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13 Attorneys for Plaintiff Keith Brooks

14 UNITED STATES DISTRICT COURT
15
16 CENTRAL DISTRICT OF CALIFORNIA

17 Keith Brooks, an individual, on behalf of
18 himself and all others similarly situated
19 and as a private attorney general pursuant
20 to the Private Attorneys General Act,

21 Plaintiff,

22 vs.

23 Burlington Coat Factory Warehouse
24 Corporation, Burlington Coat Factory of
25 Texas, Inc., and Does 1 through 10,

26 Defendants.

Case No. 5:24-CV-0041-SRM-SHK

**Declaration of Lonnie C. Blanchard
III in Support of Motion for Order
Approving PAGA Settlement**

Date: October 22, 2025

Time: 1:30 p.m.

Crtrm: 5D

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**Declaration of Lonnie C. Blanchard III in Support of Motion for Order Approving
PAGA Settlement**

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1 I, Lonnie C. Blanchard III, declare:

- 2 1. I am an attorney admitted to practice law in the State of California. I am the sole
3 shareholder and CEO of The Blanchard Law Group, APC and one of the
4 attorneys of record for Plaintiff Keith Brooks in this action. I have personal
5 knowledge of the facts stated in this declaration.

6 **I. Settlement Agreement**

- 7 2. Attached as **Exhibit 1** is a true and correct copy of the executed settlement
8 agreement.
- 9 3. The key substantive terms of the Settlement, the background of the case, and
10 Defendants' contentions are accurately summarized below and in the
11 Memorandum of Points and Authorities in support of the Motion for Approval
12 of PAGA Settlement.

13 **II. Experience of Counsel**

- 14 4. I attended UCLA School of Law and graduated in 1980. I was admitted to the
15 California bar in 1980 and have been practicing as a litigation attorney in state
16 and federal courts in California and, on occasion, in other states, since such time.
17 The focus of my practice is almost exclusively civil litigation. I have extensive
18 experience in wage and hour litigation, including class actions. I also have
19 extensive experience in employment litigation, commercial litigation, and other
20 civil litigation practice areas.
- 21 5. I am admitted in all the federal courts of California and the Ninth Circuit.
- 22 6. I have extensive experience litigating wage and hour class and PAGA actions,
23 FCRA class actions, employee rights' claims, and other claims in federal and
24 state court. I was counsel of record in the following class and/or PAGA
25 proceedings that were finally approved:
- 26
- 27 • *Adauto v. Door Components Inc., et al*, Case No. BC469230, California
28 Superior Court, County of Los Angeles

- Arce v. MV Transportation, Inc., et al, Case No. BC457702, California Superior Court, County of Los Angeles
- Awad v. Elemental Energy, Inc., Case No. 1302544, Riverside County Superior Court
- Ayala v. Denbeste Manufacturing, et al, Case No. S-1500-CV-275248 WDP, California Superior Court, County of Kern
- Borchani-Torres v. Eisenhower Medical Center, Case No. INC1201246, California Superior Court, County of Riverside
- Browning, et al., v. McCarthy Building Companies, Inc., Case No. 5:18-cv-05882-BLF, United States District Court, Northern District of California
- Brown and Griffin v. Steve’s Oilfield Service, Inc., et al., Case No. S1500-CV-283801, Kern County Superior Court
- Camacho v. Shred-it, Case No. 39-2014-00307879-CU-OE-STK, San Joaquin County Superior Court
- Cartwright v. Brahma Group, Inc., et al., Case No. BCV-18-102027, Kern County Superior Court
- Cartwright v. Sletten Construction Company, et al., Case No. 18CV04532, Santa Barbara Superior Court
- Deprizito, et al. v. PAMA Management, Inc., et al., Case No. BC723619, Los Angeles County Superior Court
- Erlandsen v. FlexCare, LLC, et al., Case No. 1390595, California Superior Court, County of Santa Barbara
- Espinoza, Wade v. Defender Security Company, Case No. 2:15-cv-7142-CAS-JC, United States District Court, Central District of California – Western Division
- Gonzalez v. Corrections Corporation of America, Case No. 1:16-cv-01891, United States District Court, Eastern District of California
- Grande v. Lawrence Recruiting Specialists d/b/a LRS Healthcare, Case No. 57 160 00080 13, American Arbitration Claim
- Grice v. Pepsi Beverages Company, Case No. 1:17-cv-08853-JPO, United States District Court, Southern District of New York
- Haakstad, et al. v. Fondnazio, et al., Case No. C15-02074, Contra Costa County Superior Court

- Hebert v. Barnes & Noble, Inc., Case No. 37-2019-00007178-CU-MC-CTL, San Diego County Superior Court
- Hebert v. Valley Children’s Hospital., Case No. MCV076409, Mader County Superior Court
- Johnson v. Field Nation, LLC, et al., 01-22-0005-2476, American Arbitration Association
- Judge v. PAMA, et al, Case No. 72 160 00975 12, American Arbitration Association
- Kalin, et al. v. Apple Inc., Case No. 13-CV-03451-WHA, United States District Court, Northern District of California
- Kirchner v. Shred-it USA Inc., CIV. 2:14-1437 WBS, 2014 WL 6685210 (E.D. Cal. Nov. 25, 2014)
- Lady v. Sacramento Drilling, Inc., et al., Case No. CU-18-00150, San Benito County Superior Court
- Lagos v. The Leland Stanford Junior University, Case No. 115CV284784, Santa Clara County Superior Court
- Liggitt v. Trueblue, Inc., et al., Case No. RIC1509572, Riverside County Superior Court
- Larroque v. First Advantage LNS Screening Solutions, Inc., et al., Case No. CAV 535083, San Mateo County Superior Court
- Martinez-Taft v. Children’s Hospital Central California, Case No. MCV066748, California Superior Court, County of Madera
- Meza v. LinkUs Enterprises, Inc., et al, Case No. S-1500-CV-274733 LHB, California Superior Court, County of Kern
- Miller v. Mud-Check, Inc., et al., Case No. BCV-15-100921, Kern County Superior Court
- Oropeza v. Pick-N-Pull Auto Dismantlers, et al., Case No. RG11560441, Superior Court of California, County of Alameda
- Poisson v. Dispatch Transportation, Inc., et al., Case No. RIC1504851, Riverside County Superior Court
- Poisson v. Neal Trucking, Inc., et al., Case No. EDCV13-2241, United States District Court, Central District of California

- Robinson v. Turning Point of Central California, Inc., Case No. 14CECG03685, California Superior Court, County of Fresno
- Sander v. Shipt, Inc., Case No. RG19031481, Alameda County Superior Court
- Shakespeare, et al. v. Ameri-Force Craft Services, Inc., Case No. 37-2021-00013962-CU-OE-CTL, California Superior Court, County of San Diego
- Shakespeare and Hood v. National Steel and Shipbuilding Company, Case No. 37-2021-00013962-CU-OE-CTL, San Diego Superior Court
- Stone v. Universal Protection Service, Case No. 01-15-0002-7497, American Arbitration Association
- Syed, et al. v. M-I LLC, Case No. 1:12-cv-01718-AWI-MJS, United States District Court, Eastern District of California
- Syed v. M-I LLC, et al., Case No. 1:14-cv-00742-WBS-BAM, United States District Court, Eastern District of California
- Terry v. Ulta Salon, Cosmetics & Fragrance, Inc., Case No. 4:18-cv-07683-JST, United States District Court, Northern District of California
- Travis v. AMN Staffing Services, LLC, Kaiser Foundation Hospitals, Case No. 24STCV02711, Los Angeles Superior Court
- Tuliau v. The Kroger Co., Ralphs Grocery Company, Case No. RIC2002168, Riverside Superior Court
- Watson v. Wells Fargo Bank, N.A., Case No. BC559193, Los Angeles County Superior Court
- Weitz v. TakeLessons, Inc., Case No. 37-2024-00007416-CU-OE-CTL, San Diego Superior Court
- Wortham, et al. v. Turning Point of Central California, Inc., Case No. 15CECG02618, California superior Court, County of Fresno

7. I am counsel of record in at least 23 pending class and/or PAGA actions.

III. Terms of the Settlement

A. Total Settlement Amount

8. Defendant will pay \$570,000.00 (“Gross Settlement Amount”). The Gross Settlement Amount will be used to pay Individual PAGA Payments, the LWDA PAGA Payment, PAGA Counsel Fees Payment, PAGA Counsel Litigation

Declaration of Lonnie C. Blanchard III in Support of Motion for Order Approving PAGA Settlement

Expenses Payment, the Administrator's Expenses Payment, and the Plaintiff Individual Payment.

9. The \$570,000.00 amount is based on Defendants' representation that there are 5,510 unique PAGA Pay Periods for approximately 900 PAGA Group Members for the period from November 29, 2022 through December 5, 2024.

B. Calculation of Net Settlement Amount

10. The following amounts shall be deducted from the Settlement Amount.

1. LWDA Payment and Individual PAGA Payments

11. PAGA Penalties shall be the amount of the Net Settlement Amount, and 75% shall be allocated to the LWDA PAGA Payment and 25% shall be allocated to the Individual PAGA Payments.
12. Plaintiff has made all appropriate notifications to the California Labor and Workforce Development Agency ("LWDA"), including but not limited to submission of the Settlement pursuant to Labor Code section 2699(l)(2).

2. Calculation and Distribution of the Net Settlement Amount

13. PAGA Penalties shall be the amount of the Net Settlement Amount, and 75% shall be allocated to the LWDA PAGA Payment and 25% allocated to the Individual PAGA Payments. The Administrator will calculate each Individual PAGA Payment by multiplying the individual percentage of total Applicable Pay Periods worked by that Representative Action Member by the 25% of the Net Settlement Amount allocated to all Representative Action Members.

3. Plaintiff's Individual Payment

14. Plaintiff has individual claims against Defendants, including a claim for wrongful termination. Plaintiff is giving up all his personal claims against the Defendants in this action -- which is a release in excess of what other aggrieved employees are being required to do. In consideration of Plaintiff's general

1 release, the Parties agree that \$10,000.00 of the Gross Settlement Payment shall
2 be paid to Plaintiff.

3 **IV. Discovery and Investigation**

4
5 15. Plaintiff has conducted a formal and informal investigation into the facts of the
6 Action, including extensive review of documents and data provided by
7 Defendants. Such documents include, among other things, policies, and billing
8 records. We also reviewed and analyzed tens of thousands of rows of data
9 evidencing PAGA Group Members data, as well as other information pertinent
10 to Plaintiff's PAGA Claims.

11 16. The discovery, investigation, and information exchange conducted in this
12 matter, as well as the mediation, meetings, and discussions between us and
13 Defendants' Counsel have been adequate to give us a sound understanding of
14 the merits of Plaintiff's positions and to evaluate the worth of the PAGA claims
15 being released by the Settlement. We also have considered the uncertainty and
16 risk of further litigation, the potential outcome, and the difficulties and delays
17 inherent in such litigation.

18 17. The settlement was based upon the mediator's proposal. Based on the foregoing,
19 PAGA Counsel believe the Settlement set forth in the Agreement attached as
20 **Exhibit 1** is a fair, adequate, and reasonable settlement and is in the best interests
21 of the State of California and the PAGA Group Members.

22 18. The class claims have been dismissed without prejudice as part of the settlement.

23 **V. Risk Analysis - The Settlement falls within the range of possible approval.**

24 19. Based on the analysis of the data and information provided by Defendants, there
25 are 5,510 unique PAGA Pay Dates for 900 PAGA Group Members for the period
26 from November 29, 2022 through December 5, 2024.

1 20. Assuming the Court awarded a \$100 penalty per weekly pay period for one
2 alleged violation for each PAGA Group Member, the exposure would be around
3 \$551,000. Defendants contend that additional stacking of penalties and any
4 refusal by the Court to reduce penalties (which is within the Court's discretion
5 under the PAGA) would be unfair and confiscatory.

6 21. Based on the foregoing, we believe the proposed \$570,000 settlement is
7 reasonable and provides the certainty of a payment to the State of California and
8 to the PAGA Group Members and that when measured against the risk of
9 obtaining nothing, such settlement is reasonable and in their best interests. In so
10 concluding, we have considered the uncertainty and risk of further litigation, the
11 potential outcome, the difficulties and delays inherent in such litigation, and
12 believe the settlement is a fair, adequate, and reasonable settlement in the best
13 interests of the State of California and the PAGA Group Members.

