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11 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
12 **FOR THE COUNTY OF RIVERSIDE**

13 SANDI ORTIZ CUEVAS and MARIA L.
14 YANEZ ZEPEDA, individually, on behalf of all
15 others similarly situated, and on behalf of the
16 State of California and other aggrieved persons;
JOSE LUIS RAMIREZ, individually, and on
behalf of all others similarly situated,

17 *Plaintiffs,*

18 v.

19 TMI AUTOMOTIVE PRODUCTS INC., a
California corporation; TMI PRODUCTS, INC.,
20 a California corporation; IPC IMPORT PARTS
CONNECTION INC., A California corporation;
21 and DOES 1 through 10,
22 inclusive,

23 *Defendants.*
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Case No.: CVRI2304340

*[Assigned for All Purposes to the Hon.
Harold W. Hopp, Dept. 1]*

**DECLARATION OF ARRASH T.
FATTAHI IN SUPPORT OF
PLAINTIFFS' MOTION FOR
PRELIMINARY APPROVAL OF CLASS
ACTION AND PAGA SETTLEMENT**

Preliminary Approval Hearing:

Date: January 22, 2026

Time: 8:30 a.m.

Dept: 1

Action Filed: August 21, 2023

I, Arrash T. Fattahi, declare as follows:

CASE BACKGROUND

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

4. On July 21, 2023, Plaintiff Maria Yanez Zepeda sent a notice to Defendants and the California Labor & Workforce Development Agency (“LWDA”) alleging wage and hour violations pursuant to PAGA. Attached as **Exhibit 1** is a true and correct copy of Plaintiff Maria Yanez Zepeda's PAGA letter. On August 21, 2023, Plaintiff Sandi Ortiz Cuevas filed a putative wage and hour class action complaint against Defendant TMI Automotive Products, Inc. for: (1) failure to pay minimum and straight time wages; (2) failure to pay overtime wages; (3) failure to

1 provide meal periods; (4) failure to authorize and permit rest periods; (5) failure to timely pay final
2 wages at termination; (6) failure to provide accurate itemized wage statements; (7) failure to
3 indemnify employees for expenditures; and (8) unfair business practices. On September 18, 2023,
4 Plaintiff Jose Luis Ramirez filed a putative class action complaint against Defendant TMI
5 Automotive Products, Inc. for (1) violation of Labor Code §§ 1194, 1197 and 1197.1 (unpaid
6 minimum wages); (2) violation of Labor Code §§ 510 and 1198 (unpaid overtime); (3) violation
7 of Labor Code §§ 226.7 and 512(a) (unpaid meal period premiums); (4) violation of Labor Code §
8 226.7 (unpaid rest period premiums); (5) violation of Labor Code §§ 204 and 210 (wages not timely
9 paid during employment); (6) violation of Labor Code § 226(a) (failure to provide accurate wage
10 statements); (7) violation of Labor Code §§ 201, 202 and 203 (untimely final wages); (8) violation
11 of Labor Code §§ 2800 and 2802 (failure to reimburse necessary business expenses); (9) violation
12 of Cal. Business & Professions Code § 17200, *et seq.* On September 22, 2023, Plaintiff Sandi Ortiz
13 Cuevas sent a notice to Defendant TMI Automotive Products Inc. and the LWDA alleging wage
14 and hour violations pursuant to PAGA. Attached as **Exhibit 2** is a true and correct copy of Plaintiff
15 Sandi Ortiz Cuevas's PAGA letter. On September 26, 2023, Plaintiff Maria Yanez Zepeda filed a
16 putative class action and representative complaint against Defendants for (1) failure to pay all
17 wages; (2) failure to provide meal periods or compensation in lieu thereof; (3) failure to permit
18 rest periods or provide compensation in lieu thereof; (4) failure to reimburse business expenses;
19 (5) failure to provide accurate itemized wage statements; (6) waiting time penalties; (7) violations
20 of the Unfair Competition Law; and (8) PAGA civil penalties. On December 29, 2025, Plaintiffs
21 filed a Consolidated Class Action and Representative Complaint against Defendants in the instant
22 action.

23 DISCOVERY AND INVESTIGATION

24 5. Following the filing of the initial complaint, the Parties exchanged documents and
25 information before mediating this action. Defendants produced a sampling of timekeeping and
26 payroll records for the class members. Defendants also provided their written wage-and-hour
27 policies in effect during the class period and information regarding the total number of current and
28 former employees in their informal discovery responses.

6. After reviewing documents regarding Defendants' employment policies and practices and analyzing Defendants' timekeeping and payroll records, Class Counsel was able to evaluate the probability of class certification and success on the merits and assess Defendants' maximum monetary exposure for all claims. Class Counsel also investigated the applicable law regarding the claims and defenses asserted in the litigation. Class Counsel reviewed these records and utilized an expert to prepare a damages analysis prior to mediation.

SETTLEMENT NEGOTIATIONS

7. On March 21, 2025, the Parties participated in a full-day private mediation with experienced class action mediator, Christopher M. Barnes, Esq. The settlement negotiations were at arm's length and, although conducted in a professional manner, were adversarial. The Parties went into mediation willing to explore the potential for a settlement of the dispute, but each side was also prepared to litigate their position through trial and appeal if a settlement had not been reached.

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

9. Plaintiffs' Counsel submitted the proposed Settlement to the LWDA before filing the Motion for Preliminary Approval of Class Action and PAGA Settlement. Attached as **Exhibit 4** is a true and correct copy of the confirmation of submission to the LWDA.

10. Plaintiffs' Counsel requested several bids from experienced class action settlement administrators to handle the responsibilities of the Settlement Administrator under this Settlement. The Parties accepted the bid of Apex Class Action Administration ("Apex"), which was the second lowest bid received. Apex was selected over the lowest bidder because Plaintiff's Counsel has generally had a better experience with the reliability of administration by Apex over the lowest bidder. Apex has multiple years of experience in the field of class action administration, particularly in the wage and hour arena. Apex's bid accounts for Notice in English and Spanish.

Attached as **Exhibit 5** is a true and correct copy of Apex's bid.

11. No one at Wilshire Law Firm, PLC (meaning the law firm itself and anyone employed at the law firm) has any interest, financial or otherwise, in the proposed third-party administrator, Apex. No one at Wilshire Law Firm, PLC has any actual or potential conflict of interest with any class member. I am not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.

12. Wilshire Law Firm, PLC has a fee-splitting agreement in this case with Blackstone Law, APC; and Torus LLP. Plaintiffs have consented in writing to the fee-splitting agreement.

THE PROPOSED SETTLEMENT IS FAIR AND REASONABLE

13. Class Counsel has conducted a thorough investigation into the facts of this case. Based on the Parties' informal exchange of documents and information and Class Counsel's own independent investigation and evaluation, Class Counsel is of the opinion that the Settlement is fair, reasonable, and adequate and is in the best interests of the Settlement Class Members in light of all known facts and circumstances, the risk of significant delay, the defenses that could be asserted by Defendants both to certification and on the merits, trial risk, and appellate risk.

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

- a. Total Class Members: 148
- b. Total Workweeks: 18,078
- c. Total Aggrieved Employees: 86
- d. PAGA Pay Periods: 4,735
- e. Average Hourly Rate: \$19.89

1 15. Based on Plaintiffs' discovery and investigation, Class Counsel reached the
2 conclusion that Defendant: failed to pay class members for all hours worked, including minimum,
3 straight time, and overtime wages, by requiring employees to work off-the-clock; had a policy and
4 practice of not providing its employees with California compliant meal and rest periods for which
5 it did not pay appropriate premiums; and failed to reimburse its employees for business-related
6 expenses. Defendants deny these claims.

7 16. Minimum and Overtime Wages: Plaintiffs allege that Defendants failed to pay for
8 all hours worked, including minimum, straight time, and overtime wages, by requiring class
9 members to work off-the-clock, unpaid. For purposes of calculating Defendants' liability based on
10 a best-case scenario for Plaintiffs and the Class, I estimate that Defendants' maximum potential
11 exposure by assuming that all unpaid work time should have been paid at the overtime rate, and I
12 assumed that Defendants are liable for one (1) hour of unpaid worktime per workweek. This results
13 in an estimate of approximately \$539,357.13 (18,078 workweeks x \$19.89 hourly rate x 1.5
14 overtime rate x 1.00 hour of unpaid work per workweek), but I applied a risk discount based on a
15 40% chance of succeeding at class certification and a 40% chance of succeeding at trial on the
16 merits because liability depends on whether Defendants knew or should have known that class
17 members were working off-the-clock, yielding a realistic damage estimate of approximately
18 \$86,297.14 (\$539,357.13 x 40% x 40%).

19 17. Meal Periods: With respect to the meal period claim, Plaintiffs allege that meal
20 periods were short, late, interrupted, or missed entirely when they and other class members worked
21 for Defendants. Plaintiffs also allege that Defendants' own records reflect facially non-compliant
22 meal periods. My expert analyzed Defendants' timekeeping records and found that approximately
23 7.4% of the meal-period-eligible shifts in the randomized sampling were missed, late, or short.
24 Therefore, potential liability for the meal period claim is approximately \$128,599.35 (87,372 shifts
25 greater than 5.00 hours x \$19.89 hourly rate x 7.4% violation rate). After taking into account the
26 difficulty of certifying and proving meal period claims, as well as Defendants' contention that the
27 claim lacks merit, I discounted this figure based on a 50% chance of succeeding at class
28 certification and a 40% chance of succeeding at trial, yielding a realistic damage estimate of

1 approximately \$25,719.87 ($\$128,599.35 \times 50\% \times 40\%$).

2 18. Rest Periods: With respect to the rest period claim, Plaintiffs allege that rest periods
3 were short or interrupted when they and other class members worked for Defendants. Assuming a
4 100% violation rate for the class period based on Plaintiffs' and other class members' experience
5 working for Defendants, Defendants' potential liability for the rest period claim is approximately
6 \$1,788,230.34 (89,906 shifts of 3.50 hours or longer $\times$ \$19.89 hourly rate $\times$ 100% violation rate);
7 however, I discounted this figure to account for the difficulty of certifying and proving rest period
8 claims, particularly because rest periods do not have to be recorded, and to account for the
9 possibility of Class Members voluntarily choosing to forego a rest period. Because this claim
10 would have relied exclusively on Class Member testimony, I discounted this claim based on a 30%
11 chance of succeeding at class certification and a 20% chance of succeeding at trial, yielding a
12 realistic damage estimate of approximately \$107,293.82 ($\$1,788,230.34 \times 30\% \times 20\%$).

13 19. Reimbursements: Plaintiffs further allege that Defendants failed to reimburse
14 necessary business expenses. Plaintiffs allege that they and other class members were required to
15 use their personal cell phones to communicate with their supervisors. For purposes of calculating
16 Defendants' liability based on a best-case scenario for Plaintiffs and the Class, I estimated that
17 Defendants were liable to each class member for \$50 per month, or \$12.50 per workweek, in
18 unreimbursed expenses, for a total amount of approximately \$225,975.00 ($\$12.50 \times 18,078$
19 workweeks); however, I discounted this figure based on an evaluation of a 30% chance of
20 succeeding at class certification and a 30% chance of succeeding at trial to account for the difficulty
21 of certifying and proving expense reimbursement claims, yielding a realistic damage estimate of
22 approximately \$20,337.75 ($\$225,975.00 \times 30\% \times 30\%$).

23 20. In sum, I estimated that Plaintiffs' maximum recovery for the off-the-clock claim,
24 meal period violations, and rest period violations (i.e., wage claims) is approximately \$2.46
25 million, but, after factoring in the risk and uncertainty of prevailing at certification and trial, I
26 estimate that Plaintiffs' realistic estimated recovery for these non-penalty wage claims is
27 approximately \$219,310.83.

28 21. Penalties: With respect to Plaintiffs' derivative claims for statutory penalties as well

1 as civil penalties, Plaintiffs estimated that Defendants' realistic potential liability is approximately
2 \$91,225.37. Defendant's maximum potential liability for waiting time penalties is approximately
3 \$391,256.19 (83 former employees x \$19.89 hourly rate x 7.90 average hours/shift x 30 days)
4 based on approximately 83 formerly employed class members during the 3-year statute of
5 limitations period. Defendants' maximum potential liability for inaccurate wage statements is
6 approximately \$340,000.00 (85 employees x \$4,000.00 statutory maximum) based on
7 approximately 85 class members who worked during the 1-year statute of limitations period and
8 approximately 4,584 pay periods in that timeframe. Defendants' maximum potential liability for
9 PAGA violations is approximately \$473,500.00 based on the Court assessing a \$100 penalty for
10 initial violations for all 4,735 pay periods within the PAGA period. In light of the foregoing, I
11 believe that it would be unrealistic to expect the Court to award the full \$1,204,756.19 in penalties
12 given Defendants' defenses, the contested nature of Plaintiffs' claims, the challenges of
13 establishing willfulness as applicable, and the discretionary nature of penalties. Considering that
14 the underlying wage claims are realistically estimated to be approximately \$219,310.83, such a
15 disproportionate award would also raise due process concerns. As such, I discounted these figures
16 to account for the risk and uncertainty of prevailing at trial, resulting in a realistic evaluation of
17 approximately \$23,475.37 for waiting time penalty claims ($\$391,256.19 \times 30\% \times 20\%$),
18 approximately \$20,400.00 for wage statement penalty claims ($\$340,000.00 \times 30\% \times 20\%$), and
19 approximately \$47,350.00 for PAGA penalties ($\$473,500.00 \times 10\%$), or approximately \$91,225.37
20 total for statutory and civil penalties.

21 22. Using these estimated figures, Plaintiffs predicted that the realistic maximum
22 recovery for all claims, including penalties, would be approximately \$337,722.95. This means that
23 the \$542,000.00 gross settlement figure represents approximately 160% of the realistic maximum
24 recovery ($\$542,000.00 / \$337,722.95$). Further, the \$20,000.00 allocation for PAGA penalties
25 represents approximately 42% of the realistic maximum recovery for PAGA penalties ($\$20,000.00$
26 $/ \$47,350.00$). Considering the risk and uncertainty of prevailing at class certification and at trial,
27
28

1 this is an excellent result for the Class.¹ Indeed, because of the proposed Settlement, class members
2 will receive timely, guaranteed relief and will avoid the risk of an unfavorable judgment. Based on
3 the estimated 25% allocation to aggrieved employees of \$5,000 available for individual PAGA
4 payments and there being approximately 4,735 pay periods in the PAGA Period, the estimated
5 PAGA period valuation for individual PAGA payments is \$1.06 (\$5,000.00 / 4,735 pay periods).
6 Based on these current estimates, the lowest estimated individual PAGA payment could be \$1.06
7 (\$1.06 x 1 pay period) and the highest estimated individual PAGA payment could be \$71.55 (\$1.06
8 x approximately 67.50 pay periods in the PAGA Period).

9 23. While Plaintiffs are confident in the merits of their claims, a legitimate controversy
10 exists as to each cause of action. Plaintiffs also recognize that proving the amount of wages due to
11 each class member would be an expensive, time-consuming, and uncertain proposition.

12 24. This Settlement avoids the risks and the accompanying expense of further litigation.
13 Although the Parties had engaged in a significant amount of investigation, informal discovery and
14 class-wide data analysis, the Parties had not yet completed formal written discovery. Plaintiffs
15 intended to depose corporate officers and managers of Defendants. Moreover, preparation for class
16 certification and a trial remained for the Parties, as well as the prospect of appeals in the wake of
17 a disputed class certification ruling for Plaintiffs and/or adverse summary judgment ruling. Had
18 the Court certified any claims, Defendants could move to decertify the claims. As a result, the
19 Parties would incur considerably more attorneys' fees and costs through trial.

20 25. The Net Settlement Amount available for settlement payments is estimated to be
21 approximately \$266,843.33 for a class of approximately 148 persons.² As a result, each Settlement
22 Class Member is eligible to receive an average net benefit of approximately \$1,803.00. Based on
23

24 ¹ See, e.g., *Wise v. Ulta Salon, Cosmetics & Fragrance, Inc.* (E.D. Cal. Aug. 21, 2019) 2019 WL 3943859 at
25 *8 (granting preliminary approval where the proposed allocation to settle class claims was between 9.53 percent of
26 Plaintiffs' maximum recovery); *Bravo v. Gale Triangle, Inc.* (C.D. Cal. Feb 16, 2017) 2017 WL 708766 at * 10
(finding that "a settlement for fourteen percent recovery of Plaintiffs' maximum recovery is reasonable"); *In re*
Omnivision Techs., Inc. (N.D. Cal. 2008) 559 F.Supp.2d 1036, 1042 (approving settlement amount that "is just over
9% of the maximum potential recovery asserted by either party.").

27 ² The estimated Net Settlement Amount is: \$542,000.00 minus \$180,666.67 for Class Counsel's attorneys'
28 fees, minus \$45,000.00 for Class Counsel's litigation expenses, minus \$6,990.00 for administration costs, minus
\$20,000.00 for the PAGA payments, and minus \$22,500.00 for the three (3) class representative service payments to
Plaintiffs.

1 the estimated Net Settlement Amount available for individual class payments and there being
2 approximately 18,078 workweeks in the Class Period, the estimated weekly valuation for
3 individual class payments is \$14.76 (\$266,843.33 / 18,078 workweeks). Based on these current
4 estimates, the lowest estimated individual class payment could be \$14.76 (\$14.76 x 1 week) and
5 the highest estimated individual class payment could be \$4,737.96 (\$14.76 x approximately 321
6 weeks in the Class Period).

7 26. The proposed Settlement of \$542,000.00, therefore, represents a substantial
8 recovery when compared to Plaintiffs' reasonably forecasted recovery. When considering the risks
9 of litigation, the uncertainties involved in achieving class certification, the burdens of proof
10 necessary to establish liability, the probability of appeal of a favorable judgment, it is clear that the
11 settlement amount of \$542,000.00 is well within the "ballpark" of reasonableness, and preliminary
12 settlement approval is appropriate.

13 SERVICE PAYMENTS FOR PLAINTIFFS ARE REASONABLE

14 27. Class Counsel represents that Plaintiff Sandi Ortiz Cuevas devoted a great deal of
15 time and work assisting counsel in the case, communicated with counsel very frequently for
16 litigation and to prepare for mediation, and was frequently in contact with Class Counsel during
17 the mediation. Plaintiff Sandi Ortiz Cuevas's requested service payment is reasonable, particularly
18 in light of the substantial benefits Plaintiff Sandi Ortiz Cuevas generated for all class members.

