

WILSHIRE LAW FIRM, PLC
Tyler J. Woods, Esq. (SBN 232464)
tyler.woods@wilshirelawfirm.com
James Yoo, Esq. (SBN 310680)
james.yoo@wilshirelawfirm.com
Heriberto Ponce, Esq. (SBN 339713)
eddie.ponce@wilshirelawfirm.com
Ruby Carrera, Esq. (SBN 343745)
ruby.carrera@wilshirelawfirm.com
Alan A. Wilcox, Esq. (SBN 287476)
alan.wilcox@wilshirelawfirm.com
Conor J.D. Gomez, Esq. (SBN 337395)
conor.gomez@wilshirelawfirm.com
660 South Figueroa Street, Sky Lobby
Los Angeles, California 90017
Telephone: (213) 381-9988
Facsimile: (213) 381-9989

Attorneys for Plaintiff

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

ESTEVON MACIEL HERNANDEZ,
individually, and on behalf of all others similarly
situated,

Plaintiff,

v.

ACCELERATED CONSTRUCTION &
METAL, LLC, a California corporation; and
DOES 1 through 10, inclusive,

Defendants.

Case No. CV-24-002516
Assigned to Hon. Clifford Tong, Dept. 23

Complaint filed: April 2, 2024
Trial date: Not Set

CLASS & REPRESENTATIVE ACTION

**DECLARATION OF CONOR J.D. GOMEZ
IN SUPPORT OF PLAINTIFF'S MOTION
FOR PRELIMINARY APPROVAL OF
CLASS ACTION SETTLEMENT**

*[Filed concurrently with: Plaintiff's Notice of
Motion and Motion for Preliminary Approval of
Class Action Settlement]*

PRELIMINARY APPROVAL HEARING

Date: June 24, 2026
Time: 8:30 a.m.
Dept: 23

1 I, Conor J.D. Gomez, declare as follows:

2 1. I am admitted and in good standing to practice as an attorney in the State of
3 California. I am an Attorney at Wilshire Law Firm, PLC (“WLF”) and counsel of record for
4 plaintiff Estevon Maciel Hernandez (Plaintiff” or “Class Representative). I, along with the above-
5 captioned attorneys of WLF (inclusively “Class Counsel”), have reviewed the case files for this
6 matter as routinely kept by WLF in the course of litigation. Based upon the information available
7 to Class Counsel through WLF’s record-keeping processes, I am competent to make this
8 declaration (this “Declaration”). This Declaration is submitted concurrently with and in support
9 of Plaintiff’s Motion for Preliminary Approval of Class Action Settlement (the “Motion”)."

10 CASE BACKGROUND

11 2. This is a wage and hour class action and Private Attorneys General Act (“PAGA”)
12 (Cal. Lab. Code §§ 2699, *et seq.*) between Plaintiff and Defendant Accelerated Construction &
13 Metal, LLC (“Defendant,” and together with Plaintiff, the “Parties”) (the “Action”). Plaintiff and
14 the putative class members all current and former hourly, non-exempt employees who worked in
15 California for Defendant during the Class Period, and excluding any persons who: 1) signed an
16 arbitration agreement with Defendant that includes a class and representative action waiver, 2)
17 were a member of a union, and/or 3) are currently represented by counsel and have a civil action
18 pending against Defendant (each a “Class Member” and collectively the “Class”) from April 2,
19 2020, through the day the Court grants preliminary approval of the Settlement (the “Class Period”).
20 Defendant California-based metal fabrication and construction company that performs structural
21 steel, welding, and ironwork projects throughout the state.

22 3. Plaintiff alleges that Defendant’s payroll, timekeeping, and wage and hour practices
23 resulted in Labor Code violations. Specifically, Plaintiff alleges that Defendant failed to pay for
24 all hours worked, failure to provide meal periods, failure to authorize and permit rest periods,
25 failure to timely pay final wages, failure to furnish accurate wage statements, and failure to
26 indemnify employees for expenditures.

27 4. Based on these allegations, on April 2, 2024, Plaintiff filed a putative wage and hour
28 class action complaint against Defendant for: (1) failure to pay minimum and straight time wages

(Labor Code §§ 204, 1194, 1194.2, and 1197); (2) failure to pay overtime wages (Labor Code §§ 1194 and 1198); (3) failure to provide meal periods (Labor Code §§ 226.7 and 512); (4) failure to authorize and permit rest periods (Labor Code § 226.7); (5) failure to timely pay final wages at termination (Labor Code §§ 201-203); (6) failure to provide accurate itemized wage statements (Labor Code § 226); (7) failure to indemnify employees for expenditures (Labor Code § 2802); and (8) unfair business practices (Business and Professions Code §§ 17200, *et seq.*). Plaintiff sent a notice to Defendant and the California Labor & Workforce Development Agency (“LWDA”) alleging similar wage and hour violations pursuant to the PAGA on April 16, 2024. On August 19, 2024, after the 65-day statutory period passed, Plaintiff filed the PAGA Action, alleging claims for penalties pursuant to Labor Code § 2699, *et seq.* On September 5, 2024, the Class Action and the PAGA action were related, with the Class Action designated as the lead case (the “Operative Complaint”).

DISCOVERY, INVESTIGATION, AND SETTLEMENT

5. Following the filing of the Action, the Parties exchanged information, data, and documents, and review of corporate policies and Practices before going to mediation. Defendant produced a sample of time and pay records for Class Members. Defendant also provided documents of its wage and hour policies and practices during the Class Period, information regarding the total number of current and former employees in its informal discovery responses, and financial records. The Parties have engaged in sufficient informal discovery and investigation to assess the relative merits of the claims and contentions of the Parties.

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

SETTLEMENT NEGOTIATIONS

1 7. On November 14, 2025, and December 17, 2025, the Parties participated in private
2 mediation with experienced class action mediator Hon. Amy Hogue. The mediations were
3 conducted via Zoom. The settlement negotiations were at arm's length and, although conducted in
4 a professional manner, were adversarial. The Parties went into the mediation willing to explore the
5 potential for a settlement of the dispute, but each side was also prepared to litigate their position
6 through trial and appeal if a settlement had not been reached.

7 8. After extensive negotiations and discussions regarding the strengths and
8 weaknesses of Plaintiff's claims and Defendant's defenses, the Parties reached a settlement, the
9 material terms of which are encompassed within the Settlement Agreement. Attached as **Exhibit**
10 **1** is a true and correct copy of the Class Action and PAGA Settlement Agreement (the "Settlement"
11 or "Settlement Agreement").

12 9. Class Counsel submitted the proposed Settlement to the LWDA before filing the
13 Motion. Attached as **Exhibit 2** is a true and correct copy of Plaintiff's submission confirmation of
14 the Settlement Agreement to the LWDA.

15 10. The Parties requested several bids from experienced class action settlement
16 administrators to serve as the settlement administrator for this Settlement. The Parties accepted the
17 bid of Phoenix Class Action Administration Solutions (the "Administrator") which was the lowest
18 out of the multiple bids sought. The Administrator has multiple years of experience in the field of
19 Class Action Administration, particularly in the wage and hour arena. In its bid, the Administrator
20 agreed to cap its costs at \$6,000.00 for 157 Class Members (the "Administration Costs"). The
21 Administrator's bid accounts for serving the class notice in English and Spanish. The
22 Administrator will undertake its best efforts to ensure that the Class Notice is provided to the
23 current addresses of Class Members, including conducting a national change of address search and
24 re-mailing the Class Notice to updated addresses. A true and correct copy of the bid is attached as
25 **Exhibit 3**.

26 11. Plaintiff does not have any interest, financial or otherwise, in the Administrator.

27 12. No one at WLF (meaning the law firm itself and anyone employed at the law firm)
28 has any interest, financial or otherwise, in the Administrator.

13. WLF has no fee-splitting agreement with any other counsel in this case.

THE PROPOSED SETTLEMENT IS FAIR AND REASONABLE

14. Class Counsel has conducted a thorough investigation into the facts of the Action. Based on the foregoing discovery and their own independent investigation and evaluation, Class Counsel is of the opinion that the Settlement is fair, just, reasonable, and adequate and is in the best interests of the 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.

15. Based on an analysis of the facts and legal contentions in this case, documents and information from Defendant, Class Counsel evaluated Defendant's maximum exposure. We took into account the risk of not having the claims certified and the risk of not prevailing at trial, even if the claims are certified. With the assistance of a statistics expert, Class Counsel created a damages model to evaluate the realistic range of potential recovery for the Class using the data Defendant provided, including: Class Member timekeeping and payroll records, the number of Class Members, the number of Workweeks¹, the number of Aggrieved Employees², the relevant PAGA Period³, the number of PAGA Pay Periods⁴, and average total compensation of the Class. The damages model is based on the following benchmarks:

Total Class Members: 157

Terminated Class Members during 3-year statute of limitations period: 224

Total Workweeks: 2,903

PAGA Pay Periods: 2,912

¹ "Workweek" means any week during which a Class Member worked for Defendant for at least one day, during the Class Period.

² "Aggrieved Employee(s)" means all current and former hourly, non-exempt employees employed by Defendant in the State of California during the PAGA Period.

³ "PAGA Period" means the period from April 16, 2023, through the day the Court grants preliminary approval of the Settlement.

⁴ "PAGA Pay Periods" means any pay period during which an Aggrieved Employee worked for Defendant for at least one day during the PAGA Period.

PAGA Eligible Employees: 180

Avg. Hourly Rate: \$24.89

16. Based on Plaintiff's discovery and investigation, Class Counsel reached the conclusion that Defendant had a policy and practice of: requiring its employees to work "off-the-clock" prior to clocking in for the workday, during meal periods, and after clocking out for the workday, time which it did not pay for; not providing its employees with California compliant meal and rest periods, which it did not pay appropriate premiums for; and failing to reimburse its employees for business-related expenses. Defendant denies these claims.

17. For purposes of calculating Defendant's liability based on a best-case scenario for Plaintiff and the Class, we estimate that Defendant's maximum potential exposure by assuming that all unpaid work time should have been paid at the overtime rate, not minimum or straight time wages and we assumed that Defendant is liable for 1 hour of unpaid worktime per workweek. This results in an estimate of \$108,383.51 (2,903 weeks * \$24.89 hourly average rate * 1.5 overtime rate * 1 hours of unpaid work per week) but we discounted this figure by 80% to account for the difficulty of prevailing on a motion for class certification and a trial on the merits because liability depends on whether Defendant knew or should have known that Class Members were working off-the-clock, yielding a realistic damage estimate of \$21,676.70.⁵

18. With respect to the meal period claim, Plaintiff alleges that Defendant required Plaintiff and similarly situated Class Members to either work in lieu of taking meal periods, or their meal periods were untimely or interrupted. Our expert analyzed Defendant's timekeeping records and opined that approximately 92.4% of all meal breaks had violations of short, missed, or no meal periods (accounting for waivable shifts and meal period premiums paid). Potential liability for the meal period claim is \$260,380.53 (2,903 weeks * 92.4% * \$24.89* reasonable estimated 3.9 shifts a week). We discounted this figure by 80% to account for the difficulty of certifying and proving meal period claims, as well as Defendant's contention that the claim lacks merit,

⁵ An 80% discount for risk at certification and trial is reasonable because the Judicial Council of California found that only 21.4% of all class actions were certified either as part of a settlement *or* as part of a contested certification motion. *See* Findings of the Study of California Class Action Litigation, 2000-2006, available at <http://www.courts.ca.gov/documents/class-action-lit-study.pdf>.

1 particularly in light of its numerous meal period premium payments, yielding a realistic damage
2 estimate of \$52,076.11.

3 19. With respect to the rest period claim, Plaintiff alleges that Defendant required them
4 and similarly situated class members to work in lieu of taking rest periods, or their rest periods
5 were interrupted. Assuming a 50%⁶ violation rate for the class period based on Plaintiff's and other
6 class members' experience working for Defendant, Defendant's potential liability for the rest
7 period claim is \$140,898.56 (2,903 weeks * 50% * \$24.89 * reasonable estimated 3.9 shifts a
8 week); however, we discounted this figure by 90% to account for the difficulty of certifying and
9 proving rest period claims, particularly because rest periods do not have to be recorded, and to
10 account for the possibility of class members voluntarily choosing to forego a rest period, yielding
11 a realistic damage estimate of \$14,089.86.

12 20. Plaintiff also alleges that Defendant failed to reimburse necessary business
13 expenses. Plaintiff and similarly situated Class Members were frequently required to provide and
14 maintain their own tools and equipment necessary to perform their job duties, including tool belts,
15 wrenches, bull pins, gloves, and safety harnesses. Defendant failed to reimburse employees for the
16 purchase, maintenance, or replacement of these tools and equipment. For purposes of calculating
17 Defendant's liability based on a best-case scenario for Plaintiff and the Class, we estimated that
18 Defendant was liable to each Class Member for \$30.00 a month or \$7.50 per workweek in
19 unreimbursed expenses, for a total amount of \$21,772.50 (\$7.50 * 2,903); however, we discounted
20 this figure by 80% to account for the difficulty of certifying and proving expense reimbursement
21 claims, particularly in light of written policies and practices providing a mechanism for class
22 member's to seek reimbursement, yielding a realistic damage estimate of \$4,354.50.

