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Attorneys for Plaintiff MARIA MARTINEZ
on behalf of herself, all others similarly situated,
and on behalf of the general public.

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF KERN

MARIA MARTINEZ on behalf of herself, all others similarly situated, and on behalf of the general public,

Plaintiff,

vs.

TIM HOFER, INC.; ENVIRONMENT CONTROL CENTRAL CAL, INC.; and DOES 1-100,

Defendants.

Case No.: BCV-24-101779

DECLARATION OF DAVID MARA, ESQ. IN SUPPORT OF PLAINTIFF'S MOTION FOR FINAL APPROVAL OF CLASS AND PAGA ACTION SETTLEMENT

I, David Mara, hereby declare under penalty of perjury as follows:

1. I am President of Mara Law Firm, PC, and counsel of record for the Plaintiff and the putative class in this matter. I am duly admitted to practice before all the courts of the state of California. The following facts are within my personal knowledge and, if called to testify, I could and would competently testify thereto.
2. I graduated from California Western School of Law and was admitted to practice law in California in May 2004.
3. I extensively handle employment cases which involve violations of the California Labor Code and Industrial Welfare Commission Wage Orders, such as wage and hour class actions and cases alleging violations of the Private Attorneys General Act of 2004 ("PAGA"). I have litigated over three hundred and fifty (350) class action and PAGA lawsuits over the course of approximately 20 years.
4. I was co-class counsel in *Hohnbaum v. Brinker Restaurant Corp.* (San Diego County Superior Court, Case No. GIC834348) which was the underlying case in the California Supreme Court's landmark decision in *Brinker Restaurant Corp. v. Superior Court* (2012) 53 Cal.4th 1004, in which the California Supreme Court delineated the scope of employer obligations to provide, and employee rights to receive, meal and rest periods under California law.
5. I was previously called upon to author Amicus Curiae briefs on behalf of Consumer Attorneys of California ("CAOC"). For example, I authored the Amicus Curiae briefs on behalf of CAOC in *Augustus v. ABM Security Services, Inc.* (2016) 2 Cal.5th 257, (The California Supreme Court ruling that, like meal periods, employers must relieve employees of all duty and relinquish all control to satisfactorily discharge its obligation to authorize and permit rest periods.); *Frlekin v. Apple, Inc.* (2020) 8 Cal.5th 1038 (The California Supreme Court ruling that the time spent on the employer's premises waiting for, and undergoing, required exit searches of packages, bags, or personal technology devices voluntarily brought to work is compensable hours worked within the meaning of the Wage Orders.); *Oliver v. Superior Court* (2021) California Court of Appeal Case No. H049185 (A brief asking the California Court of Appeal for the Sixth

Appellate District to determine whether mandatory drive time of personal vehicles should be considered hours worked within the meaning of the Wage Orders' suffered or permitted test.). *Davidson v. O'Reilly Auto Enterprises, LLC* (9th Cir., 2020; Docket No. 18-56188)(a brief seeking Review *En Banc* of an order denying class certification in a wage and hour matter).

6. My firm has been named as class counsel in a number of wage and hour class actions in which the Court granted the plaintiff's motion for class certification. For example, my firm has been named class counsel in: *Mario Norona v. B&G Delivery System, Inc.* (Sacramento County Superior Court, Case No. 34-2015-00186826-CU-OE-GDS); *Jerald Schroeder v. YRC, Inc.; et al.* (Central District of California, Case No. 12-cv-01374-TJH); *John Martin v. Sysco Corporation, et al.* (Eastern District of California, Case No. 1:16-cv-00990-DAD-SAB); *William Smith v. Werner Enterprises, Inc. d/b/a C.L. Werner, Inc.* (District of Nebraska, Case No. 8:15-cv-287); *Thomas Perez v. City of San Diego* (San Diego County Superior Court, Case No. 37-2014-00016621-CU-OE-CTL); *Eric Mendez v. M&N Consulting, Inc. dba A-Line Messenger Service* (San Bernardino County Superior Court, Case No. CIVDS1923624); *Denson Sales v. Professional Auto Transport, Inc. et al.* (San Bernardino County Superior Court, Case No. CIVDS2010153); *Sonny Williams v. Hansen and Adkins Auto Transport, Inc.; et al.* (San Bernardino County Superior Court, Case No. CIVDS2020832); *Bobby Williams v. Mohsen Transport, Inc.* (San Diego County Superior Court, Case No. 37-2019-00063361-CU-OE-CTL); *Ashton Harden v. Mushiana Transport Inc.* (Sacramento County Superior Court, Case No. 34-2021-00301950-CU-OE-GDS); *Paul Garcia, et al. v. Haralambos Beverage Co.* (Los Angeles County Superior Court, Case No. BC660723); and *Ribaldo Olvera, et al. v. American Corporate Security, Inc.* (Los Angeles County Superior Court, Case No. 21STCV16417).

7. I have also been named as class counsel in numerous cases during the settlement process. Here is a non-exhaustive list of cases where I have been named as class counsel in cases during the settlement process: *Kenneth Cox v. 3PL Worx, et al.* (Yolo County Superior Court, Case No. CV-18-100); *Brian Davidson v. A&B Trucking Services, Inc.* (Kern County Superior Court Case

No. BCV-16-102985); *Alex Vega, et al. v. Advance Beverage Co., Inc.* (Kern County Superior Court, Case No. BCV-16-100848); *Jaime Ruiz v. Altura Centers for Health* (Kern County Superior Court, Case No. BCV-19-101577); *George Zamudio v. AmeriPride Service, Inc.* (Alameda County Superior Court, Case No. RG1809666); *Richard Hendricks v. Antonini Freight Express, Inc.* (San Joaquin County Superior Court, Case No. STK-CV-UOE-2016-6999); *Alton Davis v. Apria Healthcare Group, Inc.* (San Diego County Superior Court, Case No. 37-2014-00004724-CU-OE-CTL); *Alan Atchison v. Ashley Furniture Industries, Inc., et al.* (Central District of California, Case No. 17-cv-00528-JAK-SP); *Bernard Payton v. Atech Logistics, Inc.* (Sonoma County Superior Court, Case No. SCV 258595); *Ramon Jenkins v. Compass Group USA, Inc., et al.* (Yolo County Superior Court, Case No. CVCV-18-747); *Timothy Spikes, et al. v. Bear Trucking, Inc., et al.* (San Bernardino County Superior Court, Case No. CIVDS1715151); *Joshua Turpen v. Benjamin's Transfer Inc.* (Solano County Superior Court, Case No. FCS048845); *Cesar Mendoza v. Bi-Rite Food Service, Inc.* (San Mateo County Superior Court, Case No. 17CIV02044); *Terrance Bailey v. Blue Apron, LLC; et al.* (Northern District of California, Case No. 18-cv-07000-VC); *Jeffrey Weast v. California Aseptic Beverages, LLC* (San Bernardino County Superior Court, Case No. CIVDS1825256); *Michael Valentich v. Hub Construction Specialties, Inc.* (San Bernardino County Superior Court, Case No. JCCPDS4893); *Jose De Jesus Ortega Velazquez v. Hunter Landscape, Inc.; et al.* (San Bernardino County Superior Court, Case No. CIVDS1928062); *Adrian Diaz v. Keystone Automotive Operations, Inc.* (Riverside County Superior Court, Case No. RIC1817450); *Arturo Gonzalez v. NCI Group, Inc. dba NCI Building Systems* (Eastern District of California, Case No. 18-cv-00948-AWI-SKO); *Larry Perez v. The Nielsen Company (US), LLC* (Orange County Superior Court, Case No. 30-2021-01194324-CU-OE-CXC); *Erik Martinez v. Patrick Industries, Inc.* (San Bernardino County Superior Court, Case No. CIVDS2009663); *Randolph Fitch v. Shaw Industries, Inc.; et al.* (San Bernardino County Superior Court, Case No. CIVSB2024674); *Joshua Rael v. Intercontinental Hotels Group Resources, Inc.* (Los Angeles County Superior Court, Case No. 19STCV16010); and *Aaron*

Romero v. Vitro Flat Glass, LLC (Kern County Superior Court, Case No. BCV-21-101357).

8. I have also lectured as a panelist for California Employment Lawyers Association regarding a host of wage and hour issues.

9. Defendants provide cleaning and maintenance services to their customers in California. To carry out their business, Defendants employ hourly non-exempt employees, like Plaintiff.

10. Plaintiff submitted her Notice of Labor Code Violations to the LWDA on May 8, 2024. A class action complaint was filed by Plaintiff on May 29, 2024, in the Superior Court County of Kern (Case No. BCV-24-101779) (hereinafter the "Class Action"). The complaint alleged the following causes of action against Defendants: 1) Failure to Pay All Straight Time Wages; 2) Failure to Pay Overtime; 3) Failure to Provide Meal Periods; 4) Failure to Authorize and Permit Rest Periods; 5) Knowing and Intentional Failure to Comply with Itemized Employee Wage Statement Provisions; 6) Failure to Pay all Wages Due at the Time of Termination; 7) Failure to Reimburse Business Expenses; 8) Failure to Adopt a Compliant Sick Pay/ Paid Time Off Policy; and 9) Violation of Unfair Competition Law. Plaintiff then filed a separate PAGA action on July 15, 2024, based on the same wage and hour claims (Case No. BCV-24-102358). The PAGA action was later dismissed as, on March 25, 2025, Plaintiff filed a First Amended Complaint adding in a cause of action under PAGA in the Class Action (Case No. BCV-24-101779).

11. The Parties conducted significant investigation and discovery of the facts and law. The discovery resulted in the production of thousands of documents and hundreds of thousands of lines of data. Defendants produced relevant policy documents that covered Class Members' employment with Defendants, such as employee handbooks and Defendants' wage and hour policies. Defendants also produced the time and wage records for Class Members. Plaintiff also requested, and Defendants produced, employee data points, such as the number of Class Members and the number of workweeks worked by Class Members during the relevant time period, such that Plaintiff could sufficiently establish the potential exposure. Defendants also produced a list of Class Members and their contact information after completion of a Belaire

West notice procedure. This discovery permitted Plaintiff to fully understand the nature and scope of the allegations made in the Complaint.

12. The Parties attended an all-day mediation with respected mediator Doug Leach on January 29, 2025. Ahead of that mediation, Defendants provided class-wide data, documents, and information permitting Plaintiff and their lawyers to fully evaluate class-wide exposure. This mediation was not successful.

13. The Parties then engaged in substantial formal discovery which resulted in production of Defendants wage and hour polices, a class list containing class members' contact information, and class members time and wage records. The Parties subsequently reengaged in arms-length negotiations through Mr. Leach, which ultimately resulted in the Parties accepting a mediator's proposal on or around December 16, 2025. The Parties then met and conferred over all the terms of the settlement and finalized their settlement in the Parties' Agreement. The Parties seek final approval of the Agreement in the instant motion.

14. Class Counsel applies for an award of attorneys' fees in the sum of $185,000 (one-third of the GSA), and litigation costs of $11,306.73 (originally estimated not to exceed $20,000).

15. Class Counsel has worked 389 hours to date on this case and have calculated the lodestar fee on those hours at $207,200 at rates reflecting those currently earned in the marketplace.

16. All of the work and tasks performed by Class Counsel were reasonable and necessary to the prosecution of this case and are reflected in the result achieved.

17. This was a highly contested matter which required a significant amount of time and labor. Class Counsel had to investigate and analyze documents and data produced by Defendant. In addition, as part of the above investigation and analysis, Plaintiff had to marshal the evidence in a manner in which it could be adjudicated on a class-wide basis. So often, lawyers unskilled in the class action aspect of wage and hour cases do not pay attention to or put the work into how the evidence must be presented for class-wide adjudication. Strong class-wide cases perish in the hands of inexperienced counsel because the case has not been worked up to succeed at certification. Class Counsel here has considerable experience in class litigation and, from the

beginning of the case, is marshalling the evidence with a sharp focus on class-wide proof needed for the matter to get certified. This case was no different. This filtering of voluminous evidence into class-wide proof while keeping an eye on the merits of the litigation required a considerable amount of attorney time and skill.

18. Notably, all services were performed by Class Counsel on a contingent basis.

19. Class Counsel's hourly rates are between $400 and $800 and are in line with rates typically approved in wage and hour class action litigation and which rates have been approved by Courts in California in the Los Angeles, Sacramento, San Francisco, Alameda, Orange and San Diego County Superior Courts.

20. I devoted 271 hours to this case. The following is a summary of my tasks and activities performed in the litigation of this matter: research into Defendants; conducting intake; reviewing and revising PAGA notice; reviewing and revising initial complaint in Class action; reviewing and revising initial complaint in PAGA action and related documents; reviewing and revising First Amended Complaint; researching and investigating legal issues throughout case; interoffice discussions throughout case; discussions with Plaintiff; discussion with Defendants' counsel throughout the case; reviewing, revising, and propounding discovery; meeting and conferring with Defendants' counsel over discovery, meeting and conferring with over the Belaire West notice procedure; discussions with the notice administrator regarding the Belaire West notice procedure; reviewing the class list after the Belaire West notice procedure; communicating with class members from the class list; investigating Defendants' pay-structures and policies for its employees; review and analyze documents and data produced by Defendants, including records produced by Defendants relating to its policies, pay-structures, and time keeping; creating document summary; analyzing the sampling of Class Member time and wage records; drafting and revising mediation brief and mediation damage and exposure model; preparing for and attending mediation; drafting and negotiating settlement agreement; reviewing and revising documents in support of preliminary approval; drafting declaration in support of preliminary approval; drafting declaration in support of final approval; and reviewing

and revising final approval motion and supporting documents.

21. My hourly rate is $800. Based on my hourly rate and the hours expended, 271, my fee is $160,000, which is reasonable and necessary to the successful litigation of this matter.

22. Carter Cordura is an associate at Mara Law Firm, PC. He extensively handles wage and hour class actions and PAGA actions. Mr. Cordura graduated cum laude from the University of San Diego School of Law and was admitted to practice law in California in December 2024 and received his undergraduate degree from the California State University of San Bernardino in 2020.

23. Mr. Cordura oversees all aspects of the cases assigned to him. Mr. Cordura routinely writes and opposes motions and argues at hearings. Mr. Cordura drafts discovery propounded on employers; communicates with clients; communicates with class members; communicates with co-counsel; communicates with defense counsel; drafts and revises notices to the Labor and Workforce Development Agency pursuant to the Private Attorneys General Act of 2004; creates exhibits for use in cases; reviews documents produced by employers; attends mediations; drafts, reviews, and revises settlement agreements; drafts, reviews, and revises settlement approval motions; appears at hearings on settlement motions; and oversees all day to day work in his cases.

24. Here is a non-exhaustive list of wage and hour class action and PAGA cases in which Mr. Cordura has been substantially involved in: *Boyd v. Cogent Infotech Corporation* (San Bernardino County Superior Court, Case No. CIVSB2409307); *Mendoza v. Elite Fuels Transportation* (San Bernardino County Superior Court, Case No. CIVSB2427100); *Foster v. Foster Farms LLC, et al.* (Fresno County Superior Court, Case No. 21JCCP05166); *Garcia v. Haralambos Beverage Co.* (Los Angeles County Superior Court, Case No. BC660723); *Langarcia v. Morris Levin & Son* (Kern County Superior Court, Case No. BCV-23-102218 DRZ); *Smith v. North American Video Corporation* (Orange County Superior Court, Case No. 30-2022-01277262-CU-OE-CXC); *Valencia v. Royal Oak Ag Services, Inc.* (Kern County Superior Court, Case No. BCV-24-104012); *Martinez v. Tim Hofer, Inc., et al.* (Kern County Superior Court, Case No. BCV-24-101779); *Samuels v. WIS International, Inc., et al.* (Sacramento County Superior Court, Case No. 23CV012186); and *Garcia v. Valley Diners LLC* (Merced County Superior Court,

Case No. 24CV-05273).

25. As of the date of this filing, Mr. Cordura has devoted 118 hours to this case. The following is a summary of his tasks and activities performed in the litigation of this matter: interoffice discussions throughout case; discussions with Plaintiff; discussions with class members; researching and investigating legal issues throughout case; review documents and data produced by Defendants, including the thousands of records produced by Defendants and the hundreds of thousands of lines of data produced relating to its policies, pay-structures, and time keeping; assist in creating document summary; assist in analysis on the sampling of Class Member time and wage records; assist in drafting mediation brief and damage model; assist in preparing for mediation; assist in drafting and negotiating settlement agreement; drafting and revising preliminary approval motion; drafting supporting documents for preliminary approval; appearing for preliminary approval; reviewing weekly reports and all other correspondence from the settlement administrator; drafting and reviewing final approval motion; drafting supporting documents for final approval; preparing exhibits for final approval; and appearing for final approval.
26. Mr. Cordura's hourly rate is $400. Based on his hourly rate and the hours expended 118, his lodestar fee is $47,200, which was reasonable and necessary to the successful litigation of this matter.
27. My firm's total lodestar amount so far is $207,200 based on 389 hours of attorney time, all of which was reasonable and necessary to the successful litigation of this matter.
28. As the lodestar fee of $207,200 is in excess of the $185,00 fee request, a multiplier on the lodestar is not sought herein.
29. In addition, my firm has incurred $11,306.73 in costs to date, and is requesting reimbursement of these costs. These costs were all reasonable and necessary to the prosecution of this case, and are fair and reasonable.
30. A true and correct copy of the Settlement Agreement is attached hereto as **Exhibit 1**.
31. A true and correct copy of the Westlaw Court's Express's Legal Billing Report, Volume 14, Number 3, California Region for December 2012 is attached as **Exhibit 2.**
32. A true and correct copy of the Declaration of Richard M. Pearl in *Hohnbaum v. Brinker*

Restaurant Corp. SDSC GIC834348 is attached as **Exhibit 3.**

33. A true and correct copy of the 2012 National Law Journal Survey of Hourly Billing Rates for Partners and Associates is attached as **Exhibit 4.**

34. A Summary of Time and Costs is attached hereto as **Exhibit 5.**

35. The final approval motion and supporting documents were uploaded to the Labor Workforce Development Agency. Attached hereto as **Exhibit 6** is a confirmation received as a result of this upload.

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

Dated: October 8, 2026 By:_____
David Mara, Esq.

Exhibit 1

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JOINT STIPULATION AND SETTLEMENT AGREEMENT

Subject to final approval by the Court, this settlement agreement is made between Plaintiff Maria Martinez (hereinafter "Plaintiff") on behalf of herself and the putative class and Defendants Tim Hofer, Inc.; Environment Control Central Cal., Inc. (hereinafter "Defendants") (collectively Plaintiff and Defendants are referred to in this Agreement as the "Parties"). This agreement is intended to settle the case entitled *Maria Martinez v. Tim Hofer, Inc.; Environment Control Central Cal., Inc.* pending in Kern County Superior Court, Case Number BCV-24-101779 and BCF-24-102358 (dismissed) (jointly the "Action")

I. DEFINITIONS

In addition to the other terms defined in this agreement, the terms below have the following meaning:

1. **Administration Costs**: The costs incurred by the Settlement Administrator, APEX Class Action LLC ("APEX"), to administer this Settlement, which shall not exceed $8,000. All Administration Costs shall be paid from the Gross Settlement Amount. If the actual administration costs are less than the amount allocated in this agreement, or if the Court awards less than the amount requested, the difference in the amount allocated in this agreement and the amount awarded by the Court will become part of the Net Settlement Amount for distribution to Participating Class Members.

2. **Agreement, Settlement Agreement, Joint Stipulation, or Settlement**: The settlement agreement reflected in this document, titled "Joint Stipulation and Settlement Agreement."

3. **Aggrieved Employees**: All current and former hourly-paid non-exempt employees of Defendants who worked within the State of California at any time from May 8, 2023 through September 15, 2025.

4. **Attorneys Fee Award**: The amount of attorneys' fees approved of by the Court and awarded to Class Counsel. This amount shall not exceed 33 1/3% of the Gross Settlement Amount. 33 1/3% of the Gross Settlement Amount is currently $185,000.00. The Attorneys Fee Award shall be paid from the Gross Settlement Amount. If the Court awards less than the amount requested, any amount not awarded will become part of the Net Settlement Amount for distribution to Participating Class Members.

5. **Class**: All current and former hourly-paid non-exempt employees of Defendants who worked within the State of California at any time from May 29, 2020 through September 15, 2025, and who did not execute an arbitration agreement relating to their employment.

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6. **Class Counsel**: David Mara, Jill Vecchi, and Carter Cordura of Mara Law Firm, PC and Colette Mahon of Lawyers for Employee and Consumer Rights.

7. **Class Data**: The information Defendants shall deliver to the Settlement Administrator in Excel format, which will list the following information for each Class Member and Aggrieved Employee: (1) first and last name; (2) last known mailing address; (3) social security number; (4) telephone number; and (5) the total number of weeks during which the Class Member performed work during the Class Period and/or Aggrieved Employee worked during the PAGA period. The Class Data shall be based on Defendants' payroll, personnel, and other business records.

8. **Class Member**: Each person eligible to participate in this Settlement who is a member of the Class as defined above.

9. **Class Notices**: The Notice of Class Action Settlement, substantially similar to the form attached hereto as **Exhibit A**, subject to Court approval.

10. **Class Period**: May 29, 2020 through September 15, 2025.

11. **Class Representative or Plaintiff:** Maria Martinez.

12. **Cost Award**: The amount that the Court orders Defendants to pay Class Counsel for payment of actual litigation costs, which shall not exceed $20,000. The Cost Award will be paid from the Gross Settlement Amount and will not be opposed by Defendants. The Cost Award is subject to Court approval. If the actual costs incurred are less than the amount allocated in this Agreement, or if the Court awards less than the amount requested, the difference in the amount allocated in this Agreement and the amount awarded by the Court will become part of the Net Settlement Amount for distribution to Participating Class Members.

13. **Counsel for Defendants:** Christina Cusimano of McCormick Barstow LLP .

14. **Court**: Superior Court County of Kern.

15. **Defendants**: Tim Hofer, Inc.; Environment Control Central Cal., Inc.

16. **Disbursement of the Settlement:** Within ten (10) business days after the Settlement Administrator's receipt of the Gross Settlement Amount, the Settlement Administrator shall disburse: (1) the Net Settlement Amount to be paid to Participating Class Members; (2) the Net PAGA Settlement Amount to Aggrieved Employees; (3) the Attorney Fee Award and Cost Award to Class Counsel for attorneys' fees and costs, as approved by the Court; (4) the Administration Costs, as approved by the Court; and (5) the LWDA Payment to the LWDA.

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17. **Effective Final Settlement Date:** The effective date of this Settlement will be the date by when both of the following have occurred: (a) the Court enters the Final Approval order; and (b) the Final Approval order is final. The Final Approval order 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 Final Approval order; (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 Final Approval order if no appeal is filed; or (c) if a timely appeal from the Final Approval order filed, the day after the appellate court affirms the Final Approval order and issues a remittitur.

1. **Employer Taxes**: Defendants' portion of payroll taxes as the Class Members' current or former employer (including the employer's payment of applicable FICA, FUTA, and SUI contributions, etc.) owed to the appropriate local, state, and federal taxing authorities. Defendants will pay its portion of payroll taxes separate and apart from the Gross Settlement Amount.

2. **Final Judgment or Final Approval**: The final order entered by the Court approving this Agreement.

3. **Funding of Settlement:** Defendants shall wire or otherwise provide to the Settlement Administrator the Gross Settlement Amount no later than fifteen (15) business days after the Effective Final Settlement Date.

4. **Gross Settlement Amount or GSA**: The total value of the Settlement is a non-reversionary amount of $555,000. This is the gross amount Defendants can be required to pay under this Settlement Agreement, with the exception of its obligation to pay Employer Taxes and any additional amounts owed pursuant to the Escalator provision. The Gross Settlement Amount includes without limitation: (1) the Net Settlement Amount to be paid to Participating Class Members; (2) the Attorneys Fee Award and Cost Award to Class Counsel for attorneys' fees and costs, as approved by the Court; (3) the Administration Costs, as approved by the Court; and (4) the PAGA Payment to the LWDA and to Aggrieved Employees, as approved by the Court. Defendants' portion of payroll taxes as the Class Members' current or former employer will be paid outside of and in addition to the Gross Settlement Amount. No portion of the Gross Settlement Amount will revert to Defendants for any reason.

5. **Individual Class Settlement Share(s)**: The amount payable to each Participating Class Member under the terms of this Settlement Agreement. Class Members are not required to submit a claim form to receive their Individual Class Settlement Shares pursuant to this Agreement. Rather, Participating Class Members will receive an Individual Class Settlement Share automatically, without the return of a claim form.

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6. **Individual PAGA Settlement Share(s)**: The amount payable to each Aggrieved Employee under the terms of this Settlement Agreement. Aggrieved Employees are not required to submit a claim form to receive their Individual Settlement Shares pursuant to this Agreement. Also, even if an Aggrieved Employee requests exclusion from the Class Settlement as described in this Agreement, the Aggrieved Employee will receive an Individual PAGA Settlement Share. Therefore, Aggrieved Employees will receive an Individual PAGA Settlement Share automatically, without the return of a claim form and regardless of whether they request to be excluded from the Class Settlement.

7. **LWDA**: California Labor and Workforce Development Agency ("LWDA"). The LWDA is empowered to enforce the Labor Code Private Attorneys General Act, California Labor Code section 2698, *et seq.*, and has delegated such authority to Plaintiff with regard to the claim in the PAGA Action through the procedural mechanisms provided for by statute.

8. **LWDA Payment**: Refers to the $32,500, which is sixty-five percent (65%) of the PAGA Payment of $50,000, that is to be paid to the LWDA as described in this Settlement.

9. **Net PAGA Settlement Amount or NPSA**: The total amount of money for payout to Aggrieved Employees, which is the PAGA Payment less the LWDA Payment.

10. **Net Settlement Amount or NSA**: The total amount of money available for payout to Participating Class Members, which is the GSA less the Attorneys Fee Award, Cost Award, the PAGA Payment, and Administration Costs. In other words, the NSA is the portion of the GSA that will be distributed to Participating Class Members. The payment of employee-side taxes on the portion of the settlement shares earmarked as wages shall be paid out of the Net Settlement Amount. Thus, the Individual Settlement Shares that are paid out of the Net Settlement Amount shall be reduced by the employee's tax liability for the share for the portion of the settlement shares allocated as wages.

11. **PAGA**: The California Labor Code Private Attorneys General Act of 2004 (Cal. Labor Code §§ 2698 *et seq.*).

12. **PAGA Data**: The information Defendants shall deliver to the Settlement Administrator in Excel format which will list the following information for each Aggrieved Employee: (1) first and last name; (2) last known mailing address; (3) social security number; (4) telephone number; and (5) the total number of pay periods during which the Aggrieved Employees received a paycheck during the PAGA Period. The PAGA Data shall be based on Defendants' payroll, personnel, and other business records.

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13. **PAGA Payment**: Refers to the $50,000 the Parties have agreed to settle the PAGA claims. 65% of this amount, or $32,500, shall be paid to the LWDA. The remaining 35%, or $17,500, shall become part of the Net PAGA Settlement Amount payable to Aggrieved Employees.

14. **PAGA Period**: May 8, 2023 through September 15, 2025.

15. **PAGA Settlement**: Refers to the settlement of claims included in the Released PAGA Claims, for which Aggrieved Employees will receive an Individual PAGA Settlement Share payment.

16. **Participating Class Members**: All Class Members who do not submit a valid and timely request to exclude themselves from this Settlement.

17. **Parties**: Plaintiff Maria Martinez, as an individual and as Class Representative, and Defendants Tim Hofer, Inc.; Environment Control Central Cal., Inc.

18. **Preliminary Approval or Preliminary Approval Order**: The Court's order preliminarily approving the Class Settlement.

