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**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SACRAMENTO**

CARL DAVIS, individually, and on behalf of all
others similarly situated,

Plaintiff,

v.

HOMETOWN AMERICA MANAGEMENT,
L.P., a Delaware corporation; and DOES 1
through 10, inclusive,

Defendants.

Case No.: 34-2022-00327467-CU-OE-GDS

CLASS ACTION

*[Assigned for all purposes to: Hon. Lauri A.
Damrell, Dept. 22]*

**DECLARATION OF JUSTIN F. MARQUEZ
IN SUPPORT OF PLAINTIFF'S MOTION
FOR PRELIMINARY APPROVAL OF
CLASS ACTION AND PAGA
SETTLEMENT**

*[Filed concurrently with: Plaintiff's Notice of
Motion and Motion for Preliminary Approval
of Class Action and PAGA Settlement,
Memorandum of Points and Authorities;
Declaration of Carl Davis; and [Proposed]
Order Granting Motion]*

PRELIMINARY APPROVAL HEARING

Date: February 16, 2024

Time: 9:00 a.m.

Dept: 22

Reservation No.: A-327467-001

Complaint filed: September 29, 2022

FAC filed: January 17, 2023

Trial date: Not set

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

2. This is a wage and hour class and Private Attorneys General Act (“PAGA”) (Cal. Lab. Code §§ 2699, *et seq.*) representative action. Plaintiff and putative class members worked in California as hourly-paid or non-exempt employees for Defendant Hometown America Management, L.P. (“Defendant”) during the class period. Defendant is a nationwide company that owns and manages several mobile home parks in the State of California.

4. On September 28, 2022, Plaintiff filed a putative wage-and-hour class action complaint against Defendant for: (1) failure to pay minimum and straight time wages (Labor Code §§ 204, 1194, 1194.2, and 1197); (2) failure to pay overtime wages (Labor Code §§ 1194 and 1198); (3) failure to provide meal periods (Labor Code §§ 226.7 and 512); (4) failure to authorize and permit rest periods (Labor Code §§ 226.7 and 512); (5) failure to timely pay final wages at termination (Labor Code §§ 201-203); (6) failure to provide accurate itemized wage statements (Labor Code § 226); (7) failure to indemnify employees for expenditures (Labor Code § 2802);

1 and (8) unfair business practices (Business and Professions Code 17200 et seq.). On January 17,
2 2023, Plaintiff filed a First Amended Complaint against Defendant adding claims for civil penalties
3 under Private Attorneys General Act “PAGA” (Labor Code §§ 2698, *et seq.*) Plaintiff sent a notice
4 to Defendant and the California Labor & Workforce Development Agency (“LWDA”) alleging
5 similar wage and hour violations pursuant to the PAGA (Cal. Lab. Code §§ 2699, *et seq.*) on
6 September 28, 2022.

7 DISCOVERY AND INVESTIGATION

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

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

19 SETTLEMENT NEGOTIATIONS

20 7. On July 6, 2023, the Parties participated in private mediation with experienced class
21 action mediator, Hon. Raul A. Ramirez (Ret.). The mediation was conducted via Zoom. The
22 settlement negotiations were at arm’s length and, although conducted in a professional manner,
23 were adversarial. The Parties went into the mediation willing to explore the potential for a
24 settlement of the dispute, but each side was also prepared to litigate their position through trial and
25 appeal if a settlement had not been reached.

26 8. After extensive negotiations and discussions regarding the strengths and
27 weaknesses of Plaintiff’s claims and Defendants’ defenses, the Parties were able to reach a
28 resolution, the material terms of which are encompassed within the Settlement Agreement.

Attached as **Exhibit 1** is a true and correct copy of the Joint Stipulation of Class Action and PAGA Settlement and Release Between Plaintiff and Defendant (“Settlement Agreement”).

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

10. I requested several bids from experienced class action settlement administrators to handle the responsibilities of the Settlement Administrator under this Settlement. The Parties accepted the bid of CPT Group, Inc. CPT has multiple years of experience in the field of Class Action Administration, particularly in the wage-and-hour arena. In its bid, CPT agreed to cap its costs at \$10,250.00 if there are 250 class members. CPT’s bid also accounts for Notice in English and Spanish. A true and correct copy of the bid is attached hereto as **Exhibit 2**.

11. Plaintiff does not have any interest, financial or otherwise, in the proposed third-party administrator, CPT.

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

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

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

THE PROPOSED SETTLEMENT IS FAIR AND REASONABLE

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

16. Based on an analysis of the facts and legal contentions in this case, documents and information from Defendant, I evaluated Defendant’s maximum exposure. I took into account the

1 risk of not having the claims certified and the risk of not prevailing at trial, even if the claims are
2 certified. After using the data Defendant provided, including class member timekeeping and
3 payroll records, as well as class member demographics (i.e., the number of class members,
4 workweeks, and average total compensation of the class), with the assistance of a statistics expert,
5 I created a damages model to evaluate the realistic range of potential recovery for the class. The
6 damages model is based on the following benchmarks:

7	Total Class Members: 189
8	Terminated Class Members during 3-year statute: 91
9	Total Workweeks: 18,249
10	Total Shifts Worked by the Class: 81,648
11	PAGA Pay Periods: 4,081
12	PAGA Eligible Employees: 126
13	Avg. Hourly Rate: \$20.58

14 17. Based on Plaintiff's discovery and investigation, Class Counsel reached the
15 conclusion that Defendant failed to pay class members for all hours worked, including overtime
16 wages, Defendant had a policy and practice of not providing its employees with California
17 compliant meal and rest periods which it did not pay appropriate premiums for, and Defendant
18 required its employees to work "off-the-clock" prior to clocking in for the workday, during meal
19 periods, and after clocking out for the workday, time which it did not pay for, and Defendant failed
20 to reimburse its employees for business-related expenses. Defendant denies these claims.

21 18. Plaintiff further alleges that Defendant failed to pay for all hours worked, including
22 minimum wages, straight time wages, and overtime wages, by requiring class members to work
23 off-the-clock, unpaid. For purposes of calculating Defendant's liability based on a best case
24 scenario for Plaintiff and the Class, I estimate that Defendant's maximum potential exposure by
25 assuming that all unpaid work time should have been paid at the overtime rate, not minimum or
26 straight time wages, and I assumed that Defendants is liable for 1 hour of unpaid worktime per
27 week. This results in an estimate of \$563,346.63 (18,249 weeks * \$20.58 hourly overtime rate *
28 1.5 overtime rate * 1 hour of unpaid work per week), but I discounted this figure by 80% to account

1 for the difficulty of prevailing on a motion for class certification and a trial on the merits because
2 liability depends on whether Defendant knew or should have known that class members were
3 working off-the-clock, yielding a realistic damage estimate of \$112,669.33.¹

4 19. With respect to the meal period claim, Plaintiff alleges that Defendant required him
5 and similarly situated class members to either work in lieu of taking meal periods, or their meal
6 periods were untimely or interrupted. My expert analyzed Defendant's timekeeping records and
7 opined that approximately 19.4% of all meal breaks had violations of short, missed, or no meal
8 periods. Potential liability for the meal period claim, which includes shifts over six hours long and
9 shifts over 12 hours long, is \$925,825.00. However, the data showed that Defendant paid
10 approximately \$78,728.00 in meal period premium payments since 2020, so I reduced Defendant's
11 liability by this amount, yielding \$847,097.00. I further discounted this figure by 80% to account
12 for the difficulty of certifying and proving meal period claims, as well as Defendant's contention
13 that the claim lacks merit, particularly in light of its numerous meal period premium payments,
14 yielding a realistic damage estimate of \$169,419.40.

15 20. With respect to the rest period claim, Plaintiff alleges that Defendant required him
16 and similarly situated class members to work in lieu of taking rest periods, or their rest periods
17 were untimely or interrupted. Assuming a 50% violation rate for the class period based on
18 Plaintiff's and other class members' experience working for Defendant, Defendant's potential
19 liability for the rest period claim is \$1,056,516.00; however, I discounted this figure by 80% to
20 account for the difficulty of certifying and proving rest period claims, particularly because rest
21 periods do not have to be recorded, and to account for the possibility of class members voluntarily
22 choosing to forego a rest period, yielding a realistic damage estimate of \$211,303.20.

23 21. Plaintiff alleges that Defendant failed to reimburse necessary business expenses.
24 Defendant's employees (including Plaintiff) were frequently required to use their personal cell
25

26 ¹ An 80% discount for risk at certification and trial is reasonable because the Judicial
27 Council of California found that only 21.4% of all class actions were certified either as part of a
28 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](http://www.courts.ca.gov/documents/class-action-lit-study.pdf).

1 phones to communicate with their supervisors and managers about work-related duties. This
2 included communication regarding their schedules and/or the following day's or week's tasks. For
3 purposes of calculating Defendant's liability based on a best case scenario for Plaintiff and the
4 Class, I estimated that Defendant was liable to each class member for \$200 per person and \$40 per
5 month in unreimbursed expenses, for a total amount of \$219,120.00; however, I discounted this
6 figure by 80% to account for the difficulty of certifying and proving expense reimbursement
7 claims, particularly in light of written policies and practices providing a mechanism for class
8 member's to seek reimbursement, yielding a realistic damage estimate of \$43,824.00.

9 22. Plaintiff also alleges that Defendant did not pay the required regular rate of pay for
10 missed meal, rest, and recovery breaks and instead paid at the employees' base hourly rate,
11 resulting in a violation of Labor Code §246(1). For purposes of calculating Defendant's liability
12 based on a best case scenario for Plaintiff and the Class, I estimated that Defendant was liable for
13 unpaid meal break premiums and unpaid sick pay based off of Defendant's employees' regular rate
14 of pay. Defendant's potential liability for unpaid meal break premiums and sick pay is
15 \$169,801.11. However, I discounted this figure by 80% to account for the difficulty of certifying
16 and proving that Defendant incorrectly paid their employees' premiums and sick pay at the
17 appropriate rate, yielding a realistic damage estimate of \$33,960.22.

18 23. In sum, I estimated that Plaintiff's maximum recovery for the off-the-clock claim,
19 meal period violations, rest period violations, failure to reimburse expenses, and unpaid sick pay
20 is \$2,855,880.74, but, after factoring in the risk and uncertainty of prevailing at certification and
21 trial, I estimate that Plaintiff's realistic estimated recovery for the non-penalty claims is
22 \$571,176.15.

23 24. With respect to Plaintiff's derivative claims for statutory and civil penalties,
24 Plaintiff estimated that Defendants' realistic potential liability is \$465,524.55. While Defendants'
25 maximum potential liability for waiting time penalties is \$399,856.00 based on approximately 91
26 terminated class members during the 3-year statute (91 * 20.58 * 7.1 hours * 30 days), \$401,800.00
27 for inaccurate wage statements based on approximately 126 class members who worked 4,081 pay
28 periods within the 1-year statute, and \$408,100.00 for PAGA violations based on the Court

1 assessing a \$100 penalty for initial violations for all 4,081 pay periods within the 1-year statute, I
2 believe that it would be unrealistic to expect the Court to award the full \$1,209,756.00 in penalties
3 given Defendant's defenses, the contested nature of Plaintiff's claims, and the discretionary nature
4 of penalties. Considering that the underlying claims are realistically estimated to be \$465,524.55,
5 such a disproportionate award would also raise due process concerns. Weighing these factors and
6 applying a discount of 80% to account for the risk and uncertainty of prevailing at trial, I arrived
7 at \$241,951.20 for statutory and civil penalties.

8 25. Using these estimated figures, Plaintiff predicted that the realistic maximum
9 recovery for all claims, including penalties, would be \$812,127.35. This means that the
10 \$495,000.00 settlement figure represents 61% of the realistic maximum recovery ($\$495,000.00 /$
11 $\$812,127.35 = 61\%$). Considering the risk and uncertainty of prevailing at class certification and
12 at trial, this is an excellent result for the Class.² Indeed, because of the proposed Settlement, class
13 members will receive timely, guaranteed relief and will avoid the risk of an unfavorable judgment.

14 26. While Plaintiff is confident in the merits of his claims, a legitimate controversy
15 exists as to each cause of action. Plaintiff also recognizes that proving the amount of wages due
16 to each Class Member would be an expensive, time-consuming, and uncertain proposition.

17 27. This Settlement avoids the risks and the accompanying expense of further litigation.
18 Although the Parties had engaged in a significant amount of investigation, informal discovery and
19 class-wide data analysis, the Parties had not yet completed formal written discovery. Plaintiff
20 intended to depose corporate officers and managers of Defendant. Moreover, preparation for class
21 certification and a trial remained for the Parties as well as the prospect of appeals in the wake of a
22 disputed class certification ruling for Plaintiff and/or adverse summary judgment ruling. Had the
23 Court certified any claims, Defendants could move to decertify the claims. As a result, the Parties

25 ² See, e.g., *Wise v. Ulta Salon, Cosmetics & Fragrance, Inc.* (E.D. Cal. Aug. 21, 2019)
26 2019 WL 3943859 at *8 (granting preliminary approval where the proposed allocation to settle
27 class claims was between 9.53 percent of Plaintiffs' maximum recovery); *Bravo v. Gale*
28 *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 would incur considerably more attorneys' fees and costs through trial.

2 28. The Net Settlement Amount available for Class Member settlement payments is
3 estimated to be \$255,000.00, for a class of 189 persons.³ As a result, each Settlement Class
4 Member is eligible to receive an average net benefit of approximately \$1,349.21.

5 29. The proposed Settlement of \$495,000.00, therefore, represents a substantial
6 recovery when compared to Plaintiff's reasonably forecasted recovery. When considering the risks
7 of litigation, the uncertainties involved in achieving class certification, the burdens of proof
8 necessary to establish liability, the probability of appeal of a favorable judgment, it is clear that the
9 settlement amount of \$495,000.00 is within the "ballpark" of reasonableness, and preliminary
10 settlement approval is appropriate.

11 THE CY PRES DISTRIBUTION IS APPROPRIATE

12 30. The proposed settlement agreement seeks to compensate as many Class Members
13 as possible – assisted by a targeted and robust notice program – but if some Class Members do not
14 participate in the payment-election process, Koinonia Family Services ("Koinonia") is an
15 appropriate *cy pres* recipient for residual distribution. Cal. Code of Civ. Pro. §384.

16 31. Koinonia is exemplary non-profit public service organization serving communities
17 across California and Nevada. Koinonia provides foster care services, including adoption services,
18 for youth and families throughout California. As such, the *cy pres* distribution to Koinonia would
19 be appropriate as it would further Koinonia's foster care and adoption services, benefitting
20 Californians and the public interest.

21 32. Neither Wilshire Law Firm, PLC nor I have any affiliation with the proposed *cy*
22 *pres* recipient, Koinonia.

23 33. Neither Wilshire Law Firm, PLC nor I have or will receive any remuneration or
24 consideration of any kind from Koinonia.

25 34. Plaintiff Carl Davis does not have any affiliation with nor will he receive any
26

27 ³ The Net Settlement Amount is: \$495,000.00 minus \$165,000.00 for Class Counsel's
28 attorneys' fees, minus \$20,000.00 for Class Counsel's litigation expenses, minus \$15,000.00 in
administration costs, minus \$30,000.00 for the PAGA payment, and minus \$10,000.00 for the
class representative service award to Plaintiff.

1 renumeration or consideration of any kind from Koinonia.

2 ENHANCEMENT AWARD FOR PLAINTIFF IS REASONABLE

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

8 36. Throughout this Litigation, Plaintiff, who is a former employee of Defendant, has
9 cooperated immensely with my office and has taken many actions to protect the interests of the
10 class. Plaintiff provided valuable information regarding the off-the-clock, meal period, and rest
11 period claims. Plaintiff also informed my office of developments and information relevant to this
12 action, participated in decisions concerning this action, made herself available to answer questions
13 during the mediation, and provided my office with the names and contact information of potential
14 witnesses in this action. Before we filed this case, Plaintiff provided my office with documents
15 regarding the claims alleged in this action. The information and documentation provided by
16 Plaintiff was instrumental in establishing the wage and hour violations alleged in this action, and
17 the recovery provided for in the Settlement Agreement would have been impossible to obtain
18 without Plaintiff's participation.

19 37. At the same time, Plaintiff faced many risks in adding himself as the class
20 representative in this matter. Plaintiff faced actual risks with his future employment, as putting
21 himself on public record in an employment lawsuit could also very well affect his likelihood for
22 future employment. Furthermore, as part of this Settlement, Plaintiff is executing a general release
23 of all claims against Defendant.

24 38. In turn, class members will now have the opportunity to participate in a settlement,
25 reimbursing them for alleged wage violations they may have never known about on their own or
26 been willing to pursue on their own. If these class members would have each tried to pursue their
27 legal remedies on their own, that would have resulted in each having to expend a significant amount
28 of their own monetary resources and time, which were obviated by Plaintiff putting himself on the

1 line on behalf of these other class members.

2 39. In the final analysis, this class action would not have been possible without the aid
3 of Plaintiff, who put his own time and effort into this Litigation, sacrificed the value of his own
4 individual claims, and placed himself at risk for the sake of the class members. The requested
5 enhancement award for Plaintiff for his service as the class representative and for his general
6 release of all individual claims is a relatively small amount of money when the time and effort put
7 into the Litigation are considered and in comparison to enhancements granted in other class actions.
8 The requested incentive award is therefore reasonable to compensate Plaintiff for his active
9 participation in this lawsuit. Indeed, in *Karl Adams, III, et al. v. MarketStar Corporation*, et al.,
10 No. 2:14-cv-02509-TLN-DB, a wage and hour class action alleging that class members were
11 misclassified as exempt outside salespersons, I was co-lead Class Counsel and helped negotiate a
12 \$2.5 million class action settlement for 339 class members, and the court approved a \$25,000.00
13 class representative incentive award for each named Plaintiffs.

14 THE REQUEST FOR ATTORNEYS' FEES AND COSTS IS REASONABLE

15 40. The Settlement provides for attorney's fees payable to Class Counsel in an amount
16 up to one-third (33 1/3%) of the Settlement Amount, for a maximum fees award of \$165,000.00,
17 plus actual costs and expenses not to exceed \$20,000.00. The proposed award of attorneys' fees
18 to Class Counsel in this case can be justified under either method – lodestar or percentage recovery.
19 Class Counsel, however, intend to base the proposed award of fees, costs and expenses on the
20 percentage method as many of the entries in the time records will have to be redacted to preserve
21 attorney-client and attorney work product privileges.

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

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

1 43. As of the drafting of this motion, my office has incurred \$11,313.21 in expenses
2 litigating this action. Additionally, my office anticipates \$300 in filing costs moving forward.
3 Therefore, my office anticipates \$11,613.21 in expenses. These expenses were reasonably
4 necessary to the litigation and were actually incurred by my office. They should be reimbursed in
5 full, up to the maximum amount allowed in the Settlement Agreement. Attached as **Exhibit 3** to
6 this declaration is a breakdown of costs incurred by my office.

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

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

23 MY EXPERIENCE AND QUALIFICATIONS

24 46. Wilshire Law Firm, PLC was selected by Best Lawyers and U.S. News & World
25 Report as one of the nation's Best Law Firms in 2023 and is comprised of over 60 attorneys and
26 over 500 employees. Wilshire Law Firm, PLC is actively and continuously practicing in
27 employment litigation, representing employees in both individual and class actions in both state
28 and federal courts throughout California.

1 47. Wilshire Law Firm, PLC is qualified to handle this Litigation because its attorneys
2 are experienced in litigating Labor Code violations in both individual, class action, and
3 representative action cases. Wilshire Law Firm, PLC has handled, and is currently handling,
4 numerous wage and hour class action lawsuits, as well as class actions involving consumer rights
5 and data privacy litigation.

6 48. I graduated from the University of California, Los Angeles's College Honors
7 Program in 2004 with Bachelor of Arts degrees in History and Japanese, *magna cum laude* and *Phi*
8 *Beta Kappa*. As an undergraduate, I also received a scholarship to study abroad for one year at
9 Tokyo University in Tokyo, Japan. I received my Juris Doctor from Notre Dame Law School in
10 2008.

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

14 50. I have received numerous awards for my legal work. From 2017 to 2020, Super
15 Lawyers selected me as a "Southern California Rising Star," and in 2022 and 2023, I was selected
16 as a "Southern California Super Lawyer." I was selected as one of the "Best Lawyers in America"
17 in 2023 and 2024. In 2016 and 2017, the National Trial Lawyers selected me as a "Top 40 Under
18 40" attorney. I am also rated 10.0 ("Superb") by Avvo.com.

19 51. I am on the California Employment Lawyers Association ("CELA")'s Wage and
20 Hour Committee and Mentor Committee, and I was selected to speak at CELA's 2019 Advanced
21 Wage & Hour Seminar on the topic of manageability of class actions. Since 2013, I have actively
22 mentored young attorneys through CELA's mentorship program.

