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

BENJAMIN STEIDL, on behalf of the State of
California and other aggrieved persons,

Plaintiff,

v.

Z3 PLUMBING CORP., a California
corporation; and DOES 1 through 10, inclusive,

Defendant.

Case No.: 30-2023-01365173-CU-OE-CJC

PAGA REPRESENTATIVE ACTION

*[Assigned for all purposes to Nico A.
Dourbetas, Dept. C13]*

**DECLARATION OF TYLER J. WOODS
IN SUPPORT OF PLAINTIFF'S
MOTION TO APPROVE PAGA
SETTLEMENT**

Reservation No.: 74731972

Approval Hearing Date

Date: April 03, 2026
Time: 9:30 a.m.
Dept.: C13

Complaint Filed: November 29, 2023
Trial Date: Not set

I, Tyler J. Woods, declare as follows:

1. I am admitted, in good standing, to practice as an attorney in the State of California and the United States District Courts for the Central, Southern, Eastern, and Northern Districts of California. I am a Senior Partner at Wilshire Law Firm, PLC, counsel of record for Plaintiff Benjamin Steidl (“Plaintiff”). I have personal knowledge of the facts set forth in this declaration and could and would competently testify to them under oath if called as a witness.

2. This Declaration is submitted in support of Plaintiff's Motion to Approve PAGA Settlement.

3. Defendant Z3 Plumbing Corp. is a commercial plumbing company specializing in large scale commercial projects, in-house design build and prefabrication. Plaintiff worked for Defendant from approximately July 2022 to approximately January 2023.

4. Plaintiff's PAGA claim stems from Defendant's alleged failure to pay for all hours worked (including minimum wages, straight time wages, and overtime wages), failure to provide meal periods, failure to authorize and permit rest periods, failure to pay all earned wages twice per month, failure to maintain accurate records of hours worked and meal periods, failure to timely pay final wages, failure to furnish accurate wage statements, and failure to indemnify for necessary expenditures or losses.

5. Plaintiff provided notice to the California Labor & Workforce Development Agency (“LWDA”) and Defendant of the violations described above, as required by Labor Code § 2699.3(a)(1). Pursuant to Labor Code § 2699.3(a)(2)(A), the LWDA had 65 calendar days to notify Plaintiff and Defendant whether it intended to investigate the alleged violations. However, the LWDA did not do so.

6. On November 29, 2023, Plaintiff filed an action alleging a cause of action against Defendant for civil penalties under PAGA.

7. After Plaintiff filed his complaint, the Parties engaged in extensive discussions

1 regarding the merits of the claims and the discovery needed thereon if the parties were to engage
2 in meaningful settlement discussions. On Plaintiff's request, Defendant produced a sampling of
3 employee timekeeping and payroll data as well as documents reflecting Defendant's policies,
4 practices and procedures during the relevant time period. Thereafter, the Parties continued to
5 engage in extensive discussions about the factual and legal strengths (and weaknesses) of the
6 claims and defenses.

7 8. On October 10, 2024, the Parties and their counsel participated in private
8 mediation with Michael Mandel. The settlement negotiations were at arm's length and, although
9 conducted in a professional manner, were adversarial. The Parties went into the mediation
10 willing to explore the potential for a settlement of the dispute, but each side was also prepared
11 to litigate their or its position through trial and appeal if a settlement had not been reached.

12 9. Ultimately, after an all-day mediation presided over by Michael Mandel, the
13 Parties agreed to settle the PAGA claim for \$75,000.00, which includes persons employed by
14 Defendant in California and classified as a non-exempt or hourly-paid employee who worked
15 for Defendant during the PAGA Period. There are approximately 70 aggrieved employees
16 covered by the settlement. Plaintiff submitted the Settlement to the LWDA on December 18,
17 2025, pursuant to Labor Code § 2699(1)(2). A true and correct copy of the PAGA Settlement
18 Agreement ["Settlement"] executed by the Parties, along with the confirmation that the
19 Settlement was submitted to the LWDA is attached to this Declaration as **Exhibit 1**.

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

24 **Assessment of Amount in Controversy and Risks of Continued Litigation**

25 11. Plaintiff and my firm remain confident of the merits of Plaintiff's claims. With
26 respect to the meal period allegation, Plaintiff alleges that Defendant did not have fully compliant
27 written meal period policies. Although Plaintiff contends that this allegation is meritorious, there
28 is risk with this underlying claim. With respect to the rest period allegation, Plaintiff contends that

1 employees, including himself, were not provided with California-compliant rest periods, as
2 employees were often cut short or otherwise interrupted or that employees would be forced to skip
3 rest breaks due to a heavy workload. Again, despite Plaintiff's contention that this allegation is
4 credible, proving rest period allegations is particularly difficult because rest periods do not have to
5 be recorded and Defendant can argue that the aggrieved employees chose to voluntarily forego
6 their rest periods.

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

13 13. Plaintiff believed there was a legitimate risk of the Court significantly reducing
14 penalties given the technical nature of the alleged violations. Without this settlement, the Parties
15 face preparation for trial, as well as extensive formal discovery efforts and further depositions. As
16 a result, the Parties would incur considerably more attorneys' fees and costs through trial. This
17 settlement avoids those risks and the accompanying expense. Thus, this factor favors settlement
18 approval.

19 14. My expert determined that there were 1,481 pay periods during the relevant time
20 period which presented issues with regard to unpaid wages, meal period violations, rest period
21 violations, and unreimbursed business expenses. Applying the \$100 "initial violation" penalty for
22 each of these pay periods, Defendant's potential PAGA exposure is \$148,100.00 (based on 1,481
23 pay periods). However, Defendant's contention that the underlying allegations lacked merit led to
24 Plaintiff discounting this maximum exposure by 50% to account for the risk of not prevailing on
25 the merits and the Court's discretion in reducing penalties, for a total of \$74,050.00.

26 15. Using these estimated figures, Plaintiff predicted that the realistic total potential
27 recovery for the PAGA Employees and the LWDA would be approximately \$74,050.00. The
28 proposed Settlement of \$75,000.00 therefore represents 98.7% of Plaintiff's reasonably forecasted

1 total recovery. In this case, continued litigation would delay payment to the LWDA and the PAGA
2 Employees as they await trial and, most likely, appellate proceedings. Furthermore, while Plaintiff
3 is confident in the merits of the case, a legitimate controversy exists as to each of the predicate
4 Labor Code violations. The possibility that the Court finds no liability at the PAGA bench trial is
5 also a risk. In sum, when the risks of litigation, the burdens of proof necessary to establish liability,
6 and the probability of appeal of a favorable judgment are balanced against the merits of Plaintiff's
7 claims, it is clear that the settlement amount is fair. Further, because of the proposed Settlement,
8 the PAGA Employees will receive timely, guaranteed relief and will avoid the risk of an
9 unfavorable judgment. Plaintiff also recognizes that proving the amount of wages due to each
10 employee would be an expensive, time-consuming, and uncertain proposition.

11 16. If the Court approves the terms of the Settlement, each aggrieved employees'
12 payment will average approximately \$60.71 and approximately \$12,750.00 will go to the LWDA.
13 In reality, some employees will likely receive more, and others may receive less depending on the
14 length of their employment with Defendant.

15 **PAGA Representative Service Payment**

16 17. The Settlement provides for a Service Payment to Plaintiff in an amount not to
17 exceed \$5,000.00. The requested service award is intended to recognize: (1) the substantial time
18 and effort that Plaintiff has expended on behalf of the State and aggrieved employees; (2) the risks
19 faced by Plaintiff as a result of bringing this action; (3) the fact that Plaintiff put the interests of
20 the State of California and other aggrieved employees ahead of his own; and (4) the substantial
21 benefit conferred upon the State and the aggrieved employees as a result of Plaintiff's actions.

22 18. Plaintiff has spent numerous hours performing tasks for this case, including, but not
23 limited to, the following: consulting with counsel in-person and over the telephone; searching for
24 and producing relevant documents; reviewing documents produced by Defendant and settlement
25 documents; keeping informed of the developments in the case; and participating in decisions
26 concerning the case, including settlement. As a result of his efforts, the LWDA and about 70
27 aggrieved employees will receive compensation for civil penalties for underpaid wages and other
28 wage and hour violations.

