requirements of law, such Party shall (i) promptly notify the other Party, (ii) reasonably cooperate with the other Party in such Party's efforts to prevent or limit such compelled disclosure and/or obtain confidential treatment of the items requested to be disclosed, and (iii) shall disclose only that portion of such information which each Party is advised by its counsel in writing is legally required to be disclosed.

   b) Remedies. If either Party breaches any of its obligations with respect to confidentiality or the unauthorized use of Confidential Information hereunder, the other Party shall be entitled to seek equitable relief to protect its interest therein, including but not limited to, injunctive relief, as well as money damages.

10. Intellectual Property. CPT retains all right, title and interest (including, without limitation, all Intellectual Property Rights) in and to the Products. CPT does not claim any ownership rights to Member Data.

11. Indemnification. Client agrees to indemnify, defend, and hold harmless CPT, its Affiliates, and the respective officer, directors, consultants, employees, and agents of each (collectively, "**Covered CPT Parties**") from and against any and all third party claims and causes of action, as well as related losses, liabilities, judgments, awards, settlements, damages, expenses and costs (including reasonable attorney's fees and related court costs and expenses) (collectively, "**Damages**") incurred or suffered by CPT which directly relate to or directly arise out of (i) Client's breach of this Agreement; (ii) CPT's performance of Services hereunder; (iii) the processing and/or handling of any payment by CPT; (iv) any content, instructions, information or Member Data provided by Client to CPT in connection with the Services provided by CPT hereunder. The foregoing provisions of this section shall not apply to the extent the Damages relate to or arise out of CPT's willful misconduct. To obtain indemnification, indemnitee shall: (i) give written notice of any claim promptly to indemnitor; (ii) give indemnitor, at indemnitor's option, sole control of the defense and settlement of such claim, provided that indemnitor may not, without the prior consent of indemnitee (not to be unreasonably withheld), settle any claim unless it unconditionally releases indemnitee of all liability; (iii) provide to indemnitor all available information and assistance; and (iv) not take any action that might compromise or settle such claim.

12. Warranties. Each Party represents and warrants to the other Party that, as of the date hereof: (i) it has full power and authority to execute and deliver the Agreement; (ii) the Agreement has been duly authorized and executed by an appropriate employee of such Party; (iii) the Agreement is a legally valid and binding obligation of such Party; and (iv) its execution, delivery and/or performance of the Agreement does not conflict with any agreement, understanding or document to which it is a party. CPT WARRANTS THAT ANY AND ALL SERVICES PROVIDED BY IT HEREUNDER SHALL BE PERFORMED IN A PROFESSIONAL MANNER CONSISTENT WITH PREVAILING INDUSTRY STANDARDS. TO THE EXTENT PERMITTED BY APPLICABLE LAW, CPT DISCLAIMS ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, STATUTORY OR OTHERWISE, INCLUDING WITHOUT LIMITATION WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT AND ANY WARRANTIES ARISING FROM A COURSE OF DEALING, USAGE OR TRADE PRACTICE

13. Liability.

   a) Liability Cap. EXCEPT FOR A PARTY'S GROSSS NEGLIGENCE OR WILLFUL MISCONDUCT, EACH PARTY'S MAXIMUM AGGREGATE LIABILITY ARISING OUT OF OR RELATING TO THIS AGREEMENT, REGARDLESS OF THE THEORY OF LIABILITY, WILL BE LIMITED TO THE TOTAL FEES PAID OR PAYABLE BY CLIENT AND/OR THE PARTIES TO THE CASE TO CPT HEREUNDER. THE EXISTENCE OF MORE THAN ONE CLAIM SHALL NOT EXPAND SUCH LIMIT. THE PARTIES ACKNOWLEDGE THAT THE FEES AGREED UPON BETWEEN CLIENT AND CPT ARE BASED IN PART ON THESE LIMITATIONS, AND THAT THESE LIMITATIONS WILL APPLY NOTWITHSTANDING ANY FAILURE OF ANY ESSENTIAL PURPOSE OF ANY LIMITED REMEDY. THE FOREGOING LIMITATION SHALL NOT APPLY TO A PARTY'S PAYMENT OBLIGATIONS UNDER THE AGREEMENT.

   b) Exclusion of Consequential Damages. NEITHER PARTY WILL BE LIABLE FOR LOST PROFITS, LOST REVENUE, LOST BUSINESS OPPORTUNITIES, LOSS OF DATA, INTERRUPTION OF BUSINESS, OR ANY OTHER INDIRECT, SPECIAL, PUNITIVE, INCIDENTAL OR CONSEQUENTIAL DAMAGES ARISING OUT OF OR RELATING TO THIS AGREEMENT, REGARDLESS OF THE THEORY OF LIABILITY, EVEN IF IT HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

14. Communications. CPT may list Client's name and logo alongside CPT's other clients on the CPT website and in marketing materials, unless and until Client revokes such permission. CPT may also list the Case name and/or number, and

certain Qualified Settlement Fund information, on the CPT website and in marketing materials, unless stated otherwise in the Settlement Agreement.