23 52. I am also a past member of the Consumer Attorneys of California ("CAOC"). In
24 2020, I was selected for a position on CAOC's Board of Directors. I am also a past member of
25 CAOC's Diversity Committee, and I helped assist the CAOC in defeating bills that harm
26 employees. Indeed, I recently helped assist Jacqueline Serna, Esq., Legislative Counsel for CAOC,
27 in defeating AB 443, which proposed legislation that sought to limit the enforceability of California
28 Labor Code § 226.

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

- 6 a. I served as lead or co-lead in negotiating class action settlements worth over \$10
7 million in gross recovery to class members for each year since 2020, including over
8 \$37.5 million in 2022 and over \$70 million in 2023.
- 9 b. I was part of the team of attorneys that prevailed in *Moore v. Centrelake Medical*
10 *Group, Inc.* (2022) 83 Cal.App.5th 515, the first California appellate decision in a
11 data breach class action holding that consumer plaintiffs adequately alleged injury
12 in fact under the benefit of the bargain theory and monitoring-costs theory.
- 13 c. In 2022, Top Verdict recognized Wilshire Law Firm and myself for having one case
14 in the Top 20 Labor & Employment Settlements (including number 19 for the \$1.6
15 million settlement in *Moreno v. Pretium Packaging, L.L.C.*) and four additional
16 cases in the Top 50 Labor & Employment Settlements (numbers 27, 30, 33, and 37).
- 17 d. To my knowledge, I am the only attorney to appear on each of the following Top
18 Verdict lists for 2018 in California: Top 20 Civil Rights Violation Verdicts, Top 20
19 Labor & Employment Settlements, and Top 50 Class Action Settlements.
- 20 e. As lead counsel, on April 29, 2021, I prevailed against CVS Pharmacy, Inc. by
21 winning class certification on behalf of hundreds of thousands of consumers for
22 misleading advertising claims in *Joseph Mier v. CVS Pharmacy, Inc.*, U.S. Dist. Ct.
23 C.D. Cal. no. SA CV 20-1979-DOC-(ADSx).
- 24 f. As lead counsel, I prevailed against Bank of America by: winning class certification
25 on behalf of thousands of employees for California Labor Code violations; defeating
26 appellate review of the court's order certifying the class; defeating summary
27 judgment; and defeating a motion to dismiss. (*Frausto v. Bank of America, N.A.*
28 (N.D. Cal. 2019) 334 F.R.D. 192, 2020 WL 1290302 (9th Cir. Feb. 27, 2020), 2019

1 WL 5626640 (N.D. Cal. Oct. 31, 2019), 2018 W.L. 3659251 (N.D. Cal. Aug. 2,
2 2018).). The decision certifying the class in *Frausto* is also discussed in Class
3 Certification Under Fed. R. Civ. P. 23 in Action by Information Technology or Call
4 Center Employees for Violation of State Law Wage and Hour Rules, 35 A.L.R. Fed.
5 3d Art. 8.

6 g. I was the primary author of the class certification and expert briefs in *ABM*
7 *Industries Overtime Cases* (2017) 19 Cal.App.5th 277, a wage and hour class action
8 for over 40,000 class members for off-the-clock, meal period, split shift, and
9 reimbursement claims. *ABM Industries Overtime Cases* is the first published
10 California appellate authority to hold that an employer’s “auto-deduct policy for
11 meal breaks in light of the recordkeeping requirements for California employers is
12 also an issue amenable to classwide resolution.” (*Id.* at p. 310.)⁴ Notably, the Court
13 of Appeal also held that expert analysis of timekeeping records can also support the
14 predominance requirement for class certification. (*Id.* at p. 310-11.) In 2021, the
15 case settled for \$140 million, making it one of the largest ever wage and hour class
16 action settlements for hourly-paid employees in California.

17 h. I briefed, argued, and won *Yocupicio v. PAE Group, LLC* (9th Cir. 2015) 795 F.3d
18 1057. The Ninth Circuit ruled in my client’s favor and held that non-class claims
19 under California’s Private Attorney Generals Act (“PAGA”) cannot be used to
20 calculate the amount in controversy under the Class Action Fairness Act (“CAFA”).
21 This case is cited in several leading treatises such as Wright & Miller’s Federal
22 Practice & Procedure, and Newberg on Class Actions. In October 2016, the U.S.
23 Supreme Court denied review of a case that primarily concerned *Yocupicio*. That
24 effort was led by Theodore J. Boutrous, who brought the cert petition, with amicus
25

26
27 ⁴ As a California district court observed before the *ABM Industries Overtime* decision,
28 “[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.)

support from a brief authored by Andrew J. Pincus.⁵ 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.

- i. On December 13, 2018, the United States District Court granted final approval of the \$2,500,000 class action settlement in *Mark Brulee, et al. v. DAL Global Services, LLC* (C.D. Cal. Dec. 13, 2018) No. CV 17-6433 JVS(JCGx), 2018 WL 6616659 in which I served as lead counsel. In doing so, the Court found: “Class Counsel’s declarations show that the attorneys are experienced and successful litigators.” (*Id.* at p. *10.)
- j. *Gasio v. Target Corp.* (C.D. Cal. Sep. 12, 2014) 2014 U.S. Dist. LEXIS 129852, a reported decision permitting class-wide discovery even though the employer has a lawful policy because “[t]he fact that a company has a policy of not violating the law does not mean that the employees follow it, which is the issue here.” The court also ordered defendant to pay for the cost of *Belaire-West* notice.
- k. In 2013, I represented a whistleblower that reported that his former employer was defrauding the State of California with the help of bribes to public employees. The case, a false claims (qui tam) action, resulted in the arrest and criminal prosecution of State of California employees by the California Attorney General’s Office.
- l. In 2013, I was part of a team of attorneys that obtained conditional certification for over 2,000,000 class members in a federal labor law case for misclassification of independent contractors that did crowdsourced work on the Internet, *Otey v. CrowdFlower, Inc.*, N.D. Cal. Case No. 12-cv-05524-JST (MEJ), resulting in the following pro-plaintiff reported decisions:
 - i. 2013 U.S. Dist. LEXIS 151846 (N.D. Cal. Oct. 22, 2013) (holding that an unaccepted Rule 68 offer doesn’t moot plaintiff’s claims, and granting

⁵ <http://www.chamberlitigation.com/cases/abm-industries-inc-v-castro>.

1 plaintiff's motion to strike defendant's affirmative defenses based on
2 *Twombly/Iqbal*).

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

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

9 iv. 2013 U.S. Dist. LEXIS 91771 (N.D. Cal. June 20, 2013) (granting broad
10 discovery because "an FLSA plaintiff is entitled to discovery from locations
11 where he never worked if he can provide some evidence to indicate
12 company-wide violations").

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

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

22 a. I have been paid for legal industry consulting services at \$1,500 per hour by
23 Gerson Lehrman Group (GLG), a company that provides financial information
24 and advises investors and consultants with business clients seeking expert advice.
25 GLG is one of the largest companies that provides expert consulting services.
26 GLG's clients include corporations, hedge funds, private equity firms, and
27 consulting firms. I have worked with GLG on numerous occasions at a rate of
28 \$1,500 per hour, including on three recent occasions in October and November of

2023.

- b. On May 6, 2022, the Hon. Jay A. Garcia-Gregory of the United States District Court in Puerto Rico approved my \$850 hourly rate when he granted final approval of the class action settlement in *Serrano v. Inmediata Corp.*, No. 3:19-cv-01811-JAG, Dkt. 57 (U.S. Dist. Ct. P.R. May 6, 2022).
- c. On September 9, 2021, the Hon. Peter Wilson of the Orange County Superior Court approved my \$800 hourly rate when he granted final approval of the class action settlement in *Ricardo Campos Hernandez v. Adams Iron Co., Inc.*, No. 30-2019-01066522-CU-OE-CXC.
- d. On August 6, 2021, the Hon. Stanley Blumenfeld, Jr. of the United States District Court granted final approval of the \$1,600,000 class action settlement in *Carlos Moreno v. Pretium Packaging, Inc.* (C.D. Cal. Aug. 6, 2021) No. 8:19-cv-02500-SB-DFM, 2021 WL 3673845 in which I served as lead counsel. In doing so, the Court approved my then \$750 hourly rate after finding it was “reasonable, given the qualifications of the attorneys who worked on this matter.” (*Id.* at p. *3.)
- e. On January 19, 2021, the Hon. Elihu M. Berle of the Los Angeles County Superior Court approved my \$750 hourly rate when he granted final approval of the class action settlement in *Faye Zhang v. Richemont North America, Inc.*, Case No. 19STCV32396.

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

- a. The 2022 Real Rate Report survey compiled by Wolters Kluwer, which presents the real market rates of Los Angeles area attorneys who practice litigation. For that category, the third quartile 2022 rate was \$1,045 per hour for partners and \$855 for associates. Likewise, page 32 of the Report describes the rates charged by 183 Los Angeles partners with “21 or more years of experience” and “Fewer than 21 years.” For those categories, the third quartile Los Angeles partner rate in 2022 were \$1,133 per hour for 21 or more years and \$1,075 for attorneys with

fewer than 21 years. A true and correct copy of portions of the 2022 Real Rate Report is attached hereto as Exhibit 4.

- 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.

56. Christina M. Le is a Senior Attorney at Wilshire Law Firm. She is admitted to practice in the State of California, the Ninth Circuit Court of Appeals, and the United States District Courts for the Central, Southern, Eastern, and Northern Districts of California. She graduated from Loyola Law School, Los Angeles, and attended the University of California, Berkeley for her undergraduate studies, where she obtained a Bachelor of Arts in History. She has over 15 years of litigation experience, which includes the successful handling of numerous employment, wage and hour, and class representative action matters during the latter half of his career in state and federal court through inception through case resolution. Prior to joining Wilshire Law Firm in November 2021, Ms. Le gained invaluable litigation experience working at various Plaintiffs and defense firms, including Kristensen Weisberg PLC, Jones Bell LLP, Archer Norris PLC, and Lewis Brisbois Bisgaard & Smith LLP. Ms. Le is a member of NELA, CELA, CAALA, LACBA, and the Vietnamese Bar Association of Southern California, and has been a recognized speaker on wage and hour topics for some of these organizations at various conferences and seminars. Her current contingent billing rate for this case is \$800.00 per hour, which is commensurate with Ms. Le’s years of experience and work in this practice area.

57. Arsiné Grigoryan is an Associate Attorney at my office. She earned two Bachelor of Arts degrees from the University of California, Berkeley in (1) Political Science with an emphasis on international relations and (2) Media Studies. She obtained her Juris Doctor degree from Southwestern Law School. She is presently admitted to practice in all state courts of California (admitted in 2017) and before all federal district courts in California. The focus of her practice at Wilshire Law Firm is currently on class action wage-and-hour law, including Private

1 Attorneys General Act of 2004 (“PAGA”) matters. Prior to joining Wilshire Law Firm, PLC, she
2 worked at a law firm specializing in wage-and-hour class action cases. She is also handling more
3 than a dozen active class action matters currently pending and prosecuting multiple PAGA
4 collective action matters in various courts throughout the State of California. Her current
5 contingency billing rate for this case is \$600.00 per hour which is commensurate with Ms.
6 Grigoryan’s years of experience and work in this practice area.

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

9 Executed on January 24, 2024, at Los Angeles, California.

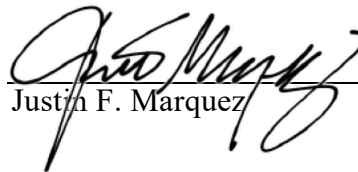
10
11 
12 Justin F. Marquez
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Exhibit 1

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6 CARL DAVIS, individually, and on behalf of all
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11 Tel: (916) 341-0404, Fax: (916) 341-0141

12 Attorneys for Defendant
13 HOMETOWN AMERICA MANAGEMENT, L.P.

14 SUPERIOR COURT OF CALIFORNIA
15 COUNTY OF SACRAMENTO
16

17 CARL DAVIS, individually, and on behalf of
all others similarly situated,

18 *Plaintiff,*

19 v.
20

21 HOMETOWN AMERICA MANAGEMENT,
L.P., a Delaware corporation; and DOES 1
through 10, inclusive,

22 *Defendants.*
23

Case No. 34-2022-00327467

ASSIGNED FOR ALL PURPOSES TO:
JUDGE LAURI A. DAMRELL
DEPARTMENT 28

**JOINT STIPULATION OF CLASS
ACTION AND PAGA SETTLEMENT
AND RELEASE BETWEEN PLAINTIFF
AND DEFENDANT**

24
25 This Joint Stipulation of Class Action and PAGA Settlement and Release (hereinafter
26 “Stipulation of Settlement”) is made and entered into by and between Plaintiff Carl Davis, as an
27 individual and on behalf of all similarly situated and aggrieved employees (“Plaintiff”), and
28 Hometown America Management, L.P. (“Defendant”).

1 This Stipulation of Settlement shall be binding on Plaintiff and those persons Plaintiff seeks
2 to represent, and on: (i) Defendant; (ii) Defendant's respective past, present and future direct and
3 indirect subsidiaries and affiliates of any of the foregoing; (iii) the past, present and future
4 shareholders, partners, directors, officers, owners, agents, employees, clients, attorneys, insurers,
5 predecessors, successors and assigns of any of the foregoing; and (iv) any individual or entity
6 which could be jointly liable with any of the foregoing. The Settlement contemplated by this
7 Stipulation of Settlement may hereinafter be referred to as the "Settlement" or "Stipulation of
8 Settlement."

9 THE PARTIES STIPULATE AND AGREE as follows:

10 1. Plaintiff and Defendant are collectively referred to herein as "the Parties."

11 2. On September 29, 2022, Plaintiff filed a class action complaint, individually and
12 on behalf of other similarly situated, against Defendant in the Sacramento County Superior Court,
13 Case No. 34-2022-00327467, alleging claims of: failure to pay minimum and straight time wages
14 pursuant to Labor Code sections 204, 1194, 1194.2, and 1197; failure to pay overtime wages
15 pursuant to Labor Code sections 1194 and 1198; failure to provide meal periods pursuant to Labor
16 Code sections 226.7 and 512; failure to authorize and permit rest periods pursuant to Labor Code
17 section 226.7; failure to timely pay final wages at termination pursuant to Labor Code sections
18 201-203; failure to provide accurate itemized wage statements pursuant to Labor Code section
19 226; failure to indemnify employees for expenditures pursuant to Labor Code section 2802; and
20 unfair business practices in violation of Business and Professions Code section 17200, *et seq.*

21 3. On September 29, 2022, Plaintiff sent a letter to the Labor and Workplace
22 Development Agency ("LWDA") alleging violations of the Private Attorneys General Act
23 ("PAGA") for the Released PAGA Claims, as defined below.

24 4. On January 13, 2023, Plaintiff filed a first amended complaint in Sacramento
25 County Superior Court ("Complaint"), that included a cause of action for penalties under PAGA.
26 The term "Action" means this putative class and representative action pending in Sacramento
27 County Superior Court. The "Class Period" is from April 4, 2018, through the date the Court
28

1 preliminarily approves of the Settlement, and the “PAGA Period” is from April 4, 2021, through
2 the date the Court preliminarily approves the Settlement.

3 5. This Action has been actively litigated. There have been on-going investigations,
4 and an exchange of extensive documentation and information. The Parties participated in a private
5 mediation before mediator Judge Raul Ramirez on July 6, 2023. Plaintiff has not filed a motion
6 for class certification in this Action, nor has a date been set by the Court for the filing of such a
7 motion.

8 6. For purposes of this Settlement, the “Settlement Class” or “Class Members” shall
9 consist of all persons employed by Defendant in California as a non-exempt employee from April
10 4, 2018 through preliminary approval of the Settlement. The Settlement Class, however, shall not
11 include any person who previously settled or released any of the claims covered by this Settlement,
12 any person who previously was paid or received awards through civil or administrative actions for
13 the claims covered by this Settlement, or any person who submits a timely and valid Request for
14 Exclusion as provided in this Settlement. All Class Members who worked any hours for Defendant
15 in California during any pay period from April 4, 2021 through the date the Court preliminarily
16 approves the Settlement are aggrieved employees with respect to PAGA (“PAGA Members”), and
17 will be paid their PAGA Award and release the Released PAGA Claims (defined below),
18 regardless of whether they submit a timely and valid Request for Exclusion from the Settlement.
19 PAGA Members are not eligible to exclude themselves from, or to opt out of, the Released PAGA
20 Claims (as hereinafter defined).

21 7. Solely for purposes of settling this case, the Parties stipulate and agree that the
22 requisites for establishing class certification with respect to the Settlement Class have been met
23 and are met. More specifically, the Parties stipulate and agree that:

24 a. The Settlement Class is ascertainable and so numerous as to make it
25 impracticable to join all Class Members.

26 b. There are common questions of law and fact, including but not limited to
27 the following:

28 i. Whether Defendant complied with applicable laws affecting

1 Plaintiff and the Settlement Class under the California Labor Code and the Wage Orders of the
2 California Industrial Welfare Commission; and

3 ii. Whether Plaintiff and the Settlement Class are entitled to alleged
4 unpaid wages, penalties, interest, and attorneys' fees and costs.

5 c. Plaintiff believes that Plaintiff's claims are typical of the claims of the
6 members of the Settlement Class.

7 d. Plaintiff believes that Plaintiff Carl Davis will fairly and adequately protect
8 the interests of the Settlement Class, and that Justin F. Marquez and Christina M. Le of Wilshire
9 Law Firm, should be "Class Counsel" and will fairly and adequately protect the interests of the
10 Settlement Class.

11 e. The prosecution of separate actions by individual members of the
12 Settlement Class would create the risk of inconsistent or varying adjudications, which would
13 establish incompatible standards of conduct.

14 f. With respect to the Settlement Class, Plaintiff believes that questions of law
15 and fact common to the members of the Settlement Class predominate over any questions affecting
16 any individual member in such Settlement Class, and a class action is superior to other available
17 means for the fair and efficient adjudication of the controversy.

18 9. Defendant denies any liability or wrongdoing of any kind whatsoever associated
19 with the claims alleged in the Complaint, and further denies that, for any purpose other than settling
20 this Action, this Action is appropriate for class or representative treatment. With respect to
21 Plaintiff's claims, Defendant contends, among other things, that it has complied with all applicable
22 state, federal and local laws affecting Plaintiff and the Settlement Class.

23 10. It is the desire of the Parties to fully, finally and forever settle, compromise and
24 discharge all disputes and claims arising from the allegations and causes of action stated in the
25 Complaint. To achieve a full and complete release of Defendant, each Class Member
26 acknowledges that this Stipulation of Settlement is intended to include in its effect all claims of
27 any nature reasonably arising out of the allegations made in the Complaint.

28 11. It is the intention of the Parties that this Stipulation of Settlement shall constitute

1 a full and complete settlement and release of all claims arising from the allegations in the
2 Complaint against: (i) Defendant; (ii) Defendant's respective past, present and future direct and
3 indirect subsidiaries and affiliates of any of the foregoing; (iii) the past, present and future
4 shareholders, partners, directors, officers, owners, agents, employees, clients, attorneys, insurers,
5 predecessors, successors and assigns of any of the foregoing; and (iv) any individual or entity
6 which could be jointly liable with any of the foregoing (collectively "Released Parties").

7 12. Class Counsel have conducted a thorough investigation into the facts of this Action,
8 and have diligently pursued an investigation of Class Members' claims against Defendant. Based
9 on their own independent investigation and evaluation, Class Counsel are of the opinion that the
10 Settlement with Defendant for the consideration and on the terms set forth in this Stipulation of
11 Settlement is fair, reasonable, and adequate and is in the best interest of the Settlement Class in
12 light of all known facts and circumstances, including the risk of significant delay, the risk the
13 Settlement Class will not be certified by the Court, defenses asserted by Defendant, and numerous
14 potential appellate issues. Defendant and Defendant's Counsel also agree that the Settlement is
15 fair and in the best interest of the Parties.

16 13. The Parties agree to cooperate and take all steps necessary and appropriate to
17 consummate this Settlement and for entry of judgment in accordance with this Stipulation of
18 Settlement.

19 14. This Settlement provides that Defendant will pay Settlement Awards and PAGA
20 Shares (defined below) according to a specified formula to each Class Member who does not
21 request to be excluded from this Settlement. The total payment under the Settlement is
22 \$495,000.00 (the "Maximum Settlement Amount"), which includes all payments to Class
23 Members and PAGA Members, Class Counsel's attorneys' fees, Class Counsel's litigation
24 expenses and costs, the enhancement award to the class representative, penalties of any nature,
25 including PAGA penalties, and settlement administration expenses. It is understood and agreed
26 that Defendant shall have no obligation to pay any person, entity or organization more than the
27 Maximum Settlement Amount, except that Defendant will pay the employer payroll taxes for the
28 wage portion of the Settlement Awards.

1
2 TERMS OF SETTLEMENT

3 15. NOW THEREFORE, in consideration of the mutual covenants, promises and
4 agreements set forth herein, the Parties agree, subject to the Court's approval, as follows:

5 a. It is agreed by and among Plaintiff and Defendant that this Action and any
6 claims, damages or causes of action arising out of the Complaint which are the subject of this
7 Action, be settled and compromised as between the Settlement Class and Defendant, subject to the
8 terms and conditions set forth in this Stipulation of Settlement and the approval of the Court.

