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SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF ALAMEDA

JESSICA LOPEZ, individually, on behalf of all
others similarly situated,

Plaintiff,

v.

LECANGS LLC, a limited liability company;
and DOES 1 through 10, inclusive,

Defendants.

Case No.: 23CV030348

[Assigned for all purposes to: Hon. Patrick
McKinney, Dept. 18]

Complaint filed: March 30, 2023
FAC filed: October 24, 2023
SAC filed: October 21, 2024
Trial date: Not set

CLASS & PAGA ACTION

**DECLARATION OF GIANCARLO
RECINOS IN SUPPORT OF
PLAINTIFF'S MOTION FOR FINAL
APPROVAL OF CLASS ACTION AND
PAGA SETTLEMENT**

Reservation No.: A-30348-001

FINAL APPROVAL HEARING

Date: August 26, 2026
Time: 1:30 p.m.
Dept.: 18

1 I, Giancarlo Recinos, 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 Jessica Lopez (collectively the “Plaintiff” or “Class Representative”). I, along with the above-
5 captioned attorneys of WLF (inclusively “Class Counsel”), have reviewed the case files for this
6 matter as routinely kept by WLF in the course of litigation and conferred with my colleagues,
7 Benjamin H. Haber and Daniel J. Kramer of WLF (collectively and inclusively “Class Counsel”).
8 Based upon the information available to Class Counsel through WLF’s record-keeping processes,
9 I am competent to make this declaration (this “Recinos Declaration”). This Declaration is
10 submitted concurrently with and in support of Plaintiff’s Motion for Final Approval of Class
11 Action Settlement (the “Motion”).

12 CASE BACKGROUND

13 2. This is a wage and hour class and Private Attorneys General Act (“PAGA”) (Cal.
14 Lab. Code §§ 2699, *et seq.*) representative action. Plaintiff and the putative class members worked
15 for Defendant in California as a non-exempt or hourly paid employee and/or who worked for
16 Defendant Lecangs LLC (“Defendant,” and together with Plaintiff, the “Parties”) and any staffing
17 agency, including Lobos Staffing, Inc., SupremeHR Service, LLC, Workforce Enterprises, Inc.,
18 and Precise Personnel, LLC, as a non-exempt or hourly-paid joint employee at any time during the
19 class period. Defendant is an international eCommerce logistics and warehousing company with
20 warehouses located throughout the United States and the world.

21 3. On March 30, 2023, Plaintiff filed a putative wage and hour class action complaint
22 against Defendant for: (1) failure to pay minimum and straight time wages (Labor Code §§ 204,
23 1194, 1194.2, and 1197); (2) failure to pay overtime wages (Labor Code §§ 1194 and 1198); (3)
24 failure to provide meal periods (Labor Code §§ 226.7 and 512); (4) failure to authorize and permit
25 rest periods (Labor Code § 226.7); (5) failure to timely pay final wages at termination (Labor Code
26 §§ 201-203); (6) failure to provide accurate itemized wage statements (Labor Code § 226); (7)
27 failure to indemnify employees for expenditures (Labor Code § 2802); and (8) unfair business
28 practices (Business and Professions Code §§ 17200, *et seq.*). Plaintiff sent a notice to Defendant

1 and the California Labor & Workforce Development Agency (“LWDA”) alleging similar wage
2 and hour violations pursuant to the PAGA on April 13, 2023. On October 24, 2023, Plaintiff filed
3 a First Amended Complaint against Defendant adding claims for civil penalties under PAGA. On
4 October 21, 2024, Plaintiff filed a Second Amended Complaint which amended the definition of
5 the Class. Plaintiff sent an amended notice to Defendant and the LWDA on August 5, 2025. On
6 September 30, 2025, Plaintiff filed a Third Amended Complaint to further add additional factual
7 allegations (hereinafter referred to as the “Action” or “Operative Complaint”).

8 DISCOVERY, INVESTIGATION, AND SETTLEMENT

9 4. Following the filing of the Action, the Parties exchanged documents and
10 information before mediating this action. Defendant produced a sample of time and pay records
11 for class members. Defendant also provided documents of its wage and hour policies and practices
12 during the class period, and information regarding the total number of current and former
13 employees in its informal discovery responses. The Parties have engaged in sufficient informal
14 discovery and investigation to assess the relative merits of the claims and contentions of the Parties.

15 5. After reviewing Defendant’s documents regarding Defendant’s wage and hour
16 policies and practices and analyzing Defendant’s timekeeping and payroll records, Class Counsel
17 was able to evaluate the probability of class certification, success on the merits, and Defendant’s
18 maximum monetary exposure for all claims. Class Counsel also investigated the applicable law
19 regarding the claims and defenses asserted in the Action. Class Counsel reviewed these records
20 and utilized a third-party consultant to prepare a damages analysis prior to mediation. This
21 extensive investigation allowed Class Counsel to act intelligently and effectively in negotiating the
22 Settlement.

23 SETTLEMENT NEGOTIATIONS

24 6. On March 15, 2024, the Parties participated in private mediation with experienced
25 class action mediator Paul Grossman, Esq. On May 7, 2024, the Parties participated in a second
26 mediation with Paul Grossman, Esq. after agreeing to reschedule it. The mediation was conducted
27 via Zoom, which led to an agreement to settle this action. The settlement negotiations were at arm’s
28 length and, although conducted in a professional manner, were adversarial. The Parties went into

1 the mediation willing to explore the potential for a settlement of the dispute, but each side was also
2 prepared to litigate their position through trial and appeal if a settlement had not been reached.
3 After extensive negotiations and discussions regarding the strengths and weaknesses of the Parties’
4 positions regarding the settlement terms, the Parties reached a settlement for \$290,000.00 (the
5 “Gross Settlement Amount”), as memorialized in the Amended Class Action and PAGA Settlement
6 Agreement and Class Notice (the “Settlement”). A true and correct copy of the Settlement is
7 attached as **Exhibit 1**.

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

14 8. Following the execution of the Settlement Agreement, the Court granted Plaintiff’s
15 Motion for Preliminary Approval of Class Action Settlement on February 4, 2026. The deadline
16 for Class Members to opt out or object to the Settlement was July 14, 2026. The reaction of the
17 Class to the Settlement has been overwhelmingly positive. Indeed, as of the filing of the Motion,
18 no Class Member has opted out of the Settlement, and no Class Member has objected to the
19 Settlement.

20 9. The Settlement obviates the significant risk that the Court may deny certification of
21 all or some of Plaintiff’s claims. While Plaintiff is confident in the merits of her claims, a
22 legitimate controversy exists as to each cause of action. Plaintiff also recognizes that proving the
23 amount of wages due to each Class Member would be an expensive, time-consuming, and an
24 uncertain proposition. Furthermore, even if Plaintiff obtained certification of all or some of the
25 claims, continued litigation would be expensive, involving a trial and possible appeals,
26 substantially delaying and reducing any recovery by the Class.

27 10. The proposed Settlement Agreement was provided to the LWDA in advance of
28 Plaintiff’s filing of the Motion for Preliminary Approval of Class Action Settlement. Attached as

Exhibit 2 is a true and correct copy of proof of Plaintiff's submission of the Settlement to the LWDA.

CLASS REPRESENTATIVE SERVICE PAYMENT IS REASONABLE

11. Throughout this Action, the Plaintiff, who is a former employee of Defendant, has cooperated immensely with WLF and has taken many actions to protect the interests of the Class. Plaintiff provided valuable information regarding the off-the-clock, meal period, and rest period claims. Plaintiff also informed WLF of developments and information relevant to this Action, participated in decisions concerning this Action, and made herself available to answer questions during the mediation. Before we filed this Action, Plaintiff provided Class Counsel with documents regarding the claims alleged in this Action. The information and documentation provided by Plaintiff was instrumental in establishing the wage and hour violations alleged in this Action, and the recovery provided for in the Settlement would have been impossible to obtain without Plaintiff's participation.

12. At the same time, Plaintiff faced many risks in adding herself as the Class Representative in this Action. Plaintiff faced actual risks with her future employment, as putting herself on public record in an employment lawsuit could also very well affect her likelihood for future employment. Furthermore, as part of this Settlement, Plaintiff is executing general releases of all claims against Defendant.

13. In turn, Class Members will now have the opportunity to participate in a Settlement, reimbursing them for alleged wage violations they may have never known about on their own or been willing to pursue on their own. If these Class Members would have each tried to pursue their legal remedies on their own, that would have resulted in each having to expend a significant amount of their own monetary resources and time, which were obviated by Plaintiff putting herself on the line on behalf of these other Class Members.

14. In the final analysis, 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 own individual claims, and placed herself at risk for the sake of the Class Members. The requested payment of up to \$10,000.00 to Plaintiff Jessica Lopez for her service as the Class Representative

and in exchange for her general release of their individual claims (the “Class Representative Service Payment”), is a relatively small amount of money. Considering the time and effort put into the Action, and in comparison to similar service awards granted in other class actions, the Class Representative Service Payment is reasonable.

THE REQUEST FOR ATTORNEYS’ FEES AND COSTS IS REASONABLE

15. The Settlement provides for an attorneys’ fee payment in an amount up to 33 and 1/3% of the Gross Settlement Amount for a maximum payment of \$96,666.67 (the “Class Counsel Fees Payment”), plus a payment for litigation expenses of up to \$40,000.00 (the “Class Counsel Litigation Expenses Payment”).

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

Person	Role	Hours	Rate	Lodestar
Benjamin H. Haber	Partner	47.5	\$925.00	\$43,937.50
Daniel J. Kramer	Senior Attorney	89.7	\$825.00	\$74,002.50
Giancarlo Recinos	Senior Attorney	5.5	\$900.00	\$4,950.00
Total:		142.7		\$122,8900.00

17. Wilshire Law Firm spent approximately 142.7 hours performing tasks relating to this Action, for a lodestar of \$122,890.00, litigating this Action to bring it to resolution, including time which will be expended monitoring the administration of the Settlement and distribution of funds to the Class Members. Here Class Counsel are seeking total fees of 33 and 1/3% of the GSA which currently totals \$96,666.67—resulting in a negative multiplier. Efforts expended by Class Counsel to achieve this result include, but are not limited to, the following:

- a. the investigation of the Action, 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 mediator and two separate mediation dates;
 - f. working with opposing counsel and an expert consultant for the receipt of a representative sampling and analyzing the same with the aid of expert consultant and Plaintiff to perform analyses of liability and exposure prior to attendance of each mediation in this Action;
 - g. reviewing policy documents from Defendant and researching applicable defenses;
 - h. preparation of a mediation brief and damages model;
 - i. attendance at mediation by the Parties and Class Counsel;
 - j. communicating with Plaintiff who requested updates or other information regarding this Action;
 - k. engaging in settlement negotiations, followed by finalizing and fully executing the Settlement Agreement;
 - l. preparing and assisting in the drafting of the Motion for Preliminary Approval of Class Action Settlement and supporting documents;
 - m. communicating with Class Members who sought additional information regarding the Settlement, including answering questions regarding the Settlement;
 - n. communicating with the Administrator to ensure the Class Notice was properly distributed and engaging in extensive follow-up communications with the Administrator regarding Class Members who sought additional information about the Settlement; and
 - o. preparing the instant Motion and supporting documents.

18. There are additional hours devoted by Class Counsel to this Action that are not reflected in the request for the Class Counsel Fees Payment.

19. We can provide additional billing records in the event the Court requests them but

1 would request the opportunity to redact attorney-client privileged information and any other
2 privileged information.

3 20. I believe that the Class Counsel Fees Payment and the Class Counsel Litigation
4 Expenses Payment are reasonable. WLF invested significant time and resources into the Action,
5 with payment deferred to the end of the case, and then, of course, contingent on the outcome.

6 21. It is further estimated that WLF will need to expend at least another 10 to 15 hours
7 to monitor the process leading up to payments made to the Class. WLF also bears the risk of taking
8 the necessary actions if Defendant fails to pay.

9 22. The risk to WLF has been significant, particularly if we would not be successful in
10 pursuing this Action. In that case, we would have been left with no compensation for all the time
11 taken in litigating this Action. The contingent risk in these types of cases is very real and they do
12 occur regularly. WLF was precluded from focusing on, or taking on, other cases which could have
13 resulted in a larger, and less risky, monetary gain.

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

23 24. As of the date of filing this Motion, Class Counsel has incurred around \$28,027.21
24 in costs, and Defendant has agreed that they will not oppose a Class Counsel Litigation Expenses
25 Payment request of up to \$40,000.00. Class Counsel respectfully requests reimbursements of
26 \$28,027.21 to Wilshire Law Firm, PLC in expenses, which should be reimbursed in full. Attached
27 as **Exhibit 3** is a true and correct copy of our list of the costs and the categories of costs for the
28 costs incurred in this Action to date by WLF.

