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SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF ALAMEDA

FABIAN CAMILO BUITRAGO MALAVER, individually, and on behalf of all others similarly situated,

Plaintiff,

vs.

THE NEW IEM, LLC, a limited liability company; and DOES 1 through 10, inclusive,

Defendants.

Case No. 24CV102931

ASSIGNED FOR ALL PURPOSES TO:
HON. SOMNATH RAJ CHATTERJEE; DEPT. 21

DECLARATION OF KANE MOON IN SUPPORT OF PLAINTIFF'S MOTION FOR PRELIMINARY APPROVAL OF CLASS ACTION AND PAGA SETTLEMENT

[*Filed with Plaintiff's Notice of Motion and Memorandum of Points and Authorities, the Declaration of Plaintiff Malaver, the Declaration of Julie Green, and [Proposed] Preliminary Approval Order*]

PRELIMINARY APPROVAL HEARING:
Date: November 25, 2025
Time: 2:30 p.m.
Dept.: 21
Reserv. ID: 638109765399

Date Action Filed: December 11, 2024
Trial Date: Not Set

DECLARATION OF KANE MOON

I, KANE MOON, declare as follows:

1. I am an attorney at law duly licensed to practice as such before all Courts of the State of California and am one of the attorneys of record for Plaintiff Fabian Camilo Buitrago Malaver ("Plaintiff" or "Named Plaintiff") and the putative Class. I have personal knowledge of the matters set forth herein and if called as a witness, I could and would testify competently to the facts described herein.

CASE BACKGROUND AND PROCEDURAL HISTORY

2. This is a wage and hour class action and representative action for alleged Labor Code violations and claims for civil penalties pursuant to the California Private Attorneys General Act, Labor Code sections 2698, *et seq.* ("PAGA"). Plaintiff seek to represent all past and present non-exempt, hourly-paid employees of The New IEM, LLC ("Defendant") (together with Plaintiff, the "Parties") who worked in California at any time during the period from December 11, 2020 to the date the Court enters the Preliminary Approval Order, subject to the escalator provision ("Class Period"), for various alleged violations of the California Labor Code. Defendant is the largest independent full-line manufacturer of electrical distribution equipment and integrated power systems in the United States, which has its corporate office in Fremont, California.

3. Plaintiff's claim for unpaid wages stems from Defendant's alleged failure to compensate Plaintiff and Class Members for off-the-clock work and Defendant's failure to incorporate non-discretionary bonuses or additional compensation into the regular rate of pay for purposes of paying overtime and meal period premiums. Moreover, Plaintiff brings claims against Defendant for meal and rest period violations, failure to reimburse necessary business expenses, and derivative claims for waiting time penalties, wage statement violations, unfair business practices, and civil penalties under PAGA.

4. Because of the foregoing alleged violations of various provisions of the Labor Code, Plaintiff filed a class action on December 11, 2024, which alleges Defendant systematically: (1) failed to pay minimum wages, (2) failed to pay overtime compensation, (3) failed to provide meal periods, (4) failed to authorize and permit rest periods, (5) failed to indemnify necessary business expenses, (6) failed to pay final wages at termination, (7) failed to provide accurate itemized wage statements, and (8) engaged in unfair competition.

5. On December 7, 2024, Plaintiff gave written notice to the California Labor and Workforce Development Agency (the "LWDA") of the alleged Labor Code violations, with certified mail service on Defendant, and paid the required filing fee. A true and correct copy of Plaintiff's PAGA notice letter is attached hereto as **Exhibit 2**.

6. On February 11, 2025, Plaintiff filed a First Amended Class Action and Representative Action Complaint (the "Operative Complaint") which added an additional cause of action for civil penalties pursuant to Labor Code sections 2698, *et seq* ("PAGA"). Plaintiff subsequently submitted a copy to the LWDA in compliance with Labor Code section 2699, subd. (s)(1). To date, the LWDA has not indicated its intent to investigate the alleged violations or intervene in this Action.

7. Defendant ardently opposes the merits of this case, denies Plaintiff's factual allegations, and maintains that Plaintiff face substantial risk with respect to certifying his claims (for any purpose other than settlement), proving liability for any of the alleged Labor Code violations or recovering any of the penalties sought in connection with his derivative claims. Defendant contends, among other things, that Plaintiff and the Class Members have been paid proper wages. Moreover, Defendant argues that Plaintiff and Class Members voluntarily relinquished or waived their right to enjoy rest and meal periods or, alternatively, there were exigent circumstances which prohibited such rest and meal periods. Furthermore, to the extent that Plaintiff received wage statements that were allegedly inaccurate, Defendant asserted that Plaintiff suffered no actual damage or harm as a result. (See e.g., *Angeles v. U.S. Airways, Inc.* (N.D. Cal. Feb. 19, 2013) No. C 12-05860 CRB, 2013 WL 622032, at *10 ["A plaintiff must adequately plead an injury arising from an employer's failure to provide full and accurate wage statements, and the omission of the required information alone is not sufficient."].).

8. With respect to Plaintiff's claim for waiting time penalties, Defendant alleged that its good-faith belief that it paid all wages precluded the imposition of waiting time penalties since Plaintiff could not prove that Defendant alleged failure to pay all final wages at the time of separation was "willful." (See e.g., *Pedroza v. PetSmart, Inc.* (C.D. Cal. June 14, 2012) No. ED CV 11–298 GHK (DTBx), 2012 WL 9506073, *5.) For these reasons, Defendant claimed that it did not engage in any unfair business practices and denied liability under PAGA. Defendant also disputes that Plaintiff's claims are appropriate for class certification or other representative treatment due to the individualized nature of the claims.

DISCOVERY AND INVESTIGATION

9. Following the filing of the Operative Complaint, the Parties met and conferred regarding an agreement to mediate the claims. In preparation for mediation, the Parties agreed to a protocol for an informal exchange of documents and information before mediation. Prior to mediation, Plaintiff obtained from Defendant, through informal discovery, documents and data that were necessary and helpful to evaluate the claims asserted in this action. Defendant produced the time and pay records for all employees who worked from December 2020 to January 2025, Plaintiff's personnel file, and Defendant's written policies. Defendant also provided information regarding the estimated number of current and formerly employed Class Members, PAGA Class Members, and PAGA Workweeks.

10. In preparation for mediation, Plaintiff's Counsel reviewed and analyzed all the information Defendant provided, including the sample records and documents regarding Defendant's wage and hour policies. Plaintiff's Counsel retained a statistics expert to analyze the sample records and prepare a damage analysis prior to the mediation. The sample time and pay records analyzed contained 188,007 actual shifts worked (representing roughly 90% of total shifts worked in the Class Period), which allowed Plaintiff's expert to prepare an analysis with a reasonable degree of certainty. In conjunction with their extensive factual investigation, Plaintiff's Counsel also investigated the applicable law regarding the claims and defenses asserted in the litigation. Accordingly, Plaintiff's Counsel was able to evaluate the probability of class certification, success on the merits, and Defendant's maximum and realistic monetary exposure for all claims. Thus, Plaintiff's and his Counsel's familiarity with the facts of the case and the legal issues raised by the pleadings allowed them to act intelligently in negotiating the Settlement.

SETTLEMENT NEGOTIATIONS

11. On May 12, 2025, the Parties participated in a full day of private mediation before Lisa Klerman, Esq., a respected mediator of complex wage and hour actions. The negotiations were at arm's length and, although conducted in a professional manner, were adversarial. The Parties went into the mediation willing to explore the potential for a settlement of the dispute, but each side was also prepared to litigate their position through trial and appeal if a settlement had not been reached. Through extended settlement discussions regarding the strengths and weaknesses of Plaintiff's claims and Defendant's defenses, the Parties reached a settlement. The material terms of the settlement are set out in Settlement Agreement and Stipulation to

Resolve Class Action and PAGA Claims ("Settlement"). A true and correct copy of the Settlement is attached to the instant Declaration as **Exhibit 1**. Additionally, the proposed Class Notice is attached to the Settlement as Exhibit A.

12. In compliance with Labor Code section 2699, subdivision (s)(2), Plaintiff's Counsel submitted to the LWDA a notice of settlement, a copy of the proposed Settlement, and the instant moving papers. A true and correct copy of the LWDA's email confirming receipt thereof is attached hereto as **Exhibit 3**. To date, the LWDA has not indicated any objection to the proposed Settlement.

13. Class Members will not need to submit any claim form as a condition of receiving individual settlement payments. (See Settlement, Exh. A, § II, p. 2 ["If you are a Class Member, you do not need to take any action to receive an Individual Settlement Payment."].) Each Class Member who does not opt-out will be entitled to a pro rata portion of the Net Settlement Amount that is directly proportional to the number of Workweeks worked during the Class Period. (*Id.* at ¶ 50.e.) Likewise, PAGA Class Members will be entitled to a pro rata portion of 35% of the PAGA Payment directly proportional to the number of PAGA Workweeks worked during the PAGA Period. (*Id.* at ¶ 50.f.)

14. The Settlement provides a fee application not to exceed one-third of the Gross Settlement Amount ("GSA"), for reasonable attorneys' fees, plus reimbursement for actual litigation costs not to exceed $25,000.00, payable from the GSA. (*Id.* at ¶¶ 3, 50.a.) In the event the amounts finally approved are less, the difference will revert to the Net Settlement Amount to be paid to Participating Class Members. (*Id.* at ¶ 50.a.) To date, my firm has incurred $22,545.85 in costs, and a true and correct copy of a report showing our to-the-date costs is attached hereto as **Exhibit 4**.

15. The Settlement includes an award of up to $10,000.00 to be paid to Plaintiff as a General Release Payment and an additional award of up to $5,000.00 to be paid to Plaintiff as an enhancement award for his services in prosecuting the Action. (*Id.* at ¶ 50.c.) The General Release Payment is for his full release and discharge of any claims that he has ever had against the Released Parties through the date of execution of the Settlement, including any claims he has or may have against the Released Parties arising under the California Fair Employment and Housing Action that are not alleged in the Action and a waiver of rights under Civil Code Section 1542. (*Id.* at ¶ 17.) In the event the award finally approved is less, the difference will revert to the Net Settlement Amount to be paid to Participating Class Members. (*Id.* at ¶ 50.c.)

16. The Parties mutually agree upon CPT Group, Inc. as the neutral entity to administer this Settlement and agree the Settlement Administrator will be paid the costs of administration work from the GSA up to a $10,500.00 maximum. (*Id.* at ¶ 35, 50.b.) At this time, the Settlement Administrator estimates costs will be $10,500.00, and a true and correct copy of the Settlement Administrator's costs estimate is attached hereto as **Exhibit 5**.

17. On the Effective Date, Defendant shall remit to the Settlement Administrator: (i) the GSA of $795,000.00, subject to increase pursuant to the Escalator Cause, and (ii) the Employer's Taxes. (*Id.* at ¶ 57.a.)

THE PROPOSED SETTLEMENT IS FAIR, REASONABLE, AND ADEQUATE

18. Plaintiff's Counsel have conducted a thorough investigation into the facts of this case. Based on the foregoing document and information exchange and on their own independent investigation and evaluation, Plaintiff's Counsel are of the opinion that the proposed Settlement is fair, reasonable, and adequate. Furthermore, considering all known facts and circumstances, the risk of significant delay, trial risk, the risk of not certifying the Class, appellate risk, and the defenses that Defendant may assert both to certification and on the merits, the Settlement is in the best interest of the Class.

19. Based on Plaintiff's Counsel's review of the time, payroll, and additional data provided by Defendant, on Plaintiff's expert's analysis of the sample records provided by Defendant, and on information from Plaintiff, Plaintiff's Counsel evaluated the estimated maximum and risk-adjusted exposure that Defendant faced. Defendant represented at the time of mediation that there were approximately 41,009 Workweeks Class Members worked up to the mediation date, May 8, 2025. (*Id.* at ¶ 49.) Additionally, there were an estimated: 343 Class Members, 80 former employees falling within the three-year statute of limitations ("SOL") period for waiting time penalties, 268 employees falling within the one-year SOL period for inaccurate wage statement penalties and PAGA penalties, and 16,159 PAGA Workweeks.

Accordingly, we calculated Defendant's potential exposure as follows:

Claim	Relevant Time Period	Rate	Number of Violations	Exposure
Unpaid Wages (Due to Off the Clock Work)	41,009 Workweeks	$28.48 Average Rate / $42.72 Average Overtime Rate	34,976 total underpaid off-the-clock hours (assuming 10 minutes per shift)	**$141,797.18****

Unpaid Overtime (Regular Rate Issue)	41,009 Workweeks	$29.24 Average Regular Rate	Violation Rate Based On Analysis Of Records By Expert	**$42,089.75***
Meal Period Violations	41,009 Workweeks	$28.48 Average Rate	103,875 shifts with unique meal break violations	**$739,590.00***
Rest Period Violations	41,009 Workweeks	$28.48 Average Rate	41,667 unique rest break violations (assuming 20% violation rate of shifts of at least 3.5 hours)	**$118,667.62****
Unreimbursed Business Expenses	41,009 Workweeks	Assumes $10 Per Month	Violation Rate Based On Analysis Of Records By Expert	**$10,019.00****
Labor Code § 203	Based on approximately 80 terminated class members within the 3-year statute of limitations	$28.48 Average Rate	30 days of waiting time per employee at 8.9 hours per day	**$31,810.40*****
Labor Code § 226	Based on approximately 268 class members within the 1-year statute of limitations	$100 Per Pay Period $50 for initial violation; $100 for each subsequent pay period with $4,000 employee maximum	16,159 pay periods during the 1-year statute of limitations	**$49,650.00*****
PAGA	Based on approximately 268 individuals within the 1-year statute of limitations	$100 per pay period	16,159 pay periods during the 1-year statute of limitations	**$80,795.00*****
Total				**$1,214,418.95**

* These figures are discounted based on a 25% probability of prevailing at class certification an on the merits.
**These figures are discounted based on a 10% probability of prevailing at class certification an on the merits.
*** These figures are discounted based on a 5% probability of prevailing at class certification an on the merits.

20. **As a general matter**, discounts were applied to account for the probability of prevailing at class certification and on the merits. A smaller discount was applied to those claims that were based in whole or in part on Defendant's time and pay data because the probability of certification and success on the merits is higher due to Defendant's limited defenses and the evidence in Plaintiff's favor. However, even for such claims, discounting is appropriate to account for the individualized questions that will have to be answered to determine liability as to each employee. On the other hand, a greater discount was applied to claims for penalties and claims that were driven more by Plaintiff's allegations, as such claims entail varied individuals' experiences and are more difficult to certify for class treatment and would require proof that is not readily available. For example, many putative class members may not wish to participate in submitting declarations for class certification and/or to participate as witnesses at trial, and even those who would be willing to participate would likely be unable to testify with accuracy given that the passage of time reasonably causes memories to fade. While at mediation we aggressively advocated for the theories of liability that would be dependent on employee testimony which we did not have at that time, we acknowledge that substantial risks exist to being able to certify and ultimately prove such claims. Further, in connection with mediation, Defendant provided information highlighting the individualized nature of many of Plaintiff's alleged claims and called into question Plaintiff's adequacy as the class representative. Thus, Defendant intended to aggressively challenge the case at the certification stage. Although Plaintiff disagrees with Defendant and contend that he is an adequate class representative on all the issues plead, Plaintiff recognizes the difficulty and uncertainty in obtaining testimony from putative class members.

21. Indeed, settlement of a class action at the pre-certification stage necessarily includes a large risk reduction because class actions are certified at very low rates. When considering the probability of certification in any case, generally, the rational decision is to assume that there is less than a 20% chance of obtaining certification unless a claim in the case is unusually well suited to certification. The Judicial Council's Class Certification in California: Second Interim Report from the Study of California Class Action Litigation (Feb. 2010) states, "less than a quarter of disposed cases in the study sample were certified, either through a litigated motion for certification ***or*** as part of a classwide settlement agreement." (Second Interim

Report, at 5 [emphasis added].)[1] The foregoing "or" is significant because the certification rates of less than 25% identified in the study include ***both*** contested certifications and settlement certifications, which are the majority of certifications. In other words, we must assume in any wage and hour class action prior to certification that a contested certification motion will have a success rate of well under 25%, and probably closer to 10%. Naturally, these percentages are dependent on the facts of each case; however, certification is an exceptionally difficult procedural hurdle to clear. Thus, beginning with a pre-certification settlement of 10% to 15% of the maximum plausible exposure as a starting point for valuation is reasonable. If roughly 10% of class actions are certified on a contested basis, then, on average, 90% of the time a class will not be certified and the result for the class is zero dollars.

22. Plaintiff's claim for unpaid wages stems from the allegation that Defendant regularly required Plaintiff and the Class to work off-the-clock. For example, Plaintiff and Class Members were required to wait in line to clock into work and when returning from meal breaks. Class Members had to arrive to work early and wait in line to punch in at their assigned shift start time to comply with Defendant's timekeeping and attendance requirements. Plaintiff's expert determined that, assuming 10 minutes of off-the-clock work per shift, there is a total of 34,976 unpaid hours due to off-the-clock work, 84.7% of which should have been paid at the overtime rate. Therefore, I determined $1,417,971.81 total potential liability for the unpaid wages ([5,351.33 regular hours x $28.48 average hourly rate of pay] + [29,624.67overtime hours x $42.72 average overtime rate of pay]). I discounted the maximum potential liability by 90% due to the difficulty of proving these off-the-clock hours since there are no records and for the difficulty of certification based on varied wait times.. Thus, **my realistic damage estimate for the off-the-clock work claim is $141,797.18 (including unpaid overtime)**.

23. A 90% discount to the off-the-clock claim was reasonable considering its testimony-driven nature. While Plaintiff alleges that he and putative class members were required to wait in line in order to clock in for their shifts, there is little evidence of the number of actual waiting times. Because there is no evidence of off-the-clock work, any such evidence would come in the form of class member testimony.

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[1] The report is available at https://www.courts.ca.gov/documents/classaction-certification.pdf (last viewed October 21, 2024).

Given the lack of documentary proof, this type of claim will require declarations for purposes of both certification and proof on the merits, and many Class Members may not wish to participate or be able to testify with precision. Additionally, liability will depend on each employee's individualized experience, including having to recall each shift where the employee was required to wait to clock in. Accordingly, there is substantial risk to both certification and proof on the merits. We thus estimated there was a 10% probability of prevailing on class certification and the merits for this claim.

24. Plaintiff's unpaid wages claim is also due to allegations that Defendant failed to incorporate all remuneration into Class Members' regular rate of pay for purposes of paying overtime and meal period premiums. The analysis of the records revealed that during the Class Period, Class Members received additional compensation, such as shift differentials (SD2), on-call pay (ONC ON CALL), and holiday bonus (BON BONUS). Plaintiff's expert found underpayment of $165,608.00 in overtime pay and $2,752.00 in meal break premiums. Accordingly, Plaintiff's Counsel's expert calculated a maximum exposure of $168,359.00. However, Defendant denies Plaintiff's claims and further argues these payments were discretionary as not everyone received a bonus, and therefore Defendant was not required to incorporate them into the regular rate. Due to the lack of written policies regarding criteria for bonus payments, I acknowledge the foregoing presents significant risk with certifying this claim and proof on the merits. Accordingly, I applied a 75% discount to the maximum exposure figure, and thus arrived at **a realistic damage estimate of $42,089.75 for the unpaid regular rate claim**.

25. While the regular rate claim is primarily document-driven, a 75% discount was applied based on the facts at hand as of mediation. The bonus payments listed on Class members' wage statements do not by themselves necessarily suggest they were non-discretionary. Indeed, the California Division of Labor Standards Enforcement ("DLSE") defines bonus as "discretionary" if they are based on no objective criteria and are not routine. (*See* DLSE Enforcement Policies and Interpretations Manual, § 35.4.4 [rev. 2022].) Specifically, the DLSE's Enforcement Policies and Interpretations Manual states clearly that discretionary bonuses that are to be excluded from pay are those that are paid "in the nature of gifts made at Christmas time or on other special occasions, as a reward for service, the amounts of which are not measured by or dependent on hours worked, production, or efficiency." (*See id.* at § 49.1.2.4 [citing 29 C.F.R. § 778.212].) Although "[s]tatements in the DLSE Manual are not binding on the courts . . . ," they may be

considered for their persuasive value. (*See's Candy Shops, Inc. v. Superior Court* (2012) 210 Cal.App.4th 889, 902, accord *Augustus v. ABM Sec. Servs., Inc*. (2016) 2 Cal.5th 257, 262; *Brinker*, *supra*, 53 Cal.4th at p. 1029, n.11.) Moreover, not every Class Member received these bonuses, which further indicates their discretionary nature. In addition, Defendant's written employment policies did not provide any criteria for bonus payments, meaning there were no policy documents to disprove Defendant's contention that these bonuses were discretionary bonuses. Accordingly, the chances that this claim would get past the certification stage is low, let alone the merits stage. We estimated there was a 25% probability of prevailing on class certification and the merits for this claim.

26. Plaintiff's meal period claim is based on allegations that due to the nature of his work, meal breaks were often short, late, interrupted, and sometimes missed altogether. A review of the sample records shows 41,667 unique meal period violations for a 51.5% overall violation rate, resulting in an **estimated maximum exposure of $2,958,360.00**. Defendant maintains its compliance with all meal period obligations and contends that compliant meal breaks were taken by all employees, and that where an alleged violation appears, it was a result of employees voluntarily waiving their break rights. However, Defendant did not produce any meal break policies or signed meal period waivers, and a review of the sample records shows a 75.1% violation rate of shifts between 5 and 6 hours without a recorded first meal period and a 94.7% violation rate of shifts greater than 12 hours without a recorded second meal period. Defendant also argues this claim is improper for class treatment, in part, given the individualized nature of assessing non-compliant meal periods and resulting damages. Although I believe there is merit to this claim, I acknowledge the foregoing presents some risk with certifying this claim and proof on the merits. Certification and proof of this claim would require declarations from Class Members and obtaining such declarations potentially would reveal that each Class Member had a different experience with respect to meal periods. Accordingly, I applied a 75% discount to the maximum exposure figure, and thus arrived at **a realistic damage estimate of $739,590.00 for the meal period claim**.

27. The meal period claim is primarily, but not entirely, document driven. For example, while Plaintiff's expert found a 75.1% violation rate of shifts between 5 and 6 hours without a recorded first meal period and a 94.7% violation rate of shifts greater than 12 hours without a recorded second meal period, and despite the lack of signed waivers from putative class members, there is no requirement under California law

that Defendant obtain signed meal period waivers from employees. Indeed, there is a real risk that Defendant would be able to establish (e.g., through employee declarations) that instances when employees did not take meal periods was because they, in fact, voluntarily chose to waive their meals periods. For example, Defendant argued that its non-exempt employees self-police their meal periods, that employees were properly and sufficiently informed of their meal period rights, and that at no time did Defendant discourage employees from taking timely meal breaks. Thus, while the records would be instrumental for class certification and merits purposes, declarations from Class Members would be needed to show meal periods rights were not voluntarily waived; however, as noted above, many employees would likely be unwilling or unable to testify. Moreover, although the records show a large violation rate for shifts greater than 12 hours, Plaintiff's expert found that only 2.4% of shifts were actually greater than 12 hours; thus, the likelihood of certification of second meal period violations is low. Based on the foregoing, a conservative 75% discount is reasonable to account for risks to certification and proof on the merits.

28. Plaintiff's rest period claim is based on allegations that due to the nature of his work, rest periods were often short, late, interrupted, and sometimes missed altogether. For purposes of mediation, because rest breaks were not recorded and due to the lack of written rest break policies, I assumed a 20% violation rate for shifts of at least 3.5 hours and thus determined 41,667 unique rest period violations. A review of the sample records shows Defendant did not pay any rest period premiums, resulting in an **estimated maximum exposure of $1,186,676.16**. Defendant maintains its compliance with all rest period obligations and that Plaintiff and other Class Members were provided with the opportunity to take all rest periods to which they were entitled or otherwise voluntarily waived breaks. Moreover, Defendant argues this claim is improper for class treatment, in part, given the individualized nature of assessing non-compliant rest periods and resulting damages. Although I believe there is merit to this claim, I acknowledge the foregoing presents significant risk with certifying this claim and proof on the merits, particularly as rest periods were not recorded. Certification and proof of this claim would require declarations from Class Members and obtaining such declarations potentially would reveal that each Class Member had a different experience with respect to rest periods. Accordingly, I applied a 90% discount to the maximum exposure figure, and thus arrived at **a realistic damage estimate of $118,667.62 for the rest period claim**.

