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

DWANE TAYLOR, individually, and on behalf
of all others similarly situated,

Plaintiff,

v.

TAYLOR CREATIVE INC. WILL DO
BUSINESS IN CALIFORNIA AS TAYLOR
CREATIVEGROUP, a corporation; TAYLOR
CREATIVE, INC., a corporation; and DOES 1
through 10, inclusive,

Defendants.

Case No. 23CV012371

Assigned to: Hon. Jill H. Talley, Dept. 23

Complaint filed: November 29, 2023

Trial date: Not set

CLASS & REPRESENTATIVE ACTION

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

FINAL APPROVAL HEARING

Date: April 3, 2026

Time: 9:00 a.m.

Dept.: 23

1 I, Lucy Nguyen, declare as follows:

2 1. I am admitted, in good standing, to practice as an attorney in the State of California.
3 I am a Settlement Class Action Attorney at Wilshire Law Firm, PLC (“WLF”), counsel of record
4 for Plaintiff Dwane Taylor (“Plaintiff” or “Class Representative”). I, along with Alan Wilcox and
5 Conor Gomez of WLF, have reviewed the case files for this matter as routinely kept by WLF in
6 the course of litigation and conferred with my colleagues, Thiago M. Coelho and Jennifer
7 Leinbach, of WLF. (“collectively, ‘Class Counsel’”). I have reviewed the Sacramento County
8 Superior Court Complex Litigation Checklist for approval of class and PAGA settlements, and the
9 Motion complies with its requirements. Based upon the information available to Class Counsel
10 through WLF’s record-keeping processes, I am competent to make this declaration (this
11 “Declaration”). This Declaration is submitted concurrently with and in support of Plaintiff’s
12 Motion for Final Approval of Class Action Settlement (the “Motion”).

13 CASE BACKGROUND

14 2. This is a wage and hour class and Private Attorneys General Act (“PAGA”) (Lab.
15 Code §§ 2699, et seq.) representative action. Plaintiff and the putative class members worked in
16 California as hourly-paid or non-exempt employees for Defendant during the class period.
17 Defendant is a furniture rentals company that services the special event industry with two locations
18 based out of Carson, California and New York, New York. On November 29, 2023, Plaintiff filed
19 this action as a putative class action against Defendant Taylor Creative Inc. Will Do Business in
20 California as Taylor Creative Group and Taylor Creative, Inc. (“Defendant,” and together with
21 Plaintiff, the “Parties”) alleging: (1) failure to pay minimum and straight time wages; (2) failure
22 to pay overtime wages; (3) failure to provide meal periods; (4) failure to authorize and permit
23 rest periods; (5) failure to timely pay final wages at termination; (6) failure to provide accurate
24 itemized wage statements; (7) failure to indemnify employees for expenditures; (8) failure to
25 produce requested employment records; and (9) unfair business practices, Case No.
26 23CV012371 (“Class Action”).

27 3. Plaintiff alleges that Defendant’s payroll, timekeeping, and wage and hour practices
28 resulted in Labor Code violations. Plaintiff alleges that Defendant failed to pay for all hours

1 worked. Plaintiff further alleges that Defendant failed to provide employees with legally compliant
2 meal and rest periods and Defendant failed to reimburse business expenses. Based on these
3 allegations, Plaintiff asserts related claims for failure to provide accurate wage statements, failure
4 to pay all final wages at termination, unfair business practices, and civil penalties under the PAGA.
5 On January 30, 2024, Plaintiff provided written notice to the LWDA and Defendant of his
6 intention to file a PAGA claim. The LWDA did not notify Plaintiff that it intended to
7 investigate within 65 days of this written notice. On June 3, 2024, Plaintiff filed a PAGA action
8 against Defendant for civil penalties under PAGA, Case No. 24CV010880 (“PAGA Action”). The
9 Court consolidated the Class Action and PAGA Action, with the Class Action as the lead case.

10 4. The Parties subsequently participated in a private mediation with mediator Marc J.
11 Feder on April 29, 2025. The negotiations were adversarial, conducted at arm’s length, and
12 tempered by the efforts of both sides to serve the interests of their clients. The Parties negotiated
13 and agreed to terms in a Mediator’s Proposal on April 30, 2025 and the Parties signed
14 a Memorandum of Understanding on general settlement terms on May 1, 2025. The Parties
15 negotiated and finalized the terms of the Settlement Agreement, which was fully executed on June
16 4, 2025.

17 5. On June 26, 2025, Plaintiff submitted a copy of the Settlement Agreement to the
18 LWDA.

19 6. Plaintiff’s Counsel is not aware of any other pending matter or action asserting
20 claims that will be extinguished or affected by the proposed Settlement.

21 DISCOVERY, INVESTIGATION, AND SETTLEMENT

22 7. Prior to attending mediation, Plaintiff’s Counsel thoroughly investigated the claims,
23 applicable law, and potential defenses. Plaintiff’s Counsel assessed the value to the class claims
24 using the documents Defendant produced in informal discovery, including class data providing the
25 number of Class Members, the number of workweeks in the Class Period, and the number of pay
26 periods in the PAGA Period, Plaintiff’s personnel file, employment handbooks and policies, job
27 descriptions, and a random sampling of time and payroll records. Plaintiff’s Counsel engaged an
28 expert to quantify the potential exposure using the time and payroll records, and then assessed the

1 risks associated with each claim meriting reductions in the likely success at class certification and
2 likely recovery at trial.

3 8. Defendant's records show that there are approximately 104 Class Members, making
4 joinder of all Class Members impracticable. Further, given the size and amount of each Class
5 Members' claim, Class Members have little incentive to litigate their claims on an individual basis
6 because the out-of-pocket expenses and personal commitment necessary to litigate each claim
7 likely outweighs any potential recovery.

8 9. Plaintiff has alleged that Defendant maintained common employment policies
9 and/or practices that unlawfully deprived Class Members of wages, meal period, rest periods,
10 reimbursements for business expenses, accurate wage statements, and timely payment of wages
11 upon separation of employment. These allegations present common factual and legal questions of,
12 inter alia, whether Defendant applied the same scheduling, timekeeping, pay, meal period, rest
13 period, and reimbursement policies to all Class Members, whether these policies and practices
14 resulted in Labor Code violations, whether Defendant's conduct was intentional, and whether Class
15 Members are entitled to damages and/or penalties. These common questions could be resolved
16 using Class Members' time records, payroll records, testimony from Defendant's designated
17 representative(s), and Class Members' testimony.

18 SETTLEMENT NEGOTIATIONS

19 10. On April 29, 2025, the Parties participated in private mediation with experienced
20 class action mediator, Marc J. Feder, Esq. The mediation was conducted via Zoom. The settlement
21 negotiations were adversarial, conducted at arm's length, and tempered by the efforts of both sides
22 to serve the interests of their clients. The Parties went into the mediation willing to explore the
23 potential for a settlement of the dispute, but each side was also prepared to litigate their or its
24 position through trial and appeal if a settlement had not been reached. The Parties negotiated and
25 agreed to terms in a Mediator's Proposal on April 30, 2025, and the Parties signed a Memorandum
26 of Understanding on general settlement terms on May 1, 2025. The Parties negotiated and finalized
27 the terms of the Settlement Agreement, which was fully executed on June 4, 2025. Attached as
28

Exhibit 1 is a true and correct copy of the Class Action Settlement and PAGA Settlement Agreement (the “Settlement Agreement”).

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

12. Following the execution of the Settlement Agreement, the Court granted Plaintiff’s Motion for Preliminary Approval of Class Action Settlement on October 2, 2025. The deadline for class members to opt out or object to the Settlement is December 30, 2025. The reaction of the Class to the settlement so far has been overwhelmingly positive. Indeed, as of the filing of the Motion, no Class Member has opted out of the settlement and no Class Member has objected to the settlement.

13. The settlement obviates the significant risk that the Court may deny certification of all or some of Plaintiff’s claims. While Plaintiff is confident in the merits of his claims, a legitimate controversy exists as to each cause of action. Plaintiff also recognizes that proving the amount of wages due to each class member would be an expensive, time-consuming, and uncertain proposition. Furthermore, even if Plaintiff obtained certification of all or some of the claims, continued litigation would be expensive, involving a trial and possible appeals, and would substantially delay and reduce any recovery by the class.

14. Pursuant to Labor Code section 2699(1)(2), Class Counsel submitted a copy of the proposed Class and PAGA Settlement Agreement to the Labor and Workforce Development Agency (“LWDA”) prior to filing the Motion for Preliminary Approval, and the PAGA allocation provides for \$10,000.00 in civil penalties, with 75% (\$7,500.00) payable to the LWDA and 25% (\$2,500.00) payable to Aggrieved Employees. The proposed Settlement Agreement was provided to the LWDA in advance of Plaintiff’s filing of the Motion for Preliminary Approval of Class

1 Action Settlement. Attached as **Exhibit 2** is a true and correct copy of proof of Plaintiff's
2 submission of the Settlement Agreement to the LWDA.

3 ENHANCEMENT AWARDS FOR PLAINTIFF IS REASONABLE

4 15. Plaintiff requests a service award in the amount of \$2,000.00. Class Counsel
5 represents that Plaintiff devoted a great deal of time and work assisting Class Counsel in the case,
6 communicated with Class Counsel very frequently for litigation and to prepare for mediation, and
7 was frequently in contact with Class Counsel during the mediation. Plaintiff's requested
8 enhancement awards are reasonable particularly in light of the substantial benefits Plaintiff
9 generated for all Class Members.

10 16. Throughout this litigation, Plaintiff, who is a former employee of Defendant, has
11 cooperated immensely with my office and has taken many actions to protect the interests of the
12 Class. Plaintiff provided valuable information regarding the off-the-clock, meal period, and rest
13 period claims. Plaintiff also informed my office of developments and information relevant to this
14 action, participated in decisions concerning this action, and made himself available to answer
15 questions during the mediation. Before we filed this case, Plaintiff provided my office with
16 documents regarding the claims alleged in this action. The information and documentation
17 provided by Plaintiff was instrumental in establishing the wage and hour violations alleged in this
18 action, and the recovery provided for in the Settlement Agreement would have been impossible to
19 obtain without Plaintiff's participation.

20 17. At the same time, Plaintiff faced many risks in adding himself as the Class
21 Representative in this matter. Plaintiff faced actual risks with his future employment, as putting
22 himself on public record in an employment lawsuit could also very well affect his likelihood for
23 future employment. Furthermore, as part of this settlement, Plaintiff is executing general releases
24 of all claims against Defendant.

25 18. In turn, Class Members will now have the opportunity to participate in a settlement,
26 reimbursing them for alleged wage violations they may have never known about on their own or
27 been willing to pursue on their own. If these Class Members would have each tried to pursue their
28 legal remedies on their own, that would have resulted in each having to expend a significant amount

of their own monetary resources and time, which were obviated by Plaintiff putting himself on the line on behalf of these other Class Members.

19. In the final analysis, this class 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 own individual claims, and placed himself at risk for the sake of the Class Members. The requested enhancement award for Plaintiff for his services as the Class Representative and for his general release of all individual claims is a relatively small amount of money when the time and effort put into the litigation are considered and in comparison to enhancements granted in other class actions. The requested incentive award is therefore reasonable to compensate Plaintiff for his active participation in this lawsuit.

THE REQUEST FOR ATTORNEYS' FEES AND COSTS IS REASONABLE

20. Class Counsel request attorneys' fees in the amount of \$83,333.33 and litigation costs in the amount of \$19,325.98.

21. The total current lodestar for Wilshire Law Firm, PLC is not less than the following:

Person	Role	Hours	Rate	Lodestar
Thiago Coelho	Partner	31.0	\$950	\$ 29,450
Jennifer Leinbach	Senior Attorney	50.0	\$800	\$ 40,000
Alan Wilcox	Senior Attorney	13.7	\$900	\$ 12,330
Lucy Nguyen	Settlement Attorney	12.4	\$500	\$ 6,200
Justin F. Marquez ¹	Senior Partner	38.0	\$1,000	\$ 38,000
Arsiné Grigoryan ¹	Associate Attorney	20.0	\$800	\$ 16,000
Molly DeSario ¹	Partner	2.0	\$1,000	\$ 2,000
Dorota James ¹	Associate Attorney	6.0	\$750	\$ 4,500
Total:		173.1		\$ 148,480

¹ Justin F. Marquez, Molly DeSario, Dorota James and Arsine Grigoryan are no longer employed by Wilshire Law Firm, PLC and we have been unable to obtain itemized billing records for them. I have reviewed their communications and WLF's records and used my experience to conservatively estimate the minimum hours they likely spent on performing such tasks. Those estimated hours are listed in the above table.

22. I became involved in this matter following settlement for the purpose of overseeing the approval process. I spent approximately 12.4 hours reviewing the Settlement Agreement and procedural history; reviewing and confirming settlement administration metrics (including class size, workweeks, and notice results); confirming the settlement figures and deductions; coordinating with the Settlement Administrator and co-counsel regarding final approval submissions; and assisting in the preparation and finalization of the Motion for Final Approval and supporting papers.