19. **Released Class Claims**: Upon final approval by the Court and full payment of the GSA and Employer Taxes to the Settlement Administrator by Defendants, Settlement Class Members, except those who opt out ("Participating Settlement Class Members"), will waive and release all claims, rights, demands, damages, liabilities, and causes of action, in law or in equity, arising at any time during the Class Period for the claims brought by Plaintiff in the Action or that could have been brought by Plaintiff against Defendants in the Action based on the factual and legal assertions therein, and their parent, subsidiary, related, affiliated, predecessor and successor companies or entities, franchisors and each of their respective past, present and future principals, owners, directors, officers, affiliates, fiduciaries, trustees, employees, agents, attorneys, insurers, assigns and representatives, based on a reasonable interpretation of the allegations in the operative complaint. All Released Class Claims are limited to the Class Period.

20. **Released PAGA Claims**: Aggrieved Employees shall release Defendants in the Action, and their parent, subsidiary, related, affiliated, predecessor and successor companies or entities, franchisors and each of their respective past, present and future principals, owners, directors, officers, affiliates, fiduciaries, trustees, employees, agents, attorneys, insurers, assigns and representatives, from any claims for civil penalties under PAGA that were alleged in Plaintiff's PAGA Notice to the Labor and Workforce Development Agency ("LWDA"). All Released PAGA Claims are limited to the PAGA Period.

21. **Released Parties**: Defendants and their parent, subsidiary, related, affiliated, predecessor and successor companies or entities, franchisors and each of their

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respective past, present and future principals, owners, directors, officers, affiliates, fiduciaries, trustees, employees, agents, attorneys, insurers, assigns and representatives.

22. **Response Deadline**: Sixty (60) calendar days from the initial mailing of the Class Notices.

23. **Settlement Administration**: The Settlement Administrator will use the National Change of Address Database to obtain updated addresses for Class Members. The Settlement Administrator will mail the Class Notices by first class U.S. mail to all Class Members at the address resulting from the search of the National Change of Address Database. The Class Notices will inform Class Members that they have until the Response Deadline to either object to the Settlement or to opt-out of the Settlement. Any Class Member who does not receive notice after the steps outlined above have been taken will still be bound by the Settlement and/or judgment.

24. **Settlement Administrator**: The third party administrator agreed upon by Parties to administer this Settlement is APEX Class Action LLC("APEX").

II. RECITALS

25. A class action complaint was filed by Plaintiff on May 29, 2024, in the Superior Court County of Kern (Case No. BCV-24-101779). The complaint alleges the following causes of action against Defendants: 1) Failure to Pay All Straight Time Wages; 2) Failure to Pay Overtime; 3) Failure to Provide Meal Periods; 4) Failure to Authorize and Permit Rest Periods; 5) Knowing and Intentional Failure to Comply with Itemized Employee Wage Statement Provisions; 6) Failure to Pay all Wages Due at the Time of Termination; 7) Failure to Reimburse Business Expenses; 8) Failure to Adopt a Compliant Sick Pay/ Paid Time Off Policy; and 9) Violation of Unfair Competition Law.

26. Plaintiff submitted their Notice of Labor Code Violations to the LWDA on May 8, 2024. Thereafter, a PAGA representative action complaint against Defendants was filed by Plaintiff (as an agent of the LWDA) in the Superior Court County of Kern on July 15, 2024 (Case No. BCV-24-102358). The complaint sought civil penalties under the PAGA in relation to the following alleged violations suffered by allegedly similar aggrieved employees: 1) Failure to Pay All Straight Time Wages; 2) Failure to Pay Overtime; 3) Failure to Provide Meal Periods; 4) Failure to Authorize and Permit Rest Periods; 5) Knowing and Intentional Failure to Comply with Itemized Employee Wage Statement Provisions; 6) Failure to Pay all Wages Due at the Time of Termination; 7) Failure to Reimburse Business Expenses; 8) Failure to Adopt a Compliant Sick Pay/ Paid Time Off Policy; and 9) Failure to Pay Wages Twice per Month. This action was later dismissed as, on March 25, 2025, Plaintiff

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filed a First Amended Complaint adding in a cause of action under PAGA in the Class Action (Case No. BCV-24-101779).

27. The parties met and conferred regarding the cases on multiple occasions and then agreed to attend a mediation. Prior to the mediation, Defendants provided class-wide data, documents, and information permitting Plaintiff and their lawyers to fully evaluate class-wide exposure.

28. On January 29, 2025, the parties participated in a full-day mediation with respected wage and hour mediator, Doug Leach. This mediation was not successful.

29. The parties proceeded with litigation and formal discovery. From this, Defendants produced a class list with contact information after completion of a Belaire West notice procedure. Defendants also produced its wage and hour employment policies as well as time and wage records for putative class members.

30. While settlement was not reached at mediation, the parties continued to litigate and negotiate at arm's length through the guidance of the mediator until a mediator's proposal was accepted on or around December 16, 2025, which ultimately resulted in this agreement.

31. **Benefits of Settlement to Class Members.** Plaintiff and Class Counsel recognize the expense and length of continued proceedings necessary to continue the litigation against Defendants through trial and through any possible appeals. Plaintiff and Class Counsel also have taken into account the uncertainty and risk of further litigation, the potential outcome, and the difficulties and delays inherent in such litigation. Plaintiff and Class Counsel have conducted extensive settlement negotiations. Based on the foregoing, Plaintiff and Class Counsel believe the Settlement set forth in this Agreement is a fair, adequate, and reasonable settlement, and is in the best interests of the Class Members.

32. **Defendants' Reasons for Settlement.** Defendants recognizes that the defense of this litigation will be protracted and expensive. Substantial amounts of time, energy, and resources of Defendants have been and, unless this Settlement is made, will continue to be devoted to the defense of the claims asserted by Plaintiff. Defendants, therefore, has agreed to settle in the manner and upon the terms set forth in this Agreement to put to rest the Released Claims.

33. **Defendants' Denial of Wrongdoing.** Defendants generally and specifically denies any and all liability or wrongdoing of any sort with regard to any of the claims alleged, makes no concessions or admissions of liability of any sort, and contends that for any purpose other than settlement, the Action is not appropriate for class or representative treatment. Defendants asserts a number

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of defenses to the claims, and has denied any wrongdoing or liability arising out of any of the alleged facts or conduct in the Action. Neither this Agreement, nor any document referred to or contemplated herein, nor any action taken to carry out this Agreement, is or may be construed as, or may be used as an admission, concession, or indication by or against Defendants or any of the Released Parties of any fault, wrongdoing, or liability whatsoever. There has been no final determination by any court as to the merits of the claims asserted by Plaintiff against Defendants or as to whether a class or classes should be certified, other than for settlement purposes only.

34. **Plaintiff's Claims.** Plaintiff asserts that Defendants' defenses are without merit. Neither this Agreement nor any documents referred to or contemplated herein, nor any action taken to carry out this Agreement is, may be construed as, or may be used as an admission, concession or indication by or against Plaintiff, Class Members, or Class Counsel as to the merits of any claims or defenses asserted, or lack thereof, in the Action. However, in the event that this Settlement is finally approved by the Court, the Plaintiffs, Participating Class Members, and Class Counsel will not oppose Defendants' efforts to use this Agreement to prove that Plaintiff and Participating Class Members have resolved and are forever barred from re-litigating the claims released under this Agreement.

III. SETTLEMENT TERMS AND CONDITIONS

35. **Gross Settlement Amount.** Subject to the terms and conditions of this Agreement, the maximum Gross Settlement Amount that Defendants is obligated to pay under this Settlement Agreement, with the exception of its obligation to pay Employer Taxes and any additional amounts owed pursuant to the Escalator provision, is $555,000. The Gross Settlement Amount includes, but is not limited to: (1) the Net Settlement Amount to be paid to Participating Class Members; (2) the Attorneys Fee Award and Cost Award to Class Counsel for attorneys' fees and costs, as approved by the Court; (3) the Administration Costs, as approved by the Court; and (4) the PAGA Payment, as approved by the Court. Defendants' portion of payroll taxes as the Class Members' current or former employer will be paid outside of and in addition to the Gross Settlement Amount. No portion of the Gross Settlement Amount will revert to Defendants for any reason.

A. **Escalator Provision**: This Settlement is based on Defendants' representation that the Class Members will have worked a total of approximately 19,953 workweeks during the Class Period. Should the number of workweeks exceed more than 10% of the amount represented (*i.e.* exceed 21,949 workweeks) Defendants, at its option, can either choose to: (1) cut off the end date for the class release as of the date on which the number of workweeks reaches 21,949; or (2) increase the Gross Settlement Amount on a proportional basis equal to the percentage increase in number

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of workweeks worked by the Class Members above the 10% amount (*i.e.* if there was a 11% increase in the number of workweeks during the Class Period, Defendants would agree to increase the Settlement Fund by 1%).

36. **Class Certification**. Solely for the purposes of this Settlement, the Parties stipulate and agree to certification of the claims asserted on behalf of Class Members. As such, the Parties stipulate and agree that in order for this Settlement to occur, the Court must certify the Class as defined in this Agreement.

37. **Conditional Nature of Stipulation for Certification.** The Parties stipulate and agree to the certification of the claims asserted on behalf of Plaintiff and Class Members for purposes of this Settlement only. If the Settlement does not become effective, the fact that the Parties were willing to stipulate to certification as part of the Settlement shall not be admissible or used in any way in connection with, the question of whether the Court should certify any claims in a non-settlement context in this Action or in any other lawsuit. If the Settlement does not become effective, Defendants reserves the right to contest any issues relating to class certification and liability.

38. **Appointment of Class Representative.** Solely for the purposes of this Settlement, the Parties stipulate and agree Plaintiff Maria Martinez shall be appointed as representative for the Class.

39. **Appointment of Class Counsel.** Solely for the purpose of this Settlement, the Parties stipulate and agree that the Court appoint Class Counsel to represent the Class.

40. **Individual Class Settlement Share.** Subject to the terms and conditions of this Agreement, the Settlement Administrator will pay an Individual Class Settlement Share from the Net Settlement Amount to each Participating Class Member.

A. Calculation.

i. **Individual Class Settlement Share Calculation.** Each Participating Class Member will receive a proportionate share of the Net Settlement Amount that is equal to (i) the number of weeks he or she worked for Defendants, based on the Class Data provided by Defendants, divided by (ii) the total number of weeks worked by all Participating Class Members based on the same Class Data, which is then multiplied by the Net Settlement Amount. One day worked in a given week will be credited as a work week for purposes of this calculation. Therefore, the value of each Class Member's Individual

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Settlement Share ties directly to the amount of weeks that he or she worked.

B. Tax Withholdings. Each Class Member's Individual Settlement Share will be apportioned as follows: 1/3 wages, 1/3 penalties and 1/3 interest. The amounts paid as wages shall be subject to all tax withholdings customarily made from an employee's wages and all other authorized and required withholdings and shall be reported by W-2 forms. Payment of all amounts will be made subject to backup withholding unless a duly executed W-9 form is received from the payee(s). The amounts paid as penalties and interest shall be subject to all authorized and required withholdings other than the tax withholdings customarily made from employees' wages and shall be reported by IRS 1099 forms. Only the employee share of payroll tax withholdings shall be paid from each Class Member's Individual Settlement Share. The employer share of payroll tax withholdings shall be paid separate from and in addition to the Gross Settlement Amount.

41. **Individual PAGA Settlement Share.** Subject to the terms and conditions of this Agreement, the Settlement Administrator will pay an Individual PAGA Settlement Share from the Net PAGA Settlement Amount to each Aggrieved Employee.

A. Calculation.

i. **Individual PAGA Settlement Share Calculation.** Each Aggrieved Employee will receive a proportionate share of the Net PAGA Settlement Amount that is equal to (i) the number of pay periods he or she worked for Defendants, based on the PAGA Data provided by Defendants, divided by (ii) the total number of pay periods worked by all Aggrieved Employees based on the same PAGA data, which is then multiplied by the Net PAGA Settlement Amount. One day worked in a given pay period will be credited as a week for purposes of this calculation. Therefore, the value of each Aggrieved Employee's Individual PAGA Settlement Share ties directly to the amount of pay periods that he or she worked during the PAGA Period.

B. Tax Withholdings. Each Aggrieved Employee's Individual PAGA Settlement Share will be apportioned as 100% penalties. The Individual PAGA Settlement Shares shall therefore be subject to all authorized and required withholdings other than the tax withholdings customarily made from employees' wages and shall be reported by IRS 1099 forms.

42. **Constituents of Gross Settlement Amount Disbursement.** Subject to the terms and conditions of this Agreement, the Settlement Administrator shall

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disburse the Gross Settlement Amount as directed later on herein to the following:

A. **To Class Counsel.** At the Final Approval Hearing, Class Counsel will apply to the Court for an Attorneys Fee Award not to exceed 1/3 of the GSA (which currently equates to $185,000) and a Cost Award not to exceed $20,000. Defendants shall not oppose this request. The Settlement Administrator will pay the Court approved amounts for the Attorneys Fee Award and Cost Award out of the Gross Settlement Amount. The Settlement Administrator may, at the request of Class Counsel, purchase an annuity to utilize U.S. treasuries and bonds or other attorneys fee deferral vehicles for Class Counsel. Payroll tax withholding and deductions will not be taken from the Attorneys Fee Award or the Cost Award. IRS Forms 1099 will be issued to Class Counsel with respect to the Attorneys Fee Award. In the event the Court does not approve the entirety of the application for the Attorneys Fee Award and/or Cost Award, the Settlement Administrator shall pay whatever amount the Court awards, and neither Defendants nor the Settlement Administrator shall be responsible for paying the difference between the amount requested and the amount awarded. If the amount awarded is less than the amount requested by Class Counsel for the Attorneys Fee Award and/or Cost Award, the difference shall become part of the NSA and be available for distribution to Participating Class Members.

B. **To the Responsible Tax Authorities.** The Settlement Administrator will pay the amount of the Participating Class Members' portion of normal payroll withholding taxes out of each Class Member's Individual Settlement Share. Defendants' portion of payroll taxes as the current or former employer (including the employer's payment of applicable FICA, FUTA, and SUI contributions, etc.) will be paid outside of and in addition to the GSA. The Settlement Administrator will calculate the amount of the Participating Class Members' and Defendants' portion of payroll withholding taxes and will forward the amount of the Participating Class Members' portion of normal payroll withholding taxes to the appropriate taxing authorities.

C. **To the Settlement Administrator.** The Settlement Administrator – APEX – will pay to itself Administration Costs (reasonable fees and expenses) approved by the Court not to exceed $8,000. This will be paid out of the Gross Settlement Amount. If the actual amount of Administration Costs is less than the amount estimated and/or requested, the difference shall become part of the NSA and be available for distribution to Participating Class Members.

D. **To the LWDA and Aggrieved Employees.** The Settlement Administrator will pay $32,500 of the PAGA Payment to the LWDA. This is 65% of the

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$50,000 allocated to satisfy the PAGA penalties claim. The remaining 35% of the PAGA Payment (which equates to $17,500) shall become part of the Net PAGA Settlement Amount payable to Aggrieved Employees

E. **To Participating Class Members.** The Settlement Administrator will pay Participating Class Members according to the Individual Settlement Share calculations set forth above. All payments to Participating Class Members and Aggrieved Employees shall be made from the Gross Settlement Amount.

43. **Appointment of Settlement Administrator.** Solely for the purposes of this Settlement, the Parties stipulate and agree that APEX shall be retained to serve as Settlement Administrator. The Settlement Administrator shall be responsible for preparing, printing, and mailing the Class Notice to Class Members and Aggrieved Employees; performing skip traces and remailing notices to Class Members and Aggrieved Employees; calling Class Members and Aggrieved Employees with undeliverable notices to obtain accurate addresses; keeping track of any objections or requests for exclusion from Class Members; calculating any and all payroll tax deductions as required by law; calculating each Class Member's and Aggrieved Employee's Individual Settlement Share; maintaining a website which will include settlement documents; providing weekly status reports to Defendants' Counsel and Class Counsel, which is to include updates on any objections or requests for exclusion that have been received; providing a due diligence declaration for submission to the Court prior to the Final Approval hearing; mailing and remailing Individual Settlement Shares to Participating Class Members and Aggrieved Employees; calculating and mailing the LWDA Payment to the LWDA; distributing the Attorneys Fee Award and Cost Award to Class Counsel; printing and providing Participating Class Members, Aggrieved Employees, and Plaintiff with W-2s and 1099 forms as required under this Agreement and applicable law; providing a due diligence declaration for submission to the Court upon the completion of the Settlement; providing any funds remaining in the QSF as a result of uncashed checks to the State of California unclaimed property fund in the name of the Class Member; and for such other tasks as the Parties mutually agree. The Parties each represent that they do not have any financial interest in APEX or otherwise have a relationship with APEX that could create a conflict of interest.

44. **Procedure for Approving Settlement.**

A. **Cooperation.**

i. All Parties and their counsel shall support the Settlement and take such steps as are reasonably necessary to effectuate the Settlement. Plaintiff shall prepare and file a stipulated request to consolidate both Complaints for settlement purposes. Should the Court decline to grant the Parties' request to consolidate both

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Complaints, the Parties and their counsel shall take any further reasonably necessary steps to effectuate the Settlement, including, but not limited to, stipulating for leave to amend in the Class Action to include PAGA claims as alleged in the PAGA Action and filing for dismissal of the PAGA Action upon the Court's receipt and acceptance of an amended complaint in the Class Action. The Parties shall take all reasonable steps that may be deemed necessary by the Court to ensure that the two Complaints are consolidated for settlement purposes.

B. Motion for Preliminary Approval and Conditional Certification.

i. Plaintiff will move for an order: (1) conditionally certifying the Class for settlement purposes only; (2) granting Preliminary Approval of the Settlement; (3) setting a date for the Final Approval hearing; and (4) approving the Class Notice.

ii. At the same time that Plaintiff files their Motion for Preliminary Approval, Plaintiff shall send a copy of the Agreement to the LWDA pursuant to the 2016 amendments to PAGA.

iii. At the Preliminary Approval hearing, Plaintiff will appear, support the granting of the motion, and submit a proposed order granting conditional certification of the Class and Preliminary Approval of the Settlement; appointing the Class Representative, Class Counsel, and Settlement Administrator; approving the Class Notice; and setting the Final Approval hearing.

iv. **Effect of Denial of Preliminary Approval.** Should the Court decline to conditionally certify the Class or to Preliminarily Approve all material aspects of the Settlement, the Settlement Agreement will be null and void, and the Parties will have no further obligations under it. Provided, however, that the amounts of the Attorneys Fee Award, Cost Award, and Administration Costs shall be determined by the Court, and the Court's determination on these 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 Attorneys Fee Award, Cost Award, and Administration Costs shall not operate to terminate or cancel this Settlement Agreement. Nothing in this Agreement shall limit Plaintiff's or Class Counsel's ability to appeal any decision by the Court to award less than the

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requested Attorneys Fee Award, Cost Award, and Administration Costs.

C. **Notice to Class Members and Aggrieved Employees.** After the Court enters its Preliminary Approval Order, every Class Member and Aggrieved Employee will be provided with the Class Notice in accordance with the following procedure:

i. **Delivery of Class and PAGA Data.** Within ten (10) business days after entry of the Preliminary Approval Order, Defendants shall deliver to the Settlement Administrator an electronic database, which will list the Class and PAGA Data. If any or all of this information is unavailable to Defendants, Defendants will so inform Class Counsel and the Parties will make their best efforts to reconstruct or otherwise agree upon how to deal with the unavailable information. The Settlement Administrator will use the National Change of Address Database to obtain updated addresses for Class Members. The Class Data and PAGA Data shall be based on Defendants' payroll, personnel, and other business records. The Settlement Administrator shall maintain the Class and PAGA Data and all information contained within the Class and PAGA Data as private and confidential.

ii. **Preparation of Class Notices.** Based on the information in the Class and PAGA Data and the formulae set forth in Paragraph 56(A)(i) and 57(A)(i), above, the Settlement Administrator shall promptly calculate the estimated Individual Settlement Share and Individual PAGA Settlement Share for every Class Member and Aggrieved Employee, to be included in the individualized Class Notices to be sent to that Class Member and/or Aggrieved Employee, and shall prepare and mail a spreadsheet setting forth those calculations to Class Counsel and Defense Counsel no fewer than five (5) days before mailing the Class Notices to Class Members and Aggrieved Employees. The Class Notices will inform each Class Member of his/her right to do nothing, dispute the number of work weeks worked, opt out of the Settlement, or object to the Settlement. It will also inform Class Members that if they first request exclusion from the Settlement and then object, the objections would not be considered valid. In addition, if the Class Members object and then request exclusion from the Class Settlement, the Class Members would be deemed to have waived their objection.

iii. **Mailing of Class Notices.** Within ten (10) business days after receipt of the Class and PAGA Data, the Settlement Administrator will mail via first-class regular U.S. Mail the Class Notice to all

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identified Class Members and Aggrieved Employees using the mailing address information provided by Defendants and the results of the search of the National Change of Address Database on all Class Members and Aggrieved Employees.

iv. **Returned Notices.** If a Class Notice is returned because of an incorrect address, within five (5) business days from receipt of the returned notice, the Settlement Administrator will conduct a search for a more current address for the Class Member and re-mail the Class Notice to the Class Member. The Settlement Administrator will use the National Change of Address Database and skip traces to attempt to find the current address. The Settlement Administrator will be responsible for taking reasonable steps to trace the mailing address of any Class Member for whom a Class Notice is returned by U.S. Postal Service as undeliverable. These reasonable steps shall include, at a minimum, the tracking of all undelivered mail, performing address searches for all mail returned without a forwarding address, and promptly re-mailing to Class Members for whom new addresses are found.

v. **Weekly Status Reports.** The Settlement Administrator shall provide a weekly status report to the Parties. As part of its weekly status report, the Settlement Administrator will inform Class Counsel and Defendants' Counsel of the number of Notices mailed, the number of Notices returned as undeliverable, the number of Notices re-mailed, and the number of any requests for exclusion or objections received.

vi. **Settlement Administrator's Declaration.** No later than fourteen (14) calendar days after the Response Deadline, or on a date mutually agreed upon by the Parties and the Settlement Administrator, the Settlement Administrator will serve on the Parties a declaration of due diligence setting forth its compliance with its obligations under this Agreement. The declaration from the Settlement Administrator shall also be filed with the Court by Class Counsel at the same time as the final approval motion is filed. Before the Final Approval hearing, the Settlement Administrator will supplement its declaration of due diligence if any material changes occur from the date of the filing of its prior declaration.

D. **Objections to Settlement.** The Class Notice will provide that the Class Members who wish to object to the Settlement must do so in writing, signed, dated, and mailed to the Settlement Administrator postmarked no later than the Response Deadline. The timeframe to submit an objection will not be increased for returned mailings.

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a. **Format.** Any Objections shall state: (a) the objecting person's full name, address, and telephone number; (b) the words "Notice of Objection" or "Formal Objection;" (c) describe, in clear and concise terms, the legal and factual arguments supporting the objection; (d) list identifying witness(es) the objector may call to testify at the Final Approval hearing; and (e) provide true and correct copies of any exhibit(s) the objector intends to offer at the Final Approval hearing.

b. **Notice of Intent to Appear.** Objecting Class Members may (though are not required to) appear at the Final Approval Hearing, either in person or through the objector's own counsel. Objecting Class Members are permitted to appear regardless of whether they submitted a written objection.

E. **Request for Exclusion from the Settlement ("Opt-Out").** The Class Notice will provide that Class Members who wish to exclude themselves from the Settlement must mail to the Settlement Administrator a written request for exclusion. The written request for exclusion must: (a) state the Class Member's name, address, telephone number, and the last four digits of the Class Member's social security number or employee identification number; (b) state the Class Member's intention to exclude themselves from or opt-out of the Settlement; (c) be addressed to the Settlement Administrator; (d) be signed by the Class Member or his or her lawful representative; and (e) be postmarked no later than the Response Deadline.

i. **Effect of "Opt-Out."** Any Class Member who returns a timely, valid, and executed request for exclusion will not participate in or be bound by the Settlement and subsequent judgment and will not receive an Individual Settlement Share or any benefit of this Settlement. If the Class Member is also an Aggrieved Employee as defined in this Agreement, however, he or she will still receive an Individual PAGA Settlement Share payment as approved by the Court. Aggrieved Employees have no right to opt-out of the PAGA Settlement.

ii. **Confirmation of Authenticity.** If there is a question about the authenticity of a signed request for exclusion, the Settlement Administrator may demand additional proof of the Class Member's identity. Any Class Member who returns a timely, valid, and executed request for exclusion will not participate in or be bound by the Settlement and subsequent judgment and will not receive an Individual Settlement Share. A Class Member who does not complete and mail a timely request for exclusion will automatically be included in the Settlement, will receive an

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Individual Class Settlement Share, and be bound by all terms and conditions of the Settlement, if the Settlement is approved by the Court, and by the subsequent judgment, regardless of whether he or she has objected to the Settlement.

iii. **Report.** No later than five (5) business days after the Response Deadline, the Settlement Administrator will provide the Parties with a complete and accurate accounting of the number of Notices mailed to Class Members, the number of Notices returned as undeliverable, the number of Notices re-mailed to Class Members, the number of re-mailed Notices returned as undeliverable, the number of Class Members who objected to the Settlement and copies of their submitted objections, the number of Class Members who returned valid requests for exclusion, and the number of Class Members who returned invalid requests for exclusion.

F. **Class Member and Aggrieved Employee Disputes.** If a Class Member or Aggrieved Employee who receives a Class Notice wishes to dispute the number of work weeks listed on the Class Notice, the Class Member or Aggrieved Employee may notify the Settlement Administrator by mail or telephone no later than the Response Deadline and should produce any available supporting evidence, such as wage statements, offers of employment, termination letters, and/or other employment records, to the Settlement Administrator. The documentation should provide evidence of the dates the Class Member or Aggrieved Employee contends he or she worked for Defendants during the Class or PAGA Period. The Settlement Administrator shall then provide the documentation provided by the Class Member or Aggrieved Employee to Defendants. Defendants shall review their records, the documentation provided by the Class Member or Aggrieved Employee, and shall provide information to the Settlement Administrator in response to any such disputed claim. Defendants' records shall be presumed to be determinative, but the Settlement Administrator shall evaluate the evidence submitted by the Class Member or Aggrieved Employee and make the decision as to which dates should be applied. The determination by the Settlement Administrator shall be final and binding.

G. **No Solicitation of Objection or Requests for Exclusion.** Neither the Parties nor their respective counsel will solicit or otherwise encourage directly or indirectly any Class Member to object to the Settlement, request exclusion from the Settlement, or appeal from the Judgment.

H. **Motion for Final Approval.**

i. Class Counsel will file unopposed motions and memorandums in support thereof for Final Approval of the Settlement and the

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following payments in accord with the terms of the Settlement: (1) the Attorneys Fee Award; (2) the Cost Award; (3) Administrative Costs; and (4) PAGA Payment. Class Counsel will also move the Court for an order of Final Approval (and associated entry of Judgment) releasing and barring any Released Class and PAGA Claims of the Participating Class Members and LWDA.

ii. **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 on appellate review, then this Settlement will become null and void. If that occurs, the Parties will have no further obligations under the Settlement, including any obligation by Defendants to pay the Gross Settlement Amount or any amounts that otherwise would have been owed under this Agreement. Further, should this occur, the Parties agree they shall be equally responsible for the Settlement Administrator's Administration Costs through that date. An award by the Court of a lesser amount than sought by Plaintiff and Class Counsel for the Attorneys Fee Award, Cost Award, and Administration Costs award will not constitute a material modification to the Settlement within the meaning of this paragraph.

iii. **Proposed Order and Judgment.** Upon Final Approval of the Settlement, the Parties shall present to the Court a proposed Final Approval Order, approving of the Settlement and entering Judgment in accordance therewith. After entry of Judgment, the Court shall have continuing jurisdiction over the action for purposes of: (1) enforcing this Settlement Agreement; (2) addressing settlement administration matters, and (3) addressing such post-judgment matters as may be appropriate under Court rules and applicable law.

