

SETTLEMENT AGREEMENT

This settlement agreement (“Settlement Agreement”) is made and entered into between Plaintiff Natalie Randazzo, acting in her capacity as private attorney general, and Defendants Jesse Henry and BCSF, Inc. (“Defendants”).

I. DEFINITIONS

The following terms, when used in this Settlement Agreement, shall have the following meanings:

1. “Action” means the matter entitled *Natalie Randazzo, on behalf of herself and aggrieved employees, v. BCSF, Inc, a company doing business in California, Jesse Henry, an individual, and DOES 1 through 50, inclusive*, Case No. CGC-20-585430, and as set forth in Plaintiff’s correspondence to the California Labor and Workforce Development Agency, dated March 25, 2020.

2. “Aggrieved Employees” consist of all current and former exempt and non-exempt employees of Defendants Jesse Henry and BCSF, Inc. in California during the PAGA Period.

3. “PAGA Period” shall be defined as the period commencing on July 16, 2019 and ending on March 7, 2022.

4. “Defendants” means Jesse Henry and BCSF, Inc.

5. “Court” means the Superior Court of California for the County of San Francisco.

6. “Effective Date” means will be when the approval of the Settlement can no longer be appealed meaning no sooner than 60 court days after the order approving the Settlement is signed and entered by the Court, unless an appeal is taken in which case the effective date is when all appeals are fully and finally concluded. Defendants shall fund the first payment due under the Settlement within fourteen (14) court days after the Effective Date and each payment thereafter as it becomes due.

7. “Individual Settlement Payment” means the amount to be paid to each Aggrieved Employee based on the formula described herein.

8. “LWDA” means the California Labor and Workforce Development Agency.

9. “Maximum Settlement Amount” is the non-reversionary sum of Ninety-Five Thousand Dollars and Zero Cents (\$95,000.00), which represents the total amount payable by Defendants under this Settlement Agreement if the Court approves the settlement set forth in this Settlement Agreement. The Maximum Settlement Amount is the maximum amount Defendants can be required to pay under the Settlement, including: (1) Payments to the PAGA Employees of their share of the Net Settlement Amount (defined below); (2) Plaintiff Counsel’s Attorneys’ Fees; (3) Plaintiff Counsel’s Litigation Costs and

Expenses; (4) Settlement Administration Costs; (5) and the Payment to the LWDA of its share of Net Settlement Amount (defined below).

10. “Net Settlement Amount” is the amount remaining to distribute to the LWDA and Aggrieved Employees after the following amounts (subject to Court approval) are subtracted from the Maximum Settlement Amount: (a) Plaintiff’s attorneys’ fees up to thirty-five (35%) of the Maximum Settlement Amount, currently estimated at \$33,250.00; (b) Plaintiff’s reasonable verified litigation costs up to \$15,000.00; (c) reasonable third-party administration costs up to \$10,000.00. The LWDA will be paid 75% of the Net Settlement Amount and the remaining 25% of the Net Settlement Amount (“Aggrieved Employee Fund”) will be paid to Aggrieved Employees as set forth below.

11. “PAGA” means the California Labor Code Private Attorneys General Act, California Labor Code § 2698, *et seq.*

12. “PAGA Released Claims” means any and all claims for civil penalties under PAGA that were actually alleged or could have been alleged in the Action by Plaintiff, on behalf of the State of California, herself and the Aggrieved Employees, based on the facts alleged in the Complaint, including but not limited to: (a) civil penalties pursuant to Labor Code sections 201, 202, 203, 204, 226, 226.7, 512, 516, 558, 1102.5, 1174, 1194 and 1197; (b) Attorneys’ Fees and costs incurred in the prosecution of the Action on behalf of the Aggrieved Employees; (c) any other PAGA penalties based on the facts alleged in the Complaint and in the PAGA Notice defined herein below; and (d) all claims that Plaintiff and/or the Aggrieved Employees may have against the Released Parties relating to the payment, taxation, and allocation of attorneys’ fees and costs to Plaintiff’s Counsel pursuant to this Settlement Agreement. The release of the Released Claims shall be effective as to the PAGA Period.

13. “Released Parties” means Jesse Henry and BCSF, Inc., as well as its predecessors, successors, merged entities, parents, subsidiaries, affiliates, related organizations, all of their respective officers, directors, employees, administrators, fiduciaries, trustees, beneficiaries, and agents, and each of their past, present, and future officers, directors, shareholders, employees, agents, principals, heirs, representatives, accountants, attorneys, auditors, consultants, insurers, and reinsurers.

14. “Parties” means Plaintiff and Defendants.

15. “Plaintiff” means Natalie Randazzo.

16. “Plaintiff’s Counsel” means Justin Lo of Work Lawyers, PC.

17. “Settlement Administrator” means Phoenix Settlement Administrator, a third-party settlement claims administrator that the Parties will ask the Court to appoint for the purposes of administering this Settlement Agreement. The Parties each represent that they do not have any financial interest in the Settlement Administrator or otherwise have a relationship with the Settlement Administrator that could create a conflict of interest.