19 28. Throughout this litigation, Plaintiff Sandi Ortiz Cuevas, who was an employee of
20 Defendants, has cooperated immensely with my office and has taken many actions to protect the
21 interests of the class. Plaintiff Sandi Ortiz Cuevas provided valuable information regarding the off-
22 the-clock, meal period, rest period, and indemnity claims. Plaintiff Sandi Ortiz Cuevas also
23 informed my office of developments and information relevant to this action, participated in
24 decisions concerning this action, and made herself available to answer questions during the
25 mediation. The information provided by Plaintiff Sandi Ortiz Cuevas was instrumental in
26 establishing the wage and hour violations alleged in this action, and the recovery provided for in
27 the Settlement Agreement would have been impossible to obtain without Plaintiff Sandi Ortiz
28 Cuevas's participation.

1 29. At the same time, Plaintiff Sandi Ortiz Cuevas faced many risks by serving as a
2 class representative in this matter. Plaintiff Sandi Ortiz Cuevas faced actual risks with her future
3 employment, as putting herself on public record in an employment lawsuit could also very well
4 affect her likelihood for future employment.

5 30. In turn, class members will now have the opportunity to participate in a settlement,
6 reimbursing them for alleged wage violations they may have never known about on their own or
7 been willing to pursue on their own. If these class members would have each tried to pursue their
8 legal remedies on their own, that would have resulted in each having to expend a significant amount
9 of their own monetary resources and time, which were obviated by Plaintiff Sandi Ortiz Cuevas
10 putting herself on the line on behalf of these other class members.

11 31. In the final analysis, this class action would not have been possible without the aid
12 of Plaintiff Sandi Ortiz Cuevas, who put her own time and effort into this litigation and placed
13 herself at risk for the sake of the class members. The requested service payment for Plaintiff Sandi
14 Ortiz Cuevas for her service as a class representative is a relatively small amount of money when
15 the time and effort put into the litigation are considered, and in comparison to enhancements
16 granted in other class actions. The requested service payment is therefore reasonable to compensate
17 Plaintiff Sandi Ortiz Cuevas for her active participation in this lawsuit.

18 THE REQUEST FOR ATTORNEYS' FEES AND COSTS IS REASONABLE

19 32. The Settlement provides for attorneys' fees payable to Class Counsel in an amount
20 up to one third (1/3) of the Settlement Amount, for a maximum fees award of \$180,666.67, plus
21 actual costs and expenses not to exceed \$45,000.00. The proposed award of attorneys' fees to Class
22 Counsel in this case can be justified under either method – lodestar or percentage recovery. Class
23 Counsel intends to provide justification of their requested attorneys' fees and costs at final
24 approval.

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

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

4 35. The risk to my office has been very significant, particularly if we would not be
5 successful in pursuing this class action. In that case, we would have been left with no compensation
6 for all the time taken in litigating this case. The contingent risk in these types of cases is very real
7 and they do occur regularly. Furthermore, we were precluded from focusing on, or taking on, other
8 cases which could have resulted in a larger, and less risky, monetary gain.

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

18 MY EXPERIENCE AND QUALIFICATIONS

19 37. Wilshire Law Firm, PLC was selected by Best Lawyers and U.S. News & World
20 Report as one of the nation's Best Law Firms for every year since 2020 and is comprised of over
21 120 attorneys and over 600 total employees. Wilshire Law Firm, PLC is actively and continuously
22 practicing in employment litigation, representing employees in both individual and class actions
23 in both state and federal courts throughout California.

24 38. Wilshire Law Firm, PLC is qualified to handle this litigation because its attorneys
25 are experienced in litigating Labor Code violations in both individual, class action, and
26 representative action cases. Wilshire Law Firm, PLC has handled, and is currently handling,
27 numerous wage and hour class action lawsuits, as well as class actions involving consumer rights
28 and data privacy litigation.

1 39. I graduated from the University of California, Los Angeles with a Bachelor of Arts
2 in Political Science, *summa cum laude*. I received my Juris Doctor from The George Washington
3 University Law School. During law school, I was a member of the student editorial board for the
4 Federal Circuit Bar Journal.

5 40. My practice is focused on advocating for the rights of consumers and employees in
6 class action litigation. I am currently the managing attorney in charge of litigating several class
7 action cases in state and federal courts in California.

8 41. As the attorney responsible for day-to-day management of this matter at Wilshire
9 Law Firm, PLC, I have over four (4) years of experience litigating wage and hour class actions.
10 Over the past four (4) plus years, I have managed and assisted with the litigation and settlement of
11 numerous wage and hour class actions. In those class actions, I performed similar tasks as those
12 performed in the course of prosecuting this action.

13 42. I was selected as a “Southern California Rising Star” in 2025.

14 43. My current contingent billing rate of \$750 per hour is consistent with the legal
15 market, accepted hourly rates, and my expertise and knowledge as it pertains to wage and hour
16 matters. Below is a non-exhaustive list of the cases where I have been appointed as class counsel
17 in my own right (as opposed to being part of a firmwide appointment of counsel):

- 18 a. *Kingsbury v. Caravan Foods II, Inc.*, Alameda County, Case No. RG21096357;
19 Motion for Final Approval granted on January 31, 2023.
- 20 b. *Frias-Estrada v. Trek Retail Corporation*, Contra Costa County, Case No. MSC20-
21 01916; Motion for Final Approval granted on March 3, 2023.
- 22 c. *Reyes v. Everytable, PBC, et al.*, Los Angeles County, Case No. 21STCV35987;
23 Motion for Final Approval granted on May 3, 2023.
- 24 d. *Ortiz v. Tara Materials, Inc.*, San Diego County, Case No. 37-2021-0001473-CU-
25 OE-CTL; Motion for Final Approval granted on May 30, 2023.
- 26 e. *Cruz-Sanchez v. Eagle Lath & Plaster, Inc.*, Sacramento County, Case No. 34-2021-
27 00293739-CU-OE-GDS; Motion for Final Approval granted on May 30, 2023.
- 28 f. *Garduno v. New Generation Framing, Inc., et al.*, Stanislaus County, Case No. CV-

- 21-000544; Motion for Final Approval granted on August 11, 2023.
- g. *Hernandez, et al. v. Burford Farming Company, Inc.*, Fresno County, Case No. 21CECG03817; Motion for Final Approval granted on August 21, 2023.
- h. *Barajas v. Final Phase Construction, Inc.*, San Bernardino County, Case No. CIVSB2118622; Motion for Final Approval granted on September 13, 2023.
- i. *Jaimes, et al. v. Infiniti Health LLC*, Los Angeles County, Case No. 22STCV07261; Motion for Final Approval granted on October 17, 2023.
- j. *Nunez v. Gabriel Container*, Los Angeles County, Case No. 21STCV09787; Motion for Final Approval granted on November 2, 2023.
- k. *Lupercio v. Western CNC, Inc.*, San Diego County, Case No. 37-2021-00010314-CU-OE-CTL; Motion for Final Approval granted on January 26, 2024.
- l. *Jackson, et al. v. Apple Valley Communications, Inc., et al.*, San Bernardino County, Case No. CIVSB2124721; Motion for Final Approval granted on February 1, 2024.
- m. *Cuadras, et al. v. Guinn Corporation*, Kern County, Case No. BCV-21-101520; Motion for Final Approval granted on February 22, 2024.
- n. *Williams v. Total Longterm Care, Inc., et al.*, San Bernardino County, Case No. CIVSB2213347; Motion for Final Approval granted on April 2, 2024.
- o. *Meza v. Argus Management Company, LLC, et al.*, Los Angeles County, Case No. 21STCV31612; Motion for Final Approval granted on May 20, 2024.
- p. *Wade v. Mallory Safety and Supply LLC*, Siskiyou County, Case No. 23CV00951; Motion for Final Approval granted on July 11, 2024.
- q. *Snell v. Shasta Community Health Center*, Shasta County, Case No. CVCV22-199416; Motion for Final Approval granted on November 12, 2024.
- r. *Arce v. Sammy's Woodfired Pizza*, San Diego County, Case No. 37-2023-00037670-CU-OE-CTL; Motion for Final Approval granted on January 10, 2025.
- s. *Ochoa, et al. v. La Tavola, LLC*, Napa County, Case No. 22CV000862; Motion for Final Approval granted on January 23, 2025.
- t. *Brown, et al. v. Fidelity Security Services, Inc.*, Los Angeles County, Case No.

21STCV31617; Motion for Final Approval granted on January 28, 2025.

u. *Torres v. Lupton Excavation, Inc.*, Sacramento County, Case No. 34-2022-00317401-CU-OE-GDS; Motion for Final Approval granted on April 18, 2025.

v. *Peterson v. PJ Printers*, Orange County, Case No. 30-2022-01247546-CU-OE-CTL; Motion for Final Approval granted on April 25, 2025.

w. *Harris v. D&D Gear Incorporated dba Absolute Technologies, Inc.*, Orange County, Case No. 30-2021-01222330-CU-OE-CTL; Motion for Final Approval granted on April 25, 2025.

x. *Carter v. Medlab2020, Inc.*, Orange County, Case No. 30-2022-01247444-CU-OE-CXC; Motion for Final Approval granted on May 22, 2025.

y. *Guarista, et al. v. Urologic Institute of the High Desert, Inc.*, San Bernardino County, Case No. CIVSB2125029; Motion for Final Approval granted on June 17, 2025.

z. *Carbajal v. Mattco Forge, Inc.*, Los Angeles County, Case No. 23STCV12264; Motion for Final Approval granted on July 28, 2025.

44. Arman A. Salehi (“Mr. Salehi”) is an Associate Attorney at Wilshire Law Firm, PLC. He was admitted to practice law in the State of California in 2023. Mr. Salehi graduated from the University of California, Los Angeles, with a Bachelor of Arts in Sociology. He received his Juris Doctor from the University of California College of the Law, San Francisco (formerly known as U.C. Hastings). Since November 2023, Mr. Salehi’s practice has mainly been focused on wage and hour class action litigation. Mr. Salehi’s hourly billing rate is \$500.00.

45. Emily K. Borman (“Ms. Borman”) is a Junior Partner at Wilshire Law Firm, PLC. She was admitted to practice law in the State of California in May 2015. Ms. Borman graduated from Cornell University with a Bachelor of Science in Development Sociology and a Minor in Applied Economics and Management. While at Cornell she was inducted into the Alpha Kappa Delta International Honor Society. Ms. Borman received her Juris Doctor from University of California Law San Francisco (formerly UC Hastings). Since graduating, her practice has been in employment law, including Plaintiff-side wage and hour cases. She has received numerous awards

1 for her legal work. In 2021 and from 2023 to 2025, Super Lawyers selected her as a “Southern
2 California Rising Star. Ms. Borman’s hourly billing rate is \$800.00.

3 46. Courtney M. Miller (“Ms. Miller”) is a Settlement Attorney at WLF. She was
4 admitted to practice law in the State of California in 2019. Ms. Miller graduated from the University
5 of California, Santa Cruz, with a Bachelor of Arts in Sociology. Prior to becoming an attorney, Ms.
6 Miller worked at a boutique civil litigation firm for nearly a decade, primarily handling employment
7 matters. She earned her Juris Doctor from Southwestern Law School in 2019. Ms. Miller has
8 prosecuted wage and hour class and PAGA actions, almost exclusively, since 2020. As a handling
9 attorney, Ms. Miller obtained over \$30 million dollars in settlements on behalf of California
10 employees. Ms. Miller’s hourly billing rate is \$650.00.

11 47. Justin F. Marquez (“Mr. Marquez”) was a Senior Partner at Wilshire Law Firm,
12 PLC. He was admitted to practice law in the State of California in 2009. Mr. Marquez graduated
13 from the University of California, Los Angeles’s College Honors Program in 2004 with Bachelor
14 of Arts degrees in History and Japanese, *magna cum laude* and *Phi Beta Kappa*. As an
15 undergraduate, he also received a scholarship to study abroad for one (1) year at Tokyo University
16 in Tokyo, Japan. He received his Juris Doctor from Notre Dame Law School in 2008. He has
17 received numerous awards for his legal work. From 2017 to 2020, Super Lawyers selected him as
18 a “Southern California Rising Star,” and from 2022 to 2025, he was selected as a “Southern
19 California Super Lawyer.” He was selected as one of the “Best Lawyers in America” from 2023 to
20 2025. In 2016 and 2017, the National Trial Lawyers selected him as a “Top 40 Under 40” attorney.
21 In 2024, he, along with his colleagues at Wilshire Law Firm, PLC, received a CLAY (California
22 Lawyer Attorneys of the Year) award for his work on a false advertising case against Apple which
23 ultimately led to a \$25 million settlement. Mr. Marquez’s hourly rate while at Wilshire Law Firm,
24 PLC was \$1,500 per hour.

25 48. The reasonableness of Wilshire Law Firm, PLC’s hourly rates is also supported by
26 several surveys of legal rates, including the following:

27 a. The 2022 Real Rate Report survey compiled by Wolters Kluwer, which
28 presents the real market rates of Los Angeles area attorneys who practice litigation. For that

category, the third quartile 2022 rate was \$1,045 per hour for partners and \$855 for associates. Likewise, page 32 of the Report describes the rates charged by 183 Los Angeles partners with “21 or more years of experience” and “Fewer than 21 years.” For those categories, the third quartile Los Angeles partner rate in 2022 were \$1,133 per hour for 21 or more years and \$1,075 for attorneys with fewer than 21 years. A true and correct copy of portions of the 2022 Real Rate Report is attached hereto as **Exhibit 6**.

b. In an article entitled “Big Law Rates Topping \$2,000 Leave Value ‘In Eye of Beholder,’” written by Roy Strom and published by Bloomberg Law on 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 7**.

NO CONFLICTS

49. Other than the other cases that were consolidated with this action, WLF is not aware of any class, representative or other collective action in any other court in this or any other jurisdiction that asserts claims similar to those asserted in this action on behalf of a class or group of individuals some or all of whom would also be members of the class defined in this action.

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 December 29, 2025, at Los Angeles, California.



Arrash T. Fattahi

EXHIBIT 1

ALAMI LAW GROUP

DAVID ALAMI, ESQ.
DAVID@ALAMILAWGROUP.COM

620 NEWPORT CENTER DR.,
SUITE 1100
NEWPORT BEACH, CA 92660
949-287-3594

July 21, 2023

VIA ONLINE SUBMISSION

California Labor and Workforce Development Agency
Private Attorneys General Act – Filing

VIA CERTIFIED MAIL (RETURN RECEIPT REQUESTED)

TMI Automotive Products Inc.
Steve Tuccinardi, Registered Agent for Service of Process
1493 E Bentley Drive, Suite 102
Corona, CA 92879

TMI Products, Inc.
Steve Tuccinardi, Registered Agent for Service of Process
1493 E Bentley Drive, Suite 102
Corona, CA 92879

IPC Import Parts Connection Inc.
Steve Tuccinardi, Registered Agent for Service of Process
1493 E Bentley Drive, Suite 102
Corona, CA 92879

Re: *Maria L. Yanez Zepeda v. TMI Automotive Products Inc., et al.*

Dear California Labor and Workforce Development Agency, TMI Automotive Products Inc.,
TMI Products, Inc., and IPC Import Parts Connection Inc.:

Please be advised that Alami Law Group represents Maria L. Yanez Zepeda (“Claimant”). Claimant intends to seek penalties, on behalf of herself and all other aggrieved employees, against her former employers TMI Automotive Products Inc., TMI Products, Inc., and IPC Import Parts Connection Inc. (“Employer”) pursuant to the Private Attorneys General Act of 2004 (“PAGA”), Labor Code Sections 2698 *et seq.* This correspondence serves as Claimant’s written notice by online filing with the Labor and Workforce Development Agency (“LWDA”) and by certified mail to the Employer of the specific provisions of the Labor Code alleged to have been violated, including the facts and theories to support the alleged violations, as required by Labor Code Section 2699.3(a)(1).

Specific Provisions of the Labor Code Alleged to Have Been Violated

Claimant alleges Employer has violated Labor Code Sections 201, 202, 203, 204, 206, 210, 221, 223, 226, 226.3, 226.7, 227.3, 233, 234, 246, 510, 511, 512, 558, 558.1, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1198, 1199, 2800, and 2802.

Facts and Theories Supporting the Alleged Violations

Employer employed Claimant as a non-exempt employee in California within the past year. Claimant's primary job duties included, *inter alia*, general labor and packing.

Employer employed and/or currently employs other aggrieved employees as non-exempt employees in California. The aggrieved employees consist of all non-exempt employees employed by Employer during the "PAGA Period," which is defined as commencing from one year prior to the submission of this letter to the LWDA and certified mailing to Employer through the present.

During the PAGA Period, Employer failed to pay Claimant and/or other aggrieved employees minimum, regular, overtime, and/or double time wages for all hours worked at the legally mandated rates. During the PAGA Period, Claimant and/or other aggrieved employees regularly worked more than eight (8), 10, and/or 12 hours per workday and/or over 40 hours per workweek. Employer's practices and policies deprived Claimant and/or other aggrieved employees of minimum, regular, overtime, and/or double time wages for work they performed off the clock. Employer required Claimant and/or other aggrieved employees to complete work-related tasks off the clock, such as communicating with Employer regarding work. Furthermore, Employer rounded Claimant and/or other aggrieved employees' hours worked, thereby depriving them of wages for all hours worked at the legally mandated rates. Employer did not compensate Claimant and/or other aggrieved employees for all hours worked because Claimant and/or other aggrieved employees were regularly on-duty during their meal and/or rest periods. Finally, Employer failed to accurately calculate the regular rate of pay by failing to include a remuneration when calculating the rate of pay for overtime, double time, meal and rest period premiums, vacation pay, and sick pay. Accordingly, Employer failed to pay Claimant and/or other aggrieved employees the proper minimum, regular, overtime, and double time wages for all hours worked, sick pay, and vacation pay, in violation of Labor Code Sections 204, 206, 210, 227.3, 246, 510, 558, 1182.12, 1194, 1194.2, 1197, and 1198, and the applicable IWC Wage Orders and California Code of Regulations.

During the PAGA Period, Employer failed to authorize and permit and/or make available to Claimant and/or other aggrieved employees timely off-duty 30-minute meal periods within the appropriate time intervals required by Labor Code Section 512 and Section 11 of the applicable IWC Wage Order(s). Specifically, Claimant and/or other aggrieved employees frequently had their meal periods shortened, interrupted, late, and/or missed altogether due to Employer's practice of understaffing and prioritizing work demands over taking compliant breaks. Employer also failed to authorize and permit and/or make available to Claimant and/or other aggrieved

employees second meal periods when they worked more than 10 hours. Moreover, Employer rounded Claimant and/or other aggrieved employees' time punches for meal periods. Accordingly, Employer failed to authorize and permit and/or make available to Claimant and/or other aggrieved employees timely, uninterrupted off-duty meal periods for at least 30 minutes when they worked more than five (5) hours and/or 10 hours in a workday, and failed to compensate Claimant and/or other aggrieved employees with an additional hour of pay at their regular rate of pay for every day in which they were denied a compliant meal period, in violation of Labor Code Sections 226.7 and 512, and the applicable IWC Wage Orders.