9 b. Effective Date: The Settlement embodied in this Stipulation of Settlement
10 shall become effective when all of the following events have occurred: (i) this Stipulation of
11 Settlement has been executed by all Parties and by counsel for Plaintiff and Defendant; (ii) the
12 Court has given preliminary approval to the Settlement; (iii) the class settlement notice has been
13 given to the Settlement Class, providing them with an opportunity to opt out of or to object to the
14 Settlement; (iv) the Court has held a formal final fairness hearing and entered a final order and
15 judgment certifying the Settlement Class and finally approving this Stipulation of Settlement,
16 without objection by the LWDA; and (v) in the event there are objections to the Settlement which
17 are not later withdrawn, the later of the following events: when the period for filing any appeal,
18 writ or other appellate proceeding opposing the Settlement has elapsed without any appeal, writ or
19 other appellate proceeding having been filed; or any appeal, writ or other appellate proceeding
20 opposing the Settlement has been dismissed finally and conclusively with no right to pursue further
21 remedies or relief; or any appeal, writ or other appellate proceeding has upheld the Court's final
22 order with no right to pursue further remedies or relief. In this regard, it is the intention of the
23 Parties that the Settlement shall not become effective until the Court's order approving the
24 Settlement is completely final, and there is no further recourse by an appellant or objector who
25 seeks to contest the Settlement. It is further agreed by the Parties that this Settlement will not
26 become effective if Defendant, contrary to Paragraph 14 above, is required by the Court to pay
27 more than the Maximum Settlement Amount as set forth in Paragraph 14 under any circumstances.
28 It is further agreed by and between the Parties that this Settlement shall not become effective, and

1 Defendant shall not have any obligation (monetary or otherwise) under the terms of this
2 Settlement, unless and until any objections, writs and/or appeals, and any rights of appeal with
3 respect to any objections or the judgment, have been finally exhausted and resolved upholding the
4 terms of this Settlement.

5 c. Maximum Settlement Amount, and Net Settlement Amount: To implement
6 the terms of this Settlement, Defendant, on behalf of the Released Parties, agrees to pay a the
7 Maximum Settlement Amount, which includes: all payments to Class Members and PAGA
8 Members; Class Counsel's attorneys' fees; Class Counsel's litigation expenses and costs; the
9 enhancement award to the class representative; \$30,000 allocated to penalties under PAGA with
10 \$22,500.00 (three-quarters) paid to the LWDA and \$7,500.00 (one-fourth) paid to the Settlement
11 Class as described below; and settlement administration expenses. The Parties agree the Maximum
12 Settlement Amount will be fully paid out, with no residue returning to Defendant. At no time shall
13 Defendant have the obligation to segregate the funds comprising the Maximum Settlement
14 Amount, and Defendant shall retain exclusive authority over, and the responsibility for, those
15 funds. All payments to Class Members and PAGA Members, Class Counsel's attorneys' fees,
16 Class Counsel's litigation expenses and costs, the enhancement award, the PAGA penalties paid
17 to LWDA, and settlement administration expenses will be paid out of the Maximum Settlement
18 Amount. Under no condition will the Released Parties' aggregate liability exceed the Maximum
19 Settlement Amount, except that Defendant will pay the employer payroll taxes for the wage portion
20 of the Settlement Awards in addition to the Maximum Settlement Amount. The "Net Settlement
21 Amount", the amount available for potential distribution to Class Members, shall be calculated by
22 deducting from the Maximum Settlement Amount: (i) Class Counsel's attorneys' fees and
23 litigation expenses and costs; (ii) the enhancement award to the class representative; (iii) the
24 PAGA penalty payment to the LWDA as described further below; and (iv) settlement
25 administration expenses. Settlement Awards to the Class Members, and PAGA Shares to the
26 PAGA Members, will be calculated by the settlement Administrator and paid out of the
27 Net Settlement Amount as set forth below. The entire Net Settlement Amount will be paid out pro
28 rata to Class Members who do not opt out and to PAGA Members.

1 i. Settlement Awards to Class Members: Payments to Class Members
2 under the Settlement (“Settlement Awards”) will be determined based on the number of weeks
3 worked by all Class Members as a non-exempt employee of Defendant in California during the
4 Class Period based on information provided by Defendant. The workweeks will be calculated by
5 the “Settlement Administrator,” as defined below, for Class Members by dividing the total days
6 employed as a non-exempt employee of Defendant in California as a Class Member during the
7 Class Period by seven (7). Partial workweeks will not be counted, meaning incomplete workweeks
8 and/or incomplete pay periods, will be rounded down; however, if a Class Member or PAGA
9 Member worked only one day as a non-exempt employee of Defendant in California, such Class
10 Member will be credited with having worked one workweek for purposes of the Settlement.
11 Defendant’s workweek data will be presumed to be correct, unless a particular Class Member
12 proves otherwise to the Settlement Administrator by credible written evidence. All workweek and
13 pay period disputes will be resolved and decided by the Settlement Administrator, and the
14 Settlement Administrator’s decision on all workweek and pay period disputes will be final and
15 non-appealable. The amount to be paid per workweek to eligible Class Members will be calculated
16 by the Settlement Administrator by dividing the Net Settlement Amount by the number of weeks
17 worked by Class Members who do not opt out of the Settlement. No claim form shall be required
18 for Settlement Class Members to receive their Settlement Awards.

19 ii. Private Attorneys General Act Allocation: Subject to Court
20 approval, the Parties have agreed to allocate \$30,000.00 of the Maximum Settlement Amount to
21 Plaintiff’s representative claims under PAGA. Seventy-five percent (75%) of this amount, or in
22 other words \$22,500.00, will be paid out of the Maximum Settlement Amount to the LWDA of
23 the State of California, and the remaining twenty-five percent (25%), or in other words \$7,500.00
24 (“Net PAGA Settlement Amount”), will remain included in the Net Settlement Amount and paid
25 to the PAGA Member under the Settlement (the “PAGA Awards”). The Settlement Administrator
26 will calculate the number of pay periods covered by the PAGA Members during the PAGA Period
27 based on information to be provided by Defendant. Partial pay periods will not be counted;
28 however, if a PAGA Member worked only one day as a non-exempt employee of Defendant in

1 California, such PAGA Member will be credited with having worked one pay period for purposes
2 of the Settlement. Defendant's pay period data will be presumed to be correct, unless a particular
3 PAGA Member proves otherwise to the Settlement Administrator by credible written evidence.
4 All pay period disputes will be resolved and decided by the Settlement Administrator, and the
5 Settlement Administrator's decision on all pay period disputes will be final and non-appealable.
6 The amount to be paid per pay period to PAGA Members will be calculated by the Settlement
7 Administrator by dividing the Net PAGA Settlement Amount by the aggregate number of pay
8 periods worked by PAGA Members. No claim form shall be required for PAGA Members to
9 receive their PAGA Awards.

10 iii. Allocation of Settlement Awards: The Parties have agreed, based
11 on the allegations in the Action, that individual Settlement Awards payable to eligible Class
12 Members will be allocated from the Net Settlement Amount and paid as follows: one-third (1/3)
13 will be allocated to alleged unpaid wages for which IRS Forms W-2 will be issued; two-thirds
14 (2/3) will be allocated to alleged unpaid interest and penalties for which IRS Forms 1099-MISC
15 will be issued. Individual PAGA Awards for the PAGA Members will be paid from the Net PAGA
16 Settlement Amount, after the required payment to the LWDA, as alleged penalties for which IRS
17 Form 1099 will be issued.

18 iv. Settlement Awards and PAGA Awards Do Not Trigger Additional
19 Benefits: All Settlement Awards to Class Members and all PAGA Awards to PAGA Members
20 shall be deemed to be income to such Class Members and PAGA Members solely in the year in
21 which such awards actually are received by the Class Members and PAGA Members. It is
22 expressly understood and agreed that the receipt of such Settlement Awards and PAGA Awards
23 will not entitle any Class Member or PAGA Member to additional compensation or benefits under
24 any company bonus, contest or other compensation or benefit plan or agreement in place during
25 the period covered by the Settlement, nor will it entitle any Class Member or PAGA Member to
26 any increased retirement, 401(k) benefits or matching benefits, or deferred compensation benefits.
27 It is the intent of this Settlement that the Settlement Awards and PAGA Awards provided for in
28 this Agreement are the sole payments to be made by Defendant to the Class Members and the

1 PAGA Members in connection with this Settlement, and that the Class Members and PAGA
2 Members are not entitled to any new or additional compensation or benefits as a result of having
3 received the Settlement Awards and PAGA Awards (notwithstanding any contrary language or
4 agreement in any benefit or compensation plan document that might have been in effect during the
5 period covered by this Settlement).

6 v. Attorneys' Fees and Litigation Costs: Subject to Court approval or
7 modification, Defendant agrees to pay, from the Maximum Settlement Amount, Class Counsel's
8 attorneys' fees and litigation expenses and costs as set forth in Paragraph 17 below.

9 vi. Class Representative: The Parties agree to the designation of
10 Plaintiff Carl Davis as "Class Representative." Subject to Court approval, and subject to Plaintiff's
11 execution of a general release of all claims under California Code of Civil Procedure section 1542,
12 Defendant agrees to pay to Plaintiff, from the Maximum Settlement Amount, an award at no
13 additional cost to the Released Parties ("Enhancement Award"). The Enhancement Award paid
14 to the Class Representative cannot exceed \$10,000.00, is subject to Court approval, and is in
15 addition to any claimed individual Settlement Award or PAGA Award to which the Class
16 Representative is entitled under this Stipulation of Settlement. The Enhancement Award is to be
17 paid out of, and to be deducted from, the Maximum Settlement Amount. The Settlement
18 Administrator will issue an IRS Form 1099-MISC for the Enhancement Award to Plaintiff for
19 Plaintiff's service as a Class Representative, and Plaintiff will be responsible for correctly
20 characterizing this compensation for tax purposes and for paying any taxes on the amount received.
21 Should the Court approve an Enhancement Award to the Class Representative in an amount less
22 than that set forth above, the difference between the lesser amount approved by the Court and the
23 Enhancement Award set forth above shall be added to the Net Settlement Amount.

24 vii. Settlement Administrator: The "Settlement Administrator" will be
25 CPT Group Inc., or such other administrator mutually agreed upon by the Parties, after review and
26 approval by the Parties of a not-to-exceed quote for settlement administration expenses which
27 Plaintiff's Counsel agrees to request and circulate to Defendant's Counsel. All settlement
28 administration expenses shall be paid out of, and be deducted from, the Maximum Settlement

1 Amount.

2 viii. Mailing of Settlement and PAGA Awards: The Settlement
3 Administrator will cause the Settlement Awards to be mailed to the Class Members who have not
4 opted out of the Settlement and have not previously released their claims as to Defendant, and the
5 PAGA Awards to be mailed to PAGA Members, within thirty-five (35) calendar days after the
6 Settlement becomes effective as defined in Paragraph 15.b.

7 ix. Potential Escalator Clause or Alternative Class Period End Date:
8 For Settlement purposes and based on Class Member data presently available at the time of
9 Settlement, Defendant represents that the Class Members consist of 189 employees who have
10 worked 18,021 workweeks from April 4, 2018 to June 22, 2023. The Parties further agree that if
11 the final number of workweeks from April 4, 2018 to June 22, 2023, which formed the basis of
12 the Settlement, increase by more than ten (10) percent above 18,021 workweeks (e.g., to greater
13 than 19,823 workweeks), Defendant, at its sole discretion, shall either: (1) increase the Maximum
14 Settlement Amount by the proportional amount for the percentage of workweeks above ten (10)
15 percent (i.e., by the percentage of workweeks above 19,823 workweeks); or (2) end the Class
16 Period at the point in time where workweeks equal 19,823 workweeks.

17 d. Enhancement Award to Plaintiff for Service as Class Representative: The
18 Settlement Administrator will pay the Enhancement Award approved by the Court to Plaintiff
19 within thirty-five (35) calendar days after the Settlement becomes effective as defined in Paragraph
20 15.b.

21 e. Right to Rescission: If more than ten percent (10%) of the Settlement Class
22 opts out of the Settlement by submitting valid and timely Requests for Exclusion as set forth in the
23 Notice of Proposed Class and PAGA Action Settlement and Hearing Date for Final Court
24 Approval of Settlement (“Class Notice”), Defendant shall have the right (but not the obligation) in
25 its sole discretion to rescind and void the Settlement, before final approval by the Court, by
26 providing written notice to Class Counsel no later than fourteen (14) calendar days after the opt-
27 out deadline. If Defendant exercises this option, Defendant shall pay any costs of settlement
28 administration incurred up to that date but shall not be obligated to pay any Class Counsel’s fees

1 or litigation expenses and costs.

2 SETTLEMENT ADMINISTRATION

3 16. The Settlement Administrator shall be mutually agreed upon by the Parties to
4 perform the customary duties of Settlement Administrator, subject to Court approval. The
5 Settlement Administrator will mail the Class Notice to all Class Members and PAGA Members.
6 The Settlement Administrator will independently review Defendant's data, based on Defendant's
7 records, as to the number of weeks worked during the Class Period, and the number of pay periods
8 worked during the PAGA Period, and will calculate the amounts due to Class Members and PAGA
9 Members in accordance with this Stipulation of Settlement. The Settlement Administrator shall
10 report, in summary or narrative form, the substance of its findings. The Settlement Administrator
11 shall be granted reasonable access to Defendant's records to perform its duties. At the request of
12 Defendant, and upon receipt of funds from Defendant, the Settlement Administrator will issue and
13 send out Settlement Awards to Class Members and PAGA Awards to PAGA Members. Defendant
14 shall be able to review proposed distributions, class workweek data and PAGA pay period data to
15 ensure correct and accurate distributions and representations to the Class Members and PAGA
16 Members through the Class Notice. Tax treatment of the Settlement Awards and PAGA Awards
17 will be as set forth herein and in accordance with state and federal tax laws. All disputes relating
18 to the Settlement Administrator's performance of its duties shall be referred to the Court, if
19 necessary, which will have continuing jurisdiction over the terms and conditions of this Stipulation
20 of Settlement until all payments and obligations contemplated by this Stipulation of Settlement
21 have been fully carried out. The Settlement Administrator shall create and maintain a webpage,
22 which will include links to the Settlement Agreement, Class Notice, Motions for Preliminary and
23 Final Approval, and Motion for Attorneys' Fees as they become available, until the Effective Date.
24 The website shall also include links to any other documents or information the Settlement
25 Administrator deems necessary to perform its duties.

26 ATTORNEYS' FEES AND LITIGATION COSTS

27 17. In consideration for settling this Action, in exchange for the release of claims by
28 the Settlement Class, and subject to final approval or modification by the Court, Defendant agrees

1 to pay, from the Maximum Settlement Amount, Class Counsel attorneys' fees not to exceed thirty-
2 three and one third percent (33.33%) of the Maximum Settlement Amount, or in other words up
3 to \$165,000.00, and attorneys' costs and expenses not to exceed \$20,000.00. Defendant will not
4 object to Class Counsel's application for attorneys' fees and litigation costs up to these amounts.
5 The amounts set forth above will cover all work performed and all fees and costs incurred to date,
6 and all work to be performed and all fees and costs to be incurred in connection with the approval
7 by the Court of this Stipulation of Settlement, the administration of the Settlement, and obtaining
8 the final judgment. Should Class Counsel request lesser amounts, or should the Court approve
9 lesser amounts for attorneys' fees and litigation costs, the difference between the lesser amounts
10 and the fees and litigation expenses and costs set forth above shall be added to the Net Settlement
11 Amount.

12 18. The attorneys' fees and litigation expenses costs approved by the Court shall be
13 paid to Class Counsel within thirty-five (35) calendar days after the Settlement becomes effective
14 as defined in Paragraph 15.b.

15 NOTICE TO THE PLAINTIFF CLASS

16 19. The Class Notice shall be jointly drafted by the Parties and, as approved by the
17 Court, shall be sent by the Settlement Administrator to the Class Members by first-class mail. The
18 Class Notice shall be substantially in the form identified as **Exhibit A** to this Settlement.

19 a. Within thirty (30) calendar days after preliminary approval of this
20 Settlement by the Court, Defendant shall provide to the Settlement Administrator the Class
21 Members' and PAGA Members' names, last-known addresses, last-known telephone numbers,
22 Social Security Numbers, and workweek data during the Class Period and pay period data during
23 the PAGA Period ("Class Data"). The Parties agree the contact information and Social Security
24 Numbers will be used only by the Settlement Administrator for the sole purpose of effectuating
25 the Settlement and will not be provided to Class Counsel at any time or in any form. The
26 Settlement Administrator shall take reasonable steps to protect the confidential and private
27 information. To the extent Class Counsel possesses or comes to possess the contact information
28 and/or Social Security Numbers from the Settlement Administrator, Class Counsel shall return all

1 such information (including copies and data or information derived therefrom) within five (5)
2 calendar days from the date the Court finally approves the Settlement, shall destroy all copies in
3 any form of such information, and shall not retain, maintain or use such information for any
4 purpose. The information provided for above shall be based on Defendant's payroll and other
5 business records and in a format acceptable to the Settlement Administrator. Defendant agrees to
6 consult with the Settlement Administrator prior to the production date to ensure that the format
7 will be acceptable to the Settlement Administrator. The information will need to be provided to
8 the Settlement Administrator using reasonable security measures and reasonably secure
9 technology. The Settlement Administrator will run a check of the Class Members' and PAGA
10 Members' addresses against those on file with the U.S. Postal Service's National Change of
11 Address List. Within thirty (30) calendar days of receiving the Class Data, the Settlement
12 Administrator will mail the Class Notice to Class Members and PAGA Members.

13 b. Class Notices returned to the Settlement Administrator as non-delivered
14 shall be resent to the forwarding address, if any, on the returned envelope. If there is no forwarding
15 address, the Settlement Administrator will do an NCOA check and will skip-trace return mail using
16 the Class Member's and PAGA Member's, as applicable, Social Security Number and re-mail
17 within five (5) calendar days of receipt; this search will be performed only once per Class Member
18 and PAGA Member by the Settlement Administrator. Upon completion of these steps by the
19 Settlement Administrator, Defendant and the Settlement Administrator shall be deemed to have
20 satisfied their obligations to provide the Class Notice to the affected member of the Settlement
21 Class. The affected member of the Settlement Class shall remain a member of the Settlement
22 Class and shall be bound by all the terms of the Stipulation of Settlement and the Court's Order
23 and Final Judgment.

24 c. The Class Notice shall identify the procedures for opting out of or objecting
25 to the Settlement.

26 d. Class Counsel shall provide to the Court, at least sixteen (16) court days
27 before the Final Fairness hearing, an initial declaration by the Settlement Administrator of due
28 diligence and proof of mailing with regard to the mailing of the Class Notice.

ADMINISTRATION PROCESS

20. The Class Members will have sixty (60) calendar days from the date of mailing in which to submit requests for exclusion (“opt out”). PAGA Members are not entitled to opt out as a PAGA Member. Class Members whose Notices are remailed shall have ten (10) calendar days from the remailing of the Notice or until the end of the initial 60-day period, whichever comes later, in which to opt out.

21. Settlement Awards to Class Members and PAGA Awards to PAGA Members will be mailed by the Settlement Administrator within thirty-five (35) calendar days after the Settlement becomes effective as defined in Paragraph 15.b. Settlement Award and PAGA Award checks shall remain valid and negotiable for one hundred twenty (120) calendar days from the date of their issuance; the Parties agree the Settlement Administrator will send one (1) reminder notice to all Class Members and PAGA Members who have not cashed the Settlement Award or PAGA Award check thirty (30) calendar days prior to the deadline; upon the deadline to cash the Settlement Award and PAGA Award checks, the checks will automatically be cancelled by the Settlement Administrator if not cashed by the Class Member or the PAGA Member within that time, at which point the Class Members’ and PAGA Members’ checks will be deemed void and of no further force or effect, and the Class Members’ and PAGA Members’ claims will remain released by the Settlement. The checks provided to Class Members and PAGA Members shall prominently state the expiration date or a statement that the checks will expire in one hundred twenty (120) days, or alternatively, such a statement may be made in a letter accompanying the check. Expired Settlement Award and PAGA Award checks will not be reissued, except for good cause and as mutually agreed by the Parties in writing. Any residue from uncashed Settlement Award or PAGA Award checks after the expiration date will be paid within fourteen (14) calendar days after the one hundred twenty (120)-day check cashing period expires pursuant to California Code of Civil Procedure section 384(b)(3) to Koinonia Family Services, a non-profit 501(c)(3) organization with child advocacy programs in the State of California, as the *cy pres* recipient, subject to Court approval. Any residue received by Koinonia Family Services shall be ordered by the Court to be used solely for child advocacy programs within the State of California pursuant to

1 California Code of Civil Procedure section 384(b). Upon completion of its calculation of
2 payments, the Settlement Administrator shall provide Defendant with a report listing the amount
3 of all payments to be made to each Class Member and PAGA Member. Defendant, on behalf of
4 the Released Parties, will pay to the Settlement Administrator the Maximum Settlement Amount
5 within thirty (30) calendar days after the Settlement becomes effective as defined in Paragraph
6 15.b. The Settlement Administrator will be responsible for making appropriate deductions,
7 calculating and reporting the employer payroll taxes on the Settlement Awards and PAGA Awards,
8 paying to Class Counsel any Court-approved attorneys' fees and litigation expenses and costs,
9 paying to the Class Representative any Court-approved Enhancement Award, paying the LWDA
10 seventy-five percent (75%) of the amount allocated for PAGA penalties above, paying the
11 settlement administration expenses, meeting tax reporting obligations, and for issuing the
12 individual Settlement Awards to Class Members and PAGA Awards to PAGA Members. Proof of
13 compliance with the Court's final approval order will be provided to counsel for the Parties by the
14 Settlement Administrator within twenty-one (21) days after all payment obligations, the check
15 cashing deadline for Class Members, and payment to the *cy pres* beneficiary have passed.