14 **VI. Attorney's Fees and Litigation Costs to Plaintiff's Counsel**

15 22. Defendants agree not to oppose an award of attorney's fees to our firms of up to
16 \$190,000.00 of the Settlement Amount, which is one-third of the Settlement
17 Amount, to compensate and reimburse us for all the work already performed by
18 us in this case and all the work remaining to be performed. These fees shall be
19 in addition to the payment of litigation costs and expenses incurred by us as
20 substantiated by our declarations. If the Court reduces the attorney's fees award
21 or litigation costs requested by us, the un-awarded amount shall be added into
22 the Net Settlement Amount to be available for distribution.

23 **A. A one-third fee is appropriate in this case**

24 23. The request for attorney's fees of one-third of the \$570,000 gross settlement is
25 fair and reasonable. This amount is well-earned, supported by controlling case
26 law, and is within the fee range awarded by courts in similar complex cases. The
27
28

one-third fee award is also in line with other fee awards in California class and
PAGA actions.

24. We are being paid entirely on contingency and have not been paid any attorney's fees since assuming representation of Plaintiff. The work performed by us was extensive. In litigating this case against Defendants, we faced serious risks, including the risk that Plaintiff's theory of liability may ultimately be rejected by the Court. Despite the many risks we faced, we nevertheless achieved a favorable result. We took on this representation aware of the risks involved and with the full intention of seeing the case to the end, including through any appeals. Also, we were opposed by attorneys from an experienced and well-qualified defense firm with the resources of a corporate client at its disposal.
25. Given the highly uncertain current landscape of the legal issues involved, coupled with the ensuing risks of lengthy appeals and risk of no recovery, the result achieved shows that the amounts allocated to both attorney's fees and costs under the Settlement warrant the Court's approval.
26. Cases which result in no recovery also demonstrate why the percentage approach is essential to plaintiff-side firms that engage in contingency practice on behalf of low-wage workers: for every successful case, there are always others that will be vigorously pursued for years only to result in no recovery or diminished recovery for the class or counsel. Indeed, we have spent years litigating other cases on behalf of workers without compensation, at considerable expense. In the practice of our contingency work, we have incurred substantial dollars in out-of-pocket expenses, much of which have not been repaid, to pursue litigation on behalf of workers in various types of employment cases, including unpaid wages, meal and rest period violations, and misclassification.
27. A plaintiffs-side contingency practice on behalf of low wage workers who could not afford to pay out-of-pocket for counsel, such as PAGA Counsel, is made

possible by the nature of contingency fee work. Thus, in considering the fairness and reasonableness of the proposed attorney's fees in this case, the Court should consider the nature of PAGA Counsel's practice, which is only made possible by this contingency fee structure.

28. We, including Plaintiff, have achieved this substantial relief for the State of California and PAGA Group Members, which would not have been possible without our significant experience litigating misclassification and PAGA cases. Our extensive experience litigating wage and hour cases and particular specialization in wage and hour cases contributed to our ability to leverage a favorable result in this case. (See ¶¶ 4-7 above; *see also Sproul v. Astrue* (S.D. Cal. Jan. 30, 2013) 2013 WL 394056, *2 (“Courts are loathe to penalize experienced counsel for efficient representation...”).)

1. The risks of litigating this case were substantial.

29. There are many risks inherent in litigating a PAGA action and issues involved therein that can result in no recovery whatsoever to PAGA Group Members or class counsel. (See *Parkinson v. Hyundai Motor America* (C.D. Cal. 2010) 796 F.Supp.2d 1160, 1166 (“The most important factor is the risk of nonpayment, which was significant in this contingency class action”).) For this reason, courts routinely find that this factor supports a higher fee request.¹ In this case, my co-counsel and I along with Plaintiff took all these risks, including the risk the

¹ See *Bellinghausen v. Tractor Supply Company* (N.D. Cal. 2015) 306 F.R.D. 245, 261 (noting that “when counsel takes cases on a contingency fee basis, and litigation is protracted, the risk of non-payment after years of litigation justifies a significant fee award”); *Hensley v. Eckerhart* (1983) 461 U.S. 424, 448 [103 S.Ct. 1933, 1947, 76 L.Ed.2d 40] (noting that “[a]ttorneys who take cases on contingency, thus deferring payment of their fees until the case has ended and taking upon themselves the risk that they will receive no payment at all, generally receive far more in winning cases than they would if they charged an hourly rate”).

PAGA Group Members would be determined to not be employed by Defendants, all of which could have resulted in no recovery whatsoever. Defendants have consistently asserted that the PAGA Group Members were not their employees and therefore had no claim under the PAGA to pursue.

30. Finally, even if the PAGA claims proceeded expeditiously (without an appeal) and Plaintiff prevailed, there was a significant risk that any potential penalties would have been greatly reduced by the Court to a fraction of what theoretically might have been recovered. Courts have abundant discretion to reduce PAGA penalties. (See Cal. Lab. Code § 2699 (e)(2).)² Further, even without the risks outlined above, absent this settlement, PAGA Group Members would run the risk of losing on the merits at trial or on appeal.

2. Counsel have extensive experience in this field of law.

31. Prosecuting wage and hour, PAGA, and representative actions require an “extraordinary commitment of time, resources, and energy from Class Counsel,” and, many times, settlements “simply [are not] possible but for the commitment and skill of Class Counsel.” (*Garner v. State Farm Mut. Auto. Ins. Co.* (N.D. Cal., Apr. 22, 2010, No. CV 08 1365 CW) 2010 WL 1687829, at *2.) This is particularly so where a “case was wholly without precedent, raised numerous novel and complex issues of both law and fact, and required a considerable effort from Class Counsel simply to be in a position to file suit, let alone to litigate this case successfully.” (*Id.*)
32. Here, our firms’ substantial experience in wage and hour class actions, including PAGA actions, made this settlement possible. Our skill and extensive experience in this area of law allowed us to leverage a settlement in this case. We have

² See also *Stuart v. Radioshack Corp.* (N.D. Cal., Aug. 9, 2010, No. C-07-4499 EMC) 2010 WL 3155645, at **3-4; *Fleming v. Covidien Inc.* (C.D. Cal., Aug. 12, 2011, No. (OPX)) 2011 WL 7563047, at *3-4.)

1 extensive experience in wage and hour litigation, including class and PAGA
2 actions and other civil litigation practice areas. I have been counsel of record and
3 briefed many, many appeals and extraordinary writ petitions and was counsel of
4 record in numerous class and PAGA actions that have been approved by Courts.

5 **3. Plaintiff's Counsel incurred a financial burden in litigating this**
6 **case on a contingency fee basis.**

7 33. The contingent nature of litigating a class action and the financial burden
8 assumed typically justifies a higher percentage of the fund as well since counsel
9 litigates with no payment and no guarantee that the time or money expended will
10 result in any recovery.³ As with virtually all work handled by us, we accepted
11 this case on a fully contingent arrangement with no payment up front and have
12 borne the expenses, costs, and risks associated with litigating this case. Plaintiff
13 attorneys who accept cases on contingency often spend years litigating cases
14 (typically while incurring significant out-of-pocket expenses for experts,
15 transcripts, document production, mediator fees, *inter alia*), without receiving
16 any ongoing payment for their work. Sometimes fees and expenses are recovered
17 -- other times nothing is recovered. As discussed *supra*, we have litigated many

18
19 ³ See *Bower v. Cycle Gear, Inc* (N.D. Cal., Aug. 23, 2016, No. 14-CV-02712-HSG) 2016
20 WL 4439875, at *77 (noting that counsel had litigated the action for almost two years
21 with no payment and no guarantee of recovery); see also *Hendricks*, 2016 WL 5462423,
22 at *12 (finding that enhancement from benchmark was warranted because class counsel
23 carried a substantial financial burden both in advancing out-of-pocket costs and in
24 representing plaintiff and the class members on a contingency basis); see also *Hightower*
25 *v. JPMorgan Chase Bank, N.A.* (C.D. Cal., Aug. 4, 2015, No. CV111802PSGPLAX) 2015
26 WL 9664959, at *10 (“any law firm undertaking representation of a large number of
27 affected employees in wage and hour actions inevitably must be prepared to make a
28 tremendous investment of time, energy, and resources with the very real possibility of an
unsuccessful outcome and no fee recovery of any kind.”) (internal quotations omitted)
citing *Vizcaino*, 290 F.3d at 1051 (“attorneys whose compensation depends on their
winning the case must make up in compensation in the cases they win for the lack of
compensation in the cases they lose”).

1 cases for years only to lose on appeal and receive nothing for many hours of
2 work. As noted in *Vizcaino, supra*, and other cases, substantial fee awards
3 encourage counsel to take on risky cases on behalf of clients who cannot pay
4 hourly rates and would therefore not have realistic access to courts. That access
5 is particularly important for the effective enforcement of public protection
6 statutes, such as the wage laws at issue here. Thus, “private suits provide a
7 significant supplement to the limited resources available to [government
8 enforcement agencies] for enforcing [public protection] laws and deterring
9 violations.” (*Reiter v. Sonotone Corp.* (1979) 442 U.S. 330, 344 [99 S.Ct. 2326,
10 2333, 60 L.Ed.2d 931].) By incentivizing Plaintiff attorneys to take on risky,
11 high-stakes, and important litigation and devote themselves to it aggressively
12 and fully, fee awards serve an important purpose and extend the access of top
13 legal talent to constituencies such as low-wage workers who would otherwise
14 never be able to confront large corporations, which are often represented by top-
15 rated and top-billing attorneys. The fees awarded in this case will be used to
16 support future cases on behalf of workers in California as well as providing
17 compensation for counsel for past and future cases where the risks result in no
18 reward.

19 **B. The Fee Request is Justified by a Lodestar Analysis.**

- 20 34. Our requested attorney’s fees are also justified under the lodestar method.
21 California courts have the discretion to employ (or decline to employ) a “lodestar
22 cross-check” on a request for a percentage of the fund fee award. (*Laffitte*, 1 Cal.
23 5th at 505.) The Court in *Laffitte* held, however, that this cross-check is not
24 required. (*Id.*) Plaintiff submits that a cross-check is not necessary in this case
25 because courts recognize that the lodestar cross-check can reward unnecessary
26 overbilling, inflation of timekeeping records, and inefficient litigation. (*See*
27 *Albion Pacific Property Resources, LLC v. Seligman* (N.D. Cal. 2004) 329
28

F.Supp.2d 1163, 1170–1171 (noting that “[a] fee applicant should neither be rewarded for hiring expensive legal counsel nor penalized for hiring more efficient legal counsel. Thus, if a fee applicant can demonstrate that its attorneys billed fewer hours than reasonably competent counsel would have billed, the fee applicant should be reimbursed at an above-average hourly rate”).)

35. Using our normal hourly rates, the “lodestar” fees incurred by us (excluding paralegal hours for my firm and The Dion Kindem Law Firm), and reasonably estimated to be incurred through the conclusion of the case are:

Attorney	Years of Experience	Hours	Rate	Fees
The Blanchard Law Group, APC	Since 1980	118.25	\$1,141	\$134,923.25
Peter R. Dion-Kindem, P.C.	Since 1980	119	\$1,141	\$135,779.00
			Total:	\$270,702.25
			Fees Sought:	\$190,000.00
			Multiplier:	0.70

36. Through my practice, I have become familiar with the fees charged by attorneys in wage and hour class actions in Southern California with comparable experience to mine and my co-counsel, The Dion Kindem Law Firm. We have obtained this familiarity in several ways: (1) by reviewing attorney fee applications and awards filed in other class action and PAGA cases in southern California; (2) by reviewing declarations regarding prevailing market rates and other factors filed in other class action and PAGA cases in southern California; (3) by reviewing surveys and articles on attorney’s fees in legal newspapers, journals, and treatises and (4) by discussing fees in class action and PAGA cases with other attorneys. Based on this information, our current rates are consistent with the market rate for attorneys with

comparable expertise, experience, and qualifications practicing in wage and hour class and PAGA actions.

37. Numerous courts have approved attorney fee awards in other cases for attorneys with less years of experience than The Dion Kindem Law Firm and me. The following are some examples:

a. In *Torrez v. Del Taco, LLC*, Alameda County Superior Court, Case No. JCCP4904, the court awarded plaintiff's counsel in another wage and hour action attorney fees based on a lodestar crosscheck with a multiplier of 5.2 and based in part on the following 2023 hourly rates: Matthew J. Matern: \$1,075.

b. In *Escamilla v. Ono Hawaiian BBQ*, Los Angeles County Superior Court, Case No. BC651992, the court awarded Mr. Matern's firm attorneys' fees based on a common fund with a lodestar crosscheck using the following 2023 hourly rates: Matthew J. Matern: \$1,075.

