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Attorneys for Plaintiff JUAN GARCIA

SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF SACRAMENTO

JUAN GARCIA on behalf of himself, all
others similarly situated, and on behalf of
the general public,

Plaintiff,

v.

BACKYARD PRODUCTS LLC; and
DOES 1-100,

Defendants.

Lead Case No. 24CV009779
(Consolidated with Case No. 24CV019984)

*[Assigned for All Purposes to the
Honorable Jill Talley; Dept. 23]*

CLASS ACTION

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

Date: January 9, 2026

Time: 9:00 a.m.

Reservation No.: #A-09779-001

Complaint Filed: May 17, 2024

Trial Date: Not set

1 I, DAVID MARA, declare as follows:

- 2 1. I am President of Mara Law Firm, PC, and counsel of record for Plaintiff and the putative
3 class in this matter. I am duly admitted to practice before all the courts of the state of
4 California. The following facts are within my personal knowledge and, if called to testify, I
5 could and would competently testify thereto.
- 6 2. I graduated from California Western School of Law and was admitted to practice law in
7 California in May 2004.
- 8 3. I extensively handle employment cases which involve violations of the California Labor
9 Code and Industrial Welfare Commission Wage Orders, such as wage and hour class actions
10 and cases alleging violations of the Private Attorneys General Act of 2004 (“PAGA”). I have
11 litigated over three hundred and fifty (350) class action and PAGA lawsuits over the course
12 of nearly 20 years.
- 13 4. I was co-class counsel in *Hohnbaum v. Brinker Restaurant Corp.* (San Diego County
14 Superior Court, Case No. GIC834348) which was the underlying case in the California
15 Supreme Court’s landmark decision in *Brinker Restaurant Corp. v. Superior Court* (2012)
16 53 Cal.4th 1004, in which the California Supreme Court delineated the scope of employer
17 obligations to provide, and employee rights to receive, meal and rest periods under
18 California law.
- 19 5. I am frequently called upon to author Amicus Curiae briefs on behalf of Consumer
20 Attorneys of California (“CAOC”). For example, I authored the Amicus Curiae briefs on
21 behalf of CAOC in *Augustus v. ABM Security Services, Inc.* (2016) 2 Cal.5th 257, (The
22 California Supreme Court ruling that, like meal periods, employers must relieve employees
23 of all duty and relinquish all control to satisfactorily discharge its obligation to authorize and
24 permit rest periods.); *Frlekin v. Apple, Inc.* (2020) 8 Cal.5th 1038 (The California Supreme
25 Court ruling that the time spent on the employer’s premises waiting for, and undergoing,
26 required exit searches of packages, bags, or personal technology devices voluntarily brought
27 to work is compensable hours worked within the meaning of the Wage Orders.); *Oliver v.*
28 *Superior Court* (2021) California Court of Appeal Case No. H049185 (A brief asking the

1 California Court of Appeal for the Sixth Appellate District to determine whether mandatory
2 drive time of personal vehicles should be considered hours worked within the meaning of the
3 Wage Orders' suffered or permitted test.). *Davidson v. O'Reilly Auto Enterprises, LLC* (9th
4 Cir., 2020; Docket No. 18-56188) (a brief seeking Review *En Banc* of an order denying
5 class certification in a wage and hour matter). I am also a member of CAOC's Amicus
6 Committee that determines the cases in which the organization will agree to provide amicus
7 support.

- 8 6. My firm has been named as class counsel in a number of wage and hour class actions in
9 which the Court granted the plaintiff's motion for class certification. For example, my firm
10 has been named class counsel: *Mario Norona v. B&G Delivery System, Inc.* (Sacramento
11 County Superior Court, Case No. 34-2015-00186826-CU-OE-GDS); *Jerald Schroeder v.*
12 *YRC, Inc.; et al.* (Central District of California, Case No. 12-cv-01374-TJH); *John Martin v.*
13 *Sysco Corporation, et al.* (Eastern District of California, Case No. 1:16-cv-00990-DAD-
14 SAB); *William Smith v. Werner Enterprises, Inc. d/b/a C.L. Werner, Inc.* (District of
15 Nebraska, Case No. 8:15-cv-287); *Thomas Perez v. City of San Diego* (San Diego County
16 Superior Court, Case No. 37-2014-00016621-CU-OE-CTL); *Eric Mendez v. M&N*
17 *Consulting, Inc. dba A-Line Messenger Service* (San Bernardino County Superior Court,
18 Case No. CIVDS1923624); *Denson Sales v. Professional Auto Transport, Inc. et al.* (San
19 Bernardino County Superior Court, Case No. CIVDS2010153); *Sonny Williams v. Hansen*
20 *and Adkins Auto Transport, Inc.; et al.* (San Bernardino County Superior Court, Case No.
21 CIVDS2020832); *Bobby Williams v. Mohsen Transport, Inc.* (San Diego County Superior
22 Court, Case No. 37-2019-00063361-CU-OE-CTL); and *Ashton Harden vs. Mushiana*
23 *Transport Inc.* (Sacramento County Superior Court, Case No. 34-2021-00301950-CU-OE-
24 GDS).
- 25 7. My firm has also been named as class counsel in numerous cases during the settlement
26 process. Here is a non-exhaustive list of cases where my firm has been named as class
27 counsel in cases during the settlement process: *Kenneth Cox v. 3PL Worx, et al.* (Yolo
28 County Superior Court, Case No. CV-18-100); *Brian Davidson v. A&B Trucking Services,*

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

1 *Aaron Romero v. Vitro Flat Glass, LLC* (Kern County Superior Court, Case No. BCV-21-
2 101357).

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

5 9. On May 6, 2024, Plaintiff Garcia submitted a letter to Defendant and the LWDA pursuant
6 to PAGA alleging potential Labor Code violations regarding (1) failing to pay all straight
7 time and minimum wages, (2) failing to pay all overtime wages owed, (3) failing to
8 provide meal periods, (4) failing to provide rest periods, (5) failing to pay reporting time
9 wages, (6) failing to pay all wages due at termination and during employment, (7) failing
10 to comply with itemized employee wage statement provisions, (8) failing to reimburse for
11 business expenses, and (9) failing to pay employees twice per month. A copy of
12 Plaintiff's PAGA Notice is attached hereto as **Exhibit 6**.

13 10. On May 17, 2024, Plaintiff Garcia commenced a class action by filing a Complaint
14 alleging causes of action against Defendant for (1) Failure to pay all straight time wages;
15 (2) Failure to pay all overtime wages; (3) Failure to provide meal periods; (4) Failure to
16 authorize and permit rest periods; (5) Failure to authorize and permit recovery periods; (6)
17 Failure to pay reporting time wages; (7) Knowing and intentional failure to comply with
18 itemized employee wage statement provisions; (8) Failure to pay all wages due at the time
19 of termination of employment; (9) Failure to reimburse/illegal deductions; and (10)
20 Violation of unfair competition law. This case was designated with Case Number
21 24CV009779.

22 11. On October 2, 2024, Plaintiff Garcia initiated a representative action pursuant to PAGA.
23 This case was designated with Case Number 24CV019984.

24 12. On June 12, 2025, the Court consolidated the Class Action and Representative Action,
25 with the Class Action serving as the lead case.

26 13. Prior to mediation, Plaintiff obtained, through informal discovery, pay data, exemplar
27 contracts, recruiting and advertisement documents, and information relating to the size
28 and scope of the Class, as well as data permitting Plaintiff to fully understand the nature

1 and scope of the allegations in the Complaint.

2 14. On February 13, 2025, the Parties mediated with Jill Sperber, Esq. After a full day of
3 arms'-length negotiations, the matter was settled in principle. The Parties negotiated all
4 necessary terms and entered into the Settlement Agreement. The Parties' Settlement
5 Agreement is attached hereto as **Exhibit 1**.

6 15. Class Counsel applies for an award of attorneys' fees in the sum of \$450,000 (one-third of
7 the GSA), and litigation costs of \$16,596.78 (originally estimated not to exceed \$30,000).

8 16. Class Counsel has worked 252.2 hours to date on this case and have calculated the
9 lodestar fee on those hours at \$182,357.50 at rates reflecting those currently earned in the
10 marketplace.

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

13 18. This was a highly contested matter which required a significant amount of time and labor.
14 Class Counsel had to investigate and analyze documents and data produced by Defendant.
15 In addition, as part of the above investigation and analysis, Plaintiff had to marshal the
16 evidence in a manner in which it could be adjudicated on a class-wide basis. So often,
17 lawyers unskilled in the class action aspect of wage and hour cases do not pay attention to
18 or put the work into how the evidence must be presented for class-wide adjudication.
19 Strong class-wide cases perish in the hands of inexperienced counsel because the case has
20 not been worked up to succeed at certification. Class Counsel here has considerable
21 experience in class litigation and, from the beginning of the case, is marshalling the
22 evidence with a sharp focus on class-wide proof needed for the matter to get certified.
23 This case was no different. This filtering of voluminous evidence into class-wide proof
24 while keeping an eye on the merits of the litigation required a considerable amount of
25 attorney time and skill.

26 19. All services were performed by Class Counsel on a contingent basis.

27 20. Class Counsel's hourly rates are between \$500 and \$1,250 and are in line with rates
28 typically approved in wage and hour class action litigation and which rates have been

1 approved by Courts in California in the Los Angeles, Sacramento, San Francisco,
2 Alameda, Orange and San Diego County Superior Courts.

3 21. I devoted 92.7 hours to this case. The following is a summary of my tasks and activities
4 performed in the litigation of this matter: research into new Defendant; reviewing and
5 revising initial complaint in class action and related documents; reviewing and revising
6 class complaint; reviewing and revising PAGA notice; reviewing and revising PAGA
7 complaint; researching and investigating legal issues throughout case; interoffice
8 discussions throughout case; investigating Defendant's pay-structures and policies for its
9 employees; analyzing records produced by Defendant relating to its policies, pay-
10 structures, and time keeping; reviewing and analyzing Defendant's arbitration agreement;
11 researching issues relevant to arbitration agreement and mediation brief; reviewing and
12 revising mediation brief and mediation damage and exposure model; preparing for and
13 attending mediation; rafting declaration in support of preliminary approval; drafting
14 declaration in support of final approval; and reviewing and revising final approval motion
15 and supporting documents.

16 22. My hourly rate is \$850. Based on my hourly rate and the hours expended, 92.7, my fee is
17 \$78,795, which is reasonable and necessary to the successful litigation of this matter.

18 23. Jill Vecchi is a partner at Mara Law Firm, PC. She solely handles wage and hour class
19 actions and PAGA actions. Ms. Vecchi graduated from Santa Clara University School of
20 Law and was admitted to practice law in California in December 2014 and received her
21 undergraduate degree from University of California, Riverside in 2010. Ms. Vecchi has
22 been litigating wage and hour class actions for nine (9) years and has handled over one
23 hundred (100) class action and PAGA lawsuits.

24 24. Ms. Vecchi has been named as class counsel in the following certified cases as a result of
25 the court granting a motion for class certification: *Mario Norona v. B&G Delivery*
26 *System, Inc.* (Sacramento County Superior Court, Case No. 34-2015-00186826-CU-OE-
27 GDS); *Jerald Schroeder v. YRC, Inc.; YRC Worldwide, Inc.* (Central District of
28 California, Case No. 12-cv-01374-TJH); *John Martin v. Sysco Corporation; Sysco*

1 *Central California, Inc.* (Eastern District of California, Case No. 1:16-cv-00990-DAD-
2 SAB); *Denson Sales, et al. v. United Road Services, Inc. et al* (Northern District of
3 California, Case No. 19-cv-08404-JST); *Sonny Williams v. Hansen and Adkins Auto*
4 *Transport, Inc.; et al.* (San Bernardino County Superior Court, Case No.
5 CIVDS2020832); *Bobby Williams v. Mohsen Transport, Inc.* (San Diego County Superior
6 Court, Case No. 37-2019-00063361-CU-OE-CTL); and *Ashton Harden vs. Mushiana*
7 *Transport Inc.* (Sacramento County Superior Court, Case No. 34-2021-00301950-CU-OE-
8 GDS).

9 25. Ms. Vecchi has also been named as class counsel in numerous cases during the settlement
10 process. Here is a non-exhaustive list of cases where Ms. Vecchi has been named as class
11 counsel in cases during the settlement process: *Kenneth Cox v. 3PL Worx, et al.* (Yolo
12 County Superior Court, Case No. CV-18-100); *Brian Davidson v. A&B Trucking*
13 *Services, Inc.* (Kern County Superior Court Case No. BCV-16-102985); *Alex Vega, et al.*
14 *v. Advance Beverage Co., Inc.* (Kern County Superior Court, Case No. BCV-16-100848);
15 *Alton Davis v. Apria Healthcare Group, Inc.* (San Diego County Superior Court, Case
16 No. 37-2014-00004724-CU-OE-CTL); *Timothy Spikes, et al. v. Bear Trucking, Inc., et al.*
17 (San Bernardino County Superior Court, Case No. CIVDS1715151); *Terrance Bailey v.*
18 *Blue Apron, LLC; et al.* (Northern District of California, Case No. 18-cv-07000-VC);
19 *Jeffrey Weast v. California Aseptic Beverages, LLC* (San Bernardino County Superior
20 Court, Case No. CIVDS1825256); *Michael Valentich v. Hub Construction Specialties,*
21 *Inc.* (San Bernardino County Superior Court, Case No. JCCPDS4893); *Jose De Jesus*
22 *Ortega Velazquez v. Hunter Landscape, Inc.; et al.* (San Bernardino County Superior
23 Court, Case No. CIVDS1928062); *Adrian Diaz v. Keystone Automotive Operations, Inc.*
24 (Riverside County Superior Court, Case No. RIC1817450); *Arturo Gonzalez v. NCI*
25 *Group, Inc. dba NCI Building Systems* (Eastern District of California, Case No. 18-cv-
26 00948-AWI-SKO); *Larry Perez v. The Nielsen Company (US), LLC* (Orange County
27 Superior Court, Case No. 30-2021-01194324-CU-OE-CXC); *Erik Martinez v. Patrick*
28 *Industries, Inc.* (San Bernardino County Superior Court, Case No. CIVDS2009663);

1 *Randolph Fitch v. Shaw Industries, Inc.; et al.* (San Bernardino County Superior Court,
2 Case No. CIVSB2024674); *Joshua Rael v. Intercontinental Hotels Group Resources, Inc.*
3 (Los Angeles County Superior Court, Case No. 19STCV16010); and *Aaron Romero v.*
4 *Vitro Flat Glass, LLC* (Kern County Superior Court, Case No. BCV-21-101357).

5 26. Ms. Vecchi devoted 87.4 hours to this case. The following is a summary of her tasks and
6 activities performed in the litigation of this matter: draft PAGA notice; draft class and
7 PAGA complaints; interoffice discussions throughout case; discussions with Defendant's
8 Counsel throughout case; draft case management conference statements; draft
9 stipulations; analyze documents and information produced by Defendant, including
10 records produced by Defendant relating to its policies, pay-structures, and time keeping;
11 conduct research for mediation; draft mediation brief; prepare for and attend mediation;
12 review and revise settlement agreement; review and revise preliminary approval motion;
13 working with Settlement Administrator during notice process; review weekly status
14 reports from the Settlement Administrator regarding Class participation; review and
15 revise Settlement Administrator's declaration; and draft and revise motion for final
16 approval of the settlement.

17 27. Ms. Vecchi's hourly rate is \$650. Based on her hourly rate and the hours expended, 87.4,
18 her fee is \$56,810 which is reasonable and necessary to the successful litigation of this
19 matter.

20 28. Mara Law Firm, PC, seeks reimbursement of the litigation costs and expenses of
21 \$16,117.98.

22 29. A true and correct copy of the Westlaw Court's Express's Legal Billing Report, Volume
23 14, Number 3, California Region for December 2012 is attached as **Exhibit 2**.

24 30. A true and correct copy of the Declaration of Richard M. Pearl in *Hohnbaum v. Brinker*
25 *Restaurant Corp.* SDSC GIC834348 is attached as **Exhibit 3**.

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

28 32. A Summary of Time and Costs is attached hereto as **Exhibit 5**. This exhibit includes

1 Mara Law Firm, PC's time and cost records.

2 33. Pursuant to Local Rule 2.99.05(C), I have reviewed the "CHECKLIST FOR APPROVAL
3 OF CLASS ACTION AND/OR PRIVATE ATTORNEYS GENERAL ACT ("PAGA")
4 SETTLEMENTS." Plaintiff's Motion for Final Approval and all supporting documents were
5 prepared as to be in compliance with the checklist.

6 34. The final approval motion and supporting documents were uploaded to the Labor
7 Workforce Development Agency. Attached hereto as **Exhibit 7** is a confirmation received
8 as a result of this upload.

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

11
12 Dated: December 16, 2025

MARA LAW FIRM, PC

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15 David Mara, Esq.
16 Representing Plaintiff JUAN GARCIA
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Exhibit 1

CLASS ACTION AND PAGA SETTLEMENT AGREEMENT AND CLASS NOTICE

This Class Action and PAGA Settlement Agreement (“Agreement”) is made by and between Plaintiff JUAN GARCIA (“Plaintiff”) and Defendant BACKYARD PRODUCTS LLC (“Defendant”). The Agreement refers to Plaintiff and Defendant collectively as “Parties,” or individually as a “Party.”

1. DEFINITIONS.

- 1.1. “Action” means, collectively, the class action lawsuit alleging wage and hour violations against Defendant initiated on May 17, 2024, in the Sacramento County Superior Court bearing Court Case No. 24CV009779 (the “Class Action”) and the representative Private Attorneys General Act (“PAGA”) proceeding in the Sacramento County Superior Court bearing Case No. 24CV019984 (the “PAGA Action”).
- 1.2. “Administrator” means ILYM Group, Inc., the neutral entity the Parties have agreed to appoint to administer the Settlement.
- 1.3. “Administration Expenses Payment” means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator’s “not to exceed” bid submitted to the Court in connection with Preliminary Approval of the Settlement.
- 1.4. “Aggrieved Employee” means a person who performed shed construction services for Defendant in California during the PAGA Period as an independent contractor.
- 1.5. “Class” means all persons who performed installation services for Defendant in California during the Class Period as an independent contractor.
- 1.6. “Class Counsel” means David Mara and Jill Vecchi of MARA LAW FIRM, PC, and Michael Singer and Rosemary Khoury of COHELAN KHOURY & SINGER.
- 1.7. “Class Counsel Fees Payment” and “Class Counsel Litigation Expenses Payment” mean the amounts allocated to Class Counsel for reimbursement of reasonable attorneys’ fees and expenses, respectively, incurred to prosecute the Action.
- 1.8. “Class Data” means Class Member identifying information in Defendant’s possession including the Class Member’s name, last-known mailing address, e-mail address to the extent Defendant has an email address on file, Social Security number, and number of Class Period Installations and PAGA Installations.
- 1.9. “Class Member” or “Settlement Class Member” means a member of the Class, as either a Participating Class Member or Non-Participating Class Member (including a Non-Participating Class Member who qualifies as an Aggrieved Employee).
- 1.10. “Class Member Address Search” means the Administrator’s investigation and search for current Class Member mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Class Members.

- 1.11. "Class Notice" means the COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL, to be mailed to Class Members in English in the form, without material variation, attached as Exhibit A and incorporated by reference into this Agreement.
- 1.12. "Class Period" means the period from September 1, 2020, through April 30, 2025.
- 1.13. "Class Representative" means Plaintiff.
- 1.14. "Class Representative Service Payment" means the payment to the Class Representative for initiating the Action and providing services in support of the Action.
- 1.15. "Court" means the Superior Court of California, County of Sacramento.
- 1.16. "Defendant" means BACKYARD PRODUCTS LLC, the named defendant in the Action.
- 1.17. "Defense Counsel" means Fisher & Phillips LLP.
- 1.18. "Effective Date" means the date by when both of the following have occurred: (a) the Court enters a Judgment on its Order Granting Final Approval of the Settlement; and (b) the Judgment is final. The Judgment is final as of the latest of the following occurrences: (a) if no Participating Class Member objects to the Settlement, the day the Court enters Judgment; (b) if one or more Participating Class Members objects to the Settlement, the day after the deadline for filing a notice of appeal from the Judgment; or if a timely appeal from the Judgment is filed, the day after the appellate court affirms the Judgment and issues a remittitur.
- 1.19. "Final Approval" means the Court's order granting final approval of the Settlement.
- 1.20. "Final Approval Hearing" means the Court's hearing on the Motion for Final Approval of the Settlement.
- 1.21. "Final Judgment" means the Judgment Entered by the Court upon Granting Final Approval of the Settlement.
- 1.22. "Gross Settlement Amount" means One Million, Three Hundred Fifty Thousand Dollars and Zero Cents (\$1,350,000.00), which is the total amount Defendant agrees to pay under the Settlement except as provided in Paragraph 9 below. The Gross Settlement Amount will be used to pay Individual Class Payments, Individual PAGA Payments, the LWDA PAGA Payment, Class Counsel Fees, Class Counsel Expenses, Class Representative Service Payment and the Administrator's Expenses.
- 1.23. "Individual Class Payment" means the Participating Class Member's pro rata share of the Net Settlement Amount calculated according to the number of installations performed during the Class Period.
- 1.24. "Individual PAGA Payment" means the Aggrieved Employees' pro rata share of 25% of the PAGA Penalties calculated according to the number of installations performed during the PAGA Period.
- 1.25. "Judgment" means the judgment entered by the Court based upon the Final Approval.