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

20. In short, this action would not have been possible without the aid of Plaintiff, who put his own time and effort into this litigation, sacrificed the value of his individual claims by entering into a general release of all known and unknown claims, and placed himself at risk for the sake of the State and the aggrieved employees.

Attorneys' Fees And Costs

21. The Settlement provides for a payment of attorneys' fees in the amount of \$25,000.00 and up to \$18,000.00 in costs to Plaintiff's counsel. As of the filing date, Plaintiff's counsel's total lodestar is \$79,440.00, which is based upon 89.1 hours of attorney time at customary hourly rates. In addition, Plaintiff's counsel incurred \$13,869.18 in litigation costs. Plaintiff's counsel was required to expend the funds prosecuting this case to a successful resolution on, among other things, court filing fees, document service, postage, and copying. Because these costs are reasonable, Plaintiff's counsel respectfully requests that the Court approve the payment. Under these circumstances, Plaintiff's counsel has a negative lodestar of 0.31. Thus, Plaintiff's request for \$25,000.00 in attorneys' fees and costs is reasonable under the lodestar method.

22. The efforts expended by Plaintiff's counsel to achieve this excellent result include, but are not limited to, the following: interviews with Plaintiff and review of documents provided by Plaintiff and Defendant; preparing and revising the Complaint; filing of the PAGA complaint; investigating and researching the claims; analyzing the timekeeping and payroll records produced by Defendant in advance of mediation; preparing a mediation brief; participating in mediation; drafting, negotiating, and revising the Settlement Agreement; communicating with the proposed Settlement Administrator; and drafting this Motion and supporting papers.

23. The regular and customary practice at Wilshire Law Firm, PLC is for all attorneys to maintain contemporaneous time records setting forth the amount of time spent (rounded to the nearest 0.1 hour) on each task in each case, with explanatory descriptions of each task performed.

My colleagues and I followed this practice throughout this litigation. To calculate my firm's lodestar for this case, I reviewed the time records and exercised discretion in eliminating excessive entries. Using these time records, my office derived the following summary chart of timekeeping activities of the attorneys working on this case:

Attorney	Role	Hours	Rate	Lodestar
Tyler Woods	Senior Partner	5.5	\$1,200	\$ 6,600.00
Alan Wilcox	Senior Attorney	11.6	\$900	\$9,990.00
Justin F. Marquez	Senior Partner	12	\$1,200	\$14,400.00
Arsiné Grigoryan	Associate Attorney	60	\$800	\$48,000.00
	Total	89.1		\$79,440.00

24. There are additional hours devoted by me (and by my colleagues) to this litigation that are not reflected in Plaintiff's Counsel's request for attorneys' fees.

25. We can provide complete, detailed billing records in the event the Court requests them, but would request the opportunity to redact attorney-client privileged information and any other privileged information.

26. Additional time will be required by Plaintiff's Counsel to monitor the settlement and respond to inquiries and oversee administration of the settlement and distribution of the fund. I estimate that my office will commit no less than 10 hours to those tasks and have included those hours above.

27. As of the drafting of this Motion, my office has incurred \$13,869.18 in expenses litigating this action. These expenses were reasonably necessary to the litigation and were actually incurred by my office. They should be reimbursed in full, up to the maximum amount allowed in the Settlement Agreement. Attached as **Exhibit 2** to this declaration is a breakdown of costs incurred by my office. Additionally, we anticipate incurring \$150.00 in anticipated future costs for filing fees and messenger costs following the Court's Order re: Plaintiff's Motion to Approve PAGA Settlement, and request reimbursement of such as well.

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Plaintiff's Counsel's Experience

28. Plaintiff is represented by Wilshire Law Firm, PLC. The attorneys at WLF performed significant work and expended litigation costs in prosecuting this matter with no guarantee of payment.

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

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

31. I graduated from the University of California, Davis in 1999 with a Bachelor of Arts degree in Communications with minors in Spanish and Psychology. I received by Juris Doctor from USC Gould School of Law in 2004.

32. Upon graduating from law school in 2004, I worked for international firm McDermott Will & Emery LLP practicing general litigation which included employment law matters. Since 2010, and exclusively since 2013, my practice has focused on labor and employment matters including handling wage and hour class, collective, and representative actions (including the California Private Attorneys general Act or "PAGA"), including at the law firms of McDermott Will & Emery LLP (where I was a partner), Pacific Trial Attorneys (where I was a partner), and labor and employment powerhouse Fisher Phillips (where I was a partner and head of Fisher Phillips Class Action Practice Group). During my time at these law firms, I was the lead trial counsel or took a major leading role in defending employers on numerous wage and hour class, collective, and representative actions. Under my leadership as lead counsel during my tenure as defense counsel I successfully defeated class certification of a potential 10,000 plus class as lead

1 counsel on behalf of a nationwide quick service restaurant during my time as defense counsel and
2 negotiated several wage and hour class actions that were subsequently approved by the Courts.

3 33. In late March 2024, I left Fisher Phillips and joined my current firm, WLF, to
4 represent plaintiff employees. I have been and am handling many wage and hour class and
5 representative actions litigating such matters on behalf of plaintiff employees in numerous Superior
6 Courts. From matters representing both plaintiff and defendants, I have successfully mediated the
7 resolution of many wage and hour class, collective, and representative actions.

8 34. In July 2025, I obtained a jury verdict in excess of \$6,000,000 in a wage and hour
9 case in Los Angeles Superior Court against Javier's Cantina & Grill (Los Angeles Superior Court
10 Case No. 19STCV36438).

11 35. I have received numerous awards for my legal work. For example, from 2009-2011
12 and 2014, I was listed as a Rising Star in Los Angeles Super Lawyers (Thomas Reuters). I have
13 also served on numerous prominent boards and in other leadership positions, including currently
14 serving on the board of the Orange County Chapter of the California Restaurants Association.

15 36. I have also presented monthly webinars on labor and employment issues to hundreds
16 of participants since 2022, including on wage and hour issues. For example, I presented "10
17 Reasons Employers Get Sued (and How to Avoid These Mistakes" (while a partner with Fisher
18 Phillips) and "Key Insights for Hospitality Employers: Arbitration Agreements 101" (while a
19 partner with Fisher Phillips).

20 37. My current contingent billing rate of \$1,200 per hour is consistent with my actual
21 billing rate for my practice area, experience, legal market, and accepted hourly rate. The
22 reasonableness of my firm's hourly rates is also supported by several surveys of legal rates,
23 including the following:

- 24 (a) The 2022 Real Rate Report survey compiled by Wolters Kluwer, which
25 presents the real market rates of Los Angeles area attorneys who practice
26 litigation. For that category, the third quartile 2022 rate was \$1,045 per hour
27 for partners and \$855 for associates. Likewise, page 32 of the Report
28 describes the rates charged by 183 Los Angeles partners with "21 or more

years of experience” and “Fewer than 21 years.” For those categories, the third quartile Los Angeles partner rate in 2022 were \$1,133 per hour for 21 or more years and \$1,075 for attorneys with fewer than 21 years. A true and correct copy of portions of the 2022 Real Rate Report is attached hereto as **Exhibit 3.**

(b) In an article entitled “Big Law Rates Topping \$2,000 Leave Value ‘In Eye of Beholder,’” written by Roy Strom and published by Bloomberg Law on June 9, 2022, the author describes how Big Law firms have crossed the \$2,000-per hour rate. The article also notes that law firm rates have been increasing by just under 3% per year. A true and correct copy of this article is attached hereto as **Exhibit 4.**

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

39. Justin F. Marquez is a former Senior Partner at Wilshire Law Firm who was actively involved in the litigation and resolution of this matter from its inception through December 2024. He graduated from University of California, Los Angeles’s College Honors Program in 2004 with Bachelor of Arts degrees in History and Japanese, magna cum laude and Phi Beta Kappa. His

1 practice focused primarily on advocating for the rights of consumers and employees in class action
2 litigation and appellate litigation. He received numerous awards for his legal work: from 2017 to
3 2020, Super Lawyers selected him as a “Southern California Rising Star,” and from 2022 to 2025,
4 he was selected as a “Southern California Super Lawyer”; he was selected as one of the “Best
5 Lawyers in America” from 2023 to 2025; and in 2024, he, along with his colleagues at Wilshire
6 Law Firm, received a CLAY (California Lawyer Attorneys of the Year) award for their work on a
7 false advertising case against Apple which ultimately led to a \$25 million settlement. He also was
8 selected to speak at multiple CELA conferences throughout his career – in 2019, he spoke on the
9 topic of manageability of class actions at CELA’s 2019 Advanced Wage & Hour Seminar, and in
10 2024, he spoke on the topic of dealings with multiple cases against the same defendant at CELA’s
11 2024 Advanced Wage & Hour Seminar. He served as lead or co-lead in negotiating class action
12 settlements worth over \$10 million in gross recovery to class members for each year since 2020,
13 including over \$37.5 million in 2022 and over \$75 million in 2023.