16 OPTING OUT OF / OBJECTING TO THE SETTLEMENT

17 22. Opting Out of the Settlement. For those Class Members who do not wish to
18 participate in the Settlement, such Class Members may exclude themselves by submitting a timely
19 written request to the Settlement Administrator. PAGA Members cannot opt out as a PAGA
20 Member. The written request ("Request for Exclusion") should state that he/she has received the
21 "Notice of Proposed Class Action Settlement and Hearing Date for Final Court Approval of
22 Settlement", he/she has decided not to participate in the Settlement, and words to the effect that
23 he/she desires to be excluded from the Settlement. The Request for Exclusion must also state the
24 individual's full name, address, date of birth, and dates he/she worked as a non-exempt employee
25 for Defendant in California. The Request for Exclusion must be signed, dated and mailed by
26 First-Class U.S. Mail, or the equivalent, to the Settlement Administrator. All Requests for
27 Exclusion must be postmarked and mailed to the Settlement Administrator no later than sixty (60)
28 calendar days after the Settlement Administrator mails the Class Notice to the Class Members.

1 Any individual who submits a Request for Exclusion will not be allowed to object to the terms of
2 the Settlement.

3 23. Objecting to the Settlement. Any individual who does not exclude himself/herself
4 from the Settlement can object to the terms of the Settlement in writing before the deadline to
5 object to the Settlement. To object, the individual must file a written objection and a notice of
6 intention to appear at the final approval hearing with the Clerk of the Sacramento County Superior
7 Court of the State of California and send copies to the Settlement Administrator, Class Counsel,
8 and counsel for Defendant. Any written objection must state each specific reason in support of
9 the objection and any legal support for each objection. The individual must state his/her full name,
10 address, date of birth, and dates he/she worked as a non-exempt employee in California for
11 Defendant. To be valid and effective, any written objections to approval of the Settlement must
12 be filed with the Clerk of the Court and delivered to the Settlement Administrator, Class Counsel,
13 and counsel for Defendant no later than sixty (60) calendar days after the Settlement Administrator
14 mails the Class Notice. However, a Class Member and PAGA Member may appear at the final
15 approval hearing, either in person or through his/her own counsel, and object to the Settlement
16 Agreement and any of its terms without submitting a prior objection in the manner and by the
17 deadline specified above. If the Court rejects the objection, the individual will be bound by the
18 terms of the Settlement.

19 RELEASE BY THE CLASS

20 24. Effective upon the date of final approval by the Court of this Stipulation of
21 Settlement, and except as to such rights or claims as may be created by this Stipulation of
22 Settlement, the Settlement Class and each member of the Settlement Class who has not submitted
23 a valid Request for Exclusion fully release and discharge the Released Parties from all claims
24 under state, federal and local law that were or could have been asserted based on the facts and
25 allegations made in the Action, and any amendments thereto, as to the Class Members, including
26 without limitation, California Labor Code sections 201, 202, 203, 204, 210, 218.5, 218.6, 226,
27 226.3, 226.7, 510, 512, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1198, 2698, *et seq.*, 2699, 2802,
28 California Industrial Commission Wage Orders, Cal. Code Regs., Title. 8, section 11040, *et seq.*,

1 California Code of Civil Procedure section 1021.5, and Business and Professions Code sections
2 17200, *et seq.*, and including all claims for or related to alleged unpaid wages, overtime or double
3 time wages, minimum wages, regular rate of pay, timely payment of wages during employment,
4 timely payment of wages at separation, meal periods and meal period premiums, rest periods and
5 rest period premiums, off-the-clock work, payroll deductions, wage statements, payroll records
6 and recordkeeping, failure to pay additional 401(k) benefits and/or deferred compensation benefits
7 and/or matching benefits for payments received under the Settlement, unfair competition, unfair
8 business practices, unlawful business practices, fraudulent business practices, conversion, class
9 actions, representative actions, aggrieved party claims, injunctive relief, declaratory relief,
10 accounting, punitive damages, liquidated damages, penalties of any nature (including but not
11 limited to civil penalties, waiting-time penalties, and PAGA penalties), interest, fees, costs, as well
12 as all other claims and allegations alleged in the Action (collectively “Released Class Claims”),
13 from April 4, 2018 through the date the Court preliminarily approves the Settlement (“Class
14 Release Period”). Expressly excluded from the release are claims for retaliation, discrimination,
15 unemployment insurance, disability, workers’ compensation, and claims outside the Released
16 Claims.

17 25. Effective upon the date of final approval by the Court of this Stipulation of
18 Settlement, the claims to be released by the PAGA Members include all claims arising during the
19 PAGA Period seeking civil penalties under PAGA, that Plaintiff as proxy for the State of California
20 and/or the LWDA, to the maximum extent permitted by law, and as a private attorney general
21 acting on behalf of Plaintiff and the PAGA Members, asserted or could reasonably have asserted
22 based on the facts alleged in the Action and/or the LWDA letter, including but not limited to all
23 claims arising under the California Labor Code including, but not limited to, sections 201, 202,
24 203, 204, 210, 226, 226.3, 226.7, 510, 512, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1198, 2698,
25 *et seq.*, 2699, 2802 (as alleged in the Complaint) and the wage orders of the California Industrial
26 Welfare Commission and any other Labor Code section or Wage Order based the facts alleged in
27 the Action (collectively “Released PAGA Claims”). The Settlement shall release and bar all
28 Released PAGA Claims by or on behalf of Plaintiff and all PAGA Members from April 4, 2021,

1 through the date the Court preliminarily approves the Settlement (“PAGA Release Period”) and
2 for the entire PAGA Release Period, regardless of whether Plaintiff and/or a PAGA Member
3 negotiates (cashes) their/his/her settlement checks sent pursuant to this Settlement and regardless
4 of whether any such PAGA Member opts out or attempts to exclude themselves/himself/ herself
5 from the Settlement.

6 26. In addition to the Released Claims identified in Paragraph 24, Plaintiff Carl Davis
7 agrees to generally release the Released Parties from any and all claims, whether known or
8 unknown, under all federal, state and local statutes, and federal and state common law (including
9 but not limited to those for contract, tort and equity), except for workers’ compensation claims.
10 Plaintiff acknowledges the language of Section 1542 of the California Civil Code, which provides:

11 A general release does not extend to claims that the creditor or
12 releasing party does not know or suspect to exist in his or her favor
13 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.

14 Plaintiff expressly waives the protection of Section 1542. Plaintiff understands and agrees
15 that claims or facts in addition to or different from those which are now known or believed by
16 Plaintiff to exist may hereafter be discovered. It is Plaintiff’s intention to settle fully and release
17 all of the claims, except for workers’ compensation claims, Plaintiff now has against the Released
18 Parties, whether known or unknown, suspected or unsuspected.

19 DUTIES OF THE PARTIES PRIOR TO COURT APPROVAL

20 27. To effectuate the terms of the Settlement, the Parties agree all formal and informal
21 discovery shall be stayed pending Court approval of the Settlement. Class Counsel agree to notify
22 the Court of the Settlement through a Notice of Proposed Class and PAGA Action Settlement, and
23 to request that all current Court deadlines be continued pending Court approval of the Settlement.
24 Class Counsel agree to cease all affirmative communication (oral and written) with the putative
25 class members, other than through Court-approved notices; this provision does not prevent Class
26 Counsel from communicating with any Class Member or PAGA Member who may contact Class
27 Counsel. Plaintiff shall promptly submit this Stipulation of Settlement to the Sacramento County
28 Superior Court in support of Plaintiff’s Motion for Preliminary Approval and determination by the

1 Court as to its fairness, adequacy and reasonableness. Plaintiff agrees to provide Defendant the
2 opportunity to review and to approve before filing, Plaintiff's Motion for Preliminary Approval.
3 At the same time Plaintiff submits this Stipulation of Settlement to the Sacramento County
4 Superior Court, Plaintiff agrees to submit a copy of the Stipulation of Settlement to the LWDA.
5 Promptly upon execution of this Stipulation of Settlement, Plaintiff shall apply to the Court for the
6 entry of an order preliminarily approving the Settlement in a form that is mutually agreeable
7 between the Parties and also provides for the following:

8 a. Scheduling a Final Fairness hearing on the question of whether the proposed
9 Settlement, including payment of attorneys' fees and litigation expenses and costs, costs of
10 administration and the Class Representative's Enhancement Award should be finally approved as
11 fair, reasonable and adequate as to the members of the Settlement Class;

12 b. Certifying a Settlement Class, Plaintiff Carl Davis as Class Representative,
13 and Justin F. Marquez and Christina M. Le of Wilshire Law Firm, as Class Counsel;

14 c. Approving as to form and content the proposed Class Notice;

15 d. Approving the manner and method for Class Members to request exclusion
16 from the Settlement as contained herein and within the Class Notice;

17 e. Directing the mailing of the Class Notice by first-class mail to the Class
18 Members and PAGA Members;

19 f. Preliminarily approving the Settlement subject only to the objections of
20 Class Members and PAGA Members, and final review by the Court; and

21 g. Enjoining Plaintiff and all Class Members and PAGA Members from filing
22 or prosecuting any other cases, claims, suits or administrative proceedings (including filing claims
23 with the Division of Labor Standards Enforcement of the California Department of Industrial
24 Relations) regarding the Released Class Claims and Released PAGA Claims, unless and until such
25 Class Members have filed valid Requests for Exclusion with the Settlement Administrator and the
26 time for filing Requests for Exclusion with the Settlement Administrator has elapsed.

27 (h) The Preliminary Approval Order shall be substantially in the form identified
28 as **Exhibit B** to this Settlement.

1 DUTIES OF THE PARTIES FOR FINAL COURT APPROVAL

2 28. Class Counsel agree to return all confidential documents, lists and data in all forms
3 and formats (originals and copies) within seven (7) calendar days from final Court approval of the
4 Settlement. Plaintiff agrees to provide Defendant the opportunity to review and to approve before
5 filing, Plaintiff's Motion for Final Approval of Class Action and PAGA Settlement. Class Counsel
6 agrees to submit a proposed final order and judgment mutually agreeable between the Parties, and
7 substantially in the form identified as **Exhibit C** to this Settlement, and provides for the following:

8 a. Approving the Settlement, adjudging the terms thereof to be fair, reasonable
9 and adequate, and directing consummation of its terms and provisions;

10 b. Approving Class Counsel's application for an award of attorneys' fees and
11 litigation expenses and costs;

12 c. Approving the Enhancement Award to the Class Representative; and

13 d. Entering judgment in accordance with California Rules of Court,
14 rule 3.769(h), and permanently barring and enjoining all Class Members and PAGA Members
15 from prosecuting the Released Class Claims and Released PAGA Claims against: (i) Defendant;
16 (ii) Defendant's respective past, present and future direct and indirect subsidiaries and affiliates of
17 any of the foregoing; (iii) the past, present and future shareholders, partners, directors, officers,
18 owners, agents, employees, clients, attorneys, insurers, predecessors, successors and assigns of any
19 of the foregoing; and (iv) any individual or entity which could be jointly liable with any of the
20 foregoing.

21 PARTIES' AUTHORITY

22 29. The signatories hereto hereby represent that they are fully authorized to enter into
23 this Stipulation of Settlement and bind the Parties hereto to the terms and conditions thereof.

24 MUTUAL FULL COOPERATION

25 30. The Parties agree to fully cooperate with each other to accomplish the terms of this
26 Stipulation of Settlement, including but not limited to execution of such documents and taking
27 such other action as reasonably may be necessary to implement the terms of this Stipulation of
28 Settlement. The Parties shall use their best efforts, including all efforts contemplated by this

1 Stipulation of Settlement and any other efforts that may become necessary by order of the Court,
2 or otherwise, to effectuate this Stipulation of Settlement and the terms set forth herein. As soon
3 as practicable after execution of this Stipulation of Settlement, Class Counsel shall, with the
4 assistance and cooperation of Defendant and its counsel, take all necessary steps to secure the
5 Court's final approval of this Stipulation of Settlement.

6 31. The Parties and their respective counsel agree that they will not attempt to
7 encourage or discourage Class Members from filing Requests for Exclusion.

8
9 NO PRIOR ASSIGNMENTS

10 32. The Parties and their counsel represent, covenant and warrant that they have not,
11 directly or indirectly, assigned, transferred or encumbered, or purported to assign, transfer or
12 encumber, to any person or entity any portion of any liability, claim, demand, action, cause of
13 action or right herein released and discharged except as set forth herein.

14 NO ADMISSION

15 33. Nothing contained herein, nor the consummation of this Stipulation of Settlement,
16 is to be construed or deemed an admission of liability, culpability, negligence or wrongdoing on
17 the part of Defendant. Each of the Parties hereto has entered into this Stipulation of Settlement
18 solely with the intention to avoid further disputes and litigation with the attendant inconvenience
19 and expenses.

20 ENFORCEMENT ACTIONS

21 34. The Parties agree that the Sacramento County Superior Court shall retain
22 jurisdiction to enforce the terms of this Settlement pursuant to California Code of Civil Procedure
23 section 664.6. In the event one or more of the Parties to this Stipulation of Settlement institutes
24 any legal action or other proceeding against any other Party or Parties to enforce the provisions of
25 this Stipulation of Settlement or to declare rights or obligations under this Stipulation of
26 Settlement, the successful Party or Parties shall be entitled to recover from the unsuccessful Party
27 or Parties' reasonable attorneys' fees and litigation costs, including expert witness fees, incurred
28 in connection with any enforcement actions.

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To Plaintiff and the Settlement Class

To Defendant

NO PUBLIC COMMENT

CONSTRUCTION

23

1 the extent to which any party or his, her or its counsel participated in the drafting of this Stipulation
2 of Settlement.

3 CAPTIONS AND INTERPRETATIONS

4 38. Paragraph titles or captions contained herein are inserted as a matter of convenience
5 and for reference, and in no way define, limit, extend or describe the scope of this Stipulation of
6 Settlement or any provision of it. Each term of this Stipulation of Settlement is contractual and
7 not merely a recital.

8 MODIFICATION

9 39. This Stipulation of Settlement may not be changed, altered or modified, except in
10 writing and signed by the Parties hereto and approved by the Court. This Stipulation of Settlement
11 may not be discharged except by performance in accordance with its terms or by a writing signed
12 by the Parties hereto.

13 INTEGRATION CLAUSE

14 40. This Stipulation of Settlement and the Confidential Memorandum of
15 Understanding contain the entire agreement between the Parties relating to the Settlement and
16 transaction contemplated hereby, and all prior or contemporaneous agreements, understandings,
17 representations and statements, whether oral or written and whether by a Party or such Party's
18 legal counsel, are merged herein. No rights hereunder may be waived except in writing.

19 BINDING ON ASSIGNS

20 41. This Stipulation of Settlement shall be binding upon and inure to the benefit of the
21 Parties and the Released Parties hereto, and their respective heirs, trustees, executors,
22 administrators, successors and assigns.

23 CLASS MEMBER SIGNATORIES

24 42. It is agreed that because the Class Members and PAGA Members are so numerous,
25 it is impossible or impractical to have each Class Member and PAGA Member execute this
26 Stipulation of Settlement. The Class Notice will advise all Class Members and PAGA Members
27 of the binding nature of the release, and the release shall have the same force and effect as if this
28 Stipulation of Settlement were executed by each member of the Class.

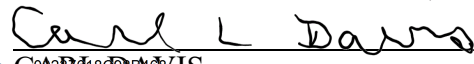
COUNTERPARTS

43. This Stipulation of Settlement may be executed in counterparts and by facsimile signatures, and when each Party has signed and delivered at least one such counterpart, each counterpart, including e-mail and PDF versions, shall be deemed an original and, when taken together with other signed counterparts, shall constitute one Stipulation of Settlement binding upon and effective as to all Parties.

IN WITNESS WHEREOF, the Parties hereto knowingly and voluntarily executed this Joint Stipulation of Class Action and PAGA Settlement and Release between Plaintiff and Defendant as of the date(s) set forth below:

Plaintiff and Class Representative

Dated: 10/30/2023

DocuSigned by:

 CARL DAVIS

Defendant

HOMETOWN AMERICA
MANAGEMENT, L.P.

Dated: _____

By: _____
 Authorized Officer or Agent of Hometown
 America Management Corp., the Sole
 General Partner of HOMETOWN
 AMERICA MANAGEMENT, L.P.

APPROVED AS TO FORM:

WILSHIRE LAW FIRM

Dated: October 30, 2023

By: 
 Justin F. Marquez
 Christina M. Le
 Attorneys for Plaintiff and
 Class and PAGA Members

JACKSON LEWIS P.C.

Dated: November 14, 2023

By: 
 Cary G. Palmer
 Erika M. Barbara
 Attorneys for Defendant

COUNTERPARTS

43. This Stipulation of Settlement may be executed in counterparts and by facsimile signatures, and when each Party has signed and delivered at least one such counterpart, each counterpart, including e-mail and PDF versions, shall be deemed an original and, when taken together with other signed counterparts, shall constitute one Stipulation of Settlement binding upon and effective as to all Parties.

IN WITNESS WHEREOF, the Parties hereto knowingly and voluntarily executed this Joint Stipulation of Class Action and PAGA Settlement and Release between Plaintiff and Defendant as of the date(s) set forth below:

Plaintiff and Class Representative

Dated: _____

CARL DAVIS

Defendant

HOMETOWN AMERICA
MANAGEMENT, L.P.

Dated: October 16, 2023

By: Dory Muiabon
Authorized Officer or Agent of Hometown
America Management Corp., the Sole
General Partner of HOMETOWN
AMERICA MANAGEMENT, L.P.

APPROVED AS TO FORM:

WILSHIRE LAW FIRM

Dated: _____

By: _____
Justin F. Marquez
Christina M. Le
Attorneys for Plaintiff and
Class and PAGA Members

JACKSON LEWIS P.C.

Dated: _____

By: _____
Cary G. Palmer
Erika M. Barbara
Attorneys for Defendant

EXHIBIT A

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SACRAMENTO**

CARL DAVIS, individually, and on behalf of
all others similarly situated,,

Plaintiff,

vs.

HOMETOWN AMERICA MANAGEMENT, L.P., a
Delaware corporation; and DOES 1 through 10, inclusive,

Defendants.

Case No. 34-2022-00327467

**NOTICE OF PROPOSED CLASS ACTION AND
PAGA SETTLEMENT, AND HEARING DATE FOR
FINAL COURT APPROVAL OF SETTLEMENT**

**ATTENTION: ALL PERSONS EMPLOYED BY HOMETOWN AMERICA MANAGEMENT, L.P. AS NON-EXEMPT
EMPLOYEES IN CALIFORNIA FROM APRIL 4, 2018 TO [REDACTED] [DATE OF PRELIMINARY APPROVAL]:**

**PLEASE READ THIS NOTICE CAREFULLY. THIS NOTICE RELATES TO A PROPOSED SETTLEMENT OF CLASS
ACTION LITIGATION. IF YOU ARE A CLASS MEMBER, IT CONTAINS IMPORTANT INFORMATION ABOUT YOUR
RIGHT TO RECEIVE PAYMENT OR TO OPT OUT OF THE SETTLEMENT ACCORDING TO THE PROCEDURES
DESCRIBED BELOW.**

**IF YOU DO NOT WISH TO RECEIVE PAYMENT UNDER THE SETTLEMENT OR PARTICIPATE IN THE
SETTLEMENT, YOU MUST REQUEST TO BE EXCLUDED FROM THE SETTLEMENT CLASS ON OR BEFORE
[REDACTED].**

Pursuant to the Order Granting Preliminary Approval of Class Action and PAGA Settlement of the Superior Court of the State of California in and for Sacramento County entered [REDACTED], YOU ARE HEREBY NOTIFIED AS FOLLOWS:

A class action settlement has been reached between the Parties in the above-captioned lawsuit pending in the Superior Court of the State of California for the County of Sacramento on behalf of all persons currently and formerly employed by Hometown America Management, L.P. ("Defendant") as non-exempt employees in California from April 4, 2018 to [REDACTED] [Preliminary Approval Date] (the "Settlement Class" or "Class Members"); the Settlement Class does not include persons who submit valid Requests for Exclusion (as explained below), or who previously settled, released or received awards for claims covered by the Settlement.