II. RECITALS

1. Plaintiff alleges that Defendants failed to: (i) authorize and permit all lawful rest periods; (ii) authorize and permit all lawful meal periods; (iii) pay for all hours worked at the requisite minimum wage; (iv) maintain and issue accurate wage statements; (v) timely pay Aggrieved Employees all wages during employment; (vi) pay for overtime wages and (vii) timely pay the Aggrieved Employees all final wages owed upon their separation from employment, and is therefore liable for civil penalties under PAGA. Defendants deny these allegations and, in making this Settlement, Defendants do not admit the sufficiency of, or liability for, any claims, allegations, assertions, or contentions made against them in the Action.

2. On March 25, 2020 Plaintiff provided written notice of her intent to file a claim for civil penalties under PAGA to the LWDA and Defendants, alleging that Defendants violated California Labor Code sections 201-203, 204, 210, 221-224, 226, 226.3, 226.6, 226.7, 510, 512, 558, 558.1, 1197, 1197.1, 1194, 1198-1199, 2802, 2699, and 1174, as described in Section II.1.

3. On July 16, 2020, Plaintiff filed a representative action complaint titled *Natalie Randazzo v. BCSF, Inc, Jesse Henry, and DOES 1 through 50*, San Francisco County Superior Court, Case No. CGC-20-585430, asserting a single cause of action under the PAGA for violations of Labor Code sections 201, 202, 203, 204, 226, 226.7, 512, 510, 1194, and 1197, based on the allegations described in Section II.1.

4. In response to Plaintiff's Counsel's informal discovery requests, Defendant provided Plaintiff's Counsel with information and documents pertaining to Plaintiff and other Aggrieved Employees in order for Plaintiff's Counsel to investigate Plaintiff's allegations and value the PAGA claim.

5. On January 5, 2022, the Parties participated in a full-day mediation with Tripper Ortman. With the assistance of Mr. Ortman, the Parties agreed to fully and finally resolve the PAGA Released Claims as to Plaintiff and Aggrieved Employees.

6. On January 5, 2022, the Parties executed a Memorandum of Understanding ("MOU"), which broadly outlined the terms of their settlement agreement of Plaintiff's PAGA claim.

7. There has been no determination of the merits of the Action or the Plaintiff's PAGA Notice but, in order to avoid additional cost and the uncertainty of litigation, the Parties desire to resolve the Action.

8. The Parties' Settlement Agreement contemplates the (a) entry of an order by the Court approving the payment allocated for resolution of the PAGA penalties; (b) dismissal of the Action with prejudice; and (c) all parties bearing their respective fees and costs except as expressly provided in this Settlement Agreement.

III. OPERATIVE TERMS OF SETTLEMENT

The Parties agree as follows:

1. **Non-Admission.** Nothing in this Settlement Agreement shall be construed to be an admission by Plaintiff that her claims do not have merit or by Defendants of any liability or wrongdoing as to Plaintiff, the Aggrieved Employees, or any other person, and Defendants specifically disclaim any such liability or wrongdoing. The Parties have entered into this Settlement Agreement with the intention to avoid further disputes and litigation with the attendant inconvenience, expenses, and risks. This Settlement Agreement and any related court documents or orders are not, and may not be, cited or admitted as evidence of liability.

2. **Court Approval and Submission to LWDA.** Within forty-five (45) court days after Defendants' Counsel receives the MOU signed by Plaintiff and her Counsel, Counsel for Defendants will provide a draft of the final written settlement agreement and all supporting documents to Plaintiff's Counsel. Thereafter, the Parties shall cooperate in finalizing the settlement agreement. Counsel for Plaintiff are responsible for preparing all papers needed for court approval of the Settlement.

The Parties will seek to obtain the Court's approval of the payment of Maximum Settlement Amount as described in this Settlement Agreement by way of an unopposed motion for approval of the Settlement to be filed by Plaintiff's Counsel. Plaintiff's Counsel will provide Counsel for Defendants with a draft of the motion for settlement approval at least seven (7) court days before it is filed with the Court for Defendants' review and input. The Parties agree to cooperate to promote participation in the Settlement and in seeking court approval of the Settlement, including working cooperatively to address any questions raised by the Court and making any amendments required by the Court. Defendants reserve the right to file briefing if clarification is needed and the Parties are unable to resolve their differences concerning same prior to Plaintiff's filing of the motion for settlement approval. The Parties agree to work diligently and cooperatively to have the Settlement presented to the Court for approval.

Should the Court not grant approval of the payment of the Settlement Sum as described in this Settlement Agreement, then the entirety of this Settlement Agreement shall be considered void *ab initio* and shall be of no force or effect whatsoever, and shall not be referred to or utilized for any purpose whatsoever. However, in the event the Settlement is not approved by the Court, the Parties agree to attend mediation with Mediator Tripper Ortman again in an effort to reach a settlement approved by the Court.

Pursuant to California Labor Code § 2699(l), Plaintiff will provide a copy of this Settlement Agreement to the LWDA concurrently with the filing of the motion for Settlement Approval. Plaintiff or Plaintiff's Counsel will also file a declaration in support of the motion for Settlement Approval confirming that she has submitted the Settlement Agreement to the LWDA in compliance with Labor Code § 2699(l). Upon entry of judgment by the Court, Plaintiff's Counsel shall submit a copy of the judgment to the LWDA, and provide proof of said submission to counsel for Defendants.