I. **Waiver of Right to Appeal.** Provided that the judgment is consistent with the terms and conditions of this Agreement, if Class Members do not timely object to the Settlement, then the Parties and their respective counsel waive any and all rights to appeal from the judgment, including, but not limited to, all rights to any post-judgment proceeding and appellate proceeding, such as a motion to vacate or set aside judgment, and any extraordinary writ, and the judgment will become non-appealable at the time it is entered. The waiver of appeal does not include any waiver of the right to oppose any appeal, appellate proceeding, or post-judgment proceeding.

J. **Vacating, Reversing, or Modifying Judgment on Appeal.** If, after a notice of appeal, the reviewing Court vacates, reverses, or modifies the judgment such that there is a material modification to the Settlement

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Agreement, and that Court's decision is not completely reversed and the judgment is not fully affirmed on review by a higher Court, then this Settlement will become null and void and the Parties will have no further obligations under it. A material modification would include, but not necessarily be limited to, any alteration of the Gross Settlement Amount, an alteration in the calculation of the Net Settlement Amount, and any change to the calculation of the Individual Settlement Share.

K. **Disbursement of Settlement Shares and Payments.** Subject to the Court finally approving the Settlement, the Settlement Administrator shall distribute funds pursuant to the terms of this Agreement and the Court's Final Approval Order and Judgment. The Settlement Administrator shall keep Defendants' Counsel and Class Counsel apprised of all distributions from the Gross Settlement Amount. The Settlement Administrator shall respond to questions from Defendants' Counsel and Class Counsel. No person shall have any claim against Defendants, Defendants' Counsel, Plaintiff, Class Counsel, or the Settlement Administrator based on the distributions and payments made in accordance with this Agreement.

i. **Funding the Settlement:** Defendants shall wire or otherwise provide to the Settlement Administrator the Gross Settlement Amount no later than fifteen (15) days of the Effective Final Settlement Date.

ii. **Disbursement:** Within ten (10) business days after the Defendants provides the GSA to the Settlement Administrator, the Settlement Administrator shall disburse: (1) the Net Settlement Amount to be paid to Participating Class Members; (2) the Net PAGA Settlement Amount to be Paid to Aggrieved Employees; (3) the Attorney Fee Award and Cost Award to Class Counsel for attorneys' fees and costs, as approved by the Court; (4) the Administration Costs, as approved by the Court; (5) the LWDA Payment to the LWDA; and (6) Defendants' portion of payroll taxes as the Class Members' current or former employer.

iii. **Qualified Settlement Fund or QSF:** The Parties agree that the QSF is intended to be a "Qualified Settlement Fund" under Section 468B of the Code and Treasury Regulations § 1.4168B-1, 26 C.F.R. § 1.468B-1 *et seq.*, and will be administered by the Settlement Administrator as such. The Parties and Settlement Administrator shall treat the QSF as coming into existence as a Qualified Settlement Fund on the earliest date permitted as set forth in 26 C.F.R. § 1.468B-1, and such election statement shall be attached to the appropriate returns as required by law.

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L. **Settlement Administrator's Final Report.** Within ten (10) business days after the disbursement of all funds, the Settlement Administrator will serve on the Parties a declaration providing a final report on the disbursements of all funds. The Parties shall file this declaration with the Court. The Settlement Administrator will provide any supplemental declaration required by the Court or the Parties.

M. **Uncashed Checks.** Participating Class Members and Aggrieved Employees must cash or deposit their Individual Settlement Share checks within one hundred and eighty (180) calendar days after the checks are mailed to them.

i. **Reminder Postcard.** If any checks are not redeemed or deposited within ninety (90) calendar days after mailing, the Settlement Administrator will send a reminder postcard indicating that unless the check is redeemed or deposited in the next ninety (90) days, it will expire and become non-negotiable, and offer to replace the check if it was lost or misplaced.

ii. If any checks remain uncashed or not deposited by the expiration of the 90-day period after mailing the reminder notice, the Settlement Administrator will, within two hundred (200) calendar days after the checks are mailed, cancel the checks. All funds associated with the Individual Settlement Share checks returned as undeliverable and funds associated with those checks remaining un-cashed, shall be forwarded to the Controller of the State of California pursuant to the Unclaimed Property Law, California Civil Code § 1500, et seq., to be held in trust in the name of those Participating Class Members who did not timely cash their Settlement checks. The Parties agree that this disposition results in no "unpaid residue" under California Civil Procedure Code section 384, as all payments to Participating Class Members will be paid out, whether or not these individuals cash their settlement checks.

N. **Defendants' Legal Fees.** Defendants are responsible for paying for all of Defendants' own legal fees, costs, and expenses incurred in this Action outside of the Gross Settlement Amount.

45. **Release of Class Claims.** As of the Effective Final Settlement Date, Class Members who do not submit a timely and valid request for exclusion release the Released Parties from the Released Class Claims. Participating Class Members agree not to sue or otherwise make a claim against any of the Released Parties for any of the Released Class Claims.

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46. **Release of PAGA Claims.** As of the Effective Final Settlement Date, Aggrieved Employees will release the Released Parties from the Released PAGA Claims. Aggrieved Employees agree not to sue or otherwise make a claim against any of the Released Parties for any of the Released PAGA Claims. Aggrieved Employees may not opt out of the PAGA Settlement.

47. Miscellaneous Terms

A. **No Admission of Liability.** Defendants makes no admission of liability or wrongdoing by virtue of entering into this Agreement. Additionally, Defendants reserves the right to contest any issues relating to class certification and liability if the Settlement is not approved. Defendants denies that it has engaged in any unlawful activity, has failed to comply with the law in any respect, has any liability to anyone under the claims asserted in the Action, or that but for the Settlement, a Class should be certified in the Action. This Agreement is entered into solely for the purpose of compromising highly disputed claims. Nothing in this Agreement is intended or will be construed as an admission by Defendants of liability or wrongdoing. This Settlement and Plaintiff's and Defendants' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (other than solely in connection with this Settlement).

B. **No Effect on Employee Benefits.** The Individual Settlement Shares paid to Plaintiff and Participating Class Members and/or Aggrieved Employees shall not be deemed to be pensionable earnings and shall not have any effect on the eligibility for, or calculation of, any of the employee benefits (*e.g.*, vacation, holiday pay, retirement plans, etc.) of Plaintiff or the Participating Class Members or Aggrieved Employees. The Parties agree that any Individual Settlement Share paid to Plaintiff or the Participating Class Members and/or Aggrieved Employees under the terms of this Agreement do not represent any modification of Plaintiff's or Participating Class Members' and/or Aggrieved Employees' previously credited hours of service or other eligibility criteria under any employee pension benefit plan or employee welfare benefit plan sponsored by Defendants.

C. **Integrated Agreement.** After this Agreement is signed and delivered by all Parties and their counsel, this Agreement and its exhibits will constitute the entire Agreement between the Parties relating to the Settlement, and it will then be deemed that no oral representations, warranties, covenants, or inducements have been made to any party concerning this Agreement or its exhibits, other than the representations, warranties, covenants, and inducements expressly stated in this Agreement and its exhibits.

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D. **Authorization to Enter Into Settlement Agreement.** Class Counsel and Defendants' Counsel warrant and represent that they are authorized by Plaintiff and Defendants, respectively, to take all appropriate action required or permitted to be taken by such Parties under this Agreement to effectuate its terms, and to execute any other documents required to effectuate the terms of this Agreement. The Parties and their counsel will cooperate with each other and use their best efforts to effect the implementation of the Settlement. In the event the Parties are unable to reach agreement on the form or content of any document needed to implement this Agreement, or on any supplemental provisions that may become necessary to effectuate the terms of this Agreement, the Parties will seek the assistance of the Court, and in all cases, all such documents, supplemental provisions, and assistance of the Court will be consistent with this Agreement.

E. **Exhibits and Headings.** The terms of this Agreement include the terms set forth in the attached exhibits, which are incorporated by this reference as though fully set forth herein. Any exhibits to this Agreement are an integral part of the Settlement and must be approved substantially as written. The descriptive headings of any paragraphs or sections of this Agreement are inserted for convenience of reference only and do not constitute a part of this Agreement.

F. **Interim Stay of Proceedings.** The Parties agree to stay and hold all proceedings in the Action in abeyance, except such proceedings necessary to implement and complete the Settlement, pending the Final Approval hearing to be conducted by the Court.

G. **Amendment or Modification of Agreement.** This Agreement, and any and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by counsel for all Parties or their successors-in-interest.

H. **Agreement Binding on Successors and Assigns.** This Agreement will be binding upon, and inure to the benefit of, the successors and assigns of the Parties, as previously defined.

I. **No Prior Assignment.** Plaintiff hereby represents, covenants, and warrants that they have not directly or indirectly, assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action or rights herein released and discharged.

J. **Applicable Law.** All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the laws of the

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State of California, without giving effect to any conflict of law principles or choice of law principles.

K. **Fair, Adequate, and Reasonable Settlement.** The Parties and their respective counsel believe and warrant that this Agreement reflects a fair, reasonable, and adequate settlement of the Action and have arrived at this Agreement through arms-length negotiations, taking into account all relevant factors, current and potential.

L. **No Tax or Legal Advice.** The Parties understand and agree that the Parties are neither providing tax or legal advice, nor making representations regarding tax obligations or consequences, if any, related to this Agreement, and that Class Members and Aggrieved Employees will assume any such tax obligations or consequences that may arise from this Agreement, and that Class Members and Aggrieved Employees shall not seek any indemnification from the Parties or any of the Released Parties in this regard. The Parties agree that, in the event that any taxing body determines that additional taxes are due from any Class Member or Aggrieved Employee, such Class Member assumes all responsibility for the payment of such taxes.

M. **Jurisdiction of the Court.** The Court shall retain jurisdiction with respect to the interpretation, implementation, and enforcement of the terms of this Agreement and all orders and judgment entered in connection therewith, and the Parties and their counsel hereto submit to the jurisdiction of the Court for purposes of interpreting, implementing, and enforcing the Settlement embodied in this Agreement and all orders and judgments in connection therewith.

N. **Invalidity of Any Provision; Severability.** Before declaring any provision of this Agreement invalid, the Parties request that the Court first attempt to construe the provisions valid to the fullest extent possible consistent with applicable precedents, so as to define all provisions of this Agreement valid and enforceable. In the event any provision of this Agreement shall be found unenforceable, the unenforceable provision shall be deemed deleted, and the validity and enforceability of the remaining provisions shall not be affected thereby.

O. **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.

P. **Execution in Counterpart.** This Agreement may be executed in one or more counterparts. All executed counterparts, and each of them, will be deemed to be one and the same instrument provided that counsel for the

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Parties will exchange between themselves original signed counterparts. Facsimile or PDF signatures will be accepted. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

IV. EXECUTION BY PARTIES AND COUNSEL

The Parties and their counsel execute this Agreement.

Dated: 4/16/2026

MARIA MARTINEZ

Signed by:
95EE5244A9754D4...

Dated: 4/15/26

TIM HOFER, INC.

Name: BRIAN GREEN
Title: PRESIDENT

Dated: 4/15/26

ENVIRONMENT CONTROL CENTRAL CAL., INC.

Name: BRIAN GREEN
Title: PRESIDENT

Dated: 4/17/2026

MARA LAW FIRM, PC

David Mara, Esq.
Attorneys for Plaintiff, on behalf of themself, and the Settlement Class

Dated: 4/15/2026

MCCORMICK BARSTOW LLP

Christina Cusimano, Esq.
Attorneys for Defendants

EXHIBIT A

Martinez v. Tim Hofer, Inc.; Environment Control Central Cal., Inc.
c/o Apex Class Action LLC
PO Box 54668
Irvine, CA 92619

«Intelligent_Mail_barcode_»
Apex ID: «Apex_ID» «Tray_PC» «
«Full_Name»
«Address_1»
«City», «State» «Zip»

CALIFORNIA SUPERIOR COURT, COUNTY OF KERN
Maria Martinez, on behalf of herself, all others similarly situated, and on behalf of the general public, Plaintiff, vs. Tim Hofer, Inc.; Environment Control Central Cal., Inc. Defendants
Case No. BCV-24-101779

NOTICE OF CLASS ACTION SETTLEMENT

A court authorized this notice. This is not a solicitation.
This is not a lawsuit against you and you are not being sued.
However, your legal rights are affected by whether you act or don't act.

TO: All current and former hourly-paid non-exempt employees of Defendants who worked within the State of California at any time from May 29, 2020 through September 15, 2025.

The California Superior Court, County of Kern has granted preliminary approval to a proposed settlement ("Settlement") of the above-captioned action ("the Action"). Because your rights may be affected by this Settlement, it is important that you read this Notice of Class Action Settlement ("Notice") carefully.

The Court has certified the following class for settlement purposes ("Class" or "Class Members"):

All current and former hourly-paid non-exempt employees of Defendants who worked within the State of California at any time from May 29, 2020 through September 15, 2025, and who did not execute an arbitration agreement relating to their employment.

The purpose of this Notice is to provide a brief description of the claims alleged in the Action, the key terms of the Settlement, and your rights and options with respect to the Settlement.

YOU MAY BE ENTITLED TO MONEY UNDER THE PROPOSED CLASS ACTION SETTLEMENT. PLEASE READ THIS NOTICE CAREFULLY; IT INFORMS YOU ABOUT YOUR LEGAL RIGHTS.

WHAT INFORMATION IS IN THIS NOTICE

1. Why Have I Received This Notice? ..... Page 1
2. What Is This Case About? ..... Page 2
3. Am I A Class Member? Am I A PAGA Class Member? ..... Page 2
4. How Does This Class Action Settlement Work? ..... Page 2
5. Who Are the Attorneys Representing the Parties? ..... Page 2
6. What Are My Options? ..... Page 3
7. How Do I Opt Out or Exclude Myself From This Settlement? ..... Page 3
8. How Do I Object to the Settlement? ..... Page 3
9. How Does This Settlement Affect My Rights? ..... Page 3
10. How Much Can I Expect to Receive From This Settlement? ..... Page 4
11. How Will the Attorneys for the Class and the Class Representatives Be Paid? ..... Page 5

PLEASE DO NOT TELEPHONE THE COURT OR COURT'S CLERK FOR INFORMATION ABOUT THIS SETTLEMENT.

1. Why Have I Received This Notice?

Tim Hofer, Inc.'s and Environment Control Central Cal., Inc.'s (hereinafter referred to as "Defendants") records indicate that you may be a Class Member. The settlement will resolve all Class Members' Released Claims, as described in Section No. 9 below, from May 29, 2020 through September 15, 2025. (the "Class Period").

A Preliminary Approval Hearing was held on May 29, 2026, in the California Superior Court, County of Kern. The Court conditionally certified the Class for settlement purposes only and directed that you receive this Notice.

The Court will hold a Final Fairness Hearing concerning the proposed settlement on October 30, 2026, at 8:30 a.m., before Honorable Thomas S. Clark in Department 17, located at 1415 Truxtun Ave, Bakersfield, CA 93301.

2. What Is This Case About?

A class action complaint was filed by Plaintiff on May 29, 2024, in the Superior Court County of Kern (Case No. BCV-24-101779). The complaint alleges the following causes of action against Defendants: 1) Failure to Pay All Straight Time Wages; 2) Failure to Pay Overtime; 3) Failure to Provide Meal Periods; 4) Failure to Authorize and Permit Rest Periods; 5) Knowing and Intentional Failure to Comply with Itemized Employee Wage Statement Provisions; 6) Failure to Pay all Wages Due at the Time of Termination; 7) Failure to Reimburse Business Expenses; 8) Failure to Adopt a Compliant Sick Pay/ Paid Time Off Policy; and 9) Violation of Unfair Competition Law.

On March 25, 2025, Plaintiff filed a First Amended Complaint adding a cause of action under PAGA (Private Attorneys General Act of 2004) for civil penalties regarding the aforementioned wage and hour violations.

The Court has not made any determination as to whether the claims advanced by the Plaintiff have any merit. In other words, the Court has not determined whether any laws have been violated, nor has it decided in favor of Plaintiff or Defendants; instead, both sides agreed to resolve the lawsuit with no decision or admission of who is right or wrong. By agreeing to resolve the lawsuit, all parties avoid the risks and cost of a trial.

Defendants expressly deny that they did anything wrong or that they violated the law and further deny any liability whatsoever to Plaintiff or to the Class.

3. Am I A Class Member? Am I A PAGA Class Member?

You are a Class Member if you worked for Defendants as a non-exempt hourly employee at any time from May 29, 2020 through September 15, 2025, in California and did not sign an arbitration agreement.

Additionally, if you are a Class Member and worked for Defendants as a non-exempt hourly employee at any time from May 8, 2023 through September 15, 2025, in California you are also a PAGA Class Member under the settlement.

4. How Does This Class Action Settlement Work?

Plaintiff Maria Martinez brings these actions behalf of herself and all other similarly situated employees who were employed by Defendants as Class Members in California at any time during the Class Period. Plaintiff and these other current and former employees comprise a "Class." The settlement of this Action resolves the Released Class Claims of all Class Members, as defined in the Settlement Agreement and Final Judgment, except for those who exclude themselves from the Class by requesting to be excluded in the manner set forth below.

Plaintiff and Class Counsel believe the settlement is fair and reasonable. The Court must also review the terms of the settlement and determine if it is fair and reasonable to the Class. The Court file has the settlement documents, which explain the settlement in greater detail. If you would like copies of the settlement documents, you can obtain them for a nominal fee at the Kern County Superior Court, located at 1415 Truxtun Ave, Bakersfield, CA 93301.You may also contact Plaintiff's counsel, whose contact information is below, and they will provide you with a copy free of charge.

5. Who Are the Attorneys Representing the Parties?

Attorneys for Plaintiff and the Class	Attorneys for Defendant
MARA LAW FIRM, PC David Mara Jill Vecchi Carter Cordura 3160 Camino Del Rio South, Suite 207 San Diego, California 92108 Telephone: (619) 234-2833 Facsimile: (619) 234-4048 **LAWYERS FOR EMPLOYEE AND CONSUMER RIGHTS** Colette Mahon Arpi Sislyan 3500 West Olive Avenue, Third Floor Burbank, CA 91505 Telephone: (323) 375-5101 Facsimile: (323) 306-5571	**MCCORMICK, BARSTOW, SHEPPARD, WAYTE & CARRUTH LLP** Christina Cusimano 7647 North Fresno Street Fresno, California 93720 Telephone: (559) 433-1300 Facsimile: (559) 433-2300

The Court has decided that Mara Law Firm, PC and Lawyers for Employee and Consumer Rights are qualified to represent you and all other Class Members simultaneously.

You do not need to hire your own attorney because Class Counsel is working on your behalf. But, if you want your own attorney, you may hire one at your own cost.

6. What Are My Options?

The purpose of this Notice is to inform you of the proposed settlement and of your options. Each option has its consequences, which you should understand before making your decision. Your rights regarding each option, and the steps you must take to select each option, are summarized below and explained in more detail in this Notice.

Important Note*: *Defendants will not retaliate against you in any way for either participating or not participating in this Settlement.

- **DO NOTHING:** If you do nothing and the Court grants final approval of the Settlement, you will become part of this Class Action and may receive a payment from the Settlement. You will be bound to the release of the Released Class Claims as defined in the Settlement Agreement and the Final Judgment. You will also give up your right to pursue the Released Class Claims as defined in Section No. 9 below.
- **OPT OUT:** If you do not want to participate as a Class Member, you may "opt out," which will remove you from the Class and this Class Action. If the Court grants final approval of the Settlement, you will not receive a Settlement payment and you will not give up the right to sue Defendants and the Released Parties for the Released Class Claims. If you are a PAGA Class Member, you will receive a portion of the PAGA Payment, even if you opt-out of the settlement.
- **OBJECT:** You may file a legal objection to the proposed settlement. If you would like to object, you may not opt out of this case.

7. How Do I Opt Out Or Exclude Myself From This Settlement?

If you do not want to take part in the Settlement, you must mail a written Request for Exclusion to the Settlement Administrator. The written request for exclusion must: (a) state your name, address, telephone number, and social security number or employee identification number; (b) state your intention to exclude yourself from or opt-out of the Settlement; (c) be addressed to the Settlement Administrator at PO Box 54668, Irvine, CA 92619; (d) be signed by you or your lawful representative; and (e) be postmarked no later than August 28, 2026.
If the Court approves the Settlement at the Final Approval Hearing, the Court will enter a Judgment. If you do not request exclusion from the Settlement, the Judgment will bind you to the terms of the Settlement. If you are a PAGA Class Member, you will receive a portion of the PAGA Payment, even if you opt-out of the settlement.

8. How Do I Object To The Settlement?

If you are a Class Member who does not opt out of the Settlement, you may object to the Settlement, personally or through an attorney, by submitting your objection in writing, signed, dated, and mailed to the Settlement Administrator postmarked no later than August 28, 2026. The objection must state: (a) your full name, address, and telephone number; (b) the words "Notice of Objection" or "Formal Objection;" (c) describe, in clear and concise terms, the legal and factual arguments supporting the objection; (d) list identifying witness(es) you may call to testify at the Final Approval hearing; and (e) provide true and correct copies of any exhibit(s) you intend to offer at the Final Approval hearing. The objection will not be valid if it objects only to the appropriateness of the actions or their merits.

Class Members may appear at the Final Approval Hearing, either in person or through the objector's own counsel. If the Court rejects the objection, he/she will receive an Individual Settlement Share payment and will be bound by the terms of the Settlement.

9. How Does This Settlement Affect My Rights? What are the Released Claims?

If the proposed settlement is approved by the Court, a Final Judgment will be entered by the Court. All Class Members who do not opt out of the Settlement will be bound by the Court's Final Judgment and will release Defendants from the Released Class Claims. The Released Class Claims are:

> All claims, rights, demands, damages, liabilities, and causes of action, in law or in equity, arising at any time during the Class Period for the claims brought by Plaintiff in the Action or that could have been brought by Plaintiff against Defendants in the Action, and their parent, subsidiary, related, affiliated, predecessor and successor companies or entities, franchisors and each of their respective past, present and future principals, owners, directors, officers, affiliates, fiduciaries, trustees, employees, agents, attorneys, insurers, assigns and representatives, based on a reasonable interpretation of the allegations in the operative complaint. All Released Class Claims are limited to the Class Period.

If you are a PAGA Class Member, you will be bound by the Final Judgment and will release the Released Parties from the Released PAGA Claims, even if you opt-out of the settlement. The Released PAGA Claims include are:

> Any and all claims for civil penalties under PAGA against Defendants in the Action, and their parent, subsidiary, related, affiliated, predecessor and successor companies or entities, franchisors and each of their respective past, present and future principals, owners, directors, officers, affiliates, fiduciaries, trustees, employees, agents, attorneys, insurers, assigns and representatives, that were alleged in Plaintiff's PAGA Notice to the Labor and Workforce Development Agency ("LWDA"). All Released PAGA Claims are limited to the PAGA Period.

All Class Members who do not opt out of the Settlement will be enjoined from prosecuting the Released Class Claims and initiating or continuing other proceedings regarding the Released Class Claims, including but not limited to filing any claims for monetary relief of the Released Claims before the Division of Labor Standards and Enforcement ("DLSE") or in any forum whatsoever. All PAGA Class Members will be enjoined from prosecuting the Released PAGA Claims and from initiating or continuing other proceedings regarding the Released PAGA Claims, including but not limited to filing any claims for monetary relief of the Released PAGA Claims before the DLSE or in any forum whatsoever.

10. How Much Can I Expect to Receive From This Settlement?

The total maximum amount that Defendants could be required to pay under this Agreement shall be up to but no more than $555,000 ("Gross Settlement Amount" or "GSA").

A. Deductions from the Settlement

The "Net Settlement Amount" or "NSA" means the portion of the Gross Settlement Amount, available for distribution to Class Members after the deduction of (1) the Settlement Administration Costs to the Settlement Administrator in an amount estimated not to exceed $8,000; (2) a payment of $50,000 allocated to the PAGA claims; and (3) payment to Class Counsel in an amount not to exceed $185,000.00 (one-third of the Gross Settlement Amount) for attorneys' fees and an amount not to exceed $20,000 for litigation costs. All of these payments are subject to court approval.

B. How Class Member Settlement Payments are Calculated

After deducting the above-referenced items, the remaining Net Settlement Amount, will be proportionately distributed amongst all Class Members who have not opted out. Each Participating Class Member will receive a proportionate share of the Net Settlement Amount that is equal to (i) the number of workweeks he or she worked for Defendant, based on the Class Data provided by Defendant, divided by (ii) the total number of workweeks worked by all Participating Class Members during the Class Period based on the same Class Data, which is then multiplied by the Net Settlement Amount. One day worked in a given week for Defendants will be credited as a workweek for purposes of this calculation. Therefore, the value of each Class Member's Individual Settlement Share ties directly to the amount of workweeks that he or she worked for Defendants in California.

C. How PAGA Class Member's Settlement Payments are Calculated

If you are a PAGA Class Member under the settlement, you will also receive a portion of the PAGA Payment. Pursuant to PAGA, the LWDA will receive a payment of $32,500 (65% of the $50,000 total PAGA Payment). The remaining $17,500 is the "Net PAGA Settlement Amount" or "NPSA" and will be proportionately distributed amongst all PAGA Class Members. Each PAGA Class Member will receive a proportionate share of the Net PAGA Settlement Amount that is equal to (i) the number of pay periods he or she worked for Defendants during the PAGA Period based on the PAGA Data provided by Defendant, divided by (ii) the total number of pay periods worked by all PAGA Class Members during the PAGA Period based on the same PAGA data, which is then multiplied by the Net PAGA Settlement Amount. One day worked for Defendants in a given pay period will be credited as a pay period for purposes of this calculation. Therefore, the value of each PAGA Class Member's Individual PAGA Settlement Share ties directly to the amount of pay periods that he or she worked during the PAGA Period for Defendants in California.

D. Your Estimated Settlement Payment

Although your exact share of the Net Settlement Amount as a Class Member cannot be precisely calculated until after the time during which individuals may object or seek exclusion from the Settlement concludes, based upon the calculation above, your approximate share of the Net Settlement Amount, is as follows: $«Est_Class_PMT», less taxes. This is based on the Class Data which shows you worked «Class_Workweeks» workweeks during the Class Period. The maximum number of workweeks any Class Member may have is 281.

If you are also a PAGA Class Member, you will receive a share of the Net PAGA Settlement Amount. Based upon the calculation above, your approximate share of the Net PAGA Settlement Amount, is as follows: $«Est_PAGA_PMT». This is based on the PAGA Data which shows you worked «PAGA_Pay_Periods» workweeks during the PAGA Period. The maximum number of workweeks any PAGA Class Member may have is 124.

E. Tax Treatment of Your Settlement Payments

Each Class Member's Individual Class Settlement Share will be apportioned as follows: 1/3 wages, 1/3 interest, and 1/3 in penalties. The amounts paid as wages shall be subject to all tax withholdings customarily made from an employee's wages and all other authorized and required withholdings and shall be reported by W-2 forms. Payment of all amounts will be made subject to backup withholding unless a duly executed W-9 form is received from the payee(s). The amounts paid as penalties and interest shall be subject to all authorized and required withholdings other than the tax withholdings customarily made from employees' wages and shall be reported by IRS 1099 forms. Only the employee share of payroll tax withholdings shall be from each Class Member's Individual Class Settlement Share. The employer share of payroll tax withholdings shall be paid separate from and in addition to the Gross Settlement Amount.

