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SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF NAPA

SOCORRO OCHOA, ANA GAYTAN GARCIA,
TERESA GONZALEZ VEGA, LILIANA J.
MOISEN, ANDREA GARCIA CERVANTES,
and CECILIA CERVANTES, individually, and
on behalf of all others similarly situated; ANA
GAYTAN GARCIA and TERESA GONZALEZ
VEGA, on behalf of the State of California and
other aggrieved persons,

Plaintiffs,

v.

LA TAVOLA, LLC, a California limited liability
company; BBJ RENTALS INC., a corporation;
and DOES 1 through 10, inclusive,

Defendants.

Case No.: 22CV000862

CLASS & REPRESENTATIVE ACTION

*[Assigned for all purposes to: Hon. Scott R.L.
Young, Dept. B]*

**DECLARATION OF JUSTIN F. MARQUEZ
IN SUPPORT OF PLAINTIFFS' MOTION
FOR PRELIMINARY APPROVAL OF
CLASS ACTION SETTLEMENT**

*[Filed concurrently with: Plaintiffs' Notice of
Motion and Motion for Preliminary Approval
of Class Action Settlement, Memorandum of
Points and Authorities; and [Proposed] Order]*

PRELIMINARY APPROVAL HEARING

Date: August 27, 2024

Time: 8:30 a.m.

Dept: B

Complaint filed: July 29, 2022

FAC filed: April 9, 2024

Trial date: Not set

I, Justin F. Marquez, declare as follows:

CASE BACKGROUND

3. Plaintiffs allege that Defendants' payroll, timekeeping, and wage and hour practices resulted in Labor Code violations. Plaintiffs allege that Defendants failed to pay for all hours worked. Plaintiffs further allege that Defendants failed to provide employees with legally compliant meal and rest periods and Defendants failed to reimburse business expenses. Based on these allegations, Plaintiffs assert related claims for failure to pay all final wages at termination, failure to provide accurate wage statements, unfair business practices, and civil penalties under the Private Attorneys General Act ("PAGA").

4. On July 29, 2022, Plaintiff Ochoa filed a putative wage and hour class action complaint against Defendant La Tavola, LLC for: (1) failure to pay minimum and straight time wages; (2) failure to pay overtime wages; (3) failure to provide meal periods; (4) failure to

1

1 authorize and permit rest periods; (5) failure to timely pay final wages at termination; (6) failure
2 to provide accurate itemized wage statements; (7) failure to indemnify employees for expenditures;
3 and (8) unfair business practices (Business and Professions Code 17200, *et seq.*). On June 1, 2022,
4 Plaintiff Gaytan Garcia sent a notice to Defendants and the California Labor & Workforce
5 Development Agency (“LWDA”) alleging similar wage and hour violations pursuant to the PAGA.
6 On March 17, 2023, Plaintiff Vega also sent a notice to Defendants and the LWDA alleging similar
7 wage and hour violations pursuant to the PAGA. On April 9, 2024, Plaintiff Ochoa filed a First
8 Amended Class & Representative Complaint, adding Defendant BBJ Rentals Inc. as a named
9 defendant, adding a cause of action for civil penalties under the PAGA, and adding additional class
10 representatives.

11 DISCOVERY AND INVESTIGATION

12 5. Following the filing of the initial Complaint, the Parties exchanged documents and
13 information before mediating this action. Defendants produced a sample of time and pay records
14 for the class members. Defendants also provided documents of its wage and hour policies and
15 practices during the class period and information regarding the total number of current and former
16 employees in its informal discovery responses.

17 6. After reviewing documents regarding Defendants’ wage and hour policies and
18 practices, analyzing Defendants’ timekeeping and payroll records, and interviewing Class
19 Members, Class Counsel was able to evaluate the probability of class certification, success on the
20 merits, and Defendants’ maximum monetary exposure for all claims. Class Counsel also
21 investigated the applicable law regarding the claims and defenses asserted in the Litigation. Class
22 Counsel reviewed these records and utilized an expert to prepare a damages analysis prior to
23 mediation.

24 SETTLEMENT NEGOTIATIONS

25 7. On October 17, 2023, the Parties participated in private mediation with experienced
26 class action mediator, Jill R. Sperber, Esq. The mediation was conducted via Zoom. The
27 settlement negotiations were at arm’s length and, although conducted in a professional manner,
28 were adversarial. The Parties went into the mediation willing to explore the potential for a

1 settlement of the dispute, but each side was also prepared to litigate their position through trial and
2 appeal if a settlement had not been reached.

3 8. After extensive negotiations and discussions regarding the strengths and
4 weaknesses of Plaintiffs' claims and Defendants' defenses, the Parties were able to reach a
5 resolution, the material terms of which are encompassed within the Settlement Agreement.
6 Attached as **Exhibit 1** is a true and correct copy of the Joint Stipulation of Class Action and PAGA
7 Settlement ("Settlement Agreement"). Attached as **Exhibit 2** is a true and correct copy of the
8 Class Notice.

9 9. Class Counsel submitted the proposed Settlement to the LWDA before filing the
10 Motion for Preliminary Approval.

11 10. I requested several bids from experienced class action settlement administrators to
12 handle the responsibilities of the Settlement Administrator under this Settlement. The Parties
13 accepted the bid of ILYM Group, Inc. ("ILYM"). ILYM has multiple years of experience in the
14 field of Class Action Administration, particularly in the wage and hour arena. In its bid, ILYM
15 agreed to cap its costs at \$10,850.00 if there are 550 class members. ILYM's bid also accounts for
16 Notice in English and Spanish. A true and correct copy of the bid is attached hereto as **Exhibit 3**.

17 11. Plaintiffs do not have any interest, financial or otherwise, in the proposed third-
18 party administrator, ILYM.

19 12. No one at Wilshire Law Firm, PLC (meaning the law firm itself and anyone
20 employed at the law firm) has any interest, financial or otherwise, in the proposed third-party
21 administrator, ILYM.

22 13. Wilshire Law Firm, PLC has no fee-splitting agreement with any other counsel in
23 this case.

24 14. Class Counsel is not aware of any other pending matter or action asserting claims
25 that will be extinguished or affected by the Settlement.

26 THE PROPOSED SETTLEMENT IS FAIR AND REASONABLE

27 15. Class Counsel has conducted a thorough investigation into the facts of this case.
28 Based on the foregoing discovery and their own independent investigation and evaluation, Class

Counsel is of the opinion that the Settlement is fair, reasonable, and adequate and is in the best interests of the Settlement Class Members in light of all known facts and circumstances, the risk of significant delay, the defenses that could be asserted by Defendants both to certification and on the merits, trial risk, and appellate risk.

16. Based on an analysis of the facts and legal contentions in this case, documents and information from Defendants, I evaluated Defendants' maximum exposure. I took into account the risk of not having the claims certified and the risk of not prevailing at trial, even if the claims are certified. After using the data Defendants provided, including class member timekeeping and payroll records, as well as class member demographics (i.e., the number of class members, workweeks, and average total compensation of the class), with the assistance of a statistics expert, I created a damages model to evaluate the realistic range of potential recovery for the class. The damages model is based on the following benchmarks:

Total Class Members: 498
Terminated Class Members during 3-year statute: 337
Total Workweeks: 36,843
PAGA Pay Periods: 9,187
PAGA Eligible Employees: 214
Avg. Hourly Rate: \$17.40

17. Based on Plaintiffs' discovery and investigation, Class Counsel reached the conclusion that Defendants: failed to pay class members for all hours worked by engaging in time rounding and requiring employees to work "off-the-clock" prior to clocking in for the workday and during unpaid meal periods; failed to include non-discretionary remuneration in overtime payments and sick pay; had a policy and practice of not providing its employees with California compliant meal and rest periods which they did not pay appropriate premiums for; and failed to reimburse its employees for business-related expenses. Defendants deny these claims.

18. Plaintiffs allege that Defendants failed to pay for all hours worked, including minimum, straight time, and overtime wages, by engaging in time rounding and requiring class members to work off-the-clock, unpaid. Plaintiffs' expert analyzed Defendants' records and found

1 that Defendants' liability with regard to rounding was \$9,105.06.² For purposes of calculating
2 Defendants' liability based on a best-case scenario for Plaintiffs and the Class, I estimate that
3 Defendants' maximum potential exposure by assuming that all unpaid work time should have been
4 paid at the overtime rate and I assumed that Defendants are liable for 30 minutes of unpaid
5 worktime per week. This results in an estimate of \$480,801.15 (36,843 weeks * \$17.40 hourly
6 overtime rate * 1.5 overtime rate * 0.5 hours of unpaid work per week), but I discounted this figure
7 by 80% to account for the difficulty of prevailing on a motion for class certification and a trial on
8 the merits because liability depends on whether Defendants knew or should have known that class
9 members were working off-the-clock, yielding a realistic damage estimate of \$96,160.23.³ In sum,
10 the realistic damage estimate for Defendants' failure to pay for all hours worked is \$105,265.29.

11 19. Plaintiffs' expert also calculated Defendants' exposure with regard to Defendants'
12 failure to include non-discretionary remuneration in employees' regular rate of pay and found that
13 Defendants would potentially be liable for \$16,889.86 in damages. This figure was discounted by
14 80% to account for the difficulty of prevailing on a motion for class certification and a trial on the
15 merits because of Defendants' contention that the extra remuneration issued was discretionary and
16 did not need to be included in the regular rate, yielding a realistic damage estimate of \$3,377.97.

17 20. With respect to the meal period claim, Plaintiffs allege that Defendants required
18 them and similarly situated class members to either work in lieu of taking meal periods or their
19 meal periods were untimely or interrupted. My expert analyzed Defendants' timekeeping records
20 and opined that approximately 40% of all meal breaks had violations of short, missed, interrupted,
21 or no meal periods. Potential liability for the meal period claim is \$1,202,643.94 (36,843
22 workweeks * 40% * \$17.40 * 4.69 average shifts per week). I discounted this figure by 80% to
23 account for the difficulty of certifying and proving meal period claims, as well as Defendants'
24 contention that the claim lacks merit, particularly in light of their numerous meal period premium
25 payments, yielding a realistic damage estimate of \$240,528.79.

26 ² This figure was not discounted.

27 ³ An 80% discount for risk at certification and trial is reasonable because the Judicial Council of California
28 found that only 21.4% of all class actions were certified either as part of a settlement *or* as part of a contested
certification motion. See Findings of the Study of California Class Action Litigation, 2000-2006, available at <http://www.courts.ca.gov/documents/class-action-lit-study.pdf>.

1 21. With respect to the rest period claim, Plaintiffs allege that Defendants required them
2 and similarly situated class members to work in lieu of taking rest periods or their rest periods were
3 interrupted. Assuming a 50% violation rate for the class period based on Plaintiffs' and other class
4 members' experience working for Defendants, Defendants' potential liability for the rest period
5 claim is \$1,503,304.93 (36,843 workweeks * 50% * \$17.40 * 4.69 average shifts per week);
6 however, I discounted this figure by 80% to account for the difficulty of certifying and proving
7 rest period claims, particularly because rest periods do not have to be recorded, and to account for
8 the possibility of class members voluntarily choosing to forego a rest period, yielding a realistic
9 damage estimate of \$300,660.98.

10 22. Plaintiffs also allege that Defendants failed to reimburse necessary business
11 expenses. Defendants' employees (including Plaintiffs) were frequently required to use their
12 personal cell phones to communicate with their supervisors and managers about work-related
13 duties. Plaintiffs further allege that Defendants required their employees, including Plaintiffs, to
14 purchase tools and work attire, such as non-slip shoes, markers, and notebooks, without
15 reimbursement. For purposes of calculating Defendants' liability based on a best case scenario for
16 Plaintiffs and the Class, I estimated that Defendants were liable to each class member for \$50 per
17 month, or \$12.50 per workweek, in unreimbursed expenses, for a total amount of \$460,537.50
18 (\$12.50 * 36,843); however, I discounted this figure by 80% to account for the difficulty of
19 certifying and proving expense reimbursement claims, particularly in light of written policies and
20 practices providing a mechanism for class members to seek reimbursement, yielding a realistic
21 damage estimate of \$92,107.50.

22 23. In sum, I estimated that Plaintiffs' maximum recovery for the non-penalty claims is
23 \$3,673,282.44, but, after factoring in the risk and uncertainty of prevailing at certification and trial,
24 I estimate that Plaintiffs' realistic estimated recovery for the non-penalty claims is \$741,940.53.

25 24. With respect to Plaintiffs' derivative claims for statutory and civil penalties,
26 Plaintiffs estimated that Defendants' realistic potential liability is \$475,970.00. While Defendants'
27 maximum potential liability for waiting time penalties is \$1,348,000 based on approximately 337
28 terminated class members during the 3-year statute of limitations period (337 * \$4,000 max),

1 \$907,950.00 for inaccurate wage statements based on approximately 215 class members who
2 worked 9,187 pay periods within the 1-year statute of limitations period ($\$50 * 215 + \$100 * 8,972$), and \$918,700.00 for PAGA violations based on the Court assessing a \$100 penalty for
3 initial violations for all 9,187 pay periods within the 1-year statute of limitations period, I believe
4 that it would be unrealistic to expect the Court to award the full \$3,174,650.00 in penalties given
5 Defendants' defenses, the contested nature of Plaintiffs' claims, and the discretionary nature of
6 penalties. Considering that the underlying claims are realistically estimated to be \$741,940.53,
7 such a disproportionate award would also raise due process concerns. Weighing these factors and
8 applying a discount of 80% to account for the risk and uncertainty of prevailing at trial, I arrived
9 at \$634,930.00 for statutory and civil penalties.
10

11 25. Using these estimated figures, Plaintiffs predicted that the realistic maximum
12 recovery for all claims, including penalties, would be \$1,376,870.53. This means that the
13 \$1,000,000.00 settlement figure represents approximately 73% of the realistic maximum recovery
14 ($\$1,000,000.00 / \$1,376,870.53 = 72.6\%$). Considering the risk and uncertainty of prevailing at
15 class certification and at trial, this is an excellent result for the Class.⁴ Indeed, because of the
16 proposed Settlement, class members will receive timely, guaranteed relief and will avoid the risk
17 of an unfavorable judgment.

18 26. While Plaintiffs are confident in the merits of their claims, a legitimate controversy
19 exists as to each cause of action. Plaintiffs also recognize that proving the amount of wages due
20 to each Class Member would be an expensive, time-consuming, and uncertain proposition.