29. A 90% discount to the rest period claim was reasonable considering its testimony-driven nature. While Plaintiff alleges that he and Class Members were not provided sufficient rest breaks and we assumed a 20% violation rate at mediation, there is little evidence of the number of actual rest break violations. Because rest breaks are not recorded (nor is there a requirement under California law that Defendant do so), any such evidence would come in the form of class member testimony. Given the lack of documentary proof, this type of claim will require declarations for purposes of both certification and proof on the merits, and many Class Members may not wish to participate or be able to testify with precision. Additionally, liability will depend on each employee's individualized experience, including having to recall each four-hour period of work where the employee was entitled to a 10-minute rest break to determine whether the employee took his or her break and, if missed, why the break was missed and how much time was missed. Further, Defendant explained that its non-exempt employees self-police their rest breaks, that employees are properly and sufficiently informed of their rest break rights, and at no time did Defendant discourage employees from taking timely rest breaks. Accordingly, there is substantial risk to both certification and proof on the merits. We thus estimated there was a 10% probability of prevailing on class certification and the merits for this claim.

30. Plaintiff's claim for unreimbursed business expenses is based on allegations that Class Members were not reimbursed for expenses incurred in direct discharge of their duties, for the use of their personal cellphone for work purposes. Based on information from Plaintiff, for purposes of mediation, I assumed Class Members spent on average of $10 per month on unreimbursed business expenses, resulting in **an estimated maximum exposure of $100,190.00**. However, Defendant denies Plaintiff's claims and further maintains that personal cellphone use was not required for work purposes. Moreover, Defendant argues this claim is improper for class treatment, in part, given the individualized nature of assessing any unreimbursed expenses and resulting damages. Although I believe there is merit to this claim, I acknowledge the foregoing presents significant risk with certifying this claim and proof on the merits. Certification and proof of this claim would require declarations from Class Members and obtaining such declarations potentially would reveal that each Class Member had a different experience with respect to unreimbursed expenses. Accordingly, I applied a 90% discount to the maximum exposure figure, and thus arrived at **a realistic damage estimate of $10,019.00 for the unreimbursed business expenses claim**.

31. A 90% discount to the business expenses claim was reasonable considering its testimony-driven nature, lack of evidence in Plaintiff's favor, and the strength of Defendant's defenses. There is little documentary evidence on the number of violations and thus any such evidence would necessarily come in the form of class member testimony. Given the lack of documentary proof, this type of claim will require declarations for purposes of both certification and proof on the merits, and many Class Members may not wish to participate or be able testify. Specifically, Class Members would have to recall the use of their personal cellphone for work purposes, the cost of such use, and whether a reimbursement request was submitted, and whether the request was approved. Thus, the likelihood of any recovery for this claim whatsoever is extremely low, let alone being able to pass the certification stage. We estimated that at most there was a 10% probability of prevailing on class certification and the merits for this claim.

32. With respect to Plaintiff's derivative claims for statutory and civil penalties, Plaintiff estimates Defendant's maximum potential exposure, prior to risk-adjustment, is $2,608,900.00, which breaks down as follows: **$636,208.00** for waiting time penalties for approximately 80 terminated Class Members in the 3-year SOL; a **$993,000.00** penalty for inaccurate wage statements based on approximately 268 Class Members in the 1-year SOL; and **$1,615,900.00** for PAGA penalties based on approximately 16,159 pay periods and the Court assessing a $100 penalty for each pay period containing a violation. However, I believe it would be unrealistic to expect the Court to award the full exposure amount given the discretionary nature of awarding penalties and given Defendant's defenses, including without limitation, that any failure to pay all final wages at the time of separation was not willful or intentional and that to the extent Plaintiff received wage statements that were allegedly inaccurate, Plaintiff suffered no actual resulting damage or harm. Moreover, I understand the individualized and testimony-intensive nature of the wage claims could bar class certification or otherwise significantly reduce Defendant's overall liability for statutory and civil penalties. Furthermore, considering the underlying wage claims are realistically estimated to be $1,081,833.42 awarding such a disproportional amount in penalties would also raise Due Process concerns. Weighing these factors, I applied a 95% discount to each penalty (resulting in **$31,810.40** for waiting time penalties, **$49,650.00** for inaccurate wage statement penalties, and **$80,795.00** for PAGA penalties) and accordingly arrived at **a realistic damage estimate of $130,445.00 for statutory and civil penalties**.

33. **As to the waiting time penalties claim**, a 95% discount was reasonable considering the need to first prove the underlying wage claims, the Due Process concerns regarding the disproportional amount in penalties as compared to realistic estimates for the underlying wage claims, and the intent requirements under Labor Code § 203. Specifically, Labor Code § 203 penalties would not be imposed unless Plaintiff could prove first prove that Defendant did not pay all amounts owed on the underlying wage claims (i.e., for rounding, regular rate, and meal/rest premiums), the substantial risks of which were discussed above. Only once out this door would § 203 penalties apply, where we would have to prove that Defendant "willfully" failed to pay all wages due at the time of termination or voluntary separation. Where a good faith dispute exists as to whether wages are due, no waiting time penalties are owed. (Cal. Code Regs., tit. 8, § 13520(a); *Amaral v. Cintas Corp. No. 2* (2008) 163 Cal.App.4th 1157, 1201.) A good faith dispute exists when the employer shows "a 'good faith dispute' that any wages are due occurs when an employer presents a defense, based in law or fact which, if successful, would preclude any recover[y] on the part of the employee" even if the employer's proffered defense is ultimately unsuccessful. (*Amaral*, 163 Cal.App.4th at p. 1201.) Here, considering the factual and legal defenses that Defendant raised as to the underlying wage claims, as discussed above, it is reasonable to conclude that a fact finder would find a good faith dispute precludes § 203 penalties. For example, because Defendant contends that Class Members were informed of their rights to meal/rest breaks and that employees self-policed their breaks, Defendant did not believe any premiums were owed even where the records showed non-compliant meals. As to the off-the-clock claim, Defendant maintains that Class Members were not permitted to work off-the-clock. As to the regular rate issue, Defendant maintains that any failure to incorporate bonus payments into the regular rate was based on Defendant's belief that the bonuses were discretionary. We therefore estimated there was a 5% probability of prevailing on class certification and the merits for this claim.

34. **As to the wage statement penalties claim**, a 95% discount was reasonable considering the need to first prove the underlying wage claims, the Due Process concerns regarding the disproportional amount in penalties as compared to realistic estimates for the underlying wage claims, and the intent requirements under Labor Code § 226. Specifically, Labor Code § 226 penalties would not be imposed unless Plaintiff could first prove that Defendant did not accurately report all hours worked based on time-rounding and did not include all meal/rest premiums allegedly owed. Only then would § 226 penalties apply,

where we would have to prove that Defendant "knowingly and intentionally failed to comply with section 226's requirements." (*Naranjo v. Spectrum Sec. Servs., Inc.* (2024) 547 P.3d 980, 982.) The substantial risks to certification and proof on the merits of the underlying wage claims were discussed above. Further, as recently affirmed by the California Supreme Court in *Naranjo*, "[a]n employer that believes reasonably and in good faith, albeit mistakenly, that it has complied with wage statement requirements does not fail to comply with those requirements knowingly and intentionally." (*Id.* at p. 998.) The Court further held that because "Section 226 does not include missed-break premium pay among the categories of information that must be included in wage statements," it was not until 2022 that employers were put on notice that "wage statements must include premium pay for missed [] breaks, even if unpaid." (*Id.* at pp. 999–1000.) We therefore estimated there was a 5% probability of prevailing on class certification and the merits for this claim.

35. **As to the claim for PAGA penalties**, a 95% discount was reasonable considering the need to first prove the underlying wage claims, the discretionary nature of awarding statutory and civil penalties, and the Due Process concerns regarding the disproportional amount in penalties as compared to realistic estimates for the underlying wage claims. In particular, many of the underlying claims, as discussed above, are testimony dependent. A PAGA claim is subject to a one-year statute of limitations, and thus it necessarily involves a smaller number of employees than the entire putative class. (See *Amaral*, 163 Cal.App.4th at p. 1199.) Yet here, there are an estimated 268 Class Members who fall within the 1-year statute for PAGA penalties, which is a sizeable number. The PAGA claims would require the participation of a large percentage of 268 current and/or former employees. As discussed, many aggrieved employees would be unwilling or unable to testify. Moreover, while our position is that pursuant to the California Supreme Court's recent decision in *Estrada v. Royalty Carpet Mills, Inc.* (2024) 15 Cal.5th 582, PAGA cases can no longer be challenged on "manageability" grounds, Defendant maintains that *Estrada* left open the question as to whether PAGA claims can be stricken to preserve an employer's due process rights to present affirmative defenses. (*See id.* at p. 619 ["We also emphasize that our holding that trial courts lack inherent authority to strike a PAGA claim on manageability grounds does not preclude trial courts from limiting the types of evidence a plaintiff may present or using other tools to assure that a PAGA claim can be effectively tried."].) Additionally, under PAGA, even if the underlying violations are proven, the Court could, in the

interest of justice, reduce any penalty further. (Lab. Code § 2699(e)(2) [providing "a court may award a lesser amount than the maximum civil penalty amount specified by this part if, based on the facts and circumstances of the particular case, to do otherwise would result in an award that is unjust, arbitrary and oppressive, or confiscatory"].) Defendant also argued, that under the new PAGA, Defendant could show that it took reasonable steps to reduce its potential PAGA penalty liability by 80% by taking actions such as conducting wage and hour refresher training and posting meal periods and rest break charts at various locations in its facilities, among other things. As such, it is reasonable to conclude that even after surpassing the arduous hurdle of proving each employee's PAGA claims, the Court would very likely reduce penalty award, or possibly choose not to award any penalties at all, for the same reasons discussed above regarding Defendant's good faith defenses. In light of the foregoing, we estimated a 5% valuation to be reasonable.

36. Using these estimated figures, Plaintiff predicted **the *realistic* (risk-adjusted) recovery for all claims, including penalties, is $1,214,418.95**. This means **the $759,000.00 gross settlement figure represents roughly 62.5% of the total realistic recovery**. This is an excellent result for the Class, particularly because, under the Settlement, Class Members will receive timely and guaranteed relief, avoiding the risk of not being able to recover anything. Moreover, the Settlement includes an escalator clause whereby should the actual number of Workweeks during the Class Period exceed 45,110 (41,000 plus 10%), then the GSA shall increase proportionally over the 10% threshold. (Settlement, ¶ 49.) Alternatively, Defendant may choose to end the Class Period on the date that the number of total Workweeks reaches the additional 10% threshold (45,110 Workweeks) so that the GSA does not have to be increased. (*Id.*)

37. With regards to the PAGA claims, Plaintiff and his Counsel believe the Settlement is a fair and reasonable resolution that satisfies PAGA's dual statutory purposes of deterrence and punishment, on the one hand, and providing PAGA Class Members with genuine and meaningful relief, on the other. (Lab. Code §§ 2698, *et seq.*) As a result of this litigation, Defendant has had to hire legal counsel, engage in extensive discovery, and participate in mediation. Defendant is also now having to pay civil penalties to the LWDA under the Settlement, assuming final settlement approval is granted. (Settlement, ¶ 50.d.) Not including its own attorneys' fees and costs as well as the employer's share of payroll taxes, Defendant will pay no less than $759,000.00 to resolve this matter—of which $50,000.00 is allocated toward the PAGA claims and will be distributed, in compliance with Labor Code section 2699 as 65% ($32,500.00)

to the LWDA and 35% ($17,500.00) to PAGA Class Members. Further, the $50,000.00 amount allocated for the PAGA Released Claims represents 62% of the total realistic recovery for the alleged PAGA claims ($80,795.00). Moreover, Plaintiff's Counsel are of the opinion that because the issues here are fairly contested, there is a possibility of the Court not awarding the PAGA penalties even if Plaintiff prevailed on the merits due to the largely discretionary nature of awarding PAGA penalties. Indeed, under Labor Code section 2699, subdivision (e)(2), a Court can reduce PAGA penalties "if, based on the facts and circumstances of the particular case, to do otherwise would result in an award that is unjust, arbitrary and oppressive, or confiscatory." (Lab. Code § 2699(e)(2).) In other words, were this matter to go to trial, any award granted would be at the discretion of the Court and subject to a substantial reduction.

38. While Plaintiff is confident in the merits of his claims, a legitimate controversy exists as to each cause of action. Plaintiff also recognizes that proving the amounts of wages owed to each Class Member would be an expensive, time-consuming, and uncertain proposition.

39. The Settlement obviates the significant risk that this Court may deny certification of all or some of Plaintiff's claims. Furthermore, even if Plaintiff was able to pursue his claims on a class-wide basis and obtain certification of all or some of the claims, continued litigation would be expensive, involving a trial and possible appeals, and would substantially delay and reduce any recovery by the Class.

40. This Settlement avoids the risks, burdens, and the accompanying expense of further litigation. Although the Parties have engaged in a significant amount of investigation, informal discovery, and class-wide data analysis, they have not conducted depositions or extensive expert discovery. Moreover, preparation for class certification and a trial would remain for the Parties as well as the prospect of appeals in the wake of a disputed class certification ruling for Plaintiff and/or any summary judgment ruling. As a result, the Parties would incur considerably more attorneys' fees and costs through trial.

41. The Net Settlement Amount available for settlement payments is estimated to be *no less than* **$405,500.00** for an estimated Settlement Class of **343 individuals**.[2] (Settlement, ¶ 48.) As a result, a

[2] The Net Settlement Amount is at least $759,000.00 less the following: $50,000.00 for the PAGA Payment, $253,000.00 for Class Counsel Attorneys' Fees, $25,000 for Class Counsel Costs, $10,500.00 for Settlement Administration Costs, $10,000.00 for the General Release Payment to Plaintiff, and $5,000.00 for the Enhancement Award to Plaintiff. (Settlement, ¶ 48.)

Participating Class Member will receive an average benefit of approximately **$1,182.22**, prior to tax withholdings on the wage portion of payments. Considering Class Members' average rate is $28.48, the average benefit is roughly **41.5 hours of work**. The Net Settlement Amount results in **an estimated Workweek value of roughly $9.89** for the currently estimated **41,009 Workweeks**. Additionally, it is currently estimated there are **268 PAGA Class Members** who will receive an estimated average of approximately **$65.30** from their $17,500.00 total share of the PAGA Payment, which results in an estimated **pay period value of $1.08** based on the currently estimated **16,159 PAGA Workweeks**. The actual amounts to Participating Class Members and PAGA Class Members will vary based on each individual's duration of work during the Class Period or PAGA Period, respectively; thus, those who worked longer will receive a gross benefit greater than the average estimated amount. The high and low range of payments to Class Members will be calculated by the Settlement Administrator following preliminary approval and receipt and processing of the Class List and will be provided to the Court in a motion for final approval.

42. The proposed Settlement of $759,000.00 therefore represents a substantial recovery when compared to the reasonably forecasted recovery for the Class. When considering the risks of litigation, the uncertainties involved in continued litigation, the burdens of proof necessary to establish liability, and the probability of appeal, it is clear the Settlement amount of $759,000.00 is within the "ballpark" of reasonableness, and that preliminary settlement approval is appropriate.

THE PAYMENTS TO PLAINTIFF ARE REASONABLE

43. Throughout this litigation, Plaintiff, who was a former employee of Defendant, has cooperated immensely with my office and have taken many actions to protect the interests of the Class. Plaintiff provided valuable information regarding his hours worked, and what duties were performed during those hours. Plaintiff also provided information regarding meal and rest periods taken and missed by Plaintiff and other Class Members. Plaintiff participated in decisions concerning this Action, assisted in preparation for the mediation, and provided my office with the names and contact information of potential witnesses in this Action. Plaintiff worked with my office to determine the viability of his claims. Plaintiff also provided information and documents relating to his employment by Defendant. The information and documentation provided by Plaintiff were instrumental in establishing the wage and hour violations alleged in this action, and the recovery provided for in the Settlement would have been impossible to obtain without his

participation.

44. At the same time, Plaintiff faced many risks in adding himself as the named Plaintiff in this matter. Plaintiff faced actual risks with his employment, as putting himself on public record in an employment lawsuit could also very well affect his likelihood for employment. For example, a search of Plaintiff's name will reveal this action, and as a result, many employers may likely forego hiring Plaintiff in learning he sued a former employer.

45. In turn, Class Members can now participate in a settlement, reimbursing them for wage violations they may have never known about or been willing to pursue on their own. If each Class Member tried to pursue legal remedies on their own, that would have resulted in each having to expend a significant amount of their own monetary resources and time, not to mention limited judicial resources, which were obviated by Plaintiff putting himself on the line on behalf of the Class.

46. In the final analysis, this class action would not have been possible without the aid of Plaintiff, who put his own time and effort into this litigation and placed himself at risk for the sake of the Class. The requested Enhancement Payment to Plaintiff for his service as the Class Representative is relatively small amounts of money considering the time and effort put into the litigation and compared to enhancements granted in other class actions. The requested Enhancement Payment is therefore reasonable to compensate Plaintiff for his active participation in this lawsuit, the risks he undertook, and the benefit he created for the Class. The General Release Payment is for Plaintiff's general release of claims including any and all claims, both known and unknown, against the Released Parties, and a waiver of his rights under California Civil Code section 1542, which is broader than the claims released by other Class Members. Thus, Plaintiff will not be able to assert any claims against Defendant and other Released Parties, including any non-wage claims he have or may have, such as claims under the California Fair Employment and Housing Action that are not alleged in this Action. Accordingly, the General Release Payment is reasonable.

MY EXPERIENCE AND QUALIFICATIONS

47. I received a B.A. in History in 1998 from UCLA, and my J.D. from Loyola Marymount Law School in 2006. I became an Active Member of the State Bar of California in June 2007 and have been an Active Member in good standing continuously since then. I have been selected to Super Lawyers each year from 2019 to 2023.

48. I co-founded Moon & Yang, APC—now Moon Law Group, PC—in March 2010. My practice is focused exclusively on advocating for the rights of employees in wage and hour litigation, almost entirely in class and/or representative actions.

49. For the past decade, I have built my practice to have an emphasis on employment and related civil litigation cases and have both prosecuted and defended employment-related litigation cases. I have been heavily, successfully, and continuously involved in active litigation and trial work, and have conducted bench and jury trials on behalf of both employees and employers in wage and hour cases.

50. My current billing rate is $950.00 per hour, which is my usual hourly rate for wage and hour litigations. A $950.00 per hour rate is reasonable considering my years of experience practicing in the highly specialized area of employment and labor law and my Laffey Matrix rate (The Laffey Matrix, http://www.laffeymatrix.com/see.html [last visited August 22, 2024].) The Laffey Matrix is a "well-established objective source for rates that vary by experience" used by the District of Columbia. (*In re HPL Tech., Inc. Sec. Litig.* (N.D. Cal. 2005) 366 F. Supp 2d 912, 921.) A true and correct copy of the Laffey Matrix is attached hereto as **Exhibit 6**. California Courts have adjusted the Laffey Matrix rate upwards based on "locality pay differentials" and the location of counsel's office in California to determine whether counsel's rates are reasonable. (*See, e.g.*, *id.* [applying a 9% upward adjustment to the Laffey Matrix rate based on an approximate difference of 9% between the locality pay differential of the District of Columbia and San Francisco, California, where counsel's office was located].) To determine the locality pay differential, the Court in *In re HPL Technologies, Inc.* utilized the locality pay differentials within the federal courts. (*Id.* at 921–22.) Using the same method here and based on my firm's location in Los Angeles, California, the locality pay differential of the Los Angeles-Long Beach area is 36.47% and the locality pay differential of the Washington-Baltimore-Arlington area is 33.94%, which results in a difference of 2.53%. (*Compare* Judiciary Salary Plan of Los Angeles-Long Beach, CA, Effective January 13, 2025 *with* Judiciary Salary Plan of Washington-Baltimore-Arlington, Effective January 13, 2025.) True and correct copies of the Los Angeles-Long Beach, CA and Washington-Baltimore-Arlington salary plans are attached hereto as **Exhibit 7** and **Exhibit 8**, respectively. Based on my 17 years of experience, my Laffey Matrix rate with a 2.53% adjustment is $971.98 per hour ($948 Laffey Matrix rate + (2.53% x $948)). Accordingly, my billing rate of $900.00 per hour for this matter is reasonable

51. I am experienced in prosecuting and defending employment matters, particularly class actions and PAGA representative actions. My firm has focused a substantial percentage of its practice on wage, hour, and working conditions violations. In addition to the present case, I am also class counsel for other wage and hour class action lawsuits pending in various California counties, including in state and federal courts. The following is a list of some of our recent class action settlements that have received preliminary and final approval: *Aparicio v. Lineage Logistics, LLC* (LASC No. BC722764) (class size approx. 155; lead counsel); *Black v. Mission Healthcare Servs., Inc*. (LASC No. 19STCV04602) (class size approx. 1,000; lead counsel); *Campa v. Bloomingdeals, Inc*. (LASC No. BC700366) (class size approx. 1,500; lead counsel); *Garcia v. Comfy U.S.A. Apparel, Inc.* (LASC No. BC709630) (class size approx. 210; lead counsel); *Gomez v. H Mart Cos., Inc.* (LASC No. BC671525) (class size approx. 2,500; co-counsel); *Jones v. Citiguard, Inc.* (LASC No. BC664890) (class size approx. 587; lead counsel); *Jones v. Fitness Alliance, LLC* (Riverside No. PSC1404079) (class size approx. 1,000; lead counsel); *Lagos v. ThyssenKrupp Elevator Corp.* (LASC No. BC682972) ($750,000 for 79 class members; lead counsel); *Mark Brulee et al. v. DAL Global Servs., LLC* (C.D. Cal. Dec. 20, 2018, No. CV 17-6433 JVS(JCGx)) 2018 WL 6616659, at *10 (class size approx. 2,650; lead counsel) (in approving my hourly rate in that case, the Court found: "Class Counsel's declarations show that the attorneys are experienced and successful litigators. Other courts have approved the attorneys' current rates for the Moon & Yang, APC attorneys"); *Martinez v. Bail Hotline Bail Bonds, Inc.* (LASC No. BC700131) (class size approx. 173; lead counsel); *Montoya v. Golden 1 Credit Union* (Sacramento No. 34-2018-00228252) (class size approx. 1,900; lead counsel); *Onofre v. Caitac Garment Processing, Inc*. (LASC No. BC702283) (class size approx. 750; lead counsel); *Rodriguez v. Rossmoyne, Inc.* (LASC No. BC699137) (class size approx. 220; lead counsel); *Sison v. Cha Hollywood Med. Ctr., L.P.* (LASC No. BC6441 29) (class size approx. 2,100; co-counsel); *Slaughter v. ACA Sec. Stems, LP* (LASC No. BC699137) (class size approx. 300; lead counsel); *Taylor v. Sherman's Delicatessen & Bakery, LLC* (LASC No. BC722765) (class size approx. 515; lead counsel); *Vargas v. AMS Paving, Inc*. (LASC No. BC722767) (case size approx. 260; lead counsel); *Vertti v. Bagcraft Papercon III, LLC* (LASC No. 19STCV12729) (class size approx. 260; lead counsel); and *Wallick v. Campbell Soup Supply Co., LLC* (San Joaquin No. STK-CV-UOE-2021-0000865) (class size 435; lead counsel).

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<u>ALLEN FEGHALI'S EXPERIENCE AND QUALIFICATIONS</u>

52. Allen Feghali is a partner at Moon Law Group, PC. He received his B.A. in Global and International Studies in 2011 from UC Santa Barbara, and his J.D. from University of La Verne College of Law in 2014. Mr. Feghali became an Active Member of the State Bar of California in December 2014 and has been an Active Member in good standing continuously since then. He was selected by Super Lawyers as a "Southern California Rising Star" in 2020–2023.

53. Mr. Feghali began working at Moon Law Group, PC in May 2015, and his practice has focused on advocating for the rights of employees at the trial-court and appellate level. Prior to approximately June 2018, with the exception of a handful of cases, his practice focused on individual FEHA and wrongful termination claims, as well as individual wage and hour claims. In June 2018, Mr. Feghali became heavily involved in the firm's class and PAGA representative action practice.

54. Mr. Feghali's current billing rate is $900.00 per hour, which is his usual hourly rate in wage and hour litigations. Based on Mr. Feghali's 11 years of experience, his Laffey Matrix rate with a 2.53% adjustment is $971.98 per hour ($948 Laffey Matrix rate + (2.53% x $948)). (*See* Exh. 6.) As compared to the Laffey Matrix rate and when considering his experience, Mr. Feghali's billing rate of $900.00 per hour for this matter is reasonable.