3. **No Additional Contribution by Defendants.** Defendants' monetary obligation under this Settlement Agreement is limited to the Maximum Settlement Amount without exception. All costs and expenses arising out of or in connection with performance of this Agreement shall be paid from the Maximum Settlement Amount, unless expressly provided otherwise herein. Defendants have no employer tax obligation attributable to the payments set forth in this Settlement Agreement. However, in the event this Agreement is deemed null and void, as set forth in this Settlement Agreement, then Plaintiff shall be responsible for the costs of the Settlement Administrator incurred between the date the Settlement Agreement was executed and the date of such event.

4. **Net Settlement Amount.** The Parties agree that the following amounts should be subtracted from the Maximum Settlement Amount, if approved by the Court, resulting in a Net Settlement Amount to distribute to the LWDA and Aggrieved Employees:

Plaintiff's Attorneys' Fees and Costs. Defendants will not oppose Plaintiff's request for attorneys' fees in the amount of up to thirty-five percent of the Maximum Settlement Amount (currently estimated to be \$33,250.00) and actual costs incurred in prosecuting this Action, up to \$15,000.00. In the event the Court approves a payment of less than these amounts, the difference will be added to the Net Settlement Amount. The Settlement Administrator will report these payments on IRS Form 1099 issued to Plaintiff's Counsel.

- a. **Request for Plaintiff's Enhancement Payment.** Defendants will not oppose a request by Plaintiff for an enhancement payment of up to \$2,000.00 to be deducted from the Maximum Settlement Amount in exchange for her service as a Plaintiff-representative. This enhancement payment is in addition to the payment to which she receives as an aggrieved employee. Any amounts not awarded by the Court under this provision shall be included in the Net Settlement Amount.
- b. **Administration Costs.** The Parties will obtain a not-to-exceed quote from Phoenix Settlement Administrators ("Settlement Administrator"). Defendants will not oppose the Settlement Administrator's costs in the amount up to \$10,000.00 for administering the Settlement. In the event the Court approves a payment of less than this amount, the difference will be added to the Net Settlement Amount. The Settlement Administrator will report this payment on IRS Form 1099 issued to the Settlement Administrator.

5. **Allocation of Net Settlement Amount.** The Net Settlement Amount shall be distributed 75% to the LWDA and 25% to the Aggrieved Employees, pursuant to Labor Code § 2699(i). The 25% allocated to be paid to Aggrieved Employees shall be distributed to all Aggrieved Employees with each Aggrieved Employee receiving a proportional share (based on the number of pay periods each employee worked in the PAGA Period) of the 25% allocation.

6. **Release By Aggrieved Employees.** Upon entry of an Order approving the Settlement Agreement, Plaintiff, all of the Aggrieved Employees, and the State of California

shall be deemed to have fully, finally, and forever released, relinquished, and discharged any and all PAGA Released Claims against the Released Parties that arose during the PAGA Period. Upon entry of the Order approving the Settlement Agreement and judgment entered thereon, Plaintiff, the Aggrieved Employees, and the State of California will be forever barred from pursuing any and all of the PAGA Released Claims that arose during the PAGA Period against the Released Parties. Aggrieved Employees may discover facts in addition to those they now know or believe to be true with respect to the subject matter of the PAGA Released Claims, but upon the Effective Date of the Settlement Agreement, the Aggrieved Employees shall be deemed to have, and by operation of the Order approving the Settlement Agreement shall have fully, finally, and forever released any and all of the PAGA Released Claims, without regard to the subsequent discovery or existence of such different or additional facts. Upon the Effective Date of the Settlement Agreement, Plaintiff and the Aggrieved Employees are estopped from suing or otherwise making any claim against any of the Released Parties seeking recovery for any of the PAGA Released Claims. It is the intent of the Parties that the Order approving the Settlement Agreement shall have full *res judicata* effect and be final and binding upon Plaintiff and the other Aggrieved Employees regarding the PAGA Released Claims.

7. **No Right of Aggrieved Employees to Object or Opt-Out.** The Parties agree that there is no statutory right for any Aggrieved Employee to object, opt out, or otherwise exclude himself or herself from the Settlement Agreement. Except as otherwise stated, the Parties will vigorously defend against any attempt by any Aggrieved Employee or by any entity or agency to intervene in this matter or object to/opt-out of this settlement. The Parties further agree that there is no right or opportunity for any Aggrieved Employee, other than Plaintiff, to appeal the denial of the motion to approve the Settlement Agreement by the Court. The Parties will jointly defend against any appeal filed with respect to the Court Order approving the Settlement Agreement.

8. **Waiver of Certain Appeals.** In the event the Court grants approval of this Settlement Agreement, the Parties agree to waive appeals concerning this Settlement Agreement.