21 27. This Settlement avoids the risks and the accompanying expense of further litigation.
22 Although the Parties had engaged in a significant amount of investigation, informal discovery and
23 class-wide data analysis, the Parties had not yet completed formal written discovery. Plaintiffs
24 intended to depose corporate officers and managers of Defendants. Moreover, preparation for class
25

26 ⁴ See, e.g., *Wise v. Ulta Salon, Cosmetics & Fragrance, Inc.* (E.D. Cal. Aug. 21, 2019) 2019 WL 3943859 at
27 *8 (granting preliminary approval where the proposed allocation to settle class claims was between 9.53 percent of
28 Plaintiffs' maximum recovery); *Bravo v. Gale Triangle, Inc.* (C.D. Cal. Feb 16, 2017) 2017 WL 708766 at * 10
(finding that "a settlement for fourteen percent recovery of Plaintiffs' maximum recovery is reasonable"); *In re*
Omnivision Techs., Inc. (N.D. Cal. 2008) 559 F.Supp.2d 1036, 1042 (approving settlement amount that "is just over
9% of the maximum potential recovery asserted by either party.").

1 certification and a trial remained for the Parties as well as the prospect of appeals in the wake of a
2 disputed class certification ruling for Plaintiffs and/or adverse summary judgment ruling. Had the
3 Court certified any claims, Defendants could move to decertify the claims. As a result, the Parties
4 would incur considerably more attorneys' fees and costs through trial.

5 28. The Net Settlement Amount available for Class Member settlement payments is
6 estimated to be \$538,316.67 for a class of 498 persons.⁵ As a result, each Settlement Class Member
7 is eligible to receive an average net benefit of approximately \$1,080.96.

8 29. The proposed Settlement of \$1,000,000.00, therefore, represents a substantial
9 recovery when compared to Plaintiffs' reasonably forecasted recovery. When considering the risks
10 of litigation, the uncertainties involved in achieving class certification, the burdens of proof
11 necessary to establish liability, the probability of appeal of a favorable judgment, it is clear that the
12 settlement amount of \$1,000,000.00 is within the "ballpark" of reasonableness, and preliminary
13 settlement approval is appropriate.

14 ENHANCEMENT AWARDS FOR PLAINTIFFS ARE REASONABLE

15 30. Class Counsel represent that Plaintiffs devoted a great deal of time and work
16 assisting counsel in the case, communicated with counsel very frequently for litigation and to
17 prepare for mediation, and were frequently in contact with Class Counsel during the mediation.
18 Plaintiffs' requested enhancement awards are reasonable particularly in light of the substantial
19 benefits Plaintiffs generated for all class members.

20 31. Throughout this Litigation, Plaintiffs, who are former employees of Defendants,
21 have cooperated immensely with my office and has taken many actions to protect the interests of
22 the class. Plaintiffs provided valuable information regarding the off-the-clock, meal period, and
23 rest period claims. Plaintiffs also informed my office of developments and information relevant
24 to this action, participated in decisions concerning this action, made themselves available to answer
25 questions during the mediation, and provided my office with the names and contact information of
26 _____

27 ⁵ The Net Settlement Amount is: \$1,000,000.00 minus \$333,333.33 for Class Counsel's attorneys' fees,
28 minus \$30,000.00 for Class Counsel's litigation expenses, minus \$10,850.00 in administration costs, minus
\$50,000.00 for the PAGA payment, and minus \$37,500.00 for the class representative service awards to Plaintiffs.

1 potential witnesses in this action. Before we filed this case, Plaintiffs provided my office with
2 documents regarding the claims alleged in this action. The information and documentation
3 provided by Plaintiffs were instrumental in establishing the wage and hour violations alleged in
4 this action, and the recovery provided for in the Settlement Agreement would have been impossible
5 to obtain without Plaintiffs' participation.

6 32. At the same time, Plaintiffs faced many risks in adding themselves as the class
7 representative in this matter. Plaintiffs faced actual risks with their future employment, as putting
8 themselves on public record in an employment lawsuit could also very well affect their likelihood
9 for future employment. Furthermore, as part of this Settlement, Plaintiffs are executing a general
10 release of all claims against Defendants.

11 33. In turn, class members will now have the opportunity to participate in a settlement,
12 reimbursing them for alleged wage violations they may have never known about on their own or
13 been willing to pursue on their own. If these class members would have each tried to pursue their
14 legal remedies on their own, that would have resulted in each having to expend a significant amount
15 of their own monetary resources and time, which were obviated by Plaintiffs putting themselves
16 on the line on behalf of these other class members.

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

1 THE REQUEST FOR ATTORNEYS' FEES AND COSTS IS REASONABLE

2 35. The Settlement provides for attorneys' fees payable to Class Counsel in an amount
3 up to one-third (33 1/3%) of the Settlement Amount, for a maximum fees award of \$333,333.33,
4 plus actual costs and expenses not to exceed \$30,000.00. The proposed award of attorneys' fees
5 to Class Counsel in this case can be justified under either method – lodestar or percentage recovery.
6 Class Counsel, however, intend to base the proposed award of fees, costs and expenses on the
7 percentage method as many of the entries in the time records will have to be redacted to preserve
8 attorney-client and attorney work product privileges.

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

13 37. It is further estimated that my office will need to expend at least another 50 to 100
14 hours to monitor the process leading up to the final approval and payments made to the class. My
15 office also bears the risk of taking whatever actions are necessary if Defendants fails to pay.

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

23 39. Because most individuals cannot afford to pay for representation in litigation on an
24 hourly basis, Wilshire Law Firm, PLC represents virtually all of its employment law clients on a
25 contingency fee basis. Pursuant to this arrangement, we are not compensated for our time unless
26 we prevail at trial or successfully settle our clients' cases. Because Wilshire Law Firm, PLC is
27 taking the risk that we will not be reimbursed for our time unless our client settles or wins his or
28 her case, we cannot afford to represent an individual employee on a contingency basis if, at the

1 end of our representation, all we are to receive is our regular hourly rate for services. It is essential
2 that we recover more than our regular hourly rate when we win if we are to remain in practice so
3 as to be able to continue representing other individuals in civil rights employment disputes.

4 MY EXPERIENCE AND QUALIFICATIONS

5 40. Wilshire Law Firm, PLC was selected by Best Lawyers and U.S. News & World
6 Report as one of the nation's Best Law Firms for every year since 2020 and is comprised of over
7 70 attorneys and over 500 employees. Wilshire Law Firm, PLC is actively and continuously
8 practicing in employment litigation, representing employees in both individual and class actions
9 in both state and federal courts throughout California.

10 41. Wilshire Law Firm, PLC is qualified to handle this Litigation because its attorneys
11 are experienced in litigating Labor Code violations in both individual, class action, and
12 representative action cases. Wilshire Law Firm, PLC has handled, and is currently handling,
13 numerous wage and hour class action lawsuits, as well as class actions involving consumer rights
14 and data privacy litigation.

15 42. I graduated from the University of California, Los Angeles's College Honors
16 Program in 2004 with Bachelor of Arts degrees in History and Japanese, *magna cum laude* and *Phi*
17 *Beta Kappa*. As an undergraduate, I also received a scholarship to study abroad for one year at
18 Tokyo University in Tokyo, Japan. I received my Juris Doctor from Notre Dame Law School in
19 2008.

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

23 44. I have received numerous awards for my legal work. From 2017 to 2020, Super
24 Lawyers selected me as a "Southern California Rising Star," and from 2022 to 2024, I was selected
25 as a "Southern California Super Lawyer." I was selected as one of the "Best Lawyers in America"
26 in 2023 and 2024. In 2016 and 2017, the National Trial Lawyers selected me as a "Top 40 Under
27 40" attorney. I am also rated 10.0 ("Superb") by Avvo.com.

28 45. In 2024, I, along with my colleagues at Wilshire Law Firm, received a CLAY

(California Lawyer Attorneys of the Year) award for my work on a false advertising case against Apple which ultimately led to a \$25 million settlement.

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

47. I am also a past member of the Consumer Attorneys of California (“CAOC”). In 2020, I was selected for a position on CAOC’s Board of Directors. I am also a past member of CAOC’s Diversity Committee, and I helped assist the CAOC in defeating bills that harm employees. Indeed, I recently helped assist Jacqueline Serna, Esq., Legislative Counsel for CAOC, in defeating AB 443, which proposed legislation that sought to limit the enforceability of California Labor Code § 226.

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

- a. I served as lead or co-lead in negotiating class action settlements worth over \$10 million in gross recovery to class members for each year since 2020, including over \$37.5 million in 2022 and over \$75 million in 2023.
- b. I lead a team of attorneys that successfully obtained class certification of meal period, rest period, and related derivative claims on April 5, 2024 in *Aguilar-Flores v. Javier’s CC LLC*, Los Angeles County Superior Court, Case No. 19STCV36438 (Hon. Elihu M. Berle).
- c. I was part of the team of attorneys that prevailed in *Moore v. Centrelake Medical Group, Inc.* (2022) 83 Cal.App.5th 515, the first California appellate decision in a

1 data breach class action holding that consumer plaintiffs adequately alleged injury
2 in fact under the benefit of the bargain theory and monitoring-costs theory.

- 3 d. In 2022, Top Verdict recognized Wilshire Law Firm and myself for having one case
4 in the Top 20 Labor & Employment Settlements (including number 19 for the \$4.1
5 million settlement in The FPI Management Wage and Hour Cases) and four
6 additional cases in the Top 50 Labor & Employment Settlements (numbers 36, 39,
7 41, and 49).
- 8 e. In 2021, Top Verdict recognized Wilshire Law Firm and myself for having one case
9 in the Top 20 Labor & Employment Settlements (including number 19 for the \$1.6
10 million settlement in *Moreno v. Pretium Packaging, L.L.C*) and four additional
11 cases in the Top 50 Labor & Employment Settlements (numbers 27, 30, 33, and 37).
- 12 f. To my knowledge, I am the only attorney to appear on each of the following Top
13 Verdict lists for 2018 in California: Top 20 Civil Rights Violation Verdicts, Top 20
14 Labor & Employment Settlements, and Top 50 Class Action Settlements.
- 15 g. As lead counsel, on April 29, 2021, I prevailed against CVS Pharmacy, Inc. by
16 winning class certification on behalf of hundreds of thousands of consumers for
17 misleading advertising claims in *Joseph Mier v. CVS Pharmacy, Inc.*, U.S. Dist. Ct.
18 C.D. Cal. no. SA CV 20-1979-DOC-(ADSx).
- 19 h. As lead counsel, I prevailed against Bank of America by: winning class certification
20 on behalf of thousands of employees for California Labor Code violations; defeating
21 appellate review of the court's order certifying the class; defeating summary
22 judgment; and defeating a motion to dismiss. (*Frausto v. Bank of America, N.A.*
23 (N.D. Cal. 2019) 334 F.R.D. 192, 2020 WL 1290302 (9th Cir. Feb. 27, 2020), 2019
24 WL 5626640 (N.D. Cal. Oct. 31, 2019), 2018 W.L. 3659251 (N.D. Cal. Aug. 2,
25 2018)). The decision certifying the class in *Frausto* is also discussed in Class
26 Certification Under Fed. R. Civ. P. 23 in Action by Information Technology or Call
27 Center Employees for Violation of State Law Wage and Hour Rules, 35 A.L.R. Fed.
28 3d Art. 8.

- i. I was the primary author of the class certification and expert briefs in *ABM Industries Overtime Cases* (2017) 19 Cal.App.5th 277, a wage and hour class action for over 40,000 class members for off-the-clock, meal period, split shift, and reimbursement claims. *ABM Industries Overtime Cases* is the first published California appellate authority to hold that an employer’s “auto-deduct policy for meal breaks in light of the recordkeeping requirements for California employers is also an issue amenable to classwide resolution.” (*Id.* at p. 310.)⁶ Notably, the Court of Appeal also held that expert analysis of timekeeping records can also support the predominance requirement for class certification. (*Id.* at pp. 310-11.) In 2021, the case settled for \$140 million, making it one of the largest ever wage and hour class action settlements for hourly-paid employees in California.
- j. I briefed, argued, and won *Yocupicio v. PAE Group, LLC* (9th Cir. 2015) 795 F.3d 1057. The Ninth Circuit ruled in my client’s favor and held that non-class claims under the PAGA cannot be used to calculate the amount in controversy under the Class Action Fairness Act (“CAFA”). This case is cited in several leading treatises such as Wright & Miller’s Federal Practice & Procedure, and Newberg on Class Actions. In October 2016, the U.S. Supreme Court denied review of a case that primarily concerned *Yocupicio*. That effort was led by Theodore J. Boutrous, who brought the cert petition, with amicus support from a brief authored by Andrew J. Pincus.⁷ Considering that leading Supreme Court practitioners from the class action defense bar were very motivated in undermining *Yocupicio* case, but failed, this demonstrates the national importance of the *Yocupicio* decision.
- k. On December 13, 2018, the United States District Court granted final approval of the \$2,500,000 class action settlement in *Mark Brulee, et al. v. DAL Global Services, LLC* (C.D. Cal. Dec. 13, 2018) No. CV 17-6433 JVS(JCGx), 2018 WL 6616659 in

⁶ As a California district court observed before the *ABM Industries Overtime* decision, “[t]he case law regarding certification of auto-deduct classes is mixed.” (*Wilson v. TE Connectivity Networks, Inc.* (N.D. Cal. Feb. 9, 2017) No. 14-CV-04872-EDL, 2017 WL 1758048, *7.)

⁷ <http://www.chamberlitigation.com/cases/abm-industries-inc-v-castro>.

1 which I served as lead counsel. In doing so, the Court found: “Class Counsel’s
2 declarations show that the attorneys are experienced and successful litigators.” (*Id.*
3 at p. *10.)

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

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

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

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

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

24 iii. 2013 U.S. Dist. LEXIS 95687 (N.D. Cal. July 8, 2013) (affirming the
25 magistrate judge’s discovery ruling which held that “evidence of other
26 sources of income is irrelevant to the question of whether a plaintiff is an
27 employee within the meaning of the FLSA”).