55. During Mr. Feghali's tenure with Moon Law Group, PC, he has played a critical role in obtaining outstanding results for employees who have been wronged by their employers. Mr. Feghali's litigation experience includes, but is not limited to:

(a) In March 2021, Mr. Feghali prepared the briefing in the matter of *Rivera, et al. v. Clearpath Federal Credit Union* (LASC No. 19STCV33504), which resulted in a certification order on all causes of action following contested briefing in a wage and hour class action.

(b) Mr. Feghali prepared the briefing in a contested class certification motion in the matter of *Dawson, et al. v. GoHealth, LLC, et al.* (No. CGC-19-577790), which was argued and taken under submission by the Court on February 3, 2022.

(c) Mr. Feghali prepared the briefing in a contested class certification motion in the matter of *Brown v. NTI-CA, Inc., et al.* (No. 21STCV04397), which is not currently scheduled for hearing.

(d) Mr. Feghali was part of a team that prepared the briefing in a contested class certification motion in the matter of *Thong, et al. v. Outlook Resources, Inc., et al*. (No. 19STCV44400), which was granted, in part, and denied, in part, in October 2022.

(e) Mr. Feghali prepared the briefing which resulted in a remand order in the matter of *Andrade v. Rehrig Pacific Corp.* (C.D. Cal. April 22, 2020) No. CV 20-1448 FMP (RAOx), 2020 WL 1934954, where Defendant removed a wage and hour class alleging that plaintiff's claims were pre-empted by the Labor Management Relations Act.

(f) Mr. Feghali briefed, argued, and won the matter of *Lee, et al. v. The Christian Herald, U.S.A., Inc.* (Cal. Ct. App. Dec. 12, 2017) No. B266853, 2017 WL 6333905, at *1. There, the Court of Appeal reversed a dismissal of an individual defendant following the trial court's granting of a demurrer without leave to amend relating to alter ego allegations.

(g) Mr. Feghali prepared the briefing which resulted in a remand order in the matter of *Sotelo v. Belfor USA Group, Inc.* (C.D. Cal. Mar. 13, 2018) No. 2:17–cv–09056–RSWL–MRWx, 2018 WL 1352910. Defendants there sought to remove the case based on the inclusion of a "sham defendant," but the court agreed with Mr. Feghali's briefing which argued that the individual defendant, who was alleged to have harassed the plaintiff under FEHA, was a proper defendant.

(h) Mr. Feghali has been the lead counsel, or co-lead counsel, in individual cases that settled for $850,000.00, $375,000.00, and $250,000.00. In addition to the foregoing, Mr. Feghali has resolved or assisted in the resolution of approximately 100 cases which has resulted in millions of dollars of unpaid wages being returned to low-wage employees.

(i) Mr. Feghali was part of a team that prepared the briefing in a contested class certification motion in the matter of Hernandez v. CR Laurence, Inc., et al. (No. 20STCV32372), which was granted, in part, and denied, in part, in February 2024.

56. Since June 2018, Mr. Feghali's practice has shifted to almost exclusively representing employees in wage and hour class and PAGA representative actions. His fee has been approved by Courts throughout the state. He has participated as lead, or co-lead counsel, in the litigation and resolution of over 100 wage and hour class actions, including obtaining preliminary and final approval of settlements. A selection of settled cases wherein Mr. Feghali served as lead or co-lead class counsel includes the following: *Barahona v. Methodist Hosp. of Cal*. (No. 20STCV09876) ($5,000,000); *Vazquez v. St. Mar 2.0 Inc.* (No. 37-2021-00042702-CU-OE-CTL) ($2,250,000); *Duncan v. Infineon Technologies Americas Corp*. (No. 21STCV16872) ($2,500,000); *Aquino v. Coast King Packing, LLC* (No. 21CV002448) ($2,300,000); *Martinez, et al. v. Curative LLC* (No. 21STCV20778) ($1,500,000); *Calderon v. Installed Building Products* (No. 37-2021-00035844-CU-OE-CTL) ($1,500,000); *Majdoub v. Argent Hotel Mgmt.* (No. CGC-20-582921) ($1,800,000); *Fuentves v. Covid Clinic, Inc*. (No. CIVSB2106806) ($1,526,317.57); *Rahman, et al. v. Gate Gourmet, Inc*. (No. 3:20-cv-03047) ($3,850,000); *Pagoulatos v. Coast Hills Credit Union* (No. 20CV02801) ($1,100,000); *Hammers v. Redwood Oil Co., Inc*. (No. SCV-269625) ($1,180,000); *Cuadras v. R.C. Wendt Painting, Inc*. (No. BC705964) ($1,400,000); *Zaragoza v. The Roman Catholic Bishop of Fresno* (No. 22CV-00282) ($1,500,000); *Garcia v. San Jose Water Co.* (22CV396328) ($1,200,000); *Garcia v. Tri-Valley Plastering, Inc*. (No. 22CECG00591) ($1,250,000); *Garcia v. Tapia Enter., Inc.* ($2,137,651 for 507 class members); *Cha v. Center Point, Inc*. (No. CIV2102081) ($1,000,000); *Sison v. Cha Hollywood Med. Ctr., L.P*. (No. BC644129) (2,137 class members); *Lagos v. ThyssenKrupp Elevator Corp.* (No. BC682972) ($750,000 for 79 class members); and *Montoya v. Golden 1 Credit Union* (No. 34-2018-00228252) ($1,250,000).

JULIE OH'S EXPERIENCE AND QUALIFICATIONS

57. Julie Oh is an associate attorney at Moon Law Group, PC. Ms. Oh began working in October 2021, and initially, her practice focused on individual FEHA and wrongful termination claims, as well as wage-and-hour class and representative actions. Since September 2022, Ms. Oh shifted her focus of practice

to almost exclusively class and representative actions, involving claims related to overtime and minimum wages, meal and rest break violations, improper wage statements, the California Private Attorneys General Act, and unfair business practices.

58. Ms. Oh received her Bachelor of Arts in Political Science from the University of British Columbia and her Juris Doctorate from California Western School of Law. Ms. Oh is a member in good standing with the California State Bar and in the United States District Court for the Central, Eastern, and Northern Districts.

59. Ms. Oh's current billing rate is $700 per hour, which is her usual hourly rate in wage and hour litigations. Ms. Oh's litigation experience includes, but is not limited to:

(a) In January 2024, Ms. Oh prepared the Motion for Class Certification in the matter of *Barley, Jr., et al. v. Mac Acquisition, LLC*, San Joaquin Superior Court, Case No. STK-CV-UOE-2019-0006202, which resulted in a certification order on all causes of action on June 2024.

(b) In October 2024, Ms. Oh briefed, argued, and prevailed on an opposition to demurrer in the matter of *Foulks v. Browning-Ferris Industries of California, Inc.*, Los Angeles County Superior Court, Case No. 23STCV07285, where the defendant sought to dismiss the case based on federal preemption under Section 301 of the Labor Management Relations Act.

(c) In October 2023, Ms. Oh prepared the Motion to Remand in the matter of *Jimenez v. Land O'Lakes, Inc.*, United States District Court, Eastern District of California, Case No. 1:23-cv-00891-JLT-SKO, which has been taken under submission.

(d) In March 2023, Ms. Oh prepared and argued an opposition to motion to compel arbitration in the matter of *Pullin v. Emerald Valley Marketing, LLC*, Stanislaus Superior Court, Case No. CV-22-005147l, which resulted in the Court denying the defendant's motion in part, finding that the plaintiff's PAGA claims—both individual and representative—are not subject to arbitration.

60. Based on Ms. Oh's 4 years of experience, her Laffey Matrix rate with a 2.53% adjustment is $595.70 per hour ($581 Laffey Matrix rate + (2.53% x $581). (*See* Exh. 6.) As compared to the Laffey Matrix rate and when considering her experience, Ms. Oh's billing rate of $700 per hour for this matter is reasonable.

61. A selection of settled class and/or representative actions that have received preliminary and/or final settlement approval, the resolution of which Ms. Oh assisted during her tenure with Moon Law Group, PC, includes following: *Quijano et al. v. GXO Logistics Supply Chain, Inc., et al*. (22STCV01988) ($3,000,000.00); *Birk v. Simpson Strong-Tie Company, Inc*. (22CV018199) ($2,940,000.00); *Billings v. Wind Youth Services, Inc., et al*. (34-2022-00327068-CU-OE-GDS) ($1,535,000.00); *Calderon v. Installed Building Products* (No. 37-2021-00035844-CU-OE-CTL) ($1,500,000); *Martinez et al. v. Curative, LLC, et al*. (21STCV20778) ($1,450,000.00); *Cha v. Center Poin*t (CIV2102081) ($1,000,000.00); *Maciel v. Western Health Advantage* (34-2022-00329710-CU-OE-GDS) ($1,000,000.00); *Alvarez v. Los Angeles Philharmonic Association* (22STCV21979) ($970,000.00); *Almonte et al. v. Yosemite Meat Company, Inc., et al*. (STK-CV-UOE-2021-0000860) ($850,000.00); *Alvarez v. Tropicana Manufacturing Company, Inc.* (23STCV06663) ($845,000.00); *Pitt v. The Brigantine, Inc.* (37-2021-00035830-CU-OE-CTL) ($760,000.00); *Hernandez v. Creating A Legacy, Inc.* (CVRI2105846) ($709,551.46); *Mendoza et al. v. Masonite Corporation* (5:21-cv-00025-SSS-KK) ($635,000.00); *Maul v. The Illumination Foundation* (30-2022-01241473-CU-OE-CXC) ($550,000.00); *Archila v. Labornow Inc., et al.* (21STCV21816) ($512,803.50); *Butts v. Golden West Packaging Group, LLC, et al*. (34-2021-00311468-CU-OE-GDS) ($450,000.00 for 183 aggrieved employees); and *Hernandez v. Superior Electrical Advertising, Inc.* (20STCV48834) ($395,000.00 for 235 class members).

JAMIE OSGANIAN'S EXPERIENCE AND QUALIFICATIONS

62. Jamie Osganian is an associate attorney at Moon Law Group, PC and represents employees in all aspects of employment litigation, including wage-and-hour class and representative actions involving claims related to overtime and minimum wages, meal and rest break violations, improper wage statements, the California Private Attorneys General Act, and unfair business practices.

63. Ms. Osganian received a bachelor's degree from New York University, and a Juris Doctorate from Southwestern Law School.

64. Ms. Osganian became an Active Member of the State Bar of California in December 2024 and has been an Active Member in good standing continuously since. Ms. Osganian's billing rate is $450.00 per hour. Based on Mr. Osganian's one year of experience, her Laffey Matrix rate with a 2.53% adjustment is $484.97 per hour ($473 Laffey Matrix rate + (2.53% x $473)). (See Exh. 6.) As compared to the Laffey Matrix rate and when considering her experience, an hourly rate of $450.00 is reasonable.

CLASS COUNSEL'S EXPERIENCE AND QUALIFICATIONS

65. As demonstrated by the foregoing, my office is qualified to handle this litigation because we are experienced in litigating Labor Code and Wage Order violations in individual, class, and representative actions. The attorneys at my office have been appointed as lead or co-lead counsel in numerous wage and hour class and/or PAGA actions in state and federal courts by way of motion for settlement approval. Including myself, Moon Law Group, PC is comprised of approximately 30 attorneys, all of whom are actively and continuously practicing employment litigation, representing almost entirely employee-plaintiffs, in both individual and class and/or PAGA actions, in this Superior Court and other Superior Courts throughout the State, in the Courts of Appeal, and in various federal courts. The attorneys at my firm have a high level of skill and knowledge in wage and hour class actions, PAGA representative actions, and labor and employment law generally, the substantiative (state and federal) and procedural law of which is frequently evolving.

66. Moon Law Group, PC has been engaged in the practice of employment and labor law for over a decade, and presently focuses exclusively on plaintiffs' employment law. The firm and its lawyers have tried both bench and jury trials (representing both plaintiffs and Defendant) relating to employment matters. As noted above, Moon Law Group, PC has been appointed lead or co-lead class counsel in federal and state courts in California. Also, the firm and its lawyers have successfully settled hundreds of cases during that time, including wage and hour class and/or PAGA actions.

67. The foregoing experience of myself and other attorneys of Moon Law Group, PC is helpful in assessing the reasonableness of settlements, such as the one at issue here, and from this experience we concluded that this litigation could not have been settled on better terms than provided under the Settlement.

68. I respectfully submit that the attorneys of Moon Law Group, PC, myself included, are well suited to act as Class Counsel in this action, and we have, and will continue to, vigorously represent the

interests of the Class. To my knowledge, we do not have any conflicts of interest with Plaintiff, other Class Members, or the proposed Administrator, and we are not related to Plaintiff. Furthermore, we do not have any relationship with or financial interest in Court Appointed Special Advocates of Alameda County, the proposed *cy pres* beneficiary of any uncashed settlement checks designated under the Settlement. (Settlement, ¶ 57.d.) We respectfully request to be appointed as Class Counsel, for settlement purposes.

THE REQUEST FOR ATTORNEYS' FEES AND COSTS IS REASONABLE

69. The Settlement provides for attorneys' fees payable to Class Counsel not to exceed to one-third of the Gross Settlement. (*Id.* at ¶ 50.a.) The proposed award of attorneys' fees can be justified under either the lodestar method or the percentage/common-fund recovery method. Plaintiff's Counsel, however, intend to base the proposed fees award on the percentage method, as many of the entries in the time records will have to be redacted to preserve attorney-client and attorney work product privileges.

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

71. It is further estimated that my office will need to expend at least another 50 to 100 hours to monitor the administration process leading up to the final approval, prepare for final approval, and oversee distribution to the Class following final approval. My office also bears the risk of taking whatever actions are necessary should Defendant fail to pay.

72. The risk to my office has been very significant, particularly if we would not be successful in pursuing this class action. In such instance, we would have been left with no compensation for all the time taken in litigating this case due to the contingency fee arrangement. Indeed, I have taken on a number of class action cases that have resulted in thousands of attorney hours being expended and ultimately having the defendant company going bankrupt during litigation. The contingent risk in these types of cases is very real and occurs regularly. Furthermore, we were precluded from focusing on, or taking on, other cases which could have resulted in a larger, and less risky, monetary gain. Nonetheless, my office undertook this litigation on behalf of the Class, and we were committed to pursue it to its conclusion, placing our fiduciary duty to the Class ahead of all other concerns.

73. Because most individuals cannot afford to pay for representation in litigation on an hourly basis, Moon Law Group, PC represents virtually all its employment law clients on a contingency fee basis, including Plaintiff in this matter. Pursuant to this arrangement, we are not compensated for our time unless we prevail at trial or successfully settle our clients' cases. Because Moon Law Group, PC is taking the risk that we will not be reimbursed for our time unless our client settles or wins his or her case, we cannot afford to represent an individual employee on a contingency basis if, at the end of our representation, all we are to receive is our regular hourly rate for services. It is essential that we recover more than our regular hourly rate when we win if we are to remain in practice so as to be able to continue representing other individuals in civil rights employment disputes.

74. My office invested significant time and resources into the case, with payment deferred to the end of the case, and then, of course, contingent on the outcome. My office's efforts have included, and will include following preliminary and final approval, without limitation, the following:

(a) Numerous interviews with Plaintiff and review of documents provided by him;

(b) Legal research and investigation regarding Defendant's business and employment practices at numerous points in the litigation;

(c) Preparation and submission of Plaintiff's PAGA notice letter;

(d) Preparation, finalization, and filing of multiple drafts of the original class action complaint and subsequent first amended complaint;

(e) Informal discovery activity;

(f) Contacting witnesses;

(g) Extensive "meet and confer" correspondence and discussions with Defense Counsel regarding the mediations and to obtain relevant documents and information through informal discovery;

(h) Research and preparation of Plaintiff's mediation brief;

(i) Analysis of the formal discovery production and preparation of a damages model with the aid of a statistics expert;

(j) Attendance and active participation at a full day mediation;

(k) Drafting, negotiating, and reviewing multiple drafts of the Settlement and Class Notice;

(l) Preparation of the motion for preliminary approval and the accompanying filings;

(m) Anticipated preparation for and attendance at the preliminary approval hearing;

(n) Anticipated conferring with Defense Counsel and the Settlement Administrator regarding the Class Notice mailings, Class responses, and preliminary and final calculations;

(o) Anticipated preparation, finalization, filing, and service of a motion for final approval and accompanying filings;

(p) Anticipated preparation for and anticipated attendance at the final approval hearing, and then monitoring of the distribution of funds following final approval; and

(q) Anticipated responding to Class Member inquiries and communicating with Plaintiff regarding the case.

75. As of the drafting of this motion, my office has incurred $22,545.85 in unreimbursed expenses litigating this action, and we anticipate accruing additional costs up to final approval. These expenses were reasonably necessary to the litigation and were actually incurred by my office.

76. Through the efforts of my office and Plaintiff in this case, a fair and reasonable joint resolution has been reached that includes a gross, non-reversionary payment by Defendant of *no less than* $759,000.00 to compensate Class Members for the alleged unlawful wage and hour practices. I am informed and believe that, without the efforts of my office or Plaintiff, the Labor Code and Wage Order violations alleged in the Operative Complaint would have gone completely unremedied.

I declare under penalty of perjury under the laws of the State of California and the United States that the foregoing is true and correct. Executed on September 24, 2025, at Los Angeles, California.

Kane Moon

EXHIBIT 1

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THE NEW IEM, LLC

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF ALAMEDA

FABIAN CAMILO BUITRAGO MALAVER, individually, and on behalf of all others similarly situated, Plaintiff, vs. THE NEW IEM, LLC, a limited liability company; and DOES 1 through 10, inclusive, Defendants.	Case No. 24CV102931 ASSIGNED FOR ALL PURPOSES TO: HON. SOMNATH RAJ CHATTERJEE; DEPT. 21 **SETTLEMENT AGREEMENT AND STIPULATION TO RESOLVE CLASS ACTION AND PAGA CLAIMS** Date Action Filed: December 11, 2024 Trial Date: Not Set

SETTLEMENT AGREEMENT AND STIPULATION TO RESOLVE CLASS ACTION AND PAGA CLAIMS

This *Settlement Agreement and Stipulation To Resolve Class Action and PAGA Claims* is entered into to resolve the action entitled *Fabian Camilo Buitrago Malaver, et al. v. The New IEM, LLC, et al.*, Alameda County Superior Court, Case No. 24CV102931.

DEFINITIONS

1. Action. "Action" means *Fabian Camilo Buitrago Malaver, et al. v. The New IEM, LLC, et al.*, Alameda County Superior Court, Case No. 24CV102931.

2. Agreement or Settlement or Settlement Agreement. "Agreement," "Settlement," or "Settlement Agreement" means this Settlement Agreement and Stipulation To Resolve Class Action and PAGA Claims, entered into by the Parties to resolve the Action.

3. Attorneys' Fees and Costs. "Attorneys' Fees and Costs" means the amount authorized by the Court for an award of attorneys' fees to Class Counsel for litigation and resolution of the matter, in an amount that does not exceed one-third of the Gross Settlement Amount, currently estimated to be $253,000.00, and reimbursement of actual costs incurred by Class Counsel in prosecuting the Action, in an amount not to exceed $25,000.00.

4. Class or Class Members. "Class" or "Class Members" means all past and present non-exempt, hourly-paid employees of The New IEM, LLC who worked in California at any time during the Class Period (as defined in Paragraph 7), excepting those employees who have already released, assigned, or otherwise forfeited the claims asserted in the Action as set forth to Paragraph 64 ("No Double Recovery").

5. Class Counsel. "Class Counsel" means Kane Moon, Allen Feghali, Julie S. Oh, of Moon Law Group, PC.

6. Class Notice. "Class Notice" means the Notice of Class Action Settlement, attached as **Exhibit A** to this Agreement, or a substantially similar notice approved by the Court. The Class Notice will be translated into Spanish by the Settlement Administrator and mailed to Class Members in both English and Spanish.

7. Class Period. "Class Period" means the period from December 11, 2020 to the date

the Court enters the Preliminary Approval Order, subject to the escalator provision in Paragraph 49.

8. Class Released Claims. "Class Released Claims" means any and all claims, known or unknown, contingent or accrued, against Defendant and the other Released Parties that arise from the facts, transactions or occurrences alleged in the Action, or that reasonably could have been alleged based on any fact set forth in the Action, arising during the Class Period, including and not limited to, claims for failure to pay all wages earned for all hours worked at the correct rate including minimum, regular, and overtime wages (*e.g.*, including, but not limited to, failure to pay paid sick leave and PTO at the correct rates), failure to provide meal periods and rest breaks or pay premium payments at the correct rate, failure to provide meal periods and rest breaks or pay premium payments at the correct rate, failure to provide and maintain complete and accurate itemized wage statements that include all information required by the California Labor Code, untimely payment of wages during employment and at the time of termination, failure to reimburse business expenses, violations of the corresponding California Labor Code provisions, including §§ 201, 202, 203, 204, 210, 218.5, 218.6, 226, 226.3, 226.7, 227.3, 246, 246.5, 247, 247.5, 248, 248.1, 248.2, 248.3, 248.5, 248.6, 248.7, 510, 512, 558, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1198, and 2802, the applicable California Wage Orders, and all related or corresponding local and federal laws, violation of California Business and Professions Code Section 17200 *et seq.*, including attorneys' fees, costs and interest, arising from the foregoing violations, except those arising under California Labor Code Section 2698 *et seq.*

9. Class Settlement. "Class Settlement" means the settlement and release of Class Released Claims.

10. Court. "Court" means the Alameda County Superior Court, where the Action is currently pending.

11. Defendant. "Defendant" means The New IEM, LLC.

12. Effective Date. The "Effective Date" of this Agreement shall be the later of: (i) the 61st day after service of notice of entry of the Final Approval Order and Judgment, if no appeal, review, or writ has been filed; or (ii) if an appeal, review, or writ is sought from the Final Approval

Order and Judgment, the day after the Final Approval Order and Judgment is affirmed or the appeal, review, or writ is dismissed or denied, and the Final Approval Order and Judgment are no longer subject to further judicial review. The Effective Date is conditioned upon all of the following occurring: (a) this Agreement has been signed by the Parties, Class Counsel, and Defendant's counsel; and (b) the Court has entered the Final Approval Order and Judgment.

13. Employer's Taxes. "Employer's Taxes" means the taxes Defendant is obligated by law to pay for any portion of the Individual Settlement Payments designated as wages.

14. Enhancement Award. "Enhancement Award" means the amount of up to $5,000.00 to be paid to the Named Plaintiff subject to Court approval, from the Gross Settlement Amount, in addition to his Individual Settlement Payment, in recognition of his efforts and work in prosecution of the Action.

15. Final Hearing Date or Final Approval Hearing. "Final Hearing Date" or "Final Approval Hearing" means the date set by the Court for the hearing on final approval of the Settlement, at which the Court will determine whether to fully and finally approve the fairness and reasonableness of this Agreement.

16. Final Approval Order and Judgment. "Final Approval Order and Judgment" means the proposed order granting final approval of the Settlement and entering judgment, which Plaintiff will submit to the Court with the motion for final approval of the Settlement.

17. General Release Payment: "General Release Payment" means the amount of up to $10,000.00 to be paid to Named Plaintiff subject to Court approval, from the Gross Settlement Amount, for his full release and discharge of any claims that he has ever had against the Released Parties through the date of execution of the Agreement, including any claims he has or may have against the Released Parties arising under the California Fair Employment and Housing Act that are not alleged in the Action and a waiver of his rights under Civil Code Section 1542 as set forth in Paragraph 46.

18. Gross Settlement Amount. "Gross Settlement Amount" means the total settlement payment Defendant agreed to make under this Agreement. The Gross Settlement Amount is $759,000.00, subject to the escalator provision in Paragraph 49.

19. Individual PAGA Payment. "Individual PAGA Payment" means the payment to a PAGA Class Member of his or her *pro rata* portion of the PAGA Payment.

20. Individual Settlement Payment. "Individual Settlement Payment" means the payment to a Participating Class Member of his or her *pro rata* share of the Net Settlement Amount.

21. Named Plaintiff. "Named Plaintiff" means Fabian Camilo Buitrago Malaver.

22. Notice Period. "Notice Period" means the time period commencing on the date the Class Notice is mailed to Class Members and ending sixty (60) calendar days thereafter.

23. Net Settlement Amount. "Net Settlement Amount" means the settlement amount to be distributed to Participating Class Members, which is the Gross Settlement Amount less Attorneys' Fees and Costs, the General Release Payment, the Enhancement Award, the PAGA Payment, and Settlement Administration Costs.

24. PAGA Class Members. "PAGA Class Members" means all past and present non-exempt, hourly-paid employees of The New IEM, LLC who worked in California at any time during the PAGA Period (as defined in Paragraph 26).