38. Our current \$1,141 hourly rate compares favorably to the hourly rates being charged by other attorneys with my experience in class and PAGA actions and is reasonable for the level of services provided by us and our experience. In *Nitsch v. DreamWorks Animation SKG Inc.* (N.D. Cal., June 5, 2017, No. 14-CV-04062-LHK) 2017 WL 2423161, at *9, an employment class action, the court found that hourly rates of up to \$1,200 per hour for plaintiffs' class action lawyers based in California were "fair, reasonable, and market-based, particularly for the 'relevant community' in which counsel work." (*See also Fleming v. Impax Laboratories Inc.* (N.D. Cal., July 15, 2022, No. 16-CV-06557-HSG) 2022 WL 2789496, at *9 (approving attorney hourly rates of up to \$1,325 in a securities class action, and citing cases approving attorney hourly rates of up to \$1,600); *Cottle v. Plaid Inc.* (N.D. Cal., July 20, 2022, No. 20-CV-

03056-DMR) 2022 WL 2829882, at *11 (approving attorney hourly rates of up to \$1,025); *Hadsell v. City of Baldwin Park*, Los Angeles Super. Ct. No. BC548602 (partner rates of \$1,100 approved); *Indep. Living Center of S. Cal. v. Kent*, 2020 U.S. Dist. Lexis 13019 (C.D. Cal. 2020) (partner rates of \$1,025 approved); *Nozzi v. Housing Auth.*, 2018 U.S. Dist. LEXIS 26049 (C.D. Cal. 2018) (partner rates of \$1,150 approved); *Banas v. Volcano Corporation* (N.D. Cal. 2014) 47 F.Supp.3d 957 (approving partner rates of \$1,095); see also *U.S. Bank National Association v. Dexia Real Estate Capital Markets* (S.D.N.Y., Nov. 30, 2016, No. 12 CIV. 9412 (PAE)) 2016 WL 6996176, at *8 (five years ago, approving rates of up to \$1,055 per hour for seasoned partners).)

39. This rate is reasonable for the level of services provided by me and my experience. The article attached hereto as ***Exhibit 2*** states that half of the AMLAW 50 law firm have partner rates of more than \$1000 per hour and some have rates as high as \$3000 per hour.
40. The proposed attorney's fees award would result in a ***negative*** multiplier of **.70**. State and federal courts in California have "routinely awarded" multipliers. (*Wershba v. Apple Computer, Inc.* (2001) 91 Cal.App.4th 224, 255 [110 Cal.Rptr.2d 145] *disapproved of on other grounds by Hernandez v. Restoration Hardware, Inc.* (2018) 4 Cal.5th 260 [228 Cal.Rptr.3d 106, 409 P.3d 281] ("multipliers can range from 2 to 4 or even higher."); *Sutter Health Uninsured Pricing Cases* (2009) 171 Cal.App.4th 495, 512 [89 Cal.Rptr.3d 615, 629] (affirming multiplier of 2.52 as "fair and reasonable"); *Chavez v. Netflix, Inc.* (2008) 162 Cal.App.4th 43, 66 [75 Cal.Rptr.3d 413, 434] (affirming multiplier of 2.53 as well within the approved range of 2 to 4); *Perks v. Activehours, Inc.* (N.D. Cal., Mar. 25, 2021, No. 5:19-CV-05543-BLF) 2021 WL 1146038, at *8; *see also Vizcaino*, 290 F.3d at 1051 (3.65 multiplier approved because of substantial risk);.) Indeed, courts will often award higher multipliers where the

1 circumstances warrant it because of the excellent results obtained, complexity
2 of the case, and risks involved. (*See, e.g., Craft v. County of San Bernardino*
3 (C.D. Cal. 2008) 624 F.Supp.2d 1113, 1123 (awarding a percentage of the
4 common fund equivalent to a 5.2 multiplier) (collecting cases); *Stevens v. SEI*
5 *Investments Company* (E.D. Pa., Feb. 28, 2020, No. CV 18-4205) 2020 WL
6 996418, at *13 (holding that “multiples ranging from 1 to 8 are often used in
7 common fund cases” and awarding fees equivalent to a multiplier of 6.16).)
8 Indeed, multipliers in the range of 5x to 10x are not uncommon, and some courts
9 have even been known to award higher multipliers. (*See, e.g., Weiss v.*
10 *Mercedes-Benz of North America, Inc.* (D.N.J. 1995) 899 F.Supp. 1297, 1304,
11 *aff’d* (3d Cir. 1995) 66 F.3d 314 (9.3 multiplier); *In re Merry-Go-Round*
12 *Enterprises, Inc.* (Bankr. D. Md. 2000) 244 B.R. 327 (40% award for \$71 million
13 fund awarded, resulting in a cross-check multiplier of 19.6); *Stop & Shop*
14 *Supermarket Co. v. SmithKline Beecham Corp.* (E.D. Pa., May 19, 2005, No.
15 CIV.A. 03-4578) 2005 WL 1213926 (\$100 million class fund in antitrust case,
16 with fee award that amounted to a multiplier of 15.6).) The cases cited above
17 support the multiplier here.

- 18 41. My office reasonably and necessarily will have incurred at least 120 hours in
19 this litigation through the time this matter is completed, which does not include
20 any paralegal time.
- 21 42. The time I spent on this case is consistent with the level of effort necessary to
22 bring this legally complex and data intensive case to a resolution and was
23 reasonable and necessary. In addition, many of the factors supporting a
24 multiplier are present here, including the risk of an uncertain result, the
25 contingent nature of the work, and most significantly here, the result obtained.
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VII. Attorney Costs

43. The out-of-pocket costs incurred by my office are directly related to this litigation. These costs are of the type we charge to our individual clients, and we do not charge for items which are part of our business overhead (*e.g.*, phone usage, *etc.*). The firm does not incur expenses in this or any case unless we believe that they are necessary to the prosecution of the case. Except for office photocopies and scanning, we bill every expenditure in the case to the client/case in the exact amount that we are charged; we do not charge anything for interest, carrying, or accounting for these expenditures. These costs were all necessary and reasonable to prosecute this litigation.
44. The total amount of costs incurred by my firm in connection with the litigation and those I estimate will be incurred hereafter for which it is now seeking reimbursement are:

Category	Cost
Data Analysis	\$3,281.25
Investigation	\$1,124.00
Mediation	\$3,962.50
Research	\$28.20
Transcripts	\$705.00
Grand Total	\$9,100.95

VIII. Settlement Administration Expenses

45. The Administrator has provided a “not to exceed” bid of \$4,500.

IX. Disposition of uncashed Checks

46. The settlement provides a gross settlement fund of \$570,000.00 for the State of California and approximately 900 PAGA Group Members. After deductions for a PAGA payment to the LWDA, the Settlement Administrator fees of \$4,500.00, Counsel’s litigation expense reimbursement of \$19,088.84, and a general release payment to the named Plaintiff, the balance of the settlement will be distributed

1 to PAGA Group Members based on the number of pay periods worked by each
2 respective PAGA Group member during the PAGA Period. Importantly, no
3 funds will revert to Defendants – any funds from uncashed checks will be
4 distributed to Legal Aid at Work (amounts to be earmarked for legal aid clinics
5 and educational functions).

6 47. At my direction, the LWDA has been served with a copy of the operative
7 complaint in this action and a copy of the Settlement Agreement.
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9 I declare under penalty of perjury under the laws of the State of California that the
10 foregoing is true and correct.

11 Dated: September 15, 2025



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13 Lonnie C. Blanchard III
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Exhibit 1

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UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

Keith Brooks, an individual, on behalf
of himself and all other similarly
situated and as a private attorney general
pursuant to the Private Attorneys
General Act,

Plaintiff,

vs.

Venture HR Services LLC, Center
Staffing Network LLC, Burlington Coat
Factory Warehouse Corporation,
Burlington Coat Factory of Texas, Inc.,
and Does 1 through 10,

Defendants.

Case No.: 5:24-cv-00041-KK-SHK

Hon. Kenly Kiya Kato

**JOINT STIPULATION OF PAGA
REPRESENTATIVE ACTION
SETTLEMENT AND RELEASE**

Complaint Filed: November 30,
2023
Removal: January 8,
2024
Trial: November 24, 2025

1 This Joint Stipulation of PAGA Representative Action Settlement and Release
2 (hereinafter “Settlement Agreement” or “Settlement”) is made and entered into by
3 and between the following parties: Plaintiff Keith Brooks (“Plaintiff”), both
4 individually and as the authorized proxy and agent for the State of California and the
5 California Labor and Workforce Development Agency (“LWDA”) on behalf of all
6 other allegedly aggrieved employees, and Defendants Burlington Coat Factory
7 Warehouse Corporation and Burlington Coat Factory of Texas, Inc. (“Burlington
8 Defendants”) (Plaintiff and Burlington Defendants are hereinafter collectively
9 referred to as the “Parties”). This Settlement Agreement is subject to the terms and
10 conditions set forth below and to the approval of the Court. This Settlement
11 Agreement accurately sets forth the Parties’ PAGA representative action settlement
12 in the total amount of Five Hundred Seventy Thousand Dollars and Zero Cents
13 (\$570,000.00) to resolve all claims as detailed below.

14 **I. DEFINITIONS**

15 1. “Action” means the action entitled “Keith Brooks v. Venture HR
16 Services LLC, et al.,” Case No. 5:24-cv-00041-KK-SHK, pending in the United
17 States District Court for the Central District of California.

18 2. “Applicable Pay Periods” means, as reflected on Center Staffing
19 Network LLC’s (“Center Staffing”) invoice records to Burlington Defendants, all
20 weekly pay periods in which a Representative Action Member worked at least one
21 day at a distribution center in California operated by Burlington Defendants during
22 the Covered Period.

23 3. “Approval Hearing” means the hearing on the Motion for Settlement
24 Approval and Judgment.

25 4. “Court” means the United States District Court for the Central District
26 of California, which presides over the Action.

1 5. “Covered Period” means the period between November 29, 2022,
2 through the Date of Court Approval.

3 6. “Date of Court Approval” means the date the Court approves this
4 Settlement Agreement and enters the Order Granting Settlement Approval and
5 Judgment to that effect.

6 7. “Burlington Defendants’ Counsel” means Morgan, Lewis & Bockius
7 LLP.

8 8. “General Release Payment” means the payment in an amount not to
9 exceed Ten Thousand Dollars and Zero Cents (\$10,000.00) in exchange for a general
10 release by Plaintiff and a waiver of California Civil Code Section 1542.

11 9. “Individual Settlement Amount” means the final gross amount to be
12 paid to any Representative Action Member under this Agreement.

13 10. “Maximum Settlement Amount” means the sum of Five Hundred
14 Seventy Thousand Dollars and Zero Cents (\$570,000.00), which represents the
15 maximum amount payable in this Settlement by Burlington Defendants and includes
16 all attorneys’ fees, litigation costs, and expenses, Settlement Administration
17 Expenses, the General Release Payment to Plaintiff, and all settlement payments to
18 the LWDA and the Representative Action Members.

19 11. “Motion for Settlement Approval and Judgment” means the motion
20 prepared by Representative Counsel and reviewed by Burlington Defendants and
21 supporting papers, including this Settlement Agreement and a proposed Order
22 Granting Settlement Approval and Judgment consistent with the terms of this
23 Settlement. Within the Motion for Settlement Approval and Judgment,
24 Representative Counsel may also seek court approval for an award of attorneys’ fees
25 and reimbursement of out-of-pocket litigation costs and expenses, as to which, so
26 long as they are consistent with the terms of this Settlement Agreement, Burlington
27 Defendants will take no position.

12. “Net Settlement Amount” equals the Maximum Settlement Amount less Representative Counsel’s attorneys’ fees, litigation costs and expenses, the General Release Payment, and Settlement Administration Expenses.

13. “Order Granting Settlement Approval and Judgment” means the Order entered by the Court in the Action following the filing of the Motion for Settlement Approval and Judgment and the Approval Hearing, *inter alia*: (1) approving the terms and conditions of this Settlement Agreement, including the payments and the release of claims as set forth herein; (2) approving the amount of attorneys’ fees and litigation costs to be awarded to Representative Counsel, the Settlement Administration Expenses and the General Release Payment to be made from the Maximum Settlement Amount; and (3) entering judgment and dismissal in the Action pursuant to and consistent with the terms and conditions of this Settlement Agreement.