- 1.26. "LWDA" means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i).
- 1.27. "LWDA PAGA Payment" means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).
- 1.28. "Net Settlement Amount" means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: Individual PAGA Payments, the LWDA PAGA Payment, Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and the Administration Expenses Payment. The remainder is to be paid to Participating Class Members as Individual Class Payments.
- 1.29. "Non-Participating Class Member" means any Class Member who opts out of the Settlement by sending the Administrator a valid and timely Request for Exclusion.
- 1.30. "PAGA Period" means the period from July 29, 2023, through April 30, 2025.
- 1.31. "PAGA" means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).
- 1.32. "PAGA Notice" means Plaintiff's May 6, 2024, letter to Defendant and the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a).
- 1.33. "PAGA Penalties" means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount of Seventy Five Thousand Dollars and Zero Cents (\$75,000.00), allocated 25% to the Aggrieved Employees (\$18,750) and the 75% to the LWDA (\$56,250) in settlement of PAGA claims.
- 1.34. "Participating Class Member" means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.
- 1.35. "Plaintiff" means JUAN GARCIA, the named plaintiff in the Action.
- 1.36. "Preliminary Approval" means the Court's Order Granting Preliminary Approval of the Settlement.
- 1.37. "Preliminary Approval Order" means the proposed Order Granting Preliminary Approval and Approval of PAGA Settlement.
- 1.38. "Released Class Claims" means the claims being released as described in Paragraph 5.3 below.
- 1.39. "Released PAGA Claims" means the claims being released as described in Paragraph 5.4 below.
- 1.40. "Released Parties" means: Defendant and each of its former and present directors, officers, shareholders, owners, members, attorneys, insurers, predecessors, successors, subsidiaries (including but not limited to Backyard Storage Solutions, LLC and Backyard Play Systems, LLC), and assigns.
- 1.41. "Request for Exclusion" means a Class Member's submission of a written request to be excluded from the Class Settlement signed by the Class Member.
- 1.42. "Response Deadline" means 60 calendar days after the Administrator mails Notice to Class Members and Aggrieved Employees, and shall be the last date on which Class

Members may: (a) fax, email, or mail Requests for Exclusion from the Settlement, (b) fax, email, or mail his or her Objection to the Settlement, or (3) fax, email, or mail disputes as to the number of Installations attributed to him or her. Class Members to whom Notice Packets are resent after having been returned undeliverable to the Administrator shall have an additional 14 calendar days beyond the Response Deadline has expired.

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

1.44. “Installation” means a shed installation performed by a Class Member during the Class Period and PAGA Period, as provided by Defendant’s records.

2. RECITALS.

2.1. On May 6, 2024, Plaintiff Garcia submitted a letter to Defendant and the LWDA pursuant to PAGA alleging potential Labor Code violations regarding (1) failing to pay all straight time and minimum wages, (2) failing to pay all overtime wages owed, (3) failing to provide meal periods, (4) failing to provide rest periods, (5) failing to pay reporting time wages, (6) failing to pay all wages due at termination and during employment, (7) failing to comply with itemized employee wage statement provisions, (8) failing to reimburse for business expenses, and (9) failing to pay employees twice per month.

2.2. On May 17, 2024, Plaintiff Garcia commenced a class action by filing a Complaint alleging causes of action against Defendant for (1) Failure to pay all straight time wages; (2) Failure to pay all overtime wages; (3) Failure to provide meal periods; (4) Failure to authorize and permit rest periods; (5) Failure to authorize and permit recovery periods; (6) Failure to pay reporting time wages; (7) Knowing and intentional failure to comply with itemized employee wage statement provisions; (8) Failure to pay all wages due at the time of termination of employment; (9) Failure to reimburse/illegal deductions; and (10) Violation of unfair competition law.

2.3. On October 2, 2024, Plaintiff Garcia initiated a representative action pursuant to PAGA. The Class and PAGA actions are the operative complaints in the Action (the “Operative Complaints”). Defendant denies the allegations in the Operative Complaints, denies any failure to comply with the laws identified in the Operative Complaint and denies any and all liability for the causes of action alleged.

2.4. Pursuant to Labor Code section 2699.3, subd.(a), Plaintiff gave timely written notice to Defendant and the LWDA by sending the PAGA Notice.

2.5. On February 13, 2025, Plaintiff and Defendant participated in an all-day mediation presided over by Jill Sperber, Esq., which led to this Agreement to settle the Action.

2.6. Prior to mediation, Plaintiff obtained, through informal discovery, pay data, exemplar contracts, recruiting and advertisement documents, and information relating to the size and scope of the Class, as well as data permitting Plaintiff to fully understand the nature and scope of the allegations in the Complaint. Plaintiff’s investigation was sufficient

to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.* (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 129-130 (“*Dunk/Kullar*”).

- 2.7. The Court has not granted class certification.
- 2.8. The Parties are aware of a two later filed actions, both on behalf of Victor Hernandez, currently pending before the U.S. District Court for the Northern District of California, Case No. 5:24-cv-05963-EKL and the Sacramento County Superior Court, Case No. 24CV4497470, that will be extinguished or affected by the Settlement.

3. MONETARY TERMS.

- 3.1. Gross Settlement Amount. Except as otherwise provided by Paragraph 9 below, Defendant promises to pay One Million Three Hundred Fifty Thousand Dollars and Zero Cents (\$1,350,000.00) and no more as the Gross Settlement Amount and to separately pay any and all employer payroll taxes owed on the Wage Portions of the Individual Class Payments. Defendant has no obligation to pay the Gross Settlement Amount (or any payroll taxes) prior to the deadline stated in Paragraph 4.3 of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Participating Class Members or Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendant.
- 3.2. Payments from the Gross Settlement Amount. The Administrator will make and deduct the following payments from the Gross Settlement Amount, in the amounts specified by the Court in the Final Approval:
 - 3.2.1 To Plaintiff: Class Representative Service Payment to the Class Representative of not more than \$10,000.00 (in addition to any Individual Class Payment the Class Representative is entitled to receive as a Participating Class Member). Defendant will not oppose Plaintiff’s request for a Class Representative Service Payment that do not exceed this amount. As part of the motion for Class Counsel Fees Payment and Class Litigation Expenses Payment, Plaintiff will seek Court approval for any Class Representative Service Payment no later than 16 court days prior to the Final Approval Hearing. If the Court approves a Class Representative Service Payment less than the amount requested, the Administrator will retain the remainder in the Net Settlement Amount. The Administrator will pay the Class Representative Service Payment using IRS Form 1099. Plaintiff assumes full responsibility and liability for employee taxes owed on the Class Representative Service Payment.
 - 3.2.2 To Class Counsel: A Class Counsel Fees Payment of not more than one-third of the Gross Settlement Amount, which is currently estimated to be \$450,000.00, and a Class Counsel Litigation Expenses Payment of not

more than \$30,000.00. Defendant will not oppose requests for these payments provided that they do not exceed these amounts. Plaintiff will file a motion for Class Counsel Fees Payment and Class Litigation Expenses Payment no later than 16 court days prior to the Final Approval Hearing. If the Court approves a Class Counsel Fees Payment and/or a Class Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. The Administrator will pay the Class Counsel Fees Payment and Class Counsel Expenses Payment using one or more IRS 1099 Forms. The Class Counsel Fees Payment awarded by the Court shall be allocated as follows: 50% shall be paid to MARA LAW FIRM, PC, and 50% shall be paid to COHELAN KHOURY & SINGER.

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

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

3.2.4.1. Tax Allocation of Individual Class Payments. 30% of each Participating Class Member's Individual Class Payment will be allocated to settlement of wage claims (the "Wage Portion"). The Wage Portions are subject to tax withholding and will be reported on an IRS W-2 Form. The other 70% of each Participating Class Member's Individual Class Payment will be allocated to settlement of claims for interest and penalties (the "Non-Wage Portion"). The Non-Wage Portions are not subject to wage withholdings and will be reported on IRS 1099 Forms. Participating Class Members assume full responsibility and liability for any employee taxes owed on their Individual Class Payment.

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

3.2.5 To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of \$75,000.00 to be paid from the Gross Settlement Amount, with 75% (\$56,250.00) allocated to the LWDA PAGA Payment and 25% (\$18,750.00) allocated to the Individual PAGA Payments.

3.2.5.1. The Administrator will calculate each Individual

PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties (\$18,750.00) by the total number of Installations completed by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's Installations. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

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

4. SETTLEMENT FUNDING AND PAYMENTS.

- 4.1. Class and PAGA Demographics. Based on a review of its records to date, Defendant estimates there are 509 Class Members and 153 PAGA Members.
- 4.2. Class Data. Not later than 15 days after the Court grants Preliminary Approval of the Settlement, Defendant will simultaneously deliver the Class Data to the Administrator, in the form of a Microsoft Excel spreadsheet. To protect Class Members' privacy rights, the Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement and for no other purpose, and restrict access to the Class Data to Administrator employees who need access to the Class Data to effect and perform under this Agreement. Defendant has a continuing duty to immediately notify Class Counsel if it discovers that the Class Data omitted class member identifying information and to provide corrected or updated Class Data as soon as reasonably feasible. Without any extension of the deadline by which Defendant must send the Class Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Class Data.
- 4.3. Funding of Gross Settlement Amount. Defendant shall fully fund the Gross Settlement Amount, and also fund the amounts necessary to fully pay Defendant's share of payroll taxes by transmitting the funds to the Administrator no later than thirty (30) days after the Order granting Final Approval.
- 4.4. Payments from the Gross Settlement Amount. Within 14 days after Defendant funds the Gross Settlement Amount, the Administrator will mail checks for all Individual Class Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class Representative Service Payment. Disbursement of the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment and the Class Representative Service Payment shall not precede disbursement of Individual Class Payments and Individual PAGA Payments.
 - 4.4.1 The Administrator will issue checks for the Individual Class Payments and/or Individual PAGA Payments and send them to the Class Members via First Class U.S. Mail, postage prepaid. The face of each check shall

prominently state the date (not less than 180 days after the date of mailing) when the check will be voided. The Administrator will cancel all checks not cashed by the void date. The Administrator will send checks for Individual Settlement Payments to all Participating Class Members (including those for whom Class Notice was returned undelivered). The Administrator will send checks for Individual PAGA Payments to all Aggrieved Employees including Non-Participating Class Members who qualify as Aggrieved Employees (including those for whom Class Notice was returned undelivered). The Administrator may send Participating Class Members a single check combining the Individual Class Payment and the Individual PAGA Payment. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database.

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

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

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

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

5.1. Plaintiff's Release. Plaintiff and his respective former and present spouses, representatives, agents, heirs, administrators, successors, and assigns generally,

release and discharge Released Parties from all claims, transactions, or occurrences that occurred during the Class Period, including, but not limited to: (a) all claims that were, or reasonably could have been, alleged, based on the facts contained, in the Operative Complaints and (b) all PAGA claims that were, or reasonably could have been, alleged based on facts contained in the Operative Complaints and/or Plaintiff's PAGA Notice. ("Plaintiff's Release.") Plaintiff's Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, workers' compensation benefits that arose at any time, or based on occurrences outside the Class Period.

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

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

- 5.3. Release by Participating Class Members: All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties from all claims that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaints. Except as set forth in Section 5.3 of this Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Period. The release will be for the Class Period. The release will be effective at the time the settlement funds are paid by Defendant to the Settlement Administrator.
- 5.4. Release by Aggrieved Employees: All Aggrieved Employees, including all Non-Participating Class Members who are Aggrieved Employees, are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the facts stated in the PAGA Action and the PAGA Notice. The release will be for the PAGA Period. The release will be effective at the time the settlement funds are paid by Defendant to the Settlement Administrator.

6. **CONSOLIDATION OF CLASS AND PAGA ACTIONS.** The Parties agree to jointly prepare and file all papers necessary to consolidate the Class Action and PAGA Action for settlement

purposes only. The Parties agree that because the Class Action is the earlier-filed case, subject to Court approval, it will serve as the lead case in which Plaintiff will file all papers necessary to seek approval of this Agreement.

7. **MOTION FOR PRELIMINARY APPROVAL.** The Parties agree to jointly prepare and file a motion for preliminary approval (“Motion for Preliminary Approval”) that complies with the Court’s current checklist for Preliminary Approvals, if any.

7.1. Plaintiff’s Responsibilities. Plaintiff will prepare and deliver to Defense Counsel all documents necessary for obtaining Preliminary Approval, including: (i) a draft of the notice, and memorandum in support, of the Motion for Preliminary Approval that includes an analysis of the Settlement under *Dunk/Kullar* and a request for approval of the PAGA Settlement under Labor Code Section 2699, subd. (f)(2)); (ii) a draft proposed Order Granting Preliminary Approval and Approval of PAGA Settlement; (iii) a signed declaration from the Administrator attaching its “not to exceed” bid for administering the Settlement and attesting to its willingness to serve; competency; operative procedures for protecting the security of Class Data; amounts of insurance coverage for any data breach, defalcation of funds or other misfeasance; all facts relevant to any actual or potential conflicts of interest with Class Members; and the nature and extent of any financial relationship with Plaintiffs, Class Counsel or Defense Counsel; (iv) a signed declaration from Plaintiff confirming willingness and competency to serve and disclosing all facts relevant to any actual or potential conflicts of interest with Class Members, and/or the Administrator; (v) a signed declaration from each Class Counsel firm attesting to its competency to represent the Class Members; its timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), Operative Complaint (Labor Code section 2699, subd. (l)(1)), this Agreement (Labor Code section 2699, subd. (l)(2)); and (vi) all facts relevant to any actual or potential conflict of interest with Class Members and/or the Administrator. Should Defendant have any edits to: (i) the draft of the notice, and memorandum in support, of the Motion for Preliminary Approval; or (ii) the draft proposed Order Granting Preliminary Approval and Approval of PAGA Settlement, Defendant shall provide those edits to Class Counsel within seven (7) days of receipt of the draft from Class Counsel, however, in no event shall edits be provided to Class Counsel less than two (2) days prior to the filing deadline for the preliminary approval motion.

7.2. Responsibilities of the Parties. The Parties are jointly responsible for expeditiously finalizing and filing the Motion for Preliminary Approval no later than 30 days after the full execution of this Agreement; obtaining a prompt hearing date for the Motion for Preliminary Approval; and for appearing in Court to advocate in favor of the Motion for Preliminary Approval. Plaintiff is responsible for delivering the Court’s Preliminary Approval to the Administrator.

- 7.3. Duty to Cooperate. If the Parties disagree on any aspect of the proposed Motion for Preliminary Approval and/or the supporting declarations and documents, the Parties will expeditiously work together, by and through their respective Counsel, by meeting in person or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant Preliminary Approval or conditions Preliminary Approval on any material change to this Agreement, the Parties, by and through their respective Counsel, will expeditiously work together by meeting in person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns.

8. SETTLEMENT ADMINISTRATION.

- 8.1. Selection of Administrator. The Parties have jointly selected ILYM Group, Inc. to serve as the Administrator and verified that, as a condition of appointment, ILYM Group, Inc. agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Expenses. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.
- 8.2. Employer Identification Number. The Administrator shall have and use its own Employer Identification Number for purposes of calculating payroll tax withholdings and providing reports to state and federal tax authorities.
- 8.3. Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation section 468B-1.
- 8.4. Notice to Class Members.
- 8.4.1 No later than three (3) business days after receipt of the Class Data, the Administrator shall notify Class Counsel that the list has been received and state the number of Class Members, PAGA Members, and Installations.
- 8.4.2 Using best efforts to perform as soon as possible, and in no event later than 14 days after receiving the Class Data, the Administrator will send to all Class Members identified in the Class Data, via first-class United States Postal Service ("USPS") mail and e-mail, to the extent Defendant has email addresses on file, the Class Notice substantially in the form attached to this Agreement as Exhibit A. The Class Notice shall be sent

out in English and Spanish. The first page of the Class Notice shall prominently estimate the dollar amounts of any Individual Class Payment and/or Individual PAGA Payment payable to the Class Member, and the number of Installations used to calculate these amounts. Before mailing Class Notices, the Administrator shall update Class Member addresses using the National Change of Address database.

- 8.4.3 Not later than 3 business days after the Administrator's receipt of any Class Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class Notice using any forwarding address provided by the USPS. If the USPS does not provide a forwarding address, the Administrator shall conduct a Class Member Address Search, and re-mail the Class Notice to the most current address obtained. The Administrator has no obligation to make further attempts to locate or send Class Notice to Class Members whose Class Notice is returned by the USPS a second time.
- 8.4.4 The deadlines for Class Members' written objections, Challenges to Installations, and Requests for Exclusion will be extended an additional 14 days beyond the 60 days otherwise provided in the Class Notice for all Class Members whose notice is re-mailed. The Administrator will inform the Class Member of the extended deadline with the re-mailed Class Notice.
- 8.4.5 If the Administrator, Defense Counsel or Class Counsel is contacted by or otherwise discovers any persons who believe they should have been included in the Class Data and should have received Class Notice, the Parties will expeditiously meet and confer in person or by telephone no later than seven (7) days after the request is provided to all Counsel, and in good faith, in an effort to agree on whether to include them as Class Members. If the Parties agree, such persons will be Class Members entitled to the same rights as other Class Members, and the Administrator will send, via email or overnight delivery, a Class Notice requiring them to exercise options under this Agreement not later than 14 days after mailing of the Class Notice, or the deadline dates in the Class Notice, which ever are later. If the Parties do not agree or if either Party does not timely respond to a request, the Administrator shall make a final determination as to whether the individual shall be added to the Class. If the Administrator approves the request, the Administrator will send, via email or overnight delivery, a Class Notice requiring the individual to exercise options under this Agreement not later than 14 days after mailing of the Class Notice, or the deadline dates in the Class Notice, which ever

are later.

8.5. Requests for Exclusion (Opt-Outs).

- 8.5.1 Class Members who wish to exclude themselves (opt-out of) the Class Settlement must send the Administrator, by fax, email, or mail, a signed written Request for Exclusion not later than 60 days after the Administrator mails the Class Notice (plus an additional 14 days for Class Members whose Class Notice is re-mailed). A Request for Exclusion is a letter from a Class Member or his/her representative that reasonably communicates the Class Member's election to be excluded from the Settlement and includes the Class Member's name, address and email address or telephone number. To be valid, a Request for Exclusion must be timely faxed, emailed, or postmarked by the Response Deadline.
- 8.5.2 The Administrator may not reject a Request for Exclusion as invalid because it fails to contain all the information specified in the Class Notice. The Administrator shall accept any Request for Exclusion as valid if the Administrator can reasonably ascertain the identity of the person as a Class Member and the Class Member's desire to be excluded. The Administrator's determination shall be final and not appealable or otherwise susceptible to challenge. If the Administrator has reason to question the authenticity of a Request for Exclusion, the Administrator may demand additional proof of the Class Member's identity. The Administrator's determination of authenticity shall be final and not appealable or otherwise susceptible to challenge.
- 8.5.3 Every Class Member who does not submit a timely and valid Request for Exclusion is deemed to be a Participating Class Member under this Agreement, entitled to all benefits and bound by all terms and conditions of the Settlement, including the Participating Class Members' Releases under Paragraphs 5.2 and 5.3 of this Agreement, regardless of whether the Participating Class Member actually receives the Class Notice or objects to the Settlement.
- 8.5.4 Every Class Member who submits a valid and timely Request for Exclusion is a Non-Participating Class Member and shall not receive an Individual Class Payment or have the right to object to the class action components of the Settlement. Because future PAGA claims are subject to claim preclusion upon entry of the Judgment, Non-Participating Class Members who are Aggrieved Employees are deemed to release the claims identified in Paragraph 5.4 of this Agreement and are eligible for

an Individual PAGA Payment.

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

8.7. Objections to Settlement.

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

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

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

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

8.8.1 Website, Email Address and Toll-Free Number. The Administrator will establish and maintain and use an internet website to post information of interest to Class Members including the date, time and location for the

Final Approval Hearing and copies of the Settlement Agreement, Motion for Preliminary Approval, the Preliminary Approval, the Class Notice, the Motion for Final Approval, the Motion for Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and Class Representative Service Payment, the Final Approval and the Judgment. To the extent available, the URL for the settlement website shall be: www.BackyardProductsSettlement.com or something substantially similar. The Administrator will also maintain and monitor an email address and a toll-free telephone number to receive Class Member calls, faxes and emails. Notice of Final Judgment pursuant to California Rules of Court, Rule 3.771(b), shall be provided to Class Members through the settlement website.

