

1 John G. Yslas (SBN 187324)
2 john.yslas@wilshirelawfirm.com
3 Arrash T. Fattahi (SBN 333676)
4 arrash.fattahi@wilshirelawfirm.com
5 Emily Borman (SBN 303180)
6 emily.borman@wilshirelawfirm.com
7 Lisa B. Iturriaga (SBN 339678)
8 lisa.iturriaga@wilshirelawfirm.com
9 Arman A. Salehi (SBN 351112)
10 arman.salehi@wilshirelawfirm.com
11 **WILSHIRE LAW FIRM, PLC**
12 660 S. Figueroa Street, Sky Lobby
13 Los Angeles, California 90017
14 Telephone: (213) 381-9988
15 Facsimile: (213) 381-9989

16 Attorneys for Plaintiffs' Amorina Huerta,
17 William Rhoades, Raheem Cooper, and
18 Brandon Ruiz

19 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
20 **FOR THE COUNTY OF SAN BERNARDINO**

21 AMORINA HUERTA, individually, and on
22 behalf of all others similarly situated,

23 *Plaintiff,*

24 v.

25 WIDO PIZZA, INC., a California corporation;
26 and DOES 1 through 10, inclusive,

27 *Defendants.*

Case No.: CIVSB2422482

*[Assigned for All Purposes to the Hon.
Michael A. Sachs, Dept. S28]*

**DECLARATION OF ARRASH T.
FATTAHI IN SUPPORT OF PLAINTIFFS'
MOTION FOR PRELIMINARY
APPROVAL OF CLASS ACTION AND
PAGA SETTLEMENT**

Preliminary Approval Hearing:

Date: January 5, 2026

Time: 8:30 a.m.

Dept: S28

Action Filed: July 12, 2024

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I, Arrash T. Fattahi, declare as follows:

1. I am admitted, in good standing, to practice as an attorney in the State of California, and the United States District Courts for the Central, Southern, Eastern, and Northern Districts of California. I am a Junior Partner at Wilshire Law Firm, PLC, counsel of record for Plaintiffs Amorina Huerta (“Plaintiff Huerta”), William Rhoades (“Plaintiff Rhoades”), Raheem Cooper (“Plaintiff Cooper”), and Brandon Ruiz (“Plaintiff Ruiz”) (collectively, with Plaintiff Francisco Rincon, “Plaintiffs”). I have personal knowledge of the facts set forth in this declaration and could and would competently testify to them under oath if called as a witness. This Declaration is submitted in support of Plaintiffs’ Motion for Preliminary Approval of Class Action and PAGA Settlement.

CASE BACKGROUND

2. This is a wage and hour class and Private Attorneys General Act (“PAGA”) (Cal. Lab. Code § 2699, *et seq.*) representative action. Plaintiffs’ and putative class members worked in California as non-exempt, hourly-paid employees for Defendant Wido Pizza, Inc. (“Defendant,” and together with Plaintiffs’, the “Parties”) during the class period. Defendant is a California-incorporated pizza retail company based in Redlands that operates Domino’s Pizza outlets under its corporate umbrella.

3. Plaintiffs allege that Defendant's payroll, timekeeping, and wage and hour practices resulted in Labor Code violations. Plaintiffs allege that Defendant failed to pay for all hours worked. Plaintiffs further allege that Defendant failed to provide employees with legally compliant meal and rest periods. Based on these allegations, Plaintiffs assert related claims for failure to provide accurate wage statements, failure to pay all final wages at termination, unfair business practices, and civil penalties under PAGA.

4. On May 17, 2024, Plaintiff Huerta filed a putative wage and hour class action complaint against Defendant for: (1) failure to pay minimum and straight time wages; (2) failure to pay overtime wages; (3) failure to provide meal periods; (4) failure to authorize and permit rest periods; (5) failure to timely pay final wages at termination; (6) failure to provide accurate itemized

1 wage statements; (7) failure to indemnify employees for expenditures; and (8) unfair business
2 practices (Case No. CIVSB2422482) (the “*Huerta* Action”). On July 12, 2024, Plaintiff Francico
3 Rincon (“Plaintiff Rincon”) filed a putative wage and hour class action complaint against
4 Defendant for: (1) Failure to Provide Rest Periods or Compensation in Lieu of; (2) Reimbursement
5 of Business Expenses; (3) Failure to Furnish Accurate Itemized Wage Statements; (4) Waiting
6 Time Penalties; and (5) Violations of the Unfair Competition Law (“Rincon Action”) (Case No.
7 CIVSB2422482) (the “*Rincon* Action”).

8 5. On June 21, 2024, Plaintiffs Huerta, Ruiz, and Cooper sent a notice to Defendant
9 and the California Labor & Workforce Development Agency (“LWDA”) alleging similar wage
10 and hour violations pursuant to PAGA. On July 17, 2024, Rincon sent a notice to Defendant and
11 the California Labor & Workforce Development Agency (“LWDA”) alleging similar wage and
12 hour violations pursuant to PAGA. On May 14, 2025, Plaintiff Rhoades sent a notice to Defendant
13 and the California Labor & Workforce Development Agency (“LWDA”) alleging similar wage
14 and hour violations pursuant to PAGA. Attached as **Exhibit 1** are true and correct copies of the
15 initial PAGA letters sent to the LWDA and Defendant by Plaintiffs. On October 10, 2025, the
16 Parties filed a stipulation in this action requesting Plaintiff Huerta be granted leave to file a first
17 amended complaint adding (1) a PAGA claim; and (2) class representatives, Plaintiffs Rhoades,
18 Cooper, Ruiz and Rincon to the *Huerta* Action. The *Rincon* Action will be dismissed without
19 prejudice.

20 DISCOVERY AND INVESTIGATION

21 6. Following the filing of the initial complaint, the Parties exchanged documents and
22 information before mediating this action. Defendant produced a sampling of timekeeping and
23 payroll records for the class members. Defendant also provided documents of its wage and hour
24 policies and practices during the class period, and information regarding the total number of current
25 and former employees in its informal discovery responses.

26 7. After reviewing documents regarding Defendant’s wage and hour policies and
27 practices and analyzing Defendant’s timekeeping and payroll records, Class Counsel was able to
28 evaluate the probability of class certification and success on the merits and assess Defendant’s

1 maximum monetary exposure for all claims. Class Counsel also investigated the applicable law
2 regarding the claims and defenses asserted in the litigation. Class Counsel reviewed these records
3 and utilized an expert to prepare a damages analysis prior to mediation.

4 SETTLEMENT NEGOTIATIONS

5 8. On May 14, 2025, the Parties participated in a private mediation with experienced
6 class action mediator, Todd Smith, Esq. The settlement negotiations were at arm's length and,
7 although conducted in a professional manner, were adversarial. The Parties went into mediation
8 willing to explore the potential for a settlement of the dispute, but each side was also prepared to
9 litigate their position through trial and appeal if a settlement had not been reached.

10 9. After extensive negotiations and discussions regarding the strengths and
11 weaknesses of Plaintiffs' claims and Defendant's defenses, the Parties were able to reach a
12 resolution, the material terms of which are encompassed within the Settlement Agreement.
13 Attached as **Exhibit 2** is a true and correct copy of the Class Action and PAGA Settlement
14 Agreement and Class Notice ("Settlement Agreement").

15 10. Class Counsel submitted the proposed Settlement to the LWDA before filing the
16 Motion for Preliminary Approval. Attached as **Exhibit 3** is a true and correct copy of the
17 confirmation of submission to the LWDA.

18 11. My office requested several bids from experienced class action settlement
19 administrators to handle the responsibilities of the Settlement Administrator under this Settlement.
20 The Parties accepted the bid of Phoenix Settlement Administrators ("Phoenix"). Phoenix has
21 multiple years of experience in the field of class action administration, particularly in the wage and
22 hour arena. In its bid, Phoenix estimated costs totaling \$17,500 if there are 1,415 class members.
23 Phoenix's bid accounts for Notice in English and Spanish. Attached as **Exhibit 4** is a true and
24 correct copy of Phoenix's bid.

25 12. No one at Wilshire Law Firm, PLC (meaning the law firm itself and anyone
26 employed at the law firm) has any interest, financial or otherwise, in the proposed third-party
27 administrator, Phoenix. No one at Wilshire Law Firm, PLC has any actual or potential conflict of
28 interest with any class member.

1 13. Wilshire Law Firm, PLC has a fee-splitting agreement with Verum Law Group,
2 APC in this case.

3 THE PROPOSED SETTLEMENT IS FAIR AND REASONABLE

4 14. Class Counsel has conducted a thorough investigation into the facts of this case.
5 Based on the Parties' informal discovery and Class Counsel's own independent investigation and
6 evaluation, Class Counsel is of the opinion that the Settlement is fair, reasonable, and adequate and
7 is in the best interests of the Settlement Class Members in light of all known facts and
8 circumstances, the risk of significant delay, the defenses that could be asserted by Defendant both
9 to certification and on the merits, trial risk, and appellate risk.

10 15. Based on an analysis of the facts and legal contentions in this case, documents and
11 information from Defendant, I evaluated Defendant's maximum exposure. I took into account the
12 risk of not having the claims certified and the risk of not prevailing at trial, even if the claims are
13 certified. After using the data Defendant provided, including class member timekeeping and
14 payroll records, as well as class member demographics (i.e., the number of class members,
15 workweeks, and average total compensation of the class), with the assistance of a statistics expert,
16 I created a damages model to evaluate the realistic range of potential recovery for the class. The
17 damages model is based on the following benchmarks:

18 Total Class Members: 1,416

19 Terminated Class Members during 3-year statute of limitations period: 943

20 Total Workweeks: 67,896

21 PAGA Pay Periods: 12,003

22 PAGA Eligible Employees: 640

23 Avg. Hourly Rate: \$16.36

24 16. Based on Plaintiffs' discovery and investigation, Class Counsel reached the
25 conclusion that Defendant: failed to pay class members for all hours worked, including minimum,
26 straight time, and overtime wages, by requiring employees to work off-the-clock; and had a policy
27 and practice of not providing its employees with California compliant meal and rest periods for
28 which it did not pay appropriate premiums. Defendant denies these claims.

1 17. Plaintiffs allege that Defendant failed to pay for all hours worked, including
2 minimum, straight time, and overtime wages, by requiring class members to work off-the-clock,
3 unpaid. For purposes of calculating Defendant's liability based on a best-case scenario for
4 Plaintiffs' and the Class, I estimate that Defendant's maximum potential exposure by assuming
5 that all unpaid work time should have been paid at the overtime rate, and I assumed that Defendant
6 is liable for one hour of unpaid worktime per workweek. This results in an estimate of
7 approximately \$1,666,167.84 (67,896 workweeks x \$16.36 hourly rate x 1.5 overtime rate x 1 hour
8 of unpaid work per workweek), but I applied a risk discount based on a 40% chance of succeeding
9 at class certification and a 40% chance of succeeding at trial on the merits because liability depends
10 on whether Defendant knew or should have known that class members were working off-the-clock,
11 yielding a realistic damage estimate of approximately \$266,586.85 ($\$1,666,167.84 \times 40\% \times 40\%$).

12 18. With respect to the meal period claim, Plaintiffs allege that Defendant required
13 Plaintiffs and similarly situated class members to either work in lieu of taking meal periods, or
14 their meal periods were untimely or interrupted. My expert analyzed Defendant's timekeeping
15 records and found that approximately 35.4% of all meal break violations consisting of short, late,
16 or missed meal periods. Therefore, potential liability for the meal period claim is approximately
17 \$1,274,863.90 (220,129 shifts x \$16.36 hourly rate x 35.4% violation rate). After taking into
18 account the difficulty of certifying and proving meal period claims, as well as Defendant's
19 contention that the claim lacks merit and a 35.4% violation rate is unrealistic, I discounted this
20 figure based on a 50% chance of succeeding at class certification and a 40% chance of succeeding
21 at trial, yielding a realistic damage estimate of approximately \$254,972.78 ($\$1,274,863.90 \times 50\%$
22 $\times 40\%$).

23 19. With respect to the rest period claim, Plaintiffs allege that Defendant required them
24 and similarly situated class members to work in lieu of taking rest periods, remain on-call during
25 their rest periods or their rest periods were interrupted. Assuming a 55% violation rate for the class
26 period based on Plaintiffs' and other class members' experience working for Defendant,
27 Defendant's potential liability for the rest period claim is approximately \$ 2,434,057.98 (270,511
28 shifts x \$16.36 hourly rate x 55% violation rate); however, I discounted this figure to account for

1 the difficulty of certifying and proving rest period claims, particularly because rest periods do not
2 have to be recorded, and to account for the possibility of Class Members voluntarily choosing to
3 forego a rest period. Because this claim would have relied exclusively on Class Member testimony,
4 I discounted this claim based on a 40% chance of succeeding at class certification and a 30%
5 chance of succeeding at trial, yielding a realistic damage estimate of approximately \$ \$292,086.96
6 (\$2,434,057.98 x 40% x 30%).

7 20. Plaintiffs' reimbursement claim was based on the allegation that Defendant's
8 required Class Members to use their personal vehicles (to drive to different stores) and cell phones
9 (to communicate with co-workers) for work-related purposes but were never reimbursed. Once
10 again, class certification and liability on this issue faced significant hurdles including because
11 anecdotal evidence would be required and difficult to obtain on a uniform basis. Further, as noted,
12 Defendant has argued that the vast majority of class members are required to submit their claims
13 in individual arbitrations, which only increases the risk that class claims on these causes of action
14 may fail. Plaintiffs' Counsel assumed each Class Member incurred \$50 in unreimbursed expenses
15 per month in calculating potential exposure to be approximately \$848,700.00 (calculated as
16 \$50/month x 67,896 workweeks / 4 weeks in a month). Further, as noted, Defendants have argued
17 that the vast majority of class members are required to submit their claims in individual
18 arbitrations, which only increases the risk that class claims on these causes of action may fail. This
19 claim also presents significant hurdles to establish a predominance of evidence supporting common
20 issues, and uniformity sufficient for class certification. In light of these issues and other defenses
21 asserted, Plaintiff's Counsel applied a risk discount based on a 30% chance of succeeding at class
22 certification and a 30% chance of succeeding at trial on the merits, yielding a realistic damage
23 estimate of approximately \$76,383.00 (calculated as \$848,700.00 x 30% x 30%).

24 21. With respect to Plaintiffs' derivative claims for statutory and civil penalties,
25 Plaintiffs estimated that Defendant's realistic potential liability is approximately \$442,078.34.
26 Defendant's maximum potential liability for waiting time penalties is approximately \$
27 \$2,915,793.72 (943 employees x \$16.36 hourly rate x 6.30 hours/day x 30 days) based on
28 approximately 943 terminated class members during the 3-year statute of limitations period,

1 approximately \$2,648,000.00 (662 employees x \$4,000 statutory maximum) for inaccurate wage
2 statements based on approximately 662 class members who worked during the 1-year statute of
3 limitations period, and approximately \$ 1,200,300.00 for PAGA violations based on the Court
4 assessing a \$100 penalty for initial violations for all 12,003 pay periods within the PAGA period.
5 In light of the foregoing, I believe that it would be unrealistic to expect the Court to award the full
6 \$1,200,300.00 in penalties given Defendant's defenses, the contested nature of Plaintiffs' claims,
7 the challenges of establishing willfulness as applicable, and the discretionary nature of penalties.
8 Considering that the underlying claims are realistically estimated to be approximately \$442,078.34,
9 such a disproportionate award would also raise due process concerns. As such, I discounted these
10 figures to account for the risk and uncertainty of prevailing at trial, resulting in a realistic evaluation
11 of approximately \$ 306,158.34 ($\$2,915,793.72 \times 30\% \times 35\%$) for waiting time penalty claims,
12 approximately \$ 105,920.00 ($\$2,648,000.00 \times 20\% \times 20\%$) for wage statement penalty claims,
13 and \$30,000.00 for PAGA penalties.

