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Attorneys for Plaintiff

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

LIBERADO SARCENO, individually, and
on behalf of other members of the general
public similarly situated and on behalf of
other aggrieved employees pursuant to the
California Private Attorneys General Act;

Plaintiff,

vs.

REGULUS GROUP, LLC, an unknown
business entity; TRANSCENTRA, INC., an
unknown business entity; and DOES 1
through 100, inclusive,

Defendants.

Case No.: 34-2018-00234541

Honorable David I. Brown
Department 53

CLASS ACTION

**DECLARATION OF EDWIN AIWAZIAN
IN SUPPORT OF PLAINTIFF'S MOTION
FOR PRELIMINARY APPROVAL OF
CLASS ACTION SETTLEMENT**

[Plaintiff's Motion for Preliminary Approval
of Class Action Settlement; Declaration of
Proposed Class Representative (Liberado
Sarceno); and [Proposed] Order filed
concurrently herewith.]

Date: Nov 25, 2020
Time: 1:30 p.m.
Department: 53
Reservation: 2531396

Complaint Filed: June 11, 2018
FAC Filed: June 1, 2020
Jury Trial Date: None Set

DECLARATION OF EDWIN AIWAZIAN

I, Edwin Aiwarzian, hereby declare as follows:

1. I am an attorney licensed to practice law in the State of California. I am a member of Lawyers for Justice, PC, attorneys of record for Plaintiff Liberado Sarceno ("Plaintiff"). The facts set forth in this declaration are within my personal knowledge or based on information and belief, and if called as a witness, I could and would competently testify thereto.

EDUCATION

2. In May of 2004, I graduated from *Pepperdine University School of Law* with a Juris Doctor degree. I have extensive formal training in dispute resolution and negotiation from the Straus Institute for Dispute Resolution as part of its Masters in Dispute Resolution degree program. In addition, I have previously served as a *pro bono* mediator for the Los Angeles County Superior Court. In October of 2000, I obtained a Litigation Paralegal Certificate from the *UCLA Extension Program*. During the summer of 2000, I studied Legal Writing at *Harvard University*. In April of 1999, I obtained a Bachelor of Arts degree in Communication with a concentration in Natural Sciences from *Pepperdine University*.

JUDICIAL EXTERNSHIPS

3. From approximately September 2002 to approximately December 2002, I served as a Judicial Extern to the Honorable Kim McLane Wardlaw of the *United States Court of Appeals for the Ninth Circuit*. From approximately June 2002 to approximately August 2002, I served as a Judicial Extern to the Honorable Earl Johnson, Jr. of the *California Court of Appeal for the Second Appellate District*.

LITIGATION AND CLASS ACTION EXPERIENCE

4. In December of 2004, I obtained a license to practice law from the California State Bar. From approximately December 2004 to approximately August 2008, I was employed by the law firm of *Girardi & Keese*.

5. At *Girardi & Keese*, my practice focused on class actions and other complex cases involving toxic torts and products liability. In addition, I gained substantial experience on cases involving insurance bad faith, premises liability, and medical negligence. While employed by

1 *Girardi & Keese*, I argued approximately 100 motions, took or defended approximately 150
2 depositions, and prepared dozens of expert witnesses for deposition or trial.

3 6. Since its inception, in or around October of 2008, *Lawyers for Justice, PC* has almost
4 exclusively focused on the prosecution of consumer and employment class actions, involving
5 wage-and-hour claims, race discrimination, unfair business practices or consumer fraud.
6 Currently, we are the attorneys of record in over a dozen employment-related putative class actions
7 in both state and federal courts in the State of California. Our firm has successfully litigated cases
8 involving the executive, administrative, and other overtime exemptions to the State of California
9 and federal overtime compensation requirements. During this relatively short time, in association
10 with other law firms, we have recovered millions of dollars on behalf of thousands of individuals
11 in California.

12 **EXAMPLES OF CLASS ACTION RESULTS**

13 7. What follows are just a few examples of the type of results we have achieved on
14 behalf of our clients:

15 a) Our firm, in association with co-counsel, represented the plaintiffs in a wage-
16 and-hour class and representative action against a major property management company involving
17 allegations of misclassification of various “manager” positions. On September 20, 2010, the court
18 granted final approval of the class and representative action settlement. The Los Angeles County
19 Superior Court Case Number is BC400414.

20 b) Our firm, in association with co-counsel, represented the plaintiffs in a wage-
21 and-hour class action against a national retailer involving allegations of misclassification of the
22 “Assistant Store Manager” position. On October 28, 2010, the court granted final approval of the
23 class action settlement. The Los Angeles County Superior Court Case Number is BC413498.

24 c) Our firm, in association with co-counsel, represented the plaintiffs in a wage-
25 and-hour class and representative action against a national property management company
26 involving allegations of misclassification of the “Property Manager” position. On May 23, 2012,
27 the court granted final approval of the class and representative action settlement. The Los Angeles
28 County Superior Court Case Number is BC430918.

1 d) Our firm, in association with co-counsel, represented the plaintiffs in a wage-
2 and-hour class action against a national retailer involving allegations of misclassification of the
3 “Store Manager” position. On June 10, 2011, the court granted plaintiffs’ motion for class
4 certification. On August 26, 2013, the court granted final approval of the class action settlement.
5 The Los Angeles County Superior Court Case Number is BC424012.

6 e) Our firm, in association with co-counsel, represented the plaintiffs in a wage-
7 and-hour class and representative action against a bank, involving allegations of misclassification
8 of the “Assistant Branch Manager” position. On August 27, 2013, the court granted final approval
9 of the class and representative action settlement. The Kern County Superior Court Case Number
10 is S-1500-CV-273194-LHB.

11 f) Our firm, in association with co-counsel, represented the plaintiffs in a wage-
12 and-hour class and representative action against a national wholesale distributor of plumbing and
13 builder supplies, involving allegations of misclassification of multiple salaried “manager”
14 positions. On May 22, 2014, the court granted final approval of the class and representative action
15 settlement. The Sacramento County Superior Court Case Number is 34-2012-00136285.

16 g) Our firm, in association with co-counsel, represented the plaintiffs in a wage-
17 and-hour class action involving allegations of misclassification of the “Operations Manager”
18 position. On September 16, 2014, the court granted plaintiffs’ motion for class certification. The
19 Los Angeles County Superior Court Case Number is BC478769.

20 h) Our firm, in association with co-counsel, represented the plaintiffs in a wage-
21 and-hour class and representative action against a national retailer of household items, on behalf
22 of hourly-paid or non-exempt employees. On May 27, 2015, the court granted final approval of
23 the class and representative action settlement. The San Francisco County Superior Court Case
24 Number is CGC-13-532344.

25 i) Our firm, in association with co-counsel, represented the plaintiffs in a wage-
26 and-hour class action involving allegations of misclassification of the salaried residential
27 “Property Manager” position. On September 17, 2015, the court granted plaintiffs’ motion for
28 class certification. The Los Angeles County Superior Court Case Number is BC474784.

1 j) Our firm, in association with co-counsel, represented the plaintiffs in a wage-
2 and-hour class and representative action against a national retailer of upscale hardware and home
3 furnishings, on behalf of non-exempt employees. On April 28, 2016, the court granted final
4 approval of the class and representative action settlement. The Los Angeles County Superior
5 Court Case Number is JCCP4794.

6 k) Our firm, in association with co-counsel, represented the plaintiffs in a wage-
7 and-hour class and representative action against a national retailer of apparel and fashion
8 accessories, on behalf of non-exempt employees. On August 5, 2016, the court granted final
9 approval of the class and representative action settlement. The Los Angeles County Superior
10 Court Case Number is BC488069.

11 l) Our firm, in association with co-counsel, represented the plaintiffs in a wage-
12 and-hour class action against a national retailer of apparel, accessories, and home products,
13 involving allegations of misclassification of the “Department Manager” position. On August 12,
14 2016, the court granted the plaintiffs’ motion for class certification in part and certified a class.
15 The Alameda County Superior Court Case Number is RG13680477.

16 m) Our firm represented the plaintiff in a representative action under the Private
17 Attorneys General Act, against a real estate and property management company, on behalf of non-
18 exempt employees. On November 4, 2016, the court granted approval of the settlement. The
19 Orange County Superior Court Case Number is 30-2015-00775439-CU-OE-CXC.

20 n) Our firm, in association with co-counsel, represented the plaintiffs in a wage-
21 and-hour class action against a full-service bank, on behalf of non-exempt employees. On
22 November 18, 2016, the court granted final approval of the class action settlement. The San
23 Francisco County Superior Court Case Number is CJC-13-004839.

24 o) Our firm represented the plaintiffs in a wage-and-hour class and
25 representative action against a foodservice distributor, on behalf of non-exempt employees. On
26 January 26, 2017, the court granted final approval of the class and representative action settlement.
27 The San Bernardino County Superior Court Case Number is CIVDS1507260.

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1 p) Our firm, in association with co-counsel, represented the plaintiffs in a wage-
2 and-hour class and representative action against a consumer packaging company, on behalf of non-
3 exempt employees. On March 10, 2017, the court granted final approval of the class and
4 representative action settlement. The Los Angeles County Superior Court Case Number is
5 BC590429.

6 q) Our firm, in association with co-counsel, represented the plaintiffs in a wage-
7 and-hour class and representative action against a manufacturer of food service industry supplies
8 on behalf of non-exempt employees. On April 14, 2017, the court granted final approval of the
9 class and representative action settlement. The Orange County Superior Court Case Number is
10 30-2015-00810013-CU-OE-CXC.

11 r) Our firm represented the plaintiff in a wage-and-hour class and
12 representative action against a property management company, on behalf of non-exempt
13 employees. On June 14, 2017, the court granted final approval of the class and representative
14 action settlement. The Los Angeles County Superior Court Case Number is BC586234.

15 s) Our firm represented the plaintiffs in a wage-and-hour class and
16 representative action against a food company on behalf of non-exempt employees. On June 30,
17 2017, the court granted final approval of the class and representative action settlement. The
18 Sacramento County Superior Court Case Number is 34-2015-00175871.

19 t) Our firm represented the plaintiffs in a wage-and-hour class and
20 representative action against a chocolate company on behalf of non-exempt employees. On July
21 19, 2017, the court granted final approval of the class and representative action settlement. The
22 Alameda County Superior Court Case Number is RG15764300.

23 u) Our firm represented the plaintiffs in a wage-and-hour class and
24 representative action against a manufacturer of plastic containers on behalf of non-exempt
25 employees. On October 31, 2017, the court granted final approval of the class and representative
26 action settlement. The Los Angeles County Superior Court Case Number is BC577233.

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1 v) Our firm, in association with co-counsel, represented the plaintiffs in a
2 wage-and-hour class and representative action against a bank on behalf of non-exempt employees.
3 On December 11, 2017, the court entered an order granting final approval of the class and
4 representative action settlement. The Los Angeles County Superior Court Case Number is
5 BC569646.

6 w) Our firm, in association with co-counsel, represented the plaintiffs in a wage-
7 and-hour class and representative action against a property management company on behalf of
8 hourly-paid and non-exempt employees. On January 4, 2018, the court entered an order granting
9 final approval of the class and representative action settlement. The Los Angeles County Superior
10 Court Case Number is JCCP4819.

11 x) Our firm, in association with co-counsel, represented the plaintiffs in a wage-
12 and-hour class and representative action against a global provider of flexible office space
13 solutions. On February 15, 2018, the court entered an order granting final approval of the class
14 and representative action settlement. The Los Angeles County Superior Court Case Number is
15 BC498401.

16 y) Our firm represented the plaintiff in a wage-and-hour class action against a
17 parking company on behalf of non-exempt employees. On September 3, 2019, the court granted
18 the plaintiff's motion for class certification and certified a class. The Santa Clara County Superior
19 Court Case Number is 16CV292208 and the Judicial Council Coordination Proceeding Number is
20 JCCP 4886.

21 z) Our firm, in association with co-counsel, represented the plaintiff in a wage-
22 and-hour class action against a container manufacturer, on behalf of non-exempt employees. On
23 October 15, 2018, the court granted the plaintiff's motion for class certification. The Tulare
24 County Superior Court Case Number is VCU264528.

25 aa) Our firm represented the plaintiffs in a wage-and-hour class and
26 representative action against a behavioral health service provider on behalf of non-exempt
27 employees. On November 13, 2018, the court granted final approval of the class and
28

1 representative action settlement. The Alameda County Superior Court Case Number is
2 RG16811450.

3 bb) Our firm, in association with co-counsel, represented the plaintiff in a
4 representative action under the Private Attorneys General Act, against a global provider of
5 products and services to the energy industry, on behalf of hourly-paid and non-exempt employees.
6 On November 19, 2018, the Court granted approval of the settlement. The Kern County Superior
7 Court Case Number is S-1500-CV-280215-SDC.

8 cc) Our firm represents the plaintiffs in a wage-and-hour class and representative
9 action against a bank on behalf of non-exempt employees. On September 27, 2019, the court
10 granted the plaintiffs' motion for class certification in part and certified a class. The Alameda
11 County Superior Court Case Number is RG15757606 and the Judicial Council Coordination
12 Proceeding Number is JCCP 4921.

13 dd) Our firm represented the plaintiffs in a wage-and-hour class and
14 representative action against a national retailer of apparel and fashion accessories, on behalf of
15 non-exempt employees. On October 9, 2019, the court granted the plaintiffs' motion for class
16 certification in part and certified a class. The Sacramento County Superior Court Case Number is
17 34-2015-00175330-CU-OE-GDS.

18 ee) Our firm represented the plaintiff in a wage-and-hour class and
19 representative action against a medical equipment supplier on behalf of non-exempt employees.
20 On February 13, 2020, the court granted the plaintiff's motion for class certification and certified
21 a class. The San Bernardino County Superior Court Case Number is CIVDS1505744.

22 ff) Our firm represented the plaintiffs in a wage-and-hour class and
23 representative action against a national retailer of sportswear, footwear, and camping equipment
24 on behalf of non-exempt employees. On March 16, 2020, the court granted in part the plaintiff's
25 motion for class certification and certified a class. The Riverside County Superior Court Case
26 Number is RICJCCP4930.

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PRELIMINARY APPROVAL

8. Marked and attached hereto as “**EXHIBIT 1**” is the Joint Stipulation of Class Action and PAGA Settlement and Release (“Settlement,” “Agreement,” or “Settlement Agreement”) entered into by and between Plaintiff, individually and on behalf of all others similarly situated and other aggrieved employees, on the one hand, and Defendants Regulus Group, LLC and Transcentra, Inc. (“Defendants”), on the other hand (collectively, the “Parties”). The Parties and their counsel have approved the Notice of Proposed Class Action Settlement, and Hearing Date for Final Court Approval of Settlement (“Class Notice”) and the Claim Form (“Claim Form”), which are attached to the Settlement Agreement as “Exhibit A” and “Exhibit B,” respectively, and respectfully request that the Court approve them as well. Together, the Class Notice, Claim Form, and accompanying pre-addressed and postage-paid return envelope (“Return Envelope”) are referred to as “Notice Packet.”

9. Based on information provided by Defendants before the settlement, as of August 8, 2020 the Class was estimated to consist of approximately two hundred and two (202) individuals.

10. The effectiveness of Class Counsel in prosecuting this matter has translated into tangible monetary benefits for the Class Members in the following respects: (1) Class Members recover over a reasonably short period of time as opposed to waiting additional years for the same, or possibly worse, result; (2) a guaranteed result that compares favorably with other similar class action settlements of this type given the strengths and weaknesses of the case; and (3) significant savings in fees and/or costs that would have only increased significantly had the case progressed through certification, trial, and/or appeals.

11. Class Counsel has actively litigated this case since it was commenced on June 11, 2018. Prior to and during settlement discussions, the Parties exchanged information pertaining to the Class, engaged in an extensive discussion regarding their evaluations of the case and various aspects of the case, including but not limited to, the risks and delays of further litigation, the risks to the Parties of proceeding with class certification, the law relating to off-the-clock theory, meal and rest periods, and wage-and-hour enforcement, as well as the evidence produced and analyzed, and the possibility of appeals, among other things. During all settlement discussions, the Parties

1 conducted their negotiations at arm's length in an adversarial position. Arriving at a settlement
2 that was acceptable to both Parties was not easy. Defendants and their counsel felt strongly about
3 their ability to prevail on the merits and at certification, and Plaintiff and Class Counsel believed
4 that they would be able to obtain class certification and prevail at trial. After conducting extensive
5 investigations, formal and informal discovery and exchange of information, and settlement
6 negotiations, the Parties have agreed that the matter is well-suited for settlement given the legal
7 issues relating to Plaintiff's principal claims, as well as the costs and risks to both sides that would
8 attend further litigation. The Settlement is a fair, reasonable, and adequate resolution of the
9 Released Claims of Plaintiff and Class Members with respect to the Released Parties.

10 12. Prior to reaching the Settlement, the Parties conducted significant investigation into
11 the facts of the case and the Parties engaged in extensive formal and informal discovery, and the
12 exchange, review, and analysis of thousands of pages of documents and data produced by
13 Defendants. The volume of data and documents that Class Counsel reviewed and analyzed
14 included and was not limited to: Plaintiff's employment records, a sampling of Class Members'
15 payroll and time data (such as Time Card Reports and Earning Statements), multiple iterations of
16 Defendants' Employee Handbook, agreements (such as Defendants' Confidentiality Agreement,
17 and Employment Inquiry Release), acknowledgments (such as Defendants' Acknowledgment of
18 Receipt of the Employee Handbook and Employment Policies), internal memoranda (regarding
19 topics such as Defendants' meal and rest period policies), and Defendants' operations and
20 employment practices, training and orientation materials, forms (such as Defendants'
21 Acknowledgment of Receipt of the Employee Handbook and Employment Policies form,
22 procedures and policies (such as Defendants' Regulus Cash and Card Handling Policy, Smock and
23 Security Policy, timekeeping policies, overtime, and travel costs policy, and meal and rest break
24 policies), among other information and documents. Class Counsel also propounded multiple sets
25 of formal written discovery requests on Defendants and noticed the depositions of Defendants'
26 Person Most Knowledgeable designees. Counsel for the Parties also met and conferred on
27 numerous occasions, e.g., relating to the pleadings, discovery, and the production of documents
28 and data prior to settlement discussions. Class Counsel also prepared for and attended court

proceedings and settlement negotiations, among other tasks.

