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Attorneys for Defendant
AMSPEC, LLC

SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF CONTRA COSTA

LAURIE JOHNSON, individually, and on
behalf of others similarly situated,

Plaintiff,

v.

AMSPEC, LLC, a New Jersey limited liability
company; and DOES 1 through 50, inclusive,

Defendants.

Case No. CIVMSC20-00718

ASSIGNED FOR ALL PURPOSES TO
JUDGE EDWARD G. WEIL, DEPT 39

**PRIVATE ATTORNEY GENERAL
ACTION SETTLEMENT AGREEMENT
AND RELEASE**

Trial Date: None Set
Complaint Filed: April 22, 2020

1 This Settlement Agreement (“Agreement”) sets forth the terms upon which the Parties have
2 agreed to settle the Action. All definitions below apply throughout this Settlement Agreement.

3 **I. PARTIES AND SCOPE**

4 1. “Plaintiff” means Plaintiff Laurie Johnson.
5 2. “Defendant” means Defendant AmSpec, LLC.
6 3. “The Parties” means Plaintiff and Defendant, collectively.
7 4. “The Action” means Plaintiff’s PAGA lawsuit alleging wage and hour violations
8 against Defendant captioned *Laurie Johnson v. AmSpec, LLC*, Contra Costa County Superior Court,
9 Case No. CIVMSC20-00718, initiated on or around April 22, 2020, and pending in Superior Court
10 of the State of California, County of Contra Costa.

11 5. “PAGA Period” means the period of time beginning on February 4, 2019, through
12 the date this Agreement is executed.

13 6. “PAGA Member” or “PAGA Members” means all persons who are employed or
14 were employed by Defendant in the State of California as an hourly paid or non-exempt employee
15 at any time during the PAGA Period.

16 **II. ESSENTIAL MONETARY TERMS**

17 7. “Gross Settlement Amount” (“GSA”) means the amount of Two Hundred Seventy-
18 Five Thousand Dollars and Zero Cents (**\$275,000.00**) that Defendant will pay provided the Court
19 approves this Agreement and the Effective Date occurs. The GSA will fund: (a) the Aggrieved
20 Employee Settlement Fund; (b) the LWDA Payment; (c) the award of Attorneys’ Fees to PAGA
21 Counsel; (d) the award of Attorneys’ Costs to PAGA Counsel; (e) the Representative Enhancement
22 Award to Plaintiff; and (f) the Settlement Administration Costs.

23 8. “Attorneys’ Fees” means such attorneys’ fees as the Court may award to PAGA
24 Counsel for the services they have rendered and will render to the PAGA Members in the Action,
25 and which shall not exceed Thirty-Three and One Third Percent (33-1/3%) of the GSA, or
26 **\$91,666.67**. This amount will cover any and all work performed and any and all Attorneys’ Fees
27 incurred in connection with this litigation, including without limitation: all work performed and all
28 Attorneys’ Fees incurred to date; and all work to be performed and Attorneys’ Fees to be incurred

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1 in connection with obtaining the Court's approval of this Long-Form Settlement Agreement,
2 including addressing any objections raised and handling any appeals necessitated by those
3 objections. Attorneys' Fees will be funded by the GSA.

4 9. "Attorneys' Costs" means such litigation costs as the Court may award to PAGA
5 Counsel for the out-of-pocket costs they have incurred and will incur in the investigation, litigation,
6 and resolution of the Action, and in administration of the Settlement. This amount will cover any
7 and all actual litigation costs incurred in connection with this litigation, as supported by a
8 declaration from PAGA Counsel, including without limitation: all litigation costs incurred to date;
9 and all litigation costs to be incurred in connection with obtaining the Court's approval of this
10 Long-Form Settlement Agreement, including addressing any objections raised and handling any
11 appeals necessitated by those objections. Attorneys' Costs will be funded by the GSA.

12 10. "Representative Enhancement Award" means such compensation as the Court may
13 award to Plaintiff for her efforts during the Action, which shall not exceed Five Thousand Dollars
14 and Zero Cents (**\$5,000.00**). The Representative Enhancement Award will be funded by the GSA
15 and shall be in addition to any Individual Settlement Payment issued to Plaintiff.

16 11. "Settlement Administration Costs" means the amount from the GSA which shall be
17 allocated, subject to the Court's approval, to the Settlement Administrator for services rendered in
18 administering the settlement of the Action, and which shall not exceed Three Thousand Nine
19 Hundred Fifty Dollars (**\$3,950.00**).

20 **III. ADDITIONAL DEFINITIONS**

21 12. "Agreement" or "Settlement Agreement" shall mean this Private Attorneys General
22 Act Settlement Agreement and Release.