9. **Further Release by Plaintiff.** Plaintiff and any person acting by, through, or under her, hereby releases, waives, and forever discharges the Released Parties from any and all actions, demands, obligations, agreements, or proceedings of any kind, whether known or unknown, which exist as of the date Plaintiff signs this Settlement Agreement, including, but not limited to, all claims for civil penalties under PAGA that were actually alleged or that could have been alleged in the Action by Plaintiff, on behalf of the State of California, herself and the PAGA Employees, based on the facts, theories, primary rights, statutory or other legal grounds referenced in or alleged in the Complaint and Plaintiff's PAGA letter dated March 25, 2020 to the LWDA ("PAGA Letter"), including but not limited to: (a) penalties pursuant to Labor Code Sections 98.6, 201, 202, 203, 206.5, 210, 221, 226, 226.3, 226.7, 226.8, 227.7, 246, 248.5, 510, 512, 558, 558.1, 1102.5, 1182.12, 1174, 1194, 1194.2, 1197, 1198.5, 2802, 2699, 2699.3, 2699.5, and IWC Wage Order 7; (b) attorney's fees and costs incurred in the prosecution of this Action on behalf of the PAGA Employees; and (c) any other PAGA penalties based on the facts or theories alleged in the Complaint or PAGA Letter. Plaintiff further releases any additional claims arising out of, or connected with, her

hiring and employment, her separation of employment, and/or all matters in law, in equity, in contract, or in tort, or pursuant to statute, including damages, attorneys' fees, costs, and expenses and, without limiting the generality of the foregoing, all claims arising under the Age Discrimination in Employment Act of 1967, as amended ("ADEA"), the Older Workers Benefit Protection Act ("OWBPA"), Title VII of the Civil Rights Act of 1964, the Civil Rights Act of 1991, the Americans With Disabilities Act, the California Fair Employment and Housing Act, California Labor Code, California Civil Code, the Fair Credit Reporting Act and its state law counterparts, or any other federal, state, or local law, statute, or ordinance related to Plaintiff's previous employment with Defendants, or the termination of that employment. Plaintiff understands this release does not apply to: any claims or rights that may arise after the date that Plaintiff signs this Settlement Agreement; the consideration for this release; vested rights under Defendant's ERISA-covered employee benefit plans as applicable on the date Plaintiff signs this release; any claims for workers' compensation benefits arising from Plaintiff's employment; and, any claims which may not be released by private agreement. Plaintiff further agrees that all rights under section 1542 of the Civil Code of the State of California and any similar state or federal law are hereby waived by her. Section 1542 provides 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 HER, WOULD HAVE MATERIALLY AFFECTED HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

10. **Covenants and Representations by Plaintiff.** Plaintiff represents and warrants that she has not assigned or transferred, or purported to assign or transfer, to any person or entity, any claim or portion thereof, or interest therein, which is or may be subject to this Settlement Agreement. Plaintiff acknowledges that she has read this Settlement Agreement, that she fully understands her rights, privileges and duties under the Settlement Agreement, and enters into this Settlement Agreement freely and voluntarily. Plaintiff further acknowledges that she had the opportunity to consult with her attorneys to explain the terms of this Settlement and the consequences of signing this Settlement Agreement.

11. **Confidentiality.** Except as provided herein, and to the extent necessary to effectuate the Settlement Agreement or as required by court or legal process, Plaintiff and Plaintiff's Counsel will keep the terms of this Settlement confidential. Neither Plaintiff nor Plaintiff's Counsel shall issue a press release, hold a press conference, publish information about the Settlement on any website or through any social media or otherwise publicize the Settlement Agreement or communicate its terms in public or in private, unless ordered by the Court. However, for the limited purpose of establishing adequacy of counsel in future actions, Plaintiff's Counsel may reference the Action by name and case number in a declaration establishing adequacy as class or representative counsel.

12. **Judgment.** As part of the Motion to approve the Settlement Agreement, Plaintiff shall submit a proposed order and judgment which enters judgment in the Action in accordance with the terms of this Settlement Agreement and which retains jurisdiction of the Court over the Action for the purpose of enforcing the terms of the Settlement Agreement following approval of the Settlement Agreement. This Settlement Agreement is expressly conditioned upon the Court entering an order as set forth herein. The order will not release or bar any claims other than the PAGA Released Claims as to the Aggrieved Employees. The Parties agree to reasonably cooperate in preparing any other filings required by the Court for the approval of the Settlement Agreement.

IV. ADMINISTRATION OF SETTLEMENT

1. **Settlement Administrator.** The Parties agree to use Phoenix Settlement Administrators to handle the administration of this Settlement Agreement. Upon approval of the Court, Plaintiff's Counsel will retain the Settlement Administrator to administer this Agreement. The Settlement Administrator will be responsible for: establishing the settlement fund account; calculating Individual Settlement Payments; preparing, printing, and mailing the individual settlement checks and accompanying Notice; disbursing payment of attorneys' fees and attorneys' costs to Plaintiff's Counsel; disbursing payment to the LWDA consisting of seventy-five percent (75%) of the Net Settlement Amount; printing and providing Aggrieved Employees and Plaintiff's Counsel with IRS Forms 1099 as required under this Settlement Agreement and applicable law; providing a due diligence declaration for submission to the Court upon completion of the terms of the Settlement Agreement; and for such other tasks as the Parties mutually agree or the Court orders. The Settlement Administrator shall keep the Parties timely apprised of the performance of all Settlement Administrator responsibilities, and shall not mail any payments to Plaintiff, the LWDA, Plaintiff's Counsel or any Aggrieved Employee until the amounts are approved by the Parties. Any legally mandated tax reports, tax filings, or other tax documents required by the administration of this Agreement shall be prepared by the Settlement Administrator. Any expenses incurred in connection with such preparation shall be part of the settlement administration costs. The settlement administration costs shall be paid out of the Maximum Settlement Amount. To the extent the Court awards payments of settlement administration costs in an amount that is less than the amount stated herein, the remainder shall become part of the Net Settlement Amount.