All Class Members who worked any hours for Defendant in California during any pay period from April 4, 2021 through [REDACTED] [Preliminary Approval Date] are aggrieved employees with respect to the California Private Attorneys General Act ("PAGA") ("PAGA Members"), and will be paid their PAGA Award and release the Released PAGA Claims regardless of whether they submit a timely and valid Request for Exclusion from the Settlement.

The "Released Parties" in the Action include: i) Defendant; (ii) Defendant's respective past, present and future direct and indirect subsidiaries and affiliates of any of the foregoing; (iii) the past, present and future shareholders, partners, directors, officers, owners, agents, employees, clients, attorneys, insurers, predecessors, successors and assigns of any of the foregoing; and (iv) any individual or entity which could be jointly liable with any of the foregoing..

You have received this notice because records indicate you worked for Defendant as a non-exempt employee in California during the Class Period and/or PAGA Period (defined below). This notice is to advise you of how you can either participate in the Settlement or be excluded from the Settlement.

I. BACKGROUND OF THE CASE

On September 29, 2022, Plaintiff Carl Davis filed a complaint against Defendant in the Sacramento County Superior Court on behalf of himself and other non-exempt employees who worked for Defendant in California alleging claims of: failure to pay minimum and straight time wages pursuant to Labor Code sections 204, 1194, 1194.2, and 1197; failure to pay overtime wages pursuant to Labor Code sections 1194 and 1198; failure to provide meal periods pursuant to Labor Code sections 226.7 and 512; failure to authorize and permit rest periods pursuant to Labor Code section 226.7; failure to timely pay final wages at termination pursuant to Labor Code sections 201-203; failure to provide accurate itemized wage statements pursuant to Labor Code section 226; failure to indemnify employees for expenditures pursuant to Labor Code section 2802; and unfair business practices in violation of Business and Professions Code section 17200, et seq. On January 13, 2023, Plaintiff filed a first amended complaint, which asserted the same claims and added a claim for

penalties for wage and hour violations under the California Private Attorneys General Act (“PAGA”) (“Complaint”). The term “Action” means this putative class and representative action pending in Sacramento County Superior Court, Case No. 34-2022-00327467. The class period is from April 4, 2018 through [REDACTED] [Preliminary Approval Date] (the “Class Period”). The PAGA period is from April 4, 2021 through [REDACTED] [Preliminary Approval Date] (“PAGA Period”).

Plaintiff’s Complaint alleges a failure to pay wages, including overtime wages, failure to provide meal and rest periods, failure to timely pay wages, failure to provide accurate wage statements, failure to reimburse business expenses, unfair competition, and a PAGA cause of action, on behalf of all persons currently and formerly employed by Defendant as non-exempt employees in California from April 4, 2018 to [REDACTED] [Preliminary Approval Date]. Plaintiff’s Complaint seeks recovery of compensatory damages, penalties, interest, and attorneys’ fees and costs. Defendant denies all claims and denies that Plaintiff and the Class Members and PAGA Members are entitled to any recovery.

The Action has been actively litigated. There have been on-going investigations, and there has been an exchange of extensive documentation and information. Furthermore, the Parties participated in a private mediation before mediator Judge Raul Ramirez on July 6, 2023. Based upon the Parties’ negotiations at mediation, and all known facts and circumstances, including the various risks and uncertainties related to legal actions including the complete defenses to liability potentially available to Defendant, the inherent risk of trial on the merits, the risk of denial of class certification, and the delays associated with litigation, the Parties reached a Class and PAGA Settlement. By settling, the Parties will avoid the risks associated with a lengthy litigation process. Despite agreeing to and supporting the Settlement, Defendant continues to deny all allegations and claims, and entering into the Settlement is not an admission of wrongdoing or liability.

The Parties have since entered into a Joint Stipulation of Class Action and PAGA Settlement and Release between Plaintiff and Defendant, which has been preliminarily approved by the Court.

If you are part of the Settlement Class, you have the opportunity to participate in the Settlement, or to exclude yourself (“opt out”) from the Settlement. PAGA Members are not eligible to exclude themselves from, or to opt out of, the Released PAGA Claims.

II. SUMMARY OF THE PROPOSED SETTLEMENT

A. The Amount of the Settlement

Under the terms of the Settlement, Defendant agrees to pay a Gross Settlement Amount of \$495,000 for all claims, attorneys’ fees and costs, enhancement award, penalties, and settlement administration expenses (“Maximum Settlement Amount”). Deducted from this Maximum Settlement Amount will be sums approved by the Court for attorneys’ fees not to exceed thirty-three and one third percent (33.33%) of the Maximum Settlement Amount which equals \$165,000, attorneys’ costs not to exceed \$20,000, an Enhancement Award to the Class Representative not to exceed \$10,000, the fees and expenses of the settlement administrator estimated not to exceed \$15,000, and \$22,500 payable to the California Labor and Workforce Development Agency (“LWDA”) for alleged PAGA penalties (the “Net Settlement Amount”), and the Net Settlement Amount will be distributed to all Class Members. As explained further below, the amount of each Class Member’s Settlement Award will depend on the number of weeks worked by participating Class Members during the Class Period. Defendant’s employer taxes on the wage portion of the Settlement Awards will be a separate obligation owed and payable by Defendant in addition to the Maximum Settlement Amount.

This notice will list for each Class Member the number of weeks each Class Member worked during the Class Period and his/her estimated Settlement Award. This notice will also list for each PAGA Member the number of pay periods worked during the PAGA Period

B. Settlement Formula, and Settlement Awards

Defendant will pay Settlement Awards through a Settlement Administrator, as described below, to each Class Member who has not submitted a Request for Exclusion from the Settlement. All Settlement Awards will be subject to appropriate taxation. The Parties have agreed, based on the allegations in the Action, that all Settlement Awards payable to eligible Class Members will be allocated from the Net Settlement Amount and paid as one-third (1/3) alleged unpaid wages for which IRS Forms W-2 will issue and two-thirds (2/3) for alleged unpaid penalties and interest for which IRS Forms 1099-MISC will issue. Individual “PAGA Awards” for the PAGA Members will be paid from the Net PAGA Settlement Amount, after the required payment to the LWDA, as alleged penalties for which IRS Form 1099 will issue.

Settlement Awards to Class Members will be based on the number of weeks worked by individual Class Members during the Class Period. The number of workweeks will be determined by reference to Defendant’s records. The Settlement Administrator or Defendant, based on Defendant’s records, will calculate the number of workweeks for each Class Member during the Class Period. The number of weeks worked will be calculated by dividing by seven (7) the total number of days worked by the Class Member for Defendant in

California during the Class Period. Partial workweeks will not be counted, meaning incomplete workweeks will be rounded down; however, if a Class Member worked only one day as a Class Member, such Class Member will be credited with having worked one workweek for purposes of the Settlement.

Receipt of the Settlement Awards will not entitle any Class Member to additional compensation or benefits under any company compensation or benefit plan or agreement in place during the period covered by the Settlement.

C. Calculations to Be Based on Defendant's Records

For each Class Member and PAGA Member, the amount payable to the Class Member and/or the PAGA Member will be calculated by the Settlement Administrator from Defendant's records. Defendant's records will be presumed correct, unless evidence to the contrary is provided to the Settlement Administrator. Defendant's records and any additional evidence will be reviewed by the Settlement Administrator in the event of a dispute about the number of workweeks or pay periods worked by an individual Class Member or PAGA Member. If a Class Member or PAGA Member disputes the accuracy of Defendant's records, all supporting documents evidencing additional workweeks must be submitted by the Class Member or PAGA Member. The dispute will be resolved by the Settlement Administrator as described in Section E below.

D. Release of Claims

The Joint Stipulation of Class Action and PAGA Settlement and Release between Plaintiff and Defendant contains a release which releases Defendant and the Released Parties from all claims under state, federal and local law alleged in the Action and that reasonably could have been alleged in the Action based on the factual allegations contained in the operative Complaint in the Action and any amendments thereto, as to the Class Members, including without limitation, California Labor Code sections 201, 202, 203, 204, 210, 218.5, 218.6, 226, 226.3, 226.7, 510, 512, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1198, 2698, et seq., 2699, 2802, California Industrial Commission Wage Orders, Cal. Code Regs., Title 8, section 11040, et seq., California Code of Civil Procedure section 1021.5, and Business and Professions Code sections 17200, et seq., and including all claims for or related to alleged unpaid wages, overtime or double time wages, minimum wages, regular rate of pay, timely payment of wages during employment, timely payment of wages at separation, meal periods and meal period premiums, rest periods and rest period premiums, off-the-clock work, payroll deductions, wage statements, payroll records and recordkeeping, failure to pay additional 401(k) benefits and/or deferred compensation benefits and/or matching benefits for payments received under the Settlement, unfair competition, unfair business practices, unlawful business practices, fraudulent business practices, conversion, class actions, representative actions, aggrieved party claims, injunctive relief, declaratory relief, accounting, punitive damages, liquidated damages, penalties of any nature (including but not limited to civil penalties, waiting-time penalties, and PAGA penalties), interest, fees, costs, as well as all other claims and allegations alleged in the Action (collectively "Released Class Claims") from April 4, 2018 through [REDACTED] [Preliminary Approval Date] ("Class Release Period"). Expressly excluded from the release are claims for retaliation, discrimination, unemployment insurance, disability, workers' compensation, and claims outside the Released Class Claims.

The claims to be released by PAGA Members include all claims arising during the PAGA Period seeking civil penalties under PAGA, that Plaintiff as proxy for the State of California and/or the LWDA, to the maximum extent permitted by law, and as a private attorney general acting on behalf of Plaintiff and the PAGA Members, asserted or could reasonably have asserted based on the facts alleged in the Action and/or the LWDA letter, including but not limited to all claims arising under the California Labor Code including, but not limited to, sections 201, 202, 203, 204, 210, 226, 226.3, 226.7, 510, 512, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1198, 2698, et seq., 2699, 2802 (as alleged in the Complaint) and the wage orders of the California Industrial Welfare Commission and any other Labor Code section or Wage Order based on the facts alleged in the Action (collectively "Released PAGA Claims"). The Settlement shall release and bar all Released PAGA Claims by or on behalf of Plaintiff and all PAGA Members from April 4, 2021 through [REDACTED] [Preliminary Approval Date] ("PAGA Release Period") and for the entire PAGA Release Period, regardless of whether Plaintiff and/or a PAGA Member negotiates (cashes) their/his/her settlement checks sent pursuant to this Settlement and regardless of whether any such PAGA Member opts out or attempts to exclude himself or herself from the Settlement.

E. Resolution of Workweek Disputes

If a Class Member or PAGA Member disputes the accuracy of Defendant's records as to the number of workweeks or pay periods worked, any documentation supporting such dispute must be submitted to the Settlement Administrator. All workweek and pay period disputes will be resolved and decided by the Settlement Administrator, and the Settlement Administrator's decision on all disputes will be final and binding.

F. Enhancement Award for the Class Representative

Subject to approval by the Court, the Class Representative will receive an Enhancement Award up to \$10,000. This payment will be made for his service as a Class Representative, including active participation in prosecution of the Action, as well as willingness to

accept the risk of incurring Class Counsel's costs or paying Defendant's attorneys' fees and costs for an unsuccessful outcome in the Action. The Class Representative also signed a general release of all claims, which is broader than the release applicable to all other Class Members, to be eligible for the Enhancement Award.

G. Attorneys' Fees and Costs

As consideration for the Settlement and in exchange for the release by the Settlement Class, Defendant agrees to pay Class Counsel's attorneys' fees and costs to be set by the Court, up to a maximum of thirty-three and one third percent (33.33%) of the Maximum Settlement Amount which equals \$165,000, and attorneys' costs not to exceed \$20,000. Class Counsel's attorneys' fees and costs will be paid and deducted from the Maximum Settlement Amount.

III. WHAT ARE YOUR RIGHTS AS A CLASS MEMBER

A. Excluding Yourself from Class Action Portion of the Settlement

If you do not wish to participate in the Settlement, you may be excluded from being a Class Member (i.e., "opt out") by submitting a timely written request to the Settlement Administrator stating you have received notice of the Settlement, decided not to participate in the Settlement, and desire to be excluded from the Settlement, or words to that effect ("Request for Exclusion"). Your Request for Exclusion must also state your full name, address, date of birth, and dates you were employed by Defendant as a non-exempt employee in California. The Request for Exclusion must be signed, dated and mailed by First-Class U.S. Mail, or the equivalent, to:

[REDACTED]
[REDACTED]
[REDACTED]
Telephone: [REDACTED]

The Request for Exclusion must be postmarked no later than [REDACTED]. If you submit a Request for Exclusion which is not postmarked by [REDACTED], your Request for Exclusion will be rejected, and you will be bound by the Release and all other Settlement terms. If the Request for Exclusion is sent from within the United States, it must be sent through the United States Postal Service by First-Class Mail, or the equivalent. Do not use a postage meter as that may not result in a postmark appearing on the envelope containing your Request for Exclusion. Please note you may only exclude yourself from the class action settlement and not from the PAGA Settlement.

Any person who submits a complete and timely Request for Exclusion shall, upon receipt by the Settlement Administrator, no longer be a Class Member, shall be barred from participating in any portion of the Settlement, shall not be entitled to object to the Settlement, shall receive no benefits from the Settlement, shall not be deemed to have relinquished the Released Class Claims against the Released Parties, and, at his or her own expense, may pursue any claims he or she may have against the Released Parties.

B. Objection to Class Action Portion of the Settlement

If you do not exclude yourself from the Settlement, you can object to the terms of the Settlement before the Court grants final approval of the Settlement. However, if the Court rejects your objection, you will still be bound by the terms of the Settlement. To object, you may file a written objection and a notice of intention to appear at the Final Approval hearing currently set for [REDACTED], [REDACTED] Department [REDACTED]. You must file the written objection and notice of intention to appear at the final approval hearing with the Office of the Clerk of the Sacramento County Superior Court, 720 Ninth Street, Sacramento, California 95814, and send copies to the Claims Administrator, and Counsel as follows:

CLASS COUNSEL
Justin F. Marquez
Christina M. Le
WILSHIRE LAW FIRM
3055 Wilshire Blvd., 12th Floor
Los Angeles, California 90010

DEFENDANT'S COUNSEL
Cary G. Palmer
Erika M. Barbara
JACKSON LEWIS P.C.
400 Capitol Mall, Suite 1600
Sacramento, CA 95814

Any written objection must state each specific reason in support of your objection and any legal support for each objection. Your objection must also state your full name, address, date of birth, and dates you were employed as a non-exempt employee in California by Defendant. To be valid and effective, any objections to approval of the Settlement must be filed with the Clerk of the Court, Sacramento County Superior Court, 720 Ninth Street, Sacramento, California 95814, and delivered to the Settlement Administrator and each of the above-listed attorneys no later than sixty (60) calendar days after the Settlement Administrator mails this Class Notice to the Class Members. **DO NOT TELEPHONE THE COURT.**

However, a Class Member may appear at the Final Approval Hearing, either in person or through their own counsel, and object to the Settlement and any of its terms without submitting a prior objection in the manner and by the deadline specified above. If you choose to file an objection to the terms of this Settlement, you may enter an appearance *in propria persona* (meaning you choose to represent yourself) or through your own attorney at your own expense. To do so, you must file an Entry of Appearance with the Clerk of the Sacramento County Superior Court, and deliver copies to the Settlement Administrator and each of the attorneys listed above. Such Entry of Appearance must be filed with the Court and delivered to the above attorneys no later than sixty (60) days after the Settlement Administrator mails this Class Notice to Class Members. You will then continue as a Class Member either *in propria persona* or with representation by your own attorney, and you will be solely responsible for the fees and costs of your own attorney. The final fairness hearing at which the Court will be asked to approve the Settlement will be at [REDACTED] a.m./p.m. (Pacific Time) on [REDACTED], in Department [REDACTED], Superior Court of the State of California for the County of Sacramento, [REDACTED], or such other later date as the Court may authorize.

You may also learn more about making a remote appearance in this matter by reviewing the webpage located at <https://www.saccourt.ca.gov/general/coronavirus.aspx>

IV. EFFECT OF THE SETTLEMENT: RELEASED RIGHTS AND CLAIMS

Upon Final Approval being granted by the Court, each and every Class Member, who does not opt out of the Settlement, will release Defendant and the Released Parties from the Released Class Claims as described above. In other words, if you were employed as a Class Member by Defendant in California during the Class Period, and you do not exclude yourself from the Settlement Class, you will be deemed to have entered into this release and to have released the above-described Released Class Claims. Further, each and every PAGA Member will release Defendant and the Released Parties from the Released PAGA Claims. In addition, you will be barred from ever suing Defendant and the Released Parties with respect to the Released Class Claims and the Released PAGA Claims covered by this Settlement. If the Settlement is not approved by the Court or does not become final for some other reason, the litigation will continue.

V. FINAL SETTLEMENT APPROVAL HEARING

The Court will hold a hearing in Department [REDACTED] of the Superior Court of the State of California in and for the County of Sacramento, [REDACTED], on [REDACTED], at [REDACTED] a.m./p.m. (Pacific Time), to determine whether the Settlement should be finally approved as fair, reasonable and adequate. The Court also will be asked to approve Class Counsel's request for attorneys' fees and costs, the costs of administration, and the Enhancement Award to be paid to the Class Representative. Class Counsel's application for attorneys' fees and litigation costs will be on file with the Court no later than [REDACTED], and will be available for review after that date. Class Counsel are seeking approval of a total of not more than thirty-three and one third percent (33.33%) of the Maximum Settlement Amount for attorneys' fees, which equals \$165,000, and not more than \$20,000 for attorneys' costs. The hearing may be continued without further notice to the Settlement Class. It is not necessary for you to appear at this hearing, unless you wish to object to the Settlement.

VI. ADDITIONAL INFORMATION

The above is a summary of the basic terms of the Settlement. For the precise terms and conditions of the Settlement, you should consult the detailed Joint Stipulation of Class Action and PAGA Settlement and Release between Plaintiff and Defendant ("Stipulation of Settlement") which is on file with the Clerk of the Court. The pleadings and other records in this Action, including the Settlement Agreement, may be examined at any time during regular business hours at the Office of the Clerk of the Sacramento County Superior Court, at 720 Ninth Street, Sacramento, California 95814. You may also visit [www.\[REDACTED\]](http://www.[REDACTED]), which will include links to the Settlement Agreement, Class Notice, Motions for Preliminary and Final Approval, and Motion for Attorneys' Fees as they become available. If you want additional information about this lawsuit and its proceedings, you can contact Class Counsel:

Justin F. Marquez
Christina M. Le
WILSHIRE LAW FIRM
3055 Wilshire Blvd., 12th Floor
Los Angeles, California 90010

Telephone: (213) 784-3030
Facsimile: (213) 381-9989
E-mail: justin@wilshirelawfirm.com
E-mail: cle@wilshirelawfirm.com

PLEASE DO NOT TELEPHONE THE COURT OR THE OFFICE OF THE CLERK FOR INFORMATION REGARDING THIS SETTLEMENT OR THE CLAIM PROCESS.

BY ORDER OF THE SUPERIOR COURT

EXHIBIT B

1 JUSTIN F. MARQUEZ (SBN 262417)
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2 CHRISTINA M. LE (SBN 237697)
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3 WILSHIRE LAW FIRM
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4 Los Angeles, California 90010
Tel: (213) 381-9988, Fax: (213) 381-9989

5 Attorneys for Plaintiff
6 CARL DAVIS, individually, and on behalf of all
others similarly situated

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9 ERIKA M. BARBARA (SBN 215702)
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10 400 Capitol Mall, Suite 1600
Sacramento, CA 95814
11 Tel: (916) 341-0404, Fax: (916) 341-0141

12 Attorneys for Defendant
HOMETOWN AMERICA MANAGEMENT, L.P.

14 SUPERIOR COURT OF CALIFORNIA
15 COUNTY OF SACRAMENTO

17 CARL DAVIS, individually, and on behalf of
all others similarly situated,

18 *Plaintiff,*

19 v.

20 HOMETOWN AMERICA MANAGEMENT,
21 L.P., a Delaware corporation; and DOES 1
through 10, inclusive,

22 *Defendants.*

Case No. 34-2022-00327467

ASSIGNED FOR ALL PURPOSES TO:
JUDGE LAURI A. DAMRELL
DEPARTMENT 22

**[PROPOSED] ORDER GRANTING
PRELIMINARY APPROVAL OF CLASS
ACTION AND PAGA SETTLEMENT**

Date: February 16, 2024
Time: 9:00 a.m.
Dept: 22
Reservation No.: A-327467-001

Complaint Filed: 9/29/2022
Trial Date: Not Set

27 Plaintiff Carl Davis's Motion for Preliminary Approval of Class Action and PAGA
28 Settlement ("Motion") came before this Court on February 16, 2024, in Department 28 before the

1 Honorable Lauri A. Damrell, presiding. The Court having considered the papers submitted in
2 support of the Motion and good cause appearing therefor,

3 IT IS HEREBY ORDERED:

4 1. The Court grants preliminary approval of the Settlement and the Settlement Class
5 based upon the terms set forth in the Joint Stipulation of Class Action and PAGA Settlement and
6 Release Between Plaintiff and Defendant (“Stipulation of Settlement”) filed with the Motion. All
7 terms used herein shall have the same meaning as defined in the Stipulation of Settlement.