13. Counsel for the Parties have also invested time researching and investigating the applicable law, which is constantly evolving as it relates to certification, off-the-clock theory, meal and rest periods, wage-and-hour enforcement, Plaintiff's claims and damages, and Defendants' defenses thereto, as well as facts discovered. Based on our analysis, I submit that the result achieved in this litigation is fair, adequate, and reasonable.

14. The Settlement provides for Maximum Settlement Amount of One Million Four Hundred Thousand Dollars (\$1,400,000). The Net Settlement Amount is the Maximum Settlement Amount less the following amounts subject to approval by the Court: Attorneys' Fees and Costs, Enhancement Award, the LWDA's share of the PAGA Payment, Settlement Administration Costs, and Employer Taxes. Assuming that the amounts allocated under the Settlement toward these payments are awarded by the Court, the Net Settlement Amount is currently estimated to be Eight Hundred Forty-Five Thousand Two Hundred Fifty Dollars (\$845,250), less Employer Taxes. Under the Settlement Agreement, the Net Settlement Amount will be fully distributed to the Claimants and there will be no reversion to Defendants.

15. The Parties have agreed to retain Simpluris, Inc. ("Simpluris" or "Settlement Administrator") to handle the notice and settlement administration process. The Parties respectfully request that the Court appoint Simpluris to handle this process and serve as the third-party administrator. Defendants will provide Simpluris with the Class Data List and Simpluris will calculate each Class Member's estimated Individual Settlement Share. Simpluris will also receive Requests for Exclusion, objections, and disputes regarding Workweeks; provide necessary reports and declarations; issue and transmit all payments provided by the Settlement, including and not limited to, mailing Individual Settlement Payment checks to the Claimants; and perform any other usual and customary duties for administering a class action settlement. Settlement Administration Costs are currently estimated not to exceed Eight Thousand Five Hundred Dollars (\$8,500) and will be paid out of the Maximum Settlement Amount, subject to approval of the Court.

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2 16. Based on investigation and information discovered, Class Counsel believe that there
3 is sufficient evidence to support the allegations made in the lawsuit, including the allegations that
4 Defendants, with respect to Plaintiff and the Class Members, *inter alia*, failed to properly pay
5 overtime and minimum wages, failed to provide compliant meal and rest periods and to pay
6 associated premium pay, failed to timely pay wages upon termination and during employment,
7 failed to provide complaint wage statements, failed to maintain requisite payroll records, and failed
8 to reimburse necessary business expenses, and thereby engaged in unfair business practices.
9 Plaintiff also asserts that Class Members were expected to perform similar job duties and were
10 subject to the same or similar operations and employment policies, practices, and procedures.
11 Additionally, Plaintiff asserts that Defendants' recordkeeping practices with respect to Plaintiff
12 and the Class Members were substantially the same during the time period at issue. As a result,
13 Plaintiff claims that the Class Members were uniformly not paid all of the compensation that was
14 owed to them by Defendants during the Class Period. Thus, in Class Counsel's view, it is clear
15 that the outcome of this litigation would be determined by Defendants' uniform operations and
16 employment practices, policies, and procedures that Plaintiff alleges applied across Defendants'
17 non-exempt employees in California during the Class Period.

18 17. Class Counsel is aware of the defenses and position of Defendants but believes that
19 Plaintiff could potentially obtain class certification despite many obstacles. Plaintiff has also taken
20 into account the uncertainty and risk of the outcome of further litigation, and the difficulties and
21 delays inherent in such litigation, including those involved in class certification. Plaintiff further
22 recognizes the burdens of proof necessary to establish liability for the claims asserted in the
23 lawsuit, Defendants' defenses, and the difficulties in establishing entitlement to monetary
24 recovery. Plaintiff has also considered the Parties' settlement discussions.

25 18. Defendants, on the other hand, denied and continue to deny any liability and
26 wrongdoing of any kind associated with the claims alleged in the lawsuit, and further deny that
27 the lawsuit is appropriate for class treatment for any purpose other than this Settlement.
28 Defendants believe that they would ultimately succeed in the matter. Both sides have also had the

1 opportunity to interview witnesses and review documents and information relating to Plaintiff's
2 and the Class Members' employment with Defendants, and Defendants' operations and
3 employment policies, practices, and procedures. The Parties reviewed and analyzed a large
4 volume of documents and data, including but not limited to a detailed sampling of Class Members'
5 time and pay information, to determine the potential value and strength of the claims. The
6 available information enabled Class Counsel to estimate the potential claims of the Class and
7 prepare damages/valuation models. Accordingly, the Parties have conducted adequate
8 investigation and discovery to be sufficiently informed of the nature and extent of the Class
9 Members' claims, and to enable both sides to fully evaluate the Settlement for its fairness,
10 adequacy, and reasonableness. The Parties have agreed that the matter is well-suited for settlement
11 given the legal issues relating to Plaintiff's principal claims, as well as the costs and risks to both
12 sides that would attend further litigation. The Settlement takes into account the strengths and
13 weaknesses of each side's position and the uncertainty of how the case might have concluded at
14 certification, trial, and/or appeals.

15 19. The Settlement Agreement provides for Class Counsel to apply for attorneys' fees
16 in an amount of up to thirty-five percent (35%) of the Maximum Settlement Amount
17 (i.e., \$490,000) and reimbursement of reasonable litigation costs and expenses in an amount not
18 to exceed Thirty Thousand Dollars (\$30,000), which will be paid out of the Maximum Settlement
19 Amount, subject to approval by the Court. It should be noted that Class Counsel has borne all of
20 the risks and costs of litigation and will not receive any compensation until recovery is obtained.

21 20. The Settlement Agreement provides for an Enhancement Award of up to Seven
22 Thousand Five Hundred Dollars (\$7,500) to Plaintiff, to be paid out of the Maximum Settlement
23 Amount subject to approval by the Court and the terms set forth in the General Release Agreement
24 of Liberado Sarceno, which is attached as "Exhibit E" to the Settlement Agreement. Plaintiff spent
25 considerable time and effort to produce relevant documents and past employment records and to
26 provide the facts and evidence necessary to attempt to prove the allegations. Plaintiff was
27 available whenever Class Counsel needed him and actively tried to obtain information that would
28 benefit the Class. Accordingly, it is appropriate and just for Plaintiff to receive an Enhancement

Award, in addition to his Individual Settlement Payment, for his services on behalf of the Class.

21. Class Counsel submits that the Settlement is fair, reasonable, and adequate, and is in the best interest of the Class. Class Counsel further submits that the Settlement is within an acceptable range of recovery for this type of litigation given the strengths and weaknesses of this action, the inherent costs and risks of further litigation, and the costs and risks associated with class certification, representative adjudication, trial, and/or appeals.

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

Executed on this 27th day of October 2020 at Glendale, California.


Edwin Aiwasian

EXHIBIT 1

LAWYERS for JUSTICE, PC
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Attorneys for Defendants
REGULUS GROUP LLC and
TRANSCENTRA, INC.

SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF SACRAMENTO

LIBRADO SARCENO, individually, and on
behalf of other members of the general public
similarly situated and on behalf of other
aggrieved employees pursuant to the California
Private Attorneys General Act;

Plaintiff,

v.

REGULUS GROUP LLC, an unknown
business entity; TRANSCENTRA, an unknown
business entity; and DOES 1 through 100,
inclusive,

Defendants.

CASE NO. 34-2018-00234541

CLASS ACTION

**JOINT STIPULATION OF CLASS
ACTION AND PAGA SETTLEMENT
AND RELEASE**

Complaint Filed: June 11, 2018
FAC Filed: June 1, 2020
Trial Date: None Set

1 This Joint Stipulation of Class Action and PAGA Settlement and Release (hereinafter
2 “Stipulation of Settlement” or “Settlement”) is made and entered into by and between Plaintiff
3 LIBRADO SARCENO (“Plaintiff”), individually, and on behalf of other members of the general
4 public similarly situated, and REGULUS GROUP LLC and TRANSCENTRA, Inc.
5 (“Defendants”). This Stipulation of Settlement provides for the resolution of the Action and
6 Released Claims, subject to the terms and conditions hereof and the Court’s approval.

7 THE PARTIES STIPULATE AND AGREE as follows:

8 1. Plaintiff and Defendants are collectively referred to herein as “the Parties” and
9 each individually referred to herein as “Party.”

10 2. On June 11, 2018, Plaintiff Librado Sarceno filed the Class Action Complaint for
11 Damages in the Sacramento County Superior Court on behalf of himself and all other non-exempt
12 employees who worked for Defendants in California. Defendants filed an answer to this initial
13 complaint denying all material allegations and asserting affirmative defenses. On June 1, 2020,
14 Plaintiff Librado Sarceno (“Plaintiff” or “Class Representative”) filed a First Amended Class
15 Action Complaint for Damages and Enforcement Under the Private Attorneys General Act,
16 California Labor Code § 2698 Et Seq. (“Complaint”) in the Action, adding an additional cause of
17 action for penalties under the Private Attorneys’ General Act of the California Labor Code
18 (“PAGA”) on behalf of himself and all alleged aggrieved persons.

19 3. Plaintiff’s Complaint alleges that Defendants failed to pay overtime wages, failed
20 to provide compliant meal periods and associated premiums, failed to provide compliant rest
21 periods and associated premiums, failed to pay minimum wages, failed to timely pay final wages
22 upon termination of employment, failed to timely pay wages during employment, failed to provide
23 compliant wage statements, failed to keep requisite payroll records, failed to reimburse business
24 expenses, and thereby engaged in unfair business practices in violation of the California Business
25 and Professions Codes section 17200, et seq. and behaviors giving rise to penalties under
26 California Labor Code section 2698, et seq., with respect to Plaintiff and the Class Members.
27 Plaintiff’s Complaint seeks recovery of alleged damages, penalties, interest, and attorneys’ fees
28

1 and costs. Defendants deny all claims, denies that Plaintiff and the Class Members are entitled to
2 any recovery, and asserts affirmative defenses in response to Plaintiff's claims.

3 4. The term "Action" means this putative class action pending in Sacramento
4 County Superior Court. The class period is from June 11, 2014 through the date the Court
5 preliminarily approves the Settlement ("Class Period").

6 5. Plaintiff has not filed a motion for class certification in the Action, nor has a date
7 been set by the Court for the filing of such a motion.

8 6. The Action has been actively litigated. There have been on-going investigations,
9 and there has been an exchange of extensive documentation and information.

10 7. For purposes of this Settlement, the "Settlement Class" or "Class Members" shall
11 consist of all persons currently and formerly employed by Defendants as non-exempt employees
12 in California during the Class Period. The Settlement Class, however, shall not include any person
13 who previously settled or released the claims covered by this Settlement, or any person who
14 previously was paid or received awards through civil or administrative actions for the claims
15 covered by this Settlement. The Settlement Class or Class Members do not include individuals
16 who submit a valid and timely Request for Exclusion as provided in this Settlement (i.e., after a
17 Class Member submits a valid and timely Request for Exclusion, he or she will cease being a Class
18 Member and a part of the Settlement Class).

19 8. Solely for purpose of Settlement, the Parties stipulate and agree that the requisites
20 for establishing class certification with respect to the Settlement Class have been met and are met.
21 More specifically, the Parties stipulate and agree that:

22 a. The Settlement Class is ascertainable and so numerous as to make it
23 impracticable to join all Class Members.

24 b. There are common questions of law and fact including, but not limited to,
25 the following:

26 i. Whether Defendants complied with applicable laws affecting
27 Plaintiff and the Settlement Class under the California Labor Code and the Wage Orders of the
28 California Industrial Welfare Commission; and

1 ii. Whether Plaintiff and the Settlement Class are entitled to alleged
2 unpaid wages, penalties, interest, and attorneys' fees and costs.

3 c. Plaintiff believes Plaintiff's claims are typical of the claims of the members
4 of the Settlement Class.

5 d. Plaintiff believes Plaintiff will fairly and adequately protect the interests of
6 the Settlement Class.

7 e. Plaintiff's counsel at Lawyers *for* Justice, PC will fairly and adequately
8 protect the interests of the Settlement Class.

9 f. The prosecution of separate actions by individual members of the
10 Settlement Class would create the risk of inconsistent or varying adjudications, which would
11 establish incompatible standards of conduct.

12 f. With respect to the Settlement Class, Plaintiff believes that questions of law
13 and fact common to the members of the Settlement Class predominate over any questions affecting
14 any individual member in such Class, and a class action is superior to other available means for
15 the fair and efficient adjudication of the controversy.

16 9. Defendants deny any liability or wrongdoing of any kind whatsoever associated
17 with the claims alleged in the Action, and further denies that, for any purpose other than settling
18 this Action, this Action is appropriate for class or representative treatment. With respect to
19 Plaintiff's claims, Defendants contend, among other things, that they have complied with all
20 applicable state, federal, and local laws affecting Plaintiff and the Settlement Class.

21 10. It is the desire of the Parties to fully, finally and forever settle, compromise and
22 discharge all disputes and claims arising from or related to the Action, as set forth in the release of
23 claims set forth in Paragraph 21 below. To achieve a full and complete release of Defendants,
24 each Class Member shall be deemed to acknowledge that this Stipulation of Settlement is intended
25 to include in its effect all claims of any nature reasonably arising out of the allegations made in the
26 Action and all Released Claims against all Released Parties (as those terms are defined herein)
27 under any federal, state or local law, including any such claims which the Class Member does not
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1 know or suspect to exist in his or her favor against Defendants as of the date of the Court's final
2 approval of this Settlement.

3 11. Class Counsel have conducted a thorough investigation into the facts of this Action,
4 and have diligently pursued an investigation of Class Members' claims against Defendants. Based
5 on their own independent investigation and evaluation, Class Counsel are of the opinion that the
6 Settlement with Defendants for the consideration and on the terms set forth in this Stipulation of
7 Settlement is fair, reasonable, and adequate and is in the best interest of the Settlement Class in
8 light of all known facts and circumstances, including the risk of significant delay, the risk that no
9 class will be certified by the Court for trial (or that such a class will be decertified after initial
10 certification), defenses asserted by Defendants, and numerous potential appellate issues.
11 Defendants and Defendants' counsel also agree that the Settlement is fair and in the best interest
12 of the Parties and the Settlement Class.

13 12. The Parties agree to cooperate and to take all steps necessary and appropriate to
14 consummate this Settlement and for entry of judgment in accordance with this Stipulation of
15 Settlement.

16 13. This Settlement requires Defendants to pay a maximum settlement amount of One
17 Million Four Hundred Thousand Dollars (\$1,400,000) ("Maximum Settlement Amount"), under
18 the terms and conditions set forth below. It is understood and agreed that Defendants' maximum
19 total liability under the Settlement shall not exceed One Million Four Hundred Thousand Dollars
20 (\$1,400,000). It is further understood and agreed that Defendants shall have no obligation to pay
21 any person, entity or organization more than the amount of their maximum total liability under the
22 Settlement.

23 TERMS OF SETTLEMENT

24 14. NOW THEREFORE, in consideration of the mutual covenants, promises and
25 agreements set forth herein, the Parties agree, subject to the Court's approval, as follows:

26 a. It is agreed by and among Plaintiff and Defendants that this Action and
27 Released Claims be settled and compromised as between Plaintiff, Settlement Class, and
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1 Defendants, subject to the terms and conditions set forth in this Stipulation of Settlement and the
2 approval of the Court.

3 b. Effective Date: The settlement embodied in this Stipulation of Settlement
4 shall become effective (“Effective Date”) when all of the following events have occurred: (i) this
5 Stipulation of Settlement has been executed by all Parties, Class Counsel, and Defendants’
6 counsel; (ii) the Court has granted preliminary approval of the Settlement; (iii) notice of the
7 Settlement has been given to the Settlement Class in a form approved by the Court, providing them
8 with an opportunity to claim payment under the Settlement, opt out of the Settlement, object to the
9 Settlement, and/or dispute the number of Workweeks credited to them under the Settlement; (iv)
10 the Court has held a formal fairness hearing to determine whether the Settlement is fair, reasonable,
11 and adequate and should be granted final approval (“Final Approval Hearing”) and the Court has
12 entered an order and judgment certifying the Settlement Class and granting final approval of the
13 Settlement (“Final Approval Order and Judgment”); and (v) in the event there are written
14 objections filed prior to the Final Approval Hearing which are not later withdrawn, the later of the
15 following events: when the period for filing any appeal, writ, or other appellate proceeding
16 opposing the Settlement has elapsed without any appeal, writ, or other appellate proceeding having
17 been filed; or any appeal, writ, or other appellate proceeding opposing the Settlement has been
18 dismissed finally and conclusively with no right to pursue further remedies or relief; or any appeal,
19 writ, or other appellate proceeding has upheld the Court's final order with no right to pursue further
20 remedies or relief. In this regard, it is the intention of the Parties that the Settlement shall not
21 become effective until the Final Approval Order and Judgment is completely final, and there is no
22 further recourse by an appellant or objector who seeks to contest the Settlement. It is further agreed
23 by the Parties that this Settlement will not become effective if Defendants, contrary to Paragraph
24 13 above, are required to pay more than the total amount of their Maximum Settlement Amount
25 as set forth in Paragraph 13 under any circumstances. It is further agreed by and between the
26 Parties that this Settlement shall not become effective, and Defendants shall not have any
27 obligation (monetary or otherwise) under the terms of this Settlement, unless and until any
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1 objections, writs and/or appeals, and any rights of appeal with respect to any objections or the
2 judgment, have been finally exhausted and resolved upholding the terms of this Settlement.

