

SETTLEMENT AGREEMENT

This Joint Stipulation of PAGA Action Settlement and Release (“Settlement”, “Agreement” or “Settlement Agreement”) is made and entered into by and between Plaintiff Henry Nava (“Plaintiff”) and Defendant Sterling BV, Inc. dba Buena Vista Foods (“Defendant”). Plaintiff and Defendant herein are referred to collectively as the “Parties,” with each being referred to as a “Party.”

WHEREAS, on July 24, 2020, Plaintiff filed an action in the California Superior Court, County of Los Angeles, styled *Henry Nava v. Sterling BV, Inc.*, Case No. 20STCV28159 (the “Action”), alleging a single cause of action under the Labor Code Private Attorneys General Act of 2004 (“PAGA”) premised upon (1) failure to pay all wages due, including overtime to Plaintiff and other aggrieved employees; (2) failure to authorize and permit Plaintiff and other aggrieved employees to take the requisite rest periods; (3) failure to authorize and permit Plaintiff and other aggrieved employees to take the requisite meal periods; (4) failure to provide Plaintiff and other aggrieved employees with accurate wage statements; and (5) failure to pay Plaintiff and other aggrieved employees all wages owed at termination.

WHEREAS, the Action involves the claims of approximately 239 current and former employees of Defendant;

WHEREAS, the Parties engaged in significant efforts to obtain the facts regarding the claims asserted, including a mediation session with respected mediator Francis “Tripper” Ortman and the exchange of detailed briefing and analysis in connection with that mediation;

WHEREAS, the Parties desire to settle, compromise, and avoid litigation relating to the PAGA claim described in the pleadings in the Action, and have agreed to settle the Action by agreement, upon the terms and conditions and for the consideration set forth in this Settlement Agreement;

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, it is hereby agreed by and between the Parties hereto as follows:

I. DEFINED TERMS

RELATING TO PAGA GROUP MEMBERSHIP:

1. “PAGA Group Members” means all individuals who are or previously were employed by Defendant at Defendant’s facility in Azusa, California as non-exempt employees at any time during the period March 28, 2019 to the date of the Court’s approval of the settlement.
2. “PAGA Group” is the group of people comprised of the PAGA Group Members.
3. “PAGA Period” means the period from March 28, 2019 through the Effective Date.
4. “Effective Date” means the date on which the settlement is approved and the Court’s Order of approval becomes final.

RELATING TO PAGA SETTLEMENT NOTICE:

5. “PAGA Group List” means the list of all PAGA Group Members that Defendant will diligently and in good faith compile from its records to accurately reflect the name, most recent mailing address as shown in Defendant’s records, and Social Security number of PAGA Group Members as shown in Defendant’s records, and will be formatted in a readable Microsoft Office Excel (“Excel”) spreadsheet.
6. “PAGA Settlement Notice” and “Notice” means the document attached as Exhibit A.

RELATING TO PAGA GROUP PAYMENT:

7. “Settlement Amount” means the maximum amount that will be paid under this Agreement, inclusive of all payments made to PAGA Group Members, to PAGA Group Counsel, to the California Labor and Workforce Development Agency (“LWDA”) in settlement of California Private Attorneys General Act, Cal. Lab. Code §§ 2698, *et seq.* claim, and to the Settlement Administrator for Administrative Costs, which will total \$127,000.00 and no more. The Settlement Amount is allocated as follows: (a) a maximum of one-third (1/3) of the

Settlement Amount (\$42,333.33) for the payment of PAGA Group Counsel's Attorney Fees; (b) a maximum of \$15,000.00 for the payment of PAGA Group Counsel's Costs; and (c) an amount of not more than \$6,000.00 for Settlement Administration Costs. The PAGA Group Recovery, which is the amount remaining of the Settlement Amount after deduction of Settlement Administration Costs, PAGA Group Counsel's Attorneys' Fees, and PAGA Group Counsel's Attorneys' Expenses, shall be allocated to Labor Code 2699 penalties, including other civil penalties specified in the Labor Code, of which 75% of the payment will be paid to the LWDA and 25% will be paid to the PAGA Group Members. The PAGA Group Members each will be issued a Form 1099 for their share of the PAGA Group Recovery. In the event that the maximum sums stated in subsections (a)-(c) are not approved and awarded by the Court, the unapproved and awarded sums shall be added to the PAGA Group Recovery. None of these sums shall revert to Defendant.

