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**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES**

ARIELA GONZALEZ-MONTERROZA,
individually, and on behalf of all others
similarly situated,

Plaintiff,

v.

ASCEND HEALTHCARE, LLC, a California
limited liability company; and DOES 1 through
10, inclusive,

Defendants.

Case No.: 25STCV25494
Assigned to Hon. David S. Cunningham III,
Dept. 11

Complaint Filed: August 29, 2025
FAC Filed: December 10, 2025
Trial Date: Not Set

PAGA REPRESENTATIVE ACTION

**DECLARATION OF CONOR J.D.
GOMEZ IN SUPPORT OF PLAINTIFF'S
MOTION TO APPROVE PAGA
SETTLEMENT**

Approval Hearing Date
Date: September 21, 2026
Time: 11:00 a.m.
Dept.: 11

1 I, Conor J.D. Gomez, declare as follows:

2 1. I am admitted and in good standing to practice as an attorney in the State of
3 California. I am an Attorney at Wilshire Law Firm, PLC (“WLF”), counsel of record for plaintiff
4 Ariela Gonzalez-Monterroza (“Plaintiff”). I, along with the above-captioned attorneys at WLF
5 (inclusively “PAGA Counsel”), have reviewed the case files for this matter as routinely kept by
6 WLF in the course of litigation. Based upon the information available to PAGA Counsel through
7 WLF’s record-keeping processes, I am competent to make this declaration (this “Declaration”).
8 This Declaration is submitted concurrently with and in support of Plaintiff’s Motion to Approve
9 the PAGA Settlement (the “Motion”).

10 **Case Background**

11 2. This is a Private Attorneys General Act (“PAGA”) (Lab. Code §§ 2699, et seq.)
12 representative action brought by Plaintiff, on behalf of the State of California and all individuals
13 who worked for Defendant Ascend Healthcare, LLC (“Defendant” and together with Plaintiff,
14 the “Parties”) as a nonexempt, hourly employee in California during the PAGA Period (each an
15 “Aggrieved Employee”). The “PAGA Period” is the period from September 2, 2024, to April 30,
16 2026. Defendant is a residential treatment center for teens.

17 3. Plaintiff alleges that Defendant failed to pay for all hours worked. Plaintiff further
18 alleges that Defendant failed to: provide meal periods, authorize and permit rest periods, timely
19 pay final wages, furnish accurate wage statements, indemnify employees for expenditures, and its
20 violations of California’s Unfair Competition Law.

21 4. Based on these allegations, on August 29, 2025, Plaintiff filed a putative wage and
22 hour class action complaint against Defendant for: (1) failure to pay minimum and straight time
23 wages (Labor Code §§ 204, 1194, 1194.2, and 1197); (2) failure to pay overtime wages (Labor
24 Code §§ 1194 and 1198); (3) failure to provide meal periods (Labor Code §§ 226.7 and 512); (4)
25 failure to authorize and permit rest periods (Labor Code § 226.7); (5) failure to timely pay final
26 wages at termination (Labor Code §§ 201-203); (6) failure to provide and maintain accurate and
27 compliant wage records (Labor Code § 226); (7) failure to indemnify employees for expenditures

(Labor Code § 2802); and (8) violation of California Business and Professions Code §§ 17200, *et seq.*

5. On September 2, 2025, Plaintiff provided notice to the Labor and Workforce Development Agency (the “LWDA”) and Defendant of the violations described above, as required by Labor Code § 2699.3(a)(1). Pursuant to Labor Code § 2699.3 (a)(2)(A), the LWDA had 65 calendar days to notify Plaintiff and Defendant whether it intended to investigate the alleged violations, during which time it did not. A true and correct copy of the PAGA Notice and evidence of Plaintiff’s submission of the PAGA notice to the LWDA, attached as **Exhibit 1**. On December 10, 2025, after exhausting the requisite pre-filing notice period pursuant to PAGA, Plaintiff filed a first amended complaint against Defendant adding a cause of action for PAGA civil penalties (the “Operative Complaint” or “PAGA Action”).

6. On April 21, 2026, after extensive negotiations and discussions regarding the strengths and weaknesses of Plaintiff’s claims and Defendant’s defenses, the Parties executed the PAGA Settlement Agreement (the “Settlement” or “Settlement Agreement”) to resolve the PAGA Action. A true and correct copy of the Settlement Agreement and PAGA Notice Cover Letter (the “Notice”) is attached hereto as **Exhibit 2**.

Discovery and Investigation

7. After Plaintiff filed the Operative Complaint, the Parties engaged in extensive discussions and informal discovery. Defendant produced a sample of employee timekeeping and payroll data as well as documents reflecting Defendant’s policies, practices and procedures during the relevant time period. The Parties have engaged in sufficient informal discovery and investigation to assess the relative merits of the claims and contentions of the Parties.

8. On March 11, 2026, the Parties and their counsel participated in private mediation with Lisa Klerman. The settlement negotiations were at arm’s length and, although conducted in a professional manner, were adversarial. The Parties went into the mediation willing to explore the potential for a settlement of the dispute, but each side was also prepared to litigate their or its position through trial and appeal if a settlement had not been reached.

9. Ultimately, the Parties agreed to settle the PAGA Action for \$161,000.00, subject to an escalator clause in the Settlement Agreement (the “Gross Settlement Amount”). There are approximately 305 aggrieved employees covered by the Settlement. Plaintiff submitted the Settlement to the LWDA pursuant to Labor Code § 2699(1)(2). Attached as **Exhibit 3** is a true and correct copy of Plaintiff’s proof of submission of the Settlement Agreement and Notice to the LWDA.

10. Before the Settlement, Plaintiff’s counsel conducted an investigation into the claims alleged by Plaintiff, conducted legal research, and engaged in informal discovery. Based upon the information obtained through discovery, Plaintiff’s counsel was able to act intelligently and effectively in negotiating the proposed Settlement.

Assessment of Amount in Controversy and Risks of Continued Litigation

11. Plaintiff and PAGA Counsel remain confident of the merits of Plaintiff’s claims. With respect to the meal period allegation, Plaintiff alleges that Defendant did not have fully compliant written meal period policies. Although Plaintiff contends that this allegation is meritorious, there is risk with this underlying claim. With respect to the rest period allegation, Plaintiff contends that employees, including herself, were not provided with California-compliant rest periods, as employees were often cut short or otherwise interrupted or that employees would be forced to skip rest breaks due to a heavy workload. Again, despite Plaintiff’s contention that this allegation is credible, proving rest period allegations is particularly difficult because rest periods do not have to be recorded and Defendant can argue that the Aggrieved Employees chose to voluntarily forego their rest periods.

12. With regard to Plaintiff’s wage statement claim, Defendant argues that the wage statements issued to employees meet the requirements of Labor Code § 226(a). Defendant also maintains that any alleged wage statement violation could not be shown to be “knowing and intentional,” and that Plaintiff cannot show that he or any other employee “suffer[ed] injury” as a result of the alleged wage statement violations, as required by Labor Code § 226(e) for the imposition of penalties.

13. Plaintiff recognized there is a legitimate risk of the Court significantly reducing

1 penalties given the technical nature of the alleged violations. Without this Settlement, the Parties
2 face preparation for trial, as well as extensive formal discovery efforts and depositions. As a result,
3 the Parties would incur considerably more attorneys' fees and costs through trial. This Settlement
4 avoids those risks and the accompanying expenses.

5 14. The Settlement Agreement provides for 5,582 pay periods during the PAGA Period
6 which presented issues with regard to (1) unpaid wages, (2) meal period violations, (3) rest period
7 violations, and (4) unreimbursed business expenses. Applying the \$100 "initial violation" penalty
8 for each of these 4 violations per pay period, Defendant's maximum potential PAGA exposure is
9 \$2,232,800.00 (based on 5,582 pay periods). However, given the technical nature of proving each
10 of these violations, and in light of the trial court's ability to prevent stacking of PAGA penalties,
11 PAGA Counsel reduced its estimate by assuming one violation per pay period, yielding
12 \$558,200.00. PAGA Counsel, in their vast experience litigating these complex wage and hour
13 claims, then discounted this amount by 50% given the highly contested nature of the claims, the
14 defenses asserted by Defendant, and the likelihood of success at trial, yielding a realistic maximum
15 recovery of \$279,100.00.

16 15. The Gross Settlement Amount therefore represents approximately 58% of Plaintiff's
17 reasonably forecasted total recovery ($\$161,000.00 / \$279,100.00 = 58\%$). In this case, continued
18 litigation would delay payment to the LWDA and the Aggrieved Employees as they await trial
19 and, most likely, appellate proceedings. Furthermore, while Plaintiff is confident in the merits of
20 the case, a legitimate controversy exists as to each of the predicate Labor Code violations. The
21 possibility that the Court finds no liability at the PAGA bench trial is also a risk. In sum, when the
22 risks of litigation, the burdens of proof necessary to establish liability, and the probability of appeal
23 of a favorable judgment are balanced against the merits of Plaintiff's claims, it is clear that the
24 Settlement is fair. Further, because of the proposed Settlement, the Aggrieved Employees will
25 receive timely, guaranteed relief and will avoid the risk of an unfavorable judgment. Plaintiff also
26 recognizes that proving the amount of wages due to each employee would be an expensive, time-
27 consuming, and uncertain proposition.

28 16. If the Court approves the terms of the Settlement, the net settlement amount will be

approximately \$75,373.95 (the “Net Settlement Amount”). The Net Settlement is the Gross Settlement Amount *minus* the following:

- a. Up to \$5,000.00 enhancement award to Plaintiff (the “PAGA Representative Service Payment”);
- b. \$53,661.30 to PAGA Counsel for their attorneys’ fees (the “PAGA Counsel Fees Payment”);
- c. \$22,214.75 to PAGA Counsel for attorneys’ costs (the “PAGA Counsel Litigation Expenses Payment”); and
- d. \$4,750.00 to the Phoenix Settlement Administrators, Inc. (the “Administrator”) for their administration costs (the “Administrator Expenses Payment”). A true and correct copy of the Administrator’s bid is attached hereto as **Exhibit 4**.

Further, 65% of the Net Settlement Amount, or approximately \$48,993.07, will go to the LWDA and the remaining 35% of the Net Settlement Amount, or approximately \$26,380.88, will be paid to the Aggrieved Employees by (a) dividing the amount of the Aggrieved Employees’ 35% share of PAGA Penalties from the Net Settlement by the total number of PAGA Period Pay Periods worked by all Aggrieved Employees during the PAGA Period, and (b) multiplying the result by each individual Aggrieved Employee’s PAGA Pay Periods. The average Individual PAGA Payment is estimated to be approximately \$86.49 ($\$26,380.88 / 305$).¹

PAGA Representative Service Payment

17. The requested Plaintiff’s Enhancement Award is intended to recognize: (1) the substantial time and effort that Plaintiff has expended on behalf of the State and Aggrieved Employees; (2) the risks faced by Plaintiff as a result of bringing this Action; (3) the fact that Plaintiff put the interests of the State of California and other aggrieved employees ahead of his own; and (4) the substantial benefit conferred upon the State and the Aggrieved Employees as a result of Plaintiff’s actions.

¹ This estimated average is based on currently available aggregate information and is intended solely to provide the Court with a general approximation; actual individual payments will be calculated by the Settlement Administrator using employee-specific pay period data and may differ accordingly.

18. Plaintiff has spent numerous hours performing tasks for this Action, including, but not limited to, the following: consulting with counsel in-person and over the telephone; searching for and producing relevant documents; reviewing documents produced by Defendant and Settlement documents; keeping informed of the developments in the Action; and participating in decisions concerning the Action, including settlement. As a result of his efforts, the LWDA and about 305 aggrieved employees will receive compensation for civil penalties for underpaid wages and other wage and hour violations.

19. Plaintiff put herself at significant risk in pursuing this Action on behalf of the State, as serving as a Plaintiff in a representative action could affect her prospects for future employment. Plaintiff also placed herself at substantial risk because, if Defendant was to prevail in this action, Plaintiff could be liable for Defendant's costs and attorneys' fees.

20. In short, this Action would not have been possible without the aid of Plaintiff, who put her own time and effort into this Action, sacrificed the value of her individual claims by entering into a general release of all known and unknown claims, and placed herself at risk for the sake of the State and the Aggrieved Employees, and Defendant will not oppose Plaintiff's request for the full PAGA Representative Service Payment.

Attorneys' Fees And Costs

21. The Settlement provides for a payment of attorneys' fees in the amount of \$53,661.30 and \$22,214.75 in costs to Plaintiff's counsel.