25. PAGA Payment. "PAGA Payment" means the amount of $50,000.00, which represents the portion of the Settlement allocated to the settlement of the claims pursuant to the California Private Attorneys General Act ("PAGA"). The PAGA Payment is paid from the Gross Settlement Amount, and will be allocated as set forth in Paragraph 50.d.

26. PAGA Period. "PAGA Period" means the period from December 11, 2023 to the date the Court enters the Preliminary Approval Order, subject to the escalator provision in Paragraph 49.

27. PAGA Released Claims. "PAGA Released Claims" means any and all claims for PAGA civil penalties against Defendant and the other Released Parties that arise from the facts, transactions or occurrences alleged in the letter sent by Class Counsel to the Labor and Workforce Development Agency on or about December 7, 2024 ("LWDA Letter") and the Action, or that reasonably could have been alleged based on any fact set forth in the LWDA Letter and the Action, arising during the PAGA Period, for violations of California Labor Code §§ 201, 202, 203, 204,

210, 226, 226.3, 226.7, 227.3, 246, 246.5, 247, 247.5, 248, 248.1, 248.2, 248.3, 248.5, 248.6, 248.7, 510, 512, 558, 1174, 1174.5, 1194, 1197, 1197.1, 1198, 2699, and 2802, and the applicable California Wage Orders, including attorneys' fees, costs and interest arising from the foregoing.

28. PAGA Settlement. "PAGA Settlement" means the settlement and release of PAGA Released Claims. Subject to Court approval, the PAGA portion of the Settlement will be considered approved upon entry of the Preliminary Approval Order, however, to minimize claims administration expenses, the PAGA Payment will not be paid and distributed until after the Final Approval Hearing.

29. PAGA Workweeks. "PAGA Workweeks" means the number of weeks a PAGA Class Member was employed during the PAGA Period and will be calculated by dividing the total number of calendar days that the PAGA Class Member was employed during the PAGA Period by 7. That calculation will be rounded up to the nearest whole number.

30. Parties. "Parties" means the Defendant and the Named Plaintiff, individually and on behalf of all Class Members, and the State of California with respect to the employment of PAGA Class Members (defined in Paragraph 24). Each of the Parties may be referred to in the singular as a "Party."

31. Participating Class Member. "Participating Class Member" means each Class Member who has not submitted a valid and timely Opt-Out Request, pursuant to Paragraph 55 of the Agreement; "Settlement Class" means a class of all Participating Class Members.

32. Preliminary Approval Order. "Preliminary Approval Order" means an order from the Court preliminarily approving this Settlement.

33. Released Parties. "Released Parties" means and includes The New IEM, LLC and its respective current and former parents, predecessors or successors, holding companies, affiliated companies or entities, owners, shareholders, members, partners, officers, directors, managers, employees, and agents.

34. Settlement Administration Costs. "Settlement Administration Costs" means the costs of settlement administration, including costs of notice to Class Members, distributing settlement payments, and any other fees and costs incurred or charged by the Settlement

Administrator in connection with the execution of its duties under this Settlement.

35. Settlement Administrator. "Settlement Administrator" means CPT Group, Inc. or such other third-party administrator mutually agreed upon by the Parties and subject to approval by the Court.

36. Workweeks. "Workweeks" means the number of weeks a Class Member was employed during the Class Period and will be calculated by dividing the total number of calendar days that the Class Member was employed during the Class Period by 7. That calculation will be rounded up to the nearest whole number.

RECITALS

37. On December 11, 2024, the Named Plaintiff filed a putative class action against Defendant The New IEM, LLC in a case styled *Fabian Camilo Buitrago Malaver, et al. v. The New IEM, LLC, et al.*, Alameda County Superior Court, Case No. 24CV102931. The Complaint alleged that Defendant violated various wage-and-hour laws, including: by failing to pay minimum wages / failing to pay overtime compensation, failing to provide meal periods, failing to authorize and permit rest breaks, failing to indemnify necessary business expenses, failing to timely pay wages at termination, failing to provide accurate itemized wage statements, and engaging in unfair business practices in violation of California Business and Professions Code § 17200 *et seq*.

38. On February 11, 2025, the Named Plaintiff filed a First Amended Class Action and Representative Action Complaint which added an additional cause of action for civil penalties under PAGA.

39. Defendant denies that it engaged in any misconduct in connection with the wage-and-hour practices associated with the Class Members or PAGA Class Members. Defendant further denies that it has any liability of any kind associated with the claims alleged in the Action. Defendant contends that it has complied with both federal and state wage-and-hour laws, and all other laws regulating its relationship with the Class Members, including the Named Plaintiff.

40. On May 12, 2025, the Parties participated in mediation with Lisa Klerman, Esq. (the "Mediator"), a respected mediator of complex wage and hour actions, and with the assistance of the Mediator's evaluations, the Parties reached the settlement that is memorialized in this

Agreement.

41. Class Counsel has investigated the facts relating to the Action. Settlement discussions were conducted at arm's-length, and the Settlement is the result of an informed and detailed analysis of Defendant's potential liability and exposure and defenses in relation to the costs and risks associated with continued litigation. Based on the documents produced, as well as Class Counsel's own independent investigation and evaluation, Class Counsel believes that the Settlement documented by this Settlement Agreement is fair, reasonable, and adequate, and in the best interest of the Class in light of all known facts and circumstances, including the risk of significant delay and defenses asserted to the merits of the Action. While Defendant specifically denies any liability in the Action, Defendant has agreed to enter into this Settlement to avoid the time, uncertainty and costs associated with defending the Action.

TERMS AND CONDITIONS

NOW, THEREFORE, in consideration of the recitals listed above and the promises and warranties set forth below, and intending to be legally bound and acknowledging the sufficiency of the consideration and undertakings set forth below, Named Plaintiff, individually and on behalf of the Class Members and State of California with respect to the employment of PAGA Class Members, and Defendant agree that the Action shall be and is finally and fully compromised and settled on the following terms and conditions, subject to Court approval:

42. Non-Admission of Liability. The Parties enter into this Agreement to resolve the dispute that has arisen between them and to avoid the burden, expense and risk of continued litigation. In entering into this Agreement, Defendant and the other Released Parties do not admit, and specifically deny, that they have violated any federal, state, or local law; violated any regulations or guidelines promulgated pursuant to any statute or any other applicable laws, regulations or legal requirements; breached any contract; violated or breached any duty; engaged in any misrepresentation or deception; or engaged in any other unlawful conduct with respect to the Class or PAGA Class Members. Neither this Agreement, nor any of its terms or provisions, nor any of the negotiations connected with it, shall be construed as an admission or concession by Defendant or any of the other Released Parties of any such violations or failures to comply with

any applicable law. Except as necessary in a proceeding to enforce the terms of this Agreement, this Agreement and its terms and provisions shall not be offered as evidence in any action or proceeding to establish any liability or admission on the part of Defendant or to establish the existence of any condition constituting a violation of, or a non-compliance with, federal, state, local or other applicable law.

43. Conditional Nature of Settlement. For settlement purposes *only*, the Parties agree that (a) a class may be certified pursuant to California Code of Civil Procedure Section 382, and (b) payment in compromise of claims for civil penalties may be recovered on a PAGA representative action basis.

a. The Parties intend their settlement to be contingent upon the preliminary and final approval of each and every term of this Agreement, without material modification. The Parties and their respective counsel shall use their respective best efforts to obtain Court approval and implement this Agreement in accordance with its terms. Nonetheless, if the Court does not so approve this Agreement, the Parties agree to meet and confer and use their best efforts, in good faith, to address the Court's concerns and implement the Settlement, including by modifying this Agreement and submitting supplemental evidence and briefing as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document or modification that may become necessary to implement the Settlement, the Parties will seek assistance of the Mediator for resolution. If, after the Mediator's assistance and exhausting all reasonable efforts, the Parties are still unable to agree upon a resolution, the Parties intend this Agreement to become null and void, and unenforceable, in which event the settlement terms set forth in this Agreement, including any modifications made with the consent of the Parties, and any action taken or to be taken in connection with this Agreement shall be terminated and shall become null and void and have no further force or effect, and the class certified for settlement purposes pursuant to this Agreement will be decertified for all purposes.

b. In the event the Court refuses to grant preliminary or final approval of the Parties' settlement (without providing the Parties an opportunity to submit additional information to support the settlement), or in the event that this Agreement shall terminate or the settlement embodied in this Agreement does not become effective for any reason, the Agreement and all negotiations, court orders and proceedings relating to the Agreement shall be without prejudice to the rights of the Named Plaintiff, Class Members, State of California, PAGA Class Members, and Defendant, each of whom shall be restored to their respective positions existing prior to the execution of this Agreement, and evidence relating to the Agreement and all negotiations shall not be discoverable or admissible in the Action or any other litigation. To the extent this happens, the Parties will work together in good faith in resetting any necessary deadlines. Defendant does not waive, and instead expressly reserves, its rights to challenge the propriety of class certification for any purpose in the event that the Settlement is terminated or does not become effective.

c. The Parties and their respective counsel shall use their respective best efforts to obtain Court approval and implement this Agreement in accordance with its terms. If the Court grants the Preliminary Approval Order, but does not grant final approval of the Settlement, the Parties agree to meet and confer and use their best efforts, in good faith, to address the Court's concerns and implement the Settlement. If the Parties are unable to agree upon a resolution, after exhausting all reasonable efforts to reach a resolution, then the Preliminary Approval Order will be vacated in its entirety. In addition, if the Court does not grant final approval of the Settlement, neither this Agreement, the Preliminary Approval Order, nor any other document in any way relating to the foregoing, shall be relied upon, referred to, or used in any way for class certification proceedings or representative action proceedings in the Action or any other action. Defendant does not waive, and instead expressly reserves, its rights to challenge the propriety of class certification for any purpose should the Court not grant final approval of the Settlement.

44. <u>Participating Class Member Release of Class Released Claims</u>. As of the Effective Date, the Named Plaintiff and all Participating Class Members shall be deemed to have fully, finally, and forever released, settled, compromised, relinquished and discharged any and all of the Released Parties from the Class Released Claims.

a. The Named Plaintiff and each Participating Class Member who has not timely filed an Opt-Out Request is enjoined from pursuing any Class Released Claims.

b. Because it is impossible or impracticable to have each Class Member execute this Agreement, the Class Notice will advise all Class Members of the binding nature of the release of Class Released Claims as to Participating Class Members, and such notice will have the same force and effect as if the Agreement were executed by each Class Member.

45. <u>PAGA Class Members Release of PAGA Claims</u>: In exchange for the PAGA Payment recited in this Agreement, the Named Plaintiff, as the representative for the State of California and all PAGA Class Members, and on behalf of their current, former, and future heirs, executors, administrators, attorneys, agents, and assigns, will forever completely release and discharge the Released Parties from the PAGA Released Claims. The PAGA Class Members and the State of California will be deemed by operation of the Final Approval Order and Judgment as of the Effective Date to have agreed not to sue or otherwise make a claim against any of the Released Parties for the PAGA Released Claims.

46. <u>Full Release by the Named Plaintiff</u>. As of the occurrence of the Effective Date, the Named Plaintiff fully releases and discharges Defendant and the other Released Parties from the Class Released Claims, PAGA Released Claims, and any other claims that the Named Plaintiff ever had against the Released Parties through the date of execution of the Agreement. Without limiting the generality of the foregoing, the Named Plaintiff specifically and expressly releases to the maximum extent permitted by law any claims against the Released Parties, arising out of or relating to the Named Plaintiff's employment or the termination of his employment with Defendant and any other Released Party. This general release by the Named Plaintiff includes a waiver of Named Plaintiff's rights under 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."

47. <u>No Prior Assignments</u>: The Named Plaintiff and Class Counsel 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 any portion of any liability, claim, demand, action, cause of action, or rights released and discharged by this Agreement, except as set forth in

this Agreement.

48. Settlement Payments and Calculation of Claims. Subject to final Court approval and the conditions specified in this Agreement, and in consideration of the mutual covenants and promises set forth in this Agreement, Defendant agrees to pay the Gross Settlement Amount of $759,000.00, subject to the escalator provision in Paragraph 49. The Gross Settlement Amount includes, but is not limited to, Individual Settlement Payments to be made to Participating Class Members; Class Counsel's Attorneys' Fees and Costs; Settlement Administration Costs; General Release Payment to the Named Plaintiff; Enhancement Award to the Named Plaintiff; Individual PAGA Payments to be made to PAGA Class Members; and LWDA Payment to the LWDA. The Gross Settlement Amount does not include the employer's share of the payroll taxes on any amounts paid to the Class. For the avoidance of doubt, subject to the escalator provision in Paragraph 49, Defendant shall not be required to pay any amount over $759,000.00 for this Settlement, apart from the Employer's Taxes, which will be paid in addition to the Gross Settlement Amount. The following table summarizes the estimated allocation of the Gross Settlement Amount:

Gross Settlement Amount of $759,000.00, Allocated As Follows:

- **$50,000.00** for the PAGA Payment
    - **$32,500.00** for the LWDA Payment
    - **$17,500.00** for payments to PAGA Class Members on a *pro rata* basis ("Individual PAGA Payments")
- Class Counsel Attorneys' Fees not to exceed one-third of the Gross Settlement Amount (currently **$253,000.00**)
- Class Counsel Costs (not to exceed $**25,000.00**)
- Settlement Administration Costs (not to exceed $**10,500.00**)
- A General Release Payment for Named Plaintiff in the amount of **$10,000.00**
- An Enhancement Award for Named Plaintiff in the amount of **$5,000.00**

49. Settlement Escalator. Defendant represented at the time of mediation that there were approximately 41,009 Workweeks Class Members worked during the Class Period. The Parties understood that the Workweeks would increase between the date of the mediation and Preliminary Approval and, therefore, considered this during their settlement negotiations.

Accordingly, should the actual number of Workweeks increase by more than ten percent (10%) (*i.e.*, by more than 4,101 Workweeks), then the Gross Settlement Amount shall increase proportionately over the 10% threshold (*i.e.*, meaning if the Workweeks increase by 11% the Gross Settlement Amount will increase by 1%). Alternatively, if this clause is triggered, Defendant may choose to end the Class Period on the date that the number of total Workweeks reaches the additional 10% threshold (45,110 Workweeks) so that the Gross Settlement Amount does not have to be increased.

50. The Parties agree, subject to Court approval, that the Gross Settlement Amount shall be apportioned as follows:

a. Class Counsel Attorneys' Fees and Costs: At the Final Approval Hearing, Class Counsel will apply to the Court for an award of attorneys' fees of no more than one-third (1/3) of the Gross Settlement Amount, which is currently estimated to be $253,000.00. Class Counsel will also apply to the Court for an award of costs incurred by Class Counsel in an amount not to exceed $25,000.00. Defendant will not oppose such application. These fees and costs are included in, and shall come from, the Gross Settlement Amount. Class Counsel will be issued an IRS Form 1099 for any fees and costs awarded by the Court pursuant to this Paragraph 50.a. Except as provided in this Paragraph 50.a, each party will bear his, her, or its own attorneys' fees, costs, and expenses incurred in the prosecution, defense, or settlement of the Action. If the Court awards a lower amount of Attorneys' Fees and Costs than the amount requested, any amount not awarded will be part of the Net Settlement Amount for distribution to the Participating Class Members and shall not be a reason to invalidate/terminate this Agreement.

b. Settlement Administrator Costs: At the Final Approval Hearing, Class Counsel will apply to the Court for approval of Settlement Administration Costs in an amount not to exceed $10,500.00. These costs are included in, and shall come from, the Gross Settlement Amount.

c. Named Plaintiff General Release Payment and Enhancement Award: At the Final Approval Hearing, Class Counsel will apply to the Court for an award of up to $10,000.00 to be paid to the Named Plaintiff as a General Release Payment and an additional award of up to

$5,000.00 to be paid to the Named Plaintiff as an Enhancement Award for his services in prosecuting the Action. Defendant will not oppose such application. The General Release Payment and Enhancement Award are included in, and shall come from, the Gross Settlement Amount. Named Plaintiff will be issued an IRS Form 1099 for the General Release Payment and Enhancement Award approved by the Court pursuant to this Section. The General Release Payment and Enhancement Award payable to the Named Plaintiff shall be in addition to any payment he may receive pursuant to Paragraphs 50.e and 50.f, below. If the Court awards less than the amount requested, any amount not awarded will be part of the Net Settlement Amount for distribution to the Participating Class Members and shall not be a reason to invalidate/terminate this Agreement.

d. PAGA Payment: At the Final Approval Hearing, Class Counsel will apply to the Court for approval of the PAGA Payment. Class Counsel will submit notice of this Settlement to the LWDA, as required by Labor Code § 2699(*l*)(2). The Parties agree that 65% of the PAGA Payment ($32,500.00) will be paid to the LWDA as the "LWDA Payment," and the remaining 35% ($17,500.00) of the PAGA Payment will be allocated to the PAGA Class Members. The amount allocated to the PAGA Class Members will be paid using the formula as set forth in Paragraph 50.f. Any Class Member who worked during the PAGA Period and who opts out of the Class Settlement will still be considered a PAGA Class Member for purposes of this Paragraph 50.d and, therefore, will be issued their Individual PAGA Payment and bound to the PAGA Settlement.

e. Individual Settlement Payments: After deducting the approved amounts specified in Paragraphs 50.a – 50.d above, each Participating Class Member will be entitled to a *pro rata* portion of the remaining amount (*i.e.*, the Net Settlement Amount). Individual Settlement Payments will be calculated from the Net Settlement Amount based on the respective number of Workweeks, rounded up. Each Participating Class Member's share of the Net Settlement Amount will be calculated by dividing the Participating Class Member's Workweeks by the total number of Workweeks for all Class Members and multiplying this figure by the Net Settlement Amount. The Class Notice will include the number of Workweeks that the Class Member is credited with and the estimated amount of his or her Individual Settlement Payment.

<u>Example</u>: Class Member A worked 50 Workweeks. All Class Members who worked during the Class Period worked a total of 20,000 Workweeks. Class Member A's Individual Settlement Payment would be calculated as follows:

– 50 Workweeks worked by Class Member A ÷ 20,000 Workweeks for all Class Members = 0.0025%.

– Class Member A would be entitled to an Individual Settlement Payment in the amount of $1,013.75 (0.0025% x $405,500.00).

f. <u>Individual PAGA Payments</u>: Each PAGA Class Member will be entitled to a *pro rata* portion of 35% of the PAGA Payment (*i.e.*, $17,500.00). Individual PAGA Payments will be calculated from 35% of the PAGA Payment based on the respective number of PAGA Workweeks, rounded up. Each PAGA Class Member's share of 35% of the PAGA Payment will be calculated by dividing the PAGA Class Member's PAGA Workweeks by the total number of PAGA Workweeks for all PAGA Class Members and multiplying this figure by 35% of the PAGA Payment. The Class Notice will include the number of PAGA Workweeks that the PAGA Class Member is credited with and the estimated amount of his or her Individual PAGA Payment.

<u>Example</u>: PAGA Class Member A worked 5 PAGA Workweeks. All PAGA Class Members worked a total of 2,000 PAGA Workweeks. PAGA Class Member A's Individual PAGA Payment would be calculated as follows:

– 5 PAGA Workweeks worked by PAGA Class Member A ÷ 2,000 PAGA Workweeks for all PAGA Class Members = 0.0025%.

– PAGA Class Member A would be entitled to an Individual PAGA Payment in the amount of $43.75 (0.0025% x $17,500.00).

g. The Parties acknowledge and agree that the formulas used to calculate the Individual Settlement Payments and Individual PAGA Payments do not mean that all of the elements of damages, restitutionary relief, and penalties alleged in the Action are not being taken into account. The above formula was devised as a practical and logistical method to simplify the distribution of monetary settlement benefits.

h. Individual Settlement Payments shall be distributed only to Participating Class Members. Individual PAGA Payments will be distributed to all PAGA Class Members. The entire Net Settlement Amount will be distributed to Participating Class Members, and the entire 35% of the PAGA Payment will be distributed to PAGA Class Members.

51. <u>No Credit Toward Benefit Plans</u>. The Individual Settlement Payments made to Participating Class Members under this Agreement and the Individual PAGA Payments made to PAGA Class Members will not be utilized to calculate any additional benefits under any benefit plans to which any Participating Class Member or PAGA Class Member may be eligible including, but not limited to: profit-sharing plans, bonus plans, 401(k) plans, stock purchase plans, vacation plans, sick leave plans, PTO plans, and any other benefit plan. Rather, it is the Parties' intention that this Agreement will not affect any rights, contributions, or amounts to which any Participating Class Member or PAGA Class Member may be entitled under any benefit plans.

52. <u>Taxation of Settlement Proceeds</u>.

a. All Settlement payments paid to Participating Class Members, PAGA Class Members, and the Named Plaintiff, will be paid in a net amount after applicable state and federal tax withholdings, including payroll taxes, have been deducted.

b. The Individual Settlement Payment shall be reported as follows: (i) 10% will be considered wages, and will be reported as such to each Participating Class Member on a W-2 Form; (ii) 45% will be considered interest on the non-wage damages, and will be reported as such to each Participating Class Member on an IRS Form 1099, if applicable; and (iii) 45% will be considered payment on behalf of claims for statutory penalties, and will be reported as such to each Participating Class Member on an IRS Form 1099, if applicable. The Individual PAGA Payment will be considered 100% payment on behalf of claims for civil penalties, and will be reported as such to each PAGA Class Member on an IRS Form 1099, if applicable.

c. Prior to mailing Individual Settlement Payments to Participating Class Members, the Settlement Administrator will calculate and withhold from the Individual Settlement Payment sufficient amounts as may be owed by Participating Class Members for required withholdings and taxes, including all payroll taxes, and will timely remit such amounts withheld to applicable governmental agencies. The Settlement Administrator will issue appropriate tax forms to each Participating Class Member and PAGA Class Members consistent with the foregoing breakdown. The Parties understand that the Named Plaintiff, Participating Class Members, and PAGA Class Members who receive an Individual Settlement Payment, including an Individual PAGA Payment, pursuant to this Agreement shall be solely responsible for any and all tax obligations associated with such receipt.

d. The Parties stipulate that the Settlement Fund (as defined at Paragraph 57.a) will qualify as a settlement fund pursuant to the requirements of Section 468(B)(g) of the Internal Revenue Code of 1986, as amended, and Section 1.468B-1 *et seq*. of the federal income tax regulations. Furthermore, the Settlement Administrator is designated as the "Administrator" of the qualified settlement funds for purposes of Section 1.468B-2(k) of the income tax regulations. Accordingly, all taxes imposed on the gross income of the Settlement Fund and any tax-related expenses arising from any income tax return or other reporting document that may be required by the Internal Revenue Service or any state or local taxing body will be paid from the Settlement Fund.

e. All Parties represent and acknowledge that nothing in this Agreement constitutes tax advice regarding the tax treatment of payments under federal, state, or local law. The Named Plaintiff, Participating Class Members, and PAGA Class Members will assume any such tax obligations or consequences that may arise from this Agreement and Class Members shall not seek any indemnification from the Parties or any of the Released Parties in this regard. In the event that any taxing body determines that additional taxes are due from any Class Member or PAGA Class Member, including the Named Plaintiff, such Class Member or PAGA Class Member assumes all responsibility for the payment of such taxes.

53. Notice Procedure. Within fifteen (15) calendar days after entry of the Preliminary Approval Order, Defendant will provide to the Settlement Administrator a list of Class Members that identifies each Class Member by full name, Social Security Number, and last-known address; and provides the number of Workweeks worked by each Class Member during the Class Period and the number of PAGA Workweeks worked by each PAGA Class Member during the PAGA

Period (the "Class List"). Defendant will provide the Class List in an Excel file or other format reasonably acceptable to the Settlement Administrator. The Settlement Administrator will keep the list confidential and use it only for the purposes described in this Agreement. Within one year after the Final Approval Order and Judgment, or such other date as the Court may order, the Settlement Administrator shall destroy all Class Members' personal identifying information received from Defendant or otherwise in connection with the implementation and administration of this Settlement. The Settlement Administrator shall establish and maintain 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 this Agreement, the Motion for Preliminary Approval, the Class Notice, the Motion for Final Approval, and the Final Approval Order and Judgment.

a. Upon receipt of the Class List, the Settlement Administrator shall perform a search based upon the National Change of Address Database to update and correct any known or identifiable address changes. The Settlement Administrator shall exercise its best judgment to determine the current mailing address for each Class Member. Within fifteen (15) calendar days after receipt of the Class List from Defendant, the Settlement Administrator will send the Class Notice, in English and Spanish, to each Class Member via First Class U.S. Mail. Receipt of the Class Notice shall be presumed as to each and every Class Member whose Class Notice is not returned to the Settlement Administrator as undeliverable within fifteen (15) calendar days after mailing.

b. The Settlement Administrator will re-mail any Class Notice that is returned by the United States Postal Service with a forwarding address on or before the expiration of the Notice Period, within five (5) calendar days of the Settlement Administrator's receipt of the returned Class Notice. It shall be conclusively presumed that those Class Members whose re-mailed Class Notice is not returned to the Settlement Administrator as undeliverable within fifteen (15) calendar days after re-mailing, received the Class Notice. Class Members who receive a re-mailed Class Notice shall have their Notice Period extended fifteen (15) calendar days to object, opt out, or dispute the Workweeks attributed to the Class Member.

c. The Settlement Administrator will use the appropriate skip tracing and

National Change of Address searches to increase the likelihood of delivery of the Class Notice to Class Members, and to re-mail the notice packets returned by the Postal Service without a forwarding address upon locating new or alternate addresses after a reasonable search.

d. Class Counsel will provide to the Court, in connection with seeking final approval of the Settlement, a declaration from the Settlement Administrator confirming that the Class Notice was mailed to all Class Members as required by this Agreement, as well as any additional information Class Counsel deems appropriate to provide to the Court.