8. "PAGA Group Recovery" means the Settlement Amount less any amounts awarded by the Court for PAGA Group Counsel's Attorney Fees, PAGA Group Counsel's Costs, to the State of California for its share of the PAGA claims and Settlement Administration Costs.

RELATING TO OTHER PAYMENTS:

9. "PAGA Group Counsel" means Bradley/Grombacher, LLP.

10. "PAGA Group Counsel's Attorney Fees" means attorneys' fees agreed upon by the Parties and approved by the Court for PAGA Group Counsel's fees incurred in investigation of the Action, litigation of the Action, resolution of the Action, administration of the Settlement, including fees incurred through final approval and disbursement of payments under this Settlement and obtaining entry of the Judgment terminating the Action, and which shall not exceed one-third (1/3) or \$42,333.33 of the Settlement Amount. The payment of PAGA Group Counsel's Attorney Fees shall be made 100% to Bradley/Grombacher, LLP. PAGA Group Counsel shall not seek fees and costs on appeal. Defendant agrees not to challenge or oppose PAGA Group Counsel's motion or application for attorneys' fees up to that amount.

11. "PAGA Group Counsel's Costs" means attorneys' costs (including expert fees and associated costs) incurred by PAGA Group Counsel in the litigation and settlement of the Action

and agreed upon by the Parties and approved by the Court, including, but not limited to, costs incurred in investigation of the Action, litigation of the Action, resolution of the Action, administration of the Settlement, including costs incurred through Settlement Court approval and disbursement of payments under this Settlement and obtaining entry of the Judgment terminating the Action, and which shall not exceed \$15,000.00. Defendant agrees not to challenge or oppose PAGA Group Counsel's motion or application for costs up to that amount.

12. "Settlement Administrator" means a third-party class action settlement administrator agreed to by the Parties and approved by the Court for the purposes of administering this Settlement. Based upon the lowest estimate received, the Parties intend to propose ILYM Group, Inc. as the Settlement Administrator. 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.

13. "Settlement Administration Costs" means the costs payable from the Settlement Amount to the Settlement Administrator for administering this Settlement, including, but not limited to, printing, distributing, and tracking documents for this Settlement, calculating estimated amounts per PAGA Group Member, distributing the Settlement Amount, providing necessary reports and declarations, and other duties and responsibilities set forth herein to process this Settlement, and as requested jointly by the Parties, and which shall not exceed \$6,000.00.

RELATING TO RELEASED CLAIMS AND RELEASED PARTIES:

14. "PAGA Group Member Release" means the following release of claims, which is given by each PAGA Group Member upon the Effective Date:

I hereby fully, forever, irrevocably, and unconditionally release and discharge Sterling BV, Inc., as well as its predecessors, successors, parents, affiliated and subsidiary corporations, limited liability companies, limited partnerships, general partnerships and limited liability partnerships, present or past officers, directors, employees, partners, members, managers, representatives, principals, insurers, co-insurers, re-insurers, shareholders, agents, assigns, and attorneys (collectively referred to hereinafter as the "Released Parties"), from all liability for civil penalties under PAGA, and interest, costs,

and attorney's fees in connection therewith, based on the Labor Code violations alleged in the First Amended Complaint or that could have been alleged related thereto, within the PAGA Periods (the "PAGA Group Member Release"). The release of persons or entities other than the Defendant releases only PAGA claims made against them as vicariously or jointly liable with Defendant. The PAGA Group Member Release shall exclude claims for unemployment insurance, disability, and workers' compensation, and claims outside of the PAGA Period. Further, the PAGA Group Member Release in this Settlement Agreement shall not release any non-PAGA class claims or release any non-PAGA individual claims.