23 13. "PAGA Member List" means the list of full names, most recent mailing addresses,
24 Social Security numbers, and dates of employment or number of pay periods, as available, for all
25 PAGA Members, which Defendant will diligently and in good faith compile from Defendant's
26 records.

1 14. “PAGA Notice” means the form of notice that will be sent to each PAGA Member
2 accompanying their Individual Settlement Payments, which shall be substantially in the form
3 attached hereto as **Exhibit A**.

4 15. “Net Settlement Amount” means the Gross Settlement Amount minus Attorneys’
5 Fees, Attorneys’ Costs, Representative Enhancement Award, and Settlement Administration Costs.
6 Seventy-five percent (75%) of the Net Settlement Amount will be distributed to the LWDA and
7 twenty-five percent (25%) of the Net Settlement Amount will be distributed to PAGA Members.

8 16. “LWDA Payment” means seventy-five percent (75%) of the Net Settlement
9 Amount. The LWDA Payment will be issued to the LWDA.

10 17. “Aggrieved Employee Settlement Fund” means twenty-five percent (25%) of the
11 Net Settlement Amount. Individual Settlement Payments will be made to the PAGA Members
12 from the Aggrieved Employee Settlement Fund.

13 18. “Individual Settlement Payment” means the portion of the Aggrieved Employee
14 Settlement Fund allocated to each PAGA Member. Individual Settlement Payments will be
15 calculated proportionately for each PAGA Member based on the number of the pay periods worked
16 during the PAGA Period in relation to other PAGA Members.

17 19. “Total PAGA Pay Periods” means the sum of all pay periods worked by all PAGA
18 Members as an hourly paid or non-exempt hourly employee in California during the PAGA Period.

19 20. “Pay Period Value” means the quotient of the Aggrieved Employee Settlement Fund
20 divided by the Total PAGA Pay Periods.

21 21. “Void Date” means the 181st day after issuance of Individual Settlement Payment
22 checks to PAGA Members, upon which the Individual Settlement Payment checks will no longer
23 be valid and negotiable.

24 22. “Defense Counsel” means Karimah J. Lamar, Esq. and Christina H. Hayes, Esq., of
25 Littler Mendelson, P.C.

26 23. “PAGA Counsel” means, Matthew J. Matern, Esq. and Launa Adolph, Esq., of
27 Matern Law Group.

1 24. “Settlement Administrator” means ILYM Group, Inc. or any other third-party
2 settlement administrator appointed by the Court for the purposes of administering this Settlement.

3 25. “Settlement Approval” means the settlement approval order and judgment that will
4 be entered by the Court.

5 26. “Settlement Fund Account” means the bank account established by the Settlement
6 Administrator in accordance with the terms of this Settlement Agreement, from which all monies
7 payable under the terms of this Settlement Agreement shall be paid, as set forth herein.

8 27. “Court” means the Contra Costa County Superior Court, where the Contra Costa
9 County Superior Court Case No. CIVMSC20-00718 is venued and specifically the courtroom or
10 department where such judge or judges assigned to the Action sits.

11 28. “Complaint” means the operative Complaint filed by Plaintiff in the Action on or
12 around April 22, 2020.

13 29. “LWDA Letter” means the written notice submitted by Plaintiff to the California
14 Labor and Workforce Development Agency on February 4, 2020, pursuant to Labor Code section
15 2699.3.

16 **IV. RELEASES**

17 30. “Released Claims” means any and all claims for civil penalties under the PAGA
18 which were alleged in the operative complaint and LWDA notice, or reasonably could have been
19 alleged based on the facts contained in the operative complaint and the LWDA notice, including
20 claims based on Defendant’s alleged failure to pay all wages due (including minimum wages,
21 straight time wages, and overtime wages), failure to provide compliant meal periods, failure to
22 authorize and permit compliant rest periods, failure to provide accurate and itemized wage
23 statements, failure to maintain required records, failure to timely pay all wages due during
24 employment and at the time of termination, failure to reimburse employees for all business-related
25 expenses, and any claims based on alleged violations of California Labor Code sections 201, 202,
26 203, 204, 210, 223, 224, 225.5, 226, 226.3, 226.7, 300, 510, 512, 558, 1174, 1174.5, 1182.12, 1194,
27 1194.2, 1197, 1197.1, 1198, 1199, 2699, and 2802, and the California Industrial Welfare
28

1 Commission Wage Orders based on the preceding claims, which arose during the PAGA Period.
2 The *res judicata* effect of the judgment will be the same as that of the Release.

3 31. “Released Parties” means Defendant and any of its subsidiaries, affiliates, officers,
4 directors, members, partners, owners, shareholders, employees, former employees, agents,
5 servants, attorneys, assigns, affiliates, independent contractors, volunteers, predecessors,
6 successors, parent companies and organizations, sister or related entities, insurers, and any and all
7 other persons, firms and corporations in which Defendant may have an interest.