23 21. In sum, we estimated that Plaintiff's maximum recovery for the off-the-clock claim,
24 meal period violations, rest period violations, and failure to reimburse expenses is \$531,435.10,
25 but, after factoring in the risk and uncertainty of prevailing at certification and trial, we estimate
26 that Plaintiff's realistic estimated recovery for the non-penalty claims is \$92,197.17.

27
28 ⁶ We assume a 50% violation rate due to rest breaks being unrecorded and it is a "coin toss" as to what a jury
might find given the they-said they-said nature of these claims.

22. With respect to Plaintiff's derivative claims for statutory and civil penalties, Plaintiff estimated that Defendant's realistic potential liability is \$432,475.52. While Defendant's maximum potential liability for: waiting time penalties is \$1,588,977.60 based on approximately 224 terminated class members during the 3-year statute of limitations period ($224 * \$24.89 * 9.5 \text{ hours} * 30 \text{ days}$); inaccurate wage statements is \$281,300.00 based on approximately 180 class members who worked approximately 2,912 pay periods within the 1-year statute of limitations period ($\$50 * 180 + (\$100 * 2,723)$); and PAGA violations \$291,200.00 based on the Court assessing a \$100 penalty for initial violations for all 2,912 pay periods within the 1-year statute of limitations period, we believe that it would be unrealistic to expect the Court to award the full \$2,161,477.52 in penalties given Defendant's defenses, the contested nature of Plaintiff's claims, and the discretionary nature of penalties. Considering that the underlying claims are realistically estimated to be \$92,197.17, such a disproportionate award would also raise due process concerns. Weighing these factors and applying a discount of 90% to account for the risk and uncertainty of prevailing at trial and the Court's discretionary ability to lower penalties, we arrived at \$216,147.75 for statutory and civil penalties.

23. Using these estimated figures, Plaintiff predicted that the realistic maximum recovery for all claims, including penalties, would be \$308,344.92. This means that the \$125,000.00 settlement figure represents approximately 41% of the realistic maximum recovery ($\$125,000.00 / \$308,344.92 = 41\%$). Considering the risk and uncertainty of prevailing at class certification and at trial, this is an excellent result for the Class.⁷ Indeed, because of the Settlement, Class Members will receive timely, guaranteed relief and will avoid the risk of an unfavorable judgment.

⁷ See, e.g., *Wise v. Ulta Salon, Cosmetics & Fragrance, Inc.* (E.D. Cal. Aug. 21, 2019) 2019 WL 3943859 at *8 (granting preliminary approval where the proposed allocation to settle class claims was between 9.53 percent of Plaintiffs' maximum recovery); *Bravo v. Gale Triangle, Inc.* (C.D. Cal. Feb 16, 2017) 2017 WL 708766 at * 10 (finding that "a settlement for fourteen percent recovery of Plaintiffs' maximum recovery is reasonable"); *In re Omnivision Techs., Inc.* (N.D. Cal. 2008) 559 F.Supp.2d 1036, 1042 (approving settlement amount that "is just over 9% of the maximum potential recovery asserted by either party.").

1 24. While Plaintiff is confident in the merits of their claims, a legitimate controversy
2 exists as to each cause of action. Plaintiff also recognizes that proving the amount of wages due to
3 each Class Member would be an expensive, time-consuming, and uncertain proposition.

4 25. This Settlement avoids the risks and the accompanying expenses of further
5 litigation. Although the Parties had engaged in significant amount of investigation, informal
6 discovery and Class-wide data analysis, the Parties had not yet completed formal written discovery.
7 Plaintiff intended to depose corporate officers and managers of Defendant. Moreover, preparation
8 for a class certification and a trial remained for the Parties as well as the prospect of appeals in the
9 wake of a disputed class certification ruling for Plaintiffs and/or adverse summary judgment ruling.
10 Had the Court certified any claims, Defendant could move to decertify the claims. As a result, the
11 Parties would incur considerably more attorneys' fees and costs through trial.

12 26. As a result of the Settlement, the net settlement amount to be split amongst the Class
13 is the Gross Settlement Amount minus:

- 14 a. \$41,667.00 for Class Counsel's attorneys' fees ("Class Counsel Fees Payment");
- 15 b. \$20,000.00 for Class Counsel's litigation expenses ("Class Counsel Litigation
16 Expenses Payment");
- 17 c. up to \$6,000.00 for the Settlement Administration Costs ("Administration Costs
18 Payment");
- 19 d. \$6,250.00 for the PAGA penalties (the "PAGA Penalties"), with 75%
20 (\$4,687.50) allocated to pay to the LWDA (the "LWDA PAGA Payment") and
21 25% (\$1,562.50) allocated to Aggrieved Employees (the "Individual PAGA
22 Payments"); and
- 23 e. \$7,500.00 for the service award to Plaintiff for serving as the Class
24 Representative (the "Class Representative Service Payment")
25 (the "Net Settlement Amount").

26 27. The Net Settlement Amount is estimated to be \$43,583.00 for the Class. As a result,
27 each Class Member is eligible to receive an average net benefit of approximately \$277.60. When
28 considering the risks of litigation, the uncertainties involved in achieving class certification, the

1 burdens of proof necessary to establish liability, the probability of appeal of a favorable judgment,
2 it is clear that the Settlement is within the “ballpark” of reasonableness, and preliminary settlement
3 approval is appropriate.

4 CLASS REPRESENTATIVE’S ENHANCEMENT PAYMENT IS REASONABLE

5 28. Class Counsel represents that Plaintiff devoted a great deal of time and work
6 assisting Class Counsel in the Action.

7 29. Throughout the Action, Plaintiff has cooperated immensely with Class Counsel and
8 has taken many actions to protect the interests of the Class. Plaintiff provided valuable information
9 regarding the off-the-clock, meal period, and rest period claims. Plaintiff also informed Class
10 Counsel of developments and information relevant to the Action, participated in decisions
11 concerning the Action, and Plaintiff was available to answer questions during both mediations.
12 Before Class Counsel filed the Action, Plaintiff provided Class Counsel with documents regarding
13 the claims alleged in the Action. The information and documentation provided by Plaintiff was
14 instrumental in establishing the wage and hour violations alleged in the Action, and the recovery
15 provided for in the Settlement Agreement would have been impossible to obtain without Plaintiff’s
16 participation.

17 30. At the same time, Plaintiff faced many risks in serving as the Class Representative
18 in the Action. Plaintiff faced actual risks with their future employment since being named on public
19 record in an employment lawsuit could also very well affect a person’s ability to procure future
20 employment. Furthermore, as part of the Settlement, Plaintiff is executing general release of all
21 claims against Defendant, which is broader than that of the other Class Members resulting in
22 greater financial opportunity cost.

23 31. In turn, Class Members will now have the opportunity to participate in the
24 Settlement, which reimburses them for alleged wage violations they may have never known about
25 on their own or been willing to pursue on their own. If the Class Members would have each tried
26 to pursue their legal remedies on their own, that would have resulted in each Class Member
27 expending a significant amount of their own monetary resources and time, which were obviated
28 by Plaintiff serving as Class Representative on behalf of the other Class Members.

1 32. In the final analysis, this Action would not have been possible without the aid of
2 Plaintiff, who put their own time and effort into the Action, sacrificed the value of their own
3 individual claims, and placed assumed risks for the sake of the Class. The Class Representative
4 Service Payment is a relatively small amount of money given the time and effort Plaintiff put into
5 the Action and in comparison to service awards granted to named plaintiffs in similar class actions.
6 The Class Representative Service Payment is therefore reasonable to compensate Plaintiff for their
7 active participation in this lawsuit.

8 THE REQUEST FOR ATTORNEYS' FEES AND COSTS IS REASONABLE

9 33. I believe that the Class Counsel Fees Payment and Class Counsel Litigation
10 Expenses Payment are reasonable. The fee percentage requested is less than that charged by Class
11 Counsel for most employment cases. Class Counsel invested significant time and resources into
12 the Action, with payment deferred to the end, and then, of course, contingent on the outcome.

13 34. It is further estimated that Class Counsel will need to expend at least another 10 to
14 15 hours to monitor the process leading up to the final approval and payments made to the Class.
15 Class Counsel also bears the risk of taking the necessary actions if Defendant fails to pay.

16 35. The risk to Class Counsel has been very significant, particularly if we would not be
17 successful in pursuing this Action. In that case, Class Counsel would have been left with no
18 compensation for all the time taken in litigating this Action. Indeed, Class Counsel has taken on a
19 number of class action cases that have resulted in thousands of attorney hours being expended and
20 ultimately having certification denied or the defendant company going bankrupt. The contingent
21 risk in these types of cases is very real and they do occur regularly. Furthermore, Class Counsel
22 was precluded from focusing on, or taking on, other cases which could have resulted in a larger,
23 and less risky, monetary gain.

24 36. Because most individuals cannot afford to pay for representation in litigation on an
25 hourly basis, WLF represents virtually all of its employment law clients on a contingency fee basis.
26 Pursuant to this arrangement, WLF is not compensated for our time unless we prevail at trial or
27 successfully settle our clients' cases. Because Class Counsel is taking the risk that we will not be
28 reimbursed for our time unless our client settles or wins his or her case, we cannot afford to

1 represent an individual employee on a contingency basis if, at the end of our representation, all we
2 are to receive is our regular hourly rate for services. It is essential that we recover more than our
3 regular hourly rate when we win or settle to remain in practice and continue representing other
4 individuals in civil rights employment disputes.

5 PLAINTIFF’S COUNSEL’S EXPERIENCE AND QUALIFICATIONS

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

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

15 CLASS COUNSEL’S EXPERIENCE

16 Tyler Woods’s Qualifications

17 39. Tyler J. Woods graduated from the University of California, Davis in 1999 with a
18 Bachelor of Arts degree in Communications with minors in Spanish and Psychology. He received
19 by Juris Doctor from USC Gould School of Law in 2004.

20 40. Upon graduating from law school in 2004, Mr. Woods worked for international firm
21 McDermott Will & Emery LLP practicing general litigation which included employment law
22 matters. Since 2010, and exclusively since 2013, his practice has focused on labor and employment
23 matters including handling wage and hour class, collective, and representative actions (including
24 the California Private Attorneys general Act or “PAGA”), including at the law firms of McDermott
25 Will & Emery LLP (where he was a partner), Pacific Trial Attorneys (where he was a partner), and
26 labor and employment powerhouse Fisher Phillips (where he was a partner and head of Fisher
27 Phillips Class Action Practice Group). At these law firms, he was the lead trial counsel or took a
28 major leading role in defending employers on numerous wage and hour class, collective, and

1 representative actions. Under his leadership as lead counsel during his tenure as defense counsel
2 he successfully defeated class certification of a potential 10,000 plus class as lead counsel on behalf
3 of a nationwide quick service restaurant during his time as defense counsel and negotiated several
4 wage and hour class actions that were subsequently approved by the Courts.

5 41. In late March 2024, Mr. Woods left Fisher Phillips and joined WLF, to represent
6 plaintiff employees. He has been and is handling many wage and hour class and representative
7 actions litigating such matters on behalf of plaintiff employees in numerous Superior Courts. From
8 matters representing both plaintiff and defendants, he has successfully mediated the resolution of
9 many wage and hour class, collective, and representative actions.

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

13 43. Mr. Woods has received numerous awards for his legal work. For example, from
14 2009-2011 and 2014, he was listed as a Rising Star in Los Angeles Super Lawyers (Thomas
15 Reuters). He has also served on numerous prominent boards and in other leadership positions,
16 including currently serving on the board of the Orange County Chapter of the California
17 Restaurants Association.

18 44. He has also presented monthly webinars on labor and employment issues to
19 hundreds of participants since 2022, including on wage and hour issues. For example, he presented
20 "10 Reasons Employers Get Sued (and How to Avoid These Mistakes)" (while a partner with Fisher
21 Phillips) and "Key Insights for Hospitality Employers: Arbitration Agreements 101" (while a
22 partner with Fisher Phillips).

23 45. His hourly rate is reasonable given his experience and when compared to other
24 similarly experienced attorneys in this practice and geographic location. The reasonableness
25 of Class Counsels' hourly rates is also supported by several surveys of legal rates, including the
26 following:

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

1 that category, the third quartile 2022 rate was \$1,045 per hour for partners and
2 \$855 for associates. Likewise, page 32 of the Report describes the rates charged
3 by 183 Los Angeles partners with “21 or more years of experience” and “Fewer
4 than 21 years.” For those categories, the third quartile Los Angeles partner rate
5 in 2022 were \$1,133 per hour for 21 or more years and \$1,075 for attorneys with
6 fewer than 21 years. A true and correct copy of portions of the 2022 Real Rate
7 Report is attached hereto as Exhibit 4.

- 8 b. In an article entitled “Big Law Rates Topping \$2,000 Leave Value ‘In Eye of
9 Beholder,’” written by Roy Strom and published by Bloomberg Law on June 9,
10 2022, the author describes how Big Law firms have crossed the \$2,000-per hour
11 rate. The article also notes that law firm rates have been increasing by just under
12 3% per year. A true and correct copy of this article is attached hereto as Exhibit
13 5.