RELATING TO ORDER OF APPROVAL OF PAGA SETTLEMENT:

15. "Settlement Court" means the California Superior Court for the County of Los Angeles, and specifically the courtroom in which the Action, Case 20STCV28159, is pending.

II. ADDITIONAL TERMS

RELATING TO ORDER OF APPROVAL OF PAGA SETTLEMENT:

16. Notice to the LWDA. The Parties' settlement is expressly conditioned upon the Settlement Court's approval of the Settlement. Plaintiff shall be responsible for timely providing all notices to the LWDA and providing Defendant's counsel confirmation of same, including submission of the proposed settlement contemporaneously with the filing of the motion for approval of the PAGA settlement, under California Labor Code § 2699(l)(2), and submission of any judgment within 10 days after entry of same, under California Labor Code § 2699(l)(3).

17. Settlement Court Approval. The Parties recognize in accordance with Labor Code §2699(l)(2) that Court approval is required in the event of any settlement of a PAGA action. Within fourteen (14) days of execution of this Settlement, the Parties shall jointly submit a motion to the Settlement Court identifying the key terms of the Settlement and requesting that the Court approve the PAGA Penalties provided for in this Settlement Agreement ("Approval Motion"). The Parties shall concurrently apply to the Settlement Court for the entry of an order approving the Settlement Amount provided for in this Settlement.

18. At the same time the Parties submit the Approval Motion, Plaintiff shall submit a proposed Order of Approval of PAGA Settlement and Judgment in the amount of \$127,000.00 which: (a) enters judgment in the Action based on the Settlement; (b) expressly states that there is no finding of liability; (c) permanently bars all of the Aggrieved Employees from prosecuting any claim described in the PAGA Group Member Release released in this Settlement against Defendant and the Released Parties; and (d) waives all rights to appeal.

19. If the Settlement Court should fail to approve the Settlement as agreed upon by the Parties, the Parties shall coordinate efforts to address the Court's questions or concerns and, if agreement is reached between the Parties, resubmit the Approval Motion. If, after the Parties make a second attempt to obtain approval of the terms of the Settlement, unless the Parties specifically agree to continue with their coordinated efforts to obtain Court approval, (a) the Court fails to approve this Settlement in the form agreed to by the Parties (except for the amount of attorneys' fees or costs requested), or (b) the Court's approval of this Settlement is reversed, modified, or declared or rendered void, then (i) this Settlement shall be considered null and void; (ii) neither this Settlement nor any of the related negotiations or proceedings shall be of any force or effect; and (iii) all Parties to this Settlement shall stand in the same position, without prejudice, as if the Settlement had been neither entered into nor filed with the Court. Invalidation of any material portion of this Settlement, excluding adjustment of the amount of attorneys' fees and costs or adjustment of administration costs, shall invalidate this Settlement in its entirety unless the Parties shall subsequently agree in writing that the remaining provisions shall remain in full force and effect.

RELATING TO SETTLEMENT ADMINISTRATION:

20. Delivery of the PAGA Group List. Within fifteen (15) calendar days after the Effective Date, Defendant will compile and send a list of all PAGA Group Members to the Settlement Administrator containing: (1) name; (2) last known home address; (3) number of Eligible Pay Periods as an Aggrieved Employee during the PAGA Period; and (4) social security number ("PAGA Group List"). The format and transmittal of the list shall be in Excel format and determined by the requirements of the Settlement Administrator. The Settlement Administrator shall agree not to share the names, addresses or other contact information, or social security

numbers (in whole or in part) with any persons or entity, and specifically shall not share such information with PAGA Group Counsel. PAGA Group Counsel shall not request or receive such information.