1 CLASS COUNSEL’S EXPERIENCE AND QUALIFICATIONS

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

7 26. WLF is qualified to handle this Action because its attorneys are experienced in
8 litigating Labor Code violations in both individual, class action, and representative action cases.
9 WLF has handled, and is currently handling, numerous wage and hour class action lawsuits, as
10 well as class actions involving consumer rights and data privacy litigation.

11 CLASS COUNSELS’ EXPERIENCE

12 Benjamin H. Haber’s Qualifications

13 27. Benjamin H. Haber is a Partner at WLF. He graduated from the University of
14 California, Los Angeles, in 2012 and received his Juris Doctor from the University of California,
15 Hastings College of the Law (now the University of California College of Law, San Francisco) in
16 2016. During law school, he was a member of the executive board for the *Hastings Law Journal*;
17 a student mediator at the San Francisco Superior Court, Small Claims Division; and a managing
18 editor for *SCOCAblog*, which continues to be a leading online publication for analysis regarding
19 trends and cases before the California Supreme Court. Since graduating from law school, he has
20 focused his legal work primarily on wage-and-hour litigation and has helped obtain more than one
21 hundred class settlements on behalf of tens of thousands of workers in California. He was also
22 selected as a “Southern California Rising Star” in 2024, 2025, and 2026.

23 28. He has been appointed as class counsel in numerous wage-and-hour cases
24 throughout California. Below is a non-exhaustive list of cases where he was appointed as class
25 counsel or he and other members of WLF were appointed as class counsel:

- 26 a. *Colter v. Propulsion Controls Engineering*, San Diego County, Case No. 37-
27 2020-00030682-CU-OE-CTL; Motion for Final Approval granted on October
28 28, 2022.

- b. *Rodriguez v. Modesto Restaurant Group, LLC*, Stanislaus County, Case No. CV-21-000269; Motion for Final Approval granted on January 10, 2023.
- c. *Kingsbury v. Caravan Foods II, Inc.*, Alameda County, Case No. RG21096357; Motion for Final Approval granted on January 31, 2023.
- d. *Frias-Estrada v. Trek Retail Corporation*, Contra Costa County, Case No. MSC20-01916; Motion for Final Approval granted on March 3, 2023.
- e. *Varez v. Valley Connection, LLC dba Carl's Jr.*, Merced County, Case No. 22CV-00985; Motion for Final Approval granted on April 27, 2023.
- f. *Reyes v. Everytable, PBC, et al.*, Los Angeles County, Case No. 21STCV35987; Motion for Final Approval granted on May 3, 2023.
- g. *Ortiz v. Tara Materials, Inc.*, San Diego County, Case No. 37-2021-0001473-CU-OE-CTL; Motion for Final Approval granted on May 30, 2023.
- h. *Cruz-Sanchez v. Eagle Lath & Plaster, Inc.*, Sacramento County, Case No. 34-2021-00293739-CU-OE-GDS; Motion for Final Approval granted on May 30, 2023.
- i. *Garduno v. New Generation Framing, Inc., et al.*, Stanislaus County, Case No. CV-21-000544; Motion for Final Approval granted on August 11, 2023.
- j. *Hernandez, et al. v. Burford Farming Company, Inc.*, Fresno County, Case No. 21CECG03817; Motion for Final Approval granted on August 21, 2023.
- k. *Barajas v. Final Phase Construction, Inc.*, San Bernardino County, Case No. CIVSB2118622; Motion for Final Approval granted on September 13, 2023.
- l. *Jaimes, et al. v. Infiniti Health LLC*, Los Angeles County, Case No. 22STCV07261; Motion for Final Approval granted on October 17, 2023.
- m. *Nunez v. Gabriel Container*, Los Angeles County, Case No. 21STCV09787; Motion for Final Approval granted on November 2, 2023.
- n. *Gutierrez v. Next Level Door & Millwork, Inc.*, Riverside County, Case No. CVRI2105455; Motion for Final Approval granted on January 11, 2024.
- o. *Lupercio v. Western CNC, Inc.*, San Diego County, Case No. 37-2021-

- 1 00010314-CU-OE-CTL; Motion for Final Approval granted on January 26,
2 2024.
- 3 p. *Jackson, et al. v. Apple Valley Communications, Inc., et al.*, San Bernardino
4 County, Case No. CIVSB2124721; Motion for Final Approval granted on
5 February 1, 2024.
- 6 q. *Cuadras, et al. v. Guinn Corporation*, Kern County, Case No. BCV-21-101520;
7 Motion for Final Approval granted on February 22, 2024.
- 8 r. *Canton, et al v. John B. Sanfilippo & Sons, Inc.*, Merced County, Case No. 22-
9 CV-01145; Motion for Final Approval granted on March 15, 2024.
- 10 s. *Williams v. Total Longterm Care, Inc., et al.*, San Bernardino County, Case No.
11 CIVSB2213347; Motion for Final Approval granted on April 2, 2024.
- 12 t. *Espinoza v. Delallo's Italian Foods, Inc.*, Butte County, Case No. 21CV02640;
13 Motion for Final Approval granted on April 24, 2024.
- 14 u. *Meza v. Argus Management Company, LLC, et al.*, Los Angeles County, Case
15 No. 21STCV31612; Motion for Final Approval granted on May 20, 2024.
- 16 v. *Wade v. Mallory Safety and Supply LLC*, Siskiyou County, Case No.
17 23CV00951; Motion for Final Approval granted on July 11, 2024.
- 18 w. *Abarca-Rueda, et al. v. Foley Family Wines, Inc., et al.*, Sonoma County, Case
19 No. S-CV-268148; Motion for Final Approval granted on August 21, 2024.
- 20 x. *Aguilar v. American Pasteurization Company, Inc., et al.*, Sacramento County,
21 Case No. 34-2021-00312027-CU-OE-GDS; Motion for Final Approval granted
22 on September 3, 2024.
- 23 y. *Hayes, et al. v. Gonzales Park, LLC, et al.*, Butte County, Case No. 21CV02456;
24 Motion for Final Approval granted on May 1, 2024.
- 25 z. *Hernandez v. KW California, et al.*, Kern County, Case No. BCV-23-100346;
26 Motion for Final Approval Granted on December 4, 2024.
- 27 aa. *Arias v. The Shyft Group GTB, LLC, et al.*, Los Angeles County, Case
28 No.22STCV37390; Motion for Final Approval granted on December 3, 2024.

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

29. The In support of the reasonableness of WLF’s hourly rates, attached as **Exhibit 4** is a true and correct excerpt from the *2025 Real Rate Report* published by Wolters Kluwer. The Real Rate Report is widely relied upon in the legal industry because it is derived from anonymized billing data taken from actual law firm invoices that were submitted to clients and approved for payment, rather than from voluntary surveys or self-reported rates. Although the report refers to “2025” rates, the data reflects rates charged by law firms during the first half of 2024 and therefore represents the most recent available objective evidence of prevailing market rates.

a. The 2025 Real Rate Report’s practice-area-specific data further supports this conclusion. Page 81 provides third-quartile rates for the detailed practice category “Employment and Labor: Other Litigation,” which is directly analogous to the type of work performed in this case. That dataset includes 24 partners and 14 associates and shows a third-quartile rate of \$1,252 per hour for partners and \$564 per hour for associates. These figures demonstrate that even within the specialized employment litigation market, partners regularly bill well above \$1,200 per hour based on rates actually charged to clients. When this practice-specific benchmark is considered together with the broader regional market data, it confirms that WLF’s hourly rate for highly experienced counsel in a representative employment action falls within the upper range of prevailing market rates rather than outside it.

30. In an article entitled “Big Law Rates Topping \$2,000 Leave Value ‘In Eye of Beholder,’” written by Roy Strom and published by Bloomberg Law on June 9, 2022, the author describes how Big Law firms have crossed the \$2,000-per hour rate. The article also notes that law firm rates have been increasing by just under 3% per year. A true and correct copy of this article is attached hereto as **Exhibit 5.**

Alan Wilcox’s Qualifications

31. Alan Wilcox is a former Senior Attorney at Wilshire Law Firm. during the pendency of the Action. He graduated from the University of California, Berkeley in 2007, and graduated

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

13 Giancarlo Recinos's Qualifications

14 32. Giancarlo A. Recinos is a Senior Attorney at WLF. He was admitted to practice law
15 in the State of California in 2012 and is an active member in good standing with the State Bar of
16 California. Mr. Recinos graduated from San Francisco State University with a Bachelor of Arts in
17 Communications and received his Juris Doctor from Southwestern Law School. For over a decade,
18 his practice has focused on employment law and wage -and-hour compliance.

19 Daniel J. Kramer's Qualifications

20 33. Daniel J. Kramer is a ninth-year Senior Attorney at WLF. He is admitted to practice
21 law in the State of California in 2017 and is also admitted to the Central, Eastern, Southern, and
22 Northern Districts of California. He graduated from Stanford University with a Bachelor of Arts
23 in History and Political Science, and received his Juris Doctor from Loyola Law School, Los
24 Angeles in 2016. During law school, he was a research editor for the Loyola of Los Angeles
25 International and Comparative Law Review. Before joining WLF, he practiced briefly at a firm
26 that focused on municipal law and code enforcement and then moved to a respected plaintiff-side
27 firm to practice wage and hour class action litigation. He has several years of work experience
28 litigating wage and hour class actions.

Justin F. Marquez's Qualifications

34. Justin F. Marquez is a former Senior Partner at WLF who was actively involved in the litigation and resolution of this Action from its inception through December 2024. He graduated from University of California, Los Angeles's College Honors Program in 2004 with Bachelor of Arts degrees in History and Japanese, magna cum laude and Phi Beta Kappa. He graduated from Notre Dame Law School with a Juris Doctorate. He was admitted to the State Bar of California in February 2019. His practice focused primarily on advocating for the rights of consumers and employees in class action litigation and appellate litigation. He received numerous awards for his legal work: from 2017 to 2020, Super Lawyers selected him as a "Southern California Rising Star," and from 2022 to 2025, he was selected as a "Southern California Super Lawyer"; he was selected as one of the "Best Lawyers in America" from 2023 to 2025; and in 2024, he, along with his colleagues at WLF, received a CLAY (California Lawyer Attorneys of the Year) award for their work on a false advertising case against Apple which ultimately led to a \$25 million settlement. He also was selected to speak at multiple CELA conferences throughout his career – in 2019, he spoke on the topic of manageability of class actions at CELA's 2019 Advanced Wage & Hour Seminar, and in 2024, he spoke on the topic of dealings with multiple cases against the same defendant at CELA's 2024 Advanced Wage & Hour Seminar. He served as lead or co-lead in negotiating class action settlements worth over \$10 million in gross recovery to class members for each year since 2020, including over \$37.5 million in 2022 and over \$75 million in 2023.

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

Executed on July 31, 2026, in Los Angeles, California.

/s/ Giancarlo Recinos
Giancarlo Recinos

Exhibit 1

AMENDED CLASS ACTION AND PAGA SETTLEMENT AGREEMENT AND CLASS NOTICE

This Amended Class Action and PAGA Settlement Agreement (“Agreement”) is made by and between plaintiff Jessica Lopez (“Plaintiff”) and defendant Lecangs LLC (“Defendant”). The Agreement refers to Plaintiff and Defendant collectively as “Parties,” or individually as “Party.”

1. DEFINITIONS.

- 1.1. “Action” means the Plaintiff’s lawsuit alleging wage and hour violations against Defendant captioned *Jessica Lopez v. Lecangs LLC*, Case No. 23CV030348, initiated on March 30, 2023 and pending in Superior Court of the State of California, County of Alameda.
- 1.2. “Administrator” means ILYM Group, Inc., the neutral entity the Parties have agreed to appoint to administer the Settlement.
- 1.3. “Administration Expenses Payment” means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator’s “not to exceed” bid submitted to the Court in connection with Preliminary Approval of the Settlement.
- 1.4. “Aggrieved Employee” means all persons who worked for Defendant in California as a non-exempt or hourly-paid employee and/or who worked for any staffing agencies including Lobos Staffing, Inc., SupremeHR Service, LLC, Workforce Enterprises, Inc., and Precise Personnel, LLC and were assigned to work for Defendant as a non-exempt or hourly-paid joint employee during the PAGA Period.
- 1.5. “Class” means all persons who worked for Defendant in California as a non-exempt or hourly paid employee and/or who worked for Defendant and any staffing agency, including Lobos Staffing, Inc., SupremeHR Service, LLC, Workforce Enterprises, Inc., and Precise Personnel, LLC, as a non-exempt or hourly-paid joint employee at any time during the Class Period.
- 1.6. “Class Counsel” means Benjamin H. Haber and Daniel J. Kramer of Wilshire Law Firm, PLC.
- 1.7. “Class Counsel Fees Payment” and “Class Counsel Litigation Expenses Payment” mean the amounts allocated to Class Counsel for reimbursement of reasonable attorneys’ fees and expenses, respectively, incurred to prosecute the Action.
- 1.8. “Class Data” means Class Member identifying information in Defendant’s possession including the Class Member’s name, last-known mailing address, the number of Class Period Workweeks and PAGA Pay Periods.