8 2. The settlement set forth in the Stipulation of Settlement appears to be fair, adequate
9 and reasonable to the Class. The Settlement falls within the range of reasonableness and appears
10 to be presumptively valid, subject only to any objections that may be raised at the final fairness
11 hearing and final approval by this Court.

12 3. A final fairness hearing on the question of whether the proposed Settlement,
13 attorneys’ fees to Class Counsel, costs of administration, and Class Representative’s Enhancement
14 Award should be finally approved as fair, reasonable and adequate as to the members of the Class
15 is scheduled in Department 28 on the date and time set forth in the Implementation Schedule in
16 Paragraph 10 below.

17 4. This Court approves, as to form and content, the Notice of Proposed Class and
18 PAGA Action Settlement and Hearing Date for Final Court Approval of Settlement (“Class
19 Notice”) (**Exhibit A**). The Court approves the procedure for Class Members to opt out of and to
20 object to the Settlement as set forth in the Stipulation of Settlement and Class Notice.

21 5. Consistent with the definitions provided in the Stipulation of Settlement, the terms
22 “Settlement Class” and “Class Members” shall mean all persons employed by Defendant in
23 California as a non-exempt employee from April 4, 2018 through February 16, 2024. The
24 Settlement Class, however, shall not include any person who previously settled or released
25 the claims covered by this Settlement, or any person who previously was paid or received awards
26 through civil or administrative actions for the claims covered by this Settlement, or any person
27 who submitted a timely and valid Request for Exclusion as provided in this Settlement. The
28 “Class Period” shall be April 4, 2018 through February 16, 2024. All Class Members who

1 worked any hours for Defendant in California during any pay period from April 4, 2021
2 through February 16, 2024 are aggrieved employees with respect to the California Private
3 Attorneys General Act (“PAGA”) (“PAGA Members”), and will be paid their PAGA Share
4 and release the Released PAGA Claims regardless of whether they submit a timely and valid
5 Request for Exclusion from the Settlement.

6 6. The Court directs the mailing of the Class Notice by first-class mail to the Class
7 Members in accordance with the Implementation Schedule set forth in Paragraph 10 below. The
8 Court finds the dates selected for the mailing and distribution of the Class Notice, as set forth in
9 the Implementation Schedule, meet the requirements of due process and provide the best
10 notice practicable under the circumstances and shall constitute due and sufficient notice to all
11 persons entitled thereto.

12 7. It is ordered that the Settlement Class is preliminarily certified for settlement
13 purposes only.

14 8. The Court confirms Plaintiff Carl Davis as Class Representative, and Justin F.
15 Marquez and Christina M. Le of Wilshire Law Firm as Class Counsel.

16 9. The Court confirms the appointment of CPT Group Inc. as the Settlement
17 Administrator.

18 10. To facilitate administration of the Settlement pending final approval, the Court
19 hereby enjoins Plaintiff and all Class Members from filing or prosecuting any claims, suits or
20 administrative proceedings (including filing claims with the Division of Labor Standards
21 Enforcement of the California Department of Industrial Relations) regarding claims released by
22 the Settlement, unless and until such Class Members have filed valid Requests for Exclusion with
23 the Settlement Administrator and the time for opting out of the class has elapsed.

10. The Court orders the following Implementation Schedule for further proceedings:

a.	Deadline for Defendant to Submit Class Member and PAGA Member Information to Settlement Administrator	30 calendar days after Order Granting Preliminary Approval
b.	Deadline for Settlement Administrator to Mail Class Notice to Class Members and PAGA Members	60 calendar days after Order Granting Preliminary Approval
c.	Deadline for Class Members to Postmark Requests for Exclusion	60 calendar days after mailing of Class Notice
d.	Deadline for Defendant to provide written Notice of Rescission of Settlement to Class Counsel (if applicable)	14 calendar days after the opt-out deadline
e.	Deadline for Receipt by Court, Settlement Administrator, and Counsel of any Objections to Settlement	60 calendar days after mailing of Class Notice
f.	Deadline for Class Counsel to file Motion for Final Approval of Settlement, including Request for Attorneys' Fees and Costs, and Enhancement Awards	16 Court days before Final Approval Hearing
g.	Deadline for Settlement Administrator to file Declaration of Due Diligence and Proof of Mailing	16 Court days before Final Approval Hearing
h.	Final Fairness Hearing and Final Approval	Date: _____, 2023 Time: _____ Department: _____
i.	Deadline for Defendant to fund settlement	30 calendar days after Effective Date
j.	Deadline for Settlement Administrator to mail Settlement Awards and Enhancement Award, and to wire transfer Attorneys' Fees and Costs (if Settlement is Effective)	35 calendar days after Effective Date
k.	Deadline for Class Members and PAGA Members to cash Settlement checks (if Settlement is Effective)	120 calendar days after Settlement Administrator mails Settlement Awards and Enhancement Award

1.	Deadline for Settlement Administrator to distribute uncashed Settlement checks amount to <i>cy pres</i> beneficiary (if Settlement is Effective)	14 calendar days after deadline for class members to cash Settlement checks
m.	Settlement Administrator to File Proof of Payment of Settlement Awards, Enhancement Award, Attorneys' Fees and Costs, <i>cy pres</i> payment, and payment to LWDA (if Settlement is Effective)	21 calendar days after deadline for Settlement Administrator to pay any unclaimed residue from uncashed Settlement checks to <i>cy pres</i> beneficiary

IT IS HEREBY ORDERED.

Dated: _____, 2024

Judge of the Superior Court

EXHIBIT C

1 JUSTIN F. MARQUEZ (SBN 262417)
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2 CHRISTINA M. LE (SBN 237697)
cle@wilshirelawfirm.com
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5 Attorneys for Plaintiff
6 CARL DAVIS, individually, and on behalf of all
others similarly situated

7 JACKSON LEWIS P.C.
8 CARY G. PALMER (SBN 186601)
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9 ERIKA M. BARBARA (SBN 215702)
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Sacramento, CA 95814
11 Tel: (916) 341-0404, Fax: (916) 341-0141

12 Attorneys for Defendant
13 HOMETOWN AMERICA MANAGEMENT, L.P.

14 SUPERIOR COURT OF CALIFORNIA
15 COUNTY OF SACRAMENTO
16

17 CARL DAVIS, individually, and on behalf of
all others similarly situated,

18 *Plaintiff,*

19 v.
20

21 HOMETOWN AMERICA MANAGEMENT,
L.P., a Delaware corporation; and DOES 1
through 10, inclusive,

22 *Defendants.*
23
24
25
26

Case No. 34-2022-00327467

ASSIGNED FOR ALL PURPOSES TO:
JUDGE LAURI A. DAMRELL
DEPARTMENT 28

**[PROPOSED] ORDER GRANTING
FINAL APPROVAL OF CLASS ACTION
AND PAGA SETTLEMENT**

Date:
Time:
Dept.:
Judge:

Complaint Filed: 9/29/2022
Trial Date: Not Set

27 The above-referenced Class and Representative PAGA action ("Action") having come
28 before the Court on [REDACTED], in Department 28 before the Honorable Lauri A. Damrell,

1 for a hearing and Order Granting Final Approval of Class Action and PAGA Settlement and
2 Judgment (“Final Order”), consistent with the Court’s Preliminary Approval Order (“Preliminary
3 Approval Order”), filed and entered [REDACTED], and as set forth in the Joint Stipulation of
4 Class Action and PAGA Settlement and Release Between Plaintiff and Defendant (“Stipulation of
5 Settlement”) in this Action, and due and adequate notice having been given to all Class Members
6 and PAGA Members as required in the Preliminary Approval Order, and the Court having
7 considered all papers filed and proceedings had herein and otherwise being fully informed, and
8 good cause appearing therefor,

9 **IT IS HEREBY ORDERED, ADJUDGED AND DECREED:**

10 1. All terms used herein shall have the same meaning as defined in the Stipulation of
11 Settlement.

12 2. Consistent with the definitions provided in the Stipulation of Settlement, the terms
13 “Settlement Class” and “Class Members” shall mean the following: all persons employed by
14 Defendant in California as a non-exempt employee from April 4, 2018 through [REDACTED]
15 [Date of Preliminary Approval]. The Settlement Class, however, shall not include any person who
16 previously settled or released the claims covered by this Settlement, or any person who previously
17 was paid or received awards through civil or administrative actions for the claims covered by this
18 Settlement, or any person who submitted a timely and valid Request for Exclusion as provided in
19 this Settlement. The “Class Period” shall be April 4, 2018 through [REDACTED] [Date of
20 Preliminary Approval]. All Class Members who worked any hours for Defendant in California
21 during any pay period from April 4, 2021 through [REDACTED] [Date of Preliminary
22 Approval] are aggrieved employees with respect to the California Private Attorneys General Act
23 (“PAGA”) (“PAGA Members”), and will be paid their PAGA Share and release the Released
24 PAGA Claims regardless of whether they submit a timely and valid Request for Exclusion from
25 the Settlement. PAGA Members are not eligible to exclude themselves from, or to opt out of, the
26 Released PAGA Claims (defined below). For purposes of the Settlement and this Final Order,
27 “Released Parties” as referenced herein and as released in the Settlement shall collectively mean:
28 (i) Defendant; (ii) Defendant’s respective past, present and future direct and indirect subsidiaries

1 and affiliates of any of the foregoing; (iii) the past, present and future shareholders, partners,
2 directors, officers, owners, agents, employees, clients, attorneys, insurers, predecessors, successors
3 and assigns of any of the foregoing; and (iv) any individual or entity which could be jointly liable
4 with any of the foregoing.

5 3. This Court has jurisdiction over the subject matter of this Action, and for settlement
6 purposes only, over all Parties to this Action, including all Class Members and PAGA Members.

7 4. Distribution of the Class Notice directed to the Class Members and PAGA Members
8 as set forth in the Stipulation of Settlement and the other matters set forth therein has been
9 completed in conformity with the Preliminary Approval Order, including notice to all Class
10 Members and PAGA Members who could be identified through reasonable effort, and is the best
11 notice practicable under the circumstances. The Class Notice provided due and adequate notice of
12 the proceedings and of the matters set forth therein, including the proposed Settlement set forth in
13 the Stipulation of Settlement, to all persons entitled to such Class Notice, and the Class Notice fully
14 satisfied the requirements of due process. All Class Members, PAGA Members, Released Class
15 Claims, and Released PAGA Claims, are covered by and included within the Settlement and this
16 Final Order.

17 5. The Court hereby finds the Settlement was entered into in good faith pursuant to and
18 within the meaning of California Code of Civil Procedure section 877.6. The Court further finds
19 that the Settlement is fair, adequate and reasonable and that Plaintiff has satisfied the standards and
20 applicable requirements for final approval of this Settlement under California law, including the
21 provisions of California Code of Civil Procedure section 382 and Federal Rule of Civil Procedure
22 23, approved for use by the California state courts in *Vasquez v. Superior Court* (1971) 4 Cal.3d
23 800, 821.

24 6. The Court hereby approves the Settlement set forth in the Stipulation of Settlement
25 and finds that the Settlement is, in all respects, fair, adequate and reasonable, and directs the Parties
26 to effectuate the Settlement according to its terms. The Court finds that the Settlement has been
27 reached as a result of intensive, serious and non-collusive arms-length negotiations. The Court
28 further finds that the Parties have conducted extensive investigation and research, and counsel for

1 the Parties are able to reasonably evaluate their respective positions. The Court also finds that
2 Settlement at this time will avoid additional substantial costs, as well as avoid the delay and risks
3 that would be presented by the further prosecution of the Action. The Court has reviewed the
4 benefits that are being granted as part of the Settlement and recognizes the significant value to the
5 Class Members and PAGA Members. The Court also finds that the Class is properly certified as a
6 class for settlement purposes only.

7 7. As of the date of entry of this Final Order, each and every Released Claim
8 (as defined in the Stipulation of Settlement and set forth below) of each and every Class Member
9 is and shall be deemed to be conclusively released as against the Released Parties. As of the date
10 of this Final Order, the Class Representative and each and every Class Member who have not
11 submitted a valid Request for Exclusion are hereby released and forever barred and enjoined from
12 prosecuting the Released Claims, except as to such rights or claims as may be created by the
13 Settlement, against Defendant and the Released Parties from any and all claims under state, federal
14 and local law ultimately alleged in this Action and that reasonably could have been alleged in this
15 Action based on the factual allegations contained in the operative Complaint in this Action and any
16 amendments thereto, as to the Class Members, including without limitation, California Labor Code
17 sections 201, 202, 203, 204, 210, 218.5, 218.6, 226, 226.3, 226.7, 510, 512, 1174, 1174.5, 1194,
18 1194.2, 1197, 1197.1, 1198, 2698, *et seq.*, 2699, 2802, California Industrial Commission Wage
19 Orders, Cal. Code Regs., Title. 8, section 11040, *et seq.*, California Code of Civil Procedure section
20 1021.5, and Business and Professions Code sections 17200, *et seq.*, and including all claims for or
21 related to alleged unpaid wages, overtime or double time wages, minimum wages, regular rate of
22 pay, timely payment of wages during employment, timely payment of wages at separation, meal
23 periods and meal period premiums, rest periods and rest period premiums, off-the-clock work,
24 payroll deductions, wage statements, payroll records and recordkeeping, failure to pay additional
25 401(k) benefits and/or deferred compensation benefits and/or matching benefits for payments
26 received under the Settlement, unfair competition, unfair business practices, unlawful business
27 practices, fraudulent business practices, conversion, class actions, representative actions, aggrieved
28 party claims, injunctive relief, declaratory relief, accounting, punitive damages, liquidated

1 damages, penalties of any nature (including but not limited to civil penalties, waiting-time penalties,
2 and PAGA penalties), interest, fees, costs, as well as all other claims and allegations alleged in the
3 Action (collectively “Released Class Claims”), from April 4, 2018 through [REDACTED]
4 [Preliminary Approval Date] (“Class Release Period”). Expressly excluded from the release are
5 claims for retaliation, discrimination, unemployment insurance, disability, workers’ compensation,
6 and claims outside the Released Class Claims. The release of claims shall not include any claims
7 that cannot be released as a matter of law. In addition, as of the date of this Final Order, the Class
8 Representative and the Settlement Class, and each member of the Class who has not submitted a
9 valid Request for Exclusion, are forever barred and enjoined from instituting or accepting damages
10 or obtaining relief against the Released Parties for any period from April 4, 2018 through
11 [REDACTED] [Preliminary Approval Date], relating to the Released Claims.

12 8. As of the date of entry of this Final Order, the claims to be released by the PAGA
13 Members include all claims arising during the PAGA Period seeking civil penalties under PAGA,
14 that Plaintiff as proxy for the State of California and/or the LWDA, to the maximum extent
15 permitted by law, and as a private attorney general acting on behalf of Plaintiff and the PAGA
16 Members, asserted or could reasonably have asserted based on the facts alleged in the Action and/or
17 the LWDA letter, including but not limited to all claims arising under the California Labor Code
18 including, but not limited to, sections 201, 202, 203, 204, 210, 226, 226.3, 226.7, 510, 512, 1174,
19 1174.5, 1194, 1194.2, 1197, 1197.1, 1198, 2698, *et seq.*, 2699, 2802 (as alleged in the Complaint)
20 and the wage orders of the California Industrial Welfare Commission and any other Labor Code
21 section or Wage Order based the facts alleged in the Action (collectively “Released PAGA
22 Claims”). The Settlement shall release and bar all Released PAGA Claims by or on behalf of
23 Plaintiff and all PAGA Members from April 4, 2021 through [REDACTED] [Preliminary Approval
24 Date] (“PAGA Release Period”), and for the entire PAGA Release Period, regardless of whether
25 Plaintiff and/or a PAGA Member negotiates (cashes) their/his/her settlement checks sent pursuant
26 to the Settlement, and regardless of whether any such PAGA Member opts out or attempts to
27 exclude himself or herself from the Settlement.
28

1 9. Neither the Settlement nor any of the terms set forth in the Stipulation of Settlement
2 is an admission by Defendant, or any of the other Released Parties, nor is this Final Order a finding
3 of the validity of any claims in this Action, or of any wrongdoing by Defendant or any of the other
4 Released Parties. Neither this Final Order, the Stipulation of Settlement, nor any document referred
5 to herein, nor any action taken to carry out the Stipulation of Settlement, may be construed as, or
6 may be used as, an admission by or against Defendant, or any of the other Released Parties, of any
7 fault, wrongdoing or liability whatsoever. The entering into or carrying out of the Stipulation of
8 Settlement, and any negotiations or proceedings related thereto, shall not in any event be construed
9 as, or deemed to be evidence of, an admission or concession with regard to the denials or defenses
10 by Defendant, or any of the other Released Parties, and shall not be offered in evidence in any
11 action or proceeding in any court, administrative agency or other tribunal for any purpose
12 whatsoever other than to enforce the provisions of this Final Order, the Stipulation of Settlement,
13 the Released Class Claims, the Released PAGA Claims, and any related agreement or release.
14 Notwithstanding these restrictions, any of the Released Parties may file in this Action, or submit in
15 any other proceeding, the Final Order, the Stipulation of Settlement, and any other papers and
16 records on file in this Action as evidence of the Settlement to support a defense of *res judicata*,
17 *collateral estoppel*, release, or other theory of claim or issue preclusion or similar defense as to the
18 Released Class Claims and the Released PAGA Claims.

19 10. The Court hereby enters judgment in the entire Action as of the filing date of this
20 Final Order, pursuant to the terms set forth in the Stipulation of Settlement. Without affecting the
21 finality of this Final Order in any way, the Court hereby retains continuing jurisdiction over the
22 interpretation, implementation and enforcement of the Settlement and all orders entered in
23 connection therewith pursuant to California Code of Civil Procedure section 664.6.

24 11. The Court finds the settlement payments provided for under the Settlement to be fair
25 and reasonable in light of all of the circumstances. The Court orders the calculations and the
26 payments to be made and administered in accordance with the terms of the Settlement.

27 12. The Court hereby confirms Justin F. Marquez and Christina M. Le of Wilshire Law
28 Firm as Class Counsel in this Action.

1 13. The Court further finds that the common fund doctrine is applicable to this Action
2 because there is a sufficiently identifiable class of beneficiaries (the Class), the benefits can be
3 accurately traced to the Settlement that Plaintiff and Class Counsel negotiated on behalf of the
4 Settlement Class, and the fee can be shifted with exactitude to those benefiting as the fee request is
5 a specific, lump-sum percentage of the common fund. *See Serrano v. Priest* (1977) 20 Cal.3d 25,
6 34-35. The Court finds the attorneys' fees request of thirty-three and one third percent (33.33%) of
7 the common fund to be appropriate compensation for Class Counsel. The attorneys' fees request is
8 within the range that has been approved by other courts in similar cases and reasonable in light of
9 the circumstances of this Action, the substantial and beneficial results obtained on behalf of the
10 Settlement Class, and the contingent nature of the recovery over the course of this Action, which
11 included potential loss at summary judgment, certification and/or trial proceedings. Pursuant to the
12 terms of the Settlement, and the authorities, evidence and argument submitted by Class Counsel,
13 the Court hereby awards Class Counsel attorneys' fees in the amount of \$165,000.00 and attorneys'
14 costs and expenses in the amount of \$20,000.00 from the Maximum Settlement Amount as final
15 payment for and complete satisfaction of any and all attorneys' fees and costs incurred by and/or
16 owed to Class Counsel and any other person or entity related to this Action. The Court further
17 orders that the award of attorneys' fees and costs set forth in this Paragraph shall be administered
18 pursuant to the terms of the Stipulation of Settlement and made payable to and deposited into the
19 bank account of "Wilshire Law Firm" as Class Counsel in this Action.

20 14. The Court also hereby approves and orders payment of an Enhancement Award to
21 Plaintiff and Class Representative Carl Davis in the amount of \$10,000.00 from the Maximum
22 Settlement Amount.

23 15. The Court also hereby approves and orders payment in the amount of \$22,500.00
24 from the Maximum Settlement Amount for PAGA penalties, payable to the California Labor and
25 Workforce Development Agency.

26 16. The Court also hereby approves and orders payment from the Maximum Settlement
27 Amount for actual claims administration expenses incurred by the Claims Administrator, CPT
28 Group Inc., in the amount of \$15,000.00.

1 17. The Court also hereby approves and orders that any residue from uncashed
2 settlement award checks after the expiration date will be paid out to Koinonia Family Services, as
3 the *cy pres* recipient pursuant to California Code of Civil Procedure section 384(b); any residue
4 received by Koinonia Family Services shall be used solely for child advocacy programs within the
5 State of California pursuant to Code of Civil Procedure section 384(b).