23. Wilshire Law Firm, PLC has spent approximately 173.1 hours, for a lodestar of \$148,480, litigating this action to bring it to resolution, not including time which will be expended monitoring the administration of the settlement and distribution of funds to the Class Members. The requested attorneys' fees of \$83,333.33 are substantially less than counsel's lodestar, reflecting a significant voluntary reduction. Efforts expended by Plaintiff's counsel to achieve this result include, but are not limited to, the following:

- a. the investigation of the matter, including meeting with Plaintiff, reviewing Defendant's policies, and requesting and reviewing Plaintiff's time and pay records, personnel files, and exploring the corporate structure of Defendant;
- b. filing the action;
- c. attending hearings and meeting and conferring with Defendant regarding the case;
- d. meeting and conferring with Defendant regarding mediation, exchange of informal discovery beforehand, and negotiating with opposing counsel regarding the parameters thereof;
- e. selecting a mediator and mediation date;
- f. working with opposing counsel and an expert consultant for the receipt of a representative sampling and analyzing the same with the aid of expert consultant and Plaintiff to perform analyses of liability and exposure prior to attendance of the mediation in this matter;
- g. reviewing policy documents from Defendant and researching applicable defenses;
- h. preparation of a mediation brief and damages model for use at mediation;

- i. attendance at mediation by all Parties and Counsel;
- j. communicating with Plaintiff who requested updates or other information regarding this matter;
- k. engaging in settlement negotiations, followed by finalizing and fully executing the Settlement Agreement;
- l. preparing and assisting in the drafting of the Motion for Preliminary Approval of Class Action Settlement and supporting documents.
- m. communicating with class members who sought additional information regarding the settlement, including answering questions regarding the settlement;
- n. communicating with the Settlement Administrator to ensure the Class Notice was properly distributed and engaging in extensive follow-up communications with the Settlement Administrator regarding class members who sought additional information about the Settlement; and
- o. preparing the instant Motion and supporting documents.

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

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

27. It is further estimated that my office will need to spend at least another 15 to 20 hours to monitor the process leading up to payments made to the class. My office also bears the risk of taking whatever actions are necessary if Defendant fails to pay.

28. The risk to my office has been very significant, particularly if we would not be 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. The contingent risk in these types of cases is very real
2 and they do occur regularly. Furthermore, we were precluded from focusing on, or taking on, other
3 cases which could have resulted in a larger, and less risky, monetary gain.

4 29. Because most individuals cannot afford to pay for representation in litigation on an
5 hourly basis, Wilshire Law Firm, PLC, represents virtually all of its employment law clients on a
6 contingency fee basis. Pursuant to this arrangement, we are not compensated for our time unless
7 we prevail at trial or successfully settle our clients' cases. Because Wilshire Law Firm, PLC is
8 taking the risk that we will not be reimbursed for our time unless our client settles or wins his or
9 her case, we cannot afford to represent an individual employee on a contingency basis if, at the
10 end of our representation, all we are to receive is our regular hourly rate for services. It is essential
11 that we recover more than our regular hourly rate when we win if we are to remain in practice so
12 as to be able to continue representing other individuals in civil rights employment disputes. Here,
13 however, Class Counsel requests \$83,333.33 in attorneys' fees, which is substantially less than
14 counsel's lodestar, reflecting a significant voluntary reduction. This requested fee is reasonable in
15 light of the results achieved, the risks assumed, and the work performed.

16 30. As of the date of filing this Motion, Class Counsel has incurred around \$19,325.98
17 in costs, and Defendant has agreed that they will not oppose any cost award request up to
18 \$25,000.00. Accordingly, Class Counsel respectfully requests reimbursements of \$19,325.98 in
19 expenses, which should be reimbursed in full. Attached as **Exhibit 3** is a list of the costs and the
20 categories of costs for the costs incurred in this case to date by Wilshire Law Firm, PLC.

21 **PLAINTIFF'S COUNSEL'S EXPERIENCE AND QUALIFICATIONS**

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

25 32. WLF was selected by Best Lawyers and U.S. News & World Report as one of the
26 nation's Best Law Firms for every year since 2020 and is comprised of more than 100 attorneys
27 and over 600 employees. WLF is actively and continuously practicing in employment litigation,
28

1 representing employees in both individual and class actions in both state and federal courts
2 throughout California.

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

7 Alan Wilcox's Qualifications

8 34. Alan Wilcox obtained his Bachelor's degree from the University of California,
9 Berkeley in 2007. He graduated from Pepperdine University's School of Law and became a
10 member of the California State Bar in 2012.

11 35. Throughout his career up until his employment at WLF, he was essentially
12 continuously employed as a civil litigation attorney at multiple law firms. He has represented
13 clients in both state and federal Courts in a wide variety of matters, including contract disputes,
14 wrongful foreclosure, unlawful detainer, divorce, product defect, tort, and employment.

15 36. From 2014 to the present, he has been exclusively practicing complex civil litigation
16 representing plaintiff employees in employment matters. In that time, he has become an expert in
17 the field. He has handled both individual wrongful discharge and collective wage and hour actions,
18 with the class action and PAGA matters including *Flores v. Aqua Terra Culinary, Inc.*, Monterey
19 Superior Court Case No. 17CV002672, *Garcia v. Construction Innovations Group, LLC*,
20 Sacramento Superior Court Case No. 34-2020-00285239, *Kim v. Sheraton Operating Corp.*,
21 Central District of California Case No. 2:17-cv-09247-FMO-E, *Pease v. Wattrans, Inc.*, San
22 Bernardino Superior Court Case No. CIVDS1919832, and *Lachman v. Berlitz Languages, Inc.*,
23 Los Angeles Superior Court Case No. 19STCV01533, among others.

24 37. He has used his programming skills to create complex systems for automatically
25 performing in-depth analyses of employment records to identify wage and hour violations in both
26 individual and collective action settings. He has tried several matters, including multiple
27 employment cases and multiple non-employment cases. His expertise has resulted in obtaining
28 multiple millions of dollars for his clients. He strives to represent individuals struggling to enforce

1 their rights and recover what is owed to them from employers who violate California law. At
2 WLF, Alan is a Senior Attorney charged with taking resolved class action and PAGA matters and
3 ensuring that they are carried through the approval and distribution process in an efficient manner
4 and in compliance with Court orders.

5 38. His current hourly billing rate is \$900.00 per hour. This hourly rate is reasonable
6 and appropriate, given his background and experience. He is generally familiar with hourly rates
7 charged by attorneys in both Southern and Northern California whose training and experience are
8 similar, and his rate is competitive in both markets. Indeed, a commonly used metric for
9 determining reasonable attorney fee rates based upon years of experience, the Laffey Matrix
10 (<http://www.laffeymatrix.com/see.html>), indicates that it would be reasonable to charge
11 approximately \$948.00 per hour. Prior to taking on a Senior Attorney role at WLF, for multiple
12 years Alan's hourly billing rate stagnated at \$650.00 per hour, following Judge Upinder S. Kalra
13 granting the plaintiff's post-trial motion for attorneys' fees and approving his hours and rate billed
14 in the matter of *Parker v. Innovative Speech Therapy and Communications Servs., Inc.*, Los
15 Angeles Superior Court Case No. 19STCV36310, and when Judge Kory Mathewson approved his
16 fee rate for a default judgment in *Segura v. Beyond Staffing Solutions, Inc.*, San Bernardino
17 Superior Court Case No. CIVDS1908672. While working for WLF, Alan has repeatedly been
18 approved as class counsel and his hourly billing rate has been approved for many class and PAGA
19 action settlements. The reasonableness of his hourly rates is also supported by several surveys of
20 legal rates, including the following:

- 21 a. The 2022 Real Rate Report survey compiled by Wolters Kluwer, which
22 presents the real market rates of Los Angeles area attorneys who practice
23 litigation. For that category, the third quartile 2022 rate was \$1,045 per hour
24 for partners and \$855 for associates. Likewise, page 32 of the Report describes
25 the rates charged by 183 Los Angeles partners with "21 or more years of
26 experience" and "Fewer than 21 years." For those categories, the third quartile
27 Los Angeles partner rate in 2022 were \$1,133 per hour for 21 or more years
28

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 4**.

- 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 5**.

Thiago Coelho’s Qualifications

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

- a. He served as lead counsel in *Suarez v. Bank of America, N.A.*, Case No. 18-cv-01202-LB, a wage-and-hour federal class action which resulted in a \$1.5 million settlement.
- b. He was lead counsel in *Moore v. Centrelake Medical Grp.* (2022) 83 Cal.App.5th 515, a data breach class action, where the Court of Appeal reversed the trial court’s judgment sustaining the defendant’s demurrer, in part, because the plaintiff’s loss of benefit of the bargain was deemed a sufficient injury for UCL standing. (*Id.* at pp. 527-530.)
- c. He was also lead counsel in *Mier v. CVS Health* (9th Cir. July 8, 2023) No. 22-55665, 2023 WL 4837851, a consumer class action involving false advertising

- claims where the Ninth Circuit reversed the denial of class certification. He has settled over 300 cases, including, but not limited to, consumer class action cases. His hourly rate is \$950.00, which was approved in *Suarez v. Bank of America, N.A.* (N.D. Cal. Jan. 11, 2024), No. 18-cv-01202-LB, 2024 WL 150721, *3 (“As for the lodestar cross-check, the billing rates are normal and customary for timekeepers with similar qualifications and experience in the relevant market.”)
- d. He was also lead counsel in *Peters v. Apple, Inc.*, (Los Angeles Superior Court) Case No. 18STCV21787, a consumer class action involving Apple, Inc.’s alleged misrepresentations regarding its Family Sharing service, which resulted in a \$25 million class settlement. For his work on *Peters v. Apple, Inc.*, he was awarded the Daily Journal’s California Lawyer Attorney of the Year (“Clay”) Award.
- e. He was also lead counsel in *Schumacher v. Bank of Hope*, Case No. 18STCV02066, a consumer class action which resulted in a \$13.3 million settlement.
- f. He served as an executive committee member in *Slate v. Dominion Dental Services*, Case No. 1:19-cv-01063, which resulted in a \$4.7 million settlement.
- g. He was class counsel in *In re MCG Health Data Security Litigation*, Case No. 2:22-cv-0849-RSM-DWC, which resulted in a \$8.8 million consumer class action settlement.
- h. He was class counsel in *Billie Culp, et al., v. Fitzgibbon Hospital*, Case No. 23SA-CV00020 (Cir. Ct. Saline Cty., Mo., Div. IV January 10, 2023); a data breach consolidated class action with a court-approved \$650,000.00 settlement.
- i. He was class counsel in *Mendoza v. Crystal Bay Casino, LLC*, Case No. 3:23-cv-00092-MMD-CLB (D. Nev. Filed Feb. 28, 2023); a data breach consolidated class action with a court-approved \$675,000.00 settlement.
- j. He was settlement class counsel in *In re Wright & Filippis, LLC Data Security Breach Litig.*, No. 2:22-cv-12908-SFC (E.D. Mich. Filed Nov. 30, 2022); which

1 resulted in a court approved \$2.9 million settlement.

2 k. He is co-lead class counsel in *Lowery, et al., v. Community Psychiatry*
3 *Management, LLC*, Case No. 24STCV30135 (Cal. Super. Ct. L.A. Cnty Nov.
4 15, 2024); with a pending settlement of \$3.5 million.

5 l. He was lead class counsel in *Alcazar v. Fashion Nova, Inc.*, Case No. 4:20-cv-
6 01434-JST (N.D. Cal. filed Feb. 26, 2020); with a pending settlement of \$5.15
7 million.

8 Chumahan Bowen's Qualifications

9 40. Chumahan Bowen is an Associate Attorney at Wilshire Law Firm, PLC. Mr. Bowen
10 earned his Bachelor of Arts from the University of California, Berkeley, followed by a Master of
11 Fine Arts from UCLA. He then obtained his Juris Doctor from Pepperdine University School of
12 Law, where he also received a Certification in Dispute Resolution from the Stratus Institute for
13 Dispute Resolution. Mr. Bowen was admitted to the California Bar in December 2009 and
14 expanded his licensure by gaining admission to the Hawaii State Bar in April 2025. Immediately
15 after graduating from law school, Mr. Bowen joined the prominent class action law firm, Arbogast
16 & Berns, LLP. As a class action associate, he assisted the firm with obtaining numerous class
17 action settlements. Some representative matters include the following cases:

18 a. Mr. Bowen contributed to the litigation as class counsel in *Peel v.*
19 *BrooksAmerica Mortgage Corp.*, Case No. 8:11-cv-00079-JLS (C.D. Cal.),
20 which resulted in a \$10 million settlement.

21 b. Mr. Bowen contributed to the litigation as class counsel in *Monaco v. Bear*
22 *Stearns Residential Mortgage Corporation*, Case No. 2:09-cv-05438-SJO (C.D.
23 Cal.), which resulted in an \$18.3 million settlement.