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

15. “Representative Action Member(s)” means all individuals employed by Center Staffing Network LLC who were assigned to and performed any work at a distribution center in California operated by Burlington Defendants from November 29, 2022 through the Date of Court Approval.

16. “Representative Counsel” means the law firms of Peter R. Dion-Kindem, P.C., The Blanchard Law Group, APC, and The Holmes Law Group, APC.

17. “Settlement Administration Expenses” are those expenses and costs incurred by the Settlement Administrator in effectuating the Settlement and approved by the Court in an amount not to exceed Four Thousand Five Hundred Dollars and Zero Cents (\$4,500.00).

18. “Settlement Administrator” means Simpluris, Inc.

19. “Settlement Effective Date” means, after the Order Granting Settlement Approval and Judgment has been entered by the Court in the Action, the latter of the

1 following dates: (a) if an appeal, review, or writ is not sought from the Order Granting
2 Settlement Approval and Judgment (with the sole and limited exception of an appeal
3 by Representative Counsel of only and exclusively that portion of the Order Granting
4 Settlement Approval and Judgment reducing its requested attorneys' fees and
5 litigation costs), the 31st day after service of notice of entry of the Order Granting
6 Settlement Approval and Judgment (unless the 31st day falls on a weekend or
7 holiday, in which case it will be the first business day thereafter); or (b) if an appeal,
8 writ, or review is sought from the Order Granting Settlement Approval and
9 Judgment, the day after the Order Granting Settlement Approval and Judgment is
10 affirmed or the appeal, review, or writ is dismissed or denied, and the Order Granting
11 Settlement Approval and Judgment is no longer subject to further judicial review.

12 20. "Settling Defendants" means Burlington Defendants (Burlington Coat
13 Factory Warehouse Corporation and Burlington Coat Factory of Texas, Inc.), their
14 parents, affiliates, divisions, subsidiaries, owners, predecessors, successors, and
15 associated organizations, past and present, and each of their respective trustees,
16 directors, officers, agents, joint employers, attorneys, managing agents, employees,
17 contractors, insurers, representatives, assigns, all persons acting by, through, under,
18 or in concert with any of them and/or all persons acting on behalf of them. Settling
19 Defendants do not include Venture HR Services LLC, Center Staffing Network LLC,
20 Marie Johns and/or Paul Anthony Johns or any of their parents, affiliates, divisions,
21 subsidiaries, owners, predecessors, successors, and associated organizations, past and
22 present, and each of their respective trustees, directors, officers, agents, attorneys,
23 managing agents, employees, contractors, insurers, representatives, assigns, all
24 persons acting by, through, under, or in concert with any of them and/or all persons
25 acting on behalf of them other than Settling Defendants.

II. LITIGATION BACKGROUND

21. On or about November 29, 2023, Plaintiff served the LWDA by certified mail with a PAGA notice letter which stated that Plaintiff intended to seek civil penalties against Burlington Defendants for alleged violations of the applicable Wage Order and Labor Code Sections 201, 202, 203, 210, 226, 226.3, 226.7, 256, 512, 558, 1174, 1174.5, 1197, 1197.1 for failure to pay all wages, including minimum wages and overtime wages, failure to provide compliant meal periods, failure to provide compliant rest periods, failure to provide meal and rest period premium pay, failure to timely pay wages upon termination of employment, including the failure to pay waiting time penalties, failure to provide complaint wage statements, and failure to maintain records.

22. On November 30, 2023, Plaintiff filed this Action against Burlington Defendants, Venture HR Services LLC, and Center Staffing Network LLC in the Superior Court of California for the County of Riverside, alleging that the defendants violated California law by: (1) failing to pay wages for all hours worked; (2) failing to provide compliant meal periods; (3) failing to provide compliant rest periods; (4) failing to timely pay wages upon separation of employment; (5) failing to provide compliant wage statements; and (6) failing to maintain records. Based on these allegations, Plaintiff also brought a claim for unfair and unlawful business practices under California's Unfair Competition Law and a claim for civil penalties under PAGA.

23. On January 8, 2024, Burlington Defendants removed the Action to the United States District Court for the Central District of California.

24. On April 19, 2024, Plaintiff filed a First Amended Complaint, alleging that 65 days had passed from the date of Plaintiff's PAGA notice letter to the LWDA.

25. On June 6, 2024, Plaintiff filed the operative Second Amended Complaint adding as defendants Marie Johns and Paul Anthony Johns.

1 26. On September 20, 2024, the Court dismissed, without prejudice,
2 defendants Venture HR Services LLC, Center Staffing Network LLC, Marie Johns,
3 and Paul Anthony Johns.

4 27. On December 11, 2024, counsel for the Parties participated in a
5 mediation with experienced mediator Hon. Michael D. Marcus (Ret.). With Judge
6 Marcus' assistance, the Parties negotiated a settlement of Plaintiff's PAGA claims.
7 The settlement includes resolution of Plaintiff's PAGA claims on behalf of the State
8 of California and other Representative Action Members in this Settlement and a
9 general release by Plaintiff. The terms of the settlement of the Action are now set
10 forth in complete and final form in this Settlement.

11 28. Neither this Settlement nor any final judgment pursuant to this
12 Settlement will constitute an admission of any form of wrongdoing or liability on the
13 part of Burlington Defendants or the accuracy of any allegation raised in the Action.
14 This Settlement is entered into in compromise of disputed claims. Plaintiff and
15 Burlington Defendants intend by their actions pursuant to this Settlement, merely to
16 avoid the expense, delay, uncertainty, and burden of litigation. This Settlement and
17 any related court documents or orders may not be cited or otherwise admitted as
18 evidence of liability. There has been no final determination by any Court as to the
19 merits of the Action.

20 29. The Parties desire to fully, finally, and forever settle, compromise, and
21 discharge all disputes and claims against the Settling Defendants arising from or
22 related to the Action.

23 30. The Parties intend that this Settlement Agreement will constitute a full
24 and complete settlement and release of the claims averred in the Action by the
25 Plaintiff as the authorized proxy and agent of the State of California and the LWDA
26 on behalf of all Representative Action Members pursuant to PAGA. This release
27 includes in its effect a release of all the Settling Defendants.

III. JURISDICTION AND VENUE

31. This Court has jurisdiction over the Parties and the subject matter of this Settlement. This Court will have continuing jurisdiction over the terms and conditions of this Settlement Agreement until all payments and obligations provided for herein have been fully executed.

IV. TERMS OF SETTLEMENT

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

A. Stipulation to File Third Amended Complaint

33. Prior to seeking the Court's approval of this Settlement, the Parties agree to file a stipulation with the Court for leave of Court for Plaintiff to file an amended complaint (the "Third Amended Complaint") to conform the allegations and claims in this Action within the scope of this Settlement by limiting the scope of the claims alleged in the complaint to PAGA claims on behalf of the State of California, the LWDA, and all Representative Action Members. Plaintiff will provide a draft of the Third Amended Complaint to Burlington Defendants for its review and comment. In the stipulation, and as a further term of this Settlement, the Parties shall also seek dismissal, without prejudice, of all non-PAGA claims alleged in the Action, and Representative Counsel shall take all steps necessary to effectuate dismissal of all non-PAGA claims.

B. Non-Admission of Liability

34. Nothing in this Settlement Agreement or any communications, papers, or orders related to this Settlement Agreement will be construed to be or deemed an admission by Settling Defendants of any liability, culpability, negligence, or wrongdoing toward the Plaintiff, the Representative Action Members, or any other person, and the Settling Defendants specifically disclaim any liability, culpability,

1 negligence, or wrongdoing toward the Plaintiff, the Representative Action Members,
2 or any other person. Each of the Parties has entered into this Settlement Agreement
3 with the intention to avoid further disputes and litigation with the attendant
4 inconvenience, expenses, and contingencies, including in the Action. This
5 Settlement Agreement and any communications, papers, or orders related to the
6 Settlement Agreement may not be cited or otherwise admitted as evidence of liability,
7 whether in the Action or elsewhere. There has been no final determination by any
8 Court as to the merits of the claims asserted by Plaintiff against Burlington
9 Defendants. Furthermore, nothing in this Settlement Agreement will be considered
10 any form of waiver of any Settling Defendants' alternative dispute resolution
11 provisions or any other applicable alternative dispute resolution policy and Settling
12 Defendants expressly do not waive any right to enforce arbitration agreements and
13 class, collective, and representative action waivers in any other circumstance.

14 **C. Non-Approval By The Court**

15 35. If this Settlement Agreement is not approved by the Court, fails to
16 become effective, is reversed, withdrawn or materially modified by the Court:

- 17 (a) The Settlement Agreement will have no force or effect, other than
18 the confidentiality and non-disclosure provisions in Section XI
19 and the non-admission provisions in Paragraph 34;
- 20 (b) The Settlement Agreement will not be admissible in any judicial,
21 administrative or arbitral proceeding for any purpose or with
22 respect to any issue, substantive or procedural;
- 23 (c) None of the Parties to this Settlement Agreement will be deemed
24 to have waived any claims, objections, defenses or arguments
25 with respect to the merits of Plaintiff's claims; and
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(d) Burlington Defendants do not waive and instead expressly reserve their rights to challenge the propriety of the Action proceeding as a class or representative action.

D. Settlement Payments

36. Burlington Defendants agree to pay a Maximum Settlement Amount of Five Hundred Seventy Thousand Dollars and Zero Cents (\$570,000.00), inclusive of (a) all PAGA penalty settlement payments to the LWDA and Representative Action Members; (b) any award of attorneys' fees and out-of-pocket litigation costs and expenses to Representative Counsel; (c) the General Release Payment to Plaintiff; and (d) Settlement Administration Expenses. The Parties specifically agree, subject to Court approval, to the following allocations to be paid from the Maximum Settlement Amount:

(a) From the Maximum Settlement Amount, Representative Counsel may seek from the Court attorneys' fees up to one third (1/3) of the Maximum Settlement Amount and actual litigation costs and expenses for serving as Representative Counsel. Burlington Defendants will not object and take no position on Plaintiff's request for fees and costs provided it does not exceed these amounts and provided Plaintiff and Representative Counsel are not in breach of this Settlement Agreement.

(b) From the Maximum Settlement Amount, the General Release Payment to Plaintiff in the amount of Ten Thousand Dollars and Zero Cents (\$10,000.00).

(c) From the Maximum Settlement Amount, Settlement Administration Expenses in an amount not to exceed Four Thousand Five Hundred Dollars and Zero Cents (\$4,500.00).

(d) From the Net Settlement Amount:

- 1 (i) Seventy-five percent (75%) of the Net Settlement Amount will be
2 paid to the LWDA as its share of the Settlement attributable to
3 PAGA penalties.
- 4 (ii) The remaining twenty-five percent (25%) of the Net Settlement
5 Amount will be distributed as Individual Settlement Amounts to
6 the Representative Action Members.
- 7 (iii) The Individual Settlement Amount for each Representative
8 Action Member will be determined by multiplying the individual
9 percentage of total Applicable Pay Periods worked by that
10 Representative Action Member by the 25% of the Net Settlement
11 Amount allocated to all Representative Action Members. The
12 number of Applicable Pay Periods will be provided to the
13 Settlement Administrator by Burlington Defendants based on
14 Center Staffing's invoice records to Burlington Defendants.
- 15 (e) If the Court approves a lesser amount of attorney's fees and litigation
16 costs or Settlement Administration Expenses than those sought by
17 Plaintiff and Representative Counsel, any amount disallowed by the
18 Court will be added to the Net Settlement Amount.
- 19 (f) The Settlement Administrator will disburse monies from the Net
20 Settlement Amount as and when authorized in this Settlement
21 Agreement and by order of the Court, will file and issue any necessary
22 tax reporting documents, and will inform the Parties and (as required)
23 the Court of its fulfillment of the duties imposed by this Settlement
24 Agreement.
- 25 (g) The Settlement Administrator will issue settlement checks to the LWDA
26 and Representative Action Members under this Settlement Agreement,
27 as well as the General Release Payment to Plaintiff and attorneys' fees
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and expenses awarded to Representative Counsel, by sending such payments by mail or other reliable means to the respective recipients as specified below.

E. Released Claims

37. Upon the Settlement Effective Date, Plaintiff individually, and the State of California, the LWDA, and all Representative Action Members, through Plaintiff acting as the proxy and agent for the State of California and the LWDA and as a Private Attorney General acting on behalf of all Representative Action Members, will be deemed to have fully, finally, and forever released the Settling Defendants from all Released Claims as set forth in Section VII.A. Plaintiff will also release the Settling Defendants as set forth in the General Release in Section VII.B.