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

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

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

49. My current contingent billing rate of \$1,500.00 per hour is consistent with my actual billing rate for paid legal industry consulting services, my practice area, lead appellate experience in the Ninth Circuit Court of Appeals, numerous awards received, legal market and accepted hourly rates:

- a. I have been paid for legal industry consulting services at \$1,500 per hour by Gerson Lehrman Group (GLG), a company that provides financial information and advises investors and consultants with business clients seeking expert advice. GLG is one of the largest companies that provides expert consulting services. GLG’s clients include corporations, hedge funds, private equity firms, and consulting firms. I have worked with GLG on numerous occasions at a rate of \$1,500 per hour, including on three recent occasions in October and November of 2023.
- b. On January 11, 2024, the Hon. Laurel Beeler of the United States District Court, Northern District of California approved my \$1,500 hourly rate when she granted final approval of the class action settlement in *Suarez v. Bank of America, N.A.* (N.D. Cal. Jan. 11, 2024), No. 18-cv-01202-LB, 2024 WL150721, *3 (“As for the lodestar cross-check, the billing rates are normal and customary for timekeepers with similar qualifications and experience in the relevant market.”)
- c. My \$1,500 hourly rate was approved by many California state courts:

- 1. On December 8, 2023, the Hon. Marcella O. McLaughlin of the San Diego County Superior Court approved my \$1,500 hourly rate when

1 she granted final approval of the class action settlement in *Payabyab*
2 *v. Bridge Hospice, LLC*, Case No. 7-2021-00046218-CU-OE-CTL.

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

7 3. On January 19, 2024, the Hon. Lauri A. Damrell of the Sacramento
8 County Superior Court approved my \$1,500 hourly rate when she
9 granted final approval of the class action settlement in *Sunshine*
10 *Retirement Wage and Hour Cases*, Case No. JCCP 5247.

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

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

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

23 7. On May 20, 2024, the Hon. Elaine Lu of the Los Angeles County
24 Superior Court approved by \$1,500 hourly rate when she granted
25 final approval of the class action settlement in *Mesa v. Argus*
26 *Management Company*, Case No. 21STCV31612.

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

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

3 e. On September 9, 2021, the Hon. Peter Wilson of the Orange County Superior Court
4 approved my then \$800 hourly rate when he granted final approval of the class
5 action settlement in *Ricardo Campos Hernandez v. Adams Iron Co., Inc.*, No. 30-
6 2019-01066522-CU-OE-CXC.

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

13 g. On January 19, 2021, the Hon. Elihu M. Berle of the Los Angeles County Superior
14 Court approved my then \$750 hourly rate when he granted final approval of the
15 class action settlement in *Faye Zhang v. Richemont North America, Inc.*, Case No.
16 19STCV32396.

17 50. The reasonableness of my firm’s hourly rates is also supported by several surveys
18 of legal rates, including the following:

19 a. The 2022 Real Rate Report survey compiled by Wolters Kluwer, which presents the
20 real market rates of Los Angeles area attorneys who practice litigation. For that
21 category, the third quartile 2022 rate was \$1,045 per hour for partners and \$855 for
22 associates. Likewise, page 32 of the Report describes the rates charged by 183 Los
23 Angeles partners with “21 or more years of experience” and “Fewer than 21 years.”
24 For those categories, the third quartile Los Angeles partner rate in 2022 were \$1,133
25 per hour for 21 or more years and \$1,075 for attorneys with fewer than 21 years. A
26 true and correct copy of portions of the 2022 Real Rate Report is attached hereto as
27 **Exhibit 4.**

28 ///

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 5**.

51. Benjamin H. Haber is a eighth-year Associate Attorney at Wilshire Law Firm. He graduated from the University of California, Los Angeles, with a Bachelor of Arts in Political Science, and received his Juris Doctor from the University of California, Hastings College of the Law in 2016. During law school, he was a member of the executive board for the Hastings Law Journal and student mediator at the San Francisco Superior Court, Small Claims Division. He was admitted to practice law in the State of California in 2017. Since graduating from law school, he has focused his legal work primarily on wage and hour litigation and has helped obtain dozens of settlements on behalf of tens of thousands of workers in California.

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

53. 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.

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

3 Executed on August 1, 2024, at Los Angeles, California.

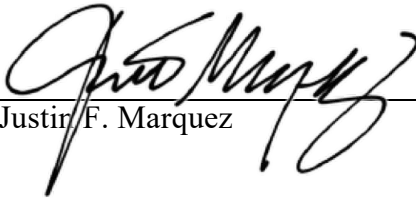
4
5 
6 Justin F. Marquez

Exhibit 1

JOINT STIPULATION OF CLASS ACTION AND PAGA SETTLEMENT

This Joint Stipulation of Class Action and PAGA Settlement and Release (“Joint Stipulation”) is entered into by Plaintiffs SOCORRO OCHOA (“Plaintiff Ochoa”), ANA GAYTAN GARCIA (“Plaintiff Garcia”), and TERESA GONZALES VEGA (“Plaintiff Vega”) (herein collectively “Plaintiffs”)¹ on the one hand, and Defendants LA TAVOLA, LLC (“Defendant La Tavola”) and BBJ RENTALS INC. (“Defendant BBJ Rentals”) (herein collectively “Defendants”), on the other hand.

WHEREAS, Plaintiffs allege that they are former employees of Defendants;

WHEREAS, on or about July 29, 2022, Plaintiff Ochoa filed a Complaint against Defendant La Tavola in the California Superior Court, in and for the County of Napa, Case No. 22CV000862 on behalf of herself and other similarly situated employees (“Ochoa Complaint”);

WHEREAS, on or about August 5, 2022, Plaintiff Garcia filed a Complaint against Defendants in the California Superior Court, in and for the County of Napa, Case No. 22CV000887 on behalf of herself and other allegedly aggrieved employees (“Garcia Complaint”);

WHEREAS, on or about May 24, 2023, Plaintiff Vega filed a Complaint against Defendants in the California Superior Court, in and for the County of Napa, Case No. 23CV000638 on behalf of herself and other allegedly aggrieved employees (“Vega Complaint”);

WHEREAS, Plaintiff Garcia and Plaintiff Vega allege claims under the California Labor Code Private Attorneys General Act of 2004, Cal. Lab. Code §§ 2698, et seq. (hereinafter the “PAGA Claims”) and provided notices to the California Labor and Workforce Development Agency pursuant to Cal. Lab. Code § 2699.3(a) (hereinafter the “PAGA Notices”)

WHEREAS, Plaintiffs and Defendants agree to file a joint stipulation and proposed order to provide Plaintiff Ochoa leave to amend the Ochoa Complaint for the limited purposes to: (1) add Defendant BBJ Rentals as a named Defendant; (2) add a cause of action under California’s Labor Code Private Attorneys General Act of 2004 as similarly pled by Plaintiff Garcia and

¹ As well as “To-Be Plaintiffs,” as defined below

Plaintiff Vega (“To-Be PAGA Claim”); and (3) add Liliana J. Moisen, Andrea Garcia Cervantes, and Cecilia Cervantes as additional class representatives (“To-Be Plaintiffs”) (hereinafter the “Ochoa FAC”);

WHEREAS, the Ochoa Complaint, the Ochoa FAC, the Garcia Complaint, the Vega Complaint, the PAGA Claims, the To-Be PAGA Claim, and the PAGA Notices shall be hereinafter collectively referenced as the “Action” and shall collectively be incorporated herein by reference as though fully set forth;

WHEREAS, Plaintiffs and Defendants shall be hereinafter collectively referred to as the “Parties”;

WHEREAS, on October 17, 2023, the Parties commenced a full-day mediation with mediator Jill R. Sperber, Esq., and reached a settlement of all claims in the Action;

WHEREAS, to avoid the inherent risk and costs of litigation, the Parties want to completely settle all claims that were or could have been brought in Plaintiffs’ Action;

NOW THEREFORE, THE PARTIES HEREBY STIPULATE AND AGREE to settle all such claims as follows:

I. DEFINITIONS

The terms defined above shall have the meanings therein given, for all purposed in this Joint Stipulation of Class and PAGA Settlement, including in any exhibits hereto. And, the following defined terms used in this Joint Stipulation of Class and PAGA Settlement and any exhibits hereto will have the meanings given them below.

1. Agreement. “Agreement,” “Settlement,” “Settlement Agreement” and “Joint Stipulation” mean this Joint Stipulation of Class and PAGA Settlement.

2. Class. “Class,” “Class Members,” “Settlement Class,” or “Settlement Class Members” shall mean all of Defendants’ current and former non-exempt employees in the state of California during the Class Period.

3. Class Certification. “Class Certification” shall mean certification of the Class pursuant to Cal. Code Civ. Proc. § 382 and other applicable law, for purposes of this Settlement

only, without prejudice to Defendants' ability to oppose or otherwise challenge such certification, except that Defendants shall not so oppose or otherwise challenge such certification for purposes of performing Defendants' duties under this Settlement, which include to make all reasonable efforts to give such Settlement full force and effect.

4. Class Counsel. "Class Counsel" refers collectively to: Justin F. Marquez (State Bar No. 262417), Benjamin H. Haber (State Bar No. 315664), and Arrash T. Fattahi (State Bar No. 333676) of Wilshire Law Firm, PLC of 3055 Wilshire Blvd., 12th Floor, Los Angeles, California 90010.

5. Class Counsel Fees and Costs. "Class Counsel Fees and Costs" shall mean an amount of thirty three and one third percent (33 1/3%) of the Gross Settlement Amount (\$333,333.33) in Class Counsel's Fees subject to Court approval, in addition to actual costs and expenses incurred by Class Counsel related to the Action as supported by declaration, with those costs and expenses not to exceed \$30,000.00. This total amount is inclusive of attorneys' fees and estimated litigation costs. The Settlement Administrator may purchase an annuity to utilize US treasuries and bonds or other attorney fee deferral vehicles for Class Counsel. Class Counsel Fees and Costs shall be paid to Class Counsel from the Qualified Settlement Fund by the Settlement Administrator. Such payment of Class Counsel Fees and Costs shall be deemed to be full satisfaction of any obligations by Defendants to pay any attorney fees, attorney costs and/or other fees or costs to Plaintiffs, To-Be Plaintiffs, Class Members, and/or Class Counsel in relation to the Action. Any future adjustments to the amount of the Class Counsel Fees and Costs, including by the Court, shall not constitute a basis for this Settlement being void or Void *Ab Initio*, unless such adjustment shall have the effect of increasing the Gross Settlement Amount, whereupon this Settlement will be voidable by Defendants as provided in this Agreement.

6. Class Notice. "Class Notice" shall mean a notice to Class Members pursuant to California Rules of Court Rule 3.766, and distributed by the Settlement Administrator in accordance with Section II.6 below.

7. Class Member. "Class Member" shall mean all of Defendants' current and former

non-exempt employees in the state of California during the Class Period.

8. Class Member Objection. “Class Member Objection” shall mean a Class Member’s objection made pursuant to the provisions of Section II.7 below.

9. Class Member Objector. “Class Member Objector” shall mean a Class Member who submits a Class Member Objection. A Class Member Objector shall not be considered an Opt-Out unless he or she submits a valid Opt-Out Request.

10. Class Member Work Week(s). “Class Member Work Week(s)” shall mean a Work Week in which a Class Member was employed by and performed work for Defendants in California during the Class Period. The Settlement Administrator shall thus calculate the total number of Class Member Work Weeks accordingly. This Settlement is based on an estimated total of 36,843 Class Member Work Weeks from the beginning of the Class Period through the date of mediation with the mediator Jill R. Sperber, Esq. on October 17, 2023, which amount Defendants confirmed based on their records. Should the actual number of Class Member Work Weeks from the beginning of the class period through the end of the Class Period (January 17, 2024 or the date of the Court’s entry of judgment granting Preliminary Approval of the Settlement) exceed the estimate by 10%, Defendants shall increase the Gross Settlement Amount on a proportional basis (i.e., if there was a 12% increase in Class Member Work Weeks during the Class Period, Defendants would increase the Gross Settlement Amount by an additional 2%).

11. Class and PAGA Periods. “Class Period” shall refer to the time period from February 1, 2018 through January 17, 2024 or the date of the Court’s entry of Preliminary Approval of the Class Action Settlement, whichever is earlier. “PAGA Period” shall refer to the time period from June 1, 2021 through January 17, 2024 or the date of the Court’s entry of Preliminary Approval of the Class Action Settlement, whichever is earlier.

12. Court. “Court” refers to the above-referenced Court, or any such further courts, arbitrators, or other judicial bodies that may in the future obtain valid jurisdiction over the Action.

13. Date of Preliminary Approval. The “Date of Preliminary Approval” means the day on which the Court signs and enters its order granting Preliminary Approval.

14. Defendant's Counsel. "Defendant's Counsel," "Defense Counsel" or "Counsel for Defendant" shall mean Fisher & Phillips LLP, One Montgomery Street, Suite 3400, San Francisco, California 94104, and the attorneys in such firm including Annie Lau (State Bar No. 302438) and Kiki Y. Okpala (State Bar No. 341774).

15. Effective Date. "Effective Date" shall mean the date on which all of the following have occurred:

- (a) Full execution of this Agreement by all parties, and expiration of any applicable revocable periods related to such signature;
- (b) Entry by the Court of Preliminary Approval;
- (c) Receipt by Defendants of written notice of such entry of Preliminary Approval pursuant to the California Code of Civil Procedure and the California Rules of Court, or Defendants' express waiver of such notice;
- (d) Completion of all those Settlement Administration Procedures which this Settlement dictates will take place in advance of the Final Approval Hearing;
- (e) The Court setting and conducting a Final Approval Hearing pursuant to California Rules of Court Rule 3.769(g);
- (f) Entry by the Court of an order of Final Approval of the Settlement and a Judgment;
- (g) Service by Plaintiffs of written notice of such entry of Final Approval and Judgment, or Defendants' express waiver of such notice;
- (h) Final Approval has become Final. For purposes of this provision, "Final" means:
 - i. if no Class Member Objections are made and/or are made and withdrawn, the date the Court enters its order granting Final Approval of the Settlement and Judgment pursuant to California Rules of Court Rule 3.769(h);

- ii. if any Class Member Objections are made and not withdrawn, and if no appeal, review or writ is sought from the Judgment, the sixty-first (61st) day after entry of Judgment;
 - iii. if rehearing, reconsideration, and/or appellate review of the Judgment is sought, the day after any and all avenues of rehearing, reconsideration, and appellate review have been exhausted and no further rehearing, reconsideration, or appellate review is permitted, and the time for seeking such review has expired, and the Judgment has not been modified, amended, or reversed in any way; or
 - iv. if a Class Member Objector appeals from any ruling by the Court overruling such objection in whole or in part, the date when the Court's order of Final Approval and Judgment have been affirmed on appeal; and
- (i) The existence of sufficient number of Eligible Class Members such that the number of Class Members who, as of the date of the completion of all Settlement Administration Procedures are not Eligible Class Members, does not exceed ten percent (10%) of the total Class Members. If the number of Class Members who are not Eligible Class Members exceeds such percentage, Defendants shall have the absolute right (but not the obligation) to deem this Settlement Void *Ab Initio* upon written notice to Class Counsel, the Court, and the Settlement Administrator. If Defendants, within fourteen (14) days of the Settlement Administrator's written notice to all Parties that the number of Class Members who are not Eligible Class Members exceeds 10% of all Class Members, fail to advise the Settlement Administrator and Plaintiffs' Counsel in writing that they will withdraw from the Settlement, this circumstance will not determine the Effective Date.