- 8.8.2 Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will promptly review on a rolling basis Requests for Exclusion to ascertain their validity. Not later than 5 days after the expiration of the deadline for submitting Requests for Exclusion, the Administrator shall email a list to Class Counsel and Defense Counsel containing (a) the names and other identifying information of Class Members who have timely submitted valid Requests for Exclusion (“Exclusion List”); (b) the names and other identifying information of Class Members who have submitted invalid Requests for Exclusion; (c) copies of all Requests for Exclusion from Settlement submitted (whether valid or invalid).
- 8.8.3 Weekly Reports. The Administrator must, on a weekly basis, provide written reports to Class Counsel and Defense Counsel that, among other things, tally the number of: Class Notices mailed or re-mailed, Class Notices returned undelivered, Requests for Exclusion (whether valid or invalid) received, objections received, challenges to Installations received and/or resolved, and checks mailed for Individual Class Payments and Individual PAGA Payments (“Weekly Report”). The Weekly Reports must include the Administrator’s assessment of the validity of Requests for Exclusion and attach copies of all Requests for Exclusion and objections received.
- 8.8.4 Installation Challenges. The Administrator has the authority to address and make final decisions consistent with the terms of this Agreement on all Class Member challenges over the calculation of Installations. The Administrator’s decision shall be final and not appealable or otherwise susceptible to challenge.

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

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

9. **CLASS SIZE ESTIMATES AND ESCALATOR CLAUSE.** Based on a review of its records to date, Defendant estimates there are 509 Class Members. Defendant estimates that the Class Members performed a total of 17,677 Installations. The Parties agree that if the total number of Installations as of the end of the Class Period exceeds the above figure by greater than 10%, then the Gross Settlement Amount shall increase pro rata based on the number of additional Installations above 10% (i.e., if the number of Installations is 11% greater than the above figure, then the Gross Settlement Amount shall increase by 1%).

10. **DEFENDANT'S RIGHT TO WITHDRAW.** If the number of valid Requests for Exclusion identified in the Exclusion List exceeds 10% of the total of all Class Members, Defendant may, but is not obligated to, elect to withdraw from the Settlement or elect to cap the Class Period as of the date the number of Installations reaches but does not exceed 19,445 Installations. The Parties agree that, if Defendant withdraws, the Settlement shall be void ab initio, have no force or effect whatsoever, and that neither Party will have any further obligation to perform under this Agreement; provided, however, Defendant will remain responsible for paying all Settlement Administration Expenses incurred to that point. Defendant must notify Class Counsel and the Court of its election to withdraw not later than 7 days after the Administrator sends the final

Exclusion List to Defense Counsel; late elections will have no effect.

11. MOTION FOR FINAL APPROVAL. Not later than 16 court days before the calendared Final Approval Hearing, Plaintiff will file in Court, a motion for final approval of the Settlement that includes a request for approval of the PAGA settlement under Labor Code section 2699, subd. (l), a Proposed Final Approval Order and a proposed Judgment (collectively “Motion for Final Approval”). Plaintiff shall provide drafts of these documents to Defense Counsel not later than 7 days prior to filing the Motion for Final Approval. Defendant shall provide any edits to the drafts no later than 5 days after receipt and, in no event, later than 2 days prior to the filing deadline. The Parties, by and through their respective Counsel, will expeditiously meet and confer in person or by telephone, and in good faith, to resolve any disagreements concerning the Motion for Final Approval.

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

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

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

11.4. Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment reflected set forth in this Settlement, the Parties, their respective counsel, and all Participating Class Members who did not object to the Settlement as provided in this Agreement, waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose

such motions, writs or appeals. If an objector appeals the Judgment, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect the amount of the Net Settlement Amount.

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

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

13. **ADDITIONAL PROVISIONS.**

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

not disclose, disseminate and/or publicize, or cause or permit another person to disclose, disseminate or publicize, any of the terms of the Agreement directly or indirectly, specifically or generally, to any person, corporation, association, government agency, or other entity except: (1) to the Parties' attorneys, accountants, or spouses, all of whom will be instructed to keep this Agreement confidential; (2) counsel in a related matter; (3) to the extent necessary to report income to appropriate taxing authorities; (4) in response to a court order or subpoena; or (5) in response to an inquiry or subpoena issued by a state or federal government agency. Each Party agrees to immediately notify each other Party of any judicial or agency order, inquiry, or subpoena seeking such information. The Parties separately agree not to, directly or indirectly, initiate any conversation or other communication, before the filing of the Motion for Preliminary Approval, with any third party regarding this Agreement or the matters giving rise to this Agreement except to respond only that "the matter was resolved," or words to that effect. This paragraph does not restrict Class Counsel's communications with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.

- 13.3. No Solicitation. The Parties separately agree that they and their respective counsel and employees will not solicit any Class Member to opt out of or object to the Settlement, or appeal from the Judgment. Nothing in this paragraph shall be construed to restrict Class Counsel's ability to communicate with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.
- 13.4. Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party.
- 13.5. Attorney Authorization. The Parties separately warrant and represent that they have authorized their respective Counsel to take all appropriate action required or permitted to be taken pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.
- 13.6. Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying the Settlement Agreement, submitting supplemental evidence and supplementing points and authorities as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of a mediator and/or the Court for resolution.

- 13.7. No Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity and portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.
- 13.8. No Tax Advice. The Parties are not providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.
- 13.9. Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their representatives, and approved by the Court.
- 13.10. Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.
- 13.11. Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the state of California, without regard to conflict of law principles.
- 13.12. Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.
- 13.13. Confidentiality. To the extent permitted by law, all agreements made, and orders entered during Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.
- 13.14. Use and Return of Class Data. Information provided to Class Counsel pursuant to Cal. Evid. Code §1152, and all copies and summaries of the Class Data provided to Class Counsel by Defendant in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. Not later than 90 days after the date when the Court discharges the Administrator's obligation to provide a Declaration confirming the final pay out of all Settlement funds, Plaintiff shall destroy, all paper and electronic versions of Class Data received from Defendant unless, prior to the Court's discharge of the Administrator's obligation, Defendant makes a written request to Class Counsel for the return, rather than the destructions, of Class Data.

- 13.15. Headings. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.
- 13.16. Calendar Days. Unless otherwise noted, all reference to “days” in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.
- 13.17. Notice. All notices, demands or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email or messenger, to the other Party’s respective counsel of record.
- 13.18. Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e. DocuSign), or email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.
- 13.19. Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that pursuant to CCP section 583.330 to extend the date to bring a case to trial under CCP section 583.310 for the entire period of this settlement process.
- 13.20. Enforcement Action. In the event that one or more of the Parties institutes any legal action or other proceeding against any other Party or Parties to enforce the provisions of this Settlement or to declare rights and/or obligations under this Settlement, the successful Party or Parties will be entitled to recover from the unsuccessful Party or Parties reasonable attorney’s fees and costs, including expert witness fees in connection with any enforcement actions.

Dated: June 24, 2025

JUAN GARCIA

DocuSigned by:



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Dated: June 25, 2025

BACKYARD PRODUCTS, LLC



Dan Dalach (Jun 25, 2025 14:16 EDT)

By: Dan Dalach

Title: Executive Vice President – HR

APPROVED AS TO FORM ONLY:

Dated: June 24, 2025

MARA LAW FIRM, PC

DocuSigned by:



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Jill Vecchi, Esq.

Attorneys for JUAN GARCIA, on behalf of himself, all others similarly situated, and on behalf of the general public

Dated: June 24, 2025

COHELAN KHOURY & SINGER



Michael Singer, Esq.

Rosemary Khoury, Esq.

Attorneys for JUAN GARCIA, on behalf of himself, all others similarly situated, and on behalf of the general public

Dated: June 25, 2025

FISHER & PHILLIPS, LLP



Ashton M. Riley, Esq.

Joshua D. Klein, Esq.

Attorneys for Defendant BACKYARD PRODUCTS, LLC

EXHIBIT A

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

Juan Garcia v. Backyard Products, LLC. | Sacramento Case Nos. 24CV009779, 24CV019984

***The Superior Court for the State of California authorized this Notice. Read it carefully!
It's not junk mail, spam, an advertisement, or solicitation by a lawyer. You are not being sued.***

You may be eligible to receive money from a class action lawsuit (“Action”) entitled *Juan Garcia v. Backyard Products, LLC*, for alleged wage and hour violations. The Action was filed by a former independent contractor, Juan Garcia (“Plaintiff”), against Backyard Products, LLC (“Defendant” or the “Company”), and seeks payment of back wages and other relief for all persons who performed shed construction services for Defendant in California as an independent contractor from September 1, 2020, through April 30, 2025, with Defendant (“Class Members”), and (2) penalties under the California Private Attorneys General Act (“PAGA”) for all persons who performed shed construction services for Defendant in California as an independent contractor from July 29, 2023, through April 30, 2025 (“Aggrieved Employees”).

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

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

The above estimates are based on the Company’s records showing that **you performed [REDACTED] installations** during the Class Period and **you performed [REDACTED] installations** during the PAGA Period. If you believe that you performed more installations during the Class Period, or more installations during the PAGA Period, you can submit a challenge by the deadline date. See Section 4 of this Notice.

The Court has already preliminarily approved the proposed Settlement and approved this Notice. The Court has not yet decided whether to grant final approval. Your legal rights are affected whether you act or not act. Read this Notice carefully. You will be deemed to have carefully read and understood it. The Court will also decide whether to enter a judgment that requires the Company to make payments under the Settlement and requires Class Members and Aggrieved Employees to give up their rights to assert certain claims against the Company.

If you worked for the Company during the Class Period and/or the PAGA Period, you have legal rights and options available to you, summarized in the following table. **The Company will not retaliate against you for any actions you take with respect to the proposed Settlement.**

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

You Don't Have to Do Anything to Participate in the Settlement and Receive a Settlement Payment	If you do nothing, you will be a Participating Class Member, eligible for an Individual Class Payment and an Individual PAGA Payment (if any). In exchange, you will give up your right to assert the wage claims against the Company that are covered by this Settlement (Released Claims).
You Can Opt-out of the Class Settlement but not the PAGA Settlement The Opt-out Deadline is [REDACTED]	If you don't want to fully participate in the proposed Settlement, you can opt-out of the Class Settlement by sending the Administrator a written Request for Exclusion. Once excluded, you will be a Non-Participating Class Member and no longer eligible for an Individual Class Payment. This means that you will not receive a payment as a Class Member under the settlement. Non-Participating Class Members cannot object to any portion of the proposed Settlement. See Section 6 of this Notice. You cannot opt-out of the PAGA portion of the proposed Settlement. The Company must pay Individual PAGA Payments to all Aggrieved Employees and the Aggrieved Employees must give up their rights to pursue Released Claims (defined below).
Participating Class Members Can Object to the Class Settlement but not the PAGA Settlement Written Objections Must be Submitted by [REDACTED]	All Class Members who do not opt-out ("Participating Class Members") can object to any aspect of the proposed Settlement. If you disagree with any aspect of this Settlement, you may assert your objections by timely writing to the Administrator according to the procedures described below. If you object, you will still be bound by the Settlement if it is approved by the Court. See Section 7 of this Notice.
You Can Participate in the [REDACTED] Final Approval Hearing	The Court's Final Approval Hearing is scheduled to take place on [REDACTED]. You don't have to attend but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person, by telephone or by using the Court's virtual appearance platform. Participating Class Members can verbally object to the Settlement at the Final Approval Hearing. See Section 8 of this Notice.
You Can Challenge the Calculation of Your Installations/Pay Periods Written Challenges Must be Submitted by [REDACTED]	The amount of your Individual Class Payment and PAGA Payment (if any) depend on how many installations you performed during the Class Period and how many installations you performed during the PAGA Period, respectively. The number of Class Period Installations and number of PAGA Period Installations you performed according to the Company's records is stated on the first page of this Notice. If you disagree with either of these numbers, you must challenge it by [REDACTED]. See Section 4 of this Notice.

1. WHAT IS THE ACTION ABOUT?

Plaintiff performed installation services for the Company as an independent contractor. The Action alleges that the Company misclassified its independent contractors and therefore violated California labor laws by failing to pay all straight time wages, to pay minimum wages, to pay overtime wages, provide meal periods, authorize and permit rest periods, authorize and permit recovery periods, pay reporting time wages, provide accurate wage statements, pay all wages due at termination of employment, and reimburse business expenses. Based on the same claims, Plaintiff also asserted a claim for civil penalties under the California Private Attorneys General Act (Labor Code §§ 2698, et seq.) (“PAGA”). The Company denies these claims and asserts that it has followed all applicable laws. The Court has made no ruling in favor of either party.

2. WHAT DOES IT MEAN THAT THE ACTION HAS SETTLED?

Plaintiff and the Company hired an experienced, neutral mediator in an effort to resolve the Action by negotiating a settlement to resolve this case rather than continue the expensive and time-consuming process of litigation. The negotiations were successful. By signing a lengthy written settlement agreement (“Agreement”) and agreeing to jointly ask the Court to enter a judgment ending the Action and enforcing the Agreement, Plaintiff and the Company have negotiated a proposed Settlement that is subject to the Court’s Final Approval. Both sides agree the proposed Settlement is a compromise of disputed claims. By agreeing to settle, the Company does not admit any violations or concede the merit of any claims.

The Court preliminarily approved the proposed Settlement as fair, reasonable and adequate, authorized this Notice, and scheduled a hearing to determine Final Approval.

3. WHAT ARE THE IMPORTANT TERMS OF THE PROPOSED SETTLEMENT?

- a. The Company Will Pay \$1,350,000.00 as the Gross Settlement Amount (Gross Settlement). The Company has agreed to deposit the Gross Settlement into an account controlled by the Administrator of the Settlement. The Administrator will use the Gross Settlement to pay the Individual Class Payments, Individual PAGA Payments, Class Representative Service Payment, Class Counsel’s attorney’s fees and expenses, the Administrator’s expenses, and penalties to be paid to the California Labor and Workforce Development Agency (“LWDA”). Assuming the Court grants Final Approval, the Company will fund the Gross Settlement thirty (30) days after the Order granting Final Approval. The Judgment will be final on the date the Court enters Judgment, or a later date if Participating Class Members object to the proposed Settlement or the Judgment is appealed.
- b. Court Approved Deductions from Gross Settlement. At the Final Approval Hearing, Plaintiff and/or Class Counsel will ask the Court to approve the following deductions from the Gross Settlement, the amounts of which will be decided by the Court at the Final Approval Hearing:

- i. Up to \$450,000.00 (one-third of the Gross Settlement) to Class Counsel for attorneys' fees and up to \$30,000 for their litigation expenses. To date, Class Counsel have worked and incurred expenses on the Action without payment.
- ii. Up to \$10,000.00 as a Class Representative Award for filing the Action, working with Class Counsel and representing the Class. A Class Representative Award will be the only monies Plaintiff will receive other than Plaintiff's Individual Class Payment and any Individual PAGA Payment.
- iii. Up to \$10,000.00 to the Administrator for services administering the Settlement.
- iv. Up to \$75,000.00 for PAGA Penalties, 75% of which will be provided to the California Labor & Workforce Development Agency ("LWDA") as required under California law, and 25% in Individual PAGA Payments to the Aggrieved Employees based on their PAGA Pay Periods.

Participating Class Members have the right to object to any of these deductions. The Court will consider all objections.

- c. Net Settlement Distributed to Class Members. After making the above deductions in amounts approved by the Court, the Administrator will distribute the rest of the Gross Settlement (the "Net Settlement") by making Individual Class Payments to Participating Class Members based on their Class Period Installations.
- d. Taxes Owed on Payments to Class Members. The Settlement shall be broken down as follows: 30% ("Wage Portion") of each Individual Class Payment to taxable wages and 70% ("Non-Wage Portion") to penalties and interest. The Wage Portion is subject to withholding and will be reported on IRS W-2 Forms. The Company will separately pay employer payroll taxes it owes on the Wage Portion. The Individual PAGA Payments are counted as penalties rather than wages for tax purposes. The Administrator will report the Individual PAGA Payments and the Non-Wage Portions of the Individual Class Payments on IRS 1099 Forms.

Although Plaintiff and the Company have agreed to these allocations, neither side is giving you any advice on whether your Payments are taxable or how much you might owe in taxes. You are responsible for paying all taxes (including penalties and interest on back taxes) on any Payments received from the proposed Settlement. You should consult a tax advisor if you have any questions about the tax consequences of the proposed Settlement.

- e. Need to Promptly Cash Payment Checks. The front of every check issued for Individual Class Payments and Individual PAGA Payments will show the date when the check expires (the void date). If you don't cash it by the void date, your check will be automatically cancelled, and the monies will be deposited with the California Controller's Unclaimed Property Fund in your name. If the monies represented by your check are sent to the Controller's Unclaimed Property, you should consult the rules

of the Fund for instructions on how to retrieve your money.

- f. Requests for Exclusion from the Class Settlement (Opt-Outs). You will be treated as a Participating Class Member, participating fully in the Class Settlement, unless you notify the Administrator in writing, not later than [REDACTED], that you wish to opt-out. The easiest way to notify the Administrator is to send a written and signed Request for Exclusion by the Response Deadline. The Request for Exclusion should be a letter from a Class Member or his/her representative setting forth a Class Member's name, present address, telephone number, and a simple statement electing to be excluded from the Settlement. Excluded Class Members (i.e., Non-Participating Class Members) will not receive Individual Class Payments but will preserve their rights to personally pursue wage and hour claims against the Company.
- g. You cannot opt-out of the PAGA portion of the Settlement. Class Members who exclude themselves from the Class Settlement (Non-Participating Class Members) remain eligible for Individual PAGA Payments and are required to give up their right to assert PAGA claims against the Company based on the PAGA Period facts alleged in the Action.
- h. The Proposed Settlement Will be Void if the Court Denies Final Approval. It is possible the Court will decline to grant Final Approval of the Settlement or decline to enter a Judgment. It is also possible the Court will enter a Judgment that is reversed on appeal. Plaintiff and the Company have agreed that, in either case, the Settlement will be void: the Company will not pay any money and Class Members will not release any claims against the Company.
- i. Administrator. The Court has appointed a neutral company, ILYM Group, Inc. (the "Administrator") to send this Notice, calculate and make payments, and process Class Members' Requests for Exclusion. The Administrator will also decide Class Member Challenges over Installations, mail and re-mail settlement checks and tax forms, and perform other tasks necessary to administer the Settlement. The Administrator's contact information is contained in Section 9 of this Notice.
- j. Participating Class Members' Release. After the Judgment is final and the Company has fully funded the Gross Settlement and separately paid all employer payroll taxes, Participating Class Members will be legally barred from asserting any of the claims released under the Settlement. This means that unless you opted out by validly excluding yourself from the Class Settlement, you cannot sue, continue to sue, or be part of any other lawsuit against the Company or related entities for wages based on the Class Period facts and PAGA penalties based on PAGA Period facts, as alleged in the Action and resolved by this Settlement.

The Participating Class Members will be bound by the following release:

All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties from all claims that were alleged, or reasonably could

have been alleged, based on the facts stated in the Operative Complaints. Except as set forth in Section 5.3 of this Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Period.

The full Settlement Agreement is on file in the County of Sacramento, Case No. 24CV009779, and on the settlement website at [REDACTED].

- k. Aggrieved Employees' PAGA Release. After the Court's judgment is final, and the Company has fully funded the Gross Settlement and separately paid all employer payroll taxes, all Aggrieved Employees will be barred from asserting PAGA claims against the Company which arose during the PAGA Period and which were asserted or could have been asserted in the Action, whether or not they exclude themselves from the Settlement. This means that all Aggrieved Employees, including those who are Participating Class Members and those who opt-out of the Class Settlement, cannot sue, continue to sue, or participate in any other PAGA claim against the Company or its related entities based on the PAGA Period facts alleged in the Action and resolved by this Settlement.

The Aggrieved Employees' Releases for Participating and Non-Participating Class Members are as follows:

All Aggrieved Employees, including all Non-Participating Class Members who are Aggrieved Employees, are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the facts stated in the PAGA Action and the PAGA Notice.

The full Settlement Agreement is on file in the County of Sacramento, Case No. 24CV009779, and on the settlement website at [REDACTED].

4. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?

- a. Individual Class Payments. The Administrator will calculate Individual Class Payments by (a) dividing the Net Settlement Amount by the total number of Installations worked by all Participating Class Members, and (b) multiplying the result by the number of Installations worked by each individual Participating Class Member.
- b. Individual PAGA Payments. The Administrator will calculate Individual PAGA Payments by (a) dividing \$ [REDACTED] by the total number of Installations completed by all Aggrieved Employees and (b) multiplying the result by the number of Installations completed by each individual Aggrieved Employee.
- c. Installation Challenges. The number of Class Installations you worked during the

Class Period and the number of Installations completed during the PAGA Period, as recorded in the Company's records, are stated on the first page of this Notice. You have until [REDACTED] to challenge the number of Installations credited to you. You can submit your challenge by signing and sending a letter to the Administrator via mail, email or fax. Section 9 of this Notice has the Administrator's contact information.