15. Miscellaneous Provisions.

a) Governing Law; Jurisdiction. This Agreement will be governed by and construed in accordance with the laws of the State of California and the federal laws of the United States of America, without regard to conflict of law principles. CPT and Client agree that any suit, action or proceeding arising out of, or with respect to, this Agreement or any judgment entered by any court in respect thereof shall be brought exclusively in the state or federal courts of the State of California located in the County of Orange, and each of CPT and Client hereby irrevocably accepts the exclusive personal jurisdiction and venue of those courts for the purpose of any suit, action or proceeding.

b) Force Majeure. Neither Party will be liable for any failure or delay in its performance under this Agreement due to any cause beyond its reasonable control, including without limitation acts of war, acts of God, earthquake, flood, weather conditions, embargo, riot, epidemic, acts of terrorism, acts or omissions of vendors or suppliers, equipment failures, sabotage, labor shortage or dispute, governmental act, failure of the Internet or other acts beyond such Party's reasonable control, provided that the delayed Party: (i) gives the other Party prompt notice of such cause; and (ii) uses reasonable commercial efforts to correct promptly such failure or delay in performance.

c) Counterparts. This Agreement may be executed in any number of counterparts and electronically, each of which shall be an original but all of which together shall constitute one and the same instrument.

d) Entire Agreement. This Agreement contains the entire understanding of the parties in respect of its subject matter and supersedes all prior agreements and understandings (oral or written) between the Parties with respect to such subject matter. The schedules and exhibits hereto constitute a part hereof as though set forth in full herein.

e) Modifications. Any modification, amendment, or addendum to this Agreement must be in writing and signed by the Parties.

f) Assignment. Neither Party may assign this Agreement or any of its rights, obligations, or benefits hereunder, by operation of law or otherwise, without the other Party's prior written consent; provided, however, either Party, without the consent of the other Party, may assign this Agreement to an Affiliate or to a successor (whether direct or indirect, by operation of law, and/or by way of purchase, merger, consolidation or otherwise) to all or substantially all of the business or assets of such Party, where the responsibilities or obligations of the other Party are not increased by such assignment and the rights and remedies available to the other Party are not adversely affected by such assignment. Subject to that restriction, this Agreement will be binding on, inure to the benefit of, and be enforceable against the parties and their respective successors and permitted assigns.

g) No Third-Party Beneficiaries. The representations, warranties, and other terms contained herein are for the sole benefit of the Parties hereto and their respective successors and permitted assigns and shall not be construed as conferring any rights on any other persons.

h) Statistical Data. Without limiting the confidentiality rights and Intellectual Property Rights protections set forth in this Agreement, CPT has the perpetual right to use aggregated, anonymized, and statistical data ("**Statistical Data**") derived from the operation of the Software, and nothing herein shall be construed as prohibiting CPT from utilizing the Statistical Data for business and/or operating purposes, provided that CPT does not share with any third-party Statistical Data which reveals the identity of Client, Client's Class Members, or Client's Confidential Information.

i) Export Controls. Client understands that the use of CPT's Products is subject to U.S. export controls and trade and economic sanctions laws and agrees to comply with all such Applicable Laws, including the Export Administration Regulations maintained by the U.S. Department of Commerce and the trade and economic sanctions maintained by the Treasury Department's Office of Foreign Assets Control.

j) Severability. If any provision of this Agreement is held by a court or arbitrator of competent jurisdiction to be contrary to law, such provision shall be changed by the court or by the arbitrator and interpreted so as to best accomplish the objectives of the original provision to the fullest extent allowed by law, and the remaining provisions of this Agreement shall remain in full force and effect.

k) Notices. Any notice or communication required or permitted to be given hereunder may be delivered by hand, deposited with an overnight courier, sent by electronic delivery, or mailed by registered or certified mail, return receipt requested and postage prepaid to the address for the other Party as set forth on the Bid or at such other address as may hereafter be furnished in writing by either Party hereto to the other Party. Such notice will be deemed to have been given as of the date it is delivered, if by personal delivery; the next business day, if deposited with an overnight courier; upon receipt of confirmation of electronic delivery (if followed up by such registered or certified mail); and five days after being so mailed.

l) Independent Contractors. Client and CPT are independent contractors, and nothing in this Agreement shall create any partnership, joint venture, agency, franchise, sales representative or employment relationship between Client and CPT. Each Party understands that it does not have authority to make or accept any offers or make any representations on behalf of the other. Neither Party may make any statement that would contradict anything in this section.

m) Subcontractors. CPT may use subcontractors to perform Client-specific Services; provided however, that CPT shall be responsible for its subcontractors' performance of Services under this Agreement.

n) Headings. The headings of the sections of this Agreement are for convenience only, do not form a part hereof, and in no way limit, define, describe, modify, interpret, or construe its meaning, scope or intent.

o) Waiver. No failure or delay on the part of either Party in exercising any right, power or remedy under this Agreement shall operate as a waiver, nor shall any single or partial exercise of any such right, power or remedy preclude any other or further exercise or the exercise of any other right, power, or remedy.

p) Acceptance. If, when requested in writing by Client, CPT then provides any Service to Client, whether or not such Services were specified in the original Bid, , these Terms and Conditions shall apply to the provision of such Services and be deemed accepted and approved by Client concerning such Services.

q) Survival. Sections of the Agreement intended by their nature and content to survive termination of the Agreement shall so survive.