8 32. Release by PAGA Members. Upon Defendant depositing the GSA into the
9 Settlement Fund Account, Plaintiff shall, on behalf of herself, the State of California, and all PAGA
10 Members, release the Released Parties from the Released Claims during the PAGA Period. PAGA
11 Members may discover facts in addition to those they now know or believe to be true with respect
12 to the subject matter of the Released Claims, but upon the Effective Date, PAGA Members shall
13 be deemed to have, and by operation of the Order approving the Long Form Settlement Agreement,
14 shall have, fully, finally, and forever settled and released any and all of the Released Claims during
15 the PAGA Period, without regard to the subsequent discovery or existence of such different or
16 additional facts. It is the intent of the Parties that the Settlement Approval Order entered by the
17 Court shall have full *res judicata* effect and be final and binding upon PAGA Members regarding
18 the Released Claims during the PAGA Period.

19 33. General Release by Plaintiff. In addition to the Released Claims discussed above,
20 upon Defendant depositing the GSA into the Settlement Fund Account, Plaintiff, for and on behalf
21 of herself and her spouses, representatives, agents, attorneys (including PAGA Counsel), heirs,
22 administrators, successors, and assigns (“Releasing Parties”) hereby unconditionally waives,
23 releases and forever discharges the Released Parties from any and all claims, actions, causes of
24 action, rights, suits, debts, contracts, obligations, agreements, proceedings, damages, charges,
25 losses, and expenses (including attorneys’ fees and costs) of any nature whatsoever, whether based
26 in contract, statute or the common law, relating to any matters of any kind, whether known or
27 unknown, suspected or unsuspected, that they may possess arising from any omissions, acts, and
28 any and all events or facts that have occurred up until and including the date of the signing of this

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1 Agreement, including without limitation: (i) any and all claims actually alleged or that could have
2 been alleged in connection with, or arising directly or indirectly out of or in any way connected
3 with Plaintiff's employment with Defendant or any of the Released Parties; (ii) any and all claims
4 relating to or arising from Plaintiff's relationship with the Released Parties and the termination of the
5 relationship; (iii) any and all claims relating to unpaid wages, missed meal and rest periods, and any
6 and all penalties, including but not limited to waiting time penalties and penalties under Labor Code
7 section 226, and interest relating to such claims; (iv) any and all claims for wrongful discharge of
8 employment; breach of contract, both expressed and implied; breach of covenant of good faith and
9 fair dealing, both expressed and implied; negligent or intentional interference with contract or
10 prospective economic advantage; and defamation; and (v) any and all claims against the Released
11 Parties for any other tort, contract, common law, constitutional or statutory claims, including but
12 not limited to, any alleged violation(s) of the California Labor Code, the federal Fair Labor
13 Standards Act (except as prohibited by applicable law), the National Labor Relations Act, Title
14 VIII of the Civil Rights Act of 1964 and the California Fair Employment and Housing Act, the Age
15 Discrimination in Employment Act, the Americans with Disabilities Act, as amended, the
16 Employee Retirement Income Security Act of 1974, as amended, the federal Worker Adjustment
17 Retraining Notification Act (as well as any counterpart), the Family and Medical Leave Act of 1993
18 (as well as any state counterpart), the Occupational Safety and Health Act, the Consolidated
19 Omnibus Budget Reconciliation Act of 1985, the Equal Pay Act, the Affordable Care Act, the
20 Uniformed Services Employment and Reemployment Rights Act, the Federal Hazardous Materials
21 Regulations, the Fair Credit Reporting Act, the California Parental Leave Act, the California Paid
22 Sick Leave Act, the Genetic Information Nondiscrimination Act of 1998, California Constitution
23 Article 1 section 8, California's Industrial Welfare Commission Wage Orders, the Healthy
24 Workplaces, Healthy Families Act of 2014, California Health and Safety Code sections 11161.8,
25 1276.5, 1278.5, 13337, et seq., and 105100, et seq., California Business and Professions Code
26 sections 2725, 2750, et seq., and 17200, et. seq., Title 22 of the California Code of Regulations,
27 including but not limited to section 72313, 72315 and 72501 ("Individually Released Claims").
28 Plaintiff's Release does not extend to any claims or actions to enforce this Agreement, or to any

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1 claims for vested benefits, unemployment benefits, disability benefits, social security benefits,
2 workers' compensation benefits that arose at any time, or based on occurrences outside the PAGA
3 Period. Plaintiff acknowledges that Plaintiff may discover facts or law different from, or in addition
4 to, the facts or law that Plaintiff now knows or believes to be true but agrees, nonetheless, that
5 Plaintiff's Release shall be and remain effective in all respects, notwithstanding such different or
6 additional facts or Plaintiff's discovery of them.