3 c. Maximum Settlement Amount and Net Settlement Amount: To implement
4 the terms of this Settlement, Defendants agree to pay \$1,400,000 (“Maximum Settlement
5 Amount”), and the Parties agree the entire Maximum Settlement Amount will be fully paid out
6 and that no portion thereof will revert or return to Defendants. At no time shall Defendants have
7 the obligation to segregate the funds comprising the Maximum Settlement Amount, and
8 Defendants shall retain exclusive authority over and responsibility for those funds until the date
9 Defendants are required to fund the Settlement as set forth in Paragraph 14(c)(viii) below. The
10 Maximum Settlement Amount includes, and shall be used to pay, all of the following: Individual
11 Settlement Payments to Claimants (which is inclusive of their share of 25% of the PAGA
12 Payment), Court-approved Attorneys’ Fees and Costs to Class Counsel, Court-approved
13 Enhancement Award to the Class Representative, Settlement Administration Costs to the
14 Settlement Administrator, the employer’s share of payroll taxes and contributions with respect to
15 the wage portion of Individual Settlement Shares (“Employer Taxes”), and payment to the
16 California Labor and Workforce Development Agency (“LWDA”) of its 75% share of the PAGA
17 Payment (“LWDA Payment”). The “Net Settlement Amount” is the amount available for
18 distribution to Class Members who submit valid and timely Claim Forms (“Claimants”), and shall
19 be calculated by deducting the following from the Maximum Settlement Amount subject to Court
20 approval: (i) Attorneys’ Fees and Costs to Class Counsel, (ii) Enhancement Award to the Class
21 Representative, (iii) LWDA Payment to LWDA as described further below, (iv) Settlement
22 Administration Costs to the Settlement Administrator; and (v) the Employer Taxes.

23 i. Distribution of the Net Settlement Amount: Class Members will be
24 eligible to claim a *pro rata* portion of the Net Settlement Amount that will be determined based
25 on the number of weeks that he or she worked for Defendants as a non-exempt employee in
26 California during the Class Period (“Workweeks”), based on information to be provided by
27 Defendants. The Workweeks will be calculated by Defendants or the Settlement Administrator,
28 for each Class Member by dividing the total days employed as a non-exempt employee of

1 Defendants in California during the Class Period (using their start and end dates of employment
2 within the Class Data List) by seven. Partial Workweeks will not be counted, and the final
3 Workweeks count will be rounded down to the last full Workweek; however, if a Class Member
4 worked less than seven days during the Class Period as a Class Member, such Class Member will
5 be credited with having worked one Workweek for purposes of this Settlement. Defendants' data
6 will be presumed to be correct with respect to the determination of Workweeks credited to Class
7 Members, unless a particular Class Member proves otherwise to the Settlement Administrator by
8 credible written evidence that is presented by way of written dispute (which Class Members will
9 have the option of presenting by completing a designated portion of the Claim Form and returning
10 it to the Settlement Administrator, postmarked on or before the Response Deadline). All
11 Workweeks disputes will be resolved and decided by the Settlement Administrator, and the
12 Settlement Administrator's decision on all Workweek disputes will be final. The amount to be
13 paid per Workweek to Claimants will ultimately be calculated by the Settlement Administrator by
14 dividing the Net Settlement Amount by the number of Workweeks of all Claimants; any person
15 who opts out of the Settlement will not receive any payment under the Settlement, will not be
16 bound to the Settlement, and will be ineligible to object to the Settlement. The entire Net
17 Settlement Amount will be distributed to Claimants and no amount will revert to Defendant.

18 ii. Penalties under the Private Attorneys General Act: The Parties have
19 agreed to allocate Twenty-Five Thousand Dollars (\$25,000) to penalties under PAGA ("PAGA
20 Payment"), which are to be paid from the Maximum Settlement Amount, subject to Court
21 approval. Seventy-five percent (75%) of the PAGA Payment (i.e., \$18,750) will be paid to the
22 LWDA, and the remaining twenty-five percent (25%) (i.e., \$6,250) will remain included in the
23 Net Settlement Amount for distribution to Claimants.

24 iii. Tax Allocation of Individual Settlement Shares: The Parties have
25 agreed, based on the allegations in the Action, that each Individual Settlement Share will be
26 allocated from the Net Settlement Amount and paid out as: (1) one-third will be wages for which
27 IRS Forms W-2 will issue; (2) one-third will be penalties for which IRS Forms 1099-MISC will
28 issue (if applicable); and (3) one-third will be interest, reimbursement of business expenses, and

1 other non-wage damages for which IRS Forms 1099-MISC will issue (if applicable). Claimants
2 will be issued payment of their Individual Settlement Share subject to reduction for the employee's
3 share of taxes and withholding with respect to the wage portion of their Individual Settlement
4 Share, and the net payment is referred to as "Individual Settlement Payment."

5 iv. Payments Under the Settlement Do Not Trigger Additional Benefits:

6 Any and all payments made to Plaintiff and Claimants under the Settlement shall be deemed to be
7 income to them solely in the year in which the payments are actually received by them. It is
8 expressly understood and agreed that the receipt of any payment under the Settlement will not
9 entitle Plaintiff or any Class Member to additional compensation or benefits under any company
10 bonus, contest or other compensation or benefit plan or agreement in place during the period
11 covered by the Settlement, nor will it entitle them to any increased retirement, 401(k) benefits or
12 matching benefits, or deferred compensation benefits. It is the intent of the Parties that any and
13 all payment provided for in this Settlement Agreement are the sole payments to be made by
14 Defendants to the Plaintiff and Claimants in connection with this Settlement, and that the
15 Claimants are not entitled to any new or additional compensation or benefits as a result of having
16 received a payment under the Settlement (notwithstanding any contrary language or agreement in
17 any benefit or compensation plan document that might have been in effect during the period
18 covered by this Settlement).

19 v. Attorneys' Fees and Costs: The Parties agree to the designation of
20 Edwin Aiwazian, Esq., Arby Aiwazian, , Esq. and Joanna Ghosh, Esq. of Lawyers *for* Justice,
21 PC as counsel for the Class ("Class Counsel) and payment of Attorneys' Fees and Costs to Class
22 Counsel as set forth in Paragraph 15 below, from the Maximum Settlement Amount, subject to
23 approval by the Court.

24 vi. Class Representative: The Parties agree to the designation of
25 Plaintiff Librado Sarceno as representative of the Class ("Class Representative"), and to the
26 payment of an Enhancement Award to him from the Maximum Settlement Amount, subject to
27 approval by the Court and the terms set forth in the General Release Agreement of Librado Sarceno
28 attached hereto as **Exhibit E**. The Enhancement Award will not exceed the amount of Seven

1 Thousand Five Hundred Dollars (\$7,500.00) to Plaintiff. Plaintiff shall be automatically deemed
2 a Claimant without being required to submit a Claim Form, and his Enhancement Award shall be
3 in addition to the Individual Settlement Payment to which Plaintiff is entitled. The Enhancement
4 Award is to be part of, and to be deducted from, the Maximum Settlement Amount. The Settlement
5 Administrator will issue an IRS Form 1099-MISC for the Enhancement Award to the Plaintiff.
6 The Enhancement Awards will be paid to Plaintiff without reduction for any taxes that may be
7 required to pay, will be reported on an IRS Form 1099, and Plaintiff will be responsible for
8 correctly characterizing this compensation for tax purposes and for paying any taxes on the
9 amounts received. Should the Court approve an Enhancement Award to the Class Representative
10 in an amount less than that set forth above, the difference between the lesser amount approved by
11 the Court and the Enhancement Award set forth above shall be a part of the Net Settlement
12 Amount.

13 vii. Settlement Administrator: The Settlement Administrator will be
14 Simpluris, Inc., or such other third-party administrator as may be mutually agreeable to the Parties
15 and approved by the Court. The fees of the Settlement Administrator for work done shall be paid
16 out of the Maximum Settlement Amount, subject to approval by the Court.

17 viii. Distribution of Payments: The Settlement Administrator will
18 distribute the Individual Settlement Payments to the Claimants (by way of check that is mailed),
19 Court-approved Attorneys' Fees and Costs to Class Counsel (by the method of their choosing),
20 Court-approved Enhancement Award to Class Representative (by the method of his choosing), and
21 the LWDA Payment to the LWDA (by way of check that is mailed), within thirty (30) calendar
22 days after the Effective Date of the Settlement (defined above in Paragraph 14(b)). The Settlement
23 Administrator shall also pay itself for the Court-approved Settlement Administration Costs within
24 thirty (30) calendar days after the Effective Date as defined in Paragraph 14(b). Proof of
25 distribution of payments will be provided to Class Counsel and Defendants' Counsel within ninety
26 (90) calendar days from the Effective Date.

27 ix. Claim Forms: Each Class Member will be mailed a pre-printed
28 Claim Form, that will state the number of Workweeks credited to him or her based on Defendants'

1 records and his or her estimated Individual Settlement Share. Class Members must fully fill out
2 their Claim Form and submit it to the Settlement Administrator no later than sixty (60) calendar
3 days after the Settlement Administrator mails the Notice Packet to the Class Members (“Response
4 Deadline”) in order to receive an Individual Settlement Payment. The pre-printed information
5 based on Defendants’ records shall be presumed to be correct, unless written proof to the contrary
6 is provided to the Settlement Administrator. A Class Member may challenge the pre-printed
7 information on the Claim Form as to the Workweeks credited him or her by completing the
8 designated portion of the Claimant and submitting written evidence to the Settlement
9 Administrator with the Claim Form, postmarked no later than the Response Deadline. All disputes
10 regarding Workweeks will be resolved and decided by the Settlement Administrator, and the
11 Settlement Administrator’s decision on all disputes will be final and binding. All Claim Forms
12 must be completed in their entirety to be considered valid.

13 e. Right to Rescission: If more than five percent (5%) of the Settlement Class
14 opts out of the Settlement by submitting valid and timely Requests for Exclusion, Defendants shall
15 have the right (but need not) in their sole discretion to rescind and void the Settlement, before final
16 approval by the Court, by providing written notice to Class Counsel at least ten (10) calendar days
17 prior to the Final Approval Hearing, provided the Settlement Administrator furnishes Defendants
18 with the number and percentage of valid and timely Requests for Exclusion. If Defendants exercise
19 this option, Defendants shall pay all Settlement Administration Costs incurred through such date.

20 ADMINISTRATION OF THE SETTLEMENT

21 15. The Parties have agreed to the appointment of Simpluris, Inc. to perform the
22 customary duties of administration of the notice and settlement procedures; provided, however,
23 the Parties shall have the right to select or substitute a different administrator by mutual agreement
24 and approval by the Court. The Settlement Administrator will mail the Class Notice, Claim Form,
25 and a pre-addressed and postage-paid return envelope (“Return Envelope”) (collectively referred
26 to as “Notice Packet”) to all Class Members. The Settlement Administrator will independently
27 review the Claim Forms and Defendants’ data, based on Defendants’ records, as to the number of
28 Workweeks to be credited to Class Members, and will calculate the Individual Settlement

1 Payments and Individual Settlement Shares due to Class Members in accordance with this
2 Stipulation of Settlement. The Settlement Administrator shall report, in summary or narrative
3 form, the substance of its findings. The Settlement Administrator shall be granted reasonable
4 access to Defendants' records to perform its duties. Upon receipt of funds from Defendants, the
5 Settlement Administrator will distribute all payments due under this Settlement, in accordance
6 with this Stipulation of Settlement. The Settlement Administrator will undertake all required
7 withholding, remittances, and reporting of taxes in accordance with local, state, and federal laws.
8 All disputes relating to the Settlement Administrator's performance of its duties shall be referred
9 to the Court, if necessary, which will have continuing jurisdiction over the terms and conditions
10 of this Stipulation of Settlement until all payments and obligations contemplated by this Stipulation
11 of Settlement have been fully carried out.

12 ATTORNEYS' FEES AND COSTS

13 16. The Parties agree to the payment of attorneys' fees to Class Counsel in an amount
14 not to exceed thirty-five percent (35%) of the Maximum Settlement Amount (i.e., \$490,000), and
15 reimbursement of actual litigation costs and expenses to Class Counsel in an amount not to exceed
16 Thirty Thousand Dollars (\$30,000.00) (together, "Attorneys' Fees and Costs"), from the
17 Maximum Settlement Amount, subject to approval by the Court. Defendants will not object to
18 Class Counsel's application for attorneys' fees and litigation costs up to these amounts. The
19 amounts set forth above will cover all work performed and all fees and costs incurred to date, and
20 all work to be performed and all fees and costs to be incurred in connection with the approval by
21 the Court of the Settlement, the administration of the Settlement, and obtaining the contemplated
22 Final Approval Order and Judgment. Should the Court approve lesser amounts for Attorneys' Fees
23 and Costs, the difference between the lesser amounts and the maximum amounts set forth above
24 shall be a part of the Net Settlement Amount.

25 NOTICE TO THE CLASS MEMBERS

26 17. A Notice of Pendency of Class Action Settlement ("Class Notice") in
27 substantially the form attached hereto as **Exhibit A**, and as approved by the Court, shall be sent
28 by the Settlement Administrator to the Class Members by first class mail. Accompanying the

1 Class Notice will be a Claim Form in substantially the form attached hereto as **Exhibit B** and as
2 approved by the Court, as well as a Return Envelope.

3 a. Within thirty (30) calendar days of preliminary approval of this Settlement
4 by the Court, Defendants shall provide to the Settlement Administrator a spreadsheet of the Class
5 Members' full names, last-known mailing addresses, last-known telephone numbers, Social
6 Security Numbers or Federal Employment Identification Numbers, and start and dates of
7 employment during the Class Period as a non-exempt employee of Defendants in California, and
8 Workweeks ("Class Data List"). The Parties agree the Social Security numbers will be used only
9 by the Settlement Administrator for the sole purpose of effectuating the Settlement and will not be
10 provided to Class Counsel at any time or in any form. To the extent Class Counsel comes to
11 possess the Class Members' contact information, Social Security Numbers, and/or Federal
12 Employment Identification Numbers through the Settlement Administrator, Class Counsel shall
13 not maintain or use such information for any purpose. The Class Data List shall be based on
14 Defendants' payroll and other business records and in a format acceptable to the Settlement
15 Administrator. Defendants agree to consult with the Settlement Administrator prior to the
16 production date to ensure that the format will be acceptable to the Settlement Administrator. The
17 Settlement Administrator will run a check of the Class Members' addresses that are contained in
18 the Class Data List to be provided by Defendants, against those on file with the U.S. Postal
19 Service's National Change of Address ("NCOA") List; this check will be performed only once per
20 Class Member by the Settlement Administrator. Within sixty (60) calendar days of preliminary
21 approval of this Settlement, the Claims Administrator will mail the Notice Packets to Class
22 Members.

23 b. Notice Packets that are returned to the Settlement Administrator as
24 non-delivered on or before the Response Deadline, shall be re-mailed to the forwarding address,
25 if any, on the returned envelope. If there is no forwarding address, the Settlement Administrator
26 will conduct a skip-trace search for a more recent address associated with the Class Member whose
27 Notice Packet was returned, and re-mail the Notice Packet within five (5) calendar days. The
28 Response Deadline for Class Members who receive a re-mailed Notice Packet will be the later of

1 the original Response Deadline or fifteen (15) calendar days from the re-mailing of the Notice
2 Packet. Upon completion of these steps by the Settlement Administrator, Defendants and the
3 Settlement Administrator shall be deemed to have satisfied their obligations to provide the Notice
4 Packet to Class Members. Irrespective of whether or not a Class Member receives his or her Notice
5 Packet, he or she shall remain a Class Member and shall be bound by all the terms of the Settlement
6 and the contemplated Final Approval Order and Judgment, unless he or she submits a valid and
7 timely Request for Exclusion.

8 c. The Settlement Administrator shall send one deficiency notice to any Class
9 Member for deficiencies in Claims Forms that are timely submitted, and will provide those Class
10 Members until the later of the original Response Deadline or fifteen (15) calendar days from the
11 date of the deficiency notice to cure any deficiency and re-submit their Claim Form. Additionally,
12 the Settlement Administrator shall send one reminder notice to Class Members who have not
13 returned a Claim Form twenty (20) calendar days before the Response Deadline. The cost of all
14 Return Envelopes, deficiency notices, or reminder notices shall be a part of the Settlement
15 Administration Costs to be paid out of the Maximum Settlement Amount.

16 d. At least sixteen (16) court days before the Final Approval Hearing, Class
17 Counsel will file a declaration by the Settlement Administrator of due diligence and proof of
18 mailing with regard to the mailing of the Notice Packet to Class Members, with the Court.

19 SETTLEMENT AWARDS

20 18. Individual Settlement Payment checks shall remain valid and negotiable for one
21 hundred twenty (120) calendar days from the date of their issuance, and the Parties agree the
22 Settlement Administrator will send one (1) reminder postcard to all Claimants who have not
23 cashed or deposited their Individual Settlement Payment ninety (90) calendar days from the date
24 of issuance of the checks. After the 120-day period, the checks will automatically be cancelled
25 by the Settlement Administrator and the funds associated with such cancelled checks will be
26 transmitted to Koinonia Family Services, a non-profit 501(c)(3) organization with child advocacy
27 programs in the State of California, as the *cy pres* recipient pursuant to Code of Civil Procedure
28 section 384(b), subject to Court approval. A Claimant whose Individual Settlement Payment

1 check is cancelled remains subject to the Settlement, release of Released Claims provided
2 thereby, and contemplated Final Approval Order and Judgment based thereon. The Individual
3 Settlement Payment checks shall prominently state the expiration date or a statement that the
4 checks will expire in one hundred twenty (120) days, or alternatively, such a statement may be
5 made in a letter accompanying the check. Expired Individual Settlement Payment checks will
6 not be reissued, except for good cause and as mutually agreed by the Parties in writing. Upon
7 completion of its calculation of payments, the Settlement Administrator shall provide Defendants
8 with a report listing the amount of all payments to be made to each Claimant.