22. The total current lodestar for WLF is not less than the following:

Person	Role	Hours	Rate	Lodestar
Thiago M. Coelho	Senior Partner	34	\$1,000	\$34,000.00
Alan Wilcox	Senior Attorney	5.2	\$950	\$4,940.00
Lauren M. Lenzion	Senior Attorney	22.5	\$800	\$18,000.00
Jesenia Martinez	Senior Attorney	2.8	\$800	\$2,240.00
Conor Gomez	Settlement Attorney	8	\$575	\$4,600.00
Coley Hayes	Paralegal	8.4	\$200	\$1,680.00

	Total:	80.9		\$65,460.00
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23. WLF has spent approximately 80.9 hours, for a lodestar of \$64,460.00 litigating this Action to bring it to resolution, not including time which will be expended monitoring the administration of the Settlement and distribution of funds to the Aggrieved Employees. Efforts expended by PAGA Counsel to achieve this result include, but are not limited to, the following:

- a. the investigation of the matter, including meeting with Plaintiff, reviewing Defendant's policies, and requesting and reviewing Plaintiff's time and pay records, personnel files, and exploring the corporate structure of Defendant;
- b. filing the Action;
- c. attending hearings and meeting and conferring with Defendant regarding the Action;
- d. meeting and conferring with Defendant regarding mediation, exchange of informal discovery beforehand, and negotiating with opposing counsel regarding the parameters thereof;
- e. selecting a mediator and mediation date;
- f. working with opposing counsel and a consultant for the receipt of a representative sampling and analyzing the same with the aid of a consultant and Plaintiff to perform analyses of liability and exposure prior to attendance of the mediation in this Action;
- g. reviewing policy documents from Defendant and researching applicable defenses;
- h. preparation of a mediation brief and damages model for use at mediation;
- i. attendance at mediation by all Parties and counsel;
- j. communicating with Plaintiff who requested updates or other information regarding this matter;
- k. engaging in settlement negotiations, followed by finalizing and fully executing the Settlement Agreement;
- l. communicating with multiple settlement administration companies to select an appropriate administrator for this settlement; and

1 m. preparing the instant Motion and supporting documents.

2 24. There are additional hours devoted by Class Counsel to this Action that are not
3 reflected in the PAGA Counsel Fees Payment.

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

7 26. I believe that the PAGA Counsel Fees Payment and PAGA Counsel Litigation
8 Expenses Payment provisions are reasonable. The fee percentage requested is less than that
9 charged by WLF for most employment cases. WLF invested significant time and resources into
10 the Action, with payment deferred to the end of the Action, and then, of course, contingent on the
11 outcome.

12 27. It is further estimated that my office will need to expend at least another 10 to 15
13 hours to monitor the process leading up to payments made to the Aggrieved Employees. WLF also
14 bears the risk of taking whatever actions are necessary if Defendant fails to pay.

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

23 29. In the high-risk, high-cost practice of class action and PAGA litigation, WLF has
24 endured financial losses in several of its cases. I believe that the particular risk of taking on this
25 high-cost, high-risk case supports an upward adjustment of the lodestar calculation.

26 30. Because most individuals cannot afford to pay for representation in litigation on an
27 hourly basis, WLF represents all of its employment law clients on a contingency fee basis.
28 Pursuant to this arrangement, we are not compensated for our time unless we prevail at trial or

1 successfully settle our clients' cases. Because WLF is taking the risk that we will not be
2 reimbursed for our time unless our client settles or wins his or her case, we cannot afford to take
3 cases on a contingency basis if, at the end of our representation, we receive less than the amount
4 of attorneys' fees negotiated with defendant. It is therefore essential that we recover our requested
5 fees when we settle cases if we are to remain in practice so as to be able to continue take on class
6 and representative action cases.

7 31. I believe that the efforts of PAGA Counsel have resulted in substantial benefits to
8 the Aggrieved Employees and the State of California. Through the efforts of PAGA Counsel and
9 Plaintiff in this Action, a fair and reasonable resolution has been reached. I believe that, without
10 the efforts of PAGA Counsel, the Labor Code and Wage Order violations alleged in the Action
11 would have gone completely unremedied. The PAGA Counsel Fees Payment and PAGA Counsel
12 Litigation Expenses Payment provided for in the Settlement are reasonable given the result
13 achieved.

14 32. As of the drafting of this Motion, WLF has incurred \$22,214.75 in expenses
15 litigating this Action. These expenses were reasonably necessary in litigating and settling the
16 Action and were actually incurred by WLF. They should be reimbursed in full, up to the maximum
17 amount allowed in the Settlement Agreement. Attached as **Exhibit 5** to this Declaration is a true
18 and correct copy of WLF's costs breakdown.

19 **The Administration Expenses Payment is Reasonable**

20 33. The Administrator Expenses Payment in the amount of \$4,750.00 to the
21 Administrator reasonable, given the tasks to be performed by the Administrator, including, but not
22 limited to, the following duties: mailing and re-mailing (if necessary) checks to approximately 305
23 Aggrieved Employees and the LWDA; establishing a qualified settlement fund; preparing and
24 submitting to Aggrieved Employees and government entities all appropriate tax filings and forms;
25 distributing the PAGA Representative Service Payment and attorneys' fees and costs; keeping the
26 Parties timely apprised of the performance of all obligations under the Agreement; and voiding
27 uncashed or undeliverable checks to issue those funds to California Controller's Unclaimed
28

Property. Plaintiff respectfully requests that the Court approve the Administration Expenses Payment.

Plaintiff's Counsel's Experience and Qualifications

34. Plaintiff is represented by WLF. The attorneys at WLF performed significant work and expended litigation costs in prosecuting this matter with no guarantee of payment.

35. WLF was selected by Best Lawyers and U.S. News & World Report as one of the nation's Best Law Firms for every year since 2020 and is comprised of more than 100 attorneys and over 600 employees. WLF is actively and continuously practicing in employment litigation, representing employees in both individual and class actions in both state and federal courts throughout California.

CLASS COUNSEL'S EXPERIENCE

Thiago Coelho's Qualifications

36. Thiago Coelho graduated from the University of Central Florida and the University of Southern California, Gould School of Law. The National Trial Lawyers selected him as a "Top 10 Data Privacy Trial Lawyer," "Top 25 Class Action Trial Lawyers," "Top 10 Wage and Hour Trial Lawyer," and a "Top 40 under 40" attorney. For 2020 and 2021, he was selected and served as the President of the Data Privacy Trial Lawyers Association, and he is an active member of CAALA, CAOC's Data Breach Committee, and AAJ's Class Action Division. He has been selected as a "Best Lawyer" by The Best Lawyers in America® and Super Lawyers as a "Rising Star." Further, he has extensive experience litigating consumer class action and data privacy class actions, and have litigated wage-and-hour class actions, including the following cases:

- (a) He served as lead counsel in Suarez v. Bank of America, N.A., Case No. 18-cv-01202-LB, a wage-and-hour federal class action which resulted in a \$1.5 million settlement.
- (b) He was lead counsel in Moore v. Centrelake Medical Grp. (2022) 83 Cal.App.5th 515, a data breach class action, where the Court of Appeal reversed the trial court's judgment sustaining the defendant's demurrer, in

part, because the plaintiff's loss of benefit of the bargain was deemed a sufficient injury for UCL standing. (Id. at pp. 527-530.)

(c) He was also lead counsel in *Mier v. CVS Health* (9th Cir. July 8, 2023) No. 22-55665, 2023 WL 4837851, a consumer class action involving false advertising claims where the Ninth Circuit reversed the denial of class certification. He has settled over 300 cases, including, but not limited to, consumer class action cases. His hourly rate is \$950.00, which was approved in *Suarez v. Bank of America, N.A.* (N.D. Cal. Jan. 11, 2024), No. 18-cv-01202-LB, 2024 WL 150721, *3 ("As for the lodestar cross-check, the billing rates are normal and customary for timekeepers with similar qualifications and experience in the relevant market.")

(d) He was also lead counsel in *Peters v. Apple, Inc.*, (Los Angeles Superior Court) Case No. 18STCV21787, a consumer class action involving Apple, Inc.'s alleged misrepresentations regarding its Family Sharing service, which resulted in a \$25 million class settlement. For his work on *Peters v. Apple, Inc.*, he was awarded the Daily Journal's California Lawyer Attorney of the Year ("Clay") Award.

(e) He was also lead counsel in *Schumacher v. Bank of Hope*, Case No. 18STCV02066, a consumer class action which resulted in a \$13.3 million settlement.

(f) He served as an executive committee member in *Slate v. Dominion Dental Services*, Case No. 1:19-cv-01063, which resulted in a \$4.7 million settlement.

(g) He was class counsel in *In re MCG Health Data Security Litigation*, Case No. 2:22-cv-0849-RSM-DWC, which resulted in a \$8.8 million consumer class action settlement.

(h) He was class counsel in *Billie Culp, et al., v. Fitzgibbon Hospital*, Case No. 23SA-CV00020 (Cir. Ct. Saline Cty., Mo., Div. IV January 10, 2023); a data

breach consolidated class action with a court-approved \$650,000.00 settlement.

- (i) He was class counsel in *Mendoza v. Crystal Bay Casino, LLC*, Case No. 3:23-cv-00092-MMD-CLB (D. Nev. Filed Feb. 28, 2023); a data breach consolidated class action with a court-approved \$675,000.00 settlement.
- (j) He was settlement class counsel in *In re Wright & Filippis, LLC Data Security Breach Litig.*, No. 2:22-cv-12908-SFC (E.D. Mich. Filed Nov. 30, 2022); which resulted in a court approved \$2.9 million settlement.
- (k) He is co-lead class counsel in *Lowery, et al., v. Community Psychiatry Management, LLC*, Case No. 24STCV30135 (Cal. Super. Ct. L.A. Cnty Nov. 15, 2024); with a pending settlement of \$3.5 million.
- (l) He was lead class counsel in *Alcazar v. Fashion Nova, Inc.*, Case No. 4:20-cv-01434-JST (N.D. Cal. filed Feb. 26, 2020); with a pending settlement of \$5.15 million.

37. The reasonableness of his 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 6.**
- (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

1 June 9, 2022, the author describes how Big Law firms have crossed the
2 \$2,000-per hour rate. The article also notes that law firm rates have been
3 increasing by just under 3% per year. A true and correct copy of this article
4 is attached hereto as Exhibit 7.

5 Alan Wilcox's Qualifications

6 38. Alan Wilcox is a Senior Attorney at Wilshire Law Firm, PLC. He graduated from
7 the University of California, Berkeley in 2007, and graduated from Pepperdine University's School
8 of Law and became a member of the California State Bar in 2012. Throughout his career, Alan
9 has represented clients in both state and federal Courts in a wide variety of matters, including
10 contract disputes, wrongful foreclosure, unlawful detainer, divorce, product defect, tort, and
11 employment matters. From 2014 to the present, he has exclusively practiced complex civil
12 litigation representing plaintiff employees in employment matters. He has handled both individual
13 wrongful discharge and collective wage and hour actions, with the class action and PAGA matters
14 including Flores v. Aqua Terra Culinary, Inc., Monterey Superior Court Case No. 17CV002672,
15 Garcia v. Construction Innovations Group, LLC, Sacramento Superior Court Case No. 34-2020-
16 00285239, Kim v. Sheraton Operating Corp., Central District of California Case No. 2:17-cv-
17 09247-FMO-E, Pease v. Wattrans, Inc., San Bernardino Superior Court Case No. CIVDS1919832,
18 and Lachman v. Berlitz Languages, Inc., Los Angeles Superior Court Case No. 19STCV01533,
19 among others.

20 Jesenia Martinez's Qualifications

21 39. Jesenia Martinez is a Senior Attorney at WLF. She graduated from Tufts University
22 and Southwestern Law School and was admitted to practice in California in 2017. During law
23 school, she completed externships with Hon. Kim McLane Wardlaw at the United States Court of
24 Appeals for the Ninth Circuit and with Hon. Dean D. Pregerson at the United States District Court
25 for the Central District. Super Lawyers selected Ms. Martinez as a "Rising Star." For her work
26 on *Peters v. Apple, Inc.* No. 19STCV21787 (LASC), she was awarded the Daily Journal's
27 California Lawyer Attorney of the Year (CLAY) Award. She has experience in all stages of
28 litigation and been named as lead counsel in cases around the country. At WLF, she continues to

1 prosecute consumer cases, including violations of the Americans with Disabilities Act, violations
2 of privacy rights, and other statutes for misleading and false advertising under the Consumer Legal
3 Remedies Act and California's Unfair Competition Law. Some of her notable cases include
4 securing class certification in a matter pending in the Southern District of New York, *George v.*
5 *Shamrock Saloon II, LLC*, Case No.1: 17-cv-06663-RA-HBP, as well as a \$12.3 million settlement
6 in a consumer class action, *Kim v. Tinder, Inc., et al.*, No. 2:18-cv-03093-JFW-AS (C.D.
7 Cal.). She joined Wilshire Law Firm and assisted the team in securing a \$25 million consumer
8 class action settlement in *Peters v. Apple Inc.*, No. 19STCV21787 (Los Angeles Cnty.).