14 40. Arsiné Grigoryan was an Associate Attorney at my office. She earned two Bachelor
15 of Arts degrees from the University of California, Berkeley in (1) Political Science with an
16 emphasis on international relations and (2) Media Studies. She obtained her Juris Doctor degree
17 from Southwestern Law School. She is presently admitted to practice in all state courts of
18 California (admitted in 2017) and before all federal district courts in California. The focus of her
19 practice at Wilshire Law Firm is currently on class action wage-and-hour law, including Private
20 Attorneys General Act of 2004 (“PAGA”) matters. Prior to joining Wilshire Law Firm, PLC, she
21 worked at a law firm specializing in wage-and-hour class action cases. She is also handling more
22 than a dozen active class action matters currently pending and prosecuting multiple PAGA
23 collective action matters in various courts throughout the State of California.

24 41. Plaintiff’s Counsel elected to bear the contingency risk of this litigation for the
25 benefit of the aggrieved employees, as well as for the State of California (who elected not to take
26 the case after receiving the PAGA notice).

27 42. The risk to my office has been very significant, particularly if we would not be
28 successful in pursuing this class action. In that case, we would have been left with no compensation

1 for all the time taken in litigating this case. Indeed, we have taken on a number of class action
2 cases that have resulted in thousands of attorney hours being expended and ultimately having
3 certification denied or the defendant company going bankrupt. The contingent risk in these types
4 of cases is very real and they do occur regularly. Furthermore, we were precluded from focusing
5 on, or taking on, other cases which could have resulted in a larger, and less risky, monetary gain.

6 43. In the high-risk, high-cost practice of class action and PAGA litigation, Wilshire
7 Law Firm, PLC has endured financial losses in several of its cases. I believe that the particular
8 risk of taking on this high-cost, high-risk case supports an upward adjustment of the lodestar
9 calculation.

10 44. Because most individuals cannot afford to pay for representation in litigation on an
11 hourly basis, Wilshire Law Firm, PLC represents all of its employment law clients on a
12 contingency fee basis. Pursuant to this arrangement, we are not compensated for our time unless
13 we prevail at trial or successfully settle our clients' cases. Because Wilshire Law Firm, PLC is
14 taking the risk that we will not be reimbursed for our time unless our client settles or wins his or
15 her case, we cannot afford to represent an individual employee on a contingency basis if, at the
16 end of our representation, we receive less than the amount of attorneys' fees negotiated with
17 defendant. It is therefore essential that we recover our requested fees when we settle cases if we
18 are to remain in practice so as to be able to continue representing other individuals in civil rights
19 employment disputes.

20 45. I am informed and believe that the efforts of my office have resulted in substantial
21 benefits to the aggrieved employees and the State of California. Through the efforts of my office
22 and Plaintiff in this case, a fair and reasonable resolution has been reached. I am informed and
23 believe that, without the efforts of my office, the Labor Code and Wage Order violations alleged
24 in the complaint would have gone completely unremedied. The attorneys' fees award provided for
25 in the settlement is therefore reasonable given the result achieved.

26 46. The Parties propose using Phoenix Settlement Administration ("Phoenix") to
27 administer the Settlement. The Settlement Administrator Costs in the amount of up to \$10,000.00
28 are reasonable, given the tasks to be performed by the Settlement Administrator, including, but not

1 limited to, the following duties: mailing and re-mailing (if necessary) checks to approximately 70
2 PAGA Employees and the LWDA; establishing a Qualified Settlement Fund; preparing and
3 submitting to PAGA Employees and government entities all appropriate tax filings and forms;
4 distributing the PAGA Representative Service Payment and attorneys' fees and costs; keeping the
5 Parties timely apprised of the performance of all obligations under the Agreement; and voiding
6 uncashed or undeliverable checks to issue those funds to the California Controller's Unclaimed
7 Property Fund. Plaintiff respectfully requests that the Court approve the requested costs. A true
8 and correct copy of Phoenix's estimate for administration costs is attached to this Declaration as
9 **Exhibit 5.**

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

12 Executed on December 19, 2025, at Los Angeles, California.

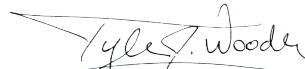
13
14 
15 Tyler J. Woods

Exhibit 1

SETTLEMENT AGREEMENT

This Settlement Agreement (“Agreement”) is made by and between plaintiff Benjamin Steidl (“Plaintiff”) and defendant Z3 Plumbing Corp. (“Z3” or “Defendant”). The Agreement refers to Plaintiff and Z3 collectively as “Parties,” or individually as “Party.”

1. DEFINITIONS.

- 1.1. “Action” means the Plaintiff’s PAGA lawsuit alleging wage and hour violations against Z3 captioned *Benjamin Steidl v. Z3 Plumbing Corp.*, Case No. 30-2023-01365173, initiated on November 29, 2023, and pending in Superior Court of the State of California, County of Orange.
- 1.2. “Administrator” means Phoenix Settlement Administrators, the neutral entity the Parties have agreed to appoint to administer the Settlement.
- 1.3. “Administration Expenses Payment” means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator’s “not to exceed” bid submitted to the Court in connection with approval of this Settlement.
- 1.4. “Aggrieved Employee” means a person employed by Z3 in California and classified as a non-exempt or hourly-paid employee who worked for Z3 during the PAGA Period.
- 1.5. “Aggrieved Employee Data” means Aggrieved Employee identifying information in Z3’s possession including the Aggrieved Employee’s name, last-known mailing address, Social Security number, and number of PAGA Pay Periods.
- 1.6. “Aggrieved Employee Address Search” means the Administrator’s investigation and search for missing or inaccurate Aggrieved Employee mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, and skip traces.
- 1.7. “Court” means the Superior Court of California, County of Orange.
- 1.8. “Defense Counsel” means JoLynn M. Scharrer of Hunt Ortmann Palffy Nieves Darling & Mah, Inc.
- 1.9. “Effective Date” means the date by when the Court enters an Order Approving the PAGA Settlement.
- 1.10. “Gross Settlement Amount” means \$75,000.00 which is the total amount Z3 agrees to pay under the Settlement except as provided in Paragraph 8 below. The Gross Settlement Amount will be used to pay Individual PAGA Payments, the LWDA PAGA Payment, PAGA Representative Service Award, PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, and the Administrator’s Expenses Payment. Z3

will pay \$32,500.00 to the administrator within 30 days of the Effective Date, \$32,500.00 within 60 days of the Effective Date, and \$10,000.00 within 90 days of the Effective Date.