F. Motion for Settlement Approval and Entry of Judgment

38. Plaintiff will file a Motion for Settlement Approval and Judgment with the Court. At the Approval Hearing, Plaintiff will request that the Court, among other things, enter an Order Granting Settlement Approval and Judgment in accordance with the terms of this Settlement Agreement. Concurrent with filing the Motion for Settlement Approval and Judgment, Plaintiff will submit that Motion and any supporting papers, including a copy of this Settlement Agreement, to the LWDA pursuant to Labor Code § 2699(l)(2).

G. Waiver of Appeal

39. The Parties expressly acknowledge and agree that approval of this Settlement Agreement, through the Order Granting Settlement Approval and Judgment, effectuates the Releases set forth in Section VII and dismisses the Action with prejudice. Upon the Settlement Effective Date, Plaintiff, Burlington Defendants, and their counsel expressly agree to hereby waive and extinguish their right to appeal any order or judgment in the Action, and the judgment entered in the Action will be final, with the sole and limited exception that Plaintiff and Representative Counsel

1 may appeal only and exclusively that portion of the Order Granting Settlement
2 Approval and Judgment, if any, which reduces the requested attorneys' fees and
3 costs.

4 **H. No Right to Exclusion or Objections by Representative Action**
5 **Members**

6 40. Because this settlement resolves claims and actions brought pursuant to
7 PAGA by Plaintiff acting as a proxy and as a Private Attorney General of and for the
8 State of California and the LWDA, the Parties agree that no Representative Action
9 Member has the right to exclude himself or herself from the Settlement, including
10 Plaintiff. Representative Action Members will be bound by the terms of the
11 Settlement Agreement upon its approval by the Court regardless of whether he or she
12 cashes any Individual Settlement Amount payment made as a result of this
13 Settlement. The Parties also agree that no Representative Action Member has the
14 right to object to the terms of the Settlement Agreement.

15 **V. SETTLEMENT ADMINISTRATION**

16 **A. Settlement Administrator Duties**

17 41. Pursuant to the terms of this Settlement Agreement, the Settlement
18 Administrator will be responsible for: (a) calculating and determining the LWDA's
19 75% share of the Net Settlement Amount, and preparing and mailing that payment to
20 the LWDA; (b) preparing a list of all Representative Action Members, calculating
21 the Individual Settlement Amounts due to each Representative Action Member from
22 the remaining 25% share of the Net Settlement Amount and issuing and mailing
23 checks payable to said Representative Action Members, including taking appropriate
24 steps to trace, update and locate any Representative Action Members whose address
25 or contact information as provided to the Settlement Administrator is inaccurate or
26 outdated; (c) maintaining the Maximum Settlement Amount account in an interest-
27 bearing account at a federally insured banking institution, as discussed below;
28 (d) preparing and delivering the amount of attorneys' fees and litigation costs

1 awarded to Representative Counsel from the Gross Settlement Amount; (e) preparing
2 and mailing the General Release Payment to Plaintiff from the Gross Settlement
3 Amount; (f) reporting to Burlington Defendants' Counsel, Representative Counsel,
4 and, if necessary, the Court regarding the completion of the tasks identified in this
5 paragraph; (g) carrying out other related tasks including the proper maintenance of
6 undisbursed Net Settlement Amounts or uncashed checks in an interest bearing
7 account and reporting required for that account; and (h) filing and issuing any
8 necessary tax reporting documents, in accordance with the terms of this Settlement
9 Agreement.

10 42. All disputes relating to the Settlement Administrator's ability and need
11 to perform its duties will be referred to the Court, if necessary, which will have
12 continuing jurisdiction over the terms and conditions of this Settlement Agreement
13 until all payments and obligations contemplated by the Settlement Agreement have
14 been fully executed.

15 **B. Qualified Settlement Fund**

16 43. The Settlement Administrator will create a Qualified Settlement Fund
17 ("QSF"), to be funded by the Maximum Settlement Amount paid by Burlington
18 Defendants and administered by the Settlement Administrator. If the Settlement
19 Effective Date never occurs for any reason whatsoever, the entire amount of the
20 Maximum Settlement Amount will revert to Burlington Defendants along with any
21 accrued interest. Should the Settlement Effective Date occur, any interest earned on
22 the Maximum Settlement Amount will inure to the benefit of the LWDA and the
23 Representative Action Members and will be treated as part of the Net Settlement
24 Amount.

25 44. The Settlement Administrator will not distribute any money from the
26 QSF until the Settlement Effective Date has occurred and each condition in this
27 Settlement Agreement has been satisfied.

1 **C. Calculating and Issuing Payments**

2 45. When and if the Court enters the Order Granting Settlement Approval
3 and Judgment and the Settlement Effective Date as defined herein has passed, the
4 Settlement Administrator will be responsible for (a) preparing a list of all
5 Representative Action Members, calculating the Individual Settlement Amounts due
6 to each Representative Action Member, and issuing and mailing checks payable to
7 said Representative Action Members whose mailing addresses can be reasonably
8 identified; (b) issuing and mailing a check to the LWDA for its 75% share of the Net
9 Settlement Amount as penalties pursuant to PAGA; (c) issuing and mailing a check
10 to Plaintiff for General Release Payment; (d) issuing a check or wire to
11 Representative Counsel for any attorneys' fees and out-of-pocket litigation expenses
12 awarded by the Court; and (e) distributing any undelivered and/or uncashed
13 settlement amounts following the deadline for cashing settlement checks by *cy pres*
14 to Legal Aid at Work (amounts to be earmarked for legal aid clinics and educational
15 functions).

16 46. Prior to mailing the Individual Settlement Amount payments to
17 Representative Action Members, the Settlement Administrator will update the
18 addresses for the Representative Action Members using the National Change of
19 Address database and other available resources deemed suitable by the Settlement
20 Administrator. Any returned envelopes from the initial mailing with forwarding
21 addresses will be used by the Settlement Administrator to locate Representative
22 Action Members and re-mail the Individual Settlement Amount payments to the
23 correct or updated address. The Settlement Administrator will use appropriate tracing
24 methods, including skip tracing, to ensure that the Individual Settlement Amount
25 payments are received by Representative Action Members. The Settlement
26 Administrator will also take reasonable steps, including skip tracing, to locate any
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1 Representative Action Member whose Individual Settlement Amount payments are
2 returned as undeliverable.

3 47. The Individual Settlement Amount payments mailed to each
4 Representative Action Member will include the notice letter attached to this
5 Settlement Agreement as **Exhibit A** and will provide a payment of each
6 Representative Action Member's pro rata share from the 25% of the Net Settlement
7 Amount allocated to Representative Action Members.

8 48. All payments to the LWDA and any Individual Settlement Amount
9 Payments will be treated as civil penalties under PAGA and will be reported on an
10 IRS 1099 without withholdings. Plaintiff and Representative Action Members will
11 be exclusively liable for any and all tax liability, if any. The General Release Payment
12 to Plaintiff will be treated 100% as non-wages, and will be reported accordingly on
13 an IRS 1099. All Parties represent that they have not received and will not rely on
14 the advice or representations from other Parties or their agents or attorneys regarding
15 the tax treatment of payments under federal, state, or local law.

16 **D. Settlement Administration Expenses**

17 49. All Settlement Administration Expenses will be paid out of the
18 Maximum Settlement Amount. If the actual Settlement Administration Expenses are
19 less than the amount approved by the Court, the difference will be added to the Net
20 Settlement Amount.

21 **VI. DISTRIBUTION OF NET SETTLEMENT AMOUNT**

22 **A. Process and Deadlines**

23 50. Within thirty (30) calendar days after the Date of Court Approval,
24 Burlington Defendants will provide information in an electronic format regarding all
25 Representative Action Members to the Settlement Administrator only and to the
26 greatest extent known by Burlington Defendants based on Center Staffing's invoice
27 records to Burlington Defendants, including name(s) and all Applicable Pay Periods
28

1 worked. Representative Action Member data will only be used by the Settlement
2 Administrator for the purpose of calculating settlement shares and finding and paying
3 Representative Action Members their portion of the Net Settlement Amount. Data
4 for Representative Action Members will be kept confidential by the Settlement
5 Administrator and will not be disclosed to Plaintiff, Representative Counsel, the
6 LWDA, or any other Representative Action Member without the written consent of
7 Burlington Defendants. The Settlement Administrator will sign an administrator
8 confidentiality agreement to memorialize this obligation.

9 51. Within thirty (30) calendar days after the Date of Court Approval,
10 Burlington Defendants will also provide payment of the Maximum Settlement
11 Amount to the Settlement Administrator to fund the QSF to be created by the
12 Settlement Administrator.

13 52. Within ten (10) calendar days after receiving the data from Burlington
14 Defendants specified in Paragraph 50, the Settlement Administrator will calculate the
15 Net Settlement Amount and will make the calculation of payments from the Net
16 Settlement Amount to be distributed to the LWDA (representing its 75% share under
17 PAGA of the Net Settlement Amount) and to each of the Representative Action
18 Members (representing, in the aggregate, their 25% share under PAGA of the Net
19 Settlement Amount). Upon completion of its calculation of payments, and at least 5
20 days prior to the distribution of payments to the LWDA and Representative Action
21 Members from the Net Settlement Amount, the Settlement Administrator will
22 provide Burlington Defendants' Counsel with a report listing the amount of all
23 payments to be made to the LWDA and to each Representative Action Member from
24 the Net Settlement Amount. At the same time the Settlement Administrator provides
25 the report to Burlington Defendants' Counsel as set forth in this paragraph, the
26 Settlement Administrator shall provide the same report to Representative Counsel
27 except that the Representative Action Members' names will be redacted.

53. Within fifteen (15) calendar days after the Settlement Effective Date, the Settlement Administrator will distribute and pay Individual Settlement Amount checks to all Representative Action Members, issue a Settlement check to the LWDA for its payment of PAGA penalties, pay Plaintiff the General Release Payment, and pay Representative Counsel any awarded attorney's fees and costs.

B. Uncashed Settlement Checks

54. Representative Action Members who are sent Individual Settlement Amount payments will have 90 calendar days after mailing by the Settlement Administrator to cash their settlement checks and will be so advised of such deadline. If Representative Action Members do not cash their checks within that period, those checks will become void and the Settlement Administrator shall distribute any undelivered and/or uncashed settlement amounts following the deadline for cashing settlement checks by *cy pres* to Legal Aid at Work (amounts to be earmarked for legal aid clinics and educational functions).

VII. RELEASE OF CLAIMS

A. Release of Claims by Plaintiff, the LWDA, and All Representative Action Members

55. Upon the Date of Court Approval, Plaintiff, in his individual capacity and as proxy and private attorney general for the State of California, the LWDA, and Representative Action Members fully and forever releases and discharges the Settling Defendants from all claims, obligations, demands, rights, causes of action, civil penalties, and liabilities against Burlington Defendants under PAGA that have been asserted in the Second Amended Complaint and/or the PAGA letter to the LWDA, and any amendments thereto or that could have been asserted in the Second Amended Complaint, the PAGA letter to the LWDA and any amendments thereto, based on the facts, claims, matters, and/or allegations pled therein. Released Claims includes claims for failure to pay wages, including minimum wages and overtime, failure to provide meal periods and/or pay meal period premiums, failure to provide

1 rest periods and/or pay rest period premiums, failure to timely pay wages during
2 employment, failure to timely pay wages upon separation of employment and failure
3 to pay the waiting time penalty, failure to provide accurate or compliant wage
4 statements, and failure to maintain employment records and includes all such claims
5 from November 29, 2022, through the Date of Court Approval (“Released Claims”).
6 The Parties agree that this Settlement Agreement is conditioned upon this release of
7 all Released Claims, both by Plaintiff individually, and by the State of California, the
8 LWDA, and all Representative Action Members through Plaintiff acting on behalf
9 of, and as private attorney general for, the State of California and the LWDA. Upon
10 the Settlement Effective Date, Plaintiff, the LWDA, and each Representative Action
11 Member will be bound by the terms of this Settlement Agreement and will have
12 recourse exclusively to the benefits, rights, and remedies provided hereunder.