54. Dispute Procedure. The Class Notice will include a procedure by which a Class Member may dispute the number of Workweeks allocated to the Class Member by submitting a written dispute sent via U.S. Mail to the Settlement Administrator postmarked no later than the expiration of the Notice Period ("Workweek Dispute"). To be valid, a Workweek Dispute must contain the following: (i) the Class Member's full name (including his/her full name at the time of employment for Defendant), current address, telephone number, last four digits of Social Security number, and signature; (ii) the name and case number of the Action; (iii) the number of Workweeks the Class Member maintains is correct; and (iv) documents to demonstrate that Defendant's calculation of the Workweeks for the Class Member is incorrect. Upon receipt of notice of a Workweek Dispute, the Settlement Administrator shall promptly serve Defendant's counsel with a copy of the Workweek Dispute and any accompanying papers. Defendant's Counsel will inform Class Counsel of any such dispute. No Workweek Dispute shall be effective or considered for any purpose unless it is timely mailed by U.S. mail to and received by the Settlement Administrator as provided above. Defendant shall have the right to respond to the Workweek Dispute by any Class Member. The Settlement Administrator will resolve the Workweek Dispute and in the absence of any contrary documentation, the Settlement Administrator is entitled to presume that the Workweeks contained in the Class Notice are correct so long as they are consistent with the Class List. The Settlement Administrator will make a final and binding determination on all Workweek Disputes without a hearing or right of appeal.

a. Within twenty-one (21) calendar days after the close of the Notice Period, the Settlement Administrator will provide Class Counsel and Defendant's counsel with a report listing the amount of all Individual Settlement Payments to be made to Participating Class Members and Individual PAGA Payments to be made to PAGA Class Members, along with the additional information set forth in Paragraph 55.c. The report to Class Counsel will not include the names or contact information of Participating Class Members and PAGA Class Members. After receiving the Settlement Administrator's report, Class Counsel and Defendant's counsel shall review the same to determine if the calculation of payments to Participating Class Members and PAGA Class Members is consistent with this Settlement Agreement.

55. Opt-Out Procedure. Unless a Class Member opts out of the Class Settlement described in this Agreement, the Class Member will be bound by the Class Settlement, including the release of the Released Class Claims. A Class Member will not be entitled to opt out of the Class Settlement established by this Agreement unless the Class Member submits a valid and timely opt-out request ("Opt-Out Request"). A Opt-Out Request must: (i) contain the Class Member's full name (including his/her full name at the time of employment for Defendant), current address, last four digits of Social Security Number, and signature; (ii) the name and case number of the Action; (iii) a written request clearly expressing the Class Member's desire to be excluded from (or opt out of) the Class Settlement; and (iv) be returned so that it is postmarked on or before the expiration of the Notice Period.

a. Upon receipt of any Opt-Out Request within the Notice Period, the Settlement Administrator shall review the Opt-Out Request to confirm that it complies with the opt-out requirements of this Agreement.

b. Any Class Member who fails to submit a valid and timely Opt-Out Request will be barred from opting out of the Class Settlement, unless otherwise ordered by the Court. It shall be presumed that, if an Opt-Out Request is not postmarked on or before the end of the Notice Period, the Class Member did not make the request in a timely manner, unless the Class Member's Notice Period was extended pursuant to Paragraph 53.b, above. A declaration submitted by any Class Member attesting to the mailing of an Opt-Out Request on or before the expiration of the Notice Period shall be insufficient to overcome the conclusive presumption that the Opt-Out Request was untimely. Under no circumstances shall the Settlement Administrator have the authority to extend the deadline for Class Members to submit a request to opt out of the Class Settlement without the Parties' written consent or Court approval, except for the 15-day extension of a Class Member's Notice Period due to a re-mailed Class Notice, as set forth in Paragraph 53.b, above. Plaintiff agrees that he will not opt out of the settlement, and Plaintiff and Class Counsel agree that they will not encourage any other Class Member to opt out or object.

c. Within fourteen (14) calendar days after the close of the Notice Period, the Settlement Administrator shall report the names of all individuals who submitted valid and timely Opt-Out Requests to the Parties, and the percentage of the Net Settlement Amount represented by the Settlement Payments allocated to those individuals who submitted valid and timely Opt-Out Requests, and include this information in the required Declaration set forth in Paragraph 57 of this Agreement regarding the distribution of the notice that will be provided in support of Plaintiff's Motion for Final Approval.

d. If Class Members submit valid and timely Opt-Out Requests and the percentage of the Net Settlement Amount represented by the Settlement Payments allocated to those individuals who submitted valid and timely Opt-Out Requests is five percent (5%) or more, Defendant will have the sole and absolute discretion to withdraw from this Agreement within ten (10) business days after Defendant receives notice of the percentage of the Net Settlement Amount represented by the valid and timely Opt-Out Requests received by the Settlement Administrator. To withdraw, Defendant must provide written notice to Class Counsel of its intent to withdraw from this Agreement within ten (10) business days of receiving the Settlement Administrator's report pursuant to Paragraph 55.c. In the event that Defendant elects to so withdraw, the withdrawal shall have the same effect as a termination of this Agreement for failure to satisfy a condition of settlement, and the Agreement shall become null and void and have no further force or effect, and the class conditionally certified pursuant to this Agreement will be decertified for all purposes. If Defendant chooses to terminate this Settlement Agreement under this provision, it shall be responsible to pay the Settlement Administrator's fees and costs. If the Settlement Agreement is terminated for any other reason, including the Court's failure to grant final approval of the Parties' settlement, then Class Counsel and Defendant will each be responsible for one-half of the Settlement Administrator's fees and costs.

56. Objections to Settlement. Any Participating Class Member may object to the Class Settlement. Any written objection must be mailed to the Settlement Administrator (who shall promptly provide a copy to Class Counsel and counsel for Defendant) postmarked by the close of the Notice Period. Class Counsel will ensure that any written objections get filed with the Court concurrently with the final approval documents. Class Members who have not objected in writing may still appear and be heard at the Final Approval Hearing.

a. Written objections to the Settlement must contain at least the following: (i) the objecting Class Member's full name and current address; (ii) the name of the Action and case number; (iii) a statement of the specific reasons why the objector believes the Settlement is unfair or objects to the Settlement; and (iv) a statement of whether the objector intends to appear at the Final Approval Hearing, either in person or through counsel and, if through counsel, a statement identifying that counsel by name, bar number, address, and telephone number. All objections shall be signed by the objecting Class Member or the Class Member's legally-authorized representative.

b. Class Counsel or Defendant's counsel may, before the Final Approval Hearing, file responses to any written objections submitted to the Court.

c. Unless they opt out of the Settlement as specified in Paragraph 55, Class Members who object to the proposed settlement or the Agreement will remain Participating Class Members, and shall be deemed to have voluntarily waived their right to pursue an independent remedy against Defendant and the other Released Parties. To the extent any Participating Class Member objects to the proposed settlement or Agreement and such objection is overruled in whole or in part, such individuals will be bound by the Court's Final Approval Order.

d. In the event that any person objects to or opposes the Class Settlement, or attempts to intervene in or otherwise enter the Action, the Parties and Class Counsel will use their best efforts to defend the Settlement.

e. In the event that a Class Member timely submits both an objection and an Opt-Out Request, the objection will be rejected and the Opt-Out Request accepted. A class member who opts-out of the Class Settlement is not a Participating Class Member and no longer has grounds to object to the Class Settlement.

57. Funding and Distribution of Settlement. Not later than 14 days before the date by which the Named Plaintiff is required to file the Motion for Final Approval of the Settlement, the Settlement Administrator will provide a draft declaration to Class Counsel and Defendant's counsel of the number of Participating Class Members, the identity of those individuals who submitted valid and timely Opt-Out Requests, the percentage of the Net Settlement Amount represented by the Settlement Payments allocated to those individuals who submitted valid and timely Opt-Out Requests, the number of payments and total amount payable to all Participating Class Members, the number of PAGA Class Members who will be issued Individual PAGA Payments, Attorneys' Fees and Costs, the General Release Payment, the Enhancement Award, the Settlement Administration Costs, and the applicable Employer's Taxes, along with any other necessary information required by this Agreement.

a. On the Effective Date, Defendant shall remit to the Settlement Administrator: (i) the Gross Settlement Amount of $759,000.00, subject to increase pursuant to Paragraph 49 of this Agreement, and (ii) the Employer's Taxes (collectively, the "Settlement Fund"). Except as the Court may otherwise order, the delivery by Defendant of the Settlement Fund to the Settlement Administrator will constitute the full and complete discharge of the entire obligation of Defendant under this Agreement. No Released Party will have any further obligation or liability to the Named Plaintiff, Participating Class Members, State of California, PAGA Class Members, or Class Counsel under this Agreement, regardless of whether the Named Plaintiff, Participating Class Members, State of California, PAGA Class Members, or Class Counsel receive or cash the payments from the Settlement Administrator set forth in this Agreement.

b. The distribution of Individual Settlement Payments to Participating Class Members and Individual PAGA Payments to PAGA Class Members will occur no later than fourteen (14) calendar days after receipt of the Settlement Fund from Defendant ("Settlement Proceeds Distribution Deadline"). The Settlement Administrator shall be deemed to have timely distributed Individual Settlement Payments and Individual PAGA Payments if it places in the mail Individual Settlement Payments for all Participating Class Members and Individual PAGA

Payments for all PAGA Class Members by the Settlement Proceeds Distribution Deadline. No person will have any claim against the Settlement Administrator, Defendant, Class Counsel, Defendant's counsel, or any other agent designated by the Named Plaintiff or Class Counsel based upon the distribution of Individual Settlement Payments and Individual PAGA Payments made substantially in accordance with this Agreement or further orders of the Court.

c. The distribution of the LWDA Payment, Attorneys' Fees and Costs, the General Release Payment, and the Enhancement Award shall occur no later than fourteen (14) calendar days after the Settlement Administrator receives the Settlement Fund from Defendant.

d. If a Participating Class Member's or PAGA Class Member's check is returned to the Settlement Administrator, the Settlement Administrator will make reasonable efforts to re-mail it to the Participating Class Member or PAGA Class Member at the correct address. It is expressly understood and agreed that the checks for the Individual Settlement Payments and Individual PAGA Payments will become void and no longer available if not cashed within one hundred and eighty (180) calendar days after mailing. Consistent with Code of Civil Procedure section 384, subdivision (b), the funds from voided checks will be transferred by the Settlement Administrator to Court Appointed Special Advocates ("CASA") of Alameda County ("Cy Pres Recipient"), subject to approval by the Court.

e. Defendant will not be obligated to make any payments contemplated by this Agreement unless and until the Court enters the Final Approval Order and Judgment, and after the Effective Date of the Agreement.

58. Binding Effect of Agreement on Class Members. Subject to final Court approval and upon the Effective Date, and unless otherwise provided in this Agreement, all Participating Class Members will be bound by this Agreement.

59. Binding Effect of Agreement on PAGA Class Members and State of California. Upon the Effective Date, the PAGA Class Members and the State of California are deemed by operation of the Final Order and Judgment to have agreed not to sue or otherwise make a claim against any of the Released Parties for civil penalties under Labor Code §§ 2698 *et seq.* for the PAGA Released Claims.

60. Provisional Approval of Settlement. Class Counsel will draft the motion in the Action requesting that the Court enter the Preliminary Approval Order and will submit the same to Defendant's counsel for review and comment at least fifteen (15) days before filing with the Court, and will make their best effort to file the motion within thirty (30) days of the complete execution of this Agreement. Defendant will not oppose the motion for preliminary approval of the settlement so long as the motion and supporting papers are consistent with the terms of this Agreement. Notwithstanding the foregoing, Defendant may, without opposing the preliminary approval motion, advise the Court if Defendant disagrees with any of the factual statements included by the Named Plaintiff in the motion and supporting papers, and may submit additional information in support of the preliminary approval motion. Defendant's counsel will meet and confer with Class Counsel regarding any disputed factual statements before notifying the Court of any disputes.

61. Non-Interference With Settlement Process. The Parties and their counsel agree that they will not advise, solicit, or otherwise encourage any Class Members to submit requests for exclusion or objections to the settlement or to appeal from the Final Approval Order and Judgment.

62. Final Approval Order and Judgment. By way of the motion for Final Approval of the Settlement, the Named Plaintiff will request that the Court enter an order finally approving this Agreement and entering judgment in the Action and will submit the same to Defendant's counsel for review and comment at least fifteen (15) days before filing with the Court. Named Plaintiff will request that the Final Approval Order and Judgment certify the Settlement Class; find that this Agreement is fair, just, equitable, reasonable, adequate and in the best interests of the Class and the PAGA Class Members; list the full names of the individuals (if any) who opted-out of the Class Settlement; order that Participating Class Members release the Released Parties from the Class Released Claims arising during the Class Period and that PAGA Class Members and the State of California release the Released Parties from the PAGA Released Claims arising during the PAGA Period; and require the Parties to carry out the provisions of this Agreement. Upon the Court's entry of the Final Approval Order and Judgment, the Settlement Administrator shall post a copy of the Final Approval Order and Judgment on its website, the URL for which shall be provided in

the Class Notice.

63. Automatic Voiding of Agreement if Settlement Not Finalized. If for any reason the settlement set forth in this Agreement does not become final, the Settlement will be null and void and the orders, judgment, and dismissal to be entered pursuant to this Agreement shall be vacated, and the Parties will be returned to the status quo prior to entering this Agreement with respect to the Action, as if the Parties had never entered into this Agreement, and the class certified pursuant to this Agreement will be decertified for all purposes. To the extent this happens, the Parties will work together in good faith in resetting any necessary deadlines. In addition, in such event, the Agreement and all negotiations, court orders and proceedings relating to this Agreement shall be without prejudice to the rights of any and all parties to this Agreement, and evidence relating to the Agreement and all negotiations shall not be admissible or discoverable in the Action or otherwise.

64. No Double Recovery. No person who has already released, assigned, or otherwise forfeited the claims asserted in the Action will be considered a Class Member or entitled to recover under this Agreement.

65. No Publicity. The Named Plaintiff and Class Counsel agree that the terms of this Agreement (including, but not limited to, the Gross Settlement Amount), the negotiations leading to the execution of the Agreement, and the Agreement itself, shall not be discussed with or publicized or promoted to the media (including, without limitation, legal periodicals and publications such as "Jury Verdicts," or disclosure of the Agreement on any web site of Class Counsel), or the public at large, without the advance written consent of Defendant. The Parties intend this paragraph to prohibit the Named Plaintiff and Class Counsel from discussing, answering questions about, promoting or publicizing the Agreement, its terms, or the negotiations leading to the Agreement with anyone other than the Court or those individuals necessary to effectuate the terms of the Agreement. Notwithstanding the foregoing, the Named Plaintiff and Class Counsel (1) may tell the public in general only that certain claims "have been resolved by the Parties" and (2) may disclose the terms of the Agreement (a) in appropriate filings with the Court in this case; (b) where required by law (*e.g.*, income tax returns); (c) to accountants or other

tax professionals for the purpose of preparing tax returns; and (d) after the Court grants preliminary approval of the Parties' settlement. This section does not restrict Class Counsel's communications with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.

a. The Named Plaintiff and Class Counsel agree that all data and information informally produced by Defendant in connection with the Action will be maintained in the strictest confidence and will not be used for any other purpose than to effectuate and/or enforce the Settlement. For example, Named Plaintiff and Class Counsel agree that all data and information produced by Defendant will not be used to prosecute any other action. Within sixty (60) days after the Final Approval Order and Judgment, or such other date as the Court may order, the Named Plaintiff and Class Counsel shall destroy data and information informally produced by Defendant in connection with the Action and its mediation, excepting the data and information related to the Named Plaintiff.

66. Invalidation Of Agreement For Failure To Satisfy Conditions. If the Court makes material changes to the material terms or conditions of this Agreement that are not agreed to by the Parties after the Parties have exhausted all efforts as set forth in Paragraph 43, either Party shall have the right to terminate this Agreement, in which case Defendant would not be obligated to make any payments to any Class Member, PAGA Class Member, the State of California, Class Counsel, or Named Plaintiff. The Parties shall meet and confer before exercising such right.

67. Modification In Writing. This Agreement may be altered, amended, modified or waived, in whole or in part, only in a writing signed by Class Counsel and Defendant's counsel, subject to approval by the Court for material modifications (if preliminary approval has already been granted at the time the alteration, amendment, modification, or waiver is taking place).

68. Ongoing Cooperation. The Named Plaintiff and Defendant will execute all documents and perform all acts necessary and proper to effectuate the terms of this Agreement. The execution of such documents must take place prior to the Final Approval Hearing. In the event the Parties are unable to reach agreement on the form or content of any document needed to implement the Settlement, or any supplemental provisions that may become necessary to effectuate

the terms of the Settlement, the Parties agree to seek the assistance of the Court.

69. Notices. All notices, requests, demands and other communications required or permitted to be given pursuant to this Agreement shall be in writing, and shall be delivered personally or by first class mail to the Settlement Administrator approved by the Court and the undersigned persons at their respective addresses as set forth below, or as may be updated in writing by Defendant's counsel or Class Counsel:

CLASS COUNSEL

MOON LAW GROUP, PC
Kane Moon, Esq.
Allen Feghali, Esq.
Julie S. Oh, Esq.
725 S. Figueroa Street, 31st Floor
Los Angeles, CA 90017
Telephone: (213) 232-3128

COUNSEL FOR DEFENDANT

RUTAN & TUCKER, LLP
Hope Anne Case, Esq.
Kenneth J. Zielinski, Esq.
Adrianna A. Rubino, Esq.
Five Palo Alto Square
3000 El Camino Real, Suite 200
Palo Alto, CA 94306-9814
Telephone: (650) 320-1500

70. Binding on Successors. This Agreement will be binding upon and will inure to the benefit of the Parties and their respective successors, assigns, executors, administrators, heirs and legal representatives.

71. Entire Agreement. This Agreement constitutes the full, complete and entire understanding, agreement and arrangement between the Named Plaintiff, individually and on behalf of all Class Members and the State of California, on the one hand, and Defendant, on the other hand, with respect to the settlement of the Action. This Agreement supersedes any and all prior oral or written understandings, agreements and arrangements between the Parties with respect

to the settlement of the Action. Except for those set forth expressly in this Agreement, there are no other agreements, covenants, promises, representations or arrangements between the Parties with respect to the settlement of the Action and the Class Released Claims and PAGA Released Claims against the Released Parties. The Parties explicitly recognize California Civil Code § 1625 and California Code of Civil Procedure § 1856(a), which provide that a written agreement is to be construed according to its terms, and may not be varied or contradicted by extrinsic evidence, and agree that no such extrinsic oral or written representations or terms shall modify, vary, or contradict the terms of this Agreement.

72. Execution in Counterparts. This Agreement may be signed in one or more counterparts. All executed copies of this Settlement Agreement, and photocopies of the Agreement (including facsimile and e-mail copies of the signature pages), shall have the same force and effect and shall be as legally binding and enforceable as the original.

73. Captions. The captions, section numbers, and paragraph numbers, in this Agreement are inserted for the reader's convenience, and in no way define, limit, construe, or describe the scope or intent of the provisions of this Agreement.

74. Governing Law. This Agreement shall be interpreted, construed, enforced, and administered in accordance with the laws of the State of California, without regard to conflict of law rules.

75. Reservation of Jurisdiction. Notwithstanding the entry of the Final Approval Order and Judgment, the Court shall retain jurisdiction for purposes of interpreting and enforcing the terms of this Agreement.

76. Mutual Preparation. The Parties have had a full opportunity to negotiate the terms and conditions of this Agreement. Accordingly, this Agreement will not be construed more strictly against one Party than another merely by virtue of the fact that it may have been prepared by counsel for one of the Parties, it being recognized that, because of the arms-length negotiations between the Parties, all Parties have contributed to the preparation of this Agreement.

77. Representation and Warranties. Class Counsel and the Named Plaintiff represent and warrant to Defendant that they are not aware of any attorneys beyond those named as Class

Counsel who have claims for fees arising out of the Action or the Settlement contemplated by this Agreement.

78. Authorization to Act. Each Party to this Agreement covenants and warrants that (a) such Party has full power and authority to enter into and consummate all transactions contemplated by this Agreement and have duly authorized the execution, delivery and performance of this Agreement and (b) the person executing this Agreement for such Party has the full right, power and authority to enter into this Agreement on behalf of such Party, and the full right, power and authority to execute any and all necessary instruments in connection with the Settlement, and to fully bind such Party to the terms and obligations of this Agreement.

79. Representation By Counsel. The Parties acknowledge that each of them has been represented by their respective counsel throughout all negotiations that preceded the execution of this Agreement, and that this Agreement has been executed with the consent and after the advice of their respective counsel. Further, the Named Plaintiff and Class Counsel warrant and represent that there are no liens on the Settlement Agreement, and that after entry by the Court of the Final Approval Order and Judgment, the Settlement Administrator may distribute funds to Participating Class Members, PAGA Class Members, Class Counsel, the LWDA, and the Named Plaintiff as provided by this Agreement and/or as approved by the Court in the Final Approval Order.

80. Representation By The Named Plaintiff. The Named Plaintiff agrees to cooperate in participating in and implementing the Settlement, not to request to be excluded from the Class, and not to object to any terms of this Agreement. Any such request by the Named Plaintiff for exclusion or objection shall be void and of no force or effect.

81. Additional Attorneys' Fees and Costs. No Participating Class Member, PAGA Class Member, or Class Counsel, or any other attorney acting for any Participating Class Member or PAGA Class Member, may recover or seek to recover any amounts for fees, costs, or disbursements arising from the Action or the Gross Settlement Amount from the Released Parties except as expressly provided in this Agreement.

82. No Reliance on Representations. The Parties have made such investigations of the facts and the law pertaining to the matters described in this Agreement as they deem necessary,

and have not relied, and do not rely, on any statement, promise, or representation of fact or law, made by any other Party, or any of their agents, employees, attorneys, or representatives, with regard to any of their rights or asserted rights, or with regard to the advisability of making and executing this Agreement, or with respect to any such matters. No representations, warranties, or inducements have been made to any Party concerning this Agreement.

83. No Collateral Attack. This Agreement will not be subject to collateral attack by any Class Member or any recipient of the Class Notice after the Final Approval Order and Judgment is entered. Such prohibited collateral attacks shall include but not be limited to claims that the Class Member failed for any reason to receive timely notice of the procedure for disputing the calculation of his or her Individual Settlement Payment, Individual PAGA Payment, or for opting out of the Class Settlement.

IT IS SO AGREED:

PLAINTIFF FABIAN CAMILO BUITRAGO MALAVER

Dated: 7/31/2025

By: Signed by: [signature] 1C580521003B4FF...
Fabian Camilo Buitrago Malaver
Named Plaintiff

Dated: ________________

DEFENDANT THE NEW IEM, LLC

By:________________________________

Title:_____________________________

and have not relied, and do not rely, on any statement, promise, or representation of fact or law, made by any other Party, or any of their agents, employees, attorneys, or representatives, with regard to any of their rights or asserted rights, or with regard to the advisability of making and executing this Agreement, or with respect to any such matters. No representations, warranties, or inducements have been made to any Party concerning this Agreement.

83. No Collateral Attack. This Agreement will not be subject to collateral attack by any Class Member or any recipient of the Class Notice after the Final Approval Order and Judgment is entered. Such prohibited collateral attacks shall include but not be limited to claims that the Class Member failed for any reason to receive timely notice of the procedure for disputing the calculation of his or her Individual Settlement Payment, Individual PAGA Payment, or for opting out of the Class Settlement.