- 1.11. “Individual PAGA Payment” means the Aggrieved Employee’s pro rata share of 25% of the PAGA Penalties calculated according to the number of Pay Periods the Aggrieved Employee worked during the PAGA Period.
- 1.12. “Order” means the Order entered by the Court approving the settlement.
- 1.13. “LWDA” means the California Labor and Workforce Development Agency.
- 1.14. “LWDA PAGA Payment” means the 75% of the PAGA Penalties paid to the LWDA under Labor Code § 2699, subd. (i).
- 1.15. “Net Settlement Amount” means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: PAGA Representative Service Award, PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, and the Administration Expenses Payment. The remainder is to be paid to Aggrieved Employees as Individual PAGA Payments and the LWDA PAGA Payment.
- 1.16. “PAGA Counsel” means Tyler Woods, James Yoo, Ruby Carrera, Kendall MacRostie, Alan Wilcox, and Bradford Smith of Wilshire Law Firm, PLC, the attorneys representing the Plaintiff in the Action.
- 1.17. “PAGA Counsel Fees Payment” and “PAGA Counsel Litigation Expenses Payment” mean the amounts allocated to PAGA Counsel for reimbursement of reasonable attorneys’ fees and expenses, respectively, incurred to prosecute the Action.
- 1.18. “PAGA Pay Period” means any Pay Period during which an Aggrieved Employee worked for Z3 for at least one day during the PAGA Period.
- 1.19. “PAGA Period” means the period from November 22, 2022, to December 31, 2024.
- 1.20. “PAGA Representative Service Award” means the payment to Plaintiff for initiating the Action and providing services in support of the Action.
- 1.21. “PAGA” means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).
- 1.22. “PAGA Notice” means Plaintiff’s November 22, 2023, letter to Z3 and the LWDA providing notice pursuant to Labor Code § 2699.3, subd. (a).
- 1.23. “PAGA Penalties” means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 25% to the Aggrieved Employees and the 75% to LWDA in settlement of PAGA claims.

- 1.24. "Plaintiff" means Benjamin Steidl, the named plaintiff in the Action.
- 1.25. Released PAGA Claims" means the claims being released by the Plaintiff and PAGA Counsel and as described in Paragraph 5 below.
- 1.26. "Released Parties" means: Z3 and each of its former and present directors, officers, shareholders, owners, members, attorneys, insurers, predecessors, successors, assigns, subsidiaries, and affiliates.
- 1.27. "Settlement" means the disposition of the Action effected by this Agreement.
- 1.28. "Z3" or "Defendant" means named Defendant Z3 Plumbing Corp.

2. RECITALS.

- 2.1. On November 29, 2023, Plaintiff filed a Complaint alleging a cause of action against Z3 for civil penalties under the PAGA for Z3's alleged failure to pay for all hours worked (minimum, straight time, and overtime wages), failure to provide legally compliant meal periods, failure to authorize and permit rest periods, failure to timely pay final wages at termination, failure to furnish accurate itemized wage statements, and failure to indemnify for necessary business expenditures. Z3 denies the allegations in the Complaint, denies any failure to comply with the laws identified in in the Complaint and denies any and all liability for the causes of action alleged.
- 2.2. Pursuant to Labor Code § 2699.3, subd. (a), Plaintiff gave timely written notice to Z3 and the LWDA by sending the PAGA Notice.
- 2.3. On October 10, 2024, the Parties participated in an all-day mediation which led to this Agreement to settle the Action.
- 2.4. Prior to mediation, Plaintiff obtained, through informal discovery, a sampling of time and pay records for the Aggrieved Employees, as well as documents that described Z3's policies and procedures during the PAGA Period.
- 2.5. The Parties, PAGA Counsel and Defense Counsel represent that they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement.

3. MONETARY TERMS.

- 3.1. Gross Settlement Amount. Except as otherwise provided by Paragraph 8 below, Z3 promises to pay \$75,000.00 and no more as the Gross Settlement Amount. Z3 will pay \$32,500.00 to the administrator within 30 days of the Effective Date, \$32,500.00 within 60 days of the Effective Date, and \$10,000.00 within 90 days of the Effective Date. Z3 has no obligation to pay the Gross Settlement Amount prior to the deadline

stated in this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Z3.

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

3.2.1. To PAGA Representative Plaintiff: PAGA Representative Service Award to Plaintiff of not more than \$5,000.00 (in addition to any Individual PAGA Payment the Plaintiff is entitled to receive as an Aggrieved Employee. Z3 will not oppose Plaintiff's request for a PAGA Representative Service Award that does not exceed this amount. If the Court approves a PAGA Representative Service Award less than the amount requested, the Administrator will retain the remainder in the Net Settlement Amount. The Administrator will pay the PAGA Representative Service Award using IRS Form 1099. Plaintiff assumes full responsibility and liability for employee taxes owed on the PAGA Representative Service Award and holds Z3 harmless, and indemnifies Z3, from any dispute or controversy regarding any tax liability.

3.2.2. To PAGA Counsel: A PAGA Counsel Fees Payment of not more than one third (1/3) of the Gross Settlement Amount which is currently estimated to be \$25,000.00 and PAGA Counsel Litigation Expenses Payment of not more than \$18,000.00. Z3 will not oppose requests for Court approval of these payments provided that they do not exceed these amounts. Plaintiff and/or PAGA Counsel will file an application or motion for PAGA Counsel Fees Payment and PAGA Litigation Expenses Payment. If the Court approves a PAGA Counsel Fees Payment and/or a PAGA Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. Released Parties shall have no liability to PAGA Counsel or any other Plaintiff's Counsel arising from any claim to any portion of any PAGA Counsel Fee Payment and/or PAGA Counsel Litigation Expenses Payment. The Administrator will pay the PAGA Counsel Fees Payment and PAGA Counsel Expenses Payment using one or more IRS 1099 Forms. PAGA Counsel assumes full responsibility and liability for taxes owed on the PAGA Counsel Fees Payment and the PAGA Counsel Litigation Expenses Payment and holds Z3 harmless, and indemnifies Z3, from any dispute or controversy regarding any division or sharing of any of these Payments or for tax liability, including paying all of Z3's reasonable attorney's fees and costs of defending any claim, administrative proceeding or lawsuit with defense counsel that Z3 consents to, which consent shall not be unreasonably withheld.

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

Net Settlement Amount.

3.2.4. To the LWDA and Aggrieved Employees: 75% of the Net Settlement Amount shall be paid to the LWDA and 25% of the Net Settlement Amount (i.e., the Individual PAGA Payment) shall be paid to the Aggrieved Employees.

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

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

4. SETTLEMENT FUNDING AND PAYMENTS.

4.1. Aggrieved Employee Pay Periods. Based on a review of its records to date, Z3 estimates there are 70 Aggrieved Employees who worked a total 1481 Pay Periods (or 2962 work weeks).

4.2. Aggrieved Employee Data. Within 14 days of the Order, Z3 will deliver the Aggrieved Employee Data to the Administrator in the form of a Microsoft Excel spreadsheet. To protect Aggrieved Employee' privacy rights, the Administrator must maintain the Aggrieved Employee Data in confidence, use the Aggrieved Employee Data only for purposes of this Settlement and for no other purpose, and restrict access to the Aggrieved Employee Data to Administrator employees who need access to the Aggrieved Employee Data to effect and perform under this Agreement. Z3 has a continuing duty to immediately notify PAGA Counsel if it discovers that the Aggrieved Employee Data omitted employee identifying information and to provide corrected or updated Aggrieved Employee Data as soon as reasonably feasible. Without any extension of the deadline by which Z3 must send the Aggrieved Employee Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Aggrieved Employee Data.

4.3. Funding of Gross Settlement Amount. Z3 shall fully fund the Gross Settlement Amount by transmitting the funds to the Administrator as set forth above in paragraph 3.1.

4.4. Payments from the Gross Settlement Amount. Within 14 days after Z3 fully funds the Gross Settlement Amount, the Administrator will mail checks for all PAGA

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

- 4.4.1. The Administrator will issue checks for the Individual PAGA Payments and send them to the Aggrieved Employees via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (not less than 180 days after the date of mailing) when the check will be voided. The Administrator will cancel all checks not cashed by the void date. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database.
- 4.4.2. The Administrator must conduct an Aggrieved Employee Address Search for all Aggrieved Employees whose checks are returned undelivered without USPS forwarding address. Within 7 days of receiving a returned check the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Aggrieved Employee Address Search. The Administrator need not take further steps to deliver checks to Aggrieved Employees whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Aggrieved Employee whose original check was lost or misplaced, requested by the Aggrieved Employee prior to the void date.
- 4.4.3. For any Aggrieved Employee whose Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the California Justice Gap Fund.
- 4.4.4. The payment of Individual PAGA Payments shall not obligate Z3 to confer any additional benefits or make any additional payments to the Aggrieved Employees (such as 401(k) contributions or bonuses).