During the PAGA Period, Employer failed to authorize and permit and/or make available ten-minute rest periods for every four (4) hours or major fraction thereof worked. Employer failed to implement a compliant rest break policy and/or practice, and failed to provide uninterrupted, off-duty 10-minute rest breaks. Claimant and/or other aggrieved employees missed their rest breaks or had them interrupted or governed by Employer's practices and policies. Employer also failed to adopt and implement a practice of providing third rest breaks when Claimant and/or other aggrieved employees worked over 10 hours. Notwithstanding the above rest break violations, Employer failed to compensate Claimant and/or other aggrieved employees with an additional hour of pay at their regular rate of pay for every day in which they suffered a rest period violation. Accordingly, Employer violated Labor Code Section 226.7 and the applicable IWC Wage Orders.

During the PAGA Period, Employer failed to reimburse Claimant and/or other aggrieved employees for all business expenses incurred for Employer's benefit. For example, Claimant and/or other aggrieved employees were required to use their personal cell phones to discuss work-related matters with Employer's representatives and for other work purposes without any reimbursement. In addition, Claimant and/or other aggrieved employees were required to purchase personal protective equipment, including, but not limited to, masks, without reimbursement. Accordingly, Employer violated Labor Code Sections 2800 and 2802.

During the PAGA Period, Employer failed to calculate and pay sick pay at the regular rate of pay for the workweek in which Claimant and/or other aggrieved employees used paid sick time, or by dividing the Claimant and/or other aggrieved employees' total wages, not including overtime premium pay, by the Claimant and/or other aggrieved employees' total hours worked in the full pay periods of the prior 90 days of employment, in violation of Labor Code Sections 246, 246.5, 247, 247.5, and 248.5 and the Healthy Workplaces, Healthy Families Act of 2014. Accordingly, Employer violated Labor Code Sections 226, 226.3, 1174, and 1174.5.

During the PAGA Period, Employer failed to permit Claimant and/or other aggrieved employees to use in any calendar year the employee's accrued and available sick leave entitlement, in an amount not less than the sick leave that would be accrued during six months at the employee's then current rate of entitlement, for the reasons specified in subdivision (a) of Section 246.5. For example, Employer's absence control policy counted sick leave taken pursuant to Labor Code Section 233 as an absence that may lead to or result in discipline, discharge, demotion, or suspension. Accordingly, Employer violated Labor Code Sections 233 and 234.

During the PAGA Period, Employer failed to provide to Claimant and/or other aggrieved employees accrual of vacation wages and failed to pay to Claimant and/or other aggrieved employees vested vacation wages. Accordingly, Employer violated Labor Code Section 227.3.

During the PAGA Period, as a result of, and in addition to, the foregoing Labor Code violations, Employer secretly paid Claimant and/or aggrieved employees less than the statutory or contractual rate. Accordingly, Employer violated Labor Code Sections 221 and 223.

As a result of, and in addition to, the Labor Code violations, Employer failed to provide accurate itemized wage statements that accurately reported, among other things, the gross and net wages earned, the total hours worked, all applicable hourly rates in effect during the pay period, and the corresponding number of hours worked at each hourly rate. As a result, Employer violated Labor Code Sections 226 and 226.3. Similarly, Employer failed to maintain accurate and complete records showing the hours worked daily by and the wages paid to Claimant and/or aggrieved employees due to the violations described above. Accordingly, Employer violated Labor Code Sections 1174 and 1174.5.

Every employer violates Labor Code Section 1199 if it: (a) requires or causes any employee to work for longer hours than those fixed, or under conditions of labor prohibited by an order of the commission; (b) pays or causes to be paid to any employee a wage less than the minimum fixed by an order of the commission; or (c) violates or refuses or neglects to comply with any provision of this chapter or any order or ruling of the commission. As a result of, and in addition to, the foregoing Labor Code violations, Employer has violated Labor Code Section 1199 and the applicable IWC Wage Order.

As a result of, and in addition to, the foregoing Labor Code violations, Employer failed to timely pay all wages owed throughout Claimant and/or other aggrieved employees' employment and following the end of their employment. Accordingly, Employer violated Labor Code Sections 201-204, and 210.

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Based on these violations, Claimant will seek attorneys' fees, costs, and penalties under the Labor Code on behalf of herself and all other aggrieved employees who were employed by Employer during the PAGA Period. Please advise if the Labor and Workforce Development Agency has any objection to Claimant alleging PAGA claims in a lawsuit against Employer. Should you have any questions, comments, or concerns, please do not hesitate to contact the undersigned.

Sincerely,

ALAMI LAW GROUP



David Alami

EXHIBIT 2

WILSHIRE LAW FIRM, PLC

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Jon Teller, Esq.
Johnny Ogata, Esq.
Tae Kim, Esq.

Benjamin H. Haber, Esq.
Christina M. Le, Esq.
Daniel Kramer, Esq.
Arsiné Grigoryan, Esq.
Arrash T. Fattahi, Esq.
Zachary D. Greenberg, Esq.
Aram Boyadjian, Esq.

September 22, 2023

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

TMI Automotive Products Inc.
1493 E Bentley Drive, Suite 102
Corona, CA 92879
(Via Certified Mail, Return Receipt Requested)
#9489 0090 0027 6498 8436 13

Steve Tuccinardi
Agent for Service of Process for:
TMI Automotive Products Inc.
1493 E Bentley Drive, Suite 102
Corona, CA 92879
(Via Certified Mail, Return Receipt Requested)
#9489 0090 0027 6498 8436 20

Re: ***Sandi Ortiz Cuevas v. TMI Automotive Products Inc.***
Notice of Labor Code Violations and PAGA Penalties

To Whom It May Concern:

Please be advised that my office has been retained by Sandi Ortiz Cuevas ("Plaintiff") to pursue a Labor Code Private Attorneys General Act ("PAGA") representative action (Cal. Lab. Code §§ 2699, *et seq.*) against her former employer, TMI Automotive Products Inc. ("Defendant"). The purpose of this letter is to comply with PAGA and set forth the facts and theories of California Labor Code violations which we allege Defendant engaged in with respect to Plaintiff and all of Defendant's Aggrieved Employees.

Plaintiff wishes to pursue this action on behalf of herself as an aggrieved employee, on behalf of the State of California, as well as on behalf of all other persons who worked for Defendant in California as a non-exempt or hourly-paid employee at any time within the applicable statutory period (hereafter, the "Aggrieved Employees").

Plaintiff and the Aggrieved Employees suffered the Labor Code violations described below.

Plaintiff's Employment with Defendant

Defendant owns/owned and operates/operated an industry, business, and establishment within the State of California, including Riverside County. As such, and based upon all the facts and circumstances incident to Defendant's business in California, Defendant is subject to the California Labor Code, Wage Orders issued by the Industrial Welfare Commission ("IWC"), and the California Business & Professions Code.

Plaintiff SANDI ORTIZ CUEVAS is a resident of Riverside County, California who worked for Defendant in Riverside County, California as an hourly-paid, non-exempt employee from approximately July 2022 to approximately August 2023. Defendant typically scheduled Plaintiff to work at least five days in a workweek and at least eight hours per day, but Plaintiff regularly worked more than eight hours in a workday and/or more than forty (40) hours in a workweek.

Throughout Plaintiff's employment, Defendant failed to pay for all hours worked (including minimum, straight time, and overtime wages), failed to provide Plaintiff with legally compliant meal periods, failed to authorize and permit Plaintiff to take rest periods, failed to timely pay all final wages to Plaintiff when Defendant terminated her employment, failed to furnish accurate wage statements to Plaintiff, and failed to indemnify Plaintiff for expenditures. As discussed below, Plaintiff's experience working for Defendant was typical and illustrative.

Defendant Failed to Pay for All Hours Worked, Including Minimum, Straight Time, and Overtime Wages

Under California law, an employer must pay for all hours worked by an employee. "Hours worked" is the time during which an employee is subject to the control of an employer, and includes all the time the employee is suffered or permitted to work, whether or not required to do so.

In addition, Labor Code § 510 provides that employees in California shall not be employed more than eight hours in any workday or forty (40) hours in a workweek unless they receive additional compensation beyond their regular wages in amounts specified by law.

Labor Code §§ 1194 and 1198 also provide that employees in California shall not be employed more than eight hours in any workday unless they receive additional compensation beyond their regular wages in amounts specified by law. Additionally, Labor Code § 1198 states that the employment of an employee for longer hours than those fixed by the IWC is unlawful.

Throughout the statutory period, Defendant maintained a policy and practice of not paying Plaintiff and the Aggrieved Employees for all hours worked, including minimum, straight time, and overtime wages. Defendant required Plaintiff and the Aggrieved Employees to work "off-the-clock," uncompensated, by, for example, requiring Plaintiff and the Aggrieved Employees to perform work after clocking out for the workday. Some of this unpaid work should have been paid at the overtime rate. In failing to pay for all hours worked, Defendant also failed to

maintain accurate records of the hours Plaintiff and the Aggrieved Employees worked.

As a result, Defendant is liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code §§ 210, 1197.1, and 2699(f)(2) for failing to pay for all hours worked, including minimum, straight time, and overtime wages.

Failure to Provide Meal Periods

Under California law, employers have an affirmative obligation to relieve employees of all duty in order to take their first 30-minute, duty-free meal periods no later than the start of sixth hour of work in a workday, and to allow employees to take their second 30-minute, duty-free meal period no later than the start of the eleventh hour of work in the workday. Further, employees are entitled to be paid one hour of additional wages for each workday they were not provided with all required meal period(s).

Despite these legal requirements, Defendant wrongfully failed to provide Plaintiff and the Aggrieved Employees with legally compliant meal periods. Defendant regularly, but not always, required Plaintiff and the Aggrieved Employees to work in excess of five consecutive hours a day without providing a 30-minute, uninterrupted, and duty-free meal period for every five hours of work, or without compensating Plaintiff and the Aggrieved Employees for meal periods that were not provided by the end of the fifth hour of work or tenth hour of work. Instead, Defendant continued to assert control over Plaintiff and the Aggrieved Employees by requiring, pressuring, or encouraging them to perform work tasks which could not be completed without working in lieu of taking mandatory meal periods, or by denying Plaintiff and the Aggrieved Employees permission to take a meal period. Accordingly, Defendant's policy and practice was not to provide meal periods to Plaintiff and the Aggrieved Employees in compliance with California law.

Plaintiff and the Aggrieved Employees are thus entitled to be paid one hour of additional wages for each workday he or she was not provided with all required meal period(s). Defendant, however, regularly failed to pay Plaintiff and the Aggrieved Employees the additional wages to which they were entitled for meal periods and that were not provided.

As a result, Defendant is liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code §§ 210 and 2699(f)(2) for failing to provide meal periods and pay meal period premium wages.

Failure to Authorize and Permit Rest Periods

Employers are required by California law to authorize and permit breaks of ten uninterrupted minutes for each four hours of work or major fraction of four hours (i.e. more than two hours). Thus, for example, if an employee's work time is six hours and ten minutes, the employee is entitled to two rest breaks. Each failure to authorize rest breaks as so required is itself a violation of California's rest break laws.

Throughout the statutory period, Defendant has wrongfully failed to authorize and permit Plaintiff and the Aggrieved Employees to take legally compliant rest periods. Defendant regularly required Plaintiff and the Aggrieved Employees to work in excess of four consecutive hours a day without Defendant authorizing and permitting them to take a 10-minute, uninterrupted, duty-free rest period for every four hours of work (or major fraction of four hours), or without compensating Plaintiff and the Aggrieved Employees for rest periods that were not authorized or permitted. Instead, Defendant continued to assert control over Plaintiff and the Aggrieved Employees by requiring, pressuring, or encouraging them to perform work tasks which could not be completed without working in lieu of taking mandatory rest periods, or by denying Plaintiff and the Aggrieved Employees permission to take a rest period. Accordingly, Defendant's policy and practice was to not authorize and permit Plaintiff and the Aggrieved Employees to take rest periods in compliance with California law.

Plaintiff and the Aggrieved Employees are thus entitled to be paid one hour of additional wages for each workday he or she was not authorized and permitted to take all required rest period(s). Defendant, however, regularly failed to pay Plaintiff and the Aggrieved Employees the additional wages to which they were entitled for rest periods and that they were not authorized and permitted to take.

As a result, Defendant is liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code §§ 210 and 2699(f)(2) for failing to authorize and permit rest periods and pay rest period premium wages.

Failure to Pay All Earned Wages Twice Per Month

Based on its failure to pay Plaintiff and the Aggrieved Employees for all wages as discussed above, Defendant also violated Labor Code § 204.

Labor Code § 204 requires employers to pay employees all earned wages two times per month. Throughout the statute of limitations period applicable to this cause of action, employees were entitled to be paid twice a month at their regular rates, including all meal period premium wages owed, rest period premium wages owed, and wages owed for overtime hours worked. However, during all such times, Defendant systematically failed and refused to pay the employees all wages due, and failed to pay those wages twice a month, in that employees were not paid all wages for all meal periods not provided by Defendant, all wages for all rest periods not authorized and permitted by Defendant, and all wages for all hours worked. As a result, Defendant owes employees the legally required wages for unpaid wages, and Plaintiff and the Aggrieved Employees suffered damages in those amounts.

Moreover, Defendant is liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code § 210 for failing to pay all earned wages twice per month.

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Failure to Maintain Accurate Records of Hours Worked and Meal Periods

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

Defendant, however, failed to maintain accurate records of hours worked and all meal periods taken or missed by Plaintiff and the Aggrieved Employees.

Defendant's failure to provide and maintain records required by the California Labor Code and the applicable IWC Wage Orders deprived Plaintiff and the Aggrieved Employees the ability to know, understand and question the accuracy and frequency of meal periods, and the accuracy of their hours worked stated in Defendant's records. Therefore, Plaintiff and the Aggrieved Employees had no way to dispute the resulting failure to pay wages, all of which resulted in an unjustified economic enrichment to Defendant. As a direct result, Plaintiff and the Aggrieved Employees have suffered and continue to suffer, substantial losses related to the use and enjoyment of such wages, lost interest on such wages and expenses and attorney's fees in seeking to compel Defendant to fully perform its obligation under state law, all to their respective damage in amounts according to proof at trial. As a result of Defendant's knowing failure to comply with the California Labor Code and applicable IWC Wage Orders, Plaintiff and the Aggrieved Employees have also suffered an injury in that they were prevented from knowing, understanding, and disputing the wage payments paid to them.

Failure to Timely Pay All Wages at Termination

Labor Code §§ 201 and 202 provide that if an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately, and that if an employee voluntarily leaves his or her employment, his or her wages shall become due and payable not later than seventy-two (72) hours thereafter, unless the employee has given seventy-two (72) hours previous notice of his or her intention to quit, in which case the employee is entitled to his or her wages at the time of quitting.

Within the applicable statute of limitations, the employment of Plaintiff and many other Aggrieved Employees ended, i.e., was terminated by quitting or being discharged, and the employment of others will be terminated. However, during the relevant time period, Defendant failed, and continues to fail to pay Plaintiff and terminated Aggrieved Employees, without abatement, all wages required to be paid by Labor Code sections 201 and 202 either at the time of discharge, or within seventy-two (72) hours of their leaving Defendant's employment. These unpaid wages include wages for unpaid work time (including minimum, straight time, and

overtime wages), missed meal period premium wages, and missed rest period premium wages.

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

Accordingly, Plaintiff and the Aggrieved Employees are entitled to recover from Defendant their additionally accruing wages for each day they were not paid, at their regular hourly rate of pay, up to thirty (30) days maximum pursuant to Labor Code § 203.

Moreover, Defendant is liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code § 2699(f)(2) for failing to timely pay all wages at termination.

Failure to Furnish Accurate Itemized Wage Statements

Labor Code § 226(a) provides that every employer shall furnish each of his or her employees an accurate itemized wage statement in writing showing nine pieces of information, including: (1) gross wages earned, (2) total hours worked by the employee, (3) the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis, (4) all deductions, provided that all deductions made on written orders of the employee may be aggregated and shown as one item, (5) net wages earned, (6) the inclusive dates of the period for which the employee is paid, (7) the name of the employee and the last four digits of his or her social security number or an employee identification number other than a social security number, (8) the name and address of the legal entity that is the employer, and (9) all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee. An employee is presumed to suffer an injury if this information is missing. (Lab. Code § 226(e)(2)(B)(iii).)

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

Throughout the statutory period, Defendant failed to furnish Plaintiff and the Aggrieved Employees with accurate, itemized wage statements showing all applicable hourly rates, and all gross and net wages earned (including correct hours worked, correct wages for meal periods that were not provided in accordance with California law, and correct wages for rest periods that were not authorized and permitted to take in accordance with California law).

Because Defendant violated Labor Code § 226, Plaintiff and similarly Aggrieved Employees

suffered injury and damage to their statutorily protected rights. Accordingly, Plaintiff and similarly Aggrieved Employees are entitled to recover from Defendant the greater of their actual damages caused by Defendant's failure to comply with Labor Code § 226(a), or an aggregate penalty not exceeding four thousand dollars (\$4,000) per employee.

Moreover, Defendant is liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code § 226.3 for failing to furnish accurate itemized wage statements.

Failure to Indemnify for Necessary Expenditures

Labor Code § 2802(a) provides that employers shall indemnify his or her employees for all necessary business expenditures or losses that have been incurred by the employees in direct discharge of his or her duties. Throughout the statute of limitations period applicable to this cause of action, Defendant wrongfully required Plaintiff and the Aggrieved Employees to pay expenses that they incurred in direct discharge of their duties for Defendant. Plaintiff and the Aggrieved Employees regularly paid out-of-pocket for necessary employment-related expenses, including, without limitation, use of personal cell phones. Plaintiff and the Aggrieved Employees incurred substantial expenses as a direct result of performing their job duties for Defendant, but Defendant failed to indemnify Plaintiff and the Aggrieved Employees for these employment-related expenses.

As a result, Defendant is liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code §§ 2802 and 2699(f)(2) for failing to indemnify Plaintiff and the Aggrieved Employees for necessary business expenditures.