IT IS SO AGREED:

PLAINTIFF FABIAN CAMILO BUITRAGO MALAVER

Dated: ________________

By: ______________________________
Fabian Camilo Buitrago Malaver
Named Plaintiff

Dated: July 31, 2025

DEFENDANT THE NEW IEM, LLC

DocuSigned by:
By: Sandra Gravanti
F6B7D98119F44DC...

Title: General Counsel

APPROVED AS TO FORM AND CONTENT AND AGREE TO BE BOUND BY PARAGRAPH 65:

Dated: 7/31/2025

MOON LAW GROUP, PC

By: ______________________

Kane Moon
Attorneys for Plaintiff

APPROVED AS TO FORM AND CONTENT:

Dated: ________________

RUTAN & TUCKER, LLP

By: ______________________

Hope Anne Case
Attorneys for Defendant

APPROVED AS TO FORM AND CONTENT AND AGREE TO BE BOUND BY PARAGRAPH 65:

Dated: ________________

MOON LAW GROUP, PC

By: ____________________________________
Kane Moon
Attorneys for Plaintiff

APPROVED AS TO FORM AND CONTENT:

Dated: August 1, 2025

RUTAN & TUCKER, LLP

By: ____________________________________
Hope Anne Case
Attorneys for Defendant

Exhibit A

NOTICE OF CLASS ACTION SETTLEMENT

THE ALAMEDA COUNTY SUPERIOR COURT HAS AUTHORIZED THIS NOTICE. IT IS NOT A SOLICITATION OR ADVERTISEMENT.

PLEASE READ THIS NOTICE CAREFULLY.

You have received this Notice because Defendant's records indicate that you may be eligible to take part in the class action settlement reached in the above-referenced case.

You do not need to take any action to receive a settlement payment.

This Notice is designed to advise you of your rights and options with respect to the settlement, and how you can request to be excluded from the class settlement, object to the class settlement, or dispute the number of Workweeks that you are credited with, if you so choose.

YOU ARE NOTIFIED THAT: A class and representative action settlement has been reached between Plaintiff Fabian Camilo Buitrago Malaver ("Plaintiff") and Defendant The New IEM, LLC ("Defendant") (Plaintiff and Defendant are collectively referred to as the "Parties") in the case entitled *Fabian Camilo Buitrago Malaver, et al. v. The New IEM, LLC, et al.*, Alameda County Superior Court, Case No. 24CV102931 ("Action"). The settlement affects your legal rights, as discussed further below. On [date of Preliminary Approval], the Court granted preliminary approval of the settlement and scheduled a hearing on [hearing date] at [hearing time] ("Final Approval Hearing") to determine whether or not the Court should grant final approval of the settlement. The capitalized terms not defined in this Notice will have the same meaning as the Settlement Agreement and Stipulation to Resolve Class Action and PAGA Claims on file with the Court in the Action.

I. IMPORTANT DEFINITIONS

"**Class**" means all past and present non-exempt, hourly-paid employees of The New IEM, LLC who worked in California at any time during the Class Period, excepting those employees who have already released, assigned, or otherwise forfeited the claims asserted in the Action."**Class Member**" means a member of the Class.

"**Class Period**" means the period from December 11, 2020 to [Preliminary Approval].

"**Class Settlement**" means the settlement and release of Class Released Claims.

"**PAGA Class Members**" means all past and present non-exempt, hourly-paid employees of The New IEM, LLC who worked in California at any time during the PAGA Period.

"**PAGA Period**" means the period from December 11, 2023 through [Preliminary Approval].

"**PAGA Settlement**" means the settlement and release of PAGA Released Claims.

II. BACKGROUND OF THE ACTION

On December 11, 2024, Plaintiff Fabian Camilo Buitrago Malaver filed a putative class action against Defendant The New IEM, LLC in a case styled *Fabian Camilo Buitrago Malaver, et al. v. The New IEM, LLC, et al.*, Alameda County Superior Court, Case No. 24CV102931 (the "Complaint"). The Complaint alleged that Defendant violated various wage-and-hour laws, including: by failing to pay minimum wages / failing to pay overtime compensation, failing to provide meal periods, failing to authorize and permit rest breaks, failing to indemnify necessary business expenses, failing to timely pay wages at termination, failing to provide accurate itemized wage statements, and engaging in unfair business practices in violation of California Business and Professions Code § 17200 *et seq*. On February 11, 2025, Plaintiff Fabian Camilo Buitrago Malaver filed a First Amended Class Action and Representative Action Complaint (the "First Amended Complaint") which added an additional cause of action for civil penalties under the Private Attorneys General Act, California Labor Code § 2698 *et seq.* ("PAGA"). In the First Amended Complaint, Plaintiff Fabian Camilo Buitrago Malaver seeks, among other things, the recovery of allegedly unpaid wages and meal and rest period premiums, restitution, penalties, interest, attorneys' fees, and costs.

Defendant denies all of the allegations in the Action or that it violated any law and contends that at all times it has complied with the law. The Court has made no decision on the merits of the Complaint.

The Parties participated in a full-day mediation with a respected class action mediator, and as a result of the mediation, the Parties reached a settlement. The Parties have since entered into a Settlement Agreement and Stipulation to Resolve Class Action and PAGA Claims ("Settlement" or "Settlement Agreement"), which was preliminarily approved by the Court on [date of Preliminary Approval]. The Court has preliminarily appointed Plaintiff Fabian Camilo Buitrago Malaver as representative of the Class ("Class Representative"), and has preliminarily appointed the following Plaintiff's counsel as counsel for the Class ("Class Counsel"):

Moon Law Group, PC
Kane Moon, Esq.
Allen Feghali, Esq.
Julie S. Oh, Esq.
725 S. Figueroa Street, 31st Floor
Los Angeles, CA 90017
Telephone: (213) 232-3128

If you are a Class Member, you do not need to take any action to receive an Individual Settlement Payment. You have the opportunity to opt-out or object to the Class Settlement if you so choose, as explained more fully in Section III below. Class Members who do not submit a valid and timely Opt-Out Request from the Class Settlement will be bound to the Class Settlement. If you are a PAGA Class Member, you do not need to take any action to receive an Individual PAGA Payment, and you will be bound to the PAGA Settlement.

The Settlement represents a compromise and settlement of highly disputed claims. Nothing in the Settlement is intended or will be construed as an admission by the Defendant that the claims in the Action have merit or that the Defendant has any liability to the Plaintiff, the Class Members, or PAGA Class Members. Plaintiff and Defendant, and their respective counsel, have concluded and agree that, in light of the risks and uncertainties to each side of continued litigation, the Settlement is fair, reasonable and adequate, and is in the best interests of the Class Members, State of California, and the PAGA Class Members.

III. SUMMARY OF THE PROPOSED SETTLEMENT

A. Settlement Formula

The total settlement amount is Seven Hundred Fifty-Nine Thousand Dollars ($759,000) (the "Gross Settlement Amount"). The portion of the Gross Settlement Amount that is available for payment to Participating Class Members is referred to as the "Net Settlement Amount." The Net Settlement Amount will be the Gross Settlement Amount less the following payments, which are subject to approval by the Court: (1) Attorneys' Fees and Costs, consisting of attorneys' fees in an amount not to exceed one-third of the Gross Settlement Amount, estimated to be Two Hundred Fifty-Three Thousand Dollars ($253,000) and reimbursement of actual costs in prosecuting the Action in an amount not to exceed Twenty-Five Thousand Dollars ($25,000) to Class Counsel; (2) a General Release Payment in an amount not to exceed Ten Thousand Dollars ($10,000) to Plaintiff Fabian Camilo Buitrago Malaver for his full release and discharge of any claims that he ever had against the Released Parties through the date of execution of the Settlement; (3) an Enhancement Award in an amount not to exceed Five Thousand Dollars ($5,000) to Plaintiff Fabian Camilo Buitrago Malaver for his services in the Action; (4) allocation for claims for penalties under PAGA ("PAGA Amount") in the amount of Fifty Thousand Dollars ($50,000); and (5) Settlement Administration Costs in an amount not to exceed Ten Thousand Five Hundred Dollars ($10,500) to the Settlement Administrator. Note: the California Labor and Workforce Development Agency ("LWDA") will be paid 65% of the PAGA Amount, or Thirty-Two Thousand Five Hundred Dollars ($32,500), and the remaining 35% of the PAGA Amount (*i.e.*, Seventeen Thousand Five Hundred Dollars ($17,500)) will be distributed to the PAGA Class Members.

Class Members are eligible to receive payment of their share of the Net Settlement Amount ("Individual Settlement Payment") based on the number of weeks they each were employed by Defendant as an hourly-paid or non-exempt employee in California during the Class Period ("Workweeks"). PAGA Class Members will receive payment of their share of 35%

of the PAGA Amount ("Individual PAGA Payment"), based on the number of weeks they each were employed by Defendant as an hourly-paid or non-exempt employee in California during the PAGA Period ("PAGA Workweeks").

Your estimated Individual Settlement Payment is listed in Section III.C below. The Settlement Administrator has calculated the estimated Individual Settlement Payments for Class Members by dividing the Participating Class Member's Workweeks by the total number of Workweeks for all Class Members and multiplying this figure by the Net Settlement Amount.

If you are a PAGA Class Member, then your estimated Individual PAGA Payment is listed in Section III.C below. The Settlement Administrator has calculated the Individual PAGA Payments for PAGA Class Members by dividing the PAGA Class Member's PAGA Workweeks by the total number of PAGA Workweeks for all PAGA Class Members and multiplying this figure by thirty-five percent (35%) of the PAGA Payment, *i.e.* Seventeen Thousand Five Hundred Dollars ($17,500).

Class Members who do not submit a valid and timely Opt-Out Request ("Participating Class Members") will be issued payment of their final Individual Settlement Payment. All PAGA Class Members will be issued payment of their Individual PAGA Payment regardless of whether they opt out of the Class Settlement. Any Class Member who is also a PAGA Class Member (*i.e.*, a Class Member who worked during the PAGA Period) who submits a valid and timely Opt-Out Request will only receive his or her Individual PAGA Payment and will be bound by the PAGA Settlement and release of the PAGA Released Claims.

For tax purposes, the Parties are asking the Court to approve the following allocation of each Individual Settlement Payment: ten percent (10%) as wages, which will be reported on an IRS W-2 Form, forty-five percent (45%) as interest on non-wage damages, which will be reported on an IRS Form 1099-INT (if applicable), and forty-five percent (45%) in compromise of alleged statutory penalties, which will be reported on an IRS Form 1099-MISC (if applicable). Each Individual Settlement Payment will be paid in a net amount after applicable state and federal tax withholdings, including payroll taxes, have been deducted. Each Individual PAGA Payment will be allocated as 100% in compromise of alleged penalties, and as such the Settlement Administrator will not undertake any deductions for state and federal payroll taxes, withholdings, and contributions, and Individual PAGA Payments will be reported on an IRS Form 1099-MISC, if necessary. The Settlement Administrator may pay the Individual Settlement Payment and Individual PAGA Payment in a single check. Although the Parties have agreed to these allocation, neither Party is giving you advice on whether your payments are taxable or how much you might owe in taxes. You should consult a tax advisory if you have any questions about the tax consequences of the proposed settlement.

If the Court grants final approval of the Settlement, Individual Settlement Payments will be mailed to Participating Class Members and Individual PAGA Payments will be mailed to PAGA Class Members at the address that is on file with the Settlement Administrator. **If the address to which this Notice was mailed is not correct, or if you move after you receive this Notice, you must provide your correct mailing address to the Settlement Administrator as soon as possible to ensure you receive any payment that you may be entitled to under the Settlement.**

B. Your Workweeks Based on Defendant's Records

According to Defendant's records:

> **From December 11, 2020 through [date of Preliminary Approval], you were employed by Defendant as an hourly-paid or non-exempt employee in California for [insert number] Workweeks (this is the number of Workweeks you are credited with).**
>
> **From December 11, 2023 through [date of Preliminary Approval], you were employed by Defendant as an hourly-paid or non-exempt employee in California for [insert number] PAGA Workweeks (this is the number of PAGA Workweeks you are credited with).**

If you wish to dispute the Workweeks credited to you, you must submit your written dispute to the Settlement Administrator, postmarked **no later than [the end of Notice Period].** The written dispute must contain: (a) the case name and number of the Class Action (*Fabian Camilo Buitrago Malaver, et al. v. The New IEM, LLC, et al.*, Alameda County Superior Court, Case No. 24CV102931); (b) your full name (including your full name at the time of employment for Defendant), current address, telephone number, last four digits of your Social Security number, and signature; (c) the number of Workweeks you maintain is correct; and (d) documents to demonstrate that Defendant's calculation of the Workweeks and/or PAGA Workweeks is incorrect. In the absence of any documentation supporting your dispute, the Settlement Administrator is entitled to presume that the Workweeks contained in this Notice are correct so long as they are consistent with Defendant's records.

C. Your Estimated Individual Settlement Payment and Individual PAGA Payment

As explained above, your estimated Individual Settlement Payment is based on the number of Workweeks credited to you during the Class Period.

> **Under the terms of the Settlement, your Individual Settlement Payment is estimated to be $__________. The Individual Settlement Payment is subject to reduction for the employee's share of state and federal payroll taxes, withholdings, and contributions with respect to the wages portion of the Individual Settlement Payment and will only be distributed if the Court approves the Settlement and after the Settlement goes into effect.**

As explained above, your estimated Individual PAGA Payment is based on the number of Workweeks credited to you during the PAGA Period (*i.e.*, PAGA Workweeks).

> **Under the terms of the Settlement, your Individual PAGA Payment is estimated to be $__________. The Individual PAGA Payment will not have taxes withheld before distribution and will only be distributed if the Court approves the Settlement and after the Settlement goes into effect.**

The settlement approval process may take multiple months. Your Individual Settlement Payment and Individual PAGA Payment (if eligible) reflected in this Notice is only an estimate. Your actual Individual Settlement Payment and/or Individual PAGA Payment (if eligible) may be higher or lower.

D. Release of Claims

As of the Effective Date of the Settlement, Plaintiff Fabian Camilo Buitrago Malaver and all Class Members who do not submit a valid and timely Opt-Out Request (*i.e.*, Participating Class Members) shall be deemed to have fully, finally, and forever released, settled, compromised, relinquished and discharged any and all of the Released Parties from the Class Released Claims, as defined below, and all PAGA Class Members and the State of California will be deemed to forever completely release and discharge the Released Parties from the PAGA Released Claims, as defined below.

"Class Released Claims" means any and all claims, known or unknown, contingent or accrued, against Defendant and the other Released Parties that arise from the facts, transactions or occurrences alleged in the Action, or that reasonably could have been alleged based on any fact set forth in the Action, arising during the Class Period, including and not limited to, claims for failure to pay all wages earned for all hours worked at the correct rate including minimum, regular, and overtime wages (*e.g.*, including, but not limited to, failure to pay paid sick leave and PTO at the correct rates), failure to provide meal periods and rest breaks or pay premium payments at the correct rate, failure to provide meal periods and rest breaks or pay premium payments at the correct rate, failure to provide and maintain complete and accurate itemized wage statements that include all information required by the California Labor Code, untimely payment of wages during employment and at the time of termination, failure to reimburse business expenses, violations of the corresponding California Labor Code provisions, including §§ 201, 202, 203, 204, 210, 218.5, 218.6, 226, 226.3, 226.7, 227.3, 246, 246.5, 247, 247.5, 248, 248.1, 248.2, 248.3, 248.5, 248.6, 248.7, 510, 512, 558, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1198, and 2802, the applicable California Wage Orders, and all related or corresponding local and federal laws, violation of California Business and Professions Code Section 17200 *et seq.*, including attorneys' fees, costs, and interest, arising from the foregoing violations, except those arising under California Labor Code Section 2698 *et seq.*

"PAGA Released Claims" means any and all claims for civil penalties against Defendant and the other Released Parties that arise from the facts, transactions or occurrences alleged in the letter sent by Class Counsel to the Labor and Workforce Development Agency on or about December 7, 2024 ("LWDA Letter") and the Action, or that reasonably could have been alleged based on any fact set forth in the LWDA Letter and the Action, pursuant to PAGA, arising during the PAGA Period, for violations of California Labor Code §§ 201, 202, 203, 204, 210, 226, 226.3, 226.7, 227.3, 246, 246.5, 247, 247.5, 248, 248.1, 248.2, 248.3, 248.5, 248.6, 248.7, 510, 512, 558, 1174, 1174.5, 1194, 1197, 1197.1, 1198, 2699, and 2802, and the applicable California Wage Orders, including attorneys' fees, costs and interest arising from the foregoing.

"Released Parties" means and includes The New IEM, LLC and its respective current and former parents, predecessors or successors, holding companies, affiliated companies or entities, owners, shareholders, members, partners, officers, directors, managers, employees, and agents.

E. Attorneys' Fees and Costs to Class Counsel

Class Counsel will seek attorneys' fees in an amount of up to one-third of the Gross Settlement Amount, currently estimated to be Two Hundred Fifty-Three Thousand Dollars ($253,000) and reimbursement of actual costs incurred by Class Counsel in prosecuting the Action, in an amount not to exceed Twenty-Five Thousand Dollars ($25,000) (collectively, "Attorneys' Fees and Costs"), subject to approval by the Court. All Attorneys' Fees and Costs awarded by the Court will be paid from the Gross Settlement Amount.

F. General Release Payment and Enhancement Award to Plaintiff

Plaintiff Fabian Camilo Buitrago Malaver will seek the amount of Ten Thousand Dollars ($10,000) for Plaintiff Fabian Camilo Buitrago Malaver ("General Release Payment") for his full release and discharge of any claims that he has ever had against the Released Parties through the date of execution of the Settlement, including his threatened, individual claims against Defendant arising under the Fair Employment and Housing Act. Plaintiff Fabian Camilo Buitrago Malaver will also seek the amount of Five Thousand Dollars ($5,000) for Plaintiff Fabian Camilo Buitrago Malaver ("Enhancement Award"), in recognition of his services in connection with the Action. The General Release Payment and the Enhancement Award will be paid from the Gross Settlement Amount, subject to approval by the Court, and if awarded, will be paid to Plaintiff in addition to his Individual Settlement Payment and Individual PAGA Payment that he is entitled to under the Settlement.

G. Settlement Administration Costs to Settlement Administrator

Payment to the Settlement Administrator is estimated not to exceed Ten Thousand Five Hundred Dollars ($10,500) ("Settlement Administration Costs") for the costs of the notice and settlement administration process, including and not limited to, the expense of notifying the Class Members of the Settlement, creating and maintaining a settlement website, processing Opt-Out Requests, objections, and disputes of Workweeks and/or PAGA Workweeks, calculating Individual Settlement Payments and Individual PAGA Payments, and distributing payments and tax forms under the Settlement, and shall be paid from the Gross Settlement Amount, subject to approval by the Court.

IV. WHAT ARE YOUR RIGHTS AND OPTIONS AS A CLASS MEMBER?

A. Participate in the Settlement

If you want to participate in the Settlement and receive money from the Settlement, you do not have to do anything. You will automatically be included in the Settlement and issued your Individual Settlement Payment unless you decide to exclude yourself from the Class Settlement.

Unless you elect to exclude yourself from the Class Settlement, you will be bound by the terms of the Class Settlement and any judgment that may be entered by the Court based thereon, and you will release the Class Released Claims described in Section III.D above.

If eligible, you will automatically be issued an Individual PAGA Payment and release the PAGA Released Claims described in Section III.D above.

B. Opt-Out of the Class Settlement

If you do not wish to participate in the Class Settlement, you must opt-out of the Class Settlement by submitting a written request ("Opt-Out Request") to the Settlement Administrator.

An Opt-Out Request must: (a) contain the case name and number of the Class Action (*Fabian Camilo Buitrago Malaver, et al. v. The New IEM, LLC, et al.*, Alameda County Superior Court, Case No. 24CV102931); (b) state your full name (including your full name at the time of employment for Defendant), current address, last four digits of your Social Security number, and signature; (c) clearly indicate that you desire to be excluded (or opt out) of the Class Settlement; and (d) be returned to the Settlement Administrator so that it is postmarked **on or before [end of Notice Period]**, at the following mailing address:

[Settlement Administrator]
[Mailing Address]
[Fax Number]

If the Court grants final approval of the Settlement, any Class Member who submits a valid and timely Opt-Out Request will not be entitled to receive the Individual Settlement Payment from the Settlement, will not be bound by the Class Settlement and release of Class Released Claims described in Section III.D above, and will not have any right to object to, appeal, or comment on the Class Settlement. Regardless of whether a Class Member submits a valid and timely Opt-Out Request, if the Class Member is also a PAGA Class Member, the Class Member will be bound by the PAGA Settlement and release of the PAGA Released Claims described in Section III.D above, and will be paid an Individual PAGA Payment.

C. Object to the Class Settlement

You can object to the terms of the Class Settlement by submitting a written objection to the Settlement Administrator by mail, postmarked **no later than [the end of Notice Period]**, or by appearing at the Final Approval Hearing and presenting your objection to the Court at that time.

An objection must contain: (a) the case name and number of the Class Action (*Fabian Camilo Buitrago Malaver, et al. v. The New IEM, LLC, et al.*, Alameda County Superior Court, Case No. 24CV102931); (b) your full name, current address and signature (by you or your legally-authorized representative); and (c) a statement of the specific reasons why you believe the Class Settlement is unfair or otherwise object to the Class Settlement; and (d) a statement of whether you intend to appear at the Final Approval Hearing, either in person or through counsel and, if through counsel, a statement identifying that counsel by name, bar number, address, and telephone number.

Defendant will not retaliate against you for any actions you take with respect to the proposed Settlement.

V. FINAL APPROVAL HEARING

The Court will hold a Final Approval Hearing in Department 21 of the Alameda County Superior Court, located at 1225 Fallon Street, Oakland, California 94612, on [date], at [time], to determine whether the Settlement should be finally approved as fair, reasonable, and adequate. The Court also will be asked to approve and award Attorneys' Fees and Costs to Class Counsel, the General Release Payment and Enhancement Award to Plaintiff Fabian Camilo Buitrago Malaver, and Settlement Administration Costs to the Settlement Administrator.

The hearing may be continued by the Court without further notice to Class Members. You don't need to appear at the Final Approval Hearing, although you may appear if you wish to. You may contact the Settlement Administrator or check the Settlement Administrator's or the Court's website beforehand to verify the date and time of the Final Approval Hearing.

VI. ADDITIONAL INFORMATION

The above is a summary of the basic terms of the Settlement. For the precise terms and conditions of the Settlement Agreement, you should review the detailed Settlement Agreement and other papers which are on file with the Clerk of the Alameda County Superior Court, located at the Alameda County Superior Court, 1225 Fallon Street, Oakland, California

94612. Some documents and information regarding the Action can also be accessed online for free or at a minimal charge at the Alameda County Superior Court's website, using the eCourt Public Portal or Odyssey Portal, at the following web address: https://www.alameda.courts.ca.gov/general-information/records, using the case number in the first paragraph of this notice. You can also view the Settlement Agreement and other settlement documents on the Settlement Administrator's website at **[URL]**. If the Court grants final approval of the Settlement and enters a judgment, the Court's final approval order and judgment will be posted on the Settlement Administrator's website.

PLEASE DO NOT TELEPHONE THE COURT OR THE OFFICE OF THE CLERK FOR INFORMATION REGARDING THIS SETTLEMENT.

IF YOU HAVE ANY QUESTIONS, YOU MAY CALL THE SETTLEMENT ADMINISTRATOR AT THE FOLLOWING TOLL-FREE NUMBER: [INSERT], OR YOU MAY ALSO CONTACT CLASS COUNSEL.

EXHIBIT 2

MOON LAW GROUP, PC

ATTORNEYS AT LAW
WWW.MOONYANGLAW.COM

725 S. FIGUEROA STREET, SUITE 3100
LOS ANGELES, CALIFORNIA 90017
TELEPHONE: (213) 232-3128
FACSIMILE: (213) 232-3125

Kane Moon, Esq.
Kmoon@moonlawgroup.com

December 7, 2024

VIA ONLINE SUBMISSION
Labor & Workforce Development Agency
Attn. PAGA Administrator
1515 Clay Street, Ste. 801
Oakland, CA 94612

VIA CERTIFIED MAIL
The New IEM, LLC
48205 Warm Springs Blvd.
Fremont, CA 94539

Notice of Labor Code Violations and PAGA Penalties

Re: ***Fabian Camilo Buitrago Malaver v. The New IEM, LLC***

To Whom It May Concern:

Please be advised that my office has been retained by Fabian Camily Buitrago Malaver ("Plaintiff") to pursue a Labor Code Private Attorney General Act (PAGA) representative action (Cal. Lab. Code §§ 2699, *et seq.*) against his former employer, The New IEM, LLC ("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 a PAGA representative action on behalf of Plaintiff as an aggrieved employee, on behalf of the State of California, and on behalf of all other current and former aggrieved employees who worked for Defendant in California at any time within the applicable statutory period (hereafter, the "Aggrieved Employees").