14 22. Using these estimated figures, Plaintiffs predicted that the realistic maximum
15 recovery for all claims, including penalties, would be approximately \$1,332,107.93. This means
16 that the \$1,312,064.00 settlement figure represents approximately 98.5% of the realistic maximum
17 recovery ($\$1,312,064.00 / \$1,332,107.93 = 98.5\%$). Considering the risk and uncertainty of
18 prevailing at class certification and at trial, this is an excellent result for the Class.¹ Indeed, because
19 of the proposed Settlement, class members will receive timely, guaranteed relief and will avoid the
20 risk of an unfavorable judgment.

21 23. While Plaintiffs are confident in the merits of their claims, a legitimate controversy
22 exists as to each cause of action. Plaintiffs also recognize that proving the amount of wages due to
23 each class member would be an expensive, time-consuming, and uncertain proposition.

24 24. This Settlement avoids the risks and the accompanying expense of further litigation.

25
26 ¹ See, e.g., *Wise v. Ulta Salon, Cosmetics & Fragrance, Inc.* (E.D. Cal. Aug. 21, 2019) 2019 WL 3943859 at
27 *8 (granting preliminary approval where the proposed allocation to settle class claims was between 9.53 percent of
28 Plaintiffs' maximum recovery); *Bravo v. Gale Triangle, Inc.* (C.D. Cal. Feb 16, 2017) 2017 WL 708766 at * 10
(finding that "a settlement for fourteen percent recovery of Plaintiffs' maximum recovery is reasonable"); *In re*
Omnivision Techs., Inc. (N.D. Cal. 2008) 559 F.Supp.2d 1036, 1042 (approving settlement amount that "is just over
9% of the maximum potential recovery asserted by either party.").

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

8 25. The Net Settlement Amount available for settlement payments is estimated to be
9 approximately \$720,341.60 for a class of approximately 1,416 persons.² As a result, each
10 Settlement Class Member is eligible to receive an average net benefit of approximately \$508.72.

11 26. The proposed Settlement of \$1,312,064.00, therefore, represents a substantial
12 recovery when compared to Plaintiffs' reasonably forecasted recovery. When considering the risks
13 of litigation, the uncertainties involved in achieving class certification, the burdens of proof
14 necessary to establish liability, the probability of appeal of a favorable judgment, it is clear that the
15 settlement amount of \$1,312,064.00 is well within the "ballpark" of reasonableness, and
16 preliminary settlement approval is appropriate.

17 SERVICE PAYMENT FOR PLAINTIFFS IS REASONABLE

18 27. Class Counsel represent that Plaintiffs devoted a great deal of time and work
19 assisting counsel in the case, communicated with counsel very frequently for litigation and to
20 prepare for mediation, and was frequently in contact with Class Counsel during the mediation.
21 Plaintiffs requested service payment is reasonable, particularly in light of the substantial benefits
22 Plaintiffs generated for all class members.

23 28. Throughout this litigation, Plaintiffs, who are former employees of Defendant, have
24 cooperated immensely with my office and has taken many actions to protect the interests of the
25 class. Plaintiffs provided valuable information regarding the off-the-clock, meal period, and rest
26

27 ² The estimated Net Settlement Amount is: \$1,312,064.00 minus \$459,222.40 for Class Counsel's attorneys'
28 fees, minus \$35,000.00 for Class Counsel's litigation expenses, minus \$7,500.00 for administration costs, minus
\$30,000.00 for the PAGA payments, and minus \$10,000.00 to each Plaintiff for the class representative service
payment (totalling \$50,000).

1 period claims. Plaintiffs also informed my office of developments and information relevant to this
2 action, participated in decisions concerning this action, and made themselves available to answer
3 questions during the mediation. Plaintiffs provided my office with documents regarding the claims
4 alleged in this action. The information and documentation provided by Plaintiffs was instrumental
5 in establishing the wage and hour violations alleged in this action, and the recovery provided for
6 in the Settlement Agreement would have been impossible to obtain without Plaintiffs'
7 participation.

8 29. At the same time, Plaintiffs faced many risks in adding themselves as class
9 representatives in this matter. Plaintiffs faced actual risks with their future employment, as putting
10 themselves on public record in an employment lawsuit could also very well affect their likelihood
11 for future employment.

12 30. In turn, class members will now have the opportunity to participate in a settlement,
13 reimbursing them for alleged wage violations they may have never known about on their own or
14 been willing to pursue on their own. If these class members would have each tried to pursue their
15 legal remedies on their own, that would have resulted in each having to expend a significant amount
16 of their own monetary resources and time, which were obviated by Plaintiffs putting themselves
17 on the line on behalf of these other class members.

18 31. In the final analysis, this class action would not have been possible without the aid
19 of Plaintiffs, who put their own time and effort into this litigation and placed themselves at risk for
20 the sake of the class members. The requested service payment for Plaintiffs for their service as the
21 class representative is a relatively small amount of money when the time and effort put into the
22 litigation are considered, and in comparison to enhancements granted in other class actions. The
23 requested service payment is therefore reasonable to compensate Plaintiffs for their active
24 participation in this lawsuit.

25 THE REQUEST FOR ATTORNEYS' FEES AND COSTS IS REASONABLE

26 32. The Settlement provides for attorneys' fees payable to Class Counsel in an amount
27 up to 35% of the Settlement Amount, for a maximum fees award of \$459,222.40, plus actual costs
28 and expenses not to exceed \$35,000.00. The proposed award of attorneys' fees to Class Counsel

1 in this case can be justified under either method – lodestar or percentage recovery. Class Counsel
2 intends to provide justification of their requested attorneys’ fees and costs at final approval.

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

7 34. It is further estimated that my office will need to expend at least another 50 to 100
8 hours to monitor the process leading up to the final approval and payments made to the class. My
9 office also bears the risk of taking whatever actions are necessary if Defendant fails to pay.

10 35. The risk to my office has been very significant, particularly if we would not be
11 successful in pursuing this class action. In that case, we would have been left with no compensation
12 for all the time taken in litigating this case. The contingent risk in these types of cases is very real
13 and they do occur regularly. Furthermore, we were precluded from focusing on, or taking on, other
14 cases which could have resulted in a larger, and less risky, monetary gain.

15 36. Because most individuals cannot afford to pay for representation in litigation on an
16 hourly basis, Wilshire Law Firm, PLC represents virtually all its employment law clients on a
17 contingency fee basis. Pursuant to this arrangement, we are not compensated for our time unless
18 we prevail at trial or successfully settle our clients’ cases. Because Wilshire Law Firm, PLC is
19 taking the risk that we will not be reimbursed for our time unless our client settles or wins his or
20 her case, we cannot afford to represent an individual employee on a contingency basis if, at the
21 end of our representation, all we are to receive is our regular hourly rate for services. It is essential
22 that we recover more than our regular hourly rate when we win if we are to remain in practice so
23 we can continue representing other individuals in civil rights employment disputes.

24 MY EXPERIENCE AND QUALIFICATIONS

25 37. Wilshire Law Firm, PLC was selected by Best Lawyers and U.S. News & World
26 Report as one of the nation’s Best Law Firms for every year since 2020 and is comprised of over
27 120 attorneys and over 600 total employees. Wilshire Law Firm, PLC is actively and continuously
28 practicing in employment litigation, representing employees in both individual and class actions

1 in both state and federal courts throughout California.

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

7 39. I graduated from the University of California, Los Angeles with a Bachelor of Arts
8 in Political Science, *summa cum laude*. I received my Juris Doctor from The George Washington
9 University Law School. During law school, I was a member of the student editorial board for the
10 Federal Circuit Bar Journal.

11 40. My practice is focused on advocating for the rights of consumers and employees in
12 class action litigation. I am currently the managing attorney in charge of litigating several class
13 action cases in state and federal courts in California.

14 41. As the attorney responsible for day-to-day management of this matter at Wilshire
15 Law Firm, PLC, I have over four (4) years of experience litigating wage and hour class actions.
16 Over the past four (4) plus years, I have managed and assisted with the litigation and settlement of
17 numerous wage and hour class actions. In those class actions, I performed similar tasks as those
18 performed in the course of prosecuting this action.

19 42. I was selected as a “Southern California Rising Star” in 2025.

20 43. My current contingent billing rate of \$750 per hour is consistent with the legal
21 market, accepted hourly rates, and my expertise and knowledge as it pertains to wage and hour
22 matters. Below is a non-exhaustive list of the cases where I have been appointed as class counsel
23 in my own right (as opposed to being part of a firmwide appointment of counsel):

24 a. *Kingsbury v. Caravan Foods II, Inc.*, Alameda County, Case No. RG21096357;
25 Motion for Final Approval granted on January 31, 2023.

26 b. *Frias-Estrada v. Trek Retail Corporation*, Contra Costa County, Case No. MSC20-
27 01916; Motion for Final Approval granted on March 3, 2023.

28 c. *Reyes v. Everytable, PBC, et al.*, Los Angeles County, Case No. 21STCV35987;

- 1 Motion for Final Approval granted on May 3, 2023.
- 2 d. *Ortiz v. Tara Materials, Inc.*, San Diego County, Case No. 37-2021-0001473-CU-
- 3 OE-CTL; Motion for Final Approval granted on May 30, 2023.
- 4 e. *Cruz-Sanchez v. Eagle Lath & Plaster, Inc.*, Sacramento County, Case No. 34-2021-
- 5 00293739-CU-OE-GDS; Motion for Final Approval granted on May 30, 2023.
- 6 f. *Garduno v. New Generation Framing, Inc., et al.*, Stanislaus County, Case No. CV-
- 7 21-000544; Motion for Final Approval granted on August 11, 2023.
- 8 g. *Hernandez, et al. v. Burford Farming Company, Inc.*, Fresno County, Case No.
- 9 21CECG03817; Motion for Final Approval granted on August 21, 2023.
- 10 h. *Barajas v. Final Phase Construction, Inc.*, San Bernardino County, Case No.
- 11 CIVSB2118622; Motion for Final Approval granted on September 13, 2023.
- 12 i. *Jaimes, et al. v. Infiniti Health LLC*, Los Angeles County, Case No. 22STCV07261;
- 13 Motion for Final Approval granted on October 17, 2023.
- 14 j. *Nunez v. Gabriel Container*, Los Angeles County, Case No. 21STCV09787; Motion
- 15 for Final Approval granted on November 2, 2023.
- 16 k. *Lupercio v. Western CNC, Inc.*, San Diego County, Case No. 37-2021-00010314-
- 17 CU-OE-CTL; Motion for Final Approval granted on January 26, 2024.
- 18 l. *Jackson, et al. v. Apple Valley Communications, Inc., et al.*, San Bernardino County,
- 19 Case No. CIVSB2124721; Motion for Final Approval granted on February 1, 2024.
- 20 m. *Cuadras, et al. v. Guinn Corporation*, Kern County, Case No. BCV-21-101520;
- 21 Motion for Final Approval granted on February 22, 2024.
- 22 n. *Williams v. Total Longterm Care, Inc., et al.*, San Bernardino County, Case No.
- 23 CIVSB2213347; Motion for Final Approval granted on April 2, 2024.
- 24 o. *Meza v. Argus Management Company, LLC, et al.*, Los Angeles County, Case No.
- 25 21STCV31612; Motion for Final Approval granted on May 20, 2024.
- 26 p. *Wade v. Mallory Safety and Supply LLC*, Siskiyou County, Case No. 23CV00951;
- 27 Motion for Final Approval granted on July 11, 2024.
- 28 q. *Snell v. Shasta Community Health Center*, Shasta County, Case No. CVCV22-

199416; Motion for Final Approval granted on November 12, 2024.

r. *Arce v. Sammy's Woodfired Pizza*, San Diego County, Case No. 37-2023-00037670-CU-OE-CTL; Motion for Final Approval granted on January 10, 2025.

s. *Ochoa, et al. v. La Tavola, LLC*, Napa County, Case No. 22CV000862; Motion for Final Approval granted on January 23, 2025.

t. *Brown, et al. v. Fidelity Security Services, Inc.*, Los Angeles County, Case No. 21STCV31617; Motion for Final Approval granted on January 28, 2025.

u. *Torres v. Lupton Excavation, Inc.*, Sacramento County, Case No. 34-2022-00317401-CU-OE-GDS; Motion for Final Approval granted on April 18, 2025.

v. *Peterson v. PJ Printers*, Orange County, Case No. 30-2022-01247546-CU-OE-CTL; Motion for Final Approval granted on April 25, 2025.

w. *Harris v. D&D Gear Incorporated dba Absolute Technologies, Inc.*, Orange County, Case No. 30-2021-01222330-CU-OE-CTL; Motion for Final Approval granted on April 25, 2025.

x. *Carter v. Medlab2020, Inc.*, Orange County, Case No. 30-2022-01247444-CU-OE-CXC; Motion for Final Approval granted on May 22, 2025.

y. *Guarista, et al. v. Urologic Institute of the High Desert, Inc.*, San Bernardino County, Case No. CIVSB2125029; Motion for Final Approval granted on June 17, 2025.

z. *Carbajal v. Mattco Forge, Inc.*, Los Angeles County, Case No. 23STCV12264; Motion for Final Approval granted on July 28, 2025.

44. John G. Yslas graduated from the University of California, Santa Barbara with High Honors in 1991 with Bachelor of Arts degrees in Psychology. He received his Juris Doctor from UCLA Law School in 1996.

45. Upon graduating from law school in 1996, Mr. Yslas worked for a boutique law firm practicing general litigation which included employment law matters. Since 2000 (that is, the last 25 years) his practice has been exclusively focused on labor and employment matters including handling wage and hour class, collective and representative actions (including PAGA), including

1 in the international law firms of Morgan, Lewis & Bockius LLP (where he was a senior associate),
2 Foley & Lardner LLP (where he was a partner and a national Vice Chair of the Labor and
3 Employment Group), Norton Rose Fulbright LLP (where he was a partner) and Seyfarth Shaw LLP
4 (where he was a partner and member of the Wage and Hour Practice Group). During his time at
5 these law firms, Mr. Yslas was the primary attorney or took a major leading role in defending
6 employers on numerous wage and hour class, collective and representative actions.

7 46. In late June 2022 he left Seyfarth Shaw LLP and joined his current firm, Wilshire
8 Law Firm, PLC, to represent plaintiff employees. Mr. Yslas has been and is handling many wage
9 and hour class and representative actions litigating such matters on behalf of plaintiff employees
10 in numerous Superior Courts and District Courts. From matters representing both plaintiffs and
11 defendants, Mr. Yslas has successfully mediated the resolution of many wage and hour class,
12 collective, and representative actions. Just since starting to settle cases in late April 2023 he has
13 already successfully mediated matters in which he has been counsel or co-counsel resulting in
14 **more than \$173 million** in settlements and verdicts which are in the process of being finalized,
15 and with numerous upcoming mediations scheduled. In those and numerous other matters, he has
16 managed and assisted with the litigation and settlement of many wage and hour PAGA and class
17 actions. In those actions, he performed similar tasks as those performed in the course of
18 prosecuting this action. Indeed, Mr. Yslas recently tried and prevailed in achieving a jury verdict
19 in a wage and hour class action in the matter of *Aguilar-Flores v. Javier's – CC LLC*, Los Angeles
20 County Superior Court, Case No. 19STCV36438, (damages anticipated in the future and a motion
21 for attorney's fees to be filed after that).

22 47. Mr. Yslas has received numerous awards for his legal work. For example, from 2015
23 to 2018, he was listed in Los Angeles Super Lawyers for Employment Litigation (Thomson
24 Reuters). He has also served on numerous prominent boards and in other leadership positions,
25 including serving as Southern California Regional President for the Hispanic National Bar
26 Association and on the board of directors of the Mexican American Bar Foundation. He also
27 previously served on the 5-member Los Angeles Civil Service Commission, which generally
28 oversees the personnel decisions for the City of Los Angeles.