If you are a PAGA Class Member, your Individual PAGA Settlement Share will be apportioned as 100% penalties. This will not be reduced by payroll tax withholding and deductions. The Settlement Administrator will issue to each PAGA Class Member an IRS Form 1099 with respect to his/her Individual PAGA Settlement Share.

Nothing in this Notice is intended to constitute legal advice relating to the tax liability of any Class Member or PAGA Class Member. To the extent that this Notice is interpreted to contain or constitute advice regarding any federal, state or local tax issue, such advice is not intended or written to be used, and cannot be used, by any person for the purpose of avoiding any tax liability or penalties.

F. What Happens If You Don't Cash Your Check?

It is strongly recommended that upon receipt of your settlement check, you immediately cash it or cash it before the 180-day void date shown on each check. If any checks remain uncashed or not deposited by the expiration of the 180-day period, the Settlement Administrator will pay over the amount represented by the check to the State of California unclaimed property fund in the name of the Class Member.

11. How Will the Attorneys for the Class Be Paid?

The attorneys for Plaintiff and the Class will be paid from the Gross Settlement Amount. Subject to Court approval, the attorneys for Plaintiff and the Class shall be paid an amount not to exceed one-third of the Gross Settlement Amount ($185,000.00) for attorney fees and $20,000 for litigation costs.

Defendants have paid all of their own attorneys' fees and costs.

IF YOU NEED MORE INFORMATION OR HAVE ANY QUESTIONS, you may contact Class Counsel listed above, or the Settlement Administrator at the telephone number listed below, toll free. You can also obtain documents related to this case and this settlement by visiting www.apexclassaction.com/timhoferinc a website maintained by the Settlement Administrator. Please refer to the Tim Hofer Class Action Settlement.

This Notice does not contain all of the terms of the proposed settlement or all of the details of these proceedings. For more detailed information, you may obtain the underlying documents and papers on file with the Court for a nominal fee at nominal fee at the Kern County Superior Court, located at 1415 Truxtun Ave, Bakersfield, CA 93301. You may also contact Plaintiff's counsel, whose contact information is below, and they will provide you with a copy free of charge.

PLEASE DO NOT TELEPHONE THE COURT OR COURT'S CLERK FOR INFORMATION ABOUT THIS SETTLEMENT.

TRIBUNAL SUPERIOR DE CALIFORNIA, CONDADO DE KERN

María Martínez, en nombre propio, de todos los demás en situación similar y en nombre del público en general, vs. contra Tim Hofer, Inc.; Environment Control Central Cal., Inc. Demandados

Número de Caso BCV-24-101779

AVISO DE ACUERDO DE DEMANDA COLECTIVA

Un tribunal autorizó este aviso. Esto no es una solicitud.
Esto no es una demanda en su contra y usted no está siendo demandado.
Sin embargo, sus derechos legales se ven afectados por el hecho de que usted actúe o no.

Para: Todos los empleados actuales y exempleados, pagados por hora y no exentos, de los Demandados que trabajaron en el Estado de California en cualquier momento entre el 29 de mayo de 2020 y el 15 de septiembre de 2025.

El Tribunal Superior de California, Condado de Kern, ha otorgado la aprobación preliminar a un acuerdo propuesto ("Acuerdo") de la demanda antes mencionada ("la Demanda"). Dado que sus derechos pueden verse afectados por este Acuerdo, es importante que lea atentamente este Aviso de Acuerdo de Demanda Colectiva ("Aviso").

El Tribunal ha certificado la siguiente clase a efectos de conciliación ("Clase" o "Miembros de la Clase"):

> Todos los empleados actuales y exempleados, pagados por hora y no exentos, de los Demandados que trabajaron dentro del Estado de California en cualquier momento entre el 29 de mayo de 2020 y el 15 de septiembre de 2025 y que no firmaron un acuerdo de arbitraje relacionado con su empleo.

El propósito de este Aviso es brindar una breve descripción de las reclamaciones alegadas en la Demanda, de los términos clave del Acuerdo y de sus derechos y opciones con respecto al Acuerdo.

USTED PUEDE TENER DERECHO A RECIBIR DINERO EN VIRTUD DEL ACUERDO PROPUESTO EN LA DEMANDA COLECTIVA. LEA ESTE AVISO DETENIDAMENTE; LE INFORMA SOBRE SUS DERECHOS LEGALES.

¿QUÉ INFORMACIÓN CONTIENE ESTE AVISO?

1. ¿Por qué he recibido este Aviso? ..... Página 6
2. ¿De qué trata este Caso? ..... Página 6
3. ¿Soy Miembro de la Clase? ¿Soy Miembro de la Clase de PAGA? ..... Página 7
4. ¿Cómo funciona este Acuerdo de Demanda Colectiva? ..... Página 7
5. ¿Quiénes son los Abogados representantes? ..... Página 7
6. ¿Cuáles son mis opciones? ..... Página 7
7. ¿Cómo optar por no participar o excluirse de este Acuerdo? ..... Página 8
8. ¿Cómo oponerse al Acuerdo? ..... Página 8
9. ¿Cómo afecta este Acuerdo a mis derechos? ..... Página 8
10. ¿Cuánto puedo esperar recibir de este Acuerdo? ..... Página 9
11. ¿Cómo se les pagará a los abogados de la Clase y a los Representantes de la Clase? ..... Página 10

POR FAVOR, NO LLAME AL TRIBUNAL NI A LA SECRETARÍA DEL TRIBUNAL PARA SOLICITAR INFORMACIÓN SOBRE ESTE ACUERDO.

1. ¿Por qué he recibido este Aviso?

Los registros de Tim Hofer, Inc. y de Environment Control Central Cal., Inc. (en adelante, los "Demandados") indican que usted podría ser Miembro de la Clase. La conciliación resolverá todas las reclamaciones liberadas de los Miembros de la Clase, tal como se describe en la Sección 9, desde el 29 de mayo de 2020 hasta el 15 de septiembre de 2025 (el "Período de Clase").

El 29 de mayo de 2026, se celebró una Audiencia Preliminar de Aprobación en el Tribunal Superior de California, Condado de Kern. El Tribunal certificó la Clase de forma condicional, únicamente a efectos de conciliación, y ordenó que usted recibiera este Aviso.

El Tribunal celebrará una Audiencia Final de Equidad sobre el acuerdo propuesto el 30 de octubre de 2026 a las 8:30 a. m., ante el Honorable Thomas S. Clark en el Departamento 17, ubicado en 1415 Truxtun Ave, Bakersfield, CA 93301.

2. ¿De qué trata este Caso?

La Demandante presentó una demanda colectiva el 29 de mayo de 2024 ante el Tribunal Superior del Condado de Kern (Número de Caso BCV-24-101779). La demanda alega las siguientes causas de acción contra los Demandados: 1) Falta de pago de todos los salarios por horas normales; 2) Falta de pago de horas extras; 3) Falta de provisión de períodos de comida; 4) Falta de autorización y permiso de períodos de descanso; 5) Incumplimiento a sabiendas e intencional de las disposiciones del estado de cuenta detallado de salarios de los empleados; 6) Falta de pago de todos los salarios adeudados al momento de la terminación; 7) Falta de reembolso de gastos comerciales; 8) Falta de adopción de una política de pago por enfermedad/tiempo libre remunerado que cumpla con la ley; y 9) Violación de la ley de competencia desleal.

El 25 de marzo de 2025, también presentó una Primera Demanda Enmendada en la que añadió una causa de acción en virtud de la PAGA (Ley General de Abogados Privados de 2004) para obtener sanciones civiles por las infracciones salariales y de jornada laboral antes mencionadas.

El Tribunal no se ha pronunciado sobre si las alegaciones presentadas por la Demandante tienen algún fundamento. En otras palabras, el Tribunal no ha determinado si se ha infringido alguna ley, ni ha fallado a favor de la Demandante o de los Demandados; en cambio, ambas partes acordaron resolver la demanda sin tomar una decisión ni admitir quién tiene razón o quién está equivocado. Al aceptar resolver la demanda mediante un acuerdo, todas las partes evitan los riesgos y costos de un juicio.

Los Demandados niegan expresamente haber cometido irregularidad alguna o haber violado la ley, y niegan además cualquier responsabilidad frente a la Demandante o la Clase.

3. ¿Soy Miembro de la Clase? ¿Soy Miembro de la Clase de PAGA?

Usted es Miembro de la Clase si trabajó para los Demandados como empleado pagado por horas no exento en cualquier momento entre el 29 de mayo de 2020 y el 15 de septiembre de 2025 en California y no firmó un acuerdo arbitral.

Además, si usted es Miembro de la Clase y trabajó para los Demandados como empleado pagado por horas no exento en cualquier momento entre el 8 de mayo de 2023 y el 15 de septiembre de 2025 en California, también es Miembro de la Clase de PAGA en virtud del Acuerdo.

4. ¿Cómo funciona este Acuerdo de Demanda Colectiva?

La Demandante María Martínez interpone estas acciones en nombre propio y de todos los demás empleados en situación similar que fueron empleados por los Demandados como Miembros de la Clase en California en cualquier momento durante el Período de Clase. La Demandante y estos otros empleados actuales y exempleados conforman una "Clase". El acuerdo alcanzado en esta Demanda resuelve las Reclamaciones Liberadas de Clase de todos los Miembros de la Clase, según se definen en el Acuerdo de Conciliación y la Sentencia Final, excepto aquellos que se excluyan de la Clase solicitando ser excluidos de la manera establecida a continuación.

Tanto la Demandante como los Abogados de la Clase consideran que el Acuerdo es justo y razonable. El Tribunal también debe revisar los términos del Acuerdo y determinar si es justo y razonable para la Clase. El expediente judicial contiene los documentos de la conciliación, que explican el mismo con mayor detalle. Si desea obtener copias de los documentos, puede solicitarlas por una tarifa simbólica en el Tribunal Superior del Condado de Kern, ubicado en 1415 Truxtun Ave, Bakersfield, CA 93301. También puede comunicarse con el abogado de la Demandante, cuyas datos de contacto se encuentran a continuación, quien le proporcionará una copia sin cargo alguno.

5. ¿Quiénes son los Abogados representantes?

Abogados de la Demandante y de la Clase	Abogados del Demandado
MARA LAW FIRM, PC David Mara Jill Vecchi Carter Cordura 3160 Camino Del Río Sur, Suite 207 San Diego, California 92108 Teléfono: (619) 234-2833 Fax: (619) 234-4048 **LAWYERS FOR EMPLOYEE AND CONSUMER RIGHTS** Colette Mahon Arpi Sislyan 3500 West Olive Avenue, Tercer Piso Burbank, CA 91505 Teléfono: (323) 375-5101 Fax: (323) 306-5571	**MCCORMICK, BARSTOW, SHEPPARD, WAYTE & CARRUTH LLP** Christina Cusimano 7647 North Fresno Street Fresno, California 93720 Teléfono: (559) 433-1300 Fax: (559) 433-2300

El Tribunal ha decidido que Mara Law Firm, PC y Lawyers for Employee and Consumer Rights son abogados cualificados para representarle a usted y a todos los demás Miembros de la Clase simultáneamente.

No necesita contratar a su propio abogado, ya que los Abogados de la Clase están trabajando en su nombre. Pero si desea tener su propio abogado, puede contratar uno por su cuenta.

6. ¿Cuáles son mis opciones?

El propósito de este Aviso es informarle sobre el acuerdo propuesto y sobre sus opciones. Cada opción tiene sus consecuencias, las cuales debes comprender antes de tomar una decisión. Sus derechos con respecto a cada opción, así como los pasos que debe seguir para seleccionar cada una de ellas, se resumen a continuación y se explican con más detalle en este Aviso.

Nota importante*: *los Demandados no tomarán represalias contra usted de ninguna manera por participar o no participar en este Acuerdo.

- **NO HAGA NADA:** Si no hace nada y el Tribunal aprueba definitivamente el Acuerdo, pasará a formar parte de esta Demanda Colectiva y podrá recibir un pago derivado del mismo. Usted quedará sujeto a la renuncia a las Reclamaciones Liberadas de Clase según se definen en el Acuerdo de Conciliación y la Sentencia Final. También renunciará a su derecho a continuar con las Reclamaciones Liberadas de Clase, tal como se definen en la Sección 9.

- **EXCLUSIÓN:** SI NO DESEA PARTICIPAR COMO MIEMBRO DE LA CLASE, PUEDE EXCLUIRSE, LO QUE LE EXCLUIRÁ DE LA CLASE Y DE ESTA DEMANDA COLECTIVA. SI EL TRIBUNAL APRUEBA DEFINITIVAMENTE EL ACUERDO, USTED NO RECIBIRÁ NINGÚN PAGO EN VIRTUD DEL MISMO Y NO RENUNCIARÁ AL DERECHO A DEMANDAR A LOS DEMANDADOS Y A LAS PARTES EXONERADAS POR LAS RECLAMACIONES LIBERADAS DE CLASE. SI USTED ES MIEMBRO DE LA CLASE DE PAGA, RECIBIRÁ UNA PARTE DEL PAGO DE PAGA, INCLUSO SI DECIDE NO PARTICIPAR.

- **OPONERSE:** Puede presentar una objeción legal al acuerdo propuesto. Si desea presentar una objeción, no podrá excluirse de este caso.

7. ¿Cómo optar por no participar o excluirse de este Acuerdo?

Si no desea participar en el Acuerdo, debe enviar por correo una Solicitud de Exclusión por escrito al Administrador del Acuerdo. La solicitud escrita de exclusión debe indicar: (a) su nombre, dirección, número de teléfono y número de Seguro Social o número de identificación de empleado; (b) su intención de excluirse o de no participar del Acuerdo; (c) que esté dirigida al Administrador del Acuerdo. al PO Box 54668, Irvine, CA 92619; (d) estar firmada por usted o su representante legal; y (e) tener sello postal no posterior al 28 de agosto de 2026.

Si el Tribunal aprueba el Acuerdo en la Audiencia de Aprobación Final, dictará una Sentencia. Si no solicita la exclusión del Acuerdo, la Sentencia le vinculará a los términos del mismo. Si usted es Miembro de la Clase de PAGA, recibirá una parte del Pago de PAGA, incluso si decide no participar.

8. ¿Cómo oponerse al Acuerdo?

Si es un Miembro de la Clase que no opta por no participar en el Acuerdo, puede oponerse al mismo, personalmente o a través de un abogado, presentando su objeción por escrito, firmada, fechada y enviada por correo al Administrador del Acuerdo con sello postal no posterior al 28 de agosto de 2026. La objeción debe indicar: (a) su nombre completo, dirección y número de teléfono; (b) las palabras "Aviso de Objeción" u "Objeción Formal"; (c) describir, en términos claros y concisos, los argumentos legales y fácticos que respaldan la objeción; (d) enumerar los testigos identificativos que puede llamar para testificar en la audiencia de Aprobación Final; y (e) proporcionar copias verdaderas y correctas de cualquier prueba que pretenda ofrecer en la audiencia de Aprobación Final. La objeción no será válida si se limita a objetar la idoneidad de las acciones o sus méritos.

Los Miembros de la Clase podrán comparecer en la Audiencia de Aprobación Final, ya sea en persona o a través de su abogado. Si el Tribunal rechaza la objeción, recibirá un pago por la Parte Individual del Acuerdo y quedará sujeto a los términos del Acuerdo.

9. ¿Cómo afecta este Acuerdo a mis derechos? ¿Cuáles son las Reclamaciones Liberadas?

Si el Tribunal aprueba el Acuerdo, entonces dictará una Sentencia Firme. Todos los Miembros de la Clase que no opten por no participar en el Acuerdo estarán sujetos a dicha Sentencia y liberarán a los Demandados de las Reclamaciones Liberadas de Clase. Las Reclamaciones Liberadas de Clase son:

> Todas las reclamaciones, derechos, demandas, daños, responsabilidades y causas de acción, en derecho o en equidad, que surjan en cualquier momento durante el Período de Clase para las reclamaciones presentadas por la Demandante o que podrían haber sido presentadas por la Demandante contra los Demandados en la Demanda, y sus empresas o entidades matrices, subsidiarias, relacionadas, afiliadas, predecesoras y sucesoras, franquiciadores y cada uno de sus respectivos directores, propietarios, directores, funcionarios, afiliados, fiduciarios, fideicomisarios, empleados, agentes, abogados, aseguradores, cesionarios y representantes pasados, presentes y futuros, con base en una interpretación razonable de las alegaciones en la denuncia operativa. Todas estas reclamaciones están limitadas al Período de Clase.

Si usted es Miembro de la Clase de PAGA, estará sujeto a la Sentencia Firme y liberará a las Partes Exoneradas de las Reclamaciones Liberadas de PAGA, incluso si decide no participar en el Acuerdo. Las Reclamaciones Liberadas de PAGA incluyen:

> Todas y cada una de las reclamaciones de sanciones civiles en virtud de PAGA contra los Demandados en la Demanda, y sus empresas o entidades matrices, subsidiarias, relacionadas, afiliadas, predecesoras y sucesoras, franquiciadores y cada uno de sus respectivos directores, propietarios, directores, funcionarios, afiliados, fiduciarios, fideicomisarios, empleados, agentes, abogados, aseguradores, cesionarios y representantes pasados, presentes y futuros, que fueron alegados en el Aviso de PAGA de la Demandante a la Agencia de Trabajo y Desarrollo de la Fuerza Laboral ("LWDA"). Todas las Reclamaciones Liberadas de PAGA están limitadas al Período de PAGA.

Todos los Miembros de la Clase que no se excluyan del Acuerdo tendrán prohibido continuar con las Reclamaciones Liberadas de Clase e iniciar o continuar otros procedimientos relacionados con tales reclamaciones, incluyendo, entre otros, la presentación de cualquier reclamación de compensación monetaria por las reclamaciones liberadas ante la División de Normas Laborales y Cumplimiento ("DLSE, por sus siglas en inglés") o en cualquier otro foro. Se prohíbe a todos los Miembros de la Clase de PAGA que continúen tramitando las Reclamaciones Liberadas de PAGA y que inicien o prosigan otros procedimientos relacionados con las Reclamaciones Liberadas de PAGA, incluyendo, entre otros, la presentación de cualquier reclamación de compensación monetaria por las Reclamaciones Liberadas de PAGA ante la DLSE o en cualquier otro foro.

10. ¿Cuánto puedo esperar recibir de este Acuerdo?

El monto máximo total que los Demandados podrían estar obligados a pagar en virtud del presente Acuerdo será de hasta, pero no más de $555,000 ("Monto Bruto del Acuerdo" o "MBA").

A. Deducciones del Acuerdo

El "Monto Neto de Acuerdo" o "MNA" significa la porción del Monto Bruto del Acuerdo, disponible para su distribución a los Miembros de la Clase después de la deducción de (1) los Costos de Administración del Acuerdo en un monto estimado que no exceda los $8,000.00; (2) un pago de $50,000.00 asignado a las reclamaciones de PAGA; y (3) un pago a los Abogados de la Clase en un monto que no exceda los $185,000.00 (un tercio del Monto Bruto del Acuerdo) por honorarios y un monto que no exceda los $20,000.00 por costos de litigio. Todos estos pagos están sujetos a la aprobación judicial.

B. Cómo se calculan los Pagos del Acuerdo para los Miembros de la Clase

Tras deducir los conceptos mencionados anteriormente, el Monto Neto del Acuerdo se distribuirá proporcionalmente entre todos los Miembros de la Clase que no hayan optado por no participar. Cada Miembro de Clase Participante recibirá una parte proporcional del Monto Neto del Acuerdo que es igual a (i) el número de semanas laborales que trabajó para el Demandado, según los Datos de la Clase proporcionados que el Demandado ha proporcionado, dividido entre (ii) el número total de semanas laborales trabajadas por todos los Miembros de Clase Participantes durante el Período de Clase según los mismos Datos, que luego se multiplica por el Monto Neto del Acuerdo. Un día trabajado en una semana determinada por los Demandados se considerará una semana laboral a efectos de este cálculo. Por lo tanto, el valor de la Parte Individual de cada Miembro de la Clase en el Acuerdo está directamente relacionado con la cantidad de semanas laborales que trabajó para los Demandados en California.

C. Cómo se calculan los Pagos del Acuerdo para los Miembros de la Clase de PAGA.

Si usted es Miembro de la Clase de PAGA bajo el Acuerdo, también recibirá una parte del Pago de PAGA. De conformidad con la PAGA, la LWDA recibirá un pago de $32,500 (el 65% del Pago total de $50,000 de PAGA). Los $17,500 restantes constituyen el "Monto Neto del Acuerdo de PAGA" o "MNAP" y se distribuirán proporcionalmente entre todos los Miembros de la Clase de PAGA. Cada Miembro de la Clase de PAGA recibirá una parte proporcional del Monto Neto del Acuerdo de PAGA que es igual a (i) el número de períodos de pago que trabajó para los Demandados durante el Período de PAGA según los Datos de PAGA proporcionados por el Demandado, dividido entre (ii) el número total de períodos de pago trabajados por todos los Miembros de la Clase de PAGA durante el Período de PAGA según los mismos Datos de PAGA, que luego se multiplica por el Monto Neto del Acuerdo de PAGA. Un día trabajado para los Demandados en un período de pago determinado se acreditará como un período de pago para los fines de este cálculo. Por lo tanto, el valor de la Parte Individual en el Acuerdo de PAGA de cada Miembro de la Clase de PAGA está directamente relacionado con el número de períodos de pago en los que trabajó para los Demandados en California durante el Período de PAGA.

D. Su Pago del Acuerdo Estimado

Aunque su parte exacta del Monto Neto del Acuerdo como Miembro de la Clase no se puede calcular con precisión hasta que concluya el período durante el cual las personas pueden objetar o solicitar la exclusión del Acuerdo, según el cálculo anterior, su parte aproximada del Monto Neto del Acuerdo es la siguiente: $«Est_Class_PMT» menos impuestos. Esto se basa en los Datos de Clase que muestran que trabajó «Class_Workweeks» semanas laborales durante el Período de Clase. El número máximo de semanas laborales que puede tener cualquier Miembro de la Clase es 281.

Si usted también es Miembro de la Clase de PAGA, recibirá una parte del Monto Neto del Acuerdo de PAGA. Según el cálculo anterior, su parte aproximada en el Monto Neto del Acuerdo de PAGA es la siguiente: $«Est_PAGA_PMT». Esto se basa en los Datos de PAGA que muestran que usted trabajó «PAGA_Pay_Periods» semanas laborales durante el Período de PAGA. El número máximo de semanas laborales que puede tener cualquier Miembro de la Clase de PAGA es 124.

E. Tratamiento fiscal de sus Pagos del Acuerdo.

La parte correspondiente a cada Miembro de la Clase en el Acuerdo Colectivo se repartirá de la siguiente manera: 1/3 en concepto de salario, 1/3 en concepto de intereses y 1/3 en concepto de multas. Las cantidades pagadas como salarios estarán sujetas a todas las retenciones fiscales que se aplican habitualmente al salario de un empleado, así como a todas las demás retenciones autorizadas y obligatorias, y deberán declararse mediante los formularios W-2. El pago de todos los importes se realizará sujeto a una retención adicional, a menos que se reciba un formulario W-9 debidamente cumplimentado por el/los beneficiario/s. Los importes pagados en concepto de multas e intereses estarán sujetos a todas las retenciones autorizadas y obligatorias, distintas de las retenciones fiscales que habitualmente se aplican a los salarios de los empleados, y deberán declararse mediante los formularios 1099 del IRS. Únicamente la parte de las retenciones de impuestos sobre la nómina que corresponda al empleado provendrá de la Parte Individual de cada Miembro de la Clase en el Acuerdo. La parte de las retenciones de impuestos sobre la nómina que corresponde al empleador se pagará por separado y adicionalmente al Monto Bruto del Acuerdo.

Si usted es Miembro de la Clase de PAGA, su Parte Individual del Acuerdo de PAGA se prorrateará al 100% de las sanciones. Esto no se verá reducido por las retenciones y deducciones de impuestos sobre la nómina. El Administrador del Acuerdo emitirá a cada Miembro de la Clase de PAGA un formulario 1099 del IRS relativo a su Parte Individual del Acuerdo de PAGA.

Nada de lo contenido en este Aviso pretende constituir asesoramiento legal sobre la responsabilidad tributaria de ningún Miembro de la Clase ni de ningún Miembro de la Clase de PAGA. En la medida en que este Aviso se interprete como si contuviera o constituyera asesoramiento sobre cualquier asunto tributario federal, estatal o local, dicho asesoramiento no está destinado ni escrito para ser utilizado, y no puede ser utilizado, por ninguna persona con el propósito de evitar cualquier obligación tributaria o sanción.

F. ¿Qué sucede si no cobra su cheque?

Se recomienda encarecidamente que, al recibir su cheque de liquidación, lo cobre de inmediato o antes de que venza el plazo de 180 días indicado en cada cheque. Si algún cheque permanece sin cobrar o sin depositar al expirar el plazo de 180 días, el Administrador del Acuerdo transferirá el importe representado por dicho cheque al fondo de propiedad no reclamada del Estado de California, a nombre del Miembro de la Clase.

11. ¿Cómo se les pagará a los abogados de la Clase?

Los honorarios de los abogados de la Demandante y de la Clase serán cubiertos con el Monto Bruto del Acuerdo. Con sujeción a la aprobación del Tribunal, los Abogados de la Clase recibirán una cantidad que no exceda un tercio del Monto Bruto del Acuerdo ($185,000.00) en concepto de honorarios y $20,000 para cubrir los gastos del litigio.

Los Demandados han pagado todos sus honorarios y costos.

SI NECESITA MÁS INFORMACIÓN O TIENE ALGUNA PREGUNTA, puede ponerse en contacto con los Abogados de la Clase mencionados anteriormente o con el Administrador del Acuerdo al número de teléfono que aparece a continuación, sin cargo alguno. También puede obtener documentos relacionados con este caso y este acuerdo visitando www.apexclassaction.com/timhoferinc, un sitio web creado por el Administrador del Acuerdo. Consulte el Acuerdo de Demanda Colectiva de Tim Hofer.

Este Aviso no contiene todos los términos del acuerdo propuesto ni todos los detalles de este procedimiento. Para obtener información más detallada, puede solicitar los documentos y papeles registrados que obran en poder del Tribunal por una tarifa nominal en el Tribunal Superior del Condado de Kern, ubicado en 1415 Truxtun Ave, Bakersfield, CA 93301. También puede ponerse en contacto con los abogados de la Demandante, cuyos datos figuran en este Aviso, quienes le proporcionarán una copia de forma gratuita.



POR FAVOR, NO LLAME AL TRIBUNAL NI A LA SECRETARÍA DEL TRIBUNAL PARA SOLICITAR INFORMACIÓN SOBRE ESTE ACUERDO.