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

Factual Background Regarding Plaintiff's Employment with Defendant

Defendant owns and operates an industry, business, and establishment within the State of California, including Alameda County. As such, Defendantis subject to the California Labor Code and the Wage Orders issued by the Industrial Welfare Commission ("IWC").

Plaintiff worked for Defendant as an assembler from approximately February 2024 to November 2024, primarily in Alameda County. Defendant classified Plaintiff as non-exempt from overtime. During the time period that Plaintiff was employed by Defendant, Plaintiff typically worked 5 to 6 days per week, and in excess of 8 hours each workday.

Throughout Plaintiff's employment, Defendant committed numerous labor code violations under state law. As discussed below, Plaintiff's experience working for Defendant was typical and illustrative.

Failure to Pay for All Hours Worked, Including Overtime

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 (8) 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 Industrial Welfare Commission 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 all overtime wages. Throughout the statutory period, Plaintiff and the Aggrieved Employees were required to work off-the-clock, and uncompensated. For example, Plaintiff and the Aggrieved Employees were required to wait in line in order to clock into work, and when returning from meal breaks, off the clock and uncompensated. Also, Plaintiff and the Aggrieved Employees experienced interrupted meal breaks without compensation. Also throughout the statutory period, Plaintiff and the Aggrieved Employees received nondiscretionary bonuses and other remuneration. However, Defendants failed to incorporate all remuneration when calculating the correct overtime rate of pay, break premium rate of pay, and sick day rate of pay, leading to underpayment.

As a result, Defendant is liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code §§ 210, 558, 1197.1, and 2699(f)(2) for failing to pay for all hours worked, including overtime.

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 required Plaintiff and the Aggrieved Employees to work in excess of five consecutive hours a day without providing a 30-minute, continuous and uninterrupted, 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. Defendant did not adequately inform Plaintiff and the Aggrieved Employees of their right to take a meal period by the end of the fifth hour of work, or, for shifts greater than 10 hours, by the end of the tenth hour of work. Moreover, Defendant did not have adequate written policies or practices providing meal periods for Plaintiff and the Aggrieved Employees, nor did Defendant have adequate policies or practices regarding the timing of meal periods. Defendant also did not have adequate policies or practices to verify whether Plaintiff and the Aggrieved Employees were taking their required meal periods. Accordingly, Defendant's policy and practice was to not 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, 558, and 2699(f)(2) for failing to provide meal periods and pay meal period premium wages.

<u>Failure to Authorize and Permit Rest Periods</u>

Employers are required by California law to authorize and permit breaks of 10 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 6 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.

Defendant, however, wrongfully failed to authorize and permit Plaintiff and the Aggrieved Employees to take timely and duty-free 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, continuous and uninterrupted, 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. Defendant did not adequately inform Plaintiff and the Aggrieved Employees of their right to take a rest period. Moreover, Defendant did not have adequate policies or practices permitting or authorizing rest periods for Plaintiff and the Aggrieved Employees, nor did Defendant have adequate policies or practices regarding the timing of rest periods. Defendant also did not have adequate policies or practices to verify whether Plaintiff and the Aggrieved Employees were taking their required rest periods. Further, Defendant did not maintain accurate records of employee work periods, and therefore Defendant cannot demonstrate that Plaintiff and the Aggrieved Employees took rest periods during the middle of each work period. Accordingly, Defendant's policy and practice was for Plaintiff and the Aggrieved Employees to work through rest periods and to not authorize or permit them to take any rest periods.

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 are liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code §§ 210, 558, and 2699(f)(2) for failing to authorize and permit rest periods and pay rest period premium wages.

<u>Failure to Maintain Accurate Records of Hours Worked and Meal Periods</u>

Plaintiff seeks penalties under Labor Code § 1174(d). Pursuant to Labor Code § 1174.5, any person, including any entity, employing labor who willfully fails to maintain accurate and complete records required by 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 Labor Code 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 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.

As a result, Defendant is liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code § 1174.5 for failing to maintain accurate records of hours worked and meal periods.

Failure to Reimburse and Indemnify Expenses

California Labor Code § 2802 requires employers to reimburse employees for their necessary expenditures and losses incurred in direct consequence of the discharge of their duties or of their obedience to directions of the employer.

Throughout the statutory period, Defendant wrongfully required Plaintiff and the Aggrieved Employees to pay expenses that they incurred in direct discharge of their duties for Defendant without reimbursement, which included the use of personal cellular telephones for work purposes. Plaintiff and the Aggrieved Employees incurred these substantial expenses as a direct result of performing their job duties for Defendant, and Defendant has failed to indemnify Plaintiff and the Aggrieved Employees for these employment-related expenses.

Failure to Pay All Accrued Vacation Wages at Termination

Labor Code § 227.3 requires employers to pay employees for all unused vested vacation time at their final rate of pay upon termination of their employment.

During the statutory period, Defendant maintained a policy and practice of failing to pay Plaintiff and the Aggrieved Employees the correct amount of vacation pay owed at the termination of employment. For instance, when Plaintiff's employment with Defendant terminated, he was owed vacation wages at his true final wage rate on his final pay check from Defendant even though he had accrued unused vacation time. On information and belief, Defendant's failure to pay Plaintiff the correct amount of vacation pay was not a single, isolated incident, but was instead part of Defendant's policy and practice that applied to the Aggrieved Employees.

As a result, Defendant is liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code § 2699(f)(2) for failing to pay all accrued vacation wages at termination.

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 Plaintiff and many other Aggrieved Employees ended, i.e. was terminated by quitting or discharge, and the employment of others will be. However, during the relevant time period, Defendant failed, and continues to fail to pay Plaintiff 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 employ. These unpaid wages include wages for unpaid work time (including minimum and straight time wages), missed meal periods, and missed rest periods.

Defendant'sconduct 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, Plaintiff 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 30 days maximum pursuant to Labor Code § 203.

Moreover, Defendant is liable to Plaintiff 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).)

Defendant intentionally and willfully failed to provide employees with complete and accurate wage statements. The deficiencies include, among other things, the failure to correctly identify hourly rates, the failure to correctly list gross wages earned, and the failure to list the true net wages earned, including wages for meal periods that were not provided in accordance with California law, wages for rest periods that were not authorized and permitted to take in accordance with California law, and correct wages earned for all hours worked.

As a result of Defendant violating 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 Defendantthe greater of their actual damages caused by Defendant's failure to comply with Labor Code § 226(a), or an aggregate penalty not exceeding $4,000 dollars 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 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 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 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.

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, 512 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 § 1174.5 and applicable Wage Orders by failing to maintain accurate records of hours worked and meal periods taken or missed;
5. Labor Code § 2802 by failing to reimburse and indemnify employees for expenses and losses in the direct consequence and discharge of their duties;
6. Labor Code § 227.3 by failing to pay all vacation wages at termination;
7. Labor Code §§ 201 to 203 by willfully failing to pay all wages owed at termination;
8. Labor Code § 226 by failing to provide accurate itemized wage statements; and
9. Labor Code § 204 by failing to pay all earned wages two times per month.

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, 558, 1174.5, 1197.1, 2802, and 2699(f)(2).

Plaintiff has placed Defendant on notice by mailing a certified copy of this correspondence to itscorporate address, 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,

MOON LAW GROUP, PC

Kane Moon, Esq.
Attorney at Law

EXHIBIT 3

EXHIBIT 4

Activities Export

08/22/2025
10:23 AM

Date	Type	Description	Matter	User	Qty	Rate ($)	Non-billable ($)	Billable ($)
05/21/2025	$	Berger Consulting Group - Wire Payment KM Unbilled	02905-Malaver Malaver v. The New IEM, LLC (Class - C)	Support Account	1.00	$8,280.00	-	$8,280.00
03/25/2025	$	Malaver v. The New IEM Lisa Klerman mediator Unbilled	02905-Malaver Malaver v. The New IEM, LLC (Class - C)	Kane Moon	1.00	$12,500.0(	-	$12,500.00
02/14/2025	$	One Legal - Amended Complaint Unbilled	02905-Malaver Malaver v. The New IEM, LLC (Class - C)	Support Account	1.00	$24.68	-	$24.68
01/10/2025	$	ACE - Service of Process & Filing of POS of Summons Unbilled	02905-Malaver Malaver v. The New IEM, LLC (Class - C)	Support Account	1.00	$145.45	-	$145.45
12/13/2024	$	One Legal - Complaint Unbilled	02905-Malaver Malaver v. The New IEM, LLC (Class - C)	Support Account	1.00	$1,505.28	-	$1,505.28
12/11/2024	$	LWDA Fee Unbilled	02905-Malaver Malaver v. The New IEM, LLC (Class - C)	Support Account	1.00	$75.00	-	$75.00
12/11/2024	$	One Legal - CCCS Unbilled	02905-Malaver Malaver v. The New IEM, LLC (Class - C)	Support Account	1.00	$15.44	-	$15.44
							$0.00 0.00h	**$22,545.85** 0.00h

EXHIBIT 5

CASE NAME: WIP

Requesting Attorney: Adrianna Rubino
Plaintiff or Defense: Defense
Firm Name: Rutan & Tucker, LLP
Telephone: (714) 641-5100
Email: arubino@rutan.com

Date: June 5, 2025
Prepared By: Tim Phillips
50 Corporate Park, Irvine CA 92606
Tim@CPTGroup.com
Direct Number: (818) 415-2703
Main Number: (800) 542-0900

PROJECT ASSUMPTIONS & ADMINISTRATIVE COSTS

Class Size: 343
Opt-Out Filing Rate: 1.5%
No. of Checks Issued: 338
Language Translation Services: Yes
Settlement Website: No
Notice Procedures: Mail

Undeliverable Mail Rate: 8%
Payment Option: Check
Unclaimed Funds: Cy Pres
Postage Total: $534.47
Grand Total: $12,876.49
CPT'S DISCOUNTED FEE: $10,500.00

The services and numbers reflected herein are estimates based on the information provided by counsel at the time of this Bid. If the actual services and numbers are different, our cost estimate will change accordingly. Client expressly acknowledges and agrees that estimated fees and costs may fluctuate and agrees to pay for any such increases to such estimates as if set forth herein.

The attached Terms and Conditions are included as part of and incorporated by reference to our cost proposal. By accepting our cost proposal for this matter, you are thereby agreeing to the Terms and Conditions.

CASE SETUP

After receiving the data, CPT will scrub all records to eliminate duplicates and anomalies; this process is designed to achieve a higher success percentage in delivering the Class Notice. Each Class Member will receive a unique mailing ID that will be utilized for all administrative purposes. The legal notice will be translated into Spanish.

ADMINISTRATIVE TASKS	UNIT PRICE	PIECES/HOURS	COST ESTIMATE
Project Manager: Case Intake & Review	$95.00	3	$285.00
Programming: Data Base Setup	$150.00	3	$450.00
Spanish Translation	$1,200.00	1	$1,200.00
		Sub Total:	**$1,935.00**

DIRECT MAIL NOTIFICATION

CPT will perform an address update via NCOA and, if necessary, conduct an additional skip trace in order to ensure that mail is delivered to the most current address possible. A detailed notice and a one-page opt-out form will be mailed in English and Spanish.

ADMINISTRATIVE TASKS	UNIT PRICE	PIECES/HOURS	COST ESTIMATE
Project Manager: Format Documents	$95.00	2	$190.00
National Change of Address Search (NCOA)	$135.00	1	$135.00
XML Lex ID Skip Trace	$0.85	34	$28.90
Print & Mail Notice Packets	$1.50	343	$514.50
First-Class Postage (up to 2 oz.)*	$0.78	343	$267.54
		Sub Total:	**$1,135.94**

*Postage costs are subject to change at anytime. The final rate will be determined at the time of mailing.

PROCESS RETURNED UNDELIVERABLE MAIL

According to CPT's historical data, 8% of the notices are returned as undeliverable. Upon notification from USPS, CPT performs a skip trace to locate a current address. Typically, 70% of the undeliverable notice packets are eligible for remail with an updated address.

ADMINISTRATIVE TASKS	UNIT PRICE	PIECES/HOURS	COST ESTIMATE
Clerical Staff	$60.00	1	$60.00
Update Undeliverable Mail Database	$0.50	27	$13.50
Skip Trace for Best Address	$1.00	24	$24.00
Print & Remail Notice Packets	$1.50	19	$28.50
First-Class Postage (up to 1 oz.)	$0.69	19	$13.11
		Sub Total:	**$139.11**

OPT-OUT PROCESSING

CPT will thoroughly examine the submissions to identify and remove any duplicates, fraudulent responses, or otherwise invalid submissions. CPT will process and verify opt-outs, objections, and other responses submitted by class members. Deficient responses will be sent a follow-up notice, offering the class member a chance to cure.

ADMINISTRATIVE TASKS	UNIT PRICE	PIECES/HOURS	COST ESTIMATE
Programming: De-duplication/Scrubbing	$150.00	3	$450.00
Project Manager: Validate Opt-Outs	$95.00	1	$95.00
Clerical Staff	$60.00	1	$60.00
Opt-Out Processing	$2.50	5	$12.86
Print & Mail Deficiency/Dispute Notices	$1.50	1	$1.50
First-Class Postage (up to 1 oz.)	$0.69	1	$0.69
Review & Process Deficiency Responses	$10.00	1	$10.00
		Sub Total:	**$630.05**

CLASS MEMBER SUPPORT

CPT will establish a toll-free telephone number equipped with interactive voice response (IVR) capabilities and live customer support representatives. Live support will be available during regular business hours, Monday to Friday, 9:00 AM to 5:30 PM, Pacific Time (PT). The dedicated case phone number shall be operational for a maximum of 120 days following the disbursement.

ADMINISTRATIVE TASKS	UNIT PRICE	PIECES/HOURS	COST ESTIMATE
Toll-Free Number Establish/Setup	$150.00	2	$300.00
Live Call Center Support Reps.	$3.00	69	$207.00
		Sub Total:	**$507.00**

SSN VERIFICATION

Authenticate Social Security Number for validity using IRS verification processes and/or IRS backup withholdings processes.

ADMINISTRATIVE TASKS	UNIT PRICE	PIECES/HOURS	COST ESTIMATE
Programming: SSN Selection	$150.00	1	$150.00
Department Manager: Analysis & Reporting	$95.00	3	$285.00
IRS SSN Verification	$0.10	338	$33.79
		Sub Total:	**$468.79**

DISTRIBUTION SERVICES

CPT will establish a 26 CFR § 1.468B-1 compliant Qualified Settlement Fund (QSF). Upon Final Approval, CPT will perform the required settlement payment calculations, and once approved by the parties, CPT will issue a (MICR) check to all eligible claimants. CPT will also issue an IRS Form 1099 and/or IRS Form W2 when applicable. CPT utilizes the bank's Payee Positive Pay to prevent check fraud and performs monthly account reconciliations for the QSF bank account. Undeliverable checks are skip-traced to obtain a current address and are remailed accordingly. Requests for check reissues will be processed throughout the check cashing period. CPT's administration of the QSF will continue for a maximum duration of one year following the initial distribution of funds.

ADMINISTRATIVE TASKS	UNIT PRICE	PIECES/HOURS	COST ESTIMATE
Programming: Calculation Totals	$150.00	3	$450.00
Project Supervisor: Review of Distribution	$150.00	3	$450.00
Project Manager: Correspondence w/Parties	$95.00	2	$190.00
Programming: Setup & Printing of Checks	$150.00	3	$450.00
Obtain EIN, Setup QSF/Bank Account	$150.00	3	$450.00
Print & Mail Notice, Checks & W2/1099	$2.50	338	$844.64
First-Class Postage (up to 1 oz.)	$0.69	338	$233.12
Project Supervisor: Account Reconciliation	$150.00	12	$1,800.00
Update Undeliverable Checks Database	$0.50	17	$8.45
Skip Trace for Best Address	$1.00	17	$16.89
Remail Undeliverable Checks	$2.50	15	$37.50
First-Class Postage (up to 1 oz.)	$0.69	15	$10.35
Re-Issue Checks as Required	$5.00	14	$70.00
First-Class Postage (up to 1 oz.)	$0.69	14	$9.66
		Sub Total:	**$5,020.61**

TAX REPORTING & SETTLEMENT CONCLUSION

CPT prepares annual tax reporting on behalf of the QSF and Federal and State taxes in accordance with current state and federal regulations. All parties will be furnished with weekly and final reports. A declaration attesting to due process will be provided to all parties.

ADMINISTRATIVE TASKS	UNIT PRICE	PIECES/HOURS	COST ESTIMATE
Project Supervisor: Reconcile Uncashed Chk	$150.00	1	$150.00
Programming: Weekly & Final Reports	$150.00	2	$300.00
Project Supervisor: Final Declaration	$150.00	2	$300.00
Project Manager: Account Files Sent to Atty	$95.00	2	$190.00
CA Tax Preparation*	$600.00	1	$600.00
Annual Tax Reporting to IRS*	$1,000.00	1	$1,000.00
QSF Annual Tax Reporting	$500.00	1	$500.00
Unclaimed Funds Sent to Cy Pres	Included	1	Included
		Sub Total:	**$3,040.00**

*CPT will file Federal and California taxes in accordance with current state and federal regulations. Additional charges will apply if the Settlement/Order/parties require(s) multiple state tax filings.

Total Administration Costs:	**$12,876.49**
Courtesy Discount:	***-$2,376.49***
CPT'S DISCOUNTED FLAT FEE:	**$10,500.00**

TERMS AND CONDITIONS

These Terms and Conditions ("**Terms and Conditions**") are made a part of, and incorporated by reference into, any Bid presented by CPT Group, Inc. ("**CPT**") to Client. Each of Client and CPT is a "**Party**" to this Agreement, and collectively, the "**Parties**".

1. Definitions.
   a) "**Affiliate**" means a party that partially (at least 50%) or fully controls, is partially or fully controlled by, or is under partial (at least 50%) or full common control with another party.
   b) "**Agreement**" means these Terms and Conditions and the Bid.
   c) "**Applicable Laws**" means all applicable local, state and federal laws, ordinances, rules and regulations.
   d) "**Approved Bank**" means any financial institution that is insured by the Federal Deposit Insurance Corporation.
   e) "**Bid**" means a proposal, statement of work, order form, and/or schedule for Services (including any and all addendums, exhibits, or amendments thereto) provided by CPT to Client.
   f) "**Case**" means the case referred to in the attached Bid and/or the particular judicial matter identified by the name of plaintiff(s) and defendant(s) on the caption of the applicable Court Order.
   g) "**Class**" means Members and putative Members collectively.
   h) "**Client**" means the party or parties engaging CPT for Services as set forth in the Bid, namely Plaintiff Counsel and/or Defense Counsel.
   i) "**Confidential Information**" means any non-public information of CPT or Client disclosed by either Party to the other Party, either directly or indirectly, in writing, orally or by inspection of tangible objects, or to which the other Party may have access, which a reasonable person would consider confidential and/or which is marked "confidential" or "proprietary" or some similar designation by the disclosing Party. Confidential Information shall also include the terms of this Agreement, except where this Agreement specifically provides for disclosure of certain items. Confidential Information shall not, however, include the existence of the Agreement or any information which the recipient can establish: (i) was or has become generally known or available or is part of the public domain without direct or indirect fault, action, or omission of the recipient; (ii) was known by the recipient prior to the time of disclosure, according to the recipient's prior written documentation; (iii) was received by the recipient from a source other than the discloser, rightfully having possession of and the right to disclose such information; or (iv) was independently developed by the recipient, where such independent development has been documented by the recipient.
   j) "**Court Order**" means a legal command or direction issued by a court, judicial office, or applicable administrative body requiring one or more Parties To The Case to carry out a legal obligation pursuant to the Case.
   k) "**Defendant**" means the named Party and/or Parties in the Case against whom action is brought.
   l) "**Defense Counsel**" means the attorney(s) of record for the Defendant(s) in the Case.
   m) "**Intellectual Property Right**" means any patent, copyright, trade or service mark, trade dress, trade name, database right, goodwill, logo, trade secret right, or any other intellectual property right or proprietary information right, in each case whether registered or unregistered, and whether arising in any jurisdiction, including without limitation all rights of registrations, applications, and renewals thereof and causes of action for infringement or misappropriation related to any of the foregoing.
   n) "**Member**" means an individual who is eligible under the Case or Class to receive a communication about their pending legal rights under the matter and/or designated amount of the Settlement, including the named Plaintiff(s) in the Case and all other putative persons or other parties in the representative action so designated or addressed therein.
   o) "**Member Content**" means all Member written document communications relating to the Case, including claim forms, opt-out forms, and/or objections, which may contain Member Data.
   p) "**Member Data**" means proprietary or personal data regarding Members under this Agreement.
   q) "**Parties To The Case**" shall mean collectively Defendant(s) and Plaintiff(s) as defined in the Settlement Agreement or Court Order.
   r) "**Plaintiff**" means the named party and/or parties in the Case who are bringing the action.
   s) "**Plaintiff Counsel**" means the attorney(s) of record for Plaintiff(s) in the Case, and/or upon certification by the Court the attorney(s) of record designated to represent the Class.
   t) "**Products**" means any and all CPT Services and work product resulting from Services.
   u) "**Qualified Settlement Fund**" or "**QSF**" means a bank account established pursuant to U.S. Department of Treasury Regulations §1468B-1.
   v) "**Service**" means any service rendered by CPT specifically to Client, including, but not limited to: (i) notifications to Members; (ii) setting up a QSF with an Approved Bank; (iii) management of disbursement of funds from the QSF to applicable parties pursuant to the Settlement Agreement; (iv) provision of customer support relating to the Case; (v) management of Case claim forms and correspondence; and/or (vi) any administrative or consulting service.
   w) "**Settlement Agreement**" means the contract between Parties To The Case to resolve the same, which specifies amounts to be disbursed from the Qualified Settlement Fund to attorneys, CPT, and individual Members.
   x) "**Settlement Amount**" means the total dollar amount agreed to between Parties To The Case to resolve the Case to mutual satisfaction.
   y) "**Software**" means any and all of CPT's software applications, including, without limitation, all updates, revisions, bug-fixes, upgrades, and enhancements thereto.
   z) "**Transmission Methods**" means the secure authorized manner to send Member Data and/or Wire Information as specified on a schedule or exhibit hereto.
   aa) "**Term**" means the period commencing on the date set forth on the Bid and continuing until the date of final judgment (if a settlement) or upon completion of all Services as set forth in the Bid.
   bb) "**Wire Information**" means instructions for (i) Defense Counsel to transfer funds from Defendant to the Qualified Settlement Fund or (ii) CPT to transfer funds from the Qualified Settlement Fund to applicable parties pursuant to the Settlement Agreement.
2. Client Obligations. Client will ensure that it has obtained all necessary consents and approvals for CPT to access and use Member Data for the purposes permitted under this Agreement and shall only transmit Member Data and/or Wire Information to CPT via the Transmission Methods. Client shall use and maintain appropriate administrative, technical, and physical safeguards designed to protect Member Data provided under this Agreement. Client further warrants that any Member Data, Wire Information, or other content, data, materials or information it transmits shall be free of viruses, worms, Trojan horses, or other harmful or disenabling codes which could adversely affect Member Data and/or CPT. If Client is in breach of this section, CPT may suspend Services, in addition to any other rights and remedies CPT may have at law or in equity.
3. CPT Obligations. CPT will (i) maintain appropriate safeguards designed to protect Member Data, including regular back-ups, security and incident response protocols, and (ii) not access or disclose Member Data except (A) as compelled by law, (B) to prevent or address service or technical issues, (C) in accordance with this Agreement or the provisions of the Settlement Agreement, or (D) if otherwise permitted by Parties To The Case, Members, Plaintiff Counsel or Defense Counsel as applicable.
4. Security. Client and CPT shall each use reasonable administrative, technical, and physical safeguards that are reasonably designed to: (a) protect the security and confidentiality of any Member Data in its possession or control under this Agreement; (b) protect against any anticipated threats or hazards to the security or integrity of such Member Data; (c) protect against unauthorized access to or use of such Member Data that could result in substantial harm or inconvenience to any individual; and (d) protect against unauthorized access to or use of such Member Data in connection with its disposal.
   a) Incident Notification. In the event a Party discovers that Member Data relating to the Case is the subject of (i) any unauthorized acquisition, loss, access or use and/or (ii) an actual or suspected breach concerning such Party's systems (items (i) and/or (ii) a "**Security Incident**"), or a Party has a reasonable belief that a Security Incident has occurred or is at risk of occurring, such Party will promptly but no later than forty-eight (48) hours of its discovery of such circumstances, inform the other Parties in the event of such Security Incident, and shall utilize best efforts to assist the other Parties to mitigate the effects of such Security Incident.
   b) b) Response Procedures. In the event of a Security Incident, the breached party shall (i) cooperate with any reasonable investigation concerning the Security Incident by the other Parties, regulators and/or law enforcement; and (ii) cooperate with the other Parties to comply with Applicable Laws concerning such Security Incident, including any notification to affected individuals. The Parties acknowledge that the breached party in any Security Incident shall be the Party responsible for

any and all remedies and costs under Applicable Laws concerning such Security Incident, unless such breach occurred due to another Party's actions hereunder, in which instance such party shall be comparatively responsible for all remedies and costs. In no event will any Party serve notice or otherwise publicize a Security Incident without the prior written consent of the other Parties. The Parties shall reasonably cooperate and coordinate with each other to respond to the Security Incident, including with regard to the content of notification to affected individuals.