13 56. The Parties further understand and agree that this Settlement
14 Agreement, in conjunction with the Order Granting Settlement Approval and
15 Judgment, prohibits and enjoins any Representative Action Member (including
16 Plaintiff) from bringing against the Settling Defendants any of the Released Claims
17 (including Plaintiff’s unknown Released Claims) through and including the Date of
18 Court Approval. Upon the Settlement Effective Date, Plaintiff, on behalf of himself
19 and on behalf of the LWDA and each and every Representative Action Member, will
20 be deemed to have, and by operation of the Order Approving Settlement Agreement
21 and Judgment entered by the Court will have fully, finally, and forever released,
22 relinquished, and discharged each of the Settling Defendants from any and all
23 Released Claims (including unknown Released Claims) through the Date of Court
24 Approval.

25 57. Plaintiff agrees that this Settlement Agreement is further conditioned
26 upon his individual covenant not to participate in any further proceedings seeking
27 damages, penalties, or other remedies for any Released Claims except to the extent
28

1 required by law. Plaintiff agrees that the Settlement is fair and reasonable and will
2 participate in the settlement.

3 **B. General Release by Plaintiff**

4 58. For and in exchange for accepting the consideration of the General
5 Release Payment, Plaintiff will further make a general release (the “General
6 Release”) on behalf of himself and his heirs, executors, administrators,
7 representatives, successors and assigns, of Settling Defendants, to the fullest extent
8 permitted by law, of and from any and all claims, actions, causes of action, lawsuits,
9 attorneys’ fees, costs, debts, dues, sums of money, accounts, reckonings, bonds, bills,
10 specialties, covenants, contracts, bonuses, controversies, agreements, promises,
11 claims, charges, complaints and demands whatsoever, whether in law or equity,
12 known and unknown, asserted and unasserted, which against the Settling Defendants,
13 Plaintiff (and his heirs, executors, administrators, representatives, successors and
14 assigns) may now have or hereafter later determines that he has or had upon or as of
15 the Date of Court Approval, including, but not limited to, claims arising under the
16 Americans With Disabilities Act, the National Labor Relations Act, the Fair Labor
17 Standards Act, the Equal Pay Act, the Employee Retirement Income Security Act of
18 1974, 29 U.S.C. § 1001 *et seq.*, as amended, including, but not limited to, breach of
19 fiduciary duty and equitable claims arising under § 1132(a)(3) (“ERISA”), the
20 Worker Adjustment and Retraining Notification Act, as amended, Title VII of the
21 Civil Rights Act of 1964, the Vocational Rehabilitation Act of 1973, The Age
22 Discrimination in Employment Act of 1967, as amended by the Older Workers
23 Benefit Protection Act of 1990, the Civil Rights Acts of 1866, 1871 and 1991,
24 including Section 1981 of the Civil Rights Act, the Family and Medical Leave Act
25 (to the extent permitted by law), the Fair Credit Reporting Act or other federal, state
26 or local laws relating to background checks, the Sarbanes-Oxley Act, the Dodd-Frank
27 Wall Street and Consumer Protection Act, the California Family Rights Act
28

1 (“CFRA”), California’s PAGA, Cal. Bus. and Prof. Code § 17200 *et seq.* (“UCL”),
2 the California Labor Code and the Industrial Welfare Commission Wage Orders, the
3 California Fair Employment and Housing Act, and/or any other federal, state or local
4 human rights, civil rights, wage-hour, pension or labor law, rule, statute, regulation,
5 constitution or ordinance and/or public policy, contract or tort law, or any claim
6 related to whistleblowers or retaliation under such laws, or any claim of breach of
7 any contract (whether express, oral, written or implied from any source), or any claim
8 of intentional or negligent infliction of emotional distress, tortious interference with
9 contractual relations, wrongful or abusive or constructive discharge, defamation,
10 prima facie tort, fraud, negligence, loss of consortium, malpractice, breach of duty of
11 care, breach of fiduciary duty or any action similar thereto against Settling
12 Defendants, including any claim for attorneys’ fees, expenses or costs based upon
13 any conduct from the beginning of the world up to and including the date of this
14 General Release; provided, however, that Plaintiff does not waive any right to file an
15 administrative charge with the Equal Employment Opportunity Commission
16 (“EEOC”) or the National Labor Relations Board (“NLRB”), subject to the
17 confidentiality provisions of the Settlement Agreement, and subject to the condition
18 that Plaintiff not seek, or in any way obtain or accept, any monetary award, recovery
19 or settlement therefrom and understand that such limitation does not in any way
20 restrict his ability to file and pursue such charge consistent with the confidentiality
21 obligations set forth in this Settlement Agreement; and further provided, however,
22 that Plaintiff does not waive any rights with respect to, or release Settling Defendants
23 from, any claims for California Workers’ Compensation benefits, unemployment
24 insurance or indemnification provided by state law (except that Plaintiff hereby
25 releases and waives any claims that his termination was to avoid payment of such
26 benefits or payments or that, as a result of his termination, he is entitled to additional
27 benefits or payments); and further provided, however, that Plaintiff does not release
28

1 any claim that cannot be released by private contract nor for breach of the terms of
2 the Settlement Agreement, subject to the confidentiality obligations in Section XI
3 below; and further provided that, if any claim is not subject to release, to the extent
4 permitted by law, Plaintiff waives any right or ability to be a class or collective action
5 representative or to otherwise participate in any putative or certified class, collective,
6 or multiparty action or proceeding based on such a claim in which Burlington
7 Defendants or any of the other Settling Defendants is a party.

8 59. Thus, for the purpose of implementing a full and complete release and
9 discharge of the Burlington Defendants, Plaintiff expressly acknowledges that this
10 General Release is intended to include in its effect, without limitation, all claims
11 which Plaintiff does not know or suspect to exist in Plaintiff's favor at the time of
12 execution hereof, and that this General Release contemplates the extinguishment of
13 any such claim or claims.

14 60. In connection with such waiver and relinquishment, Plaintiff hereby
15 acknowledges that Plaintiff or his attorneys may hereafter discover claims or facts in
16 addition to, or different from, those which he now knows or believes to exist, but that
17 he expressly agrees to fully, finally and forever settle and release any and all claims,
18 known or unknown, suspected or unsuspected, which exist or may exist on his behalf
19 against Burlington Defendants at the time of execution of the Settlement Agreement,
20 including, but not limited to, any and all claims relating to or arising from Plaintiff's
21 employment with Burlington Defendants or the cessation of that employment.
22 Plaintiff and Burlington Defendants further acknowledge, understand and agree that
23 this representation and commitment is essential to each Party and that this Settlement
24 Agreement would not have been entered into were it not for this representation and
25 commitment.

26 61. It is further understood and agreed that as a condition of this General
27 Release, and to effect a full and complete general release as described above, Plaintiff
28

1 hereby expressly waives and relinquishes any and all claims, rights or benefits that
2 he may have under California Civil Code Section 1542, which provides as follows:

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

7 62. Plaintiff warrants that he has read this Settlement Agreement, including
8 the waiver of California Civil Code section 1542, and that he has consulted with or
9 had the opportunity to consult with counsel of his choosing and specifically about the
10 waiver of section 1542, that he understands this Settlement Agreement and the
11 section 1542 waiver, and that he freely and knowingly enters into this Settlement
12 Agreement, this general release, and the section 1542 waiver.

13 63. Plaintiff further agrees that, unless required to do so by law, he will not
14 testify, provide documents, or otherwise participate, or request others to participate
15 on his behalf, in any proceeding or litigation that is related to any conduct by any
16 Settling Defendant as of the date of this Settlement Agreement. Notwithstanding the
17 foregoing, nothing in this General Release will prohibit or restrict Plaintiff from: (i)
18 providing information to, or otherwise assisting in, an investigation by Congress, the
19 Equal Employment Opportunity Commission or the NLRB, the Securities and
20 Exchange Commission ("SEC") or any other federal regulatory or law enforcement
21 agency or self-regulatory organization ("SRO"); (ii) testifying, participating, or
22 otherwise assisting in a proceeding relating to an alleged violation of any federal law
23 relating to fraud or any rule or regulation of the SEC or any SRO; or (iii) complying
24 with a lawful subpoena or other legal process, subject to the terms of the Settlement
25 Agreement.

26 64. If any of the provisions, terms, clauses, waivers or releases of claims
27 and rights contained in this General Release are declared illegal, unenforceable, or
28

1 ineffective in a legal forum of competent jurisdiction, such provisions, terms, clauses,
2 waivers or releases of claims or rights will be modified, if possible, in order to
3 achieve, to the extent possible, the intentions of the parties and, if necessary, such
4 provisions, terms clauses, waivers and releases of claims and rights will be deemed
5 severable, such that all other provisions, terms, clauses and waivers and releases of
6 claims and rights contained in this General Release will remain valid and binding
7 upon both parties, provided, however, that, notwithstanding any other provision of
8 this General Release, if any portion of the waiver or release of claims or rights is held
9 to be unenforceable, Burlington Defendants may, at its option, seek modification or
10 severance of such portion, or terminate the Settlement Agreement pursuant to Section
11 X.

12 **VIII. DUTIES OF THE PARTIES**

13 65. Representative Counsel, subject to Burlington Defendants' approval,
14 will submit this Settlement Agreement to the Court together with the Motion for
15 Settlement Approval and Judgment and a proposed Order Granting Settlement
16 Approval and Judgment. At least seven (7) calendar days before submission to the
17 Court, Plaintiff will provide a draft of the Motion for Settlement Approval and
18 Judgment and supporting papers to Counsel for the Burlington Defendants for their
19 review and comment. Representative counsel agrees to consider all comments in
20 good faith. Concurrent with filing the Motion for Settlement Approval and Judgment
21 with the Court, Plaintiff will submit the Motion and any supporting papers, including
22 a copy of this Settlement Agreement, to the LWDA pursuant to Labor Code
23 § 2699(l)(2).

24 66. Following entry of the Court's Order Granting Settlement Approval and
25 Judgment, the Parties will each act to assure its timely execution and the fulfillment
26 of all provisions in that Order and in this Settlement Agreement, including but not
27 limited to the following:

- (a) Within ten (10) calendar days after the Date of Court Approval, Representative Counsel will submit a copy of the Order Granting Settlement Approval and Judgment to the LWDA pursuant to Labor Code § 2699(l)(3).
- (b) Within thirty (30) calendar days after the Date of Court Approval, Burlington Defendants will provide to the Settlement Administrator: (1) payment of the Maximum Settlement Amount to fund the QSF, and (2) the Representative Action Membership list specified in Paragraph 50 above. Burlington Defendants will submit this information in electronic format.
- (c) Upon entry of the Order Granting Settlement Approval and Judgment, all Parties will waive their right to appeal the judgment and all other court orders in the Action, with the sole and limited exception that Plaintiff and Representative Counsel reserve the right to appeal only and exclusively any reduction by the Court of the amounts requested for Representative Counsel's attorneys' fees and costs.
- (d) Representative Counsel and Burlington Defendants' Counsel will assist the Settlement Administrator as needed or requested in the process of identifying and locating Representative Action Members entitled to payments from the Net Settlement Amount and assuring delivery of such payments.

IX. SETTLEMENT APPROVAL PROCEDURES AND TIMELINE FOR COMPLETION OF SETTLEMENT

67. This Settlement Agreement will become final and effective only upon the occurrence of all the following events:

- (a) Execution of this Settlement Agreement by the Parties and their respective counsel of record.
- (b) Submission of the Settlement Agreement to the Court for approval by Plaintiff's filing of the Motion for Settlement Approval and Judgment.
- (c) Concurrent with the filing of the Motion for Settlement Approval and Judgment, Plaintiff's submission of that Motion and supporting papers, including the Settlement Agreement, to the LWDA.
- (d) Entry by the Court of an Order Approving Settlement Approval and Judgment, which, among things, must:
 - (i) approve the Settlement and the release of claims set forth herein, adjudging the terms thereof to be fair, adequate, reasonable, and binding on Plaintiff, the LWDA, and all Representative Action Members through Plaintiff acting on behalf of, and as a private attorney general for, the State of California and the LWDA;
 - (ii) approve settlement administration services to be provided by the Settlement Administrator;
 - (iii) permanently enjoin and prohibit Plaintiff, the LWDA, and all other Representative Action Members from pursuing and/or seeking to reopen claims that have been released by this Settlement;
 - (iv) provide that the Court will retain jurisdiction to oversee administration and enforcement of the terms of the Settlement and the Court's orders; and

(v) otherwise incorporate the terms of this Settlement Agreement.

68. The schedule for approval and payment procedures carrying out this Settlement is as follows. The schedule may be modified depending on whether and when the Court grants necessary approvals. In the event of such modification, the Parties will cooperate to complete the settlement procedures as expeditiously as reasonably practicable.