1 48. Mr. Yslas has also published numerous blogs on labor and employment issues
2 including on wage and hour issues. For example, he published “Headline News: Wal-Mart v.
3 Dukes-Impact on Class Action Litigation” (while a partner with Foley & Lardner LLP) and
4 “Are You Really Protected From Wage-and-Hour Successor Liability in an Asset Purchase”
5 (while a partner with Seyfarth Shaw LLP). He has also been a presenter at numerous
6 conferences, including being a presenter involving the “Employment Law Update” at a
7 National Employment Law Council conference.

8 49. Emily Borman is a Junior Partner at Wilshire Law Firm, PLC. She was admitted to
9 practice law in the State of California in May 2015. Ms. Borman graduated from Cornell
10 University with a Bachelor of Science in Development Sociology. She received her Juris Doctor
11 from University of California Law San Francisco (formerly UC Hastings). Since graduating, her
12 practice has been in employment law, including Plaintiff-side wage and hour cases.

13 50. Lisa B. Iturriaga is a Settlement Attorney at Wilshire Law Firm, PLC. She was
14 admitted to practice law in the State of California in 2021. Ms. Iturriaga graduated from University
15 of South Florida with a Bachelor of Science in Finance and a Bachelor of Arts in Marketing. She
16 received her Juris Doctor from Chapman University Dale E. Fowler School of Law. Since
17 graduating, her practice has been in insurance defense (previously) and employment law (currently).
18 Since 2023, she has exclusively worked on Plaintiff-side wage and hour cases.

19 51. Arman A. Salehi is a second-year Associate Attorney at Wilshire Law Firm, PLC.
20 He was admitted to practice law in the State of California in 2023. Mr. Salehi graduated from the
21 University of California, Los Angeles, with a Bachelor of Arts in Sociology. He received his Juris
22 Doctor from the University of California College of the Law, San Francisco (formerly known as
23 U.C. Hastings). Since November 2023, Mr. Salehi’s practice has mainly been focused on wage and
24 hour class action litigation.

25 52. The reasonableness of Wilshire Law Firm, PLC’s hourly rates is also supported by
26 several surveys of legal rates, including the following:

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

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

7 b. In an article entitled “Big Law Rates Topping \$2,000 Leave Value ‘In Eye of
8 Beholder,’” written by Roy Strom and published by Bloomberg Law on June 9, 2022, the author
9 describes how Big Law firms have crossed the \$2,000-per hour rate. The article also notes that law
10 firm rates have been increasing by just under 3% per year. A true and correct copy of this article
11 is attached hereto as **Exhibit 6.**

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

14 Executed on October 13, 2025, at Los Angeles, California.

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17 Arrash T. Fattahi
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EXHIBIT 1

EXHIBIT 1

WILSHIRE LAW FIRM, PLC

3055 Wilshire Blvd, 12th Floor
Los Angeles, CA 90010
Tel: (213) 381-9988
Fax: (213) 381-9989
www.wilshirelawfirm.com



Bobby Saadian, Esq. JD/MBA

Sean Paisan, Esq.
H. Gavin Long, Esq.
Colin M. Jones, Esq.
Justin F. Marquez, Esq.
John Yslas, Esq.
Jennifer Burkes, Esq.
Tae Kim, Esq.
Jon Teller, Esq.
Daniel DeSantis, Esq.
Mary Caruso, Esq.
Nicol E. Hajjar, Esq.
Thiago M. Coelho, Esq.

Benjamin Haber, Esq.
Arsiné Grigoryan, Esq.
Arrash T. Fattahi, Esq.
Daniel Kramer, Esq.
Dorota James, Esq.
Shooka Dadashzadeh, Esq.
Arlene Elyasi, Esq.
Maxim Gorbunov, Esq.
Bradford Smith, Esq.
Arman A. Salehi, Esq.

June 20, 2024

LWDA

Attn. PAGA Administrator
1515 Clay Street, Ste. 801
Oakland, California 94612
(Via Online Submission)

Wido Pizza, Inc.
330 Sixth Street, Suite 103
Redlands, California 92374
(Via Certified Mail, Return Receipt Requested)
#9489 0090 0027 6620 2556 35

Doyle La Mountain
Agent for Service of Process for:
Wido Pizza, Inc.
330 Sixth Street, Suite 103
Redlands, California 92374
(Via Certified Mail, Return Receipt Requested)
#9489 0090 0027 6620 2556 42

Re: ***Amorina Huerta, et al. v. Wido Pizza, Inc.***
Notice of Labor Code Violations and PAGA Penalties

To Whom It May Concern:

Please be advised that my office has been retained by Amorina Huerta, Brandon Anthony Ruiz, and Raheem Cooper ("Plaintiffs") to pursue a Labor Code Private Attorneys General Act ("PAGA") representative action (Cal. Lab. Code §§ 2699, *et seq.*) against their former employer Wido Pizza, Inc. ("Defendant"). The purpose of this letter is to comply with PAGA and set forth the facts and theories of California Labor Code violations which we allege Defendant engaged in with respect to Plaintiffs and all of Defendant's Aggrieved Employees.

Plaintiffs wish to pursue this action on behalf of themselves as aggrieved employees, on behalf of the State of California, as well as on behalf of all other persons who worked for Defendant in California as a non-exempt or hourly-paid employee at any time within the applicable statutory

period (hereafter, the “Aggrieved Employees”).

Plaintiffs and the Aggrieved Employees suffered the Labor Code violations described below.

Plaintiffs’ Employment with Defendant

Defendant owns/owned and operates/operated an industry, business, and establishment within the State of California, including San Bernardino County. As such, and based upon all the facts and circumstances incident to Defendant’s business in California, Defendant is subject to the California Labor Code, Wage Orders issued by the Industrial Welfare Commission (“IWC”), and the California Business & Professions Code.

Plaintiff Amorina Huerta is a resident of San Bernardino County, California who worked for Defendant in San Bernardino County, California as an hourly-paid, non-exempt employee from approximately March 2023 to approximately January 2024.

Plaintiff Brandon Anthony Ruiz is a resident of San Bernardino County, California who worked for Defendant in San Bernardino County, California as an hourly-paid, non-exempt employee from approximately 2020 to approximately December 2023.

Plaintiff Raheem Cooper is a resident of San Bernardino County, California who worked for Defendant in San Bernardino County, California as an hourly-paid, non-exempt employee from approximately September 2023 to approximately February 2024.

During Plaintiffs’ employment for Defendant, Defendant paid Plaintiffs an hourly wage and classified them as non-exempt from overtime. Defendant typically scheduled Plaintiffs to work at least five days in a workweek and at least eight hours per day, but Plaintiffs regularly worked more than eight hours in a workday and/or more than forty (40) hours in a workweek.

Throughout Plaintiffs’ employment, Defendant failed to pay for all hours worked (including minimum, straight time, and overtime wages), failed to provide Plaintiffs with legally compliant meal periods, failed to authorize and permit Plaintiffs to take rest periods, failed to timely pay all final wages to Plaintiffs when Defendant terminated their employment, failed to furnish accurate wage statements to Plaintiffs, and failed to indemnify Plaintiffs for expenditures. As discussed below, Plaintiffs’ experience working for Defendant was typical and illustrative.

Defendant Failed to Pay for All Hours Worked, Including Minimum, Straight Time, and Overtime Wages

Under California law, an employer must pay for all hours worked by an employee. “Hours worked” is the time during which an employee is subject to the control of an employer, and includes all the time the employee is suffered or permitted to work, whether or not required to do so.

In addition, Labor Code § 510 provides that employees in California shall not be employed more than eight hours in any workday or forty (40) hours in a workweek unless they receive additional compensation beyond their regular wages in amounts specified by law.

Labor Code §§ 1194 and 1198 also provide that employees in California shall not be employed more than eight hours in any workday unless they receive additional compensation beyond their regular wages in amounts specified by law. Additionally, Labor Code § 1198 states that the employment of an employee for longer hours than those fixed by the IWC is unlawful.

Throughout the statutory period, Defendant maintained a policy and practice of not paying Plaintiffs and the Aggrieved Employees for all hours worked, including minimum, straight time, and overtime wages. Defendant required Plaintiffs and the Aggrieved Employees to work “off-the-clock,” uncompensated, by, for example, requiring Plaintiffs and the Aggrieved Employees to perform work prior to clocking in for the workday, during unpaid meal periods, and after clocking out for the workday. Some of this unpaid work should have been paid at the overtime rate. In failing to pay for all hours worked, Defendant also failed to maintain accurate records of the hours Plaintiffs and the Aggrieved Employees worked.

As a result, Defendant is liable to Plaintiffs and the Aggrieved Employees for the civil penalties provided for in Labor Code §§ 210, 1197.1, and 2699(f)(2) for failing to pay for all hours worked, including minimum, straight time, and overtime wages.

Failure to Provide Meal Periods

Under California law, employers have an affirmative obligation to relieve employees of all duty in order to take their first 30-minute, duty-free meal periods no later than the start of sixth hour of work in a workday, and to allow employees to take their second 30-minute, duty-free meal period no later than the start of the eleventh hour of work in the workday. Further, employees are entitled to be paid one hour of additional wages for each workday they were not provided with all required meal period(s).

Despite these legal requirements, Defendant wrongfully failed to provide Plaintiffs and the Aggrieved Employees with legally compliant meal periods. Defendant regularly, but not always, required Plaintiffs and the Aggrieved Employees to work in excess of five consecutive hours a day without providing a 30-minute, uninterrupted, and duty-free meal period for every five hours of work, or without compensating Plaintiffs and the Aggrieved Employees for meal periods that were not provided by the end of the fifth hour of work or tenth hour of work. Instead, Defendant continued to assert control over Plaintiffs and the Aggrieved Employees by requiring, pressuring, or encouraging them to perform work tasks which could not be completed without working in lieu of taking mandatory meal periods, or by denying Plaintiffs and the Aggrieved Employees permission to take a meal period. Accordingly, Defendant’s policy and practice was not to provide meal periods to Plaintiffs and the Aggrieved Employees in compliance with California law.

Plaintiffs and the Aggrieved Employees are thus entitled to be paid one hour of additional wages for each workday he or she was not provided with all required meal period(s). Defendant, however, regularly failed to pay Plaintiffs and the Aggrieved Employees the additional wages to which they were entitled for meal periods and that were not provided.

As a result, Defendant is liable to Plaintiffs and the Aggrieved Employees for the civil penalties provided for in Labor Code §§ 210 and 2699(f)(2) for failing to provide meal periods and pay meal period premium wages.

Failure to Authorize and Permit Rest Periods

Employers are required by California law to authorize and permit breaks of ten uninterrupted minutes for each four hours of work or major fraction of four hours (i.e. more than two hours). Thus, for example, if an employee's work time is six hours and ten minutes, the employee is entitled to two rest breaks. Each failure to authorize rest breaks as so required is itself a violation of California's rest break laws.

Throughout the statutory period, Defendant has wrongfully failed to authorize and permit Plaintiffs and the Aggrieved Employees to take legally compliant rest periods. Defendant regularly required Plaintiffs and the Aggrieved Employees to work in excess of four consecutive hours a day without Defendant authorizing and permitting them to take a 10-minute, uninterrupted, duty-free rest period for every four hours of work (or major fraction of four hours), or without compensating Plaintiffs and the Aggrieved Employees for rest periods that were not authorized or permitted. Instead, Defendant continued to assert control over Plaintiffs and the Aggrieved Employees by requiring, pressuring, or encouraging them to perform work tasks which could not be completed without working in lieu of taking mandatory rest periods, or by denying Plaintiffs and the Aggrieved Employees permission to take a rest period. Accordingly, Defendant's policy and practice was to not authorize and permit Plaintiffs and the Aggrieved Employees to take rest periods in compliance with California law.

Plaintiffs and the Aggrieved Employees are thus entitled to be paid one hour of additional wages for each workday he or she was not authorized and permitted to take all required rest period(s). Defendant, however, regularly failed to pay Plaintiffs and the Aggrieved Employees the additional wages to which they were entitled for rest periods and that they were not authorized and permitted to take.

As a result, Defendant is liable to Plaintiffs and the Aggrieved Employees for the civil penalties provided for in Labor Code §§ 210 and 2699(f)(2) for failing to authorize and permit rest periods and pay rest period premium wages.

Failure to Pay All Earned Wages Twice Per Month

Based on its failure to pay Plaintiffs and the Aggrieved Employees for all wages as discussed above, Defendant also violated Labor Code § 204.

Labor Code § 204 requires employers to pay employees all earned wages two times per month. Throughout the statute of limitations period applicable to this cause of action, employees were entitled to be paid twice a month at their regular rates, including all meal period premium wages owed, rest period premium wages owed, and wages owed for overtime hours worked. However,

during all such times, Defendant systematically failed and refused to pay the employees all wages due, and failed to pay those wages twice a month, in that employees were not paid all wages for all meal periods not provided by Defendant, all wages for all rest periods not authorized and permitted by Defendant, and all wages for all hours worked. As a result, Defendant owes employees the legally required wages for unpaid wages, and Plaintiffs and the Aggrieved Employees suffered damages in those amounts.

Moreover, Defendant is liable to Plaintiffs and the Aggrieved Employees for the civil penalties provided for in Labor Code § 210 for failing to pay all earned wages twice per month.

Failure to Maintain Accurate Records of Hours Worked and Meal Periods

Plaintiffs seek penalties under California Labor Code § 1174(d). Pursuant to California Labor Code § 1174.5, any person, including any entity, employing labor who willfully fails to maintain accurate and complete records required by California Labor Code § 1174 is subject to a penalty under § 1174.5. Pursuant to the applicable IWC Order § 7(A)(3), every employer shall keep time records showing when the employee begins and ends each work period. Meal periods and total hours worked daily shall also be recorded.

Defendant, however, failed to maintain accurate records of hours worked and all meal periods taken or missed by Plaintiffs and the Aggrieved Employees.

Defendant's failure to provide and maintain records required by the California Labor Code and the applicable IWC Wage Orders deprived Plaintiffs and the Aggrieved Employees the ability to know, understand and question the accuracy and frequency of meal periods, and the accuracy of their hours worked stated in Defendant's records. Therefore, Plaintiffs and the Aggrieved Employees had no way to dispute the resulting failure to pay wages, all of which resulted in an unjustified economic enrichment to Defendant. As a direct result, Plaintiffs and the Aggrieved Employees have suffered and continue to suffer, substantial losses related to the use and enjoyment of such wages, lost interest on such wages and expenses and attorney's fees in seeking to compel Defendant to fully perform its obligation under state law, all to their respective damage in amounts according to proof at trial. As a result of Defendant's knowing failure to comply with the California Labor Code and applicable IWC Wage Orders, Plaintiffs and the Aggrieved Employees have also suffered an injury in that they were prevented from knowing, understanding, and disputing the wage payments paid to them.

Failure to Timely Pay All Wages at Termination

Labor Code §§ 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 that if an employee voluntarily leaves his or her employment, his or her wages shall become due and payable not later than seventy-two (72) hours thereafter, unless the employee has given seventy-two (72) hours previous 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.

Within the applicable statute of limitations, the employment of Plaintiffs and many other Aggrieved Employees ended, i.e., was terminated by quitting or being discharged, and the employment of others will be terminated. However, during the relevant time period, Defendant failed, and continues to fail to pay Plaintiffs and terminated Aggrieved Employees, without abatement, all wages required to be paid by Labor Code sections 201 and 202 either at the time of discharge, or within seventy-two (72) hours of their leaving Defendant's employment. These unpaid wages include wages for unpaid work time (including minimum, straight time, and overtime wages), missed meal period premium wages, and missed rest period premium wages.