9 OPTING OUT OF / OBJECTING TO THE SETTLEMENT

10 19. Opting Out of the Settlement. For those Class Members who do not wish to
11 participate in the Settlement, such Class Members may exclude themselves by submitting a timely
12 written request to the Settlement Administrator. The Request for Exclusion must: (1) contain the
13 individual's full name; (2) contain the individual's signature with date; (3) contain the case name
14 and number of the Action; (4) contain a clear statement indicating that he or she desires to be
15 excluded from the Settlement; and (5) be mailed by First Class U.S. Mail, or the equivalent, to the
16 Settlement Administrator, postmarked no later than the Response Deadline. Any individual who
17 submits a valid and timely Request for Exclusion will lack standing to object to the terms of the
18 Settlement.

19 20. Objecting to the Settlement. Any Class Member who does not exclude
20 himself/herself from the Settlement can object to the terms of the Settlement by filing a written
21 objection with the Court and mailing a copy to the Settlement Administrator, no later than the
22 Response Deadline. A written objection must: (1) contain the Class Member's full name; (2)
23 contain the Class Member's signature with date and the dates he/she was worked as a non-exempt
24 employee for Defendants in California; (3) contain the case name and number of the Action; (4) a
25 clear statement indicating that the Class Member objects to the Settlement each specific reason in
26 support of the objection along with any legal support for each objection; and (5) a clear statement
27 indicating whether the Class Member is represented by counsel and whether he or she intends to
28

1 appear at the Final Approval Hearing. If the Court rejects the objection, the Class Member will
2 nevertheless be bound by the terms of the Settlement.

3 RELEASE BY THE CLASS MEMBERS

4 21. Upon the Effective Date, and except as to such rights or claims as may be created
5 by this Stipulation of Settlement, the Plaintiff and Class Members who have not submitted a valid
6 and timely Request for Exclusion, fully release, compromise, and discharge Defendants and each
7 of their past, present and future parents, subsidiaries, affiliates, shareholders, directors, officers,
8 agents, employees, attorneys, insurers, predecessors, successors, and assigns, and any individual
9 or entity which could be jointly liable with any of the foregoing (collectively "Released Parties"),
10 from any and all claims, debts, liabilities, demands, obligations, guarantees, costs, expenses,
11 attorneys' fees, damages, action or causes of action of any nature under any state, federal or local
12 law, arising from June 11, 2014 through the date the Court finally approves the Settlement, that
13 were alleged in the Complaint or could have been alleged based on the factual allegations in the
14 Complaint, including without limitation, California Labor Code sections 201, 202, 203, 204, 218,
15 218.5, 226, 226.3, 226.7, 510, 512, 551, 552, 1174, 1194, 1194.2, 1197, 1197.1, 1198, 2698, 2699,
16 2699.3, 2699.5, 2800, 2802, California Industrial Commission Wage Orders, Cal. Code Regs.,
17 Title. 8, section 11040, *et seq.*, and California Business and Professions Code sections 17200, *et*
18 *seq.*, and including all claims for alleged unpaid wages, unpaid overtime or double time wages,
19 unpaid minimum wages, failure to properly calculate the regular rate of pay, failure to timely pay
20 wages at separation, failure to timely pay wages during employment, failure to provide meal
21 periods or meal period premiums, failure to provide rest periods or rest period premiums, one day's
22 rest in seven, off-the-clock work, unreimbursed business expenses and costs, failure to provide
23 accurate and itemized wage statements, failure to maintain payroll records and recordkeeping,
24 failure to provide and/or reimburse expenses for uniforms and/or equipment, failure to pay
25 additional 401(k) benefits and/or deferred compensation benefits and/or matching benefits for
26 payments received under the Settlement, unfair competition, unfair business practices, unlawful
27 business practices, fraudulent business practices, conversion, class actions, representative actions,
28 aggrieved party claims, injunctive relief, declaratory relief, accounting, punitive damages,

1 liquidated damages, penalties of any nature (including but not limited to civil penalties, waiting-
2 time penalties, and PAGA penalties), interest, fees, costs, as well as all other claims and allegations
3 alleged in the Action, including any such claims which the Plaintiff and Class Members do not
4 know or suspect to exist in their favor against Released Parties as of the date the Court finally
5 approves the Settlement (collectively “Released Claims”). Expressly excluded from the release
6 are claims for retaliation, discrimination, unemployment insurance, disability, and workers
7 compensation. In addition, except as to such rights or claims as may be created by this Settlement
8 Agreement, Plaintiff and the Class Members who have not submitted a valid and timely Request
9 for Exclusion are forever barred and enjoined from instituting or accepting damages or obtaining
10 relief against the Released Parties for any period from June 11, 2014 to and including the date of
11 final approval of the Settlement, for the Released Claims.

12 DUTIES OF THE PARTIES PRIOR TO COURT APPROVAL

13 22. Plaintiff shall promptly submit this Stipulation of Settlement to the Sacramento
14 County Superior Court (“Court”) in support of Plaintiff’s Motion for Preliminary Approval of
15 Class Action Settlement (“Motion for Preliminary Approval”); Plaintiff agrees to provide
16 Defendants the opportunity to review, and to seriously consider Defendants’ comments before
17 filing, Plaintiff’s Motion for Preliminary Approval. Promptly upon execution of this Stipulation
18 of Settlement, Plaintiff shall apply to the Court for the entry of an order preliminarily approving
19 the Settlement, substantially in the following form and as attached hereto as Exhibit C, which
20 provides, *inter alia*, for:

21 a. Scheduling a Final Approval Hearing on the question of whether the
22 Settlement, including payment of Attorneys’ Fees and Costs, Settlement Administration Costs,
23 and Enhancement Award should be finally approved as fair, reasonable and adequate;

24 b. Certifying the Settlement Class, designating Plaintiff Librado Sarceno as
25 the Class Representative, and designating Plaintiff’s counsel as Class Counsel;

26 c. Approving as to form and content the Class Notice and the Claim Form;
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1 d. Approving the manner and method for Class Members to request exclusion
2 from the Settlement, object to the Settlement, and/or dispute the Workweeks credited to them, as
3 contained herein and within the Class Notice and Claim Form;

4 e. Directing the mailing of the Notice Packet by First Class U.S. mail to the
5 Class Members; and

6 f. Preliminarily approving the Settlement subject only to the objections of
7 Class Members and final review by the Court; and

8 g. Enjoining Plaintiff and all Class Members from filing or prosecuting any
9 other cases, claims, suits or administrative proceedings (including filing claims with the Division
10 of Labor Standards Enforcement of the California Department of Industrial Relations) regarding
11 the Released Claims unless and until such Class Members have filed valid Requests for Exclusion
12 with the Settlement Administrator and the time for filing claims with the Settlement Administrator
13 has elapsed.

14 DUTIES OF THE PARTIES FOR FINAL COURT APPROVAL

15 23. Plaintiff agrees to provide Defendants the opportunity to review, and to seriously
16 consider Defendants' comments before filing, Plaintiff's Motion for Final Approval of Class
17 Action Settlement. Class Counsel agrees to submit a proposed Final Approval Order and
18 Judgment, in substantially the form attached hereto as **Exhibit D**, that provides, *inter alia*, as
19 follows:

20 a. Approving the Settlement, adjudging the terms thereof to be fair, reasonable
21 and adequate, and directing consummation of its terms and provisions;

22 b. Approving an award of Attorneys' Fees and Costs to Class Counsel;

23 c. Approving the Enhancement Award to the Class Representative; and

24 d. Approving the Settlement Administration Costs to be paid to the Settlement
25 Administrator;

26 e. Entering judgment in accordance with California Rules of Court, Rule
27 3.769(h), and permanently barring and enjoining all Class Members from prosecuting the Released
28

1 Claims against Defendants and Released Parties, upon satisfaction of all payments and obligations
2 hereunder.

3 PARTIES' AUTHORITY

4 24. The signatories hereto hereby represent that they are fully authorized to enter into
5 this Stipulation of Settlement and bind the Parties hereto to the terms and conditions thereof.

6 MUTUAL FULL COOPERATION

7 25. The Parties agree to fully cooperate with each other to accomplish the terms of
8 this Stipulation of Settlement, including, but not limited to, execution of such documents and
9 taking such other action as reasonably may be necessary to implement the terms of this Stipulation
10 of Settlement. The Parties shall use their best efforts, including all efforts contemplated by this
11 Stipulation of Settlement and any other efforts that may become necessary by order of the Court,
12 or otherwise, to effectuate this Stipulation of Settlement and the terms set forth herein. As soon
13 as practicable after execution of this Stipulation of Settlement, Class Counsel shall, with the
14 assistance and cooperation of Defendants and their counsel, take all necessary steps to secure the
15 Court's final approval of this Stipulation of Settlement.

16 26. The Parties and their respective counsel agree that they will not attempt to
17 encourage or discourage Class Members from filing Requests for Exclusion. The Parties and their
18 respective counsel agree that they will encourage Class Members to file Claim Forms.

19 NO PRIOR ASSIGNMENTS

20 27. The Parties and their counsel represent, covenant and warrant that they have not
21 directly or indirectly, assigned, transferred, encumbered or purported to assign, transfer or
22 encumber to any person or entity any portion of any liability, claim, demand, action, cause of
23 action or right herein released and discharged except as set forth herein.

24 NO ADMISSION

25 28. Nothing contained herein, nor the consummation of this Stipulation of
26 Settlement, is to be construed or deemed an admission by either Plaintiff or Defendants regarding
27 liability, culpability, negligence, or wrongdoing on the part of Defendants. Each of the Parties
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1 hereto has entered into this Stipulation of Settlement solely with the intention to avoid further
2 disputes and litigation with the attendant inconvenience and expenses.

3 ENFORCEMENT ACTIONS

4 29. The Parties agree that the Sacramento County Superior Court shall retain
5 jurisdiction to enforce the terms of this Settlement pursuant to California Code of Civil Procedure
6 Section 664.6 and California Rules of Court, Rule 3.769. In the event one or more of the Parties
7 to this Stipulation of Settlement institutes any legal action or other proceeding against any other
8 Party or Parties to enforce the provisions of this Stipulation of Settlement or to declare rights or
9 obligations under this Stipulation of Settlement, the successful Party or Parties shall be entitled to
10 recover from the unsuccessful Party or Parties' reasonable attorneys' fees and litigation costs,
11 including expert witness fees incurred in connection with any enforcement actions.

12 NOTICES

13 30. Unless otherwise specifically provided herein, all notices, demands or other
14 communications given hereunder shall be in writing and shall be deemed to have been duly given
15 as of the third business day after mailing by United States registered or certified mail, return receipt
16 requested, addressed as follows:

17 **To Plaintiff and the Settlement Class:**

18 Edwin Aiwarzian, Esq.
19 LAWYERS FOR JUSTICE, PC
20 410 West Arden Avenue, Suite 203
Glendale, CA 91203

21 **To Defendants:**

22 Cary G. Palmer, Esq.
23 JACKSON LEWIS P.C.
400 Capitol Mall, Suite 1600
Sacramento, CA 95814

24 NO PUBLICITY

25 31. The Class Representative and Class Counsel will not initiate any communications
26 (directly or indirectly) with the media (including and not limited to in print, online, radio, etc) or
27 on any websites about the Action or the Settlement. Class Representatives and Class Counsel will
28 undertake public court filings with the Court to seek preliminary and final approval of the

1 Settlement and any and all required submissions and/or disclosures required to be made to the
2 LWDA pursuant to PAGA. Class Counsel will take all steps necessary to ensure the Class
3 Representative is aware of the restriction against any comment about the Settlement to the media
4 and/or online.

5 CONSTRUCTION

6 32. The Parties hereto agree that the terms and conditions of this Stipulation of
7 Settlement are the result of lengthy, intensive arms-length negotiations between the Parties and
8 this Stipulation of Settlement shall not be construed in favor of or against any party by reason of
9 the extent to which any party or his, her or its counsel participated in the drafting of this Stipulation
10 of Settlement.

11 CAPTIONS AND INTERPRETATIONS

12 33. Paragraph titles or captions contained herein are inserted as a matter of
13 convenience and for reference, and in no way define, limit, extend or describe the scope of this
14 Stipulation of Settlement or any provision of it. Each term of this Stipulation of Settlement is
15 contractual and not merely a recital.

16 MODIFICATION

17 34. This Stipulation of Settlement may not be changed, altered, or modified, except
18 in writing and signed by counsel for the Parties and approved by the Court. This Stipulation of
19 Settlement may not be waived or discharged except by performance in accordance with its terms
20 or by a writing signed by the Parties hereto and approved by the Court.

21 INTEGRATION CLAUSE

22 35. This Stipulation of Settlement contains the entire agreement between the Parties
23 relating to the settlement and transaction contemplated hereby, and all prior or contemporaneous
24 agreements, understandings, representations and statements, whether oral or written and whether
25 by a party or such party's legal counsel, are merged herein.

1 BINDING ON ASSIGNS

2 36. This Stipulation of Settlement shall be binding upon and inure to the benefit of
3 the Parties and the Released Parties hereto, and their respective heirs, trustees, executors,
4 administrators, successors and assigns.

5 CLASS MEMBER SIGNATORIES

6 37. It is agreed that because the members of the Class are so numerous, it is
7 impossible or impractical to have each member of the Settlement Class execute this Stipulation of
8 Settlement. The Class Notice will advise all Class Members of the binding nature of the release,
9 and the release shall have the same force and effect as if this Settlement Agreement were executed
10 by each Class Member.

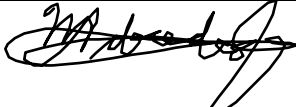
11 COUNTERPARTS

12 38. This Stipulation of Settlement may be executed in counterparts and by facsimile
13 or electronic signatures, and when each Party has signed and delivered at least one such
14 counterpart, each counterpart, including e-mail and PDF versions, shall be deemed an original and,
15 when taken together with other signed counterparts, shall constitute one Stipulation of Settlement
16 that is binding upon and effective as to all Parties.

17 IN WITNESS WHEREOF, the Parties knowingly and voluntarily execute this Joint
18 Stipulation of Class Action and PAGA Settlement and Release as of the date(s) set forth below:

19 **Plaintiff and Class Representative**

20 Dated: June 23, 2020
21 _____

Electronically Signed 2020-06-23 23:01:05 UTC - 172.58.23.213

AssureSign® b1f96100-0c15-4008-a7b-8be301710741

22 LIBRADO SARCENO

23 **Defendants**

24 Dated: _____

REGULUS GROUP, LLC AND TRANSCENTRA, INC.

25 _____
26 Their Authorized Officer or Agent

27 Name: _____

28 Position or Title: _____

1 BINDING ON ASSIGNS

2 36. This Stipulation of Settlement shall be binding upon and inure to the benefit of
3 the Parties and the Released Parties hereto, and their respective heirs, trustees, executors,
4 administrators, successors and assigns.

5 CLASS MEMBER SIGNATORIES

6 37. It is agreed that because the members of the Class are so numerous, it is
7 impossible or impractical to have each member of the Settlement Class execute this Stipulation of
8 Settlement. The Class Notice will advise all Class Members of the binding nature of the release,
9 and the release shall have the same force and effect as if this Settlement Agreement were executed
10 by each Class Member.

11 COUNTERPARTS

12 38. This Stipulation of Settlement may be executed in counterparts and by facsimile
13 or electronic signatures, and when each Party has signed and delivered at least one such
14 counterpart, each counterpart, including e-mail and PDF versions, shall be deemed an original and,
15 when taken together with other signed counterparts, shall constitute one Stipulation of Settlement
16 that is binding upon and effective as to all Parties.

17 IN WITNESS WHEREOF, the Parties knowingly and voluntarily execute this Joint
18 Stipulation of Class Action and PAGA Settlement and Release as of the date(s) set forth below:

19 **Plaintiff and Class Representative**

20
21 Dated: _____

LIBRADO SARCENO

22 **Defendants**

23
24 Dated: 07/02/2020

REGULUS GROUP, LLC AND TRANSCENTRA, INC.

25 Srini Murali

26 Their Authorized Officer or Agent

27 Name: Srini Murali

28 Position or Title: President, Americas and APAC

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APPROVED AS TO FORM:

Dated: 6.22.2020

LAWYERS *for* JUSTICE, PC

By: 
EDWIN AIWAZIAN

Attorneys for Plaintiff
LIBRADO SARCENO

Dated: _____

JACKSON LEWIS P.C.

By: _____
CARY G. PALMER
EVAN D. BEECHER

Attorneys for Defendants
REGULUS GROUP, LLC AND
TRANSCENTRA, INC.

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APPROVED AS TO FORM:

Dated: _____

LAWYERS *for* JUSTICE, PC

By: _____
EDWIN AIWAZIAN

Attorneys for Plaintiff
LIBRADO SARCENO

Dated: 07/16/20

JACKSON LEWIS P.C.

By:  _____
CARY G. PALMER
EVAN D. BEECHER

Attorneys for Defendants
REGULUS GROUP, LLC AND
TRANSCENTRA, INC.

EXHIBIT A

SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF SACRAMENTO

LIBRADO SARCENO, individually, and on behalf of other
members of the general public similarly situated and on
behalf of other aggrieved employees pursuant to the
California Private Attorneys General Act,

Plaintiff,

v.

REGULUS GROUP LLC, an unknown business entity;
TRANSCENTRA, an unknown business entity; and
DOES 1 through 100, inclusive,

Defendants.