- 1.9. “Class Member” or “Settlement Class Member” means a member of the Class, as either a Participating Class Member or Non-Participating Class Member (including a Non-Participating Class Member who qualifies as an Aggrieved Employee).
- 1.10. “Class Member Address Search” means the Administrator’s investigation and search for current Class Member mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Class Members.
- 1.11. “Class Notice” means the COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL, to be mailed to Class Members in English, with a Spanish translation in the form, without material variation, attached as Exhibit A and incorporated by reference into this Agreement.
- 1.12. “Class Period” means the period from November 1, 2020 to August 5, 2024.
- 1.13. “Class Representative” means the named Plaintiff in the operative complaint in the Action seeking Court approval to serve as a Class Representative.
- 1.14. “Class Representative Service Payment” means the payment to the Class Representative for initiating the Action and providing services in support of the Action.
- 1.15. “Court” means the Superior Court of California, County of Alameda.
- 1.16. “Defendant” means named Defendant Lecangs LLC.
- 1.17. “Defense Counsel” means Conor J. Dale of Jackson Lewis P.C.
- 1.18. “Effective Date” means the date by when both of the following have occurred: (a) the Court enters a Judgment on its Order Granting Final Approval of the Settlement; and (b) the Judgment is final. The Judgment is final as of the latest of the following occurrences: (a) if no Participating Class Member objects to the Settlement, the day the Court enters Judgment; (b) if one or more Participating Class Members objects to the Settlement, the day after the deadline for filing a notice of appeal from the Judgment; or if a timely appeal from the Judgment is filed, the day after the appellate court affirms the Judgment and issues a remittitur.
- 1.19. “Final Approval” means the Court’s order granting final approval of the Settlement.
- 1.20. “Final Approval Hearing” means the Court’s hearing on the Motion for Final Approval of the Settlement.
- 1.21. “Final Judgment” means the Judgment Entered by the Court upon Granting Final

Approval of the Settlement.

- 1.22. “Gross Settlement Amount” means \$290,000.00 which is the total amount Defendant agrees to pay under the Settlement except as provided in Paragraph 9 below. The Gross Settlement Amount will be used to pay Individual Class Payments, Individual PAGA Payments, the LWDA PAGA Payment, Class Counsel Fees, Class Counsel Expenses, Class Representative Service Payment and the Administrator’s Expenses. Subject to the employer’s share of payroll taxes for the payroll portion of the Gross Settlement Amount, the Gross Settlement Amount is the maximum total amount that Defendant shall be required to pay for the resolution of the Action and for the claims released under this Agreement.
- 1.23. “Individual Class Payment” means the Participating Class Member’s pro rata share of the Net Settlement Amount calculated according to the number of Workweeks worked during the Class Period.
- 1.24. “Individual PAGA Payment” means the Aggrieved Employee’s pro rata share of 25% of the PAGA Penalties calculated according to the number of Workweeks worked during the PAGA Period.
- 1.25. “Judgment” means the judgment entered by the Court based upon the Final Approval.
- 1.26. “LWDA” means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i).
- 1.27. “LWDA PAGA Payment” means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).
- 1.28. “Net Settlement Amount” means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: Individual PAGA Payments, the LWDA PAGA Payment, Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and the Administration Expenses Payment. The remainder is to be paid to Participating Class Members as Individual Class Payments.
- 1.29. “Non-Participating Class Member” means any Class Member who opts out of the Settlement by sending the Administrator a valid and timely Request for Exclusion.
- 1.30. “PAGA Pay Period” means any Pay Period during which an Aggrieved Employee worked for Defendant for at least one day during the PAGA Period.
- 1.31. “PAGA Period” means the period from March 30, 2022 to August 5, 2024.
- 1.32. “PAGA” means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).
- 1.33. “PAGA Notice” means Plaintiff’s April 13, 2023 letter to Defendant and

the LWDA providing notice pursuant to Labor Code section 2699.3, subd. (a).

- 1.34. "PAGA Penalties" means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 25% to the Aggrieved Employees (\$5,000.00) and the 75% to LWDA (\$15,000.00) in settlement of PAGA claims.
- 1.35. "Participating Class Member" means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.
- 1.36. "Plaintiff" means Jessica Lopez, the named plaintiff in the Action.
- 1.37. "Preliminary Approval" means the Court's Order Granting Preliminary Approval of the Settlement.
- 1.38. "Preliminary Approval Order" means the proposed Order Granting Preliminary Approval and Approval of PAGA Settlement.
- 1.39. "Released Class Claims" means the claims being released as described in Paragraph 5.2 below.
- 1.40. "Released PAGA Claims" means the claims being released as described in Paragraph 5.3 below.
- 1.41. "Released Parties" means: Defendant and each of its former and present directors, officers, shareholders, owners, members, attorneys, insurers, predecessors, successors, assigns, subsidiaries, and affiliates.
- 1.42. "Request for Exclusion" means a Class Member's submission of a written request to be excluded from the Class Settlement signed by the Class Member.
- 1.43. "Response Deadline" means 60 days after the Administrator mails Notice to Class Members and Aggrieved Employees, and shall be the last date on which Class Members may: (a) fax, email, or mail Requests for Exclusion from the Settlement, or (b) fax, email, or mail his or her Objection to the Settlement. Class Members to whom Notice Packets are resent after having been returned undeliverable to the Administrator shall have an additional 14 calendar days beyond the Response Deadline has expired.
- 1.44. "Settlement" means the disposition of the Action effected by this Agreement and the Judgment.
- 1.45. "Workweek" means any week during which a Class Member worked for Defendant for at least one day, during the Class Period.

2. RECITALS.

- 2.1. On March 30, 2023, Plaintiff commenced this Action by filing a Complaint

alleging causes of action against Defendant for Failure to Pay Minimum and Straight Time Wages, Failure to Pay Overtime Wages, Failure to Provide Meal Periods, Failure to Authorize and Permit Rest Periods, Failure to Timely Pay Final Wages at Termination, Failure to Provide Accurate Itemized Wage Statements, Failure to Indemnify Employees for Expenditures, and Unfair Business Practices. On October 20, 2023, Plaintiff filed a First Amended Complaint alleging causes of action against Defendant for civil penalties under PAGA. On October 21, 2024, Plaintiff filed a Second Amended Complaint. Defendant denies the allegations in the Second Amended Complaint, denies any failure to comply with the laws identified in the Second Amended Complaint and denies any and all liability for the causes of action alleged.

- 2.2. Pursuant to Labor Code section 2699.3, subd. (a), Plaintiff gave timely written notice to Defendant and the LWDA by sending the PAGA Notice.
- 2.3. On March 15, 2024 and May 7, 2024, the Parties participated in all-day mediation sessions presided over by Paul Grossman, Esq. which led to this Agreement to settle the Action.
- 2.4. Prior to the mediation sessions, Plaintiff obtained, through informal discovery, documents relevant to this case, including Plaintiff's personnel files, a sampling of time and pay records for the Class Members, and policy documents related to Plaintiff's claims. Plaintiff's investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.* (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. FootLocker Retail, Inc.* (2008) 168 Cal.App.4th 116, 129-130 ("*Dunk/Kullar*").
- 2.5. The Court has not granted class certification.

3. MONETARY TERMS.

- 3.1. Gross Settlement Amount. Except as otherwise provided by Paragraph 9 below, Defendant promises to pay \$290,000.00 and no more as the Gross Settlement Amount and to separately pay any and all employer payroll taxes owed on the Wage Portions (defined below) of the Individual Class Payments. Defendant has no obligation to pay the Gross Settlement Amount (or any payroll taxes) prior to the deadline stated in Paragraph 4.3 of this Agreement. The Administrator will disburse the Individual Class Payments and Individual PAGA Payments without asking or requiring Participating Class Members or Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendant.
- 3.2. Payments from the Gross Settlement Amount. The Administrator will make and deduct the following payments from the Gross Settlement Amount, in the amounts specified by the Court in the Final Approval:
 - 3.2.1. To Plaintiff: Class Representative Service Payment to the Class

Representative of not more than \$10,000.00 (in addition to any Individual Class Payment and any Individual PAGA Payment the Class Representative is entitled to receive as a Participating Class Member). Defendant will not oppose Plaintiff's request for a Class Representative Service Payment that does not exceed this amount. As part of the motion for Class Counsel Fees Payment and Class Litigation Expenses Payment, Plaintiff will seek Court approval for any Class Representative Service Payments no later than 16 court days prior to the Final Approval Hearing. If the Court approves a Class Representative Service Payment less than the amount requested, the Administrator will retain the remainder in the Net Settlement Amount. The Administrator will pay the Class Representative Service Payment using IRS Form 1099. Plaintiff assumes full responsibility and liability for employee taxes owed on the Class Representative Service Payment.

3.2.2. To Class Counsel: A Class Counsel Fees Payment of not more than 33 and 1/3%, which is currently estimated to be \$96,666.67 and a Class Counsel Litigation Expenses Payment of not more than \$40,000. Defendant will not oppose requests for these payments provided that do not exceed these amounts. Plaintiff and/or Class Counsel will file a motion for Class Counsel Fees Payment and Class Litigation Expenses Payment no later than 16 court days prior to the Final Approval Hearing. If the Court approves a Class Counsel Fees Payment and/or a Class Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. Released Parties shall have no liability to Class Counsel or any other Plaintiff's Counsel arising from any claim to any portion any Class Counsel Fee Payment and/or Class Counsel Litigation Expenses Payment. The Administrator will pay the Class Counsel Fees Payment and Class Counsel Expenses Payment using one or more IRS 1099 Forms. Class Counsel assumes full responsibility and liability for taxes owed on the Class Counsel Fees Payment and the Class Counsel Litigation Expenses Payment and holds Defendant harmless, and indemnifies Defendant, from any dispute or controversy regarding any division or sharing of any of these Payments.

3.2.3. To the Administrator: An Administrator Expenses Payment not to exceed \$10,000.00 except for a showing of good cause and as approved by the Court. To the extent the Administration Expenses are less or the Court approves payment less than \$10,000.00, the Administrator will retain the remainder in the Net Settlement Amount.

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

3.2.4.1. Tax Allocation of Individual Class Payments. 20% of each Participating Class Member's Individual Class Payment will be allocated to settlement of wage claims (the "Wage Portion"). The Wage Portions are subject to tax withholding and will be reported on an IRS W-2 Form. The remaining 80% of each Participating Class Member's Individual Class

Payment will be allocated to settlement of claims for interest and penalties (the “Non-Wage Portion”). The Non-Wage Portions are not subject to wage withholdings and will be reported on IRS 1099 Forms. Participating Class Members assume full responsibility and liability for any employee taxes owed on their Individual Class Payment.

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

3.2.5. To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of \$20,000.00 to be paid from the Gross Settlement Amount, with 75% (\$15,000.00) allocated to the LWDA PAGA Payment and 25% (\$5,000.00) allocated to the Individual PAGA Payments.

3.2.5.1. The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees’ 25% share of PAGA Penalties \$5,000.00 by the total number of PAGA Period Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee’s PAGA Period Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

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

4. SETTLEMENT FUNDING AND PAYMENTS.

4.1. Class Workweeks and Aggrieved Employee Pay Periods. As discussed in section 8, based on a review of its records to date, Defendant estimates there are a total of 11,550 Workweeks worked by Class Members during the relevant period.

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

counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Class Data.

- 4.3. Funding of Gross Settlement Amount. Defendant shall fully fund the Gross Settlement Amount, and also fund the amounts necessary to fully pay Defendant's share of payroll taxes by transmitting the funds to the Administrator no later than 14 days after the Effective Date.
- 4.4. Payments from the Gross Settlement Amount. Within 14 days after Defendant funds the Gross Settlement Amount, the Administrator will mail checks for all Individual Class Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class Representative Service Payment. Disbursement of the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment and the Class Representative Service Payment shall not precede disbursement of Individual Class Payments and Individual PAGA Payments.
 - 4.4.1. The Administrator will issue checks for the Individual Class Payments and/or Individual PAGA Payments and send them to the Class Members via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (not less than 180 days after the date of mailing) when the check will be voided. The Administrator will cancel all checks not cashed by the void date. The Administrator will send checks for Individual Settlement Payments to all Participating Class Members (including those for whom Class Notice was returned undelivered). The Administrator will send checks for Individual PAGA Payments to all Aggrieved Employees including Non-Participating Class Members who qualify as Aggrieved Employees (including those for whom Class Notice was returned undelivered). The Administrator may send Participating Class Members a single check combining the Individual Class Payment and the Individual PAGA Payment. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database.
 - 4.4.2. The Administrator must conduct a Class Member Address Search for all other Class Members whose checks are returned undelivered without USPS forwarding address. Within 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 Class Member Address Search. The Administrator need not take further steps to deliver checks to Class Members whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Class Member whose original check was lost or misplaced, requested by the Class Member prior to the void date.
 - 4.4.3. For any Class Member whose Individual Class Payment check or Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to Legal Aid At Work, 180 Montgomery Street, Suite 600, San Francisco, California 94104 ("Cy Pres Recipient"). The Parties, Class Counsel and Defense Counsel represent that they

have no interest or relationship, financial or otherwise, with the intended Cy Pres Recipient.