5. RELEASES OF CLAIMS. Effective on the date when Z3 fully funds the entire Gross Settlement Amount, Plaintiff and PAGA Counsel release claims against all Released Parties as follows:

- 5.1. Plaintiff's Release. Plaintiff and his or her respective former and present spouses, representatives, agents, attorneys (including PAGA Counsel), heirs, administrators, successors, and assigns generally, release and discharge Released Parties from all claims, transactions, or occurrences that occurred during the PAGA Period and through the Effective Date, including, but not limited to: all claims that were, or reasonably could have been, alleged, based on the facts contained in the Complaint and the PAGA Notice ("Plaintiff's Release"). The release specifically includes, without limitation cause of action against Z3 for civil penalties under the PAGA for Z3's alleged violations of the

California Labor Code and California and federal wage and hour laws during or before the PAGA Period pertaining to the failure to pay for all hours worked (minimum, straight time, and overtime wages), failure to provide legally compliant meal periods, failure to authorize and permit rest periods, failure to timely pay final wages at termination, failure to furnish accurate itemized wage statements, and failure to indemnify for necessary business expenditures. Plaintiff's Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, workers' compensation benefits that arose at any time, or based on occurrences outside the PAGA Period. Plaintiff acknowledges that Plaintiff may discover facts or law different from, or in addition to, the facts or law that Plaintiff now knows or believes to be true but agrees, nonetheless, that Plaintiff's Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiff's discovery of them.

5.1.1. Plaintiff's Waiver of Rights Under California Civil Code Section 1542.

For purposes of Plaintiff's Release, Plaintiff Benajmin Steidl individually, and for himself, his heirs or assigns, expressly waives and relinquishes the provisions, rights, and benefits, if any, of Civil Code § 1542, which reads:

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

- 5.2. Release by Aggrieved Employees: All Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the Complaint, and the PAGA Notice. The release specifically includes, without limitation cause of action against Z3 for civil penalties under the PAGA for Z3's alleged violations of the California Labor Code and California and federal wage and hour laws during or before the PAGA Period pertaining to the failure to pay for all hours worked (minimum, straight time, and overtime wages), failure to provide legally compliant meal periods, failure to authorize and permit rest periods, failure to timely pay final wages at termination, failure to furnish accurate itemized wage statements, and failure to indemnify for necessary business expenditures..

6. MOTION OR APPLICATION FOR APPROVAL OF SETTLEMENT. The Plaintiff will prepare and file an application or motion for approval of this Settlement.

- 6.1. Plaintiff's Responsibilities. Plaintiff will prepare and deliver to Defense Counsel all documents necessary for obtaining approval of this Settlement under Labor Code § 2699, subd. (f)(2)) including (i) a draft proposed Order Granting Approval of PAGA Settlement; (ii) a signed declaration from the Administrator attaching its "not to exceed" bid for administering the Settlement and attesting to its willingness to serve; competency; operative procedures for protecting the security of Aggrieved Employee Data; amounts of insurance coverage for any data breach, defalcation of funds or other misfeasance; all facts relevant to any actual or potential conflicts of interest with

Aggrieved Employees or the LWDA; and the nature and extent of any financial relationship with Plaintiff, PAGA Counsel or Defense Counsel; (iii) a signed declaration from PAGA Counsel firm attesting to its timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code §2699.3, subd. (a)), Operative Complaint (Labor Code § 2699, subd. (l)(1)), this Agreement (Labor Code § 2699, subd. (l)(2)); and (iv) all facts relevant to any actual or potential conflict of interest with Aggrieved Employees and/or the Administrator. In their Declarations, Plaintiff and PAGA Counsel shall warrant that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.

- 6.2. Responsibilities of PAGA Counsel. PAGA Counsel are responsible for expeditiously finalizing and filing the application or motion for approval of this Settlement, obtaining a hearing date for a motion for preliminary approval no later than 30 days after the full execution of this Agreement and, if necessary, obtaining a prompt hearing date for the motion and appearing in Court to advocate in favor of the motion. PAGA Counsel is responsible for delivering the Court's Approval to the Administrator.
- 6.3. Duty to Cooperate. If the Parties disagree on any aspect of the proposed application or motion for approval of this Settlement and/or the supporting declarations and documents, PAGA Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant the motion for approval of this Settlement or conditions its approval on any material change to this Agreement, PAGA Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns.

7. SETTLEMENT ADMINISTRATION.

- 7.1. Selection of Administrator. The Parties have jointly selected Phoenix Settlement Administrators to serve as the Administrator and verified that, as a condition of appointment, Phoenix Settlement Administrators agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Expenses. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.
- 7.2. Employer Identification Number. The Administrator shall have and use its own Employer Identification Number for purposes of calculating payroll tax withholdings and providing reports state and federal tax authorities.
- 7.3. Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury

Regulation § 468B-1.

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

8. AGGRIEVED EMPLOYEE SIZE ESTIMATES AND ESCALATOR CLAUSE. Based on its records, Z3 estimates that, as of the date of this Settlement Agreement, there are approximately 70 Aggrieved Employees who worked 1481 Pay Periods (or 2962 work weeks) during the PAGA Period. In the event that the actual number of PAGA Pay Periods worked by all Aggrieved Employees during the PAGA Period increases by more than 10% (or 148 PAGA Pay Periods) then Z3 shall increase the Gross Settlement Amount on a proportional basis in excess of ten percent (i.e., if there were an eleven percent (11%) increase in the number of PAGA Pay Periods, then Z3 will increase the Gross Settlement Amount by 1%). In the event Z3 is required to increase the Gross Settlement Amount under this Paragraph, Z3 agrees to fund the remaining balance within 14 days of receiving notice from the Administrator that the actual number of PAGA Pay Periods worked by all Aggrieved Employees during the PAGA Period is more than 10% larger than the estimated 1481 Pay Periods (or 2962 work weeks).

9. CONTINUING JURISDICTION OF THE COURT. The Parties agree that, after entry of the Order, the Court will retain jurisdiction over the Parties, Action, and the Settlement, pursuant to Code of Civil Procedure section 664.6, solely for purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters, and (iii) addressing such post-Order matters as are permitted by law.

- 9.1. Waiver of Right to Appeal. Provided the Order is consistent with the terms and conditions of this Agreement, specifically including the PAGA Counsel Fees Payment and PAGA Counsel Litigation Expenses Payment, the Parties, their respective counsel waive all rights to appeal the Order, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals. If another party appeals the Order, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Order becomes final, except as to matters that do not affect the amount of the Net Settlement Amount.

10. ADDITIONAL PROVISIONS.

- 10.1. No Admission of Liability or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Z3 that any of the allegations in the Complaint have merit or that Z3 has any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that Z3's defenses in the Action have merit. The Parties agree that representative treatment is

for purposes of this Settlement only. If, for any reason the Court does not approve this Settlement, Z3 reserves all available defenses to the claims in the Action, and Plaintiff reserves the right to contest Z3's defenses. The Settlement, this Agreement and Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).

- 10.2. Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party.
- 10.3. Attorney Authorization. PAGA Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiff and Z3, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.
- 10.4. Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying the Settlement Agreement, submitting supplemental evidence and supplementing points and authorities as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of a mediator and/or the Court for resolution.
- 10.5. No Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity and portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.
- 10.6. No Tax Advice. Neither Plaintiff, PAGA Counsel, Z3 nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.
- 10.7. Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their representatives, and approved by the Court.
- 10.8. Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.
- 10.9. Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the state of California,

without regard to conflict of law principles.

