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Attorneys for Plaintiff Hemanth Kundeti, on behalf of
Himself and all "aggrieved employees" pursuant to Labor
Code § 2698, *et seq.*

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A Limited Liability Partnership

Including Professional Corporations

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Attorneys for Defendant

CORDOBA CORPORATION

SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF SACRAMENTO

HEMANTH KUNDETI, as a proxy for the
State of California,

Plaintiffs,

vs.

CORDOBA CORPORATION, a California
corporation; and DOES 1 through 50,
inclusive,

Defendants.

Case No. 34-2020-00278096-CU-OE-GDS
Dept.: 32

PAGA SETTLEMENT AGREEMENT

Complaint Filed: May 6, 2020
Trial date: none set

PERSONS COVERED BY THE SETTLEMENT

SETTLEMENT CONSIDERATION

-1-

1 Gross Settlement Amount will be allocated as follows:

- 2 a. Third-Party Settlement Administration Fees of up to Two Thousand Five Hundred
- 3 Dollars (\$2,500.00);
- 4 b. Plaintiff's counsel's, HYUN LEGAL, APC and Polaris Law Group ("PAGA
- 5 Counsel"), attorneys' fee request of up to one-third (33-1/3%) of the Gross
- 6 Settlement Amount (\$33,333.33) ("PAGA Counsel's Fees");
- 7 c. PAGA Counsel's request for costs not to exceed Twenty-Five Thousand Dollars
- 8 (\$25,000.00) ("PAGA Counsel's Costs");
- 9 d. \$2,500 for Plaintiff's enhancement award; and
- 10 e. The remaining funds (the Gross Settlement Amount less the Third-Party
- 11 Settlement Administration Fees, PAGA Counsel's Fees and PAGA Counsel's
- 12 Costs) shall be referred to as the "Net Settlement Amount."

13 5. Distribution of the Net Settlement Amount. The Net Settlement Amount shall be
 14 designated as PAGA penalties in full satisfaction of all claims for PAGA civil penalties under the
 15 California Labor Code, Wage Orders, regulations, and/or other provisions of law alleged to have been
 16 violated in, that could have been alleged, or that are reasonably related to the operative Complaint
 17 ("Complaint") with respect to Aggrieved Employees, allocated between the Labor & Workforce
 18 Development Agency ("LWDA") and the Aggrieved Employees pursuant to Labor Code Section 2699(i)
 19 with 75% paid to the LWDA and 25% paid to the Aggrieved Employees based on the number of pay
 20 periods worked ("PAGA Penalties Fund"). Specifically, the 25% of the Net Settlement Amount will be
 21 paid to all Aggrieved Employees according to the following formula: Settlement Payment to each
 22 Aggrieved Employee = \$[25% of Net Settlement Amount] × [Pay Periods Worked by Individual
 23 Aggrieved Employee During PAGA Period ÷ Total Pay Periods Worked by All Aggrieved Employees
 24 during PAGA Period].

25 6. Settlement Administration. The Parties agree that ILYM Group, Inc. shall be appointed as
 26 the Settlement Administrator. ILYM will administer this Settlement and will be responsible for issuing
 27 payments and appropriate tax forms to Aggrieved Employees, the LWDA, Plaintiff, and PAGA Counsel.
 28 The estimate of costs of administration for the disbursement of the PAGA Penalties Fund is no more than

Two Thousand Five Hundred Dollars (\$2,500.00). If less than \$2,500.00 is spent on administration of the Settlement, any unused funds will become part of the Net Settlement Amount.

7. Court Approval of the Settlement and Distribution of Settlement Payments. The Parties will present this Settlement Agreement to the Court and will request that the Court issue a Court Approval Order approving and incorporating by reference the terms and conditions of the Settlement Agreement, and dismissing the Action with prejudice. The Parties shall submit this Settlement Agreement for the Court's approval either by stipulation and order or by motion.

8. Notice to LWDA. Pursuant to California Labor Code § 2699(l)(1), Plaintiff shall submit to the LWDA a copy of this Settlement Agreement and all supporting approval documents at the same time that Plaintiff submits it to the Court for approval.