2. **Provision of Information for Aggrieved Employees.** No later than thirty (30) calendar days after the date on which the Court enters an order granting approval of the Settlement, Defendants shall provide the Settlement Administrator with a Microsoft Excel spreadsheet containing the following information for each Aggrieved Employee: (1) full name; (2) last known home address; (3) last known telephone number; (4) social security number; (5) start and end dates of active employment as an Aggrieved Employee of Defendant in the State of California; (6) total Pay Periods worked during the PAGA Period; and (7) any other information required by the Settlement Administrator in order to effectuate the terms of the Settlement ("Aggrieved Employee List"). Because pay periods may not be readily determined based on employment start and end dates alone as a result of inconsistent operations during the COVID-19 Pandemic, Defendants may also submit pay

period totals for the Aggrieved Employees. Because Social Security numbers are included in the list, the Settlement Administrator will maintain the list in confidence, and access shall be limited to those with a need to use the list as part of the administration of the Settlement Agreement. This list of Aggrieved Employees will not be provided to Plaintiff's Counsel.

Within ten (10) business days of receiving the Aggrieved Employees' information from Defendants, the Settlement Administrator will circulate to counsel for both Parties an anonymized spreadsheet containing the Individual Settlement Payments to each Aggrieved Employee (identified by employee number or similar) and the data used to calculate said payments. The Settlement Administrator shall obtain approval from all counsel for the Parties of the calculations before mailing Individual Settlement Payments.

3. **Explanatory Letter and Individual Settlement Payments.** Upon receipt of the information for Aggrieved Employees, the Settlement Administrator will perform a search on the National Change of Address database to update the Aggrieved Employees' addresses.

Within five (5) business days after Defendants make their first scheduled deposit of the Maximum Settlement Amount with the Settlement Administrator, as provided above, the Settlement Administrator shall mail copies of the explanatory letter, which has been mutually approved by the Parties and is attached hereto as **Exhibit A**, in English, along with the Individual Settlement Payments to all Aggrieved Employees via First-Class U.S. Mail.

Each Individual Settlement Payment shall be deemed penalties and reported using IRS Form 1099. If any checks to PAGA Employees remain uncashed 180 calendar days after distribution of the Net Settlement Amount, such remaining funds shall be forwarded to the Controller of the State of California pursuant to the Unclaimed Property Law, California Civil Code § 1500, *et seq.*, to be held in trust for those PAGA Employees who did not timely cash their Individual Settlement Share checks. The Parties agree that this disposition results in no "unpaid residue" under California Civil Procedure Code § 384, as all payments to PAGA Employees will be paid out, whether or not these individuals cash their Individual Settlement Share checks. Therefore, Defendants will not be required to pay any interest on such amounts.

4. **Undeliverable Notices.** The Settlement Administrator shall exercise its best judgment to determine the current mailing address for each Aggrieved Employee. The address identified by the Settlement Administrator as the current mailing address shall be presumed to be the best mailing address for each Aggrieved Employee.

Any checks returned as non-deliverable on or before the check cashing deadline will be sent promptly via First-Class U.S. Mail to the forwarding address affixed thereto. If no forwarding address is provided, the Settlement Administrator will promptly attempt to determine the correct address using a Skip-Trace or other search using the name, address or Social Security number of the Aggrieved Employee involved, and will perform a single re-mailing.

Defendants will be deemed to have fully discharged its obligations to those

Aggrieved Employees to whom they will pay an Individual Settlement Payment through the Settlement Administrator's initial mailing of a check, regardless of whether such checks are actually received and/or negotiated by Aggrieved Employees.

5. **Defendants' Satisfaction of Obligation to Aggrieved Employees.** The Settlement Administrator's compliance with the procedures set forth in Section[s] IV, *inclusive*, shall constitute due and sufficient notice to the Aggrieved Employees and shall satisfy Defendants' obligation to Aggrieved Employees for payment under this Settlement Agreement.

6. **Payout Calculation.** Each Aggrieved Employee's *pro rata* share of the Aggrieved Employee Fund ("Individual Settlement Share") will be determined by converting the Aggrieved Employee Fund into a Pay Period Value. The Pay Period Value will be established by dividing the Aggrieved Employee Fund by all Pay Periods worked by PAGA Employees from July 16, 2019 through March 7, 2022 ("PAGA Period"). The Pay Periods worked by Aggrieved Employees during the PAGA Period will be determined using Defendants' records, which were previously produced to Plaintiff's Counsel. The Individual Settlement Share for each Aggrieved Employee will be determined by multiplying the Pay Period Value by each Aggrieved Employee's individual worked pay periods during the PAGA Period. All payments are for penalties and will be reported on IRS 1099 forms. For purposes of the Settlement, "Pay Period" refers to any pay period, in which an Aggrieved Member worked at least 1 day.

The Maximum Settlement Amount will be paid as follows: The first payment will be due 120 days from January 5, 2022 (mediation date) in the amount of \$7,916.66. The remaining payments will be in the same amount paid on a **monthly** basis for a total period of 12 months until the final payment is made. Payments will be made to the Administrator to be held in an interest-bearing account until Court approval of the settlement. If the Court does not approve, or if the Court approves and there is an appeal, all money will be returned to Defendants.

7. **Accounting.** Within fifteen (15) business days following the mailing of the first payment of the Individual Settlement Payment, the Settlement Administrator will provide an accounting under oath to the Parties of the amounts paid from the Settlement Agreement.