9 Conor Gomez's Qualifications

10 40. Conor J.D. Gomez is a fifth-year Settlement Attorney at WLF. Mr. Gomez is
11 responsible for finalizing resolved class action and PAGA matters, ensuring that they are carried
12 through the approval and distribution process in an efficient manner and in compliance with court
13 orders. He graduated from the University of California, Los Angeles School of Law in May 2020.
14 Mr. Gomez passed the California Bar Examination on his first attempt and was admitted to practice
15 in May 2021. He is admitted to practice law in the State of California and before the Northern
16 District of California. Mr. Gomez also serves as an adjunct professor at the Thomas Jefferson
17 School of Law in San Diego, California, and he acts as a Bar Exam Preparation mentor to law
18 students throughout San Diego. He graduated from the University of California, San Diego in 2017
19 with a Bachelor of Arts in Sociology, concentrating in Law & Society. During law school, Mr.
20 Gomez obtained credentials in course design, teaching innovation and technology, and business
21 administration from the University of California, Irvine. He was awarded the Masin Family
22 Foundation Gold Award in recognition of his academic performance in law school. Mr. Gomez
23 began his legal career representing both for-profit and non-profit/tax-exempt organizations. He
24 draws on that experience to achieve strong results for his clients, having represented businesses
25 and understanding their perspectives. He has practiced plaintiff-side employment litigation for
26 several years and has a strong record of securing settlements in individual wage-and-hour and
27 FEHA matters, with results regularly reaching the six-figure range. Throughout his career, Mr.
28 Gomez has worked with multiple firms, taking on increasing responsibility and mentoring dozens

of new attorneys in employment law fundamentals and litigation strategies to achieve efficient and favorable outcomes. He transitioned into his current role at WLF to capitalize on his strengths in settlement negotiations, workflow optimization, and drafting clear and concise agreements and motions, with the goal of achieving maximal results for larger classes of workers. Mr. Gomez has served on the board of directors for local arts organizations and regularly hosts workshops throughout Southern California. He has guest lectured at the University of California, Irvine on various legal topics. He is also a certified mediator and serves on the California Lawyers for the Arts mediation panel, where he volunteers his time to mediate a wide range of disputes, including artistic business and ownership matters as well as employment disputes. Mr. Gomez has been appointed as class counsel in wage-and-hour matters throughout California, including most recently in *Sendis et al., v. Gucci America, Inc., et al.*, CVPS2404656, Motion for Final Approval Granted May 8, 2026; *Taylor v. Taylor Creative Inc., et al.*, 23CV012371, Motion for Final Approval Granted on May 4, 2026; *Martinez v. Inland Staffing Inc. et al.*, CIVSB2428153, Motion for Preliminary Approval Granted April 24, 2026; *Alvarado v. Northstar Chemical, Inc., et al.*, CV-23-001538, Motion for Final Approval Granted April 9, 2026; *Julius v. Amdal Transport Services, Inc.*, VCU309520, Motion for Final Approval Granted April 7, 2026; *Begley v. Genewiz, LLC*, 37-2022-00038762-CU-OE-CTL, Motion for Final Approval Granted April 3, 2026; *Canady v. Sheffield Platers, Inc.*, 37-2024-00014952-CU-OE-CTL, Motion for Preliminary Approval Granted March 4, 2026; *Molina v. CCN Framing, Inc.*, 22STCV10819, Motion for Preliminary Approval Granted on March 4, 2026; and *Lucero v. Nissho of California, Inc.*, Case No. 37-2021-00001528-CU-OE-CTL, consolidated with Case No. 37-2022-00012006-CU-OE-CTL, Motion for Final Approval granted on February 20, 2026.

Lauren Lendzion's Qualifications

41. Lauren Lendzion is is a Senior Attorney at Wilshire Law Firm and has been a member of the California Bar since 2005. She is admitted and in good standing to practice before all courts of the State of California, and the United States District Courts for the Central, Southern, Eastern, and Northern Districts of California. Ms. Lendzion has experience in all stages of litigation and in complex matters involving class actions, consumer protection, antitrust, securities

1 fraud, employment, and related claims. She obtained her Bachelor of Arts degree from the
2 University of California, Santa Barbara (2001) and her J.D. from Seattle University School of Law
3 (2004). While at Wilshire Law Firm, Ms. Lendzion worked on *Moore*
4 *v. Centrelake Medical Grp.*(2022) 83 Cal.App.5th 515, a data breach class
5 action, which was resolved through a class settlement providing monetary and injunctive relief,
6 including credit monitoring services valued at \$113,894,424. Prior to working at Wilshire Law
7 Firm, Ms. Lendzion worked at a prominent plaintiff-side class action firm where she worked and
8 contributed on numerous class actions cases including: *Chabot v. Walgreens Boots Alliance, Inc.*,
9 No. 1:18-cv-02118-JPW (M.D. Pa.) which resulted in a \$192.5 million settlement and is the largest
10 securities recovery paid by one company to the shareholders of a different company over
11 misleading statements in connection with the antitrust review of a merger; and *Goldstein v.*
12 *Denner, C.A.* No. 2020-1061-JTL (Del. Ch.) securing \$124 million for Bioverativ shareholders in
13 litigation challenging the company's sale.

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

16 Executed on June 3, 2026, at San Diego, California.

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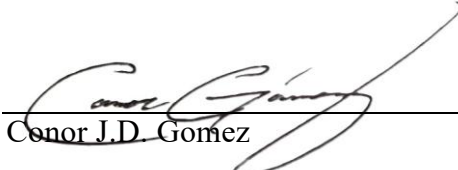

Conor J.D. Gomez

Exhibit 1

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Benjamin Haber, Esq.

September 2, 2025

LWDA
Attn. PAGA Administrator
1515 Clay Street, Suite 801
Oakland, CA 94612
(Via Online Submission)

Ascend Healthcare, LLC
11515 W Washington Blvd
Los Angeles, CA 90066
(Via U.S. Certified Mail, Return Receipt Requested)
9489 0090 0027 6638 7727 28

Ascend Healthcare, LLC
c/o Joseph Essas, Agent for Service of Process
11515 W Washington Blvd
Los Angeles, CA 90066
(Via U.S. Certified Mail, Return Receipt Requested)
9489 0090 0027 6638 7727 35

Re: *Ariela Gonzalez-Monterroza v. Ascend Healthcare, LLC*
Notice of California Labor Code Violations and PAGA Penalties

To Whom It May Concern:

Please be advised that my office has been retained by Ariela Gonzalez-Monterroza to pursue a representative action under the California Labor Code Private Attorneys General Act of 2004 (PAGA), California Labor Code¹ section 2699, *et seq.* against Ms. Gonzalez-Monterroza's former employer, Ascend Healthcare, LLC ("Ascend Healthcare" or "Employer"). The purpose of this letter is to comply with PAGA and set forth the facts and theories of Labor Code violations which Ms. Gonzalez-Monterroza alleges Ascend Healthcare engaged in with respect to Ms. Gonzalez-Monterroza and potentially all Ascend Healthcare's current and former employees.

Ms. Gonzalez-Monterroza wishes to pursue this action on behalf of Ascend Healthcare's current and former employees, on behalf of the State of California, as well as on behalf of all other persons who worked for Ascend Healthcare in California as non-exempt or hourly-paid employees at any time within the applicable statutory period collectively referred to as, "Aggrieved Employees").

Ms. Gonzalez-Monterroza and Aggrieved Employees, or some of them, suffered the Labor Code violations described below.

Ms. Gonzalez-Monterroza's Employment with Ascend Healthcare

Ascend Healthcare operates residential treatment facilities for teenagers with mental health and addiction issues. Ascend Healthcare owns and operates an industry business, and establishment within the State of

¹ Unless otherwise stated, all references to "Labor Code" are meant to reference the California Labor Code.

California. Therefore, and based on all the facts and circumstances incident to Ascend Healthcare's business in California, Ascend Healthcare is subject to the Labor Code, the Industrial Wage Commission's (IWC) Wage Orders, and the California Business and Professions Code.

Ms. Gonzalez-Monterroza is a resident of Palmdale, California who worked for Ascend Healthcare in Santa Clarita, California, as an hourly-paid, non-exempt employee from approximately June 27, 2024 to July 6, 2025. Ms. Gonzalez-Monterroza worked as a Nurse, and her primary job function was to manage resident inpatients and pickup, handle and prepare their medication.

During Ms. Gonzalez-Monterroza's employment with Ascend Healthcare, Ascend Healthcare paid Ms. Gonzalez-Monterroza an hourly wage and classified Ms. Gonzalez-Monterroza as non-exempt from overtime. Ascend Healthcare typically scheduled Ms. Gonzalez-Monterroza to work at least five days in a workweek and at least eight hours per day but Ms. Gonzalez-Monterroza also worked more than eight hours in a workday and more than forty hours in a workweek.

In performing her duties, Ms. Gonzalez-Monterroza was regularly required to perform work "off-the-clock," including being required to assist patients before her shift was scheduled to begin and being required to respond to calls and messages from her supervisor after hours and during her days off. Due to understaffing and high workloads, Ms. Gonzalez-Monterroza was also frequently deprived of an opportunity to take legally compliant meal and rest breaks because the few meal and rest breaks Ms. Gonzalez-Monterroza took were often cut short or interrupted.

Ascend Healthcare did not provide Ms. Gonzalez-Monterroza and Aggrieved Employees with all requisite meal and rest break premiums as required by the Labor Code. Additionally, Ms. Gonzalez-Monterroza necessarily incurred business-related expenses, including but not limited to personal cell-phone related costs (which she was required to use to respond to calls and texts, even during her rest and meal breaks and non-work hours) and wear-and-tear on her personal vehicle (which she was required to use on a weekly basis to pick up medication or transport patients). Ascend Healthcare did not reimburse such business expenses. These are just non-exhaustive examples of the facts and theories Ms. Gonzalez-Monterroza asserts, which are later described in more detail.

Throughout Ms. Gonzalez-Monterroza's employment, Ascend Healthcare did not (1) pay for all hours worked (including minimum, straight time, and overtime wages); (2) provide Ms. Gonzalez-Monterroza with legally compliant meal periods; (3) authorize and permit Ms. Gonzalez-Monterroza to take rest periods; (4) timely pay all final wages to Ms. Gonzalez-Monterroza when Ascend Healthcare terminated Ms. Gonzalez-Monterroza's employment; (5) furnish accurate wage statements to Ms. Gonzalez-Monterroza; and (6) indemnify Ms. Gonzalez-Monterroza for business expenditures. As will be further discussed, Ms. Gonzalez-Monterroza's experience working for Ascend Healthcare was typical and illustrative.

Failure to Pay for All Hours Worked, Including Minimum, Straight, and Overtime Wages

Under California law, an employer must pay for all hours worked by an employee. "Hours worked" is the time during which an employee is subject to the control of the employer and including the time the employee is suffered or permitted to work, whether required to do so.

In addition, Labor Code section 510 provides that employees in California shall not be employed for more than 8 hours on any workday or 40 hours in a workweek unless they receive additional compensation plus their regular wages in amounts specified by law.

Labor Code sections 1194 and 1198 also provide that employees in California shall not be employed more than 8 hours in any workday or 40 hours in a workweek unless they receive the additional compensation as required by law. Further, Section 1198 declares unlawful the employment of an employee for hours longer than those fixed by the IWC.

Throughout the statutory period, Ascend Healthcare did not pay Ms. Gonzalez-Monterroza and Aggrieved Employees, or some of them, for all hours worked, including minimum, straight time, and overtime wages. At times, Ascend Healthcare required Ms. Gonzalez-Monterroza and Aggrieved Employees, or some of them, to work “off-the-clock,” uncompensated by, for example, requiring Ms. Gonzalez-Monterroza and Aggrieved Employees to perform work during uncompensated meal and rest breaks, and requiring Ms. Gonzalez-Monterroza and Aggrieved Employees to perform work before clocking in or after clocking out. As one example, Ms. Gonzalez-Monterroza was required to assist patients during her rest and meal breaks on a near daily basis. As another example, Ms. Gonzalez-Monterroza was required to answer calls and messages on her phone at all times—even during her rest and meal breaks and during non-work hours—and was reprimanded when she did not respond in time. Some of this unpaid work should have been paid at the overtime rate. California Labor Code section 510 requires that employers compensate employees 1.5 times their regular rate of pay when employees work over 8 hours per day, 40 hours per week, or when employees work up to 8 hours on any seventh day of a workweek. Ascend Healthcare failed to properly calculate Ms. Gonzalez-Monterroza’s regular rate of pay when paying overtime, by failing to include all compensation in Ms. Gonzalez-Monterroza’s overtime calculations, including hours worked off-the-clock. In failing to pay for all hours worked, Ascend Healthcare also did not maintain accurate records of the hours Ms. Gonzalez-Monterroza and the Aggrieved Employees, or some of them, worked.

As a result, Ascend Healthcare is liable to Ms. Gonzalez-Monterroza and the Aggrieved Employees, or some of them, for the civil penalties provided for in Labor Code sections 210, 1197.1, and 2699, subdivision (f)(2) for failing to pay for all hours worked, including minimum, straight time, and overtime wages.

Failure to Provide Meal Breaks

Under California law, employers have an affirmative obligation to relieve employees of all duty in order to take their first 30-minute, duty-free meal break no later than the start of sixth hour of work in a workday, and to allow employees to take their second 30-minute, duty-free meal period no later than the start of the eleventh hour of work in the workday. Further, employees are entitled to be paid 1 hour of additional wages for each workday they were not provided with all required meal breaks. Despite these legal requirements, Ascend Healthcare at times wrongfully failed to provide Ms. Gonzalez-Monterroza and Aggrieved Employees, or some of them, with their legally mandated 30-minute, uninterrupted, and duty-free meal break in a manner required by law (and also including but not limited to failing at times to provide Ms. Gonzalez-Monterroza and Aggrieved Employees, or some of them, the opportunity to leave the work premises to take meal breaks). For example, Ms. Gonzalez-Monterroza was frequently deprived of an opportunity to take legally compliant meal breaks, including because the very few meal breaks Ms. Gonzalez-Monterroza could take were often cut short or interrupted. Ascend Healthcare required Ms. Gonzalez-Monterroza and others to assist patients and respond to calls and messages during her meal periods and would reprimand them if they did not do so. Additionally, Ms. Gonzalez-Monterroza was frequently required to pick up meals or medication for patients during her meal breaks.