CASE NO. 34-2018-00234541

CLASS ACTION

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

**ATTENTION: ALL PERSONS CURRENTLY AND FORMERLY EMPLOYED BY DEFENDANTS AS
NON-EXEMPT EMPLOYEES IN CALIFORNIA DURING THE PERIOD BETWEEN JUNE 11, 2014 AND
[PRELIMINARY APPROVAL DATE].**

**PLEASE READ THIS NOTICE CAREFULLY. THIS NOTICE RELATES TO A SETTLEMENT
OF CLASS ACTION LITIGATION. IF YOU ARE A CLASS MEMBER, IT CONTAINS IMPORTANT
INFORMATION ABOUT YOUR RIGHT TO MAKE A CLAIM FOR PAYMENT OR TO OPT OUT OF THE
SETTLEMENT ACCORDING TO THE PROCEDURES DESCRIBED BELOW.**

**YOU MUST SUBMIT A CLAIM FORM ON OR BEFORE [RESPONSE DEADLINE], IF YOU
WISH TO RECEIVE PAYMENT FOR YOUR SHARE OF THE SETTLEMENT (“INDIVIDUAL
SETTLEMENT SHARE”) DESCRIBED BELOW, OR YOU MUST SUBMIT A REQUEST FOR
EXCLUSION ON OR BEFORE [RESPONSE DEADLINE] TO BE EXCLUDED FROM THE
SETTLEMENT.**

Pursuant to the Order Granting Preliminary Approval of Class Action Settlement (“Preliminary Approval
Order”) entered by the Superior Court of the State of California for Sacramento County (“Court”) entered [PA DATE]
YOU ARE HEREBY NOTIFIED AS FOLLOWS:

A class action settlement has been reached between the Parties in the above-captioned lawsuit pending in the
Superior Court of the State of California for Sacramento County, Case No. 34-2018-00234541 (the “Action”) on
behalf of all persons currently or formerly employed by Defendants Regulus Group, LLC or TransCentra, Inc.,
 (“Defendants”) as non-exempt employees in California during the period between June 11, 2014 and [Preliminary
Approval Date] (collectively referred to as the “Settlement Class” or individually as a “Class Member”); however, the
Settlement Class does not include any person who previously settled or released the claims covered by this Settlement,
or any person who previously was paid or received awards through civil or administrative actions for the claims
covered by this Settlement.

You have received this Notice because Defendants’ records indicate you are a Class Member. This Notice
is to advise you of your options under the Settlement.

I. BACKGROUND OF THE CASE

On June 11, 2018, Plaintiff Librado Sarceno commenced the Action and filed the Class Action Complaint
for Damages in the Sacramento County Superior Court on behalf of himself and all current and former hourly-paid
or non-exempt employees who worked for any of the Defendants within the State of California at any time during

the period from June 11, 2014 to final judgment. The time period between June 11, 2014 and [Preliminary Approval Date] is referred to as the Class Period.

On _____, 2020, Plaintiff Librado Sarceno (“Plaintiff” or “Class Representative”) filed a First Amended Class Action Complaint for Damages and Enforcement under the Private Attorneys General Act, Cal. Labor Code § 2698, Et Seq. (“First Amended Complaint” or “Complaint”) in the Action.

Plaintiff’s First Amended Complaint alleges Defendants failed to properly pay overtime wages, failed to provide compliant meal periods and associated premiums, failed to provide complaint rest periods and associated premiums, failed to pay minimum wages, failed to timely pay wages upon termination and during employment, failed to provide compliant wage statements, failed to keep requisite payroll records, failed to reimburse necessary business expenses, and therefore engaged in unfair competition and owes penalties under the Private Attorneys General Act of 2004 (“PAGA”). Plaintiff’s First Amended Complaint seeks recovery of alleged damages, penalties, interest, and attorneys’ fees and costs.

Defendants deny all claims, deny that Plaintiff and the Class Members are entitled to any recovery, and asserts affirmative defenses in response to Plaintiff’s First Amended Complaint.

The Action has been actively litigated. There have been on-going investigations, and there has been an exchange of extensive documentation and information. Furthermore, the Parties have engaged in arms-length private mediation before a well-respected retired federal judge. Based upon the negotiations, and all known facts and circumstances, including the various risks and uncertainties related to legal actions, the Parties reached this class-wide Settlement based upon the recommendation of the private mediator. By settling, the Parties will avoid the risks associated with a lengthy litigation process. Despite agreeing to and supporting the Settlement, Defendant continues to deny all allegations and claims.

The Parties have entered into a Joint Stipulation of Class Action and PAGA Settlement and Release between Plaintiff and Defendants (“Settlement,” “Agreement,” or “Settlement Agreement”), which has been preliminarily approved by the Court.

On [Preliminary Approval Date], the Court preliminarily appointed Plaintiff Librado Sarceno as the Class Representative and Edwin Aiwasian, Esq., Arby Aiwasian, Esq. and Joanna Ghosh, Esq. of the law firm Lawyers for Justice, PC as counsel for the Class (“Class Counsel”).

If you are part of the Settlement Class, you are entitled to receive an Individual Settlement Payment by submitting the Claim Form mailed to you herewith, object to the Settlement by submitting a written objection as set forth herein, or to exclude yourself (“opt out”) from the Settlement by submitting a written request for exclusion (“Request for Exclusion”), or dispute the Workweek information contained in the Claim Form by completing the designated portion within the Claim Form and submitting it with written evidence to the Settlement Administrator.

II. SUMMARY OF THE PROPOSED SETTLEMENT

A. The Amount of the Settlement

Under the terms of the Settlement, Defendants agree to pay a maximum of One Million Four Hundred Thousand Dollars (\$1,400,000) (“Maximum Settlement Amount”), which will include all Individual Settlement Payments to Class Members who submit valid and timely Claim Forms (“Claimants”), Attorneys’ Fees and Costs to Class Counsel, Enhancement Award to the Class Representative, employer’s share of payroll taxes and contributions with respect to the wage portion of Individual Settlement Shares (“Employer Taxes”), the Labor and Workforce Development Agency’s (“LWDA”) share of penalties allocated to the PAGA (“PAGA Payment”) to the LWDA (the “LWDA Payment”), and all Settlement Administration Costs to the Settlement Administrator. The entire Maximum Settlement Amount will be fully paid out to Claimants and no portion of the Maximum Settlement Amount will revert back to Defendants.

The amount available to be distributed to Claimants (“Net Settlement Amount”) will be calculated by deducting the following amounts as awarded and approved by the Court from the Maximum Settlement Amount:

- Attorneys’ Fees and Costs to Class Counsel;
- Enhancement Award to the Class Representative;
- Employer Taxes;

- Settlement Administration Costs to the Settlement Administrator; and
- the LWDA Payment to the LWDA.

As explained on the Claim Form enclosed herewith, the amount of each Claimant's Individual Settlement Payment will depend on the number of weeks that he or she worked for Defendants as a nonexempt employee in California during the Class Period ("Workweeks"). The Claim Form will list the number of Workweeks allocated to each Class Member and his/her estimated Individual Settlement Share (an Individual Settlement Payment is the net payment of the Individual Settlement Share after reduction for employee's share of payroll taxes due on the wages-portion of each Individual Settlement Share) assuming all Class Members submit a Claim Form and receive an Individual Settlement Payment. The actual Individual Settlement Payments may be more or less than the amount estimated depending on the actual number of Workweeks worked by Class Members, and on the distributions approved and allocated by the Court. If you disagree with the number of Workweeks allocated to you, you can follow the instructions listed in the Claim Form to submit a dispute.

B. Release of Claims

Upon the Effective Date, the Plaintiff and Class Members who have not submitted a valid and timely Request for Exclusion further explained below, fully release, compromise, and discharge Defendants and each of their past, present and future parents, subsidiaries, affiliates, shareholders, directors, officers, agents, employees, attorneys, insurers, predecessors, successors, and assigns, and any individual or entity which could be jointly liable with any of the foregoing (collectively "Released Parties"), from any and all claims, debts, liabilities, demands, obligations, guarantees, costs, expenses, attorneys' fees, damages, action or causes of action of any nature under any state, federal or local law, arising from June 11, 2014 through the date the Court finally approves the Settlement, that were alleged in the Complaint or could have been alleged based on the factual allegations in the Complaint, including without limitation, California Labor Code sections 201, 202, 203, 204, 218, 218.5, 226, 226.3, 226.7, 510, 512, 551, 552, 1174, 1194, 1194.2, 1197, 1197.1, 1198, 2698, 2699, 2699.3, 2699.5, 2800, 2802, California Industrial Commission Wage Orders, Cal. Code Regs., Title 8, section 11040, et seq., and California Business and Professions Code sections 17200, et seq., and including all claims for alleged unpaid wages, unpaid overtime or double time wages, unpaid minimum wages, failure to properly calculate the regular rate of pay, failure to timely pay wages at separation, failure to timely pay wages during employment, failure to provide meal periods or meal period premiums, failure to provide rest periods or rest period premiums, one day's rest in seven, off-the-clock work, unreimbursed business expenses and costs, failure to provide accurate and itemized wage statements, failure to maintain payroll records and recordkeeping, failure to provide and/or reimburse expenses for uniforms and/or equipment, failure to pay additional 401(k) benefits and/or deferred compensation benefits and/or matching benefits for payments received under the Settlement, unfair competition, unfair business practices, unlawful business practices, fraudulent business practices, conversion, class actions, representative actions, aggrieved party claims, injunctive relief, declaratory relief, accounting, punitive damages, liquidated damages, penalties of any nature (including but not limited to civil penalties, waiting-time penalties, and PAGA penalties), interest, fees, costs, as well as all other claims and allegations alleged in the Action, including any such claims which the Plaintiff and Class Members do not know or suspect to exist in their favor against Released Parties as of the date the Court finally approves the Settlement (collectively "Released Claims").

Expressly excluded from the release are claims for retaliation, discrimination, unemployment insurance, disability, and workers compensation. In addition, except as to such rights or claims as may be created by this Settlement Agreement, Plaintiff and the Class Members who have not submitted a valid and timely Request for Exclusion are forever barred and enjoined from instituting or accepting damages or obtaining relief against the Released Parties for any period from June 11, 2014 to and including the date of final approval of the Settlement, for the Released Claims.

C. Enhancement Award for the Class Representative

Subject to approval by the Court, the Class Representative will receive a payment for his service as the Class Representative, including active participation in prosecution of the Action, as well as willingness to accept the risk of incurring Class Counsel's costs or paying Defendants' attorneys' fees and costs for an unsuccessful outcome in the Action ("Enhancement Award"). The Enhancement Award will not exceed Seven Thousand Five Hundred Dollars (\$7,500).

D. Attorneys' Fees and Costs

Defendants agree to pay Class Counsel Attorneys' Fees and Costs to be approved by the Court, consisting of attorneys' fees not to exceed thirty-five percent (35%) of the Maximum Settlement Amount (i.e., \$490,000), and reimbursement of litigation costs and expenses not to exceed Thirty Thousand Dollars (\$30,000). Attorneys' Fees and Costs to Class Counsel will be paid and deducted from the Maximum Settlement Amount. Class Counsel has been litigating this Action on a contingency fee basis, that is, without being paid to date.

H. Reasonableness of Settlement

The Parties to the Action believe the Settlement is reasonable. All attorneys to the Action support the Settlement. Among the reasons for support are the complete defenses to liability potentially available to Defendants, the inherent risk of trial on the merits, the risk of denial of class certification, and the delays associated with litigation.

III. WHAT ARE YOUR RIGHTS AS A CLASS MEMBER

A. Submitting a Claim

Anyone who wishes to submit a claim must complete, sign and date the enclosed Claim Form and return it, by First Class U.S. Mail, facsimile, or e-mail to the Settlement Administrator at the following address:

Simpluris, Inc.
3176 Pullman Street, Suite 123
Costa Mesa, CA 92626
Telephone: 1 (800) 779-2104
Facsimile: 1 (800) XXX-XXXX
Email: XXXXXXXXXXXX

The Claim Form must be postmarked or actually received by facsimile or e-mail no later than [RESPONSE DEADLINE] in conformity with the instructions set forth in the Class Notice. If your Claim Form is not postmarked or actually received by facsimile or e-mail by [RESPONSE DEADLINE], you will not receive an Individual Settlement Payment but you will be bound by the release of Released Claims and all other terms of the Settlement. Even if you believe your Claim Form may be late, mail or submit it anyway, as it may still be within the time required. If the Claim Form is sent from within the United States it must be sent through the United States Postal Service by First Class Mail or the equivalent. Do not use a postage meter as that may not result in a postmark appearing on the envelope containing your Claim Form. If you lose, misplace or need another Claim Form, you should contact the Settlement Administrator. You are responsible to maintain a photocopy of your fully completed Claim Form and record of proof of mailing, or proof of timely transmission by fax or e-mail.

The Parties and their counsel encourage Class Members to file Claim Forms. California law protects Class Members from retaliation based on their decision to participate in a class action settlement.

B. Excluding Yourself from the Settlement

If you do not wish to participate in the Settlement, you may be excluded (i.e., "opt out") by submitting a timely and valid Request for Exclusion. The Request for Exclusion must: (1) contain your full name; (2) contain your signature with date; (3) contain the case name and number of the Action (i.e., *Sarceno v. Regulus Group, LLC et. al.*, Sacramento County Case No. 34-2018-00234541); (4) contain a clear statement indicating that you desire to be excluded from the Settlement; and (5) be mailed by First Class U.S. Mail, or the equivalent, to the Settlement Administrator, postmarked no later than [Response Deadline], to:

Simpluris, Inc.
3176 Pullman Street, Suite 123
Costa Mesa, CA 92626
Telephone: 1 (800) 779-2104
Facsimile: 1 (800) XXX-XXXX
Email: _____

The Request for Exclusion must be postmarked or received via facsimile or email no later than [RESPONSE DEADLINE]. If you submit a Request for Exclusion which is not postmarked or received via facsimile or email by [RESPONSE DEADLINE], your Request for Exclusion will be rejected and you will be bound by the release of

Released Claims and all other Settlement terms. If the Request for Exclusion is sent from within the United States it must be sent through the United States Postal Service by First Class Mail, or the equivalent. Do not use a postage meter as that may not result in a postmark appearing on the envelope containing your Request for Exclusion.

Any person who submits a complete and timely Request for Exclusion shall, upon receipt by the Settlement Administrator, no longer be a Class Member, shall be barred from participating in any portion of the Settlement, shall receive no benefits from the Settlement, shall not be deemed to have relinquished the Released Claims against the Released Parties, and, at his or her own expense, may pursue any claims he or she may have against the Released Parties.

C. Objection to Settlement

If you do not exclude yourself from the Settlement, you can object to the terms of the Settlement by filing a written objection with the Court and mailing a copy to the Settlement Administrator, no later than **[RESPONSE DEADLINE]**, to:

Simpluris, Inc.
3176 Pullman Street, Suite 123
Costa Mesa, CA 92626
Telephone: 1 (800) 779-2104
Facsimile: 1 (800) XXX-XXXX
Email: _____

A written objection must contain: the Class Member's full name, signature with date, address, and the dates he/she was worked as a non-exempt employee for Defendants in California; the case name and number of the Action; a clear statement indicating that he or she objects to the Settlement each specific reason in support of the objection along with any legal support for each objection; a clear statement indicating whether he or she is represented by counsel and whether he or she intends to appear at the Final Approval Hearing. If the Court rejects the objection, the individual will nevertheless be bound by the terms of the Settlement. **DO NOT TELEPHONE THE COURT.**

If you choose to submit an objection to the terms of this Settlement, you may enter an appearance *in propria persona* (meaning you choose to represent yourself) or through your own attorney at your own expense. The final approval hearing at which the Court will be asked to approve the Settlement will be at **[]** a.m./p.m. (Pacific Time) on **[FINAL APPROVAL HEARING DATE]**, in Department 41 of the Superior Court of the State of California for the County of Sacramento, 720 9th Street, Sacramento, California, 95814, or such other later date as the Court may authorize.

D. EFFECT OF THE SETTLEMENT: RELEASED RIGHTS AND CLAIMS

Upon Final Approval being granted by the Court, each and every Class Member who does not opt out of the Settlement, will release Defendants and the Released Parties from the Released Claims as described above. In other words, if you are a Class Member and you do not exclude yourself from the Settlement Class, you will be deemed to have entered into the release and to have released the above-described Released Claims. If the Settlement is not approved by the Court or does not become final for some other reason, the Action will continue as though the Settlement never occurred and without prejudice to any Party.

V. FINAL APPROVAL HEARING

The Court will hold a final hearing in Superior Court of the State of California for the County of Sacramento, 720 9th Street, Sacramento, California 95814, on **[FINAL APPROVAL HEARING DATE]**, at **[]** a.m./p.m. (Pacific Time) in Department 35, to determine whether the Settlement should be finally approved as fair, reasonable and adequate. The Court also will be asked to approve Class Counsel's request for Attorneys' Fees and Costs, and the Enhancement Award to be paid to the Class Representative.

The Final Approval Hearing may be continued without further notice to the Settlement Class. It is not necessary for you to appear at this hearing, unless you wish to object to the Settlement.

VI. ADDITIONAL INFORMATION

The above is a summary of the basic terms of the Settlement. For the precise terms and conditions of the

Settlement, you should consult the detailed “Joint Stipulation of Class Action and PAGA Settlement and Release” which is on file with the Clerk of the Court. The pleadings and other records in this Action, including the Settlement Agreement, may be examined at any time during regular business hours at the Office of the Clerk of the Sacramento County Superior Court at 720 9th Street, Sacramento, California 95814.