Action for Civil Penalties Under PAGA

In light of the above, Plaintiff alleges that Defendant violated the following provisions of the Labor Code with respect to the Aggrieved Employees:

1. Labor Code § 204, 510, 1194, 1197, and 1198 by failing to pay for all hours worked, including minimum wages, straight time wages, and overtime wages;
2. Labor Code § 226.7 and applicable Wage Orders by failing to provide meal periods;
3. Labor Code § 226.7 and applicable Wage Orders by failing to authorize and permit rest periods;
4. Labor Code § 204 by failing to pay all earned wages two times per month;
5. California Labor Code § 1174.5 and applicable Wage Orders by failing to maintain accurate records of hours worked and meal periods taken or missed;
6. Labor Code §§ 201 to 203 by willfully failing to pay all wages owed at termination;
7. Labor Code § 226 by failing to provide accurate itemized wage statements; and

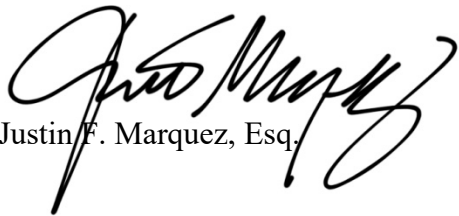
8. Labor Code § 2802 by failing to indemnify for necessary expenditures.

Therefore, on behalf of all Aggrieved Employees, Plaintiff seeks applicable penalties related to the violations alleged above pursuant to the PAGA. These include, but are not limited to, penalties under Labor Code §§ 210, 226.3, 1174.5, 1197.1, and 2699(f)(2).

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

Sincerely,

WILSHIRE LAW FIRM



Justin F. Marquez, Esq.



WILSHIRE LAW FIRM, PLC

3055 WILSHIRE BLVD. 12TH FLOOR
LOS ANGELES, CA 90010

PLACE STICKER AT TOP OF ENVELOPE TO THE RIGHT
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244972



WILSHIRE LAW FIRM, PLC

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LOS ANGELES, CA 90010

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Pitney Bowes

Steve Tuccinardi
Agent for Service of Process for:
TMI Automotive Products Inc.
1493 E Bentley Drive, Suite 102
Corona, CA 92879

244972

EXHIBIT 3

CLASS ACTION AND PAGA SETTLEMENT AGREEMENT

This Class Action and PAGA Settlement Agreement (“Agreement”) is made by and between plaintiffs Sandi Ortiz Cuevas (“Cuevas”), Jose Luis Ramirez (“Ramirez”) and Maria Yanez Zepeda (“Zepeda” and, together with Cuevas and Ramirez, “Plaintiffs”), on the one hand, and defendants TMI Automotive Products, Inc. (“TMI Automotive”); TMI Products, Inc. (“TMI Products”); and IPC Import Parts Connection Inc. (“IPC” and, together with TMI Automotive and TMI Products, collectively, “Defendants”), on the other. The Agreement refers to Plaintiffs and Defendant collectively as “Parties,” or individually as “Party.”

1. DEFINITIONS.

- 1.1. “Action” means Plaintiffs’ lawsuits entitled *Cuevas v. TMI Automotive Products Inc.*, Case No. CVRI2304340 (Riverside Superior Court), *Ramirez v. TMI Automotive Products Inc., et al.*, Case No. CVRI2304905 (Riverside Superior Court), and *Zepeda v. TMI Automotive Products Inc., et al.*, Case No. CVRI2305081 (Riverside Superior Court).
- 1.2. “Administrator” means APEX Class Action Administration, 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 Employees” means all non-exempt, hourly individuals that worked for Defendants in California during the PAGA Period.
- 1.5. “Class” means all non-exempt, hourly individuals that worked for Defendants in California during the Class Period.
- 1.6. “Class Counsel” means Wilshire Law Firm, PLC; Blackstone Law, APC; and Torus LLP.
- 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 Defendants’ possession including the Class Member’s name, last-known mailing address,

Social Security number, email address (if available), and dates of employment.

- 1.9. “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, attached hereto as **Exhibit A**.
- 1.12. “Class Period” means the period February 24, 2019, through April 20, 2025.
- 1.13. “Class Representatives” means the named Plaintiffs Sandi Ortiz Cuevas, Jose Luis Ramirez, and Maria Yanez Zepeda in the operative complaints in the Action seeking Court approval to serve as Class Representatives.
- 1.14. “Class Representative Service Payment(s)” means the payments to the Class Representatives for initiating the Action and providing services in support of the Action.
- 1.15. “Class Settlement” means the settlement of the claims brought on behalf of the Class Members described herein.
- 1.16. “Court” means the Superior Court of California, County of Riverside.
- 1.17. “Cuevas Action” means the litigation initiated pursuant to the Cuevas Complaint, including without limitation any amendments to the Cuevas Complaint.
- 1.18. “Cuevas Complaint” means the Complaint filed in the Superior Court of California, for the County of Riverside on August 21, 2023, by Cuevas.
- 1.19. “Cuevas PAGA Notice” means Plaintiff Cuevas’ letter of September 23, 2023, to TMI Automotive and the LWDA, providing notice pursuant to Labor Code section 2699.3, subd.(a).

- 1.20. “Defendants” means the named Defendants TMI Automotive Products Inc.; TMI Products, Inc; and IPC Import Parts Connection Inc.
- 1.21. “Defense Counsel” means O’Hagan Meyer, LLP.
- 1.22. “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.
- 1.23. “Final Approval” means the Court’s order granting final approval of the Settlement.
- 1.24. “Final Approval Hearing” means the Court’s hearing on the Motion for Final Approval of the Settlement.
- 1.25. “Gross Settlement Amount” or “GSA” means Five Hundred Forty-Two Thousand Dollars (\$542,000.00) which is the total amount Defendants agree 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 Payment, Class Counsel Litigation Expenses Payment, Class Representative Service Payments and the Administration Expenses Payment.
- 1.26. “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.
- 1.27. “Individual PAGA Payment” means the Aggrieved Employee’s pro rata share of 25% of the PAGA Penalties calculated according to the number of PAGA Pay Periods worked during the PAGA Period.
- 1.28. “IWC Wage Orders” means the Wage Orders issued by the Industrial Welfare Commission.
- 1.29. “Judgment” means the judgment entered by the Court based upon the Final

Approval.

- 1.30. “LWDA” means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i).
- 1.31. “LWDA PAGA Payment” means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).
- 1.32. “Net Settlement Amount” or “NSA” 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 Payments, 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.
- a. The entire NSA will be disbursed to all Class Members who do not submit timely and valid Requests for Exclusion.
 - b. If there are any valid and timely Requests for Exclusion, the Administrator shall proportionately increase the Individual Class Payment for each Participating Class Member according to the number of Workweeks worked, so that the amount actually distributed to the Participating Class Members equals 100% of the Net Settlement Amount.
- 1.33. “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.
- 1.34. “Notice Packet” means collectively, the Class Notice, Request for Exclusion Form, and Notice of Objection Form.
- 1.35. “Notice of Objection Form” means the Notice of Objection Form, attached hereto as **Exhibit C**.
- 1.36. “PAGA Pay Period” means any pay period during which an Aggrieved Employee worked for Defendants for at least one day during the PAGA Period.
- 1.37. “PAGA Period” means the period from September 22, 2022, through April 20, 2025.
- 1.38. “PAGA” means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).

- 1.39. “PAGA Notices” means the Cuevas PAGA Notice and the Zepeda PAGA Notice.
- 1.40. “PAGA Penalties” means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, of Twenty Thousand Dollars (\$20,000.00), allocated 25% to the Aggrieved Employees (\$5,000) and 75% to the LWDA (\$15,000) in settlement of PAGA claims.
- 1.41. “Participating Class Member” means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.
- 1.42. “Plaintiffs” means Sandi Ortiz Cuevas, Jose Luis Ramirez, and Maria Yanez Zepeda, the named plaintiffs in the Action.
- 1.43. “Preliminary Approval Order” means the proposed Order Granting Preliminary Approval and Approval of the Settlement.
- 1.44. “Ramirez Action” means the litigation initiated pursuant to the Ramirez Complaint.
- 1.45. “Ramirez Complaint” means the Complaint filed in the Superior Court of California, for the County of Riverside on September 18, 2023, by Ramirez.
- 1.46. “Released Class Claims” means the claims being released as described in Paragraph 5.5 below.
- 1.47. “Released PAGA Claims” means the claims being released as described in Paragraph 5.6 below.
- 1.48. “Released Parties” means: Defendants, and their respective past, present, and future directors, officers, shareholders, employees, insurers, subsidiaries, affiliates, successors, assigns, and agents.
- 1.49. “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.
- 1.50. “Request for Exclusion Form” means the Request for Exclusion Form attached hereto as **Exhibit B**.
- 1.51. “Response Deadline” means 60 days after the Administrator mails the Notice Packet, and shall be the last date on which Class Members may submit a Request for Exclusion, written objection, and/or challenge to Workweeks and/or PAGA

Pay Periods. 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.

- 1.52. “Settlement” means the disposition of the Action effected by this Agreement and the Judgment.
- 1.53. “Workweek” means any week during which a Class Member worked for Defendants in California for at least one day, during the Class Period.
- 1.54. “Zepeda Action” means the litigation initiated pursuant to the Zepeda Complaint.
- 1.55. “Zepeda Complaint” means the Complaint filed in the Superior Court of California, for the County of Riverside on September 26, 2023, by Zepeda.
- 1.56. “Zepeda PAGA Notice” means Plaintiff Zepeda’s letter of July 21, 2023, to TMI Automotive, TMI Products, IPC, and the LWDA, providing notice pursuant to Labor Code section 2699.3, subd.(a).

2. RECITALS.

- 2.1. On August 21, 2023, Plaintiff Cuevas filed a Complaint in the Superior Court of California, for the County of Riverside (“Cuevas Complaint”), alleging class causes of action against TMI Automotive for Failure to Pay Minimum and Straight Time Wages and Overtime Wages (Labor Code § 1194, et seq.), Failure to Provide Meal and Rest Periods (Labor Code § 226.7), derivative Failure to Provide Accurate Wage Statements (Labor Code § 226), Failure to Indemnify Employees for Expenditures (Labor Code § 2802), and Unfair Business Practices (Business & Professions Code § 17200, et seq.).
- 2.2. On September 18, 2023, Plaintiff Ramirez filed a Complaint in the Superior Court of California, for the County of Riverside (“Ramirez Complaint”), alleging class causes of action against TMI Automotive and Kamran Staffing, Inc. for Failure to Pay Minimum and Straight Time Wages and Overtime Wages (Labor Code § 1194, et seq.), Failure to Provide Meal and Rest Periods (Labor Code § 226.7), Wages Not Timely Paid during Employment (Labor Code §§ 204, 210), Failure to Provide Accurate Wage Statements (Labor Code § 226), Untimely Final Wages (Labor Code § 201 et seq.), Failure to Reimburse Necessary Business Expenses (Labor Code § 2800 et seq.), and Unfair Business Practices (Business & Professions Code § 17200, et seq.).

- 2.3. On September 26, 2023, Plaintiff Zepeda filed a Complaint in the Superior Court of California, County of Riverside (“Zepeda Complaint”), alleging class and representative causes of action against Defendants for Failure to Pay All Wages, Failure to Provide Meal Periods or Compensation in Lieu Thereof, Failure to Permit Rest Periods or Provide Compensation in Lieu Thereof, Failure to Reimburse Business Expenses, Failure to Provide Accurate Itemized Wage Statements, Waiting Time Penalties, derivative Unfair Business Practices, and PAGA Civil Penalties (Labor Code § 2698 et seq.).
- 2.4. The Parties agree to stipulate to Plaintiffs’ filing of a consolidated complaint (“Operative Complaint”) in the Cuevas Action that amends the Cuevas Complaint to include the claim for civil penalties under PAGA and the allegations contained in the Cuevas PAGA Notice, adds Plaintiffs Ramirez and Zepeda as named plaintiffs, adds TMI Products and IPC as defendants, and adds the allegations contained in the Ramirez Complaint and Zepeda Complaint and the allegations contained in the Zepeda PAGA Notice. The Parties agree to stipulate that the class period in the Cuevas/Ramirez/Zepeda Operative Complaint shall cover February 24, 2019, through April 20, 2025.

Defendants deny the allegations in the Cuevas Complaint, Ramirez Complaint, and Zepeda Complaint, deny any failure to comply with the laws identified in in the Action, and deny any and all liability for the causes of action alleged.

- 2.5. Pursuant to Labor Code section 2699.3, subd.(a), Plaintiff Cuevas gave timely written notice to Defendants and the LWDA by sending the Cuevas PAGA Notice. Pursuant to Labor Code section 2699.3, subd.(a), Plaintiff Zepeda gave timely written notice to Defendants and the LWDA by sending the Zepeda PAGA Notice.
- 2.6. On March 21, 2025, the Parties participated in an all-day mediation presided over by Mediator Christopher M. Barnes, which led to this Agreement to settle the Action.
- 2.7. Prior to mediation, Plaintiffs obtained, through informal discovery, documents and data necessary for evaluating the case. Plaintiffs’ 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. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 129-130 (“*Dunk/Kullar*”).
- 2.8. The Court has not granted class certification.
- 2.9. The Parties, Class Counsel and Defense Counsel represent that they are not aware

of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement.

3. MONETARY TERMS.

- 3.1. Gross Settlement Amount. Except as otherwise provided by Paragraph 9 below, Defendants promise to pay Five Hundred Forty-Two Thousand and Zero Cents (\$542,000.00) and no more as the Gross Settlement Amount and to separately pay any and all employer payroll taxes owed on the Wage Portions of the Individual Class Payments. Defendants have 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 entire Gross Settlement Amount 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 Defendants.
- 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 Plaintiffs: Class Representative Service Payments to the Class Representatives of not more than \$7,500 to each named plaintiff (i.e., Plaintiff Sandi Ortiz Cuevas, Plaintiff Jose Luis Ramirez, and Plaintiff Maria Yanez Zepeda), respectively (in addition to any Individual Class Payment and any Individual PAGA Payment the Class Representatives are respectively entitled to receive as Participating Class Members and Aggrieved Employees), totaling \$22,500. Defendants will not oppose Plaintiffs' request for Class Representative Service Payments that do not exceed these amounts. As part of the motion for the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment, Plaintiffs 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 Class Representative Service Payments less than the amount requested, the Administrator will retain the remainder in the Net Settlement Amount. The Administrator will pay the Class Representative Service Payments using IRS Form 1099. Plaintiffs each assume full responsibility and liability for employee taxes owed on the Class Representative Service Payments.
 - 3.2.2. To Class Counsel: A Class Counsel Fees Payment of not more than one-third, which is currently estimated to be \$180,666.67 and a Class Counsel Litigation Expenses Payment of not more than \$45,000.00. Defendants will not oppose requests for these payments provided that they do not exceed these amounts.

Plaintiffs and/or Class Counsel will file a motion for the Class Counsel Fees Payment and Class Counsel 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 Plaintiffs' counsel arising from any claim to any portion of the Class Counsel Fees Payment and/or Class Counsel Litigation Expenses Payment. The Administrator will pay the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment using one or more IRS 1099 Forms. Class Counsel assume full responsibility and liability for taxes owed on the Class Counsel Fees Payment and the Class Counsel Litigation Expenses Payment and hold Defendants harmless, and indemnify Defendants, from any dispute or controversy regarding any division or sharing of any of these payments.

- 3.2.3. To the Administrator: An Administration Expenses Payment not to exceed \$6,990.00 except for a showing of good cause and as approved by the Court. To the extent the Administrator's expenses are less or the Court approves payment less than \$6,990.00, the Administrator will retain the remainder in the Net Settlement Amount.
- 3.3. To Each Participating Class Member: An Individual Class Payment is to be paid to Participating Class Members as Individual Class Payments.
- a. The entire Net Settlement Amount will be disbursed to all Class Members who do not submit timely and valid Requests for Exclusion.
 - b. If there are any valid and timely Requests for Exclusion, the Administrator shall proportionately increase the Individual Class Payment for each Participating Class Member according to the number of Workweeks worked, so that the amount actually distributed to the Participating Class Members equals 100% of the Net Settlement Amount.
- 3.3.1 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 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 by the Settlement Administrator. Participating Class Members assume full responsibility and liability for any employee taxes owed on their Individual Class

Payment.

- 3.3.1.1 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.
- 3.3.1.2 To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of \$20,000 to be paid from the Gross Settlement Amount, with 75% (\$15,000) allocated to the LWDA PAGA Payment and 25% (\$5,000) allocated to the Individual PAGA Payments.
- 3.3.1.3 The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties (\$5,000) by the total number of PAGA Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.
- 3.3.1.4 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. Based on a review of their records as of the date of mediation, Defendants estimated there were 148 Class Members who collectively worked a total of 18,078 Workweeks, and 86 Aggrieved Employees who worked a total of 4,735 PAGA Pay Periods.
- 4.2. Class Data. Not later than 21 days after the entry of the Preliminary Approval Order, Defendants will deliver the Class Data to the Administrator, in the form of a Microsoft Excel spreadsheet, or in a manner as requested by the Administrator. 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. Defendants have a continuing duty to immediately notify Class Counsel if they discover 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 Defendants 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. Defendants shall fully fund the Gross Settlement Amount, and also fund the amounts necessary to fully pay Defendants' share of payroll taxes by transmitting the funds to the Administrator no later than 30 days after the Effective Date.
- 4.4. Payments from the Gross Settlement Amount. Within 14 days after Defendants 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 Payments. Disbursement of the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment and the Class Representative Service Payments shall not precede disbursement of Individual Class Payments and Individual PAGA Payments.
- 4.5. The Administrator will issue checks for the Individual Class Payments and/or Individual PAGA Payments and send them to the Participating Class Members and Aggrieved Employees 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 mail a reminder postcard to any Participating Class Member and/or Aggrieved Employee whose settlement payment check(s) has not been negotiated within 60 days after the date of mailing. The Administrator will cancel all checks not cashed by the void date. The Administrator will send checks for Individual Class Payments to all Participating Class Members (including those for whom a Notice Packet 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 a Notice Packet 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 Administrator must update the recipients' mailing addresses using the National Change of Address Database.
- 4.6. 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.

- 4.7. 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 the California Controller's Unclaimed Property Fund in the name of the employee thereby leaving no "unpaid residue" subject to the requirements of Code of Civil Procedure Section 384, subd. (b).
- 4.8. The payment of Individual Class Payments and Individual PAGA Payments shall not obligate Defendants 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.