14 Alan Wilcox’s Qualifications

15 46. Alan Wilcox obtained his bachelor’s degree from the University of California,
16 Berkeley in 2007. He graduated from Pepperdine University’s School of Law and became a
17 member of the California State Bar in 2012.

18 47. Throughout Mr. Wilcox’s career up until his employment at WLF, he was
19 essentially continuously employed as a civil litigation attorney at multiple law firms. He has
20 represented clients in both state and federal Courts in a wide variety of matters, including contract
21 disputes, wrongful foreclosure, unlawful detainer, divorce, product defect, tort, and employment.

22 48. From 2014 to the present, Mr. Wilcox has been exclusively practicing complex civil
23 litigation representing plaintiff employees in employment matters. In that time, he has become an
24 expert in the field. Mr. Wilcox has handled both individual wrongful discharge and collective
25 wage and hour actions, with class action and PAGA matters including *Flores v. Aqua Terra*
26 *Culinary, Inc.*, Monterey Superior Court Case No. 17CV002672, *Garcia v. Construction*
27 *Innovations Group, LLC*, Sacramento Superior Court Case No. 34-2020-00285239, *Kim v.*
28 *Sheraton Operating Corp.*, Central District of California Case No. 2:17-cv-09247-FMO-E, *Pease*

1 v. *Wattrans, Inc.*, San Bernardino Superior Court Case No. CIVDS1919832, and *Lachman v.*
2 *Berlitz Languages, Inc.*, Los Angeles Superior Court Case No. 19STCV01533, among others.

3 49. Mr. Wilcox used his programming skills to create complex systems for
4 automatically performing in-depth analyses of employment records to identify wage and hour
5 violations in both individual and collective action settings. He has tried several matters, including
6 multiple employment cases and multiple non-employment cases. His expertise has resulted in
7 obtaining multiple millions of dollars for his clients. He strives to represent individuals struggling
8 to enforce their rights and recover what is owed to them from employers who violate California
9 law. At WLF, he is a Senior Attorney charged with taking resolved class action and PAGA matters
10 and ensuring that they are carried through the approval and distribution process in an efficient
11 manner and in compliance with Court orders.

12 50. Mr. Wilcox's current hourly billing rate is \$900.00 per hour. This hourly rate is
13 reasonable and appropriate, given his background and experience. He is generally familiar with
14 hourly rates charged by attorneys in both Southern and Northern California whose training and
15 experience are similar, and believes this rate is competitive in both markets for attorneys.

16 51. Indeed, a commonly used metric for determining reasonable attorney fee rates based
17 upon years of experience, the Laffey Matrix (<http://www.laffeymatrix.com/see.html>), indicates
18 that it would be reasonable for Mr. Wilcox to charge approximately \$948.00 per hour. Prior to
19 taking on a Senior Attorney role at WLF, for multiple years his hourly billing rate stagnated at
20 \$650.00 per hour, following Judge Upinder S. Kalra granting the plaintiff's post-trial motion for
21 attorneys' fees and approving hours and rate billed in the matter of *Parker v. Innovative Speech*
22 *Therapy and Communications Servs., Inc.*, Los Angeles Superior Court Case No. 19STCV36310,
23 and when Judge Kory Mathewson approved Mr. Wilcox's fee rate for a default judgment in *Segura*
24 *v. Beyond Staffing Solutions, Inc.*, San Bernardino Superior Court Case No. CIVDS1908672.
25 While working for WLF, Mr. Wilcox has been repeatedly approved as class counsel and his hourly
26 billing rate has been approved for many class and PAGA action settlements.

27 James Yoo's Qualifications

52. James Yoo is a Senior Attorney at WLF. He graduated from the University of California, Los Angeles with a Bachelor of Arts in Philosophy and earned his Juris Doctor degree from UCLA School of Law. He was admitted to practice law in the State of California in 2016. Before joining WLF, he served as head of the Wage and Hour Department at Warmuth Law, where he gained extensive experience managing wage and hour matters and negotiating settlements on behalf of employees. As a Senior Attorney at WLF he leads and manages multiple complex wage and hour class and representative actions under the California Private Attorneys General Act (“PAGA”). He is currently overseeing more than one hundred active class action and PAGA representative matters pending in courts throughout the State of California.

Conor J.D. Gomez's Qualifications

53. Conor J.D. Gomez is a fifth-year Settlement Attorney at WLF. Mr. Gomez is responsible for finalizing resolved class action and PAGA matters, ensuring that they are carried through the approval and distribution process in an efficient manner and in compliance with court orders. He graduated from the University of California, Los Angeles School of Law in May 2020. Mr. Gomez passed the California Bar Examination on his first attempt and was admitted to practice in May 2021. He is admitted to practice law in the State of California and before the Northern District of California. Mr. Gomez also serves as an adjunct professor at the Thomas Jefferson School of Law in San Diego, California, and he acts as a Bar Exam Preparation mentor to law students throughout San Diego. He graduated from the University of California, San Diego in 2017 with a Bachelor of Arts in Sociology, concentrating in Law & Society. During law school, Mr. Gomez obtained credentials in course design, teaching innovation and technology, and business administration from the University of California, Irvine. He was awarded the Masin Family Foundation Gold Award in recognition of his academic performance in law school. Mr. Gomez began his legal career representing both for-profit and non-profit/tax-exempt organizations. He draws on that experience to achieve strong results for his clients, having represented businesses and understanding their perspectives. He has practiced plaintiff-side employment litigation for several years and has a strong record of securing settlements in individual wage-and-hour and FEHA matters, with results regularly reaching the six-figure range. Throughout his career, Mr.

1 Gomez has worked with multiple firms, taking on increasing responsibility and mentoring dozens
2 of new attorneys in employment law fundamentals and litigation strategies to achieve efficient and
3 favorable outcomes. He transitioned into his current role at WLF to capitalize on his strengths in
4 settlement negotiations, workflow optimization, and drafting clear and concise agreements and
5 motions, with the goal of achieving maximal results for larger classes of workers. Mr. Gomez has
6 served on the board of directors for local arts organizations and regularly hosts workshops
7 throughout Southern California. He has guest lectured at the University of California, Irvine on
8 various legal topics. He is also a certified mediator and serves on the California Lawyers for the
9 Arts mediation panel, where he volunteers his time to mediate a wide range of disputes, including
10 artistic business and ownership matters as well as employment disputes. Mr. Gomez has been
11 appointed as class counsel in wage-and-hour matters throughout California, including most
12 recently in *Canady v. Sheffield Platers, Inc.*, 37-2024-00014952-CU-OE-CTL; Motion for
13 Preliminary Approval Granted March 4, 2026; *Molina v. CCN Framing, Inc.*, 22STCV10819;
14 Motion for Preliminary Approval Granted on March 4, 2026; and *Lucero v. Nissho of California,*
15 *Inc.*, Case No. 37-2021-00001528-CU-OE-CTL, consolidated with Case No. 37-2022-00012006-
16 CU-OE-CTL; Motion for Final Approval granted on February 20, 2026.

17 Justin Marquez's Qualifications

18 54. Justin F. Marquez is a former Senior Partner at WLF who was actively involved in
19 the litigation and resolution of this Action from its inception through December 2024. He
20 graduated from University of California, Los Angeles's College Honors Program in 2004 with
21 Bachelor of Arts degrees in History and Japanese, magna cum laude and Phi Beta Kappa. He
22 graduated from Notre Dame Law School with a Juris Doctorate. He was admitted to the State Bar
23 of California in February 2019. His practice focused primarily on advocating for the rights of
24 consumers and employees in class action litigation and appellate litigation. He received numerous
25 awards for his legal work: from 2017 to 2020, Super Lawyers selected him as a "Southern
26 California Rising Star," and from 2022 to 2025, he was selected as a "Southern California Super
27 Lawyer"; he was selected as one of the "Best Lawyers in America" from 2023 to 2025; and in
28 2024, he, along with his colleagues at WLF, received a CLAY (California Lawyer Attorneys of

1 the Year) award for their work on a false advertising case against Apple which ultimately led to a
2 \$25 million settlement. He also was selected to speak at multiple CELA conferences throughout
3 his career – in 2019, he spoke on the topic of manageability of class actions at CELA’s 2019
4 Advanced Wage & Hour Seminar, and in 2024, he spoke on the topic of dealings with multiple
5 cases against the same defendant at CELA’s 2024 Advanced Wage & Hour Seminar. He served
6 as lead or co-lead in negotiating class action settlements worth over \$10 million in gross recovery
7 to class members for each year since 2020, including over \$37.5 million in 2022 and over \$75
8 million in 2023.

9 Arsiné Grigoryan’s Qualifications

10 55. Arsiné Grigoryan was an Associate Attorney at Wilshire Law Firm who was
11 actively involved in the litigation and resolution of this matter from its inception through December
12 2024. She earned two Bachelor of Arts degrees from the University of California, Berkeley in (1)
13 Political Science with an emphasis on international relations and (2) Media Studies. She obtained
14 her Juris Doctor degree from Southwestern Law School. She is presently admitted to practice in
15 all state courts of California (admitted in 2017) and before all federal district courts in California.
16 The focus of her practice at Wilshire Law Firm is currently on class action wage-and-hour law,
17 including Private Attorneys General Act of 2004 (“PAGA”) matters. Prior to joining Wilshire Law
18 Firm, PLC, she worked at a law firm specializing in wage-and-hour class action cases. She is also
19 handling more than a dozen active class action matters currently pending and prosecuting multiple
20 PAGA collective action matters in various courts throughout the State of California.

21 Executed on May 5, 2026, in San Diego, California.

22
23 
24 _____
25 Conor J.D. Gomez
26
27
28

Exhibit 1

Tyler J. Woods, Esq. (SBN 232464)
tyler.woods@wilshirelawfirm.com
James Yoo, Esq. (SBN 310680)
james.yoo@wilshirelawfirm.com
Heriberto Ponce, Esq. (SBN 339713)
eddie.ponce@wilshirelawfirm.com
Ruby Carrera, Esq. (SBN 343745)
ruby.carrera@wilshirelawfirm.com
WILSHIRE LAW FIRM
660 S. Figueroa Street, Sky Lobby
Los Angeles, CA 90017
Telephone: (213) 381-9988
Facsimile: (213) 381-9989

Attorneys for Plaintiff

[ADDITIONAL COUNSEL ON FOLLOWING PAGE]

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

ESTEVON MACIEL HERNANDEZ,
individually, and on behalf of all others
similarly situated,

Plaintiff,

v.

ACCELERATED CONSTRUCTION &
METAL, LLC, a California corporation; and
DOES 1 through 10, inclusive,

Defendants.

Case No. CV-24-002516

**CLASS ACTION AND PAGA
SETTLEMENT AGREEMENT**

*[Assigned for all purposes to Judge John
Freeland, Dept. 23]*

Nicolas Deming
ndeming@grsm.com
Marc Vasquez
mjvasquez@grsm.com
GORDON REES SCULLY MANSUKHANI, LLP
315 Pacific Avenue
San Francisco, CA 94111
Tel: (415) 986-5900/ Fax: (415) 986-8054

Attorneys for Defendant Accelerated Construction & Metal, LLC

This Class Action and PAGA Settlement Agreement (“Agreement”) is made by and between Plaintiff Estevon Hernandez. (“Plaintiff”) and Defendant Accelerated Construction & Metal, LLC (“Defendant”). The Agreement refers to Plaintiff and Defendant collectively as “Parties,” or individually as “Party.”

1. **DEFINITIONS.**

1.1 “Actions” means Plaintiff’s lawsuits alleging class action wage and hour violations against Defendant captioned *Estevon Hernandez v. Accelerated Construction & Metal, LLC.*, Stanislaus County Superior Court, Case No. CV-24-002516, filed on April 2, 2024 (“Class Action”) and Case No. CV-24-006517, filed on August 19, 2024 (“PAGA Action”).

1.2 “Administrator” means Phoenix Class Action Administration Solutions, 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 hourly, non-exempt employees employed by Defendant in the State of California during the PAGA Period.

1.5 “Class” means all current and former hourly, non-exempt employees who worked in California for Defendant during the Class Period, and excluding any persons who: 1) signed an arbitration agreement with Defendant that includes a class and representative action waiver, 2) were a member of a union, and/or 3) are currently represented by counsel and have a civil action pending against Defendant.

1.6 “Class Counsel” means Tyler J. Woods, James Yoo, Heriberto Ponce and Ruby Carerra 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 \$41,667.00).

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, not to exceed \$20,000.00, and paid from the Gross Settlement Amount.

1.9 “Class Data” means Class Member identifying information in Defendant’s possession including the Class Member’s name, last-known mailing address, Social Security number, and Defendant’s best estimates of the number of Workweeks and PAGA Pay Periods. The Class Data shall be based on Defendant’s payroll, personnel, and other business records.

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 April 2, 2020, through the day the Court grants preliminary approval of the Settlement (“Settlement Class Period”).

1.14 “Class Representative(s)” means the named Plaintiff Estevon Hernandez. in the Actions.

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

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

1.17 “Defendant” means named Defendant Accelerated Construction & Metal, LLC.

1.18 “Defense Counsel” means Nicolas Demind, and Marc Vasquez of Gordon Rees Scully Mansukhani, LLP.