If you want additional information about this Action and its proceedings, you can contact the attorneys in this Action:

Edwin Aiwazian, Esq.
Attorney for Plaintiff and the Class
Lawyers for Justice, PC
410 West Arden Avenue, Suite 203
Glendale, CA 91203
Telephone: (818) 265-1020
Facsimile: (818) 265-1021
Email: edwin@lfjpc.com

Cary G. Palmer, Esq.
Attorney for Defendants
Regulus Group, LLC and TransCentra, Inc.
Jackson Lewis, P.C.
400 Capitol Mall, Suite 1600
Sacramento, CA 95814
Telephone: (916) 341-0404
Facsimile: (916) 341-0141
Email: cary.palmer@jacksonlewis.com

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

BY ORDER OF THE SUPERIOR COURT

EXHIBIT B

CLAIM FORM
LIBRADO SARCENO V. REGULUS GROUP, LLC AND
TRANSCENTRA, INC.
SUPERIOR COURT OF CALIFORNIA
COUNTY OF SACRAMENTO
CASE NO. 34-2018-00234541

I. Instructions

- A. You must complete and timely return this Claim Form to be receive an Individual Settlement Payment. Incomplete and/or late Claim Forms will be rejected. You must complete, sign, date, and submit this Claim Form to the Settlement Administrator by First-Class mail, fax, or e-mail, so that it is postmarked or received by fax or e-mail on or before **[Response Deadline]** at the mailing address, e-mail address, or fax number listed below. Whether your decision as to whether or not to submit this Claim Form will in no way affect your employment with Regulus Group, LLC or TransCentra, Inc. (“Defendants”). Defendants will not retaliate against you in any way for submitting a Claim Form in this Settlement.

Simpluris, Inc. 3176 Pullman Street, Suite 123 Costa Mesa, California 92626 Fax number: [redacted] E-mail address: [redacted]
--

For your convenience in returning this Claim Form by mail, a pre-addressed and postage-prepaid envelope has been provided.

- B. If you fail to submit your Claim Form by [Response Deadline], you will not receive any money in connection with the Settlement, although you will be bound by the other provisions of the Joint Stipulation of Class Action and PAGA Settlement and Release (“Settlement Agreement”). You will not be retaliated against for participating in the Settlement.
- C. You are responsible for maintaining a copy of the fully completed Claim Form and proof of submission.
- D. If you move, please send the Settlement Administrator your new address. It is your responsibility to keep a current address on file with the Settlement Administrator. You can update your contact information using Section II of this Claim Form.

II. Your Mailing Address

Please review the following identifying information, and make any necessary changes in the right-hand column:

||||| Claim #
[First Name] [Last Name]
[Address1] [Address2]
[City], [State], [Zip]

()
Area Code Telephone Number

Name/Address Changes (if any):

()
Area Code Telephone Number

III. Your Workweeks

As described in the accompanying Notice of Proposed Class Action Settlement, and Hearing Date for Final Court Approval of Settlement, your Individual Settlement Share is calculated based on the number of weeks you worked for Defendants as a non-exempt employee in California during the period from June 11, 2014 to [Preliminary Approval Date] (“Workweeks”).

According to Defendants’ records, you worked [number] Workweeks.

Assuming 100% participation in the Settlement and no changes to the number of Workweeks credited to you or other Class Members, your Individual Settlement Share is estimated to be approximately \$[amount].

Your final Individual Settlement Share could be more or less depending on the number of Claim Forms submitted, resolution of any workweek disputes, and after reduction for employee’s share of taxes and withholding with respect to the wage portion of the Individual Settlement Share. Each Individual Settlement Share is allocated as one-third wages, one-third penalties, and one-third interest, reimbursement of business expenses, and other non-wage damages. An IRS Form 1099 will be issued for the non-wages portion and an IRS Form W-2 will be issued for the wages portion, using your Social Security Number that you provided to Defendants, based on Defendants’ records.

If you disagree with the number of Workweeks allocated to you above, you may present your workweek dispute by explaining why you believe the Workweeks credited to you are incorrect and stating the number of Workweeks you believe is correct, in the space provided below, attaching any documents or other information that supports your position, and returning this form no later than [Response Deadline]:

If you dispute the number of Workweeks as stated above, Defendants’ records will control unless you are able to provide documentation with this Claim Form that establishes otherwise, and that Defendants’ records are mistaken. If there is a dispute about whether Defendants’ information or yours is accurate, and the dispute cannot be resolved informally, the dispute will be resolved by the Settlement Administrator. Such a determination by the Claims Administrator will be final and binding with no opportunity for further appeal.

IV. Verification

I have received the reviewed the Notice of Pendency of Class Action Settlement.

I understand that, upon the Effective Date, and except as to such rights or claims as may be created by the Settlement Agreement, I will fully release, compromise, and discharge Regulus Group, LLC and TransCentra, Inc. (“Defendants”) each of their past, present and future parents, subsidiaries, affiliates, shareholders, directors, officers, agents, employees, attorneys, insurers, predecessors, successors, and assigns, and any individual or entity which could be jointly liable with any of the foregoing (collectively “Released Parties”), from any and all claims, debts, liabilities, demands, obligations, guarantees, costs, expenses, attorneys’ fees, damages, action or causes of action of any nature under any state, federal or local law, arising from June 11, 2014 through the date the Court finally approves the Settlement, that were alleged in the Complaint or could have been alleged based on the factual allegations in the Complaint, including without limitation, California Labor Code sections 201, 202, 203, 204, 218, 218.5, 226, 226.3, 226.7, 510, 512, 551, 552, 1174, 1194, 1194.2, 1197, 1197.1, 1198, 2698, 2699, 2699.3, 2699.5, 2800, 2802, California Industrial Commission Wage Orders, Cal. Code Regs., Title. 8, section 11040, et seq., and California Business and Professions Code sections 17200, et seq., and including all claims for alleged unpaid wages, unpaid overtime or double time wages, unpaid minimum wages, failure to properly calculate the regular rate of pay, failure to timely pay wages

at separation, failure to timely pay wages during employment, failure to provide meal periods or meal period premiums, failure to provide rest periods or rest period premiums, one day's rest in seven, off-the-clock work, unreimbursed business expenses and costs, failure to provide accurate and itemized wage statements, failure to maintain payroll records and recordkeeping, failure to provide and/or reimburse expenses for uniforms and/or equipment, failure to pay additional 401(k) benefits and/or deferred compensation benefits and/or matching benefits for payments received under the Settlement, unfair competition, unfair business practices, unlawful business practices, fraudulent business practices, conversion, class actions, representative actions, aggrieved party claims, injunctive relief, declaratory relief, accounting, punitive damages, liquidated damages, penalties of any nature (including but not limited to civil penalties, waiting-time penalties, and PAGA penalties), interest, fees, costs, as well as all other claims and allegations alleged in the Action, including any such claims which the Plaintiff and Class Members do not know or suspect to exist in their favor against Released Parties from June 11, 2014 to and including the date the Court finally approves the Settlement (collectively "Released Claims"). Expressly excluded from the release are claims for retaliation, discrimination, unemployment insurance, disability, and workers compensation. In addition, except as to such rights or claims as may be created by the Settlement Agreement, I will be forever barred and enjoined from instituting or accepting damages or obtaining relief against the Released Parties for the Released Claims.

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

(Sign your name here)

Date

EXHIBIT C

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**SUPERIOR COURT OF THE STATE OF CALIFORNIA
IN AND FOR THE COUNTY OF SACRAMENTO**

LIBRADO SARCENO, individually, and on
behalf of other members of the general public
similarly situated and on behalf of other
aggrieved employees pursuant to the California
Private Attorneys General Act;

Plaintiff,

v.

REGULUS GROUP LLC, an unknown
business entity; TRANSCENTRA, an unknown
business entity; and DOES 1 through 100,
inclusive,

Defendants.

CASE NO. 34-2018-00234541

CLASS ACTION

**[PROPOSED] ORDER GRANTING
PRELIMINARY APPROVAL OF
CLASS ACTION SETTLEMENT**

Complaint Filed:	June 11, 2018
FAC Filed:	June 1, 2020
Trial Date:	None Set

1 TO ALL PARTIES AND THEIR RESPECTIVE COUNSEL OF RECORD:

2 Plaintiff Librado Sarceno's ("Plaintiff") Motion for Preliminary Approval of a Class
3 Action Settlement ("Motion for Preliminary Approval") came before this Court, on
4 [REDACTED], at [REDACTED] in Department [REDACTED], before the Honorable [REDACTED].
5 The Court having considered the papers submitted in support of Plaintiff's Motion for
6 Preliminary Approval, HEREBY ORDERS THE FOLLOWING:

7 1. The Court grants preliminary approval of the Settlement and the Settlement
8 Class based upon the terms set forth in the Joint Stipulation of Class Action and PAGA
9 Settlement and Release ("Stipulation of Settlement" or "Settlement") filed herewith. All terms
10 used herein shall have the same meaning as defined in the Stipulation of Settlement. The
11 settlement set forth in the Stipulation of Settlement appears to be fair, adequate and reasonable
12 to the Class.

13 2. The Settlement falls within the range of reasonableness and appears to be
14 presumptively valid, subject only to any objections that may be raised at the final fairness
15 hearing and final approval by this Court.

16 3. A final fairness hearing on the question of whether the proposed Settlement,
17 Attorneys' Fees and Costs to Class Counsel, and Enhancement Award to the Class
18 Representative should be finally approved as fair, reasonable and adequate as to the members of
19 the Class is scheduled in Department 35 on the date and time set forth in Paragraph 10 below.

20 4. This Court approves, as to form and content, the Notice of Proposed Class
21 Action Settlement, and Hearing Date for Final Court Approval of Settlement ("Notice") and the
22 Claim Form ("Claim Form"), in substantially the form attached to the Joint Stipulation of Class
23 Action and PAGA Settlement and Release between Plaintiff and Defendants as **Exhibit A** and
24 **Exhibit B** respectively. The Court approves the procedure for Class Members to participate in,
25 to opt out of, and/or to object to, the Settlement as set forth in the Joint Stipulation of Class
26 Action and PAGA Settlement and Release between Plaintiff and Defendants, the Notice, and
27 the Claim Form.

28 5. The Court directs the mailing of the Notice and the Claim Form by first class

1 mail to the Class Members in accordance with the Implementation Schedule set forth below.
2 The Court finds the dates selected for the mailing and distribution of the Notice and Claim
3 Form, as set forth in the Implementation Schedule, meet the requirements of due process and
4 provide the best notice practicable under the circumstances and shall constitute due and
5 sufficient notice to all persons entitled thereto.

6 6. The Court concludes that, for settlement purposes only, the Settlement Class is
7 preliminarily certified and meets the requirements for certification under section 382 of
8 California Code of Civil Procedure in that: (1) the Settlement Class is ascertainable and so
9 numerous that joinder of all members of the Settlement Class is impracticable; (b) common
10 questions of law and fact predominate, and there is a well-defined community of interest
11 amongst the members of the Settlement Class with respect to the subject matter of the litigation;
12 (c) Plaintiff's claims are typical of the claims of the members of the Settlement Class; (d) the
13 Plaintiff will fairly and adequately protect the interest of the members of the Settlement Class;
14 (e) a class action is superior to other available methods for the efficient adjudication of the
15 controversy; and (f) Class Counsel is qualified to act as counsel for the Plaintiff in his
16 individual capacity and as the representative of the Settlement Class.

17 7. The Court confirms Plaintiff Librado Sarceno as the Class Representative, and
18 Edwin Aiwasian, Esq., Arby Aiwasian, Esq., and Joanna Ghosh, Esq. of the law firm Lawyers
19 *for Justice*, PC, as Class Counsel.

20 8. The Court confirms **Simpluris, Inc.** as the Settlement Administrator.

21 9. The Court hereby approves the proposed procedures, as set forth in the
22 Settlement Agreement for: seeking exclusion from the Settlement by submitting a valid and
23 timely Request for Exclusion; objecting to the Settlement by filing a written objection; and
24 returning a valid and timely Claim Form and receiving an Individual Settlement Payment.

25 10. A final fairness hearing shall be held before this Court on
26 _____ at _____ a.m./p.m. in
27 Department 41 of the Superior Court of California for the County of Sacramento, Gordon D.
28 Schaber Sacramento County Courthouse located at 720 9th Street, Sacramento, California

95814, to determine all necessary matters concerning the Settlement, including: whether the proposed settlement of the Action on the terms and conditions provided for in the Settlement is fair, adequate, and reasonable and should be finally approved by the court; whether a judgment, as provided in the Settlement, should be entered herein; whether the plan of allocation contained in the Settlement should be approved as fair, adequate, and reasonable to the Class Members; and determine whether to finally approve the allocations and requests for Attorneys' Fees and Costs, Enhancement Award, Settlement Administration Costs, and PAGA Payment. Class Counsel shall file a motion for final approval of the Settlement and for Attorneys' Fees and Costs, Enhancement Award, and Settlement Administration Costs, along with the appropriate declarations and supporting evidence, including the Settlement Administrator's declaration in accordance with California Code of Civil Procedure section 1005(b) (i.e., 16 court days prior to the final fairness hearing).

11. The Court hereby enjoins Plaintiff and all Class Members from filing or prosecuting any other cases, claims, suits or administrative proceedings (including filing claims with the Division of Labor Standards Enforcement of the California Department of Industrial Relations) regarding claims released by the Settlement, unless and until such Class Members have filed valid Requests for Exclusion with the Settlement Administrator and the time for filing claim forms with the Settlement Administrator has elapsed.

12. The Court reserves the right to adjourn or continue the date of the Final Approval Hearing and all dates provided for in the Settlement Agreement without further notice to Class Members, and retains jurisdiction to consider all further applications arising out of or connected with the Settlement.

13. The Court orders the following **Implementation Schedule** for further proceedings:

	Event	Date
a.	Deadline for Defendants to Submit Class Member Information to Claims Administrator	[30 calendar days after Order granting preliminary Approval]

	Event	Date
b.	Deadline for Claims Administrator to Mail Notice	[60 calendar days after Order granting preliminary Approval]
c.	Deadline for Class Members to Postmark Requests for Exclusion	[60 calendar days after mailing of the Notice and Claim Form]
d.	Deadline for Receipt by Court and Claims Administrator of any Objections to Settlement	_____ [60 calendar days after mailing of the Notice and Claim Form]
e.	Deadline for Class Counsel to file Motion for Final Approval of Settlement, including Request for Attorneys' Fees, Costs, and Enhancement Award	_____ [16 Court days before Final Approval Hearing]
f.	Deadline for Claims Administrator to file Declaration of Due Diligence and Proof of Mailing	_____ [16 Court days before Final Approval Hearing]
g.	Deadline for Defendants to provide written Notice of Rescission of Settlement to Class Counsel (if applicable)	_____ [10 calendar days before Final Approval Hearing, provided number and percentage of opt outs previously provided to Defendants]
h.	Final Fairness Hearing and Final Approval	Date: _____ Time: _____

	Event	Date
i.	Deadline for Claims Administrator to mail the Settlement Awards, the Enhancement Award, and the Attorneys' Fees and Costs (if Settlement is Effective)	_____ [30 calendar days after Effective Date] (if Settlement is Effective)
j.	Deadline for Claims Administrator to File Proof of Payment of Settlement Awards, Enhancement Award, Attorneys' Fees and Costs (if Settlement is Effective)	_____ [120 calendar days after Effective Date] (if Settlement is Effective)

IT IS SO ORDERED.

Dated: _____

HONORABLE [REDACTED]
JUDGE OF THE SUPERIOR COURT

EXHIBIT D

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**SUPERIOR COURT OF THE STATE OF CALIFORNIA
IN AND FOR THE COUNTY OF SACRAMENTO**

LIBRADO SARCENO, individually, and on
behalf of other members of the general public
similarly situated and on behalf of other
aggrieved employees pursuant to the California
Private Attorneys General Act;

Plaintiff,

v.

REGULUS GROUP LLC, an unknown
business entity; TRANSCENTRA, an unknown
business entity; and DOES 1 through 100,
inclusive,

Defendants.

CASE NO. 34-2018-00234541

CLASS ACTION

**[PROPOSED] FINAL ORDER
APPROVING CLASS ACTION
SETTLEMENT AND JUDGMENT**

Complaint Filed: June 11, 2018
FAC Filed: June 1, 2020
Trial Date: None Set

1 TO ALL PARTIES AND THEIR RESPECTIVE COUNSEL OF RECORD:

2 This matter has come before the Honorable [REDACTED] in Department [REDACTED] of the
3 above-entitled Court for a hearing on Plaintiff Librado Sarceno's ("Plaintiff") Motion for Final
4 Approval of Class Action Settlement, Attorneys' Fees, Costs, and Enhancement Award
5 ("Motion for Final Approval") on [date]. Lawyers for Justice, PC appeared on behalf of
6 Plaintiff and Jackson Lewis P.C. appeared on behalf of Defendants Regulus Group, LLC and
7 TransCentra, Inc. ("Defendants").

8 On [date], the Court entered the Order Granting Preliminary Approval of Class Action
9 Settlement ("Preliminary Approval Order"), thereby preliminarily approving the settlement of
10 the above-captioned action ("Action") in accordance with the Joint Stipulation of Class Action
11 and PAGA Settlement and Release ("Stipulation of Settlement," or "Settlement,"), which
12 together with the exhibits attached thereto, sets forth the terms and conditions for settlement of
13 the Action.

14 Due and adequate notice having been given to all Class Members as required in the
15 Preliminary Approval Order, and the Court having reviewed the Stipulation of Settlement and
16 considered all papers filed, the proceedings had herein, being fully informed, and good cause
17 appearing therefore, it is hereby **ORDERED, ADJUDGED AND DECREED AS**
18 **FOLLOWS:**

19 1. All terms used herein shall have the same meaning as defined in the Stipulation
20 and Preliminary Approval Order.