8. **Tax Consequences.** Individual Settlement Payments made under this Settlement Agreement will be attributed 100% as penalties and interest and paid pursuant to an IRS Form 1099 issued to each Aggrieved Employee. The Parties make no representation as to the tax treatment or legal effect of the payments called for hereunder, and the Parties are not relying on any statement, representation, or calculation by any of the Parties or by the Settlement Administrator in this regard. Plaintiff understands and agrees that she will be solely responsible for the payment of any taxes and penalties assessed on the payments described herein and will hold Plaintiff's Counsel, Defendants, the Released Parties, Defense Counsel, and the Settlement Administrator free and harmless from and

against any claims resulting from treatment of such payments as non-taxable damages. Each Party to this Settlement Agreement (for purposes of this section, the “Acknowledging Party” and each Party to this Settlement Agreement other than the Acknowledging Party, an “other Party”) acknowledges and agrees that: (a) no provision of this Settlement Agreement, and no written communication or disclosure between or among the Parties or their attorneys and other advisers, is or was intended to be, nor will any such communication or disclosure constitute or be construed or be relied upon as, tax advice within the meaning of United States Treasury Department Circular 230 (31 C.F.R. Part 10, as amended); (b) the Acknowledging Party (i) has relied exclusively upon his, her or its own, independent legal and tax counsel for advice (including tax advice) in connection with this Agreement, (ii) has not entered into this Settlement Agreement based upon the recommendation of any other Party or any attorney or advisor to any other Party, and (iii) is not entitled to rely upon any communication or disclosure by any attorney or advisor to any other Party to avoid any tax penalty that may be imposed on the Acknowledging Party; and (c) no attorney or adviser to any other Party has imposed any limitation that protects the confidentiality of any such attorney’s or adviser’s tax strategies (regardless of whether such limitation is legally binding) upon disclosure by the Acknowledging Party of the tax treatment or tax structure of any transaction, including any transaction contemplated by this Settlement Agreement.

V. MISCELLANEOUS PROVISIONS

1. **Successors.** This Settlement Agreement shall be binding upon and inure to the benefit of the Parties hereto (including the Released Parties) and their respective heirs, trustees, executors, administrators, and successors.

2. **Costs and Fees.** The Parties shall each bear their own costs, attorneys’ fees, mediator fees and other fees incurred in connection with this Settlement Agreement, the Action and Plaintiff’s claims, except as otherwise set forth specifically herein.

3. **Governing Law.** This Settlement Agreement shall be construed under and governed by the laws of the State of California, without regard to choice of law principles. All questions of validity, interpretation, or performance of any of its terms or of any rights or obligations of the Parties to this Settlement Agreement shall be governed by California law. If any legal or equitable action is necessary to enforce the terms of this Settlement Agreement, it shall be brought in the State of California, County of San Francisco.

4. **Plaintiff’s Individual Settlement.** Plaintiff will sign a separate agreement (“Plaintiff’s **Agreement**”) that will include a release and a Civil Code section 1542 waiver of all claims known and/or unknown.

5. **Complete Agreement.** The Parties each acknowledge and represent that no promise or representation not contained in this Settlement Agreement has been made to them and acknowledge and represent that this Settlement Agreement in addition to Plaintiff’s Agreement described in Section V(4), contain the entire understanding between them and contains all terms and conditions pertaining to the compromise and settlement of the Action. This Settlement Agreement cannot be amended or modified except by a writing signed by the Parties hereto.

6. **Judgment and Continued Jurisdiction.** After approval of this Settlement Agreement, the Court will have continuing jurisdiction solely for purposes of addressing: (i) the interpretation and enforcement of the terms of the Settlement Agreement; (ii) settlement administration matters; and (iii) such post-judgment matters as may be appropriate under court rules or as set forth in this Settlement Agreement.

7. **Amendment or Modification.** This Settlement Agreement may be amended or modified only by a written instrument, signed by the Parties or their successors-in-interest or counsel for the Parties.

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

9. **Execution and Counterparts.** This Settlement Agreement is subject only to the execution of the Parties. However, the Settlement Agreement may be executed in one or more counterparts. All executed counterparts, and each of them, including facsimile and scanned copies of the signature page, will be deemed to be one and the same instrument provided that counsel for the Parties will exchange among themselves original signed counterparts.

10. **Acknowledgement that the Settlement is Fair and Reasonable.** The Parties believe this Settlement Agreement is a fair, adequate, and reasonable settlement of the Action, and have arrived at this Settlement Agreement after arm's-length negotiations by experienced counsel. 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 and reasonableness of this Settlement Agreement.

11. **Invalidity of Any Provision.** Before declaring any provision of this Settlement Agreement invalid, the Court will first attempt to construe the provision as valid to the fullest extent possible consistent with applicable precedents, so as to define all provisions of this Settlement Agreement valid and enforceable.

12. **Severability.** If any term or provision of this Settlement Agreement is held to be invalid or unenforceable, the remaining portions of this Settlement Agreement will continue to be valid and will be performed, construed, and enforced to the fullest extent permitted by law, and the invalid or unenforceable term will be deemed amended and limited in accordance with the intent of the Parties, as determined from the face of the Settlement Agreement, to the extent necessary to permit the maximum enforceability or

validation of the term or provision.