9. Funding of the Settlement. Within sixty-five (65) calendar days after notice by the Court or Plaintiff that the Court approved the PAGA Settlement and entered judgment thereon, Defendant shall deposit the Gross Settlement Amount with the Settlement Administrator. Within thirty (30) calendar days after the Effective Date, Defendant shall provide the Settlement Administrator with a list of all Aggrieved Employees, with each listed employee's full name, number of pay periods worked for Defendant during the PAGA Period, last known mailing address, and social security number. Within forty-five (45) days of receipt of the list of all Aggrieved Employees, the Settlement Administrator shall run all the addresses of Aggrieved Employees through the United States Postal Service NCOA database to obtain current address information, and issue payments to (a) Aggrieved Employees; (b) the LWDA; (c) PAGA Counsel; and (d) itself. The Settlement Administrator will skip-trace return mail and re-mail within five (5) calendar days. The Settlement Administrator will issue the appropriate tax forms for all payments issued under this Settlement.

10. Settlement Payments to Aggrieved Employees: The Settlement Administrator will issue each Aggrieved Employee a check for his or her share of the Net Settlement Amount along with an explanatory letter in the form attached hereto as Exhibit A. Checks will remain negotiable for one hundred eighty (180) days. Any checks returned as non-deliverable on or before the check cashing deadline will be sent promptly via regular First-Class U.S. Mail to the forwarding address affixed thereto. Funds represented by settlement checks returned as undeliverable and those settlement checks remaining un-

1 cashed for more than 180 days after issuance will be tendered to the Unclaimed Property Fund of the
2 California State Controller's Office, to be held in the name of the Aggrieved Employees. The Parties do
3 not bear any liability for lost or stolen checks, forged signatures on checks, or unauthorized negotiation of
4 checks. Unless responsible by its own acts of omission or commission, the same is true for the Settlement
5 Administrator. All settlement payments to Aggrieved Employees will be treated as miscellaneous income
6 for which a 1099 will be issued by the Settlement Administrator if required by law.

7 11. Settled PAGA Claims. As of and subject to the occurrence of the Effective Date, and in
8 consideration for the Gross Settlement Amount, the claims settled, fully released, and forever discharged by
9 the LWDA and the Aggrieved Employees, including Plaintiff, constitute any and all claims, debts,
10 liabilities, demands, actions, or causes of action for civil penalties that were alleged or which could have
11 been alleged based on the factual allegations in the Complaint in the Action, including all claims for civil
12 penalties based upon or arising out of Defendant's alleged failure to timely pay wages due during
13 employment, and claims arising under or based upon the alleged violations of California Labor Code
14 Sections 204, 210, and 2698 *et seq.* ("PAGA Released Claims"), against the Released Parties. Upon
15 approval of the Settlement, Plaintiff and the Aggrieved Employees will be forever barred from pursuing
16 against the Released Parties any and all claims for civil penalties under PAGA based upon alleged
17 violations of the California Labor Code, Wage Orders, regulations, and/or other provisions of law alleged
18 in the Complaint or based upon or arising out of the facts and claims alleged in the Complaint.

19 12. No Credit Toward Benefit Plans. Payments to Aggrieved Employees as referenced herein
20 will not be utilized to calculate any additional benefits under any benefit plans to which any Aggrieved
21 Employee may be eligible, including, but not limited to profit-sharing plans, bonus plans, 401(k) plans,
22 stock purchase plans, vacation plans, sick leave plans, PTO plans, and any other benefit plan. Rather, it is
23 the Parties' intention that this Settlement Agreement will not affect any rights, contributions, or amounts to
24 which any Aggrieved Employee may be entitled under any benefit plans.

25 13. No Prior Assignments. The Parties and their counsel represent, covenant, and warrant that
26 they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or
27 encumber to any person or entity any portion of any liability, claim, demand, action, cause of action or right
28 herein released and discharged.

1 14. Nullification of Settlement Agreement. In the event that: (i) the Court does not approve
2 the Settlement as provided herein; or (ii) the Settlement does not become final for any other reason, then
3 this Settlement Agreement, and any documents generated to bring it into effect, will be null and void, and
4 the Parties will be returned to their original respective positions.

5 15. Continued Jurisdiction. After entry of the Court Approval Order, the Court will have
6 continuing jurisdiction under California Code of Civil Procedure § 664.6 solely for purposes of addressing:
7 (i) the interpretation and enforcement of the terms of the Settlement, (ii) settlement administration matters,
8 and (iii) such post-Court Approval matters as may be appropriate under court rules or as set forth in this
9 Settlement.

10 16. Entire Agreement. This Settlement Agreement constitutes the entirety of the Parties'
11 settlement terms regarding Plaintiff's PAGA claim. No other prior or contemporaneous written or oral
12 agreements may be deemed binding on the Parties.

13 17. Amendment or Modification. This Settlement Agreement may be amended or modified
14 only by a written instrument, signed by counsel for all Parties.