Within 10 calendar days after the Date of Court Approval	Representative Counsel shall submit a copy of the Order Granting Settlement Approval and Judgment to the LWDA.
Within 30 calendar days after the Date of Court Approval	Burlington Defendants shall (1) transfer the Maximum Settlement Amount to the Settlement Administrator who will deposit in a Settlement Administrator-established interest-bearing account at a federally insured banking institution; and (2) provide the Settlement Administrator the names for all Representative Action Members, as well as the number of Applicable Pay Periods in Representative Action Members during the Covered Period, to the greatest extent known by Burlington Defendants based on Center Staffing's invoice records to Burlington Defendants.
Within 10 calendar days after receipt of Representative Action Member data from Burlington Defendants	Settlement Administrator to make the calculation of payments from the Net Settlement Amount to be distributed to the LWDA and to the Representative Action Members and provide Burlington Defendants' Counsel with a report listing the amount of all payments to be made to the LWDA and to each Representative Action Member. Settlement Administrator to provide report to Representative Counsel except that Representative Action Members' names shall be redacted.
Settlement Effective Date	Following entry of the Order Granting Settlement Approval and Judgment, the latter of the following dates:

	(a) if an appeal, review, or writ is not sought from the Order Granting Settlement Approval and Judgment, the 31st day after service of notice of entry of the Order Granting Settlement Approval and Judgment (unless the 31st day falls on a weekend or holiday, in which case it will be the first business day thereafter); or (b) if an appeal, writ, or review is sought from the Order Granting Settlement Approval and Judgment, the day after the Order Granting Settlement Approval and Judgment is affirmed or the appeal, review, or writ is dismissed or denied, and the Order Granting Settlement Approval and Judgment is no longer subject to further judicial review.
Within 10 calendar days after Settlement Effective Date	Settlement Administrator to complete any skip trace or other address searched for Representative Action Members, including updating any contact information.
Within 15 calendar days after the Settlement Effective Date	Settlement Administrator to distribute and pay Settlement checks to the LWDA and to all Representative Action Members from the Net Settlement Amount, pay the Plaintiff his Service Enhancement, and pay Representative Counsel the attorney's fees and costs approved and awarded by the Court.
90 calendar days after distribution of settlement checks	Expiration of Representative Action Members' settlement checks.
Within 120 calendar days after distribution	Settlement Administrator to distribute any undelivered and/or uncashed settlement amounts by <i>cy pres</i> to Legal Aid at Work (amounts to be earmarked for legal aid clinics and educational functions).

X. VOIDING OR MODIFYING THE SETTLEMENT AGREEMENT

69. Either Party has the right to withdraw from the Settlement at any time prior to the Settlement Effective Date if: (a) the Settlement is construed in such a fashion that Burlington Defendants are required to pay more than the Maximum

1 Settlement Amount to resolve the PAGA claims; (b) the Court does not approve the
2 Settlement; (c) the Court does not order the release of claims of the Representative
3 Action Members agreed to by the Parties or otherwise makes an order inconsistent
4 with any of the material terms of this Settlement Agreement; (d) the Court does not
5 order dismissal with prejudice of the entire action as amended; or (e) Plaintiff or
6 Representative Counsel breaches the Settlement Agreement. However, the Parties
7 and their counsel will cooperate with each other in good faith and use their best
8 efforts to effect the implementation of the Settlement Agreement and receive
9 approval from the Court as further discussed in Section XIII. In the event of either
10 Party's withdrawal, that Party will pay the costs incurred by the Settlement
11 Administrator up the date of that Party's withdrawal.

12 70. If for any reason the Settlement Agreement is not approved, or either
13 Party withdraws from the Settlement as permitted herein, this Settlement Agreement
14 and any related settlement documents will be null and void, other than the
15 confidentiality and non-disclosure provisions in Section XI and the non-admission
16 provisions in Paragraph 34. In such an event, neither this Settlement Agreement, nor
17 the settlement documents, nor the negotiations leading to the Settlement, may be used
18 as evidence for any purpose, and Burlington Defendants will retain the right to
19 challenge all claims and allegations in the Action and to assert all applicable defenses
20 on all applicable grounds. The Third Amended Complaint will be deemed dismissed
21 and the Second Amended Complaint shall be deemed the operative pleading.

22 71. Other than as specified above, this Settlement Agreement may not be
23 changed, altered, or modified, except in writing and signed by counsel for the Parties
24 hereto and approved by the Court. This Settlement Agreement may not be discharged
25 except by performance in accordance with its terms or by a writing signed by the
26 Parties hereto.

1 **XI. CONFIDENTIALITY AND PUBLICITY**

2 72. Names of Representative Action Members will be kept strictly
3 confidential by the Settlement Administrator who will not release such information
4 to Representative Counsel and will only file such information under seal if necessary.
5 Representative Counsel agrees that any information they receive or have received in
6 connection with this Settlement may be used for the purposes of settling the Action
7 only and may not be used for any purpose or in any other action or proceeding except
8 as may be required by law.

9 73. Plaintiff and Representative Counsel agree not to disclose the terms of
10 the Settlement Agreement except in court papers or if required by legal process,
11 except that Representative Counsel may put publicly available information about the
12 Settlement in any description of their experience or the like in order to describe their
13 experience to a court. Neither Plaintiff nor Representative Counsel, directly or
14 indirectly, will issue a press release, hold a press conference, or otherwise publicize
15 the settlement. Plaintiff and Representative Counsel agree not to respond to any press
16 inquiries concerning the settlement except to respond, if necessary, that the matter
17 was resolved.

18 **XII. PARTIES' AUTHORITY**

19 74. The signatories hereby represent that they are fully authorized to enter
20 into this Settlement Agreement and bind the Parties hereto to the terms and conditions
21 hereof.

22 **XIII. MUTUAL FULL COOPERATION**

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

1 Agreement and any other efforts that may become necessary by order of the Court or
2 otherwise to effectuate this Settlement Agreement and the terms set forth herein. As
3 soon as practicable after execution of this Settlement Agreement, Representative
4 Counsel will, with the assistance and cooperation of Burlington Defendants and
5 Burlington Defendants' Counsel, take all necessary steps to secure the Court's
6 approval of this Settlement Agreement.

7 **XIV. NOTICES**

8 76. Unless otherwise specifically provided herein, all notices, demands or
9 other communications given hereunder will be in writing and will be deemed to have
10 been duly given as of the third business day after mailing by United States registered
11 or certified mail, return receipt requested, addressed as follows:

12 **To Representative Counsel:**

13 Peter R. Dion-Kindem
14 PETER R. DION-KINDEM, P.C.
15 3856 Davids Road
16 Agoura Hills, CA 91301
17 Tel: (818) 883-4900
18 peter@dionkindemlaw.com

19 Lonnie C. Blanchard III
20 THE BLANCHARD LAW GROUP, APC
21 177 East Colorado Boulevard, Suite 200
22 Pasadena, CA 91105
23 Tel: (213) 599-8255
24 lonnieblanchard@gmail.com

25 **To Burlington Defendants' Counsel:**

26 Carrie A. Gonell
27 MORGAN, LEWIS & BOCKIUS LLP
28 600 Anton Boulevard, Suite 1800
Costa Mesa, CA 92626-7653
Tel: (714) 830.0600
Fax: (714) 830.0700
carrie.gonell@morganlewis.com

1 If the identity of the persons to be notified for any Party changes or their
2 address changes, that Party will notify all other Parties of said change in writing.

3 **XV. MISCELLANEOUS PROVISIONS**

4 **A. Captions and Titles**

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

9 **B. Drafting**

10 78. The Parties hereto agree that the terms and conditions of this Settlement
11 Agreement are the result of lengthy, intensive arms-length negotiations between the
12 Parties. Neither Party will be considered the “drafter” of the Settlement Agreement
13 for purposes of having terms construed against that Party, and this Settlement
14 Agreement will not be construed in favor of or against any Party by reason of the
15 extent to which any Party or his, her or its counsel participated in the drafting of this
16 Settlement Agreement.

17 **C. Extensions of Time**

18 79. If a Party cannot reasonably comply with an obligation under this
19 Settlement Agreement by the deadline set forth herein applicable to that obligation,
20 that Party may apply to the Court for a reasonable extension of time to fulfill that
21 obligation. Consent to such a request for an extension will not be unreasonably
22 withheld by the other Party.

23 **D. Governing Law**

24 80. The rights and obligations of the Parties hereunder will be construed and
25 enforced in accordance with, and will be governed by, the laws of the State of
26 California, without regard to principles of conflict of laws.

1 **E. No Impact on Benefit Plans**

2 81. Neither the Settlement Agreement nor any amounts paid under the
3 Settlement Agreement will modify any previously credited hours or service under
4 any employee benefit plan, policy, or bonus program sponsored by Burlington
5 Defendants. Such amounts will not form the basis for additional contributions to,
6 benefits under, or any other monetary entitlement under Burlington Defendants'
7 sponsored benefit plans, policies, or bonus programs. The payments made under the
8 terms of this Settlement will not be applied retroactively, currently, or on a going
9 forward basis, as salary, earnings, wages, or any other form of compensation for the
10 purposes of Burlington Defendants' benefit plan, policy, or bonus program.
11 Burlington Defendants retain the right to modify the language of its benefit plans,
12 policies and bonus programs to effect this intent, and to make clear that any amounts
13 paid pursuant to this Settlement Agreement are not for "hours worked," "hours paid,"
14 "hours of service," or any similar measuring term as defined by applicable plans,
15 policies and bonus programs for purposes of eligibility, vesting, benefit accrual, or
16 any other purpose, and that additional contributions or benefits are not required by
17 this Settlement Agreement.

18 **F. Integration**

19 82. This Settlement Agreement contains the entire agreement between the
20 Parties relating to the settlement and transaction contemplated hereby, and all prior
21 or contemporaneous agreements, understandings, representations, and statements,
22 whether oral or written and whether by a Party or such Party's legal counsel, are
23 merged herein. No rights hereunder may be waived except in writing.

24 **G. No Prior Assignments**

25 83. This Settlement Agreement will be binding upon and inure to the benefit
26 of the Parties hereto and their respective heirs, trustees, executors, administrators and
27 successors. The Parties hereto represent, covenant, and warrant that they have not
28

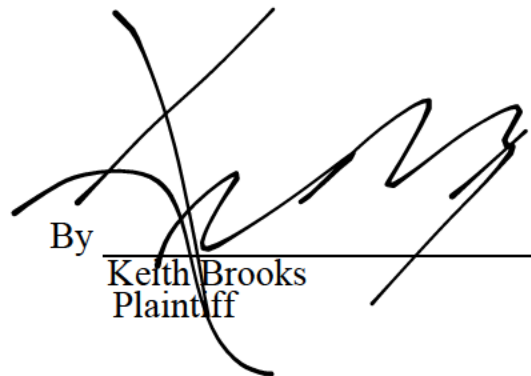
directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action or rights herein released and discharged except as set forth herein.

XVI. COUNTERPARTS AND ELECTRONIC SIGNATURES

84. This Settlement Agreement may be executed in counterparts with signatures transmitted by facsimile or as an electronic image (including DocuSign) of the original signature. When each Party has signed and delivered at least one such counterpart, each counterpart will be deemed an original, and, when taken together with other signed counterparts, will constitute one Settlement Agreement, which will be binding upon and effective as to all Parties. A facsimile signature or electronic image will have the same force and effect as the original signature.

IN WITNESS THEREOF, each of the undersigned Parties has entered into this Agreement on the dates shown below.

Dated: February 20, 2025

By 
Keith Brooks
Plaintiff

Dated: February 21, 2025

DocuSigned by:
By 
4841D28395A8475...

Name: Karen Leu

Title: General Counsel

For Burlington Coat Factory
Warehouse Corporation and
Burlington Coat Factory of Texas,
Inc.

1 Dated: February 20, 2025

PETER R. DION-KINDEM, P.C.
THE BLANCHARD LAW GROUP,
APC

4 By Peter R. Dion-Kindem

Peter R. Dion-Kindem
Lonnie C. Blanchard
Attorneys for Plaintiff
KEITH BROOKS

**APPROVED AS TO FORM AND
CONTENT ONLY AND NOT AS
A PARTY**

8 Dated: February 25, 2025

MORGAN, LEWIS & BOCKIUS LLP

10 By Carrie A. Gonell

Carrie A. Gonell
Attorneys for Burlington Defendants
BURLINGTON COAT FACTORY
WAREHOUSE CORPORATION
and BURLINGTON COAT
FACTORY OF TEXAS, INC.