You need to support your challenge by sending copies of pay stubs or other records. The Administrator will accept the Company's calculation of Installations based on the Company's records as accurate unless you send copies of records containing contrary information. You should send copies rather than originals because the documents will not be returned to you. The Administrator will resolve Installation challenges based on your submission and on input from Class Counsel (who will advocate on behalf of Participating Class Members) and the Company's Counsel. The Administrator's decision is final. You can't appeal or otherwise challenge its final decision.

5. HOW WILL I GET PAID?

- a. Participating Class Members. The Administrator will send, by U.S. mail, a single check to every Participating Class Member (i.e., every Class Member who doesn't opt-out) including those who also qualify as Aggrieved Employees. If you are entitled to both an Individual Class Payment and an Individual PAGA Payment, the single check will combine both of these amounts.
- b. Non-Participating Class Members. The Administrator will send, by U.S. mail, a single Individual PAGA Payment check to every Aggrieved Employee who opts out of the Class Settlement (i.e., every Non-Participating Class Member).

Your check will be sent to the same address as in this Notice. If you change your address, be sure to notify the Administrator as soon as possible. Section 9 of this Notice has the Administrator's contact information.

6. HOW DO I OPT-OUT OF THE CLASS SETTLEMENT?

Submit a written and signed letter with your name, present address, telephone number, and a simple statement that you do not want to participate in the Settlement. The Administrator will exclude you based on any writing communicating your request be excluded. Be sure to personally sign your request, identify the Action as Juan Garcia v. Backyard Products LLC, and include your identifying information (full name, address, telephone number, approximate dates of employment, and the last four digits of your social security number for verification purposes). You must make the request yourself. If someone else makes the request for you, it will not be valid. The Administrator must be sent your request to be excluded by [REDACTED], or it will be invalid. Section 9 of the Notice has the Administrator's contact information.

7. HOW DO I OBJECT TO THE SETTLEMENT?

Only Participating Class Members have the right to object to the Settlement. A Participating Class

Member who disagrees with any aspect of the Agreement and/or the Motion for Final Approval may wish to object, for example, that the proposed Settlement is unfair. The deadline for sending written objections to the Administrator is ILYM Group, Inc. Be sure to tell the Administrator what you object to, why you object, and any facts that support your objection. Make sure you identify the Action (Juan Garcia v. Backyard Products LLC) and include your name, current address, telephone number, and approximate dates of employment for the Company and sign the objection. Section 9 of this Notice has the Administrator's contact information.

Alternatively, a Participating Class Member can object (or personally retain a lawyer to object at your own cost) by attending the Final Approval Hearing. You (or your attorney) should be ready to tell the Court what you object to, why you object, and any facts that support your objection. See Section 8 of this Notice (immediately below) for specifics regarding the Final Approval Hearing.

8. CAN I ATTEND THE FINAL APPROVAL HEARING?

You can, but don't have to, attend the Final Approval Hearing on [REDACTED] at [REDACTED] in Department 23 of the Sacramento Superior Court, located at 720 9th Street, Sacramento, CA 95814. You can also attend remotely through Zoom. You can join the hearing by using the following Zoom link: <https://saccourt-ca-gov.zoomgov.com/my/ssdept23>. You can also join by telephone by using the following call information: (833) 568-8864 / ID: 16108301121.

At the Hearing, the judge will decide whether to grant Final Approval of the Settlement. Check the Court's website for the most current information. It's possible the Court will reschedule the Final Approval Hearing. You should check the settlement website ([REDACTED]) beforehand or contact Class Counsel to verify the date and time of the Final Approval Hearing.

9. HOW CAN I GET MORE INFORMATION?

The Agreement sets forth everything the Company and Plaintiff have promised to do under the proposed Settlement. The easiest way to read the Agreement, the Judgment or any other Settlement documents is to go to the settlement website at [REDACTED]. You can also telephone or send an email to Class Counsel or the Administrator using the contact information listed below or consult the Superior Court website by going to <https://www.saccourt.ca.gov/> and entering the Case Number for the Action, Case No. 24CV009779. You can also make an appointment to personally review court documents in the Clerk's Office at the Sacramento Superior Court by calling 916-874-5522.

The Contact information for the Settlement Administrator, ILYM Group, Inc., is as follows:

Email Address: [REDACTED]
 Mailing Address: [REDACTED]
 Telephone: [REDACTED]

The contact information for the Parties' counsel is as follows:

Class Counsel	Counsel for Defendant
David Mara, Esq. Jill Vecchi, Esq. MARA LAW FIRM, PC	Ashton M. Riley, Esq. Joshua D. Klein, Esq. Fisher & Phillips LLP.

2650 Camino Del Rio North, Suite 302 San Diego, CA 92108 Tel: (619) 234-2833 Fax: (619) 234-4048 E-Mail: dmara@maralawfirm.com jvecchi@maralawfirm.com Michael Singer, Esq. Rosemary Khoury, Esq. COHELAN KHOURY & SINGER 605 C Street, Suite 200 San Diego, CA 92101 Tel: (619) 595-3001 Fax: (619) 595-3000 E-Mail: msinger@ckslaw.com rkhoury@ckslaw.com	2050 Main Street, Suite 1000 Irvine, CA 92614 Tel.: (949) 798-2145 Fax: (949) 851-0152 E-Mail: ariley@fisherphillips.com jdklein@fisherphillips.com
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**DO NOT TELEPHONE THE SUPERIOR COURT TO OBTAIN INFORMATION
ABOUT THE SETTLEMENT.**

10. WHAT IF I LOSE MY SETTLEMENT CHECK?

If you lose or misplace your settlement check before cashing it, the Administrator will replace it as long as you request a replacement before the void date on the face of the original check. If your check is already void you should consult the California Unclaimed Property Fund for instructions on how to retrieve the funds.

11. WHAT IF I CHANGE MY ADDRESS?

To receive your check, you should immediately notify the Administrator if you move or otherwise change your mailing address.

Exhibit 2

Westlaw Court Express

LEGAL BILLING REPORT

VOLUME 14, NUMBER 3

December 2012

CA REGION

BY REGION, BY FIRM

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Kornfeld, Nyberg, Bendes & Kuttner, P.C.	4
Loeb & Loeb	4
Pachnick Stang Ziehl Young Jones & Weintraub	4-5
Paul Hastings LLP	5
Seyfarth Shaw LLP	5
Slidley Austin LLP	6
Torres LLP	7

California Report

FIRM		GRADUATED	ADMITTED	STATE	RATE	HOURS	TOTAL
Akin Gump Strauss Hauer & Feld LLP	Partner	1993	1993	CA	\$ 825.00	8.10	\$ 6,682.50
	David P. Simonds	1993	1993	CA	\$ 725.00	2.60	\$ 1,885.00
	Senior Counsel Edward P. Christian	1993	1993	CA	\$ 725.00	10.70	\$ 8,567.50
		TOTAL					
DLA Piper LLP	Partner	1999	1999	CA	\$ 790.00	0.60	\$ 474.00
	Nate McQuirk	1979	1979	CA	\$ 780.00	39.40	\$ 30,732.00
	Partner	1999	1999	CA	\$ 780.00	90.30	\$ 68,176.50
	Richard Yankovich	1999	1999	CA	\$ 780.00	90.30	\$ 68,176.50
	Partner	2000	2000	CA	\$ 765.00	1.30	\$ 796.50
	Ann Lawrence	2000	2000	CA	\$ 765.00	1.30	\$ 796.50
	Partner	1998	1998	CA	\$ 850.00	12.70	\$ 8,285.00
	Heather Dunn	1998	1998	CA	\$ 850.00	12.70	\$ 8,285.00
	Partner	2002	2002	CA	\$ 840.00	3.10	\$ 1,584.00
	Jeffrey D. Aaronson	2002	2002	CA	\$ 840.00	3.10	\$ 1,584.00
	Of Counsel	2004	2004	CA	\$ 630.00	170.00	\$ 107,100.00
	Ben Gipson	2004	2004	CA	\$ 630.00	170.00	\$ 107,100.00
	Associate	2008	2008	CA	\$ 510.00	67.00	\$ 34,170.00
Gibson Dunn & Crutcher, LLP	Associate	2011	2011	CA	\$ 470.00	1.80	\$ 846.00
	Diana M. Melzer	2011	2011	CA	\$ 470.00	1.80	\$ 846.00
	Associate	2000	2000	CA	\$ 400.00	4.10	\$ 1,640.00
	Thia Bhanthall	2000	2000	CA	\$ 400.00	4.10	\$ 1,640.00
		TOTAL					\$ 254,254.00
Gibson Dunn & Crutcher, LLP	Associate	2010	2010	CA	\$ 445.00	18.20	\$ 8,544.00
	Virginia Pitt	2010	2010	CA	\$ 445.00	18.20	\$ 8,544.00
	Associate	2011	2011	CA	\$ 395.00	12.60	\$ 4,977.00
	Matthew Bouslog	2011	2011	CA	\$ 395.00	12.60	\$ 4,977.00
		TOTAL					\$ 13,521.00

U.S.B.C New York Southern
Private Airline Corp (12-11343 REG)

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

NLI Ranking: 40
Firm Size: 791

U.S.B.C Delaware
Trident Microsystems, Inc. (12-10063 CSS)

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

NLI Ranking: 2
Firm Size: 3,348

U.S.B.C New York Southern
LightSquared, Inc (12-12080 SCC)

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

NLI Ranking: 21
Firm Size: 1,039

California Report

FIRM

Kornfield, Nyberg, Bander & Kuhrer, P.C.,
Partner Eric A. Nyberg
Paraprofessional Nancy L. Nyberg

GRADUATED	ADMITTED	STATE	RATE	HOURS	TOTAL
1987	1987	CA	\$ 425.00	15.90	\$ 7,182.50
		CA	90.00	0.30	24.00
				17.20	\$ 7,206.50
TOTAL					

U.S.B.C California Northern
Hawrey LLP(41-34376-DJ)
From the fee application covering
August 1, 2012 through August 31, 2012

NLJ Ranking: n/a
Firm Size: 3

FIRM

Loeb & Loeb
Partner Lance N. Jurich
Partner Christopher W. Campbell
Associate Ryan M. Audin
Associate Jeanna C. Wanless
Paraprofessional S. Steadman

GRADUATED	ADMITTED	STATE	RATE	HOURS	TOTAL
1987	1987	CA	\$ 695.00	1.50	\$ 1,320.50
1999	2000	CA	550.00	46.20	30,030.00
2007	2007	CA	550.00	122.30	67,255.00
1993	1993	CA	435.00	18.20	7,917.00
			280.00	0.20	52.00
TOTAL					

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

FIRM

Pachtulski Stang Ziehl Young Jones & Weintraub
Of Counsel James K. T. Hunter
Partner Samuel R. Matzel
Of Counsel Jeffrey Kandell
Partner Mahira S. Pagay
Partner Scotta McFarland
Of Counsel Mary Lane
Partner Nina Hong
Associate Teddy M. Kapur
Librarian Leslie A. Forrester
Paraprofessional Felice Harrison

GRADUATED	ADMITTED	STATE	RATE	HOURS	TOTAL
1976	1976	CA	\$ 745.00	0.10	\$ 74.50
1985	1985	CA	725.00	40.90	29,652.50
1984	1984	CA	615.00	0.50	307.50
1987	1987	CA	615.00	1.80	1,107.00
1980	1980	CA	615.00	47.80	29,397.00
1976	1976	CA	595.00	3.80	2,261.00
1995	1995	CA	595.00	0.50	297.50
2004	2006	CA	495.00	8.40	4,158.00
			295.00	1.10	324.50
			275.00	23.00	6,325.00
TOTAL					

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

Pedraza & Stang Ziehl Young Jones & Weintraub

	GRADUATED	ADMITTED	STATE	RATE	HOURS	TOTAL
Partner	1979	1979	CA	\$ 975.00	0.80	\$ 780.00
Partner	1982	1983	CA	\$ 875.00	12.80	\$ 11,200.00
Of Counsel	1975	1976	CA	\$ 745.00	4.00	\$ 2,980.00
Partner	1983	1983	CA	\$ 745.00	50.80	\$ 37,845.00
Partner	1983	1984	CA	\$ 725.00	11.10	\$ 8,047.50
Of Counsel	1987	1987	CA	\$ 675.00	15.80	\$ 10,452.50
Of Counsel	1987	1987	CA	\$ 595.00	5.20	\$ 3,094.00
Of Counsel	1980	1980	CA	\$ 575.00	4.30	\$ 2,472.50
Associate	2004	2010	CA	\$ 525.00	31.00	\$ 16,275.00
Paraprofessional				265.00	2.50	\$ 862.50
Paraprofessional				265.00	7.70	\$ 2,040.50
Paraprofessional				265.00	1.00	\$ 265.00
Case Management				185.00	5.40	\$ 993.00
Case Management				185.00	0.40	\$ 74.00
TOTAL					152.50	\$ 57,198.50

Paul Hastings LLP

Partner	1976	1976	CA	\$ 840.00	15.80	\$ 13,272.00
Of Counsel	1983	1983	CA	\$ 785.00	132.40	\$ 115,062.00
Associate	2006	2006	CA	\$ 615.00	31.10	\$ 19,126.50
Associate	2007	2008	CA	\$ 575.00	181.70	\$ 104,477.50
Associate	2009	2009	CA	\$ 485.00	87.10	\$ 42,343.50
Associate	2010	2010	CA	\$ 385.00	57.00	\$ 37,345.00
Associate	2010	2010	CA	\$ 385.00	160.20	\$ 81,577.00
TOTAL					725.30	\$ 393,203.50

Seyfarth Shaw LLP

Counsel	1996	1996	CA	\$ 580.00	2.40	\$ 1,832.00
Partner	1985	1985	CA	\$ 520.00	1.50	\$ 930.00
Counsel	1997	1997	CA	\$ 540.00	55.60	\$ 30,564.00
TOTAL					60.50	\$ 33,416.00

U.S.B.C Delaware
Tidnet Microsystems, Inc. (12-10089 (CSS))

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

NJ 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

NJ Ranking: 30
Firm Size: 851

U.S.B.C New York Southern
Grubb & Ellis Company (12-10085 (MG))

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

NJ Ranking: 50
Firm Size: 733

California Report

FIRM Sidley Austin LLP

	GRADUATED	ADMITTED	STATE	RATE	HOURS	TOTAL
Partner	1995	1995	CA	\$ 875.00	18.10	\$ 12,217.50
Associate	2010	2010	CA	450.00	117.50	53,065.00
Associate	2011	2011	CA	355.00	41.00	14,555.00
TOTAL					177.00	\$ 79,827.50

U.S.B.C Delaware
Tribune Company, et al. (08-13144 FJCJ)

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

NLI Ranking: 10
Firm Size: 1,592

Tenys LLP

Partner	1993	1993	CA	\$ 995.00	5.50	\$ 5,472.50
Partner	1974	1974	CA	995.00	0.40	398.00
Partner	1977	1977	CA	810.00	0.50	405.00
Associate	2008	2008	CA	695.00	21.10	14,564.50
Associate	2007	2007	CA	565.00	110.00	62,150.00
Associate	2008	2008	CA	500.00	0.50	250.00
Library				355.00	0.80	284.00
Law Clerk				395.00	43.90	13,389.50
Paraprofessional				250.00	28.20	7,332.00
TOTAL					210.90	\$ 104,345.50

U.S.B.C Delaware
Nettel Networks Inc. (09-10139)

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

NLI 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	1983	1983	CA	\$ 995.00	5.50	\$ 5,472.50
Partner	Shelia Block	1974	1974	CA	\$ 995.00	0.40	388.00
Partner	Richard M. Pachulski	1979	1979	CA	\$ 975.00	0.80	780.00
Partner	Ira D. Kharasch	1982	1982	CA	\$ 875.00	12.80	11,200.00
Partner	J. A. Latham Jr.	1978	1978	CA	\$ 840.00	15.80	13,272.00
Partner	David P. Stronids	1983	1983	CA	\$ 825.00	9.10	6,682.50
Partner	Michael Rotszala	1977	1977	CA	\$ 810.00	0.50	405.00
Partner	Nate McKittick	1989	1989	CA	\$ 780.00	0.60	474.00
Partner	Richard Yankeiwich	1979	1979	CA	\$ 780.00	39.40	30,732.00
Partner	Ana Lawton	1989	1989	CA	\$ 785.00	50.30	68,176.50
Of Counsel	Jennifer S. Baldocchi	1983	1983	CA	\$ 765.00	152.40	115,062.00
Of Counsel	James K.T. Hunter	1976	1976	CA	\$ 745.00	0.10	74.50
Of Counsel	James K.T. Hunter	1976	1976	CA	\$ 745.00	4.00	2,980.00
Partner	John D. Fiero	1989	1989	CA	\$ 745.00	50.80	37,846.00
Senior Counsel	Edward P. Christian	1985	1985	CA	\$ 725.00	2.80	1,895.00
Partner	Samuel R. Malzel	1985	1985	CA	\$ 725.00	40.90	29,632.50
Partner	Bruce Grohschal	1983	1984	CA	\$ 725.00	11.10	8,077.50
Partner	Heather Dunn	2000	2000	CA	\$ 705.00	1.30	916.50
Partner	Lance N. Jurth	1987	1987	CA	\$ 685.00	1.90	1,320.50
Associate	Jessica Bullock	2003	2003	CA	\$ 685.00	21.10	14,664.50
Counsel	Ellen Sueda	1983	1983	CA	\$ 675.00	2.40	1,632.00
Of Counsel	Henry Hochman	1987	1987	CA	\$ 675.00	15.50	10,462.50
Partner	Max C. Fischer	1985	1985	CA	\$ 675.00	18.10	12,217.50
Partner	Jeffrey D. Karson	1988	1988	CA	\$ 650.00	12.70	8,255.00
Partner	Christopher W. Campbell	1989	1989	CA	\$ 650.00	45.20	30,030.00
Of Counsel	Ben Gibson	2002	2002	CA	\$ 640.00	3.10	1,984.00
Associate	Bertrand Pan	2004	2004	CA	\$ 630.00	170.00	107,100.00
Partner	Colleen M. Regan	1985	1985	CA	\$ 620.00	1.50	930.00
Of Counsel	Jeffrey Kamel	1984	1984	CA	\$ 615.00	0.50	307.50
Partner	Malhar S. Pargy	1984	1987	CA	\$ 615.00	1.60	1,107.00
Partner	Scott McFarland	1980	1980	CA	\$ 615.00	47.80	29,337.00
Associate	Melinda A. Gordon	2009	2009	CA	\$ 615.00	31.10	19,126.50
Of Counsel	Mary Lane	1976	1976	CA	\$ 595.00	3.90	2,281.00
Partner	Nina Hong	1986	1986	CA	\$ 595.00	0.90	535.50
Of Counsel	Gabriele Rohrer	1997	1997	CA	\$ 595.00	5.20	3,094.00