16. Eligible Class Member. "Eligible Class Member" means a Class Member who is

not an Opt-Out.

17. Eligible Class Member Share(s). “Eligible Class Member Share(s)” shall mean the portion of the Net Settlement Amount that will be allocated to each Eligible Class Member, according to the following method: first, dividing the Net Settlement Amount by the total number of Eligible Class Member Work Weeks to arrive at the Eligible Class Member Work Week Rate, and then second, by multiplying the resulting Eligible Class Member Work Week Rate by the total number of Eligible Class Member Work Weeks for each respective Eligible Class Member. Payment of Eligible Class Member Shares shall be subject to legally required withholdings, deductions, and contributions. Any unclaimed funds from the Net Settlement Amount will be sent by the Settlement Administrator to Legal Aid at Work. The unclaimed funds shall not revert back to Defendants. As to Plaintiffs and To-Be Plaintiffs, the amount of their Eligible Class Member Shares is in addition to any Court-approved Named Plaintiff Enhancements and To-Be Plaintiff Enhancements.

18. Eligible Class Member Work Week(s). “Eligible Class Member Work Week(s)” shall mean a Class Member Work Week during which an Eligible Class Member worked in a Class Member.

19. Eligible Class Member Work Week Rate. “Eligible Class Member Work Week Rate” shall mean the amount calculated by the Settlement Administrator as due to each Eligible Class Member for each Eligible Class Member Work Week.

20. Final Approval. “Final Approval” shall mean an order of the Court finally approving this Settlement pursuant to California Rules of Court Rule 3.769 and granting Class Certification.

21. Final Approval Hearing. “Final Approval Hearing” shall mean the hearing on a motion for Final Approval, scheduled and conducted pursuant to California Rules of Court Rule 3.769.

22. Gross Settlement Amount. “Gross Settlement Amount” means the amount Defendants shall pay as a consequence of this Settlement, which is One Million Dollars and Zero

Cents (\$1,000,000.00).

23. Judgment. “Judgment” means a Judgment of the Court in accordance with California Rules of Court Rule 3.769(h).

24. LWDA. The “LWDA” shall mean the California Labor and Workforce Development Agency.

25. LWDA Fund. “LWDA Fund” shall mean the amount payable to the LWDA pursuant to this Joint Stipulation, which shall be Thirty Seven Thousand Five Hundred Dollars and Zero Cents (\$37,500.00). This amount shall be deemed to be seventy-five percent (75%) of an overall amount of Fifty Thousand Dollars and Zero Cents (\$50,000.00) of the Gross Settlement Amount which shall be allocated to PAGA penalties. The remaining amount of such allocation, Twelve Thousand and Five Hundred Dollars and Zero Cents (\$12,500.00) shall be deemed part of the Net Settlement Amount and shall be accordingly distributed to the Eligible Class Members as a proportionate part of their Eligible Class Member Shares, proportionate to their number of Eligible Class Member Workweeks.

26. LWDA Fund Remainder. “LWDA Fund Remainder” shall mean the amount of Twelve Thousand and Five Hundred Dollars and Zero Cents (\$12,500.00) referenced in Section I.25 above.

27. Named Plaintiffs. “Named Plaintiffs” shall mean Plaintiffs Socorro Ochoa, Ana Gaytan Garcia, and Teresa Gonzalez Vega.

28. Named Plaintiffs Enhancement. “Named Plaintiffs Enhancement” shall mean the amount approved by the Court to be paid to Plaintiffs Socorro Ochoa, Ana Gaytan Garcia, and Teresa Gonzalez Vega in addition to their individual Eligible Class Member Shares, in consideration for their effort in coming forth as a class and/or PAGA representative, and in consideration for their General Release, as defined herein. The Parties agree that such amounts shall be Seven Thousand and Five Hundred Dollars and Zero Cents (\$7,500.00), subject to the Court’s approval. Plaintiffs Socorro Ochoa, Ana Gaytan Garcia, and Teresa Gonzalez Vega must sign a separate Settlement Agreement and General Release in exchange for receiving their

individual portion of the Named Plaintiffs Enhancement

29. Net Settlement Amount. “Net Settlement Amount” shall mean the Gross Settlement Amount minus (a) Settlement Administration Costs, (b) Class Counsel Fees and Costs; (c) the LWDA Fund, (d) the Named Plaintiffs Enhancement, and (e) To-Be Plaintiffs Enhancement.

30. Notice Packet: “Notice Packet” shall mean a packet mailed by the Settlement Administrator pursuant to Section II.6 below, containing the Class Notice, and any other accompanying documents required by this Settlement and/or Preliminary Approval.

31. Opt-Out(s). “Opt-Out(s)” refers to Class Members who have submitted an Opt-Out Request.

32. Opt-Out Request. “Opt-Out Request” means a timely and valid written request for exclusion from the Settlement by a Class Member, pursuant to the provisions of Section II.7 below.

33. PAGA. “PAGA” means the California Labor Code Private Attorneys General Act of 2004, Cal. Lab. Code §§ 2698, *et seq.*

34. Party. “Party” shall mean, individually, one of the Parties, and each of them.

35. Preliminary Approval. “Preliminary Approval” shall mean an order of the Court preliminarily approving this Settlement pursuant to California Rules of Court Rule 3.769, granting conditional Class Certification for purposes of the Settlement Administration Procedures, certifying Class Counsel, approving the form of Class Notice, establishing Settlement Administration Procedures, and scheduling a Final Approval Hearing.

36. QSF / Qualified Settlement Fund. “QSF” or “Qualified Settlement Fund” shall mean the Qualified Settlement Fund established by the Settlement Administrator for the payment of the Settlement Payment Amount.

37. Released Claims. The term “Released Claims,” as applied to releases by Eligible Class Members, shall mean any and all claims, demands, liabilities, damages, attorneys’ fees, costs, and penalties against Released Parties, relating to any and all facts and claims asserted in the Action or any other claims that could have been asserted in the Action based on the facts alleged, including but not limited to claims arising from alleged unpaid wages; minimum wages;

regular wages; overtime and double time wages; meal and rest period violations; unpaid reimbursements and expenses; untimely payment of wages; wage statement violations; separation pay violations; failure to maintain accurate records; and PAGA penalties during the Class Period. Regardless of whether Class Members opt-out of the Class Settlement, this Settlement shall release all PAGA claims as alleged on behalf of all Class Members, as detailed herein.

- (a) The term “Released Claims” or “General Release,” as applied to the Named Plaintiffs and To-Be Plaintiffs, shall refer to the Named Plaintiffs’ and To-Be Plaintiffs’ additional general release of all claims, known or unknown as follows: Named Plaintiffs and To-Be Plaintiffs release Defendants, and each of their respective parents, subsidiaries, affiliates, insurers, related entities and divisions, and their respective predecessors, successors, and assigns, current and former agents, heirs, executors, administrators, principals, officers, directors, shareholders, employees, founders, members, assigns, insurers, attorneys, and all others claiming through or by any of them (“Released Parties”) from all claims, demands, rights, liabilities and causes of action of every nature and description whatsoever, known or unknown, asserted or that might have been asserted, whether in tort, contract, or for violation of any state or federal statute, rule or regulation arising out of, relating to, or in connection with any act or omission by or on the part of any Defendant.
- (b) With respect to the General Release, Named Plaintiffs and To-Be Plaintiffs stipulate and agree that, upon the Effective Date, Named Plaintiffs and To-Be Plaintiffs shall be deemed to 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, or any other similar provision under federal or state law, which provides:

SECTION 1542. [CERTAIN CLAIMS NOT AFFECTED BY

GENERAL RELEASE.] 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) Accordingly, if the facts relating in any manner to this Settlement are found hereafter to be other than or different from the facts now believed to be true, the release of claims contained herein shall be effective as to all unknown claims.
- (d) Notwithstanding the foregoing provisions, the General Release by Named Plaintiffs and To-Be Plaintiffs does not constitute a waiver of any claims that cannot by law be waived, including claims for workers' compensation, disability insurance, or unemployment insurance.

38. Released Parties. The term "Released Parties" shall mean Defendants La Tavola, LLC and BBJ Rentals Inc., their parents, subsidiaries, affiliates, insurers, related entities and divisions, and their respective: (i) predecessors, successors, and assigns, and (ii) current and former agents, heirs, executors, administrators, principals, officers, directors, shareholders, employees, founders, members, assigns, insurers, attorneys, and all others claiming through or by any of them.

39. Settlement Administrator. "Settlement Administrator" means "ILYM Group, Inc.," the third-party class action administrator jointly selected by the Parties to perform the Settlement Administration Duties.

40. Settlement Administrator Declaration. "Settlement Administrator Declaration" shall mean a declaration attesting, in detail, to the steps taken through the date of such declaration in performing the Settlement Administration Duties, that the procedures contemplated in Sections

II.5 through II.7 below are complete, and that the Settlement Administrator has all information needed to perform any remaining Settlement Administration Duties, including calculation of the amounts of the respective Eligible Class Member Shares.

41. Settlement Administration Costs. “Settlement Administration Costs” shall mean the fees and expenses reasonably and necessarily incurred by the Settlement Administrator as a result of performing the Settlement Administration Duties. Settlement Administration Costs shall be paid from the Gross Settlement Amount. The Parties estimate that the Settlement Administration Costs shall be up to \$25,000.00. Should any actual Settlement Administration Costs turn out to be less than the projected amount, the Parties agree that the savings will be allocated to the Net Settlement Amount, to be distributed to Eligible Class Members in proportion to their respective numbers of Eligible Class Member Workweeks. Should the actual reasonable and necessary Settlement Administration Costs be more than the above estimate amount, the additional Settlement Administration Costs will be paid from the Gross Settlement Amount.

42. Settlement Administration Duties. “Settlement Administration Duties” shall mean the duties of the Settlement Administrator as set forth in this Agreement and as may be ordered by the Court.

43. Settlement Payment Amount. “Settlement Payment Amount” means the Gross Settlement Amount, consisting of several elements including, without limitation: Eligible Class Member Shares, Settlement Administration Costs, the Named Plaintiffs Enhancements, the To-Be Plaintiffs Enhancements, the LWDA Fund, Class Counsel Fees and Costs, the Net Settlement Amount, and Eligible Class Members’ portion of withholdings, contributions, deductions, taxes (including employer-side taxes), fees and any other amounts due to government agencies and/or tax authorities in relation to any payments pursuant to this Agreement.

44. To-Be Plaintiffs. “To-Be Plaintiffs” shall mean To-Be Plaintiffs Liliana J. Moisen, Andrea Garcia Cervantes, and Cecilia Cervantes.

45. To-Be Plaintiffs Enhancement. “To-Be Plaintiffs Enhancement” shall mean the amount approved by the Court to be paid to To-Be Plaintiffs Liliana J. Moisen, Andrea Garcia

Cervantes, and Cecilia Cervantes in addition to their individual Eligible Class Member Shares, in consideration for their effort in coming forth as a class representative, and in consideration for their General Release, as defined herein. The Parties agree that such amounts shall be Five Thousand Dollars and Zero Cents (\$5,000.00), subject to the Court's approval. To-Be Plaintiffs Liliana J. Moisen, Andrea Garcia Cervantes, and Cecilia Cervantes must sign a separate Settlement Agreement and General Release in exchange for receiving their individual portion of the To-Be Plaintiffs Enhancement

46. Void *Ab Initio*. "Void *Ab Initio*" shall mean a circumstance in which this Agreement is null and void and the Parties shall be returned to conditions such that the Agreement had never been entered into. Such circumstance will be deemed to exist only if any of the following having occurred: (a) the Court has so ordered; (b) any of the Parties have materially breached this Agreement and either such breach cannot be cured, or after reasonable notice to the breaching Party and a reasonable opportunity to cure such breach to the satisfaction of the non-breaching Parties, the breaching Party has failed to do so, unless (i) the non-breaching Parties have stipulated in writing that such breach is non-material; or (ii) the Court has ruled that such un-cured or un-curable breach is non-material; (c) conditions have become such (including, for example, that the Court has refused to approve the Settlement) that the Effective Date has not occurred and cannot occur in the future; and/or (d) as otherwise specifically provided for in this Agreement.

47. Work Week. "Work Week" shall mean a continuous period of seven (7) calendar days, commencing with Sunday at 12:00 a.m., wherein any such calendar days in such period, are also within the Class Period.

II. TERMS AND CONDITIONS OF SETTLEMENT

In addition to the definitional elements set forth above, the terms and conditions of the class settlement shall be as follows:

1. Amendment of the Ochoa Complaint. The Parties stipulate that Plaintiff Ochoa will amend the Ochoa Complaint for the limited purposes to: (1) add Defendant BBJ Rentals as a named Defendant; (2) add a cause of action under California's Labor Code Private Attorneys

General Act of 2004 as similarly pled by Plaintiff Garcia and Plaintiff Vega (“To-Be PAGA Claim”); and (3) add Liliana J. Moisen, Andrea Garcia Cervantes, and Cecilia Cervantes as additional class representatives. Plaintiff Ochoa agrees that the Release in Section I.37 will release the To-Be PAGA Claim for the consideration set forth in Section I.25, above.

2. Contentions and Defenses: Compromise. The Parties have determined that this Settlement represents a fair and reasonable compromise of disputed claims for wages and other monetary and non-monetary relief, following a reasonably thorough investigation. The Parties have entered into this Settlement to avoid the inherent risks and costs of further litigation. Named Plaintiffs and To-Be Plaintiffs do not stipulate that this Settlement represents the maximum extent of such relief to which they or the Class would be entitled if the Action was to be further litigated. Defendants do not stipulate that, should the Action be further litigated, Named Plaintiffs, To-Be Plaintiffs and/or the Class would be entitled to any relief whatsoever. Neither Named Plaintiffs, To-Be Plaintiffs, nor Defendants admit to any unlawful conduct or wrongdoing. The Parties hereby reserve all of their rights to litigate the Action and seek all available forms of relief should this Settlement not be given effect.