- 5.1. Effective on the date when Defendants fully fund the entire Gross Settlement Amount and fund all employer payroll taxes owed on the Wage Portion of the Individual Class Payments, Plaintiffs, Participating Class Members, and the State of California with respect to the Aggrieved Employees will release claims against all Released Parties as follows:
- 5.2. Plaintiffs' General Release. Plaintiffs and their 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, including, but not limited to: (a) all claims that were, or reasonably could have been, alleged, based on the facts contained, in the Operative Complaint, or ascertained during the Action; and (b) any other claims, debts, liabilities, demands, damages, obligations, actions and causes of actions, of any nature whatsoever, whether known or unknown, or suspected or unsuspected, arising out of or in connection with their employment with Defendants, or any of them, respectively, the separation of such employments, or any other act, omission or event occurring between the Parties at any time during the Class Period up through the date the Plaintiffs executed this Agreement. This General Release includes, without limitation: (1) all claims for violation of any federal, state or local statute, ordinance or regulation

relating to employment benefits, leaves of absence, or discrimination, harassment, retaliation, or whistleblowing in employment, specifically including, without limitation, the California Fair Employment and Housing Act, the California Family Rights Act, Title VII of the Civil Rights Act of 1964, the Family and Medical Leave Act, the Age Discrimination in Employment Act, the Older Workers Benefit Protection Act, the Genetic Information Nondiscrimination Act, the Americans with Disabilities Act, and the Employee Retirement Income Security Act, the Consolidated Omnibus Budget Reconciliation Act, the Securities Act, the Immigration Reform and Control Act the Worker Adjustment and Retraining Notification Act of 1988, the California Worker Adjustment and Retraining Notification Act, the Uniformed Service Employment and Reemployment Rights Act, and any regulation of any administrative agency or governmental authority relating to employment benefits or discrimination or harassment or retaliation in employment; the Fair Labor Standards Act, 29 U.S.C. § 201 et seq. and the Portal to Portal Act, 29 U.S.C. § 251 et seq. (2) all claims for failure to pay minimum or overtime wages, failure to timely pay wages, failure to provide accurate itemized wage statements, failure to maintain accurate records, failure to reimburse business expenses, failure to provide meal periods or rest breaks, failure to provide paid sick leave, failure to post notice of paydays and time and place of payment, and any claim for violations of the California Labor Code, California's Business and Professions Code § 17200 et seq., and the applicable California Industrial Welfare Commission Wage Order; (3) any non-statutory tort or contractual claim, including all claims for breach of oral, implied or written contract, breach of implied covenant of good faith and fair dealing, negligent or intentional infliction of emotional distress, and conversion; (4) all claims for wrongful termination of employment; (5) all claims for wages, penalties and/or benefits; (6) all claims for attorneys' fees and costs; and (7) all claims for civil penalties under the Private Attorneys General Act, including without limitation that claims that were or could have been brought under the Operative Complaint and PAGA Notices. Plaintiffs' General 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, or workers' compensation benefits that arose at any time. Plaintiffs acknowledge that they may discover facts or law different from, or in addition to, the facts or law that Plaintiffs now know or believe to be true but agree, nonetheless, that Plaintiffs' General Release shall be and remain effective in all respects, notwithstanding such different or additional facts or their discovery of them.

- 5.3. ADEA Waiver as to Plaintiffs Ramirez and Zepeda: Plaintiff Ramirez and Plaintiff Zepeda have each been given at least 21 days from the date of receipt

of this Agreement to consider the terms of this Agreement and consult with counsel before signing it ("Consideration Period"). In the event Plaintiff Ramirez and/or Plaintiff Zepeda respectively chooses to sign this Agreement prior to the expiration of the Consideration Period, Plaintiff Ramirez and Plaintiff Zepeda each represent that they knowingly and voluntarily are waiving the remainder of the Consideration Period. Plaintiff Ramirez and Plaintiff Zepeda each understands that having waived some portion of the Consideration Period, Defendants may expedite the processing of benefits provided to them in exchange for signing this General Release. Plaintiff Ramirez and Plaintiff Zepeda each agrees with Defendants that changes, whether material or immaterial, do not restart the running of the Consideration Period. Plaintiff Ramirez and Plaintiff Zepeda each acknowledges that each has seven (7) days after signing this Agreement to revoke his or her agreement to it by sending a written revocation notice to Defendants and their counsel. Notwithstanding any other provision of this Agreement, if Plaintiff Ramirez or Plaintiff Zepeda revokes this Agreement pursuant to this section, the Agreement will not be effective or enforceable, and Plaintiff Ramirez or Plaintiff Zepeda, respectively, will not be able to receive any of the Gross Settlement Amount set forth herein.

- 5.4. Plaintiffs' Waiver of Rights Under California Civil Code Section 1542. For purposes of Plaintiffs' General Release, Plaintiffs expressly waive and relinquish 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.

- 5.5. Release by Participating Class Members: The claims released against the Released Parties by Participating Class Members are all claims, rights, demands, liabilities, and causes of action alleged or which could have reasonably been alleged based on the facts alleged in the Operative Complaint. The Released Class Claims are those that accrued during the Class Period.
- 5.6. Release by the State of California with respect to the Aggrieved Employees: The claims released by the State of California with respect to the Aggrieved Employees are all claims for PAGA civil penalties that are alleged or reasonably could have been alleged based on the facts alleged in the Operative Complaint and PAGA Notices that accrued during the PAGA Period.

6. CONSOLIDATION OF THE ACTIONS.

Within five (5) days of full execution of this Agreement, the Parties will file a stipulation requesting leave to file the consolidated complaint as set forth in Paragraph 2.4 of this Agreement.

7. 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.

7.1. Defendants’ Declaration in Support of Preliminary Approval. Within five (5) days of the full execution of this Agreement, Defendants will prepare and deliver to Class Counsel a signed Declaration from Defendants and Defense Counsel disclosing all facts relevant to any actual or potential conflicts of interest with the Administrator. In their Declarations, Defense Counsel and Defendants shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement. Additionally, the Declarations will provide the information required by the Case Management Order, sections G.3.b and G.3.k.ii.

7.2. Plaintiffs’ Responsibilities. Plaintiffs 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 of the Class/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 the nature and extent of any financial relationship with Plaintiffs, Class Counsel or Defense Counsel; (v) signed declarations from Plaintiffs confirming their willingness and competency to serve and disclosing all facts relevant to any actual or potential conflicts of interest with Class Members, and/or the Administrator; (vi) 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)),

the Zepeda Complaint (Labor Code section 2699, subd. (l)(1)), this Agreement (Labor Code section 2699, subd. (l)(2)); and (vii) all facts relevant to any actual or potential conflict of interest with Class Members and/or the Administrator. In their Declarations, Plaintiffs and Class Counsel shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.

- 7.3. Responsibilities of Counsel. Class Counsel is responsible for expeditiously finalizing and filing the Motion for Preliminary Approval, and obtaining a prompt hearing date for the Motion for Preliminary Approval. Class Counsel and Defense Counsel are jointly responsible 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 Order to the Administrator.
- 7.4. 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.

8. SETTLEMENT ADMINISTRATION.

- 8.1. Selection of Administrator. The Parties have jointly selected APEX Class Action Administration to serve as the Administrator and verified that, as a condition of appointment, the Administrator 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 Payment. 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.
- 8.2. Employer Identification Number. The Administrator shall have and use its own Employer Identification Number for purposes of calculating payroll tax withholdings and providing reports state and federal tax authorities.
- 8.3. 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.

- 8.4. Notice to Class Members. 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, Aggrieved Employees, Workweeks, and PAGA Pay Periods in the Class Data.
- 8.4.1. Using best efforts to perform as soon as possible, and in no event later than 10 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 Notice Packet, with Spanish translation. A full version of the Notice Packet, with Spanish translation, will be available on the Administrator’s website for the settlement. The website will be provided on the summary Class Notice. Before mailing Notice Packets, the Administrator shall update Class Member addresses using the National Change of Address database.
- 8.4.2. Not later than 3 business days after the Administrator’s receipt of any Notice Packet returned by the USPS as undelivered, the Administrator shall re-mail the Notice Packet 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 Notice Packet to the most current address obtained. The Administrator has no obligation to make further attempts to locate or send Notice Packet to Class Members whose Notice Packet is returned by the USPS a second time.
- 8.4.3. The Response Deadline will be extended an additional 14 days beyond the 60 days otherwise provided in the Class Notice for all Class Members whose Notice Packet is re-mailed. The Administrator will inform the Class Member of the extended deadline with the re-mailed Class Notice.
- 8.4.4. If the Administrator, Defendants or Class Counsel are contacted by or otherwise discover any persons who believe they should have been included in the Class Data and should have received a Notice Packet, 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 Notice Packet requiring them to exercise options under this Agreement not later than 14 days after receipt of Notice Packet, or the deadline date in the Class Notice, which ever are later.
- 8.5 Requests for Exclusion (Opt-Outs).

- 8.5.1 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 or Request for Exclusion Form not later than 60 days after the Administrator mails the Notice Packet (plus an additional 14 days for Class Members whose Notice Packet is re-mailed). A Request for Exclusion is a letter from a Class Member or his/her/their representative that reasonably communicates the Class Member's election to be excluded from the Class Settlement and includes the Class Member's name, address and email address or telephone number. To be valid, a Request for Exclusion or Request for Exclusion Form must be timely faxed, emailed, or postmarked by the Response Deadline.
- 8.5.2 The Administrator may not reject a Request for Exclusion or Request for Exclusion Form as invalid because it fails to contain all the information specified in the Class Notice. The Administrator shall accept any Request for Exclusion or 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 or Request for Exclusion Form, 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.
- 8.5.3 Every Class Member who does not submit a timely and valid Request for Exclusion or Request for Exclusion Form 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 Paragraph 5.5 of this Agreement, regardless of whether the Participating Class Member actually receives the Notice Packet or objects to the Settlement.
- 8.5.4 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 are eligible for an Individual PAGA Payment. The Parties agree that there is no statutory right for any Aggrieved Employee to object to, opt out of, or otherwise exclude himself or herself from the settlement of the PAGA claims. Accordingly, any timely objection or exclusion from the Settlement submitted by a Class Member shall be construed as relating only to the putative class action

claims and shall have no effect whatsoever on the settlement of the PAGA claims.

- 8.6 Challenges to Calculation of Workweeks and/or PAGA Pay Periods. Each Class Member shall have 60 days after the Administrator mails the Notice Packet plus an additional 14 days for Class Members whose Notice Packet is re-mailed to challenge the number of Workweeks and/or PAGA Pay Periods 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 and/or PAGA Pay Periods 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 PAGA 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 PAGA Pay Periods to Defense Counsel and Class Counsel and the Administrator's determination of the challenges.

8.7 Objections to Settlement.

8.7.1 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 Payments.

8.7.2 Participating Class Members may send written objections or the Notice of Objection Form 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 Notice Packet (plus an additional 14 days for Class Members whose Notice Packet was re-mailed).

8.7.3 Non-Participating Class Members have no right to object to any of the class action components of the Settlement.

- 8.8 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.

- 8.9 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 Agreement, Motion for Preliminary Approval, the Preliminary Approval Order, the Notice Packet, the Motion for Final Approval, the Motion for Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and Class Representative Service Payments, 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.
- 8.10 Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will promptly review on a rolling basis Requests for Exclusion and Request for Exclusion Forms to ascertain their validity. Not later than 5 days after the expiration of the Response Deadline, the Administrator shall email a list to Defense Counsel containing (a) the names and other identifying information of Class Members who have timely submitted valid Requests for Exclusion or Request for Exclusion Forms (“Exclusion List”); (b) the names and other identifying information of Class Members who have submitted invalid Requests for Exclusion or Request for Exclusion Forms; (c) copies of all Requests for Exclusion and Request for Exclusion Forms submitted (whether valid or invalid).
- 8.11 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: Notice Packets mailed or re-mailed, Notice Packets returned undelivered, Requests for Exclusion and Request for Exclusion Forms (whether valid or invalid) received, objections and Notice of Objection Forms received, challenges to Workweeks and/or PAGA Pay Periods received and/or resolved, and checks mailed for Individual Class Payments and Individual PAGA Payments (“Weekly Report”). The Weekly Reports must provide the Administrator’s assessment of the validity of Requests for Exclusion and Request for Exclusion Forms and attach copies of all Requests for Exclusion, Request for Exclusion Forms, written objections, and Notice of Objection Forms received.
- 8.13 Administrator’s Declaration. Not later than 14 days before the date by which Plaintiffs are 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 the Notice Packets, the Notice Packets returned as undelivered, the re-mailing of the Notice Packets, attempts to locate Class Members, the total number of Requests for Exclusion and Request for Exclusion Forms it received (both valid or invalid), the number of written objections and Notice of Objection Forms 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.

8.14 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.

9. **CLASS SIZE ESTIMATES and ESCALATOR CLAUSE.** The Gross Settlement Amount was calculated based on the estimate that the Class Members worked a total of 18,078 Workweeks during the Class Period. If the total number of Workweeks increases by more than 10% (i.e. more than 1,808 Workweeks), then Defendants have the option to either (1) increase the Gross Settlement Amount proportionally by the number of Workweeks worked in excess of 10% (for example, if the final number of total Workweeks increases by 11% over 18,078 Workweeks, the Gross Settlement Amount will increase by 1%); or (2) elect to end the Class Period and PAGA Period on an earlier date at the Defendants' discretion in order to limit the covered Workweeks to 10% more than the estimate provided (i.e., to the date on which the Workweeks do not exceed 19,886) in lieu of paying an increase to the Gross Settlement Amount.
10. **DEFENDANTS' RIGHT TO WITHDRAW.** If the number of valid Requests for Exclusion and Request for Exclusion Forms identified in the Exclusion List exceeds 10% of the total of all Class Members, Defendants may, but are not obligated, elect to withdraw from the Settlement. The Parties agree that, if Defendants withdraw, 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. Defendants must notify Class Counsel and the Court of their election to withdraw not later than 7 days after the Administrator sends the final Exclusion List to Defense Counsel; late elections will have no effect.

- 11. MOTION FOR FINAL APPROVAL.** Not later than 16 court days before the calendared Final Approval Hearing, Plaintiffs 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”). Plaintiffs shall provide drafts of these documents to Defense Counsel not later than 7 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.
- 11.1. 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 5 court days prior to the Final Approval Hearing, or as otherwise ordered or accepted by the Court.
- 11.2. 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 Payments, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Administration Expenses Payment shall not constitute a material modification to the Agreement within the meaning of this paragraph.
- 11.3. 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.
- 11.4. 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.

11.5. 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 Administrator expenses reasonably incurred after remittitur. An appellate decision to vacate, reverse, or modify the Court's award of the Class Representative Service Payments 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.

12. **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 and a proposed amended judgment.

13. **ADDITIONAL PROVISIONS.**

13.1. 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 Defendants that any of the allegations in the Cuevas Complaint, Ramirez Complaint, or Zepeda Complaint have merit or that Defendants have any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiffs that Defendants' 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 not grant enter the Preliminary Approval Order, Final Approval, or Judgment, Defendants reserve the right to contest certification of any class for any reasons, and Defendants reserve all available defenses to the claims in the Action, and Plaintiffs reserve the right to move for class certification on any grounds available and to contest Defendants' 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).

- 13.2. Confidentiality Prior to Preliminary Approval. Plaintiffs, Class Counsel, Defendants 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. Plaintiffs, Class Counsel, Defendants 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, any with 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.
- 13.3. 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.
- 13.4. 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.
- 13.5. Attorney Authorization. Class Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiffs and Defendants, 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.
- 13.6. 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 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 the mediator and/or the Court for resolution.

- 13.7. 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.
- 13.8. No Tax Advice. Neither Plaintiffs, Class Counsel, Defendants 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.
- 13.9. 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.
- 13.10. Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.
- 13.11. 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.
- 13.12. 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.
- 13.13. 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.
- 13.14. 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 Defendants 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, Plaintiffs shall destroy all paper and electronic versions of Class Data received from Defendants unless, prior to the Court's discharge of the Administrator's obligation, Defendants make a written request to Class Counsel for the return, rather than the destructions, of Class Data.

13.15. 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.

13.16. 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.

13.17. 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 Cuevas:

John G. Yslas
Arrash T. Fattahi
Arman A. Salehi
Wilshire Law Firm
660 S. Figueroa Street, Sky Lobby
Los Angeles, CA 90017
john.yslas@wilshirelawfirm.com
arrash.fattahi@wilshirelawfirm.com
arman.salehi@wilshirelawfirm.com
213.784.3830

To Ramirez:

Jonathan M. Genish, Esq.
Barbara DuVan-Clarke, Esq.
Alexandra Rose, Esq.
Blackstone Law, APC

8383 Wilshire Boulevard, Suite 745
Beverly Hills, CA 90211
jgenish@blackstonepc.com
BDC@blackstonepc.com
arose@blackstonepc.com
310.622.4278

To Zepeda:

David Alami, Esq.
Torus LLP
2 Park Plaza, Suite 1260
Irvine, CA 92614
david@torusllp.com
949.590.4122

To Defendants:

Megan Childress, Esq.
Kalli Sarkin, Esq.
O'Hagan Meyer LLP
550 S. Hope Street, Suite 2400
Los Angeles, CA 90071
mchildress@ohaganmeyer.com
ksarkin@ohaganmeyer.com
213.423.6006

- 13.18. 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.
- 13.19. Acknowledgment that the Settlement is Fair and Reasonable. The Parties believe this Agreement is a fair, adequate, and reasonable settlement of the Action and have arrived at this Settlement after arm's-length negotiations and in the context of adversarial litigation, taking into account all relevant factors, present and potential. The Parties further acknowledge that they are each represented by competent counsel and that they have had an opportunity to consult with their counsel regarding the fairness and reasonableness of this Agreement. In addition, the Mediator may execute a declaration supporting the

Settlement and the reasonableness of the Settlement and the Court may, in its discretion, contact the Mediator to discuss the Settlement and whether or not the Settlement is objectively fair and reasonable.