California Rate Report

PROFESSIONAL	FIRM	GRADUATED	ADMITTED	STATE	RATE	HOURS	TOTAL
Of Counsel	Pachulski Stang Ziehl Young Jones & Weintraub	1980	1980	CA	\$ 575.00	4.30	\$ 2,472.50
William Ramseyer	Paul Hastings LLP	2007	2008	CA	\$ 575.00	191.70	104,477.50
Robert E. Zivver	Tony's LLP	2007	2007	CA	\$ 555.00	110.00	62,160.00
Adam Siverts	Loeb & Loeb	2007	2007	CA	\$ 550.00	122.30	67,285.00
Ryan M. Aulich	Seyfarth Shaw LLP	1997	1997	CA	\$ 40.00	56.60	30,854.00
Holger Basch	Pachulski Stang Ziehl Young Jones & Weintraub	2004	2010	CA	\$ 525.00	31.00	16,275.00
John W. Lucas	DLA Piper LLP	2008	2008	CA	\$ 510.00	87.00	34,170.00
Diana M. Malzer	Tony's LLP	2008	2008	CA	\$ 500.00	0.50	250.00
Madhew Akoy	Pachulski Stang Ziehl Young Jones & Weintraub	2004	2008	CA	\$ 495.00	8.40	4,158.00
Teddy M. Kumar	Paul Hastings LLP	2009	2009	CA	\$ 485.00	87.10	42,243.00
Liam M. Paez	DLA Piper LLP	2011	2011	CA	\$ 470.00	1.80	846.00
Natasha Hsieh	Sidley Austin LLP	2010	2010	CA	\$ 450.00	117.50	53,055.00
Michael T. Gustafson	Gibson Dunn & Crutcher, LLP	2010	2010	CA	\$ 445.00	19.20	8,544.00
Virginia FRI	Loeb & Loeb	1993	1993	CA	\$ 435.00	18.20	7,917.00
Jeanne C. Wanlass	Kornfield, Nyberg, Bendes & Kuhner, P.C.	1987	1987	CA	\$ 425.00	16.90	7,182.50
Eric A. Nyberg	DLA Piper LLP	2000	2000	CA	\$ 400.00	4.10	1,640.00
Tina Bhattachal	Gibson Dunn & Crutcher, LLP	2011	2011	CA	\$ 395.00	12.60	4,977.00
Matthew Bourisog	Paul Hastings LLP	2010	2010	CA	\$ 385.00	97.00	37,545.00
Ji Hae Kim	Paul Hastings LLP	2010	2010	CA	\$ 385.00	160.20	61,677.00
Mario C. Ortega	Sidley Austin LLP	2011	2011	CA	\$ 355.00	41.00	14,555.00
Francis S. Lum	Tony's LLP	2000	2000	CA	\$ 305.00	0.80	264.00
Clare Mauro	Tony's LLP	2000	2000	CA	\$ 305.00	43.90	13,389.50
Bradley Tordick	Pachulski Stang Ziehl Young Jones & Weintraub	2000	2000	CA	\$ 285.00	1.10	324.50
Leslie A. Forrester	Pachulski Stang Ziehl Young Jones & Weintraub	2000	2000	CA	\$ 275.00	23.00	6,325.00
Paraprofessional Felicia Harrison	Pachulski Stang Ziehl Young Jones & Weintraub	2000	2000	CA	\$ 265.00	2.50	662.50
Paraprofessional Patricia Cuniff	Pachulski Stang Ziehl Young Jones & Weintraub	2000	2000	CA	\$ 265.00	7.70	2,040.50
Paraprofessional Louise Tuzchak	Pachulski Stang Ziehl Young Jones & Weintraub	2000	2000	CA	\$ 265.00	1.00	265.00
Paraprofessional Cheryl A. Krotz	Loeb & Loeb	2000	2000	CA	\$ 260.00	0.20	52.00
Paraprofessional S. Steadman	Tony's LLP	2000	2000	CA	\$ 260.00	28.20	7,352.00
Paraprofessional Dianna Rajah	Pachulski Stang Ziehl Young Jones & Weintraub	2000	2000	CA	\$ 185.00	5.40	595.00
Case Manager Sharita Filman	Pachulski Stang Ziehl Young Jones & Weintraub	2000	2000	CA	\$ 185.00	0.40	74.00
Case Manager Dina K. Whaley	Kornfield, Nyberg, Bendes & Kuhner, P.C.	2000	2000	CA	\$ 80.00	0.30	24.00
Paraprofessional Nancy L. Nyberg							

Exhibit 3

1 DEBRA L. HURST (SBN 106118)
2 KYLE VAN DYKE (SBN 171186)
3 JULIE CORBO RIDLEY (SBN 234274)
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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

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

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

11 **Professional Background**

12 1. Briefly summarized, my background is as follows: I am a 1969
13 graduate of Boalt Hall School of Law, University of California, Berkeley,
14 California. I took the California Bar Examination in August 1969 and passed it in
15 November of that year, but because I was working as an attorney in Atlanta,
16 Georgia for the Legal Aid Society of Atlanta (LASA), I was not admitted to the
17 California Bar until January 1970. I worked for LASA until summer of 1971,
18 when I then went to work in California's Central Valley for California Rural Legal
19 Assistance, Inc. (CRLA), a statewide legal services program. From 1977 to 1982,
20 I was CRLA's Director of Litigation, supervising more than fifty attorneys. In
21 1982, I went into private practice, first in a small law firm, then as a sole
22 practitioner. Martindale Hubbell rates my law firm "AV." I also have been
23 selected as a Northern California "Super Lawyer" in Appellate Law for 2005,
24 2006, 2007, 2008, 2010, 2011, 2012, 2013, and 2014. A copy of my current
25 Resume is attached hereto as Exhibit A.

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

1 Cal. CEB 2010) and its February 2011, 2012, 2013, and March 2014 Supplements,
2 as well as all its previous editions and annual supplements. California appellate
3 courts have cited this treatise on more than 35 occasions. *See, e.g., Graham v.*
4 *DaimlerChrysler Corp.* (2004) 34 Cal.4th 553, 576, 584; *Lolley v. Campbell* (2002)
5 28 Cal.4th 367, 373; *Chacon v. Litke* (2010) 181 Cal.App.4th 1234, 1259; *Syers*
6 *Properties III, Inc. v. Rankin* (2014) 226 Cal.App.4th 691, 698, 700. I also have
7 lectured and written extensively on court-awarded attorneys' fees. I have been a
8 member of the California State Bar's Attorneys' Fees Task Force and have
9 testified before the State Bar Board of Governors and the California Legislature on
10 attorneys' fee issues. In addition, I authored a federal manual on attorneys' fees
11 entitled *Attorneys' Fees: A Legal Services Practice Manual*, published by the
12 Legal Services Corporation. I also co-authored the chapter on "Attorney Fees" in
13 Volume 2 of CEB's *Wrongful Employment Termination Practice*, 2d Ed. (1997).

14 3. More than 90% of my practice is devoted to issues involving court-
15 awarded attorneys' fees. I have been counsel in over 180 attorneys' fee
16 applications in state and federal courts, primarily representing other attorneys. I
17 also have briefed and argued more than 40 appeals, at least 25 of which have
18 involved attorneys' fees issues. I have successfully handled five cases in the
19 California Supreme Court involving court-awarded attorneys' fees: (1) *Maria P. v.*
20 *Riles* (1987) 43 Cal.3d 1281, a landmark early decision on the scope of California
21 Code of Civil Procedure section 1021.5; (2) *Delaney v. Baker* (1999) 20 Cal.4th
22 23, which held that heightened remedies, including attorneys' fees, are available in
23 suits against nursing homes under California's Elder Abuse Act; (3) *Ketchum v.*
24 *Moses* (2001) 24 Cal.4th 1122, which held, *inter alia*, that contingent risk
25 multipliers remain available under California attorney fee law, despite the United
26 States Supreme Court's contrary ruling on federal law (note that in *Ketchum*, I was
27 primary appellate counsel in the Court of Appeal and "second chair" in the
28 Supreme Court); (4) *Flannery v. Prentice* (2001) 26 Cal.4th 572, which held that in

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

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

20 5. I am frequently called upon to opine about the reasonableness of
21 attorneys' fees, and numerous federal and state courts have cited my testimony on
22 that issue favorably. The reported cases referencing my testimony include the
23 following California appellate courts: *Laffite v. Robert Half Int'l* (2014)
24 __Cal.App.4th __, 2014 Cal.App.LEXIS 1059; *In re Tobacco Cases I* (2013) 216
25 Cal.App.4th 570; *Heritage Pacific Financial LLC v. Monroy* (2013) 215
26 Cal.App.4th 972, 1009; *Children's Hospital & Medical Center v. Bonta* (2002) 97
27 Cal.App.4th 740; *Wilkinson v. South City Ford* (2010) 2010 Cal.App.Unpub.
28 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.

1 See, e.g., *Employment Dev. Dept. v. Superior Court (Boren)* (1981) 30 Cal.3d 256.

2 I also have represented Class Counsel on their fee requests in numerous highly-
3 contested class actions, including *Davis v. City & County of San Francisco, supra*,
4 *Duran v. First National Bank*, Alameda County Superior Court No. 2001-035537,
5 and *Molina, et al. v. Lexmark International, et al.*, Los Angeles County Superior
6 Court No. BC339177.

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

12 **PLAINTIFFS' ATTORNEYS' HOURLY RATES ARE**
13 **REASONABLE**

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

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

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

6 **Court Awards**

7 10. Several of the Plaintiffs' law firms have had the hourly rates requested
8 here, or their equivalent rates in prior years, approved by the courts in other class
9 actions. For example, Hurst & Hurst's rates were found reasonable in *Serochi v.*
10 *Bosa Development California II, Inc., et al.*, San Diego Superior Court Case No.:
11 37-2009-00096686-CU-BT-CTL. Similarly, Ms. Lorens's 2012 rate of \$795/hour
12 was approved in November 2012 in *Hoch v. Rockin' Baja Coastal Cantina, et al.*,
13 San Diego Superior Court Case No. 37-2012-00095176-CU-OE-CTL/*Mojica v.*
14 *Rockin' Baja Coastal Cantina, et al.*, San Diego Superior Court Case No. 37-2012-
15 00091490-CU-OE-CTL. This is highly probative evidence of the reasonableness
16 of their rates in subsequent reasonably similar cases.

17 11. Counsel's rates are also consistent with the following court awards
18 from the Southern District of California¹:

19 (1) In *Hartless v. Clorox*, 273 F.R.D. 630, 644 (S.D. Cal. 2011), the
20 Court found, *inter alia*, that class counsel's requested rates were consistent with
21 the hourly rates found reasonable in numerous other class actions and with rates
22 charged by other firms in the San Diego area, including rates of \$795 per hour for a
23 25-year attorney and \$675 per hour for an experienced partner. 273 F.R.D. at 644.

24
25 ¹ In my experience, for purposes of the hourly rates charged and found reasonable by the courts,
26 the differences between types of class actions (i.e. wage and hour class actions versus consumer
27 class actions) are not significant, either factually or legally. See, e.g., *Heritage Pacific Financial,*
28 *LLC v. Monroy*, 215 Cal.App.4th 972, 1009 (2013); *Camacho v. Bridgeport Financial, Inc.*, 523
F.3d 973, 979 (9th Cir. 2008).

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

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

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

12 (4) Similarly, in the same case, the court found that the 2009 rates
13 charged by the Century City office of O'Melveny & Myers LLP, including rates of
14 \$860-950 for a 36-37 year attorney and \$700-710 for 16-18 year attorneys also
15 were reasonable for San Diego litigation. Again, given the rate increases that have
16 occurred over the past three years, Plaintiffs' attorneys' current rates here are in the
17 same range as those found reasonable in *Briarwood Capital*.

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

22 (6) In *In re Virgil's Tours*, Case No. 08-30659 (Bank. N.D. Cal. 2008),
23 the court found reasonable the 2008 rates requested by Morrison & Foerster LLP's
24 San Diego office. Those rates ranged from \$600 to \$675 for partners, from \$350 to
25 \$485 for associates, and from \$220 to \$245 for paralegals.

26 (7) In *Qualcomm, Inc. v. Broadcom, Inc.* Case No. 05-CV-1958-B,
27 2008 WL 2705161 (S.D. Cal. 2008), the court found the 2007 hourly rates
28 requested by Wilmer Cutler, Pickering, Hale & Dorr LLP reasonable for San

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

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

6 2014

7 (1) *IPVX Patent Holdings, Inc. v. Voxernet LLC*, N.D. Cal. No.
8 5:13-CV-01708-HRL, a patent infringement case, in which the court found the
9 following hourly rates reasonable:

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

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

<u>Whatley Kallas</u>	
<u>Years of Experience</u>	<u>Rate</u>
36	\$950

Whatley Kallas

<u>Years of Experience</u>	<u>Rate</u>
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:

<u>Years</u>	<u>Rate</u>
39	\$750
35	730
13	500
8	460
6	440

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

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

<u>Years of Experience</u>	<u>Rate</u>
45	\$750
35	750
23	725
19	695
5	400
3	350
Paralegal	125

11 **2013 Rates**

12 (1) *Ellis v. Costco Wholesale Corp.*, N.D. Cal. No. C04-3341 EMC,
13 Order Granting Motion for Final Approval of Class Action Settlement, filed May
14 27, 2014, an employment class action, in which the court found the following
15 hourly rates reasonable:

<u>Years of Experience</u>	<u>Rate</u>
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

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

hourly rates reasonable:

<u>Years of Experience</u>	<u>Rate</u>
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:

<u>Years of Experience</u>	<u>Rate</u>
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:

<u>Years of Experience</u>	<u>Rate</u>
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

<u>Bar Admission</u>	<u>Rate</u>
1967	\$1000
1978	861
2001	619
2002	525
2005	500
2006	472
2009	417

Steyer, Lowenthal et al.

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

Cooper & Kirkham

<u>Bar Admission</u>	<u>Rates 2010-2012</u>
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:

<u>Years of Experience</u>	<u>Rate</u>
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

1 rates reasonable:

<u>Year of Bar Admission</u>	<u>Rate</u>
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

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

<u>Year of Bar Admission</u>	<u>Rate</u>
1970	\$700
1996	595
1999	575
Law Clerks	150

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

<u>Year of Bar Admission</u>	<u>Rate</u>
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:

<u>Years of Experience</u>	<u>Rate</u>
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:

<u>Years of Experience</u>	<u>Rate</u>
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:

<u>Years of Experience</u>	<u>Rate</u>
33	\$750
29	675
4	300
6	265

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

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

<u>Years of Experience</u>	<u>Rate</u>
37	\$825
Associates	
8	490
6	405
Law Clerks	225
Paralegals	215

10 (3) *Molina, et al. v. Lexmark International, et al.*, Los Angeles County
11 Superior Court No. BC339177, Order Granting Petitioners' Motion for Attorneys'
12 Fees and Costs in the Amount of \$5,722,008.07, filed October 28, 2011, *aff'd*
13 (2013) 2013 Cal.App.Unpub. LEXIS 6684, a class action to recover forfeited
14 vacation pay, in which the court found the following hourly rates reasonable
15 (before applying a 2.0 multiplier):

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

23 **2010 Rates**

24 (1) *Californians for Disability Rights, Inc., et al. v. California*
25 *Department of Transportation, et al.* (N.D.Cal. 2010) 2010 U.S.Dist.LEXIS
26 141030, adopted by Order Accepting Report and Recommendation filed February
27 2, 2011, a disability-access class action, in which the court found the following
28

2010 hourly rates reasonable:

<u>Years of Experience</u>	<u>Rate</u>
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%.

- 1 • On January 13, 2014, the National Law Journal published an article
2 about its most recent rate survey. That article included a chart listing
3 the billing rates of the 50 firms that charge the highest average hourly
4 rates for partners. A true and correct copy of that article is attached
5 hereto as Exhibit C. Of the 50 firms listed, several have offices in the
6 San Diego area and many others have significant litigation experience
7 in this area. And, although the rates that Plaintiffs' counsel are
8 requesting here are significantly *lower* than many of the rates charged
9 by the top 50 firms, the NLJ chart does show the *range* of rates
10 charged for similar services, which *is* the applicable standard. *See*
11 *CHMC*, 97 Cal.App.4th at 783.
- 12 • In an article entitled "On Sale: The \$1,150-Per Hour Lawyer,"
13 written by Jennifer Smith and published in the Wall Street Journal on
14 April 9, 2013, the author describes the rapidly growing number of
15 lawyers billing at \$1,150 or more revealed in public filings and major
16 surveys. A true and correct copy of that article is attached hereto as
17 Exhibit D. The article also notes that in the first quarter of 2013, the
18 50 top-grossing law firms billed their partners at an *average* rate
19 between \$879 and \$882 per hour.
- 20 • In an article published April 16, 2012, the Am Law Daily described
21 the 2012 Real Rate Report, an analysis of \$7.6 billion in legal bills
22 paid by corporations over a five-year period ending in December
23 2011. A true and correct copy of that article is attached hereto as
24 Exhibit E. That article confirms that the rates charged by experienced
25 and well-qualified attorneys have continued to rise over the five-year
26 period between 2006 and 2011, particularly in large urban areas. It
27 also shows, for example, that the top quartile of lawyers bill at an
28 *average* of "just under \$900 per hour."

1 **Rates Charged by Other Law Firms**

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

11 **Altshuler Berzon LLP****

12 **2014 Rates:** Years of Experience Rate
13 38 \$895

14 **2012 Rates:** Years of Experience Rate
15 34 \$850
16 26 785
17 21 750
18 18 700
19 14 625
20 12 570
21 11 550
22 10 520
23 6 410
24 5 385
25 4 335

26 Law Clerks 250
27 Paralegals 215

28 **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
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Arnold Porter LLP

<u>2013 Rates:</u>	Average Partner	\$815
	Highest Partner	950
	Lowest Partner	670
	Average Associate	500
	Highest Associate	610
	Lowest Associate	345

The Arns Law Firm LLP **

<u>2014 Rates:</u>	<u>Years of Experience</u>	<u>Rate</u>
	37	\$950
	Law Clerks	165

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

<u>2009 Rates:</u>	<u>Years of Experience</u>	<u>Rate</u>
	Partners	\$725
	Associates	490-550

Bingham McCutchen

<u>2013 Rates:</u>	Average Partner	\$795
	Highest Partner	1,080
	Lowest Partner	670
	Average Associate	450
	Highest Associate	605
	Lowest Associate	185

<u>2011 Rates:</u>	<u>Years of Experience</u>	<u>Rate</u>
	30	\$780

<u>2010 Rates:</u>	<u>Years of Experience</u>	<u>Rate</u>
	13	\$655
	4	480
	2	400

Blood Hurst & O'Reardon *, **

<u>2012 Rates:</u>	<u>Years of Experience</u>	<u>Rate</u>
	22	\$655
	17	585

Blood Hurst & O'Reardon*, **

6	510
5	410
1	305
Paralegals	260

Burson & Fisher**

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

Chavez & Gertler*

<u>2012 Rates:</u>	<u>Years of Experience</u>	<u>Rate</u>
	33	\$750
	29	725
	32	675
	21	575
	11	535
	7	475
	Legal Assistant	185

<u>2011 Rates:</u>	<u>Years of Experience</u>	<u>Rate</u>
	32	\$725
	28	700
	10	550
	9	510
	5	425
	Paralegals	225

Coblentz Patch & Duffy

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

Cohelan Khoury & Singer

<u>2012 Rates:</u>	<u>Years of Experience</u>	<u>Rate</u>
	38	\$750
	28	750
	11	400
	Paralegal	170

Cooper & Kirkham

<u>2012 Rates:</u>	<u>Years of Experience</u>	<u>Rate</u>
	48	\$950
	37	825
	11	600

Covington Burling

<u>2013 Rates:</u>	<u>Years of Experience</u>	<u>Rate</u>
	28	\$750
	16	670
	14	670
	7	510
	2	375
	5	490
	Litigation Support	110-355

<u>2012 Rates:</u>	<u>Years of Experience</u>	<u>Rate</u>
	27	\$730
	15	632-650
	13	650

<u>2011 Rates:</u>	<u>Years of Experience</u>	<u>Rate</u>
	26	\$710
	14	640
	12	600
	9	565
	7	550
	5	425
	3	390
	1	320

<u>2010 Rates:</u>	<u>Years of Experience</u>	<u>Rate</u>
	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

<u>2010 Rates:</u>	<u>Years of Experience</u>	<u>Rate</u>
	31	\$715

Fenwick & West

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

Furth Firm LLP**

<u>2010 Rates:</u>	<u>Years of Experience</u>	<u>Rate</u>
	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

<u>2013 Rates:</u>	Average Partner	\$980
	Highest Partner	1,800
	Lowest Partner	765
	Average Associate	590
	Highest Associate	930
	Lowest Associate	175

Goldstein, Borgen, Dardarian & Ho**

<u>2014 Rates:</u>	<u>Years of Experience</u>	<u>Rate</u>
	33	\$795
	27	750
	8	500
	4	395
	3	350
	1	300
	Law Clerks/Paralegals	160-250

<u>2012 Rates:</u>	<u>Years of Experience</u>	<u>Rate</u>
	Partners	
	42	\$785
	36	750
	31	700
	18	650

	Associates	
	7	470
	6	445
<u>2011 Rates:</u>	<u>Years of Experience</u>	<u>Rate</u>
	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
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Associates

15	\$500
11	440
6	375
5	365
4	355
3	340
2	325
1	305

Law Clerks

Paralegals	195
	150-225

Greenberg, Traurig, LLP

2010 Rates:

<u>Years of Experience</u>	<u>Rate</u>
22	\$850

Greines, Martin, Stein & Richland

2012 Rates:

<u>Years of Experience</u>	<u>Rate</u>
41	\$850
29	850
23	650
18	500
Law Clerks	100

**Hadsell, Stormer, Keeny, Richardson &
Renick****

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

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

Hausfeld LLP**

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

Irell & Manella

<u>2013 Rates:</u>		
	Average Partner	\$890
	Highest Partner	975
	Lowest Partner	800
	Average Associate	535
	Highest Associate	750
	Lowest Associate	395

1 **Janssen Malloy LLP**

2 **2014 Rates:**

<u>Years of Experience</u>	<u>Rate</u>
33	\$775
Paralegals	175

4 **Jones Day**

5 **2013 Rates:**

Average Partner	\$745
Highest Partner	975
Lowest Partner	670
Average Associate	435
Highest Associate	775
Lowest Associate	205

9 **Kaye, McLane, Bednarski & Litt ****

10 **2013 Rates:**

<u>Years of Experience</u>	<u>Rate</u>
44	\$925
27	725
24	725
7	525
5	475

15 **Keker & Van Nest, LLP**

16 **2010 Rates:**

<u>Years of Experience</u>	<u>Rate</u>
Partners	
32	\$775
Other Partners	525-975
Associates	340-500
Paralegals/Support Staff	120-260