21 2. The Court finds that the applicable requirements of California Code of Civil
22 Procedure section 382 and California Rule of Court 3.769, *et seq.* have been satisfied with
23 respect to the Class and the Settlement. The Court hereby makes final its earlier provisional
24 certification of the Settlement Class for settlement purposes, as set forth in the Preliminary
25 Approval Order. The Settlement Class is defined to include:

26
27 All persons currently or formerly employed by Defendants as non-exempt
28 employees in California from June 11, 2014 to [REDACTED] [Preliminary Approval
Date]; however, the Settlement Class shall not include any person who previously
settled or released the claims covered by this Settlement, or any person who

1 previously was paid or received awards through civil or administrative actions for
2 the claims covered by this Settlement, or any person who submits a timely and
3 valid Request for Exclusion as provided in this Settlement (“Settlement Class” or
4 “Class Members”). Any person who submits a timely and valid Request for
Exclusion as provided in this Settlement is expressly excluded from the Settlement
Class.

5 3. This Court has jurisdiction over the subject matter of this Action, the First
6 Amended Class Action Complaint for Damages and Enforcement Under the Private Attorneys
7 General Act, California Labor Code § 2698, Et Seq. (“Complaint”) filed in the Action, and over
8 all Parties to this Action, including all Class Members.

9 4. Distribution of the Notice of Proposed Class Action Settlement, and Hearing
10 Date for Final Court Approval of Settlement (“Class Notice”), Claim Form, and pre-addressed
11 and postage-paid return envelope (together, “Notice Packet”) directed to the Class Members as
12 set forth in the Stipulation has been completed in conformity with the Preliminary Approval
13 Order, including individual notice to all Class Members who could be identified through
14 reasonable effort, and was the best notice practicable under the circumstances. The Notice
15 Packet fully and accurately informed the Class Members of all material elements of the
16 Settlement and of their opportunity to participate in, object to, or comment thereon, or to seek
17 exclusion from the Settlement; provided due and adequate notice of the proceedings and of the
18 matters set forth therein to all Class Members; and fully satisfied the requirements of due
19 process.

20 5. The Court hereby grants final approval of the Settlement and finds that the
21 Settlement is fair, adequate, and reasonable and that Plaintiff has satisfied the standards and
22 applicable requirements for final approval of this class action settlement under California law,
23 including the provisions of California Code of Civil Procedure section 382 and Federal Rule of
24 Civil Procedure 23, approved for use by the California state courts in *Vasquez v. Superior Court*
25 (1971) 4 Cal.3d 800, 821. The Court hereby finds the Settlement was entered into in good faith
26 pursuant to and within the meaning of California Code of Civil Procedure section 877.6.

27 6. The Court finds that the Settlement has been reached as a result of intensive,
28 serious and non-collusive arms-length negotiations. The Court has considered all of the

1 evidence presented and further finds that the Parties have conducted extensive investigation and
2 research, and counsel for the Parties are able to reasonably evaluate their respective positions.
3 The Court also finds that the Settlement at this time will avoid additional substantial costs, as
4 well as avoid the delay and risks that would be presented by the further prosecution of the
5 Action. The Court has considered the benefits that are being provided as part of the Settlement
6 and the significant value to the Class Members, the absence of objections to the Settlement, and
7 that there were only [REDACTED] timely and valid Requests for Exclusion from the Settlement by
8 Class Members. Accordingly, the Court hereby directs that the Settlement be affected in
9 accordance with the Stipulation of Settlement and the following terms and conditions.

10 7. A full opportunity has been afforded to the Class Members to participate in the
11 Final Approval Hearing, and all Class Members and other persons wishing to be heard have
12 been heard. The Class Members also have had a full and fair opportunity to exclude themselves
13 from the Settlement. Accordingly, the Court determines that all Class Members who did not
14 submit a timely and valid Request for Exclusion to the Settlement Administrator are bound by
15 this Final Approval Order and Judgment.

16 8. The Court finds that [REDACTED] Class Members have timely and validly opted out
17 of the Settlement and will not be bound by this Final Order Approving Class Action Settlement
18 and Judgment (“Final Approval Order and Judgment”).

19 9. The Court finds the Individual Settlement Payments to Class Members who
20 submitted timely and valid Claim Forms (“Claimants”) provided for under the Settlement to be
21 fair and reasonable in light of all of the circumstances. It is hereby ordered that the Settlement
22 Administrator shall calculate and distribute payments to Claimants for Individual Settlement
23 Payments, in accordance with the terms set forth in the Stipulation of Settlement and
24 Preliminary Approval Order.

25 10. The Court finds that the request for an award of attorneys’ fees in the amount of
26 \$490,000.00 to Class Counsel falls within the range of reasonableness, and the results achieved
27 justify the award sought. The requested attorneys’ fees to Class Counsel are fair, reasonable,
28 and appropriate, and are hereby approved. It is hereby ordered that the Settlement

1 Administrator issue payment in the amount of \$490,000.00 to Lawyers *for* Justice, PC for
2 attorneys' fees, in accordance with the Stipulation of Settlement and Preliminary Approval
3 Order.

4 11. The Court finds that reimbursement of litigation costs and expenses in the
5 amount of \$30,000.00 to Class Counsel is reasonable, and hereby approved. It is hereby
6 ordered that the Settlement Administrator issue payment in the amount of \$30,000.00 to
7 Lawyers *for* Justice, PC for reimbursement of litigation costs and expenses, in accordance with
8 the Stipulation of Settlement and Preliminary Approval Order.

9 12. The Court finds that the Enhancement Award sought is fair and reasonable for
10 the work performed by Plaintiff on behalf of the Settlement Class. It is hereby ordered that the
11 Settlement Administrator issue payments to Plaintiff Librado Sarceno in the amount of
12 \$7,500.00 as an Enhancement Award, according to the terms set forth in the Stipulation of
13 Settlement and Preliminary Approval Order.

14 13. The Court finds that the allocation of \$25,000.00 toward penalties under the
15 California Private Attorneys General Act of 2004 ("PAGA Payment"), is fair, reasonable, and
16 appropriate, and hereby approved. It is hereby ordered that the Settlement Administrator shall
17 distribute the PAGA Payment as follows: the amount of \$18,750.00 (75% of \$25,000.00) to the
18 California Labor Workforce Development Agency ("LWDA Payment") and the amount of
19 \$6,250.00 (25% of \$25,000.00) to be included in the Net Settlement Amount for distribution to
20 Claimants.

21 14. The Court finds that payment of Settlement Administration Costs in the amount
22 of \$_____.00 to the Settlement Administrator is appropriate for the services performed and
23 costs incurred and to be incurred for the notice and settlement administration process. It is
24 hereby ordered that the Settlement Administrator, Simpluris, Inc., shall issue payment to itself
25 in the amount of \$_____.00, in accordance with the Stipulation of Settlement and
26 Preliminary Approval Order.

27 15. The Court hereby enters Judgment in the entire Action by which Class Members
28 shall be conclusively determined to have fully and finally released and discharged the Released

1 Parties from any and all Released Claims, as set forth in the Stipulation of Settlement and
2 Notice Packet. Except as to such rights and claims that are created by the Stipulation of
3 Settlement, Plaintiff and the Class Members are forever barred and enjoined from instituting or
4 accepting damages or obtaining relief against the Released Parties for the Released Claims.

5 16. As used in paragraph 15, the quoted terms have the meanings set forth below:

6 (a) “Released Claims” means all of the claims described in Section 21 of the
7 Stipulation of Settlement, as follows:

8 Any and all claims, debts, liabilities, demands, obligations, guarantees, costs,
9 expenses, attorneys’ fees, damages, action or causes of action of any nature under
10 any state, federal or local law, arising from June 11, 2014 through the date the
11 Court finally approves the Settlement, that were alleged in the Complaint or could
12 have been alleged based on the factual allegations in the Complaint, including
13 without limitation, California Labor Code sections 201, 202, 203, 204, 218, 218.5,
14 226, 226.3, 226.7, 510, 512, 551, 552, 1174, 1194, 1194.2, 1197, 1197.1, 1198,
15 2698, 2699, 2699.3, 2699.5, 2800, 2802, California Industrial Commission Wage
16 Orders, Cal. Code Regs., Title. 8, section 11040, *et seq.*, and California Business
17 and Professions Code sections 17200, *et seq.*, and including all claims for alleged
18 unpaid wages, unpaid overtime or double time wages, unpaid minimum wages,
19 failure to properly calculate the regular rate of pay, failure to timely pay wages at
20 separation, failure to timely pay wages during employment, failure to provide meal
21 periods or meal period premiums, failure to provide rest periods or rest period
22 premiums, one day’s rest in seven, off-the-clock work, unreimbursed business
23 expenses and costs, failure to provide accurate and itemized wage statements,
24 failure to maintain payroll records and recordkeeping, failure to provide and/or
25 reimburse expenses for uniforms and/or equipment, failure to pay additional
26 401(k) benefits and/or deferred compensation benefits and/or matching benefits for
27 payments received under the Settlement, unfair competition, unfair business
28 practices, unlawful business practices, fraudulent business practices, conversion,
class actions, representative actions, aggrieved party claims, injunctive relief,
declaratory relief, accounting, punitive damages, liquidated damages, penalties of
any nature (including but not limited to civil penalties, waiting-time penalties, and
PAGA penalties), interest, fees, costs, as well as all other claims and allegations
alleged in the Action, including any such claims which the Plaintiff and Class
Members do not know or suspect to exist in their favor against Released Parties as
of the date the Court finally approves the Settlement (collectively “Released
Claims. Expressly excluded from the release are claims for retaliation,
discrimination, unemployment insurance, disability, and workers compensation.
In addition, except as to such rights or claims as may be created by this Settlement
Agreement, Plaintiff and the Class Members who have not submitted a valid and
timely Request for Exclusion are forever barred and enjoined from instituting or
accepting damages or obtaining relief against the Released Parties for any period
from June 11, 2014 to and including the date of final approval of the Settlement,
for the Released Claims.

1 (b) "Released Parties" means:

2 Defendants and each of their past, present and future parents, subsidiaries,
3 affiliates, shareholders, directors, officers, agents, employees, attorneys, insurers,
4 predecessors, successors, and assigns, and any individual or entity which could be
jointly liable with any of the foregoing.

5 17. The Court hereby orders that any and all Individual Settlement Payment checks
6 issued to Claimants that are not cashed or deposited within one hundred twenty (120) calendar
7 days after they are issued shall be cancelled, and the funds associated with such cancelled checks
8 will be transmitted to Koinonia Family Services.

9 18. Neither the Settlement nor any of the terms set forth in the Stipulation is an
10 admission by Defendants, or any of the other Released Parties, nor is this Final Approval Order
11 and Judgment a finding of the validity of any claims in the Action or of any wrongdoing by
12 Defendants, or any of the other Released Parties. Neither this Final Approval Order and
13 Judgment, the Stipulation, any document referred to herein, nor any action taken to carry out the
14 Stipulation is, may be construed as, or may be used as, an admission by or against Defendants,
15 or any of the other Released Parties, of any fault, wrongdoing or liability whatsoever. The
16 entering into or carrying out of the Stipulation, and any negotiations or proceedings related
17 thereto, shall not in any event be construed as, or deemed to be evidence of, an admission or
18 concession with regard to the denials or defenses by Defendants, or any of the other Released
19 Parties, and shall not be offered in evidence in any action or proceeding in any court,
20 administrative agency or other tribunal for any purpose whatsoever other than to enforce the
21 provisions of this Final Approval Order and Judgment, the Stipulation, the Released Claims, or
22 any related agreement or release. Notwithstanding these restrictions, any of the Released
23 Parties may file in the Action, or submit in any other proceeding, the Final Approval Order and
24 Judgment, the Stipulation, and any other papers and records on file in the Action as evidence of
25 the Settlement to support a defense of *res judicata*, *collateral estoppel*, release, or other theory
26 of claim or issue preclusion or similar defense as to the Released Claims.

27 19. After entry of this Final Approval Order and Judgment, pursuant to California
28 Rules of Court, Rule 3.769(h), the Court shall retain continuing jurisdiction over the

1 interpretation, implementation and enforcement of the Stipulation of Settlement and all orders
2 entered in connection therewith to hear and resolve any contested challenge to a claim for
3 settlement benefits, and to supervise and adjudicate any dispute arising from or in connection
4 with the distribution of settlement benefits.

5 **IT IS SO ORDERED. LET JUDGMENT BE ENTERED ACCORDINGLY.**

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7 Dated: _____

8 HONORABLE [REDACTED]
9 JUDGE OF THE SUPERIOR COURT
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EXHIBIT E

GENERAL RELEASE AGREEMENT OF LIBRADO SARCENO

This General Release Agreement ("Agreement") is made and entered into by and between Librado Sarceno, on behalf of himself and his agents, attorneys, heirs, executors, assigns and any other person or entity acting with him or on his behalf (collectively, "Plaintiff Sarceno"), on the one hand, and Defendants Regulus Group, LLC and TransCentra, Inc. (collectively Defendants"), on behalf of their selves and their present and former agents, partners, members, officers, employees, directors, trustees, insurers, fiduciaries, subsidiaries, affiliated divisions and companies, parent companies, predecessors, successors, and assigns (collectively, "Defendants"), on the other hand (collectively, Plaintiff Sarceno and Defendants are referred to herein as "Parties"). This Agreement is entered into in conjunction with, and is contingent on the Court granting final approval of, the Joint Stipulation of Class Action and PAGA Settlement and Release ("Class Action and PAGA Settlement Agreement") entered into between the Parties, and the occurrence of the Effective Date as defined in the Class Action and PAGA Settlement Agreement, pursuant to the following terms and conditions:

1. Pending and Future Legal or Administrative Actions.

1.1 Plaintiff Sarceno represents that he does not have any legal actions or administrative proceedings currently pending against Defendants, other than the case presently pending in the Sacramento County Superior Court entitled *Librado Sarceno v. Regulus Group LLC et al.*, Case No. 34-2018-00234541 ("the Action").

2. Release of all Claims.

2.1 Except as provided in the Class Action and PAGA Settlement Agreement, or as to prosecution (if the Class Action and PAGA Settlement Agreement is not finally approved by the Court) of the Action, it is understood and agreed that in consideration for the promises contained herein, Plaintiff Sarceno hereby completely releases and forever discharges Defendants and their parent corporations, affiliates, subsidiaries, divisions, predecessors, insurers, successors, and assigns, and their current and former employees, attorneys, officers, directors, partners, trustees, and agents thereof, both individually and in their business capacities, and their employee benefit plans and programs and the trustees, administrators, fiduciaries, and insurers of such plans and programs (collectively referred to herein as "Released Parties"), from all causes of action, claims, judgments, obligations, damages or liabilities of whatever kind and character, including, but not limited to, those arising under the Family and Medical Leave Act; the Employee Retirement Income Security Act of 1974; Title VII of the Civil Rights Act of 1964; the Civil Rights Act of 1991; the Age Discrimination in Employment Act of 1967; 42 U.S.C. §§ 1981 through 1988; the Older Workers Benefits Protection Act; the Equal Pay Act of 1963; the Consolidated Omnibus Budget Reconciliation Act of 1985; the Americans with Disabilities Act; the Rehabilitation Act; the Sarbanes-Oxley Act; the Immigration Reform and Control Act; the Workers Adjustment and Retraining Notification Act; the Occupational Safety and Health Act; the Fair Credit Reporting Act; the Genetic Information Nondiscrimination Act; the California Fair Employment and Housing Act; the California Family Rights Act; the California Unruh Civil Rights Act; the California Occupational Safety and Health Act; the California Private Attorneys General Act; the California Labor Code; the California Wage Orders; or any other federal, state or local insurance, human rights, civil rights, wage-hour, pension, or labor laws, rules and/or regulations, public policy,

contract or tort laws, or any claim of retaliation under such laws, or any claim arising under common law, including, but not limited to causes of action for wrongful termination; harassment of any sort; discrimination or retaliation on the basis of sex, age, disability, race, religion, sexual orientation, national origin or any other protected basis; whistle-blower liability; invasion of privacy; false imprisonment; intentional infliction of emotional distress; negligent infliction of emotional distress; fraudulent misrepresentation; negligent misrepresentation; fraud; negligence; conspiracy to commit any act mentioned herein; breach of contract (whether express or implied, oral or written); breach of the implied covenant of good faith and fair dealing; promissory estoppel; interference with business advantage; defamation; slander; interference with prospective economic advantage; interference with contractual relationship; violation of any national, state or local statute, law, or ordinance; failure to pay any wages due, meal periods, rest breaks, unpaid vacation, overtime, expenses, travel time, travel expenses, wage statements, wages not timely paid during employment or at separation, pay stubs, failure to keep requisite payroll records, methods of payment, and any other monies owed; and Plaintiff Sarceno agrees that he will not, from any source or proceeding, seek or accept any award or settlement therefrom. In the event Plaintiff Sarceno institutes or is a party to any such action, his claims shall be dismissed, with prejudice.

2.2 Subject to the Class Action and PAGA Settlement Agreement, Plaintiff Sarceno agrees to waive any claim for damages occurring at any time after the date of this Agreement because of any alleged continuing effect of any alleged unlawful or other wrongful acts or omissions involving Defendants, their respective employees or agents, which occurred on or before the date of this Agreement. Plaintiff Sarceno further agrees to waive any right Plaintiff Sarceno may have to sue for injunctive relief against the alleged continuing effects of any alleged unlawful or other wrongful acts or omissions occurring prior to the date of this Agreement.

2.3 Except as provided by the Class Action and PAGA Settlement Agreement, or as to prosecution (if the Class Action and PAGA Settlement Agreement is not finally approved by the Court) of the Action, Plaintiff Sarceno agrees to waive any right Plaintiff may have in any legal proceeding, including, without limitation, any lawsuit, charge, claim, complaint, arbitration, mediation, state or federal administrative proceeding and/or state or federal trial, to admit any evidence of any kind relating to the alleged unlawful or other wrongful acts or omissions involving Defendants or any other Released Parties, which occurred on or before the date of this Agreement. Nothing in this Agreement shall act to prohibit Plaintiff from testifying if compelled to do so pursuant to a lawfully issued subpoena or Court order.