Exhibit 2

Westlaw Court Express

LEGAL BILLING REPORT

VOLUME 14, NUMBER 3

December 2012

CA REGION

BY REGION, BY FIRM

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California Report

FIRM			GRADUATED	ADMITTED	STATE	RATE	HOURS		TOTAL
Akin Gump Strauss Hauer & Feld LLP									
Partner	David P. Simonds		1993	1993	CA	$ 825.00	8.10	$	6,682.50
Senior Counsel	Edward P. Christian		1995	1995	CA	725.00	2.60		1,885.00
		TOTAL					10.70	$	8,567.50

U.S.B.C New York Southern
Pinnacle Airlines Corp[12-11343 (REG)]

From the fee application covering
July 1, 2012 through October 31, 2012

NLJ Ranking: 40
Firm Size: 791

DLA Piper LLP								
Partner	Nate McKitterick	1989	1989	CA	$ 790.00	0.60	$	474.00
Partner	Richard Yankwich	1979	1979	CA	780.00	39.40		30,732.00
Partner	Ann Lawrence	1999	2000	CA	755.00	90.30		68,176.50
Partner	Heather Dunn	2000	2000	CA	705.00	1.30		916.50
Partner	Jeffrey D. Aaronson	1998	1998	CA	650.00	12.70		8,255.00
Of Counsel	Ben Gipson	2002	2002	CA	640.00	3.10		1,984.00
Associate	Bertrand Pan	2004	2004	CA	630.00	170.00		107,100.00
Associate	Diana M. Meltzer	2008	2008	CA	510.00	67.00		34,170.00
Associate	Natasha Hsieh	2011	2011	CA	470.00	1.80		846.00
Associate	Tina Bhanshali	2000	2000	CA	400.00	4.10		1,640.00
		TOTAL					390.30	$	254,294.00

U.S.B.C Delaware
Trident Microsystems, Inc.[12-10069 (CSS)]

From the fee application covering
October 1, 2012 through October 31, 2012

NLJ Ranking: 2
Firm Size: 3,348

Gibson Dunn & Crutcher, LLP								
Associate	Virginia Fitt	2010	2010	CA	$ 445.00	19.20	$	8,544.00
Associate	Matthew Bousleg	2011	2011	CA	395.00	12.60		4,977.00
		TOTAL				31.80	$	13,521.00

U.S.B.C New York Southern
Lightsquared, Inc[12-12080 SCC]

From the fee application covering
October 1, 2012 through October 31, 2012

NLJ Ranking: 21
Firm Size: 1,039

California Report

FIRM			GRADUATED	ADMITTED	STATE	RATE	HOURS		TOTAL
Kornfield, Nyberg, Bendes & Kuhner, P.C.									
Partner	Eric A. Nyberg		1987	1987	CA	$ 425.00	16.90	$	7,182.50
Paraprofessional	Nancy L. Nyberg					90.00	0.30		24.00
	TOTAL						17.20	$	7,206.50

U.S.B.C California Northern
Howrey LLP(11-31378-DM)

From the fee application covering
August 1, 2012 through August 31, 2012

NLJ Ranking: n/a
Firm Size: 3

Loeb & Loeb								
Partner	Lance N. Jurich	1987	1987	CA	$ 695.00	1.90	$	1,320.50
Partner	Christopher W. Campbell	1999	2000	CA	650.00	46.20		30,030.00
Associate	Ryan M. Austin	2007	2007	CA	550.00	122.30		67,265.00
Associate	Jeanne C. Wanlass	1993	1993	CA	435.00	18.20		7,917.00
Paraprofessional	S. Steadman				260.00	0.20		52.00
	TOTAL					188.80	$	106,584.50

U.S.B.C California Central
American Medical Technologies(8:12-12339-MW)

From the fee application covering
July 1, 2012 to September 30, 2012

NLJ Ranking: 144
Firm Size: 301

Pachulski Stang Ziehl Young Jones & Weintraub								
Of Counsel	James K. T. Hunter	1976	1976	CA	$ 745.00	0.10	$	74.50
Partner	Samuel R. Maizel	1995	1995	CA	725.00	40.90		29,652.50
Of Counsel	Jeffrey Kandel	1984	1984	CA	615.00	0.50		307.50
Partner	Mahar S. Pagay	1994	1997	CA	615.00	1.80		1,107.00
Partner	Scotta McFarland	1980	1980	CA	615.00	47.80		29,397.00
Of Counsel	Mary Lane	1976	1976	CA	595.00	3.80		2,261.00
Partner	Nina Hong	1995	1995	CA	595.00	0.50		297.50
Associate	Teddy M. Kapur	2004	2006	CA	495.00	8.40		4,158.00
Library	Leslie A. Forrester				295.00	1.10		324.50
Paraprofessional	Felice Harrison				275.00	23.00		6,325.00
	TOTAL					127.90	$	73,904.50

U.S.B.C California Central
American Medical Technologies(8:12-12339-MW)

From the fee application covering
July 1, 2012 to July 31, 2012

NLJ Ranking: n/a
Firm Size: 55

California Report

FIRM:		GRADUATED	ADMITTED	STATE	RATE	HOURS	TOTAL
Pachulski Stang Ziehl Young Jones & Weintraub							
Partner	Richard M. Pachulski	1979	1979	CA	$ 975.00	0.80	$ 780.00
Partner	Ira D. Kharasch	1982	1983	CA	875.00	12.80	11,200.00
Of Counsel	James K. T. Hunter	1975	1976	CA	745.00	4.00	2,980.00
Partner	John D. Fiero	1968	1968	CA	745.00	50.80	37,846.00
Partner	Bruce Grohsgal	1983	1984	CA	725.00	11.10	8,047.50
Of Counsel	Harry Hochman	1987	1987	CA	675.00	15.50	10,462.50
Of Counsel	Gabrielle Rohwer	1997	1997	CA	595.00	5.20	3,094.00
Of Counsel	William Ramseyer	1980	1980	CA	575.00	4.30	2,472.50
Associate	John W. Lucas	2004	2010	CA	525.00	31.00	16,275.00
Paraprofessional	Patricia Cuniff				265.00	2.50	662.50
Paraprofessional	Louise Tuschak				265.00	7.70	2,040.50
Paraprofessional	Cheryl A. Knotts				265.00	1.00	265.00
Case Management	Sheryle Pitman				185.00	5.40	999.00
Case Management	Dina K. Whaley				185.00	0.40	74.00
	TOTAL					152.50	$ 97,158.50
Paul Hastings LLP							
Partner	J. Al Latham Jr.	1976	1976	CA	$ 840.00	15.80	$ 13,272.00
Of Counsel	Jennifer S. Baldocchi	1993	1993	CA	755.00	152.40	115,062.00
Associate	Melinda A. Gordon	2005	2005	CA	615.00	31.10	19,126.50
Associate	Robert E. Zuyer	2007	2008	CA	575.00	181.70	104,477.50
Associate	Lisa M. Peez	2009	2009	CA	485.00	87.10	42,243.50
Associate	Ji Hae Kim	2010	2010	CA	385.00	97.00	37,345.00
Associate	Mario C. Ortega	2010	2010	CA	385.00	160.20	61,677.00
	TOTAL					725.30	$ 393,203.50
Seyfarth Shaw LLP							
Counsel	Ellen Sueda	1996	1996	CA	$ 580.00	2.40	$ 1,392.00
Partner	Colleen M Regan	1985	1985	CA	620.00	1.50	930.00
Counsel	Holger Besch	1997	1997	CA	540.00	56.60	30,564.00
	TOTAL					60.50	$ 33,126.00

U.S.B.C Delaware
Trident Microsystems, Inc.(12-10069 (CSS))

From the fee application covering
September 1, 2012 through September 30, 2012

NLJ Ranking: n/a
Firm Size: 55

U.S.B.C New York Southern
AMR Corporation(11-15463 (SHL))

From the fee application covering
July 1, 2012 through July 31, 2012

NLJ Ranking: 30
Firm Size: 851

U.S.B.C New York Southern
Grubb & Ellis Company (12-10685 MG)

From the fee application covering
July 2, 2012 through October 31, 2012

NLJ Ranking: 50
Firm Size: 733

California Report

FIRM			GRADUATED	ADMITTED	STATE	RATE	HOURS	TOTAL
Sidley Austin LLP								
	Partner	Max C. Fischer	1995	1995	CA	$ 675.00	18.10	$ 12,217.50
	Associate	Michael T. Gustafson	2010	2010	CA	450.00	117.50	53,055.00
	Associate	Francis S. Lam	2011	2011	CA	355.00	41.00	14,555.00
		TOTAL					177.00	$ 79,827.50
Torys LLP								
	Partner	John Cameron	1983	1983	CA	$ 985.00	5.50	$ 5,472.50
	Partner	Sheila Block	1974	1974	CA	995.00	0.40	398.00
	Partner	Michael Rotszlein	1977	1977	CA	810.00	0.50	405.00
	Associate	Jessica Bullock	2008	2008	CA	695.00	21.10	14,664.50
	Associate	Adam Slavens	2007	2007	CA	565.00	110.00	62,150.00
	Associate	Matthew Atkey	2008	2008	CA	500.00	0.50	250.00
	Library	Claire Mauro				355.00	0.80	284.00
	Law Clerk	Bradley Tarlick				305.00	43.90	13,389.50
	Paraprofessional	Dianne Ralph				260.00	28.20	7,332.00
		TOTAL					210.90	$ 104,345.50

U.S.B.C Delaware
Tribune Company, et al.,(08-13141 (KJC))

From the fee application covering
September 1, 2012 through September 30, 2012

NLJ Ranking: 10
Firm Size: 1,592

U.S.B.C Delaware
Nortel Networks Inc.(09-10138)

From the fee application covering
August 1, 2012 through October 31, 2012

NLJ Ranking: n/a
Firm Size: 236

Westlaw Court Express

LEGAL BILLING REPORT

VOLUME 14, NUMBER 3

December 2012

CA REGION

BY BILLING RATE

California Rate Report

	PROFESSIONAL	FIRM	GRADUATED	ADMITTED	STATE	RATE	HOURS	TOTAL
Partner	John Cameron	Torys LLP	1983	1983	CA	$ 995.00	5.50	$ 5,472.50
Partner	Sheila Block	Torys LLP	1974	1974	CA	995.00	0.40	398.00
Partner	Richard M. Pachulski	Pachulski Stang Ziehl Young Jones & Weintraub	1979	1979	CA	975.00	0.80	780.00
Partner	Ira D. Kharasch	Pachulski Stang Ziehl Young Jones & Weintraub	1982	1983	CA	875.00	12.80	11,200.00
Partner	J. Al. Latham Jr.	Paul Hastings LLP	1978	1976	CA	840.00	15.80	13,272.00
Partner	David P. Simonds	Akin Gump Strauss Hauer & Feld LLP	1993	1993	CA	625.00	9.10	5,682.50
Partner	Michael Rotszlain	Torys LLP	1977	1977	CA	810.00	0.50	405.00
Partner	Nate McKitterick	DLA Piper LLP	1989	1989	CA	790.00	0.60	474.00
Partner	Richard Yankwich	DLA Piper LLP	1979	1979	CA	780.00	39.40	30,732.00
Partner	Ana Lawrence	DLA Piper LLP	1999	2000	CA	755.00	90.30	68,176.50
Of Counsel	Jennifer S. Baldocchi	Paul Hastings LLP	1993	1993	CA	755.00	152.40	115,062.00
Of Counsel	James K.T. Hunter	Pachulski Stang Ziehl Young Jones & Weintraub	1976	1976	CA	745.00	0.10	74.50
Of Counsel	James K.T. Hunter	Pachulski Stang Ziehl Young Jones & Weintraub	1976	1976	CA	745.00	4.00	2,980.00
Partner	John D. Fiero	Pachulski Stang Ziehl Young Jones & Weintraub	1999	1986	CA	745.00	50.80	37,846.00
Senior Counsel	Edward P. Christian	Akin Gump Strauss Hauer & Feld LLP	1995	1995	CA	725.00	2.60	1,885.00
Partner	Samuel R. Maizel	Pachulski Stang Ziehl Young Jones & Weintraub	1985	1985	CA	725.00	40.90	29,652.50
Partner	Bruce Grohsgal	Pachulski Stang Ziehl Young Jones & Weintraub	1983	1984	CA	725.00	11.10	8,047.50
Partner	Heather Dunn	DLA Piper LLP	2000	2000	CA	705.00	1.30	916.50
Partner	Lance N. Jurich	Loeb & Loeb	1987	1987	CA	695.00	1.90	1,320.50
Associate	Jessica Bullock	Torys LLP	2008	2008	CA	695.00	21.10	14,664.50
Counsel	Ellen Sueda	Seyfarth Shaw LLP	1998	1998	CA	680.00	2.40	1,632.00
Of Counsel	Henry Hochman	Pachulski Stang Ziehl Young Jones & Weintraub	1987	1987	CA	675.00	15.50	10,462.50
Partner	Max C. Fischer	Sidley Austin LLP	1995	1995	CA	675.00	18.10	12,217.50
Partner	Jeffrey D. Aaronson	DLA Piper LLP	1996	1996	CA	650.00	12.70	8,255.00
Partner	Christopher W. Campbell	Loeb & Loeb	1999	2000	CA	650.00	46.20	30,030.00
Of Counsel	Ben Gipson	DLA Piper LLP	2002	2002	CA	640.00	3.10	1,984.00
Associate	Bertrand Pan	DLA Piper LLP	2004	2004	CA	630.00	170.00	107,100.00
Partner	Colleen M Regan	Seyfarth Shaw LLP	1985	1985	CA	620.00	1.50	930.00
Of Counsel	Jeffrey Kandel	Pachulski Stang Ziehl Young Jones & Weintraub	1984	1984	CA	615.00	0.50	307.50
Partner	Mahar S. Pagay	Pachulski Stang Ziehl Young Jones & Weintraub	1994	1997	CA	615.00	1.50	1,107.00
Partner	Scotta McFarland	Pachulski Stang Ziehl Young Jones & Weintraub	1980	1980	CA	615.00	47.80	29,397.00
Associate	Melinda A. Gordon	Paul Hastings LLP	2006	2008	CA	615.00	31.10	19,126.50
Of Counsel	Mary Lane	Pachulski Stang Ziehl Young Jones & Weintraub	1976	1976	CA	595.00	3.80	2,261.00
Partner	Nina Hong	Pachulski Stang Ziehl Young Jones & Weintraub	1995	1998	CA	595.00	0.50	297.50
Of Counsel	Gabrielle Rohwer	Pachulski Stang Ziehl Young Jones & Weintraub	1997	1997	CA	595.00	5.20	3,094.00

California Rate Report

	PROFESSIONAL	FIRM	GRADUATED	ADMITTED	STATE	RATE	HOURS	TOTAL
Of Counsel	William Ramseyer	Pachulski Stang Ziehl Young Jones & Weintraub	1980	1980	CA	$ 575.00	4.30	$ 2,472.50
Associate	Robert E. Zuver	Paul Hastings LLP	2007	2008	CA	575.00	181.70	104,477.50
Associate	Adam Stevens	Torys LLP	2007	2007	CA	565.00	110.00	62,150.00
Associate	Ryan M. Austin	Loeb & Loeb	2007	2007	CA	550.00	122.30	67,265.00
Counsel	Holger Besch	Seyfarth Shaw LLP	1997	1997	CA	540.00	56.60	30,564.00
Associate	John W. Lucas	Pachulski Stang Ziehl Young Jones & Weintraub	2004	2010	CA	525.00	31.00	16,275.00
Associate	Diana M. Maltzer	DLA Piper LLP	2008	2008	CA	510.00	67.00	34,170.00
Associate	Matthew Atkey	Torys LLP	2008	2008	CA	500.00	0.50	250.00
Associate	Teddy M. Kapur	Pachulski Stang Ziehl Young Jones & Weintraub	2004	2006	CA	495.00	8.40	4,158.00
Associate	Lisa M. Paez	Paul Hastings LLP	2009	2009	CA	485.00	87.10	42,243.50
Associate	Natasha Hsieh	DLA Piper LLP	2011	2011	CA	470.00	1.80	846.00
Associate	Michael T. Gustafson	Sidley Austin LLP	2010	2010	CA	460.00	117.90	53,055.00
Associate	Virginia Fitt	Gibson Dunn & Crutcher, LLP	2010	2010	CA	445.00	19.20	8,544.00
Associate	Jeanne C. Wanlass	Loeb & Loeb	1993	1993	CA	435.00	18.20	7,917.00
Partner	Eric A. Nyberg	Kornfield, Nyberg, Bendes & Kuhner, P.C.	1987	1987	CA	425.00	16.90	7,182.50
Associate	Tina Bhanshali	DLA Piper LLP	2000	2000	CA	400.00	4.10	1,640.00
Associate	Matthew Boustag	Gibson Dunn & Crutcher, LLP	2011	2011	CA	395.00	12.60	4,977.00
Associate	Ji Hae Kim	Paul Hastings LLP	2010	2010	CA	385.00	97.00	37,345.00
Associate	Merle C. Ortega	Paul Hastings LLP	2010	2010	CA	385.00	160.20	61,677.00
Associate	Francis S. Lam	Sidley Austin LLP	2011	2011	CA	355.00	41.00	14,555.00
Library	Clare Mauro	Torys LLP				355.00	0.80	284.00
Law Clerk	Bradley Tartick	Torys LLP				305.00	43.90	13,389.50
Library	Leslie A. Forrester	Pachulski Stang Ziehl Young Jones & Weintraub				295.00	1.10	324.50
Paraprofessional	Felice Harrison	Pachulski Stang Ziehl Young Jones & Weintraub				275.00	23.00	6,325.00
Paraprofessional	Patricia Cunliff	Pachulski Stang Ziehl Young Jones & Weintraub				265.00	2.50	662.50
Paraprofessional	Louise Tuschak	Pachulski Stang Ziehl Young Jones & Weintraub				265.00	7.70	2,040.50
Paraprofessional	Cheryl A. Knotts	Pachulski Stang Ziehl Young Jones & Weintraub				265.00	1.00	265.00
Paraprofessional	S. Steadman	Loeb & Loeb				260.00	0.20	52.00
Paraprofessional	Dianna Ralph	Torys LLP				260.00	28.20	7,332.00
Case Manageme	Sharyle Pitman	Pachulski Stang Ziehl Young Jones & Weintraub				185.00	5.40	999.00
Case Manageme	Dina K. Whaley	Pachulski Stang Ziehl Young Jones & Weintraub				185.00	0.40	74.00
Paraprofessional	Nancy L. Nyberg	Kornfield, Nyberg, Bendes & Kuhner, P.C.				80.00	0.30	24.00

Exhibit 3

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Additional Counsel Listed After Signature Page
Attorneys for Plaintiffs and the certified Class

SUPERIOR COURT OF CALIFORNIA

FOR THE COUNTY OF SAN DIEGO, CENTRAL DIVISION

ADAM HOHNBAUM, ILLYA HAASE, ROMEO OSORIO, AMANDA JUNE RADER, and SANTANA ALVARADO and ROES 1 through 500, Inclusive on behalf of themselves and all others similarly situated, and on behalf of the general public,

Plaintiffs,

v.

BRINKER RESTAURANT CORPORATION, BRINKER INTERNATIONAL, INC. and BRINKER INTERNATIONAL PAYROLL COMPANY, LP a Delaware Corporation; and DOES 1 through 500, Inclusive

Defendants.

CASE NO.: GIC834348

CLASS ACTION

DECLARATION OF RICHARD M. PEARL IN SUPPORT OF PLAINTIFFS' **UNOPPOSED** MOTION FOR FINAL APPROVAL AND OF CLASS ACTION SETTLEMENT AND MOTION FOR AWARD OF ATTORNEYS' FEES, COSTS, CLASS REPRESENTATIVE **SERVICE PAYMENTS, AND CLAIMS** ADMINISTRATION EXPENSES

Date: December 12, 2014
Time: 1:30 p.m.
Dept.: C-69
Judge: Hon. Katherine A. Bacal

Complaint Filed: August 16, 2004

I, RICHARD M. PEARL, hereby declare the following:

1. I am a member in good standing of the California State Bar. I am in private practice as the principal of my own law firm, the Law Offices of Richard M. Pearl, in Berkeley, California. I specialize in issues related to court-awarded attorneys' fees, including the representation of parties in fee litigation and appeals, serving as an expert witness, and serving as a mediator and arbitrator in disputes concerning attorneys' fees and related issues. In this case, I have been asked by Plaintiffs' counsel to render my opinion on the reasonableness of the hourly rates they are requesting in this matter. I make this Declaration in Support of Plaintiffs' Motion for Award of Reasonable Attorneys' Fees.

Professional Background

1. Briefly summarized, my background is as follows: I am a 1969 graduate of Boalt Hall School of Law, University of California, Berkeley, California. I took the California Bar Examination in August 1969 and passed it in November of that year, but because I was working as an attorney in Atlanta, Georgia for the Legal Aid Society of Atlanta (LASA), I was not admitted to the California Bar until January 1970. I worked for LASA until summer of 1971, when I then went to work in California's Central Valley for California Rural Legal Assistance, Inc. (CRLA), a statewide legal services program. From 1977 to 1982, I was CRLA's Director of Litigation, supervising more than fifty attorneys. In 1982, I went into private practice, first in a small law firm, then as a sole practitioner. Martindale Hubbell rates my law firm "AV." I also have been selected as a Northern California "Super Lawyer" in Appellate Law for 2005, 2006, 2007, 2008, 2010, 2011, 2012, 2013, and 2014. A copy of my current Resume is attached hereto as Exhibit A.

2. Since 1982, my practice has been a general civil litigation and appellate practice, with an emphasis on cases and appeals involving court-awarded attorneys' fees. I also am the author of *California Attorney Fee Awards* (3d ed.

Cal. CEB 2010) and its February 2011, 2012, 2013, and March 2014 Supplements, as well as all its previous editions and annual supplements. California appellate courts have cited this treatise on more than 35 occasions. *See, e.g., Graham v. DaimlerChrylser Corp.*(2004) 34 Cal.4th 553, 576, 584; *Lolley v. Campbell* (2002) 28 Cal.4th 367, 373; *Chacon v. Litke* (2010) 181 Cal.App.4th 1234, 1259; *Syers Properties III, Inc. v. Rankin* (2014) 226 Cal.App.4th 691, 698, 700. I also have lectured and written extensively on court-awarded attorneys' fees. I have been a member of the California State Bar's Attorneys' Fees Task Force and have testified before the State Bar Board of Governors and the California Legislature on attorneys' fee issues. In addition, I authored a federal manual on attorneys' fees entitled *Attorneys' Fees: A Legal Services Practice Manual*, published by the Legal Services Corporation. I also co-authored the chapter on "Attorney Fees" in Volume 2 of CEB's *Wrongful Employment Termination Practice*, 2d Ed. (1997).

3. More than 90% of my practice is devoted to issues involving court-awarded attorneys' fees. I have been counsel in over 180 attorneys' fee applications in state and federal courts, primarily representing other attorneys. I also have briefed and argued more than 40 appeals, at least 25 of which have involved attorneys' fees issues. I have successfully handled five cases in the California Supreme Court involving court-awarded attorneys' fees: (1) *Maria P. v. Riles* (1987) 43 Cal.3d 1281, a landmark early decision on the scope of California Code of Civil Procedure section 1021.5; (2) *Delaney v. Baker* (1999) 20 Cal.4th 23, which held that heightened remedies, including attorneys' fees, are available in suits against nursing homes under California's Elder Abuse Act; (3) *Ketchum v. Moses* (2001) 24 Cal.4th 1122, which held, *inter alia*, that contingent risk multipliers remain available under California attorney fee law, despite the United States Supreme Court's contrary ruling on federal law (note that in *Ketchum*, I was primary appellate counsel in the Court of Appeal and "second chair" in the Supreme Court); (4) *Flannery v. Prentice* (2001) 26 Cal.4th 572, which held that in

the absence of an agreement to the contrary, statutory attorneys' fees belong to the attorney whose services they are based upon; and (5) *Graham v. DaimlerChrysler Corp.* (2004) 34 Cal.4th 553, which held, *inter alia*, that the "catalyst" theory was still valid under California law despite federal Supreme Court authority to the contrary. I also represented and argued on behalf of *amicus curiae* in *Conservatorship of McQueen* (2014) 59 Cal.4th 602, and, along with Richard Rothschild, filed an *amicus curiae* brief in *Vasquez v. State of California* (2009) 45 Cal.4th 243. I also have handled numerous other appeals involving attorney's fees, including: *Davis v. City & County of San Francisco* (9th Cir. 1992) 976 F.2d 1536; *Mangold v. CPUC* (9th Cir. 1995) 67 F.3d 1470; *Moore v. Bank of America* (9th Cir. 2007) 245 Fed.Appx. 613; *Velez v. Wynne* (9th Cir. 2007) 2007 U.S.App.LEXIS 2194; *Camacho v. Bridgeport Financial, Inc.* (9th Cir. 2008) 523 F.3d 973; *Center for Biological Diversity v. County of San Bernardino* (2010) 185 Cal.App.4th 866; and *Environmental Protection Information Center v. California Dept. of Forestry & Fire Protection et al* (2010) 190 Cal.App.4th 217. For an expanded list of my representative decisions, *see* Exhibit A.

4. I also have been retained by various governmental entities, including the State of California, at my then current rates to consult with them regarding their affirmative attorney fee claims.

5. I am frequently called upon to opine about the reasonableness of attorneys' fees, and numerous federal and state courts have cited my testimony on that issue favorably. The reported cases referencing my testimony include the following California appellate courts: *Laffite v. Robert Half Int'l* (2014) __Cal.App.4th __, 2014 Cal.App.LEXIS 1059; *In re Tobacco Cases I* (2013) 216 Cal.App.4th 570; *Heritage Pacific Financial LLC v. Monroy* (2013) 215 Cal.App.4th 972, 1009; *Children's Hospital & Medical Center v. Bonta* (2002) 97 Cal.App.4th 740; *Wilkinson v. South City Ford* (2010) 2010 Cal.App.Unpub. LEXIS 8680; *Church of Scientology v. Wollersheim* (1996) 42 Cal.App.4th 628

(anti-SLAPP case). My declaration also has been favorably referenced by the following federal courts: *Prison Legal News v. Schwarzenegger* (9th Cir. 2010) 608 F.3d 446, 455, in which the expert declaration referred to in that opinion is mine; *Antoninetti v. Chipotle Mexican Grill, Inc.*(9th Cir. 2012) Order filed Dec. 26, 2012; *In re TFT-LCD (Flat Panel) Antitrust Litigation* (N.D.Cal. 2013) No. M 07-1827 SI, MDL, No. 1827, Report and Recommendation of Special Master re Motions for Attorneys' Fees etc., filed Nov. 9, 2012, adopted in relevant part, 2013 U.S.Dist.LEXIS 49885; *Rosenfeld v. United States Dept. of Justice* (N.D. Cal. 2012) 904 F.Supp.2d 988; *Stonebrae v. Toll Bros.* (N.D. Cal. 2011) 2011 U.S.Dist.LEXIS 39832, at *9 (thorough discussion), *aff'd* (9th Cir. 2013) 2013 U.S.App.LEXIS 6369; *Hajro v. United States Citizenship & Immigration Service* (N.D.Cal 2012) 900 F.Supp.2d 1034, 1054; *Armstrong v. Brown* (N.D. Cal. 2011) 2011 U.S.Dist.LEXIS 87428; *Californians for Disability Rights, Inc. v. California Dept. of Transportation* (N.D. Cal. 2010) 2010 U.S.Dist.LEXIS 141030; *Prison Legal News v. Schwarzenegger* (N.D. Cal. 2008) 561 F.Supp.2d 1095 (an earlier motion); *Oberfelder v. City of Petaluma* (N.D. Cal. 2002) 2002 U.S.Dist.LEXIS 8635, *aff'd* (9th Cir. 2003) 2003 U.S.App.LEXIS 11371; *Bancroft v. Trizechahn Corp.*, C.D. Cal. No. CV 02-2373 SVW (FMOx), Order Granting Reasonable Attorneys' Fees etc., filed Aug. 14, 2006; *Willoughby v. DT Credit Corp.*, C.D. Cal. No. CV 05-05907 MMM (Cwx), Order Awarding Reasonable Attorneys' Fees After Remand, filed July 17, 2006; *A.D. v. California Highway Patrol* (N.D.Cal. 2009) 2009 U.S.Dist.LEXIS 110743, *rev's'd on other grounds* (9th Cir. 2013) 712 F.3d 446, *reaffirmed and additional fees awarded on remand* at 2013 U.S.Dist.LEXIS 169275; *National Federation of the Blind v. Target Corp.* (N.D.Cal. 2009) 2009 U.S.Dist.LEXIS 67139. In addition, numerous trial courts have relied upon my testimony in unpublished fee orders.