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

Accordingly, Plaintiffs and the Aggrieved Employees are entitled to recover from Defendant their additionally accruing wages for each day they were not paid, at their regular hourly rate of pay, up to thirty (30) days maximum pursuant to Labor Code § 203.

Moreover, Defendant is liable to Plaintiffs and the Aggrieved Employees for the civil penalties provided for in Labor Code § 2699(f)(2) for failing to timely pay all wages at termination.

Failure to Furnish Accurate Itemized Wage Statements

Labor Code § 226(a) provides that every employer shall furnish each of his or her employees an accurate itemized wage statement in writing showing nine pieces of information, including: (1) gross wages earned, (2) total hours worked by the employee, (3) the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis, (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 the last four digits of his or her social security number or an employee identification number other than a social security number, (8) the name and address of the legal entity that is the employer, and (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. An employee is presumed to suffer an injury if this information is missing. (Lab. Code § 226(e)(2)(B)(iii).)

The statute further provides: "An employee suffering injury as a result of a knowing and intentional failure by an employer to comply with subdivision (a) is entitled to recover the greater of all actual damages or fifty dollars (\$50) for the initial pay period in which a violation occurs and one hundred dollars (\$100) per employee for each violation in a subsequent pay period, not to exceed an aggregate penalty of four thousand dollars (\$4,000), and is entitled to an award of costs and reasonable attorney's fees." (Lab. Code § 226(e)(1).)

Throughout the statutory period, Defendant failed to furnish Plaintiffs and the Aggrieved Employees with accurate, itemized wage statements showing all applicable hourly rates, and all gross and net wages earned (including correct hours worked, correct wages for meal periods that were not provided in accordance with California law, and correct wages for rest periods that were not authorized and permitted to take in accordance with California law).

Because Defendant violated Labor Code § 226, Plaintiffs and similarly Aggrieved Employees suffered injury and damage to their statutorily protected rights. Accordingly, Plaintiffs and similarly Aggrieved Employees are entitled to recover from Defendant the greater of their actual damages caused by Defendant's failure to comply with Labor Code § 226(a), or an aggregate penalty not exceeding four thousand dollars (\$4,000) per employee.

Moreover, Defendant is liable to Plaintiffs and the Aggrieved Employees for the civil penalties provided for in Labor Code § 226.3 for failing to furnish accurate itemized wage statements.

Failure to Indemnify for Necessary Expenditures

Labor Code § 2802(a) provides that employers shall indemnify his or her employees for all necessary business expenditures or losses that have been incurred by the employees in direct discharge of his or her duties. Throughout the statute of limitations period applicable to this cause of action, Defendant wrongfully required Plaintiffs and the Aggrieved Employees to pay expenses that they incurred in direct discharge of their duties for Defendant. Plaintiffs and the Aggrieved Employees regularly paid out-of-pocket for necessary employment-related expenses, including, without limitation, use of personal vehicles and work-related equipment. Plaintiffs and the Aggrieved Employees incurred substantial expenses as a direct result of performing their job duties for Defendant, but Defendant failed to indemnify Plaintiffs and the Aggrieved Employees for these employment-related expenses.

As a result, Defendant is liable to Plaintiffs and the Aggrieved Employees for the civil penalties provided for in Labor Code §§ 2802 and 2699(f)(2) for failing to indemnify Plaintiffs and the Aggrieved Employees for necessary business expenditures.

Action for Civil Penalties Under PAGA

In light of the above, Plaintiffs allege that Defendant violated the following provisions of the Labor Code with respect to the Aggrieved Employees:

1. Labor Code § 204, 510, 1194, 1197, and 1198 by failing to pay for all hours worked, including minimum wages, straight time wages, and overtime wages;
2. Labor Code § 226.7 and applicable Wage Orders by failing to provide meal periods;
3. Labor Code § 226.7 and applicable Wage Orders by failing to authorize and permit rest periods;
4. Labor Code § 204 by failing to pay all earned wages two times per month;

5. California Labor Code § 1174.5 and applicable Wage Orders by failing to maintain accurate records of hours worked and meal periods taken or missed;
6. Labor Code §§ 201 to 203 by willfully failing to pay all wages owed at termination;
7. Labor Code § 226 by failing to provide accurate itemized wage statements; and
8. Labor Code § 2802 by failing to indemnify for necessary expenditures.

Therefore, on behalf of all Aggrieved Employees, Plaintiffs seek applicable penalties related to the violations alleged above pursuant to the PAGA. These include, but are not limited to, penalties under Labor Code §§ 210, 226.3, 1174.5, 1197.1, and 2699(f)(2).

Plaintiffs have placed Defendant on notice by mailing a certified copy of this correspondence, as indicated on the first page. Thank you for your attention to this matter. If you have any questions, please do not hesitate to contact me.

Sincerely,

WILSHIRE LAW FIRM



Justin F. Marquez, Esq.



360 N. Pacific Coast Highway, Suite 1025 | El Segundo, California | P: 424.320.2000 | F: 424.221.5010

July 17, 2024

VIA ONLINE WEBSITE SUBMISSION

<https://dir.govfa.net/308>

State of California
Labor & Workforce Development Agency
Department of Industrial Relations
Attn: PAGA Administrator

Re: *RINCON V. WIDO PIZZA, INC.*

NOTICE OF LABOR CODE VIOLATIONS PURSUANT TO LABOR CODE § 2699.3

To: PAGA Administrator, California Labor and Workforce Development Agency

From: FRANCISCA RINCON, who was subjected to the wage and hour practices set forth below

FRANCISCA RINCON, submits this Notice, pursuant to and in compliance with the requirements of California Labor Code §2699.3(a), and alleges as follows:

During the applicable or relevant time period, WIDO PIZZA, INC. (the “Employer”) employed FRANCISCA RINCON, (the “Employee”) as a non-exempt employee and certain other aggrieved employees as non-exempt, hourly employees. During this time period, the Employer utilized consistent policies and procedures regarding the Employee and others aggrieved employees, as follows:

Failure to Pay Minimum Wage

The Employers have failed to maintain a policy that compensates the Employee and other similarly situated employees an amount equal to or greater than the minimum wage for all hours worked, as required by Labor Code §§1194, 1197, 1997.1 and the applicable Industrial Welfare Commission (“IWC”) Wage Order(s). During at least the last four years of employment, the Employee and other similarly situated employees earned less than the required State minimum wage. More specifically, the Employee and other similarly situated employees regularly worked during their scheduled meal periods, without receiving any compensation and premium wages. Additionally, the Employee and other similarly situated employees were regularly required to perform uncompensated “off the clock” work. Based on the total hours actually worked, including the “off the clock” hours, and the total amount paid to the Employee, the Employers failed to pay an amount equal to or greater

than the minimum wage for all hours actually worked. Accordingly, the Employee and other similarly situated employees were paid less than minimum wage on each occasion the Employee and other similarly situated employees worked for the Employers. As a result, the Employers have violated Labor Code §§1194, 1197, 1197.1 and the applicable IWC Wage Order(s) and owe penalties pursuant to Labor Code §§2699(f), 1197.1 and/or 558.

Failure to Provide Uninterrupted Off-Duty Rest Breaks

The Employer failed to maintain a policy that provided the Employee and other similarly aggrieved employees with off-duty rest periods as required by California law. The Employee and other aggrieved employees regularly worked in excess of four hours or a major fraction thereof during workdays without being provided at least a ten-minute rest period in which they were relieved of all duties.

More specifically, the Employee and other aggrieved employees were regularly scheduled to work in excess of three and a half hours a day, without legally compliant rest breaks. The Employer regularly failed to provide timely paid ten-minute rest breaks for every four (4) hours or major fraction thereof worked per day to the Employee and other similarly aggrieved employees. The Employer did not regularly provide scheduled rest breaks and/or provide relief coverage for the Employee and other similarly aggrieved employees, to provide an opportunity to take rest breaks. Rather, the Employee and other aggrieved employees were required to work through their rest breaks due to the workload and time sensitive nature of Plaintiff's job duties (e.g. pizza delivery). The Employer failed to provide relief coverage or adequate staffing so that the Employee and other aggrieved employees could take their rest periods.

In addition, the Employer failed to pay the Employee and other aggrieved employees premium wages owed for these rest break violations, at the regular rate. As such, the Employer has violated Labor Code §§226.7, 512, and the applicable Industrial Welfare Commission Wage Orders, and owe penalties pursuant to Labor Code §§ 2699(f) and/or 558.

Failure to Reimburse for Business Expenses

Pursuant to Labor Code §2802 and the applicable IWC Wage Order(s), an employee is entitled to be reimbursed by his or her employer for all expenses or losses incurred in the direct consequence of the discharge of the employee's work duties. Here, the Employee and similarly situated employees were not reimbursed for all necessary expenditures or losses incurred as a direct consequence of the discharge of their work duties, including but not limited to reimbursement for personal cell phone usage, mileage reimbursement for use of personal vehicle, and uniform expenses.

Specifically, the Employee and similarly situated employees were not compensated for the Employer's use of the Employee and similarly situated employees' personal cell phones and vehicle in direct consequence of the discharge of their duties. The Employee and similarly situated employees

were required by the Employer to purchase uniforms with the company logos without compensation, regularly communicate during the shift with their personal cell phones, download an application on their cell phones to allow the Employer to monitor and track location, and were required to use their personal vehicle to make pizza deliveries, all without proper reimbursement. As such, the Employer is liable for reimbursement of the uniform costs, vehicle mileage, and cell phone data, and interest, reasonable costs, and the Employer is liable for civil penalties pursuant to Labor Code §§2699(f) and/or 2802.

Failure to Provide Accurate Wage Statements

Pursuant to Labor Code §226 and the applicable Industrial Wage Order, the Employer shall, semimonthly or 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 employees' 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, except for any employee whose compensation is solely based on a salary and who is exempt from payment of overtime under subdivision (a) of Section 515 or any applicable order of the Industrial Welfare Commission, (3) the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis, (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 the last four digits of his or her social security number or an employee identification number other than a social security number, (8) the name and address of the legal entity that is the employer and, if the employer is a farm labor contractor, as defined in subdivision (b) of Section 1682, the name and address of the legal entity that secured the services of the employer, and (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. Here, because the Employer allegedly (1) failed to timely pay all wages owed during the Employee and other aggrieved employees' employment, including all minimum, premium and overtime wages at the proper overtime rate, (2) failed to provide all legally requisite meal periods and rest breaks, without proper compensation in lieu thereof, the Employee alleges that the Employer has derivatively violated Labor Code §226. Due to the Labor Code violations referenced herein, the wage statements failed to include all the hours worked, including the actual minimum and overtime hours worked, all the premium wages owed, and at the proper rate of pay for overtime and double time worked.

Here, the Employer has failed to comply with Labor Code §226 by failing to include all of the requirements, including but not limited to: (1) gross wages earned, (2) total hours worked by the employee, (3) the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis, (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 the last four digits of his or her social security number or an employee identification number other than a social security number, (8) the name and address of the legal entity that is the employer, and (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.

Waiting Time Penalties

The Employer has violated Labor Code §§201 and 202 by willfully failing to pay all compensation due and owing to the Employee and all other former similarly aggrieved employees at the time employment was terminated. The Employer willfully failed to pay the Employee and all other former similarly aggrieved employees, all compensation due upon termination of employment as required under Labor Code §§ 201 and 202.

Here, because the Employer allegedly (1) failed to timely pay all wages owed during the employment, including minimum, and premium wages, and (2) failed to provide all legally requisite rest breaks, without compensation in lieu thereof, the Employee alleges that the Employer failed to pay all compensation due and owing at the time of termination. As such, based on the Labor Code violations referenced herein, the Employer has derivatively violated Labor Code §201-203, and pursuant to §§ 203 and 256 of the Labor Code, the Employee and other similarly aggrieved employees are now also entitled to recover up to thirty (30) days of wages due to the Employer's "willful" failure to comply with the statutory requirements of sections 201 and 202 of the Labor Code. Additionally, the Employer is liable for civil penalties pursuant to Labor Code §2698 *et seq.*

Therefore, pursuant to Labor Code §2699.3(a), please advise within sixty (60) calendar days of the online submission date of this notice whether the LWDA intends to investigate the violations alleged above. We understand that if we do not receive a response within the applicable time that the LWDA intends to investigate these allegations, the aggrieved Employee may immediately thereafter commence a civil action against the Employer pursuant to Labor Code § 2699.

Thank you for your consideration.

Very truly yours,

/s/

Yoonis Han

VERUM LAW GROUP, APC

cc: (via Certified Mail – Return Receipt Requested)

WIDO PIZZA, INC.

c/o Doyle La Mountain

330 Sixth Street, Suite 103

Redlands, CA 92374

WILSHIRE LAW FIRM, PLC

3055 Wilshire Blvd, 12th Floor
Los Angeles, CA 90010
Tel: (213) 381-9988
Fax: (213) 381-9989
wilshirelawfirm.com



Sean Paisan, Esq.
John Yslas, Esq.
Tyler Woods, Esq.
Stephanie Mazepa, Esq.
Nicol Hajjar, Esq.
Thiago Coelho, Esq.
Benjamin Haber, Esq.

May 14, 2025

LWDA
Attn. PAGA Administrator
1515 Clay Street, Ste. 801
Oakland, CA 94612
(Via Online Submission)

Wido Pizza, Inc.
330 Sixth Street Ste 103
Redlands, California 92374
(Via Certified Mail, Return Receipt Requested)
#9489 0090 0027 6637 9615 67

Dolye La Mountain
Agent for Service of Process for:
Wido Pizza, Inc.
330 Sixth Street Ste 103
Redlands, California 92374
(Via Certified Mail, Return Receipt Requested)
#9489 0090 0027 6637 9615 74

Re: ***William Rhoades v. Wido Pizza, Inc.***
Notice of Labor Code Violations and PAGA Penalties

To Whom It May Concern:

Please be advised that my office has been retained by William Rhoades (“Plaintiff”) to pursue a Labor Code Private Attorneys General Act (“PAGA”) representative action (Cal. Lab. Code §§ 2699, *et seq.*) against Plaintiff’s employer, Wido Pizza, Inc. (“Defendant”). The purpose of this letter is to comply with PAGA and set forth the facts and theories of California Labor Code violations which we allege Defendant engaged in with respect to Plaintiff and all of Defendant’s Aggrieved Employees.

Plaintiff wishes to pursue this action as an aggrieved employee, on behalf of the State of California, as well as on behalf of all other persons who worked for Defendant in California as a non-exempt or hourly-paid employee at any time within the applicable statutory period (hereafter, the “Aggrieved Employees”).

Plaintiff and the Aggrieved Employees suffered the Labor Code violations described below.

Plaintiff's Employment with Defendant

Defendant owns/owned and operates/operated an industry, business, and establishment within the State of California. As such, and based upon all the facts and circumstances incident to Defendants' business in California, Defendant is subject to the California Labor Code, Wage Orders issued by the Industrial Welfare Commission ("IWC"), and the California Business & Professions Code.

Plaintiff worked for Defendant in California as an hourly-paid, non-exempt employee during the past year. During Plaintiff's employment for Defendant, Defendant paid Plaintiff an hourly wage and classified Plaintiff as non-exempt from overtime. Defendant typically scheduled Plaintiff to work at least five days in a workweek and at least eight hours per day, but Plaintiff regularly worked more than eight hours in a workday and/or more than forty (40) hours in a workweek.

Throughout Plaintiff's employment, Defendant: failed to pay for all hours worked (including minimum, straight time, and overtime wages); failed to provide Plaintiff with legally compliant meal periods (and pay corresponding meal period premium wages at the correct rate of pay); failed to authorize and permit Plaintiff to take rest periods; failed to include all non-discretionary remuneration when calculating overtime pay, sick pay, and meal and rest period premium pay; failed to furnish accurate wage statements to Plaintiff; and failed to indemnify Plaintiff for expenditures. As discussed below, Plaintiff's experience working for Defendant were typical and illustrative.