24 c. Mr. Bowen contributed to the litigation as class counsel in *Ralston v. Mortgage*
25 *Investors Group, Inc.*, Case No. 5:08-cv-00536-JF (N.D. Cal.), which resulted
26 in a settlement of \$100,150,000.

27 d. Mr. Bowen contributed to the litigation *Mandrigues v. World Savings, Inc.*, No.
28 C 07-04497 JF (N.D. Cal.), was part of the consolidated multidistrict litigation

1 titled In re Wachovia Corp. “Pick-A-Payment” Mortgage Marketing and Sales
2 Practices Litigation, Case No. M:09-CV-2015-JF. This litigation addressed
3 allegations that World Savings Bank, Wachovia Mortgage Corporation, and
4 related entities failed to adequately disclose the risks associated with their “Pick-
5 A-Payment” mortgage loans, particularly the potential for negative amortization
6 that culminated in a total settlement fund of \$50,000,000.

7 e. Mr. Bowen contributed to the litigation as class counsel in Jordan v. Paul
8 Financial, LLC, Case No. C 07-04496 SI (N.D. Cal.), which resulted in a
9 settlement of \$1,750,000.

10 f. Mr. Bowen contributed to the multidistrict litigation titled In re Toyota Motor
11 Corp. Unintended Acceleration Marketing, Sales Practices, and Products
12 Liability Litigation, Case No. 8:10ML2151 JVS (FMOx) (C.D. Cal.), which
13 resulted in a landmark settlement valued at up to \$1.6 billion.

14 Jennifer M. Leinbach’s Qualifications

15 41. Jennifer M. Leinbach is a Senior Attorney at Wilshire Law Firm, PLC and a member
16 of the California Bar since 2011. Ms. Leinbach has significant experience as a class action litigator.
17 Her work experience as an attorney began with several federal judicial clerkships spanning from
18 2012-2016. After her clerkships, Ms. Leinbach practiced at a plaintiff-side class action boutique
19 where she assisted in obtaining class settlements totaling more than \$100 million. Since joining
20 Wilshire Law Firm, PLC in 2021, Ms. Leinbach has worked on many more class action cases,
21 including:

22 a. Ms. Leinbach contributed to the litigation in *Moore v. Centrelake Medical Grp.*
23 (2022) 83 Cal.App.5th 515, a data breach class action, where the Court of
24 Appeal reversed the trial court’s judgment sustaining the defendant’s demurrer,
25 in part, because the plaintiff’s loss of benefit of the bargain was deemed a
26 sufficient injury for UCL standing;

27 b. Ms. Leinbach contributed to the litigation in *Mier v. CVS Health* (9th Cir. July
28 8, 2023) No. 22-55665, 2023 WL 4837851, a consumer class action involving

1 false advertising claims where the Ninth Circuit reversed the denial of class
2 certification;

3 c. Ms. Leinbach also assisted in securing and negotiating a \$5.15 million class
4 settlement in *Alcazar v. Fashion Nova*, (N.D. Cal.) No.4:20-cv-01434-JST
5 (N.D. Cal.), which has been preliminarily approved;

6 d. Notably, Ms. Leinbach secured a \$25 million class settlement against Apple,
7 Inc. for alleged misrepresentations regarding Apple's Family Sharing service.
8 *Peters v. Apple, Inc.*, (LASC) No. 19STCV21787. For her work on this case,
9 Ms. Leinbach was awarded the Daily Journal's California Lawyer Attorney of
10 the Year ("CLAY") Award.

11 Lucy Nguyen's Qualifications

12 42. I am a Settlement Class Action Attorney where I represent employees in complex
13 wage-and-hour class and representative actions under California and federal labor laws. My
14 practice focuses on wage and hour violations, Private Attorneys General Act ("PAGA") matters,
15 retaliation, discrimination, wrongful termination, and class action settlements. I earned my Juris
16 Doctor from John F. Kennedy University, School of Law, in 2011, where I participated in the
17 Housing Clinic and Legal Aid for the Tenants' Union. I was admitted to the State Bar of California
18 in 2021. I also earned a Bachelor of Science degree in Business Management from San Francisco
19 State University, School of Business, and was recognized on the Dean's List.

20 43. I bring five years of litigation experience to my practice, including substantial
21 experience in both employment law and family law. I have managed high-volume statewide
22 caseloads involving wage-and-hour, discrimination, harassment, retaliation, and wrongful
23 termination matters. In that capacity, I drafted and negotiated hundreds of demand letters, analyzed
24 complex statutory violations including meal and rest break claims and misclassification issues, and
25 assisted in securing millions of dollars in settlements for employees. I have also trained, onboarded,
26 and mentored junior attorneys and advised colleagues on statutory compliance and case valuation.

27 44. Earlier in my career, I practiced family law litigation and managed contested matters
28 from initial filing through trial, including discovery, motion practice, evidentiary hearings,

1 mediation, and trial preparation. I collaborated with forensic accountants and valuation experts in
2 high-asset divorce proceedings and handled complex custody and support disputes. In addition, I
3 served as a Self-Help Attorney with the Alameda County Superior Court, Family Law Facilitator
4 Program, at the Hayward Hall of Justice. In that role, I provided legal guidance to self-represented
5 litigants navigating family law proceedings and worked closely with court personnel to ensure
6 compliance with statutory and procedural requirements. This experience strengthened my
7 understanding of court processes, judicial expectations, and access-to-justice principles. This work
8 required disciplined case management, precise evidentiary preparation, and strategic courtroom
9 advocacy. Balancing a demanding litigation practice with the responsibilities of motherhood
10 required resilience, organization, and professionalism, qualities that continue to inform my
11 approach to complex employment litigation.

12 45. In addition to my litigation practice, I have served in an elected governance role
13 within my children's public-school community, having been nominated and voted into the position
14 by fellow parents and teachers. In that capacity, I regularly attended school board meetings and
15 worked closely with county representatives, principals, administrators, and teaching staff to review
16 funding allocations and grant distributions. My role included ensuring that public funds were
17 administered in compliance with applicable state laws and regulatory requirements. This
18 experience strengthened my understanding of statutory compliance, fiduciary oversight, and
19 institutional accountability.

20 46. I am also a Certified Information Privacy Professional (CIPP/US) and have advised
21 businesses regarding compliance with federal and state regulatory requirements, including federal
22 tax and CARES Act-related regulations. In that role, I guided entrepreneurs and small businesses
23 through statutory compliance obligations and audit-risk mitigation, reinforcing my understanding
24 of regulatory frameworks and complex statutory schemes.

25 47. The litigation skills I developed across employment and family law, meticulous
26 document review, complex statutory analysis, strategic case development, and persuasive
27 advocacy, translate directly to wage-and-hour class and representative litigation. I apply these
28 skills in reviewing pleadings, analyzing payroll and timekeeping records, preparing settlement

documents, and ensuring that settlements comply with California law and court approval standards. I am committed to representing working individuals with diligence, integrity, and a deep respect for the rule of law.

Justin F. Marquez's Qualifications

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

Molly Desario's Qualifications

49. Molly Desario is a former partner at Wilshire Law Firm, PLC. She graduated cum laude from the Carl H. Lindner School of Business at the University of Cincinnati in 1999 and received her Juris Doctor from Northeastern University School of Law in 2003. Ms. DeSario has over 19 years of experience in litigating class action and mass litigation, and she has spent the past 16 years prosecuting class and PAGA actions at well-known plaintiff-side wage and hour firms in California. As a partner, she oversaw the prosecution of hundreds of representative wage and hour

actions in California state and federal courts. Ms. DeSario has also donated numerous pro bono hours to many non-profit organizations, including the Whitman-Walker legal clinic, ABA Coalition for Justice, Alameda Point Collaborative, National Association of Women Judges Storybook Project, and the ACLU. Ms. DeSario was also a member of CELA, Queens' Bench, and the San Francisco, Alameda, and Montgomery County (Maryland) bar associations.

Dorota A. James's Qualifications

50. Dorota A. James is a former Associate Attorney at Wilshire Law Firm, PLC. She earned her master's degree in law and business administration at the University of Wroclaw, where she received recognition as an outstanding alumna. She also holds a J.S.D. degree in Comparative Law Studies and a master's degree in German law from the University of Saarland (Germany). She then went on to get an LL.M. degree in Comparative Law at the University of San Diego Law School. She is presently admitted to practice in all state courts of California (admitted in 2016) and before all federal district courts in California. Prior to joining Wilshire Law Firm in May 2024, Ms. James gained invaluable litigation experience working at various Plaintiffs and defense firms, including ShortLegal, APC, Tyson Mendes, LLP, and Dinsmore and Shohl, LLP. Ms. James' current practice has been primarily focused on wage-and-hour class and representative action litigation brought on behalf of employees. She also litigates discrimination and harassment cases as individual and complex multi-party litigation.

Arsiné Grigoryan's Qualifications

51. Arsiné Grigoryan is a former Associate Attorney at Wilshire Law Firm, PLC. She earned two Bachelor of Arts degrees from the University of California, Berkeley in (1) Political Science with an emphasis on international relations and (2) Media Studies. She obtained her Juris Doctor degree from Southwestern Law School. She is presently admitted to practice in all state courts of California (admitted in 2017) and before all federal district courts in California. The focus of her practice at Wilshire Law Firm is currently on class action wage-and-hour law, including Private Attorneys General Act of 2004 ("PAGA") matters. Prior to joining Wilshire Law Firm, PLC, she worked at a law firm specializing in wage-and-hour class action cases. She is also

1 handling more than a dozen active class action matters currently pending and prosecuting multiple
2 PAGA collective action matters in various courts throughout the State of California.

3 52. Class Counsel has reviewed the Court's Checklist for Approval of Class Action
4 and/or Private Attorneys General Act ("PAGA") Settlements and prepared the moving papers in
5 compliance with the checklist.

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

8 Executed on March 4, 2026, in Livermore, California.

9 

10 _____
11 Lucy Nguyen
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Exhibit 1

WILSHIRE LAW FIRM

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SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF SACRAMENTO

DWANE TAYLOR, individually, on behalf
of all others similarly situated, the State of
California, and other aggrieved persons,

Plaintiff,

v.

TAYLOR CREATIVE INC. WILL DO
BUSINESS IN CALIFORNIA AS TAYLOR
CREATIVE GROUP, a corporation;
TAYLOR CREATIVE, INC., a corporation;
and DOES 1 through 10, inclusive,

Defendants.

Case No. 23CV012371

Assigned to: Hon. Jill Talley, Dept. 23

Complaint filed: November 29, 2023

Trial Date: Not set.

**CLASS ACTION AND PAGA
SETTLEMENT AGREEMENT**

[Consolidated with Case No. 24CV010880]

This Class Action and PAGA Settlement Agreement ("Agreement") is made by and
between Plaintiff Dwane Taylor ("Plaintiff") and Defendants Taylor Creative Inc. and Taylor

Creative, Inc. (collectively "Defendant"). The Agreement refers to Plaintiff and Defendant collectively as "Parties," or individually as "Party."

1. DEFINITIONS.

1.1 "Action" means Plaintiff's lawsuit alleging class action wage and hour violations against Defendant captioned *Dwane Taylor v. Taylor Creative Inc., et al.*, Sacramento County Superior Court Case No. 23CV012371, filed on November 29, 2023. This matter was consolidated with *Dwane Taylor v. Taylor Creative Inc., et al.*, Sacramento County Superior Court Case No. 24CV010880, with Case No. 23CV012371 being the lead case.

1.2 "Administrator" means ILYM Group, Inc., the neutral entity the Parties have agreed to appoint to administer the Settlement.

1.3 "Administration Costs" means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator's "not to exceed" bid submitted to the Court in connection with Preliminary Approval of the Settlement.

1.4 "Aggrieved Employee" means all current and former employees of Defendant, either directly or through any predecessor, successor, assign, subsidiary, staffing agency, or professional employer organization, who worked for Defendant in a non-exempt position in California at any time during the PAGA Period.

1.5 "Class" means all current and former employees of Defendant, either directly or through any predecessor, successor, assign, subsidiary, staffing agency, or professional employer organization, employed by Defendant in California as non-exempt employees at any time during the Class Period.

1.6 "Class Counsel" means Thiago Coelho, Jennifer Leinbach, Alan Wilcox, and Bradford Smith of Wilshire Law Firm, PLC.

1.7 "Class Counsel Fees Payment" means an award of attorneys' fees granted to Class Counsel and paid from the Gross Settlement Amount. The Parties have agreed Plaintiff will request approval from the Court of up to one-third (1/3) of the GSA (currently estimated to total \$83,333.33) as attorneys' fees.

1.8 “Class Counsel Litigation Expenses Payment” means the amount allocated to Class Counsel for reimbursement of reasonable expenses and costs incurred to prosecute the Action, to be paid from the Gross Settlement Amount.