Ascend Healthcare also continued to assert control over Ms. Gonzalez-Monterroza and Aggrieved Employees, or some of them, by, among other things, requiring, pressuring, or encouraging them to perform work tasks which could not be completed without working in lieu of taking mandatory meal breaks, or by denying Ms. Gonzalez-Monterroza and Aggrieved Employees, or some of them, permission to take a meal break under the

conditions required by law, and without properly compensating Ms. Gonzalez-Monterroza and Aggrieved Employees, or some of them, for meal breaks that were not provided as required by law. Ascend Healthcare also did not inform Ms. Gonzalez-Monterroza of Ms. Gonzalez-Monterroza's right to, nor permitted Ms. Gonzalez-Monterroza to take, all of Ms. Gonzalez-Monterroza's second meal breaks when Ms. Gonzalez-Monterroza worked at least 10 hours of work in a workday and otherwise unlawfully pressured Ms. Gonzalez-Monterroza to waive such breaks. Accordingly, Ascend Healthcare at times failed to provide meal breaks to Ms. Gonzalez-Monterroza and Aggrieved Employees, or some of them, in compliance with California law.

Ms. Gonzalez-Monterroza and the Aggrieved Employees, or some of them, are thus entitled to be paid 1 hour of additional wages for each workday they were not provided with all required meal breaks. Ascend Healthcare, however, at times failed to pay Ms. Gonzalez-Monterroza and Aggrieved Employees, or some of them, the additional wages to which they were entitled for meal breaks that were not provided. Ms. Gonzalez-Monterroza does not recall ever receiving any meal and rest break premiums.

Thus, Ascend Healthcare is liable to Ms. Gonzalez-Monterroza and Aggrieved Employees, or some of them, for the civil penalties provided for in Labor Code sections 210 and 2699, subdivision (f)(2) for failing to provide meal breaks and pay meal period premium wages.

Failure to Authorize and Permit Rest Breaks

Per California law, employers are required to authorize and permit breaks of 10 uninterrupted minutes for each 4 hours of work or major fraction of 4 hours (*i.e.*, more than 2 hours). Thus, for example, if an employee's work time is 6 hours and 10 minutes, the employee is entitled to 2 rest breaks. Each failure to authorize rest breaks as required is itself a violation of California's rest break laws.

Throughout the statutory period, Ascend Healthcare at times has wrongfully failed to authorize and permit Ms. Gonzalez-Monterroza and Aggrieved Employees, or some of them, to take legally compliant rest breaks in a manner required by law (and also including but not limited to failing, at times, to authorize and permit Ms. Gonzalez-Monterroza and Aggrieved Employees, or some of them, the opportunity to leave the work premises to take rest breaks). Ascend Healthcare at times required Ms. Gonzalez-Monterroza and Aggrieved Employees, or some of them, to work in excess of 4 consecutive hours a day without Ascend Healthcare's authorizing and permitting Ms. Gonzalez-Monterroza to take a 10-minute, uninterrupted, duty-free rest period for every 4 hours of work (or major fraction of 4 hours), or without compensating Ms. Gonzalez-Monterroza and Aggrieved Employees, or some of them, for rest breaks that were not authorized or permitted.

Instead, Ascend Healthcare at times continued to assert control over Ms. Gonzalez-Monterroza and Aggrieved Employees, or some of them, by requiring, pressuring, or encouraging them to perform work tasks which could not be completed without working in lieu of taking mandatory rest breaks, or at times by denying Ms. Gonzalez-Monterroza and Aggrieved Employees, or some of them, permission to take a rest break. For example, at times, it was impossible for Ms. Gonzalez-Monterroza and others to take rest breaks due to Ascend Healthcare's policy of requiring employees to work through them. Ascend Healthcare required Ms. Gonzalez-Monterroza and others to assist patients and be responsive to calls and messages even during the rest breaks.

Accordingly, Ascend Healthcare at times failed to authorize and permit Ms. Gonzalez-Monterroza and Aggrieved Employees, or some of them, to take rest breaks in compliance with California law. Ms. Gonzalez-Monterroza and Aggrieved Employees, or some of them, are thus entitled to be paid 1 hour of additional wages for each workday they were not authorized and permitted to take all required rest breaks. Ascend Healthcare, however, at times failed to pay Ms. Gonzalez-Monterroza and Aggrieved Employees, or some of them, the

additional wages to which they were entitled for rest breaks that they were not authorized and permitted to take.

As a result, Ascend Healthcare is liable to Ms. Gonzalez-Monterroza and Aggrieved Employees, or some of them, for the civil penalties provided for in Labor Code sections 210 and 2699, subdivision (f)(2) for failing to authorize and permit rest periods and pay rest period premium wages.

Failure to Pay All Earned Wages Twice Per Month

Based on Ascend Healthcare's failure at times to pay Ms. Gonzalez-Monterroza and Aggrieved Employees, or some of them, for all wages as discussed above, Ascend Healthcare also violated Labor Code section 204.

Section 204 requires employers to pay employees all earned wages twice per month. Throughout the applicable statute of limitations period, employees were entitled to be paid twice a month at their regular rates, including all meal and rest break premium wages owed and wages owed for overtime hours worked. However, at times, Ascend Healthcare failed and refused to pay Ms. Gonzalez-Monterroza all wages due, and failed to pay those wages twice a month, in that Ms. Gonzalez-Monterroza was not paid all wages for all meal periods not provided by Ascend Healthcare, all wages for all rest periods not authorized and permitted by Ascend Healthcare, and all wages for all hours worked. As a result, Ascend Healthcare owes Ms. Gonzalez-Monterroza the legally required wages for unpaid wages, and Ms. Gonzalez-Monterroza and Aggrieved Employees, or some of them, suffered damages in those amounts.

Moreover, Ascend Healthcare is liable to Ms. Gonzalez-Monterroza and Aggrieved Employees, or some of them, for the civil penalties provided for in Labor Code section 210 for failing to pay all earned wages twice per month.

Failure to Maintain Accurate Records of Hours Worked and Meal Breaks

Ms. Gonzalez-Monterroza seeks penalties under Labor Code section 1174, subdivision (d). Per Labor Code section 1174.5, any person, including any entity, employing labor who willfully fails to maintain accurate and complete records required by section 1174 is subject to a penalty under section 1174.5. Under the applicable IWC Order section 7(A)(3), every employer shall keep time records showing when the employee begins and ends each work period. Meal breaks and total hours worked daily shall also be recorded.

Ascend Healthcare, however, at times failed to maintain accurate records of hours worked and all meal breaks taken or missed by Ms. Gonzalez-Monterroza and Aggrieved Employees, or some of them.

Ascend Healthcare's failure to provide and maintain records required by the Labor Code and the applicable IWC Wage Orders deprived Ms. Gonzalez-Monterroza and Aggrieved Employees, or some of them, the ability to know, understand and question the accuracy and frequency of meal breaks, and the accuracy of their hours worked stated in Ascend Healthcare's records. Therefore, Ms. Gonzalez-Monterroza and Aggrieved Employees, or some of them, had no way to dispute the resulting failure to pay wages, all of which resulted in an unjustified economic enrichment to Ascend Healthcare. As a direct result, Ms. Gonzalez-Monterroza and Aggrieved Employees, or some of them, have suffered and continue to suffer, substantial losses related to the use and enjoyment of such wages, lost interest on such wages and expenses and attorneys' fees in seeking to compel Ascend Healthcare to fully perform their obligation under state law, all to their respective damage in amounts according to proof at trial. As a result of Ascend Healthcare's knowing failure, at times, to comply with the Labor Code and applicable IWC Wage Orders, Ms. Gonzalez-Monterroza and Aggrieved Employees,

or some of them, have also suffered an injury in that they were prevented from knowing, understanding, and disputing the wage payments paid to them.

Failure to Timely Pay All Wages at Termination

Labor Code sections 201 and 202 provide that if an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately, and that if an employee voluntarily leaves their employment, their wages shall become due and payable not later than 72 hours thereafter, unless the employee has given 72 hours' previous notice of their intention to quit, in which case the employee is entitled to their wages at the time of quitting. Direct deposits of wages to an employee's bank, saving and loan, or credit union account that were previously authorized by the employee are immediately terminated when an employee quits or is discharged, and the payment of wages upon termination of employment in the manner described above shall apply unless the employee has voluntarily authorized that deposit and provided that the employer complies with the provisions of Labor Code section 213, subdivision (d) relating to the payment of wages upon termination or quitting of employment.

Within the applicable statute of limitations, the employment of Ms. Gonzalez-Monterroza and many other Aggrieved Employees ended, *i.e.*, was terminated by quitting or being discharged, and the employment of others will be terminated. However, during the relevant time period, Ascend Healthcare at times failed, and continue at times to fail, to pay Ms. Gonzalez-Monterroza and terminated Aggrieved Employees, or some of them, without abatement, all wages required to be paid by Labor Code sections 201 and 202 either at the time of discharge, or within 72 hours of their leaving Ascend Healthcare's employment. These include wages for unpaid work time (including minimum, straight time, and overtime wages), missed meal break premium wages, and missed rest break premium wages. Ascend Healthcare also violated, and continue to violate, Labor Code section 213, subdivision (d) by paying final wages (if any are paid at all) via direct deposit without the employee's voluntary authorization. Ms. Gonzalez-Monterroza recalls that Ms. Gonzalez-Monterroza did not receive final wages at the time of discharge, nor within 72 hours of leaving Ascend Healthcare's employment.

Ascend Healthcare's conduct violates Labor Code sections 201 and 202. Labor Code section 203 provides that if an employer willfully fails to pay wages owed, in accordance with sections 201 and 202, then the wages of the employee shall continue as a penalty wage from the due date, and at the same rate until paid or until an action is commenced; but the wages shall not continue for more than 30 days.

Accordingly, Ms. Gonzalez-Monterroza and Aggrieved Employees, or some of them, are entitled to recover from Ascend Healthcare their additionally accruing wages for each day they were not paid, at their regular hourly rate of pay, up to 30 days maximum pursuant to Labor Code section 203.

Moreover, Ascend Healthcare is liable to Ms. Gonzalez-Monterroza and Aggrieved Employees, or some of them, for the civil penalties provided for in Labor Code section 2699, subdivision (f)(2) for failing to timely pay all wages at termination, and for unlawfully making any such payment (if any) via direct deposit without the employee's voluntary authorization.

Failure to Furnish Accurate Wage Statements

Labor Code section 226, subdivision (a) provides that every employer shall, semimonthly or at the time of each payment of wages, furnish each of its employees an accurate itemized wage statement in writing showing 9 pieces of information, including: (1) gross wages earned; (2) total hours worked by the employee; (3) the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis; (4) all deductions, provided that all deductions made on written orders of the employee may be aggregated and

shown as one item; (5) net wages earned; (6) the inclusive dates of the period for which the employee is paid; (7) the name of the employee and the last four digits of their Social Security number or an employee identification number other than a Social Security number; (8) the name and address of the legal entity that is the employer; and (9) all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee. An employee is presumed to suffer an injury if this information is missing. (Cal. Lab. Code, § 226, subd. (e)(2)(B)(iii).)

The statute further provides: “An employee suffering injury as a result of a knowing and intentional failure by an employer to comply with subdivision (a) is entitled to recover the greater of all actual damages or fifty dollars (\$50) for the initial pay period in which a violation occurs and one hundred dollars (\$100) per employee for each violation in a subsequent pay period, not to exceed an aggregate penalty of four thousand dollars (\$4,000), and is entitled to an award of costs and reasonable attorney’s fees.” (Cal. Lab. Code, § 226, subd. (e)(1).)

Throughout the statutory period, Ascend Healthcare at times failed, and continues at times to fail, to timely furnish Ms. Gonzalez-Monterroza and Aggrieved Employees, or some of them, with accurate, itemized wage statements showing all applicable hourly rates, and all gross and net wages earned (including correct hours worked, correct wages for meal breaks that were not provided in accordance with California law, and correct wages for rest breaks that were not authorized and permitted to take in accordance with California law).

Because Ascend Healthcare at times violated Labor Code section 226, Ms. Gonzalez-Monterroza and Aggrieved Employees, or some of them, suffered injury and damage to their statutorily protected rights. Accordingly, Ms. Gonzalez-Monterroza and similarly Aggrieved Employees, or some of them, are entitled to recover from Ascend Healthcare the greater of their actual damages caused by Ascend Healthcare’s failure to comply with Labor Code section 226, subdivision (a), or an aggregate penalty not exceeding \$4,000 per employee. Moreover, Ascend Healthcare is liable to Ms. Gonzalez-Monterroza and Aggrieved Employees, or some of them, for the civil penalties provided for in Labor Code section 226.3 for failing to timely furnish accurate itemized wage statements.

Recordkeeping Requirement Violations

Labor Code section 1174 requires employers to keep “accurate and complete” payroll records showing, among other things, the hours worked daily by employees. For all applicable IWC Wage Orders, section 7 similarly requires employers to keep accurate time records reflecting the times during which all owed meal breaks were provided each day.

Based on information and belief, Ascend Healthcare at times failed, and continue at times to fail, to keep accurate and complete payroll records as required by law, including but not limited to the following records: total daily hours worked, applicable rates of pay, time records showing when Ms. Gonzalez-Monterroza and other Aggrieved Employees began and ended each work period, time records of meal breaks, and accurate itemized wage statements.

Based on information and belief, Ascend Healthcare at times failed and continues at times to fail to keep accurate and complete records showing total hours worked by Ms. Gonzalez-Monterroza and Aggrieved Employees, or some of them, by virtue of Ascend Healthcare’s time rounding and/or auto deduction policies and practices and/or other off-the-clock work policies and practices. Ascend Healthcare failed at times and continue at times to fail to keep accurate and complete records showing total hours worked by virtue of Ascend Healthcare’s failure to relieve Ms. Gonzalez-Monterroza and Aggrieved Employees, or some of them, of all duties and Ascend Healthcare’s control for unpaid meal periods, resulting in unpaid hours worked.