Defendants Failed to Pay for All Hours Worked, Including Minimum, Straight Time, and Overtime Wages

Under California law, an employer must pay for all hours worked by an employee. "Hours worked" is the time during which an employee is subject to the control of an employer, and includes all the time the employee is suffered or permitted to work, whether or not required to do so.

In addition, Labor Code § 510 provides that employees in California shall not be employed more than eight hours in any workday or forty (40) hours in a workweek unless they receive additional compensation beyond their regular wages in amounts specified by law.

Labor Code §§ 1194 and 1198 also provide that employees in California shall not be employed more than eight hours in any workday unless they receive additional compensation beyond their regular wages in amounts specified by law. Additionally, Labor Code § 1198 states that the employment of an employee for longer hours than those fixed by the IWC is unlawful.

Throughout the statutory period, Defendants maintained a policy and practice of not paying Plaintiff and the Aggrieved Employees for all hours worked, including minimum, straight time, and overtime wages. Defendants required Plaintiff and the Aggrieved Employees to work "off-the-clock", uncompensated, by, for example, requiring Plaintiff and the Aggrieved Employees to work outside of their scheduled shifts. Some of this unpaid work should have been paid at the

overtime rate. In failing to pay for all hours worked, Defendant also failed to maintain accurate records of the hours Plaintiff and the Aggrieved Employees worked.

As a result, Defendant is liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code §§ 210, 1197.1, and 2699(f)(2) for failing to pay for all hours worked, including minimum, straight time, and overtime wages.

Failure to Provide Meal Periods

Under California law, employers have an affirmative obligation to relieve employees of all duty in order to take their first 30-minute, duty-free meal periods no later than the start of sixth hour of work in a workday, and to allow employees to take their second 30-minute, duty-free meal period no later than the start of the eleventh hour of work in the workday. Further, employees are entitled to be paid one hour of additional wages for each workday they were not provided with all required meal period(s).

Despite these legal requirements, Defendant wrongfully failed to provide Plaintiff and the Aggrieved Employees with legally compliant meal periods. Defendant regularly, but not always, required Plaintiff and the Aggrieved Employees to work in excess of five consecutive hours a day without providing a 30-minute, uninterrupted, and duty-free meal period for every five hours of work, or without compensating Plaintiff and the Aggrieved Employees for meal periods that were not provided by the end of the fifth hour of work or tenth hour of work. Instead, Defendant continued to assert control over Plaintiff and the Aggrieved Employees by requiring, pressuring, or encouraging them to perform work tasks which could not be completed without working in lieu of taking mandatory meal periods, or by denying Plaintiff and the Aggrieved Employees permission to take a meal period. Defendant also never informed Plaintiff of the right to, nor permitted Plaintiff to take, a second meal period when Plaintiff worked at least ten hours in a workday. Accordingly, Defendant's policy and practice was not to provide meal periods to Plaintiff and the Aggrieved Employees in compliance with California law.

Plaintiff and the Aggrieved Employees are thus entitled to be paid one hour of additional wages for each workday he or she was not provided with all required meal period(s). Defendant, however, regularly failed to pay Plaintiff and the Aggrieved Employees the additional wages to which they were entitled for meal periods and that were not provided.

As a result, Defendant is liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code §§ 210 and 2699(f)(2) for failing to provide meal periods and pay meal period premium wages.

Failure to Authorize and Permit Rest Periods

Employers are required by California law to authorize and permit breaks of ten uninterrupted minutes for each four hours of work or major fraction of four hours (i.e. more than two hours). Thus, for example, if an employee's work time is six hours and ten minutes, the employee is

entitled to two rest breaks. Each failure to authorize rest breaks as so required is itself a violation of California's rest break laws.

Throughout the statutory period, Defendant has wrongfully failed to authorize and permit Plaintiff and the Aggrieved Employees to take legally compliant rest periods. Defendant regularly required Plaintiff and the Aggrieved Employees to work in excess of four consecutive hours a day without Defendant authorizing and permitting them to take a 10-minute, uninterrupted, duty-free rest period for every four hours of work (or major fraction of four hours), or without compensating Plaintiff and the Aggrieved Employees for rest periods that were not authorized or permitted. Instead, Defendant continued to assert control over Plaintiff and the Aggrieved Employees by requiring, pressuring, or encouraging them to perform work tasks which could not be completed without working in lieu of taking mandatory rest periods, or by denying Plaintiff and the Aggrieved Employees permission to take a rest period. Accordingly, Defendant's policy and practice was to not authorize and permit Plaintiff and the Aggrieved Employees to take rest periods in compliance with California law.

Plaintiff and the Aggrieved Employees are thus entitled to be paid one hour of additional wages for each workday he or she was not authorized and permitted to take all required rest period(s). Defendant, however, regularly failed to pay Plaintiff and the Aggrieved Employees the additional wages to which they were entitled for rest periods and that they were not authorized and permitted to take.

As a result, Defendant is liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code §§ 210 and 2699(f)(2) for failing to authorize and permit rest periods and pay rest period premium wages.

Failure to Accurately Calculate Overtime Pay, Sick Pay, and Meal Period Premium Pay When Issuing Non-Discretionary Remuneration

Federal law defining and interpreting "regular rate" under the FLSA governs this case. (*Alonzo v. Maximus, Inc.* (C.D. Cal. 2011) 832 F.Supp.2d 1122, 1129.) This "construction is supported by California case law and the DLSE Manual, each of which looks to FLSA standards to interpret the 'regular rate of pay' under California law." (*Ibid.*) "Under the FLSA, the 'regular rate' of pay 'at which an employee is employed shall be deemed to include all remuneration for employment paid to, or on behalf of, the employee,' subject to certain enumerated exceptions." (*Id.* at pp. 1129-30, quoting 29 U.S.C. § 207(e)(3).) "The burden is on Defendant to establish that its bonus payments fall within one of the exceptions in § 207(e)." (*Ibid.*)

The Department of Labor has interpreted section 207 to permit an employer to exclude a "discretionary bonus," but not a "promised bonus" from the "regular rate" of pay:

Bonuses which are announced to employees to induce them to work more steadily or more rapidly or more efficiently or to remain with the firm are regarded as part

of the regular rate of pay. Attendance bonuses, individual or group production bonuses, bonuses for quality and accuracy of work, bonuses contingent upon the employee's continuing in employment until the time the payment is to be made and the like are in this category. They must be included in the regular rate of pay.

(29 C.F.R. § 778.211 (2011); *see also* DLSE Manual § 49.1.2.4(3), incorporating 29 C.F.R. § 778.211.)

Plaintiff and/or the Aggrieved Employees received various forms of bonuses/commissions/incentive payments during pay periods where overtime was worked, but Defendant failed to *accurately* factor in the non-discretionary remuneration into their regular rate of pay.

As outlined by the California Supreme Court in *Ferra v. Loews Hollywood Hotel, LLC* (2021) 11 Cal.5th 858, 878, for purposes of paying sick pay and premiums, “the term ‘regular rate of compensation’ in section 226.7(c) has the same meaning as ‘regular rate of pay’ in section 510(a) and encompasses not only hourly wages but all nondiscretionary payments for work performed by the employee.”

Defendant should have included all non-discretionary remuneration when calculating overtime pay, sick pay, and meal period premium pay. Because it didn't, Defendants are liable to Plaintiff and/or the Aggrieved Employees for the civil penalties provided for in Labor Code §§ 210 and 2699(f)(2).

Failure to Pay All Earned Wages Twice Per Month

Based on its failure to pay Plaintiff and the Aggrieved Employees for all wages as discussed above, Defendant also violated Labor Code § 204.

Labor Code § 204 requires employers to pay employees all earned wages two times per month. Throughout the statute of limitations period applicable to this cause of action, employees were entitled to be paid twice a month at their regular rates, including all meal period premium wages owed, rest period premium wages owed, and wages owed for overtime hours worked. However, during all such times, Defendant systematically failed and refused to pay the employees all wages due, and failed to pay those wages twice a month, in that employees were not paid all wages for all meal periods not provided by Defendant, all wages for all rest periods not authorized and permitted by Defendant, and all wages for all hours worked. As a result, Defendant owe employees the legally required wages for unpaid wages, and Plaintiff and the Aggrieved Employees suffered damages in those amounts.

Moreover, Defendant is liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code § 210 for failing to pay all earned wages twice per month.

Failure to Maintain Accurate Records of Hours Worked and Meal Periods

Plaintiff seeks penalties under California Labor Code § 1174(d). Pursuant to California Labor Code § 1174.5, any person, including any entity, employing labor who willfully fails to maintain accurate and complete records required by California Labor Code § 1174 is subject to a penalty under § 1174.5. Pursuant to the applicable IWC Order § 7(A)(3), every employer shall keep time records showing when the employee begins and ends each work period. Meal periods and total hours worked daily shall also be recorded.

Defendant, however, failed to maintain accurate records of hours worked and all meal periods taken or missed by Plaintiff and the Aggrieved Employees.

Defendant's failure to provide and maintain records required by the California Labor Code and the applicable IWC Wage Orders deprived Plaintiff and the Aggrieved Employees the ability to know, understand and question the accuracy and frequency of meal periods, and the accuracy of their hours worked stated in Defendant's records. Therefore, Plaintiff and the Aggrieved Employees had no way to dispute the resulting failure to pay wages, all of which resulted in an unjustified economic enrichment to Defendant. As a direct result, Plaintiff and the Aggrieved Employees have suffered and continue to suffer, substantial losses related to the use and enjoyment of such wages, lost interest on such wages and expenses and attorney's fees in seeking to compel Defendant to fully perform its obligation under state law, all to their respective damage in amounts according to proof at trial. As a result of Defendant's knowing failure to comply with the California Labor Code and applicable IWC Wage Orders, Plaintiff and the Aggrieved Employees have also suffered an injury in that they were prevented from knowing, understanding, and disputing the wage payments paid to them.

Failure to Furnish Accurate Itemized Wage Statements

Labor Code § 226(a) provides that every employer shall furnish each of his or her employees an accurate itemized wage statement in writing showing nine pieces of information, including: (1) gross wages earned, (2) total hours worked by the employee, (3) the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis, (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 the last four digits of his or her social security number or an employee identification number other than a social security number, (8) the name and address of the legal entity that is the employer, and (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. An employee is presumed to suffer an injury if this information is missing. (Lab. Code § 226(e)(2)(B)(iii).)

The statute further provides: "An employee suffering injury as a result of a knowing and intentional

failure by an employer to comply with subdivision (a) is entitled to recover the greater of all actual damages or fifty dollars (\$50) for the initial pay period in which a violation occurs and one hundred dollars (\$100) per employee for each violation in a subsequent pay period, not to exceed an aggregate penalty of four thousand dollars (\$4,000), and is entitled to an award of costs and reasonable attorney's fees." (Lab. Code § 226(e)(1).)

Throughout the statutory period, Defendant failed to furnish Plaintiff and the Aggrieved Employees with accurate, itemized wage statements showing all applicable hourly rates, and all gross and net wages earned (including correct hours worked, correct wages for meal periods that were not provided in accordance with California law, and correct wages for rest periods that were not authorized and permitted to take in accordance with California law). Whether unpaid premiums for missed meal periods must be reported as "wages earned" and credited as "hours worked" in wage statements has been a settled issue since at least 2022.

Because Defendant violated Labor Code § 226, Plaintiff and similarly Aggrieved Employees suffered injury and damage to their statutorily protected rights. Accordingly, Plaintiff and similarly Aggrieved Employees are entitled to recover from Defendant the greater of their actual damages caused by Defendant's failure to comply with Labor Code § 226(a), or an aggregate penalty not exceeding four thousand dollars (\$4,000) per employee.

Moreover, Defendant is liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code § 226.3 for failing to furnish accurate itemized wage statements.

Failure to Indemnify for Necessary Expenditures

Labor Code § 2802(a) provides that employers shall indemnify his or her employees for all necessary business expenditures or losses that have been incurred by the employees in direct discharge of his or her duties. Throughout the statute of limitations period applicable to this cause of action, Defendants wrongfully required Plaintiff and/or the Aggrieved Employees to pay expenses that they incurred in direct discharge of their duties for Defendants. Plaintiff and/or the Aggrieved Employees paid out-of-pocket for necessary employment-related expenses (which is defined as including, without limitation, use of personal cell phones and use of personal vehicles. Plaintiff and/or the Aggrieved Employees incurred substantial expenses as a direct result of performing their job duties for Defendant, but Defendant failed to indemnify Plaintiff and/or the Aggrieved Employees for these employment-related expenses.

As a result, Defendants are liable to Plaintiff and/or the Aggrieved Employees for the civil penalties provided for in Labor Code §§ 2802 and 2699(f)(2) for failing to indemnify Plaintiff and/or the Aggrieved Employees for necessary business expenditures.

Action for Civil Penalties Under PAGA

In light of the above, Plaintiff alleges that Defendant violated the following provisions of the Labor Code with respect to the Aggrieved Employees:

1. Labor Code § 204, 510, 1194, 1197, and 1198 by failing to pay for all hours worked, including minimum wages, straight time wages, and overtime wages;
2. Labor Code § 226.7 and applicable Wage Orders by failing to provide meal periods;
3. Labor Code § 226.7 and applicable Wage Orders by failing to authorize and permit rest periods;
4. Labor Code §§ 226.7, 246, 510, and applicable Wage Orders by failing to include all non-discretionary remuneration when calculating overtime pay, sick pay, and meal period premium pay;
5. Labor Code § 204 by failing to pay all earned wages two times per month;
6. Labor Code § 1174.5 and applicable Wage Orders by failing to maintain accurate records of hours worked and meal periods taken or missed;
7. Labor Code § 226 by failing to provide accurate itemized wage statements; and
8. Labor Code § 2802 by failing to indemnify for necessary expenditures.

Therefore, on behalf of all Aggrieved Employees, Plaintiff seeks applicable penalties related to the violations alleged above pursuant to the PAGA. These include, but are not limited to, penalties under Labor Code §§ 210, 226.3, 1174.5, 1197.1, and 2699(f)(2).

The facts and claims contained herein are based on the information available at the time of this writing. Therefore, if through discovery and/or expert review, Plaintiff becomes aware of additional claims, she reserves the right to revise these facts and/or add any new claims by amending the claim letter or by adding applicable causes of action in the complaint for damages.

Plaintiff has placed Defendant on notice by mailing a certified copy of this correspondence, as indicated on the first page. Thank you for your attention to this matter. If you have any questions, please do not hesitate to contact me.

Sincerely,

WILSHIRE LAW FIRM

A handwritten signature in black ink, appearing to read 'Arrash T. Fattahi', written over a horizontal line.

Arrash T. Fattahi, Esq.

EXHIBIT 2

EXHIBIT 2

CLASS ACTION AND PAGA SETTLEMENT AGREEMENT AND CLASS NOTICE

This Class Action and PAGA Settlement Agreement (“Agreement”) is made by and between plaintiffs Amorina Huerta (“Plaintiff Huerta”), William Rhoades (“Plaintiff Rhoades”), Raheem Cooper (“Plaintiff Cooper”), Brandon Ruiz (“Plaintiff Ruiz”) and Francisca Rincon (“Plaintiff Rincon”) (collectively, referred to as “Plaintiffs”) and defendant Wido Pizza, Inc (“Wido Pizza” or “Defendant”). The Agreement refers to Plaintiffs and Defendant collectively as “Parties,” or individually as “Party.”