1.9 “Class Data” means Class Member identifying information in Defendant’s possession, custody, or control, including the Class Member’s name, last-known mailing address, Social Security number, and number of Workweeks and PAGA Pay Periods.

1.10 “Class Member” or “Settlement Class Member” means a member of the Class, as either a Participating Class Member or Non-Participating Class Member (including a Non-Participating Class Member who qualifies as an Aggrieved Employee).

1.11 “Class Member Address Search” means the Administrator’s investigation and search for current Class Member mailing addresses using all reasonably available sources, methods, and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Class Members.

1.12 “Class Notice” means the Court approved Notice of Settlement and hearing date for Final Approval, to be mailed to Class Members in English with a Spanish translation in the form, without material variation, attached as Exhibit A and incorporated by reference into this Agreement.

1.13 “Class Period” or “Class Settlement Period” means the period from November 29, 2019, through the date on which the Court issues an order preliminarily approving this Settlement.

1.14 “Class Representative(s)” means the named Plaintiff(s) in the Action.

1.15 “Class Representative Service Payment(s)” or “Enhancement Award(s)” means the payment to the Class Representative for initiating the Action and providing services in support of the Action.

1.16 “Court” means the Superior Court of California, County of Sacramento.

1.17 “Defendant” collectively means named Defendant Taylor Creative Inc.

1.18 “Defense Counsel” means David Fishman and Janet S. Soultanian of Ballard Rosenberg Golper & Savitt, LLP.

1.19 “Effective Date” means the date by which both of the following have occurred: (a) the

1 Court enters a Judgment on its Order Granting Final Approval of the Settlement; and (b) the
2 Judgment is final. The Judgment is final as of the latest of the following occurrences: (a) if no
3 Participating Class Member objects to the Settlement, the day the Court enters Judgment; (b) if
4 one or more Participating Class Members objects to the Settlement, the day after the deadline for
5 filing a notice of appeal from the Judgment; or (c) if a timely appeal from the Judgment is filed,
6 the day after the appellate court affirms the Judgment and issues a remittitur.

7 1.20 "Final Approval" means the Court's order granting final approval of the Settlement.

8 1.21 "Final Approval Hearing" means the Court's hearing on the Motion for Final Approval
9 of the Settlement.

10 1.22 "Final Judgment" means the Judgment entered by the Court upon granting Final
11 Approval of the Settlement.

12 1.23 "Gross Settlement Amount" or "GSA" means \$250,000.00, which is the total amount
13 Defendant agrees to pay under the Settlement, except as provided in Paragraph 8 below.

14 1.24 "Individual Class Payment" means the Participating Class Member's pro rata share of
15 the Net Settlement Amount calculated according to the number of Workweeks worked during the
16 Class Period.

17 1.25 "Individual PAGA Payment" means the Aggrieved Employee's pro rata share of 25%
18 of the PAGA Penalties calculated according to the number of PAGA Pay Periods worked during
19 the PAGA Period.

20 1.26 "Judgment" means the judgment entered by the Court based upon the Final Approval.

21 1.27 "LWDA" means the California Labor and Workforce Development Agency, the agency
22 entitled, under Labor Code section 2699, subd. (i).

23 1.28 "LWDA PAGA Payment" means the 75% of the PAGA Penalties paid to the LWDA
24 under Labor Code section 2699, subd. (i).

25 1.29 "Net Settlement Amount" means the Gross Settlement Amount, less the following
26 payments in the amounts approved by the Court: PAGA Penalties payment, Enhancement, Class
27 Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and the Administration
28 Costs Payment. The remainder is to be paid to Participating Class Members as Individual Class

1 Payments.

2 1.30 "Non-Participating Class Member" means any Class Member who opts out of the
3 Settlement by sending the Administrator a valid and timely Request for Exclusion.

4 1.31 "Operative Class Complaint" means the operative class action complaint filed in the
5 Class Action.

6 1.32 "PAGA" means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).

7 1.33 "PAGA Notice" means Plaintiff's January 30, 2024, letter (LWDA-CM-1008206-24) to
8 the LWDA and Defendant providing notice pursuant to Labor Code section 2699.3, subd.(a).

9 1.34 "PAGA Pay Period" means any pay period during which an Aggrieved Employee
10 worked for Defendant for at least one day during the PAGA Period.

11 1.35 "PAGA Penalties" means the total amount of PAGA civil penalties to be paid from the
12 Gross Settlement Amount (\$10,000.00), allocated 25% to the Aggrieved Employees (\$2,500.00)
13 and 75% to LWDA (\$7,500.00) in settlement of PAGA claims.

14 1.36 "PAGA Period" means the period from March 30, 2023, through the date on which the
15 Court issues an order preliminarily approving this Settlement.

16 1.37 "Participating Class Member" means a Class Member who does not submit a valid and
17 timely Request for Exclusion from the Settlement.

18 1.38 "Plaintiff" means Dwane Taylor, the named plaintiff in the Action.

19 1.39 "Preliminary Approval" means the Court's Order Granting Preliminary Approval of the
20 Settlement.

21 1.40 "Released Class Claims" means the claims being released as described in Paragraph 5.2
22 below.

23 1.41 "Released PAGA Claims" means the claims being released as described in Paragraph
24 5.3 below.

25 1.42 "Released Parties" means Defendant and its officers, directors, managerial employees,
26 and agents.

27 1.43 "Request for Exclusion" means a Class Member's submission of a written request to be
28 excluded from the Class Settlement signed by the Class Member.

1.44 “Response Deadline” means sixty (60) days after the Administrator mails Notice to Class Members and Aggrieved Employees and shall be the last date on which Class Members may: (a) fax, email, or mail Requests for Exclusion from the Settlement, or (b) fax, email, or mail his or her Objection to the Settlement. Class Members to whom Notice packets are resent after having been returned undeliverable to the Administrator shall have an additional fourteen (14) calendar days beyond the Response Deadline has expired.

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

1.46 “Workweek” means any week during which a Class Member worked for Defendant for at least one day during the Class Period.

2. RECITALS.

2.1 On November 29, 2023, Plaintiff filed the Class Action alleging Defendant (1) failed to pay minimum and straight time wages; (2) failed to pay overtime wages; (3) failed to provide meal periods; (4) failed to authorize and permit rest periods; (5) failed to timely pay final wages at termination; (6) failed to provide accurate itemized wage statements; (7) failed to indemnify employees for expenditures; (8) failed to produce requested employment records; and (9) violated California’s Unfair Competition Law, California Business and Professions Code section 17200, *et seq.* On January 30, 2024, pursuant to Labor Code §2699.3, subd.(a), Plaintiff gave notice to the LWDA and Defendant that Plaintiff intended to proceed with a representative action under PAGA through the PAGA Notice. On June 3, 2024, Plaintiff filed a separate action seeking recovery of civil penalties pursuant to PAGA (the “PAGA Action”). On December 14, 2024, the Court consolidated the PAGA Action into the Action, with the Action designated as the lead case.

2.2 Defendant denies the allegations in the Action, denies any failure to comply with the laws identified in the Action, and denies any and all liability for the causes of action alleged in the Action.

2.3 On April 30, 2025, the Parties participated in an all-day mediation presided over by mediator Marc Feder, Esq. With the help of the Mediator, the Parties were able to reach an agreement on general settlement terms at mediation. The Parties executed a Memorandum of

Understanding shortly thereafter.

2.4 In advance of mediation, Class Counsel conducted a thorough investigation into the facts of, and applicable law to, the Action. Prior to mediation, Plaintiff obtained and analyzed a representative sampling of time and payroll data for Class Members and the necessary policy documents through informal discovery to properly evaluate the strengths and weakness of the claims and engage in meaningful settlement discussions. Plaintiff's investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.*, 48 Cal.App.4th 1794, 1801 (1996) and *Kullar v. Foot Locker Retail, Inc.*, 168 Cal.App.4th 116, 129-130 (2008) ("*Dunk/Kullar*").

2.5 The Court has not granted class certification because the Parties engaged in mediation before any class certification.

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

3. MONETARY TERMS.

3.1 Gross Settlement Amount. Except as otherwise provided by Paragraph 8 below, Defendant will pay \$250,000.00 to fully settle, resolve, and extinguish all claims asserted in the Action, including without limitation all claims asserted in the PAGA Notice. The Gross Settlement Amount is non-reversionary and does not include employer payroll taxes owed on the wage portions of the Individual Class Payments, which Defendant will pay separately. The Gross Settlement Amount includes a \$50,000.00 credit for 19 Class Member releases obtained by Defendant following the filing of the Action. As a result, only \$200,000.00 of the Gross Settlement Amount, plus employer taxes for wages, remains currently unpaid by Defendant.

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

3.2.1 To Plaintiff: A payment for the Enhancement Award to Plaintiff of not more than \$2,000.00 in addition to any Individual Class Payment and any Individual PAGA Payment the

Class Representative is entitled to receive as a Participating Class Member. Defendant will not oppose Plaintiff's request for an Enhancement Award that does not exceed this amount. As part of the motion for the Class Counsel Fees and Litigation Expenses Payments, Plaintiff will seek Court approval for any Enhancement Award no later than 16 (sixteen) court days prior to the Final Approval Hearing, or as otherwise ordered by the Court. If the Court approves an Enhancement Award less than the amount requested, the Administrator will retain the remainder in the Net Settlement Amount to be distributed to Participating Class Members. The Administrator will pay the Enhancement Award using IRS Form 1099. Plaintiff assumes full responsibility and liability for employee taxes owed on the Enhancement Award.

3.2.2 To Class Counsel: A Class Counsel Fees Payment of not more than one-third (1/3) of the GSA, which is currently estimated to be \$83,333.33, and a Class Counsel Litigation Expenses Payment for actual costs. Defendant will not oppose requests for these payments. Plaintiff and/or Class Counsel will file a motion for Class Counsel Fees and Litigation Expenses Payment no later than 16 (sixteen) court days prior to the Final Approval Hearing, or as otherwise ordered by the Court. If the Court approves a Class Counsel Fees Payment and/or a Class Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount for distribution to Participating Class Members. Released Parties shall have no liability to Class Counsel or any other Plaintiff's counsel arising from any claim to any portion of Class Counsel Fee Payment and/or Class Counsel Litigation Expenses Payment. The Administrator will pay the Class Counsel Fees Payment and Class Counsel Expenses Payment using one or more IRS 1099 Forms. Class Counsel assumes full responsibility and liability for taxes owed on the Class Counsel Fees Payment and the Class Counsel Litigation Expenses Payment and holds Defendant harmless, and indemnifies Defendant, from any dispute or controversy regarding any division or sharing of any of these Payments.

3.2.3 To the Administrator: An Administrator Costs Payment for actual costs, not to exceed \$7,000.00 except for a showing of good cause and as approved by the Court. To the extent the Administration Costs are less or the Court approves payment of less than requested, the Administrator will retain the remainder in the Net Settlement Amount to be distributed to

Participating Class Members.

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

3.2.4.1 Tax Allocation of Individual Class Payments. Twenty percent (20%) of each Participating Class Member's Individual Class Payment will be allocated to the Settlement of wage claims (the "Wage Portion"). The Wage Portion is subject to tax withholding and will be reported on an IRS W-2 Form. The remaining eighty percent (80%) of each Participating Class Member's Individual Class Payment will be allocated to the settlement of claims for interest and penalties (the "Non-Wage Portion"). The Non-Wage Portions are not subject to wage withholdings and will be reported on IRS 1099 Forms. Participating Class Members assume full responsibility and liability for any employee taxes owed on their Individual Class Payment, except for employer taxes on wages, which will be paid by Defendant.

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

3.2.5 To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of \$10,000.00 to be paid from the Gross Settlement Amount, with 75% (\$7,500.00) allocated to the LWDA PAGA Payment and 25% (\$2,500.00) allocated to the Individual PAGA Payments.

3.2.5.1 The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties (\$17,500.00) by the total number of PAGA Pay Periods worked by all Aggrieved Employees during the PAGA Period, and (b) multiplying the result by each individual Aggrieved Employee's PAGA Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

3.2.5.2 If the Court approves PAGA Penalties of less than the amount requested,

the Administrator will allocate the remainder to the Net Settlement Amount to be distributed to Participating Class Members. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

4. SETTLEMENT FUNDING AND PAYMENTS.

4.1 Class Workweeks and Aggrieved Employee Workweeks. Defendant represents there are 104 Class Members who collectively worked a total of 9,900 Workweeks during the Class Period.

4.2 Class Data. Not later than fourteen (14) days after the Court grants Preliminary Approval of the Settlement, Defendant will deliver the Class Data to the Administrator, in the form of a Microsoft Excel spreadsheet. To protect Class Members' privacy rights, the Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement and for no other purpose, and restrict access to the Class Data to Administrator employees who need access to the Class Data to effect and perform under this Agreement. Defendant has a continuing duty to immediately notify Class Counsel if it discovers that the Class Data omitted class member identifying information and to provide corrected or updated Class Data as soon as reasonably feasible. Without any extension of the deadline by which Defendant must send the Class Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Class Data.