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

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

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

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

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

5.2 Release by Participating Class Members: All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties from all claims that were alleged, or reasonably could have been alleged, based on the facts and allegations that were alleged or could have been alleged in the Second Amended Complaint including but not limited to claims for: (1) failure to timely pay all wages earned for all hours worked during employment including minimum, straight, and overtime wages; (2) failure to provide meal periods or additional pay in lieu thereof; (3) failure to provide legally required

rest breaks and/or recovery periods or additional pay in lieu thereof; (4) failure to pay all owed wages at the end of employment; (5) failure to maintain and/or provide legally required records including accurate wage statements, payroll records, and time records; (6) failure to reimburse necessary business expenses; and (7) alleged violations of California Labor Code sections 200-204, 210, 221, 223, 225, 225.5, 226, 226.3, 226.7, 227.3, 233, 246, 1174, 1174.5, 1182.12, 1194, 194.2, 1197, 1197.1, 1198, 1199, 510, 512, 516, 558, 558.1, 2100-2112, 2800-2802, 2810.3, 2810.5, 2698 *et seq.*, California Code of Regulations Title 8, Section 3395, Business and Professions Code Sec. 17200 *et seq.*, and relevant Industrial Welfare Commission wage order sections addressing such claims and/or alleged violations including but not limited to wage order sections 3, 4, 7, 11, 12, and 20 (collectively, the “Class Released Claims”) Except as set forth in Section 5.3 of this Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers’ compensation, or claims based on facts occurring outside the Class Period.

5.3 Release of PAGA Claims by Plaintiff on Behalf of the State: Plaintiff, acting in her representative capacity as the authorized proxy of the California Labor and Workforce Development Agency (“LWDA”) pursuant to Labor Code section 2699, releases on behalf of the State of California all claims for civil penalties for violations of the law allegedly experienced by the Aggrieved Employees under the Private Attorneys General Act (“PAGA”) that were alleged in, or arise from the facts and theories set forth in, the PAGA notices submitted to the LWDA on April 13, 2023 and August 5, 2025, and any amended PAGA notice thereafter provided. The PAGA Released Claims include but are not limited to penalties for: (1) failure to timely pay all wages earned for all hours worked during employment including minimum, straight, and overtime wages; (2) failure to provide meal periods or additional pay in lieu thereof; (3) failure to provide legally required rest breaks and/or recovery periods or additional pay in lieu thereof; (4) failure to pay all owed wages at the end of employment; (5) failure to maintain and/or provide legally required records including accurate wage statements, payroll records, and time records; (6) failure to reimburse necessary business expenses; and (7) alleged violations of California Labor Code sections 200-204, 210, 221, 223, 225, 225.5, 226, 226.3, 226.7, 227.3, 233, 246, 1174, 1174.5, 1182.12, 1194, 194.2, 1197, 1197.1, 1198, 1199, 510, 512, 516, 558, 558.1, 2100-2112, 2800-2802, 2810.3, 2810.5, 2698 *et seq.*, California Code of Regulations Title 8, Section 3395, Business and Professions Code Sec. 17200 *et seq.*, and relevant Industrial Welfare Commission wage order sections addressing such claims and/or alleged violations including but not limited to wage order sections 3, 4, 7, 11, 12, 14, and 20 (the “Released PAGA Claims”). For the avoidance of doubt, this release is made solely by Plaintiff in her representative capacity on behalf of the LWDA, and means that all Aggrieved Employees, cannot sue, continue to sue, or participate in any other PAGA claim against Defendant for all claims for civil penalties under PAGA that were alleged in, or arise from the facts and theories set forth in, the PAGA notices submitted to the LWDA on April 13, 2023 and August 5, 2025, and any amended PAGA notice thereafter provided. No individual Aggrieved Employee releases any PAGA claims in his or her individual capacity. The Released PAGA Claims are limited to the PAGA Period.

5.4 The release of claims includes any claims by Participating Class Member and Aggrieved Employees who were employed by third party staffing agencies against their respective third party staffing agency employers to the extent that any of the Class Released Claims and/or PAGA Released Claims as to Defendant would apply to the Participating Class Members' and Aggrieved Employees' third party staffing agency employer.

6. MOTION FOR PRELIMINARY APPROVAL. The Parties agree to jointly prepare and file a motion for preliminary approval ("Motion for Preliminary Approval") that complies with the Court's current checklist for Preliminary Approvals.

6.1 Plaintiff's Responsibilities. Plaintiff will prepare and deliver to Defense Counsel all documents necessary for obtaining Preliminary Approval, including: (i) a draft of the notice, and memorandum in support, of the Motion for Preliminary Approval that includes an analysis of the Settlement under *Dunk/Kullar* and a request for approval of the PAGA Settlement under Labor Code Section 2699, subd. (f)(2)); (ii) a draft proposed Order Granting Preliminary Approval and Approval of PAGA Settlement; (iii) a draft proposed Class Notice; (iv) a signed declaration from the Administrator attaching its "not to exceed" bid for administering the Settlement and attesting to its willingness to serve; competency; operative procedures for protecting the security of Class Data; amounts of insurance coverage for any data breach, defalcation of funds or other misfeasance; all facts relevant to any actual or potential conflicts of interest with Class Members and/or the proposed Cy Pres; and the nature and extent of any financial relationship with Plaintiff, Class Counsel or Defense Counsel; (v) a signed declaration from Plaintiff confirming willingness and competency to serve and disclosing all facts relevant to any actual or potential conflicts of interest with Class Members, and/or the proposed Cy Pres, and/or the Administrator; (v) a signed declaration from each Class Counsel firm attesting to its competency to represent the Class Members; its timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), Operative Complaint (Labor Code section 2699, subd. (l)(1)), this Agreement (Labor Code section 2699, subd. (l)(2)); and (vi) all facts relevant to any actual or potential conflict of interest with Class Members, the Administrator and/or the Cy Pres Recipient.

6.2 Amended PAGA Notice: Class Counsel agrees to amend the PAGA Notice against Defendant as necessary to effectuate the legal release against Defendant as listed above

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

6.4 Duty to Cooperate. If the Parties disagree on any aspect of the proposed Motion for Preliminary Approval and/or the supporting declarations and documents, Class

Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant Preliminary Approval or conditions Preliminary Approval on any material change to this Agreement, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns.

7. SETTLEMENT ADMINISTRATION.

- 7.1 Selection of Administrator. The Parties have jointly selected ILYM Group, Inc. to serve as the Administrator and verified that, as a condition of appointment, ILYM Group, Inc. agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Expenses. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.
- 7.2 Employer Identification Number. The Administrator shall have and use its own Employer Identification Number for purposes of calculating payroll tax withholdings and providing reports to state and federal tax authorities.
- 7.3 Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation section 468B-1.
- 7.4 Notice to Class Members.
 - 7.4.1 No later than three (3) business days after receipt of the Class Data, the Administrator shall notify Class Counsel that the list has been received and state the number of Class Members, PAGA Members, Workweeks, and Pay Periods in the Class Data.
 - 7.4.2 Using best efforts to perform as soon as possible, and in no event later than 14 days after receiving the Class Data, the Administrator will send to all Class Members identified in the Class Data, via first-class United States Postal Service ("USPS") mail, the Class Notice, with Spanish translation, substantially in the form attached to this Agreement as Exhibit A. The first page of the Class Notice shall prominently estimate the dollar amounts of any Individual Class Payment and/or Individual PAGA Payment payable to the Class Member, and the number of Workweeks and PAGA Pay Periods (if applicable) used to calculate these amounts. Before mailing Class Notices, the Administrator shall update Class Member addresses using the National Change of Address database.
 - 7.4.3 Not later than 3 business days after the Administrator's receipt of any Class Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class Notice using any forwarding address provided by the USPS. If the

USPS does not provide a forwarding address, the Administrator shall conduct a Class Member Address Search, and re-mail the Class Notice to the most current address obtained. The Administrator has no obligation to make further attempts to locate or send Class Notice to Class Members whose Class Notice is returned by the USPS a second time.

7.4.4 The deadlines for Class Members' written objections, Challenges to Workweeks and/or Pay Periods, and Requests for Exclusion will be extended an additional 14 days beyond the 60 days otherwise provided in the Class Notice for all Class Members whose notice is re-mailed. The Administrator will inform the Class Member of the extended deadline with the re-mailed Class Notice.

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

7.5 Requests for Exclusion (Opt-Outs).

7.5.1 Class Members who wish to exclude themselves (opt-out of) the Class Settlement must send the Administrator, by fax, email, or mail, a signed written Request for Exclusion not later than 60 days after the Administrator mails the Class Notice (plus an additional 14 days for Class Members whose Class Notice is re-mailed). A Request for Exclusion is a letter from a Class Member or his/her representative that reasonably communicates the Class Member's election to be excluded from the Settlement and includes the Class Member's name, address and email address or telephone number. To be valid, a Request for Exclusion must be timely faxed, emailed, or postmarked by the Response Deadline.

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

7.5.3 Every Class Member who does not submit a timely and valid

Request for Exclusion is deemed to be a Participating Class Member under this Agreement, entitled to all benefits and bound by all terms and conditions of the Settlement, including the Participating Class Members' Releases under Paragraphs 5.2 and 5.3 of this Agreement, regardless of whether the Participating Class Member actually receives the Class Notice or objects to the Settlement.

7.5.4 Every Class Member who submits a valid and timely Request for Exclusion is a Non-Participating Class Member and shall not receive an Individual Class Payment or have the right to object to the class action components of the Settlement. Because future PAGA claims are subject to claim preclusion upon entry of the Judgment, Non-Participating Class Members who are Aggrieved Employees will be bound by the Court's judgment with respect to the PAGA.

7.6 Challenges to Calculation of Workweeks. Each Class Member shall have 60 days after the Administrator mails the Class Notice (plus an additional 14 days for Class Members whose Class Notice is re-mailed) to challenge the number of Class Workweeks and PAGA Pay Periods (if any) allocated to the Class Member in the Class Notice. The Class Member may challenge the allocation by communicating with the Administrator via fax, email or mail. The Administrator must encourage the challenging Class Member to submit supporting documentation. In the absence of any contrary documentation, the Administrator is entitled to presume that the Workweeks contained in the Class Notice are correct so long as they are consistent with the Class Data. The Administrator's determination of each Class Member's allocation of Workweeks and/or Pay Periods shall be final and not appealable or otherwise susceptible to challenge. The Administrator shall promptly provide copies of all challenges to calculation of Workweeks and/or Pay Periods to Defense Counsel and Class Counsel and the Administrator's determination on the challenges.

7.7 Objections to Settlement.

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

7.7.2 Participating Class Members may send written objections to the Administrator, by fax, email, or mail. In the alternative, Participating Class Members may appear in Court (or hire an attorney to appear in Court) to present verbal objections at the Final Approval Hearing. A Participating Class Member who elects to send a written objection to the Administrator must do so not later than 60 days after the Administrator's mailing of the Class Notice (plus an additional 14 days for Class Members whose Class Notice was re-mailed).

7.7.3 Non-Participating Class Members have no right to object to any of the

class action components of the Settlement.

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

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

7.8.2 Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will promptly review on a rolling basis Requests for Exclusion to ascertain their validity. Not later than 5 days after the expiration of the deadline for submitting Requests for Exclusion, the Administrator shall email a list to Class Counsel and Defense Counsel containing (a) the names and other identifying information of Class Members who have timely submitted valid Requests for Exclusion (“Exclusion List”); (b) the names and other identifying information of Class Members who have submitted invalid Requests for Exclusion; (c) copies of all Requests for Exclusion from Settlement submitted (whether valid or invalid).

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

7.8.4 Workweek and/or Pay Period Challenges. The Administrator has the authority to address and make final decisions consistent with the terms of this Agreement on all Class Member challenges over the calculation of Workweeks and/or Pay Periods. The Administrator’s decision shall be final and not appealable or otherwise susceptible to challenge.

7.8.5 Administrator’s Declaration. Not later than 14 days before the date by which Plaintiff is required to file the Motion for Final Approval of the Settlement, the Administrator will provide to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its due diligence and

compliance with all of its obligations under this Agreement, including, but not limited to, its mailing of Class Notice, the Class Notices returned as undelivered, the re-mailing of Class Notices, attempts to locate Class Members, the total number of Requests for Exclusion from Settlement it received (both valid or invalid) (the “Exclusion List”), the number of written objections and attach the Exclusion List. The Administrator will supplement its declaration as needed or requested by the Parties and/or the Court. Class Counsel is responsible for filing the Administrator’s declaration(s) in Court.