Based on information and belief, Ascend Healthcare further failed at times, and continue at times to fail, to record the true start and end times of Ms. Gonzalez-Monterroza's and Aggrieved Employees' meal periods, or some of them.

Based on further information and belief, Ascend Healthcare further failed at times and continue at times to fail, to record the true start and end times of Ms. Gonzalez-Monterroza's and Aggrieved Employees' work shifts, or some of them.

Additionally, Ascend Healthcare at times failed, and continue at times to fail, to keep accurate records and issue accurate wage statements by not documenting accrued sick time for Ms. Gonzalez-Monterroza and Aggrieved Employees, or some of them. Ascend Healthcare's failure to keep "accurate and complete" payroll records for Ms. Gonzalez-Monterroza and Aggrieved Employees, or some of them, violates Labor Code sections 1174, 1198, 1199, and all applicable IWC Wage Orders, section 7. These violations subject Ascend Healthcare to civil penalties under Labor Code sections 558.1, 226.6, 1174.5 and 2699. Each violation of each Labor Code section and Wage Order provision, for each Aggrieved Employee (or some of them), results in a separate civil penalty.²

Failure to Indemnify Necessary Expenditures

Labor Code section 2802, subdivision (a) provides that employers shall indemnify their employees for all necessary business expenditures or losses that have been incurred by the employees in direct discharge of their duties. Throughout the applicable statute of limitations period, Ascend Healthcare at times wrongfully required Ms. Gonzalez-Monterroza and Aggrieved Employees, or some of them, to pay expenses they incurred in direct discharge of their duties for Ascend Healthcare including but not limited to their cellphone plans and wear and tear and their personal vehicles. Ms. Gonzalez-Monterroza and Aggrieved Employees, or some of them, at times paid out-of-pocket for necessary employment-related expenses. Ms. Gonzalez-Monterroza and Aggrieved Employees, or some of them, incurred substantial expenses as a direct result of performing their job duties for Ascend Healthcare but Ascend Healthcare failed to indemnify Ms. Gonzalez-Monterroza and Aggrieved Employees, or some of them, for these employment-related expenses.

As a result, Ascend Healthcare is liable to Ms. Gonzalez-Monterroza and Aggrieved Employees, or some of them, for the civil penalties provided for in Labor Code section 2802 and 2699, subdivision (f)(2) for failing to indemnify Ms. Gonzalez-Monterroza and Aggrieved Employees, or some of them, for necessary business expenditures.

Action for PAGA Civil Penalties

In light of the above, Ms. Gonzalez-Monterroza alleges that Ascend Healthcare violated the following provisions of the Labor Code with respect to the Aggrieved Employees, or some of them:

1. Labor Code sections 204, 510, 1194, 1197, and 1198 by failing at times to pay for all hours worked, including minimum wages, straight time wages, and overtime wages;
2. Labor Code section 226.7 and applicable IWC Wage Orders by failing at times to provide meal breaks;
3. Labor Code section 226.7 and applicable IWC Wage Orders by failing at times to authorize and permit rest breaks;

² See Labor Code § 2699, subdivision (f)(2) (establishing that the civil penalty is "for each aggrieved employee per pay period").

4. Labor Code section 204 by failing at times to pay all earned wages twice per month;
5. Labor Code section 1174.5 and applicable IWC Wage Orders by failing at times to maintain accurate records of hours worked and meal breaks taken or missed;
6. Labor Code sections 201 to 203 by willfully failing at times to pay all wages owed at termination;
7. Labor Code section 226 by failing at times to provide accurate itemized wage statements;
8. Labor Code section 1174 by failing at times to keep accurate and complete payroll records; and
9. Labor Code section 2802 by failing at times to indemnify for necessary expenditures;

Therefore, on behalf of potentially Aggrieved Employees, Ms. Gonzalez-Monterroza seeks applicable penalties related to the violations alleged above per PAGA. These include, but are not limited to, penalties under Labor Code sections 210, 226.3, 1174.5, 1197.1, and 2699.

Ms. Gonzalez-Monterroza has placed Ascend Healthcare on notice by mailing a certified copy of this correspondence, as indicated on the first page. Thank you for your attention to this matter. If you have any questions, please do not hesitate to contact me.



Jesse S. Chen
Wilshire Law Firm, PLC

PAGA NOTICE PUBLIC SEARCH - CASE DETAIL

Case Information

Case Number: LWDA-CM-1122536-25
Plaintiff for PAGA Case: Ariela Gonzalez-Monterroza
Filer/Attorney for PAGA Case: Jesse Chen
Law Firm for PAGA Plaintiff: Wilshire Law Firm, PLC
Employer: Ascend Healthcare, LLC
Date Case Received:
Employer Filer Firm:
Court Type: California Superior Courts
Court Name: Los Angeles County Superior Court
PAGA Court Case Number: 25STCV25494
Violation Type:
Related BOFE Case:

Attachments

Attachment Name	Description	Date Submitted	Type
Additional Document submitted with Court Complaint on 12/19/2025 11:15:24 AM by Jesse Chen	251210_conf_POS_FAC_AH.pdf	12/19/2025 11:15 AM	Court Complaint
Additional Document submitted with Court Complaint on 12/19/2025 11:15:24 AM by Jesse Chen	251216_conf_Notice of Errata_AH.pdf	12/19/2025 11:15 AM	Court Complaint
Additional Document submitted with Court Complaint on 12/19/2025 11:15:24 AM by Jesse Chen	251216_conf_POS_Notice of Errata_AH.pdf	12/19/2025 11:15 AM	Court Complaint
Court Complaint Submitted on 12/19/2025 11:15:24 AM by Jesse Chen	251210_conf_FAC_AH.pdf	12/19/2025 11:15 AM	Court Complaint
PAGA Notice Submitted on 09/02/2025 11:54:35 AM by Jesse Chen	250902_Ltr to LWDA_re PAGA Ntc_AH.pdf	09/02/2025 11:54 AM	PAGA Notice

Exhibit 2

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Attorneys for Defendants

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
 FOR THE COUNTY OF LOS ANGELES**

ARIELA GONZALEZ-MONTERROZA,
 individually, and on behalf of all others
 similarly situated,

Plaintiff,

v.

ASCEND HEALTHCARE, LLC, a
 California limited liability company; and
 DOES 1 through 10, inclusive,

Defendants.

Case No.: 25STCV25494

Judge: Hon. David S. Cunningham III
 Dept.: 11

PAGA SETTLEMENT AGREEMENT

Complaint Filed: August 29, 2025
 FAC Filed: December 10, 2025
 Trial Date: Not Yet Set

1 This PAGA Settlement Agreement (“Agreement”) is made by and between Plaintiff
2 ARIELA GONZALEZ-MONTERROZA (“Plaintiff”) and Defendant ASCEND
3 HEALTHCARE, LLC (“Defendant”). The Agreement refers to Plaintiff and Defendant
4 collectively as “Parties,” or individually as “Party.”

5 **1. DEFINITIONS.**

6 1.1 “Action” means Plaintiff’s lawsuit alleging wage and hour violations against Defendant
7 captioned ARIELA GONZALEZ-MONTERROZA v. ASCEND HEALTHCARE, LLC initiated
8 on August 29, 2025 and amended on December 10, 2025, and pending in the Superior Court of
9 the State of California, County of Los Angeles.

10 1.2 “Administrator” means Phoenix Settlement Administrators, Inc., the neutral entity the
11 Parties have agreed to appoint to administer the Settlement.

12 1.3 “Administration Expenses Payment” means the amount the Administrator will be paid
13 from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance
14 with the Administrator’s “not to exceed” bid submitted to the Court in connection with approval
15 of this Settlement.

16 1.4 “Aggrieved Employee” means all individuals who worked for Defendant as a non-
17 exempt, hourly employee in California during the PAGA Period.

18 1.5 “Aggrieved Employee Data” means Aggrieved Employee identifying information in
19 Defendant’s possession including the Aggrieved Employee’s name, last-known mailing address,
20 Social Security number, and number of PAGA Pay Periods.

21 1.6 “Aggrieved Employee Address Search” means the Administrator’s investigation and
22 search for current Aggrieved Employees’ mailing addresses using all reasonably available
23 sources, methods, and means including, but not limited to, the National Change of Address
24 database, skip traces, and direct contact by the Administrator with Aggrieved Employees.

25 1.7 “Approval Order” means the proposed Court Order Granting Approval of PAGA
26 Settlement.

27 1.8 “Court” means the Superior Court of California, County of Los Angeles.

28 1.9 “Defendant” means Defendant ASCEND HEALTHCARE, LLC.

1.10 “Defense Counsel” means José-Manuel A. de Castro, David G. Larmore, and Lori V. Minassian of DE CASTRO LAW GROUP, P.C.

1.11 “Effective Date” means the date by which both of the following have occurred: (a) the Court enters a Judgment on its Order Granting Approval of the Settlement; and (b) the Judgment is final. The Judgment is final as of the day the Court enters Judgment.

1.12 “Gross Settlement Amount” means (\$161,000.00), which is the total amount Defendant agrees to pay under the Settlement, except as provided in Paragraph 7 below.

1.13 “Individual PAGA Payment” means the Aggrieved Employee’s pro rata share of 35% of the PAGA Penalties calculated according to the number of PAGA Pay Periods worked during the PAGA Period.

1.14 “Judgment” means the judgment entered by the Court based upon the Approval Order.

1.15 “LWDA” means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (m).

1.16 “LWDA PAGA Payment” means the 65% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (m).

1.17 “Net Settlement Amount” means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: the LWDA PAGA Payment, PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, PAGA Representative Service Payment, and the Administration Expenses Payment. The remainder is to be paid to Aggrieved Employees as Individual PAGA Payments.

1.18 “PAGA Counsel” means Thiago M. Coelho, Lauren M. Lendzion, Jennifer M. Leinbach, and Alan Wilcox, of Wilshire Law Firm, PLC.

1.19 “PAGA Counsel Fees Payment” and “PAGA Counsel Litigation Expenses Payment” mean the amounts allocated to PAGA Counsel for reimbursement of reasonable attorneys’ fees and expenses, respectively, incurred to prosecute the Action.

1.20 “PAGA Pay Period” means any Pay Period during which an Aggrieved Employee worked for Defendant for at least one day during the PAGA Period.

1.21 “PAGA Period” means the period from September 2, 2024, to April 30, 2026.

1.22 “PAGA” means the Private Attorneys General Act (Labor Code §§ 2698 et seq.).

1.23 “PAGA Notice” means Plaintiff’s September 2, 2025 letter to the LWDA and Defendant providing notice pursuant to Labor Code section 2699.3, subd.(a).

1.24 “PAGA Penalties” means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount after deducting PAGA Representative Service Payment, PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, and Administration Expenses Payment, which will be allocated 35% to the Aggrieved Employees 65% to the LWDA in settlement of PAGA claims.

1.25 “Plaintiff” means ARIELA GONZALEZ-MONTERROZA, the named plaintiff in the Action.

1.26 “Released PAGA Claims” means the claims being released as described in Paragraph 5 below.

1.27 “Released Parties” means Defendant and each of Defendant’s members, officers, directors, managerial employees and agents.

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

2. RECITALS.

2.1 On August 29, 2025, Plaintiff commenced this Action by filing a Complaint alleging wage-and-hour violations. On December 10, 2025, Plaintiff filed a First Amended Complaint adding a cause of action against Defendant for civil penalties under PAGA. The First Amended Complaint is the operative complaint in this Action (the “Operative Complaint”). Defendant denies the allegations in the Operative Complaint, denies any failure to comply with the laws identified in the Operative Complaint and denies any and all liability for the causes of action alleged.

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

2.3 On March 11, 2026, the Parties participated in an all-day mediation presided over by Lisa Klerman.

2.4 Prior to mediation, Plaintiff obtained, through informal discovery, time and payroll data for Aggrieved Employees and the necessary policy documents.

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

3. MONETARY TERMS.

3.1 Gross Settlement Amount. Except as otherwise provided by Paragraph 8 below, Defendant promises to pay \$161,000.00 and no more as the Gross Settlement Amount. Defendant has no obligation to pay the Gross Settlement Amount prior to the deadline stated in Paragraph 4.3.

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

3.2.1 To Plaintiff: A payment for the PAGA Representative Service Payment to Plaintiff of not more than \$5,000 in addition to any Individual PAGA Payment the Plaintiff is entitled to receive as an Aggrieved Employee. Defendant will not oppose Plaintiff's request for a PAGA Representative Service Payment that does not exceed this amount. If the Court approves a PAGA Representative Service Payment less than the amount requested, the Administrator will retain the remainder in the Net Settlement Amount to be distributed to the Aggrieved Employees. The Administrator will pay the PAGA Representative Service Payment using IRS Form 1099. Plaintiff assumes full responsibility and liability for employee taxes owed on the PAGA Representative Service Payment.