7 Plaintiff also waives any and all rights conferred upon her under Section 1542 of the
8 California Civil Code, which provides as follows:

9 **A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE**
10 **CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT**
11 **TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE**
12 **RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE**
MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE
DEBTOR OR RELEASED PARTY.

13 This waiver is not a mere recital, but is a knowing waiver of rights and benefits. This is a bargained-
14 for provision and is further consideration for the covenants and conditions contained herein.

15 **V. EFFECTIVE DATE AND FUNDING OF SETTLEMENT**

16 34. Defendant will cause the GSA to be deposited into the Settlement Fund Account no
17 later than the Funding Date.

18 35. "Funding Date" means the date that is ten (10) business days after the Effective
19 Date.

20 36. "Effective Date" means the first date upon which all of the following have occurred:
21 (i) the Court has granted final approval of the Settlement Agreement, (ii) the Court has entered
22 Final Judgment, and (iii) the Court's order granting final approval of the Settlement Agreement and
23 entry of Final Judgment has become final and is no longer appealable. For purposes of this
24 Settlement Agreement, "becomes final and is no longer appealable" shall mean the later of: (a) the
25 day after the last date by which a notice of appeal to the applicable Court of Appeal of the order
26 and judgment approving this Settlement may be timely filed and none is filed (*i.e.*, 61 days from
27 notice of entry of judgment); (b) if an appeal is filed, and the appeal is finally disposed of by ruling,
28 dismissal, denial, or in any other manner that confirms the validity of the order and judgment, the

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1 day after the last date for filing a request for further review of the order and judgment approving
2 this Settlement passes, and no further review is requested; or (c) if an appeal is filed and the order
3 approving this Settlement is affirmed and further review of the order is requested, the day after the
4 review is finally resolved and the order and judgment approving this Settlement is affirmed. In the
5 event that: (i) the Court does not approve the Settlement Agreement as provided herein; or (ii) the
6 Effective Date does not occur for any other reason, then this Settlement Agreement, and any
7 documents generated to bring it into effect, will be null and void, and the Parties will be returned
8 to their respective positions. The Effective Date cannot occur, and Defendant will not be obligated
9 to fund the Settlement, until and unless there is no possibility of an appeal or further appeal that
10 could potentially prevent this Settlement Agreement from becoming final and binding.

11 **VI. SETTLEMENT ADMINISTRATION PROCEDURES**

12 37. The Parties will work cooperatively to secure a prompt and final resolution of the
13 Action consistent with the terms of this Agreement.

14 38. Settlement Approval Motion. Following full execution of this Settlement
15 Agreement, Plaintiff will promptly request a hearing before the Court to seek approval of the
16 Settlement Agreement on a mutually available date. In conjunction with such hearing, PAGA
17 Counsel will present this Settlement Agreement to the Court with a written motion for an order (i)
18 approving and incorporating by reference the terms and conditions of the Settlement Agreement,
19 (ii) retaining jurisdiction over the parties under Code of Civil Procedure section 664.4 to enforce
20 the Settlement Agreement, and (iii) dismissing the entire Action with prejudice. PAGA Counsel
21 will be primarily responsible for drafting all documents necessary to obtain the above order, and
22 shall provide drafts of such documents for review and approval by Defense counsel prior to the
23 filing of same. Defendant will not oppose Plaintiff's motion for Settlement Approval unless the
24 motion is inconsistent with the terms set forth in this Settlement Agreement.

25 39. No Right of PAGA Member to Object or Opt-Out. The Parties agree there is no
26 right for any PAGA Member to object, opt out or otherwise exclude himself or herself from the
27 Settlement. Nor is there any right for any PAGA Member to dispute the value of the Individual
28 Settlement Payment provided to them under this Settlement. Except as otherwise stated, Plaintiff

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1 will vigorously defend against any attempt by any PAGA Member or by any entity or agency to
2 intervene in this matter or object to, or opt-out of this Settlement. The Parties further agree there
3 is no right or opportunity for any PAGA Member to appeal the approval of the Settlement by the
4 Court. The Parties will jointly defend against any appeal taken by any PAGA Member, entity, or
5 agency of the Court's approval of the Settlement.

6 40. LWDA Notice. Pursuant to California Labor Code section 2699 subdivision (l)(2),
7 Plaintiff will provide a copy of this Settlement to the LWDA concurrently with the filing of the
8 motion for Settlement Approval. Plaintiff will also file a declaration in support of her motion for
9 Settlement Approval confirming that they have submitted the Settlement to the LWDA in
10 compliance with Labor Code section 2699 subdivision (l)(2). Pursuant to California Labor Code
11 section 2699 subdivision (l)(3), a copy of the Court's judgment and any other order issued in
12 connection with this Settlement Agreement shall be submitted by Plaintiff to the LWDA within ten
13 (10) days after entry of the judgment or order.