1.19 “Effective Date” means the date by which both of the following have occurred: (a) the Court enters a Judgment on its Order Granting Final Approval of the Settlement; and (b) the Judgment is final. The Judgment is final as of the latest of the following occurrences: (a) if no Participating Class Member objects to the Settlement, the day the Court enters Judgment; (b) if one or more Participating Class Members objects to the Settlement, the day after the deadline for filing a notice of appeal from the Judgment; or (c) if a timely appeal from the Judgment is filed, the day after the appellate court affirms the Judgment and issues a remittitur.

1.20 “Final Approval” means the Court’s order granting final approval of the Settlement.

1.21 “Final Approval Hearing” means the Court’s hearing on the Motion for Final Approval of the Settlement.

1.22 “Final Judgment” means the Judgment entered by the Court upon granting Final Approval of the Settlement.

1.23 “Gross Settlement Amount” or “GSA” means \$125,000.00, which is the total amount Defendant agrees to pay under the Settlement, except as provided in Paragraph 8 below.

1.24 “Individual Class Payment” means the Participating Class Member’s pro rata share of the Net Settlement Amount calculated according to the number of Workweeks worked during the Class Period.

1.25 “Individual PAGA Payment” means the Aggrieved Employee’s pro rata share of 25% of the PAGA Penalties calculated according to the number of PAGA Pay Periods worked during the PAGA Period.

1.26 “Judgment” means the judgment entered by the Court based upon the Final Approval.

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

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

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

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

1.31 “Operative Class Complaint” means the operative class action complaint filed in the Class Action.

1.32 “Operative PAGA Complaint” means the operative PAGA complaint filed in the PAGA Action.

1.33 “PAGA Pay Period” means any Pay Period during which an Aggrieved Employee worked for Defendant for at least one day during the PAGA Period.

1.34 “PAGA Period” means the period from April 16, 2023 through the day the Court grants preliminary approval of the Settlement.

1.35 “PAGA” means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).

1.36 “PAGA Notice” means Plaintiff’s April 16, 2024 letter (LWDA-CM-1022590-24) to the LWDA and Defendant providing notice pursuant to Labor Code section 2699.3, subd.(a).

1.37 “PAGA Penalties” means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount (\$6,250.00), allocated 25% to the Aggrieved Employees (\$1,562.50) and 75% to LWDA (\$4,687.50) in settlement of PAGA claims.

1.38 “Participating Class Member” means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.

1.39 “Plaintiff” means Estevon Hernandez the named plaintiff in the Actions.

1.40 “Preliminary Approval” means the Court’s Order Granting Preliminary Approval of the Settlement.

1.41 “Released Class Claims” means all claims against Released Parties that were asserted in the Actions, or that arise from or reasonably could have been asserted, based on any of the facts,

1 circumstances, transactions, events, occurrences, acts, disclosures, statements, omissions or
2 failures to act alleged in Plaintiff's Complaint, regardless of whether such claims arise under
3 federal, state and/or local law, statute, ordinance, regulation, common law, or other source of law.
4 The Released Claims specifically include, but are not limited to Labor Code §§ 201, 202, 203,
5 204, 226, 512, 1194, 1194.2, 1197, 1198, 2802 and the related IWC Wage Orders and Business
6 & Professions Code §§ 17200, et seq., and include claims based on alleged violations of these
7 Labor Code and Wage Order provisions) and all other claims, such as those under the California
8 Labor Code, Wage Orders, regulations, and/or other provisions of law, that could have been
9 pleaded based on the facts asserted in the Action, including: (1) failure to minimum and straight
10 time wages; (2) failure to pay overtime wages; (3) failure to provide meal periods; (4) failure to
11 authorize and permit rest periods; (5) failure to indemnify necessary business expenses; (6) failure
12 to timely pay final wages at termination; (7) failure to provide itemized wage statements; (8) all
13 related violations of California's unfair competition law; and (9) interest, fees, and costs. The
14 enumeration of these specific statutes shall neither enlarge nor narrow the scope of res judicata
15 based on the claims that were asserted in the Actions or could have been asserted in the Actions
16 based on the facts and circumstances alleged in any Complaint on file in the Actions. The
17 Released Claims are those that accrued during the Release Period.

18 1.42 "Released PAGA Claims" means the claims being released as described in Paragraph
19 5.3 below.

20 1.43 "Released Parties" means Defendant and all of Defendant's respective agents, officers,
21 managers, insurers and re-insurers, directors, owners, subsidiaries, DBA's, predecessors,
22 successors, and parent companies.

23 1.44 "Request for Exclusion" means a Class Member's submission of a written request to be
24 excluded from the Class Settlement signed by the Class Member.

25 1.45 "Response Deadline" means forty-five (45) days after the Administrator mails Notice to
26 Class Members and Aggrieved Employees and shall be the last date on which Class Members
27 may: (a) fax, email, or mail Requests for Exclusion from the Settlement, or (b) fax, email, or mail
28 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.

1.46 “Settlement” means the disposition of the Actions effected by this Agreement and the Judgment.

1.47 “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 April 2, 2024, 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; and (8) violated California’s Unfair Competition Law, California Business and Professions Code section 17200, *et seq.* On April 16, 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 (LWDA-CM-1022590-24). On August 19, 2024, after the 65-day statutory period passed, Plaintiff filed the PAGA Action, alleging claims for penalties pursuant to Labor Code § 2699, *et seq.* On September 5, 2024, the Class Action and the PAGA action were related, with the Class Action designated as the lead case.

2.2 The Parties enter into this Agreement to resolve the dispute that has arisen between them and to avoid the burden, expense, and risk of continued litigation. Defendant denies the allegations in the Actions, denies any failure to comply with the laws identified in the Actions, and denies any and all liability for the causes of action alleged in the Actions. Defendant contends, among other things, that it has complied at all times with the California Labor Code, the California Business & Professions Code, the applicable IWC Wage Orders, and all other applicable California and federal law. Nonetheless, Defendant has concluded that further litigation would be protracted and expensive and would also divert Defendant’s resources. Defendant has taken into account the uncertainty and risks inherent in litigation. Defendant has

1 therefore concluded that it is desirable that the Actions be fully and finally settled in the manner
2 and upon the terms and conditions set forth in this Agreement.

3 2.3 Notwithstanding the foregoing and in the interest of avoiding further litigation, the
4 Parties desire to fully and finally settle all actual or potential class and PAGA claims as pleaded
5 in the operative complaints or that could have been pleaded in the operative complaints and the
6 Actions.

7 2.4 On November 14, 2025, and December 17, 2025, the Parties participated in an all-day
8 mediation presided over by mediator Hon. Amy Hogue. With the help of Hon. Hogue, the Parties
9 were able to reach an agreement on general settlement terms at mediation.

10 2.5 In advance of mediation, Class Counsel conducted a thorough investigation into the facts
11 of, and applicable law to, the Actions. Prior to mediation, Plaintiff obtained and analyzed a
12 representative sampling of time and payroll data for Class Members and the necessary policy
13 documents through informal discovery to properly evaluate the strengths and weakness of the
14 claims and engage in meaningful settlement discussions. Plaintiff's investigation was sufficient
15 to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.*, 48
16 Cal.App.4th 1794, 1801 (1996) and *Kullar v. Foot Locker Retail, Inc.*, 168 Cal.App.4th 116, 129-
17 130 (2008) ("*Dunk/Kullar*").

18 2.6 The settlement discussions before, during, and after mediation were conducted at arm's
19 length and the settlement of the Actions is the result of an informed and detailed analysis of
20 Defendant's potential liability in relation to the costs and risks associated with continued litigation
21 and potential appeals.

22 2.7 The Court has not granted class certification because the Parties engaged in mediation
23 before any class certification.

24 2.8 The Parties, Class Counsel and Defense Counsel represent that they are not aware of any
25 other pending matter or action asserting claims that will be extinguished or affected by the
26 Settlement.
27
28

1 2.9 The Parties agree to abide by the terms of the Settlement Agreement in good faith and
2 to support the Settlement Agreement fully and to use their best efforts to defend this Settlement
3 Agreement from any legal challenge, whether by appeal or collateral attack.

4 2.10 It is also the desire of the Parties to fully, finally and forever settle, compromise,
5 and discharge all disputes and claims that exist on behalf of the Plaintiff in his individual capacity,
6 and the Plaintiff agrees to execute a general release, including a Section 1542 waiver.

7 3. **MONETARY TERMS.**

8 3.1 Gross Settlement Amount. Except as otherwise provided by Paragraph 8 below,
9 Defendant will pay \$125,000.00 to fully settle, resolve, and extinguish all claims asserted in the
10 Actions, including without limitation all claims asserted in the PAGA Notice. The Gross
11 Settlement Amount is non-reversionary and does not include employer payroll taxes owed on the
12 wage portions of the Individual Class Payments, which Defendant will pay separately.

13 3.2 Payments from the Gross Settlement Amount. The Administrator will make and deduct
14 the following payments from the Gross Settlement Amount, in the amounts specified by the Court
15 in the Final Approval:

16 3.2.1 To Plaintiff: A payment for the Enhancement Award to Plaintiff of not more than
17 \$7,500.00 in addition to any Individual Class Payment and any Individual PAGA Payment the
18 Class Representative is entitled to receive as a Participating Class Member. Defendant will not
19 oppose Plaintiff's request for an Enhancement Award that does not exceed this amount. As part
20 of the motion for the Class Counsel Fees and Litigation Expenses Payments, Plaintiff will seek
21 Court approval for any Enhancement Award no later than 16 (sixteen) court days prior to the
22 Final Approval Hearing, or as otherwise ordered by the Court. If the Court approves an
23 Enhancement Award less than the amount requested, the Administrator will retain the remainder
24 in the Net Settlement Amount to be distributed to Participating Class Members. Plaintiff
25 understands and agrees that this Settlement Agreement shall remain in full force and effect even
26 if the full amount of Enhancement Award sought by Plaintiff is not ultimately awarded by the
27 Court. The Administrator will pay the Enhancement Award using IRS Form 1099. Plaintiff
28 assumes full responsibility and liability for employee taxes owed on the Enhancement Award.

1 3.2.2 To Class Counsel: A Class Counsel Fees Payment of not more than one-third (1/3)
2 of the GSA, which is currently estimated to be \$41,667.00 and a Class Counsel Litigation
3 Expenses Payment for actual costs. Defendant will not oppose requests for these payments.
4 Plaintiff and/or Class Counsel will file a motion for Class Counsel Fees and Litigation Expenses
5 Payment no later than 16 (sixteen) court days prior to the Final Approval Hearing, or as otherwise
6 ordered by the Court. If the Court approves a Class Counsel Fees Payment and/or a Class Counsel
7 Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the
8 remainder to the Net Settlement Amount for distribution to Participating Class Members.
9 Released Parties shall have no liability to Class Counsel or any other Plaintiff's counsel arising
10 from any claim to any portion of Class Counsel Fee Payment and/or Class Counsel Litigation
11 Expenses Payment. The Administrator will pay the Class Counsel Fees Payment and Class
12 Counsel Expenses Payment using one or more IRS 1099 Forms. Class Counsel assumes full
13 responsibility and liability for taxes owed on the Class Counsel Fees Payment and the Class
14 Counsel Litigation Expenses Payment and holds Defendant harmless, and indemnifies Defendant,
15 from any dispute or controversy regarding any division or sharing of any of these Payments.

16 3.2.3 To the Administrator: An Administrator Costs Payment for actual costs, not to
17 exceed \$7,500.00 except for a showing of good cause and as approved by the Court. To the extent
18 the Administration Costs are less or the Court approves payment of less than requested, the
19 Administrator will retain the remainder in the Net Settlement Amount to be distributed to
20 Participating Class Members.

21 3.2.4 To Each Participating Class Member: An Individual Class Payment is calculated by
22 (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all
23 Participating Class Members during the Class Period, and (b) multiplying the result by each
24 individual Participating Class Member's Workweeks.

25 3.2.4.1 Tax Allocation of Individual Class Payments. Fifteen percent (15%) of
26 each Participating Class Member's Individual Class Payment will be allocated to the Settlement
27 of wage claims (the "Wage Portion"). The Wage Portion is subject to tax withholding and will be
28 reported on an IRS W-2 Form. The remaining 85% 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.

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 \$6,250.00 to be paid from the Gross Settlement Amount, with 75% (\$4,687.50) allocated to the LWDA PAGA Payment and 25% (\$1,562.50) 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 (\$1,562.50) by the total number of PAGA Period Pay Periods worked by all Aggrieved Employees during the PAGA Period, and (b) multiplying the result by each 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. Based on a review of its records, Defendant represents there are 157 Class Members who collectively worked a total of approximately 2,903 workweeks during the Class Period.

4.2 Class Data. Not later than fifteen (15) 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 60 (sixty) 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

1 may send Participating Class Members a single check combining the Individual Class Payment
2 and the Individual PAGA Payment. Before mailing any checks, the Settlement Administrator
3 must update the recipients' mailing addresses using the National Change of Address Database.

4 4.4.2 The Administrator must conduct a Class Member Address Search for all other Class
5 Members whose checks are returned undelivered without USPS forwarding address. Within seven
6 (7) days of receiving a returned check, the Administrator must re-mail checks to the USPS
7 forwarding address provided or to an address ascertained through the Class Member Address
8 Search. The Administrator need not take further steps to deliver checks to Class Members whose
9 re-mailed checks are returned as undelivered. The Administrator shall promptly send a
10 replacement check to any Class Member whose original check was lost or misplaced, requested
11 by the Class Member prior to the void date.