3. Confidentiality and Class Member Communications. Until Class Counsel files a Motion for Preliminary Approval, the Parties will keep the existence and terms of this Settlement strictly confidential. Until such time, Class Counsel may discuss the terms of this Settlement with Class Members other than the Named Plaintiffs and To-Be Plaintiffs only if such additional Class Members initiate contact with Class Counsel in such regard. No Party or their counsel may otherwise make any public statement or comment or make any disclosures of any kind about this Settlement to anyone, including without limitation, the public, or press, or on any public or semi-public forum on the internet (such as social media) without the express written permission of each of the other Parties. Such confidentiality provisions shall remain in force following Preliminary Approval as well, with the following exceptions: (a) the Settlement Administrator may take steps reasonably necessary to perform Settlement Administration Duties; (b) Class Counsel, Named Plaintiffs, and To-Be Plaintiffs may take reasonably necessary steps to perform their duties as

such; and (c) Class Counsel may list or disclose this Action and Settlement as among their handled cases in court filings or motions only, but may not disclose the terms of the Settlement on any firm publication or other public media. In the interest of permitting the Class Notice and administration process to function on its own, Named Plaintiffs and To-Be Plaintiffs agree not to discuss this Settlement with any Class Members or any other individuals except for their attorneys, financial representatives, accountants and/or spouse. Defendants agree not to discourage Class Members from, and agree not to encourage them to, exercise any of their rights or obligations pursuant to this Agreement. Defendants will instruct their officers, directors, managers and supervisors that that, should they be contacted by Class Members or persons who believe they may be Class Members in relation to this Agreement, such officers, directors, managers and supervisors should make no comment except by directing the employees to the Settlement Administrator.

4. Preliminary Approval. As soon as possible following execution of this Agreement, Class Counsel shall move the Court for Preliminary Approval. Class Counsel will submit therewith a proposed order and any necessary declarations in support of Preliminary Approval. The Parties shall give all reasonable cooperation necessary to obtain Preliminary Approval from the Court.

5. Settlement Administration Procedures – Class List. Within fourteen (14) days of Defendants' receipt of notice of entry of Preliminary Approval, Defendants shall cause to be delivered as confidential and privileged information by e-mail or otherwise to the Settlement Administrator a list of the Class Members that includes their names, last known address(es), full social security numbers, and dates of employment with Defendants in a Class Member during the Class Period, all of which information shall be based upon Defendants' reasonably available business records and/or the best reasonably available personal knowledge of Defendants' employees and agents.

6. Settlement Administration Procedures – Notice to Class.

Prior to notifying Class Members of their award, the Settlement Administrator will calculate the estimated Eligible Class Member Shares of each respective Class Member, based upon an assumption that all Class Members will become Eligible Class Members, that no Class

Member Objections, Opt-Out Requests, or other disputes pursuant to Section II.7 below will be submitted, and that no Class Members will be added to the Class. The approximate amounts of such estimated Eligible Class Member Shares will be disclosed on an individual basis in each Class Member's respective Class Notice, along with the basis of the calculation of such shares in relation to the number of Class Member Work Weeks for each such Class Member.

Within ten (10) days after delivery of the information described in Section II.5 above, the Settlement Administrator will mail a Notice Packet to each Class Member via United States Mail, first class, postage pre-paid to each Class Member's last-known address.

If any mailed Notice Packets are returned as undeliverable, then the Settlement Administrator shall have thirty (30) days from receipt of notice that a Notice Packet was undeliverable to perform one "skip trace" or similar search and to re-mail the same Notice Packet (or a true and correct copy thereof) to any new addresses disclosed by such search via first-class regular U.S. Mail indicating on the Notice the date it was re-mailed, and including written notice that a Class Member has fifteen (15) days to respond to a re-mailed Notice via either Objection or Opt-Out Request.

If the process set forth in this paragraph and any other procedures ordered by the Court are followed, the Class Notice will be deemed to have been adequately provided to all Class Members. In the event the procedures in the Agreement are followed and a Class Member, nonetheless, does not receive the Notice Packet, the intended recipient shall remain a Class Member, and will be deemed an Eligible Class Member, unless such intended recipient submits a Class Member Objection or Opt-Out Request.

7. Settlement Administration Procedures – Class Member Objections, Opt-Out Requests, and Disputes Concerning Class Member Status and Number of Class Member Work

- (a) *Class Member Objections – Filing and Service:* Any member of the Settlement Class who wishes to make a Class Member Objection must give written notice to the Settlement Administrator, with such notice being received by the Settlement Administrator within forty five (45) days of

mailing of the Notice Packets to the Class Members. Such written notice shall contain the relevant Class Member's name, address, telephone number, and signature, as well as a statement to the effect that the Class Member objects to the settlement, the basis and/or reason for such objection.

- (b) *Class Member Objections – Responses*: Upon receipt of any documents purporting to be Class Member Objections, the Settlement Administrator shall forthwith forward such documents to Class Counsel and Defendants' Counsel by e-mail and United States Mail. Following receipt of such documents, Class Counsel and Defendants' Counsel shall confer regarding such documents purporting to be Class Member Objections. Class Counsel shall file with the Court, in a separate document along with their motion for Final Approval, a joint statement, not to exceed ten (10) pages, containing the Parties' points and authorities in response to such documents purporting to be Class Member Objections, along with copies of such Class Member Objections. If the Parties' responses differ in any respect, the jointly-held positions shall be set forth in a separately entitled section, and the differently-held positions shall be set forth in further separately-entitled sections of the joint response. The Parties may attach evidence to the joint response, which shall not count toward the page limit. If the volume of documents purporting to be Class Member Objections is sufficiently large such that ten (10) pages is insufficient for the joint response, the Parties (or any of them) may apply to the Court for an increase in the number of such pages. Should the Parties receive any untimely-filed, received, or sent documents purporting to be Class Member Objections (or should the Parties receive them less than ten (10) days prior to any due date for the motion for Final Approval), the Parties may file a further such joint response at any time prior to the Final Approval Hearing, but in any event not later than ten

(10) days after receiving such untimely documents.

- (c) *Opt-Out Requests:* Any member of the Settlement Class who wishes to make an Opt-Out Request must deliver written notice (to include the relevant Class Member's name, address, telephone number, and signature) to such effect to the Settlement Administrator, with such notice being received by the Settlement Administrator within forty five (45) days of mailing of the Notice Packets to the Class Members. Such written notice shall set forth a statement to the effect that the Class Member does not wish to be part of, to be bound by, and/or to receive funds pursuant to the Settlement. The Settlement Administrator shall give Class Counsel and Defendants' Counsel no less than weekly notice of the number of Class Members who have submitted Opt-Out Requests, as well as copies of any such Opt-Out Requests upon request. Should any of the Parties wish to dispute the validity of any documents purporting to be Opt-Out Requests, they shall notify the Settlement Administrator and all other Parties via e-mail and United States Mail within ten (10) days of receiving such documents, and in so doing they shall state the factual and legal basis for such dispute. Prior to the deadline for submitting its declaration described in Section II.8 below, the Settlement Administrator shall make a determination as to the validity of the disputed Opt-Out Requests, and shall set forth its determinations in such declaration. The Settlement Administrator's decisions in such regard shall be final and binding.
- (d) *Disputes Concerning Class Member Status:* Should any person who does not receive a Class Notice directed to him or her wish to come forward purporting to be a Class Member, such person shall notify the Settlement Administrator, no later than forty five (45) days after the Settlement Administrator's mailing of the Class Notice Packets. The Settlement

Administrator shall forthwith send any such documents to Class Counsel and Defendants' Counsel via e-mail and/or United States Mail. Upon receipt of such notice, Defendants shall investigate the matter, including with reference to their business records, and shall determine whether the person is a Class Member. Then, within ten (10) days of receipt of such notice, Defendants shall notify the Settlement Administrator and Class Counsel as to their determination of the person's status as a Class Member. Defendants' determination in such regard shall control. If the person is determined to be a Class Member, the Settlement Administrator shall mail that person a Notice Packet, whereupon the same procedures for submitting Class Member Objections, Opt-Out Requests, and Disputes Concerning Work Weeks set forth in this Agreement shall apply to such person.

- (e) *Disputes Concerning Class Member Work Weeks:* The Class Notice sent to each Class Member shall separately set forth that person's estimated number of Class Member Work Weeks, which will be calculated based Defendants' records. If for any reason a Class Member disagrees with such estimate, such Class Member shall deliver written notice to such effect to the Settlement Administrator, with such notice being received by the Settlement Administrator within forty five (45) days of mailing of the Notice Packet to the Class Members. Such notice shall set forth the Class Member's basis for such disagreement, including any and all documents supporting such basis. Upon receipt of such notices, the Settlement Administrator shall forthwith send it to Class Counsel and Defendants' Counsel, via e-mail and United States Mail. Defendants shall investigate the matter, including by examining their business records, and shall, within ten (10) days of receiving notice, inform Class Counsel and the Settlement Administrator as to its determination regarding the Class Member's number

of Class Member Work Weeks. In the event that the Class Member does not provide any supportive documentation, Defendants' determination shall control. In the event that the Class Member does provide supportive documentation, Defendants shall, within the same ten (10) day period, either notify the Settlement Administrator and Class Counsel that they stipulate to the Class Member's assertions regarding his or her number of Class Member Work Weeks, or shall notify them that they dispute such assertions, and shall provide the Settlement Administrator and Class Counsel with their proposed determination, and the factual basis therefor, and any supporting documentation. The Settlement Administrator shall then determine the Class Member's number of Class Member Workweeks, and its determinations shall control.

- (f) Named Plaintiffs and To-Be Plaintiffs hereby agree that they will not submit a Class Member Objection or an Opt-Out Request. Any submissions by Named Plaintiffs or To-Be Plaintiffs purporting to be a Class Member Objection or an Opt-Out Request shall be null and void.
- (g) No determinations by Defendants, the Settlement Administrator, the Court, or any other person or entity pursuant to this Section II.7 shall have the effect of increasing the amount of the Gross Settlement Amount (other than the escalator provision outlined in Section I.10). Rather, any additional amounts to be distributed to any Class Member as a result of the resolution of such disputes shall be made in conjunction with and subject to a proportionate reduction in other Eligible Class Members' Eligible Class Member Shares, with specific amounts to be determined by the Settlement Administrator.

8. Settlement Administration Procedures – Settlement Administrator Declaration.

Within ten (10) days of the expiration of all the time periods provided for in Sections II.5 through

II.7 above, the Settlement Administrator shall provide Class Counsel and Defendants' Counsel with the Settlement Administrator Declaration. Should the Settlement Administrator be unable to provide the Settlement Administrator Declaration at such time, it shall forthwith notify Class Counsel and Defendants' Counsel, who shall cooperate with the Settlement Administrator to forthwith remedy any such inability.

9. Motion for Final Approval. By the later of (a) ten (10) days of Class Counsel's receipt of the declaration required of the Settlement Administrator by Section II.8 above; or (b) sixteen (16) court days prior to the Final Approval Hearing, Class Counsel shall file and serve upon Defendants and the Settlement Administrator a motion for Final Approval, and shall include the Settlement Administrator's declaration with such filing. Should the date of Class Counsel's receipt of the Settlement Administrator Declaration be less than ten (10) days prior to the court day that is sixteen (16) court days prior to the Final Approval Hearing, Class Counsel shall make reasonable efforts to file its motion for Final Approval not later than sixteen (16) court days prior. If Class Counsel is unable to do so, or if Class Counsel otherwise believe based on other circumstances they will not be able to file a timely motion for Final Approval, they shall seek *ex parte* or other emergency relief from the Court in the form of shortening of the time for filing and serving the Motion for Final Approval, or re-scheduling of the Final Approval Hearing. Defendants shall cooperate in the seeking and obtaining of such relief.

10. Release. The Settlement includes a release of Released Claims against the Released Parties for the Class Period. Each Eligible Class Member shall be deemed, as of the Effective Date, to have provided and to be subject to the release of Released Claims against the Released Parties set forth in herein. Named Plaintiffs and To-Be Plaintiffs additionally agree that as of the Effective Date, each of them will be deemed to have provided and to be subject to the General Release in favor of the Released Parties set forth herein.

11. Enforcement. This Agreement is enforceable pursuant to California Rules of Court Rule 3.769(h). If any Party is required to seek relief for an alleged breach of this Agreement, the prevailing party shall be awarded its reasonable attorney's fees and costs including, if necessary,

attorney's fees in connection with collection efforts or enforcement of the confidentiality provisions of this Agreement; provided however, that the aggrieved Party shall be required to give notice to the opposing Party and meet and confer regarding the alleged breach before filing any motion, or application for enforcement of, this Agreement.

12. Taxation and Withholding; Settlement Checks.

- (a) *Allocation.* The Parties agree that ten percent (10%) of the Net Settlement Amount shall be allocated to Form W-2 wages, forty-five percent (45%) of the Net Settlement Amount shall be allocated to interest subject to Form 1099 report, and forty-five percent (45%) of the Net Settlement Amount be allocated to penalties (including the LWDA Fund Remainder) and other non-wages subject to Form 1099 reporting, and that the same allocations shall apply to each of the Eligible Class Member Shares. This allocation is for purposes of this Settlement only. Defendants will be responsible for the employer's share of the taxes on the that ten percent (10%) of the Net Settlement Amount shall be allocated to Form W-2 wages. The Settlement Administrator will pay from the QSF each Eligible Class Member Share, the Eligible Class Members' shares of payroll taxes, deductions, contributions, and other amounts required to be paid to government agencies and/or tax authorities. The payment of such taxes, deductions, contributions and other amounts shall be calculated based upon Defendants' reasonably available records. The Settlement Administrator shall provide reasonable notice to Defendants' Counsel of any records required for purposes of computing taxes, deductions, contributions and other amounts, and Defendants shall undertake reasonable efforts to provide the Settlement Administrator with same. The Settlement Administrator shall provide, as appropriate, an IRS Form W-2 and Form 1099, and any other tax documentation required by law, to each Eligible Class Member payee. Any

necessary employer tax contributions resulting from issuance of the Settlement shall be in addition to the Gross Settlement Amount.