1. **DEFINITIONS**

- 1.1. “Action” means the Plaintiffs’ lawsuit alleging wage and hour violations against Defendant captioned *Huerta v. Wido Pizza, Inc.*, Case No. CIVSB2415562, initiated on May 17, 2024 (“*Huerta* Action”), and *Rincon v. Wido Pizza, Inc.* Case No. CIVSB2422482 initiated on July 12, 2024 (“*Rincon* Action”), in the Superior Court of the State of California, County San Bernardino. The *Huerta* Action will be amended to add Plaintiffs Rhoades, Cooper, Ruiz, and Rincon and the claims asserted in the *Rincon* Action. The *Rincon* Action will be dismissed without prejudice.
- 1.2. “Administrator” means Phoenix Settlement Administrators, the neutral entity the Parties have agreed to appoint to administer the Settlement. The contact information for the Administrator is as follows: Mailing Address: PO Box 7208, Orange CA 92863; Phone: (800) 523-5773; and email at info@phoenixclassaction.com.
- 1.1. “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.
- 1.2. “Aggrieved Employee” means all persons employed by Defendant in California and classified as a non-exempt employee who worked for Defendant during the PAGA Period.
- 1.3. “Class” means all persons employed by Defendant in California and classified as a non-exempt employee who worked for Defendant during the Class Period.
- 1.4. “Class Counsel” means John G. Yslas, Arrash T. Fattahi, and Arman A. Salehi of Wilshire Law Firm and Sam Kim and Yoonis Han of Verum Law Group, APC.
- 1.5. “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.

- 1.6. “Class Data” means Class Member identifying information in Defendant’s possession including the Class Member’s name, last-known mailing address, Social Security number, and number of Class Period Workweeks and PAGA Pay Periods.
- 1.7. “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).
- 1.8. “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, with a Spanish translation, 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 November 21, 2019, to July 13, 2025, or the date of preliminary approval, whichever is earlier.
- 1.13. “Class Representative” means the named Plaintiffs in the operative complaint in the Action seeking Court approval to serve as a Class Representative.
- 1.14. “Class Representative Service Payment” means the payment to the Class Representatives for initiating the Action and/or providing services in support of the Action.
- 1.15. “Court” means the Superior Court of California, County of Los Angeles.
- 1.16. “Defendant” means named Defendant Wido Pizza, Inc.
- 1.17. “Defense Counsel” means O’Hagan Meyer.
- 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” or “GSA” means \$1,312,064.00 which is the total amount Defendant agrees to pay under the Settlement except as provided in Paragraph 8 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 Payments 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 Workweeks worked during the Class Period.
- 1.24. “Individual PAGA Payment” means the Aggrieved Employee’s pro rata share of 35% of the PAGA Penalties calculated according to the number of Workweeks worked 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 65% 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 Payments, 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 Pay Period” means any Pay Period during which an Aggrieved Employee worked for Defendant for at least one day during the PAGA Period.
- 1.31. “PAGA Period” means the period from June 21, 2023, to July 13, 2025, or date of preliminary approval, whichever is earlier.

- 1.32. "PAGA" means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).
- 1.33. "PAGA Notice" means the June 21, 2024 letter from Plaintiff Huerta and others, Plaintiff Rincon's July 17, 2024 letter and Plaintiff Rhoades' May 14, 2025 letter to Defendant and the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a).
- 1.34. "PAGA Penalties" means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount of \$30,000.00, allocated 35% to the Aggrieved Employees (\$10,500.00) and the 65% to LWDA (\$19,500.00) in settlement of PAGA claims.
- 1.35. "Participating Class Member" means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.
- 1.36. "Plaintiff" means Plaintiffs Huerta, Rhoades, Cooper, Ruiz and Rincon, the named plaintiffs in the Action.
- 1.37. "Preliminary Approval" means the Court's Order Granting Preliminary Approval of the Settlement.
- 1.38. "Preliminary Approval Order" means the proposed Order Granting Preliminary Approval and Approval of PAGA Settlement.
- 1.39. "Released Class Claims" means the claims being released as described in Paragraph 5.2 below.
- 1.40. "Released PAGA Claims" means the claims being released as described in Paragraph 5.3 below.
- 1.41. "Released Parties" means: Defendant and each of its former and present directors, officers, shareholders, owners, members, attorneys, insurers, predecessors, successors, assigns subsidiaries affiliates.
- 1.42. "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.
- 1.43. "Response Deadline" means 45 days after the Administrator mails Notice to Class Members and Aggrieved Employees, and shall be the last date on which Class Members may: (a) fax, email, or mail Requests for Exclusion from the Settlement, or (b) fax, email, or mail his or her Objection to the Settlement. Class Members to whom Notice Packets are resent after having been returned undeliverable to the Administrator shall have an additional 14 calendar days beyond the Response Deadline has expired.
- 1.44. "Settlement" means the disposition of the Action effected by this Agreement and the Judgment.

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

2. RECITALS

2.1. On May 17, 2024, Plaintiff Huerta filed a complaint in the San Bernardino Superior Court, entitled *Huerta v. Wido Pizza, Inc.*, Case No. CIVSB2415562, alleging the following claims against Defendant: 1) Failure to Pay Minimum and Straight Time Wages; 2) Failure to Pay Overtime Wages; 3) Failure to Provide Meal Periods; 4) Failure to Authorize and Permit Rest Periods; 5) Failure to Timely Pay Final Wages at Termination; 6) Failure to Provide Accurate Itemized Wage Statements; 7) Failure to Indemnify Employees for Expenditures; and 8) Unfair Business Practices. (“*Huerta Action*”). Plaintiff Huerta will a First Amended Complaint adding: 1) a PAGA claim; and 2) adding class representatives, Plaintiffs Rhoades, Cooper, Ruiz and Rincon to the *Huerta Action* (the “Operative Complaint”).

2.2. Previously, on July 12, 2024, Plaintiff Rincon filed a complaint in the San Bernardino Superior Court, entitled *Rincon v. Wido Pizza, Inc.*, Case No. CIVSB2422482, alleging the following claims against Defendant: 1) Failure to Provide Rest Periods or Compensation in Lieu of; 2) Reimbursement of Business Expenses; 3) Failure to Furnish Accurate Itemized Wage Statements; 4) Waiting Time Penalties; and 5) Violations of the Unfair Competition Law (“*Rincon Action*”). The *Rincon Action* will be dismissed without prejudice. Defendant denies the allegations in the Operative Complaint, denies any failure to comply with the laws identified in in the Operative Complaint and denies any and all liability for the causes of action alleged.

2.3. Pursuant to Labor Code section 2699.3, subd.(a), Plaintiffs Huerta, Ruiz, Cooper, Rincon, and Rhoades gave timely written notice to Defendant and the LWDA by sending the PAGA Notice.

On May 14, 2025, the Parties participated in an all-day mediation presided over by Todd Smith which led to this Agreement to settle the Action.

2.4. Prior to mediation, Plaintiffs obtained, through informal discovery, a 40% sample of time keeping and payroll records, policy documents used during the Class Period, personnel file for the Plaintiffs, and additional mediation information. Plaintiffs’ 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*”).

2.5. The Court has not granted class certification.

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

3. MONETARY TERMS

3.1. Gross Settlement Amount. Except as otherwise provided by Paragraph 8 below, Defendant promises to pay \$1,312,064.00 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 4.2 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 Plaintiffs: Class Representative Service Payment to the Class Representatives of not more than \$10,000.00 each (in addition to any Individual Class Payment and any Individual PAGA Payment the Class Representatives are entitled to receive as a Participating Class Member) (totaling \$50,000.00). Defendant will not oppose Plaintiffs' request for Class Representative Service Payments that do not exceed this amount. As part of the motion for Class Counsel Fees Payment and Class Litigation Expenses Payment, Plaintiffs will seek Court approval for any Class Representative Service Payments 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. Plaintiffs assume full responsibility and liability for employee taxes owed on the Class Representative Service Payments.

3.2.2. To Class Counsel: A Class Counsel Fees Payment of not more than 35%, which is currently estimated to be \$459,222.40 and a Class Counsel Litigation Expenses Payment of not more than \$35,000. Defendant will not oppose requests for these payments provided that do not exceed these amounts. Plaintiffs and/or Class Counsel 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. Released Parties shall have no liability to Class Counsel or any other Plaintiffs' Counsel arising from any claim to any portion any Class Counsel Fee Payment and/or Class Counsel Litigation Expenses Payment. The Administrator will pay the Class Counsel Fees Payment and Class Counsel Expenses Payment using one or more IRS 1099 Forms. Class Counsel

assumes full responsibility and liability for taxes owed on the Class Counsel Fees Payment and the Class Counsel Litigation Expenses Payment and holds Defendant harmless, and indemnifies Defendant, from any dispute or controversy regarding any division or sharing of any of these Payments.

3.2.3. To the Administrator: An Administrator Expenses Payment not to exceed \$17,500.00 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 \$17,500.00 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 Workweeks worked by all Participating Class Members during the Class Period and (b) multiplying the result by each Participating Class Member's Workweeks.

3.2.4.1. Tax Allocation of Individual Class Payments. 20% 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. In addition, 80% 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 \$30,000.00 to be paid from the Gross Settlement Amount, with 65% (\$19,500.00) allocated to the LWDA PAGA Payment and 35% (\$10,500.00) allocated to the Individual PAGA Payments.

3.2.5.1. The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 35% share of PAGA Penalties \$10,500.00 by the total number of PAGA Period Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA Period Pay Periods. Aggrieved Employees

assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

3.2.5.2. 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 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.

4.2. Funding of Gross Settlement Amount. Defendant shall 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 based on the following payment plan: 1) 40% of the GSA will be paid no earlier than 10 months from May 14, 2025 or 30 days following final approval whichever is later; 2) 30% of the Payment will be made 6 months following the first payment or September 19, 2026, whichever is earlier; and 3) the final 30% of the Payment will be made 6 months following the second payment or March 19, 2027, whichever is earlier ("Payment Plan").

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 Payments. Disbursement of the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment and the Class Representative Service Payments 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, Plaintiffs, Class Members, and Class Counsel will release claims against all Released Parties as follows:

5.1. General Release of Claims by Plaintiffs. Upon the Effective Date and full funding of the Total Settlement Amount, Plaintiffs will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties of and from all claims arising from their employment with Defendant, separation of employment from Defendant, whether known or unknown, arising under any federal or local law or statute, including, *inter alia*, those arising under the California Labor Code, Fair Labor Standards Act, Americans with Disabilities Act, Title VII of the Civil Rights Act of 1964, Employee Retirement Income Security Act, National Labor Relations Act, California Corporations Code, California Business and Professions Code, California Fair Employment and Housing Act, California Constitution (all as amended), and law of contract and tort, as well as for termination, lost wages, benefits,

other employment compensation, emotional distress, medical expenses, other economic and non-economic damages, attorney fees, and costs, arising on or before the date on which the Settlement is executed. With respect to those claims released by Plaintiffs in an individual capacity, Plaintiffs acknowledge and waive any and all rights and benefits available under California Civil Code Section 1542, which provides:

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.

Plaintiffs understand and agree that claims or facts in addition to or different from those which are not known or believed by them to exist may hereafter be discovered. It is Plaintiffs' intention to settle fully and release all claims she now has against the Released Parties, whether known or unknown, suspected or unsuspected. Notwithstanding the above, the general release by Plaintiffs shall not extend to claims for workers' compensation benefits, claims for unemployment benefits, or other claims that may not be released by law.

5.2 Release by Participating Class Members Who Are Not Aggrieved Employees: 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 (i) all claims that were alleged, or reasonably could have been alleged, based on the Class Period facts stated in the Operative Complaint. 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.

5.3 Release by Non-Participating and Participating Class Members Who Are Aggrieved Employees: All Non-Participating and 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 PAGA Period facts stated in the Operative Complaint, and the PAGA Notices.

6. 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.

6.1. Defendant's Declaration in Support of Preliminary Approval. Within 15 days of the full execution of this Agreement, Defendant will prepare and deliver to Class Counsel a

signed Declaration from Defendant and Defense Counsel disclosing all facts relevant to any actual or potential conflicts of interest with the Administrator. In their Declaration, Defense Counsel and Defendant shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.

6.2 Plaintiffs' Responsibilities. Plaintiffs 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 draft proposed Class Notice; (iv) 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; (v) a signed declaration from Plaintiffs 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; (vi) 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 (vii) all facts relevant to any actual or potential conflict of interest with Class Members, the Administrator. In their Declarations, Plaintiffs and Class Counsel Declaration shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.

6.3 Responsibilities of Counsel. Class Counsel and Defense Counsel 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. Class Counsel is responsible for delivering the Court's Preliminary Approval to the Administrator.

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

7. SETTLEMENT ADMINISTRATION

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

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

7.3 Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation section 468B-1.

7.4. Notice to Class Members.

7.4.1 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, Workweeks, and Pay Periods in the Class Data.

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

7.4.3 Not later than 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.

7.4.4 The deadlines for Class Members' written objections, Challenges to Workweeks and/or Pay Periods, and Requests for Exclusion will be extended an additional 14 days beyond the 45 days otherwise provided in the Class Notice for all Class Members whose notice is re-mailed. The Administrator will inform the Class Member of the extended deadline with the re-mailed Class Notice.

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

7.4.6 Request For Exclusion (Opt-Outs).

7.5.1 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 45 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.

7.5.2 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.

7.5.3 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 of this Agreement, regardless whether

the Participating Class Member actually receives the Class Notice or objects to the Settlement.

7.5.4 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 and Participating Class Members who are Aggrieved Employees are deemed to release the claims identified in Paragraph 5.3 of this Agreement and are eligible for an Individual PAGA Payment.

7.5 Challenges to Calculation of Workweeks. Each Class Member shall have 45 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 Class Workweeks and PAGA Pay Periods (if any) allocated to the Class Member in the Class Notice. The Class Member may challenge the allocation by communicating with the Administrator via fax, email or mail. The Administrator must encourage the challenging Class Member to submit supporting documentation. In the absence of any contrary documentation, the Administrator is entitled to presume that the Workweeks contained in the Class Notice are correct so long as they are consistent with the Class Data. The Administrator's determination of each Class Member's allocation of Workweeks and/or Pay Periods shall be final and not appealable or otherwise susceptible to challenge. The Administrator shall promptly provide copies of all challenges to calculation of Workweeks and/or Pay Periods to Defense Counsel and Class Counsel and the Administrator's determination the challenges.

7.7 Objections to Settlement.

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

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

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

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

7.8.1 Website, Email Address and Toll-Free Number. The Administrator will establish 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 Payments, the Final Approval and the Judgment. The Administrator will also maintain and monitor an email address and a toll-free telephone number to receive Class Member calls, faxes and emails.

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

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

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

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

7.8.6 Final Report by Settlement Administrator. Within 10 days after the Administrator disburses all funds in the Gross Settlement Amount, the Administrator will provide Class

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

8. **CLASS SIZE ESTIMATES and ESCALATOR CLAUSE.** Based on its records, Defendant estimates that, as of May 14, 2025, there are 1,416 Class Members and 82,004 Total Workweeks during the Class period. If the total number of workweeks exceeds 10% of the 82,004 workweeks (i.e. more than 8,200 additional workweeks), then Defendant will have the option to either (i) pay an adjusted pro-rata settlement amount to reflect the increased number of workweeks beyond original estimate 82,004 workweeks, or (ii) shorten the Class Period such that there is not an increase of more than 10%.
9. **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, elect to withdraw from the Settlement. The Parties agree that, if Defendant withdraws, the Settlement shall be void ab initio, have no force or effect whatsoever, and that neither Party will have any further obligation to perform under this Agreement; provided, however, Defendant will remain responsible for paying all Settlement Administration Expenses incurred to that point. Defendant must notify Class Counsel and the Court of its election to withdraw not later than seven days after the Administrator sends the final Exclusion List to Defense Counsel; late elections will have no effect.
10. **MOTION FOR FINAL APPROVAL** No later than 16 court days before the calendared Final Approval Hearing, Plaintiffs 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"). Plaintiffs shall provide drafts of these documents to Defense Counsel not later than seven days prior to filing the Motion for Final Approval. Class Counsel and Defense Counsel will expeditiously meet and confer in person or by telephone, and in good faith, to resolve any disagreements concerning the Motion for Final Approval.
 - 10.1 Response to Objections. Each Party retains the right to respond to any objection raised by a Participating Class Member, including the right to file responsive documents in Court no later than five court days prior to the Final Approval Hearing, or as otherwise ordered or accepted by the Court.
 - 10.2 Duty to Cooperate. If the Court does not grant Final Approval or conditions Final Approval on any material change to the Settlement (including, but not limited to, the scope of release to be granted by Class Members), the Parties will expeditiously work together in good faith to address the Court's concerns by revising the Agreement as necessary to obtain

Final Approval. The Court's decision to award less than the amounts requested for the Class Representative Service Payments, 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.