6. I also have extensive experience litigating the merits of class actions, including numerous housing, government benefits, and consumer class actions.

See, e.g., *Employment Dev. Dept. v. Superior Court (Boren)* (1981) 30 Cal.3d 256. I also have represented Class Counsel on their fee requests in numerous highly-contested class actions, including *Davis v. City & County of San Francisco, supra, Duran v. First National Bank,* Alameda County Superior Court No. 2001-035537, and *Molina, et al. v. Lexmark International, et al.,* Los Angeles County Superior Court No. BC339177.

7. In this matter, I have reviewed several documents from the underlying litigation and fee motion, including the entire Motion for Preliminary Approval, as well as the declarations of Plaintiffs' principal counsel filed in support of the instant motion. I also have discussed the case with class counsel Julie Corbo-Ridley.

PLAINTIFFS' ATTORNEYS' HOURLY RATES ARE REASONABLE

8. Through my writing and practice, I have become knowledgeable about the non-contingent market rates charged by attorneys in California and elsewhere. I have obtained this knowledge in several ways: (1) by handling attorneys' fee litigation; (2) by preparing expert declarations in numerous cases; (3) by discussing fees with other attorneys; (4) by obtaining declarations regarding prevailing market rates in cases in which I represent attorneys seeking fees; and (5) by reviewing attorneys' fee applications and awards in other cases, as well as surveys and articles on attorneys' fees in the legal newspapers and treatises.

9. I am aware of the hourly rates being requested by Plaintiffs' attorneys in this case, their experience and qualifications, the nature of the work performed, and the results achieved. Under California law, Plaintiff's attorneys are entitled to their requested rates if those rates are "within the range of reasonable rates charged by and judicially awarded comparable attorneys for comparable work." *Children's Hosp. & Med. Ctr. v. Bonta [CHMC]* (2002) 97 Cal.App.4th 740, 783. In my opinion, the information about non-contingent hourly rates I have gathered, some

of which is summarized below, shows that the rates requested by Plaintiffs' counsel in this matter are well within the range of the non-contingent market rates charged by California and San Diego attorneys of reasonably comparable experience, skill, and expertise for reasonably comparable services. I base that opinion in large part on the following data:

Court Awards

10. Several of the Plaintiffs' law firms have had the hourly rates requested here, or their equivalent rates in prior years, approved by the courts in other class actions. For example, Hurst & Hurst's rates were found reasonable in *Serochi v. Bosa Development California II, Inc., et al.*, San Diego Superior Court Case No.: 37-2009-00096686-CU-BT-CTL. Similarly, Ms. Lorens's 2012 rate of $795/hour was approved in November 2012 in *Hoch v. Rockin' Baja Coastal Cantina, et al.*, San Diego Superior Court Case No. 37-2012-00095176-CU-OE-CTL/*Mojica v. Rockin' Baja Coastal Cantina, et al.*, San Diego Superior Court Case No. 37-2012-00091490-CU-OE-CTL. This is highly probative evidence of the reasonableness of their rates in subsequent reasonably similar cases.

11. Counsel's rates are also consistent with the following court awards from the Southern District of California[1]:

(1) In *Hartless v. Clorox,* 273 F.R.D. 630, 644 (S.D. Cal. 2011), the Court found, *inter alia,* that class counsel's requested rates were consistent with the hourly rates found reasonable in numerous other class actions and with rates charged by other firms in the San Diego area, including rates of $795 per hour for a 25-year attorney and $675 per hour for an experienced partner. 273 F.R.D. at 644.

[1] In my experience, for purposes of the hourly rates charged and found reasonable by the courts, the differences between types of class actions (i.e. wage and hour class actions versus consumer class actions) are not significant, either factually or legally. See, e.g., *Heritage Pacific Financial, LLC v. Monroy,* 215 Cal.App.4th 972, 1009 (2013); *Camacho v. Bridgeport Financial, Inc.,* 523 F.3d 973, 979 (9th Cir. 2008).

Given the rate increases that have occurred over the ensuing three years, counsel's rates here are certainly within the same range.

(2) In *Shames v. Hertz Corp.*, 2012-2 Trade Case. (CCH) ¶78,120 (S.D. Cal. 2012), the Court, relying on *Hartless,* found that plaintiffs' San Diego Counsel there were comparable in skill and experience to the attorneys whose rates were found reasonable in *Hartless.* At *59-61.

(3) In *Briarwood Capital LLC v. HCC Investors LLC,* San Diego Superior Court No. GIC877446, on March 30, 2011, the court (Judge William R. Nevitt Jr.) found that the 2009 hourly rates charged by the San Diego office of Bernstein Litowitz Berger & Grossman LLP -- $725 for partners, $490-550 for associates -- were reasonable.

(4) Similarly, in the same case, the court found that the 2009 rates charged by the Century City office of O'Melveny & Myers LLP, including rates of $860-950 for a 36-37 year attorney and $700-710 for 16-18 year attorneys also were reasonable for San Diego litigation. Again, given the rate increases that have occurred over the past three years, Plaintiffs' attorneys' current rates here are in the same range as those found reasonable in *Briarwood Capital.*

(5) In *Atlas v. Accredited Home Lenders Holdings, Co.* Case No. 07-CV-488-H-CAB (S.D. Cal. 2009), the court (Judge Marilyn Huff) found the 2009 rates charged by Bernstein Litowitz's San Diego office reasonable. Again, those rates ranged from $490 to $550 for associates, and $725 for a partner.

(6) In *In re Virgil's Tours,* Case No. 08-30659 (Bank. N.D. Cal. 2008), the court found reasonable the 2008 rates requested by Morrison & Foerster LLP's San Diego office. Those rates ranged from $600 to $675 for partners, from $350 to $485 for associates, and from $220 to $245 for paralegals.

(7) In *Qualcomm, Inc. v. Broadcom, Inc.* Case No. 05-CV-1958-B, 2008 WL 2705161 (S.D. Cal. 2008), the court found the 2007 hourly rates requested by Wilmer Cutler, Pickering, Hale & Dorr LLP reasonable for San

Diego-based litigation. Those rates ranged from $45 to $300 for staff and Paralegals, from $275 to $505 for associates and counsel, and from $435 to $850 for partners.

12. In addition to local courts, the following hourly rates have been found reasonable by various California courts for reasonably similar services:

2014

(1) *IPVX Patent Holdings, Inc. v. Voxernet LLC,* N.D. Cal. No. 5:13-CV-01708-HRL, a patent infringement case, in which the court found the following hourly rates reasonable:

Years of Experience	Rate
2014	
45	$750
35	750
23	725
19	695
5	400
3	350
Paralegal	125
2013	
18	$755
11	595
2	425
2012	
40	$865
17	755
10	595
1	375

(2) *Doe v. United Healthcare Insurance Co., et al.,* C.D. Cal. No. SACV 13-0864 DOC(JPRx), Order Granting Attorney's Fees and Costs, filed October 15, 2014, a multi-Plaintiff consumer action, in which the court found the following hourly rates reasonable:

Whatley Kallas

Years of Experience	Rate
36	$950

Whatley Kallas	
Years of Experience	Rate
27	900
32	800
33	750
21	700
10	600
4	400
2	375
Paralegal	225
Intern	125
Consumer Watchdog	
35	$925
19	650
4	425

(3) *Rose v. Bank of America Corp.*, N.D. Cal. No. 5:11-CV-02390-EJD; 5:12 CV-04009-EJD, Order Granting Motion for Final Approval of Settlement; Granting in Part and Denying in Part Motion for Attorney's Fees and Costs, filed August 29, 2014, a consumer class action involving the Bank's loan servicing calls, in which the court found the following hourly rates reasonable:

Partners: $775-350

Associates: $525-325

(4) *Carpio v. California Department of Social Services, Los Angeles County Superior Court,* No. BS 135127, Order Granting Petitioner's Motion For Attorney's Fees, filed July 24, 2014, a government benefits writ of mandate, in which the court found the following hourly rates reasonable:

Years	Rate
39	$750
35	730
13	500
8	460
6	440

(5) *Cornell v. City & County of San Francisco,* San Francisco County

Superior Court No. CGC-11-509240, Order Granting Motion for Reasonable Attorneys' Fees, Subject to Modifications, filed May 15, 2014, an individual police misconduct/employment action, in which the court found the following hourly rates reasonable, plus a 1.25 lodestar multiplier for merits work:

Years of Experience	Rate
45	$750
35	750
23	725
19	695
5	400
3	350
Paralegal	125

2013 Rates

(1) *Ellis v. Costco Wholesale Corp.,* N.D. Cal. No. C04-3341 EMC, Order Granting Motion for Final Approval of Class Action Settlement, filed May 27, 2014, an employment class action, in which the court found the following hourly rates reasonable:

Years of Experience	Rate
38	$700
35	825
30	650-825
29	875
19	725
9	500
8	460
7	425-575
6	435
3	315
Paralegals	155-295
Law Clerks	185-275

(2) *In re Pacific Bell Late Fee Litigation,* Contra Costa County Superior Ct. No. MSC10-00840, Order Awarding Attorneys' Fees, Costs and Expenses and Authorizing Payment of Incentive Award to the Class Representative, filed October 18, 2013, a consumer class action, in which the court found the following

hourly rates reasonable:

Years of Experience	Rate
17	$850
16	680
11 (partner)	680
36	675
32	675
28 (assoc.)	620
4	400
3	390
Paralegals and Litigation Support	160-180

(3) *Reuters America LLC v. The Regents of the Univ. of Calif.*, Alameda County Superior Court No. RG12-613664, Order Granting in Part Motion of Petitioner for Attorneys' Fees filed May 2, 2013, reversed on the merits sub nom *Regents of U.C. v. Superior Court* (2014) 222 Cal.App.4th 383, a California Public Records Act action, in which the trial court found the following hourly rates reasonable, before applying a 1.3 lodestar multiplier:

Years of Experience	Rate
31	$785
27	600
6	400

(4) *Recouvreur v. Carreon* (N.D. Cal. 2013) 940 F.Supp.2d 1063, a Lanham Act/ sanctions fee motion, in which the court found the following hourly rate reasonable:

Years of Experience	Rate
20+	$700

2012 Rates

(1) *In re TFT-LCD (Flat Panel) Antitrust Litigation* (N.D.Cal. 2013) No. M 07 1827 SI, MDL, No. 1827, an antitrust class action, in which the court found the following hourly rates reasonable:

Zelle Hofman

Bar Admission	Rate
1967	$1000
1978	861
2001	619
2002	525
2005	500
2006	472
2009	417

Steyer, Lowenthal *et al.*

Bar Admission	Rate 2012	Rate 2011	Rate 2010
1981	$820	$770	$730
1995	660	640	590
2007	380	360	320
2008	380	360	320
1982	750	710	680
Paralegal	190		

Cooper & Kirkham

Bar Admission	Rates 2010-2012
1964	$950
1975	825
2001	550

(2) *Rosenfeld v. United States Dept. of Justice* (N.D. Cal. 2012) 904 F.Supp.2d 988, a Freedom of Information Act action, in which the court found the following hourly rates reasonable:

Years of Experience	Rate
28	$700
21	550
1	200
Law students	160-180

(3) *Williams v. H&R Block Enterprises, Inc.*, Alameda County Superior Ct. No. RG08366506, Order of Final Approval and Judgment filed November 8, 2012, a wage and hour class action, in which the court found the following hourly

rates reasonable:

Year of Bar Admission	Rate
1970	$785
1976	775
1981	750
1993	650-700
1994-1997	500-650
2004	500
2005	470
2006	445-475
2007	450
2008	400
2009	350

(4) *American Civil Liberties Union v. Drug Enforcement Administration,* N.D. Cal. No. C-11-01977 RS, Order Granting Motion for Attorneys' Fees and Litigation Costs Pursuant to 5 U.S.C. §552, filed November 8, 2012, a Freedom of Information Act case, in which the court found the following hourly rates reasonable:

Year of Bar Admission	Rate
1970	$700
1996	595
1999	575
Law Clerks	150

(5) *Luquetta v. The Regents of the Univ. of California,* San Francisco Superior Ct. No.CGC-05-443007, Order Granting Plaintiff's Motion for Common Fund Attorneys' Fees and Expenses, filed October 31, 2012, a class action to recover tuition overcharges, in which the court found the following hourly rates reasonable:

Year of Bar Admission	Rate
1977	$850
1986	785
1991	750
1994	700
1998	625

2000	570
2001	550
2002	520
Law Clerks	250
Paralegals	215

(6) *Davis v. Prison Health Services* (N.D. Cal. 2012) 2012 U.S. Dist. LEXIS 138556, an individual Fair Employment and Housing Act case, in which the court found the following hourly rates reasonable:

Years of Experience	Rate
33	$750
29	675
4	300
6	265

2011 Rates

(1) *Pierce v. County of* Orange (C.D. Cal. 2012) 905 F.Supp.2d 1017, a civil rights class action brought by pre-trial detainees, in which the court approved a lodestar, including appellate fees, based on the following 2011 rates:

Years of Experience	Rate
42	$850
32	825
23	625
18	625
Law Clerks	250
Paralegals	250

(2) *Davis v. Prison Health Services* (N.D. Cal. 2012) 2012 U.S. Dist. LEXIS 138556, an individual Fair Employment and Housing Act case, in which the court found the following hourly rates reasonable:

Years of Experience	Rate
33	$750
29	675
4	300
6	265

(3) *Holloway et. al. v. Best Buy Co., Inc.* (N.D. Cal. 2011) No. 05-5056

PJH, Order dated November 9, 2011, a class action alleging that Best Buy discriminated against female, African American and Latino employees by denying them promotions and lucrative sales positions, in which the court approved a lodestar award based on the following rates:

Years of Experience	Rate
37	$825
Associates	
8	490
6	405
Law Clerks	225
Paralegals	215

(3) *Molina, et al. v. Lexmark International, et al.*, Los Angeles County Superior Court No. BC339177, Order Granting Petitioners' Motion for Attorneys' Fees and Costs in the Amount of $5,722,008.07, filed October 28, 2011, *aff'd* (2013) 2013 Cal.App.Unpub. LEXIS 6684, a class action to recover forfeited vacation pay, in which the court found the following hourly rates reasonable (before applying a 2.0 multiplier):

Years of Experience	Rate
42	$675
25	550
24	655-675
23	625
20	550
17	600
9	475
6	350
Paralegals	210
Paralegals	210

2010 Rates

(1) *Californians for Disability Rights, Inc., et al. v. California Department of Transportation, et al.* (N.D.Cal. 2010) 2010 U.S.Dist.LEXIS 141030, adopted by Order Accepting Report and Recommendation filed February 2, 2011, a disability-access class action, in which the court found the following

2010 hourly rates reasonable:

Years of Experience	Rate
49	$835
34	730
26	740
25	730
19	660
10	570
9	560
7	535
6	500
5	475
3	350
2	290
1	225-265
Senior Paralegals	265
Law Clerks	175
Case Clerks	165

Rate Information from Surveys

12. I also base my opinion on several credible surveys of legal rates, including the following:

- The 2014 *Laffey Matrix* is a survey of District of Columbia hourly rates that is often relied upon in other jurisdictions, with appropriate adjustments for differences in income levels, to determine reasonable hourly rates. See, e.g., *Syers Properties III, Inc. v. Rankin* (2014) 226 Cal.App.4th 691, 695. A copy of that survey is attached hereto as Exhibit B. It shows that for attorneys with 20+ years out of law school, the prevailing market in the period between June 1, 2013, and May 31, 2014 was $771 per hour. For lawyers with 11-19 years out of law school, the prevailing rate for the same period was $640 per hour. The difference in the Local Pay Tables for the Washington D.C. area and the San Diego-Carlsbad-San Marcos areas are de minimis -- .03%.

- On January 13, 2014, the National Law Journal published an article about its most recent rate survey. That article included a chart listing the billing rates of the 50 firms that charge the highest average hourly rates for partners. A true and correct copy of that article is attached hereto as Exhibit C. Of the 50 firms listed, several have offices in the San Diego area and many others have significant litigation experience in this area. And, although the rates that Plaintiffs' counsel are requesting here are significantly *lower* than many of the rates charged by the top 50 firms, the NLJ chart does show the *range* of rates charged for similar services, which *is* the applicable standard. *See CHMC,* 97 Cal.App.4th at 783.
- In an article entitled "On Sale: The $1,150-Per Hour Lawyer," written by Jennifer Smith and published in the Wall Street Journal on April 9, 2013, the author describes the rapidly growing number of lawyers billing at $1,150 or more revealed in public filings and major surveys. A true and correct copy of that article is attached hereto as Exhibit D. The article also notes that in the first quarter of 2013, the 50 top-grossing law firms billed their partners at an *average* rate between $879 and $882 per hour.
- In an article published April 16, 2012, the Am Law Daily described the 2012 Real Rate Report, an analysis of $7.6 billion in legal bills paid by corporations over a five-year period ending in December 2011. A true and correct copy of that article is attached hereto as Exhibit E. That article confirms that the rates charged by experienced and well-qualified attorneys have continued to rise over the five-year period between 2006 and 2011, particularly in large urban areas. It also shows, for example, that the top quartile of lawyers bill at an *average* of "just under $900 per hour."

Rates Charged by Other Law Firms

14. The standard hourly non-contingent rates for comparable civil litigation stated in court filings, depositions, surveys, or other reliable sources by numerous California law firms or law firms with offices or practices in California also support counsel's rates. The following hourly rates are those charged where full payment is expected promptly upon the rendition of the billing and without consideration of factors other than hours and rates. If any substantial part of the payment were to be contingent or deferred for any substantial period, for example, the fee arrangement would be adjusted accordingly to compensate the attorneys for those factors. These rates include, in alphabetical order:[2]

Altshuler Berzon LLP**

2014 Rates:	Years of Experience	Rate
	38	$895
2012 Rates:	Years of Experience	Rate
	34	$850
	26	785
	21	750
	18	700
	14	625
	12	570
	11	550
	10	520
	6	410
	5	385
	4	335
	Law Clerks	250
	Paralegals	215
2011 Rates:	Years of Experience	Rate
	43	$825
	17	675
	12	575
	10	520
	Law Clerks	225

[2] Firms based in San Diego are marked with an *. Firms with substantial class action practices, which tend to be statewide, are marked "**".

Altshuler Berzon LLP**

	Paralegals	215

Arnold Porter LLP

2013 Rates:	Average Partner	$815
	Highest Partner	950
	Lowest Partner	670
	Average Associate	500
	Highest Associate	610
	Lowest Associate	345

The Arns Law Firm LLP **

2014 Rates:	Years of Experience	Rate
	37	$950
	Law Clerks	165

Bernstein Litowitz Borger & Grossman LLP (San Diego Office)*, **

2009 Rates:	Years of Experience	Rate
	Partners	$725
	Associates	490-550

Bingham McCutchen

2013 Rates:	Average Partner	$795
	Highest Partner	1,080
	Lowest Partner	670
	Average Associate	450
	Highest Associate	605
	Lowest Associate	185
2011 Rates:	Years of Experience	Rate
	30	$780
2010 Rates:	Years of Experience	Rate
	13	$655
	4	480
	2	400

Blood Hurst & O'Reardon*, **

2012 Rates:	Years of Experience	Rate
	22	$655
	17	585

Blood Hurst & O'Reardon*, *

6	510
5	410
1	305
Paralegals	260

Burson & Fisher*

2013 Rates:	Years of Experience	Rate
	16	$680-850
	11	680
	4	400
	3	390
	2	375
	1	300
	Law Clerks	225
	Litigation Support Specialists	180

Chavez & Gertler*

2012 Rates:	Years of Experience	Rate
	33	$750
	29	725
	32	675
	21	575
	11	535
	7	475
	Legal Assistant	185
2011 Rates:	Years of Experience	Rate
	32	$725
	28	700
	10	550
	9	510
	5	425
	Paralegals	225

Coblentz Patch & Duffy

2013 Rates:	Year of Bar Admission	Rate
	1979	$720
	1994	575
	2008	320
	Paralegals/Case Clerks	295

Cohelan Khoury & Singer

2012 Rates:	Years of Experience	Rate
	38	$750
	28	750
	11	400
	Paralegal	170

Cooper & Kirkham

2012 Rates:	Years of Experience	Rate
	48	$950
	37	825
	11	600

Covington Burling

2013 Rates:	Years of Experience	Rate
	28	$750
	16	670
	14	670
	7	510
	2	375
	5	490
	Litigation Support	110-355
2012 Rates:	Years of Experience	Rate
	27	$730
	15	632-650
	13	650
2011 Rates:	Years of Experience	Rate
	26	$710
	14	640
	12	600
	9	565
	7	550
	5	425
	3	390
	1	320
2010 Rates:	Years of Experience	Rate
	25	$710
	13	640
	11	575-600
	8	550-565

Covington Burling

6	525-550
4	390-425
2	350-390

Farella Braun & Martell LLP

2010 Rates:	Years of Experience	Rate
	31	$715

Fenwick & West

2014 Rates	Years of Experience	Rate
	45	$750
	35	750
	23	725
	19	695
	5	400
	3	350
	Paralegal	125
2013 Rates	18	$755
	11	595
	2	425
2012 Rates	40	$865
	17	755
	10	595
	1	375

Furth Firm LLP**

2010 Rates:	Years of Experience	Rate
	51	$875
	39	750
	38	600
	33	775
	25	550
	23	650
	21	625
	19	610
	18	600
	17	585
	16	570
	15	560

Furth Firm LLP**

14	550
13	525
12	515
11	510
10	505
9	500
7	460
4	435
Law Clerks	125-260

Gibson Dunn & Crutcher LLP

2013 Rates:	
Average Partner	$980
Highest Partner	1,800
Lowest Partner	765
Average Associate	590
Highest Associate	930
Lowest Associate	175

Goldstein, Borgen, Dardarian & Ho**

2014 Rates:	Years of Experience	Rate
	33	$795
	27	750
	8	500
	4	395
	3	350
	1	300
	Law Clerks/Paralegals	160-250
2012 Rates:	Years of Experience	Rate
	Partners	
	42	$785
	36	750
	31	700
	18	650
	Associates	
	7	470
	6	445
2011 Rates:	Years of Experience	Rate
	Partners	
	41	$725
	35	725

Goldstein, Borgen, Dardarian & Ho**

	30	700
	24	650
	18	600
	17	600
	16	550
2010 Rates:	Years of Experience	Rate
	Partners	
	40	$700
	34	700
	29	675
	23	625
	17	575
	16	575
	Of Counsel	
	40	725
	Associates	
	15	$500
	11	440
	6	375
	5	365
	4	355
	3	340
	2	325
	1	305
	Law Clerks	195
	Paralegals	150-225

Greenberg, Traurig, LLP

2010 Rates:	Years of Experience	Rate
	22	$850

Greines, Martin, Stein & Richland

2012 Rates:	Years of Experience	Rate
	41	$850
	29	850
	23	650
	18	500
	Law Clerks	100

Hadsell, Stormer, Keeny, Richardson & Renick**

2012 Rates:	Years of Experience	Rate
	38	$825
	33	775
	22-23	625
	17	600
	12	525
	10	425
	4	275
	3	250

2010 Rates:	Years of Experience	Rate
	36	$800
	31	750
	20-21	600
	15	575
	10	475-500
	8	425
	4	325
	2	275
	1	250

Hausfeld LLP**

2014 Rates:	Years of Experience	Rate
	45	$985
	37	935-895
	15	610-510
	14	600
	7	490
	3	370
	Paralegals	300-320
	Law Clerks	325

Irell & Manella

2013 Rates:	Average Partner	$890
	Highest Partner	975
	Lowest Partner	800
	Average Associate	535
	Highest Associate	750
	Lowest Associate	395

Janssen Malloy LLP

2014 Rates:	Years of Experience	Rate
	33	$775
	Paralegals	175

Jones Day

2013 Rates:		
	Average Partner	$745
	Highest Partner	975
	Lowest Partner	670
	Average Associate	435
	Highest Associate	775
	Lowest Associate	205

Kaye, McLane, Bednarski & Litt **

2013 Rates:	Years of Experience	Rate
	44	$925
	27	725
	24	725
	7	525
	5	475

Keker & Van Nest, LLP

2010 Rates:	Years of Experience	Rate
	Partners	
	32	$775
	Other Partners	525-975
	Associates	340-500
	Paralegals/Support Staff	120-260

Kemnitzer, Barron & Krieg

2014 Rates:	Years of Experience	Rate
	38	$750
	32	750
	8	475
	3	350
	Senior Paralegal	250

Kiesel, Boucher, Larson LLP *, **

2012 Rates:	Years of Experience	Rate
	Partners	
	27-28	$890

Kiesel, Boucher, Larson LLP *, **

	Associates	625-325

Kingsley & Kingsley**

2010 Rates:	Years of Experience	Rate
	14	$655
	8	475-515
	7	475
	6	485
	5	375
	3	350
	2	300

Kirkland & Ellis

2013 Rates:	Average Partner	$825
	Highest Partner	995
	Lowest Partner	670
	Average Associate	540
	Highest Associate	715
	Lowest Associate	235

Knapp, Petersen & Clarke

2012 Rates:	Years of Experience	Rate
	36	$753
	9	554
	6	383

Knobbe Martin Olson & Bear LLP

2012 Rates:	Years of Experience	Rate
	Partners	$395-710
	Associates	285-450

Latham & Watkins

2013 Rates:	Average Partner	$990
	Highest Partner	1,100
	Lowest Partner	670
	Average Partner	895
	Average Associate	605
	Highest Associate	725
	Lowest Associate	465

Lewis Feinberg Lee, Renaker & Jackson, P.C.**

2012 Rates:	Years of Experience	Rate
	38	$825
	29	750
	24	725
	21	700
	8	450
	7	425
	3	375
	Senior Paralegals	250
	Law Clerks	225

Litt, Estuar, & Kitson, LLP**

2011 Rates:	Years of Experience	Rate
	42	$825
	18	625
	17	625
	5	425
	3	375
	Senior Paralegals	125-235
	Law Clerks	225

Manatt, Phelps & Phillips

2013 Rates:	Average Partner	$740
	Highest Partner	795
	Lowest Partner	670
	Lowest Partner	640
2010 Rates:	Partners	525-850
	Associates	200-525

McKenna Long & Aldridge LLP

2014 Rates:	Years of Experience	Rate
	30	$775
	9	650

McKenna Long & Aldridge LLP

5	420
Litigation Support Mgr.	350
Paralegals	225

Minami Tamaki LLP

2012 Rates:	Years of Experience	Rate
	36	$750
	15	525
	5	395
	Paralegals	175

Morrison Foerster LLP

2013 Rates:	Years of Experience	Rate
	Average Partner	$865
	Highest Partner	1,195
	Lowest Partner	670
	Lowest Partner	595
	Average Associate	525
	Highest Associate	725
	Lowest Associate	230
2011 Rates:	Years of Experience	Rate
	22	$775
	11	625
	10	620
	1	335
2009 Rates:	Years of Experience	Rate
	24	$750

O'Melveny & Myers

2013 Rates:	Years of Experience	Rate
	Average Partner	$715
	Highest Partner	950
	Lowest Partner	615
2012 Rates:	Years of Experience	Rate
	12	$695
	4	495

Patton Boggs

2010 Rates:	Years of Experience	Rate

Patton Boggs

Partners	
14	$830
29	750
20	750
33	700
27	700
13	575
24	550
14	530
Of Counsel	
30	600
15	500
Associates	
9	450
7	425
3	340
2	315
Senior Paralegals	200-265
Paralegals	170