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

8. **CLASS SIZE ESTIMATES AND ESCALATOR CLAUSE.** The Parties agreed to resolve this dispute for the Gross Settlement Amount based on the calculated number of workweeks performed by Class Members between November 1, 2020 and May 7, 2024. Defendant estimates that, as of the date of this Settlement Agreement there are 11,550 Total Workweeks during the period of November 1, 2020 and May 7, 2024. In the event the number of workweeks worked by the Class Members during this period increases by more than 10% or 1,155, then the Gross Settlement Amount shall be increased by the actual percentage. For example, if the number of Workweeks is 15% more than the estimated 11,550 workweeks (for a total of 13,282.5 Workweeks), then the total amount increase for the Gross Settlement Amount will be 15%.
9. **DEFENDANT’S RIGHT TO WITHDRAW.** If the number of valid Requests for Exclusion identified in the Exclusion List exceeds 10% of the total of all Class Members, Defendant may, but is not obligated, elect to withdraw from the Settlement. The Parties agree that, if Defendant withdraws, the Settlement shall be void ab initio, have no force or effect whatsoever, and that neither Party will have any further obligation to perform under this Agreement; provided, however, Defendant will remain responsible for paying all Settlement Administration Expenses incurred to that point. Defendant must notify Class Counsel and the Court of its election to withdraw not later than seven days after the Administrator sends the final Exclusion List to Defense Counsel; late elections will have no effect.
10. **MOTION FOR FINAL APPROVAL.** Not later than 16 court days before the calendared Final Approval Hearing, Plaintiff will file in Court, a motion for final approval of the Settlement that includes a request for approval of the PAGA settlement under Labor Code section 2699, subd. (l), a Proposed Final Approval Order and a proposed Judgment (collectively “Motion for Final Approval”). Plaintiff shall provide drafts of these documents to Defense Counsel not later than seven days prior to filing the Motion for

Final Approval. Class Counsel and Defense Counsel will expeditiously meet and confer in person or by telephone, and in good faith, to resolve any disagreements concerning the Motion for Final Approval.

- 10.1 Response to Objections. Each Party retains the right to respond to any objection raised by a Participating Class Member, including the right to file responsive documents in Court no later than five court days prior to the Final Approval Hearing, or as otherwise ordered or accepted by the Court.
- 10.2 Duty to Cooperate. If the Court does not grant Final Approval or conditions Final Approval on any material change to the Settlement (including, but not limited to, the scope of release to be granted by Class Members), the Parties will expeditiously work together in good faith to address the Court's concerns by revising the Agreement as necessary to obtain Final Approval. The Court's decision to award less than the amounts requested for the Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Administrator Expenses Payment shall not constitute a material modification to the Agreement within the meaning of this paragraph.
- 10.3 Continuing Jurisdiction of the Court. The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties, Action, and the Settlement solely for purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters, and (iii) addressing such post-Judgment matters as are permitted by law.
- 10.4 Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment reflected set forth in this Settlement, the Parties, their respective counsel, and all Participating Class Members who did not object to the Settlement as provided in this Agreement, waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals. If an objector appeals the Judgment, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect the amount of the Net Settlement Amount.
- 10.5 Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a material modification of this Agreement (including, but not limited to, the scope of release to be granted by Class Members), this Agreement shall be null and void. The Parties shall nevertheless expeditiously work together in good faith to address the appellate court's concerns and to obtain Final Approval and entry of Judgment, sharing, on a 50-50 basis, any additional Administration Expenses reasonably incurred after remittitur. An appellate decision to vacate, reverse, or modify the Court's award of the Class Representative Service Payment or any payments to Class Counsel shall not

constitute a material modification of the Judgment within the meaning of this paragraph, as long as the Gross Settlement Amount remains unchanged.

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

12. ADDITIONAL PROVISIONS.

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

12.2 Confidentiality Prior to Preliminary Approval. Plaintiff, Class Counsel, Defendant and Defense Counsel separately agree that, until the Motion for Preliminary Approval of Settlement is filed, they and each of them will not disclose, disseminate and/or publicize, or cause or permit another person to disclose, disseminate or publicize, any of the terms of the Agreement directly or indirectly, specifically or generally, to any person, corporation, association, government agency, or other entity except: (1) to the Parties' attorneys, accountants, or spouses, all of whom will be instructed to keep this Agreement confidential; (2) counsel in a related matter; (3) to the extent necessary to report income to appropriate taxing authorities; (4) in response to a court order or subpoena; or (5) in response to an inquiry or subpoena issued by a state or federal government agency. Each Party agrees to immediately notify each other Party of any judicial or agency order, inquiry, or subpoena seeking such information. Plaintiff, Class Counsel, Defendant and Defense Counsel separately agree not to, directly or indirectly, initiate any conversation or other communication, before the filing of the Motion for Preliminary Approval, with any third party regarding this Agreement or the matters giving rise to this Agreement except to respond only that "the matter was resolved," or words to that effect. This paragraph does not restrict Class Counsel's communications with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.

12.3 No Solicitation. The Parties separately agree that they and their respective counsel and employees will not solicit any Class Member to opt out of or object to the Settlement, or appeal from the Judgment. Nothing in this paragraph shall be construed to restrict Class

Counsel's ability to communicate with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.

- 12.4 Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party.
- 12.5 Attorney Authorization. Class Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiff and Defendant, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.
- 12.6 Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying the Settlement Agreement, submitting supplemental evidence and supplementing points and authorities as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of a mediator and/or the Court for resolution.
- 12.7 No Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity and portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.
- 12.8 No Tax Advice. Neither Plaintiff, Class Counsel, Defendant nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.
- 12.9 Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their representatives, and approved by the Court.
- 12.10 Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.
- 12.11 Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the State of California, without regard to conflict of law principles.
- 12.12 Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party

on the basis that the Party was the drafter or participated in the drafting.

- 12.13 Confidentiality. To the extent permitted by law, all agreements made, and orders entered during Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.
- 12.14 Use and Return of Class Data. Information provided to Class Counsel pursuant to Cal. Evid. Code §1152, and all copies and summaries of the Class Data provided to Class Counsel by Defendant in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. Not later than 90 days after the date when the Court discharges the Administrator's obligation to provide a Declaration confirming the final pay out of all Settlement funds, Plaintiff shall destroy, all paper and electronic versions of Class Data received from Defendant unless, prior to the Court's discharge of the Administrator's obligation, Defendant makes a written request to Class Counsel for the return, rather than the destructions, of Class Data.
- 12.15 Headings. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.
- 12.16 Calendar Days. Unless otherwise noted, all reference to "days" in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.
- 12.17 Notice. All notices, demands or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email or messenger, addressed as follows:

To Plaintiff:

Benjamin H. Haber
benjamin.haber@wilshirelawfirm.com
Daniel J. Kramer
daniel.kramer@wilshirelawfirm.com
WILSHIRE LAW FIRM, PLC
660 South Figueroa Street, Sky Lobby
Los Angeles, CA 90017
Telephone: (213) 784-3830
Facsimile: (213) 381-9989

To Defendant:

Conor J. Dale
Conor.dale@jacksonlewis.com
JACKSON LEWIS P.C.
50 California Street, 9th Floor
San Francisco, CA 94111
Telephone: (415) 394-9400
Facsimile: (415) 394-9401

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

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

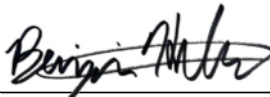
Dated: 1/27/2026

Signed by:

E6CD08D2B2D24F7

Jessica Lopez
Plaintiff

Dated: 1/27/2026



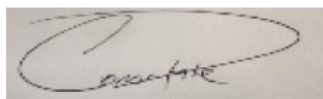
WILSHIRE LAW FIRM
Benjamin H. Haber
Daniel J. Kramer
Attorneys for Plaintiff

Dated: 1/30/2026



By: La
Wu
Its: Chief Operations
Officer
Lecangs LLC
Defendant

Dated: 1.30.26



JACKSON LEWIS PC
Conor J. Dale
Attorneys for Defendant

EXHIBIT A

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

Jessica Lopez v. Lecangs LLC, Case No. 23CV030348

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

You may be eligible to receive money from an employee class action lawsuit (“Action”) against Lecangs LLC (; “Defendant” is used herein as a placeholder) for alleged wage and hour violations. The Action was filed by a former Defendant employee Jessica Lopez (“Plaintiff”) and seeks payment of (1) back wages and other relief for a class of hourly employees (“Class Members”) who worked for Defendant during the Class Period (November 1, 2020 to August 5, 2024); and (2) penalties under the California Private Attorney General Act (“PAGA”) for all hourly employees who worked for Defendant during the PAGA Period (March 30, 2022 to August 5, 2024) (“Aggrieved Employees”).

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

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

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

The Court has already preliminarily approved the proposed Settlement and approved this Notice. The Court has not yet decided whether to grant final approval. Your legal rights are affected whether you act or not act. Read this Notice carefully. You will be deemed to have carefully read and understood it. At the Final Approval Hearing, the Court will decide whether to finally approve the Settlement and how much of the Settlement will be paid to Plaintiff and Plaintiff’s attorneys (“Class Counsel”). The Court will also decide whether to enter a judgment that requires Defendant to make payments under the Settlement and resolves the claims covered by the Settlement. If final approval is granted, Plaintiff, acting in her representative capacity on behalf of the State of California, will release the Private Attorneys General Act (“PAGA”) claims described in the Settlement, and Participating Class Members will release the class claims described in the Settlement.

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

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

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

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

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

You Don't Have to Do Anything to Participate in the Settlement	If you do nothing, you will be a Participating Class Member, eligible for an Individual Class Payment and an Individual PAGA Payment (if any). In exchange, you will give up your right to assert the wage claims against Defendant that are covered by this Settlement (Released Claims).
You Can Opt-out of the Class Settlement but not the PAGA Settlement The Opt-out Deadline is _____	If you don't want to fully participate in the proposed Settlement, you can opt-out of the Class Settlement by sending the Administrator a written Request for Exclusion. Once excluded, you will be a Non-Participating Class Member and no longer eligible for an Individual Class Payment. Non-Participating Class Members cannot object to any portion of the proposed Settlement. See Section 6 of this Notice. You cannot opt-out of the PAGA portion of the proposed Settlement. Defendant must pay Individual PAGA Payments to all Aggrieved Employees and Plaintiff, acting in her representative capacity on behalf of the State of California, will release the PAGA claims described below, and all Aggrieved Employees will be bound by the Court's judgment with respect to those PAGA claims.

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

1. WHAT IS THE ACTION ABOUT?

Plaintiff is a former Defendant employee. The Action accuses Defendant of violating California labor laws by failing to pay overtime wages, minimum wages, wages due upon termination and reimbursable expenses and failing to provide meal periods, rest breaks and accurate itemized wage statements, among other claims. Based on the same claims, Plaintiff has also asserted a claim for civil penalties under the California Private Attorneys General Act (Labor Code §§ 2698, et seq.) ("PAGA"). Plaintiff is represented by attorneys in the Action: Benjamin H. Haber and Daniel J. Kramer of Wilshire Law Firm, PLC ("Class Counsel.")

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

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

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

Plaintiff and Class Counsel strongly believe the Settlement is a good deal for you because they believe that: (1) Defendant has agreed to pay a fair, reasonable and adequate amount considering the strength of the claims and the risks and uncertainties of continued litigation; and (2)

Settlement is in the best interests of the Class Members and Aggrieved Employees. The Court preliminarily approved the proposed Settlement as fair, reasonable and adequate, authorized this Notice, and scheduled a hearing to determine Final Approval.

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

1. Defendant Will Pay \$290,000.00 as the Gross Settlement Amount (Gross Settlement). Defendant has agreed to deposit the Gross Settlement into an account controlled by the Administrator of the Settlement. The Administrator will use the Gross Settlement to pay the Individual Class Payments, Individual PAGA Payments, Class Representative Service Payment, Class Counsel's attorney's fees and expenses, the Administrator's expenses, and penalties to be paid to the California Labor and Workforce Development Agency ("LWDA"). Assuming the Court grants Final Approval, Defendant will fund the Gross Settlement not more than 14 days after the Judgment entered by the Court become final. The Judgment will be final on the date the Court enters Judgment, or a later date if Participating Class Members object to the proposed Settlement or the Judgment is appealed.
2. Court Approved Deductions from Gross Settlement. At the Final Approval Hearing, Plaintiff and/or Class Counsel will ask the Court to approve the following deductions from the Gross Settlement, the amounts of which will be decided by the Court at the Final Approval Hearing:
 - A. Up to \$96,666.67 (33 and 1/3% of the Gross Settlement) to Class Counsel for attorneys' fees and up to \$40,000 for their litigation expenses. To date, Class Counsel have worked and incurred expenses on the Action without payment.
 - B. Up to \$10,000.00 as a Class Representative Service Payment for filing the Action, working with Class Counsel and representing the Class. A Class Representative Service Payment will be the only monies Plaintiff will receive other than Plaintiff's Individual Class Payment and any Individual PAGA Payment.
 - C. Up to \$10,000.00 to the Administrator for services administering the Settlement.
 - D. Up to \$20,000.00 for PAGA Penalties, allocated 75% to the LWDA PAGA Payment and 25% in Individual PAGA Payments to the Aggrieved Employees based on their PAGA Period Pay Periods.