21. PAGA Demographics. Defendant has represented that the PAGA Group Members consist of approximately 239 employees who worked approximately 6,463 pay periods during the PAGA Period. The Settlement Amount shall increase by the value of additional pay periods proportionally if the actual number of pay periods during the PAGA Period are more than 10% greater than the estimate of pay periods stated herein. Defendant will provide Plaintiff's Counsel for filing a declaration under oath as to the number of PAGA Group Members and pay periods worked by the PAGA Group Members during the PAGA Period prior to the filing of the Approval Stipulation.

22. Delivery of Settlement Amount. Within fifteen (15) calendar days after the Effective Date, Defendant shall transmit the entire Settlement Amount due under this Settlement Agreement to the Settlement Administrator via wire transfer. The Settlement Administrator shall release the PAGA Group Counsel's Attorneys' Fees and the PAGA Group Counsel's Costs to PAGA Counsel upon receipt of the Settlement Amount.

23. Confirmation of Receipt. Within three (3) days of receipt of the PAGA Group List, the Settlement Administrator shall send an email to the Parties confirming receipt of the PAGA Group List and indicating the number of PAGA Group Members and the number of Eligible Pay Periods included in the data.

24. Notice by First-Class U.S. Mail. Within thirty (30) calendar days after the Effective Date, the Settlement Administrator shall mail to the last known address of all PAGA Group Members via U.S. First Class Mail PAGA Payments with a simple cover letter (See Exhibit A hereto), which has been approved by all Parties, stating only that the payment is made pursuant to a court-approved settlement of claims made against Defendant, by which the Defendant denied liability and no finding of liability is made ("PAGA Settlement Notice"). The mailing will include directions to the Postmaster to forward the payment checks and return all undeliverable payment checks to the Settlement Administrator. For any returned envelopes from this mailing as non-deliverable on or before 30 days after mailing, the Settlement Administrator

will use any forwarding address provided to re-mail the returned envelope and, if no forwarding address is provided, will check with the National Change of Address database and perform a skip trace to identify an address to which the envelope may be forwarded. The Settlement Administrator shall undertake such effort and further mailing within no later than 5 days after receipt of the returned envelope. The Settlement Administrator will maintain a report of the date of such re-mailings of the PAGA Settlement Notice. No additional mailings shall occur. It will be conclusively presumed that a PAGA Group Member's share of the PAGA Group Recovery was received if the payment check has not been returned within thirty (30) days of the original mailing of the payment check. The date of the initial mailing of the payment check shall be conclusively determined according to the records of the Settlement Administrator.

25. Payment to LWDA. Within thirty (30) days after the Effective Date, the Settlement Administrator shall ensure that 75% of the PAGA Group Recovery is paid to the LWDA.

26. Cashing of Checks. Settlement checks shall remain valid and negotiable for one hundred eighty (180) calendar days from the date of their issuance. If there are uncashed checks following this period, the uncashed funds shall be paid cy pres to the Legal Aid Foundation of Los Angeles.

27. Release Given by Each PAGA Group Member. Each PAGA Group Member will grant in favor of each Released Party, and be subject to, the PAGA Group Member Release as defined above.

28. Continued Jurisdiction. After entry of the Order of Approval of PAGA Settlement and Judgment, the Settlement Court will have continuing and exclusive jurisdiction solely for purposes of addressing: (a) the interpretation and enforcement of the terms of the Settlement; (b) Settlement administration matters; and (c) such post-Judgment matters as may be appropriate under court rules or as set forth in this Settlement.

29. Allocation of the PAGA Group Recovery and Reporting of Same to the Settlement Administrator. The PAGA Group Recovery shall be allocated 75% to the LWDA and 25% among PAGA Group Members by dividing the number of workweeks that each PAGA Group Member worked within the PAGA Period by the total workweeks that all PAGA Group Members

worked within the PAGA Period, and multiplying that fraction by the 25% allocation of the PAGA Group Recovery to determine that PAGA Group Member's share of the PAGA Group Recovery (the "Individual PAGA Payment"). The Individual PAGA Payments shall for tax purposes be designated as non-wages and interest and shall be reported using a Form 1099. The Individual PAGA Payment and allocation shall be calculated by the Settlement Administrator within fifteen (15) calendar days of the Effective Date.