4.3 Funding of Gross Settlement Amount. Defendant shall fully fund the Gross Settlement Amount and the amounts necessary to fully pay Defendant's share of payroll taxes by transmitting the funds to the Administrator no later than fourteen (14) calendar days after the Effective Date.

4.4 Payments from the Gross Settlement Amount. Within seven (7) days after Defendant fully funds the GSA, the Administrator will mail checks for all Individual Class Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Costs Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Enhancement Award. Disbursement of the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Enhancement Award shall not precede disbursement of Individual Class Payments and Individual PAGA Payments.

4.4.1 The Administrator will issue checks for the Individual Class Payments and/or Individual PAGA Payments and send them to the Class Members via First Class U.S. Mail. The face of each check shall prominently state the date (180 days after the date of mailing) when the check will be voided ("Void Date"). The Administrator will cancel all checks not cashed by the Void Date. The Administrator will send checks for Individual Settlement Payments to all Participating Class Members (including those for whom the Class Notice was returned undelivered). The Administrator will send checks for Individual PAGA Payments to all Aggrieved Employees including Non-Participating Class Members who qualify as Aggrieved Employees (including those for whom Class Notice was returned undelivered). The Administrator may send Participating Class Members a single check combining the Individual Class Payment and the Individual PAGA Payment. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database.

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

4.4.3 For any Class Member whose Individual Class Payment check or Individual PAGA Payment check is uncashed and canceled after the void date, the Administrator shall transmit the funds represented by such checks to the California Controller's Unclaimed Property Fund in the name of the Class Member thereby leaving no "unpaid residue" subject to the requirements of California Code of Civil Procedure Section 384, subd. (b).

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

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

5.1 **Plaintiff's Release.** Plaintiff discharges Released Parties from all claims, transactions, or occurrences, that occurred during the Class Period, including all claims that were, or reasonably could have been, alleged, based on the facts contained in the Action; and claims under the Fair Employment and Housing Act, Americans with Disabilities Act, Title VII of the Civil Rights Act of 1964, the California Labor Code, and all equivalent claims under federal law ("Plaintiff's Release"). Plaintiff's Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, workers' compensation benefits that arose at any time, or based on occurrences outside the Class Period. Plaintiff acknowledges that Plaintiff may discover facts or law different from, or in addition to, the facts or law that Plaintiff now knows or believes to be true but agrees, nonetheless, that Plaintiff's Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiff's discovery of them.

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

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

5.2 **Released Class Claims:** All Participating Class Members will waive and release the Released Parties from any and all claims, rights, demands, liabilities, and causes of action alleged or which could have reasonably been alleged based on the Class Period facts alleged in the operative complaint. The Released Class Claims are those that accrued during the Settlement Class Period (collectively the "Released Class Claims").

5.3 Released PAGA Claims: The claims released by Aggrieved Employees, including Non-Participating Class Members who are Aggrieved Employees, and the State of California are all claims for PAGA civil penalties that are alleged or reasonably could have been alleged based on the facts alleged in the PAGA Notice and/or the operative complaint in the PAGA Action. The Released PAGA Claims are those that accrued during the PAGA Period (collectively the “Released PAGA Claims”).

6. **MOTION FOR PRELIMINARY APPROVAL**. Plaintiff will prepare and file a motion for preliminary approval (“Motion for Preliminary Approval”).

6.1 Plaintiff’s Responsibilities. Plaintiff will prepare all documents necessary for obtaining Preliminary Approval, including: (i) a draft of the notice, and memorandum in support, of the Motion for Preliminary Approval that includes an analysis of the Settlement under *Dunk/Kullar* and a request for approval of the PAGA Settlement under Labor Code Section 2699, subd. (f)(2)); (ii) a draft proposed Order Granting Preliminary Approval and Approval of PAGA Settlement; (iii) a draft proposed Class Notice; (iv) a signed declaration from Plaintiff confirming willingness and competency to serve and disclosing all facts relevant to any actual or potential conflicts of interest with Class Members, and/or the Administrator; (v) a signed declaration from Class Counsel firm attesting to its competency to represent the Class Members; its timely transmission to the LWDA of this Agreement (Labor Code section 2699, subd. (l)(2)); and (vi) all facts relevant to any actual or potential conflict of interest with Class Members, and/or the Administrator. In their Declarations, Plaintiff and Class Counsel shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.

6.2 Responsibilities of Counsel. Class Counsel and Defense Counsel are jointly responsible for expeditiously finalizing the Motion for Preliminary Approval. Class Counsel will obtain a prompt hearing date for the Motion for Preliminary Approval, file the Motion for Preliminary Approval no later than 16 (sixteen) court days before the hearing, unless otherwise ordered by the Court, and deliver the Court’s Preliminary Approval Order to the Administrator.

6.3 Duty to Cooperate. If the Parties disagree on any aspect of the proposed Motion for

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

7. SETTLEMENT ADMINISTRATION.

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

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

7.3 Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation section 468B-1 for the funding of the GSA. Any interest that accrues on the GSA sums paid into the QSF prior to distribution by the Administrator will become part of the NSA for distribution to Participating Class Members.

7.4 Notice to Class Members.

7.4.1 No later than five (5) calendar days after receipt of the Class Data, the Administrator shall notify Class Counsel that the list has been received and state the number of Class Members, Aggrieved Employees, Workweeks, and PAGA Pay Periods in the Class Data.

7.4.2 Using best efforts to perform as soon as possible, and in no event later than 14 days after receiving the Class Data, the Administrator will send to all Class Members identified in the

Class Data, via first-class United States Postal Service (“USPS”) mail, the Class Notice with Spanish translation substantially in the form attached to this Agreement as Exhibit A. The first page of the Class Notice shall prominently estimate the dollar amounts of any Individual Class Payment and/or Individual PAGA Payment payable to the Class Member, and the number of Workweeks and PAGA Pay Periods used to calculate these amounts. Before mailing Class Notices, the Administrator shall update Class Member addresses using the National Change of Address database.

7.4.3 Not later than five (5) calendar days after the Administrator’s receipt of any Class Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class Notice using any forwarding address provided by the USPS. If the USPS does not provide a forwarding address, the Administrator shall conduct a Class Member Address Search, and re-mail the Class Notice to the most current address obtained. The Administrator has no obligation to make further attempts to locate or send Class Notice to Class Members whose Class Notice is returned by the USPS a second time.

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

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

7.5 Requests for Exclusion (Opt-Outs).

1 7.5.1 Class Members who wish to exclude themselves (opt-out of) the Class Settlement
2 must send the Administrator, by fax, email, or mail, a signed written Request for Exclusion not
3 later than 60 days after the Administrator mails the Class Notice (plus an additional 14 days for
4 Class Members whose Class Notice is re-mailed). A Request for Exclusion is a letter from a Class
5 Member or his/her representative that reasonably communicates the Class Member's election to
6 be excluded from the Settlement and includes the Class Member's name, address and email
7 address or telephone number. To be valid, a Request for Exclusion must be timely faxed, emailed,
8 or postmarked by the Response Deadline.

9 7.5.2 The Administrator may not reject a Request for Exclusion as invalid because it fails
10 to contain all the information specified in the Class Notice. The Administrator shall accept any
11 Request for Exclusion as valid if the Administrator can reasonably ascertain the identity of the
12 person as a Class Member and the Class Member's desire to be excluded. The Administrator's
13 determination shall be final and not appealable or otherwise susceptible to challenge. If the
14 Administrator has reason to question the authenticity of a Request for Exclusion, the
15 Administrator may demand additional proof of the Class Member's identity. The Administrator's
16 determination of authenticity shall be final and not appealable or otherwise susceptible to
17 challenge.

18 7.5.3 Every Class Member who does not submit a timely and valid Request for Exclusion
19 is deemed to be a Participating Class Member under this Agreement, entitled to all benefits and
20 bound by all terms and conditions of the Settlement, including the Participating Class Members'
21 Releases under paragraphs 5.2 and 5.3 of this Agreement, regardless of whether the Participating
22 Class Member actually receives the Class Notice or objects to the Settlement.

23 7.5.4 Every Class Member who submits a valid and timely Request for Exclusion is a
24 Non-Participating Class Member and shall not receive an Individual Class Payment or have the
25 right to object to the class action components of the Settlement. Because future PAGA claims are
26 subject to claim preclusion upon entry of the Judgment, Non-Participating Class Members who
27 are Aggrieved Employees are deemed to release the Released PAGA Claims identified in
28 Paragraph 5.3 of this Agreement and are eligible for an Individual PAGA Payment.

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

7.7 Objections to Settlement.

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

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

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

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

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

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

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

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

7.8.5 Administrator's Declaration. Not later than 14 days before the date by which Plaintiff is required to file the Motion for Final Approval of the Settlement, the Administrator will provide to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its due diligence and compliance with all of its obligations under this Agreement, including, but not limited to, its mailing of Class Notice, the Class Notices returned as undelivered, the re-mailing of Class Notices, attempts to locate Class Members, the total number of Requests for Exclusion from Settlement it received (both valid or invalid), the number of written objections and attach the Exclusion List. The Administrator will supplement its declaration as needed or requested by the Parties and/or the Court. Class Counsel is responsible for filing the Administrator's declaration(s) in Court.

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

8. **ESCALATOR CLAUSE**. Defendant represents there are 104 Class Members who collectively worked a total of 9,900 Workweeks during the Class Period. In the event the number of Workweeks during the Class Period increases by more than 10%, or an additional 990 Workweeks, then Defendant shall have the choice of (i) increasing the GSA on a proportional basis above 10% (i.e., if there is an 11% increase in the number of Workweeks during the Class Period, Defendant agrees to increase the GSA by 1%); or (ii) electing to end the Class Period on the date that the number of Workweeks reaches 10,800 Workweeks (9,900 Workweeks + 990 Workweeks). Counsel for Defendant will verify the total Workweek count prior to Preliminary Approval and, if the escalator is triggered, advise of its election. Defendant will have the right to void this Settlement if more than 10% of the Settlement Class Members submit valid and timely

opt-outs to the Settlement.

9. **DEFENDANT'S RIGHT TO WITHDRAW.** If the valid Requests for Exclusion identified in the Exclusion List represent more than an aggregate total of 10% of Class Members (i.e. more than 10 opt-outs), Defendant may, but is not obligated, to elect to withdraw from the Settlement. The Parties agree that, if Defendant withdraws, the Settlement shall be *void ab initio*, have no force or effect whatsoever, and that neither Party will have any further obligation to perform under this Agreement; provided, however, Defendant will remain responsible for paying all Settlement Administration Costs incurred to that point. Defendant must notify Class Counsel and the Court of its election to withdraw not later than five (5) business days after the Administrator sends the final Exclusion List to Defense Counsel; late elections will have no effect.

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

10.1 **Response to Objections.** Each Party retains the right to respond to any objection raised by a Participating Class Member, including the right to file responsive documents in Court no later than five (5) court days prior to the Final Approval Hearing, or as otherwise ordered or accepted by the Court.

10.2 **Duty to Cooperate.** If the Court does not grant Final Approval or conditions Final Approval on any material change to the Settlement (including, but not limited to, the scope of release to be granted by Class Members), the Parties will expeditiously work together in good faith to address the Court's concerns by revising the Agreement as necessary to obtain Final Approval. The Court's decision to award less than the amounts requested for the Enhancement Award, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and/or

Administrator Costs Payment shall not constitute a material modification to the Agreement within the meaning of this paragraph.

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

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

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

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

12. **ADDITIONAL PROVISIONS.**

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

12.2 Confidentiality Prior to Preliminary Approval. Plaintiff, Class Counsel, Defendant, and Defense Counsel separately agree that, until the Motion for Preliminary Approval of Settlement is filed, they and each of them will not disclose, disseminate and/or publicize, or cause or permit another person to disclose, disseminate or publicize, any of the terms of the Agreement directly or indirectly, specifically or generally, to any person, corporation, association, government agency, or other entity except: (1) to the Parties' attorneys, accountants, or spouses, all of whom will be instructed to keep this Agreement confidential; (2) counsel in a related matter; (3) to the extent necessary to report income to appropriate taxing authorities; (4) in response to a court order or subpoena; or (5) in response to an inquiry or subpoena issued by a state or federal government agency. Each Party agrees to immediately notify the other Party of any judicial or agency order,

inquiry, or subpoena seeking such information. Plaintiff, Class Counsel, Defendant, and Defense Counsel separately agree not to, directly or indirectly, initiate any conversation or other communication, before the filing of the Motion for Preliminary Approval, with any third party regarding this Agreement or the matters giving rise to this Agreement except to respond only that “the matter was resolved,” or words to that effect. This paragraph does not restrict Class Counsel’s communications with Class Members in accordance with Class Counsel’s ethical obligations owed to Class Members.