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

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

4. Taxes Owed on Payments to Class Members. Plaintiff and Defendant are asking the Court to approve an allocation of 20% of each Individual Class Payment to taxable wages (“Wage Portion”) and 80% to interest and penalties. (“Non-Wage Portion”). The Wage Portion is subject to withholdings and will be reported on IRS W-2 Forms. Defendant will separately pay employer payroll taxes it owes on the Wage Portion. The Individual PAGA Payments are counted as penalties rather than wages for tax purposes. The Administrator will report the Individual PAGA Payments and the Non-Wage Portions of the Individual Class Payments on IRS 1099 Forms.

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

5. Need to Promptly Cash Payment Checks. The front of every check issued for Individual Class Payments and Individual PAGA Payments will show the date when the check expires (the void date). If you don’t cash it by the void date, your check will be automatically cancelled, and the monies will irrevocably lost to you because they will be paid to a non-profit organization or foundation, Legal Aid At Work (“Cy Pres”).
6. Requests for Exclusion from the Class Settlement (Opt-Outs). You will be treated as a Participating Class Member, participating fully in the Class Settlement, unless you notify the Administrator in writing, not later than _____, that you wish to opt-out. The easiest way to notify the Administrator is to send a written and signed Request for Exclusion by the _____ Response Deadline. The Request for Exclusion should be a letter from a Class Member or his/her representative setting forth a Class Member’s name, present address, telephone number, and a simple statement electing to be excluded from the Settlement. Excluded Class Members (i.e., Non-Participating Class Members) will not receive Individual Class Payments, but will preserve their rights to personally pursue wage and hour claims against Defendant.

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

7. The Proposed Settlement Will be Void if the Court Denies Final Approval. It is possible the Court will decline to grant Final Approval of the Settlement or decline enter a Judgment. It is also possible the Court will enter a Judgment that is reversed on appeal. Plaintiff and Defendant have agreed that, in either case, the Settlement will be void: Defendant will not pay any money and Class Members will not release any claims against Defendant.
8. Administrator. The Court has appointed a neutral company, ILYM Group, Inc. (the

“Administrator”) to send this Notice, calculate and make payments, and process Class Members’ Requests for Exclusion. The Administrator will also decide Class Member Challenges over Workweeks, mail and re-mail settlement checks and tax forms, and perform other tasks necessary to administer the Settlement. The Administrator’s contact information is contained in Section 9 of this Notice.

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

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

All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties from all claims that were alleged, or reasonably could have been alleged, based on the Class Period facts stated in the Second Amended Complaint including but not limited to claims for: (1) failure to timely pay all wages earned for all hours worked during employment including minimum, straight, and overtime wages; (2) failure to provide meal periods or additional pay in lieu thereof; (3) failure to provide legally required rest breaks and/or recovery periods or additional pay in lieu thereof; (4) failure to pay all owed wages at the end of employment; (5) failure to maintain and/or provide legally required records including accurate wage statements, payroll records, and time records; (6) failure to reimburse necessary business expenses; and (7) alleged violations of California Labor Code sections 200-204, 210, 221, 223, 225, 225.5, 226, 226.3, 226.7, 227.3, 233, 246, 1174, 1174.5, 1182.12, 1194, 194.2, 1197, 1197.1, 1198, 1199, 510, 512, 516, 558, 558.1, 2100-2112, 2800-2802, 2810.3, 2810.5, 2698 *et seq.*, California Code of Regulations Title 8, Section 3395, Business and Professions Code Sec. 17200 *et seq.*, and relevant Industrial Welfare Commission wage order sections addressing such claims and/or alleged violations including but not limited to wage order sections 3, 4, 7, 11, 12, 14, and 20 (collectively, the “Class Released Claims”). Except as set forth in Section 3(9) of this Notice, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers’ compensation, or claims based on facts occurring outside the Class Period.

10. PAGA Release. After the Court’s judgment is final, and Defendant has paid the Gross Settlement (and separately paid the employer-side payroll taxes), Plaintiff, acting in her representative capacity on behalf of the State of California, will release the PAGA claims resolved by the Settlement. This means that all Aggrieved Employees, including those who are Participating Class Members and those who opt-out of the Class

Settlement, cannot sue, continue to sue, or participate in any other PAGA claim against Defendant or its related entities based on the PAGA Period facts alleged in the Action and resolved by this Settlement.

Scope of PAGA Release:

The PAGA claims released by Plaintiff on behalf of the State (the “PAGA Released Claims”) are limited to claims for civil penalties arising from the facts and theories expressly set forth in the PAGA notices submitted to the LWDA on April 13, 2023 and August 5, 2025, and any amended PAGA notice thereafter provided, and only for the PAGA Period. The PAGA Released Claims include but are not limited to penalties for: (1) failure to timely pay all wages earned for all hours worked during employment including minimum, straight, and overtime wages; (2) failure to provide meal periods or additional pay in lieu thereof; (3) failure to provide legally required rest breaks and/or recovery periods or additional pay in lieu thereof; (4) failure to pay all owed wages at the end of employment; (5) failure to maintain and/or provide legally required records including accurate wage statements, payroll records, and time records; (6) failure to reimburse necessary business expenses; and (7) alleged violations of California Labor Code sections 200-204, 210, 221, 223, 225, 225.5, 226, 226.3, 226.7, 227.3, 233, 246, 1174, 1174.5, 1182.12, 1194, 194.2, 1197, 1197.1, 1198, 1199, 510, 512, 516, 558, 558.1, 2100-2112, 2800-2802, 2810.3, 2810.5, 2698 *et seq.*, 0California Code of Regulations Title 8, Section 3395, Business and Professions Code Sec. 17200 *et seq.*, and relevant Industrial Welfare Commission wage order sections addressing such claims and/or alleged violations including but not limited to wage order sections 3, 4, 7, 11, 12, 14, and 20 (the “PAGA Released Claims”) during the PAGA Period. For the avoidance of doubt, this release is made solely by Plaintiff in her representative capacity on behalf of the State of California, and means that all Aggrieved Employees, cannot sue, continue to sue, or participate in any other PAGA claim against Defendant for all claims for civil penalties under PAGA that were alleged in, or arise from the facts and theories set forth in, the PAGA notices submitted to the LWDA on April 13, 2023 and August 5, 2025, and any amended PAGA notice thereafter provided. No Aggrieved Employee releases any PAGA claims in his or her individual capacity.

4. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?

1. Individual Class Payments. The Administrator will calculate Individual Class Payments by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members, and (b) multiplying the result by the number of Workweeks worked by each individual Participating Class Member.
2. Individual PAGA Payments. The Administrator will calculate Individual PAGA Payments by (a) dividing \$5,000.00 by the total number of PAGA Pay Periods worked by all Aggrieved Employees and (b) multiplying the result by the number of PAGA Period Pay Periods worked by each individual Aggrieved Employee.
3. Workweek/Pay Period Challenges. The number of Class Workweeks you worked during the Class Period and the number of PAGA Pay Periods you worked during the PAGA

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

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

5. HOW WILL I GET PAID?

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

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

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

Submit a written and signed letter with your name, present address, telephone number, and a simple statement that you do not want to participate in the Settlement. The Administrator will exclude you based on any writing communicating your request be excluded. Be sure to personally sign your request, identify the Action as *Jessica Lopez v. Lecangs LLC*, Case No. 23CV030348, and include your identifying information (full name, address, telephone number, approximate dates of employment, and social security number for verification purposes). You must make the request yourself. If someone else makes the request for you, it will not be valid. **The Administrator must be sent your request to be excluded by _____, or it will be invalid.** Section 9 of the Notice has the Administrator's contact information.

7. HOW DO I OBJECT TO THE SETTLEMENT?

Only Participating Class Members have the right to object to the Settlement. Before deciding whether to object, you may wish to see what Plaintiff and Defendant are asking the Court to

approve. At least 16 days before the _____ Final Approval Hearing, Class Counsel and/or Plaintiff will file in Court (1) a Motion for Final Approval that includes, among other things, the reasons why the proposed Settlement is fair, and (2) a Motion for Fees, Litigation Expenses and Service Award stating (i) the amount Class Counsel is requesting for attorneys' fees and litigation expenses; and (ii) the amount Plaintiff is requesting as a Class Representative Service Award. Upon reasonable request, Class Counsel (whose contact information is in Section 9 of this Notice) will send you copies of these documents at no cost to you. You can also view them on the Administrator's Website _____ (url) _____ or the Court's website _____ (url) _____.

A Participating Class Member who disagrees with any aspect of the Agreement, the Motion for Final Approval and/or Motion for Fees, Litigation Expenses and Service Award may wish to object, for example, that the proposed Settlement is unfair, or that the amounts requested by Class Counsel or Plaintiff are too high or too low. **The deadline for sending written objections to the Administrator is _____.** Be sure to tell the Administrator what you object to, why you object, and any facts that support your objection. Make sure you identify the Action *Jessica Lopez v. Lecangs LLC*, Case No. 23CV030348, and include your name, current address, telephone number, and approximate dates of employment for Defendant and sign the objection. Section 9 of this Notice has the Administrator's contact information.

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

8. CAN I ATTEND THE FINAL APPROVAL HEARING?

You can, but don't have to, attend the Final Approval Hearing on _____ at _____ (time) _____ in Department 23 of the Alameda County Superior Court, located at 1221 Oak Street, 3rd and 4th Floors, Oakland, CA 94612. At the Hearing, the judge will decide whether to grant Final Approval of the Settlement and how much of the Gross Settlement will be paid to Class Counsel, Plaintiff, and the Administrator. The Court will invite comment from objectors, Class Counsel and Defense Counsel before making a decision. You can attend (or hire a lawyer to attend) either personally or virtually via Zoom. Check the Court's website for the most current information.

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

9. HOW CAN I GET MORE INFORMATION?

The Agreement sets forth everything Defendant and Plaintiff have promised to do under the proposed Settlement. The easiest way to read the Agreement, the Judgment or any other Settlement documents is to go to _____ (specify entity) _____'s website at _____

_____. You can also telephone or send an email to Class Counsel or the Administrator using the contact information listed below, or consult the Superior Court website by going to (<https://portal.alameda.courts.ca.gov/?q=node/388>) and entering the Case Number for the Action, Case No. 23CV030348.

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

Class Counsel:

Name of Attorney:

Email Address:

Name of Firm:

Mailing Address:

Telephone:

Settlement Administrator:

Name of Company:

Email Address:

Mailing Address:

Telephone:

Fax Number:

10. WHAT IF I LOSE MY SETTLEMENT CHECK?

If you lose or misplace your settlement check before cashing it, the Administrator will replace it as long as you request a replacement before the void date on the face of the original check. If your check is already void you will have no way to recover the money.

11. WHAT IF I CHANGE MY ADDRESS?

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

Exhibit 2

PAGA NOTICE PUBLIC SEARCH - CASE DETAIL

Case Information

Case Number: LWDA-CM-948422-23
Plaintiff for PAGA Case: Jessica Lopez
Filer/Attorney for PAGA Case: Justin Marquez
Law Firm for PAGA Plaintiff: Wilshire Law Firm, PLC
Employer: Lecangs LLC
Date Case Received:
Employer Filer Firm:
Court Type: California Superior Courts
Court Name: Alameda County Superior Court
PAGA Court Case Number: 23CV030348
Violation Type:
Related BOFE Case:

Attachments

Attachment Name	Description	Date Submitted	Type
Additional Document Submitted with Proposed Settlement on 11/19/2025 09:49:00 AM by Benjamin Haber	2025 11-03 Lecangs LLC - Haber DEC (CONFORMED).pdf	11/19/2025 09:49 AM	Proposed Settlement
Additional Document Submitted with Proposed Settlement on 11/19/2025 09:49:00 AM by Benjamin Haber	2025 11-03 Lecangs LLC - PO (CONFORMED).pdf	11/19/2025 09:49 AM	Proposed Settlement
Additional PAGA Document Submitted on 01/30/2026 05:22:01 PM by Benjamin	2026 01-30 Lecangs LLC - PO (FINAL).pdf	01/30/2026 05:22 PM	Other PAGA Document
Additional PAGA Document Submitted on 07/21/2026 12:15:44 PM by Alan	2026.7.21 Proof of Service.pdf	07/21/2026 12:15 PM	Other PAGA Document
Additional PAGA Document Submitted on 01/19/2026 09:59:59 AM by Benjamin	2026 01-19 Notice of Order (FINAL).pdf	01/19/2026 10:00 AM	Other PAGA Document
Additional PAGA Document Submitted on 01/30/2026 05:22:01 PM by Benjamin	2026 01-30 Lecangs LLC - Supp Haber Dec ISO MPA (FINAL).pdf	01/30/2026 05:22 PM	Other PAGA Document
Additional PAGA Document Submitted on 07/21/2026 12:15:44 PM by Alan	Lopez v. Lecangs LLC - Declaration of Compliance_EXECUTED.pdf	07/21/2026 12:15 PM	Other PAGA Document
Additional PAGA Document Submitted on 12/02/2025 06:20:32 PM by Benjamin	2025 07-07 Order Granting RFD.pdf	12/02/2025 06:20 PM	Other PAGA Document
Amended Notice Submitted on 08/05/2025 03:07:40 PM by Benjamin Haber	2025 08-05 Lecangs - Amended PAGA Letter (FINAL).pdf	08/05/2025 03:07 PM	Amended Notice
Court Complaint Submitted on 10/08/2025 01:02:39 PM by Benjamin Haber	2025 09-30 Lecangs - TAC (CONFORMED).pdf	10/08/2025 01:02 PM	Court Complaint
Court Complaint Submitted on 10/22/2024 03:43:22 PM by Justin Marquez	2024 10-21 Lecangs - SAC (CONFORMED).pdf	10/22/2024 03:43 PM	Court Complaint
Court Complaint Submitted on 12/02/2025			