2.4 If any claim is not subject to release, to the extent permitted by law, Plaintiff Sarceno waives any right or ability to be a class or collective action representative or to otherwise participate in any putative or certified class, collective or multi-party action or proceeding based on such a claim in which Defendants or any other Released Parties identified in this Agreement is a party. This Paragraph is not intended to affect Plaintiff Sarceno's ability to be a lead plaintiff or participate in this the Action.

2.5 Notwithstanding the foregoing, nothing herein constitutes a release or waiver by Plaintiff Sarceno of any rights he may have to: (1) Plaintiff Sarceno's own vested accrued employee benefits under Defendants' health, welfare, or retirement benefit plans as of the date his employment ended with Defendants; (2) benefits and/or the right to seek benefits under applicable workers' compensation and/or unemployment compensation statutes; (3) pursue any claim that is

not waivable as a matter of law; (4) enforce this Agreement; and/or (5) pursue any claims that Plaintiff Sarceno may have under the Class Action and PAGA Settlement Agreement.

2.6 Plaintiff Sarceno represents and warrants that Plaintiff Sarceno has not assigned or subrogated any claim or any claim released herein, or authorized any other person or entity to assert such a claim or claims on Plaintiff Sarceno's behalf.

2.7 Nothing in this Agreement prohibits or prevents Plaintiff Sarceno from filing a charge with or participating, testifying, or assisting in any investigation, hearing, action, or other proceeding before any federal, state, or local government agency (*e.g.*, EEOC, DFEH, NLRB, SEC, *etc.*), nor does anything in this Agreement preclude, prohibit, or otherwise limit, in any way, Plaintiff Sarceno's rights and abilities to contact, communicate with, report matters to, or otherwise participate in any whistleblower program administered by any such agencies. Moreover, nothing in this Agreement prohibits or prevents Plaintiff Sarceno from testifying in any administrative, legislative, or judicial proceeding concerning alleged criminal conduct or sexual harassment on the part of Defendants or any agents or employees of Defendants, when the Plaintiff Sarceno has been required or requested to attend the proceeding pursuant to a court order, subpoena, or written request from an administrative agency or the Legislature. However, to the maximum extent permitted by law and expressly excluding Plaintiff Sarceno's participation in any federal whistleblower programs, Plaintiff Sarceno agrees that if such an administrative claim is made, Plaintiff Sarceno shall not be entitled to recover any individual monetary relief or other individual remedies.

3. Enhancement Award.

3.1 Pursuant to the other terms and conditions contained in this Agreement and in the Class Action and PAGA Settlement Agreement, Defendants agree to the payment of the gross sum of \$7,500.00 (the "Enhancement Award"), from the Maximum Settlement Amount provided for under the Class Action and PAGA Settlement Agreement, subject to approval by the Court. The Enhancement Award will be reported on an IRS Form 1099-MISC by the Settlement Administrator. The Enhancement Award will be distributed by the Settlement Administrator to Plaintiff Sarceno, or Plaintiff Sarceno's counsel c/o Plaintiff Sarceno after the Effective Date, as defined in, and in accordance with, the Class Action and PAGA Settlement Agreement.

3.2 It is understood that payment of the above Enhancement Award is made to compromise and release Plaintiff Sarceno's claims and other damages described above, which were alleged against or which could be alleged against Released Parties, including all attorneys' fees and costs, except for Plaintiff Sarceno's rights to an Individual Settlement Payment under the Class Action and PAGA Settlement Agreement. Plaintiff Sarceno agrees neither Defendants nor their attorneys have provided to him or his counsel any tax advice. In the event Defendants are notified or requested by the Internal Revenue Service or by any State taxing authority to pay any withholding tax or other employee or employer taxes and interest or penalties on all or any part of the amounts paid to Plaintiff Sarceno as a result of Defendants' payment of the Enhancement Award, Defendants shall so notify Plaintiff Sarceno prior to any such payment and in no event later than ten (10) business days from Defendants' receipt of such notice or request so as to afford Plaintiff Sarceno a reasonable opportunity to appear and argue or move against such payment.

3.3 Except as provided by the Class Action and PAGA Settlement Agreement, Plaintiff Sarceno agrees Defendants have no obligation to pay Plaintiff Sarceno any amount other than the Enhancement Award and Individual Settlement Payment under the Class Action and PAGA Settlement Agreement, and Plaintiff Sarceno is responsible for paying any liens asserted by anyone or any entity against any amounts paid to Plaintiff Sarceno under this Agreement and the Class Action and PAGA Settlement Agreement.

4. **Denial of Liability.**

4.1 The Parties acknowledge that each has denied and continues to deny any and all liability to each other for any claims relating to Plaintiff Sarceno's hiring by, employment with, or cessation of employment with Defendants.

4.2 Each party expressly recognizes that the making of this Agreement does not in any way constitute an admission or concession of wrongdoing on the part of the other party.

5. **Plaintiff Sarceno's Waiver of California Civil Code Section 1542.**

5.1 Plaintiff Sarceno understands and expressly agrees that this Agreement extends to all claims of every nature and kind whatsoever, known or unknown, suspected or unsuspected, past or present, which Plaintiff Sarceno has or may have against Defendants and the Released Parties, and all rights under Section 1542 of the California Civil Code are hereby expressly waived. Such Section reads as follows:

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

5.2 Plaintiff Sarceno acknowledges that he has read this Agreement, including the waiver of California Civil Code section 1542, and that he has consulted counsel about the Agreement and specifically about the waiver of section 1542, and that he understands the Agreement and the section 1542 waiver, and freely and knowingly enters into this Agreement. Plaintiff Sarceno acknowledges that he may hereafter discover facts different from or in addition to those Plaintiff Sarceno knows or now believes to be true with respect to the matters released or described in this Agreement, and Plaintiff Sarceno agrees that the releases and agreements contained herein shall be and will remain effective in all respects notwithstanding any later discovery of any such different or additional facts. Plaintiff Sarceno hereby assumes any and all risk of any mistake in connection with the true facts involved in the matters, disputes, or controversies described herein or with regard to any facts which are now unknown to Plaintiff Sarceno relating thereto.

6. Non-Disparagement.

Plaintiff Sarceno agrees that he shall not make any negative statement, written or oral, or engage in any negative communication about Defendants, or the Released Parties, or Defendants' or the Released Parties' representatives or employees, relating to Plaintiff Sarceno's employment with Defendants, Plaintiff Sarceno's cessation of employment with Defendants or the alleged damages resulting from this cessation of employment. Defendants agree that it shall not make any negative statement, written or oral, relating to Plaintiff Sarceno's employment with Defendants. In the event a prospective employer of Plaintiff Sarceno contacts Defendants' Human Resources Department for an employment reference, Defendants shall make a neutral reference, confirming Plaintiff Sarceno's dates of employment, and positions held, if requested.

7. Representation of Pending Actions.

Plaintiff Sarceno and his attorneys expressly warrant that, to the best of their knowledge, information, and belief, other than Plaintiff Sarceno and the Class Members, they know of no employees or former employees of Defendants who have expressed an intent to file a lawsuit against Defendants.

8. Non-Representation of Other Employees.

Apart from the claims and allegations in this Action, Plaintiff Sarceno and his attorneys expressly warrant and agree that they do not currently represent any other current or former employees against Defendants and the Released Parties, other than Plaintiff Sarceno.

9. Acknowledgements and Affirmations.

9.1 At the time of execution of this Agreement, Plaintiff Sarceno affirms that Plaintiff Sarceno has not filed or caused to be filed any claim, complaint, or action against any of the Released Parties in any forum or form, other than the Action and the letter sent to the LWDA in connection with the Action, and that Plaintiff Sarceno presently is not a party to any claim, complaint, or action against any of the Released Parties in any forum or form, other than the Action.

9.2 At the time of execution of this Agreement, except as to the allegations in the Action, which are disputed and expressly released by way of this Agreement and the Class Action and PAGA Settlement Agreement, Plaintiff Sarceno further affirms that Plaintiff Sarceno has reported all hours worked as of the date of execution of this Agreement and timely has been paid or has received all compensation, wages, bonuses, commissions, and benefits which are due and payable as of the date of execution of this Agreement and that Plaintiff Sarceno has been reimbursed for all expenses necessarily incurred in performing Plaintiff Sarceno's duties during Plaintiff Sarceno's employment with Defendants.

9.3 At the time of execution of this Agreement, Plaintiff Sarceno further affirms that Plaintiff Sarceno has no known workplace injuries or occupational diseases and that Plaintiff Sarceno has been granted or has not been denied any leave to which Plaintiff Sarceno was entitled

under the Family and Medical Leave Act, the California Family Rights Act, or disability accommodation laws.

9.4 At the time of execution of this Agreement, Plaintiff Sarceno also affirms that to his knowledge, Plaintiff Sarceno has not been retaliated against for reporting any allegations of wrongdoing by Defendants or any of their officers, directors, or employees including, but not limited to, allegations of corporate fraud.

9.5 At the time of execution of this Agreement, Plaintiff Sarceno further affirms that to his knowledge, all of Defendants' decisions regarding Plaintiff Sarceno's pay and benefits through the date Plaintiff Sarceno's employment relationship with Defendants ended were not discriminatory based on race, color, religion, sex, gender, gender identity, gender expression, sexual orientation, marital status, national origin, ancestry, mental or physical disability, medical condition, age, pregnancy, denial of medical and family care leave, pregnancy disability leave, or any other classification protected by law.

9.6 At the time of execution of this Agreement, Plaintiff Sarceno further affirms that as of the date Plaintiff Sarceno signs this Agreement, Plaintiff Sarceno is not Medicare eligible (*i.e.*, is not 65 years of age or older; is not suffering from end-stage renal failure; has not received Social Security Disability Insurance benefits for twenty-four (24) months or longer, *etc.*). Plaintiff Sarceno affirms that Plaintiff Sarceno's claims against the Released Parties do not involve any illness, injury, incident, or accident for which medical expenses were, or are expected to be, incurred. Accordingly, Plaintiff Sarceno affirms that Medicare has no interest in the payment under this Agreement. Nonetheless, if the Centers for Medicare & Medicaid Services (the "CMS") (this term includes any related agency representing Medicare's interests) determines that Medicare has an interest in the payment to Plaintiff Sarceno under this Agreement, Plaintiff Sarceno agrees to indemnify, defend, and hold the Released Parties harmless from any action by the CMS relating to medical expenses of Plaintiff Sarceno. Plaintiff Sarceno agrees to reasonably cooperate with the Released Parties upon request with respect to (i) any information needed to satisfy the reporting requirements under Section 111 of the Medicare, Medicaid, and SCHIP Extension Act of 2007, if applicable, and (ii) any claim the CMS may make and for which Plaintiff Sarceno is required to indemnify the Released Parties under this Section. Further, Plaintiff Sarceno agrees to waive any and all future actions against the Released Parties for any private cause of action for damages pursuant to 42 U.S.C. § 1395y(b)(3)(A).

10. Severability.

If any provision of this Agreement is declared illegal or unenforceable by any court of competent jurisdiction and cannot be modified to be enforceable, that provision will immediately become null and void, leaving the remainder of this Agreement in full force and effect.

11. Construction.

The normal rule of construction that ambiguity or uncertainty in a writing shall be interpreted against the party drafting the writing shall not apply to any action on this Agreement. This Agreement is entered into in the State of California and shall be construed and interpreted in accordance with its laws.

12. Breach of Agreement.

12.1 Any party to this Agreement may bring an action at law for its breach in Sacramento County Superior Court of the State of California. Unless otherwise ordered by the Court, only the provisions of the Agreement alleged to have been breached shall be disclosed.

12.2 In any action at law permitted in Paragraph 12.1, the prevailing party, as determined by the Court, shall be entitled to have his/its costs and reasonable attorneys' fees paid by the losing party.

13. Integration.

This Agreement, together with the Class Action and PAGA Settlement Agreement, represents the complete understanding between the Parties. No other promises or agreements shall be binding or shall modify this Agreement unless signed by the Parties hereto.

14. Execution.

This Agreement may be signed in counterparts and on separate signature pages. These separate signature pages will become part of the integrated Agreement. A signature made on a faxed or electronically mailed copy of the Agreement or a signature transmitted by facsimile or electronic mail shall have the same effect as the original signature.

15. Consideration and Revocation Periods – Notice.

15.1 Plaintiff Sarceno acknowledges that, at the time of executing the Agreement, Plaintiff Sarceno will have already attained the age of forty (40), and understands that this is a full release of all existing claims whether currently known or unknown including, but not limited to, claims for age discrimination under the Age Discrimination in Employment Act.

15.2 Plaintiff Sarceno further acknowledges that Plaintiff Sarceno has been advised to consult with an attorney of Plaintiff Sarceno's own choosing before signing this Agreement, in which Plaintiff Sarceno waives important rights, including those under the Age Discrimination in Employment Act.

15.3 By executing this Agreement, Plaintiff Sarceno also acknowledges that Plaintiff Sarceno has been afforded at least twenty-one (21) calendar days to consider the meaning and effect of this Agreement and to discuss the contents and meaning of this Agreement, as well as the alternatives to signing this Agreement, with an attorney of Plaintiff Sarceno's choosing, and has done so. Plaintiff Sarceno agrees that the twenty-one (21) day consideration period began on the date this Agreement first was delivered to Plaintiff Sarceno and that if Defendants change any of the terms of the offer contained in this Agreement (whether the changes are material or not), the twenty-one (21) day consideration period shall not be restarted but shall continue without interruption.

15.4 Plaintiff Sarceno understands that the releases contained in this Agreement do not extend to any rights or claims that Plaintiff Sarceno has under the Age Discrimination in Employment Act that first arise after execution of this Agreement.

15.5 If Plaintiff Sarceno signs this Settlement Agreement before the twenty-one (21) day consideration period expires, the seven (7) day revocation period (described in Section 15.6 below) immediately shall begin. If Plaintiff Sarceno signs this Agreement before the twenty-one (21) day consideration period expires, Plaintiff Sarceno agrees that Plaintiff Sarceno knowingly and voluntarily has accepted the shortening of the twenty-one (21) day consideration period and that Defendants have not promised Plaintiff Sarceno anything or made any representations that are not contained in this Agreement. In addition, if Plaintiff Sarceno signs this Agreement before the twenty-one (21) day consideration period expires, Plaintiff Sarceno acknowledges and affirms that Defendants have not threatened to withdraw or alter the offer contained in this Agreement prior to the expiration of the twenty-one (21) day consideration period.

15.6 Plaintiff Sarceno may revoke this Agreement for a period of seven (7) calendar days following the date Plaintiff Sarceno executes this Agreement. Any revocation during this period must be submitted in writing and state, "I hereby revoke my acceptance of the Individual General Release Agreement." The revocation must be mailed to Cary Palmer, Jackson Lewis P.C., 400 Capitol Mall, Suite 1600 Sacramento California 95814, and postmarked within seven (7) calendar days after Plaintiff's execution of this Agreement. The foregoing notwithstanding, this Agreement shall not become effective and enforceable until the seven (7) day revocation period has expired.

16. Mutual Representations, Covenants, and Warranties.

Each of the Parties to this Agreement represents, warrants, and agrees as follows:

16.1 Each party has received independent legal advice from his or its attorney with respect to the advisability of reaching a settlement, the advisability of executing this Agreement, and the ramifications of the meaning of California Civil Code Section 1542.

16.2 No party (nor any officer, agent, employee, representative, or attorney of or for any party) has made any statement or representation to any other party regarding any fact relied upon in entering into this Agreement, and no party has relied upon any statement, representation or promise of any other party (or of any officer, agent, employee, representative, or attorney for the other party) in executing this Agreement or in making the settlement provided for herein, except as expressly stated in this Agreement.

16.3 Each party has entered into this Agreement freely and voluntarily and investigated the facts pertaining to the settlement, this Agreement and all matters relating thereto.

16.4 Each party or responsible officer or agent thereof has read this Agreement and understands the contents hereof. Each of the persons executing this Agreement on behalf of the respective Parties is empowered to do so and thereby binds this respective party.

PLAINTIFF SARCENO UNDERSTANDS AND ACKNOWLEDGES THAT PLAINTIFF SARCENO HAS AT LEAST TWENTY-ONE (21) CALENDAR DAYS TO REVIEW THIS AGREEMENT PRIOR TO EXECUTION OF THIS AGREEMENT. PLAINTIFF SARCENO FURTHER UNDERSTANDS AND ACKNOWLEDGES THAT ANY MODIFICATIONS, MATERIAL OR OTHERWISE, MADE TO THIS AGREEMENT DO NOT RESTART OR AFFECT IN ANY MANNER THE ORIGINAL TWENTY-ONE (21) CALENDAR DAY CONSIDERATION PERIOD.

HAVING ELECTED TO EXECUTE THIS AGREEMENT, TO FULFILL THE PROMISES AND TO RECEIVE THE SUMS AND BENEFITS IN SECTION 3 ABOVE, PLAINTIFF SARCENO FREELY AND KNOWINGLY, AND AFTER DUE CONSIDERATION, ENTERS INTO THIS AGREEMENT INTENDING TO WAIVE, SETTLE AND RELEASE ALL CLAIMS AGAINST DEFENDANTS AS PROVIDED HEREIN.

Dated: _____
LIBRADO SARCENO, Plaintiff

Dated: _____
REGULUS GROUP, LLC AND TRANSCENTRA, INC.

By: _____

Name: _____

Title: _____

APPROVED AS TO FORM:

Dated: _____
LAWYERS FOR JUSTICE, PC

By: _____
Edwin Aiwarzian
Attorneys for Plaintiff Librado Sarceno

Dated: _____
JACKSON LEWIS P.C.

By: _____
Cary G. Palmer
Evan D. Beecher
Attorneys for Defendants
Regulus Group, LLC and TransCentra, Inc.