- (b) *Circular 230 Disclaimer.* Each of the Parties acknowledges and agrees that (1) no provision of this Agreement, and no written communication or disclosure between or among the Parties or their respective counsel and/or other advisers is or was intended to be, nor shall any such communication or disclosure constitute or be construed or be relied upon as, tax advice within the meaning of United States Treasury Circular 230 (31 CFR part 10, as amended); (2) each Party (a) has relied exclusively upon his, her or its own, independent legal and tax advisors for advice (including tax advice) in connection with this Agreement, (b) has not entered into this Agreement based upon the recommendation of any other Party or any Counsel or advisor to any other Party, and (c) is not entitled to rely upon any communication or disclosure by any other Counsel or advisor to any other Party to avoid any tax penalty that may be imposed on that Party; and (3) no attorney or advisor to any other Party has imposed any limitation that protects the confidentiality of any such attorney's or advisor's tax strategies (regardless of whether such limitation is legally binding) upon disclosure by the Party of the tax treatment or tax structure of any transaction, including any transaction contemplated by this Agreement. Neither Class Counsel nor Defendants or their Counsel will provide tax or financial advice, and Class Members are advised to seek independent professional advice as to the tax or financial consequences of any payment they receive, or may receive, as Class Members.
- (c) *No Effect on Employee Benefits.* The Eligible Class Member Shares shall be deemed not to be pensionable earnings and shall not have any effect on the eligibility for, or calculation of, any employee benefits (e.g., vacations,

holiday pay, retirement plans, etc.) of the Eligible Class Members.

- (d) *Non-Negotiated Instruments of Payment.* The expiration date of any instruments of payment issued by the Settlement Administrator to Eligible Class Members will be one hundred eighty (180) days from the date such instruments are issued and sent. The monies of any such instruments of payment that are not negotiated by Eligible Class Members within one hundred eighty (180) calendar days of the date of mailing of the instruments of payment shall be paid to Legal Aid at Work, the mutually agreed upon cy-pres organization which complies with Cal. Code. Civ. Proc. § 384.

13. Defendants' Payment of the Settlement Payment Amount. Upon the Effective Date, the Settlement Administrator shall forthwith establish all financial accounts necessary to establish the Qualified Settlement Fund, and shall promptly notify Defendants' Counsel and Class Counsel by e-mail that such accounts have been established and of the payment details necessary to fund the Qualified Settlement Fund. The Settlement Administrator shall also advise Defendants as to any amounts Defendants will be required to pay for their respective portions of any payroll taxes, deductions, contributions and other amounts required to be paid to government agencies and/or tax authorities as a result of this Settlement (hereinafter, "Defendants' Payroll Tax"), if any exist. Within thirty (30) calendar days of Defendants' receipt of such notice from the Settlement Administrator, and provided that the Effective Date has occurred, Defendants shall make such payment, not to exceed, in aggregate, the Settlement Payment Amount, which will be inclusive of Defendants' Payroll Tax. Within ten (10) days after all funds necessary to fully fund the Qualified Settlement Fund are in the accounts established by the Settlement Administrator and are available for disbursement, the Settlement Administrator shall disburse, pursuant to this Settlement and other applicable law, the corresponding Eligible Class Member Shares to each Eligible Class Member, as well as the LWDA Fund, the Named Plaintiffs Enhancements, the To-Be Plaintiffs Enhancements, the Settlement Administration Costs, and the Class Counsel Fees and Costs. In disbursing the LWDA Fund, the Settlement Administrator shall also submit to the LWDA any

information or documentation required for such disbursement, such as a copy of the Court's Final Approval order. The Settlement Administrator shall promptly notify Class Counsel and Defendants' Counsel by e-mail that such disbursements and submissions have been made.

14. Cooperation and Reasonable Modifications. The Parties and their respective counsel will cooperate reasonably and in good faith for the purpose of achieving occurrence of the conditions set forth in this Agreement, including without limitation, timely filing of all motions, papers and evidence necessary to do so, and refraining from causing or encouraging directly or indirectly the submission of any objection to this Agreement, the submission of any Class Member Objection or Opt-Out Request, or any appeal or petition for writ proceedings seeking review of any order or judgment contemplated by the Settlement. This Agreement contemplates that the Court and the Parties may make reasonable modifications to the Agreement in order to effect its essential terms and to obtain Preliminary Approval and Final Approval. Such modifications shall not render this Agreement Void *Ab Initio*, but rather the Parties shall stipulate to such reasonable modifications and take all necessary steps to give them effect.

15. Warranty of Authority. The undersigned each represent and warrant that each has authority to enter into this Settlement, and that by doing so they are not in breach or violation of any agreement with any third parties. The Parties further agree that the Action shall be stayed in all respects until the final payment called for by this Settlement is made pending the occurrence or failure of the Effective Date, except for the purpose of filing motions for Preliminary Approval and Final Approval.

16. Other Actions Enjoined. Defendants shall have the right to request, and Named Plaintiffs, To-Be Plaintiffs, nor their Class Counsel will not oppose, that the Court enter an order that pending Final Approval, Class Members who do not opt-out of the Settlement are barred from instituting or prosecuting any claims or actions against the Released Parties which fall within the definition of the Released Claims and that any pending actions against the Released Parties, whether in court or arbitration, are stayed on an interim basis only as to any claims which fall within the definition of the Released Claims.

17. Notices to Counsel. All notices, requests, demands and other communications required or permitted to be given pursuant to this Agreement shall be in writing and shall be delivered personally or mailed, postage prepaid, by first-class United States mail, to the undersigned persons at their respective addresses as set forth herein (and, to the extent notice by e-mail is called for), the below e-mail addresses shall be used:

Counsel for Plaintiffs:	Counsel for Defendants:
JUSTIN F. MARQUEZ, SBN 26417 justin@wilshirelawfirm.com BENJAMIN H. HABER, SBN 315664 benjamin@wilshirelawfirm.com ARRASH T. FATTAHI, SBN 333676 afattahi@wilshirelawfirm.com WILSHIRE LAW FIRM, PLC 3055 Wilshire Blvd., 12th Floor, Los Angeles, California 90010 Telephone: (213) 381-9988 Facsimile: (213) 381-9989	ANNIE LAU, SBN 302438 alau@fisherphillips.com KIKI Y. OKPALA, SBN 341774 kokpala@fisherphillips.com FISHER & PHILLIPS LLP One Montgomery Street, Suite 3400 San Francisco, California 94104 Telephone: (415) 490-9000 Facsimile: (415) 490-9001

18. Notice to LWDA. Class Counsel shall be responsible for giving any required notice of this Settlement to the LWDA.

19. Entire Agreement. This Agreement embodies the entire agreement of all the Parties hereto who have executed it and supersedes any and all other agreements, understandings, negotiations, or discussions, either oral or in writing, express or implied, between the Parties to this Agreement. The Parties to this Agreement each acknowledge that no representations, inducements, promises, agreements or warranties, oral or otherwise, have been made by them, or anyone acting on their behalf, which are not embodied in this Agreement; that they have not executed this Agreement in reliance on any representation, inducement, promise, agreements, warranty, fact or circumstances, not expressly set forth in this Agreement; and that no representation, inducement, promise, agreement or warranty not contained in this Agreement

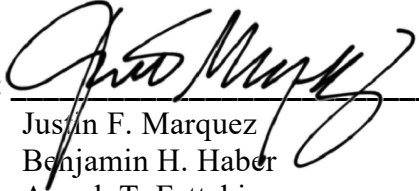
including, but not limited to, any purported settlements, modifications, waivers or terminations of this Agreement, shall be valid or binding, unless executed in writing by all of the Parties to this Agreement. This Agreement may be amended, and any provision herein waived, but only in writing, signed by the Party against whom such an amendment or waiver is sought to be enforced.

20. Arbitration. Nothing in this Agreement shall be construed or deemed to result in a waiver of any right to arbitrate or to compel arbitration as to any claims other than the Released Claims of Eligible Class Members.

21. Counterparts. This Agreement may be executed in counterparts by way of true and correct copies (including pdfs or other electronic images) of signatures, each of which shall have the same force and effect as an original, and all of which together shall constitute one and the same instrument.

Dated: February 27, 2024

WILSHIRE LAW FIRM, PLC

By: 

Justin F. Marquez
Benjamin H. Haber
Arrash T. Fattahi

Attorneys for Plaintiffs and To-Be Plaintiffs

Dated: June 27, 2024

FISHER & PHILLIPS LLP

By: 

Annie Lau
Kiki Y. Okpala
Attorneys for Defendants

LA TAVOLA, LLC and BBJ RENTAL
INC.

Dated: 2/21/2024

PLAINTIFF

DocuSigned by:

Socorro Ochoa

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Plaintiff Socorro Ochoa

Dated: 2/21/2024

PLAINTIFF

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Ana Gaytan

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Plaintiff Ana Gaytan Garcia

Dated: 2/21/2024

PLAINTIFF

DocuSigned by:

Teresa Gonzalez Vega

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Plaintiff Teresa Gonzalez Vega

Dated: 2/27/2024

TO-BE PLAINTIFF

DocuSigned by:

Liliana J. Moisen

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Plaintiff Liliana J. Moisen

Dated: 2/21/2024

TO-BE PLAINTIFF

DocuSigned by:

Andrea Garcia Cervantes

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Plaintiff Andrea Garcia Cervantes

Dated: 2/21/2024

TO-BE PLAINTIFF

DocuSigned by:

Cecilia Cervantes

C8000EF7F3EC4F3...

Plaintiff Cecilia Cervantes

Dated: 2/28/24

DEFENDANT LA TAVOLA, LLC

Greg Sullivan

Greg Sullivan

Dated: 2/28/24

DEFENDANT BBJ RENTAL INC.

Greg Sullivan

Greg Sullivan

Exhibit 2

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

Socorro Ochoa, et al. v. La Tavola, LLC, et al., Napa County Superior Court,
Case No. 22CV000862

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

You may be eligible to receive money from an employee class action lawsuit (“Action”) against La Tavola, LLC and BBJ Rentals Inc. (“Defendants”) for alleged wage and hour violations. The Action was filed by former employees, Socorro Ochoa, Ana Gaytan Garcia, Teresa Gonzalez Vega, Liliana J. Moisen, Andrew Garcia Cervantes, and Cecilia Cervantes (“Plaintiffs”), of Defendants and seeks payment of back wages and other relief for a class of non-exempt, hourly-paid employees (“Class Members”) who worked for Defendants in California during the Class Period (February 1, 2018 to January 17, 2024); and (2) penalties under the California Private Attorneys General Act (“PAGA”) for all non-exempt, hourly-paid employees who worked for Defendants in California during the PAGA Period (June 1, 2021 to January 17, 2024) (“aggrieved employees”).

The proposed Settlement has two main parts: (1) a Class Settlement requiring Defendants to fund Eligible Class Member Shares, and (2) a PAGA Settlement requiring Defendants to fund individual PAGA payments and pay penalties to the California Labor & Workforce Development Agency (“LWDA”).

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

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

The Court has already preliminarily approved the proposed Settlement and approved this Notice. The Court has not yet decided whether to grant final approval. Your legal rights are affected whether you act or do not act. Read this Notice carefully. You will be deemed to have carefully read and understood it. At the Final Approval Hearing, the Court will decide whether to finally approve the Settlement and how much of the Settlement will be paid to Plaintiffs and Plaintiffs’ attorneys (“Class Counsel”). The Court will also decide whether to enter a judgment that requires Defendants to make payments under the Settlement and requires Class Members and aggrieved employees to give up their rights to assert certain claims against Defendants.

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

- (1) **Do Nothing.** You don't have to do anything to participate in the proposed Settlement and be eligible for an Eligible Class Member Share and/or an individual PAGA payment. As a Participating Class Member, though, you will give up your right to assert Class Period wage claims and PAGA Period penalty claims against Defendants.
- (2) **Opt-Out of the Class Settlement.** You can exclude yourself from the Class Settlement (opt-out) by submitting a request for exclusion or otherwise notifying the Administrator in writing. If you opt-out of the Settlement, you will not receive an Eligible Class Member Share. You will, however, preserve your right to personally pursue Class Period wage claims against Defendants, and, if you are an aggrieved employee, remain eligible for an individual PAGA payment. You cannot opt-out of the PAGA portion of the proposed Settlement.
- (3) **Object to the Settlement.** All Class Members who do not Opt-Out of the Class Settlement ("Eligible Class Members") can object to any aspect of this proposed Settlement. See Section 7 of this Notice for more information.

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

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

You Don't Have to Do Anything to Participate in the Settlement	If you do nothing, you will be an Eligible Class Member, eligible for an Eligible Class Member Shares and an individual PAGA payment (if any). In exchange, you will give up your right to assert the wage claims against Defendants that are covered by this Settlement (Released Claims).
You Can Opt-out of the Class Settlement but not the PAGA Settlement The Opt-out Deadline is [date]	If you don't want to fully participate in the proposed Settlement, you can opt-out of the Class Settlement by sending the Administrator a written request for exclusion. Once excluded, you will no longer be eligible for an Eligible Class Member Share. If you exclude yourself, you cannot object to any portion of the proposed Settlement. See Section 6 of this Notice. You cannot opt-out of the PAGA portion of the proposed Settlement. Defendants must pay individual PAGA payments to all aggrieved employees.
Eligible Class Members Can Object to the Class Settlement but not the PAGA Settlement	All Class Members who do not opt-out ("Eligible Class Members") can object to any aspect of the proposed Settlement. The Court's decision whether to finally approve the Settlement will include a determination of how much will be paid to Class Counsel and Plaintiffs who pursued the Action on behalf of the Class. You are not personally responsible for any payments to Class Counsel or

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

1. WHAT IS THE ACTION ABOUT?

Plaintiffs are former employees of Defendants. The Action accuses Defendants of violating California labor laws by failing to pay minimum and overtime wages, failing to provide meal periods and rest breaks, failing to pay wages due upon termination, failing to provide accurate itemized wage statements, and failing to indemnify employees for expenditures. Based on the same claims, Plaintiffs has also asserted a claim for civil penalties under the PAGA. Plaintiffs are represented by attorneys in the Action: Justin F. Marquez, Benjamin H. Haber, and Arrash T. Fattahi of Wilshire Law Firm, PLC ("Class Counsel").

Defendants strongly deny violating any laws or failing to pay any wages and contend they complied with all applicable laws. The Court has made no findings in this Action. Defendants are represented by attorneys in the Action: Annie Lau and Kiki Okpala of Fisher & Phillips LLP ("Defense Counsel").