14 41. Settlement Administrator. Upon approval of the Court, the Parties will retain ILYM
15 Group, Inc. as the third-party Settlement Administrator to administer this Settlement. The
16 Settlement Administrator will be responsible for: establishing the Settlement Fund Account;
17 calculating Individual Settlement Payments; preparing, printing, and mailing the Individual
18 Settlement Checks and accompanying PAGA Notice to PAGA Members; disbursing payment of
19 Attorney's Fees and Attorney's Costs to PAGA Counsel; disbursing the Representative
20 Enhancement Award to Plaintiff; disbursing payment to the LWDA consisting of seventy-five
21 percent (75%) of the Net Settlement Amount; printing and providing PAGA Members, Plaintiff,
22 and PAGA Counsel with IRS Forms 1099 as required under this Settlement Agreement and
23 applicable law; providing a due diligence declaration for submission to the Court upon completion
24 of the terms of the Settlement; and for such other tasks as the Parties mutually agree or the Court
25 orders. The Settlement Administrator shall keep the Parties timely apprised of the performance of
26 all Settlement Administrator responsibilities. Any legally mandated tax reports, tax filings, or other
27 tax documents required by the administration of this Settlement shall be prepared by the Settlement
28

1 Administrator. Any expenses incurred in connection with such preparation shall be part of the
2 Settlement Administration Costs.

3 42. PAGA Member List. Within ten (10) business days of the Court's approval of the
4 Settlement, Defendant will provide the Settlement Administrator with the PAGA Member List,
5 which shall be used solely for the administration of this Settlement and for no other purpose, and
6 which shall not be shared with any persons or entity not employed by the Settlement Administrator
7 and working on the administration of this Settlement. Because PAGA Members' sensitive personal
8 information is included in the PAGA Member List, the Settlement Administrator shall maintain the
9 PAGA Member List securely and in confidence, maintaining the strictest standards of data privacy.
10 Access to the PAGA Member List shall be limited to employees of the Settlement Administrator
11 with a need to use the PAGA Member List for administration of this Settlement. The Settlement
12 Administrator shall permanently delete and destroy all electronic and hard copies of the PAGA
13 Member List in its possession once settlement administration is concluded.

14 43. Change of Address Search. Within fifteen (15) calendar days of receipt of the
15 PAGA Member List, the Settlement Administrator shall conduct a National Change of Address
16 search and/or skip trace of all provided addresses to confirm and/or locate the most recent mailing
17 address for each PAGA Member.

18 44. Payment of Attorneys' Fees and Attorneys' Costs. Within fifteen (15) calendar days
19 following the Funding Date, the Settlement Administrator shall pay from the Settlement Fund
20 Account the Court-approved Attorney's Fees and Attorney's Costs to PAGA Counsel. PAGA
21 Counsel will provide the Settlement Administrator with their respective executed IRS Form W-9,
22 and any transmittal instructions concerning division of Court-approved Attorneys' Fees and
23 Attorneys' Costs among PAGA Counsel, before payments for Attorneys' Fees and Attorneys'
24 Costs are issued. The Settlement Administrator shall issue IRS Form(s) 1099 to PAGA Counsel
25 for the payments made pursuant to this Paragraph. Defendant's payment of the Attorneys' Fees
26 and Attorneys' Costs shall constitute full satisfaction of the obligation to pay any amounts to any
27 person, attorney, or law firm, including but not limited to PAGA Counsel, or attorneys' fees,
28 expenses, and/or costs in the Action incurred by any other attorney or law firm for attorneys' fees,

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1 expenses, and/or costs to which any of them may claim to be entitled on behalf of Plaintiff and/or
2 PAGA Members. The Parties further agree that PAGA Counsel's Attorneys' Fees and Attorneys'
3 Costs shall be for all attorneys' fees, expenses, and/or costs, present and future, incurred in the
4 Action by all attorneys working on behalf of Plaintiff and/or PAGA Members.

5 45. Payment of Representative Enhancement Award. Within fifteen (15) calendar days
6 following the Funding Date, the Settlement Administrator shall pay from the Settlement Fund
7 Account the Court-approved Representative Enhancement Award to Plaintiff.

8 46. Settlement Administration Costs. Within fifteen (15) calendar days following the
9 Funding Date, the Settlement Administrator shall pay from the Settlement Fund Account the Court-
10 approved Settlement Administration Costs.

11 47. Payment to LWDA. Within fifteen (15) calendar days following the Funding Date,
12 the Settlement Administrator shall issue from the Settlement Fund Account a check payable to the
13 LWDA for seventy-five percent (75%) of the Net Settlement Amount.