12 4.4.3 For any Class Member whose Individual Class Payment check or Individual PAGA
13 Payment check is uncashed and canceled after the void date, the Administrator shall transmit the
14 funds represented by such checks to the California Controller's Unclaimed Property Fund in the
15 name of the Class Member thereby leaving no "unpaid residue" subject to the requirements of
16 California Code of Civil Procedure Section 384, subd. (b).

17 4.4.4 The payment of Individual Class Payments and Individual PAGA Payments shall
18 not obligate Defendant to confer any additional benefits or make any additional payments to Class
19 Members (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

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

24 5.1 **Plaintiff's Release.** In exchange for the consideration recited in this Agreement,
25 including but not limited to the Enhancement Award, Plaintiff releases, acquits, and discharges
26 and covenants not to sue any of the Released Parties for claims, demands, rights, liabilities and
27 causes of action of every nature and description whatsoever, known or unknown, asserted or that
28 might have been asserted, whether in tort, contract, or for violation of any state or federal statute,

rule or regulation arising out of, relating to, or in connection with any act or omission by or on the part of any of the Released Party committed or omitted prior to the execution hereof, including but not limited to any claims for unlawful retaliation, any claims for unpaid compensation, wages, reimbursement for business expenses, penalties, or waiting time penalties under the California Labor Code, the California Business and Professions Code, the federal Fair Labor Standards Act, 29 U.S.C. section 201, *et seq.*, or any state, county, or city law or ordinance regarding wages or compensation; any claims for employee benefits including without limitation, any claims under the Employment Retirement Income Security Act of 1974; any claims of employment discrimination on any basis, including without limitation, any claims under Title VII of the Civil Rights Act of 1964, the Civil Rights Act of 1866, 42 U.S.C. section 1981, the Civil Rights Act of 1991, the Americans with Disabilities Act of 1991, the Family and Medical Leave Act of 1993, the California Government Code, or any other state, county, or city law or ordinance regarding employment discrimination. Plaintiff acknowledges and agrees that the foregoing general release is given in exchange for the consideration provided to him under this Agreement by Defendant. (“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.

1 Plaintiff understands fully the statutory language of Civil Code Section 1542 and,
2 with this understanding, nevertheless elects to, and does, assume all risks for claims that
3 have arisen, whether known or unknown, which he had, or hereafter may claim to have,
4 arising on or before the date of his signature to this Agreement, and specifically waives
5 all rights he may have under the California Civil Code section 1542.

6 5.2 Released Class Claims: All Participating Class Members, to the maximum extent
7 permitted by the law, fully waive, discharge, and release the Released Parties for the Released
8 Claims for the Class Period. Participating Class Members will be deemed to have acknowledged
9 and agreed that their claims for wages and penalties in the Action are disputed, and that their
10 Individual Settlement Payment constitutes payment of all sums allegedly due to them.
11 Participating Class Members will be deemed to have acknowledged and agreed that California
12 Labor Code Section 206.5 is not applicable to the Individual Settlement Payment.

13 5.3 Released PAGA Claims: Plaintiff acting as a proxy for the LWDA shall agree to release
14 any and all claims for PAGA civil penalties that are alleged in Plaintiff's operative complaint in
15 the PAGA Action and PAGA Notice to the LWDA, or that could have been based on the facts
16 asserted in the PAGA Action and PAGA Notice, including Labor Code sections §§ 201, 202, 203,
17 204, 210, 226, 226.7, 510, 512, 558, 558.1, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1198,
18 (the "Released PAGA Claims"). The Released PAGA Claims are those that accrued during the
19 PAGA Period..

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

22 6.1 Plaintiff's Responsibilities. Plaintiff will prepare all documents necessary for obtaining
23 Preliminary Approval, including: (i) a draft of the notice, and memorandum in support, of the
24 Motion for Preliminary Approval that includes an analysis of the Settlement under *Dunk/Kullar*
25 and a request for approval of the PAGA Settlement under Labor Code Section 2699, subd. (f)(2));
26 (ii) a draft proposed Order Granting Preliminary Approval and Approval of PAGA Settlement;
27 (iii) a draft proposed Class Notice; (iv) a signed declaration from Plaintiff confirming willingness
28 and competency to serve and disclosing all facts relevant to any actual or potential conflicts of

1 interest with Class Members, and/or the Administrator; (v) a signed declaration from Class
2 Counsel firm attesting to its competency to represent the Class Members; its timely transmission
3 to the LWDA of this Agreement (Labor Code section 2699, subd. (1)(2)); and (vi) all facts relevant
4 to any actual or potential conflict of interest with Class Members, and/or the Administrator. In
5 their Declarations, Plaintiff and Class Counsel shall aver that they are not aware of any other
6 pending matter or action asserting claims that will be extinguished or adversely affected by the
7 Settlement.

8 6.2 Responsibilities of Counsel. Class Counsel and Defense Counsel are jointly responsible
9 for expeditiously finalizing the Motion for Preliminary Approval. Class Counsel will obtain a
10 prompt hearing date for the Motion for Preliminary Approval, file the Motion for Preliminary
11 Approval no later than 16 (sixteen) court days before the hearing, unless otherwise ordered by the
12 Court, and deliver the Court's Preliminary Approval Order to the Administrator.

13 6.3 Duty to Cooperate. If the Parties disagree on any aspect of the proposed Motion for
14 Preliminary Approval and/or the supporting declarations and documents, Class Counsel and
15 Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person
16 or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant
17 Preliminary Approval or conditions Preliminary Approval on any material change to this
18 Agreement, Class Counsel and Defense Counsel will expeditiously work together on behalf of
19 the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and
20 otherwise satisfy the Court's concerns.

21 6.4 Effect of Denial of Preliminary Approval. Should the Court decline to conditionally
22 certify the Class or to Preliminarily Approve all material aspects of the Settlement, and if the
23 Parties are unable to fix the perceived defects in the Settlement preventing preliminary approval
24 after good faith efforts to do so, the Settlement Agreement will be null and void, and the Parties
25 will have no further obligations under it. Provided, however, that the amounts of the Enhancement
26 Award, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and the
27 Administration Costs shall be determined by the Court, and the Court's determination on these
28 amounts shall be final and binding, and that the Court's approval or denial of any amount

requested for these items are not conditions of this Settlement Agreement, and are to be considered separate and apart from the fairness, reasonableness, and adequacy of the Settlement Agreement. Any order or proceeding relating to an application for the Enhancement Award, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and the Administration Costs shall not operate to terminate or cancel this Settlement Agreement. Nothing in this Agreement shall limit Plaintiffs' or Class Counsel's ability to appeal any decision by the Court to award less than the requested Class Representative Service Payments, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and the Administration Costs.

7. SETTLEMENT ADMINISTRATION.

7.1 Selection of Administrator. The Parties have jointly selected Phoenix Class Action Administration Solutions 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 Pay Periods in the Class Data.

1 7.4.2 Using best efforts to perform as soon as possible, and in no event later than 14 days
2 after receiving the Class Data, the Administrator will send to all Class Members identified in the
3 Class Data, via first-class United States Postal Service (“USPS”) mail, the Class Notice with
4 Spanish translation substantially in the form attached to this Agreement as **Exhibit A**. The first
5 page of the Class Notice shall prominently estimate the dollar amounts of any Individual Class
6 Payment and/or Individual PAGA Payment payable to the Class Member, and the number of
7 Workweeks and PAGA Pay Periods used to calculate these amounts. Before mailing Class
8 Notices, the Administrator shall update Class Member addresses using the National Change of
9 Address database.

10 7.4.3 Not later than five (5) calendar days after the Administrator’s receipt of any Class
11 Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class Notice
12 using any forwarding address provided by the USPS. If the USPS does not provide a forwarding
13 address, the Administrator shall conduct a Class Member Address Search, and re-mail the Class
14 Notice to the most current address obtained. The Administrator has no obligation to make further
15 attempts to locate or send Class Notice to Class Members whose Class Notice is returned by the
16 USPS a second time.

17 7.4.4 The deadlines for Class Members’ written objections, challenges to Workweeks
18 and/or Pay Periods, and Requests for Exclusion will be extended an additional fourteen (14) days
19 beyond the forty-five (45) days otherwise provided in the Class Notice for all Class Members
20 whose notice is re-mailed. The Administrator will inform the Class Member of the extended
21 deadline with the re-mailed Class Notice.

22 7.4.5 If the Administrator, Defendant, or Class Counsel is contacted by or otherwise
23 discovers any persons who believe they should have been included in the Class Data and should
24 have received Class Notice, the Parties will expeditiously meet and confer in person or by
25 telephone, and in good faith in an effort to agree on whether to include them as Class Members.
26 If the Parties agree, such persons will be Class Members entitled to the same rights as other Class
27 Members, and the Administrator will send, via email or overnight delivery, a Class Notice
28

1 requiring them to exercise options under this Agreement not later than 14 days after receipt of
2 Class Notice, or the deadline dates in the Class Notice, whichever are later.

3 7.5 Requests for Exclusion (Opt-Outs).

4 7.5.1 Class Members who wish to exclude themselves (opt-out of) the Class Settlement
5 must send the Administrator, by fax, email, or mail, a signed written Request for Exclusion not
6 later than forty-five (45) days after the Administrator mails the Class Notice (plus an additional
7 fourteen (14)) days for Class Members whose Class Notice is re-mailed). A Request for Exclusion
8 is a letter from a Class Member or his/her representative that reasonably communicates the Class
9 Member's election to be excluded from the Settlement and includes the Class Member's name,
10 address and email address or telephone number. To be valid, a Request for Exclusion must be
11 timely faxed, emailed, or postmarked by the Response Deadline.

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

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

26 7.5.4 Every Class Member who submits a valid and timely Request for Exclusion is a
27 Non-Participating Class Member and shall not receive an Individual Class Payment or have the
28 right to object to the class action components of the Settlement. Because future PAGA claims are

1 subject to claim preclusion upon entry of the Judgment, Non-Participating Class Members who
2 are Aggrieved Employees are deemed to release the Released PAGA Claims identified in
3 Paragraph 5.3 of this Agreement and are eligible for an Individual PAGA Payment.

4 7.6 In the event that five percent (5%) or more of the Class Members submit a valid and
5 timely Request for Exclusion, Defendant is entitled (but not required) to terminate the Settlement,
6 which will result in litigating the Action as if no Settlement was ever reached and without
7 prejudice to Defendant, Plaintiff, or the Class. Defendant's right to terminate the Settlement
8 under this section must be exercised in writing that is mailed to Class Counsel by overnight mail,
9 within ten (10) calendar days of being informed in writing, by the Settlement Administrator, that
10 more than five percent (5%) of the Class Members have submitted a valid and timely Request for
11 Exclusion, in order to be validly exercised. If Defendant exercises said right to terminate, then
12 Defendant shall be responsible for payment of all Settlement Administration Costs incurred by
13 the Settlement Administrator up to the date of termination.

14 7.7 Challenges to Calculation of Workweeks. Each Class Member shall have 45 (forty-five)
15 days after the Administrator mails the Class Notice (plus an additional 14 (fourteen) days for
16 Class Members whose Class Notice is re-mailed) to challenge the number of Class Workweeks
17 and PAGA Pay Periods allocated to the Class Member in the Class Notice. The Class Member
18 may challenge the allocation by communicating with the Administrator via fax, email or mail.
19 The Administrator must encourage the challenging Class Member to submit supporting
20 documentation. In the absence of any contrary documentation, the Administrator is entitled to
21 presume that the Workweeks contained in the Class Notice are correct so long as they are
22 consistent with the Class Data. The Administrator's determination of each Class Member's
23 allocation of Workweeks and/or Pay Periods shall be final and not appealable or otherwise
24 susceptible to challenge. The Administrator shall promptly provide copies of all challenges to the
25 calculation of Workweeks and/or Pay Periods to Defense Counsel and Class Counsel and the
26 Administrator's determination of the challenges.

1 7.8 Objections to Settlement.

2 7.8.1 Only Participating Class Members may object to the class action components of the
3 Settlement and/or this Agreement, including contesting the fairness of the Settlement, and/or
4 amounts requested for the Class Counsel Fees Payment, Class Counsel Litigation Expenses
5 Payment and/or Enhancement Award.

6 7.8.2 Participating Class Members may send written objections to the Administrator, by
7 fax, email, or mail. In the alternative, Participating Class Members may appear in Court (or hire
8 an attorney to appear in Court) to present verbal objections at the Final Approval Hearing. A
9 Participating Class Member who elects to send a written objection to the Administrator must do
10 so not later than fort-five (45) days after the Administrator's mailing of the Class Notice (plus an
11 additional 14 days for Class Members whose Class Notice was re-mailed).

12 7.8.3 Non-Participating Class Members have no right to object to any of the class action
13 components of the Settlement.

14 7.9 Administrator Duties. The Administrator has a duty to perform or observe all tasks to be
15 performed or observed by the Administrator contained in this Agreement or otherwise.