6. Qualified Settlement Fund Account. When the Case has a Settlement Amount CPT shall be authorized to establish one or more QSF bank accounts at an Approved Bank if and as applicable to the Services as set forth in the Bid. The amounts held at the Approved Bank under this Agreement are at the sole risk of Defendant. Without limiting the generality of the foregoing, CPT shall have no responsibility or liability for any diminution of the funds that may result from the deposit thereof at the Approved Bank, including deposit losses, credit losses, or other claims made against the Approved Bank. It is acknowledged and agreed that CPT has acted reasonably and prudently in depositing funds at an Approved Bank, and CPT is not required to conduct diligence or make any further inquiries regarding such Approved Bank.

7. Fees and Payment. Pricing for Services is as stated on the Bid, and Client agrees to pay CPT in the amounts set forth on the Bid. Client will be invoiced per the schedule set forth in the Bid, and payment of fees will be due within 30 days after the date of the invoice, except where the Bid or terms of the Settlement Agreement or Court Order expressly prescribes other payment dates. All fees set forth in a Bid are in U.S. dollars, must be paid in U.S. dollars, and are exclusive of taxes and applicable transaction processing fees. Late payments hereunder will incur a late charge of 1.5% per month (or the highest rate allowable by law, whichever is lower) on the outstanding balance from the date due until the date of actual payment, which such late charge(s) may be charged against the QSF account if incurred in connection with Services provided pursuant to administration of a settlement. In addition, Services are subject to suspension for failure to timely remit payment therefor. If travel is required to effect Services, Client shall reimburse CPT for pre-approved, reasonable expenses arising from and/or relating to such travel, including, but not limited to, airfare, lodging, meals, and ground transportation. . In connection with CPT's administration of a QSF, unless otherwise stated in the Settlement Agreement or Court Order concerning disbursement of unclaimed funds in the QSF account, CPT reserves the right, after one (1) year of issuance of disbursements to Members, to classify any remaining balance in such QSF account as additional administrative fees payable to CPT until such time as the QSF account balance becomes zero ($0.00), and thereafter close such account.

8. Term and Termination.

   a) Term. The Term is set forth in the Bid. The Agreement may be renewed by mutual written agreement of the parties.

   b) Termination for Cause. Either Party may immediately terminate this Agreement if the other Party materially breaches its obligations hereunder, and, where capable of remedy, such breach has not been materially cured within forty-five (45) days of the breaching Party's receipt of written notice describing the breach in reasonable detail.

   c) Bankruptcy Events. A Party may immediately terminate this Agreement if the other Party: (i) has a receiver appointed over it or over any part of its undertakings or assets; (ii) passes a resolution for winding up (other than for a bona fide scheme of solvent amalgamation or reconstruction), or a court of competent jurisdiction makes an order to that effect and such order is not discharged or stayed within ninety (90) days; or (iii) makes a general assignment for the benefit of its creditors.

   d) Effect of Termination. Immediately following termination of this Agreement, upon written request, Member Data may be retrieved via the secure FTP site in the same format in which the Member Data was originally inputted into the Software, at no additional charge. Alternatively, Member Data can be returned in a mutually agreed format at a scope and price to be agreed upon. CPT will maintain a copy of Member Data and Member Content for no more than four (4) years following the date of the final check cashing deadline for Members under the Settlement Agreement, after which time any Member Data and Member Content not retrieved will be destroyed.

   e) Final Payment. If Client terminates this Agreement due to Section "Termination", Client shall pay CPT all fees owed through the termination date. If CPT terminates the Agreement in accordance with Section "Termination," Client shall pay CPT all fees invoiced through the termination date, plus all fees remaining to be invoiced during the Term, less any costs CPT would have incurred had the Agreement not been terminated.

9. Confidentiality. Each Party agrees: (i) not to disclose any Confidential Information to any third parties except as mandated by law and except to those subcontractors of CPT providing Products hereunder who agree to be bound by confidentiality obligations no less stringent than those set forth in this Agreement; (ii) not to use any Confidential Information for any purposes except carrying out such Party's rights and responsibilities under this Agreement; and (iii) to keep the Confidential Information confidential using the same degree of care such Party uses to protect its own confidential information; provided, however, that such Party shall use at least reasonable care. These obligations shall survive termination of this Agreement.

   a) Compelled Disclosure. If receiving Party is compelled to disclose any Confidential Information by judicial or administrative process or by other requirements of law, such Party shall (i) promptly notify the other Party, (ii) reasonably cooperate with the other Party in such Party's efforts to prevent or limit such compelled disclosure and/or obtain confidential treatment of the items requested to be disclosed, and (iii) shall disclose only that portion of such information which each Party is advised by its counsel in writing is legally required to be disclosed.

   b) Remedies. If either Party breaches any of its obligations with respect to confidentiality or the unauthorized use of Confidential Information hereunder, the other Party shall be entitled to seek equitable relief to protect its interest therein, including but not limited to, injunctive relief, as well as money damages.

10. Intellectual Property. CPT retains all right, title and interest (including, without limitation, all Intellectual Property Rights) in and to the Products. CPT does not claim any ownership rights to Member Data.

11. Indemnification. Client agrees to indemnify, defend, and hold harmless CPT, its Affiliates, and the respective officer, directors, consultants, employees, and agents of each (collectively, "**Covered CPT Parties**") from and against any and all third party claims and causes of action, as well as related losses, liabilities, judgments, awards, settlements, damages, expenses and costs (including reasonable attorney's fees and related court costs and expenses) (collectively, "**Damages**") incurred or suffered by CPT which directly relate to or directly arise out of (i) Client's breach of this Agreement; (ii) CPT's performance of Services hereunder; (iii) the processing and/or handling of any payment by CPT; (iv) any content, instructions, information or Member Data provided by Client to CPT in connection with the Services provided by CPT hereunder. The foregoing provisions of this section shall not apply to the extent the Damages relate to or arise out of CPT's willful misconduct. To obtain indemnification, indemnitee shall: (i) give written notice of any claim promptly to indemnitor; (ii) give indemnitor, at indemnitor's option, sole control of the defense and settlement of such claim, provided that indemnitor may not, without the prior consent of indemnitee (not to be unreasonably withheld), settle any claim unless it unconditionally releases indemnitee of all liability; (iii) provide to indemnitor all available information and assistance; and (iv) not take any action that might compromise or settle such claim.

12. Warranties. Each Party represents and warrants to the other Party that, as of the date hereof: (i) it has full power and authority to execute and deliver the Agreement; (ii) the Agreement has been duly authorized and executed by an appropriate employee of such Party; (iii) the Agreement is a legally valid and binding obligation of such Party; and (iv) its execution, delivery and/or performance of the Agreement does not conflict with any agreement, understanding or document to which it is a party. CPT WARRANTS THAT ANY AND ALL SERVICES PROVIDED BY IT HEREUNDER SHALL BE PERFORMED IN A PROFESSIONAL MANNER CONSISTENT WITH PREVAILING INDUSTRY STANDARDS. TO THE EXTENT PERMITTED BY APPLICABLE LAW, CPT DISCLAIMS ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, STATUTORY OR OTHERWISE, INCLUDING WITHOUT LIMITATION WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT AND ANY WARRANTIES ARISING FROM A COURSE OF DEALING, USAGE OR TRADE PRACTICE

13. Liability.

   a) Liability Cap. EXCEPT FOR A PARTY'S GROSSS NEGLIGENCE OR WILLFUL MISCONDUCT, EACH PARTY'S MAXIMUM AGGREGATE LIABILITY ARISING OUT OF OR RELATING TO THIS AGREEMENT, REGARDLESS OF THE THEORY OF LIABILITY, WILL BE LIMITED TO THE TOTAL FEES PAID OR PAYABLE BY CLIENT AND/OR THE PARTIES TO THE CASE TO CPT HEREUNDER. THE EXISTENCE OF MORE THAN ONE CLAIM SHALL NOT EXPAND SUCH LIMIT. THE PARTIES ACKNOWLEDGE THAT THE FEES AGREED UPON BETWEEN CLIENT AND CPT ARE BASED IN PART ON THESE LIMITATIONS, AND THAT THESE LIMITATIONS WILL APPLY NOTWITHSTANDING ANY FAILURE OF ANY ESSENTIAL PURPOSE OF ANY LIMITED REMEDY. THE FOREGOING LIMITATION SHALL NOT APPLY TO A PARTY'S PAYMENT OBLIGATIONS UNDER THE AGREEMENT.

   b) Exclusion of Consequential Damages. NEITHER PARTY WILL BE LIABLE FOR LOST PROFITS, LOST REVENUE, LOST BUSINESS OPPORTUNITIES, LOSS OF DATA, INTERRUPTION OF BUSINESS, OR ANY OTHER INDIRECT, SPECIAL, PUNITIVE, INCIDENTAL OR CONSEQUENTIAL DAMAGES ARISING OUT OF OR RELATING TO THIS AGREEMENT, REGARDLESS OF THE THEORY OF LIABILITY, EVEN IF IT HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

14. Communications. CPT may list Client's name and logo alongside CPT's other clients on the CPT website and in marketing materials, unless and until Client revokes such permission. CPT may also list the Case name and/or number, and

certain Qualified Settlement Fund information, on the CPT website and in marketing materials, unless stated otherwise in the Settlement Agreement.

15. Miscellaneous Provisions.

a) Governing Law; Jurisdiction. This Agreement will be governed by and construed in accordance with the laws of the State of California and the federal laws of the United States of America, without regard to conflict of law principles. CPT and Client agree that any suit, action or proceeding arising out of, or with respect to, this Agreement or any judgment entered by any court in respect thereof shall be brought exclusively in the state or federal courts of the State of California located in the County of Orange, and each of CPT and Client hereby irrevocably accepts the exclusive personal jurisdiction and venue of those courts for the purpose of any suit, action or proceeding.

b) Force Majeure. Neither Party will be liable for any failure or delay in its performance under this Agreement due to any cause beyond its reasonable control, including without limitation acts of war, acts of God, earthquake, flood, weather conditions, embargo, riot, epidemic, acts of terrorism, acts or omissions of vendors or suppliers, equipment failures, sabotage, labor shortage or dispute, governmental act, failure of the Internet or other acts beyond such Party's reasonable control, provided that the delayed Party: (i) gives the other Party prompt notice of such cause; and (ii) uses reasonable commercial efforts to correct promptly such failure or delay in performance.

c) Counterparts. This Agreement may be executed in any number of counterparts and electronically, each of which shall be an original but all of which together shall constitute one and the same instrument.

d) Entire Agreement. This Agreement contains the entire understanding of the parties in respect of its subject matter and supersedes all prior agreements and understandings (oral or written) between the Parties with respect to such subject matter. The schedules and exhibits hereto constitute a part hereof as though set forth in full herein.

e) Modifications. Any modification, amendment, or addendum to this Agreement must be in writing and signed by the Parties.

f) Assignment. Neither Party may assign this Agreement or any of its rights, obligations, or benefits hereunder, by operation of law or otherwise, without the other Party's prior written consent; provided, however, either Party, without the consent of the other Party, may assign this Agreement to an Affiliate or to a successor (whether direct or indirect, by operation of law, and/or by way of purchase, merger, consolidation or otherwise) to all or substantially all of the business or assets of such Party, where the responsibilities or obligations of the other Party are not increased by such assignment and the rights and remedies available to the other Party are not adversely affected by such assignment. Subject to that restriction, this Agreement will be binding on, inure to the benefit of, and be enforceable against the parties and their respective successors and permitted assigns.

g) No Third-Party Beneficiaries. The representations, warranties, and other terms contained herein are for the sole benefit of the Parties hereto and their respective successors and permitted assigns and shall not be construed as conferring any rights on any other persons.

h) Statistical Data. Without limiting the confidentiality rights and Intellectual Property Rights protections set forth in this Agreement, CPT has the perpetual right to use aggregated, anonymized, and statistical data ("**Statistical Data**") derived from the operation of the Software, and nothing herein shall be construed as prohibiting CPT from utilizing the Statistical Data for business and/or operating purposes, provided that CPT does not share with any third-party Statistical Data which reveals the identity of Client, Client's Class Members, or Client's Confidential Information.

i) Export Controls. Client understands that the use of CPT's Products is subject to U.S. export controls and trade and economic sanctions laws and agrees to comply with all such Applicable Laws, including the Export Administration Regulations maintained by the U.S. Department of Commerce and the trade and economic sanctions maintained by the Treasury Department's Office of Foreign Assets Control.

j) Severability. If any provision of this Agreement is held by a court or arbitrator of competent jurisdiction to be contrary to law, such provision shall be changed by the court or by the arbitrator and interpreted so as to best accomplish the objectives of the original provision to the fullest extent allowed by law, and the remaining provisions of this Agreement shall remain in full force and effect.

k) Notices. Any notice or communication required or permitted to be given hereunder may be delivered by hand, deposited with an overnight courier, sent by electronic delivery, or mailed by registered or certified mail, return receipt requested and postage prepaid to the address for the other Party as set forth on the Bid or at such other address as may hereafter be furnished in writing by either Party hereto to the other Party. Such notice will be deemed to have been given as of the date it is delivered, if by personal delivery; the next business day, if deposited with an overnight courier; upon receipt of confirmation of electronic delivery (if followed up by such registered or certified mail); and five days after being so mailed.

l) Independent Contractors. Client and CPT are independent contractors, and nothing in this Agreement shall create any partnership, joint venture, agency, franchise, sales representative or employment relationship between Client and CPT. Each Party understands that it does not have authority to make or accept any offers or make any representations on behalf of the other. Neither Party may make any statement that would contradict anything in this section.

m) Subcontractors. CPT may use subcontractors to perform Client-specific Services; provided however, that CPT shall be responsible for its subcontractors' performance of Services under this Agreement.

n) Headings. The headings of the sections of this Agreement are for convenience only, do not form a part hereof, and in no way limit, define, describe, modify, interpret, or construe its meaning, scope or intent.

o) Waiver. No failure or delay on the part of either Party in exercising any right, power or remedy under this Agreement shall operate as a waiver, nor shall any single or partial exercise of any such right, power or remedy preclude any other or further exercise or the exercise of any other right, power, or remedy.

p) Acceptance. If, when requested in writing by Client, CPT then provides any Service to Client, whether or not such Services were specified in the original Bid, , these Terms and Conditions shall apply to the provision of such Services and be deemed accepted and approved by Client concerning such Services.

q) Survival. Sections of the Agreement intended by their nature and content to survive termination of the Agreement shall so survive.

EXHIBIT 6

LAFFEY MATRIX

- History
- Case Law
- See the Matrix
- Contact us
- Home

			Years Out of Law School *				
Year	Adjustmt Factor**	Paralegal/ Law Clerk	1-3	4-7	8-10	11-19	20 +
6/01/24- 5/31/25	1.080182	$258	$473	$581	$839	$948	$1141
6/01/23- 5/31/24	1.059295	$239	$437	$538	$777	$878	$1057
6/01/22- 5/31/23	1.085091	$225	$413	$508	$733	$829	$997
6/01/21- 5/31/22	1.006053	$208	$381	$468	$676	$764	$919
6/01/20- 5/31/21	1.015894	$206	$378	$465	$672	$759	$914
6/01/19- 5/31/20	1.0049	$203	$372	$458	$661	$747	$899
6/01/18- 5/31/19	1.0350	$202	$371	$455	$658	$742	$894
6/01/17- 5/31/18	1.0463	$196	$359	$440	$636	$717	$864
6/01/16- 5/31/17	1.0369	$187	$343	$421	$608	$685	$826
6/01/15- 5/31/16	1.0089	$180	$331	$406	$586	$661	$796
6/01/14- 5/31/15	1.0235	$179	$328	$402	$581	$655	$789
6/01/13- 5/31/14	1.0244	$175	$320	$393	$567	$640	$771
6/01/12- 5/31/13	1.0258	$170	$312	$383	$554	$625	$753
6/01/11- 5/31/12	1.0352	$166	$305	$374	$540	$609	$734
6/01/10- 5/31/11	1.0337	$161	$294	$361	$522	$589	$709
6/01/09- 5/31/10	1.0220	$155	$285	$349	$505	$569	$686
6/01/08- 5/31/09	1.0399	$152	$279	$342	$494	$557	$671
6/01/07-5/31/08	1.0516	$146	$268	$329	$475	$536	$645
6/01/06-5/31/07	1.0256	$139	$255	$313	$452	$509	$614
6/1/05-5/31/06	1.0427	$136	$249	$305	$441	$497	$598
6/1/04-5/31/05	1.0455	$130	$239	$293	$423	$476	$574
6/1/03-6/1/04	1.0507	$124	$228	$280	$405	$456	$549
6/1/02-5/31/03	1.0727	$118	$217	$267	$385	$434	$522
6/1/01-5/31/02	1.0407	$110	$203	$249	$359	$404	$487
6/1/00-5/31/01	1.0529	$106	$195	$239	$345	$388	$468
6/1/99-5/31/00	1.0491	$101	$185	$227	$328	$369	$444
6/1/98-5/31/99	1.0439	$96	$176	$216	$312	$352	$424
6/1/97-5/31/98	1.0419	$92	$169	$207	$299	$337	$406
6/1/96-5/31/97	1.0396	$88	$162	$198	$287	$323	$389

6/1/95-5/31/96	1.032	$85	$155	$191	$276	$311	$375
6/1/94-5/31/95	1.0237	$82	$151	$185	$267	$301	$363

The methodology of calculation and benchmarking for this Updated Laffey Matrix has been approved in a number of cases. See, e.g.,DL v. District of Columbia, 267 F.Supp.3d 55, 69 (D.D.C. 2017)

* ï¿½Years Out of Law Schoolï¿½ is calculated from June 1 of each year, when most law students graduate. ï¿½1-3" includes an attorney in his 1st, 2nd and 3rd years of practice, measured from date of graduation (June 1). ï¿½4-7" applies to attorneys in their 4th, 5th, 6th and 7th years of practice. An attorney who graduated in May 1996 would be in tier ï¿½1-3" from June 1, 1996 until May 31, 1999, would move into tier ï¿½4-7" on June 1, 1999, and tier ï¿½8-10" on June 1, 2003.

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

EXHIBIT 7

JUDICIARY SALARY PLAN
Los Angeles-Long Beach, CA - Table LA
36.47% Locality Payment Included
Effective January 13, 2025

Grade	1	2	3	4	5	6	7	8	9	10
1	$30,515	$31,538	$32,552	$33,563	$34,576	$35,168	$36,173	$37,184	$37,225	$38,171
2	$34,311	$35,127	$36,264	$37,225	$37,643	$38,749	$39,856	$40,963	$42,070	$43,176
3	$37,439	$38,687	$39,934	$41,181	$42,429	$43,676	$44,923	$46,171	$47,418	$48,665
4	$42,026	$43,427	$44,829	$46,231	$47,632	$49,034	$50,435	$51,837	$53,238	$54,640
5	$47,019	$48,586	$50,153	$51,719	$53,286	$54,853	$56,419	$57,986	$59,553	$61,119
6	$52,414	$54,161	$55,908	$57,654	$59,401	$61,148	$62,895	$64,642	$66,389	$68,135
7	$58,244	$60,186	$62,128	$64,070	$66,012	$67,954	$69,896	$71,838	$73,780	$75,722
8	$64,503	$66,653	$68,804	$70,955	$73,106	$75,256	$77,407	$79,558	$81,709	$83,859
9	$71,244	$73,619	$75,993	$78,368	$80,742	$83,117	$85,492	$87,866	$90,241	$92,615
10	$78,455	$81,070	$83,685	$86,300	$88,914	$91,529	$94,144	$96,759	$99,373	$101,988
11	$86,199	$89,071	$91,944	$94,817	$97,689	$100,562	$103,435	$106,307	$109,180	$112,053
12	$103,316	$106,760	$110,205	$113,649	$117,094	$120,538	$123,983	$127,427	$130,872	$134,317
13	$122,857	$126,953	$131,048	$135,144	$139,239	$143,334	$147,430	$151,525	$155,621	$159,716
14	$145,180	$150,019	$154,858	$159,697	$164,536	$169,376	$174,215	$179,054	$183,893	$188,733
15	$170,769	$176,461	$182,153	$187,845	$193,538	$195,200 **	$195,200 **	$195,200 **	$195,200 **	$195,200 **
16	$200,281	$206,957	$207,500 *	$207,500 *	$207,500 *	$207,500 *	$207,500 *	$207,500 *	$207,500 *	$207,500 *
17	$207,500 *	$207,500 *	$207,500 *	$207,500 *	$207,500 *	$207,500 *	$207,500 *	$207,500 *	$207,500 *	$207,500 *
18	$207,500 *	$207,500 *	$207,500 *	$207,500 *	$207,500 *	$207,500 *	$207,500 *	$207,500 *	$207,500 *	$207,500 *

* Rate limited to the rate for Level III of the Executive Schedule.
** Rate limited to the rate for Level IV of the Executive Schedule.

EXHIBIT 8

JUDICIARY SALARY PLAN
Washington-Baltimore-Arlington, DC-MD-VA-WV-PA - Table DCB
33.94% Locality Payment Included
Effective January 13, 2025

Grade	1	2	3	4	5	6	7	8	9	10
1	$29,949	$30,954	$31,949	$32,941	$33,935	$34,516	$35,502	$36,495	$36,535	$37,463
2	$33,675	$34,476	$35,592	$36,535	$36,945	$38,031	$39,117	$40,203	$41,290	$42,376
3	$36,745	$37,969	$39,194	$40,418	$41,642	$42,866	$44,090	$45,315	$46,539	$47,763
4	$41,247	$42,622	$43,998	$45,374	$46,749	$48,125	$49,500	$50,876	$52,251	$53,627
5	$46,148	$47,685	$49,223	$50,761	$52,298	$53,836	$55,373	$56,911	$58,449	$59,986
6	$51,442	$53,157	$54,871	$56,586	$58,300	$60,014	$61,729	$63,443	$65,158	$66,872
7	$57,164	$59,070	$60,976	$62,882	$64,788	$66,694	$68,600	$70,506	$72,412	$74,318
8	$63,307	$65,418	$67,529	$69,639	$71,750	$73,861	$75,972	$78,083	$80,194	$82,305
9	$69,923	$72,254	$74,584	$76,915	$79,246	$81,576	$83,907	$86,237	$88,568	$90,898
10	$77,001	$79,567	$82,133	$84,700	$87,266	$89,832	$92,399	$94,965	$97,531	$100,097
11	$84,601	$87,420	$90,239	$93,059	$95,878	$98,698	$101,517	$104,337	$107,156	$109,975
12	$101,401	$104,781	$108,162	$111,543	$114,923	$118,304	$121,684	$125,065	$128,446	$131,826
13	$120,579	$124,599	$128,619	$132,638	$136,658	$140,677	$144,697	$148,716	$152,736	$156,755
14	$142,488	$147,238	$151,987	$156,737	$161,486	$166,236	$170,985	$175,735	$180,484	$185,234
15	$167,603	$173,190	$178,776	$184,363	$189,950	$195,200 **	$195,200 **	$195,200 **	$195,200 **	$195,200 **
16	$196,568	$203,120	$207,500 *	$207,500 *	$207,500 *	$207,500 *	$207,500 *	$207,500 *	$207,500 *	$207,500 *
17	$207,500 *	$207,500 *	$207,500 *	$207,500 *	$207,500 *	$207,500 *	$207,500 *	$207,500 *	$207,500 *	$207,500 *
18	$207,500 *	$207,500 *	$207,500 *	$207,500 *	$207,500 *	$207,500 *	$207,500 *	$207,500 *	$207,500 *	$207,500 *

* Rate limited to the rate for Level III of the Executive Schedule.
** Rate limited to the rate for Level IV of the Executive Schedule.