- 13.20. Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that pursuant to CCP section 583.330 to extend the date to bring a case to trial under CCP section 583.310 for the entire period of this settlement process.
- 13.21. Waiver. No waiver of any condition or covenant contained in this Agreement or failure to exercise a right or remedy by any of the Parties hereto will be considered to imply or constitute a further waiver by such party of the same or any other condition, covenant, right or remedy.
- 13.22. Enforcement Actions. In the event that one or more of the Parties institutes any legal action or other proceeding against any other Party or Parties to enforce the provisions of this Settlement or to declare rights and/or obligations under this Settlement, the successful Party or Parties will be entitled to recover from the unsuccessful Party or Parties reasonable attorneys' fees and costs, including expert witness fees incurred in connection with any enforcement actions.
- 13.23. Representation By Counsel. The Parties acknowledge that they have been represented by counsel throughout all negotiations that preceded the execution of this Agreement, and that this Agreement has been executed with the consent and advice of counsel and reviewed in full. Further, Plaintiffs and Class Counsel warrant and represent that there are no liens on the Agreement.
- 13.24. Binding Agreement. The Parties warrant that they each understand and have full authority to enter into this Agreement, and further intend that this Agreement will be fully enforceable and binding on all Parties and agree that it will be admissible and subject to disclosure in any proceeding to enforce its terms, notwithstanding any mediation confidentiality provisions that otherwise might apply under state or federal law.

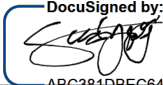
*[remainder of page is intentionally left blank;
signature page follows]*

SIGNATURES

I have read this agreement and agree to its terms.

PLAINTIFFS/CLASS REPRESENTATIVES

Dated: 11/10/2025 _____

DocuSigned by:

ABG381DBEC6445F...

Plaintiff Sandi Ortiz Cuevas

Dated: _____

Plaintiff Jose Luis Ramirez

Dated: _____

Plaintiff Maria Yanez Zepeda

SIGNATURES

I have read this agreement and agree to its terms.

PLAINTIFFS/CLASS REPRESENTATIVES

Dated: _____

Plaintiff Sandi Ortiz Cuevas

Dated: 12-11-25



Plaintiff Jose Luis Ramirez

Dated: _____

Plaintiff Maria Yanez Zepeda

SIGNATURES

I have read this agreement and agree to its terms.

PLAINTIFFS/CLASS REPRESENTATIVES

Dated: _____

Plaintiff Sandi Ortiz Cuevas

Dated: _____

Plaintiff Jose Luis Ramirez

Dated: 11/11/2025

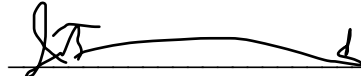

[Maria Yanez Zepeda \(Nov 11, 2025 16:52:50 PST\)](#)

Plaintiff Maria Yanez Zepeda

DEFENDANTS

Dated: 11/12/25

TMI Automotive Products, Inc.



By: John Tuccinardi

Its: _____ and authorized representative

Dated: 11/12/25

TMI Products, Inc.

By: John Tuccinardi 

Its: _____ and authorized representative

Dated: 11/12/25

IPC Import Parts Connections Inc.

By: John Tuccinardi 

Its: _____ and authorized representative

AGREED AS TO FORM

Dated: 11/12/2025

Wilshire Law Firm, PLC



John G. Yslas
Counsel for Plaintiff Sandi Ortiz Cuevas

Dated: _____

Torus LLP

David Alami
Counsel for Plaintiff Maria Yanez Zepeda

Dated: _____

Blackstone Law, APC

Alexandra Rose
Counsel for Plaintiff Jose Luis Ramirez

Dated: _____

O'Hagan Meyer LLP

Megan Childress
Counsel for Defendants

AGREED AS TO FORM

Dated: _____

Wilshire Law Firm, PLC

John G. Yslas
Counsel for Plaintiff Sandi Ortiz Cuevas

Dated: _____

Torus LLP



David Alami
Counsel for Plaintiff Maria Yanez Zepeda

Dated: _____

Blackstone Law, APC

Alexandra Rose
Counsel for Plaintiff Jose Luis Ramirez

Dated: November 19, 2025

O'Hagan Meyer LLP



Megan Childress
Counsel for Defendants

AGREED AS TO FORM

Dated: _____

Wilshire Law Firm, PLC

John G. Yslas
Counsel for Plaintiff Sandi Ortiz Cuevas

Dated: _____

Torus LLP

David Alami
Counsel for Plaintiff Maria Yanez Zepeda

Dated: December 11, 2025

Blackstone Law, APC



Alexandra Rose
Counsel for Plaintiff Jose Luis Ramirez

Dated: _____

O'Hagan Meyer LLP

Megan Childress
Counsel for Defendants

EXHIBIT A

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

Sandi Ortiz Cuevas, et al. v. TMI Automotive Products Inc., et al.
Riverside County Superior Court, Case No. CVRI2304340

***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.***

Your legal rights may be effected as a result of a settlement in a class action lawsuit (“Action”) against TMI Automotive Products Inc., TMI Products, Inc., and IPC Import Parts Connection Inc. (“TMI/IPC” is used herein as a placeholder) for alleged wage and hour violations. The Action was filed by former TMI/IPC employees, Sandi Ortiz Cuevas, Maria L. Yanez Zepeda, and Jose Luis Ramirez (“Plaintiffs”), and seeks payment of back wages and other relief for a class of hourly-paid, non-exempt employees (“Class Members”) who worked for TMI/IPC in California during the Class Period (February 24, 2019 to April 20, 2025); and (2) penalties under the California Private Attorneys General Act (“PAGA”) for all non-exempt, hourly-paid employees who worked for TMI/IPC in California during the PAGA Period (September 22, 2022 to April 20, 2025) (“Aggrieved Employees”).

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

Based on TMI/IPC’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 TMI/IPC’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 TMI/IPC’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 Plaintiffs and Plaintiffs’ attorneys (“Class Counsel”). The Court will also decide whether to enter a judgment that requires TMI/IPC to make payments under the Settlement and requires Class Members and Aggrieved Employees to give up their rights to assert certain claims against TMI/IPC.

If you worked for TMI/IPC 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 PAGA Period penalty claims against TMI/IPC.
- (2) **Opt-Out of the Class Settlement.** You can exclude yourself from the Class Settlement (opt-out) by submitting the written Request for Exclusion Form attached to this notice 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 TMI/IPC, 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.

TMI/IPC 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 TMI/IPC that are covered by this Settlement (Released Claims).
You Can Opt-out of the Class 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. TMI/IPC must pay Individual PAGA Payments to all Aggrieved Employees and the Aggrieved Employees must give up their rights to pursue Released Claims (defined below).

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 Plaintiffs who pursued the Action on behalf of the Class. You are not personally responsible for any payments to Class Counsel or Plaintiffs, but every dollar paid to Class Counsel and Plaintiffs reduces the overall amount paid to Participating Class Members. You can object to the amounts requested by Class Counsel or Plaintiffs if you think they are unreasonable. See Section 7 of this Notice.
You Can Participate in the _____ 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 Written Challenges Must be Submitted by _____	The amount of your Individual Class Payment and PAGA Payment (if any) depends 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 of Class Period Workweeks and number of PAGA Period Pay Periods you worked according to TMI/IPC’s records is stated on the first page of this Notice. If you disagree with this number, you must challenge it by _____. See Section 4 of this Notice.

1. WHAT IS THE ACTION ABOUT?

Plaintiffs are former TMI/IPC employees. The Action accuses TMI/IPC of violating California labor laws by failing to pay minimum and straight time wages, failing to pay overtime wages, failing to provide meal periods, failing to authorize and permit rest periods, failing to timely pay final wages at termination, failing to provide accurate itemized wage statements, failing to indemnify employees for expenditures, and unfair business practices. Based on the same claims, Plaintiff Cuevas and Plaintiff Zepeda have also asserted a claim for civil penalties under the California Private Attorneys General Act (Labor Code §§ 2698, *et seq.*) (“PAGA”). Plaintiffs are represented by attorneys in the Action: Arrash T. Fattahi and Arman A. Salehi of Wilshire Law Firm, PLC; David Alami, Daniel J. Hyun, and Shaheen Anthony Etemadi of Torus LLP; and Jonathan M. Genish, Barbara DuVan-Clarke, and Alexander K. Spellman of Blackstone Law, APC (collectively, “Class Counsel”).

TMI/IPC strongly denies violating any laws or failing to pay any wages and contends it complied with all applicable laws. The Parties have agreed to this Settlement voluntarily; there has been no finding by the Court that TMI/IPC is liable to you or any other Class Member.

///

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

The Court has not made any determination whether TMI/IPC or Plaintiffs are correct on the merits. In the meantime, Plaintiffs and TMI/IPC 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 written settlement agreement (“Agreement”) and agreeing to jointly ask the Court to enter a judgment ending the Action and enforcing the Agreement, Plaintiffs and TMI/IPC 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, TMI/IPC does not admit any violations or concede the merit of any claims.

Plaintiffs and Class Counsel strongly believe the Settlement is a good deal for you because they believe that: (1) TMI/IPC 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. The Gross Settlement Amount (Gross Settlement) of the settlement is \$542,000.00.
TMI/IPC 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, the Class Representatives’ Service Payments, Class Counsel’s attorneys’ fees and expenses, the Administrator’s expenses, and penalties to be paid to the LWDA. Assuming the Court grants Final Approval, TMI/IPC will fund the Gross Settlement no later than 30 days after the Court enters a Judgment and the Judgment is 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 if the Judgment is appealed.
2. Court Approved Deductions from Gross Settlement. At the Final Approval Hearing, Plaintiffs and/or Class Counsel will ask the Court to approve the following deductions from the Gross Settlement, the amounts of which will be decided by the Court at the Final Approval Hearing:
 - A. Up to 1/3 of the Gross Settlement, currently estimated at \$180,666.67, to Class Counsel for attorneys’ fees and up to \$45,000.00 for their litigation expenses. To date, Class Counsel have worked and incurred expenses on the Action without payment.
 - B. Up to \$7,500.00 to each plaintiff (up to \$22,500.00 total) as a Class Representative Award for filing the Action, working with Class Counsel and representing the Class. The Class Representative Award will be the only

monies Plaintiffs will receive other than Plaintiffs' Individual Class Payment.

- C. Up to \$6,990.00 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. Plaintiffs and TMI/IPC are asking the Court to approve an allocation of 20% of each Individual Class Payment to taxable wages ("Wage Portion") and 80% to penalties and interest ("Non-Wage Portion."). The Wage Portion is subject to withholdings and will be reported on IRS W-2 Forms. TMI/IPC will separately pay the 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 Non-Wage Portions of the Individual Class Payments on IRS 1099 Forms.

Although Plaintiffs and TMI/IPC 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 transmitted to the California State Controller's Unclaimed Property Fund under your name.
- 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 complete and sign the attached Request for Exclusion Form and send it to the Administrator by the _____ Response Deadline. 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 TMI/IPC.

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 TMI/IPC 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. Plaintiffs and TMI/IPC have agreed that, in either case, the Settlement will be void: TMI/IPC will not pay any money and Class Members will not release any claims against TMI/IPC.
8. Administrator. The Court has appointed a neutral company, APEX Class Action Administration (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 or Aggrieved Employee Challenges over Pay Periods, 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 TMI/IPC has fully funded the Gross Settlement (and separately paid the employer-side 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 TMI/IPC or related entities for wages based on the Class Period facts and PAGA penalties based on the PAGA Period facts, as alleged in the Action and resolved by this Settlement.

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

The claims released against the Released Parties by Participating Class Members are all claims, rights, demands, liabilities, and causes of action alleged or which could have reasonably been alleged based on the facts alleged in the Operative Complaint. The Released Class Claims are those that accrued during the Class Period.

10. Aggrieved Employees’ PAGA Release. After the Court’s judgment is final, and TMI/IPC has fully funded the Gross Settlement (and separately paid the employer-side payroll taxes), all Aggrieved Employees will be barred from asserting PAGA claims against TMI/IPC, whether or not they exclude themselves from 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 TMI/IPC or its related entities based on the PAGA Period facts alleged in the Action and resolved by this Settlement.

The Aggrieved Employees’ Releases for Participating and Non-Participating Class Members are as follows:

The claims released by the State of California with respect to the Aggrieved Employees are all claims for PAGA civil penalties that are alleged or reasonably could have been alleged based on the facts alleged in the Operative Complaint and PAGA Notices that accrued during the PAGA Period.

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 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 TMI/IPC's records, are stated in the first page of this Notice. You have until [date] to challenge the number of Workweeks and/or Pay Periods credited to you. You can submit your challenge by signing and sending a letter to the Administrator 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 TMI/IPC's calculation of Workweeks and/or Pay Periods based on TMI/IPC'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 TMI/IPC'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?

If you wish to opt-out of the Settlement, complete and sign the attached Request for Exclusion Form. Alternatively, you may 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 *Sandi Ortiz Cuevas, et al. v. TMI Automotive Products Inc., et al.*, 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 Plaintiffs and TMI/IPC are asking the Court to approve. At least 16 days before the [date] Final Approval Hearing, Class Counsel and/or Plaintiffs will file in Court a Motion for Final Approval that includes, among other things, the reasons why the proposed Settlement is fair, the amount Class Counsel is requesting for attorneys' fees and litigation expenses, and the amount Plaintiffs are requesting as the Class Representative's 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 [need details] or the Court's website [need details].

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 Plaintiffs are too high or too low. **The deadline for sending written objections to the Administrator is [date].** Be sure to tell the Administrator what you object to, why you object, and any facts that support your objection. Make sure you identify the Action as *Sandi Ortiz Cuevas, et al. v. TMI Automotive Products Inc., et al.*, and include your name, current address, telephone number, and approximate dates of employment for TMI/IPC 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 1 of the Riverside County Superior Court, Historic Courthouse, located at 4050 Main Street, Riverside, California 92501. At the Hearing, the judge will decide whether to grant Final Approval of the Settlement and how much of the Gross Settlement will be paid to Class Counsel, Plaintiffs, and the Administrator. The Court will invite 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 (occourts.org).

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 TMI/IPC and Plaintiffs 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 APEX Class Action Administration'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://epublic-access.riverside.courts.ca.gov/public-portal/?q=node/379>) and entering the Case Number for the Action, Case No. CVRI2304340. You can also make an appointment to personally review court documents in the Clerk's Office at the Riverside County Historic Courthouse by calling (951) 777-3147.

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

Class Counsel:

Arrash T. Fattahi, Esq.
Arman A. Salehi, Esq.
WILSHIRE LAW FIRM
660 S. Figueroa Street, Sky Lobby
Los Angeles, California 90017
Telephone: (213) 784-3830
Facsimile: (213) 381-9989
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Telephone: (310) 622-4278
Facsimile: (855) 786-6356
jgenish@blackstonepc.com
bdc@blackstonepc.com
aspellman@blackstonepc.com

Settlement Administrator:

Name of Company: APEX Class Action Administration

Email Address: [FILL IN]

Mailing Address: [FILL IN]

Telephone: [FILL IN]

Fax Number: [FILL IN]

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 you do not cash your check by the void date, the money will be sent to the California State Controller's Unclaimed Property Division. Should you not cash your check in a timely fashion, you may find out more about how to recover your money by visiting https://www.sco.ca.gov/search_upd.html.

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 B

[COMPLETE THIS FORM *ONLY IF YOU CHOOSE TO*
NOT PARTICIPATE IN THIS SETTLEMENT AND
CHOOSE *NOT* TO RECEIVE A SETTLEMENT SHARE]

OPT-OUT FORM / REQUEST FOR EXCLUSION

Sandi Ortiz Cuevas, et al. v. TMI Automotive Products Inc., et al.
RIVERSIDE COUNTY SUPERIOR COURT CASE NUMBER CVRI2304340

INSTRUCTIONS: TO OPT-OUT OF THE SETTLEMENT, YOU MUST COMPLETE, SIGN AND MAIL THIS FORM BY FIRST CLASS U.S. MAIL OR EQUIVALENT, POSTAGE PAID, POSTMARKED ON OR BEFORE [+60 DAYS FROM MAILING], ADDRESSED TO:

APEX CLASS ACTION ADMINISTRATION
[<<ADDRESS>>]

Please fill in all of the following information (type or print):

NAME (First, Middle, Last): _____
STREET ADDRESS: _____
CITY, STATE, ZIP CODE: _____
TELEPHONE NUMBERS: Home: _____ Work: _____

**IT IS STRONGLY RECOMMENDED THAT YOU RETAIN PROOF OF MAILING
THIS FORM POSTMARKED ON OR BEFORE [DATE].**

I [insert your name] _____ wish to be excluded from the Settlement Class in the case of *Sandi Ortiz Cuevas, et al. v. TMI Automotive Products Inc., et al.*, Riverside County Superior Court, Case Number CVRI2304340.

I understand I will not receive money from the proposed class action settlement.

I further verify that the following is true: My name, address and other contact information are accurately set forth above. I received and had the opportunity to read the Court Approved Notice of Class Action Settlement and Hearing Date for Final Court Approval that were sent to me along with this Opt-Out Form. I understand that by signing this side of the form, I voluntarily choose to exclude myself from the proposed settlement of this class action. **I understand that by excluding myself, I may not accept any money allocated for me in the proposed settlement and may not object to the settlement.** On the other hand, I also understand that if I wish to assert any claims related to those set forth in this lawsuit in my individual capacity, I shall have to do so separately. I understand that any such claims are subject to strict time limits, known as statutes of limitations, which restrict the time within which I may file any such action. I understand that I should consult with an attorney at my own expense if I wish to obtain advice regarding my rights with respect to this settlement or my choice to opt out of the settlement. Defendant has not encouraged me to opt out, and I choose to opt out of my own free will.

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

Signed: _____

Date: _____

Print Name: _____

Last four digits of Social Security Number _____

EXHIBIT C

NOTICE OF OBJECTION TO CLASS ACTION SETTLEMENT

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

Sandi Ortiz Cuevas, et al. v. TMI Automotive Products Inc., et al.
Case No. CVRI2304340

Indicate Name/Address Changes, if any:

<<Name>>

<<Address>>

<<City>>, <<State>> <<Zip Code>>

XX - XX -

INSTRUCTIONS

IF YOU WISH TO OBJECT TO THE SETTLEMENT DESCRIBED IN THE ACCOMPANYING NOTICE, PLEASE COMPLETE THIS FORM..

You have a right to object to the Settlement, or any of its terms. In order to object, you must not have submitted an Opt-Out Form/Request for Exclusion. If you choose to object, you must complete, sign and mail this form by first class U.S. mail or equivalent, postage paid, postmarked on or before **[+60 days from mailing]**, addressed to *Sandi Ortiz Cuevas, et al. v. TMI Automotive Products Inc., et al.*, c/o APEX Class Action Administration, **[insert mailing address of administrator]**.