20 **Kemnitzer, Barron & Krieg**

21 **2014 Rates:**

<u>Years of Experience</u>	<u>Rate</u>
38	\$750
32	750
8	475
3	350
Senior Paralegal	250

26 **Kiesel, Boucher, Larson LLP *, ****

27 **2012 Rates:**

<u>Years of Experience</u>	<u>Rate</u>
Partners	
27-28	\$890

Kiesel, Boucher, Larson LLP *, **

Associates 625-325

Kingsley & Kingsley**

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

Kirkland & Ellis

<u>2013 Rates:</u>		
	Average Partner	\$825
	Highest Partner	995
	Lowest Partner	670
	Average Associate	540
	Highest Associate	715
	Lowest Associate	235

Knapp, Petersen & Clarke

<u>2012 Rates:</u>	<u>Years of Experience</u>	<u>Rate</u>
	36	\$753
	9	554
	6	383

Knobbe Martin Olson & Bear LLP

<u>2012 Rates:</u>	<u>Years of Experience</u>	<u>Rate</u>
	Partners	\$395-710
	Associates	285-450

Latham & Watkins

<u>2013 Rates:</u>		
	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.**

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

Litt, Estuar, & Kitson, LLP**

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

Manatt, Phelps & Phillips

<u>2013 Rates:</u>	<u>Average Partner</u>	<u>\$740</u>
	Highest Partner	795
	Lowest Partner	670
	Lowest Partner	640
<u>2010 Rates:</u>	Partners	525-850
	Associates	200-525

McKenna Long & Aldridge LLP

<u>2014 Rates:</u>	<u>Years of Experience</u>	<u>Rate</u>
	30	\$775
	9	650

McKenna Long & Aldridge LLP

5	420
Litigation Support Mgr.	350
Paralegals	225

Minami Tamaki LLP

<u>2012 Rates:</u>	<u>Years of Experience</u>	<u>Rate</u>
	36	\$750
	15	525
	5	395
	Paralegals	175

Morrison Foerster LLP

<u>2013 Rates:</u>	<u>Years of Experience</u>	<u>Rate</u>
	Average Partner	\$865
	Highest Partner	1,195
	Lowest Partner	670
	Lowest Partner	595
	Average Associate	525
	Highest Associate	725
	Lowest Associate	230

<u>2011 Rates:</u>	<u>Years of Experience</u>	<u>Rate</u>
	22	\$775
	11	625
	10	620
	1	335

<u>2009 Rates:</u>	<u>Years of Experience</u>	<u>Rate</u>
	24	\$750

O'Melveny & Myers

<u>2013 Rates:</u>	<u>Years of Experience</u>	<u>Rate</u>
	Average Partner	\$715
	Highest Partner	950
	Lowest Partner	615

<u>2012 Rates:</u>	<u>Years of Experience</u>	<u>Rate</u>
	12	\$695
	4	495

Patton Boggs

<u>2010 Rates:</u>	<u>Years of Experience</u>	<u>Rate</u>
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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

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

Quinn Emanuel Urquhart & Sullivan

<u>2013 Rates:</u>	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

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

Robbins Geller Rudman & Dowd LLP *, **

<u>2012 Rates:</u>	<u>Years of Experience</u>	<u>Rate</u>
	Partners	
	26	\$695
	19	575
	Associates	535-345
	Paralegals	295

Rosen, Bien, Galvan & Grunfeld LLP

<u>2013 Rates:</u>	<u>Years of Experience</u>	<u>Rate</u>
	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
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Associates

19	540
10	470
9	460
7	400
6	400
5	380
4	360
3	340

Paralegals 215-280

Litigation Support/ 150

Paralegal clerk

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
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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****

<u>2014 Rates:</u>	<u>Years of Experience</u>	<u>Rate</u>
	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****

<u>2012 Rates:</u>	<u>Years of Experience</u>	<u>Rate</u>
	27	\$695
	22	630

Sheppard, Mullin, Richter & Hampton

<u>2010 Rates:</u>	<u>Years of Experience</u>	<u>Rate</u>
	Partners	\$495-820
	Associates	270-620

Sidley Austin

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

Skadden, Arps, Slate, Meagher & Flom

<u>2013 Rates:</u>	Average Partner	\$1,035
	Highest Partner	1,150
	Lowest Partner	845

1 **Skadden, Arps, Slate, Meagher & Flom**

Average Associate	620
Highest Associate	845
Lowest Associate	340

4 **Spiro Moore LLP****

<u>2012 Rates:</u>	<u>Years of Experience</u>	<u>Rate</u>
	30+	\$700
	17	600

8 **Law Offices of Michael D. Thamer**

<u>2014 Rates:</u>	<u>Years of Experience</u>	<u>Rate</u>
	31	\$775

10 **Townsend and Townsend and Crew**

<u>2010 Rates:</u>	<u>Years of Experience</u>	<u>Rate</u>
	Partners	\$470-475
	Associates	260-460

14 **Wilson Sonsini Goodrich & Rosati PC**

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

19 **Zelle Hofmann Voelbel & Mason, LLP****

<u>2012 Rates:</u>	<u>Years of Experience</u>	<u>Rate</u>
	Partners	Up to \$950
	Associates	Up to \$540
	Paralegals	Up to \$290
	Law Clerks	Up to \$250
<u>2012 Rates:</u>	<u>Years of Experience</u>	<u>Rate</u>
	Partners	
	38	\$800
	26	685
	23	650
	22	640
	Associates	
	9	500

1 **Zelle Hofmann Voelbel & Mason, LLP****

2	4	435
3	3	415
4	2	405
5	1	395
6	Paralegals	210-290

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

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

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

25 

26 Richard M. Pearl

1 **ADDITIONAL COUNSEL FOR PLAINTIFFS AND THE CERTIFIED CLASS**

2 Timothy D. Cohelan (Bar No. 60827)

3 Michael D. Singer (Bar No. 115301)

4 COHELAN KHOURY & SINGER

5 605 "C" Street, Suite 200

6 San Diego, CA 92101

7 Telephone: (619) 595-3001

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.

RICHARD M. PEARL

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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.

RICHARD M. PEARL

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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)

Settlers 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)

RICHARD M. PEARL

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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

Cabrera v. Martin

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

Camacho v. Bridgeport Financial, Inc.

(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

Center for Biological Diversity

(2010)

Center for Biological Diversity

RICHARD M. PEARL

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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

RICHARD M. PEARL

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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

Moore v. Bank of America
(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

Pena v. Superior Court of Kern County
(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

S.P. Growers v. Rodriguez
(1976) 17 Cal.3d 719 (amicus)

Tongol v. Usery
(9th Cir. 1979) 601 F.2d 1091,
on remand (N.D. Cal. 1983) 575 F.Supp. 409,
revs'd (9th Cir. 1985) 762 F.2d 727

RICHARD M. PEARL

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Representative Reported Cases (cont.)

Tripp v. Swoap

(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

United States v. City of San Diego

(S.D.Cal. 1998) 18 F.Supp.2d 1090

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

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10/1/2011

EXHIBIT B

LAFFEY MATRIX

History

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Year	Adjustmt Factor**	Paralegal/ Law Clerk	Years Out of Law School *				
			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

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

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.

Richard Pearl

\$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 AVERAGE		PARTNER ASSOCIATE		HOURLY HOURLY		AVERAGE	HIGH	LOW	
	U.S. OFFICE*	FULL-TIME EQUIVALENT ATTORNEYS*	RATES	RATES	RATES	RATES				
			AVERAGE		HIGH		LOW		AVERAGE	
			HIGH		LOW		AVERAGE		HIGH	
			LOW		AVERAGE		HIGH		LOW	
* 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.										
Debevoise & Plimpton	New York	615	\$1,055	\$1,075	\$955	\$490	\$760	\$120		
Paul, Weiss, Riffkind, 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 Parr & 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		

Richard Pearl

\$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 ASSOCIATE HOURLY HOURLY RATES 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 Angeles	521	\$685	\$875	\$490	\$415	\$535	\$275

Richard Pearl

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

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

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

THE FOUR-FIGURE CLUB

Contact Karen Sloan at ksloan@alm.com

SATELLITE TECHNOLOGY (67%); SUPREME COURTS (63%)

Classification

Language: ENGLISH

Publication-Type: Newspaper

Subject: POLLS & SURVEYS (90%); LEGAL SERVICES (90%); MAJOR US LAW FIRMS (90%); LAW FIRM BILLABLE RATES (90%); LAWYERS (89%); LAW PRACTICE (89%); LAW FIRM BILLABLE HOURS (78%); ECONOMIC CONDITIONS (76%); CORPORATE COUNSEL (73%); US CHAPTER 11 BANKRUPTCY (73%); LAW COURTS & TRIBUNALS (68%);

Company: GIBSON DUNN & CRUTCHER LLP (93%); LIGHTSQUARED INC (83%)

Industry: NAICS541110 OFFICES OF LAWYERS (93%); SIC8111 LEGAL SERVICES (93%); NAICS517410 SATELLITE TELECOMMUNICATIONS (83%); NAICS334220 RADIO & TELEVISION BROADCASTING & WIRELESS COMMUNICATIONS EQUIPMENT MANUFACTURING (83%)

Geographic: UNITED STATES (92%)

Load-Date: January 13, 2014

Richard Pearl

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

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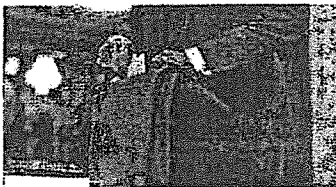
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By JENNIFER SMITH

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.



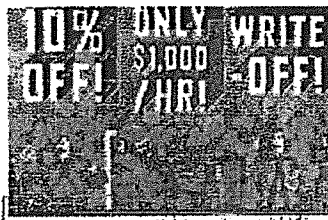
Top partners at leading U.S. law firms are charging more than ever — routinely \$1,150 or more an hour — but after discounts and write-offs the nosebleed rates aren't all they appear to be. Jennifer Smith reports. Photo: Getty Images.

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."



the firm's database billed at that level in the first quarter of 2013, up from 158 a year earlier.

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

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That glided 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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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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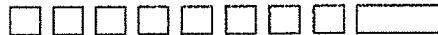
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Exhibit 5

MARA LAW FIRM, PC'S SUMMARY OF TIME AND COSTS

Juan Garcia v. Backyard Products LLC

Sacramento County Superior Court

Case Nos. 24CV009779 and 24CV019984

Total Attorneys' Hours: 180.1

Total Lodestar Fees: \$135,605

Total Litigation Expenses: \$16,117.98

ATTORNEYS	YEAR ADMITTED	HOURS	HOURLY RATE	TOTAL
MARA LAW FIRM, PC				
David Mara, Esq.	2004	92.7	\$850	\$78,795
Jill Vecchi, Esq.	2014	87.4	\$650	\$56,810
TOTAL:				\$135,605

LITIGATION EXPENSES	
MARA LAW FIRM, PC	\$16,117.98
TOTAL COSTS	\$16,117.98

Juan Garcia v. Backyard Products LLC
Superior Court of Sacramento
Case Nos. 24CV009779 and 24CV019984

Costs Summary

Attorney Service:	\$ 103.78
Court Fees:	\$ 3,546.74
Mediation:	\$ 12,450.00
Postage:	\$ 17.46

TOTAL COSTS	<u>\$ 16,117.98</u>
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Juan Garcia v. Backyard Products LLC
Sacramento County Superior Court Case Nos. 24CV009779 and 24CV019984

David Mara, Esq.

Date	Task	Duration	Rate	Amount
05-02-2024	Case Intake	1.5	850.00	1,275.00
05-02-2024	Review documents from potential client	0.9	850.00	765.00
05-02-2024	Research into potential new case and defendant	2.3	850.00	1,955.00
05-02-2024	Draft retainer and personnel file request	0.7	850.00	595.00
05-02-2024	Interoffice Discussion About New Case	1.3	850.00	1,105.00
05-06-2024	Interoffice Email	0.1	850.00	85.00
05-06-2024	Call with Client	0.1	850.00	85.00
05-06-2024	Conduct research	3.4	850.00	2,890.00
05-06-2024	Review case file and draft PAGA Notice	3.8	850.00	3,230.00
05-06-2024	Interoffice Email	0.1	850.00	85.00
05-15-2024	Interoffice Email	0.1	850.00	85.00
05-17-2024	Review and edit complaint	2.1	850.00	1,785.00
06-06-2024	Review meet and confer letter re: arbitration agreement and analyze agreement	2.3	850.00	1,955.00
06-07-2024	Conduct research into arbitration issues and draft memo for file	6.1	850.00	5,185.00
06-10-2024	Review and edit written discovery to propound on Defendant	1.3	850.00	1,105.00
06-18-2024	Interoffice Discussion About Case	1.4	850.00	1,190.00
06-18-2024	Email to Defendant's Counsel re: response to meet and confer letter	0.6	850.00	510.00
06-19-2024	Review and respond to email from Defendant's Counsel	0.1	850.00	85.00
06-20-2024	Call with Defendant's Counsel	0.2	850.00	170.00
06-20-2024	Interoffice Discussion About Case	0.5	850.00	425.00
06-20-2024	Review and respond to email from Defendant's Counsel	0.1	850.00	85.00
07-10-2024	Review co-counsel agreement	0.3	850.00	255.00
07-10-2024	Email to co-counsel	0.1	850.00	85.00
07-10-2024	Review and respond to email from co-counsel	0.1	850.00	85.00
07-15-2024	Review and respond to email from Defendant's Counsel	0.1	850.00	85.00
08-13-2024	Interoffice Email	0.1	850.00	85.00
08-27-2024	Interoffice Email	0.1	850.00	85.00
09-04-2024	Review and edit PAGA complaint	2.1	850.00	1,785.00
09-17-2024	Email to co-counsel	0.1	850.00	85.00
09-17-2024	Review email from co-counsel	0.1	850.00	85.00
09-18-2024	Review and respond to email from Defendant's Counsel	0.1	850.00	85.00
09-19-2024	Interoffice Discussion About Case	0.2	850.00	170.00
09-19-2024	Email to co-counsel	0.1	850.00	85.00
09-23-2024	Email to co-counsel	0.1	850.00	85.00
09-23-2024	Interoffice Email	0.1	850.00	85.00
09-25-2024	Email to Defendant's Counsel	0.1	850.00	85.00
10-08-2024	Interoffice Discussion About Case	0.2	850.00	170.00
01-15-2025	Review email from Defendant's Counsel re: mediation data and documents	0.2	850.00	170.00
01-15-2025	Review and analyze documents and create memo for file	6.3	850.00	5,355.00
01-15-2025	Interoffice Email	0.1	850.00	85.00
01-15-2025	Research into prior settlement	2.1	850.00	1,785.00
01-15-2025	Call with Client	0.3	850.00	255.00
01-16-2025	Interoffice Discussion About Case	0.9	850.00	765.00
01-28-2025	Interoffice Discussion About Case	0.3	850.00	255.00
01-28-2025	Email to Defendant's Counsel	0.1	850.00	85.00
01-28-2025	Review email from Defendant's Counsel re: mediation data	0.3	850.00	255.00
02-04-2025	Email to Defendant's Counsel	0.1	850.00	85.00
02-04-2025	Email to Defendant's Counsel	0.1	850.00	85.00
02-04-2025	Call with Defendant's Counsel	0.2	850.00	170.00
02-04-2025	Review additional documents produced by Defendant and draft memo	6.5	850.00	5,525.00

02-06-2025	Email to Defendant's Counsel	0.1	850.00	85.00
02-06-2025	Review case file, conduct research, and draft memo	7.6	850.00	6,460.00
02-06-2025	Interoffice Email	0.1	850.00	85.00
02-07-2025	Review and edit mediation brief	4.6	850.00	3,910.00
02-07-2025	Interoffice Discussion About Case	0.7	850.00	595.00
02-07-2025	Email to co-counsel	0.1	850.00	85.00
02-07-2025	Review and respond to email from co-counsel	0.1	850.00	85.00
02-07-2025	Call with Client	0.2	850.00	170.00
02-07-2025	Email to mediator's office	0.1	850.00	85.00
02-12-2025	Interoffice Discussion About Case	0.4	850.00	340.00
02-12-2025	Conduct research and prepare for mediation	7.1	850.00	6,035.00
02-12-2025	Call with Client	0.5	850.00	425.00
02-12-2025	Research into prior settlement	1.1	850.00	935.00
02-13-2025	Prepare for and Attend Mediation	10.1	850.00	8,585.00
02-24-2025	Review email from mediator's office	0.4	850.00	340.00
02-24-2025	Call with Client	0.2	850.00	170.00
02-25-2025	Review email from co-counsel	0.1	850.00	85.00
02-25-2025	Email to mediator's office	0.1	850.00	85.00
02-25-2025	Review email from mediator's office	0.1	850.00	85.00
02-25-2025	Email to Defendant's Counsel	0.1	850.00	85.00
03-03-2025	Review settlement agreement	2.1	850.00	1,785.00
03-05-2025	Interoffice Discussion About Case	0.2	850.00	170.00
03-07-2025	Call with Client	0.2	850.00	170.00
05-21-2025	Interoffice Discussion About Case	0.1	850.00	85.00
05-21-2025	Sign settlement agreement	0.1	850.00	85.00
08-08-2025	Review and respond to email from co-counsel	0.1	850.00	85.00
09-19-2025	Review and respond to email from co-counsel	0.1	850.00	85.00
11-14-2025	Call with Class Member	0.4	850.00	340.00
11-18-2025	Interoffice Discussion About Case	0.3	850.00	255.00
11-18-2025	Call with Class Member	0.5	850.00	425.00
11-18-2025	Email to co-counsel	0.1	850.00	85.00
11-18-2025	Interoffice Email	0.1	850.00	85.00
12-09-2025	Draft declaration in support of final approval motion	1.5	850.00	1,275.00
12-10-2025	Review and edit final approval motion	2.2	850.00	1,870.00
12-11-2025	Review settlement administrator's declaration	0.4	850.00	340.00
Matter Total		92.7		78,795.00

Juan Garcia v. Backyard Products LLC
Sacramento County Superior Court Case Nos. 24CV009779 and 24CV019984

Jill Vecchi, Esq.