12.3 No Solicitation. The Parties separately agree that they and their respective counsel and employees will not solicit any Class Member to opt out of or object to the Settlement, or appeal from the Judgment. Nothing in this paragraph shall be construed to restrict Class Counsel’s ability to communicate with Class Members in accordance with Defense Counsel’s and Class Counsel’s ethical obligations and Class Counsel’s fiduciary duties owed to Class Members.

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

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

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

1 12.7 No Prior Assignments. The Parties separately represent and warrant that they have not
2 directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or
3 encumber to any person or entity and portion of any liability, claim, demand, action, cause of
4 action, or right released and discharged by the Party in this Settlement.

5 12.8 No Tax Advice. Neither Plaintiff, Class Counsel, Defendant nor Defense Counsel are
6 providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied
7 upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR
8 Part 10, as amended) or otherwise.

9 12.9 Modification of Agreement. This Agreement, and all parts of it, may be amended,
10 modified, changed, or waived only by an express written instrument signed by all Parties or their
11 representatives, and approved by the Court.

12 12.10 Agreement Binding on Successors. This Agreement will be binding upon, and inure
13 to the benefit of, the successors of each of the Parties.

14 12.11 Applicable Law. All terms and conditions of this Agreement and its exhibits will be
15 governed by and interpreted according to the internal laws of the state of California, without
16 regard to conflict of law principles.

17 12.12 Cooperation in Drafting. The Parties have cooperated in the drafting and preparation
18 of this Agreement. This Agreement will not be construed against any Party on the basis that the
19 Party was the drafter or participated in the drafting.

20 12.13 Confidentiality. To the extent permitted by law, all agreements made, and orders
21 entered during Action and in this Agreement relating to the confidentiality of information shall
22 survive the execution of this Agreement.

23 12.14 Headings. The descriptive heading of any section or paragraph of this Agreement is
24 inserted for convenience of reference only and does not constitute a part of this Agreement.

25 12.15 Calendar Days. Unless otherwise noted, all reference to “days” in this Agreement
26 shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a
27 weekend or federal legal holiday, such date or deadline shall be on the first business day
28 thereafter.

1 12.16 Notice. All notices, demands, or other communications between the Parties in
2 connection with this Agreement will be in writing and deemed to have been duly given as of the
3 third business day after mailing by United States mail, or the day sent by email or messenger,
4 addressed as follows:

5 To Plaintiff:

6 **WILSHIRE LAW FIRM**

7 Thiago Coelho (SBN 324715)
8 thiago.coelho@wilshirelawfirm.com
9 Jennifer Leinbach (SBN 281404)
10 jennifer.leinbach@wilshirelawfirm.com
11 Alan Wilcox (SBN 287476)
12 alan.wilcox@wilshirelawfirm.com
13 Bradford Smith (SBN 345879)
14 bradford.smith@wilshirelawfirm.com
15 3055 Wilshire Blvd., 12th Floor
16 Los Angeles, California 90010
17 Telephone: (213) 381-9988
18 Facsimile: (213) 381-9989

19 To Defendant:

20 David Fishman (SBN 217608)
21 dfishman@brgslaw.com
22 Janet S. Soultanian (SBN 252602)
23 jsoultanian@brgslaw.com
24 BALLARD ROSENBERG GOLPER & SAVITT, LLP
25 15760 Ventura Blvd., 18th Fl.
26 Encino, CA 91436
27 Telephone: (818) 508-3700
28 Facsimile: (818) 506-4827

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

12.18 Stay of Litigation. The Parties agree that upon the execution of this Agreement the
litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further

agree that upon the signing of this Agreement, pursuant to Code of Civil Procedure section 583.330, the date to bring a case to trial under Code of Civil Procedure section 583.310 will be extended for the entire period of this settlement process.

12.19 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 Sacramento County Superior Court may enforce this Agreement pursuant to Code of Civil Procedure section 664.6.

IT IS SO AGREED.

By the Parties:

DATED: 6/3/2025

Signed by:

C92539727E034A1...

Plaintiff Dwane Taylor

DATED: 6/4/25

Defendant Taylor Creative Inc.

By: Mary Taylor

Title: CFO

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EXHIBIT A

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

Dwane Taylor v. Taylor Creative Inc., et al.
Sacramento County Superior Court, Case No(s). 23CV012371

***The Sacramento County Superior Court authorized this notice.
It is not junk mail, spam, an advertisement, or solicitation by a lawyer.
Please read it carefully! You are not being sued.***

You may be eligible to receive money from employee class and representative action lawsuit (“Action”) against Taylor Creative Inc. (“Defendant”) for alleged wage and hour violations. The Actions were filed by former employee, Dwane Taylor, and seeks (1) payment of unpaid wages and other relief for a class of current and former non-exempt or hourly-paid employees (“Class Members”) who worked for Defendant during the Class Period (November 29, 2019 through [REDACTED]); and (2) penalties under the California Private Attorney General Act (“PAGA”) for all Class Members who worked for Defendant during the PAGA Period (March 30, 2023 through [REDACTED]) (“Aggrieved Employees”).

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

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

The above estimates are based on Defendant’s records showing that **you worked [REDACTED] Workweeks during the Class Period and you worked [REDACTED] PAGA Pay Periods during the PAGA Period**. If you believe that you worked more during either period, you can submit a challenge by the deadline date.

The Court has already preliminarily approved the proposed Settlement and approved this Notice. The Court has not yet decided whether to grant final approval of the Settlement. Your legal rights are affected whether you act or not act. READ THIS NOTICE CAREFULLY. You will be deemed to have read and understood it. At the Final Approval Hearing, the Court will decide whether to finally approve the Settlement and how much of the Settlement will be paid to Plaintiff and Plaintiff’s attorneys (“Class Counsel”). The Court will also decide whether to enter a judgment that requires Defendant to make payments under the Settlement and requires Class Members and Aggrieved Employees to give up their rights to assert certain claims against Defendant.

QUESTIONS? CALL 1-800-XXX-XXXX TOLL FREE

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
DO NOTHING	Receive money. Give up rights to sue Defendant for claims released in the Settlement.
EXCLUDE YOURSELF	Receive no money from the Class settlement. You will retain the right to pursue your own legal claims against Defendant. However, even if you exclude yourself from the Class settlement, you will still receive a portion of the PAGA settlement and be bound by it if you worked during the PAGA Period.
OBJECT	Write to the Court about why you object to the Settlement. If the Settlement receives Final Approval, you will receive money and give up rights to sue Defendant for claims released in the Settlement.
CHALLENGE YOUR NUMBER OF WORKWEEKS AND/OR PAY PERIODS	Challenge your number of Workweeks or Pay Periods listed in this Notice and provide supporting evidence. If you challenge your workweeks or pay periods, you will still be part of the Settlement and will give up rights to sue Defendant for claims released in the Settlement.

BASIC INFORMATION

1. WHY AM I RECEIVING THIS NOTICE?

Defendant's records indicate that you worked for Defendant Taylor Creative Inc. at some point(s) between November 29, 2019 through [REDACTED], and are therefore a member of the Class for purposes of this Settlement.

You received this Notice because you have a right to know about a proposed Settlement of the Action, and about all of your options, before the Court decides whether to finally approve the Settlement. The Settlement will resolve all Class Members' claims, which are described below, during the Class Period. The Settlement will also resolve claims for civil penalties brought under the California Private Attorneys' General Act ("PAGA"). If you are a Class Member, you are also an "Aggrieved Employee" if you worked for Defendant during the "PAGA Period," which is March 30, 2023 through [REDACTED].

If the Court grants Final Approval to the Settlement, a settlement Administrator appointed by the Court will issue the payments provided for by the Settlement to Class Members. You are encouraged to always keep your address up to date with the Administrator (the Administrator's contact information can be found in Section 12, below).

This Notice package explains the allegations and background regarding the lawsuit, the Settlement, your legal rights, what benefits are available, who is eligible for them, and how to receive those benefits.

The Court in charge of the Action is the Sacramento County Superior Court. The case is titled *Dwane Taylor v. Taylor Creative Inc.*, Case No(s). 23CV012371. The person who sued, Dwane Taylor, is the Plaintiff, and the company sued, Taylor Creative Inc., is the Defendant.

QUESTIONS? CALL 1-800-XXX-XXXX TOLL FREE

2. WHAT IS THE LAWSUIT ABOUT?

The Plaintiff in the lawsuit alleges wage and hour violations against Defendant for: (1) failure to pay minimum and straight time wages; (2) failure to pay overtime wages; (3) failure to provide meal periods and pay meal period premiums; (4) failure to provide rest periods and pay rest period premiums; (5) failure to pay all wages earned and unpaid at separation; (6) failure to furnish accurate itemized wage statements; (7) failure to indemnify employees for all necessary business expenditures; (8) failure to produce requested employment records; (9) violation of California's Unfair Competition Law, California Business and Professions Code section 17200, *et seq.*; and (10) civil penalties pursuant to PAGA ("PAGA Penalties") based on the alleged violations of the California Labor Code listed above. Defendant denies Plaintiff's claims and denies any wrongdoing.

3. WHY IS THIS A CLASS ACTION?

In an employment class action, one or more people called "Class Representatives" (in this case, the Plaintiff) sue on behalf of all workers who they contend have similar claims. All of these workers are a Class or Class Members. Bringing one lawsuit, as opposed to many small ones, saves money, time and court resources. The court resolves the issues for all Class Members, except for those who exclude themselves from the Class.

4. WHY IS THERE A SETTLEMENT?

The Court did not decide in favor of the Plaintiff or Defendant on the merits of the claims alleged in the lawsuit. Plaintiff believes Plaintiff would win at trial. Defendant thinks that Plaintiff's lawsuit would not proceed to a trial and/or that Plaintiff would not win at trial. However, there has been no trial. Instead, in acknowledgement of the risk that both Parties face should the case proceed, the Parties have agreed to a negotiated settlement. This way, all Parties avoid the cost of preparing for and conducting a trial, the risk of losing the right to a trial, and the workers affected by the alleged violations receive compensation. The Settlement represents a compromise and settlement of highly disputed claims.

WHO IS INCLUDED IN THE SETTLEMENT?

5. WHO IS INCLUDED IN THE SETTLEMENT?

If you received this Notice, you are a Class Member for settlement purposes. The Class includes: all current and former employees of Defendant, either directly or through any predecessor, successor, assign, subsidiary, staffing agency, or professional employer organization, who worked for Defendant in California in a non-exempt position at any time from November 29, 2019 through [REDACTED].

6. ARE THERE EXCEPTIONS TO BEING INCLUDED?

You are not a Class Member if you already have resolved the claims asserted in this lawsuit, whether by settlement or a separate legal proceeding (i.e., another lawsuit).

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THE SETTLEMENT BENEFITS—WHAT YOU GET

7. WHAT DOES THE SETTLEMENT PROVIDE?

Defendant has agreed to pay a Gross Settlement Amount (“Gross Settlement Amount” or “GSA”) of \$250,000.00 to settle the lawsuit. From the GSA, Class Counsel will apply to the Court for attorneys’ fees of one-third (1/3) of the GSA, currently estimated to total \$83,333.33, and reimbursement for reasonable costs; an Enhancement Award of \$2,000.00 to the Plaintiff (for Plaintiff’s work and efforts prosecuting this case); a PAGA Penalties payment of \$10,000.00 to resolve the PAGA claims; and Settlement Administration Costs to ILYM Group, Inc., in an amount not to exceed \$_____. The exact amount of the Class Counsel’s Fees and Litigation Expenses, Class Representative Service Payment, and Administration Costs will be determined by the Court at the Final Approval hearing. The Gross Settlement Amount includes a \$50,000.00 credit for 19 Class Member releases obtained by Defendant following the filing of the Action. As a result, only \$200,000.00 of the Gross Settlement Amount, plus employer taxes for wages, remains currently unpaid by Defendant. The remaining portion of the Settlement amount, the “Net Settlement Amount” or the “NSA,” is currently estimated to be approximately \$_____. The NSA will be apportioned and paid out as Individual Class Payments to the Settlement Class Members, who are the Class Members that do not request to be excluded (“opt out”) of the Settlement.

PAGA Penalties payment: As part of the PAGA portion of the Settlement, the Parties will ask the Court to approve a \$10,000.00 PAGA Penalties payment in settlement of claims for civil penalties under PAGA. As required under PAGA, 75% of the PAGA Penalties payment, or \$7,500.00, will be paid to the California Labor and Workforce Development Agency. The remaining 25% of the PAGA Penalties payment, or \$2,500.00, will be distributed to the Aggrieved Employees as Individual PAGA Payments.

8. HOW MUCH WILL MY PAYMENT BE?

An approximation of your Individual Class Payment appears on the first page of this Notice. If you are also an Aggrieved Employee, an approximation of your Individual PAGA Payment will also appear on the first page of this Notice.