10.3 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.

10.2 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.

10.3 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 Payments or any payments to Class Counsel shall not constitute a material modification of the Judgment within the meaning of this paragraph, as long as the Gross Settlement Amount remains unchanged.

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

12. ADDITIONAL PROVISIONS.

12.1 No Admission of Liability, Class Certification or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendant that any of the allegations in the Operative Complaint have merit or that

Defendant has any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiffs 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 Plaintiffs reserves the right to move for class certification on any grounds available and to contest Defendant's defenses. The Settlement, this Agreement and Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).

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

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

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

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

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

12.7 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.

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

12.9 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.

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

12.11 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.

12.12 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.

12.13 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.

12.14 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, Plaintiffs 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.

12.15 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.

12.16 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.

12.17 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, addressed as follows:

To Plaintiffs:

John G. Yslas
Arrash T. Fattahi
Arman A. Salehi
WILSHIRE LAW FIRM
3055 Wilshire Blv., 12th Floor
Los Angeles, CA 90010
Telephone: (213) 784-3830
Facsimile: (213) 381-9989
john.yslas@wilshirelawfirm.com
arrash.fattahi@wilshirelawfirm.com
arman.salehi@wilshirelawfirm.com

Sam Kim
Yoonis Han
VERUM LAW GROUP, APC
360 N. Pacific Coast Highway, Suite 1025
El Segundo, CA 90245
Telephone: (424) 320-2000
Facsimile: (424) 221-5010
skim@verumlg.com
yhan@verumlg.com

To Defendant:

Jack E. Jimenez
O'HAGAN MEYER
550 S. Hope ST., Suite 2400

Los Angeles, CA 90071
Telephone: (213) 647-0076
jjimenez@ohaganmeyer.com

12.18 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.

12.19 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.

EXECUTION BY PARTIES AND COUNSEL

Date: _____

Amorina Huerta, Plaintiff

Date: _____

William Rhoades, Plaintiff

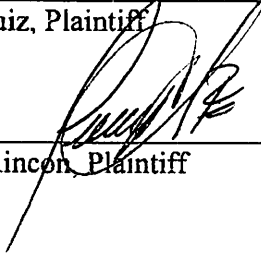
Date: _____

Raheem Cooper, Plaintiff

Date: _____

Brandon Ruiz, Plaintiff

Date: 08 / 28 / 2025



Francisca Rincon, Plaintiff

///

///

///

Los Angeles, CA 90071
Telephone: (213) 647-0076
jjimenez@ohaganmeyer.com

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EXECUTION BY PARTIES AND COUNSEL

Date: _____

Amorina Huerta, Plaintiff

Date: _____

William Rhoades, Plaintiff

Date: _____

Raheem Cooper, Plaintiff

Date: 8/6/2025

DocuSigned by:

7F9EEA017224427...

Brandon Ruiz, Plaintiff

Date: _____

Francisca Rincon, Plaintiff

///

///

///

Los Angeles, CA 90071
Telephone: (213) 647-0076
jjimenez@ohaganmeyer.com

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EXECUTION BY PARTIES AND COUNSEL

Date: _____

Amorina Huerta, Plaintiff

Date: 7/2/2025

DocuSigned by:
William Rhoades
2DB030F16638402...

William Rhoades, Plaintiff

Date: _____

Raheem Cooper, Plaintiff

Date: _____

Brandon Ruiz, Plaintiff

Date: _____

Francisca Rincon, Plaintiff

///

///

///

Los Angeles, CA 90071
Telephone: (213) 647-0076
jjimenez@ohaganmeyer.com

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EXECUTION BY PARTIES AND COUNSEL

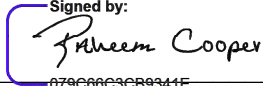
Date: _____

Amorina Huerta, Plaintiff

Date: _____

William Rhoades, Plaintiff

Date: 7/2/2025

Signed by:


079C66C3CB9341E...
Raheem Cooper, Plaintiff

Date: _____

Brandon Ruiz, Plaintiff

Date: _____

Francisca Rincon, Plaintiff

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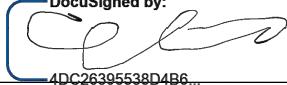
Los Angeles, CA 90071
Telephone: (213) 647-0076
jjimenez@ohaganmeyer.com

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EXECUTION BY PARTIES AND COUNSEL

Date: 7/3/2025

DocuSigned by:

4DC26395538D4B6...
Amorina Huerta, Plaintiff

Date: _____

William Rhoades, Plaintiff

Date: _____

Raheem Cooper, Plaintiff

Date: _____

Brandon Ruiz, Plaintiff

Date: _____

Francisca Rincon, Plaintiff

///

///

///

///

Date: _____

Printed Name: _____

Title: _____

Wido Pizza, Inc., Defendant

APPROVED AS TO FORM ONLY:

Date: _____

O'HAGAN MEYER

Jack E. Jimenez

Counsel for Defendant Wido Pizza, Inc.

8/6/2025
Date: _____

VERUM LAW GROUP, APC



Sam Kim

Yoonis Han

Counsel for Plaintiff Francisca Rincon
and proposed class

Date: _____

WILSHIRE LAW FIRM

John G. Yslas

Arrash T. Fattahi

Arman A. Salehi

Counsel for Plaintiffs Amorina Huerta,
William Rhoades, Raheem Cooper, Brandon
Ruiz, and proposed class

///

Date: _____

Printed Name: _____

Title: _____

Wido Pizza, Inc., Defendant

APPROVED AS TO FORM ONLY:

Date: _____

O'HAGAN MEYER

Jack E. Jimenez

Counsel for Defendant Wido Pizza, Inc.

Date: _____

VERUM LAW GROUP, APC

Sam Kim

Yoonis Han

Counsel for Plaintiff Francisca Rincon
and proposed class

Date: 8/6/2025

WILSHIRE LAW FIRM



John G. Yslas

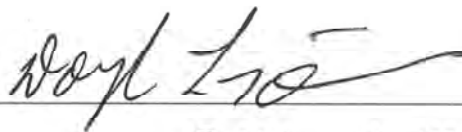
Arrash T. Fattahi

Arman A. Salehi

Counsel for Plaintiffs Amorina Huerta,
William Rhoades, Raheem Cooper, Brandon
Ruiz, and proposed class

///

Date: 8-12-25



Printed Name: Doyle Lamountain

Title: President

Wido Pizza, Inc., Defendant

APPROVED AS TO FORM ONLY:

Date: 8/12/25

O'HAGAN MEYER



Jack E. Jimenez

Counsel for Defendant Wido Pizza, Inc.

Date: _____

VERUM LAW GROUP, APC

Sam Kim

Yoonis Han

Counsel for Plaintiff Francisca Rincon
and proposed class

Date: _____

WILSHIRE LAW FIRM

John G. Yslas

Arrash T. Fattahi

Arman A. Salehi

Counsel for Plaintiffs Amorina Huerta,

William Rhoades, Raheem Cooper, Brandon
Ruiz, and proposed class

EXHIBIT 3

EXHIBIT 3

Theresa Chan

From: no-reply@formassembly.com
Sent: Monday, October 13, 2025 4:42 PM
To: Theresa Chan
Subject: Thank you for your Proposed Settlement Submission

10/13/2025 04:41:24 PM

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

Item submitted: Proposed Settlement

On 10/13/2025 04:41:24 PM your Proposed Settlement was successfully processed for case number LWDA-CM-1035714-24

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

DIR PAGA Unit on behalf of
Labor and Workforce Development Agency

Website:

https://nam12.safelinks.protection.outlook.com/?url=http%3A%2F%2Flabor.ca.gov%2FPrivate_Attorneys_General_Act.htm&data=05%7C02%7Ctheresa.chan%40wilshirelawfirm.com%7Cedad8afc87454227875008de0ab20e8b%7C9ada260a4f194da187b814d372333753%7C1%7C0%7C638959957022983780%7CUnknown%7CTWFpbGZsb3d8eyJFbXB0eU1hcGkiOnRydWUsIlYiOiIwLjAuMDAwMCIsIlAiOiJXaW4zMlslkFOlJoiTWFrpbCIsIlIdUljoyfQ%3D%3D%7C0%7C%7C%7C&sdata=LFRM MzK0CTBUmg2ivpeR%2B2fwNUDVQlg45uA99uwgDFo%3D&reserved=0

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



Private Attorneys General Act (PAGA) – Filing

Proposed Settlement of PAGA case

PAGA Number (LWDA-CM-) : *

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

[Search for PAGA Case number](#)

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

Your Information (Person Who is Filing)

Your First Name *

John

Your Last Name *

Yslas

Your Email Address *

theresa.chan@wilshirelawf

Your Street Name, Number and Suite/Apt *

660 S. Figueroa Street, Sky

Your Mobile Phone Number

Your City *

Los Angeles

Your Work Phone Number

213-381-9988

Your State *

California

Your Zip/Postal Code *

90017

Court and Hearing Information

Court *

San Bernardino County Superior Court ▼

Court Case Number *

CIVSB2415562

Hearing Date *

01/05/2026

Hearing Time *

08:30

HH:MM

Hearing Location *

247 W. Third Street, San B

Number of aggrieved employees *

1416

Net Amount to Aggrieved Employees *

10500

Gross settlement amount *

1312064.00

Gross penalty *

30000.00

Penalties to LWDA *

19500.00

Date of proposed settlement *

08/28/2025

Other PAGA Notices

[Search for PAGA Case number](#)

- ☒ I have searched LWDA's database for other PAGA claims filed against the employer(s) named in my NEW PAGA Claim Notice.
- ☐ There are no other PAGA claims which may be affected by this proposed settlement.
- ☒ The proposed settlement may affect other PAGA claims.

PAGA Notices

LWDA case number(s) of other PAGA Notices: LWDA-CM :

LWDA-CM-1040151-24

Name of Plaintiff

Francisca Rincon

[Add Additional Notices](#)

- ☒ A Notice of Related Cases has been filed in all related actions.
- ☐ Plaintiff has provided copies of proposed settlement and moving papers to plaintiffs with claims that are affected by this proposed settlement agreement.
- ☐ Plaintiff has submitted to LWDA the court complaint(s) on which this settlement is based.

Proposed Settlement and Other Documents

Proposed Settlement (must be .pdf) * 2025-08-13....ecuted (1).pdf**Other Attachment (if any, must be .pdf)** No file chosen[Add Another Attachment](#)

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

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

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

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

Copyright © 2025 State of California

EXHIBIT 4

EXHIBIT 4



CASE ASSUMPTIONS

Class Members	1,415
Opt Out Rate	1%
Opt Outs Received	14
Total Class Claimants	1,401
Subtotal Admin Only	\$17,500.00

Not-to-Exceed Total \$17,500.00

For 1415 Members

Pricing Good for Scope of Estimate Only

May 15, 2025

Case: Rincon v. Wido Opt-Out Administration wTranslation

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

Requesting Attorney: Sam Kim
 Firm: Verum Law Group
 Contact Number: 424.320.2000
 Email: skim@verumlg.com

Assumptions and Estimate are based on information provided by counsel. If class size changes, PHX will need to adjust this Estimate accordingly.
 Estimate is based on 1415 Class Members. Class data Must be sent in Microsoft Excel or uploaded in the same format. Class Data Must be sent in one spreadsheet, with no additional programming needed. A rate of \$150 per hour will be charged for any additional analysis or programming. Pricing good for 90 days.

Case & Database Setup / Toll Free Setup & Call Center / NCOA (USPS)			
Administrative Tasks:	Rate	Hours/Units	Line Item Estimate
Programming Manager	\$125.00	3	\$375.00
Programming Database & Setup	\$125.00	3	\$375.00
Toll Free Setup*	\$150.74	1	\$150.74
Call Center & Long Distance	\$2.00	21	\$42.45
NCOA (USPS)	\$250.00	2	\$500.00
Total			\$1,443.19

* Up to 120 days after disbursement

Data Merger & Scrub / Notice Packet, Opt-Out Form & Postage / Translation / Reporting			
Project Action	Rate	Hours/Units	Line Item Estimate
Notice Packet Formatting	\$125.00	3	\$375.00
Data Merge & Duplication Scrub	\$0.35	1,415	\$495.25
Notice Packet & Opt-Out Form	\$1.25	1,415	\$1,768.75
Estimated Postage (up to 2 oz.)*	\$0.69	1,415	\$976.35
Static Website	\$200.00	1	\$200.00
Language Translation	\$1,000.00	1	\$1,000.00
Total			\$4,815.35

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



PHOENIX

CLASS ACTION ADMINISTRATION SOLUTIONS

Skip Tracing & Remailing Notice Packets / Tracking & Programming Undeliverables			
Project Action:	Rate	Hours/Units	Line Item Estimate
Case Associate	\$55.00	4	\$220.00
Skip Tracing Undeliverables	\$2.50	142	\$353.75
Remail Notice Packets	\$1.25	142	\$176.88
Estimated Postage	\$0.69	142	\$97.64
Programming Undeliverables	\$50.00	4	\$200.00
Total			\$1,048.26

Database Programming / Processing Opt-Outs, Deficiencies or Disputes			
Project Action:	Rate	Hours/Units	Line Item Estimate
Programming Claims Database	\$125.00	3	\$375.00
Non Opt-Out Processing	\$125.00	1	\$125.00
Case Associate	\$55.00	3	\$165.00
Opt-Outs/Deficiency/Dispute Letters	\$10.00	3	\$30.00
Case Manager	\$75.00	5	\$375.00
Total			\$1,070.00

Calculation & Disbursement Programming/ Create & Manage QSF/ Mail Checks			
Project Action:	Rate	Hours/Units	Line Item Estimate
Programming Calculations	\$125.00	2	\$250.00
Disbursement Review	\$125.00	2	\$250.00
Programming Manager	\$100.00	2	\$200.00
QSF Bank Account & EIN	\$125.00	2	\$250.00
Check Run Setup & Printing	\$125.00	4	\$500.00
Mail Class Checks *	\$1.75	1,401	\$2,451.49
Estimated Postage	\$0.69	1,401	\$966.59
Total			\$4,868.07

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



PHOENIX

CLASS ACTION ADMINISTRATION SOLUTIONS

Tax Reporting & Reconciliation / Re-Issuance of Checks / Conclusion Reports and Declarations

Project Action:	Rate	Hours/Units	Line Item Estimate
Case Supervisor	\$125.00	5	\$625.00
Remail Undeliverable Checks (Postage Included)	\$1.50	140	\$210.13
Case Associate	\$50.00	5	\$250.00
Reconcile Uncashed Checks	\$75.00	4	\$300.00
Conclusion Reports	\$125.00	2	\$250.00
Case Manager Conclusion	\$85.00	2	\$170.00
Final Reporting & Declarations	\$125.00	2	\$250.00
IRS & QSF Annual Tax Reporting * (1 State Tax Reporting Included)	\$2,200.00	1	\$2,200.00
Total			\$4,255.13