15 18. Authorization to Enter Into Settlement Agreement. Counsel for all Parties warrant and
16 represent they are expressly authorized by the Parties whom they represent to negotiate this Settlement
17 Agreement and to take all appropriate action required or permitted to be taken by such Parties pursuant to
18 this Settlement Agreement to effectuate its terms and to execute any other documents required to effectuate
19 the terms of this Settlement Agreement. The Parties and their counsel will cooperate with each other and
20 use their best efforts to effect the implementation of the Settlement. If the Parties are unable to reach
21 agreement on the form or content of any document needed to implement the Settlement, or on any
22 supplemental provisions that may become necessary to effectuate the terms of this Settlement, the Parties
23 may seek the assistance of the Court to resolve such disagreement.

24 19. Binding on Successors and Assigns. This Settlement Agreement will be binding upon, and
25 inure to the benefit of, the successors or assigns of the Parties hereto, as previously defined.

26 20. California Law Governs. All terms of this Settlement Agreement and Exhibit(s) hereto
27 will be governed by and interpreted according to the laws of the State of California.

28 21. Execution and Counterparts. This Settlement Agreement is subject only to the execution

1 of all Parties. However, the Settlement Agreement may be executed in one or more counterparts and
2 electronically by DocuSign. All executed counterparts and each of them, including facsimile and scanned
3 copies of the signature page, will be deemed to be one and the same instrument.

4 22. Acknowledgement that the Settlement is Fair and Reasonable. The Parties believe this
5 Settlement Agreement is a fair, adequate, and reasonable settlement of the Action and have arrived at this
6 Settlement after arm's-length negotiations by experienced counsel before Steve Rottman, Esq., an
7 experienced attorney and mediator. The Parties further acknowledge that they are each represented by
8 competent counsel and that they have had an opportunity to consult with their counsel regarding the
9 fairness and reasonableness of this Settlement.

10 23. Denial of Liability. The Parties expressly recognize that the making of this Settlement
11 Agreement does not in any way constitute an admission or concession of wrongdoing on the part of
12 Defendant. Nothing in this Settlement, nor any action taken in implementation thereof, nor any statements,
13 discussions or communications, nor any materials prepared, exchanged, issued or used during the course of
14 this Action, is intended by the Parties to, nor will any of the foregoing constitute, be introduced, be used or
15 be admissible in any way in any other judicial, arbitral, administrative, investigative or other forum or
16 proceeding, as evidence of any violation of any federal, state, or local law, statute, ordinance, regulation,
17 rule or executive order, or any obligation or duty at law or in equity. Notwithstanding the foregoing, this
18 Settlement Agreement may be used in any proceeding in the Court that has as its purpose the interpretation,
19 implementation, or enforcement of the Settlement or any orders of the Court entered into in connection
20 therewith.

21 24. Invalidity of Any Provision. Before declaring any provision of this Settlement Agreement
22 invalid, the Court will first attempt to construe the provision as valid to the fullest extent possible consistent
23 with applicable precedents so as to define all provisions of this Settlement Agreement valid and
24 enforceable. If any provision of this Settlement Agreement or the application thereof is held invalid, the
25 invalidity shall not affect other provisions or applications of this Settlement Agreement which can be given
26 effect without the invalid provisions or application and, to this end, the provisions of this Settlement
27 Agreement are declared to be severable. Notwithstanding the foregoing, no portion of any release
28 contained herein may be deemed severed or deleted from this Agreement, except upon waiver in writing by

1 the applicable party.

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

5 26. Waiver. No waiver of any condition or covenant contained in this Settlement Agreement
6 or failure to exercise a right or remedy by any of the Parties hereto will be considered to imply or constitute
7 a further waiver by such party of the same or any other condition, covenant, right or remedy.

8 27. Enforcement Action. In the event that one or more of the Parties institutes any legal action
9 or other proceeding against any other Party or Parties to enforce the provisions of this Settlement or to
10 declare rights and/or obligations under this Settlement, the prevailing Party or Parties will be entitled to
11 recover from the non-prevailing Party or Parties reasonable attorneys' fees and costs, including expert
12 witness fees incurred in connection with any enforcement actions.

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

18 29. Representation By Counsel. The Parties acknowledge that they have been represented by
19 counsel throughout all negotiations that preceded the execution of this Settlement Agreement, and that this
20 Settlement Agreement has been executed with the consent and advice of counsel, and reviewed in full.