PAGA NOTICE PUBLIC SEARCH - CASE DETAIL

Attachment Name	Description	Date Submitted	Type
06:09:28 PM by Benjamin Haber	2023 10-20 Lecangs - FAC (CONFORMED).pdf	12/02/2025 06:09 PM	Court Complaint
Court Order/Judgment submitted on 02/11/2026 10:23:47 AM by Alan Wilcox	2026 02-04 Order Granting MPA.pdf	02/11/2026 10:23 AM	Court Order/Judgment
PAGA Notice Submitted on 04/13/2023 06:03:26 PM by Justin Marquez	2023 04-13 Lecangs - PAGA Letter (FINAL).pdf	04/13/2023 06:03 PM	PAGA Notice
Proposed Settlement Submitted on 11/19/2025 09:49:00 AM by Benjamin Haber	2025 11-03 Lecangs LLC - MPA (CONFORMED).pdf	11/19/2025 09:49 AM	Proposed Settlement

Exhibit 3

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						
	12/18/2023	93398	Paul Hastings LLP	50% Mediation Fees	\$16,500.00	\$16,500.00
Total MEDIATION FEES					\$16,500.00	\$16,500.00
Consultant Fees						
	3/12/2024	INV1044826-01-01	USA Express Legal & Investigation	Asset Stage 1 & 2	\$2,210.00	\$2,210.00
	3/28/2024	11136	Berger Consulting Group, LLC	7.50 hours of work	\$3,750.00	\$5,960.00
	5/9/2024	11674	Berger Consulting Group, LLC	3.40 hours of work	\$1,700.00	\$7,660.00
Total CONSULTANT FEES					\$7,660.00	\$7,660.00
Filing Fees						
	04/04/2023		Filing Fee - One Legal LLC	Summons and Complaint	\$1,497.82	\$1,497.82
	04/14/2023		Filing Fee - Department of Industrial Relations	PAGA Letter	\$75.00	\$1,572.82
	05/09/2023	59197	Filing Fee - Valpro Attorney Services, LLC	POS	\$45.00	\$1,617.82
	5/9/2023	59148	Service Fee - Valpro Attorney Services, LLC	Serve - Summons and Complaint	\$150.00	\$1,767.82
	07/14/2023		Public Portal Fees - Superior Court of Alameda		\$2.00	\$1,769.82
	10/05/2023	21355504	Filing Fee - One Legal LLC		\$42.11	\$1,811.93
	10/19/2023	21459035	Filing Fee - One Legal LLC		\$21.52	\$1,833.45
	10/19/2023	21460275	Filing Fee - One Legal LLC		\$21.52	\$1,854.97
	10/25/2023	66681	Filing Fee - Valpro Attorney Services, LLC	First Amended Complaint	\$1,185.00	\$3,039.97
	02/21/2024	22271559	Filing Fee - One Legal LLC	Stip and Order	\$43.14	\$3,083.11
	04/05/2024	22494386	Filing Fee - One Legal LLC	Notice	\$22.55	\$3,105.66
	04/08/2024	22625832	Filing Fee - One Legal LLC	Stip and Order	\$43.14	\$3,148.80
	04/18/2024		Public Portal Fees - Superior Court of Alameda		\$5.50	\$3,154.30
	06/06/2024	22271559(2)	Filing Fee - One Legal LLC		\$1.00	\$3,155.30
	06/06/2024	23058863	Filing Fee - One Legal LLC	CMS	\$23.58	\$3,178.88
	10/14/2024	23922189	Filing Fee - One Legal LLC	Stip and Order	\$45.33	\$3,224.21
	10/22/2024	23979922	Filing Fee - One Legal LLC	Amended Complaint	\$23.64	\$3,247.85
	02/18/2025	24738300	Filing Fee - One Legal LLC	SCS	\$24.68	\$3,272.53
	02/26/2025		Public Portal Fees - Superior Court of Alameda		\$2.00	\$3,274.53
	04/29/2025	25265929	Filing Fee - One Legal LLC	SCS	\$24.68	\$3,299.21
	07/10/2025	CC073125TA-3648	Public Portal Fees - Superior Court of Alameda		\$1.00	\$3,300.21
	07/28/2025	CC073125TA-3898	Public Portal Fees - Superior Court of Alameda		\$1.00	\$3,301.21
	07/31/2025	CC083125TA-1455	Filing Fee - One Legal LLC	SCS	\$26.74	\$3,327.95
	08/08/2025	CC083125TA-3238	Public Portal Fees - Superior Court of Alameda		\$1.00	\$3,328.95
	08/11/2025	CC083125TA-3335	Public Portal Fees - Superior Court of Alameda		\$1.00	\$3,329.95
	08/22/2025	CC083125TA-3438	Public Portal Fees - Superior Court of Alameda		\$1.00	\$3,330.95
	09/02/2025	CC093025TA-0918	Filing Fee - One Legal LLC	Change of Address	\$26.74	\$3,357.69
	09/18/2025	CC093025TA-1739	Filing Fee - One Legal LLC	Stip and Order	\$48.42	\$3,406.11
	10/01/2025	CC103125TA-0356	Public Portal Fees - Superior Court of Alameda		\$1.00	\$3,407.11
	10/02/2025	CC103125TA-0557	Filing Fee - One Legal LLC	Amended Complaint	\$26.74	\$3,433.85
	10/09/2025	CC103125TA-1211	Public Portal Fees - Superior Court of Alameda		\$3.00	\$3,436.85
	11/06/2025	CC113025TA-0611	Filing Fee - One Legal LLC	MPA	\$89.72	\$3,526.57
	01/15/2026	CC013126TA-1197	Filing Fee - One Legal LLC	Stip and Order	\$49.11	\$3,575.68
	01/20/2026	CC013126TA-1670	Filing Fee - One Legal LLC	Notice	\$27.38	\$3,603.06
	02/03/2026	CC022826TA-0426	Filing Fee - One Legal LLC	Supplemental Dec	\$27.38	\$3,630.44
	02/05/2026	CC022826TA-0634	Public Portal Fees - Superior Court of Alameda		\$6.50	\$3,636.94

	02/11/2026	CC022826TA-1188	Filing Fee - One Legal LLC	Notice	\$27.38	\$3,664.32
	06/18/2026	CC063026TA-1748	Public Portal Fees - Superior Court of Alameda		\$1.00	\$3,665.32
	FUTURE		Filing Fee - One Legal LLC	MFA and Admin Compliance Declaration and Document Purchase	<u>\$200.00</u>	<u>\$3,865.32</u>
Total FILING FEES					\$3,865.32	\$3,865.32
Other Costs						
	1/26/2023	E-3122929	Docusign Envelope		\$1.89	\$1.89
Total OTHER COSTS					\$1.89	\$1.89
TOTAL					\$28,027.21	\$28,027.21

Exhibit 4



ELM Solutions

2025 Real Rate Report[®] powered by LegalVIEW[®] DynamicInsights

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

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NOTE:

You may experience an issue that can sometimes occur in PDF viewer. Thin lines (like table borders) may appear to “disappear” or look broken when zoomed out in a PDF viewer. This is usually a display/rendering issue rather than a problem with the actual content of the PDF.

Solution:

- Open the PDF in Acrobat and go to Edit > Preferences > Page Display.
- Uncheck Enhance thin lines (if it’s checked).
- Restart Acrobat and reopen the PDF.

A Letter to Our Readers

Welcome to the latest edition of the Real Rate Report®, the legal industry's most trusted benchmark for legal billing rates.

Since 2010, the Real Rate Report has helped legal departments and law firms make smarter decisions about pricing, resourcing, and vendor management. That hasn't changed. What has changed is how we deliver those insights.

This year, the Real Rate Report is powered by LegalVIEW® DynamicInsights—our new digital-first platform that brings the same trusted LegalVIEW data to life in a more interactive, flexible, and timely way. Leveraging Wolters Kluwer's LegalVIEW database, with over \$200B in anonymized, approved, invoice data, LegalVIEW DynamicInsights offers dynamic filters, quarterly updates, and calendar-year alignment to help users tailor benchmarks to their unique needs, on demand.

The Real Rate Report remains a vital snapshot of the market, and we know many of you rely on it as a reference tool. But DynamicInsights goes further. It enables deeper exploration of rate trends by role, experience, geography, practice area, industry, and more. Whether you're negotiating rates, evaluating law firm performance, or planning budgets, DynamicInsights gives you the agility and precision today's legal environment demands.

As always, we welcome your feedback and thank our data contributors for making this work possible. We're proud to be your partner in legal analytics and look forward to continuing to deliver insights that drive better business outcomes.

Sincerely,



Brian Jorgenson

Vice President, Product Management
Wolters Kluwer ELM Solutions

Real Rate Report Overview

The Real Rate Report is powered by LegalVIEW DynamicInsights, a web-based solution that delivers dynamic, invoice-backed insights through approved legal billing rates. It enables legal professionals to analyze rate trends by role, experience, industry, geography, practice area, and more using the world's largest repository of legal spend data.

DynamicInsights leverages the same trusted LegalVIEW database that has powered the Real Rate Report for years, now encompassing over \$200B+ in anonymized, approved legal invoice data. As with previous Real Rate Reports, our data is sourced from corporations' and law firms' e-billing and time management solutions. We have included lawyer and paralegal rate data filtered by specific practice and sub-practice areas, metropolitan areas, and types of matters. This level of granularity gives legal departments and law firms the precision they need to identify areas of opportunity.

What's different with DynamicInsights?

Same source, same methodology: DynamicInsights uses the same rigorous data validation and methodology as the Real Rate Report.

- **Enhanced flexibility:** With dynamic filters, DynamicInsights enables users to tailor benchmarks to their unique needs and on demand.
- **Full year data:** DynamicInsights now aligns to a calendar year view—January through December—replacing the previous July-to-June format used in the Real Rate Report, reducing confusion and improving consistency across reporting periods.
- **More up to date:** Unlike the annual and static Real Rate Report, DynamicInsights is refreshed quarterly, offering more timely insights.
- **Digital-first access:** Delivered via a secure online interface, users can interact with the data, bookmark views, and share insights in real time.

DynamicInsights provides the same level of credibility and analytical power long trusted in the Real Rate Report with more agility and transparency for today's legal environment.

2025 Real Rate Report use considerations

- 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 DynamicInsights and this report are derived 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.

Legal departments 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.

Examples of data to consider when reviewing rates:

- **Industry** – Compare spend and rate trends across various industries
- **Practice area** – Analyze cost variations in different legal practice areas
- **Detailed practice area** – Drill down into niche legal specialties for precise benchmarking
- **Am Law** – Benchmark against top-ranked law firms for competitive rate analysis
- **City** – Understand rate trends in specific metropolitan areas
- **Country** – Gain a global perspective on legal costs and spend management
- **Role** – Assess legal spend distribution across different law firm roles

Real Rate Report Overview

Understanding key statistical terms

To help interpret the legal rate data presented in DynamicInsights and this report, it's important to understand the statistical measures used. Below are definitions of the core metrics:

- **Mean (average):** The sum of all rate values divided by the total number of values added. It provides a general sense of the central tendency of the rates but can be influenced by extreme values (outliers).
- **Median:** The middle value when all rates are arranged in ascending order. If there is an even number of rates being analyzed, the median is the average of the two middle rates. It is a robust measure of central tendency of rates that is less affected by outliers.
- **First quartile (Q1):** The value below which 25% of the rates fall. It marks the lower boundary of the middle 50% of the rates and helps identify the lower range of typical values.
- **Third quartile (Q3):** The value below which 75% of the rates fall. It marks the upper boundary of the middle 50% of the rates and helps identify the upper range of typical values.
- **n:** The number of unique timekeepers contributing to the data.

These metrics are used to provide a more nuanced view of legal rates, helping users identify trends, outliers, and benchmarks across various dimensions.