- 1) NAME: _____
- 2) ADDRESS: _____
- 3) TELEPHONE NUMBER: _____
- 4) LAST FOUR OF YOUR SOCIAL SECURITY NUMBER AND/OR EMPLOYEE IDENTIFICATION NUMBER: _____
- 5) DATES OF EMPLOYMENT WITH COMPANY: _____
- 6) DO YOU INTEND TO APPEAR AT THE FINAL APPROVAL HEARING? (CIRCLE: YES / NO)
- 7) DESCRIBE THE BASIS OF YOUR OBJECTION IN THE SPACE PROVIDED BELOW. YOU MAY ENCLOSE ADDITIONAL PAGES.

I HEREBY CONFIRM THAT I WANT TO OBJECT TO THE SETTLEMENT FOR THE REASONS STATED HEREIN.

8) DATE: _____

9) SIGNATURE: _____

STATEMENT: _____

EXHIBIT 4

Theresa Chan

From: no-reply@formassembly.com
Sent: Monday, December 29, 2025 6:01 PM
To: Theresa Chan
Subject: Thank you for your Proposed Settlement Submission

12/29/2025 06:00:25 PM

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

Item submitted: Proposed Settlement

On 12/29/2025 06:00:25 PM your Proposed Settlement was successfully processed for case number LWDA-CM-983285-23

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

DIR PAGA Unit on behalf of
Labor and Workforce Development Agency

Website:

https://nam12.safelinks.protection.outlook.com/?url=http%3A%2F%2Flabor.ca.gov%2FPrivate_Attorneys_General_Act.htm&data=05%7C02%7Ctheresa.chan%40wilshirelawfirm.com%7C42e403dcc58e49a8752e08de47473def%7C9ada260a4f194da187b814d372333753%7C1%7C0%7C639026568498107118%7CUnknown%7CTWFpbGZsb3d8eyJFbXB0eU1hcGkiOnRydWUsIlYiOiJlZjAuMDAwMCIsIlAiOiJXaW4zMilslkFOljoitWVpbCIsIldUIjoyfQ%3D%3D%7C0%7C%7C%7C&sdata=2cya2GZaROwyHHPys3bArIY3m1Z7HOg74cJlIzMWyII%3D&reserved=0

EXHIBIT 5



Quotation Request:
Arman A. Salehi
Wilshire Law Firm, PLC
arman.salehi@wilshirelawfirm.com
800.926.9799

Case Name: Cuevas, et al. v. TMI Automotive Products
Date: Wednesday, October 29, 2025
RFP Number: 15180017

Prepared By:
Sean Hartranft
Apex Class Action LLC
Sean@apexclassaction.com
949.878.3676

Settlement Specifications	
Estimated Class Size:	175
Certified Language Translation:	Yes
Static Settlement Website	Yes
Percentage of Undeliverable Mail	20%

Professional Services	Fee Calculation	Rate(s)	Quantity	Estimated Cost
-----------------------	-----------------	---------	----------	----------------

Data Analytics and Standardization				
Import and Standardize Data*	Per Hour	\$125.00	1	\$125.00
Data Analyst	Per Hour	\$150.00	2	\$300.00
*Data provided must be in a workable format. Apex can standardize provided data at an additional cost of \$150/hr.				
			Sub Total:	\$425.00

Mailing of Class Notice				
Form Set Up	Per Hour	\$120.00	1	\$120.00
Print & Mail Class Notice	Per Piece	\$1.50	175	\$262.50
USPS First Class Postage	Per Piece	\$0.78	175	\$136.50
Remail Undeliverable Mail (Skip-Trace)	Per Piece	\$2.00	35	\$70.00
Receive and Process Undeliverable Mail	Per Hour	\$75.00	1	\$75.00
Process Class Member Correspondence via mail, e-mail & fax	Per Piece	\$75.00	1	\$75.00
NCOA Address Update (USPS)	Static Rate	\$57.00	1	\$57.00
Certified Language Translation: Spanish	Static Rate	\$1,200.00	1	\$1,200.00
			Sub Total:	\$1,996.00

Project Management				
Project Management	Per Hour	\$150.00	2	\$300.00
Project Coordinator	Per Hour	\$90.00	2	\$180.00
Data Analyst and Reporting	Per Hour	\$140.00	1	\$140.00
			Sub Total:	\$620.00



Professional Services	Fee Calculation	Rate(s)	Quantity	Estimated Cost
-----------------------	-----------------	---------	----------	----------------

Toll-Free Contact Center, Website & Reporting				
Bilingual Toll-Free Contact Center	Static Rate	\$70.00	1	\$70.00
Settlement Website: Static Apex URL	Static Rate	\$500.00	1	\$500.00
Settlement Status Reports	Static Rate	\$750.00	1	Waived
Sub Total:				\$570.00

Distribution & Settlement Fund Management				
Settlement Calculations (Preliminary and Final)	Per Hour	\$120.00	2	\$240.00
Account Management and Reconciliation	Per Hour	\$140.00	2	\$280.00
Print & Mail Distribution Settlement Check (W-2/1099)	Per Piece	\$1.50	175	\$262.50
USPS First Class Postage	Per Piece	\$0.78	175	\$136.50
Remail Distribution to Updated Address (Skip Trace)	Per Piece	\$2.00	18	\$35.00
Individual Income Tax Preparation & Reporting	Per Hour	\$100.00	5	\$500.00
QSF Income Tax Reporting (per calendar year)	Per Year	\$1,100.00	1	\$1,100.00
Unclaimed Funds: State Controller's Unclaimed Property Fund	Static Rate	\$350.00	1	\$350.00
Sub Total:				\$2,904.00

Post Distribution Reconciliation				
Bank Account Reconciliation	Per Hour	\$135.00	1	\$135.00
Project Management Reconciliation	Per Hour	\$100.00	1	\$100.00
Declarations	Per Hour	\$120.00	2	\$240.00
Sub Total:				\$475.00

WILL NOT EXCEED:				\$6,990.00
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Thank you for your business!



Terms & Conditions

The following Terms and Conditions govern the provision of all services to be provided by Apex Class Action and its affiliates ("Apex") to the Client. These terms and conditions are binding and shall apply to all services provided by Apex in relation to any related services or products.

1. **Services:** Apex commits to providing the Client with the administrative services detailed in the attached Proposal (the "Services").

2. **Payment Terms:** As compensation for the legal services to be provided, the Client agrees to pay Apex all fees detailed in the Proposal. The fees quoted in the Proposal (and any subsequent proposals for additional services) are estimates based on the information provided to Apex by the Client. Apex makes no representation that the estimated fees in the Proposal or any subsequent proposals for additional services shall equal the actual fees charged by Apex to the Client, which fees (including individual line items) may be greater or less than estimated. If additional services are requested on an hourly basis and are not specifically detailed in the Proposal, Apex will prepare estimates for such services subject to approval by the Client. In the performance of such additional services, Apex will charge standard hourly fees which shall apply.

3. **Incurred Expenses:** In relation to the provision of services outlined in this agreement, the Client agrees to reimburse Apex for all reasonable out-of-pocket expenses incurred. Such expenses may include, but are not limited to, costs associated with postage, media production or publication, banking fees, brokerage fees, messenger and delivery service expenses, travel expenses, filing fees, office supplies, meals, staff overtime expenses, and other related costs and expenses. If not otherwise specified in writing, fees for print notice and certain expenses, such as media publication and postage, must be paid immediately upon invoicing and, in certain cases, at least ten (10) days prior to the date on which such expenses will be incurred.

4. **Invoicing:** Apex shall present invoices for its fees and expenses on a monthly basis, except as provided in Section 3. The Client agrees to pay each invoice within 30 days of receipt. In case of non-payment within 90 days of the billing date, an additional service charge of 1.5% per month may apply. Apex reserves the right to increase its prices, charges, and rates annually, subject to reasonable adjustments. If any price increases exceed 10%, Apex shall give thirty (30) days' notice to the Client. In the event of any unpaid invoices beyond 120 days of the due date, Apex reserves the right to withhold services and reports until payment is received, subject to notice to the Client. It is important to note that Apex's failure to provide services and reports in such instances shall not constitute a default under this agreement.

5. **Case Duration:** The duration of these Terms and Conditions, except for the data storage obligations, shall be in effect until 30 days following the completion of the Services as described in the Proposal. The parties may extend these Terms and Conditions in writing for a mutually agreed-upon period beyond this initial 30-day period.

6. **Termination of Services:** Either party may terminate the Services by providing thirty (30) days written notice to the other party. Alternatively, termination may occur immediately upon written notice for Cause, as defined below. Cause means (i) Apex's gross negligence or willful misconduct that causes serious and material harm to the Client; (ii) the Client's failure to pay Apex invoices for more than one hundred twenty (120) days from the date of the invoice; or (iii) the accrual of invoices or unpaid services where Apex reasonably believes it will not be paid. Termination of the Services shall not relieve the Client of its obligation to pay Apex for services rendered prior to the termination.

7. **Independent Contractor:** As an independent contractor, Apex will provide services under the terms of this agreement. It is agreed that neither Apex nor any of its employees will be considered an employee of the Client. Consequently, Apex and its employees will not be eligible for any benefits provided by the Client to its employees. The Client will not make any tax deductions from the payments due to Apex for state or federal tax purposes. Apex will be solely responsible for paying all taxes and other payments due on payments received from the Client under this agreement.

8. **Apex warrants that the Services outlined in the Proposal will be performed in accordance with the standards generally adhered to by professionals providing similar services. It is acknowledged that the Services may entail the likelihood of some human and machine errors, omissions, delays, and losses that may result in damage. However, Apex shall not be held liable for such errors, omissions, delays, or losses unless they are caused by its gross negligence or willful misconduct. In the event of any breach of this warranty by Apex, the Client's sole remedy will be limited to Apex's rerunning, at its expense, any inaccurate output provided that such inaccuracies occurred solely as a result of Apex's gross negligence or willful misconduct under this agreement.**

9. **Limitation of Liability:** The Client acknowledges that Apex shall not be held liable for any consequential, special, or incidental damages incurred by the Client in relation to the performance of Services, whether the claim is based on breach of warranty, contract, tort (including negligence), strict liability, or any other grounds. Under no circumstances shall Apex's liability to the Client, for any Losses (including court costs and reasonable attorney's fees), arising out of or in connection with these Terms and Conditions, exceed the total amount charged or chargeable to the Client for the specific service(s) that caused the Losses.

10. **Indemnification:** The Client agrees to indemnify and hold harmless Apex from any losses, suits, actions, judgments, fines, costs, liabilities, or claims arising from any action or proceeding relating to the Services provided by Apex, regardless of whether or not it results in liability (collectively referred to as "Indemnified Claims"). However, this indemnification provision shall not apply to the extent that such Indemnified Claims are caused by Apex's willful misconduct, gross negligence, or breach of these Terms and Conditions. This provision shall survive termination of the Services.

11. **Confidentiality:** Apex will uphold strict confidentiality between Apex and the Client and applies to all non-public records, documents, systems, procedures, processes, software, and other information received by either party in connection with the performance of services under these terms. Both Apex and the Client agree to keep confidential all such non-public information, including any material marked or identified as confidential or proprietary. Any such confidential information shall not be disclosed, provided, disseminated, or otherwise made available to any third party, except as required to fulfill the parties' obligations under these terms. The parties acknowledge that in the event of any request to disclose any confidential information in connection with a legal or administrative proceeding, or otherwise to comply with a legal requirement, prompt notice of such request must be given to the other party to enable that party to seek an appropriate protective order or other remedy or to waive compliance with the relevant provisions of these terms. If the Client seeks a protective order or another remedy, Apex, at the Client's expense, will cooperate with and assist the Client in such efforts. If the Client fails to obtain a protective order or waives compliance with the relevant provisions of these terms, Apex will disclose only that portion of the confidential information that it determines it is required to disclose. This confidentiality provision shall survive termination of the services provided. Both parties acknowledge and agree that any breach of this these terms may cause irreparable harm to the non-breaching party and that injunctive relief may be necessary to prevent any actual or threatened breach. The terms set forth between the parties supersede all prior negotiations, understandings, and agreements between the parties concerning confidentiality. These terms may only be amended in writing and signed by both parties.

12. **Ownership of the programs, system data, and materials provided by Apex to the Client during the course of providing services herein shall solely belong to Apex. It is acknowledged that fees and expenses paid by the Client do not confer any rights in such property. It is also understood that the said property is made available to the Client solely for the purpose of using it during and in connection with the services provided by Apex.**

13. **Apex may derive financial benefits from financial institutions in connection with the deposit and investment of funds with such institutions, including without limitation, discounts on eligible banking services and fees, and loans at favorable rates.**

14. **COMPLETE AGREEMENT.** These Terms and Conditions, along with the attached Proposal, represent the complete agreement and understanding between the parties and override any prior agreements (whether written or oral) between Apex and the Client regarding the subject matter. Any modification to these Terms and Conditions may only be made in writing and must be signed by both Apex and the Client. The headings in this document are included for convenience only and do not alter or restrict any provisions in these Terms and Conditions. They may not be used in the interpretation of these Terms and Conditions.

15. **This provision outlines the requirements for providing notice or other communication under this agreement. All such communications must be in writing and can be delivered either by personal delivery or through U.S. Mail with prepaid postage or overnight courier. Once delivered personally or sent through the mail, the notice will be considered given after five (5) days from the deposit date in the U.S. Mail. Alternatively, if sent through an overnight courier, the notice will be considered given one business day after delivery to the such courier. It's important to note that the notice must be provided to a responsible officer or principal of the Client or Apex, depending on the case.**

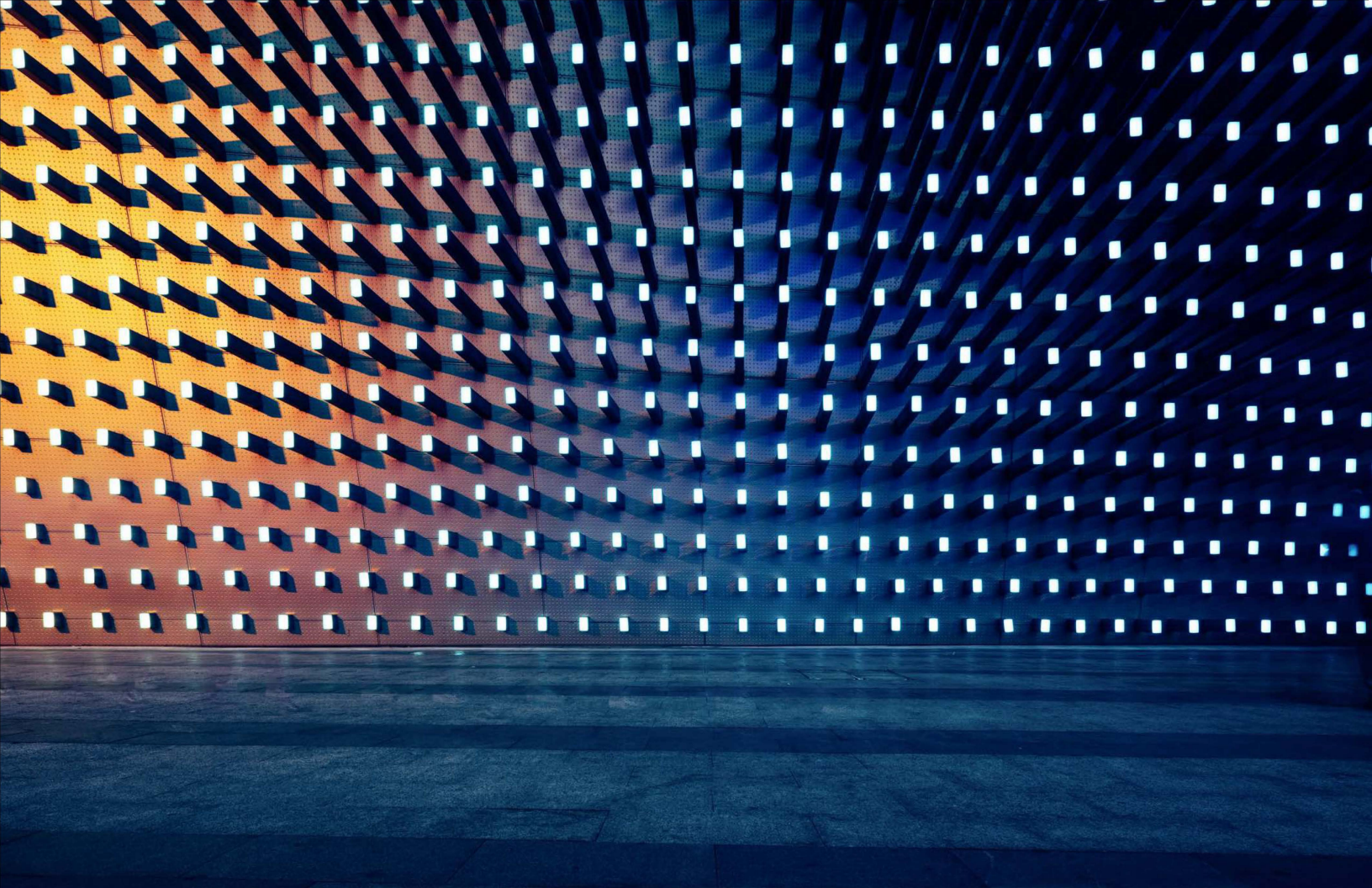
16. **Force Majeure:** In the event of any failure or delay in performance due to circumstances beyond Apex's control, including but not limited to strikes, lockouts, fires, floods, acts of God or public enemy, riots, civil disorders, insurrections, war or war conditions, or interference by civil or military authorities, Apex shall not be held liable for any resulting loss or damage. The time for performance under this agreement shall be extended for a period equal to the duration of the disabling cause and a reasonable time thereafter. This provision shall constitute a force majeure clause and shall be construed accordingly.

17. **The applicable state and federal laws shall govern the interpretation and enforcement of these Terms and Conditions. No choice of law or conflict of laws provisions shall affect this governing law provision.**

18. **Severability:** This applies to all clauses and covenants contained within these Terms and Conditions. In the event that any clause or covenant is deemed invalid, illegal, or unenforceable, the remaining provisions shall remain valid and enforceable to the fullest extent permissible by law. The validity, legality, and enforceability of the remaining provisions shall in no way be affected or impaired by the invalidity, illegality, or unenforceability of any provision deemed so.

19. **Nonwaiver:** This applies to these Terms and Conditions. This means that any failure by one party to enforce a provision of these terms on one or more occasions shall not be construed as a waiver of that provision. In other words, any failure to enforce a provision does not give up the right to enforce it in the future. All provisions of these Terms and Conditions remain in full force and effect, regardless of any prior failure to enforce them.