16 7.9.1 Website, Email Address and Toll-Free Number. The Administrator will establish,
17 maintain and use an internet website to post information of interest to Class Members including
18 the date, time and location for the Final Approval Hearing and copies of the Settlement
19 Agreement; Motion for Preliminary Approval; Preliminary Approval Order; Class Notice;
20 Motion for Final Approval; Motion for Class Counsel Fees Payment, Class Counsel Litigation
21 Expenses Payment and Enhancement Award; the Final Approval Order; and the Judgment. The
22 Administrator will also maintain and monitor an email address and a toll-free telephone number
23 to receive Class Member calls, faxes and emails.

24 7.9.2 Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will
25 promptly review on a rolling basis Requests for Exclusion to ascertain their validity. Not later
26 than five (5) days after the expiration of the deadline for submitting Requests for Exclusion, the
27 Administrator shall email a list to Class Counsel and Defense Counsel containing (a) the names
28 and other identifying information of Class Members who have timely submitted valid Requests

1 for Exclusion (“Exclusion List”); (b) the names and other identifying information of Class
2 Members who have submitted invalid Requests for Exclusion; (c) copies of all Requests for
3 Exclusion from Settlement submitted (whether valid or invalid).

4 7.9.3 Weekly Reports. The Administrator must, on a weekly basis, provide written reports
5 to Class Counsel and Defense Counsel that, among other things, tally the number of: Class
6 Notices mailed or re-mailed, Class Notices returned undelivered, Requests for Exclusion (whether
7 valid or invalid) received, objections received, challenges to Workweeks and/or Pay Periods
8 received and/or resolved, and checks mailed for Individual Class Payments and Individual PAGA
9 Payments (“Weekly Report”). The Weekly Reports must include the Administrator’s assessment
10 of the validity of Requests for Exclusion and attach copies of all Requests for Exclusion and
11 objections received.

12 7.9.4 Workweek and/or Pay Period Challenges. The Administrator has the authority to
13 address and make final decisions consistent with the terms of this Agreement on all Class Member
14 challenges over the calculation of Workweeks and/or Pay Periods. The Administrator’s decision
15 shall be final and not appealable or otherwise susceptible to challenge.

16 7.9.5 Administrator’s Declaration. Not later than 14 days before the date by which
17 Plaintiff is required to file the Motion for Final Approval of the Settlement, the Administrator
18 will provide to Class Counsel and Defense Counsel, a signed declaration suitable for filing in
19 Court attesting to its due diligence and compliance with all of its obligations under this
20 Agreement, including, but not limited to, its mailing of Class Notice, the Class Notices returned
21 as undelivered, the re-mailing of Class Notices, attempts to locate Class Members, the total
22 number of Requests for Exclusion from Settlement it received (both valid or invalid), the number
23 of written objections and attach the Exclusion List. The Administrator will supplement its
24 declaration as needed or requested by the Parties and/or the Court. Class Counsel is responsible
25 for filing the Administrator’s declaration(s) in Court.

26 7.9.6 Final Report by Settlement Administrator. Within ten (10) days after the
27 Administrator disburses all funds in the Gross Settlement Amount, the Administrator will provide
28 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 fifteen (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.** Based on its records, Defendant represents there are 157 Class Members who collectively worked a total of 2,903 Workweeks during the Class Period. Should the Workweeks increase more than 10% (i.e. more than 290 workweeks), the GSA will increase on a proportional basis equal to the percentage increase in the number of Workweeks worked by the Class Members above the 10% (for example, if the final number of total workweeks increases by 11%, the GSA will increase 1%). If the final workweek count exceeds the estimate by more than 10%, Defendant will have the option to either increase the amount of the settlement pro rata for each percentage of increased pay periods over 10% or limit the time-period for the releases proportionately.

9. **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.

9.1 **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.

9.2 **Denial or Appeal of Final Approval.** If the Court does not grant Final Approval of the Settlement, or if the Court's Final Approval of the Settlement is reversed or materially modified

1 on appellate review, and if the Parties are unable to fix the perceived defects in the Settlement
2 preventing final approval after good faith efforts to do so, then this Settlement will become null
3 and void. If that occurs, the Parties will have no further obligations under the Settlement,
4 including any obligation by Defendant to pay the Gross Settlement Amount or any amounts that
5 otherwise would have been owed under this Agreement. Further, should this occur, the Parties
6 agree they shall be equally responsible for the Administrator Costs Payment through that date.

7 9.3 Duty to Cooperate. If the Court does not grant Final Approval or conditions Final
8 Approval on any material change to the Settlement (including, but not limited to, the scope of
9 release to be granted by Class Members), the Parties will expeditiously work together in good
10 faith to address the Court's concerns by revising the Agreement as necessary to obtain Final
11 Approval. The Court's decision to award less than the amounts requested for the Enhancement
12 Award, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and/or
13 Administrator Costs Payment shall not constitute a material modification to the Agreement within
14 the meaning of this paragraph.

15 9.4 Continuing Jurisdiction of the Court. The Parties agree that, after entry of Judgment, the
16 Court will retain jurisdiction over the Parties, the Actions, and the Settlement solely for purposes
17 of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration
18 matters, and (iii) addressing such post-Judgment matters as are permitted by law.

19 9.5 Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and
20 conditions of this Agreement, specifically including the Class Counsel Fees Payment and Class
21 Counsel Litigation Expenses Payment as set forth in this Settlement, the Parties, their respective
22 counsel, and all Participating Class Members who did not object to the Settlement as provided in
23 this Agreement, waive all rights to appeal from the Judgment, including all rights to post-
24 judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new
25 trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the
26 right to oppose such motions, writs or appeals. If an objector appeals the Judgment, the Parties'
27 obligations to perform under this Agreement will be suspended until such time as the appeal is
28

1 finally resolved and the Judgment becomes final, except as to matters that do not affect the amount
2 of the Net Settlement Amount.

3 9.6 Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the
4 reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a material
5 modification of this Agreement (including, but not limited to, the scope of release to be granted
6 by Class Members), this Agreement shall be null and void. The Parties shall nevertheless
7 expeditiously work together in good faith to address the appellate court's concerns and to obtain
8 Final Approval and Entry of Judgment, sharing, on a 50-50 basis, any additional Administration
9 Costs reasonably incurred after remittitur. An appellate decision to vacate, reverse, or modify the
10 Court's award of the Enhancement Award or any payments to Class Counsel shall not constitute
11 a material modification of the Judgment within the meaning of this paragraph, as long as the Gross
12 Settlement Amount remains unchanged.

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

16 11. **ADDITIONAL PROVISIONS.**

17 11.1 No Admission of Liability, Class Certification or Representative Manageability for
18 Other Purposes. This Agreement represents a compromise and settlement of highly disputed
19 claims. Nothing in this Agreement is intended or should be construed as an admission by
20 Defendant that any of the allegations in the Operative Complaint has merit or that Defendant has
21 any liability for any claims asserted; nor should it be intended or construed as an admission by
22 Plaintiff that Defendant's defenses in the Actions have merit. The Parties agree that class
23 certification and representative treatment is for purposes of this Settlement only. If, for any
24 reason, the Court does grant Preliminary Approval, Final Approval, or enter Judgment, Defendant
25 reserves the right to contest certification of any class for any reason, Defendant reserves all
26 available defenses to the claims in the Actions, and Plaintiff reserves the right to move for class
27 certification on any grounds available and to contest Defendant's defenses. The Settlement, this
28 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).

11.2 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.

11.3 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.

11.4 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.

1 11.5 Attorney Authorization. Class Counsel and Defense Counsel separately warrant and
2 represent that they are authorized by Plaintiff and Defendant, respectively, to take all appropriate
3 action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate
4 its terms, and to execute any other documents reasonably required to effectuate the terms of this
5 Agreement including any amendments to this Agreement.

6 11.6 Cooperation. The Parties and their counsel will cooperate with each other and use their
7 best efforts, in good faith, to implement the Settlement by, among other things, modifying the
8 Settlement Agreement, submitting supplemental evidence and supplementing points and
9 authorities as requested by the Court. In the event the Parties are unable to agree upon the form
10 or content of any document necessary to implement the Settlement, or on any modification of the
11 Agreement that may become necessary to implement the Settlement, the Parties will seek the
12 assistance of a mediator and/or the Court for resolution.

13 11.7 No Prior Assignments. The Parties separately represent and warrant that they have not
14 directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or
15 encumber to any person or entity and portion of any liability, claim, demand, action, cause of
16 action, or right released and discharged by the Party in this Settlement.

17 11.8 No Tax Advice. Neither Plaintiff, Class Counsel, Defendant nor Defense Counsel are
18 providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied
19 upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR
20 Part 10, as amended) or otherwise.

21 11.9 Modification of Agreement. This Agreement, and all parts of it, may be amended,
22 modified, changed, or waived only by an express written instrument signed by all Parties or their
23 representatives, and approved by the Court.

24 11.10 Agreement Binding on Successors. This Agreement will be binding upon, and inure
25 to the benefit of, the successors of each of the Parties.

26 11.11 Applicable Law. All terms and conditions of this Agreement and its exhibits will be
27 governed by and interpreted according to the internal laws of the state of California, without
28 regard to conflict of law principles.

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

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

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

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

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

To Plaintiff:

Tyler J. Woods
tyler.woods@wilshirelawfirm.com
James Yoo, Esq.
james.yoo@wilshirelawfirm.com
Heriberto Ponce, Esq.
eddie.ponce@wilshirelawfirm.com
Ruby Carrera, Esq.
ruby.carrera@wilshirelawfirm.com
WILSHIRE LAW FIRM
660 S. Figueroa Street, Sky Lobby
Los Angeles, CA 90017
Telephone: (213) 381-9988
Facsimile: (213) 381-9989

To Defendant:

Nicholas Deming
ndeming@grsm.com
Marc Vasquez
mjvasquez@grsm.com
GORDON REES SCULLY MANSUKHANI, LLP

315 Pacific Avenue
San Francisco, CA 94111
Tel: (415) 986-5900/ Fax: (415) 986-8054

11.17 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.

11.18 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 CCP section 583.330 to extend the date to bring a case to trial under CCP section 583.310 for the entire period of this settlement process.

11.19 Binding Agreement. The Parties intend that this Agreement shall be fully enforceable and binding upon all Parties within the provisions of Cal. Civil Proc. § 664, and that it shall be admissible and subject to disclosure in any proceeding to enforce its terms pursuant to Cal. Evid. Code §§ 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 Stanislaus County Superior Court may enforce this Agreement pursuant to Code of Civil Procedure § 664.6.

IT IS SO AGREED.

By the Parties:

DATED: 3/16/2026

DocuSigned by:

81BEFFD550E94E7...

Plaintiff Estevon Hernandez

1 DATED: _____

2
3 Defendant Accelerated Construction & Metal, LLC

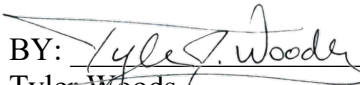
4 By: _____

5 Position: _____

6 Approved by counsel:

7
8 DATED: March 16, 2026

WILSHIRE LAW FIRM

9
10 BY:  _____

11 Tyler Woods

Counsel for Plaintiff Estevon Hernandez

12
13 DATED:

GORDON REES SCULLY MANSUKHANI, LLP

14
15 BY: _____

16 Nicholas Deming

17 Marc Vasquez

Counsel for Accelerated Construction & Metal, LLC

1 March 23, 2026
2 DATED: _____

DocuSigned by:
Bruce C. Elliott
AF755AAA97364E4...

3 Defendant Accelerated Construction & Metal, LLC

4 Bruce C. Elliott
By: _____

5 Position: Owner

6 Approved by counsel:

7
8 DATED: WILSHIRE LAW FIRM

9
10 BY: _____
11 Tyler Woods
12 Counsel for Plaintiff Estevon Hernandez

13 DATED: March 23, 2026 GORDON REES SCULLY MANSUKHANI, LLP

14
15 BY: _____
16 Nicholas Deming
17 Marc Vasquez
18 Counsel for Accelerated Construction & Metal, LLC
19
20
21
22
23
24
25
26
27
28

Exhibit A

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

Estevon Hernandez v. Accelerated Construction & Metal, LLC
Stanislaus County Superior Court, Case Nos. CV-24-002516, CV-24-006517

***The Stanislaus 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 lawsuits (“Actions”) against Accelerated Construction & Metal, LLC (“Defendant”) for alleged wage and hour violations. The Actions were filed by former employee, Estevon Hernandez, and seeks (1) payment of unpaid wages and other relief for a class of non-exempt, hourly-paid employees (“Class Members”) who worked for Defendant during the Class Period (April 2, 2020 to **INSERT DATE**); and (2) penalties under the California Private Attorney General Act (“PAGA”) for all Class Members who worked for Defendant during the PAGA Period (April 16, 2023 to **INSERT DATE**) (“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] Pay Periods during the PAGA Period**. The number of Workweeks attributed to you will be calculated by the Settlement Administrator using Defendant’s records. 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.

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 Accelerated Construction & Metal, LLC at some point(s) between April 2, 2020 and **[INSERT DATE]**, 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 Actions, 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 April 16, 2023 through **[INSERT DATE]**.