Date	Task	Duration	Rate	Amount
05-02-2024	Interoffice Discussion About New Case	1.3	650.00	845.00
05-02-2024	Review intake notes and documents produced by Plaintiff	2.5	650.00	1,625.00
05-15-2024	Interoffice Email	0.1	650.00	65.00
05-15-2024	Review case file and draft complaint	3.9	650.00	2,535.00
05-15-2024	Interoffice Email	0.1	650.00	65.00
05-17-2024	Interoffice Email	0.1	650.00	65.00
05-31-2024	Interoffice Email	0.1	650.00	65.00
06-06-2024	Review email from Defendant's Counsel	0.1	650.00	65.00
06-06-2024	Interoffice Email	0.1	650.00	65.00
06-06-2024	Research into Defendant's arbitration agreement	1.4	650.00	910.00
06-06-2024	Interoffice Email	0.1	650.00	65.00
06-10-2024	Draft written discovery to propound on Defendant	3.4	650.00	2,210.00
06-18-2024	Interoffice Discussion About Case	1.4	650.00	910.00
06-20-2024	Interoffice Discussion About Case	0.5	650.00	325.00
07-10-2024	Review email from co-counsel	0.1	650.00	65.00
08-13-2024	Interoffice Email	0.1	650.00	65.00
08-13-2024	Respond to email from Defendant's Counsel regarding mediators	0.1	650.00	65.00
08-20-2024	Draft FAC adding a PAGA cause of action	0.2	650.00	130.00
08-20-2024	Email to Defendant's Counsel	0.1	650.00	65.00
09-03-2024	Review and revise FAC	0.6	650.00	390.00
09-03-2024	Review file and draft PAGA complaint	3.2	650.00	2,080.00
09-04-2024	Email to Co-Counsel	0.1	650.00	65.00
09-18-2024	Email to mediator's office to obtain next available mediation dates	0.1	650.00	65.00
09-18-2024	Interoffice Email	0.1	650.00	65.00
09-18-2024	Review email from mediator's office	0.1	650.00	65.00
09-19-2024	Interoffice Discussion About Case	0.2	650.00	130.00
09-19-2024	Interoffice Email	0.1	650.00	65.00
09-19-2024	Draft Notice of Association of Counsel	0.2	650.00	130.00
09-19-2024	Communication with Co-Counsel	0.1	650.00	65.00
09-20-2024	Review email from co-counsel	0.2	650.00	130.00
09-23-2024	Download documents provided by Plaintiff	0.2	650.00	130.00
09-23-2024	Review edits to the complaint and email co-counsel	0.3	650.00	195.00
09-24-2024	Email to Defendant's Counsel	0.1	650.00	65.00
09-25-2024	Review emails from and to Defendant's Counsel	0.1	650.00	65.00
10-01-2024	Email to potential mediator's office	0.1	650.00	65.00
10-02-2024	Email potential mediator for dates	0.1	650.00	65.00
10-02-2024	Email to Co-Counsel	0.1	650.00	65.00
10-02-2024	Email to Defendant's Counsel re: mediation dates	0.1	650.00	65.00
10-02-2024	Review and respond to email from Defendant's Counsel	0.1	650.00	65.00
10-03-2024	Email with Defendant's Counsel	0.1	650.00	65.00
10-03-2024	Review email from co-counsel	0.1	650.00	65.00
10-03-2024	Email mediator's office	0.1	650.00	65.00
10-03-2024	Email mediator's office	0.3	650.00	195.00
10-03-2024	Communication with Co-Counsel	0.1	650.00	65.00
10-04-2024	Email to Defendant's Counsel	0.1	650.00	65.00
10-07-2024	Review email from Defendant's Counsel	0.1	650.00	65.00
10-07-2024	Review communication from mediator's office	0.1	650.00	65.00
10-07-2024	Sign mediation agreement and calendar dates	0.1	650.00	65.00
10-08-2024	Interoffice Discussion About Case	0.2	650.00	130.00
10-08-2024	Email to mediator's office	0.1	650.00	65.00
10-15-2024	Email to Defendant's Counsel	0.1	650.00	65.00
10-28-2024	Email to Defendant's Counsel	0.1	650.00	65.00
10-28-2024	Interoffice Email	0.1	650.00	65.00
10-28-2024	Interoffice Email	0.1	650.00	65.00
10-28-2024	Review email from Defendant's Counsel	0.1	650.00	65.00

11-01-2024	Draft mediation discovery list	0.5	650.00	325.00
11-01-2024	Email to co-counsel	0.1	650.00	65.00
11-01-2024	Email to Defendant's Counsel	0.1	650.00	65.00
11-18-2024	Email to Defendant's Counsel re: notice and acknowledgment	0.1	650.00	65.00
12-02-2024	Email to Defendant's Counsel	0.1	650.00	65.00
12-04-2024	Review and respond to email from Defendant's Counsel	0.1	650.00	65.00
12-17-2024	Review and revise stipulation to continue CMC	0.2	650.00	130.00
12-17-2024	Email to Defendant's Counsel	0.1	650.00	65.00
12-20-2024	Review edits to stipulation	0.2	650.00	130.00
12-20-2024	Email to co-counsel	0.1	650.00	65.00
12-20-2024	Email to Defendant's Counsel	0.1	650.00	65.00
12-20-2024	Review and respond to email from Defendant's Counsel	0.1	650.00	65.00
12-20-2024	Review stipulation	0.2	650.00	130.00
01-08-2025	Email to Defendant's Counsel	0.1	650.00	65.00
01-13-2025	Check ROA	0.1	650.00	65.00
01-15-2025	Look into prior settlement	0.3	650.00	195.00
01-16-2025	Interoffice Discussion About Case	0.9	650.00	585.00
01-24-2025	Email to co-counsel	0.1	650.00	65.00
01-27-2025	Review and analyze documents produced by Defendant	4.2	650.00	2,730.00
01-27-2025	Email to Defendant's Counsel	0.1	650.00	65.00
01-28-2025	Review email from David Mara to Defendant's Counsel	0.1	650.00	65.00
01-28-2025	Interoffice Discussion About Case	0.3	650.00	195.00
01-28-2025	Communication with Co-Counsel	0.3	650.00	195.00
02-04-2025	Review communication from Defendant's Counsel	0.2	650.00	130.00
02-04-2025	Review documents provided for mediation and see what additional documents are needed	0.5	650.00	325.00
02-04-2025	Email to Defendant's Counsel	0.1	650.00	65.00
02-04-2025	Review documents produced by Defendant and conduct research	4.6	650.00	2,990.00
02-06-2025	Review file and draft mediation brief	8.5	650.00	5,525.00
02-07-2025	Interoffice Discussion About Case	0.7	650.00	455.00
02-07-2025	Review Dave's edits to mediation brief	0.3	650.00	195.00
02-10-2025	Review and respond to email from mediator's office	0.1	650.00	65.00
02-10-2025	Email to Defendant's Counsel	0.1	650.00	65.00
02-12-2025	Interoffice Discussion About Case	0.4	650.00	260.00
02-13-2025	Prepare for and Attend Mediation	8.6	650.00	5,590.00
03-03-2025	Review settlement agreement	4.9	650.00	3,185.00
03-03-2025	Interoffice Email	0.1	650.00	65.00
03-05-2025	Review email from co-counsel	0.1	650.00	65.00
03-05-2025	Interoffice Discussion About Case	0.2	650.00	130.00
03-05-2025	Email to co-counsel	0.1	650.00	65.00
03-05-2025	Email to Defendant's Counsel	0.1	650.00	65.00
03-05-2025	Review and edit settlement agreement	0.2	650.00	130.00
03-21-2025	Email to Defendant's Counsel	0.1	650.00	65.00
04-07-2025	Draft stipulation to continue CMC	0.2	650.00	130.00
04-07-2025	Review and respond to email from co-counsel	0.1	650.00	65.00
04-08-2025	Review email from co-counsel	0.1	650.00	65.00
04-08-2025	Email to Defendant's Counsel	0.1	650.00	65.00
04-08-2025	Review and respond to email from Defendant's Counsel	0.1	650.00	65.00
04-11-2025	Email to Defendant's Counsel	0.1	650.00	65.00
05-01-2025	Review Defendant's changes to the settlement agreement	0.2	650.00	130.00
05-01-2025	Interoffice Email	0.1	650.00	65.00
05-01-2025	Request settlement administration quotes	0.2	650.00	130.00
05-12-2025	Interoffice Email	0.1	650.00	65.00
05-12-2025	Review email from Defendant's Counsel	0.1	650.00	65.00
05-12-2025	Email to co-counsel	0.1	650.00	65.00
05-12-2025	Email to Defendant's Counsel	0.1	650.00	65.00
05-12-2025	Revise settlement agreement	0.2	650.00	130.00
05-21-2025	Email to co-counsel	0.1	650.00	65.00
05-21-2025	Interoffice Discussion About Case	0.1	650.00	65.00
05-21-2025	Email to Defendant's Counsel	0.1	650.00	65.00

05-23-2025	Review stipulation to consolidate	0.1	650.00	65.00
06-11-2025	Check ROA	0.1	650.00	65.00
06-11-2025	Email to co-counsel	0.1	650.00	65.00
06-11-2025	Email to Defendant's Counsel re: preliminary approval hearing dates	0.1	650.00	65.00
06-11-2025	Draft notice of settlement	0.4	650.00	260.00
06-11-2025	Communication with Co-Counsel	0.1	650.00	65.00
06-11-2025	Communication with Co-Counsel	0.1	650.00	65.00
06-11-2025	Email to Defendant's Counsel re: Notice of Settlement	0.1	650.00	65.00
06-11-2025	Review email from Defendant's Counsel re: Notice of Settlement	0.1	650.00	65.00
06-11-2025	Finalize notice of settlement for filing	0.1	650.00	65.00
06-12-2025	Review communication from co-counsel	0.1	650.00	65.00
06-16-2025	Review email from Defendant's Counsel	0.1	650.00	65.00
06-16-2025	Review and respond to email from co-counsel	0.1	650.00	65.00
06-16-2025	Review email from co-counsel to Defendant's Counsel	0.1	650.00	65.00
06-17-2025	Review and respond to email from Defendant's Counsel	0.1	650.00	65.00
06-17-2025	Review and respond to email from co-counsel	0.1	650.00	65.00
06-24-2025	Call with Plaintiff	0.2	650.00	130.00
06-24-2025	Review and respond to email from co-counsel	0.1	650.00	65.00
06-26-2025	Review and respond to email from co-counsel	0.1	650.00	65.00
07-08-2025	Review and respond to email from co-counsel	0.1	650.00	65.00
07-08-2025	Review stipulation to continue CMC	0.1	650.00	65.00
07-18-2025	Review and respond to email from co-counsel	0.1	650.00	65.00
07-21-2025	Draft Plaintiff's Declaration	0.8	650.00	520.00
07-21-2025	Email to Co-Counsel	0.1	650.00	65.00
07-24-2025	Leave voicemail for client	0.1	650.00	65.00
07-24-2025	Call with Plaintiff	0.1	650.00	65.00
07-24-2025	Email to Client	0.1	650.00	65.00
07-24-2025	Revise Plaintiff's Declaration	0.2	650.00	130.00
07-24-2025	Draft documents supporting preliminary approval	0.5	650.00	325.00
07-28-2025	Review and respond to email from co-counsel	0.2	650.00	130.00
07-29-2025	Review and respond to email from co-counsel	0.2	650.00	130.00
07-29-2025	Review and respond to email from Defendant's Counsel	0.1	650.00	65.00
07-30-2025	Review preliminary approval motion	0.5	650.00	325.00
08-08-2025	Review email from co-counsel	0.1	650.00	65.00
08-21-2025	Read tentative on preliminary approval motion	0.2	650.00	130.00
08-21-2025	Review and respond to email from co-counsel	0.1	650.00	65.00
09-15-2025	Call with Plaintiff	0.2	650.00	130.00
09-16-2025	Review email from settlement administrator	0.3	650.00	195.00
10-10-2025	Review documents emailed from class member	0.1	650.00	65.00
10-10-2025	Email to Settlement Administrator	0.1	650.00	65.00
10-14-2025	Email to settlement administrator	0.1	650.00	65.00
10-24-2025	Review weekly report	0.1	650.00	65.00
10-27-2025	Review weekly report	0.1	650.00	65.00
11-14-2025	Call with Class Member	0.1	650.00	65.00
11-14-2025	Leave voicemail for class member	0.1	650.00	65.00
11-17-2025	Review and respond to email from Class Member	0.2	650.00	130.00
11-17-2025	Email to settlement administrator	0.1	650.00	65.00
11-18-2025	Interoffice Discussion About Case	0.3	650.00	195.00
11-18-2025	Attempted call to settlement administrator	0.1	650.00	65.00
11-18-2025	Email to settlement administrator	0.1	650.00	65.00
11-18-2025	Call with Class Member	0.3	650.00	195.00
11-18-2025	Phone call with Defendant's Counsel	0.1	650.00	65.00
11-18-2025	Email to Defendant's Counsel	0.1	650.00	65.00
11-21-2025	Review weekly report	0.1	650.00	65.00
12-09-2025	Draft and revise final approval motion	5.3	650.00	3,445.00
12-09-2025	Review cost file	0.2	650.00	130.00
12-10-2025	Email to Settlement Administrator	0.1	650.00	65.00
12-10-2025	Finalize costs	0.2	650.00	130.00
12-10-2025	Draft documents supporting final approval motion	3.4	650.00	2,210.00

12-10-2025	Call with Class Member	0.1	650.00	65.00
12-11-2025	Review adminstrator's declaration	0.5	650.00	325.00
12-11-2025	Email to settlement administrator	0.1	650.00	65.00
12-11-2025	Revise final approval motion and supporting documents	2.1	650.00	1,365.00
12-11-2025	Email to co-counsel	0.1	650.00	65.00
12-15-2025	Email to Defendant's Counsel re: final approval motion	0.1	650.00	65.00
12-15-2025	Review Defendant's email to settlement administrator	0.1	650.00	65.00
12-16-2025	Email to Defendant's Counsel re: final approval motion	0.1	650.00	65.00
12-16-2025	Email to Settlement Administrator	0.1	650.00	65.00
12-16-2025	Finalize final approval motion for filing	2.1	650.00	1,365.00
Matter Total		87.4		56,810.00

Exhibit 6

David Mara
Jill Vecchi
Grace Campbell
Taylor Hanks
Joann B. Gerrity
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May 6, 2024

Via Upload to the LWDA Website and U.S. Certified Mail

**NOTICE OF LABOR CODE VIOLATIONS PURSUANT TO
LABOR CODE SECTION 2699.3**

TO: California Labor and Workforce Development Agency; Backyard Products LLC

Juan Garcia , on behalf of himself, others similarly situated aggrieved employees v. Backyard Products LLC

Factual Statement and Theories of Labor Code Violations

Juan Garcia is a former employee of Backyard Products LLC ("Backyard Products"). Mr. Garcia performed work for Backyard Products in Sacramento County, California. Mr. Garcia was misclassified as an independent contractor. However, Mr. Garcia was actually a non-exempt employee entitled to the protections afforded to employees under the California Labor Code and Industrial Welfare Commission Wage Orders.

Backyard Products boasts on its website that they "make America's backyard a destination they love through designing, manufacturing and installing cutting-edge sheds, pre-fab studios, magical playsets and beautiful outdoor structures." In fulfillment of its business of "installing cutting-edge sheds, pre-fab studios, magical playsets and beautiful outdoor structures," Backyard Products hired Mr. Garcia, and other similarly situated workers it misclassified as independent contractors, to perform installations and delivery work in California, including Sacramento County. As this installation work Mr. Garcia and similarly situated workers Backyard Products misclassified as independent contractors is within the usual course of Backyard Products' business, Mr. Garcia and similarly situated aggrieved workers were employees and misclassified as independent contractors under California Labor Code section 2750.3.

In addition, Backyard Products controlled the manner and means of work Mr. Garcia and aggrieved employees misclassified as independent contractors performed. Thus, Garcia and aggrieved misclassified employees were not free from the control and direction of Backyard Products in connection with the performance of the work, but under the contract for the performance of the work and in fact. Mr. Garcia and aggrieved misclassified employees were also not normally engaged in an independently established trade, occupation, or business. Garcia and aggrieved misclassified employees did not independently make the decision to go into business

for themselves. They did not take the usual steps to establish and promote themselves as independent business people, such as through incorporation, licensure, advertisements, routine offerings to provide the services of the independent business to the public or to a number of potential customers, and the like. Therefore, Backyard Products is unable to satisfy any of the elements of the ABC test codified at California Labor Code section 2750.3. In the alternative, because Backyard Products retains the right to control the manner and means of Mr. Garcia and aggrieved misclassified employees' work, Mr. Garcia and aggrieved employees are employees under the right-to-control test and are entitled to all protections afforded employees under the wage order and labor code.

Backyard Products misclassification was wilful within the meaning of Labor Code Section 226.8. Labor Code Section 2750.3 has been enacted since January 1, 2020. It was made patently clear by its enactment that any worker performing work within the hiring entity's usual business is an employee and not an independent contractor. It is undisputed that, as Backyard Products intimates on its website, its usual business is installations of sheds and other products that it has Garcia and aggrieved misclassified employees perform. Thus, Backyard Products has violated Labor Code section 226.8 and owes all penalties arising thereunder.

Mr. Garcia's employment with Backyard Products ended on or about April 19, 2024

Mr. Garcia gives notice of his intent to file a lawsuit for violations of the Private Attorneys General Act of 2004 ("PAGA") for Backyard Products' failure to comply with California's wage and hour requirements on behalf of himself and similarly aggrieved employees. Those aggrieved employees include all workers who have been misclassified as independent contractors in California.

I. Backyard Products Fails to Pay All Straight Time and Minimum Wages Owed

It is fundamental that an employer must pay its employees for all time worked. *California Labor Code* sections 218 and 218.5 provide a right of action for nonpayment of wages. *California Labor Code* section 222 prohibits the withholding of part of a wage. *California Labor Code* section 223 prohibits the payment of less than a statutory or contractual wage scale. *California Labor Code* section 1197 prohibits the payment of less than the minimum wage. *California Labor Code* section 1194 states that an employee receiving less than the legal minimum wage is entitled to recover in a civil action the unpaid balance of the full amount of this minimum wage. *California Labor Code* section 1194.2 states that an employee receiving less than the legal minimum wage is entitled to recover liquidated damages in an amount equal to the wages unlawfully unpaid and interest thereon. *California Labor Code* section 224 only permits deductions from wages when the employer is required or empowered to do so by state or federal law or when the deduction is expressly authorized in writing by the employee for specified purposes that do not have the effect of reducing the agreed upon wage

Backyard Products has a continuous policy of not paying Mr. Garcia and the aggrieved employees for all hours worked. Backyard Products pays on a flat fee basis. Each job earns Garcia and similarly situated aggrieved employees a set, flat amount. That flat amount, however, does not pay for things such as drive time. As Backyard Products mandates Garcia and aggrieved employees have their own vehicle that can handle enough weight to perform the work, requires them to

transport tools and ladders, that drive time is compensable hours worked. Backyard Products also does not pay for all hours worked in its piece-rate pay structure, such as fueling vehicles, responding to calls, or filling out paperwork.

Backyard Products also fails to keep accurate time records of Mr. Garcia's and the aggrieved employees' time as a result of its continuous policies or practices of not paying them for all hours worked as discussed above. Backyard Products does not have any record of these hours worked.

Mr. Garcia and the aggrieved employees are informed and believe and thereon allege that Backyard Products breached the legal duty to pay full wages to Mr. Garcia and similarly aggrieved employees. Backyard Products committed the acts alleged herein knowingly and willfully, with the wrongful and deliberate intention of injuring Mr. Garcia and the aggrieved employees. Backyard Products acted with malice or in conscious disregard of Mr. Garcia's and the aggrieved employees' rights.

These claims are for Mr. Garcia and all similarly situated non-exempt employees who worked for Backyard Products in California.

Mr. Garcia, as a representative of the people of the State of California, will seek any and all penalties otherwise capable of being collected by the Labor Commission and/or the Department of Labor Standards Enforcement (DLSE). This includes each of the following, as set forth in *Labor Code* section 2699.5, which provides that section 2699.3(a) applies to any alleged violation of the following provisions: sections 1194, 1194.2, 1197.1, and 1199.

II. Backyard Products Fails to Pay All Overtime Wages Owed

It is fundamental that an employer must pay its employees for all time worked. *California Labor Code* section 510 states that eight (8) hours of labor constitutes a day's work. Any work in excess of eight (8) hours in one workday and any work in excess of forty (40) hours in any one workweek and the first eight (8) hours worked on the seventh day of work in any one workweek shall be compensated at the rate of no less than one and one-half (1.5) times the regular rate of pay for an employee.

California Labor Code section 510 dictates that any work in excess of twelve (12) hours in one (1) day shall be compensated at the rate of no less than two (2) times the regular rate of pay for an employee. In addition, any work in excess of eight (8) hours on any seventh day of a workweek shall be compensated at the rate of no less than two (2) times the regular rate of pay of an employee.

Backyard Products failed to pay overtime when Mr. Garcia and the aggrieved employees worked over eight (8) hours per day and when employees worked over forty (40) hours per week.

Mr. Garcia and the aggrieved employees were deprived of wages for overtime hours worked because Backyard Products failed to pay them overtime wages for all overtime hours worked. This resulted in Mr. Garcia and the aggrieved employees not being paid all overtime wages owed to them.

Backyard Products also failed to pay Mr. Garcia and the aggrieved employees for all hours worked, including hours worked over eight (8) hours in a day and forty (40) hours in a week, thus depriving Mr. Garcia and the aggrieved employees of overtime wages.

Backyard Products has a continuous policy of not paying Mr. Garcia and the aggrieved employees for all hours worked. Backyard Products pays on a flat fee basis. Each job earns Garcia and similarly situated aggrieved employees a set, flat amount. That flat amount, however, does not pay for things such as drive time. As Backyard Products mandates Garcia and aggrieved employees have their own vehicle that can handle enough weight to perform the work, requires them to transport tools and ladders, that drive time is compensable hours worked. Backyard Products also does not pay for all hours worked in its piece-rate pay structure, such as fueling vehicles, responding to calls, or filling out paperwork. Mr. Garcia and the aggrieved employees are not paid for this time, and when they work over eight (8) hours in a shift or 40 hours in a week, these unpaid hours must be compensated at an overtime rate.

Mr. Garcia and the aggrieved employees have suffered, and continue to suffer, substantial unpaid wages, and lost interest on such wages, and expenses.

These claims are for Mr. Garcia and all non-exempt employees who worked for Backyard Products in California.

Mr. Garcia, as a representative of the people of the State of California, will seek any and all penalties otherwise capable of being collected by the Labor Commission and/or the Department of Labor Standards Enforcement (DLSE) for violations of *California Labor Code* section 510.

III. Backyard Products Failed to Provide Lawful Meal Periods

Under *California Labor Code* section 512, no employer shall employ any person for a work period of more than five (5) hours without providing a meal period of not less than thirty (30) minutes. During this meal period of not less than thirty (30) minutes, the employee is to be completely free of the employer's control and must not perform any work for the employer. If the employee does perform work for the employer during the thirty (30) minute meal period, the employee has not been provided a meal period in accordance with the law. Also, the employee is to be compensated for any work performed during the thirty (30) minute meal period.

In addition, an employer may not employ an employee for a work period of more than ten (10) hours per day without providing the employee with another meal period of not less than thirty (30) minutes.