EXHIBIT 6



ELM Solutions

2022 Real Rate Report[®]

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

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Report Use Considerations

2022 Real Rate Report

- Examines law firm rates over time
- Identifies rates by location, experience, firm size, areas of expertise, industry, and timekeeper role (i.e., partner, associate, and paralegal)
- Itemizes variables that drive rates up or down

All the analyses included in the report derive from the actual rates charged by law firm professionals as recorded on invoices submitted and approved for payment.

Examining real, approved rate information, along with the ranges of those rates and their changes over time, highlights the role these variables play in driving aggregate legal cost and income. The analyses can energize questions for both corporate clients and law firm principals.

Clients might ask whether they are paying the right amount for different types of legal services, while law firm principals might ask whether they are charging the right amount for legal services and whether to modify their pricing approach.

Some key factors¹ that drive rates²:

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

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

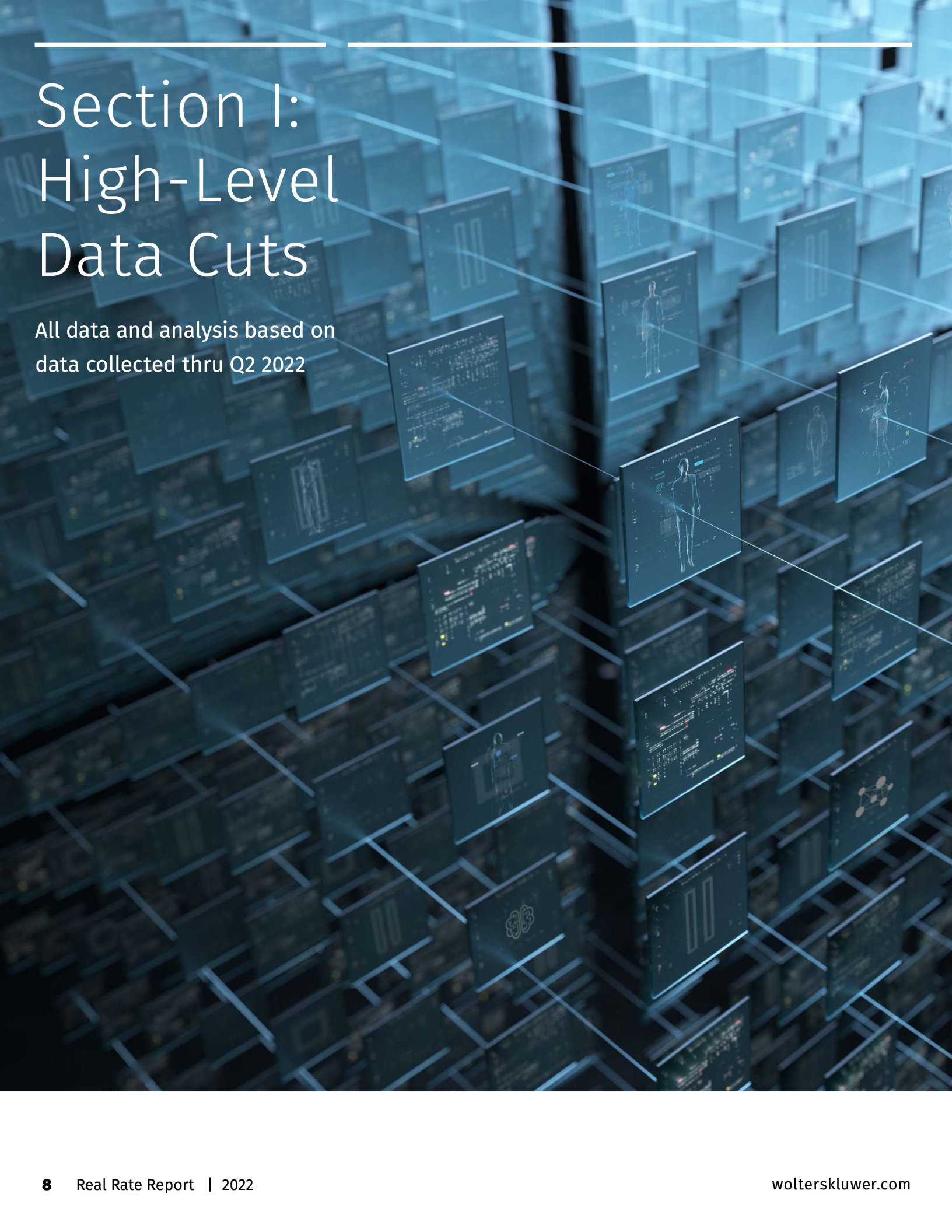
Years of experience and reputation - A more experienced, higher-profile lawyer is often going to charge more, but absorbing this higher cost at the outset may make more sense than hiring a less expensive lawyer who will likely take time and billable hours to come up to speed on unfamiliar legal and procedural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

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

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

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

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



Section I: High-Level Data Cuts

All data and analysis based on
data collected thru Q2 2022

Section I: High-Level Data Cuts

Cities

By Matter Type

2022 - Real Rates for Associate and Partner

Trend Analysis - Mean

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

Section I: High-Level Data Cuts

Cities

By Matter Type

2022 - Real Rates for Associate and Partner

Trend Analysis - Mean

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

Section I: High-Level Data Cuts

Cities

By Matter Type

2022 - Real Rates for Associate and Partner

Trend Analysis - Mean

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

Section I: High-Level Data Cuts

Cities

By Matter Type

2022 - Real Rates for Associate and Partner

Trend Analysis - Mean

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

Section I: High-Level Data Cuts

Cities

By Years of Experience

2022 - Real Rates for Associate

Trend Analysis - Mean

City	Years of Experience	n	First Quartile	Median	Third Quartile	2022	2021	2020
Kansas City MO	3 to Fewer Than 7 Years	15	\$270	\$325	\$360	\$318	\$295	\$283
	7 or More Years	28	\$292	\$334	\$391	\$333	\$312	\$302
Los Angeles CA	Fewer Than 3 Years	63	\$429	\$595	\$654	\$556	\$524	\$488
	3 to Fewer Than 7 Years	144	\$486	\$688	\$838	\$662	\$626	\$530
	7 or More Years	171	\$351	\$550	\$840	\$600	\$634	\$586
Miami FL	3 to Fewer Than 7 Years	19	\$300	\$360	\$457	\$380	\$331	\$313
	7 or More Years	36	\$295	\$450	\$595	\$460	\$433	\$385
Minneapolis MN	Fewer Than 3 Years	11	\$374	\$405	\$446	\$408		\$230
	3 to Fewer Than 7 Years	27	\$340	\$451	\$510	\$421	\$358	\$356
	7 or More Years	27	\$423	\$468	\$585	\$478	\$438	\$392
Nashville TN	7 or More Years	12	\$219	\$245	\$345	\$282	\$266	\$262
New Orleans LA	3 to Fewer Than 7 Years	12	\$232	\$243	\$265	\$261	\$242	\$245
	7 or More Years	18	\$243	\$312	\$343	\$306	\$318	\$294
New York NY	Fewer Than 3 Years	142	\$443	\$622	\$775	\$629	\$600	\$652

Section I: High-Level Data Cuts

Cities

By Years of Experience

2022 - Real Rates for Partner

Trend Analysis - Mean

City	Years of Experience	n	First Quartile	Median	Third Quartile	2022	2021	2020
Kansas City MO	Fewer Than 21 Years	46	\$400	\$450	\$537	\$473	\$411	\$397
	21 or More Years	68	\$440	\$553	\$658	\$539	\$497	\$491
Las Vegas NV	Fewer Than 21 Years	12	\$284	\$381	\$495	\$389	\$349	\$343
	21 or More Years	13	\$350	\$425	\$515	\$468	\$456	\$472
Los Angeles CA	Fewer Than 21 Years	183	\$533	\$801	\$1,075	\$804	\$797	\$682
	21 or More Years	333	\$550	\$765	\$1,133	\$863	\$842	\$808
Memphis TN	Fewer Than 21 Years	14	\$288	\$331	\$380	\$345	\$317	\$328
	21 or More Years	15	\$355	\$415	\$425	\$394	\$382	\$375
Miami FL	Fewer Than 21 Years	57	\$370	\$450	\$598	\$490	\$498	\$443
	21 or More Years	104	\$388	\$581	\$749	\$584	\$580	\$536
Milwaukee WI	21 or More Years	16	\$302	\$454	\$613	\$589	\$515	\$530
Minneapolis MN	Fewer Than 21 Years	36	\$470	\$530	\$607	\$532	\$486	\$499
	21 or More Years	84	\$507	\$675	\$796	\$656	\$620	\$589
Nashville TN	Fewer Than 21 Years	28	\$375	\$405	\$535	\$449	\$405	\$397



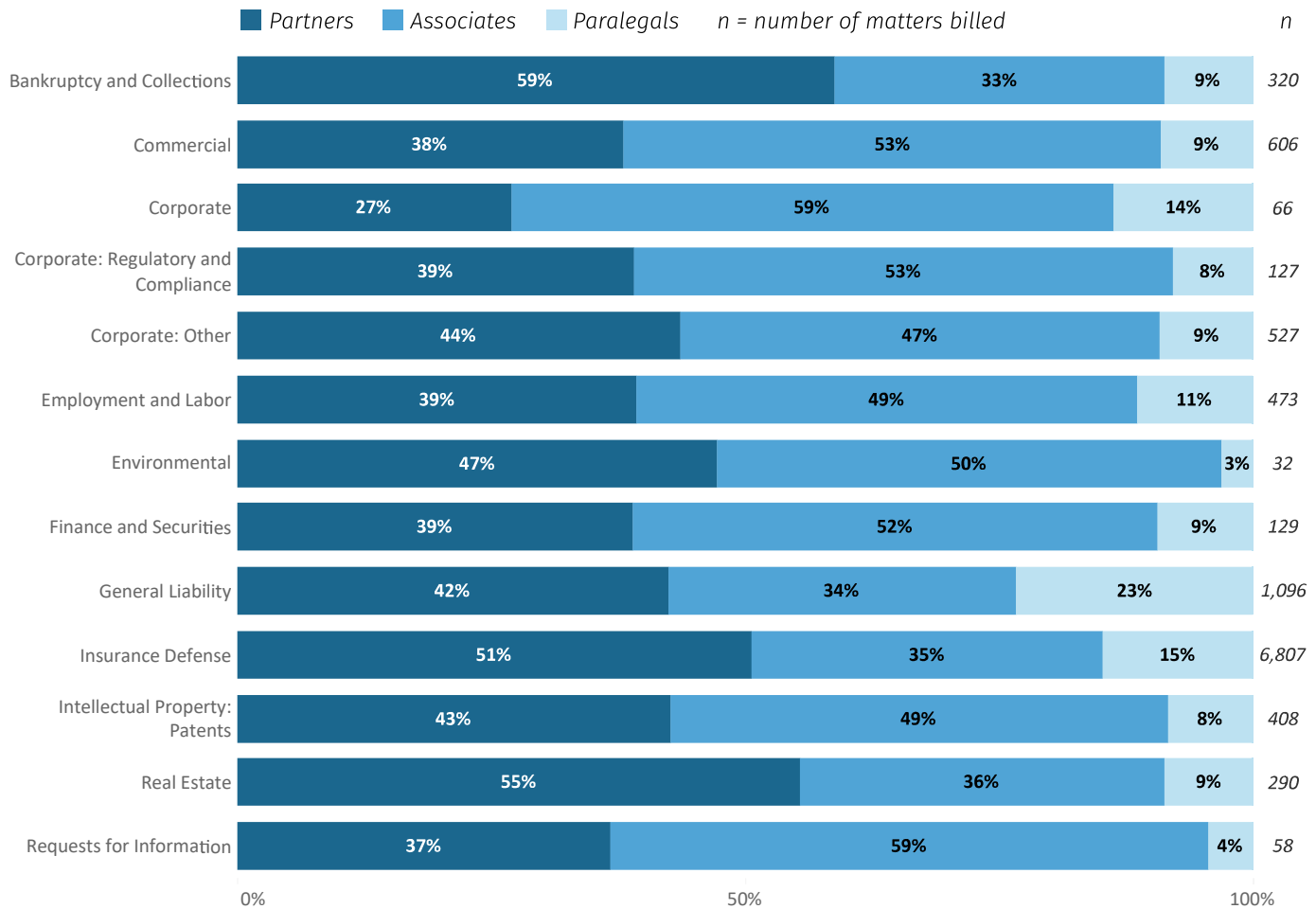
Section VI: Matter Staffing Analysis

All data and analysis based on
data collected thru Q2 2022

Section VI: Matter Staffing Analysis

Long Litigation Matters, More Than 100 Total Hours Billed

2019 to 2022 -- Percentage of Hours Billed per Matter



Section VII: Data Methodology

All data and analysis based on
data collected thru Q2 2022

Appendix: Data Methodology

Invoice Information

Data in Wolters Kluwer ELM Solutions' reference database and the 2022 Real Rate Report were taken from invoice line-item entries contained in invoices received and approved by participating companies.

Invoice data were received in the Legal Electronic Data Exchange Standard (LEDES) format (LEDES.org). The following information was extracted from those invoices and their line items:

- Law firm (which exists as a random number in the ELM Solutions reference database)
- Timekeeper ID (which exists as a random number in the ELM Solutions reference database)
- Matter ID (which exists as a random number in the ELM Solutions reference database)
- Timekeeper's position (role) within the law firm (partner, associate, paralegal, etc.)
- Uniform Task-Based Management System Code Set, Task Codes, and Activity Codes (UTBMS.com)
- Date of service
- Hours billed
- Hourly rate billed
- Fees billed

Non-Invoice Information

To capture practice area details, the matter ID within each invoice was associated with matter profiles containing areas of work in the systems of each company. The areas of work were then systematically categorized into legal practice areas. Normalization of practice areas was done based on company mappings to system-level practice areas available in the ELM Solutions system and by naming convention.

The majority of analyses included in this report have been mapped to one of 11 practice areas, further divided into sub-areas and litigation/non-litigation (for more information on practice areas and sub-areas, please refer to pages 232-234).

To capture location and jurisdiction details, law firms and timekeepers were systematically mapped to the existing profiles within ELM Solutions systems, as well as with publicly available data sources for further validation and normalization. Where city location information is provided, it includes any address within that city's defined Core-Based Statistical Area (CBSA) as defined by the Office of Management and Budget (OMB). The CBSAs are urban centers with populations of 10,000 or more and include all adjacent counties that are economically integrated with that urban center.

Where the analyses focus on partners, associates, and paralegals, the underlying data occasionally included some sub-roles, such as "senior partner" or "junior associate." In such instances, those timekeeper sub-roles were placed within the broader partner, associate, and paralegal segments.

Demographics regarding law firm size, location, and lawyer years of experience were augmented by incorporating publicly available information.

Appendix: Data Methodology

A Note on US Cities

Principal City	CBSA Name
Hartford, CT	Hartford-East Hartford-Middletown, CT
Honolulu, HI	Urban Honolulu HI
Houston, TX	Houston-The Woodlands-Sugar Land, TX
Indianapolis, IN	Indianapolis-Carmel-Anderson, IN
Jackson, MS	Jackson, MS
Jacksonville, FL	Jacksonville, FL
Kansas City, MO	Kansas City, MO-KS
Lafayette, LA	Lafayette, LA
Las Vegas, NV	Las Vegas-Henderson-Paradise, NV
Lexington, KY	Lexington-Fayette, KY
Little Rock, AR	Little Rock-North Little Rock-Conway, AR
Los Angeles, CA	Los Angeles-Long Beach-Anaheim, CA
Louisville, KY	Louisville/Jefferson County, KY-IN
Madison, WI	Madison, WI
Memphis, TN	Memphis-Forrest City, TN-MS-AR
Miami, FL	Miami-Fort Lauderdale-Pompano Beach, FL
Milwaukee, WI	Milwaukee-Waukesha, WI
Minneapolis, MN	Minneapolis-St. Paul-Bloomington, MN-WI
Nashville, TN	Nashville-Davidson-Murfreesboro-Franklin, TN
New Haven, CT	New Haven-Milford, CT
New Orleans, LA	New Orleans-Metairie, LA
New York, NY	New York-Newark-Jersey City, NY-NJ-PA
Oklahoma City, OK	Oklahoma City, OK
Omaha, NE	Omaha-Council Bluffs, NE-IA
Orlando, FL	Orlando-Kissimmee-Sanford, FL
Philadelphia, PA	Philadelphia-Camden-Wilmington, PA-NJ-DE-MD
Phoenix, AZ	Phoenix-Mesa-Chandler, AZ
Pittsburgh, PA	Pittsburgh, PA
Portland, ME	Portland-South Portland, ME
Portland, OR	Portland-Vancouver-Hillsboro, OR-WA
Providence, RI	Providence-Warwick, RI-MA
Raleigh, NC	Raleigh-Cary, NC
Reno, NV	Reno-Carson City-Fernley, NV

Appendix: Data Methodology

Bankruptcy and Collections

Chapter 11
Collections

General/Other
Workouts and Restructuring

Commercial (Commercial Transactions and Agreements)

Contract Breach or Dispute
General, Drafting, and Review
General/Other

Corporate¹

Antitrust and Competition
Corporate Development
General/Other
Governance
Information and Technology
Mergers, Acquisitions, and Divestitures

Partnerships and Joint Ventures
Regulatory and Compliance
Tax
Treasury
White Collar/Fraud/Abuse

Employment and Labor

ADA
Agreements
Compensation and Benefits
Discrimination, Retaliation, and Harassment/EEO
Employee Dishonesty/Misconduct
ERISA

General/Other
Immigration
Union Relations and Negotiations/NLRB
Wages, Tips, and Overtime
Wrongful Termination

Environmental

General/Other
Health and Safety

Superfund
Waste/Remediation

Finance and Securities

Commercial Loans and Financing
Debt/Equity Offerings
Fiduciary Services
General/Other

Investments and Other Financial Instruments
Loans and Financing
SEC Filings and Financial Reporting
Securities and Banking Regulations

General Liability

Asbestos/Mesothelioma
Auto and Transportation
Consumer Related Claims
Crime, Dishonesty and Fraud
General/Other

Personal Injury/Wrongful Death
Premises
Product and Product Liability
Property Damage
Toxic Tort

¹ All references to “Corporate: General/Other” in the Real Rate Report are the aggregation of all Corporate sub-areas excluding the Mergers, Acquisitions, and Divestitures sub-area and the Regulatory and Compliance sub-area.

EXHIBIT 7

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Business & Practice

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

By Roy Strom

Column

June 9, 2022, 2:30 AM

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

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

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

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

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

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

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

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

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

Charge It Up

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

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

Source: Court documents

Bloomberg Law

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Worth Your Time

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

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

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



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

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Documents

[Trustee's Objection](#)

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