14 48. Issuance of Individual Settlement Payments. Within fifteen (15) calendar days
15 following the Funding Date, the Settlement Administrator shall mail the Individual Settlement
16 Payments to the PAGA Members' last known mailing address. Any Individual Settlement Payment
17 checks returned as non-deliverable on or before the Void Date will be sent promptly via regular
18 First Class U.S. Mail to the forwarding address affixed thereto. If no forwarding address is
19 provided, the Settlement Administrator will promptly attempt to determine the correct address
20 using a skip trace, or other search using the name, address or Social Security number of the PAGA
21 Member involved, and will then perform a single re-mailing. Any Individual Settlement Payment
22 check re-mailings will not extend the 180-day period to cash a check. Any checks issued to PAGA
23 Members shall remain valid and negotiable for 180 days from the date of their issuance and then
24 shall become void on the 181st day after issuance, *i.e.*, the Void Date.

25 49. Calculation of Individual Settlement Payments.

26 a. All PAGA Members will receive an Individual Settlement Payment. The
27 amount of each PAGA Member's Individual Settlement Payment will be calculated based on the
28

1 total number of pay periods each PAGA Member worked for Defendant as a non-exempt hourly
2 employee in California during the PAGA Period.

3 b. The Pay Period Value will be calculated by the Settlement Administrator
4 once the Net Settlement Amount and Aggrieved Employee Settlement Fund are determined based
5 on the amounts approved by the Court for the Attorneys' Fees, Attorneys' Costs, the Representative
6 Enhancement Award, and Settlement Administration Costs.

7 c. To establish the Pay Period Value, the Settlement Administrator will first
8 determine the Total Pay Periods for all PAGA Members from the PAGA Member List.

9 d. The Pay Period Value will be the quotient of the Aggrieved Employee
10 Settlement Fund divided by the Total Pay Periods.

11 e. The Individual Settlement Payment to each PAGA Member will be
12 determined by multiplying the Pay Period Value and the PAGA Members' total number of pay
13 periods worked as a non-exempt hourly employee in California during the PAGA Period.

14 50. Tax Treatment of Individual Settlement Payments. One hundred percent (100%) of
15 each Individual Settlement Payment shall be allocated to miscellaneous income for which an IRS
16 Form 1099 will issue, if required by law.

17 51. Administration of Taxes. The Settlement Administrator will be responsible for
18 issuing to Plaintiff, PAGA Members, and PAGA Counsel, IRS Form 1099s or other tax forms as
19 may be required by law for all amounts paid pursuant to this Settlement, and for forwarding all
20 penalties to the appropriate government authorities.

21 52. Certification of Completion. Upon completion of administration of the Settlement,
22 the Settlement Administrator will provide a written declaration under oath to certify such
23 completion to the Court and counsel for all Parties. PAGA Counsel shall file this declaration with
24 the Court within seven (7) calendar days of receipt.

25 53. Handling of Unclaimed Individual Settlement Payments. No portion of the GSA
26 shall revert to Defendant. If an Individual Settlement Payment check remains uncashed 180 days
27 after its issuance, that check shall be voided and the Settlement Administrator shall, within fourteen
28 (14) calendar days after the Void Date, pay the amount represented by the voided check either to

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1 the State of California Unclaimed Property Fund in the name of the PAGA Member who did not
2 cash the check. In such event, the PAGA Member shall nevertheless remain bound by the
3 settlement.

4 **VII. MISCELLENIOUS PROVISION**

5 54. No Admission of Liability. This Settlement Agreement is entered into without any
6 admission of liability and Defendant expressly denies any wrongdoing or liability to Plaintiff or the
7 PAGA Members.

8 55. Cooperation. The Parties will work cooperatively to secure a prompt and final
9 resolution of the Action consistent with the terms of this Settlement Agreement, including but not
10 limited to, obtaining Court approval of the Settlement Agreement, and executing all documents to
11 the extent reasonably necessary to effectuate the terms of this Settlement Agreement.

12 56. Publicity. Plaintiff will not communicate the fact of, or the terms of, this Agreement
13 to members of the press, including to Verdicts and Settlements. Plaintiff and Plaintiff's Counsel
14 will not publish the fact of, or terms of, this Settlement or any related information on any website
15 or social media platform for publicity or advertising purposes and/or in publication materials
16 generally available to the public.

17 57. Judgment and Continued Jurisdiction. The Parties expressly request that, after entry
18 of final judgment, the Court retain continuing and exclusive jurisdiction under Code of Civil
19 Procedure section 664.6 for purposes of addressing: (a) the interpretation and enforcement of the
20 terms of this Settlement Agreement; (b) matters relating to the administration of the Settlement;
21 and (c) such post-Judgment matters as may be appropriate under Court rules or as set forth in this
22 Settlement Agreement.