21 30. Cooperation and Execution of Necessary Documents. All Parties will cooperate in good
22 faith and execute all documents to the extent reasonably necessary to effectuate the terms of this Settlement
23 Agreement.

24 31. Binding Agreement. The Parties warrant that they understand and have full authority to
25 enter into this Settlement, and further intend that this Settlement Agreement will be fully enforceable and
26 binding on all Parties, and agree that it will be admissible and subject to disclosure in any proceeding to
27 enforce its terms, notwithstanding any mediation confidentiality provisions that otherwise might apply
28 under federal or state law.

32. Confidentiality. The Parties and their counsel agree that they will not issue any press releases, initiate any contact with the press, respond to any press inquiry or have any communication with the press about the fact, amount or terms of the Settlement prior to the Effective Date. PAGA Counsel may respond to press inquiries by stating the matter has been resolved and refer the press to court filings. In addition, PAGA Counsel agree that they will not engage in any advertising or distribute any marketing materials specifying any terms specifically relating to the Settlement of this case, including but not limited to any postings on any websites maintained by PAGA Counsel, prior to the Effective Date. Any communication about the Settlement to Aggrieved Employees prior to the check mailing will be limited to a statement that a settlement has been reached and the details will be communicated in a forthcoming notice letter in the form attached hereto as Exhibit A. Nothing herein shall restrict PAGA Counsel from including publicly available information regarding this Settlement in future judicial submissions regarding PAGA Counsel's qualifications and experience. Further, nothing in this Agreement shall restrict PAGA Counsel from disclosing this settlement to the Court and to the LWDA as required by law.

Dated: ~~February~~ ^{March} 2, 2021

Plaintiff HEMANTH KUNDETI

DocuSigned by:
By Hemant Kundeti
A66BC88A40B9405... HEMANTH KUNDETI

Dated: February 12, 2021

Defendant CORDOBA CORPORATION

By Maria Mehranian
Maria Mehranian, Managing Partner

APPROVED AS TO FORM

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Dated: ~~February~~ ^{March} 1, 2021

HYUN LEGAL, APC

By



DENNIS S. HYUN
Attorneys for Plaintiff
HEMANTH KUNDETI

Dated: February 26, 2021

SHEPPARD, MULLIN, RICHTER & HAMPTON LLP

By



MATTHEW A. TOBIAS
Attorneys for Defendant
CORDOBA CORPORATION

EXHIBIT A

<<DATE>>

<<FIRST NAME>> <<LAST NAME>>
<<ADDRESS>>

Re: Payment From *Hemanth Kundeti v. Cordoba Corporation*

Dear <<FIRST NAME>> <<LAST NAME>>:

Enclosed you will find a check made payable to you. This is your payment from the settlement of the lawsuit entitled *Kundeti v. Cordoba Corporation*, Case No. 34-2020-00278096-CU-OE-GDS (Sacramento County Superior Court) (the "Action").

The Action was filed against Cordoba Corporation ("Cordoba") pursuant to the California Private Attorneys General Act of 2004, California Labor Code Section 2698 *et seq.* ("PAGA"). The claim was brought by a former Cordoba employee on behalf of the State of California and all persons currently or formerly employed by Cordoba in California as an employee at any time between February 10, 2019 to the pay period ending October 5, 2019. You have been identified as one of the employees on whose behalf the case was brought.

The plaintiff in the Action claimed that Cordoba owed penalties under PAGA for alleged violations of the California Labor Code related to the timely payment of wages as applied to Cordoba's employees in California between February 10, 2019 to the pay period ending October 5, 2019.

Cordoba denies all of the allegations and maintains that its policies and practices were, and are, lawful and that all employees were provided all wages and compensation to which they were entitled under the law, and denies that it owes any unpaid wages or penalties.

The Court has not ruled on the merits of the lawsuit, but it has approved the settlement amount the parties agreed to. A portion of the settlement amount goes to the State of California's Labor and Workforce Development Agency. Another portion of the settlement amount goes to the current and former employees who were allegedly affected by the practices at issue in the case. In agreeing to this settlement, Cordoba does not admit that it is liable in any way to its current or former employees for any alleged underpaid wages or penalties.

Pursuant to the settlement, enclosed is a check for your share of a portion of the civil penalties. You are not a party to this lawsuit, but you and the government will be bound by the order in this matter approving the settlement and dismissing the Action as to PAGA civil penalties.

You may contact the <<SETTLEMENT ADMINISTRATOR>> if you have any questions about this payment.

Very truly yours,

[INSERT NAME],