Backyard Products breached the legal duty to provide meal periods to employees by failing to provide employees with meal periods within the timeframes outlined by California law. Specifically, Backyard Products fails to provide Mr. Garcia and the aggrieved employees with meal periods within the first five (5) continuous hours of work. Backyard Products does not provide meal periods, because they rely on their unlawful misclassification of Garcia and

aggrieved employees as independent contractors. As part of its independent contractor misclassification regime, Backyard Partners turns a blind eye on whether Garcia and aggrieved employees actually take meal periods in accordance with Labor Code section 512 or Wage Order 4-2001, section 12. Backyard Partners fails to perform its obligation to relieve Garcia and aggrieved employees of all duty and control during meal periods and fails to actively provide or offer meal periods of not less than 30-minutes to Garcia and aggrieved employees.

Backyard Products also instituted a consistent policy/practice of not providing second meal periods to Mr. Garcia and the aggrieved employees and/or providing compensation in lieu thereof. Specifically, Mr. Garcia and the aggrieved employees are required to work shifts greater than ten (10) hours long but never received second meal periods in shifts over ten (10) hours long.

Furthermore, Backyard Products fails to keep accurate records of meal periods for Mr. Garcia and the aggrieved employees.

By failing to provide statutory first and/or second meal periods, and by failing to provide compensation for unprovided meal periods, as alleged above, Backyard Products willfully violated the provisions of *Labor Code* sections 226.7 and 512.

These claims are for Mr. Garcia and all similarly situated non-exempt employees who worked for Backyard Products in California.

Mr. Garcia, as a non-exempt employee who unlawfully was deprived of first and second meal periods, is an aggrieved employee with standing to bring an action under the PAGA. Mr. Garcia has satisfied all prerequisites to serve as a representative of the general public to enforce California's labor laws, and the penalty provisions identified in *Labor Code* section 2699.5 for violations of *Labor Code* sections 226.7 and 512.

IV. Backyard Products Failed to Provide Lawful Rest Periods

Backyard Products has had a consistent policy and/or practice of not providing duty free paid ten (10) minute paid rest periods for every four (4) hours worked, or a major fraction thereof, to Mr. Garcia and the aggrieved employees.

Industrial Welfare Commission Order No. 4-2001 section 11(A) states “[e]very employer shall authorize and permit all employees to take rest periods, which insofar as practicable shall be in the middle of each work week period....The authorized rest period time shall be based on the total hours worked daily at the rate of ten (10) minutes net rest time for every four (4) hours worked, or major fraction thereof.”

Backyard Products has a continuous policy and practice that fails to provide Mr. Garcia and the aggrieved employees with rest periods “at the rate of ten (10) minutes net rest time per four (4) hours or major fraction thereof.” Specifically, Backyard Products does not provide Mr. Garcia and the aggrieved employees with rest periods consisting of ten (10) minutes net rest time, nor do they provide them with a rest period per four (4) hours worked or major fraction thereof. Backyard Products simply relies on its misclassification and does not authorize and permit rest periods in

accordance with California Labor Code and Wage Order, section 11.

Additionally, Backyard Products breached the legal duty to provide rest periods to employees by imposing a continuous and consistent policy of requiring Mr. Garcia and the aggrieved employees to work through their rest periods to satisfy the demanding workload duties imposed by Backyard Products, thereby denying Mr. Garcia and the aggrieved employees of the right to be completely free from employer control under California law.

By failing to provide rest periods for every four hours or major fraction thereof worked per day by non-exempt employees, and by failing to provide compensation for these unprovided rest periods, as alleged above, Backyard Products willfully violated the provisions of *Labor Code* section 226.7 and Industrial Welfare Commission Order No. 4-2001 section 11(A).

These claims are for Mr. Garcia and all similarly situated non-exempt employees who worked for Backyard Products in California.

Mr. Garcia, as a non-exempt employee who was unlawfully deprived of paid ten (10) minute rest periods, is an aggrieved employee with standing to bring an action under the PAGA. Mr. Garcia has satisfied all prerequisites to serve as a representative of the general public to enforce California's labor laws, and the penalty provisions identified in *California Labor Code* section 2699.5 and Industrial Welfare Commission Order No. 4-2001 section 18 for violations of *California Labor Code* section 226.7 and Industrial Welfare Commission Order No. 4-2001 section 11(A).

V. Backyard Products Failed to Pay Reporting Time Wages

Backyard Products required Mr. Garcia and aggrieved employees to report to work and Mr. Garcia and aggrieved employees would report to work, but for less than half of their usual day's work. For instance, Backyard Products would have Mr. Garcia report to work on his off days and perform tasks that would last for about a half hour. On those days, Mr. Garcia would not receive a half-day's worth of wages or two hours worth of wages, which violates section 5 of Industrial Welfare Commission Order NO. 4-2001.

VI. Backyard Products Failed to Pay All Wages Due at Termination and During Employment

Backyard Products willfully failed to pay, in a timely manner, wages owed to Mr. Garcia and the aggrieved employees who left Backyard Products's employ or who were terminated.

Mr. Garcia and the aggrieved employees who ended their employment with Backyard Products during the last year were entitled to be promptly paid all lawful compensation, and other premiums, as required by *California Labor Code* sections 201 through 203.

At all relevant times, *California Labor Code* sections 201 and 202 provide that if an employer

discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately, and if an employee quits his or her employment, his or her wages shall become due and payable no later than seventy-two (72) hours thereafter, unless the employee has given seventy-two (72) hours' notice of his or her intention to quit, in which case the employee is entitled to his or her wages at the time of quitting.

During the relevant time period, Backyard Products intentionally and willfully failed to pay Mr. Garcia and the aggrieved employees who are no longer employed by Backyard Products their wages, that were earned and unpaid, within seventy-two (72) hours of their leaving Backyard Products's employ.

Backyard Products has a continuous policy of not providing final wages to employees who are fired at the time of termination or who quit within seventy-two (72) hours of their leaving Backyard Products's employ.

As outlined above, Backyard Products has a continuous policy of not paying Mr. Garcia and the aggrieved employees for all hours worked. Backyard Products pays on a flat fee basis. Each job earns Garcia and similarly situated aggrieved employees a set, flat amount. That flat amount, however, does not pay for things such as drive time. As Backyard Products mandates Garcia and aggrieved employees have their own vehicle that can handle enough weight to perform the work, requires them to transport tools and ladders, that drive time is compensable hours worked. Backyard Products also does not pay for all hours worked in its piece-rate pay structure, such as fueling vehicles, responding to calls, or filling out paperwork.

Furthermore, through its failure to provide Mr. Garcia and the aggrieved employees with lawful meal and rest periods, Backyard Products does not pay all meal and rest period premiums owed to Mr. Garcia and the aggrieved employees at the time of termination. Backyard Products also fails to pay reporting time pay wages at time of termination.

Backyard Products's failure to pay Mr. Garcia and the aggrieved employees who are no longer employed by Backyard Products their wages, that were earned and unpaid, at the time of termination or within seventy-two (72) hours of their leaving Backyard Products' employ, is in violation of *California Labor Code* sections 201 and 202.

California Labor Code section 203 provides that when an employer willfully fails to pay wages owed, in accordance with sections 201 and 202, the wages of the employee shall continue as a penalty from the due date thereof at the same rate until paid or until action is commenced; but the wages shall not continue for more than thirty (30) days.

These claims are for Mr. Garcia and all similarly situated non-exempt employees who worked for Backyard Products in California.

Mr. Garcia, as a representative of the people of the State of California, will seek any and all penalties otherwise capable of being collected by the Labor Commission and/or the Department of Labor Standards Enforcement ("DLSE"). This includes each of the following, as set forth in *Labor Code* section 2699.5 for violations of sections 201 through 203.

VII. Backyard Products's Knowing and Intentional Failure to Comply with Itemized Employee Wage Statement Provisions

Section 226(a) of the *California Labor Code* requires Backyard Products to itemize in wage statements all deductions from payment of wages and to accurately report total hours worked by Mr. Garcia and the aggrieved employees.

California Labor Code section 226 subdivision (a) requires that Backyard Products, at the time of each payment of wages, “furnish each of his or her employees, either as a detachable part of the check, draft, or voucher paying the employee’s wages, or separately when wages are paid by personal check or cash, an accurate itemized statement in writing showing (1) gross wages earned, (2) total hours worked by the employee... (4) all deductions, provided that all deductions made on written orders of the employee may be aggregated and shown as one item, (5) net wages earned, (6) the inclusive dates of the period for which the employee is paid, (7) the name of the employee and only the last four digits of his or her social security number or an employee identification number other than the social security number, (8) the name and address of the legal entity that is the employer...(9) all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee...”

California Labor Code section 226, subdivision (a) also requires that “deductions made from payment of wages shall be recorded in ink or other indelible form, properly dated, showing the month, day, and year, and a copy of the statement and the record of the deductions shall be kept on file by the employer for at least three years at the place of employment or at a central location within the State of California” to itemize in wage statements and to accurately report the total hours worked and total wages earned.

In addition, *California Labor Code* section 204(b) requires that “all wages earned for labor in excess of the normal work period shall be paid no later than the payday for the next regular payroll period.” An employer complies with *California Labor Code* section 226(a) “if hours worked in excess of the normal work period during the current pay period are itemized as corrections on the paystub for the next regular pay period. Any corrections set out in a subsequently issued paystub shall state the inclusive dates of the pay period for which the employer is correcting its initial report of hours worked.”

Backyard Products has knowingly and intentionally failed to comply with *California Labor Code* section 226(a) by failing to include all of the information required by *California Labor Code* section 226(a)(1) through (9) on each and every wage statement provided to Mr. Garcia and the aggrieved employees.

Additionally, by virtue of its failure to pay for all time worked, Backyard Products knowingly and intentionally did not correctly itemize the gross wages earned, total hours worked, net wages earned, and number of hours worked at each hourly rate on wage statements provided to Mr. Garcia and the aggrieved employees as *California Labor Code* section 226, subsection (a), requires in every pay period during the period of the relevant statute of limitations.

As outlined above, Backyard Products has a continuous policy of not paying Mr. Garcia and the aggrieved employees for all hours worked. Backyard Products pays on a flat fee basis. Each job earns Garcia and similarly situated aggrieved employees a set, flat amount. That flat amount, however, does not pay for things such as drive time. As Backyard Products mandates Garcia and aggrieved employees have their own vehicle that can handle enough weight to perform the work, requires them to transport tools and ladders, that drive time is compensable hours worked. Backyard Products also does not pay for all hours worked in its piece-rate pay structure, such as fueling vehicles, responding to calls, or filling out paperwork.

In addition, Backyard Products failed to pay all meal and rest period premiums owed to Mr. Garcia and the aggrieved employees for Backyard Products's failure to provide lawful meal and rest periods.

Backyard Products also failed to itemize the amount of sick leave available for use on Mr. Garcia's and the aggrieved employees' wage statements in violation of *California Labor Code* section 246(i).

Throughout the statutory period, as a result of the knowing and intentional failure by Backyard Products to comply with itemized employee wage statement provisions, Mr. Garcia and the aggrieved employees have been able to reconstruct only a reasonable estimate of the hours worked and have, therefore, not received full compensation.

Further, in addition to any penalties levied upon Backyard Products for its failure to comply with *California Labor Code* section 226 subdivision (a)'s requirement to provide Mr. Garcia and the aggrieved employees accurate, itemized wage statements, *California Labor Code* section 226.3 assesses additional penalties for the failure to keep the records required in subdivision (a) of Section 226. *California Labor Code* section 226 subdivision (a) requires Backyard Products to maintain records that "accurately shows all of the information required by this subdivision." Backyard Products has violated its statutory duty to maintain records for Mr. Garcia and the aggrieved employees that contain all of the information under *California Labor Code* section 226(a)(1) through (9).

These claims are for Mr. Garcia and all similarly situated non-exempt employees who worked for Backyard Products in California.

Mr. Garcia, as a non-exempt employee who Backyard Products failed to provide accurate and itemized wage statements, is an aggrieved employee with standing to bring an action under the PAGA. Mr. Garcia has satisfied all prerequisites to serve as a representative of the general public to enforce California's labor laws, and the penalty provisions identified in *California Labor Code* section 2699.5 for violations of *California Labor Code* section 226 and 226.3.

VIII. Backyard Products Failed to Reimburse Employees for Business Expenses

Section 2802(a) of the *California Labor Code* requires "[a]n employer [to] indemnify his or her employee for all necessary expenditures or losses incurred by the employee in direct consequence of the discharge of his or her duties."

Mr. Garcia and the aggrieved employees incurred expenses necessary for the discharge of their duties without receiving reimbursement from Backyard Products. For instance, in order “[t]o transport the shed kits,” Backyard Products mandates that Garcia and aggrieved employees “will need a full-sized truck capable of carrying the weight of 1 or more shed kits, or a size/weight appropriate trailer.” At a minimum, Backyard Products mandates “reliable transportation to/from the job site and the ability to bring your own tools, ladders, and compressor.” Thus, Backyard Products mandates Garcia and aggrieved employees use their own car at their own expense to perform the necessary functions of the job. Garcia and aggrieved employees are not reimbursed for the costs of the vehicle, such as, but not limited to, insurance, maintenance, fuel, and mileage. Backyard Products mandates Garcia and aggrieved employees have minimum levels of insurance that name Backyard Products as an additional insured. Backyard Products also mandates Garcia and aggrieved employees bear the expenses for their tools, such as hand tools, ladders, roofing/framing guns, compressors, and hoses. Backyard Products also mandates the use of personal phones. Backyard products reimburses Garcia and aggrieved employees for none of these expenses in violation of California Labor Code section 221, and 2802.

California Labor Code section 2802(a) entitles Mr. Garcia and the aggrieved employees to reimbursement for said necessary expenditures, plus interest and expenses.

These claims are for Mr. Garcia and all similarly situated non-exempt employees who worked for Backyard Products in California.

Mr. Garcia is an aggrieved employee with standing to bring an action under the PAGA. Furthermore, Mr. Garcia satisfies all prerequisites to serve as a representative of the general public to enforce California’s labor laws, and the penalty provisions identified in *Labor Code* section 2699.5 for violations of *Labor Code* section 2802(a).

IX. Backyard Products Failed to Pay Employees Twice Per Month

Section 204(a) of the *California Labor Code* required Backyard Products to pay Mr. Garcia and the aggrieved employees twice during each calendar month.

California Labor Code section 204 subdivision (a) provides “[a]ll wages . . . earned by any person in any employment are due and payable twice during each calendar month, on days designated in advance by the employer as the regular paydays. Labor performed between the 1st and 15th days, inclusive, of any calendar month shall be paid for between the 16th and 26th day of the month during which the labor was performed, and labor performed between the 16th and the last day, inclusive, of any calendar month shall be paid for between the 1st and 10th day of the following month.”

During the relevant time period, by virtue of its failure to pay for all time worked, Backyard Products intentionally and willfully failed to pay Mr. Garcia and the aggrieved employees their wages, that were earned and unpaid, twice during each calendar month.

As outlined above, Backyard Products has a continuous policy of not paying Mr. Garcia and the

aggrieved employees for all hours worked. Specifically, Backyard Products has a continuous and consistent policy of requiring Mr. Garcia and the aggrieved employees to work before clocking in, after clocking out, and during meal periods. Mr. Garcia and the aggrieved employees are not paid for this time.

For example, Mr. Garcia and the aggrieved employees cannot perform their work duties without tools, including, but not limited to, drills, saws, wrenches, etc. Backyard Products mandates Mr. Garcia and the aggrieved employees to purchase these tools and transport them in their personal vehicles to and from the work location each day. However, Mr. Garcia and the aggrieved employees are only paid from the time they arrive at the work location until they leave the work location at the end of the day. Mr. Garcia and the aggrieved employees are not paid for the time it takes them to drive both to the work location of the day and after finishing their tasks at the work location of the day, despite the fact that Mr. Garcia and the aggrieved employees are required by Backyard Products to commute, and transport their tools, to and from the work location in their personal vehicles.

Furthermore, when Mr. Garcia and the aggrieved employees are able to take meal periods, Mr. Garcia and the aggrieved employees are not relieved of all duties and/or employer control during their meal periods. Specifically, Mr. Garcia and the aggrieved employees worked through their meal periods to satisfy their demanding work duties imposed by Backyard Products, thereby denying them the right to be completely free from employer control under California law. In addition, Mr. Garcia and the aggrieved employees were always on-call during their meal periods and subject to being called back to work by Backyard Products at any time. Mr. Garcia and the aggrieved employees are informed and believe and thereon allege that Backyard Products breached the legal duty to pay for all hours worked by failing to pay Mr. Garcia and similarly aggrieved employees for meal period time when Mr. Garcia and the aggrieved employees were not relieved of all duties and/or employer control.

In addition, Backyard Products failed to pay all meal and rest period premiums owed to Mr. Garcia and the aggrieved employees for Backyard Products's failure to provide lawful meal and rest periods. Finally, Backyard Products did not pay for 3 days of orientation until a month after the orientation was complete.

Backyard Products's failure to pay Mr. Garcia and the aggrieved employees their wages, that were earned and unpaid, twice during each calendar month, is in violation of *California Labor Code* section 204.

During the relevant time period, Backyard Products intentionally and willfully failed to pay Mr. Garcia and the aggrieved employees their wages, that were earned and unpaid, within the timeframes as required by *California Labor Code* section 204.

These claims are for Mr. Garcia and all similarly situated non-exempt employees who worked for Backyard Products in California.

Mr. Garcia, as a representative of the people of the State of California, will seek any and all penalties otherwise capable of being collected by the Labor Commission and/or the Department

of Labor Standards Enforcement (“DLSE”). This includes each of the following, as set forth in *Labor Code* section 2699.5 for violations of section 204.

X. Conclusion

If after 65 days from the date of this letter, the LWDA does not take action or declines to intervene, Mr. Garcia will file a complaint alleging PAGA violations, as described above.

Respectfully submitted,

MARA LAW FIRM, PC

A large, stylized handwritten signature in black ink, appearing to be 'DM', is written over the text 'MARA LAW FIRM, PC'.

David Mara, Esq.

Jill Vecchi, Esq.

Matthew Crawford, Esq.

Attn: PAGA Administrator

California Labor and Workforce Development Agency

455 Golden Gate Avenue, 9th Floor

San Francisco, CA 94102

Via Web Submission

Attn: Backyard Products LLC

317 S. Main Street,

6th Floor

Ann Arbor, MI 48104

Business Address for Backyard Products LLC

Via Certified Mail

Case Name: **Juan Garcia v. Backyard Products LLC**

PROOF OF SERVICE

STATE OF CALIFORNIA, COUNTY OF SAN DIEGO

I am employed in the County of: San Diego, State of California.

I am over the age of 18 and not a party to the within action; my business address is:
2650 Camino Del Rio North, Suite 302 San Diego, CA 92108

On May 6, 2024, I served the foregoing document(s) described as:

**NOTICE OF LABOR CODE VIOLATIONS PURSUANT TO LABOR CODE SECTION
2699.3**

On interested parties in this action by placing a true copy thereof enclosed in a sealed envelope addressed as follows:

Attn: Backyard Products LLC
317 S. Main Street,
6th Floor
Ann Arbor, MI 48104
*Business Address for Backyard Products
LLC
Via Certified Mail*

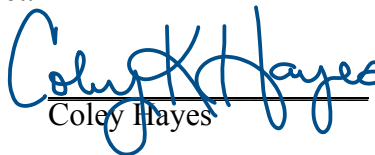
Attn: PAGA Administrator
**California Labor and Workforce
Development Agency**
455 Golden Gate Avenue, 9th Floor
San Francisco, CA 94102
Via Electronic Filing

[XX] (BY UNITED STATES CERTIFIED MAIL) On May 6, 2024, I enclosed the documents in a sealed envelope or package addressed to the persons at the addresses named above and deposited the sealed envelope with the United States Postal Service, with the postage fully prepaid.

[XX] (BY ELECTRONIC SUBMISSION) On May 6, 2024, I caused the documents to be sent to the persons at the electronic notification addresses of the parties named above. I did not receive, within a reasonable time after the transmission, any electronic message or other indication that the transmission was unsuccessful.

[XX] (DECLARATION) I declare under penalty of perjury under the laws of the State of California that the above is true and correct.

Dated: May 6, 2024


Coley Hayes

Coley Hayes

From: noreply@salesforce.com on behalf of LWDA DO NOT REPLY
<lwdadonotreply@dir.ca.gov>
Sent: Monday, May 6, 2024 2:56 PM
To: Coley Hayes
Subject: Thank you for submission of your PAGA Case.

5/6/2024

LWDA Case No. LWDA-CM-1026584-24
Law Firm : Mara Law Firm
Plaintiff Name : Juan Garcia
Employer: Backyard Products LLC
Filing Fee : \$75.00
IFP Claimed : No

Item submitted: Initial PAGA Notice

Thank you for your submission to the Labor and Workforce Development Agency. Please make a note of the LWDA Case No. above as you may need this number for future reference when filing any subsequent documents for this Case.

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

DIR PAGA Unit on behalf of
Labor and Workforce Development Agency

Website: http://labor.ca.gov/Private_Attorneys_General_Act.htm

Exhibit 7