3.2.2 To PAGA Counsel: A PAGA Counsel Fees Payment of not more than one-third of the Gross Settlement Amount, which is currently estimated to be \$53,661.30, and a PAGA Counsel Litigation Expenses Payment for actual costs, not to exceed \$24,000.00 (twenty-four thousand dollars with zero cents). Defendant will not oppose requests for these payments.. If the Court approves a PAGA Counsel Fees Payment and/or a PAGA Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Net

1 Settlement Amount for distribution to Aggrieved Employees. Released Parties shall have no
2 liability to PAGA Counsel or any other Plaintiff's counsel arising from any claim to any portion
3 of PAGA Counsel Fee Payment and/or PAGA Counsel Litigation Expenses Payment. The
4 Administrator will pay the PAGA Counsel Fees Payment and PAGA Counsel Expenses Payment
5 using one or more IRS 1099 Forms. PAGA Counsel assumes full responsibility and liability for
6 taxes owed on the PAGA Counsel Fees Payment and the PAGA Counsel Litigation Expenses
7 Payment and holds Defendant harmless, and indemnifies Defendant, from any dispute or
8 controversy regarding any division or sharing of any of these Payments.

9 3.2.3 To the Administrator: An Administrator Expenses Payment not to exceed \$4,750.00
10 except for a showing of good cause and as approved by the Court. To the extent the
11 Administration Costs are less or the Court approves payment of less than \$4,750.00, the
12 Administrator will retain the remainder in the Net Settlement Amount to be distributed to
13 Aggrieved Employees.

14 3.2.4 To the LWDA and Aggrieved Employees: After deducting Plaintiff's PAGA
15 Representative Service Payment, the PAGA Counsel Fees Payment, the PAGA Counsel
16 Litigation Expenses Payment, and Administration Expenses Payment, the amount remaining from
17 the GSA shall be allocated to the resolution of claims for civil penalties arising under PAGA
18 ("PAGA Penalties"). Pursuant to PAGA, 65% of the PAGA Penalties payment shall be paid to
19 the LWDA, and 35% of the PAGA Penalties payment shall be disbursed on a pro-rata basis as an
20 Individual PAGA Payment to all Aggrieved Employees who worked during the PAGA Period,
21 calculated based on number of pay periods worked. All Individual PAGA Payments will be
22 allocated 100% to the settlement of claims for civil penalties and shall be reported on an IRS
23 Form 1099 by the Administrator.

24 3.2.4.1 The Administrator will calculate each Individual PAGA Payment by (a)
25 dividing the ' 35% share of PAGA Penalties allocated to Aggrieved Employees by the total
26 number of PAGA Period Pay Periods worked by all Aggrieved Employees during the PAGA
27 Period, and (b) multiplying the result by each Aggrieved Employee's total PAGA Pay Periods
28 worked. Aggrieved Employees assume full responsibility and liability for any taxes owed on their

Individual PAGA Payments.

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

4. SETTLEMENT FUNDING AND PAYMENTS.

4.1 Aggrieved Employee Pay Periods. Based on a review of its records, Defendant represents there are 305 Aggrieved Employees who worked a total of 5,582 PAGA Pay Periods during the PAGA Period.

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

4.3 Funding of Gross Settlement Amount. Defendant shall fully fund the Gross Settlement Amount by transmitting the funds to the Administrator no later than ninety (90) days after the Effective Date.

4.4 Payments from the Gross Settlement Amount. Within ten (10) days after Defendant fully funds the Gross Settlement Amount, the Administrator will mail checks for all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the PAGA

Counsel Fees Payment, the PAGA Counsel Litigation Expenses Payment, and the PAGA Representative Service Payment. Disbursement of the PAGA Counsel Fees Payment, the PAGA Counsel Litigation Expenses Payment, and the PAGA Representative Service Payment shall not precede disbursement of Individual PAGA Payments.

4.4.1 The Administrator will issue checks for the Individual PAGA Payments and send them to the Aggrieved Employees via First Class U.S. Mail. The face of each check shall prominently state the date (180 days after the date of mailing) when the check will be voided (“Void Date”). The Administrator will cancel all checks not cashed by the Void Date. The Administrator will send checks for Individual PAGA Payments to all Aggrieved Employees. Before mailing any checks, the Administrator must update the recipients’ mailing addresses using the National Change of Address Database.

4.4.2 The Administrator must conduct an Aggrieved Employee Address Search for all other Aggrieved Employees whose checks are returned undelivered without USPS forwarding address. Within seven (7) days of receiving a returned check, the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Aggrieved Employee Address Search. The Administrator need not take further steps to deliver checks to Aggrieved Employees whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Aggrieved Employee whose original check was lost or misplaced, requested by the Aggrieved Employee prior to the Void Date.

4.4.3 For any Aggrieved Employee whose Individual PAGA Payment check is uncashed and canceled after the Void Date, the Administrator shall transmit the funds represented by such checks to California Controller’s Unclaimed Property Fund in the name of the employee.

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

5. RELEASES OF CLAIMS. Effective on the date when Defendant fully funds the Gross Settlement Amount, Plaintiff, Aggrieved Employees, and PAGA Counsel will release claims

1 against all Released Parties as follows:

2 5.1 Plaintiff's Release. Plaintiff on her own behalf and on behalf of Plaintiff's former
3 and present representatives, agents, attorneys (including PAGA Counsel), administrators,
4 successors and assigns generally, discharges Released Parties from all known and unknown
5 claims Plaintiff may have or claim to have against Defendant as well as Defendant's members,
6 officers, directors, managerial employees, and agents. In connection with said release, Plaintiff
7 shall waive all rights under California Civil Code section 1542 and any other provision of law
8 that may restrict the release of unknown claims. Plaintiff's Release does not extend to any claims
9 or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits,
10 disability benefits, social security benefits, workers' compensation benefits that arose at any time,
11 or based on occurrences outside the PAGA Period. Plaintiff acknowledges that Plaintiff may
12 discover facts or law different from, or in addition to, the facts or law that Plaintiff now knows or
13 believes to be true but agrees, nonetheless, that Plaintiff's Release shall be and remain effective
14 in all respects, notwithstanding such different or additional facts or Plaintiff's discovery of them.

15 5.1.1 Plaintiff's Waiver of Rights Under California Civil Code Section 1542. For
16 purposes of Plaintiff's Release, Plaintiff expressly waives and relinquishes the provisions, rights,
17 and benefits, if any, of section 1542 of the California Civil Code, which reads:

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

22 5.2 Released PAGA Claims: Effective upon Court approval of this Settlement, all Aggrieved
23 Employees, on behalf of themselves and their respective former and present representatives,
24 agents, attorneys, administrators, successors and assigns, are deemed to release all claims for
25 PAGA civil penalties that are alleged or reasonably could have been alleged based on the facts
26 alleged in the operative Complaint and in Plaintiff's September 2, 2025, PAGA Notice. The
27 Released PAGA Claims are those that accrued during the PAGA Period.

1 **6. SETTLEMENT ADMINISTRATION.**

2 6.1 Selection of Administrator. The Parties have jointly selected Phoenix Settlement
3 Administrators, Inc. to serve as the Administrator and verified that, as a condition of appointment,
4 the Administrator agrees to be bound by this Agreement and to perform, as a fiduciary, all duties
5 specified in this Agreement in exchange for payment of Administration Costs. The Parties and
6 their Counsel represent that they have no interest or relationship, financial or otherwise, with the
7 Administrator other than a professional relationship arising out of prior experiences administering
8 settlements.

9 6.2 Employer Identification Number. The Administrator shall have and use its own
10 Employer Identification Number for purposes of calculating payroll tax withholdings and
11 providing reports to state and federal tax authorities.

12 6.3 Qualified Settlement Fund. The Administrator shall establish a settlement fund that
13 meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation
14 section 468B-1 for the funding of the GSA. Any interest that accrues on the GSA sums paid into
15 the QSF prior to distribution by the Administrator will become part of the NSA for distribution
16 to Aggrieved Employees.

17 6.4 Administrator Duties. The Administrator has a duty to perform or observe all tasks to be
18 performed or observed by the Administrator contained in this Agreement or otherwise.

19 6.4.1 Final Report by Settlement Administrator. Within ten (10) days after the
20 Administrator disburses all funds in the Gross Settlement Amount, the Administrator will provide
21 PAGA Counsel and Defense Counsel with a final report detailing its disbursements by employee
22 identification number only of all payments made under this Agreement. At least fifteen (15) days
23 before any deadline set by the Court, the Administrator will prepare, and submit to PAGA
24 Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its
25 disbursement of all payments required under this Agreement. PAGA Counsel is responsible for
26 filing the Administrator's declaration in Court.

27 **7. ESCALATOR CLAUSE.** Based on its records, Defendant represents there are 305
28 Aggrieved Employees who worked a total of 5,582 Pay Periods during the PAGA Period. If, on

final calculation, the total number of Pay Periods worked by Aggrieved Employees during the PAGA Period exceeds 5,582 Pay Periods by more than 15% (i.e. more than 837 pay periods), then the GSA will be increased proportionally by the number of pay periods worked in excess of 15% greater than 5,582 (i.e. 6,419). For example, if the final number of total pay periods worked by Aggrieved Employees during the PAGA Period exceeds 5,582 by 16%, the GSA will increase by 1%. If this provision is triggered, the Parties agree that the portion of the GSA allocated to attorneys' fees will increase proportionally such that the total amount of attorneys' fees remains one-third of the GSA after the upward adjustment required by this provision is implemented.

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

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

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

1 8.3 Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and
2 conditions of this Agreement, specifically including the PAGA Counsel Fees Payment and PAGA
3 Counsel Litigation Expenses Payment as set forth in this Settlement, the Parties, their respective
4 counsel, and all Aggrieved Employees waive all rights to appeal from the Judgment, including all
5 rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment,
6 motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any
7 waiver of the right to oppose such motions, writs or appeals. If an objector appeals the Judgment,
8 the Parties' obligations to perform under this Agreement will be suspended until such time as the
9 appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect
10 the amount of the Net Settlement Amount.

11 8.4 Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the
12 reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a material
13 modification of this Agreement (including, but not limited to, the scope of release to be granted
14 by Aggrieved Employees), this Agreement shall be null and void. The Parties shall nevertheless
15 expeditiously work together in good faith to address the appellate court's concerns and to obtain
16 Approval and Entry of Judgment, sharing, on a 50-50 basis, any additional Administration Costs
17 reasonably incurred after remittitur. An appellate decision to vacate, reverse, or modify the
18 Court's award of the PAGA Representative Service Payment or any payments to PAGA Counsel
19 shall not constitute a material modification of the Judgment within the meaning of this paragraph,
20 as long as the Gross Settlement Amount remains unchanged.

21 **9. AMENDED JUDGMENT.** If any amended judgment is required under Code of Civil
22 Procedure §384, the Parties will work together in good faith to jointly submit a proposed amended
23 judgment.

24 **10. ADDITIONAL PROVISIONS.**

25 10.1 No Admission of Liability or Representative Manageability for Other Purposes. This
26 Agreement represents a compromise and settlement of highly disputed claims. Nothing in this
27 Agreement is intended or should be construed as an admission by Defendant that any of the
28 allegations in the Operative Complaint has merit or that Defendant has any liability for any claims

1 asserted; nor should it be intended or construed as an admission by Plaintiff that Defendant's
2 defenses in the Action have merit. If, for any reason, the Court does not grant Approval, or enter
3 Judgment, Defendant reserves all available defenses to the claims in the Action, and Plaintiff
4 reserves the right to contest Defendant's defenses. The Settlement, this Agreement and the
5 Parties' willingness to settle the Action will have no bearing on, and will not be admissible in
6 connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and
7 this Agreement).

8 10.2 Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement
9 together with its attached exhibits shall constitute the entire agreement between the Parties
10 relating to the Settlement, superseding any and all oral representations, warranties, covenants, or
11 inducements made to or by any Party.

12 10.3 Attorney Authorization. PAGA Counsel and Defense Counsel separately warrant and
13 represent that they are authorized by Plaintiff and Defendant, respectively, to take all appropriate
14 action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate
15 its terms, and to execute any other documents reasonably required to effectuate the terms of this
16 Agreement including any amendments to this Agreement.

17 10.4 Cooperation. The Parties and their counsel will cooperate with each other and use their
18 best efforts, in good faith, to implement the Settlement by, among other things, modifying the
19 Settlement Agreement, submitting supplemental evidence and supplementing points and
20 authorities as requested by the Court. In the event the Parties are unable to agree upon the form
21 or content of any document necessary to implement the Settlement, or on any modification of the
22 Agreement that may become necessary to implement the Settlement, the Parties will seek the
23 assistance of a mediator and/or the Court for resolution.

24 10.5 No Prior Assignments. The Parties separately represent and warrant that they have not
25 directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or
26 encumber to any person or entity any portion of any liability, claim, demand, action, cause of
27 action, or right released and discharged by the Party in this Settlement.

28 10.6 No Tax Advice. Neither Plaintiff, PAGA Counsel, Defendant nor Defense Counsel are

1 providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied
2 upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR
3 Part 10, as amended) or otherwise.

4 10.7 Modification of Agreement. This Agreement, and all parts of it, may be amended,
5 modified, changed, or waived only by an express written instrument signed by all Parties or their
6 representatives, and approved by the Court.

7 10.8 Agreement Binding on Successors. This Agreement will be binding upon, and inure to
8 the benefit of, the successors of each of the Parties.

9 10.9 Applicable Law. All terms and conditions of this Agreement and its exhibits will be
10 governed by and interpreted according to the internal laws of the state of California, without
11 regard to conflict of law principles.

12 10.10 Cooperation in Drafting. The Parties have cooperated in the drafting and preparation
13 of this Agreement. This Agreement will not be construed against any Party on the basis that the
14 Party was the drafter or participated in the drafting.