Individual Class Payment: Your Individual Class Payment is based on the number Workweeks you worked, as represented in Defendant’s records, in comparison to the total number of Workweeks worked by all Class Members during the Class Period. Eighty percent (80%) of each Class Member’s Individual Class Payment will be treated as a payment in settlement of the alleged claims for penalties and interest and will be reported on an IRS Form 1099 by the Settlement Administrator, and twenty percent (20%) of each Class Member’s Individual Class Payment will be treated as a payment in settlement of alleged claims for unpaid wages. The 20% allocated as unpaid wages will be reduced by applicable payroll tax withholdings and deductions and reported on an IRS Form W-2.

Individual PAGA Payment: If you worked for Defendant from March 30, 2023, through _____ (“PAGA Period”), you are also an “Aggrieved Employee” and will receive an Individual PAGA Payment in addition to your Individual Class Payment. The Individual PAGA Payments are based on the number of PAGA Pay Periods worked by each Aggrieved Employee in comparison to the total amount of PAGA Pay Periods worked by all Aggrieved Employees during the PAGA Period. One hundred percent (100%) of each Aggrieved Employees’ Individual PAGA Payment will be characterized as penalties and will not be reduced by payroll tax withholdings and deductions. The

QUESTIONS? CALL 1-800-XXX-XXXX TOLL FREE

Individual PAGA Payment will be reported on an IRS Form 1099 by the Settlement Administrator. An approximation of your anticipated Individual PAGA Payment appears on the first page of this Notice.

For the Class Members who are also Aggrieved Employees, their Individual Class Payment will be combined with their Individual PAGA Payment, and they will receive a single check for the combined payments. If a Class Member chooses to opt-out of the Settlement, they will still receive an Individual PAGA Payment, as Aggrieved Employees cannot opt-out of the PAGA portion of the Settlement. *See, e.g., Robinson v So. County Oil*, 53 Cal. App. 476 (2020).

HOW YOU GET A PAYMENT

9. HOW DO I RECEIVE A PAYMENT?

You do not need to do anything to receive a payment. However, if you believe that the number of Workweeks or PAGA Pay Periods you worked is incorrect, please correct it and provide any supporting evidence to the settlement Administrator, whose contact information is listed in Section 12 below.

10. WHEN WOULD I GET MY PAYMENT?

The Court will hold a Final Fairness Hearing on [REDACTED], to decide whether to approve the Settlement. If the Judge approves the Settlement, and anyone objects, there may be appeals. It is always uncertain when these objections and appeals can be resolved and resolving them can take time. If there is no objection, the Effective Date of the Settlement will be the date of entry of the Court's Order granting final approval.

Following the Effective Date and the Court's approval of the Settlement becoming final, including resolution of any appeals, Individual Class Payments and Individual PAGA Payments will be mailed to Participating Class Members and Aggrieved Employees after the Settlement is fully funded, which will not occur until approximately 21 days after the Effective Date.

Settlement checks should be cashed promptly upon receipt. Proceeds of checks which remain uncashed after 180 days from the date of issuance will be forwarded to the State of California Unclaimed Property Fund in the name of each Participating Class Member and/or Aggrieved Employee who did not cash his or her settlement check. If your settlement check is lost or misplaced, you should contact the Settlement Administrator immediately to request a replacement. You can search for unclaimed property on the State's website at: https://www.sco.ca.gov/search_upd.html.

For an update on the status of payments, please contact the Settlement Administrator (see Section 12).

11. WHAT AM I GIVING UP TO GET A PAYMENT?

If the Court approves this Settlement and unless you exclude yourself, you will become a Participating Class Member, and that means that you cannot sue, continue to sue, or be part of any other lawsuit against Defendant concerning the legal claims being resolved in this Settlement. Specifically, you will be giving up or "releasing" the Released Class Claims described below against Defendant and Defendant's officers, directors, executive-level employees, and agents ("Released Parties"). The releases become effective once the GSA is fully funded by Defendant.

QUESTIONS? CALL 1-800-XXX-XXXX TOLL FREE

Released Class Claims: All Class Members who do not timely and valid request for exclusion will waive and release the Released Parties from any and all claims, rights, demands, liabilities, and causes of action alleged or which could have reasonably been alleged based on the Class Period facts alleged in the operative complaint. The Released Class Claims are those that accrued during the Settlement Class Period.

Released PAGA Claims: The claims released by Aggrieved Employees, including Non-Participating Class Members who are Aggrieved Employees, and the State of California are all claims for PAGA civil penalties that are alleged or reasonably could have been alleged based on the facts alleged in Plaintiff's PAGA Notice and/or the operative complaint in the PAGA Action. The Released PAGA Claims are those that accrued during the PAGA Period.

EXCLUDING YOURSELF FROM THE SETTLEMENT

12. HOW DO I EXCLUDE MYSELF FROM THE SETTLEMENT?

To exclude yourself from the Settlement, you must send the Settlement Administrator a written and signed request for exclusion which must be postmarked no later than 60 days after Class Notice is mailed. Be sure to include your name, address, and telephone number, and any other information you think would be helpful to the settlement Administrator to identify you. You can send your request for exclusion to the settlement Administrator at:

ILYM Group, Inc.
Taylor Creative Inc. Settlement
XXXXXX
City, State, XXXXX
Email:
Fax:

If you ask to be excluded from the Settlement, you will not be legally bound by anything that happens in the Action, except as it relates to settlement of the PAGA claim. If you ask to be excluded from the Settlement you will not be able to object to the Settlement and you will not receive an Individual Class Payment, but you will still receive an Individual PAGA Payment if you worked for Defendant during the PAGA Period. If you ask to be excluded, you may be able to sue (or continue to sue) Defendant in the future.

13. IF I DON'T EXCLUDE MYSELF, CAN I SUE DEFENDANT FOR THE SAME THING LATER?

No. Unless you exclude yourself, you give up any right to sue Defendant for the claims that this Settlement resolves. If you have a pending lawsuit, speak to your lawyer in that case immediately. You must exclude yourself from this Class to continue your own lawsuit. Remember, the exclusion deadline is 60 days after Class Notice is mailed.

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QUESTIONS? CALL 1-800-XXX-XXXX TOLL FREE

14. IF I EXCLUDE MYSELF, CAN I GET MONEY FROM THIS SETTLEMENT?

No. If you exclude yourself, you will not receive any money from this Settlement. However, if you timely exclude yourself from the Settlement, you will retain the right to pursue your own legal action against Defendant, if you desire.

THE LAWYERS REPRESENTING YOU IN THIS LAWSUIT

15. DO I HAVE A LAWYER IN THIS CASE?

The Court has determined that Wilshire Law Firm, PLC is qualified to represent you and the Class Members in the lawsuit. These lawyers are called Class Counsel, and their contact information is listed below. If you want to be represented by your own lawyer, you may hire one at your own expense.

WILSHIRE LAW FIRM

Thiago Coelho (SBN 324715)
Thiago.coelho@wilshirelawfirm.com
Jennifer Leinbach (SBN 281404)
jennifer.leinbach@wilshirelawfirm.com
Alan Wilcox (SBN 287476)
alan.wilcox@wilshirelawfirm.com
Bradford Smith (SBN 345879)
bradford.smith@wilshirelawfirm.com
3055 Wilshire Blvd., 12th Floor
Los Angeles, California 90010
Telephone: (213) 381-9988
Facsimile: (213) 381-9989

16. HOW WILL THE LAWYERS BE PAID?

Class Counsel will ask the Court to approve \$83,333.33 (or one-third of the GSA) for attorneys' fees incurred in investigating the facts, litigating the case, and negotiating the Settlement. Class Counsel will also seek Court-approval of reasonable litigation expenses incurred in this matter. The Court may award Class Counsel less than what they request. Class Counsel will also ask the Court to approve a payment to Plaintiff Dwane Taylor in the amount of \$2,000.00 in addition to Plaintiff's Individual Class Payment and Individual PAGA Payment for the initiative, risk, and time and energy Plaintiff has spent in service to the Class as the Class Representative. The Court may award a Class Representative less than what is requested.

OBJECTING TO THE SETTLEMENT

You can and have the right to tell the Court you do not agree with the Settlement or some part of it.

17. HOW DO I TELL THE COURT THAT I OBJECT TO THE SETTLEMENT?

If you don't think the Settlement is fair, you can object to some or all of the Settlement. You can either object to the Settlement in person at the Final Approval Hearing or you can submit a written objection.

QUESTIONS? CALL 1-800-XXX-XXXX TOLL FREE

Written objections and notices of intent to appear at the Final Approval Hearing must be mailed to the Settlement Administrator and postmarked on or before _____, at the following address:

ILYM Group, Inc.
Taylor Creative Inc. Settlement
XXXXXX
City, State, XXXXX
Email:
Fax:

The written objection should state your name and address and describe all legal and factual reasons that you object to the terms of the Settlement. You should also include or attach any documents upon which your objection is based. If the Court overrules the objection at the Final Approval hearing, the Settlement Agreement will be approved, and you will receive your payment. If you do not submit a written objection, you may still appear at the Final Approval hearing to voice your objection or to otherwise observe the proceedings.

18. WHAT'S THE DIFFERENCE BETWEEN OBJECTING AND REQUESTING EXCLUSION?

Objecting is simply telling the Court that you do not agree with something about the Settlement. You can object only if you stay in the Class.

Requesting exclusion is telling the Court that you do not want to be part of the Class. If you exclude yourself, you have no basis to object because the case no longer affects you, and you do not get any money from this Settlement. If you submit both an objection and a request to be excluded from the settlement, the request to be excluded will control and you will not get any money from this settlement.

THE COURT'S FAIRNESS HEARING

The Court will hold a Final Approval Hearing to decide whether to approve the Settlement. You may attend and you may ask to speak, but you don't have to.

19. WHEN AND WHERE WILL THE COURT DECIDE WHETHER TO APPROVE THE SETTLEMENT?

The Court will hold a Final Approval Hearing at _____ on _____ in Department 23 of the Sacramento County Superior Court located at 720 9th Street, Sacramento, CA 95814, to determine whether the Settlement should be finally approved as fair, reasonable, and adequate. If there are objections, the Court will consider them at that time. The Court will also be asked to approve the requests for the Class Representative Service Payment and the Class Counsel Fees and Litigation Expenses Payments.

If you desire to appear remotely at the Final Approval Hearing, you may join via the following zoom link or phone number for the Department:

To join by Zoom link: - <https://saccourt-ca-gov.zoomgov.com/my/sscdept23>
To join by phone: (833) 568-8864 / ID: 16108301121

QUESTIONS? CALL 1-800-XXX-XXXX TOLL FREE

20. DO I HAVE TO COME TO THE HEARING?

No. Class Counsel will answer questions the Court may have. However, you are welcome to attend. If you send an objection, you do not have to come to the Court to talk about it. As long as you mailed your written objection to the settlement administrator on time, the Court will consider it. You may also pay your own lawyer to attend, but it is not necessary.

IF YOU DO NOTHING

21. WHAT IF I DO NOTHING AT ALL?

If you do nothing, you will receive a Settlement payment, and you will be bound by the terms of Settlement, which means that you will not be able to start a lawsuit, continue a lawsuit, or be a part of any other lawsuit against the Defendant about the legal issues in the Action.

GETTING MORE INFORMATION

22. HOW DO I GET MORE INFORMATION?

You may contact Class Counsel at the contact information listed above in Section 15 if you have any questions about the Settlement. You may also contact the Court-appointed Settlement Administrator, ILYM Group, Inc., by calling toll free 1-800-XXXX, or you can write to the Administrator at the following address:

ILYM Group, Inc.
Taylor Creative Inc. Settlement
XXXXX
City, State, XXXXX
Email:
Fax:

PLEASE DO NOT TELEPHONE THE COURT OR TAYLOR CREATIVE INC.'S COUNSEL FOR INFORMATION REGARDING THIS SETTLEMENT OR THE CLAIM PROCESS. YOU MAY, HOWEVER, CALL CLASS COUNSEL OR THE SETTLEMENT ADMINISTRATOR, LISTED ABOVE.

Exhibit 2

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, "XXXXXXXXXX-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 *

Your Last Name *

Your Email Address *

Your Street Name, Number and Suite/Apt *

Your Mobile Phone Number

Your City *

Your Work Phone Number

Your State *

Your Zip/Postal Code *

Court and Hearing Information

Court *

Sacramento Superior Court

Court Case Number *

23CV012371

Hearing Date (if any)

08/01/2025

Hearing Time

9:00 AM

Hearing Location

Gordon D. Schaber Sacrame

Number of aggrieved employees *

104

Gross settlement amount *

250,000.00

Gross penalty amount *

10,000.00

Penalties to LWDA *

7,500.00

Date of proposed settlement *

06/04/2025

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) *

 Taylor – Settle...t Agreement.pdf

Other Attachment (if any, must be .pdf)

 No file selected.[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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reCAPTCHA helps prevent automated form spam.