Pillsbury Winthrop Shaw Pittman LLP

2013 Rates:	Years of Experience	Rate
	Average Partner	$865
	Highest Partner	1,070
	Lowest Partner	670
	Average Associate	520
	Highest Associate	860
	Lowest Associate	375
2010 Rates:	Years of Experience	Rate
	Partners	
	30	$705-775
	Other Partners	595-965
	Associates	320-650
	Paralegals/Support Staff	85-380

Quinn Emanuel Urquhart &Sullivan

2013 Rates:	Average Partner	$915
	Highest Partner	1,075
	Lowest Partner	810
	Average Associate	410

Quinn Emanuel Urquhart &Sullivan

Highest Associate	675
Lowest Associate	320

Reed Smith LLP

2013 Rates:	Years of Experience	Rate
	Partner	
	36	$830
	30	805
	17	610-615
	14	570
	Associates	
	8	450-535
	6	495

Robbins Geller Rudman & Dowd LLP *, **

2012 Rates:	Years of Experience	Rate
	Partners	
	26	$695
	19	575
	Associates	535-345
	Paralegals	295

Rosen, Bien, Galvan & Grunfeld LLP

2013 Rates:	Years of Experience	Rate
	Partners	
	51	$875
	33	780
	29	660
	16	630
	Of Counsel	
	30	580
	Associates	
	20	550
	10	480
	9	465
	8	445-450
	7	440
	6	435
	5	405
	4	375

Rosen, Bien, Galvan & Grunfeld LLP

	3	355
	Paralegals	220-280
	Litigation Support/ Paralegal clerk	170
	Law Clerk/Students	250
	Word Processing	80
2012 Rates:	Years of Experience	Rate
	Partners	
	50	$860
	32	760
	28	640
	15	610
	Of Counsel	
	29	570
	Associates	
	19	540
	10	470
	9	460
	7	400
	6	400
	5	380
	4	360
	3	340
	Paralegals	215-280
	Litigation Support/ Paralegal clerk	150
	Law Clerk/Students	240
	Word Processing	80
2011 Rates:	Years of Experience	Rate
	Partners	
	49	$840
	31	740
	27	625
	14	590
	Of Counsel	
	28	540
	Associates	
	18	525
	11	465
	10	450

Rosen, Bien, Galvan & Grunfeld LLP

	9	440
	8	420
	6	385
	5	365
	4	350
	3	325
	2	315
	Paralegals	205-275
	Litigation Support/ Paralegal clerk	140-220
	Law Clerk/Students	225
	Word Processing	75
2010 Rates:	Years of Experience	Rate
	Partners	
	48	$800
	30	700
	26	575
	13	560
	Of Counsel	
	27	520
	Associates	
	17	510
	13	490
	9	430
	8	415
	7	390
	5	360
	3	325
	1	285
	Paralegals	200-275
	Litigation Support/ Paralegal clerk	135-220
	Law Clerk/Students	190
	Word Processing	70

Rudy, Exelrod, Zieff & Lowe LLP

2010 Rates:	Years of Experience	Rate
	Partners	
	42	$725
	32	725

Rudy, Exelrod, Zieff & Lowe LLP

15	625
Associates	
21	495
13	485
8	450

Schneider Wallace Cottrell Brayton Konecky LLP**

2014 Rates:	Years of Experience	Rate
	Partners	
	13-22	$750
	Associates/Of Counsel	575
	20	535-345
	37	295
	10-13	650
	0-3	350-475
	Paralegals/Law Clerks	135-300

Schonbrun, DeSimone, Seplow, Harris & Hoffman**

2012 Rates:	Years of Experience	Rate
	27	$695
	22	630

Sheppard, Mullin, Richter & Hampton

2010 Rates:	Years of Experience	Rate
	Partners	$495-820
	Associates	270-620

Sidley Austin

2010 Rates:	Years of Experience	Rate
	Partners	
	33	$900
	Senior Partners	1,100
	Legal Assistants	120-280

Skadden, Arps, Slate, Meagher & Flom

2013 Rates:	Average Partner	$1,035
	Highest Partner	1,150
	Lowest Partner	845

Skadden, Arps, Slate, Meagher & Flom

Average Associate	620
Highest Associate	845
Lowest Associate	340

Spiro Moore LLP**

2012 Rates:	Years of Experience	Rate
	30+	$700
	17	600

Law Offices of Michael D. Thamer

2014 Rates:	Years of Experience	Rate
	31	$775

Townsend and Townsend and Crew

2010 Rates:	Years of Experience	Rate
	Partners	$470-475
	Associates	260-460

Wilson Sonsini Goodrich & Rosati PC

2010 Rates:	Years of Experience	Rate
	28	$875
	Other Partners	650-975
	Associates	290-610
	Paralegals/Litigation Support	120-300

Zelle Hofmann Voelbel & Mason, LLP**

2012 Rates:	Years of Experience	Rate
	Partners	Up to $950
	Associates	Up to $540
	Paralegals	Up to $290
	Law Clerks	Up to $250

2012 Rates:	Years of Experience	Rate
	Partners	
	38	$800
	26	685
	23	650
	22	640
	Associates	
	9	500

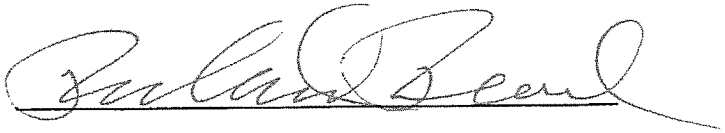
Zelle Hofmann Voelbel & Mason, LLP**

4	435
3	415
2	405
1	395
Paralegals	210-290

13. The declaration of San Diego attorneys Vincent J. Bartolotta and Timothy Blood, filed with this motion, also support the rates requested here. All of this evidence shows that Plaintiffs' requested rates are well within the range of rates charged in this forum by comparably qualified and experienced attorneys for comparably difficult work.

14. In my experience, fee awards are almost always determined based on current rates, *i.e.*, the attorney's rate at the time a motion for fees is made, rather than the historical rate at the time the work was performed. This is a common and accepted practice to compensate attorneys for the delay in being paid. The hourly rates set forth above are those charged where full payment is expected promptly upon the rendition of the billing and without consideration of factors other than hours and rates. If any substantial part of the payment were to be deferred for any substantial period of time, for example, the fee arrangement would be adjusted accordingly to compensate the attorneys for those factors.

15. If called as a witness, I could and would competently testify from my personal knowledge to the facts stated herein. I declare under penalty of perjury that the foregoing is true and correct. Executed this 25th day of November 2014, in Berkeley, California.



Richard M. Pearl

ADDITIONAL COUNSEL FOR PLAINTIFFS AND THE CERTIFIED CLASS

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EXHIBIT A

RESUME OF RICHARD M. PEARL

RICHARD M. PEARL
LAW OFFICES OF RICHARD M. PEARL
1816 Fifth Street
Berkeley, CA 94710
(510) 649-0810
(510) 548-5074 (facsimile)
rpearl@interx.net (e-mail)

EDUCATION

University of California, Berkeley, B.A., Economics (June 1966)
Boalt Hall School of Law, Berkeley, J.D. (June 1969)

BAR MEMBERSHIP

Member, State Bar of California (admitted January 1970)
Member, State Bar of Georgia (admitted June 1970) (inactive)
Admitted to practice before all California State Courts; the United States Supreme Court; the United States Court of Appeals for the District of Columbia and Ninth Circuits; the United States District Courts for the Northern, Central, Eastern, and Southern Districts of California, for the District of Arizona, and for the Northern District of Georgia; and the Georgia Civil and Superior Courts and Court of Appeals.

EMPLOYMENT

LAW OFFICES OF RICHARD M. PEARL (April 1987 to Present): Civil litigation practice (AV rating), with emphasis on court-awarded attorney's fees, class actions, and appellate practice. Selected Northern California "Super Lawyer" in Appellate Law for 2005, 2006, 2007, 2008, 2010, 2011, 2012, 2013, and 2014.

QUALIFIED APPELLATE MEDIATOR, APPELLATE MEDIATION PROGRAM, Court of Appeal, First Appellate District (October 2000 to 2013) (program terminated).

ADJUNCT PROFESSOR, HASTINGS COLLEGE OF THE LAW (January 1988 to Present): Teach Public Interest Law Practice, a 2-unit course that focuses on the history, strategies, and issues involved in the practice of public interest law.

PEARL, McNEILL & GILLESPIE, Partner (May 1982 to March 1987): General civil litigation practice, as described above.

CALIFORNIA RURAL LEGAL ASSISTANCE, INC. (July 1971 to September 1983) (part-time May 1982 to September 1983):

Director of Litigation (July 1977 to July 1982)
Responsibilities: Oversaw and supervised litigation of more than 50 attorneys in CRLA's 15 field offices; administered and supervised staff of 4-6 Regional Counsel; promulgated litigation policies and procedures for program; participated in complex civil litigation.

Regional Counsel (July 1982 to September 1983 part-time)
Responsibilities: Served as co-counsel to CRLA field attorneys on complex projects; provided technical assistance and training to CRLA field offices; oversaw CRLA attorney's fee cases; served as counsel on major litigation.

Directing Attorney, Cooperative Legal Services Center (February 1974 to July 1977) (Staff Attorney February 1974 to October 1975)
Responsibilities: Served as co-counsel on major litigation with legal services attorneys in small legal services offices throughout California; supervised and administered staff of four senior legal services attorneys and support staff.

Directing Attorney, CRLA McFarland Office (July 1971 to February 1974) (Staff Attorney July 1971 to February 1972)
Responsibilities: Provided legal representation to low income persons and groups in Kern, King, and Tulare Counties; supervised all litigation and administered staff of ten.

HASTINGS COLLEGE OF THE LAW, Instructor, Legal Writing and Research Program (August 1974 to June 1978)
Responsibilities: Instructed 20 to 25 first year students in legal writing and research.

CALIFORNIA AGRICULTURAL LABOR RELATIONS BOARD, Staff Attorney, General Counsel's Office (November 1975 to January 1976, while on leave from CRLA)
Responsibilities: Prosecuted unfair labor practice charges before Administrative Law Judges and the A.L.R.B. and represented the A.L.R.B. in state court proceedings.

ATLANTA LEGAL AID SOCIETY, Staff Attorney (October 1969 to June 1971)
Responsibilities: Represented low-income persons and groups as part of 36-lawyer legal services program located in Atlanta, Georgia.

PUBLICATIONS

Pearl, *California Attorney Fee Awards, Third Edition* (Cal. Cont. Ed. Bar 2010) and February 2011, 2012, 2013, and 2014 Supplements

Pearl, *California Attorney Fee Awards, Second Edition* (Cal. Cont. Ed. Bar 1994), and 1995, 1996, 1997, 1998, 1999, 2000, 2001, 2002, 2003, 2004, 2005, 2006, 2007, and 2008 Supplements

Graham v. DaimlerChrysler Corp. and *Tipton-Whittingham v. City of Los Angeles*, Civil Litigation Reporter (Cal. Cont. Ed. Bar Feb. 2005)

Current Issues in Attorneys' Fee Litigation, California Labor and Employment Law Quarterly (September 2002 and November 2002)

Flannery v. Prentice: Shifting Attitudes Toward Fee Agreements and Fee-Shifting Statutes, Civil Litigation Reporter (Cal. Cont. Ed. Bar Nov. 2001)

A Practical Introduction to Attorney's Fees, Environmental Law News (Summer 1995)

Wrongful Employment Termination Practice, Second Edition (Cal. Cont. Ed. Bar 1997) (co-authored chapter on "Attorney Fees")

California Attorney's Fees Award Practice (Cal. Cont. Ed. Bar 1982) (edited), and 1984 through 1993 Supplements

Program materials on attorney fees, prepared as panelist for CEB program on Attorneys' Fees: Practical and Ethical Considerations in Determining, Billing, and Collecting (October 1992)

Program materials on Attorney's Fees in Administrative Proceedings: California Continuing Education of the Bar, prepared as panelist for CEB program on Effective Representation Before California Administrative Agencies (October 1986)

Program materials on Attorney's Fees in Administrative Proceedings: California Continuing Education of the Bar, prepared as panelist for CEB program on Attorneys' Fees: Practical and Ethical Considerations (March 1984)

Settlors Beware/The Dangers of Negotiating Statutory Fee Cases (September 1985) Los Angeles Lawyer

Program Materials on Remedies Training (Class Actions), sponsored by Legal Services Section, California State Bar, San Francisco (May 1983)

Attorneys' Fees: A Legal Services Practice Manual (Legal Services Corporation 1981)

PUBLIC SERVICE

Member, Attorneys' Fee Task Force, California State Bar

Chairperson, Board of Directors, California Rural Legal Assistance Foundation

REPRESENTATIVE REPORTED CASES

Alcoser v. Thomas
(2011) 2011 Cal.App.Unpub.LEXIS 1180

Boren v. California Department of Employment
(1976) 59 Cal.App.3d 250

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(9th Cir. 1992) 973 F.2d 735

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(9th Cir. 2008) 523 F.3d 973

Campos v. E.D.D.
(1982) 132 Cal.App.3d 961

Center for Biological Diversity v. County of San Bernardino
(2010) 185 Cal.App.4th 866

Committee to Defend Reproductive Rights v. A Free Pregnancy Center
(1991) 229 Cal.App.3d 633

David C. v. Leavitt
(D. Utah 1995) 900 F.Supp. 1547

Delaney v. Baker
(1999) 10 Cal.4th 23

Employment Development Dept. v. Superior Court (Boren)
(1981) 30 Cal.3d 256

Environmental Protection Information Center, Inc. v. Pacific Lumber Co.
(N.D. Cal. 2002) 229 F. Supp.2d 993, *aff=d* (9th Cir. 2004) 103 Fed. Appx. 627

Representative Reported Cases (cont.)

Flannery v Prentice
(2001) 26 Cal. 4th 572

Graham v. DaimlerChrysler Corp.
(2004) 34 Cal. 4th 553

Horsford v. Board of Trustees of Univ. of Calif.
(2005) 132 Cal.App.4th 359

Ketchum v. Moses
(2001) 24 Cal.4th 1122

Kievlan v. Dahlberg Electronics
(1978) 78 Cal.App.3d 951, *cert. denied* (1979)
440 U.S. 951

Lealao v. Beneficial California, Inc.
(2000) 82 Cal.App.4th 19

Lewis v. California Unemployment Insurance Appeals Board
(1976) 56 Cal.App.3d 729

Local 3-98 etc. v. Donovan
(N.D. Cal. 1984) 580 F.Supp. 714,
Aff'd (9th Cir. 1986) 792 F.2d 762

Mangold v. California Public Utilities Commission
(9th Cir. 1995) 67 F.3d 1470

Maria P. v. Riles
(1987) 43 Cal.3d 1281

Martinez v. Dunlop
(N.D. Cal. 1976) 411 F.Supp. 5,
aff'd (9th Cir. 1977) 573 F.2d 555

McQueen, Conservatorship of
(2014) 59 Cal.4th 602 (argued for *amici curiae*)

McSomebodies v. Burlingame Elementary School Dist.
(9th Cir. 1990) 897 F.2d 974

Representative Reported Cases (cont.)

McSomebodies v. San Mateo City School Dist.
(9th Cir. 1990) 897 F.2d 975

Molina v. Lexmark International
(2013) 2013 Cal.App. Unpub. LEXIS 6684

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(9th Cir. 2007) 2007 U.S. App. LEXIS 19597

Moore v. Bank of America
(S.D. Cal. 2008) 2008 U.S. Dist. LEXIS 904

Mora v. Chem-Tronics, Inc.
(S.D. Cal. 1999) 1999 U.S. Dist. LEXIS 10752,
5 Wage & Hour Cas. 2d (BNA) 1122

Nadaf-Rahrov v. Nieman Marcus Group
(2014) 2013 Cal.App. Unpub. LEXIS 6975

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(1975) 50 Cal.App.3d 694

Ponce v. Tulare County Housing Authority
(E.D. Cal 1975) 389 F.Supp. 635

Ramirez v. Runyon
(N.D. Cal. 1999) 1999 U.S. Dist. LEXIS 20544

Rubio v. Superior Court
(1979) 24 Cal.3d 93 (amicus)

Sokolow v. County of San Mateo
(1989) 213 Cal. App. 3d. 231

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(1976) 17 Cal.3d 719 (amicus)

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(1976) 17 Cal.3d 671 (amicus)

United States (Davis) v. City and County of San Francisco
(N.D. Cal. 1990) 748 F.Supp. 1416, *aff'd in part and revs'd in part sub nom Davis v. City and County of San Francisco* (9th Cir. 1992) 976 F.2d 1536, *modified on rehearing* (9th Cir. 1993) 984 F.2d 345

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Vasquez v. State of California
(2008) 45 Cal.4th 243 (*amicus*)

Velez v. Wynne
(9th Cir. 2007) 2007 U.S. App. LEXIS 2194

REFERENCES

Furnished upon request.

September 2014

Furnished upon request

EXHIBIT B

LAFFEY MATRIX

History

Case Law

Report Updates

See the Matrix

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Home

Links

			Years Out of Law School *				
Year	Adjustmt Factor**	Paralegal/ Law Clerk	1-3	4-7	8-10	11-19	20+
6/01/13- 5/31/14	1.0244	$175	$320	$393	$567	$640	$771
6/01/12- 5/31/13	1.0258	$170	$312	$383	$554	$625	$753
6/01/11- 5/31/12	1.0352	$166	$305	$374	$540	$609	$734
6/01/10- 5/31/11	1.0337	$161	$294	$361	$522	$589	$709
6/01/09- 5/31/10	1.0220	$155	$285	$349	$505	$569	$686
6/01/08- 5/31/09	1.0399	$152	$279	$342	$494	$557	$671
6/01/07-5/31/08	1.0516	$146	$268	$329	$475	$536	$645
6/01/06-5/31/07	1.0256	$139	$255	$313	$452	$509	$614
6/1/05-5/31/06	1.0427	$136	$249	$305	$441	$497	$598
6/1/04-5/31/05	1.0455	$130	$239	$293	$423	$476	$574
6/1/03-6/1/04	1.0507	$124	$228	$280	$405	$456	$549
6/1/02-5/31/03	1.0727	$118	$217	$267	$385	$434	$522
6/1/01-5/31/02	1.0407	$110	$203	$249	$359	$404	$487
6/1/00-5/31/01	1.0529	$106	$195	$239	$345	$388	$468
6/1/99-5/31/00	1.0491	$101	$185	$227	$328	$369	$444
6/1/98-5/31/99	1.0439	$96	$176	$216	$312	$352	$424
6/1/97-5/31/98	1.0419	$92	$169	$207	$299	$337	$406
6/1/96-5/31/97	1.0396	$88	$162	$198	$287	$323	$389
6/1/95-5/31/96	1.032	$85	$155	$191	$276	$311	$375
6/1/94-5/31/95	1.0237	$82	$151	$185	$267	$301	$363

The methodology of calculation and benchmarking for this Updated Laffey Matrix has been approved in a number of cases. See, e.g., McDowell v. District of Columbia, Civ. A. No. 00-594 (RCL), LEXSEE 2001 U.S. Dist. LEXIS 8114 (D.D.C. June 4, 2001); Salazar v. Dist. of Col., 123 F.Supp.2d 8 (D.D.C. 2000).

* "Years Out of Law School" is calculated from June 1 of each year, when most law students graduate. "1-3" includes an attorney in his 1st, 2nd and 3rd years of practice, measured from date of graduation (June 1). "4-7" applies to attorneys in their 4th, 5th, 6th and 7th years of

practice. An attorney who graduated in May 1996 would be in tier "1-3" from June 1, 1996 until May 31, 1999, would move into tier "4-7" on June 1, 1999, and tier "8-10" on June 1, 2003.

** The Adjustment Factor refers to the nation-wide Legal Services Component of the Consumer Price Index produced by the Bureau of Labor Statistics of the United States Department of Labor.

EXHIBIT C

$1,000 Per Hour Isn't Rare Anymore; Nominal billing levels rise, but discounts ease blow.

The National Law Journal

January 13, 2014 Monday

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THE NATIONAL LAW JOURNAL

Section: NLJ'S *BILLING SURVEY*; Pg. 1; Vol. 36; No. 20

Length: 1860 words

Byline: KAREN SLOAN

Body

As recently as five years ago, law partners charging $1,000 an hour were outliers. Today, four-figure hourly rates for indemand partners at the most prestigious firms don't raise eyebrows-and a few top earners are closing in on $2,000 an hour.

These rate increases come despite hand-wringing over price pressures from clients amid a tough economy. But everrising standard billing rates also obscure the growing practice of discounts, falling collection rates, and slow march toward alternative fee arrangements.

Nearly 20 percent of the firms included in The National Law Journal's annual survey of large law firm billing rates this year had at least one partner charging more than $1,000 an hour. Gibson, Dunn & Crutcher partner Theodore Olson had the highest rate recorded in our survey, billing $1,800 per hour while representing mobile satellite service provider LightSquared Inc. in Chapter 11 proceedings.

Of course, few law firm partners claim Olson's star power. His rate in that case is nearly the twice the $980 per hour average charged by Gibson Dunn partners and three times the average $604 hourly rate among partners at NLJ 350 firms. Gibson Dunn chairman and managing partner Ken Doran said Olson's rate is "substantially" above that of other partners at the firm, and that the firm's standard rates are in line with its peers.

"While the majority of Ted Olson's work is done under alternative billing arrangements, his hourly rate reflects his stature in the legal community, the high demand for his services and the unique value that he offers to clients given his extraordinary experience as a former solicitor general of the United States who has argued more than 60 cases before the U.S. Supreme Court and has counseled several presidents," Doran said.

In reviewing billing data this year, we took a new approach, asking each firm on the NLJ 350-our survey of the nation's 350 largest firms by attorney headcount-to provide their highest, lowest and average billing rates for associates and partners. We supplemented those data through public records. All together, this year's survey includes information for 159 of the country's largest law firms and reflects billing rates as of October.

The figures show that, even in a down economy, hiring a large law firm remains a pricey prospect. The median among the highest partner billing rates reported at each firm is $775 an hour, while the median low partner rate is $405. For associates, the median high stands at $510 and the low at $235. The average associate rate is $370.

Multiple industry studies show that law firm billing rates continued to climb during 2013 despite efforts by corporate counsel to rein them in. TyMetrix's 2013 Real Rate Report Snapshot found that the average law firm billing rate increased by 4.8 percent compared with 2012. Similarly, the Center for the Study of the Legal Profession at the Georgetown University Law Center and Thomson Reuters Peer Monitor found that law firms increased their rates by an average 3.5 percent during 2013.

Richard Pearl

Of course, rates charged by firms on paper don't necessarily reflect what clients actually pay. Billing realization rates-which reflect the percentage of work billed at firms' standard rates- have fallen from 89 percent in 2010 to nearly 87 percent in 2013 on average, according to the Georgetown study. When accounting for billed hours actually collected by firms, the realization rate falls to 83.5 percent.

"What this means, of course, is that- on average-law firms are collecting only 83.5 cents for every $1.00 of standard time they record," the Georgetown report reads. "To understand the full impact, one need only consider that at the end of 2007, the collected realization rate was at the 92 percent level."

In other words, law firms set rates with the understanding that they aren't likely to collect the full amount, said Mark Medice, who oversees the Peer Monitor Index. That index gauges the strength of the legal market according to economic indicators including demand for legal services, productivity, rates and expenses. "Firms start out with the idea of, 'I want to achieve a certain rate, but it's likely that my client will ask for discounts whether or not I increase my rate,'" Medice said.

Indeed, firms bill nearly all hourly work at discounts ranging from 5 percent to 20 percent off standard rates, said Peter Zeughauser, a consultant with the Zeughauser Group. Discounts can run as high as 50 percent for matters billed under a hybrid system, wherein a law firm can earn a premium for keeping costs under a set level or for obtaining a certain outcome, he added. "Most firms have gone to a two-tier system, with what is essentially an aspirational rate that they occasionally get and a lower rate that they actually budget for," he said.

Most of the discounting happens at the front end, when firms and clients negotiate rates, Medice said. But additional discounting happens at the billing and collections stages. Handling alternative fee arrangements and discounts has become so complex that more than half of the law firms on the Am Law 100-NLJ affiliate The American Lawyer's ranking of firms by gross revenue-have created new positions for pricing directors, Zeughauser said.

THE ROLE OF GEOGRAPHY

Unsurprisingly, rates vary by location. Firms with their largest office in New York had the highest average partner and associate billing rates, at $882 and $520, respectively. Similarly, TyMetrix has reported that more than 25 percent of partners at large New York firms charge $1,000 per hour or more for contracts and commercial work.

Washington was the next priciest city on our survey, with partners charging an average $748 and associates $429. Partners charge an average $691 in Chicago and associates $427. In Los Angeles, partners charge an average $665 while the average associate rate is $401.

Pricing also depends heavily on practice area, Zeughauser and Medice said. Bet-the-company patent litigation and white-collar litigation largely remain at premium prices, while practices including labor and employment have come under huge pressure to reduce prices.

"If there was a way for law firms to hold rates, they would do it. They recognize how sensitive clients are to price increases," Zeughauser said. But declining profit margins-due in part to higher technology costs and the expensive lateral hiring market-mean that firms simply lack the option to keep rates flat, he said.

BILLING SURVEY METHODOLOGY

The National Law Journal's survey of billing rates of the largest U.S. law firms provides the high, low and average rates for partners and associates.

The NLJ asked respondents to its annual survey of the nation's largest law firms (the NLJ 350) to provide a range of hourly billing rates for partners and associates as of October 2013.

For firms that did not supply data to us, in many cases we were able to supplement billing-rate data derived from public records.

In total, we have rates for 159 of the nation's 350 largest firms.

$1,000 Per Hour Isn't Rare Anymore; Nominal billing levels rise, but discounts ease blow.

Rates data include averages, highs and low rates for partners and associates. Information also includes the average full-time equivalent (FTE) attorneys at the firm and the city of the firm's principal or largest office.

We used these data to calculate averages for the nation as a whole and for selected cities.

Billing Rates at the Country's Priciest Law Firms

Here are the 50 firms that charge the highest average hourly rates for partners.

Billing Rates at the Country's Priciest Law Firms

FIRM NAME	LARGEST U.S. OFFICE*	AVERAGE FULL-TIME EQUIVALENT ATTORNEYS*	PARTNER HOURLY RATES			ASSOCIATE HOURLY RATES		
			AVERAGE	HIGH	LOW	AVERAGE	HIGH	LOW
Debevoise & Plimpton	New York	615	$1,055	$1,075	$955	$490	$760	$120
Paul, Weiss, Rifkind, Wharton & Garrison	New York	803	$1,040	$1,120	$760	$600	$760	$250
Skadden, Arps, Slate, Meagher & Flom	New York	1,735	$1,035	$1,150	$845	$620	$845	$340
Fried, Frank, Harris, Shriver & Jacobson	New York	476	$1,000	$1,100	$930	$595	$760	$375
Latham & Watkins	New York	2,033	$990	$1,110	$895	$605	$725	$465
Gibson, Dunn & Crutcher	New York	1,086	$980	$1,800	$765	$590	$930	$175
Davis Polk & Wardwell	New York	787	$975	$985	$850	$615	$975	$130
Willkie Farr & Gallagher	New York	540	$950	$1,090	$790	$580	$790	$350
Cadwalader, Wickersham & Taft	New York	435	$930	$1,050	$800	$605	$750	$395
Weil, Gotshal & Manges	New York	1,201	$930	$1,075	$625	$600	$790	$300
Quinn Emanuel Urquhart & Sullivan	New York	697	$915	$1,075	$810	$410	$675	$320
Wilmer Cutler Pickering Hale and Dorr	Washington	961	$905	$1,250	$735	$290	$695	$75
Dechert	New York	803	$900	$1,095	$670	$530	$735	$395
Andrews Kurth	Houston	348	$890	$1,090	$745	$528	$785	$265
Hughes Hubbard & Reed	New York	344	$890	$995	$725	$555	$675	$365
Irell & Manella	Los Angeles	164	$890	$975	$800	$535	$750	$395
Proskauer Rose	New York	746	$880	$950	$725	$465	$675	$295
White & Case	New York	1,900	$875	$1,050	$700	$525	$1,050	$220

* Full-time equivalent attorney numbers and the largest U.S. office are from the NLJ 350 published in April 2013. For complete numbers, please see *NLJ.com*.