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 Actions is the Stanislaus County Superior Court. The cases are titled *Estevon Hernandez v. Accelerated Construction & Metal, LLC Stanislaus County Superior Court, Case Nos. CV-*

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

24-002516 and CV-24-006517. The person who sued, Estevon Hernandez, is the Plaintiff, and the company sued, Accelerated Construction & Metal, LLC, is the Defendant.

2. WHAT IS THE LAWSUIT ABOUT?

The Plaintiff in the lawsuits 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; 4. Failure to Authorize and Permit Rest Periods; 5. Failure to Timely Pay Final Wages at Termination; 6. Failure to Provide Accurate Itemized Wage Statements; 7. Failure to Indemnify Employees for Expenditures; and 8. Unfair Business Practices, as well as seeking to recover civil penalties pursuant to PAGA (the “Claims”). Defendant denies Plaintiff’s Claims and denies any wrongdoing.

Defendant has denied and continues to deny the factual and legal allegations in the case and believes that it has valid defenses to Plaintiff’s claims. By agreeing to settle, Defendant is not admitting guilt, wrongdoing, or liability on any of the factual allegations or claims in the case or that the case can or should proceed as a class action. Defendant has agreed to settle the case as part of a compromise with Plaintiff.

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 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?

So far, the Court has made no determination whether Defendant or Plaintiff is correct on the merits. In the meantime, Plaintiff and Defendant hired an experienced, neutral mediator in an effort to resolve the Actions by negotiating to end the case by agreement (settle the case) rather than continuing the expensive and time-consuming process of litigation. The negotiations were successful. By signing a lengthy written settlement agreement (“Agreement”) and agreeing to jointly ask the Court to enter a judgment ending the Actions and enforcing the Agreement, Plaintiff and Defendant have negotiated a proposed settlement that is subject to the Court’s Final Approval. Both sides agree the proposed settlement is a compromise of disputed claims. By agreeing to settle, Defendant does not admit any violations or concede the merit of any claims. Plaintiff and Class Counsel strongly believe the Settlement is a good deal for you because they believe that: (1) Defendant has agreed to pay a fair, reasonable and adequate amount considering the strength of the claims and the risks and uncertainties of continued litigation; and (2) settlement is in the best interests of the Class Members and Aggrieved Employees. The Court preliminarily approved the proposed Settlement as fair, reasonable and adequate, authorized this Notice, and scheduled a hearing to determine Final Approval.

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 persons who worked for Defendant in California as an hourly-paid, non-exempt employee at any time during the Class Period, including current and former employees.

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).

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 up to \$125,000.00 to settle the lawsuit. From the GSA, Class Counsel will apply to the Court for attorneys’ fees of up to one-third (1/3) of the GSA, currently estimated to total \$41,667.00 and reimbursement for reasonable costs not to exceed \$20,000.00; an Enhancement Award of up to \$7,500.00 to the Plaintiff (for Plaintiff’s work and efforts prosecuting this case and Plaintiff’s broader general release); a PAGA Penalties payment of \$6,250.00 to resolve the PAGA claims (“PAGA Penalties”); and Settlement Administration Costs in an amount not to exceed \$7,500.00. 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 remaining portion of the Settlement amount is the “Net Settlement Amount” or the “NSA,” which is currently estimated to be approximately \$XXXXXX. 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 \$6,250.00 PAGA Penalties payment in settlement of claims for civil penalties under PAGA. As required under PAGA, 75% of the PAGA Penalties payment, or \$4,687.50, will be paid to the California Labor and Workforce Development Agency. The remaining 25% of the PAGA Penalties payment, or \$1,562.50 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 (April 2, 2020 to **INSERT DATE**). Eighty-Five percent (85%) 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 a Form 1099 by the Settlement Administrator, and fifteen percent (15%) of each Class Member’s Individual Class Payment will be treated as a payment in settlement of alleged claims for unpaid wages. The 15% allocated as unpaid wages will be reduced by applicable payroll tax withholdings and deductions and reported on a Form W-2.

Individual PAGA Payment: If you worked for Defendant during the 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 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.

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 [REDACTED] 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 all of Defendant’s respective agents, officers, managers, insurers and re-insurers, directors, owners, subsidiaries, DBA’s, predecessors, successors, and parent companies. (“Released Parties”). The releases become effective once the GSA is fully funded by Defendant.

Released Class Claims: All Participating Class Members will waive and release the Released Parties from all claims against Released Parties that were asserted in the Actions, or that arise from or reasonably could have been asserted, based on any of the facts, circumstances, transactions, events, occurrences, acts, disclosures, statements, omissions or failures to act alleged in Plaintiff’s Complaint, regardless of whether such claims arise under federal, state and/or local law, statute, ordinance, regulation, common law, or other source of law. The Released Class Claims specifically include, but are not limited to Labor Code §§ 201, 202, 203, 204, 226, 512, 1194, 1194.2, 1197, 1198, 2802 and the related IWC Wage Orders and Business & Professions Code §§ 17200, et seq., and include claims based on alleged violations of these Labor Code and Wage Order provisions) and all other claims, such as those under the California Labor Code, Wage Orders, regulations, and/or other provisions of law, that could have been pleaded based on the facts asserted in the Actions, including: (1) failure to minimum and straight time wages; (2) failure to pay overtime wages; (3) failure to provide meal periods; (4) failure to authorize and permit rest periods; (5) failure to indemnify necessary business expenses; (6) failure to timely pay final wages at termination; (7) failure to provide itemized wage statements; (8) all related violations of California’s unfair competition law; and (9) interest, fees, and costs. The enumeration of these specific statutes shall neither enlarge nor narrow the scope of res judicata based on the claims that were asserted in the Actions or could have been asserted in the Actions based on the facts and circumstances alleged in any Complaint on file in the Actions. . The Released Class Claims are those that accrued during the 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 under PAGA arising during the PAGA Period (a) which were asserted against Defendant in Plaintiff’s PAGA Notice and/or the operative complaint filed in the Actions or (b) which reasonably could have been asserted against Defendant based on the factual allegations stated in Plaintiff’s PAGA Notice and/or the operative complaint filed in the Actions, including claims for unpaid wages, unpaid overtime, failure to pay minimum wages, failure to provide meal periods, failure to provide rest periods, failure to pay all wages due at termination, inaccurate wage statements, failure to reimburse business expenses, and failure to produce employment records, and claims under the following statutes: California Labor Code sections 201, 202, 204, 210, 213, 216, 223, 225.5, 226, 226.3, 226.6, 226.7, 232, 246, 2699, 2699, 2802, 2810.5, 432, 510, 558, 558.1, 1174, 1174.5, 1194, 1197.1, 1198, 1198.5, 1199, 2350, and the applicable IWC Wage Order(s). 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 forty-five (45) 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:

[INSERT]

Accelerated Construction & Metal, LLC 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 Actions, 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 for the claims alleged in this Actions.

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 **45 days** after Class Notice is Mailed.

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

Only if you are an Aggrieved Employee. Aggrieved Employees cannot opt-out of the PAGA portion of the Settlement, so they will receive their portion of the PAGA Penalties even if they exclude themselves from the rest of the Settlement. However, if you timely exclude yourself from the Settlement, you will not receive any of the Net Settlement Amount and you will retain the right to pursue your own legal action against Defendant for violations other than the Released PAGA Claims described above, 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

Tyler J. Woods, Esq. (SBN 232464)

tyler.woods@wilshirelawfirm.com

James Yoo, Esq. (SBN 310680)

james.yoo@wilshirelawfirm.com

Heriberto Ponce, Esq. (SBN 339713)

eddie.ponce@wilshirelawfirm.com

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

Ruby Carrera, Esq. (SBN 343745)
ruby.carrera@wilshirelawfirm.com
Alan Wilcox (SBN 287476)
alan.wilcox@wilshirelawfirm.com
Lucy Nguyen (SBN 338783)
lucy.nguyen@wilshirelawfirm.com
660 S. Figueroa Street, Sky Lobby
Los Angeles, California 90017
Telephone: (213) 381-9988
Facsimile: (213) 381-9989

16. HOW WILL THE LAWYERS BE PAID?

Class Counsel will ask the Court to approve up to **\$41,666.67** (or 1/3 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 up to **\$20,000.00** in 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 Estevon Hernandez in the amount of up to **\$7,500.00** 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. Written objections and notices of intent to appear at the Final Approval Hearing must be mailed, emailed, or faxed to the Settlement Administrator and postmarked on or before [REDACTED], at the following address:

[INSERT]
Accelerated Construction & Metal, LLC Settlement
XXXXX
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 [INSERT TIME] on [INSERT DATE] in Department 23 of the Stanislaus County Superior Court (City Towers Courthouse) located at 801 10th Street, Modesto, CA 95354, 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.

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 Actions.

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, [INSERT] by calling toll free 1-800- [REDACTED], or you can write to the Administrator at the following address:

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

[INSERT]
Accelerated Construction & Metal, LLC Settlement
XXXXX
City, State, XXXXX
Email:
Fax

PLEASE DO NOT TELEPHONE THE COURT OR ACCELERATED CONSTRUCTION & METAL, LLC'S COUNSEL FOR INFORMATION REGARDING THIS SETTLEMENT OR THE CLAIM PROCESS. YOU MAY, HOWEVER, CALL CLASS COUNSEL OR THE SETTLEMENT ADMINISTRATOR, LISTED ABOVE.

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

Exhibit 2



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

Private Attorneys General Act (PAGA) – Filing

Other Document

PAGA Number (LWDA-CM-): *

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

[Search for PAGA Case number](#)

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 *

Documents

Other Document *

 26.03.16 Her...XECUTED).pdf

Other Attachment (if any)

 No file chosen

[Add Another Attachment](#)

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

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.**

Copyright © 2025 State of California

I'm not a robot

reCAPTCHA

reCAPTCHA helps prevent automated form spam.

[Previous Page](#)

[Submit](#)

Thank you for your Other Response or Document Submission

From DIR PAGA Unit <no-reply@formassembly.com>

Date Tue 5/5/2026 11:27 AM

To Alan Wilcox's Team <AlanWilcoxTeam@wilshirelawfirm.com>

05/05/2026 11:26:17 AM

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

Item submitted: Other Response or Document Submission

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%7Cpablo.villalobos%40wilshirelawfirm.com%7Cda32373a5acc4307736d08deaad3e72e%7C9ada260a4f194da187b814d372333753%7C1%7C0%7C639136024259335393%7CUnknown%7CTWFpbGZsb3d8eyJFbXB0eU1hcGkiOnRydWUsIlYiOiIwLjAuMDAwMCIsIlAiOiJXaW4zMtkskFOljoitWFrpbGlzIdUljoyfQ%3D%3D%7C0%7C%7C%7C&sdata=RusBYzXQjw%2FOFJAuCH23tkdf%2FPHaO9%2FfVxiE6vNLDxE%3D&reserved=0](https://nam12.safelinks.protection.outlook.com/?url=http%3A%2F%2Flabor.ca.gov%2FPrivate%20Attorneys%20General%20Act.htm&data=05%7C02%7Cpablo.villalobos%40wilshirelawfirm.com%7Cda32373a5acc4307736d08deaad3e72e%7C9ada260a4f194da187b814d372333753%7C1%7C0%7C639136024259335393%7CUnknown%7CTWFpbGZsb3d8eyJFbXB0eU1hcGkiOnRydWUsIlYiOiIwLjAuMDAwMCIsIlAiOiJXaW4zMtkskFOljoitWFrpbGlzIdUljoyfQ%3D%3D%7C0%7C%7C%7C&sdata=RusBYzXQjw%2FOFJAuCH23tkdf%2FPHaO9%2FfVxiE6vNLDxE%3D&reserved=0)

Exhibit 3



CASE ASSUMPTIONS

Class Members	157
Opt Out Rate	1%
Opt Outs Received	2
Total Class Claimants	155
Subtotal Admin Only	\$6,000.00

Not-to-Exceed Total \$6,000.00
For 157 Class Members

Pricing Good for Scope of Estimate Only

December 22, 2025

Case: Accelerated Construction & Metal, LLC (Hernandez) Opt-Out Admin wTranslation

Phoenix Contact: Jodey Lawrence
 Contact Number: 949.566.1455
 Email: Jodey@phoenixclassaction.com

Requesting Party: Coley Hayes
 Firm: Wilshire Law Firm, PLC
 Direct Tel: (213) 381-9988 Ext. 815
 Email: coley.hayes@wilshirelawfirm.com

Assumptions and Estimate are based on information provided by counsel. If class size changes, PHX will need to adjust this Estimate accordingly.
 Estimate is based on 157 Class Members. Class data **Must** be sent in Microsoft Excel or uploaded in the same format. Class Data Must be sent in one spreadsheet, with no additional programming needed. A rate of \$150 per hour will be charged for any additional analysis or programming. Pricing good for 90 days.