15 10.11 Confidentiality. To the extent permitted by law, all agreements made, and orders
16 entered during the Action and in this Agreement relating to the confidentiality of information
17 shall survive the execution of this Agreement.

18 10.12 Headings. The descriptive heading of any section or paragraph of this Agreement is
19 inserted for convenience of reference only and does not constitute a part of this Agreement.

20 10.13 Calendar Days. Unless otherwise noted, all reference to “days” in this Agreement
21 shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a
22 weekend or federal legal holiday, such date or deadline shall be on the first business day
23 thereafter.

24 10.14 Notice. All notices, demands, or other communications between the Parties in
25 connection with this Agreement will be in writing and deemed to have been duly given as of the
26 third business day after mailing by United States mail, or the day sent by email or messenger,
27 addressed as follows:
28

To Plaintiff:

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thiago.coelho@wilshirelawfirm.com
 Lauren M. Lendzion (SBN 239184)
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 Los Angeles, California 91504

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

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

10.17 Binding Agreement. The Parties intend that this Agreement shall be fully enforceable and binding upon all Parties within the provisions of Cal. Civil Proc. § 664.6, and that it shall be admissible and subject to disclosure in any proceeding to enforce its terms pursuant to Cal. Evid. Code §§ 1122(a)(1) and 1123(b), notwithstanding the confidentiality provisions that otherwise might apply under federal or state law. The Parties further agree and intend that the Los Angeles County Superior Court may enforce this Agreement pursuant to Code of Civil Procedure § 664.6.

IT IS SO AGREED.

By the Parties:

DATED: 4/17/2026

DocuSigned by:



2BA80B7593494DC...

Plaintiff ARIELA GONZALEZ-MONTERROZA

DATED: _____

Defendant ASCEND HEALTHCARE, LLC

By: _____

Position: _____

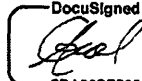
10.17 Binding Agreement. The Parties intend that this Agreement shall be fully enforceable and binding upon all Parties within the provisions of Cal. Civil Proc. § 664.6, and that it shall be admissible and subject to disclosure in any proceeding to enforce its terms pursuant to Cal. Evid. Code §§ 1122(a)(1) and 1123(b), notwithstanding the confidentiality provisions that otherwise might apply under federal or state law. The Parties further agree and intend that the Los Angeles County Superior Court may enforce this Agreement pursuant to Code of Civil Procedure § 664.6.

IT IS SO AGREED.

By the Parties:

DATED: 4/17/2026

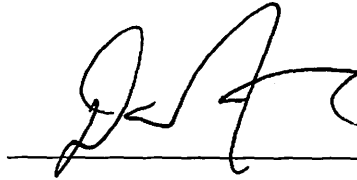
DocuSigned by:



2BA80B7583494DC...

Plaintiff ARIELA GONZALEZ-MONTERROZA

DATED: 4/21/26



Defendant ASCEND HEALTHCARE, LLC

By:

Donny Feldman

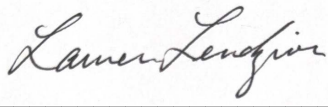
Position:

Managing Director

1 Approved by counsel:

2 DATED: 04/16/2026

WILSHIRE LAW FIRM

3
4 BY: 

5 Thiago M. Coelho

6 Lauren M. Lenzion

7 Jennifer M. Leinbach

8 Alan Wilcox

9 *Attorneys for Plaintiff ARIELA GONZALEZ-*
10 *MONTERROZA*

11 DATED:

DE CASTRO LAW GROUP, P.C

12 BY: 

13 José-Manuel A. de Castro

14 David G. Larmore

15 Lori V. Minassian

16 *Attorneys for Defendant ASCEND HEALTHCARE, LLC*

Exhibit A

NOTICE OF SETTLEMENT OF PAGA REPRESENTATIVE ACTION

Gonzalez-Monterroza v. Ascend Healthcare, LLC

Superior Court for the State of California, County of Los Angeles Case No. 25STCV25494

Aggrieved Employee

Address

Address

You are receiving this notice (this “Notice”) in connection with a Court-approved settlement (the “Settlement”) in the lawsuit entitled ***Gonzalez-Monterroza v. Ascend Healthcare, LLC*** filed in the Los Angeles County Superior Court for the State of California, Case No. 25STCV25494 (the “Action”), brought on a representative basis under the Labor Code Private Attorneys General Act of 2004, codified at California Labor Code section 2698, *et seq.* (“PAGA”). The Plaintiff in the lawsuit is Ariela Gonzalez-Monterroza (“Plaintiff”), and the Defendant is Ascend Healthcare, LLC (“Defendant”). The Settlement provides for recovery of civil penalties for alleged violations of the California Labor Code on behalf of all individuals who, for one or more hours during the PAGA Period, worked for Defendant as a non-exempt, hourly employee in California (“Aggrieved Employees”). The PAGA Period is the period between September 2, 2024, to April 30, 2026 (the “PAGA Period”). The PAGA statute provides that 65% of any recovery pursuant to the Settlement be paid to the State of California and 35% of any recovery be paid to the Aggrieved Employees (the “Individual PAGA Payments”).

Defendant denies all claims and allegations in the Action, denies that it owes any penalties, and asserts that it has fully complied with all applicable Labor Code provisions. Nevertheless, to avoid further costs and time in defending the Action, Defendant has settled the Action. By settling the Action, Defendant is not admitting that it has done anything wrong.

The Settlement resolves all legal claims and factual or legal theories/allegations that are alleged in the operative complaint and LWDA Letter at the time of the motion for approval of this Settlement. All Aggrieved Employees will release the Released Parties from all claims against the Released Parties for civil penalties alleged or which could have been alleged based on the facts alleged in the operative complaint and LWDA letter, which arose during the PAGA Period.

The “Released Parties” means Defendant and each of Defendant’s members, officers, directors, managerial employees and agents.

By an Order dated [INSERT DATE], the Los Angeles County Superior Court approved the Settlement. By approving the Settlement, the Court did not decide in favor of either Plaintiff or Defendant.

According to Defendant’s records, you are an Aggrieved Employee and are therefore entitled to a share of the Settlement based upon the Court-approved allocation. Enclosed with this Notice is your check for your share. The Settlement check shall remain valid for one hundred eighty (180) days from the date of mailing (the “Void Date”). Thereafter, all uncashed checks shall be canceled, and the Phoenix Settlement Administrators, Inc. (the “Administrator”) shall transmit the funds represented by any such uncashed checks to the California Controller’s Unclaimed Property Fund in the name of the Aggrieved Employee.

Please Note: The Administrator will report the Individual PAGA Payments on IRS Forms 1099. You should rely on your own tax advisors as to the tax consequences of your settlement payment. Neither Plaintiff nor Defendant have made any representations or warranties regarding the taxation of your settlement payment. Nothing in this Notice or any other communication shall constitute or be construed or relied upon as tax advice.

PLEASE DO NOT CALL OR WRITE THE COURT OR OFFICE OF THE CLERK TO ASK QUESTIONS ABOUT THE SETTLEMENT. IF YOU HAVE ANY QUESTIONS, YOU MAY CALL OR WRITE TO THE SETTLEMENT ADMINISTRATOR AT:

PHOENIX SETTLEMENT ADMINISTRATORS, INC.

[ADDRESS]

[ADDRESS]

[ADDRESS]

Exhibit 3

IMPORTANT NOTICE OF REDACTION RESPONSIBILITY: All filers must redact: Social Security or taxpayer identification numbers; personal addresses, personal telephone numbers, personal email addresses, dates of birth; names of minor children; & financial account numbers. This requirement applies to all documents, including attachments.



Private Attorneys General Act (PAGA) – Filing

Proposed Settlement of PAGA case

PAGA Number (LWDA-CM-) : *

Please enter only the numbers after "LWDA-CM-" in the following format, "XXXXXXXX-XX".

[Search for PAGA Case number](#)

The timing of the deposit of settlement checks is governed by the provisions of the State Administrative Manual. This ministerial, administrative act of depositing a settlement check mandated by state procedures should not be construed as nor does it constitute an unconditional, voluntary and/or absolute acceptance of settlement proceeds or approval of the terms of any settlement agreement or judgment related to that check.

Your Information (Person Who is Filing)

Your First Name *

Alan

Your Last Name *

Wilcox

Your Email Address *

AlanWilcoxTeam@wilshire

Your Street Name, Number and Suite/Apt *

660 S. Figueroa St., Sky Lo

Your Mobile Phone Number

213-342-5498

Your City *

Los Angeles

Your Work Phone Number

Your State *

California

Your Zip/Postal Code *

90017

Court and Hearing Information

Court *

Los Angeles County Superior Court ▼

Court Case Number *

25STCV25494

Hearing Date *

09/21/2026

Hearing Time *

11:00

HH:MM

Hearing Location *

312 North Spring Street, L

Number of aggrieved employees *

305

Net Amount to Aggrieved Employees *

26380.88

Gross settlement amount *

161000.00

Gross penalty *

75373.95

Penalties to LWDA *

48993.07

Date of proposed settlement *

09/21/2026

Other PAGA Notices

[Search for PAGA Case number](#)

☒ I have searched LWDA's database for other PAGA claims filed against the employer(s) named in my NEW PAGA Claim Notice.

☒ There are no other PAGA claims which may be affected by this proposed settlement.

☐ The proposed settlement may affect other PAGA claims.

☐ A Notice of Related Cases has been filed in all related actions.

☐ Plaintiff has provided copies of proposed settlement and moving papers to plaintiffs with claims that are affected by this proposed settlement agreement.

☐ Plaintiff has submitted to LWDA the court complaint(s) on which this settlement is based.

Proposed Settlement and Other Documents

Proposed Settlement (must be .pdf or .xlsx) *

Choose File 2026-04-22 ... executed.pdf

Other Attachment (if any, must be .pdf or .xlsx)

Choose File No file chosen

[Add Another Attachment](#)

LWDA requests that settling parties provide copies of supporting documents, including memorandum of points and authorities and declaration of counsel filed with the court, to assist LWDA in evaluating proposed settlement agreements.

IMPORTANT NOTICE OF REDACTION RESPONSIBILITY: All filers must redact: Social Security or taxpayer identification numbers; personal addresses, personal telephone numbers, personal email addresses, dates of birth; names of minor children; & financial account numbers. This requirement applies to all documents, including attachments.

☐ **I understand that, if I file, I must comply with the redaction rules consistent with this notice.**

Should you have questions regarding this online form, please contact PAGInfo@dir.ca.gov

Copyright © 2025 State of California

Previous Page

Submit

Thank you for your Proposed Settlement Submission

From no-reply@formassembly.com <no-reply@formassembly.com>

Date Wed 6/3/2026 4:48 PM

To Alan Wilcox's Team <AlanWilcoxTeam@wilshirelawfirm.com>

06/03/2026 04:48:37 PM

Thank you for your submission to the Labor and Workforce Development Agency.

Item submitted: Proposed Settlement

On 06/03/2026 04:48:37 PM your Proposed Settlement was successfully processed for case number LWDA-CM-1122536-25

If you have questions or concerns regarding this submission or your case, please send an email to pagainfo@dir.ca.gov.

DIR PAGA Unit on behalf of
Labor and Workforce Development Agency

Website: [https://nam12.safelinks.protection.outlook.com/?url=http%3A%2F%2Flabor.ca.gov%2FPrivate Attorneys General Act.htm&data=05%7C02%7Cpablo.villalobos%40wilshirelawfirm.com%7C79039a92978c44e3183a08dec1caaaff%7C9ada260a4f194da187b814d372333753%7C1%7C0%7C639161273385007550%7CUnknown%7CTWFpbGZsb3d8eyJFbXB0eU1hcGkiOnRydWUsIlYiOiIwLjAuMDAwMCIsIlAiOiJXaW4zMtIklkFOIjoiTWVpbiIsImdUljoyfQ%3D%3D%7C0%7C%7C%7C&sdata=yDX6SrhnH6tLpVAjHPYIL8wL6856VfXpnsfZbHrJg9g%3D&reserved=0](https://nam12.safelinks.protection.outlook.com/?url=http%3A%2F%2Flabor.ca.gov%2FPrivate%20Attorneys%20General%20Act.htm&data=05%7C02%7Cpablo.villalobos%40wilshirelawfirm.com%7C79039a92978c44e3183a08dec1caaaff%7C9ada260a4f194da187b814d372333753%7C1%7C0%7C639161273385007550%7CUnknown%7CTWFpbGZsb3d8eyJFbXB0eU1hcGkiOnRydWUsIlYiOiIwLjAuMDAwMCIsIlAiOiJXaW4zMtIklkFOIjoiTWVpbiIsImdUljoyfQ%3D%3D%7C0%7C%7C%7C&sdata=yDX6SrhnH6tLpVAjHPYIL8wL6856VfXpnsfZbHrJg9g%3D&reserved=0)

Exhibit 4



CASE ASSUMPTIONS

Aggrieved Members	305
Opt Out Rate	N/A
Opt Outs Received	
Total Aggrieved Claimants	305
Subtotal Admin Only	\$4,750.00

Not-to-Exceed Total \$4,750.00

For 305 Aggrieved Members

Pricing Good for Scope of Estimate Only

March 26, 2026

Case: Gonzalez-Monterroza v. Ascend Healthcare, LLC PAGA Administration

Phoenix Contact: Jodey Lawrence

Contact Number: 800-523-5773

Email: Jodey@phoenixclassaction.com

Requesting Party: Virginia Tomlinson

Firm: Wilshire Law Firm, PLC

Contact Number: (213) 381-9988 Ext. 748

Email: virginia.tomlinson@wilshirelawfirm.com

Assumptions and Estimate are based on information provided by counsel. If class size changes, PHX will need to adjust this Estimate accordingly.