** Firm did not exist in this form for the entire year.

$1,000 Per Hour Isn't Rare Anymore; Nominal billing levels rise, but discounts ease blow.

FIRM NAME	LARGEST U.S. OFFICE*	AVERAGE FULL-TIME EQUIVALENT ATTORNEYS*	PARTNER HOURLY RATES		ASSOCIATE HOURLY RATES			
			AVERAGE	HIGH	LOW	AVERAGE	HIGH	LOW
Morrison & Foerster	San Francisco	1,010	$865	$1,195	$595	$525	$725	$230
Pillsbury Winthrop Shaw Pittman	Washington	609	$865	$1,070	$615	$520	$860	$375
Kaye Scholer	New York	414	$860	$1,080	$715	$510	$680	$320
Kramer Levin Naftalis & Frankel	New York	320	$845	$1,025	$740	$590	$750	$400
Hogan Lovells	Washington	2,280	$835	$1,000	$705	-	-	-
Kasowitz, Benson, Torres & Friedman	New York	365	$835	$1,195	$600	$340	$625	$200
Kirkland & Ellis	Chicago	1,517	$825	$995	$590	$540	$715	$235
Cooley	Palo Alto	632	$820	$990	$660	$525	$630	$160
Arnold & Porter	Washington	748	$815	$950	$670	$500	$610	$345
Paul Hastings	New York	899	$815	$900	$750	$540	$755	$335
Curtis, Mallet-Prevost, Colt & Mosle	New York	322	$800	$860	$730	$480	$785	$345
Winston & Strawn	Chicago	842	$800	$995	$650	$520	$590	$425
Bingham McCutchen	Boston	900	$795	$1,080	$220	$450	$605	$185
Akin Gump Strauss Hauer & Feld	Washington	806	$785	$1,220	$615	$525	$660	$365
Covington & Burling	Washington	738	$780	$890	$605	$415	$565	$320
King & Spalding	Atlanta	838	$775	$995	$545	$460	$735	$125
Norton Rose Fulbright	N/A**	N/A**	$775	$900	$525	$400	$515	$300
DLA Piper	New York	4,036	$765	$1,025	$450	$510	$750	$250
Bracewell & Giuliani	Houston	432	$760	$1,125	$575	$440	$700	$275
Baker & McKenzie	Chicago	4,004	$755	$1,130	$260	$395	$925	$100
Dickstein Shapiro	Washington	308	$750	$1,250	$590	$475	$585	$310
Jenner & Block	Chicago	432	$745	$925	$565	$465	$550	$380
Jones Day	New York	2,363	$745	$975	$445	$435	$775	$205
Manatt, Phelps & Phillips	Los Angeles	325	$740	$795	$640	-	-	-
Seward & Kissel	New York	152	$735	$850	$625	$400	$600	$290
O'Melveny & Myers	Los Angeles	738	$715	$950	$615	-	-	-
McDermott Will & Emery	Chicago	1,024	$710	$835	$525	-	-	-
Reed Smith	Pittsburgh	1,468	$710	$945	$545	$420	$530	$295
Dentons	N/A**	N/A**	$700	$1,050	$345	$425	$685	$210
Jeffer Mangels Butler & Mitchell	Los Angeles	126	$690	$875	$560	-	-	-
Sheppard, Mullin,	Los	521	$685	$875	$490	$415	$535	$275

$1,000 Per Hour Isn't Rare Anymore; Nominal billing levels rise, but discounts ease blow.

FIRM NAME	LARGEST U.S. OFFICE*	AVERAGE FULL-TIME EQUIVALENT ATTORNEYS*	PARTNER HOURLY RATES		ASSOCIATE HOURLY RATES			
			AVERAGE	HIGH	LOW	AVERAGE	HIGH	LOW
Richter & Hampton	Angeles							
Alston & Bird	Atlanta	805	$675	$875	$495	$425	$575	$280

THE FOUR-FIGURE CLUB

THE FOUR-FIGURE CLUB

These 10 firms posted the highest partner billing rates.

Gibson, Dunn & Crutcher	$1,800
Dickstein Shapiro	$1,250
Wilmer Cutler Pickering Hale and Dorr	$1,250
Akin Gump Strauss Hauer & Feld	$1,220
Kasowitz, Benson, Torres & Friedman	$1,195
Morrison & Foerster	$1,195
Skadden, Arps, Slate, Meagher & Flom	$1,150
Baker & McKenzie	$1,130
Bracewell & Giuliani	$1,125
Paul, Weiss, Rifkind, Wharton & Garrison	$1,120

Contact Karen Sloan at *ksloan@alm.com*

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The Firms

April 16, 2012 5:20 PM

When It Comes to Billing, Latest Rate Report Shows the Rich Keep Getting Richer

Posted by Sara Randazzo.

Hourly rates just keep rising—and the best-paid lawyers are raising their rates faster than everyone else.

Those are two of the key findings contained in the 2012 Real Rate Report, an analysis of $7.6 billion in legal bills paid by corporations over a five-year period ending in December 2011. The report, released Monday, is the second such collaboration between TyMetrix, a company that manages and audits

legal bills for corporate legal departments, and the Corporate Executive Board.

Many of the new rate report's findings echo those contained in the 2010 study, including the fact that rates keep going up, almost across the board, and that the cost of a given matter can vary dramatically depending on a law firm's size and location and its relationship with a particular client.

At the same time, this year's study shows that the legal sector is becoming increasingly bifurcated, with top firms raising rates faster than those at the bottom of the market and large firms charging a premium price based purely on their size.

"What it's really showing is that there's an increased premium being paid for experience and expertise," says Julie Peck, vice president of strategy and market development at TyMetrix. "Some parts of the lawyer market are able to raise rates much more quickly, and are more impervious to economic forces then others."

To compile the current rate report, TyMetrix received permission from its clients to examine legal fees billed to 62 companies across 17 industries including energy, finance, retail, technology, insurance, and health care. The bills, which represent the amount actually paid by the companies in question rather than the amount initially charged, came from more than 4,000 firms in 84 metropolitan areas around the country. Every firm on the 2011 Am Law 100 is represented in the data.

The report's key data points include:

A Widening Gap: Hourly rates charged by lawyers in the legal sector's upper echelon grew faster between 2009 and 2011 than those charged by lawyers toiling on the lower rungs. Particularly striking was the jump in associate rates billed by those falling in the report's top quartile: 18 percent on average, to just over $600 per hour. Rates billed by top quartile partners, meanwhile, rose 8 percent, to just under $900 per hour. In the bottom quartile, associate rates rose 4 percent and partner rates rose 3 percent during the same period.

The Recession's (Minor) Toll: Even amid the economic downturn, the cost of an hour of a lawyer's time continued to rise faster than key measures of inflation. That said, the legal industry wasn't completely immune to the broader economy's slowdown. After rising 8.2 percent between 2007 and 2008, hourly rates rose just 2.3 percent in 2009. Law firms bounced back a bit last year, with rates climbing 5.1 percent, to an average of $530 an hour.

Location Counts: Not surprisingly, lawyers working in major metropolitan areas—where, as the rate report notes, rents are typically higher—are the priciest. An address in Boston, Chicago, Los Angeles, San Francisco, or Washington, D.C., alone adds about $161 to the hourly rate charged by an individual lawyer. Those six cities and Baltimore, Houston, Philadelphia, and San Jose are the ten U.S. markets with the highest hourly rates. With an average partner rate topping $700 per hour and average associate rate of more than $450 per hour, New York is the most expensive market in the country. The least expensive? Riverside, California, where the average partner bills at under $250 per hour and associates bill at just over $300 an hour.

In the Minority: A small group of lawyers—12 percent—bucked the trend toward higher fees and actually lowered rates between 2009 to 2011—and 3 percent trimmed rates by $50 or more per hour. (Most of those in the rate-cutting camp were based outside the big six markets identified above.) At the other end of the spectrum, 52 percent of lawyers increased rates by between $25 and $200 or more per hour. Another 18 percent increased rates by less than $25 per hour, and the final 18 percent held rates steady.

First-Year Blues: Even before the recession hit, clients balked at paying for what they considered on-the-job training for first-year associates. The latest rate report is likely to reinforce that reluctance, given its finding that using entry-level lawyers adds as much as 20 percent to the cost of a legal matter. The report offers evidence that firms may be accommodating clients on this front: The percentage of bills attributed to entry-level associates dropped from 7 percent in 2009 to 2.9 percent last year.

Ties That Bind: The more work one firm handles for a client—and the longer the client relationship extends—the higher the average rate the firm charges. For companies that paid one firm $10 million or more in a single year, the average hourly rate paid was $553 in 2011. By comparison, clients that limited their spending on an individual firm to $500,000 paid that firm an average of $319 per hour.

Four-Digit Frontier: Data has consistently shown that many lawyers hesitate to charge more than $1,000 an hour, and in 2011 just under 3 percent of the lawyers covered by the rate report had broken that barrier. Of those, the vast majority were working in the six main legal markets identified above and 60 percent of the time, they billed in increments of one hour or less.

Playing Favorites: Across all practice areas, 90 percent of lawyers charged different clients different rates for similar types of work. (The figure for mergers and acquisitions lawyers was 100 percent.) The differences from client to client can be extreme, and were even more pronounced in the current report than in the 2010 edition. Rates charged by intellectual property specialists, for instance, had a median variance of 23.1 percent, while lawyers doing commercial and contract work showed a 18.7 percent median difference.

Who's Doing What? A closer look at law firm bills for work performed on litigation and intellectual property assignments shows that the kind of timekeeper billing on a matter varies by practice type. On patent matters, the report shows, 47 percent of hours billed on average are attributed to paralegals, and 37 percent by partners. By comparison, paralegals account for just 8 percent of the work done on labor and employment litigation hours, while partners handle 45 percent.

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On Sale: The $1,150-Per-Hour Lawyer

Lawyer Fees Keep Growing, But Don't Believe Them. Clients Are Demanding, and Getting, Discounts

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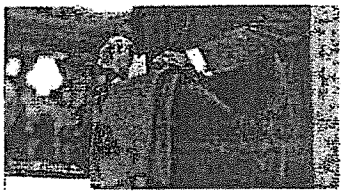
By JENNIFER SMITH

Top partners at leading U.S. law firms are charging more than ever before, yet those hourly rates aren't all they appear to be.

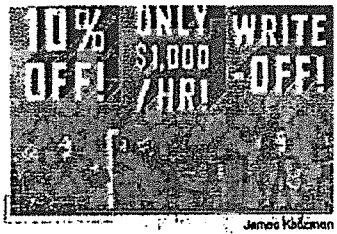


Top partners at leading U.S. law firms are charging more than ever -- routinely $1,150 or more an hour -- but after discounts and write-offs the nosebleed rates aren't all they appear to be. Jennifer Smith reports. Photo: Getty Images.

Having blown past the once-shocking price tag of $1,000 an hour, some sought-after deal, tax and trial lawyers are commanding hourly fees of $1,150 or more, according to an analysis of billing rates compiled from public filings.

But, as law firms boost their standard rates, many are softening the blow with widespread discounts and write-offs, meaning fewer clients are paying full freight. As a result, law firms on average are actually collecting fewer cents on the dollar, compared with their standard, or "rack," rates, than they have in years.

Think of hourly fees "as the equivalent of a sticker on the car at a dealership," said legal consultant Ward Bower, a principal at Altman Weil Inc. "It's the beginning of a negotiation....Law firms think they are setting the rates, but clients are the ones determining what they're going to pay."



James Kobzeman

Star lawyers still can fetch a premium, and some of them won't budge on price. The number of partners billing $1,150-plus an hour has more than doubled since this time last year, according to Valeo Partners, a consulting firm that maintains a database of legal rates pulled from court filings and other publicly disclosed information. More than 320 lawyers in the firm's database billed at that level in the first quarter of 2013, up from 158 a year earlier.

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That gilded circle includes tax experts such as Christopher Roman of King & Spalding LLP and Todd Maynes of Kirkland & Ellis LLP, intellectual-property partner Nader A. Mousavi of Sullivan & Cromwell LLP, and deal lawyers such as Kenneth M. Schneider of Paul, Weiss, Rifkind, Wharton & Garrison LLP.

Those lawyers and their firms either declined to comment or didn't reply to requests for comment.

When corporate legal departments need a trusted hand to fend off a hostile takeover or win a critical court battle, few general counsels will nitpick over whether a key lawyer is charging $900 an hour or $1,150 an hour. But for legal matters where their future isn't on the line, companies are pushing for—and winning—significant price breaks.

"We almost always negotiate rates down from the rack rates," said Randal S. Milch, general counsel for phone giant Verizon Communications Inc. VZ +0.29% The result, he said, is a "not-insignificant discount."

For the bread-and-butter work that many big law firms rely on, haggling has become the norm. Many clients grew accustomed to pushing back on price during the recession and continue to demand discounts.

Some companies insist on budgets for their legal work. If a firm billing by the hour exceeds a set cap, lawyers may have to write off some of that time.

Other clients refuse to work with firms who don't discount, lopping anywhere from 10% to 30% off their standard rates. Some may grant rate increases to individual partners or associates they deem worthy. Another tactic: locking in prices with tailored multiyear agreements with formulas governing whether clients grant or refuse a requested rate increase.

In practical terms, that means the gap between law firms' sticker prices and the amount of money they actually bill and collect from their clients is wider than it has been in years.

According to data collected by Thomson Reuters Peer Monitor, big law firms raised their average standard rate by about 9.3% over the past three years. But they weren't able to keep up on the collection side, where the increase over the same period was just 6%. Firms that used to collect on average about 92 cents for every dollar of standard time their lawyers worked in 2007, before the economic downturn, now are getting less than 85 cents. "That's a historic low," said James Jones, a senior fellow at the Center for the Study of the Legal Profession at Georgetown Law.

To be sure, things have certainly picked up some since the recession, when some clients flat-out refused to pay rate increases.

In the first quarter of 2013, the 50 top-grossing U.S. law firms boosted their partner rates by as much as 5.7%, billing on average between $879 and $882 an hour, according to Valeo Partners. Rates for junior lawyers, whose labors have long been a profit engine for major law firms, jumped even more.

While some clients resisted using associate lawyers during the downturn, refusing to pay hundreds of dollars an hour for inexperienced first- or second-year attorneys, the largest U.S. law firms have managed to send the needle back up again. This year, for the first time, the average rate for associates with one to four years of experience rose to $500 an hour, according to Valeo.

The increases continue the upward trend of 2012, when legal fees in general rose 4.8% and associate billing rates rose by 7.4%, according to a coming report by TyMetrix Legal Analytics, a unit of Wolters Kluwer, WKL.AE +0.95% and CEB, a research and advisory-services company. Those numbers are based on legal-spending data from more than 17,000 law firms.

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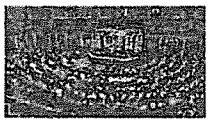

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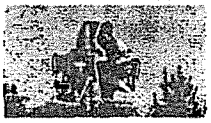

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More than a dozen leaders at major law firms declined to discuss rate increases on the record, though some said privately that the increase in associate rates could be caused in part by step increases as junior lawyers gain in seniority.

Joe Sims, an antitrust partner at Jones Day and former member of the firm's partnership committee, said clients don't mind paying for associates, as long as they feel they are getting their money's worth.

Sophisticated clients, he said, tend to focus on the overall price tag for legal work, not on individual rates. "They are more concerned about how many people are working on the project and the total cost of the project," Mr. Sims said. "Clients want value no matter who is on the job."

While a handful of elite lawyers have successfully staked out the high end—the deal teams at Wachtell, Lipton, Rosen & Katz, for example—legal experts say that client pressure to control legal spending means most law firms must be considerably more flexible on price.

"There will always be some 'bet the company' problem where a client will not quibble about rates," said Mr. Jones, the Georgetown fellow. "Unfortunately, from the law firms' standpoint, that represents a small percentage of the work."

Write to Jennifer Smith at jennifer.smith@wsj.com

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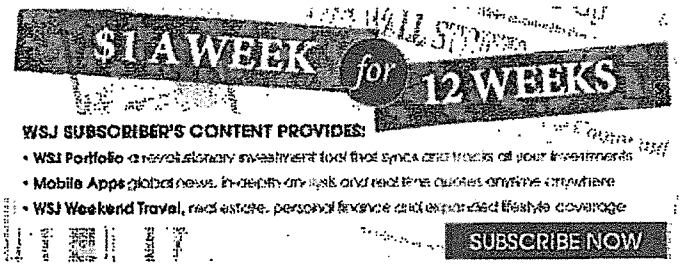

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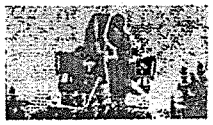
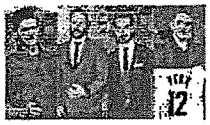


Are You Ready for a Jetpack?



The 400 Richest Americans: Who's New on the List?



Steps to Better Foot Health

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Exhibit 4

ALM LEGAL INTELLIGENCE

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2012 NJ Billing Survey

Rank Year	Firm Name	Location	Partner Billing Rate High	Partner Billing Rate Low	Associate Billing Rate High	Associate Billing Rate Low	Associate Billing Rate Average	Partner Billing Rate Average	Firm Size Billing Rate Average	Associate Billing Rate Mid	Partner Billing Rate Mid	Firm Size Billing Rate Mid	Annual billable hours requirement	Variation in the billable hours	Percentage of your time (revenue) obtained through write/cuts on the billable hours	Pro Bono Allowed/Yes	Percentage of firm's revenue is obtained via Alternative Billing Fee	NJ Billing Survey	Notes
2012	Adams and Reese	New Orleans	$595.00	$375.00	$395.00	$175.00	$250.00	$375.00		260	375	320						2012 NJ Billing Survey	
2012	Best Best & Krieger	Riverside, CA	$625.00	$310.00	$290.00	$725.00	$260.00	$415.00		258	435	368						2012 NJ Billing Survey	
2012	Brinks Hofer Gilson & Lione	Chicago	$825.00	$375.00	$485.00	$190.00	$325.00	$590.00		325	560	375						2012 NJ Billing Survey	
2012	Bryan Cave	St. Louis	$785.00	$380.00	$550.00	$200.00	$373.00	$553.00		373	553	650						2012 NJ Billing Survey	
2012	Brooks Kushman	Detroit	$750.00	$200.00	$625.00	$278.00	$226.00	$563.00		214	363	313						2012 NJ Billing Survey	
2012	Brown & Connery	Philadelphia	$570.00	$320.00	$575.00	$225.00	$345.00	$513.00		345	513	440						2012 NJ Billing Survey	
2012	Dickinson Wright	Detroit	$585.00	$315.00	$240.00	$295.00												2012 NJ Billing Survey	
2012	Fitzpatrick Cella	Washington	$1250.00	$560.00	$570.00	$225.00	$480.00	$700.00		420	700	560						2012 NJ Billing Survey	
2012	Dinsmore & Shohl	Cincinnati	$650.00	$180.00	$325.00	$130.00	$225.00	$388.00		225	280	310						2012 NJ Billing Survey	
2012	DLA Piper	New York	$1200.00	$550.00	$760.00	$335.00	$530.00	$775.00		530	775	653						2012 NJ Billing Survey	
2012	Dorsey & Whitney	Minneapolis	$650.00	$325.00	$420.00	$200.00	$275.00	$525.00		275	525	450						2012 NJ Billing Survey	
2012	Dykema Gossett	Chicago	$675.00	$395.00	$465.00	$225.00	$325.00	$525.00		285	525	435						2012 NJ Billing Survey	
2012	Epstein Becker & Green	New York	$750.00	$330.00	$455.00	$215.00	$330.00	$555.00		335	555	435						2012 NJ Billing Survey	
2012	Fisher & Phillips	Atlanta	$565.00	$350.00	$395.00	$215.00	$305.00	$430.00		305	430	410						2012 NJ Billing Survey	
2012	Foley & Lardner	Milwaukee	$675.00	$370.00	$605.00	$200.00	$370.00	$575.00		370	575	485						2012 NJ Billing Survey	
2012	Fox Rothschild	Philadelphia	$760.00	$340.00	$480.00	$220.00	$310.00	$500.00		310	500	425						2012 NJ Billing Survey	
2012	Frost Brown Todd	Cincinnati	$525.00	$295.00	$275.00	$150.00	$205.00	$350.00		205	350	265						2012 NJ Billing Survey	
2012	Gardere Wynne Sewell	Dallas	$795.00	$395.00	$525.00	$235.00	$362.00	$562.00		355	562	483						2012 NJ Billing Survey	
2012	Gibbons	Newark, NJ	$615.00	$395.00	$450.00	$285.00	$320.00	$500.00		329	500	450						2012 NJ Billing Survey	
2012	Harris Beach	Rochester, NY	$625.00	$395.00	$350.00	$175.00	$250.00	$400.00		250	400	350						2012 NJ Billing Survey	
2012	Hancock & Sankey	Syracuse, NY	$550.00	$295.00	$375.00	$175.00	$225.00	$441.00		225	441	351						2012 NJ Billing Survey	
2012	Hogan Lovells	Washington	$1200.00	$545.00	$655.00	$312.00	$465.00	$750.00		425	758	625						2012 NJ Billing Survey	
2012	Holland & Hart	Denver	$625.00	$375.00	$400.00	$230.00	$264.00	$425.00		259	420	350						2012 NJ Billing Survey	
2012	Holland & Knight	Washington	$685.00	$315.00	$575.00	$220.00	$310.00	$560.00		310	560	498						2012 NJ Billing Survey	
2012	Husch Blackwell	St. Louis	$650.00	$240.00	$685.00	$195.00	$235.00	$405.00		235	405	350						2012 NJ Billing Survey	
2012	Kelley Drye & Warren	New York	$950.00	$450.00	$600.00	$285.00	$450.00	$660.00		456	660	550						2012 NJ Billing Survey	
2012	Knobbe Martens Olson &	Irvine, CA	$760.00	$425.00	$495.00	$295.00	$330.00	$525.00		330	525	380						2012 NJ Billing Survey	
2012	Lathrop & Gage	Kansas City, MO	$695.00	$285.00	$385.00	$225.00	$245.00	$410.00		245	410	335						2012 NJ Billing Survey	
2012	Lewis and Roca	Phoenix	$725.00	$410.00	$450.00	$325.00	$330.00	$520.00		330	520	475						2012 NJ Billing Survey	
2012	Locke Lord	Dallas	$1295.00	$450.00	$600.00	$255.00	$400.00	$655.00		485	655	550						2012 NJ Billing Survey	
2012	McAfee & Taft	Oklahoma City	$500.00	$250.00	$295.00	$195.00	$215.00	$375.00		215	375	325						2012 NJ Billing Survey	
2012	McDonald Hopkins	Cleveland	$595.00	$310.00	$370.00	$105.00	$270.00	$440.00		270	440	380						2012 NJ Billing Survey	
2012	McElroy, Deutsch, Mulvaney	Morristown, NJ	$575.00	$300.00	$325.00	$160.00	$255.00	$385.00		255	385	300						2012 NJ Billing Survey	
2012	McKenna Long & Aldridge	Atlanta	$830.00	$375.00	$560.00	$215.00	$395.00	$550.00		285	550	450						2012 NJ Billing Survey	
2012	Michael Best & Friedrich	Milwaukee	$650.00	$245.00	$350.00	$215.00	$285.00	$425.00		285	425	380						2012 NJ Billing Survey	
2012	Miles & Stockbridge	Baltimore	$700.00	$320.00	$350.00	$235.00	$350.00	$460.00		300	458	485						2012 NJ Billing Survey	
2012	Miller & Martin	Chattanooga, TN	$530.00	$250.00	$285.00	$155.00	$225.00	$385.00		225	585	349						2012 NJ Billing Survey	
2012	Nelson Mullins Riley &	Columbia, SC	$650.00	$235.00	$275.00	$165.00	$255.00	$420.00		254	420	350						2012 NJ Billing Survey	
2012	Patton Boggs	Washington	$1092.00	$425.00	$575.00	$245.00	$435.00	$665.00		435	665	550						2012 NJ Billing Survey	
2012	Perkins Coie	Seattle	$910.00	$290.00	$595.00	$225.00	$365.00	$560.00		365	560	465						2012 NJ Billing Survey	
2012	Polsinelli Shughart	Kansas City, MO	$550.00	$300.00	$325.00	$240.00	$260.00	$390.00		250	330	350						2012 NJ Billing Survey	
2012	Rubin & Tucker	Santa Monica, CA	$650.00	$348.00	$425.00	$220.00												2012 NJ Billing Survey	
2012	Saul Ewing	Philadelphia	$800.00	$325.00	$510.00	$225.00	$310.00	$500.00		310	500	450						2012 NJ Billing Survey	
2012	Schulte Roth & Zabel	New York	$995.00	$745.00	$705.00	$295.00	$565.00	$695.00		565	995	805						2012 NJ Billing Survey	
2012	Sedgwick	San Francisco	$557.00	$195.00	$430.00	$157.00	$261.00	$261.00		250	381	298						2012 NJ Billing Survey	
2012	Shumaker, Loop & Kendrick	Toledo, OH	$575.00	$240.00	$325.00	$210.00	$255.00	$358.00		255	395	375						2012 NJ Billing Survey	
2012	Stoel Rives	Portland, OR	$625.00	$250.00	$370.00	$190.00	$253.00	$415.00		265	415	368						2012 NJ Billing Survey	
2012	Strasburger & Price	Dallas	$515.00	$315.00	$325.00	$190.00	$243.00	$402.00		243	402	397						2012 NJ Billing Survey	
2012	Sullivan & Worcester	Boston	$900.00	$595.00	$545.00	$325.00	$430.00	$670.00		418	670	575						2012 NJ Billing Survey	
2012	Thompson & Knight	Dallas	$900.00	$445.00	$485.00	$250.00	$355.00	$595.00		355	525	550						2012 NJ Billing Survey	
2012	Thompson Coburn	St. Louis	$750.00	$330.00	$495.00	$290.00												2012 NJ Billing Survey	
2012	Ulmer & Berne	Cleveland, OH	$675.00	$245.00	$335.00	$185.00	$285.00	$422.00		285	420	360						2012 NJ Billing Survey	
2012	Vedder Price	Chicago	$635.00	$415.00	$495.00	$275.00	$305.00	$510.00		280	512	450						2012 NJ Billing Survey	
2012	Winstead	Dallas	$645.00	$375.00	$425.00	$215.00	$320.00	$475.00		320	475	410						2012 NJ Billing Survey	

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Exhibit 5

MARA LAW FIRM, PC, SUMMARY OF TIME AND COSTS

Maria Martinez v. Tim Hofer, Inc., et al.
Kern County Superior Court, Case Number BCV-24-101779

Total Attorneys' Hours: 389
Total Lodestar Fees: $207,200
Total Litigation Expenses: $11,306.73

ATTORNEYS	YEAR ADMITTED	HOURS	HOURLY RATE	TOTAL
MARA LAW FIRM, PC				
David Mara, Esq.	2004	271	$800	$160,000
Carter Cordura, Esq.	2024	118	$400	$47,200
			TOTAL:	**$207,200**

LITIGATION EXPENSES	
MARA LAW FIRM, PC	$11,306.73
TOTAL COSTS	**$11,306.73**

Exhibit 6