23 58. Tax Liability. The Parties make no representation as to the tax treatment or legal
24 effect of the payments called for hereunder, and the Parties are not relying on any statement,
25 representation, or calculation by any of the Parties or by the Settlement Administrator in this regard.

26 59. Circular 230 Disclaimer. Each Party to this Agreement (for purposes of this section,
27 the "Acknowledging Party" and each party to this agreement other than the acknowledging party,
28 an "Other Party") acknowledges and agrees that (1) no provision of this Agreement, and no written

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1 communication or disclosure between or among the Parties or their attorneys and other advisers, is
2 or was intended to be, nor will any such communication or disclosure constitute or be construed or
3 be relied upon as, tax advice within the meaning of United States Treasury Department Circular
4 230 (31 CFR Part 10, as amended); (2) the Acknowledging Party (a) has relied exclusively upon
5 her own independent legal and tax counsel for advice (including tax advice) in connection with this
6 agreement, (b) has not entered into this agreement based upon the recommendation of any other
7 party or any attorney or advisor to any other party, and (c) is not entitled to rely upon any
8 communication or disclosure by any attorney or adviser to any other Party to avoid any tax penalty
9 that may be imposed on the Acknowledging Party; and (3) no attorney or adviser to any other Party
10 has imposed any limitation that protects the confidentiality of any such attorney's or adviser's tax
11 strategies (regardless of whether such limitation is legally binding) upon disclosure by the
12 Acknowledging Party of the tax treatment or tax structure of any transaction, including any
13 transaction contemplated by this agreement. Defendant, Defense Counsel, Plaintiff, and PAGA
14 Counsel make no representation as to the tax treatment or legal effect of the payments called for
15 hereunder, and Plaintiff and PAGA Members are not relying on any statement, representation, or
16 calculation by Defendant, Defense Counsel, or by the Settlement Administrator in this regard.
17 Plaintiff understands and agrees that he will be solely responsible for the payment of any taxes and
18 penalties assessed on the payments described herein.

19 60. Taxes or Penalties Assessed. Plaintiff will be solely responsible for the payment of
20 any taxes and penalties assessed on the payments described herein and will hold Defendant,
21 Defense Counsel, the Released Parties, and the Settlement Administrator free and harmless from
22 and against any claims resulting from treatment of such payments as non-taxable damages.

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

27 62. Exhibits Incorporated by Reference. The terms of this Settlement Agreement
28 include the terms set forth in any attached Exhibits, which are incorporated by this reference as

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1 though fully set forth herein. Any Exhibits to this Settlement Agreement are an integral part of the
2 Settlement.

3 63. Entire Agreement. This Settlement Agreement and any attached Exhibits constitute
4 the entirety of the Parties' settlement terms, and no oral or written representations, warranties or
5 inducements have been made to any Party concerning this Settlement Agreement or its Exhibits
6 other than the representations, warranties and covenants contained and memorialized in the
7 Settlement Agreement and its Exhibits.

8 64. Amendment or Modification. This Agreement may be amended or modified only
9 by a formal written instrument signed by counsel for all Parties or their successors-in-interest.

10 65. Authorization to Enter Into Settlement Agreement. The Parties warrant and
11 represent they are expressly authorized by the Parties whom they represent to negotiate this
12 Settlement Agreement and to take all appropriate action required or permitted to be taken by such
13 Parties pursuant to this Settlement Agreement to effectuate its terms. The person signing this
14 Settlement Agreement on behalf of Defendant represents and warrants that he is authorized to sign
15 this Settlement Agreement on behalf of Defendant. Plaintiff represents and warrants that she is
16 authorized to sign this Settlement Agreement and that she has not assigned any claim covered by
17 this Settlement Agreement to a third party.

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

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

26 68. California Law Governs. All terms of this Settlement Agreement and Exhibits
27 hereto will be governed by and interpreted according to the laws of the State of California.

69. Execution and Counterparts. This Settlement Agreement may be executed in one or more counterparts. All executed counterparts and each of them, including facsimile, electronic, and scanned copies of the signature page, will be deemed to be one and the same instrument.

70. Acknowledgement that the Settlement is Fair, Adequate, and Reasonable. The Parties believe this Agreement is a fair, adequate, and reasonable settlement of the Action and have arrived at this Settlement after arm's-length negotiations facilitated by an experienced wage and hour class action mediator, and in the context of adversarial litigation, taking into account all relevant factors, present and potential. The Parties further acknowledge that they are each represented by competent counsel and that they have had an opportunity to consult with their counsel regarding the fairness, adequacy, and reasonableness of this Agreement.