Case & Database Setup / Toll Free Setup & Call Center / NCOA (USPS)			
Administrative Tasks:	Rate	Hours/Units	Line Item Estimate
Programming Manager	\$125.00	1	\$125.00
Programming Database & Setup	\$125.00	1	\$125.00
Toll Free Setup*	\$100.27	1	\$100.27
Call Center & Long Distance	\$1.95	5	\$9.75
NCOA (USPS)	\$75.00	2	\$150.00
			54.00
		Total	\$510.02

* Up to 120 days after disbursement

Data Merger & Scrub / Notice Packet, Opt-Out Form & Postage / Translation / Reporting			
Project Action	Rate	Hours/Units	Line Item Estimate
Notice Packet Formatting	\$125.00	2	\$250.00
Data Merge & Duplication Scrub	\$0.50	157	\$78.50
Notice Packet & Opt-Out Form	\$1.25	157	\$196.25
Estimated Postage (up to 2 oz.)*	\$0.74	157	\$116.18
Static Website	\$200.00	1	\$200.00
Language Translation	\$1,000.00	1	\$1,000.00
		Total	\$1,840.93

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



PHOENIX

CLASS ACTION ADMINISTRATION SOLUTIONS

Skip Tracing & Remailing Notice Packets / Tracking & Programming Undeliverables

Project Action:	Rate	Hours/Units	Line Item Estimate
Case Associate	\$55.00	1	\$55.00
Skip Tracing Undeliverables	\$1.00	16	\$15.70
Remail Notice Packets	\$1.25	16	\$19.63
Estimated Postage	\$0.74	16	\$11.62
Programming Undeliverables	\$50.00	1	\$50.00
Total			\$151.94

Database Programming / Processing Opt-Outs, Deficiencies or Disputes

Project Action:	Rate	Hours/Units	Line Item Estimate
Programming Claims Database	\$135.00	1	\$135.00
Non Opt-Out Processing	\$200.00	1	\$200.00
Case Associate	\$55.00	1	\$55.00
Opt-Outs/Deficiency/Dispute Letters	\$10.00	3	\$30.00
Case Manager	\$85.00	1	\$85.00
Total			\$505.00

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

Project Action:	Rate	Hours/Units	Line Item Estimate
Programming Calculations	\$125.00	1	\$125.00
Disbursement Review	\$125.00	1	\$125.00
Programming Manager	\$125.00	1	\$125.00
QSF Bank Account & EIN	\$75.00	1	\$75.00
Check Run Setup & Printing	\$125.00	1	\$125.00
Mail Class Checks *	\$1.00	155	\$155.43
Estimated Postage	\$0.74	155	\$115.02
Total			\$845.45

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



PHOENIX

CLASS ACTION ADMINISTRATION SOLUTIONS

Tax Reporting & Reconciliation / Re-Issuance of Checks / Conclusion Reports and Declarations			
Project Action:	Rate	Hours/Units	Line Item Estimate
Case Supervisor	\$125.00	2	\$250.00
Remail Undeliverable Checks (Postage Included)	\$1.50	8	\$11.66
Case Associate	\$55.00	1	\$55.00
Reconcile Uncashed Checks	\$95.00	2	\$190.00
Conclusion Reports	\$110.00	2	\$220.00
Case Manager Conclusion	\$85.00	2	\$170.00
Final Reporting & Declarations	\$125.00	2	\$250.00
IRS & QSF Annual Tax Reporting * (1 State Tax Reporting Included)	\$1,000.00	1	\$1,000.00
Total			\$2,146.66

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

Estimate Total: \$6,000.00



TERMS AND CONDITIONS

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

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

Claims: PSA's general policy is to not accept claims via facsimile. However, in the event that facsimile filing of claims must be accepted, PSA will not be held responsible for any issues and/or errors arising out of said filing. Furthermore, PSA will require disclaimer language regarding facsimile transmissions. PSA will not be responsible for any acts or omissions caused by the USPS. PSA shall not make payments to any claimants without verified, valid Social Security Numbers. All responses and class member information are held in strict confidentiality. Additional class members are \$10.00 per opt-out.

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

Tax Reporting Requirements

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

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

Exhibit 4



ELM Solutions

2022 Real Rate Report[®]

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

Table of Contents - 2022 Real Rate Report

A Letter to Our Readers • 4

Report Use Considerations • 5

Section I: High-Level Data Cuts • 8

- Partners, Associates, and Paralegals
- Partners, Associates, and Paralegals by Practice Area and Matter Type
- Partners and Associates by City
- Partners and Associates by City and Matter Type
- Partners by City and Years of Experience
- Associates by City and Years of Experience
- Partners and Associates by Firm Size and Matter Type

Section II: Industry Analysis • 63

- Partners, Associates, and Paralegals by Industry Group
- Partners and Associates by Industry Group and Matter Type
- Basic Materials and Utilities
- Consumer Goods
- Consumer Services
- Financials (Excluding Insurance)
- Health Care
- Industrials
- Technology and Telecommunications

Section III: Practice Area Analysis • 84

- Bankruptcy and Collections
- Commercial
- 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)
- Intellectual Property: Patents
- Intellectual Property: Trademarks
- Intellectual Property: Other
- Real Estate

Section IV: In-Depth Analysis for Select US Cities • 172

- Boston, MA
- Chicago, IL
- Los Angeles, CA
- New York, NY
- Philadelphia, PA
- San Francisco, CA
- Washington, DC

Section V: International Analysis • 191

Section VI: Matter Staffing Analysis • 221

Appendix: Data Methodology • 226

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).

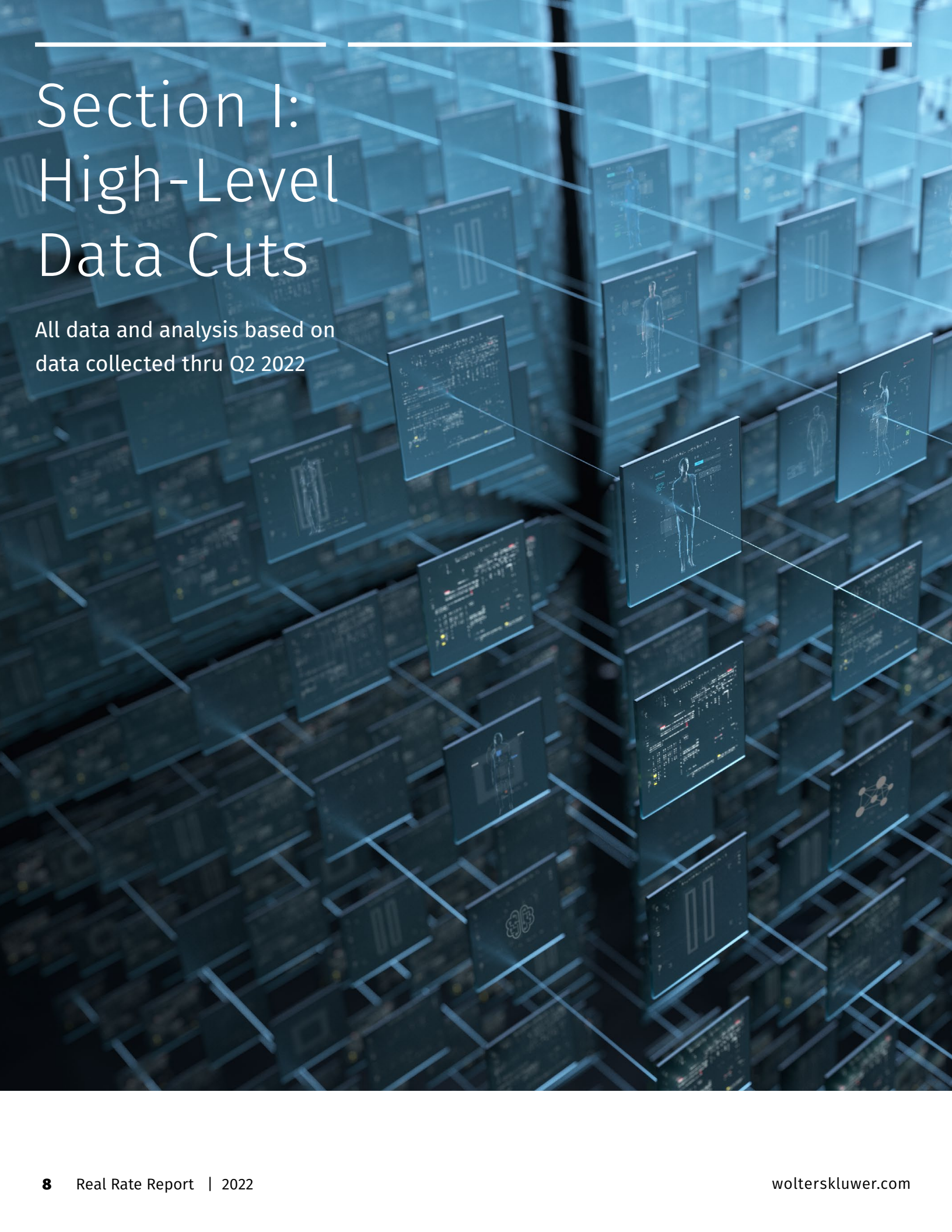
Years of experience and reputation - A more experienced, higher-profile lawyer is often going to charge more, but absorbing this higher cost at the outset may make more sense than hiring a less expensive lawyer who will likely take time and billable hours to come up to speed on unfamiliar legal and procedural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

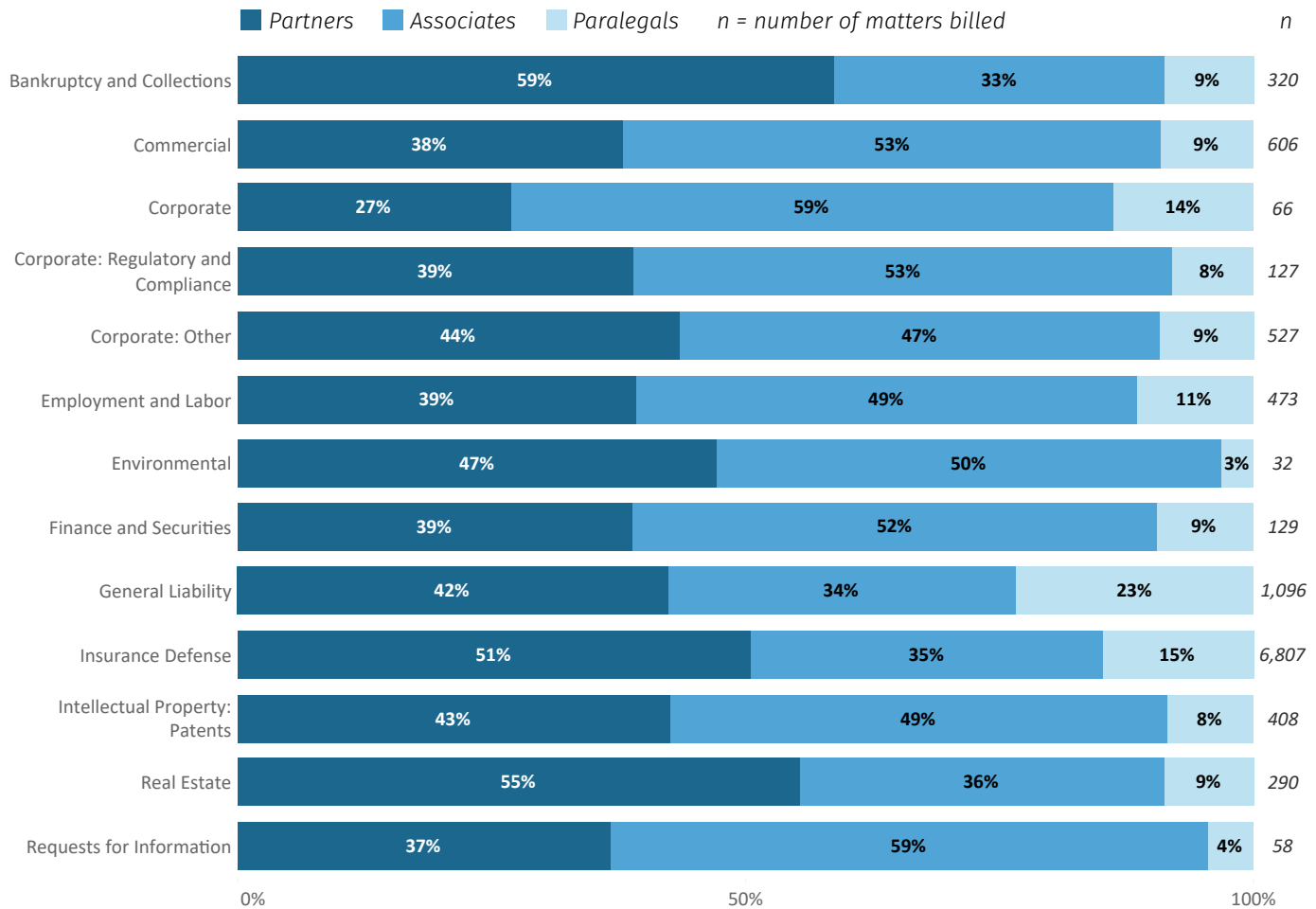
Section VI: Matter Staffing Analysis

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

Free Newsletter Sign Up

Business & Practice

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

By Roy Strom

Column

June 9, 2022, 2:30 AM

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

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

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

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

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

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

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

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

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

Charge It Up

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

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

Source: Court documents

Bloomberg Law

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Worth Your Time

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

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

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



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

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

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

Documents

[Trustee's Objection](#)

Related Articles

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

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

Law Firms

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

Topics

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

Companies

Johnson & Johnson
Thomson Reuters Corp