6 18. The Court also hereby finds and orders that the Stipulation of Settlement is and
7 constitutes a fair, adequate and reasonable compromise of the Released Class and PAGA Claims
8 against Defendant and the Released Parties.

9 19. Provided the Settlement becomes effective under the terms of the Stipulation of
10 Settlement, the Court also hereby orders that the deadline for mailing the Court-approved
11 Settlement Awards, attorneys' fees and costs, and Enhancement Award is as set forth in the
12 Implementation Schedule within the Preliminary Approval Order.

13 20. The Court also hereby finds that there were no objections to the Settlement raised
14 by any person on the record at the hearing on the Final Approval Order.

15 **IT IS SO ORDERED. LET JUDGMENT BE ENTERED ACCORDINGLY**

16
17 Dated: _____

18 _____
19 Judge of the Superior Court
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Exhibit 2

CASE NAME: DAVIS v HOMETOWN AMERICA MANAGEMENT

Date: August 24, 2023

Requesting Attorney: Justin F. Marquez

Plaintiff or Defense: Plaintiff

Firm Name: Wilshire Law Firm, PLC

Telephone: (213) 381-9988

Email: justin@wilshirelawfirm.com

All-In Settlement

Class Size: 250

Opt-Out Rate: 1.5%

No. of Checks Issued: 246

Postage Total: \$431.95

Grand Total: \$14,052.50

DISCOUNTED FLAT FEE: \$10,250.00

The services and numbers reflected herein are an estimate provided by counsel. If the actual services and number are different, our cost estimate will change accordingly.

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

CASE SETUP

Upon Intake of the Data, CPT will Scrub all Records to a Useable Format to Reduce Duplicates, Anomalies and Increase the Success Rate of Deliverability of the Class Notice. Class Members will be Assigned a Unique Mailing ID which will be Used Throughout Administration. The Notice Packet will be Translated into Spanish. All Pertinent Documents will be Posted on a Case Specific Website.

ADMINISTRATIVE TASKS	UNIT PRICE	PIECES/HOURS	COST ESTIMATE
Project Manager: Case Intake & Review	\$95.00	2	\$190.00
Programming: Data Base Setup	\$150.00	2	\$300.00
Spanish Translation	\$1,200.00	1	\$1,200.00
Static Website	\$500.00	1	\$500.00
TOTAL			\$2,190.00

DIRECT MAIL NOTICE

To Ensure Mailing to the Most Current Address Possible, CPT will Perform an Address Update via NCOA. CPT will Mail a Full-Length Notice & 1-Page Exclusion Form in Both English & Spanish.

ADMINISTRATIVE TASKS	UNIT PRICE	PIECES/HOURS	COST ESTIMATE
Project Manager: Format Documents	\$95.00	2	\$190.00
National Change of Address Search (NCOA)	\$135.00	1	\$135.00
Print & Mail Notice Packets	\$1.50	250	\$375.00
First-Class Postage (up to 2 oz.)*	\$0.87	250	\$217.50
TOTAL			\$917.50

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

PROCESS RETURNED UNDELIVERABLE MAIL

Based On CPT's Historical Data, 6% of the Notices will be Returned Undeliverable. Upon Receipt, CPT will Perform a Skip Trace in an Attempt to Obtain a Current Address; Thus, 91% of the Notice Packets are Remailled.

ADMINISTRATIVE TASKS	UNIT PRICE	PIECES/HOURS	COST ESTIMATE
Clerical Staff	\$60.00	1	\$60.00
Update Undeliverable Mail Database	\$0.50	15	\$7.50
Skip Trace for Best Address	\$1.00	13	\$13.00
Print & Remail Notice Packets	\$1.50	12	\$18.00
First-Class Postage (up to 2 oz.)	\$0.87	12	\$10.44
TOTAL			\$108.94

OPT-OUT PROCESSING

CPT will Process and Validate all Opt-Outs and Other Responses from Class Members. Deficient Opt-Outs will Receive a Deficiency Notice

by Mail and Provide an Opportunity to Cure. CPT will Scrub the Filed Opt-Outs to Eliminate Duplicates, Fraudulent, and Otherwise Invalid.

ADMINISTRATIVE TASKS	UNIT PRICE	PIECES/HOURS	COST ESTIMATE
Programming: De-duplication/Scrubbing	\$150.00	1	\$150.00
Project Manager: Validate Opt-Out Requests	\$95.00	1	\$95.00
Clerical Staff	\$60.00	1	\$60.00
Opt-Out & Change of Address Processing	\$2.00	4	\$7.50
Print & Mail Deficiency/Dispute Notices	\$1.50	1	\$1.50
First-Class Postage (up to 1 oz.)	\$0.66	1	\$0.66
Review & Process Deficiency Responses	\$10.00	1	\$10.00
		TOTAL	\$324.66

TELEPHONE SUPPORT

CPT will Maintain a Toll-Free Phone Number with IVR Capabilities and Live Class Member Support Representatives During Normal Business Hours, Monday-Friday, 9:00 AM - 5:30 PM, PT. The Dedicated Case Phone Number will Remain Active Up to 120 Days After Disbursement.

ADMINISTRATIVE TASKS	UNIT PRICE	PIECES/HOURS	COST ESTIMATE
Toll-Free Number Establish/Setup	\$150.00	2	\$300.00
Live Call Center Support Reps.	\$3.00	50	\$150.00
		TOTAL	\$450.00

SSN VERIFICATION

Verify SSN for Validity with IRS / IRS Backup Withholdings

ADMINISTRATIVE TASKS	UNIT PRICE	PIECES/HOURS	COST ESTIMATE
Programming: SSN Selection	\$150.00	1	\$150.00
Department Manager: Analysis & Reporting	\$95.00	3	\$285.00
IRS SSN Verification	\$0.10	246	\$24.63
		TOTAL	\$459.63

DISTRIBUTION SERVICES

CPT will Establish and Manage the Qualified Settlement Fund (QSF) for up to One Year After Disbursement. Upon Approval, CPT will Perform all Necessary Calculations and Disburse Funds. CPT will Mail an 8.5"x11" MICR Check to Valid Class Members. CPT Uses a Payee Positive Pay System to Reconcile Checks Cashed and Conducts Monthly Account Reconciliations for the QSF.

ADMINISTRATIVE TASKS	UNIT PRICE	PIECES/HOURS	COST ESTIMATE
Programming: Calculation Totals	\$150.00	3	\$450.00
Project Supervisor: Review of Distribution	\$150.00	3	\$450.00
Project Manager: Correspondence w/Parties	\$95.00	2	\$190.00
Programming: Setup & Printing of Checks	\$150.00	3	\$450.00
Obtain EIN, Setup QSF/Bank Account	\$150.00	3	\$450.00
Print & Mail Notice, Checks & W2/1099	\$2.50	246	\$615.63
First-Class Postage (up to 1 oz.)*	\$0.66	246	\$162.53
		TOTAL	\$2,768.15

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

POST-DISTRIBUTION & TAX REPORTING

Any Check Returned Undeliverable is Skip Traced to Locate a Current Address and Remailed Accordingly. CPT will Process Requests for Check Reissues Continuously. CPT Prepares Annual Tax Reporting on Behalf of the QSF and Federal and State Taxes in Accordance with Current State and Federal Regulations. Upon the Conclusion of the Settlement, a Final Report and Declaration will be Provided to all Parties.

ADMINISTRATIVE TASKS	UNIT PRICE	PIECES/HOURS	COST ESTIMATE
Project Supervisor: Account Reconciliation	\$150.00	10	\$1,500.00
Update Undeliverable Checks Database	\$0.50	20	\$10.00
Skip Trace for Best Address	\$1.00	20	\$20.00
Remail Undeliverable Checks	\$2.50	18	\$45.00
First-Class Postage (up to 1 oz.)	\$0.66	18	\$11.88
Re-Issue Checks as Required	\$5.00	13	\$65.00
First-Class Postage (up to 1 oz.)	\$0.66	13	\$8.58
Project Supervisor: Reconcile Uncashed Chk	\$150.00	1	\$150.00
Programming: Weekly & Final Reports	\$150.00	2	\$300.00
Project Supervisor: Final Declaration	\$150.00	2	\$300.00
Project Manager: Account Files Sent to Atty	\$95.00	2	\$190.00
CA Tax Preparation*	\$600.00	1	\$600.00
Annual Tax Reporting to IRS*	\$1,000.00	1	\$1,000.00
QSF Annual Tax Reporting	\$500.00	1	\$500.00
TOTAL			\$4,700.46

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

SCO ESCHEATMENT PROCESSING

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

ADMINISTRATIVE TASKS	UNIT PRICE	PIECES/HOURS	COST ESTIMATE
UPEnterprise Reporting Services	\$0.15	52	\$7.80
Project Manager: SCO Fall Reporting	\$95.00	2	\$190.00
Project Supervisor: Review of SCO Reports	\$150.00	1	\$150.00
Certified Mail Report to SCO	\$8.53	1	\$8.53
Check Reissues for Winter/Spring QTR	\$5.00	5	\$25.00
First-Class Postage (up to 1 oz.)	\$0.66	5	\$3.30
Project Supervisor: June Remittance	\$150.00	1	\$150.00
Project Manager: June Remittance	\$95.00	2	\$190.00
Certified Mail Report to SCO	\$8.53	1	\$8.53
Add'l Account Recons	\$150.00	6	\$900.00
Add'l QSF Annual Tax Reporting	\$500.00	1	\$500.00
TOTAL			\$2,133.16

GRAND TOTAL \$14,052.50

TERMS AND CONDITIONS

These Terms and Conditions are made a part of, and incorporated by reference into, any cost proposal or Bid presented by CPT Group, Inc. to Client

1. Definitions.

- a) **"Affiliate"** means a party that partially (at least 50%) or fully controls, is partially or fully controlled by, or is under partial (at least 50%) or full common control with another party.
- b) **"Approved Bank"** means a financial institution insured by the Federal Deposit Insurance Corporation with capital exceeding \$1 billion.
- c) **"Case"** means the particular judicial matter identified by the name of plaintiff(s) and defendant(s) on the applicable Order.
- d) **"Claims Administrator"** means CPT Group, Inc., a reputable third-party Claims Administrator selected by all the Parties (Plaintiff and Defense Counsel) to administer the Settlement or Notification Mailing.
- e) **"Client"** means collectively Plaintiff Counsel and Defense Counsel.
- f) **"Client Content"** means all Class Member written document communications relating to the Case, including claim forms, opt-out forms, and objections, which contain Client Data.
- g) **"Client Data"** means proprietary or personal data regarding Client or any of its Class Members under this Agreement, as provided by Client.
- h) **"Class Member"** means an individual who is eligible under the Settlement Agreement to receive a designated amount of the Settlement, including the named Plaintiff(s) in the Case and all other putative persons so designated or addressed therein.
- i) **"Confidential Information"** means any non-public information of CPT or Client disclosed by either party to the other party, either directly or indirectly, in writing, orally or by inspection of tangible objects, or to which the other party may have access, which a reasonable person would consider confidential and/or which is marked "confidential" or "proprietary" or some similar designation by the disclosing party. Confidential Information shall also include the terms of this Agreement, except where this Agreement specifically provides for disclosure of certain items. Confidential Information shall not, however, include the existence of the Agreement or any information which the recipient can establish: (i) was or has become generally known or available or is part of the public domain without direct or indirect fault, action, or omission of the recipient; (ii) was known by the recipient prior to the time of disclosure, according to the recipient's prior written documentation; (iii) was received by the recipient from a source other than the discloser, rightfully having possession of and the right to disclose such information; or (iv) was independently developed by the recipient, where such independent development has been documented by the recipient.
- j) **"Court Order"** means a legal command or direction issued by a court, judicial office, or applicable administrative body requiring one or more parties to the Case to carry out a legal obligation pursuant to the Case.
- k) **"Defendant"** means the named party and/or parties in the Case against whom action is brought.
- l) **"Defense Counsel"** means the attorney of record for the defendant(s) in the Case.
- m) **"Intellectual Property Right"** means any patent, copyright, trade or service mark, trade dress, trade name, database right, goodwill, logo, trade secret right, or any other intellectual property right or proprietary information right, in each case whether registered or unregistered, and whether arising in any jurisdiction, including without limitation all rights of registrations, applications, and renewals thereof and causes of action for infringement or misappropriation related to any of the foregoing.
- n) **"Order"** means a Product purchase in a schedule, statement of work, addendum, exhibit, or amendment signed by Client and CPT.
- o) **"Parties"** shall mean collectively Defendants, Defense and Plaintiff as defined in the Settlement Agreement or Court Order.
- p) **"Plaintiff"** means the named party and/or parties in the Case who are bringing the action.
- q) **"Plaintiff Counsel"** means the attorney of record for plaintiff Class Members in the Case.
- r) **"Products"** means any and all CPT Services, and work products resulting from Services.
- s) **"Qualified Settlement Fund"** means the entity as defined by Treasury Regulation section 4686-1 under which a bank account is established to receive settlement funds from the Defendant in the Case, which such funds are then disbursed by CPT according to the Settlement Agreement and pursuant to Court Order.

- t) **"Service"** means any service rendered by CPT specifically to Client, including, but not limited to: (i) notifications to Class Members; (ii) setting up a Qualified Settlement Fund with a financial institution; (iii) management of disbursement of funds from the Qualified Settlement Fund to applicable parties pursuant to the Settlement Agreement; (iv) provision of customer support relating to the Case; (v) management of Case claim forms and correspondence; and/or (vi) any administrative or consulting service.
 - u) **"Software"** means any and all of CPT's proprietary applications, including, without limitation, all updates, revisions, bug-fixes, upgrades, and enhancements thereto.
 - v) **"Settlement"** means the total dollar amount agreed to between parties to the Case, as negotiated by Plaintiff Counsel and Defense Counsel, to resolve the Case to mutual satisfaction.
 - w) **"Settlement Agreement"** means the contract between parties to the Case to resolve the same, which specifies amounts to be disbursed from the Qualified Settlement Fund to attorneys, CPT, and individual Class Members.
 - x) **"Term"** means the term of the Agreement, as set forth in the Order.
 - y) **"Transmission Methods"** means the secure authorized manner to send Client Data and/or Wire Information as specified on a schedule or Order hereto.
 - z) **"Wire Information"** means instructions for (i) Defense Counsel to transfer funds from Defendant to the Qualified Settlement Fund or (ii) CPT to transfer funds from the Qualified Settlement Fund to applicable parties pursuant to the Settlement Agreement.
2. Client Obligations. Client will ensure that it has obtained all necessary consents and approvals for CPT to access Client Data for the purposes permitted under this Agreement and shall only transmit Client Data and/or Wire Instructions to CPT via the Transmission Methods. Client shall use and maintain appropriate administrative, technical, and physical safeguards designed to protect Client Data provided under this Agreement. Client shall not send, or attempt to send, Client Data and/or Wire Instructions via email, facsimile, unprotected spreadsheet, USB flash drive or other external or removable storage device, cloud storage provider, or any other method not specified in the Transmission Methods. Notwithstanding the foregoing, Client acknowledges and understands that the electronic transmission of information cannot be guaranteed to be secure or error free, and such information could be intercepted, corrupted, lost, and/or destroyed. Client further warrants that any Client Data and/or Wire Instructions it transmits shall be free of viruses, worms, Trojan horses, or other harmful or disabling codes which could adversely affect the Client Data and/or CPT. If Client is in breach of this section, CPT may suspend Services, in addition to any other rights and remedies CPT may have at law or in equity.
3. Security. The Parties and CPT shall each use reasonable administrative, technical, and physical safeguards that are reasonably designed to: (a) protect the security and confidentiality of any personally identifiable information provided by Class Members and/or Client under this Agreement; (b) protect against any anticipated threats or hazards to the security or integrity of such personally identifiable information; (c) protect against unauthorized access to or use of such personally identifiable information that could result in substantial harm or inconvenience to any individual; and (d) protect against unauthorized access to or use of such personally identifiable information in connection with its disposal. Each Party will respond promptly to remedy any known security breach involving the personally identifiable information provided by you and/or Client under this Agreement and shall promptly inform the other Parties of such breaches.
4. CPT Obligations. Provided that Client complies with all provisions of Section "Client Obligations", CPT will (i) maintain appropriate safeguards for the protection of Client Data, including regular back-ups, security and incident response protocols, and (ii) not access or disclose Client Data except (A) as compelled by law, (B) to prevent or address service or technical issues, (C) in accordance with this Agreement or the provisions of the Settlement Agreement, or (D) if otherwise permitted by Client.
5. Mutual Obligations.
- a) Resources. Each party agrees to: (i) provide the resources reasonably necessary to enable the performance of the Services; (ii) manage its project staffing, milestones, and attendance at status meetings; and (iii) ensure completion of its project deliverables and active participation during all phases of a Service project. The parties acknowledge that failure to cooperate during a Service project may delay delivery of the Service.

If there is a delay, the party experiencing the delay will notify the other party as soon as reasonably practicable, and representatives of each party will meet to discuss the reason for the delay and applicable consequences. Changes beyond the scope of an Order and/or a party's delay in performing its obligations may require an amended Order.