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

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

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

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

1. Defendants Will Pay \$1,000,000.00 as the Gross Settlement Amount (Gross Settlement). Defendants have agreed to deposit the Gross Settlement into an account controlled by the Administrator of the Settlement. The Administrator will use the Gross Settlement to pay the Eligible Class Member Shares, individual PAGA payments, the Class Representatives' Service Payments, Class Counsel's attorneys' fees and expenses, the Administrator's expenses, and penalties to be paid to the LWDA. Assuming the Court grants Final Approval, Defendants will fund the Gross Settlement within 30 days of the establishment of the Qualified Settlement Fund (as described in the Settlement Agreement), provided that the Effective Date has occurred. The Judgment will be final on the date the Court enters Judgment, or a later date if Eligible Class Members object to the proposed Settlement or the Judgment is appealed.

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

- A. Up to \$333,333.33 (33 1/3% of the Gross Settlement Amount) to Class Counsel for attorneys' fees and up to \$30,000 for their litigation expenses. To date, Class Counsel have worked and incurred expenses on the Action without payment.
- B. Up to \$7,500.00 to Plaintiffs Ochoa, Gaytan Garcia, and Vega and up to \$5,000.00 for Plaintiffs Moisen, Garcia Cervantes, and Cervantes for filing the Action, working with Class Counsel and representing the Class. The Class Representatives' Service Payments will be the only money Plaintiffs will receive other than Plaintiffs' Eligible Class Member Shares and any individual PAGA payment.
- C. Up to \$10,850.00 to the Administrator for services administering the Settlement.
- D. Up to \$50,000.00 for PAGA Penalties, allocated 75% to the LWDA PAGA Payment and 25% in individual PAGA payments to the aggrieved employees based on their PAGA Period Pay Periods.

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

2. Net Settlement Distributed to Class Members. After making the above deductions in amounts approved by the Court, the Administrator will distribute the rest of the Gross Settlement (the “Net Settlement”) by making Eligible Class Member Shares to Eligible Class Members based on their workweeks.
3. Taxes Owed on Payments to Class Members. Plaintiffs and Defendants are asking the Court to approve an allocation of 10% of each Eligible Class Member Share to taxable wages, 45% to interest, and 45% to penalties. Defendants will separately pay employer payroll taxes it owes on the wage portion. The individual PAGA payments are counted as penalties rather than wages for tax purposes. The Administrator will report the individual PAGA payments and the non-wage portions of the Eligible Class Member Shares on IRS 1099 Forms.

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

4. Need to Promptly Cash Payment Checks. The front of every check issued for Eligible Class Member Shares and individual PAGA payments will show the date when the check expires (the void date). If you don’t cash it by the void date, your check will be transmitted to the cy-pres recipient, Legal Aid at Work.
5. Requests for Exclusion from the Class Settlement (Opt-Outs). You will be treated as an Eligible Class Member, participating fully in the Class Settlement, unless you notify the Administrator in writing, not later than [date], that you wish to opt-out. The easiest way to notify the Administrator is to send a written and signed request for exclusion by [date]. The request for exclusion should be a letter from a Class Member or his/her representative setting forth a Class Member’s name, present address, telephone number, and a simple statement electing to be excluded from the Settlement. Excluded Class Members will not receive Eligible Class Member Shares but will preserve their rights to personally pursue wage and hour claims against Defendants.

You cannot opt-out of the PAGA portion of the Settlement. Class Members who exclude themselves from the Class Settlement remain eligible for individual PAGA payments and are required to give up their right to assert PAGA claims against Defendants based on the PAGA Period facts alleged in the Action.

6. Administrator. The Court has appointed a neutral company, ILYM Group, Inc. (the “Administrator”) to send this Notice, calculate and make payments, and process Class Members’ requests for exclusion. The Administrator’s contact information is contained in Section 9 of this Notice.
7. Eligible Class Members’ Release. As part of the Settlement, Eligible Class Members will release the Released Parties (Defendants La Tavola, LLC and BBJ Rentals Inc., their

parents, subsidiaries, affiliates, insurers, related entities and divisions, and their respective: (i) predecessors, successors, and assigns, and (ii) current and former agents, heirs, executors, administrators, principals, officers, directors, shareholders, employees, founders, members, assigns, insurers, attorneys, and all others claiming through or by any of them) from the Released Claims, defined as any and all claims, demands, liabilities, damages, attorneys' fees, costs, and penalties relating to any and all facts and claims asserted in the Action or any other claims that could have been asserted in the Action based on the facts alleged, including but not limited to claims arising from alleged unpaid wages; minimum wages; regular wages; overtime and double time wages; meal and rest period violations; unpaid reimbursements and expenses; untimely payment of wages; wage statement violations; separation pay violations; failure to maintain accurate records; and PAGA penalties during the Class Period.

4. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?

1. Eligible Class Member Shares. The Administrator will calculate Eligible Class Member Shares by (a) dividing the Net Settlement Amount by the total number of Eligible Class Member Work Weeks to arrive at the Eligible Class Member Work Week Rate, and (b) multiplying the resulting Eligible Class Member Work Week Rate by the total the number of Eligible Class Member Work Weeks for each respective Eligible Class Member.
2. Workweek/Pay Period Challenges. The number of Class Workweeks you worked during the Class Period and the number of PAGA Pay Periods you worked during the PAGA Period, as recorded in Defendants' records, are stated in the first page of this Notice. You have until [date] to challenge the number of Workweeks and/or Pay Periods credited to you. You can submit your challenge by signing and sending a letter to the Administrator. Section 9 of this Notice has the Administrator's contact information.

5. HOW WILL I GET PAID?

1. Eligible Class Members. The Administrator will send, by U.S. mail, a single check to every Eligible Class Member (i.e., every Class Member who doesn't opt-out) including those who also qualify as aggrieved employees. The single check will combine the Eligible Class Member Share and the individual PAGA payment.
2. Class Members Who Opt-Out. The Administrator will send, by U.S. mail, a single individual PAGA payment check to every aggrieved employee who opts out of the Class Settlement.

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

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

Submit a written and signed letter with your name, present address, telephone number, and a simple statement that you do not want to participate in the Settlement. The Administrator will exclude you based on any writing communicating your request be excluded. Be sure to personally sign your request, identify the Action as *Ochoa, et al. v. La Tavola, LLC, et al.*, and include your identifying information (full name, address, telephone number, and approximate dates of employment). **The Administrator must be sent your request to be excluded by [date], or it will be invalid.** Section 9 of the Notice has the Administrator's contact information.

7. HOW DO I OBJECT TO THE SETTLEMENT?

Only Eligible Class Members have the right to object to the Settlement. Before deciding whether to object, you may wish to see what Plaintiffs and Defendants are asking the Court to approve. At least 16 days before the [date] Final Approval Hearing, Class Counsel and/or Plaintiffs will file in Court (1) a Motion for Final Approval that includes, among other things, the reasons why the proposed Settlement is fair, the amount Class Counsel is requesting for attorneys' fees and litigation expenses, and the amount Plaintiffs are requesting as the Class Representatives' Service Awards. Upon reasonable request, Class Counsel (whose contact information is in Section 9 of this Notice) will send you copies of these documents at no cost to you. Class Counsel will also provide notice to Defense Counsel of such request. You can also view them on the Administrator's Website [need details] or the Court's website [need details].

An Eligible Class Member who disagrees with any aspect of the Agreement, the Motion for Final Approval may wish to object, for example, that the proposed Settlement is unfair, or that the amounts requested by Class Counsel or Plaintiffs are too high or too low. **The deadline for sending written objections to the Administrator is [date].** Be sure to tell the Administrator what you object to, why you object, and any facts that support your objection. Make sure you identify the Action as *Ochoa, et al. v. La Tavola, LLC, et al.*, and include your name, current address, telephone number, and approximate dates of employment for Defendants and sign the objection. Section 9 of this Notice has the Administrator's contact information.

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

8. CAN I ATTEND THE FINAL APPROVAL HEARING?

You can, but don't have to, attend the Final Approval Hearing on [date] at [time] in Department B of the Napa County Superior Court, located at 825 Brown Street, Napa, California 94559. At the Hearing, the judge will decide whether to grant Final Approval of the Settlement and how much of the Gross Settlement will be paid to Class Counsel, Plaintiffs, and the Administrator. The Court will invite comments from objectors, Class Counsel and Defense Counsel before making a

decision. You can attend (or hire a lawyer to attend) personally. Check the Court's website for the most current information.

It's possible the Court will reschedule the Final Approval Hearing. You should check the Administrator's website [\[need details\]](#) beforehand or contact Class Counsel to verify the date and time of the Final Approval Hearing.

9. HOW CAN I GET MORE INFORMATION?

The Agreement sets forth everything Defendants and Plaintiffs have promised to do under the proposed Settlement. The easiest way to read the Agreement, the Judgment or any other Settlement document is to go to the Administrator's website at [\[URL of website\]](#). You can also telephone or send an email to the Administrator using the contact information listed below, or consult the Superior Court website by going to (<https://portal.napa.courts.ca.gov/Secure/>) and entering the Case Number for the Action, Case No. 22CV000862.

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

Class Counsel:

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Benjamin H. Haber, Esq.
Arrash T. Fattahi, Esq.
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Settlement Administrator:

ILYM Group, Inc.
2832 Walnut St., Suite C
Tustin, CA 92780
Telephone: (888) 250-6810
Facsimile: (888) 845-6185

Defense Counsel:

Annie Lau, Esq.
Kiki Okpala, Esq.
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1 Montgomery Street, Suite 3400
San Francisco, CA 94104
Telephone: (415) 490-9000
Facsimile: (415) 490-9001
alau@fisherphillips.com
kokpala@fisherphillips.com

10. WHAT IF I LOSE MY SETTLEMENT CHECK?

If you lose or misplace your settlement check before cashing it, the Administrator will replace it as long as you request a replacement before the void date on the face of the original check.

11. WHAT IF I CHANGE MY ADDRESS?

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

Exhibit 3

ILYM | GROUP, Inc.

SETTLEMENT ADMINISTRATION EXPERTS

Case Name: Ochoa v. La Tavola

Thursday, November 30, 2023

Requesting Attorneys Name:

E-Mail

ILYM Contact

E-Mail

Contact Number

Justin F. Marquez

justin@wilshirelawfirm.com

Tony Rogers

trogers@ilymgroup.com

714.878.8836

ESTIMATE FOR ADMINISTRATION SOLUTIONS

ASSUMPTIONS	
Total Number of Class Members	550
Estimated Mail Returned as Undeliverable	20%
NCOA	Yes
Certified Spanish Translation	Yes
ILYM Group Static Website	Yes

Activity	Rate Type	Unit Cost	Volume	Amount
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CASE STARTUP				
Initial Setup - Import and Formatting of Data*	Hourly	\$150.00	2	\$300.00
Programming of Class Database	Hourly	\$175.00	2	\$350.00

*ILYM assumes that data will be in a standard format. Client will be notified immediately if not in standard format to correct data or ILYM can convert to standard format @ \$150.00 per hour.

Subtotal \$650.00

PROJECT MANAGEMENT & NOTICING				
Project Manager (Case notification and maintenance)	Hourly	\$120.00	4	\$480.00
Staff Hours for Processing Returned Mail	Hourly	\$70.00	2	\$140.00
Staff Hours for Processing Opt-Outs, Disputes & Objection(s)	Hourly	\$70.00	2	\$140.00
Report Processing	Hourly	\$70.00	4	\$280.00
NCOA	Flat Rate	\$175.00	1	\$175.00
Toll Free Customer Service Representative	Flat Fee	\$200.00	1	\$200.00
Certified Spanish Translation	Flat Fee	\$1,250.00	1	\$1,250.00
ILYM Group Static Website	Flat Fee	\$750.00	1	\$750.00
Weekly Reports	Flat Rate	\$750.00	1	Waived

Subtotal \$3,415.00

ILYM | GROUP, Inc.

SETTLEMENT ADMINISTRATION EXPERTS

Activity	Rate Type	Unit Cost	Volume	Amount
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NOTIFICATION/MAILING				
Fulfillment of Notice, English & Spanish	Per Piece	\$1.50	550	\$825.00
USPS First Class Postage	Per Piece	\$0.83	550	\$456.50
Re-Mails (Forward/Skip trace Undeliverables)	Per Piece	\$2.00	110	\$220.00
Storage, Photocopies, Deliveries	Flat Fee	\$209.50	1	\$209.50

Subtotal \$1,711.00

DISTRIBUTION (Includes EIN, Bank Acct * /QSF Setup)				
Distribution Setup & Management	Hourly	\$150.00	4	\$600.00
Account Reconciliation & Distribution Reporting	Hourly	\$125.00	4	\$500.00
Check, Stub & Release - Print & Mail (W2/1099)	Per Check	\$1.00	550	\$550.00
USPS First Class Postage	Per Piece	\$0.63	550	\$346.50
Re-Mails (Forward/Skip trace Undeliverables up to 10%)	Per Piece	\$1.50	55	\$82.50
Preparation of Taxes	Hourly	\$120.00	5	\$600.00
Annual Filing of Tax Return	Per Year	\$1,500.00	1	\$1,500.00

**Additional Bank fees may apply*

Subtotal \$4,179.00

CASE CONCLUSION				
Data Manager Final Reporting	Hourly	\$100.00	1	\$100.00
Project Manager Final Reporting	Hourly	\$120.00	1	\$120.00
Process Unclaimed Funds	Flat Fee	\$550.00	1	\$550.00
Declaration	Hourly	\$125.00	1	\$125.00

Subtotal \$895.00

Total Case Estimate: \$10,850.00

Terms and Conditions

All services to be provided by ILYM Group, Inc. (hereinafter, "ILYM") to Client shall be subject to the following terms and conditions:

Services: Subject to the terms hereof, ILYM agrees to provide the Client with Administration Services (hereinafter, "services") as specified in the Proposal provided to Client to which these Terms and Conditions are attached. The estimate is in good faith and does not cover any applicable taxes and fees. The estimate does not make provision for any services or class members/size not delineated in the request for proposal or stipulations. Such services do not in any way constitute legal services or advice. ILYM is performing its services as an Independent Contractor and neither it nor its employees shall be deemed to be employees of the Client.

Mailing and Data Conversion: ILYM's database administration assumes the Client will provide complete data that includes all information required to send notifications and complete the administration process. Data must be provided in a complete, consistent, standardized electronic format. ILYM's standard format is Microsoft Excel, however, ILYM may accept other formats at its discretion. Further developments or enhancements to non-standardized data will be billed to Client by ILYM on a time and materials basis, according to ILYM's Standard Rates.