13. **Waiver.** No waiver of any condition or covenant contained in this Settlement 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.

14. **Enforcement Action.** The parties agree that the San Francisco Superior Court shall have jurisdiction to enforce this Settlement Agreement pursuant to California Code of Civil Procedure Section 664.6. In the event that one or more of the Parties institutes any legal action or other proceeding against any other Party or Parties to enforce the provisions of this Settlement Agreement or to declare rights and/or obligations under this Settlement Agreement, the successful Party or Parties will be entitled to recover from the unsuccessful Party or Parties reasonable attorneys' fees and costs, including expert witness fees incurred in connection with any enforcement actions.

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

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

17. **Cooperation and Execution of Necessary Documents.** The Parties will cooperate in good faith and execute all documents to the extent reasonably necessary to effectuate the terms of this Settlement Agreement. The Parties agree to work cooperatively, diligently, and in good faith to ensure that all documents necessary to seek the Court's approval of this Settlement Agreement are timely filed.

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

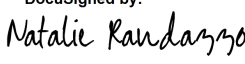
19. **Denial of Liability.** The Parties expressly recognize that the making of this Settlement Agreement does not in any way constitute an admission or concession of wrongdoing on the part of Defendants. Nothing in this Settlement, nor any action taken in implementation thereof, nor any statements, discussions or communications, nor any materials prepared, exchanged, issued or used during the course of this Action, is

intended by the Parties to, nor will any of the foregoing constitute, be introduced, be used or be admissible in any way in any other judicial, arbitral, administrative, investigative or other forum or proceeding, as evidence of any violation of any federal, state or local law, statute, ordinance, regulation, rule or executive order, or any obligation or duty at law or in equity. Notwithstanding the foregoing, this Settlement Agreement may be used in any Court proceeding that has as its purpose the interpretation, implementation or enforcement of the Settlement Agreement or any orders or judgments of the Court entered into in connection therewith.

IN WITNESS THEREOF, the Parties to this Settlement Agreement each acknowledge that they have read the foregoing Settlement Agreement, accept, and agree to the provisions contained in this Settlement Agreement and hereby execute it voluntarily and with full understanding of its consequences.

NATALIE RANDAZZO

DATED:

DocuSigned by:

920E749B87D84FC...
 Natalie Randazzo, Plaintiff
JESSE HENRY

3/11/2022

DATED:

Jesse Henry, Defendant

BCSF, Inc.

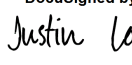
DATED:

BCSF, Inc., Defendant

APPROVED AS TO FORM:

WORK LAWYERS, PC

DATED:

DocuSigned by:

851114C5405E4A4...
 Justin Lo
 Attorneys for Plaintiff Natalie Randazzo

3/10/2022

intended by the Parties to, nor will any of the foregoing constitute, be introduced, be used or be admissible in any way in any other judicial, arbitral, administrative, investigative or other forum or proceeding, as evidence of any violation of any federal, state or local law, statute, ordinance, regulation, rule or executive order, or any obligation or duty at law or in equity. Notwithstanding the foregoing, this Settlement Agreement may be used in any Court proceeding that has as its purpose the interpretation, implementation or enforcement of the Settlement Agreement or any orders or judgments of the Court entered into in connection therewith.

IN WITNESS THEREOF, the Parties to this Settlement Agreement each acknowledge that they have read the foregoing Settlement Agreement, accept, and agree to the provisions contained in this Settlement Agreement and hereby execute it voluntarily and with full understanding of its consequences.

NATALIE RANDAZZO

DATED:

Natalie Randazzo, Plaintiff
JESSE HENRY

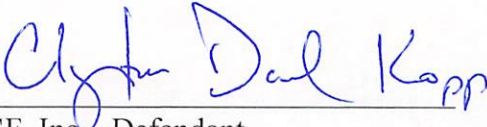
DATED:

Jesse Henry, Defendant

March 14, 2022

BCSF, Inc.

DATED:



BCSF, Inc., Defendant

March 14, 2022

APPROVED AS TO FORM:

WORK LAWYERS, PC

DATED:

Natalie Randazzo
Attorneys for Plaintiff Natalie Randazzo

intended by the Parties to, nor will any of the foregoing constitute, be introduced, be used or be admissible in any way in any other judicial, arbitral, administrative, investigative or other forum or proceeding, as evidence of any violation of any federal, state or local law, statute, ordinance, regulation, rule or executive order, or any obligation or duty at law or in equity. Notwithstanding the foregoing, this Settlement Agreement may be used in any Court proceeding that has as its purpose the interpretation, implementation or enforcement of the Settlement Agreement or any orders or judgments of the Court entered into in connection therewith.

IN WITNESS THEREOF, the Parties to this Settlement Agreement each acknowledge that they have read the foregoing Settlement Agreement, accept, and agree to the provisions contained in this Settlement Agreement and hereby execute it voluntarily and with full understanding of its consequences.

NATALIE RANDAZZO

DATED:

Natalie Randazzo, Plaintiff

JESSE HENRY

Jesse Henry, Defendant

DATED:

3/11/22

BCSF, Inc.

DATED:

BCSF, Inc., Defendant

APPROVED AS TO FORM:

WORK LAWYERS, PC

DATED:

Natalie Randazzo

Attorneys for Plaintiff Natalie Randazzo

LITTLER MENDELSON, P.C.