- 10.10. Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.
- 10.11. Confidentiality. To the extent permitted by law, all agreements made, and orders entered during Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.
- 10.12. Use and Return of Aggrieved Employee Data. Information provided to PAGA Counsel pursuant to Cal. Evid. Code § 1152, and all copies and summaries of the PAGA Data provided to PAGA Counsel by Z3 in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. Not later than 30 days after the Administrator discharges its obligation to pay out of all Settlement funds, Plaintiff shall destroy all paper and electronic versions of Aggrieved Employee Data other than records including Plaintiff's data received from Z3 unless, prior to the Administrator's payment of all Settlement Funds, Z3 makes a written request to PAGA Counsel for the return, rather than the destructions, of Aggrieved Employee Data.
- 10.13. Headings. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.
- 10.14. Calendar Days. Unless otherwise noted, all reference to "days" in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.
- 10.15. Notice. All notices, demands or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email or messenger, addressed as follows:

To Plaintiff:

Tyler Woods (tyler.woods@wilshirelawfirm.com)
James Yoo (james.yoo@wilshirelawfirm.com)
Ruby Carrera (ruby.carrera@wilshirelawfirm.com)
Kendall MacRostie (kendall.macrostie@wilshirelawfirm.com)
Alan Wilcox (alan.wilcox@wilshirelawfirm.com)
Bradford Smith (bradford.smith@wilshirelawfirm.com)
Wilshire Law Firm, PLC
3055 Wilshire Blvd., 12th Floor

Los Angeles, CA 90010
Telephone: (213) 784-3830
Facsimile: (213) 381-9989

To Defendant:

JoLynn M. Scharrer (scharrer@huntortmann.com)
Hunt Ortmann Palffy Nieves Darling & Mah, Inc.
301 North Lake Avenue, 7th Floor
Pasadena, CA 91101
Telephone: (626) 440-5200
Facsimile: (626) 796-0107

- 10.16. Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e. DocuSign), or email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.
- 10.17. Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that pursuant to CCP § 583.330 to extend the date to bring a case to trial under CCP § 583.310 for the entire period of this settlement process.
- 10.18. Binding Agreement. The Parties intend that this Agreement shall be fully enforceable and binding upon all Parties within the provisions of Code of Civil Procedure section 664.6, and that it shall be admissible and subject to disclosure in any proceeding to enforce its terms pursuant to Evidence Code sections 1122(a)(1) and 1123(b), notwithstanding the confidentiality provisions that otherwise might apply under federal or state law. The Parties further agree and intend that the Orange County Superior Court may enforce this Agreement pursuant to Code of Civil Procedure § 664.6.

Dated: 12/4/2025

Signed by:

Benjamin Steidl
Plaintiff

Dated: 12/01/2025


WILSHIRE LAW FIRM, PLC
Tyler Woods
James Yoo
Ruby Carrera
Kendall MacRostie
Alan Wilcox
Bradford Smith
Attorneys for Plaintiff

Dated: _____

By: _____
Title: _____
Z3 PLUMBING CORP.

Dated: _____

HUNT ORTMANN PALFFY NIEVES
DARLING & MAH, INC.
JoLynn M. Scharer
Attorneys for Defendant

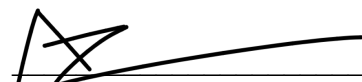
Dated: _____

Benjamin Steidl
Plaintiff

Dated: _____

WILSHIRE LAW FIRM, PLC
Tyler Woods
James Yoo
Ruby Carrera
Kendall MacRostie
Alan Wilcox
Bradford Smith
Attorneys for Plaintiff

Dated: 12.01.25 _____


By: Adam Zeen
Title: President
Z3 PLUMBING CORP.

Dated: 12/05/2025 _____


HUNY ORTMANN PALFFY NIEVES
DARLING & MAH, INC.
JoLynn M. Scharrer
Attorneys for Defendant

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



State of California
Labor and Workforce Development Agency /
Department of Industrial Relations

Private Attorneys General Act (PAGA) – Filing

Proposed Settlement of PAGA case

PAGA Number (LWDA-CM-) : *

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

[Search for PAGA Case number](#)

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

Your Information (Person Who is Filing)

Your First Name *

Tyler

Your Last Name *

Woods

Your Email Address *

coley.hayes@wilshirelawfir

Your Street Name, Number and Suite/Apt *

660 S. Figueroa Street, Sky

Your Mobile Phone Number

Your City *

Los Angeles

Your Work Phone Number

213-381-9988

Your State *

California

Your Zip/Postal Code *

90017

Court and Hearing Information

Court *

Orange County Superior Court

Court Case Number *

30-2023-01365173-CU-

Hearing Date *

04/03/2026

Hearing Time *

09:30

HH:MM

Hearing Location *

700 Civic Center Drive, Sa

Number of aggrieved employees *

70

Net Amount to Aggrieved Employees *

4250.00

Gross settlement amount *

75000.00

Gross penalty *

17000.00

Penalties to LWDA *

12750.00

Date of proposed settlement *

04/03/2026

Other PAGA Notices

[Search for PAGA Case number](#)

- ☒ I have searched LWDA's database for other PAGA claims filed against the employer(s) named in my NEW PAGA Claim Notice.
- ☒ There are no other PAGA claims which may be affected by this proposed settlement.
- ☐ The proposed settlement may affect other PAGA claims.
- ☐ A Notice of Related Cases has been filed in all related actions.
- ☐ Plaintiff has provided copies of proposed settlement and moving papers to plaintiffs with claims that are affected by this proposed settlement agreement.
- ☐ Plaintiff has submitted to LWDA the court complaint(s) on which this settlement is based.

Proposed Settlement and Other Documents

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

Choose File 2025-12-05 ... executed).pdf

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

Choose File No file chosen

[Add Another Attachment](#)

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

IMPORTANT NOTICE OF REDACTION RESPONSIBILITY: All filers must redact: Social Security or taxpayer identification numbers; personal addresses, personal telephone numbers, personal email addresses,

dates of birth; names of minor children; & financial account numbers. This requirement applies to all documents, including attachments.

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

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

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Previous Page

Submit

Coley Hayes

From: no-reply@formassembly.com
Sent: Thursday, December 18, 2025 8:56 AM
To: Coley Hayes
Subject: Thank you for your Proposed Settlement Submission

12/18/2025 08:55:45 AM

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

Item submitted: Proposed Settlement

On 12/18/2025 08:55:45 AM your Proposed Settlement was successfully processed for case number LWDA-CM-995903-23

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

DIR PAGA Unit on behalf of
Labor and Workforce Development Agency

Website:

https://nam12.safelinks.protection.outlook.com/?url=http%3A%2F%2Flabor.ca.gov%2FPrivate_Attorneys_General_Act.htm&data=05%7C02%7Ccoley.hayes%40wilshirelawfirm.com%7C6711ebf0dabd4226b21808de3e565275%7C9ada260a4f194da187b814d372333753%7C1%7C0%7C639016737633493838%7CUnknown%7CTWFpbGZsb3d8eyJFbXB0eU1hcGkiOnRydWUsIlYiOiIwLjAuMDAwMCIsIlAiOiJXaW4zMlslkFOlJoiTWFPbCIldUljoyfQ%3D%3D%7C0%7C%7C%7C&sdata=65ZitPKMRopHjdWEDXRkCfAcTGwukhi92kz9m%2FMzQCE%3D&reserved=0

Exhibit 2

Wilshire Law Firm, PLC
Transaction Detail by Account
All Transactions

11/8/2024

Accrual Basis

<u>Type</u>	<u>Date</u>	<u>Num</u>	<u>Memo</u>	<u>Amount</u>	<u>Balance</u>
COS					
Mediation Fees	7/29/2024	127550	Mediation Fee - Michael Mandel	<u>\$4,500.00</u>	<u>\$4,500.00</u>
Total MEDIATION FEES				<u>\$4,500.00</u>	<u>4,500.00</u>
Consultant Fees					
	10/24/2024	13231	Consultant Fee - Berger Consulting Group, LLC	\$6,175.00	\$6,175.00
	9/16/2024	INV116659-01-01	Consultant Fee - USA Express Legal & Investigation	<u>\$2,210.00</u>	<u>\$8,385.00</u>
Total CONSULTANT FEES				<u>\$8,385.00</u>	<u>8,385.00</u>
Filing Fees					
	11/24/2023		Filing Fees - Department of Industrial Relations	\$75.00	75.00
	12/05/2023	21724929	Filing Fees - One Legal LLC	\$463.48	538.48
	12/26/2023	69491	Filing Fees - Valpro Attorney Services, LLC	\$146.75	685.23
	12/27/2023	69509	Filing Fees - Valpro Attorney Services, LLC	\$45.00	730.23
	03/05/2024		Document Purchase - Orange County Superior Court	\$37.57	767.80
	04/25/2024	22758294	Filing Fees - One Legal LLC	\$19.71	787.51
	04/25/2024	22758511	Filing Fees - One Legal LLC	\$40.30	827.81
	11/27/2024	24234449	Filing Fees - One Legal LLC	\$15.44	843.25
	12/19/2024		Document Purchase - Orange County Superior Court	\$7.50	850.75
	12/19/2024	24364836	Filing Fees - One Legal LLC	\$17.76	868.51
	Future		Filing Fees - One Legal LLC	\$85.00	953.51
	Future		Filing Fees - One Legal LLC	<u>\$25.00</u>	978.51
Total FILING FEES				<u>\$978.51</u>	<u>978.51</u>
Other Costs					
	4/25/2024	E-3197721	DocuSign envelope	\$1.89	1.89
	6/12/2024	E-3224732	DocuSign envelope	\$1.89	3.78
	7/23/2024	E-3226301	DocuSign envelope	\$1.89	5.67
Total OTHER COSTS				<u>\$5.67</u>	<u>5.67</u>
TOTAL				\$13,869.18	13,869.18