71. Waiver of Certain Appeals. In the event the Court grants Approval of this Settlement, the Parties agree to waive appeals concerning this Settlement except as to the right to appeal Attorneys' Fees and Attorneys' Costs in the event it is not approved as described above.

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

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

It is hereby agreed.

Dated: Dec 6, 2023

PLAINTIFF LAURIE JOHNSON

By *Laurie Johnson*
Laurie Johnson (Dec 6, 2023 17:27 PST)
LAURIE JOHNSON

Dated: _____

DEFENDANT AMSPEC, LLC

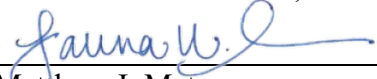
By _____
Name: Malcolm Vella
Title: Chief Operations Officer

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APPROVED AS TO FORM:

Dated: 12/07/23

MATERN LAW GROUP, PC

By 
Matthew J. Matern
Launa Adolph
Attorneys for Plaintiff and the aggrieved
employees

APPROVED AS TO FORM

Dated: _____

LITTLER MENDELSON, P.C.

By _____
Karimah J. Lamar
Christina H. Hayes
Attorneys for Defendant
AMSPEC, LLC

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APPROVED AS TO FORM:

Dated: _____

MATERN LAW GROUP, PC

By _____
Matthew J. Matern
Launa Adolph
Attorneys for Plaintiff and the aggrieved
employees

APPROVED AS TO FORM

Dated: 12/7/2023

LITTLER MENDELSON, P.C.

By  _____
Karimah J. Lamar
Christina H. Hayes
Attorneys for Defendant
AMSPEC, LLC

EXHIBIT A

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SONOMA

LAURIE JOHNSON, individually and on
behalf of others similarly situated,

Plaintiff,

AMSPEC, LLC, a New Jersey limited liability
company; and DOES 1 through 50, inclusive,

Defendants.

CASE NO. CIVMSC20-00718

**NOTICE OF PRIVATE ATTORNEYS
GENERAL ACT SETTLEMENT**

This is to notify you that you have been designated to receive a settlement award pursuant to the California Private Attorney General Act (“PAGA”), Labor Code section 2699, *et seq.*, in connection with your employment with AmSpec, LLC (“AmSpec”). This settlement award arises from a lawsuit filed by plaintiff Laurie Johnson (“Plaintiff”) against AmSpec in Contra Costa County Superior Court, entitled *Johnson v. AmSpec, LLC*, Case No. CIVMSC20-00718.

In the lawsuit, Plaintiff alleged that AmSpec violated California labor laws by failing to provide non-exempt employees meal and rest breaks, failing to pay minimum and overtime wages, failing to reimburse business expenses, and other derivative claims, and sought civil penalties under PAGA on behalf of all persons who were employed by AmSpec in the State of California as hourly paid or non-exempt employees from February 4, 2019 to [date Settlement Agreement is signed] (the “PAGA Period”). AmSpec denies any wrongdoing and all liability in the action but has agreed to settle the matter to avoid the expense and disruption of further litigation.

Enclosed please find a check in the amount of \$[redacted], which may be cashed until [180 days from date of mailing]. Any checks which remain uncashed after [180 days from date of mailing] will be voided and the amount represented by the voided check will be paid to the State of California Unclaimed Property Fund in the name of the employee who did not cash the check. The amount of your settlement check is based on the number of pay periods you worked for AmSpec in California during the PAGA Period. The amount represents penalties and will be reported on an IRS Form 1099. If you have any questions regarding tax reporting or payment, you should contact a tax professional.

Under the terms of the Court-approved settlement, you have released AmSpec and related entities of any and all claims for civil penalties under the PAGA which were alleged in the operative complaint and LWDA notice, or reasonably could have been alleged based on the facts contained in the operative complaint and the LWDA notice, including claims based on Defendant’s alleged failure to pay all wages due (including minimum wages, straight time wages, and overtime wages), failure to provide compliant meal periods, failure to authorize and permit compliant rest periods, failure to provide accurate and itemized wage statements, failure to maintain required records, failure to timely pay all wages due during employment and at the time of termination, failure to reimburse employees for all business-related expenses, and any claims based on alleged violations

of California Labor Code sections 201, 202, 203, 204, 210, 223, 224, 225.5, 226, 226.3, 226.7, 300, 510, 512, 558, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 1199, 2699, and 2802, and the California Industrial Welfare Commission Wage Orders based on the preceding claims, which arose during the PAGA Period.

If you have any questions regarding this award or the case, you may contact the Settlement Administrator identified below.

ILYM Group, Inc.

[mailing address]

[telephone number]

[fax number]

[email address]

PLEASE DO NOT CALL OR WRITE THE COURT ABOUT THIS NOTICE.