DATED:



March 14, 2022

Alan Levins
Samlecia D. Gaye
Bianca Rodriguez
Attorneys for Defendants Jesse Henry and
BCSF, Inc.

HAAS & NAJARIAN, LLP

DATED:

Patricia Rosenberg
Corporate Counsel for Defendant BCSF, Inc.

LITTLER MENDELSON, P.C.

DATED:

Alan Levins
Samlecia D. Gaye
Bianca Rodriguez
Attorneys for Defendants Jesse Henry and
BCSF, Inc.

HAAS & NAJARIAN, LLP

DATED:



Patricia Rosenberg
Corporate Counsel for Defendant BCSF, Inc.

March 14, 2022

LITTLER MENDELSON, P.C.

DATED:

Alan Levins
Samlecia D. Gaye
Bianca Rodriguez
Attorneys for Defendants Jesse Henry and
BCSF, Inc.

HAAS & NAJARIAN, LLP

DATED:

Patricia Rosenberg
Corporate Counsel for Defendant BCSF, Inc.

Exhibit A

NOTICE OF PAGA SETTLEMENT AND RELEASE OF CLAIMS

Natalie Randazzo v. BCSF, Inc. and Jesse Henry

San Francisco County Superior Court, Case No. CGC-20-585430

<<EMPLOYEE NAME>>

<<EMPLOYEE STREET ADDRESS>>

<<EMPLOYEE CITY, STATE, ZIP CODE>>

<<XXX-XX- >>

I. NOTICE OF PAGA SETTLEMENT

The San Francisco County Superior Court (the “Court”) has approved a settlement in the above-captioned action filed by Natalie Randazzo (“Plaintiff”) on behalf of herself and all other aggrieved employees.

In this lawsuit, Plaintiff is seeking to recover civil penalties for violations of the California Labor Code on behalf of the California Labor and Workforce Development Agency (“LWDA”) and other aggrieved employees under the Private Attorneys General Act (“PAGA”). These civil penalties are based on Plaintiff’s allegations that Jesse Henry and BCSF, Inc. (“Defendants”) failed to: (i) authorize and permit all lawful rest periods; (ii) authorize and permit all lawful meal periods; (iii) pay for all hours worked at the requisite minimum wage; (iv) maintain and issue accurate wage statements; (v) timely pay Aggrieved Employees all wages during employment; (vi) pay for overtime wages and (vii) timely pay the Aggrieved Employees all final wages owed upon their separation from employment, and is therefore liable for civil penalties under PAGA.

The Court has not made a determination about Plaintiff’s claims. This Notice is not to be understood as an expression of any opinion by the Court as to the merits of Plaintiff’s claims.

Defendants maintain that Plaintiff’s allegations are without merit and enters into this Settlement with no admission of liability, and solely for the purposes of compromising and settling the action to avoid the cost and operational burden of continued litigation.

You are receiving this Notice because you are in the group of employees referred to as “Aggrieved Employees,” which is defined as: all current and former exempt and non-exempt employees who worked for BCSF, Inc. in California from July 16, 2019 through March 7, 2022 (the “PAGA Period”).

II. CALCULATION OF INDIVIDUAL SETTLEMENT PAYMENT

Each Aggrieved Employee is receiving a proportional share of the settlement amount that has been designated as payable to the Aggrieved Employees. Each Aggrieved Employee’s proportional share is based upon the number of pay periods the employee worked during the

PAGA Period. Therefore, your individual settlement payment has been calculated at \$<<AMOUNT PAID TO THIS EMPLOYEE>>. Your payment is enclosed with this Notice.

RELEASE

“Released Parties” means Defendants as well as its predecessors, successors, merged entities, parents, subsidiaries, affiliates, related organizations, all of their respective officers, directors, employees, administrators, fiduciaries, trustees, beneficiaries, and agents, and each of their past, present, and future officers, directors, shareholders, employees, agents, principals, heirs, representatives, accountants, attorneys, auditors, consultants, insurers, and reinsurers.

The Court has approved the parties’ Settlement Agreement (the “Settlement”) and entered judgment thereon. By operation of the Settlement’s terms, all Aggrieved Employees have released the Released Parties from any and all PAGA claims that were pled in the Action, or which could have been pled under the PAGA based on the factual allegations in the Action, that arose during the PAGA period (“PAGA Released Claims”).

Pursuant to the entry of the Order approving the Settlement and entering judgment thereon, any Aggrieved Employee covered by this Agreement is barred from pursuing any and all of the PAGA Released Claims that arose during the PAGA Period against the Released Parties.

III. SETTLEMENT ADMINISTRATOR

PLEASE DO NOT CALL THE COURT ABOUT THIS NOTICE.

You may call the Court-approved Settlement Administrator, Phoenix Class Action Administration Solutions, at <<ADMINISTRATOR INFO>> with any questions.

Settlement checks will remain valid for 180 days. Checks remaining un-cashed for more than 180 days after issuance will be forwarded to the Controller of the State of California pursuant to the Unclaimed Property Law, California Civil Code § 1500, *et seq.*, to be held in trust for those Aggrieved Employees who did not timely cash their Individual Settlement Share checks. If your check is lost or misplaced, you should contact the Settlement Administrator immediately to request a replacement.