Estimate is based on 305 Aggrieved Members. Class data Must be sent in Microsoft Excel or uploaded in the same format. Class Data Must be sent in one

spreadsheet, with no additional programming needed. A rate of \$150 per hour will be charged for any additional analysis or programming. Pricing good for 90 days.

Case & Database Setup / Toll Free Setup & Call Center / NCOA (USPS)

Administrative Tasks:	Rate	Hours/Units	Line Item Estimate
Programming Manager	\$125.00	2	\$250.00
Programming Database & Setup	\$125.00	2	\$250.00
Toll Free Setup*	\$54.93	1	\$54.93
Call Center & Long Distance	\$1.95	31	\$59.48
NCOA (USPS)	\$150.00	1	\$150.00
Total			\$764.41

* Up to 120 days after disbursement

Data Merger & Scrub / Notice Packet, Check & Postage

Project Action	Rate	Hours/Units	Line Item Estimate
Notice Packet Formatting	\$125.00	2	\$250.00
Data Merge & Duplication Scrub	\$0.50	305	\$152.50
Notice and Check Packet	\$1.25	305	\$381.25
Estimated Postage (up to 1 oz.)*	\$0.74	305	\$225.70
Total			\$1,009.45

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



PHOENIX

CLASS ACTION ADMINISTRATION SOLUTIONS

Skip Tracing & Remailing Notice Packets / Tracking & Programming Undeliverables

Project Action:	Rate	Hours/Units	Line Item Estimate
Case Associate	\$50.00	2	\$100.00
Skip Tracing Undeliverables	\$1.00	15	\$15.25
Remail Notice Packets	\$1.50	15	\$22.88
Estimated Postage	\$0.69	15	\$10.52
Programming Undeliverables	\$50.00	2	\$100.00
Total			\$248.65

Database Programming

Project Action:	Rate	Hours/Units	Line Item Estimate
Programming Claims Database	\$125.00	1	\$125.00
Case Manager	\$135.00	1	\$135.00
Total			\$260.00

Calculation & Disbursement Programming/ Create & Manage QSF/ Mail Checks

Project Action:	Rate	Hours/Units	Line Item Estimate
Programming Calculations	\$135.00	2	\$270.00
Disbursement Review	\$100.00	2	\$200.00
Programming Manager	\$95.00	1	\$95.00
QSF Bank Account & EIN	\$50.00	2	\$100.00
Check Run Setup & Printing	\$125.00	2	\$250.00
Total			\$915.00

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



PHOENIX

CLASS ACTION ADMINISTRATION SOLUTIONS

Tax Reporting & Reconciliation / Re-Issuance of Checks / Conclusion Reports and Declarations

Project Action:	Rate	Hours/Units	Line Item Estimate
Case Supervisor	\$125.00	2	\$250.00
Remail Undeliverable Checks (Postage Included)	\$1.50	35	\$52.50
Case Associate	\$100.00	2	\$200.00
Reconcile Uncashed Checks	\$100.00	2	\$200.00
Conclusion Reports	\$100.00	2	\$200.00
Case Manager Conclusion	\$75.00	1	\$75.00
Final Reporting & Declarations	\$100.00	2	\$200.00
QSF Annual Tax Reporting * (State Tax Reporting Included)	\$375.00	1	\$375.00
Total			\$1,552.50

* All applicable California State & Federal taxes, which include SUI, ETT, and SDI, and FUTA filings. Additional taxes are Defendant's responsibility.

Estimate Total: \$4,750.00



TERMS AND CONDITIONS

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

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

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

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

Tax Reporting Requirements

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

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

Exhibit 5

Wilshire Law Firm, PLC
Transaction Detail by Account
All Transactions

11/8/2024
Accrual Basis

<u>Type</u>	<u>Date</u>	<u>Num</u>	<u>Memo</u>	<u>Description</u>	<u>Amount</u>	<u>Balance</u>
COS						
Mediation Fees						
	01/29/2026	031126P	Lisa Klerman	Mediation Fee Share	\$12,500.00	\$12,500.00
Total MEDIATION FEES					\$12,500.00	\$12,500.00
Consultant Fees						
	03/20/2026	17797	Berger Consulting Group LLC	13.30 hrs	\$7,647.50	\$7,647.50
Total CONSULTANT FEES					\$7,647.50	\$7,647.50
Filing Fees						
	09/02/2025	26196180	One Legal LLC	Comp,CCCS,Sum	\$1,506.11	\$1,506.11
	09/02/2025		Department of Industrial Relations	PAGA Notice	\$75.00	\$1,581.11
	09/11/2025		Los Angeles Superior Court	Document Purchase	\$8.00	\$1,589.11
	09/18/2025	26263834	One Legal LLC	Court Filing-Comp,CCCS,Sum	\$134.23	\$1,723.34
	09/25/2025	26363391	One Legal LLC	POS	\$23.44	\$1,746.78
	12/11/2025	26975028	One Legal LLC	Amended Comp	\$23.44	\$1,770.22
	12/18/2025	27018388	One Legal LLC	Notice	\$23.44	\$1,793.66
	01/23/2026	27288713	One Legal LLC	SCR	\$24.53	\$1,818.19
	02/02/2026	27360432	One Legal LLC	Notice	\$24.53	\$1,842.72
	04/15/2026	27981678	One Legal LLC	Status Report	\$24.53	\$1,867.25
	FUTURE		One Legal LLC	Motion & Compliance Declaration	\$200.00	\$2,067.25
Total FILING FEES					\$2,067.25	\$2,067.25
TOTAL					\$22,214.75	\$22,214.75

Exhibit 6



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).

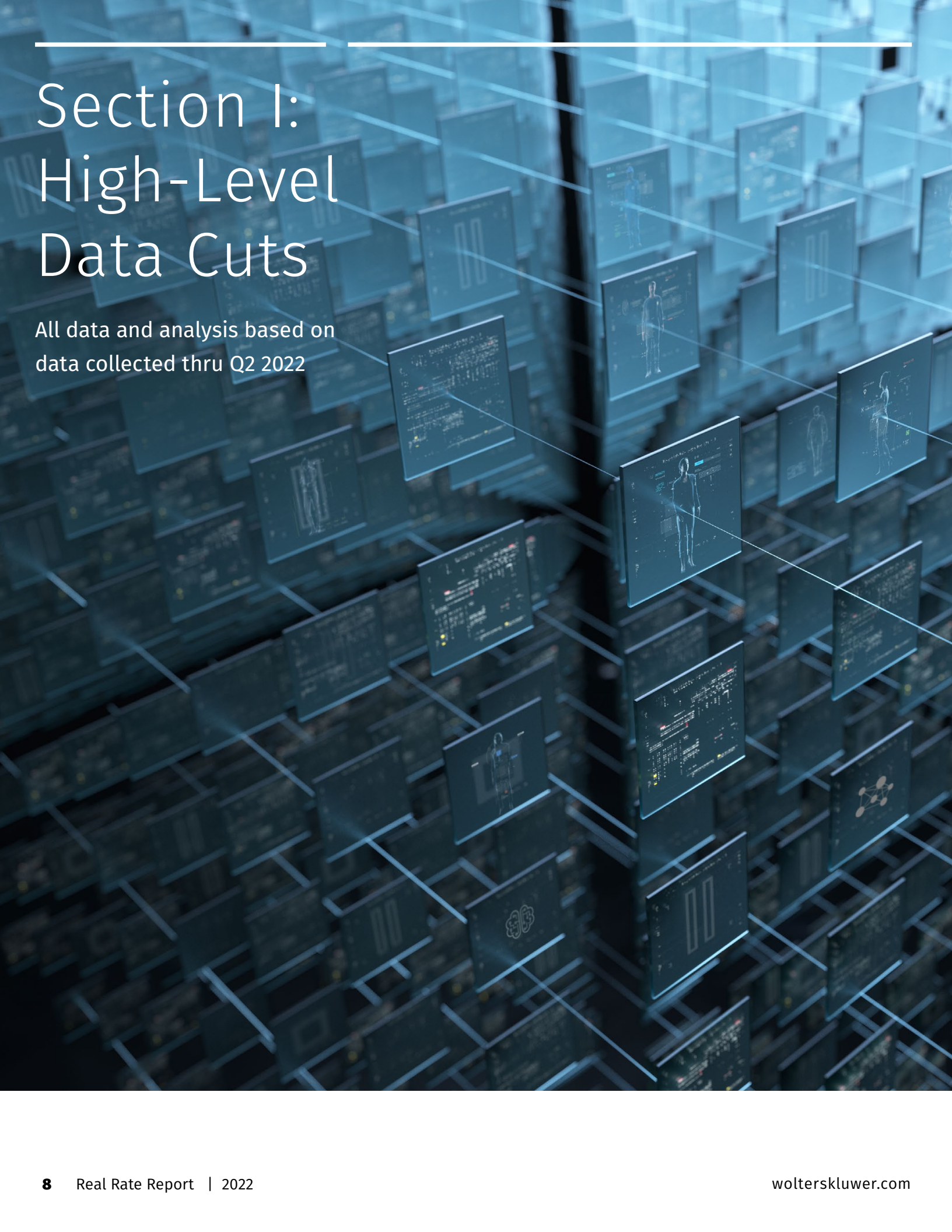
Years of experience and reputation - A more experienced, higher-profile lawyer is often going to charge more, but absorbing this higher cost at the outset may make more sense than hiring a less expensive lawyer who will likely take time and billable hours to come up to speed on unfamiliar legal and procedural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



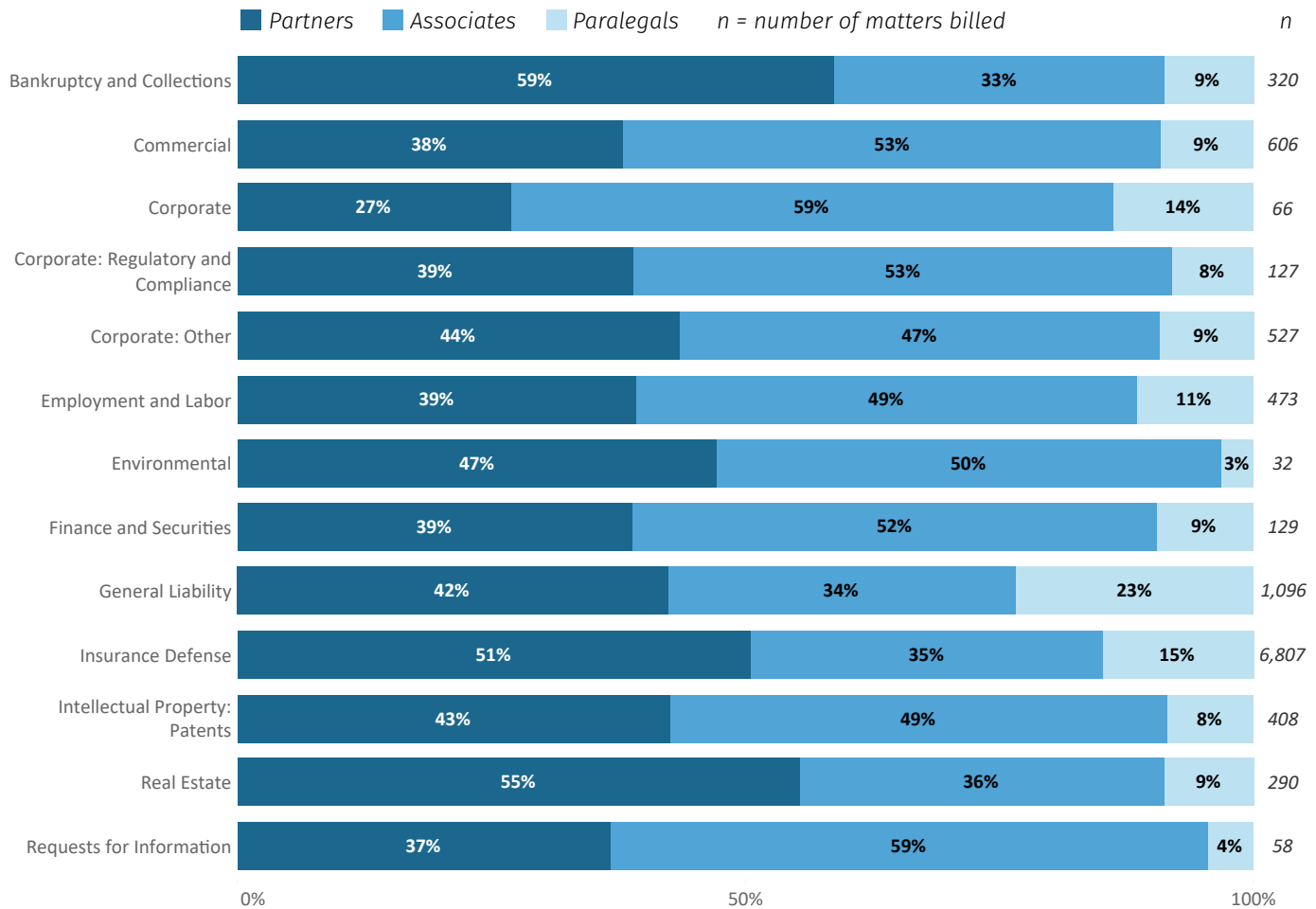
Section VI: Matter Staffing Analysis

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 7

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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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