- b) **Incident Notification.** Each party will promptly inform the other parties in the event of a breach of Client Data in their possession and shall utilize best efforts to assist the other parties to mitigate the effects of such incident.
6. **Qualified Settlement Fund Account.** At Client's request, CPT shall be authorized to establish one or more bank accounts at an Approved Bank. The amounts held at the Approved Bank under this Agreement are at the sole risk of Client. Without limiting the generality of the foregoing, CPT shall have no responsibility or liability for any diminution of the funds that may result from the deposit thereof at the Approved Bank, including deposit losses, credit losses, or other claims made against the Approved Bank. It is acknowledged and agreed that CPT has acted reasonably and prudently in depositing funds at an Approved Bank, and CPT is not required to conduct diligence or make any further inquiries regarding such Approved Bank.
7. **Fees and Payment.** Pricing stated within the proposal is good for 90 Days. All postage charges and 50% of the final administration charges are due at the commencement of the case and will be billed immediately upon receipt of the Client data and /or notice documents. Client will be invoiced for any remaining fees according to the applicable Order. Pricing stated within any proposal from CPT to Client is for illustrative purposes only and is only binding upon an Order executed by CPT and Client. Payment of fees will be due within 30 days after the date of the invoice, except where this Agreement expressly prescribes other payment dates. All fees set forth in an Order are in U.S. dollars, must be paid in U.S. dollars, and are exclusive of taxes and applicable transaction processing fees. Late payments hereunder will incur a late charge of 1.5% (or the highest rate allowable by law, whichever is lower) per month on the outstanding balance from the date due until the date of actual payment. In addition, Services are subject to suspension for failure to timely remit payment therefor. If travel is required to effect Services, Client shall reimburse CPT for pre-approved, reasonable expenses arising from and/or relating to such travel, including, but not limited to, airfare, lodging, meals, and ground transportation.
8. **Term and Termination.**
- a) **Term.** The Term is set forth in the Order. The Agreement may be renewed by mutual written agreement of the parties.
- b) **Termination for Cause.** Either party may immediately terminate this Agreement if the other party materially breaches its obligations hereunder, and, where capable of remedy, such breach has not been materially cured within forty-five (45) days of the breaching party's receipt of written notice describing the breach in reasonable detail.
- c) **Bankruptcy Events.** A party may immediately terminate this Agreement if the other party: (i) has a receiver appointed over it or over any part of its undertakings or assets; (ii) passes a resolution for winding up (other than for a bona fide scheme of solvent amalgamation or reconstruction), or a court of competent jurisdiction makes an order to that effect and such order is not discharged or stayed within ninety (90) days; or (iii) makes a general assignment for the benefit of its creditors.
- d) **Effect of Termination.** Immediately following termination of this Agreement, upon Client's written request, Client may retrieve Client Data via Client's secure FTP site in the same format in which the Client Data was originally inputted into the Software, at no additional charge. Alternatively, Client Data can be returned in a mutually agreed format at a scope and price to be agreed. CPT will maintain a copy of Client Data and Client Content for no more than four (4) years following the date of the final check cashing deadline for Class Members under the Settlement Agreement, after which time any Client Data and Client Content not retrieved will be destroyed.
- e) **Final Payment.** If Client terminates this Agreement due to Section "Termination", Client shall pay CPT all fees owed through the termination date. If CPT terminates the Agreement in accordance with Section "Termination," Client shall pay CPT all fees invoiced through the termination date, plus all fees remaining to be invoiced during the Term, less any costs CPT would have incurred had the Agreement not been terminated.
- Confidentiality.** Each of the parties agrees: (i) not to disclose any Confidential Information to any third parties except as mandated by law and except to those subcontractors of CPT providing Products hereunder who agree to be bound by confidentiality obligations no less stringent than those set forth in this Agreement; (ii) not to use any Confidential Information for any purposes except carrying out such party's rights and responsibilities under this Agreement; and (iii) to keep the Confidential Information confidential using the same degree of care such party uses to protect its own confidential information; provided, however, that such party shall use at least reasonable care. These obligations shall survive termination of this Agreement.
- a) **Compelled Disclosure.** If receiving party is compelled to disclose any Confidential Information by judicial or administrative process or by other requirements of law, such party shall (i) promptly notify the other party, (ii) reasonably cooperate with the other party in such party's efforts to prevent or limit such compelled disclosure and/or obtain confidential treatment of the items requested to be disclosed, and (iii) shall disclose only that portion of such information which each party is advised by its counsel in writing is legally required to be disclosed.
- b) **Remedies.** If either party breaches any of its obligations with respect to confidentiality or the unauthorized use of Confidential Information hereunder, the other party shall be entitled to seek equitable relief to protect its interest therein, including but not limited to, injunctive relief, as well as money damages.
10. **Intellectual Property.** As between the parties, CPT will and does retain all right, title and interest (including, without limitation, all Intellectual Property Rights) in and to the Products. Client retains all ownership rights to Client Data.
11. **Indemnification.** Client agrees to indemnify, defend, and hold harmless CPT, its Affiliates, and the respective officer, directors, consultants, employees, and agents of each (collectively, Covered CPT Parties) from and against any and all third party claims and causes of action, as well as related losses, liabilities, judgments, awards, settlements, damages, expenses and costs (including reasonable attorney's fees and related court costs and expenses) (collectively, "Damages") incurred or suffered by CPT which directly relate to or directly arise out of (i) Client's breach of this Agreement; (ii) CPT's performance of Services hereunder; (iii) the processing and/or handling of any payment by CPT; (iv) any content, instructions, information or Client Data provided by Client to CPT in connection with the Services provided by CPT hereunder. The foregoing provisions of this section shall not apply to the extent the Damages relate to or arise out of CPT's willful misconduct. To obtain indemnification, indemnitee shall: (i) give written notice of any claim promptly to indemnitor; (ii) give indemnitor, at indemnitor's option, sole control of the defense and settlement of such claim, provided that indemnitor may not, without the prior consent of indemnitee (not to be unreasonably withheld), settle any claim unless it unconditionally releases indemnitee of all liability; (iii) provide to indemnitor all available information and assistance; and (iv) not take any action that might compromise or settle such claim.
12. **Warranties.** Each party represents and warrants to the other party that, as of the date hereof: (i) it has full power and authority to execute and deliver the Agreement; (ii) the Agreement has been duly authorized and executed by an appropriate employee of such party; (iii) the Agreement is a legally valid and binding obligation of such party; and (iv) its execution, delivery and/or performance of the Agreement does not conflict with any agreement, understanding or document to which it is a party. CPT WARRANTS THAT ANY AND ALL SERVICES PROVIDED BY IT HEREUNDER SHALL BE PERFORMED IN A PROFESSIONAL MANNER CONSISTENT WITH PREVAILING INDUSTRY STANDARDS. TO THE EXTENT PERMITTED BY APPLICABLE LAW, CPT DISCLAIMS ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, STATUTORY OR OTHERWISE, INCLUDING WITHOUT LIMITATION WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT AND ANY WARRANTIES ARISING FROM A COURSE OF DEALING, USAGE OR TRADE PRACTICE.
13. **Liability.**
- a) **Liability Cap.** EXCEPT FOR A PARTY'S WILLFUL MISCONDUCT, EACH PARTY'S MAXIMUM AGGREGATE LIABILITY ARISING OUT OF OR RELATING TO THIS AGREEMENT, REGARDLESS OF THE THEORY OF LIABILITY, WILL BE LIMITED TO THE TOTAL CLAIMS ADMINISTRATOR FEES PAID OR PAYABLE BY CLIENT TO CPT HEREUNDER. THE EXISTENCE OF MORE THAN ONE CLAIM SHALL NOT EXPAND SUCH LIMIT. THE PARTIES ACKNOWLEDGE THAT THE FEES AGREED UPON BETWEEN CLIENT AND CPT ARE BASED IN PART ON THESE LIMITATIONS, AND THAT THESE LIMITATIONS WILL APPLY NOTWITHSTANDING ANY FAILURE OF ANY ESSENTIAL PURPOSE OF ANY LIMITED REMEDY. THE FOREGOING LIMITATION SHALL NOT APPLY TO A PARTY'S PAYMENT OBLIGATIONS UNDER THE AGREEMENT.
- b) **Exclusion of Consequential Damages.** NEITHER PARTY WILL BE LIABLE FOR LOST PROFITS, LOST REVENUE, LOST BUSINESS OPPORTUNITIES, LOSS OF DATA, INTERRUPTION OF BUSINESS, OR ANY OTHER INDIRECT, SPECIAL, PUNITIVE, INCIDENTAL OR CONSEQUENTIAL DAMAGES ARISING OUT OF OR RELATING TO THIS AGREEMENT, REGARDLESS OF THE THEORY OF LIABILITY, EVEN IF IT HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.
14. **Communications.** CPT may list Client's name and logo alongside CPT's other clients on the CPT website and in marketing materials, unless and until Client revokes such permission. CPT may also list the Case name and/or number, and certain Qualified Settlement Fund information, on the CPT website and in marketing materials, unless stated otherwise in the Settlement Agreement.

15. Miscellaneous Provisions.

- a) Governing Law; Jurisdiction. This Agreement will be governed by and construed in accordance with the laws of the State of California and the federal laws of the United States of America, without regard to conflict of law principles. CPT and Client agree that any suit, action or proceeding arising out of, or with respect to, this Agreement or any judgment entered by any court in respect thereof shall be brought exclusively in the state or federal courts of the State of California located in the County of Orange, and each of CPT and Client hereby irrevocably accepts the exclusive personal jurisdiction and venue of those courts for the purpose of any suit, action or proceeding.
- b) Force Majeure. Neither party will be liable for any failure or delay in its performance under this Agreement due to any cause beyond its reasonable control, including without limitation acts of war, acts of God, earthquake, flood, weather conditions, embargo, riot, epidemic, acts of terrorism, acts or omissions of vendors or suppliers, equipment failures, sabotage, labor shortage or dispute, governmental act, failure of the Internet or other acts beyond such party's reasonable control, provided that the delayed party: (i) gives the other party prompt notice of such cause; and (ii) uses reasonable commercial efforts to correct promptly such failure or delay in performance.
- c) Counterparts. This Agreement may be executed in any number of counterparts and electronically, each of which shall be an original but all of which together shall constitute one and the same instrument.
- d) Entire Agreement. This Agreement contains the entire understanding of the parties in respect of its subject matter and supersedes all prior agreements and understandings (oral or written) between the parties with respect to such subject matter. The schedules and exhibits hereto constitute a part hereof as though set forth in full herein.
- e) Modifications. Any modification, amendment, or addendum to this Agreement must be in writing and signed by both parties.
- f) Assignment. Neither party may assign this Agreement or any of its rights, obligations, or benefits hereunder, by operation of law or otherwise, without the other party's prior written consent; provided, however, either party, without the consent of the other party, may assign this Agreement to an Affiliate or to a successor (whether direct or indirect, by operation of law, and/or by way of purchase, merger, consolidation or otherwise) to all or substantially all of the business or assets of such party, where the responsibilities or obligations of the other party are not increased by such assignment and the rights and remedies available to the other party are not adversely affected by such assignment. Subject to that restriction, this Agreement will be binding on, inure to the benefit of, and be enforceable against the parties and their respective successors and permitted assigns.
- g) No Third-Party Beneficiaries. The representations, warranties, and other terms contained herein are for the sole benefit of the parties hereto and their respective successors and permitted assigns and shall not be construed as conferring any rights on any other persons.
- h) Statistical Data. Without limiting the confidentiality rights and Intellectual Property Rights protections set forth in this Agreement, CPT has the perpetual right to use aggregated, anonymized, and statistical data ("Statistical Data") derived from the operation of the Software, and nothing herein shall be construed as prohibiting CPT from utilizing the Statistical Data for business and/or operating purposes, provided that CPT does not share with any third-party Statistical Data which reveals the identity of Client, Client's Class Members, or Client's Confidential Information.
- i) Export Controls. Client understands that the use of CPT's Products is subject to U.S. export controls and trade and economic sanctions laws and agrees to comply with all such applicable laws and regulations, including the Export Administration Regulations maintained by the U.S. Department of Commerce and the trade and economic sanctions maintained by the Treasury Department's Office of Foreign Assets Control.
- j) Severability. If any provision of this Agreement is held by a court or arbitrator of competent jurisdiction to be contrary to law, such provision shall be changed by the court or by the arbitrator and interpreted so as to best accomplish the objectives of the original provision to the fullest extent allowed by law, and the remaining provisions of this Agreement shall remain in full force and effect.
- k) Notices. Any notice or communication required or permitted to be given hereunder may be delivered by hand, deposited with an overnight courier, sent by electronic delivery, or mailed by registered or certified mail, return receipt requested and postage prepaid to the address for the other party first written above or at such other address as may hereafter be furnished in writing by either party hereto to the other party. Such notice will be deemed to have been given as of the date it is delivered, if by personal delivery; the next business day, if deposited with an overnight courier; upon receipt of confirmation of electronic delivery (if followed up by such registered or certified mail); and five days after being so mailed.
- l) Independent Contractors. Client and CPT are independent contractors, and nothing in this Agreement shall create any partnership, joint venture, agency, franchise, sales representative or employment relationship between Client and CPT. Each party understands that it does not have authority to make or accept any offers or make any representations on behalf of the other. Neither party may make any statement that would contradict anything in this section.
- m) Subcontractors. CPT shall notify Client of its use of any subcontractors to perform Client-specific Services. CPT shall be responsible for its subcontractors' performance of Services under this Agreement.
- n) Headings. The headings of the sections of this Agreement are for convenience only, do not form a part hereof, and in no way limit, define, describe, modify, interpret, or construe its meaning, scope or intent.
- o) Waiver. No failure or delay on the part of either party in exercising any right, power or remedy under this Agreement shall operate as a waiver, nor shall any single or partial exercise of any such right, power or remedy preclude any other or further exercise or the exercise of any other right, power, or remedy.
- p) Survival. Sections of the Agreement intended by their nature and content to survive termination of the Agreement shall so survive.

Exhibit 3

Wilshire Law Firm, PLC
Transaction Detail by Account
All Transactions

1/23/2024
Accrual Basis

<u>Type</u>	<u>Date</u>	<u>Num</u>	<u>Memo</u>	<u>Amount</u>	<u>Balance</u>
COS					
Expert Fees					
	5/18/2023	23-2814-RAR-01	Mediation Fee	4,200.00	4,200.00
	7/11/2023	8984	Expert Fees	2,380.00	2,380.00
Total EXPERT FEES				6,580.00	6,580.00
Legal Expenses					
	7/16/2022		Investigation Services	258.00	258.00
	9/30/2022		PAGA Fee	75.00	75.00
	8/11/2022	846791965	Legal Research	12.11	12.11
Total LEGAL EXPENSES				345.11	345.11
Process Service Fees					
	10/4/2022	51266	Attorney Services	1,718.50	1,718.50
	10/20/2022	51873	Attorney Services	140.00	140.00
	10/28/2022	51913	Attorney Services	95.00	95.00
	11/17/2022	52731	Attorney Services	135.00	135.00
	11/21/2022	52842	Attorney Services	135.00	135.00
	1/19/2023	54554	Attorney Services	144.00	144.00
	6/9/2023	60397	Attorney Services	159.95	159.95
	6/23/2023	61066	Attorney Services	300.00	300.00
	7/7/2023	61606	Attorney Services	135.00	135.00
	7/27/2023	62465	Attorney Services	159.95	159.95
	8/21/2023	63582	Attorney Services	85.00	85.00
	12/28/2023	69552	Attorney Services	135.00	135.00
Total PROCESS SERVICE FEES				3,342.40	3,342.40
Other Costs					
	7/11/2022		Case Administration Fee for In-House Services	500.00	500.00
	7/21/2022	E-1410137	Postage Cost	6.57	6.57
	7/21/2022	E-1410134	Postage Cost	6.57	6.57
	9/30/2022	E-2979850	Printing Cost	2.50	2.50
	11/15/2022	E-2983777	Printing Cost	2.50	2.50
	11/18/2022	E-2989728	Printing Cost	5.50	5.50
	7/6/2023		Meals during mediation	460.67	460.67
	7/10/2023		FedEx Cost	59.50	59.50
	10/30/2023	E-3157888	Printing Cost	1.89	1.89
Total OTHER COSTS				1,045.70	1,045.70
TOTAL				11,313.21	11,313.21

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).

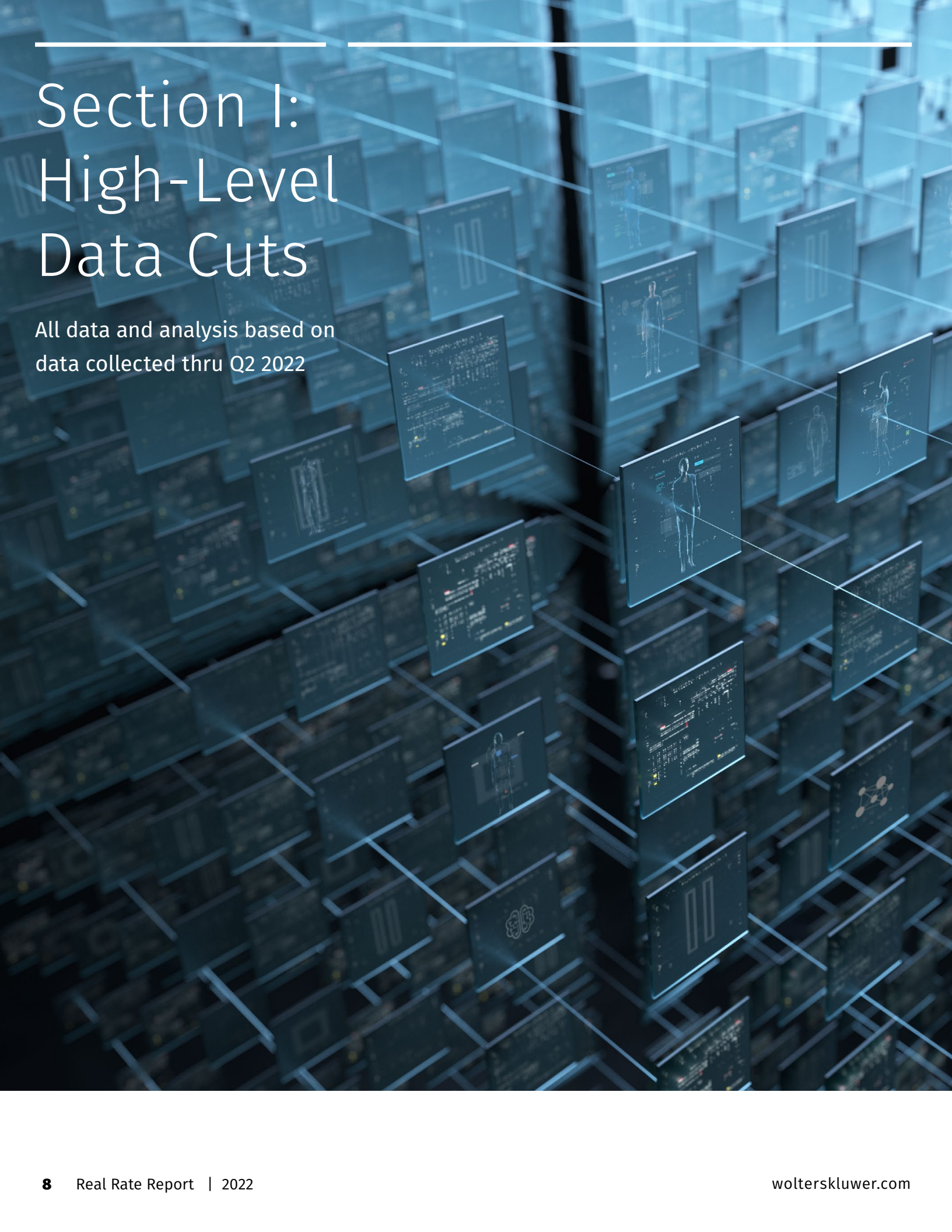
Years of experience and reputation - A more experienced, higher-profile lawyer is often going to charge more, but absorbing this higher cost at the outset may make more sense than hiring a less expensive lawyer who will likely take time and billable hours to come up to speed on unfamiliar legal and procedural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

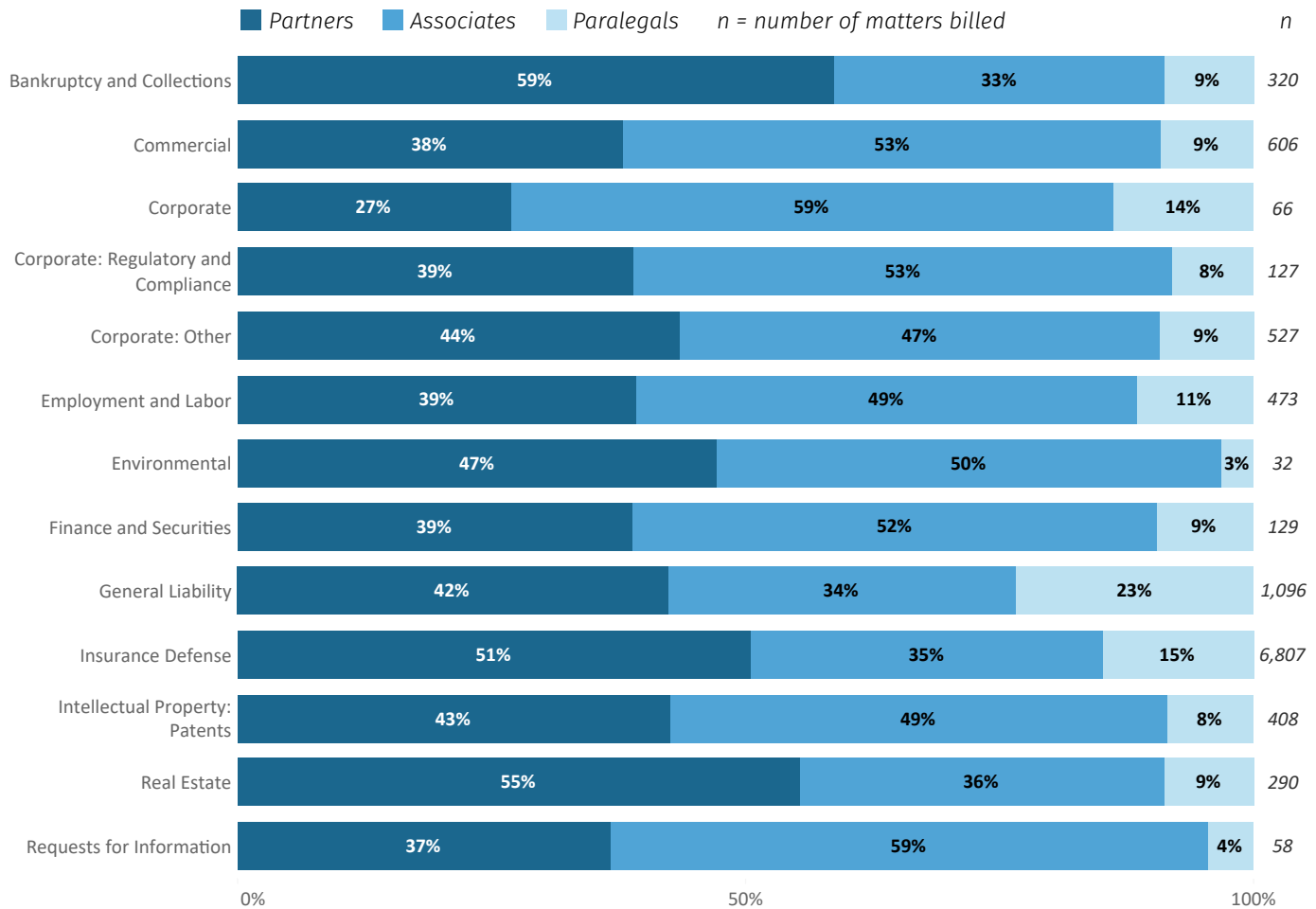
Section VI: Matter Staffing Analysis

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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34-2022-00327467-CU-OE-GDS

STATE OF CALIFORNIA)
) ss
COUNTY OF LOS ANGELES)

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

On January 24, 2024, I served the foregoing **DECLARATION OF JUSTIN F. MARQUEZ IN SUPPORT OF PLAINTIFF'S MOTION FOR PRELIMINARY APPROVAL OF CLASS ACTION AND PAGA SETTLEMENT**, on the interested parties by placing a true copy thereof, enclosed in a sealed envelope by following one of the methods of service as follows:

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Attorneys for Defendant

(X) **BY E-MAIL:** I hereby certify that this document was served from Los Angeles, California, by e-mail delivery on the parties listed herein at their most recent known email address or e-mail of record in this action.

(X) **BY UPLOAD:** I hereby certify that the documents were uploaded by my office to the State of California Labor and Workforce Development Agency Online Filing Site.

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

Executed on January 24, 2024, at Los Angeles, California.



Sandy S. Sespene