Exhibit 3



ELM Solutions

2022 Real Rate Report[®]

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

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Report Use Considerations

2022 Real Rate Report

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

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

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

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

Some key factors¹ that drive rates²:

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

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

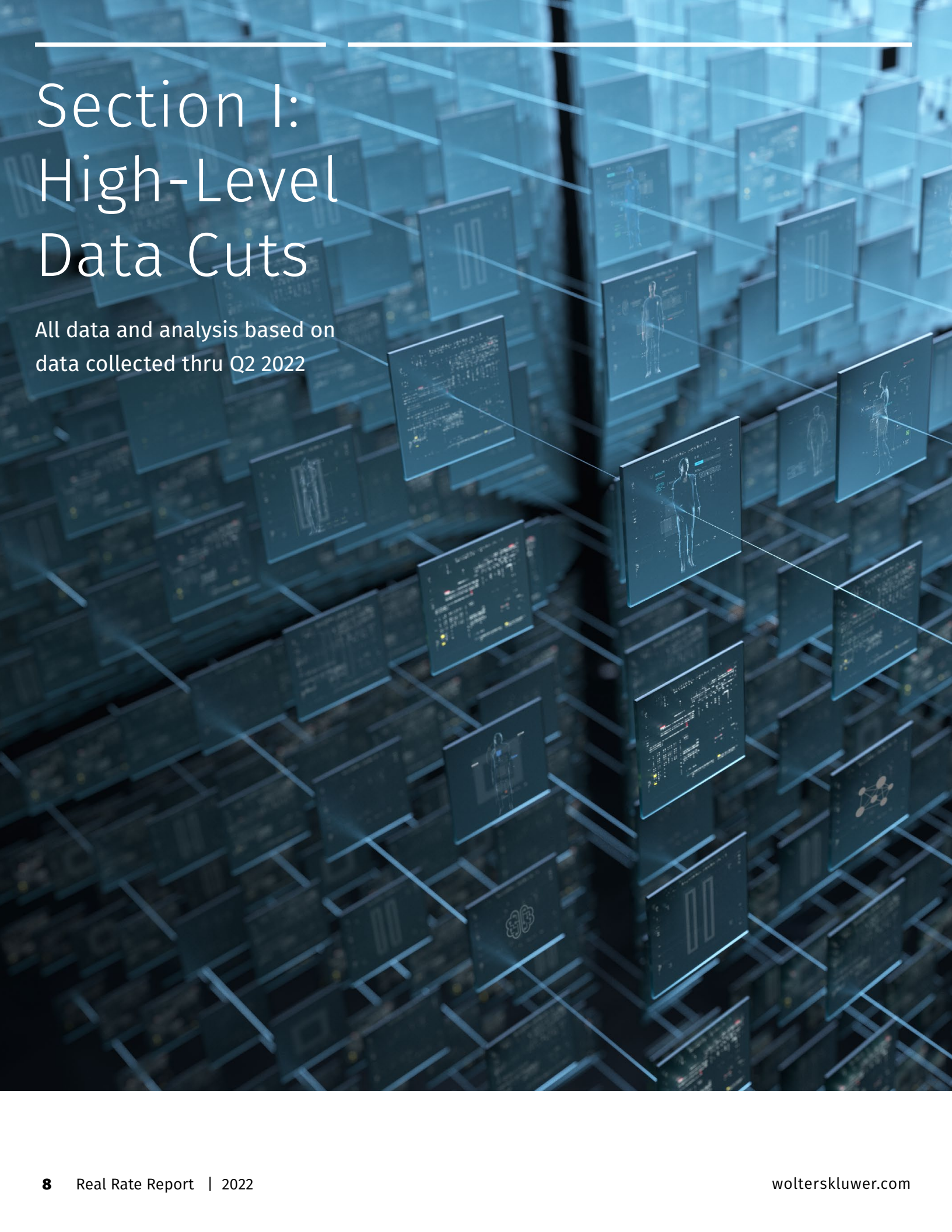
Years of experience and reputation - A more experienced, higher-profile lawyer is often going to charge more, but absorbing this higher cost at the outset may make more sense than hiring a less expensive lawyer who will likely take time and billable hours to come up to speed on unfamiliar legal and procedural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