Christina Hicklin

From: DIR PAGA Unit <no-reply@formassembly.com>
Sent: Thursday, June 26, 2025 1:50 PM
To: Christina Hicklin
Subject: Thank you for your Proposed Settlement Submission

06/26/2025 01:49:51 PM

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

Item submitted: Proposed Settlement

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%7Cchristina.hicklin%40wilshirelawfirm.com%7Cac757719e7d444157c6608ddb4f30b0b%7C9ada260a4f194da187b814d372333753%7C1%7C0%7C638865678150433540%7CUnknown%7CTWFpbGZsb3d8eyJFbXB0eU1hcGkiOnRydWUsIlYiOiIwLjAuMDAwMCIsIlAiOiJXaW4zMtIiIsIkFOljoitWVpbGlzIldUljoyfQ%3D%3D%7C0%7C%7C%7C&sdata=bqYkBOvsucrMz6FDAXYF2mgFKIRz%2BzceK7%2FIA0%2B73VU%3D&reserved=0

Exhibit 3

Wilshire Law Firm, PLC
Transaction Detail by Account
All Transactions

11/8/2024

Accrual Basis

<u>Type</u>	<u>Date</u>	<u>Num</u>	<u>Memo</u>	<u>Description</u>	<u>Amount</u>	<u>Balance</u>
COS						
Mediation Fees						
	7/29/2024	4340-5029	Mediation Fee - Marc Feder	50% Mediation Fee	\$9,000.00	\$ 9,000.00
Total MEDIATION FEES					\$9,000.00	\$ 9,000.00
Consultant Fees						
	5/2/2025	15003	Consultant Fee - Berger Consulting Group, LLC	13.20 hours of work	\$7,260.00	\$ 7,260.00
Total CONSULTANT FEES					\$7,260.00	\$ 7,260.00
Filing and Service Fees						
	07/16/2025	25843060	Filing Fee - One Legal LLC	Change of Address	\$21.11	\$ 21.11
	12/04/2023	68193	Filing Fee - Valpro Attorney Services, LLC	Case Filing	\$1,723.50	\$ 1,744.61
	12/22/2023	69340	Service Fee - Valpro Attorney Services, LLC	Serve Taylor Creative Inc	\$141.00	\$ 1,885.61
	12/22/2023	69417	Service Fee - Valpro Attorney Services, LLC	Serve Taylor Creative	\$141.00	\$ 2,026.61
	12/27/2023	69341	Service Fee - Valpro Attorney Services, LLC	Serve Taylor Creative	\$141.00	\$ 2,167.61
	01/11/2024	69366	Filing Fee -Valpro Attorney Services, LLC	File POS	\$85.00	\$ 2,252.61
	01/12/2024	69436	Filing Fee -Valpro Attorney Services, LLC	File POS	\$95.00	\$ 2,347.61
	01/31/2024		Filing Fee -Department of Industrial Relations	PAGA Letter	\$75.00	\$ 2,422.61
	02/20/2024	22261370	Filing Fee - One Legal LLC	Notice	\$18.43	\$ 2,441.04
	04/25/2024	22757641	Filing Fee - One Legal LLC	Notice	\$18.43	\$ 2,459.47
	06/06/2024	22261370(2)	Filing Fee - One Legal LLC		\$1.00	\$ 2,460.47
	06/06/2024	22757641(2)	Filing Fee - One Legal LLC		\$1.00	\$ 2,461.47
	07/12/2024	23310957	Filing Fee - One Legal LLC	Joint Case Mgmt Stat	\$19.46	\$ 2,480.93
	07/29/2024	23407203	Filing Fee - One Legal LLC	NTC of Jury Fees	\$173.88	\$ 2,654.81
	11/27/2024	24227348	Filing Fee - One Legal LLC	CMS	\$19.05	\$ 2,673.86
	05/30/2025	25492812	Filing Fee - One Legal LLC	CMS	\$21.11	\$ 2,694.97
	07/01/2025	25706556	Filing Fee - One Legal LLC	Declar,Prop Ord,POS	\$84.10	\$ 2,779.07
	09/22/2025	26347773	Filing Fee - One Legal LLC	Prop Ord	\$21.11	\$ 2,800.18
	11/21/2025	26838482	Filing Fee - One Legal LLC	Change of Address	\$21.11	\$ 2,821.29
	11/24/2025	26838491	Filing Fee - One Legal LLC	Stip & Ord	\$42.80	\$ 2,864.09
	Future		Filing Fee - One Legal LLC		\$200.00	\$ 3,064.09
Total FILING AND SERVICE FEES					\$3,064.09	\$3,064.09
Other Costs						
	10/16/2023	E-3155028	DocuSign Envelope		\$1.89	\$ 1.89
Total OTHER COSTS					\$1.89	\$ 1.89
TOTAL					\$19,325.98	\$ 19,325.98

Exhibit 4



ELM Solutions

2022 Real Rate Report[®]

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

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- Corporate: Mergers, Acquisitions, and Divestitures
- Corporate: Regulatory and Compliance
- Corporate: Other
- Employment and Labor
- Environmental
- Finance and Securities
- General Liability (Litigation Only)
- Insurance Defense (Litigation Only)
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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).

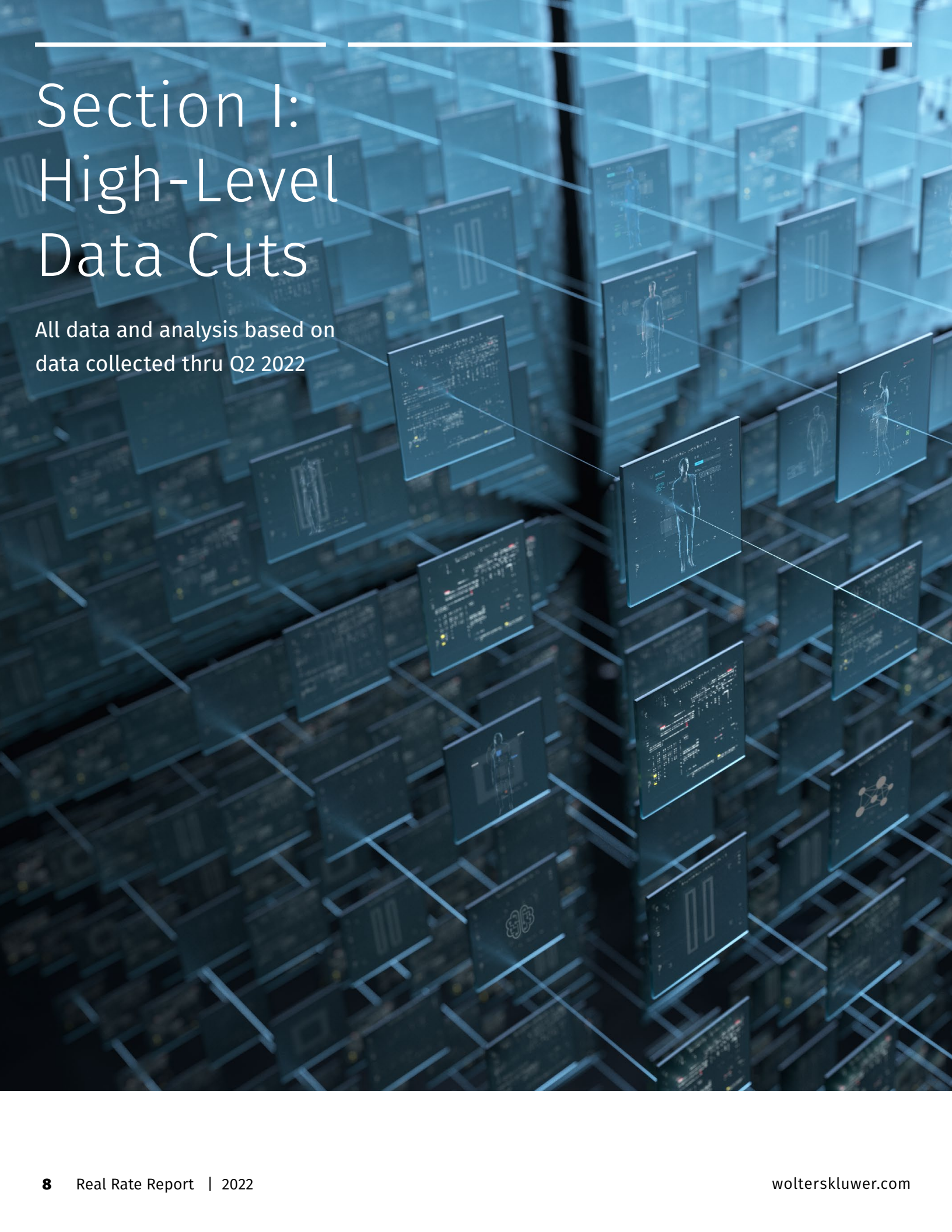
Years of experience and reputation - A more experienced, higher-profile lawyer is often going to charge more, but absorbing this higher cost at the outset may make more sense than hiring a less expensive lawyer who will likely take time and billable hours to come up to speed on unfamiliar legal and procedural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

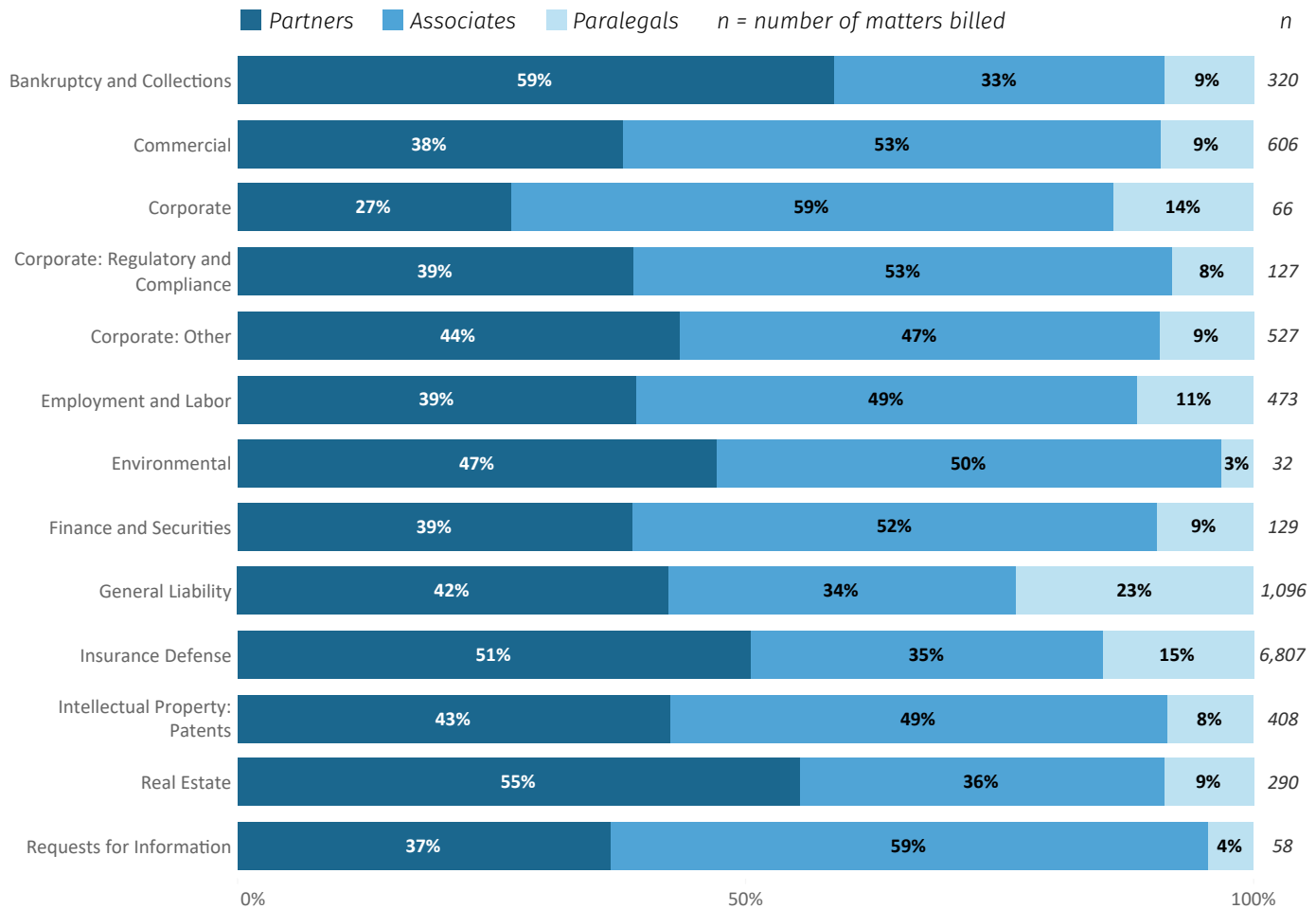
Section VI: Matter Staffing Analysis

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 5

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Business & Practice

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

By Roy Strom

Column

June 9, 2022, 2:30 AM

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

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

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

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

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

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

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

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

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

Charge It Up

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

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

Source: Court documents

Bloomberg Law

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Worth Your Time

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

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

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



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

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

Documents

[Trustee's Objection](#)

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