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Increased efficiencies free up time for more value-add work

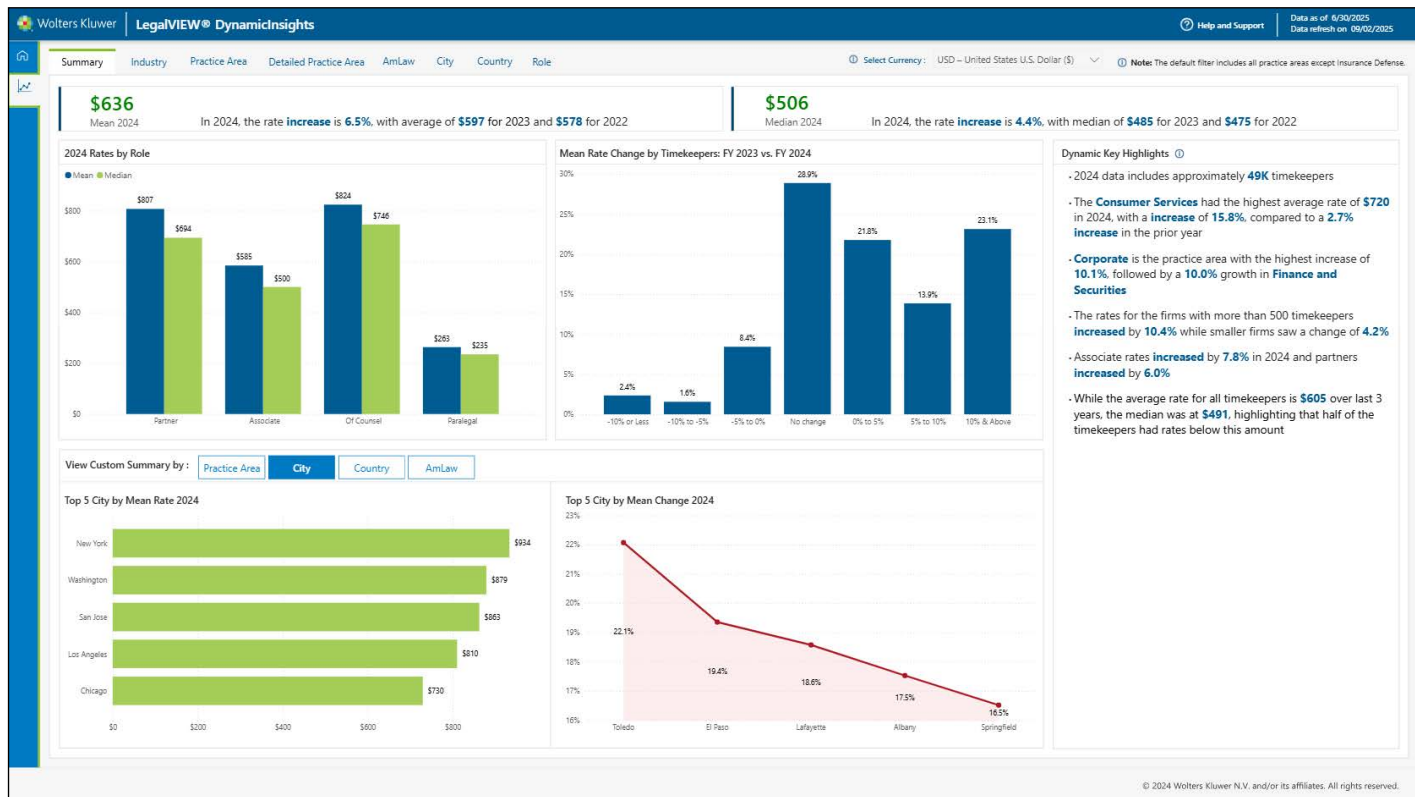
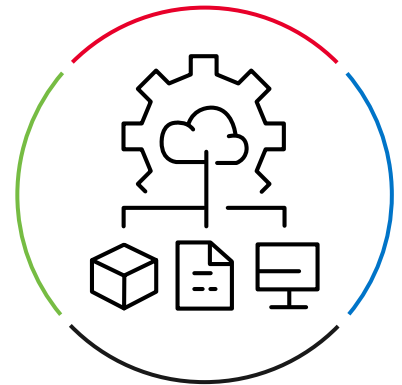


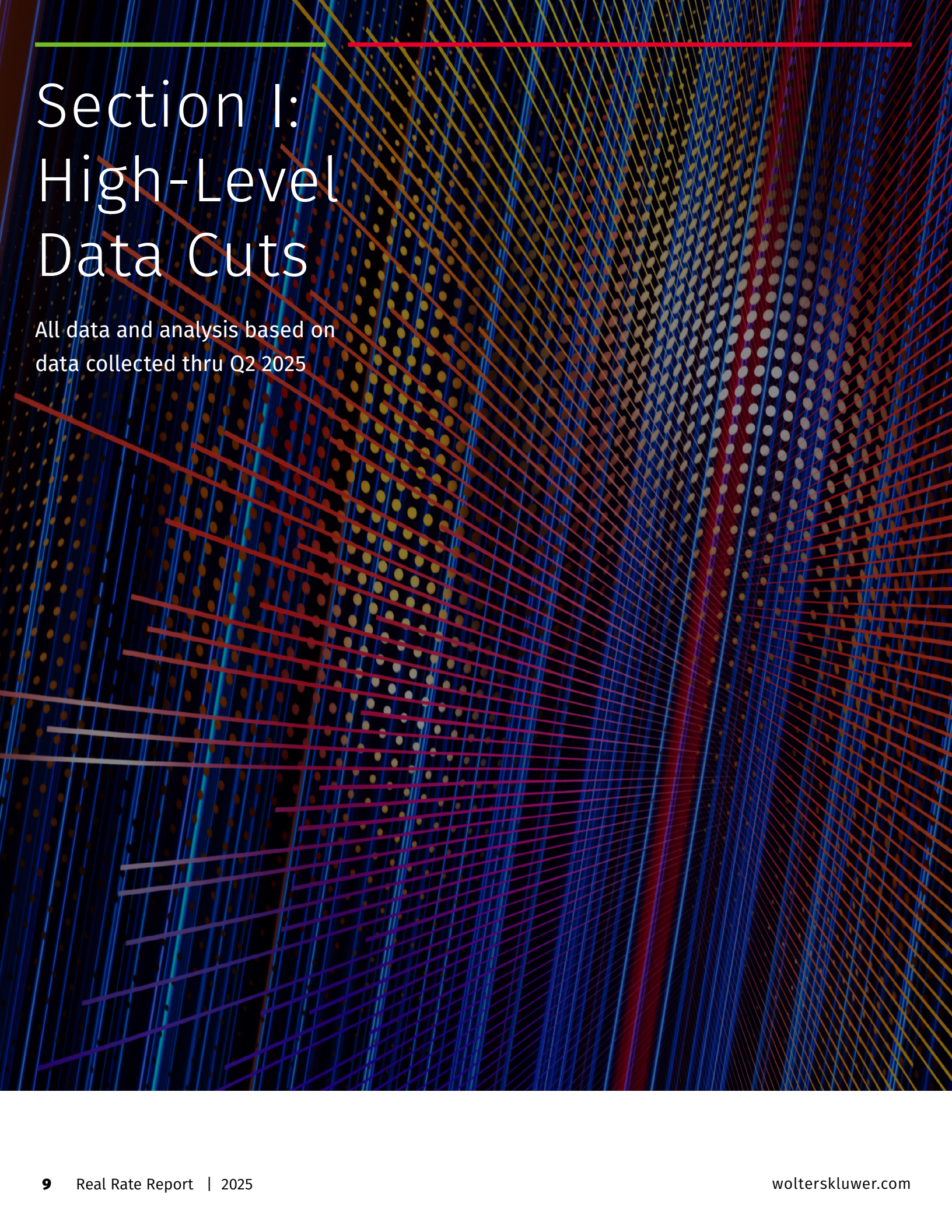
LegalVIEW® DynamicInsights

Legal rates keep climbing and 2026 will be no exception. Stay ahead with award-winning insights designed to give your team the edge in every negotiation.

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- **Unmatched Data Power:** Leverages over **\$200B** in invoice-backed legal spend data to deliver deep, actionable insights.
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- **Enhanced Transparency & Collaboration:** Strengthens law firm-client relationships through data-driven transparency and benchmarking.
- **Insight-Driven Decision Making:** Enables analysis across key dimensions to support strategic negotiations and financial optimization.





Section I: High-Level Data Cuts

All data and analysis based on
data collected thru Q2 2025

Section I: High-Level Data Cuts

Cities
By Role

2025 Real Rates for Associate and Partner

Trend Analysis - Mean

City	Role	n	First Quartile	Median	Third Quartile	2025	2024	2023
Los Angeles CA	Partner	565	\$517	\$925	\$1,365	\$993	\$979	\$913
	Associate	518	\$485	\$720	\$982	\$761	\$741	\$684
Louisville KY	Partner	32	\$291	\$395	\$500	\$411	\$395	\$380
	Associate	19	\$275	\$290	\$342	\$304	\$274	\$268
Madison WI	Partner	10	\$275	\$420	\$491	\$420	\$443	\$563
Memphis TN	Partner	22	\$325	\$394	\$470	\$404	\$428	\$387
Miami FL	Partner	191	\$250	\$525	\$733	\$547	\$570	\$575
	Associate	128	\$175	\$330	\$479	\$357	\$389	\$393
Milwaukee WI	Partner	32	\$364	\$459	\$649	\$524	\$581	\$525
	Associate	18	\$322	\$455	\$690	\$498	\$462	\$404
Minneapolis MN	Partner	138	\$475	\$694	\$918	\$692	\$673	\$637
	Associate	111	\$333	\$450	\$620	\$485	\$467	\$432

Section I: High-Level Data Cuts

Cities
By Years of Experience

2025 Real Rates for Partner						Trend Analysis - Mean		
City	Years of Experience	n	First Quartile	Median	Third Quartile	2025	2024	2023
Phoenix AZ	21 or More Years	25	\$350	\$490	\$674	\$559	\$499	\$540
Pittsburgh PA	Fewer Than 21 Years	41	\$501	\$600	\$810	\$669	\$658	\$599
	21 or More Years	72	\$480	\$691	\$860	\$705	\$733	\$669
Portland ME	21 or More Years	18	\$386	\$435	\$484	\$418	\$421	\$381
Portland OR	Fewer Than 21 Years	17	\$402	\$465	\$525	\$599	\$536	\$509
	21 or More Years	32	\$470	\$525	\$639	\$594	\$607	\$553
Raleigh NC	21 or More Years	12	\$396	\$475	\$510	\$489	\$477	\$477
Richmond VA	Fewer Than 21 Years	10	\$604	\$703	\$855	\$707	\$746	\$687
	21 or More Years	24	\$431	\$713	\$1,084	\$739	\$756	\$726
Salt Lake City UT	Fewer Than 21 Years	12	\$395	\$447	\$459	\$422	\$445	\$412
	21 or More Years	16	\$350	\$463	\$521	\$480	\$433	\$407
San Diego CA	21 or More Years	33	\$438	\$785	\$1,334	\$894	\$898	\$882



Section II: Industry Analysis

All data and analysis based on
data collected thru Q2 2025

Section II: Industry Analysis

Consumer Services
By Detailed Practice Area and
Matter Type

2025 - Real Rates for Associate and Partner

Trend Analysis - Mean

Practice Area	Matter Type	Role	n	First Quartile	Median	Third Quartile	2025	2024	2023
Employment and Labor: Discrimination, Retaliation and Harassment / EEO	Litigation	Partner	27	\$393	\$495	\$613	\$509	\$463	\$436
		Associate	19	\$400	\$475	\$493	\$437	\$387	\$370
Employment and Labor: Other	Litigation	Partner	24	\$564	\$692	\$1,252	\$956	\$782	\$683
		Associate	14	\$384	\$469	\$564	\$553	\$484	\$458
	Non-Litigation	Partner	25	\$450	\$574	\$695	\$579	\$573	\$548
		Associate	25	\$397	\$450	\$525	\$465	\$472	\$456
Intellectual Property: Patents	Non-Litigation	Partner	41	\$350	\$595	\$691	\$605	\$652	\$634
		Associate	51	\$208	\$373	\$517	\$382	\$378	\$389
Real Estate: Leasing	Non-Litigation	Partner	17	\$410	\$539	\$865	\$616	\$664	\$667
		Associate	10	\$278	\$404	\$617	\$482	\$444	\$478
Real Estate: Other	Non-Litigation	Partner	58	\$480	\$626	\$940	\$694	\$612	\$540
		Associate	39	\$320	\$460	\$733	\$503	\$468	\$415

Exhibit 5

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Business & Practice

Big Law Rates Topping \$2,000 Leave Value ‘In Eye of Beholder’

By Roy Strom

Column

June 9, 2022, 2:30 AM

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

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

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

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

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

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

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

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

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

Charge It Up

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

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

Source: Court documents

Bloomberg Law

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Worth Your Time

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

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

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



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

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Documents

[Trustee's Objection](#)

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