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

Estimate Total: \$17,500.00



TERMS AND CONDITIONS

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

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

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

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

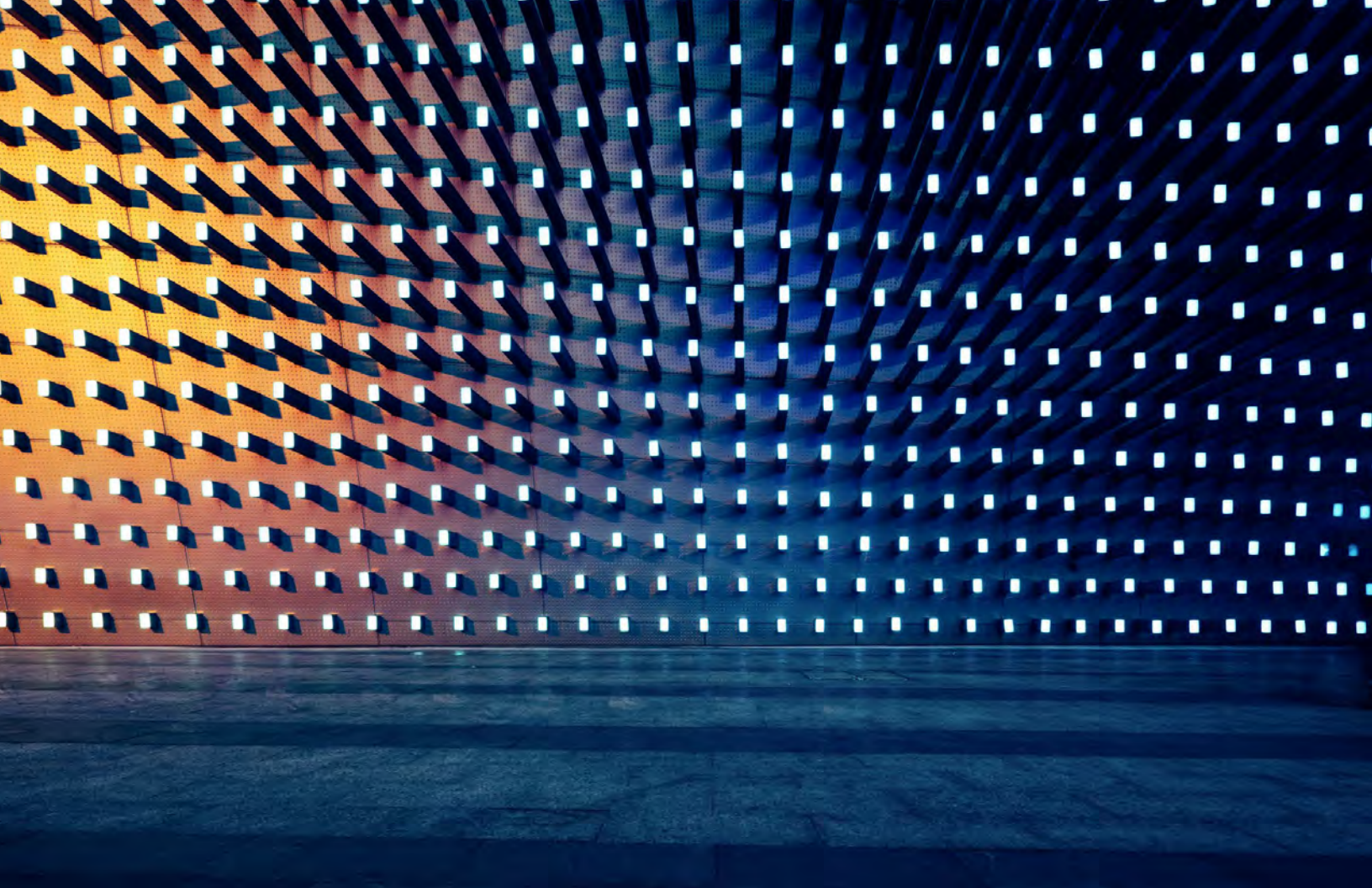
Tax Reporting Requirements

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

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

EXHIBIT 5

EXHIBIT 5



ELM Solutions

2022 Real Rate Report[®]

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

Table of Contents - 2022 Real Rate Report

A Letter to Our Readers • 4

Report Use Considerations • 5

Section I: High-Level Data Cuts • 8

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

Section II: Industry Analysis • 63

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

Section III: Practice Area Analysis • 84

- Bankruptcy and Collections
- Commercial
- Corporate: Mergers, Acquisitions, and Divestitures
- Corporate: Regulatory and Compliance
- Corporate: Other
- Employment and Labor
- Environmental
- Finance and Securities
- General Liability (Litigation Only)
- Insurance Defense (Litigation Only)
- Intellectual Property: Patents
- Intellectual Property: Trademarks
- Intellectual Property: Other
- Real Estate

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

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

Section V: International Analysis • 191

Section VI: Matter Staffing Analysis • 221

Appendix: Data Methodology • 226

Report Use Considerations

2022 Real Rate Report

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

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

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

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

Some key factors¹ that drive rates²:

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

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

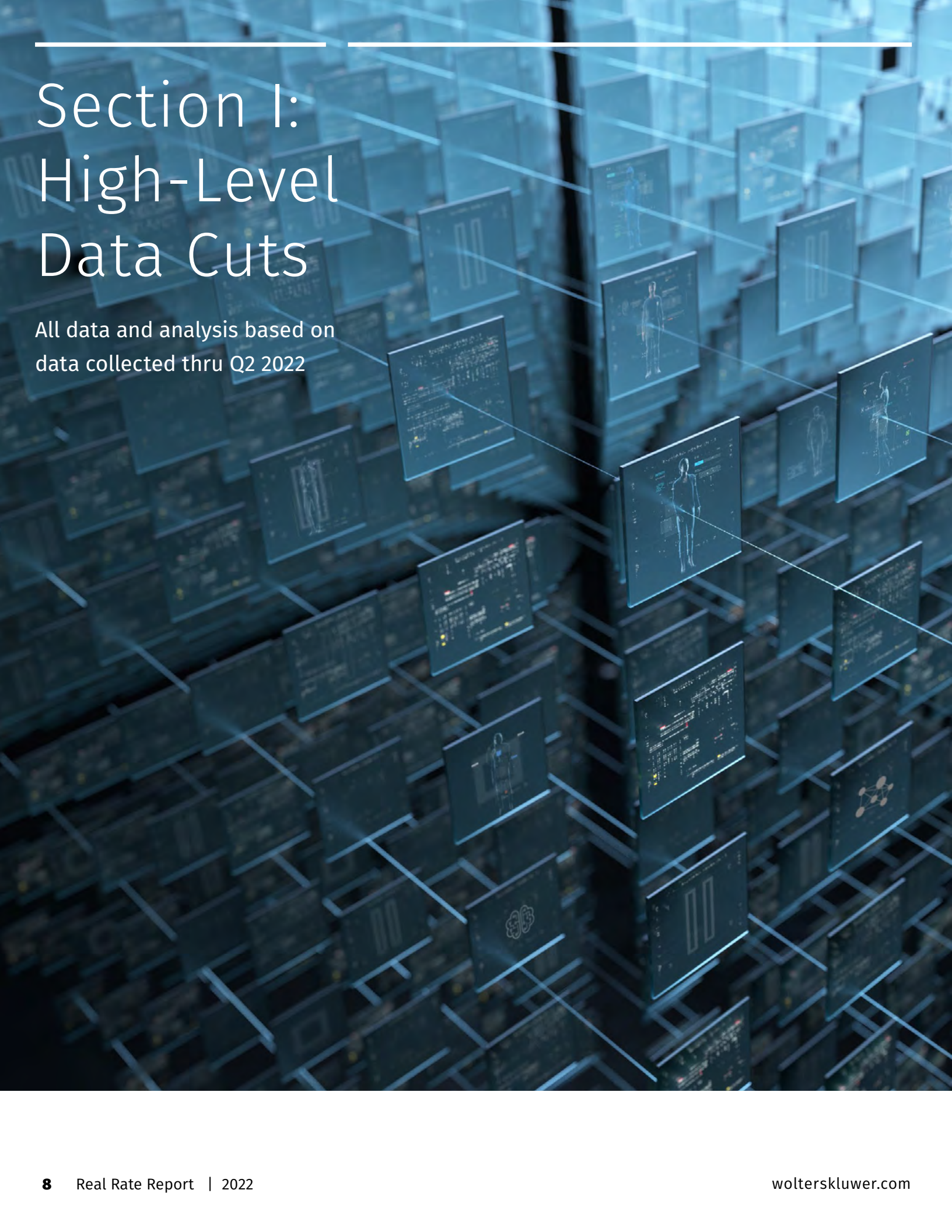
Years of experience and reputation - A more experienced, higher-profile lawyer is often going to charge more, but absorbing this higher cost at the outset may make more sense than hiring a less expensive lawyer who will likely take time and billable hours to come up to speed on unfamiliar legal and procedural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

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

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

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

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



Section I: High-Level Data Cuts

All data and analysis based on
data collected thru Q2 2022

Section I: High-Level Data Cuts

Cities

By Matter Type

2022 - Real Rates for Associate and Partner

Trend Analysis - Mean

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

Section I: High-Level Data Cuts

Cities

By Matter Type

2022 - Real Rates for Associate and Partner

Trend Analysis - Mean

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

Section I: High-Level Data Cuts

Cities

By Matter Type

2022 - Real Rates for Associate and Partner

Trend Analysis - Mean

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

Section I: High-Level Data Cuts

Cities

By Matter Type

2022 - Real Rates for Associate and Partner

Trend Analysis - Mean

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

Section I: High-Level Data Cuts

Cities

By Years of Experience

2022 - Real Rates for Associate

Trend Analysis - Mean

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

Section I: High-Level Data Cuts

Cities

By Years of Experience

2022 - Real Rates for Partner

Trend Analysis - Mean

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



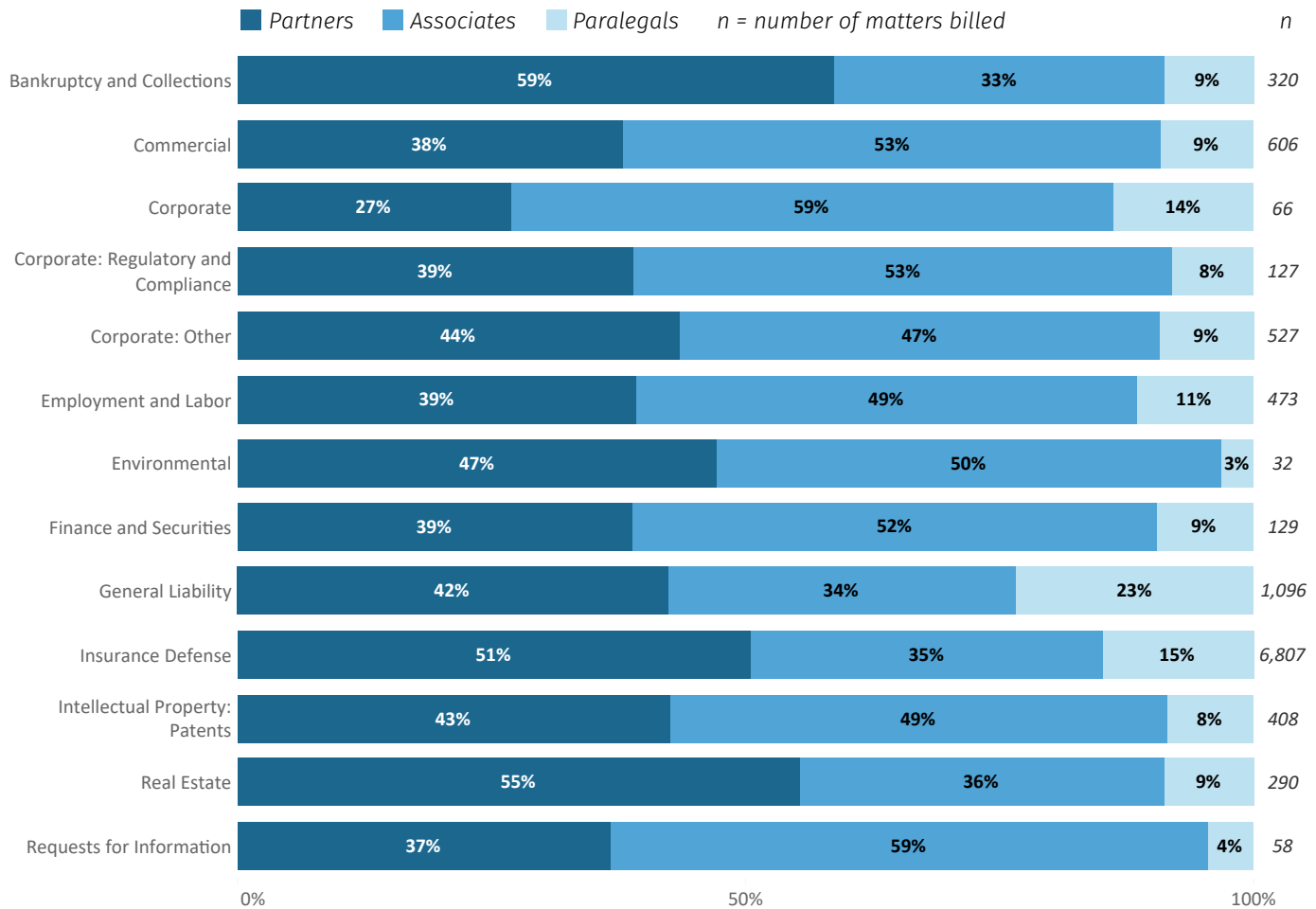
Section VI: Matter Staffing Analysis

All data and analysis based on
data collected thru Q2 2022

Section VI: Matter Staffing Analysis

Long Litigation Matters, More Than 100 Total Hours Billed

2019 to 2022 -- Percentage of Hours Billed per Matter



Section VII: Data Methodology

All data and analysis based on
data collected thru Q2 2022

Appendix: Data Methodology

Invoice Information

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

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

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

Non-Invoice Information

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

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

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

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

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

Appendix: Data Methodology

A Note on US Cities

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

Appendix: Data Methodology

Bankruptcy and Collections

Chapter 11
Collections

General/Other
Workouts and Restructuring

Commercial (Commercial Transactions and Agreements)

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

Corporate¹

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

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

Employment and Labor

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

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

Environmental

General/Other
Health and Safety

Superfund
Waste/Remediation

Finance and Securities

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

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

General Liability

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

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

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

EXHIBIT 6

EXHIBIT 6

Free Newsletter Sign Up

Business & Practice

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

By Roy Strom

Column

June 9, 2022, 2:30 AM

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

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

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

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

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

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

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

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

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

Charge It Up

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

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

Source: Court documents

Bloomberg Law

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

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

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

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

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

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

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

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

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

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

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

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

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

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

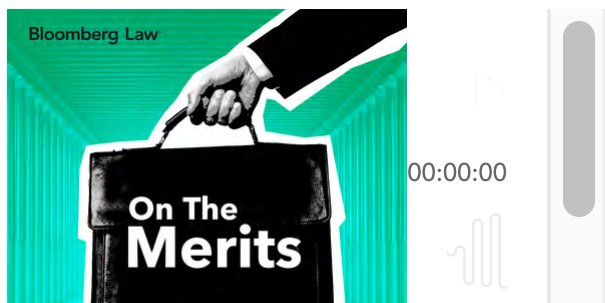
“If the argument is that Jones Day and Skadden Arps are less expensive, then you’re already talking about the cream of the crop, the top-of-the-barrel law firms,” Vinaccia said. “I can’t imagine a case in which I might argue those two firms are more reasonable than the rates I’m dealing with.”

Worth Your Time

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

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

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



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

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

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

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