**APPROVED AS TO FORM AND
CONTENT ONLY AND NOT AS
A PARTY**

Exhibit A

Notice of Settlement - Court-Approved Communication

Please Read Carefully

CHECK ENCLOSED

To: All individuals employed by Center Staffing Network LLC who were assigned to and performed any work at a distribution center in California operated by Burlington Defendants between November 29, 2022, through [REDACTED] (“Representative Action Members”).

This notice is to inform you about the settlement of a lawsuit that was filed against Burlington Coat Factory Warehouse Corporation and Burlington Coat Factory of Texas, Inc. (together, “Burlington Defendants”) as well as Venture HR Services, LLC, Center Staffing Network LLC, Marie Johns, and Paul Anthony Johns (altogether, “Defendants”) by Keith Brooks (“Plaintiff”). The lawsuit is entitled *Keith Brooks v. Venture HR Services LLC, et al.*, Case No. 5:24-cv-00041-KK-SHK, pending in the United States District Court for the Central District of California (the “Action”).

IMPORTANT: A check is enclosed for you with this letter. You must deposit it no later than [REDACTED], 2025 or the check will become void.

Although you are not a party to this lawsuit, you are receiving this letter and check because you have been identified by Burlington Defendants as a Representative Action Member. **Please read this notice carefully.**

1. The Lawsuit

In the lawsuit, Plaintiff filed a complaint alleging that Defendants violated California law by: (1) failing to pay wages for all hours worked, including minimum wages and overtime wages; (2) failing to provide compliant meal periods; (3) failing to provide compliant rest periods; (4) failing to timely pay wages upon termination of employment, including failing to pay waiting time penalties; (5) failing to provide compliant wage statements; (6) failing to maintain records; and (7) unfair and unlawful business practices.

In his complaint, Plaintiff asserted putative class claims as well as representative under the California Labor Code Private Attorneys General Act of 2004 (“PAGA”), Cal. Labor Code §2698 *et seq.*, to recover civil penalties on behalf of the State of California and the Representative Action Members who worked in California between November 29, 2022, and [REDACTED].

The Burlington Defendants dispute Plaintiff’s allegations and contend that they did not employ any Representative Action Members and that their practices were at all times lawful.

The Court has not issued a ruling in this case in favor of Plaintiff or in favor of any named defendants. Plaintiff and Burlington Defendants have agreed that this settlement is in their best interests because it will avoid the cost and risk of a trial.

The Court held a hearing on [REDACTED] to consider whether the settlement of the representative PAGA claim for civil penalties—that is described in Section 2 below—is fair and reasonable. At that hearing, the Court approved the settlement terms and authorized this notice and enclosed check.

2. The Terms of the PAGA Settlement

The settlement provides for a payment in the amount of \$570,000 (referred to here as the “Maximum Settlement Amount”) for the benefit of the California Labor and Workforce Development Agency (“LWDA”) and Representative Action Members. \$ [REDACTED] of the Maximum Settlement Amount will be paid to the Representative Action Members to settle the claim for civil penalties, \$ [REDACTED] will be paid to the State of California, \$ [REDACTED] will be paid to a settlement administrator for services administering this settlement, \$ [REDACTED] will be paid to Plaintiff in exchange for a general release of claims, and \$ [REDACTED] will be paid to the lawyers who represented Plaintiff on a “contingency” basis.

3. Who is Eligible to Receive Payments from the PAGA Settlement Fund?

To be eligible for a settlement payment, you must have been employed by Center Staffing Network LLC and performed work on at least one day at a distribution center in California operated by the Burlington Defendants between November 29, 2022, through [REDACTED].

4. What is the Estimated Amount of Your Settlement Payment?

A portion of the Maximum Settlement Amount totaling \$ [REDACTED] has been divided in *pro-rata* shares among you and the other Representative Action Members. The size of your share depends on how many pay periods you worked for Center Staffing Network LLC while assigned to work at a distribution center in California operated by the Burlington Defendants between November 29, 2022, through [REDACTED].

According to Center Staffing Network LLC’s invoice records to the Burlington Defendants, you worked [REDACTED] pay periods between November 29, 2022, and [REDACTED]. Under the terms of the settlement, you are therefore entitled to \$ [REDACTED]. That amount is reflected in the enclosed check.

5. Tax Requirements

The payment to you is classified as non-wage income and reported on a form IRS 1099 to the extent required. That form is also included with this letter. You are responsible for paying any applicable taxes on all amounts received pursuant to this Settlement. You should contact your tax preparer if you have any questions, as neither Plaintiff’s lawyers nor the Burlington Defendants are in a position to provide you with tax-related advice.

6. The Scope of the Release

The release in this case releases the Burlington Defendants, their parents, affiliates, divisions, subsidiaries, owners, predecessors, successors, and associated organizations, past and present, and each of their respective trustees, directors, officers, agents, joint employers, attorneys, managing agents, employees, contractors, insurers, representatives, assigns, all persons acting by, through, under, or in concert with any of them and/or all persons acting on behalf of them (collectively, “the Settling Defendants”) from all claims, obligations, demands, rights, causes of action, civil penalties, and liabilities against Burlington Defendants, under PAGA that have been asserted in the Second Amended Complaint and/or the PAGA letter to the LWDA, and any amendments thereto or that could have been asserted in the Second Amended Complaint, the PAGA letter to the LWDA, and any amendments thereto, based on the facts, claims, matters, and/or allegations pled therein. Released Claims includes claims for failure to pay wages, including minimum wages and overtime, failure to provide meal periods and/or pay meal period premiums, failure to provide rest periods and/or pay rest period premiums, failure to timely pay wages during employment, failure to timely pay wages upon separation of employment and failure to pay the waiting time penalty, failure to provide accurate or compliant wage statements, and failure to maintain employment records and includes all such claims from November 29, 2022, through [REDACTED] (“Released Claims”). The Parties agree that this Settlement Agreement is conditioned upon this release of all Released Claims, both by Plaintiff individually, and by the State of California, the LWDA, and all Representative Action Members through Plaintiff acting on behalf of, and as private attorney general for, the State of California, the LWDA, and all Representative Action Members. Upon the Settlement Effective Date, Plaintiff, the LWDA, and each and every Representative Action Member will be bound by the terms of this Settlement Agreement and will have recourse exclusively to the benefits, rights, and remedies provided hereunder. Settling Defendants does not include Venture HR Services LLC, Center Staffing Network LLC, Marie Johns and/or Paul Anthony Johns or any of their parents, affiliates, divisions, subsidiaries, owners, predecessors, successors, and associated organizations, past and present, and each of their respective trustees, directors, officers, agents, attorneys, managing agents, employees, contractors, insurers, representatives, assigns, all persons acting by, through, under, or in concert with any of them and/or all persons acting on behalf of them other than Settling Defendants.

Note: Your settlement check will be valid for 90 days from the date it is issued. You will be bound by the above release whether or not you cash your settlement check.

7. Getting More Information

This notice summarizes the terms of the settlement. The full details are set forth in the written Joint Stipulation of PAGA Representative Action Settlement and Release. If you have questions about the settlement or want to request a copy of that Agreement, you can contact the Settlement Administrator at:

[insert]

Exhibit 2

Analysis **Lawyer Rates and Arrangements**

Senior Partners Approach \$3,000 an Hour, As More Billing Rate Hikes Expected in 2025

September 24, 2024 By  **Mimi Lamarre**

 **Andrew Maloney**

What You Need to Know

- More big firms are going to approach hourly rates of \$3,000 for partners and \$1,000 for associates, according to new data from Valeo Partners.
- Am Law 25 to 30 firms will have standard rate increases of 10% to 13% in the new year, per the data.
- An increase in M&A activity, fierce competition for lateral partners and firm mergers are helping to push up rates, observers say.



Credit: Lemonsoup14/Adobe Stock

Some Am Law 50 firms will increase billing rates substantially in 2025, with expectations that some senior partners will approach \$3,000 an hour and more associates will bill over \$1,000 an hour.

More demand in M&A and transactional practices, as well as law firm mergers and increasing demand to pay top-performing talent, are pushing billing rates higher, some observers say.

According to data from Valeo Partners, which analyzes public disclosure documents to discern upcoming rate changes, senior partners at "a few firms" will have standard rates approaching \$3,000, and a few might exceed that marker.

Valeo Partners declined to name the firms. However, some recent bankruptcy fee packages reveal some firms are close to the \$3,000 mark already. Wilson Sonsini Goodrich Rosati billed \$2,720 an hour this year for top partners in the Rite-Aid bankruptcy. McDermott Will & Emery was charging top partners out at \$2,590 hourly at the end of 2023 in the Mountain Express Oil Co. bankruptcy.

More firms will reveal their 2025 rate increases in bankruptcy court toward the end of the year.

In the Am Law 25 to 30 as a whole, Chuck Chandler, the CEO of Valeo Partners, projected that in 2025, there will be standard rate increases of about 10% to 13%.

The expected rate hikes represent an increase from 2023, when a cohort of 10 Am Law 50 firms announced rate increases of between 8% and 10% in [bankruptcy court filings](#). The same group of firms raised rates between 10% and 15% in early 2023.

Standard billing rates are expected to increase in the Am Law 50 to \$2,100 for senior partners and \$1,900 for partners, per the Valeo data.

Rate increases are projected to be highest amongst senior partners, or those who have 25 years or more since their law school graduations, according to Chandler. Nine of the Am Law 50 firms currently have senior partner standard hourly rates of around \$2,400 to \$2,875, while 17 will be in that range by 2025, he said.

At the same time, discounts are not expected to increase, but, instead, will stay steady at around 12% to 13%, according to Valeo.

For associates, rate increases will be more notable among third-years. Currently, 16 of the Am Law 50 firms have third-year associates with rates over \$1,000, but Valeo projects around half of the Am Law 50 to have rates of over \$1,000 amongst this group by 2025.

Billing rates for first-year associates are approaching \$1,000 at a handful of firms, with Paul, Weiss, Rifkind, Wharton & Garrison charging a minimum of \$895 for associates in 2024, bankruptcy records show. Sullivan & Cromwell charges nearly as much—\$850 hourly—for first-years.

Sullivan & Cromwell and Paul Weiss also have among the top rates for senior associates, with associates maxing out at \$1,575 at Sullivan & Cromwell and \$1,560 at Paul Weiss.

Some of the rate increases won't even wait until 2024 — they are happening next month. Two large law firms in the Am Law 30, along with four other firms in the Am Law 200, will change their firm-wide hourly rates effective October 1, 2024, Chandler said, again declining to name which ones.

Overall, rate hikes will be most dependent "on what happens with M&A, because that's going to be a huge driver" of rate increases, said Chandler in an interview.

A spate of law firm mergers could also contribute to rate increases into next year, he said. As it stands, more law firm mergers, both domestically and across borders, are expected into 2025, as

firms compete harder than ever to scale.

Along similar lines, the cost of talent is also driving the billing rates calculus, as Big Law firms have zeroed in on high-profile, money-making lateral partners in 2024. Jennifer McIver, director of legal operations/industry insights for ELM Solutions and author of a report this month about law firm rate increases, noted the projected rates for partners and associates are not a surprise because of the cost now to retain and attract talent.

"In order to keep that profit margin you're going to have to have that retention [of talent], and the more people are willing to pay for it, the law firms are going to push for that," she said.

She said whether that trend breaks depends, at least in part, on whether corporate legal departments begin moving even more work to lower-cost firms or ask their firms to cap things like the rates they can charge for their associates' time. "So, it comes down to that push and pull," she said.

2024 Rate Growth

Firms are building off their rate hikes in the last year. According to Wells Fargo Legal Specialty Group's survey data, average standard rates rose by 8.8% year-over-year in the first half of 2024.

Rate growth continues to be the primary contributor to revenue growth, the bank said in August.

The report this month from Wolters Kluwer ELM Solutions also noted the median billing rate increase across the industry last year jumped from 1.9% to 4.0%, and that halfway through 2024, high-priced practices like finance and securities, real estate and corporate had notched mean rate increases of over 8%. The bankruptcy and collections practice area is trending with the highest increase, with a 2024 year-to-date mean rate increase of 10.4%, according to the report.

While there are "early signs" the pace of billing rate hikes writ-large may slow due to more active client pushback and transactional uncertainty, according to [another report last week](#), firms may also become even more reliant on those rates to maintain profitability in the event of an economic slowdown.

Dan Roe contributed to this report.

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