Charges for Services: Charges to the Client for services shall be on a time and materials basis at our prevailing rates, as the same may change from time to time. Any fee estimates set forth in the proposal are estimates only, based on information provided by Client to ILYM. Actual fees charged by ILYM to Client may be greater or less than such estimate, and Client shall be responsible for the payment of all such charges and expenses in accordance with Section 5 hereof. Charges incurred related to resolving post distribution withholdings and related corrective files due to voids and re-issues of payments and related correspondence with state and federal taxing authorities will not be charged to the Client to the extent that funds are received from the taxing authorities offset these charges. ILYM may derive financial benefits from financial institutions in connection with the deposit and investment of settlement funds with such institutions, including without limitation, discounts on eligible banking services and fees, and loans at favorable rates.

Indemnification: Client will indemnify and hold ILYM (and the officers, employees, affiliates and agents harmless against any Losses incurred by ILYM, arising out of, in connection with, or related to (i) any breach of the terms by Client; (ii) the processing and handling of any payment by ILYM in accordance with Client's instructions, including without limitation, the imposition of any stop payment or void payment on any check or the wrongful dishonor of a check by ILYM pursuant to Client's instructions.

Payment of Charges: ILYM reserves the right to request payment of postage charges and 50% of the final administration charges at the start of the case. ILYM bills are due upon receipt unless otherwise negotiated and agreed to with the Client. In the event settlement terms provide that ILYM is to be paid out of the Settlement Fund, ILYM will request that Counsel endeavor to make alternate payment arrangements for ILYM charges that are due at the onset of the case. The entire remaining balance is due and payable at the time the Settlement Account is funded by, or no later than the time of disbursement. Decisions of the court and actions of the parties, including disapproval or withdrawal of a settlement, do not affect the Client's liability to ILYM for payment of services. Services are not provided on a contingency fee basis.

Confidentiality: ILYM maintain reasonable and appropriate security measures and safeguards to protect the security and confidentiality of Client data provided to ILYM by Client in connection herewith. Should ILYM ever be notified of any judicial order or other proceedings in which a third party seeks to obtain access to the confidential data created by or for the Client, ILYM will promptly notify the Client, unless prohibited by applicable law. The Client shall have the option to (1) provide legal representation at the Client's expense to avoid such access or (2) promptly reimburse ILYM for any of its costs, including attorneys' fees, reasonably incurred in avoiding, attempting to avoid or providing such access and not paid by the entity seeking the data. If ILYM is required, pursuant to a court order, to produce documents, disclose data, or otherwise act in contravention of the obligations imposed by this Agreement, or otherwise, with respect to maintaining the confidentiality, proprietary nature and secrecy of the produced documents or disclosed data, ILYM will not be liable for breach of said obligation.

Data Rights: ILYM does not convey nor does the Client obtain any right in the programs, system data, or materials utilized or provided by ILYM in the ordinary course of business in the performance of this Agreement.

Document Retention: Unless directed otherwise in writing by Client, ILYM will destroy undeliverable mail on the effective date of the settlement or the date that the disposition of the case is no longer subject to appeal or review, whichever is later. ILYM will maintain claim forms and other correspondence for one year after final distribution of funds or benefits, or until the date that the disposition of the case is no longer subject to appeal or review, whichever is later.

Limitation of damages: ILYM is not responsible to the Client for any special, consequential or incidental damages incurred by Client. Any liability of ILYM to the Client shall not exceed the total amount billed to the Client for the particular services that give rise to any loss.

Termination: The services to be provided under this Agreement may be terminated, at will by the Client upon at least 30 calendar days' prior written notice to ILYM. The Client's obligation to pay for services or projects in progress at the time of notice of withdrawal shall continue throughout that 30 day period. ILYM may terminate this Agreement (i) with 10 calendar days' prior written notice, if the Client is not current in payment of charges or (ii) in any event, upon at least 3 months' prior written notice to the Client.

Notice: Any notice required or permitted hereunder shall be in writing and shall be delivered personally, or sent by registered mail, postage prepaid, or overnight courier service to the responsible officer or principal of ILYM or the Client, as applicable, and shall be deemed given when so delivered personally, or, if mailed, five days after the date of deposit in United States mail, or, if sent by courier, one business day after delivery to such courier service.

Force Majeure: To the extent performance by ILYM of any of its obligations hereunder is substantially prevented by reason of any act of God or by reason of any other matter beyond ILYM's reasonable control, then such performance shall be excused and this Agreement, at ILYM's option, be deemed suspended during the continuation of such condition and for a reasonable time thereafter.

Waiver of Rights: No failure or delay on the part of a party in exercising any right hereunder will operate as a waiver of, or impair, any such right. No single or partial exercise of any such right will preclude any other or further exercise thereof or the exercise of any other right. No waiver of any such right will be effective unless given in a signed writing.

Jurisdiction: The parties hereto submit to the jurisdiction of the Court of the applicable case for purposes of any suit, action or proceeding to enforce any provision of, or based on any right arising out of, this Agreement. The parties hereto hereby waive any objection to the laying of venue of any such suit, action or proceeding in the Court.

Entire Agreement: These terms and conditions and the proposal embody the entire agreement between the parties with respect to the subject matter hereof, and cancels and supersedes all prior negotiations, representations, and agreements related thereto, either written or oral, except to the extent they are expressly incorporated herein. No changes in, additions to, or waivers of, the terms and conditions set forth herein will be binding upon any party, unless approved in writing by such party's authorized representative.

Exhibit 4



ELM Solutions

2022 Real Rate Report[®]

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

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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 factors¹ that drive rates²:

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

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

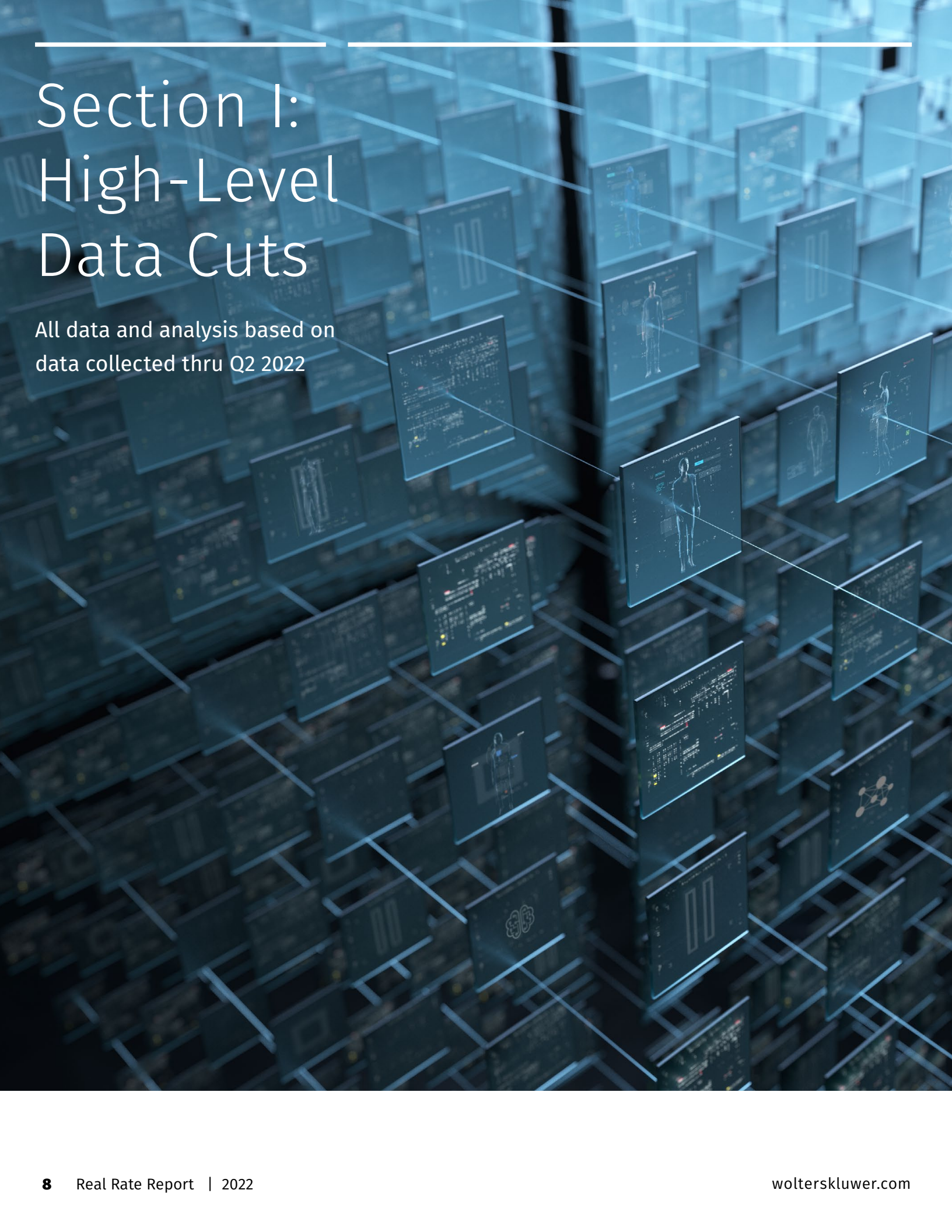
Years of experience and reputation - A more experienced, higher-profile lawyer is often going to charge more, but absorbing this higher cost at the outset may make more sense than hiring a less expensive lawyer who will likely take time and billable hours to come up to speed on unfamiliar legal and procedural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

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

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

¹ David Goguen, J.D., University of San Francisco School of Law (2020) Guide to Legal Services Billing Retrieved from: <https://www.lawyers.com/legal-info/research/guide-to-legal-services-billing-rates.html>

² Source: 2018 RRR. Factor order validated in multiple analyses since 2010



Section I: High-Level Data Cuts

All data and analysis based on
data collected thru Q2 2022

Section I: High-Level Data Cuts

Cities

By Matter Type

2022 - Real Rates for Associate and Partner

Trend Analysis - Mean

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

Section I: High-Level Data Cuts

Cities

By Matter Type

2022 - Real Rates for Associate and Partner

Trend Analysis - Mean

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

Section I: High-Level Data Cuts

Cities

By Matter Type

2022 - Real Rates for Associate and Partner

Trend Analysis - Mean

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

Section I: High-Level Data Cuts

Cities

By Matter Type

2022 - Real Rates for Associate and Partner

Trend Analysis - Mean

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

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

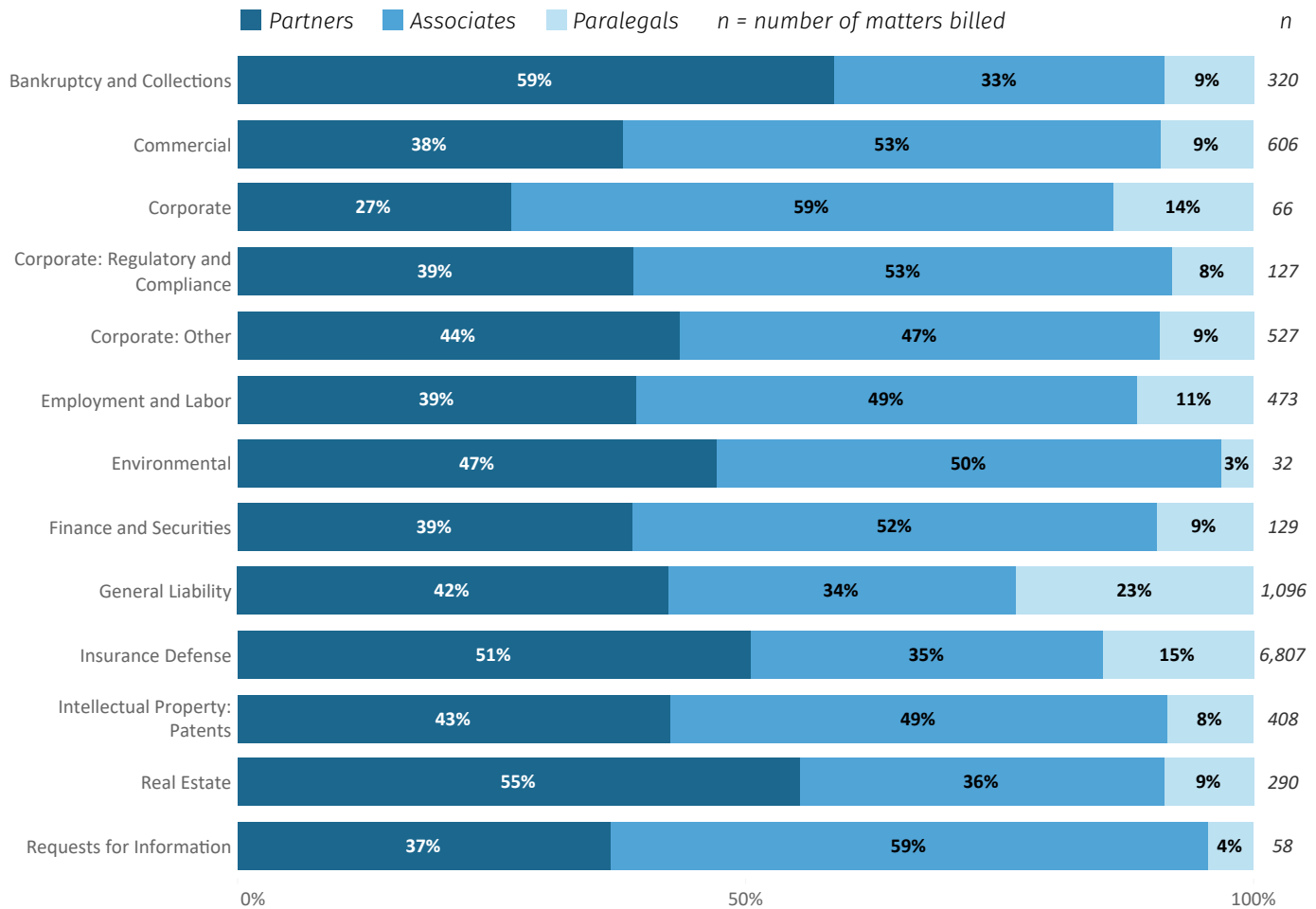
Section VI: Matter Staffing Analysis

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

Corporate¹

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 5

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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](#).



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

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Documents

[Trustee's Objection](#)

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