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

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

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

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



Section I: High-Level Data Cuts

All data and analysis based on
data collected thru Q2 2022

Section I: High-Level Data Cuts

Cities

By Matter Type

2022 - Real Rates for Associate and Partner

Trend Analysis - Mean

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

Section I: High-Level Data Cuts

Cities

By Matter Type

2022 - Real Rates for Associate and Partner

Trend Analysis - Mean

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

Section I: High-Level Data Cuts

Cities

By Matter Type

2022 - Real Rates for Associate and Partner

Trend Analysis - Mean

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

Section I: High-Level Data Cuts

Cities

By Matter Type

2022 - Real Rates for Associate and Partner

Trend Analysis - Mean

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

Section I: High-Level Data Cuts

Cities

By Years of Experience

2022 - Real Rates for Associate

Trend Analysis - Mean

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

Section I: High-Level Data Cuts

Cities

By Years of Experience

2022 - Real Rates for Partner

Trend Analysis - Mean

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



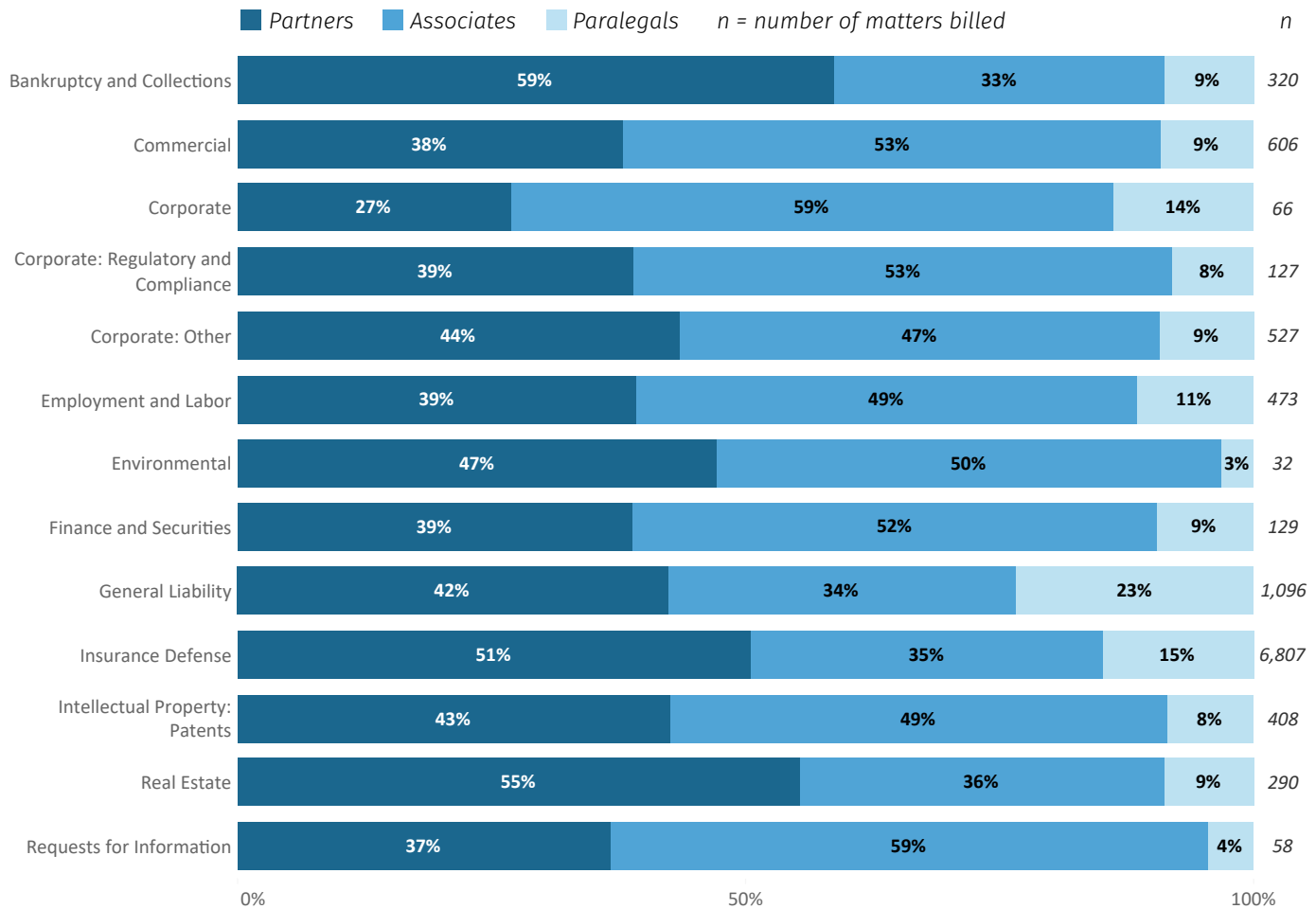
Section VI: Matter Staffing Analysis

All data and analysis based on
data collected thru Q2 2022

Section VI: Matter Staffing Analysis

Long Litigation Matters, More Than 100 Total Hours Billed

2019 to 2022 -- Percentage of Hours Billed per Matter



Section VII: Data Methodology

All data and analysis based on
data collected thru Q2 2022

Appendix: Data Methodology

Invoice Information

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

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

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

Non-Invoice Information

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

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

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

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

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

Appendix: Data Methodology

A Note on US Cities

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

Appendix: Data Methodology

Bankruptcy and Collections

Chapter 11
Collections

General/Other
Workouts and Restructuring

Commercial (Commercial Transactions and Agreements)

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

Corporate¹

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

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

Employment and Labor

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

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

Environmental

General/Other
Health and Safety

Superfund
Waste/Remediation

Finance and Securities

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

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

General Liability

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

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

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

Exhibit 4

Free Newsletter Sign Up

Business & Practice

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

By Roy Strom

Column

June 9, 2022, 2:30 AM

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

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

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

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

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

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

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

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

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

Charge It Up

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

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

Source: Court documents

Bloomberg Law

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Worth Your Time

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

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

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



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

To contact the reporter on this story: Roy Strom in Chicago at rstrom@bloomberglaw.com

To contact the editors responsible for this story: Chris Opfer at copfer@bloomberglaw.com; John Hughes at jhughes@bloombergindustry.com

Documents

[Trustee's Objection](#)

Related Articles

[Overworked Big Law Can't Find Enough Lawyers With Demand Surging](#) Dec. 9, 2021, 3:00 AM

[Never Underestimate Big Law's Ability to Raise Billing Rates](#) Aug. 12, 2021, 3:00 AM

Law Firms

Simpson Thacher
Hogan Lovells
Jones Day
Skadden
Sidley Austin
Quinn Emanuel
Cravath Swaine & Moore
Latham & Watkins
Kirkland & Ellis
Boies Schiller Flexner

Topics

expert fees
compensation of bankruptcy attorney
acquisitions
U.S. trustees
financial markets
client-paid legal fees
data breaches

Companies

Johnson & Johnson
Thomson Reuters Corp

Exhibit 5



CASE ASSUMPTIONS

Class Members	70
Opt Out Rate	N/A
Opt Outs Received	
Total Class Claimants	70
Subtotal Admin Only	\$2,750.00

Not-to-Exceed Total \$2,750.00

For 70 Class Members

Pricing Good for Scope of Estimate Only

All Aspects of Escheating to the State of CA Included

August 6, 2025

Case: Benjamin Steidl v. Z3 Plumbing PAGA Administration

Phoenix Contact: Jodey Lawrence

Contact Number: 949.566.1455

Email: Jodey@phoenixclassaction.com

Requesting Attorney: Joel Glaser

Firm: Joel Glaser APC

Contact Number: (310) 626-4662

Email: joel@glaserlaw.org

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

Estimate is based on 70 Class Members. PSA assumes class data will be sent in Microsoft Excel or other usable format with no or reasonable additional formatting needed. A rate of \$150 per hour will be charged for any additional analysis or programming.

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

Administrative Tasks:	Rate	Hours/Units	Line Item Estimate
Programming Manager	\$150.00	1	\$150.00
Programming Database & Setup	\$150.00	1	\$150.00
Toll Free Setup*	\$35.53	1	\$35.53
Call Center & Long Distance	\$2.00	13	\$26.00
NCOA (USPS)	\$41.84	1	\$41.84
Total			\$403.37

* Up to 120 days after disbursement

Data Merger & Scrub / Notice Packet, Check & Postage

Project Action	Rate	Hours/Units	Line Item Estimate
Notice Packet Formatting	\$125.00	2	\$250.00
Data Merge & Duplication Scrub	\$0.25	70	\$17.50
Notice and Check Packet	\$2.00	70	\$140.00
Estimated Postage (up to 1 oz.)*	\$0.74	70	\$51.80
Total			\$459.30

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



PHOENIX

CLASS ACTION ADMINISTRATION SOLUTIONS

Skip Tracing & Remailing Notice Packets / Tracking & Programming Undeliverables

Project Action:	Rate	Hours/Units	Line Item Estimate
Case Associate	\$50.00	2	\$100.00
Skip Tracing Undeliverables	\$1.50	11	\$15.75
Remail Notice Packets	\$1.50	11	\$15.75
Estimated Postage	\$0.56	11	\$5.88
Programming Undeliverables	\$50.00	1	\$50.00
Total			\$187.38

Database Programming

Project Action:	Rate	Hours/Units	Line Item Estimate
Programming Claims Database	\$100.00	1	\$100.00
Case Manager	\$75.00	2	\$150.00
Total			\$250.00

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

Project Action:	Rate	Hours/Units	Line Item Estimate
Programming Calculations	\$150.00	1	\$150.00
Disbursement Review	\$150.00	1	\$150.00
Programming Manager	\$95.00	1	\$95.00
QSF Bank Account & EIN	\$50.00	1	\$50.00
Check Run Setup & Printing	\$125.00	1	\$125.00
Total			\$570.00

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



PHOENIX

CLASS ACTION ADMINISTRATION SOLUTIONS

Tax Reporting & Reconciliation / Re-Issuance of Checks / Conclusion Reports and Declarations			
Project Action:	Rate	Hours/Units	Line Item Estimate
Case Supervisor	\$100.00	2	\$200.00
Remail Undeliverable Checks (Postage Included)	\$1.50	13	\$19.95
Case Associate	\$50.00	1	\$50.00
Reconcile Uncashed Checks	\$85.00	1	\$85.00
Conclusion Reports	\$50.00	1	\$50.00
Case Manager Conclusion	\$75.00	1	\$75.00
Final Reporting & Declarations	\$100.00	1	\$100.00
QSF Annual Tax Reporting * (State Tax Reporting Included)	\$300.00	1	\$300.00
Total			\$879.95

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

Estimate Total: \$2,750.00



CLASS ACTION ADMINISTRATION SOLUTIONS

TERMS AND CONDITIONS

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

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

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

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

Tax Reporting Requirements

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

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