30. Administration of Tax Forms. The Settlement Administrator will be responsible for issuing to Plaintiff, PAGA Group Members, and PAGA Group Counsel any Form 1099 or other tax forms as may be required by law for all amounts paid pursuant to this Settlement, and for forwarding all payroll taxes and penalties to the appropriate government authorities.

31. Tax Allocation. For tax reporting purposes, any payments made to PAGA Group Members shall be allocated 100% as non-wages and interest and will be reported using an IRS Form 1099.

32. Tax Liability. Defendant makes no representation as to the tax treatment or legal effect of the payments called for hereunder, and Plaintiff and PAGA Group Members are not relying on any statement, representation, or calculation by Defendant or by the Settlement Administrator in this regard. Plaintiff and PAGA Group Members understand and agree that they will be solely responsible for the payment of any taxes and penalties assessed on the payments described herein and will hold Defendant free and harmless from and against any claims resulting from treatment of such payments as non-taxable damages. Each Party to this Settlement (for purposes of this section, the "Acknowledging Party" and each Party to this Agreement other than the Acknowledging Party, an "other Party") acknowledges and agrees that (1) no provision of this Settlement, 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 CFR Part 10, as amended); (2) the Acknowledging Party (a) has relied exclusively upon his, her or its own, independent legal and tax counsel for advice (including tax advice) in connection with this Settlement, (b) has not entered into this Settlement based upon the recommendation of any other Party or any attorney or advisor to any

other Party, and (c) is not entitled to rely upon any communication or disclosure by any attorney or adviser to any other Party to avoid any tax penalty that may be imposed on the Acknowledging Party; and (3) 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 Agreement.

33. Payment of Administrative Costs. Within fourteen (14) calendar days of such distribution of the payments under the Settlement by the Settlement Administrator, the Settlement Administrator will pay itself Settlement Administration Costs incurred and agreed on up to \$6,000.00.

34. Certification of Completion. Upon completion of administration of the Settlement, the Settlement Administrator will provide a written declaration under oath to certify such completion to the Court and counsel for all Parties.

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

36. Nullification of Settlement Agreement. In the event that: (1) the Settlement Court does not approve the Settlement as provided herein; or (2) the Settlement does not become final for any other reason, then this Settlement Agreement, and any documents generated to bring it into effect, will be null and void. Any order or judgment entered by the Settlement Court in furtherance of this Settlement Agreement will likewise be treated as void from the beginning.

37. Arbitration Agreements. The Parties acknowledge that Defendant has entered into Dispute Resolution Agreements with arbitration and class waiver provisions. To the extent necessary, Defendant chooses not to enforce its arbitration agreements with PAGA Group Members solely for the purpose of effectuating this Settlement Agreement.

38. Exhibits Incorporated by Reference. The terms of this Settlement include the terms set forth in any attached Exhibits, which are incorporated by this reference as though fully set forth herein. Any Exhibits to this Settlement are an integral part of the Settlement.

39. Entire Agreement. This Settlement Agreement and any attached Exhibits constitute the entirety of the Parties' settlement terms. No other prior or contemporaneous written or oral agreements with respect to the subject matter hereof may be deemed binding on the Parties. The Parties intend the Settlement Agreement to be admissible and binding under Code of Civil Procedure Section 664.6.

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

41. Authorization to Enter Into Settlement Agreement. The Parties and their counsel warrant and represent their counsel 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. If the Parties 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, the Parties may seek the assistance of the Settlement Court to resolve such disagreement.

42. Binding on Successors and Assigns. This Settlement Agreement will be binding upon, and inure to the benefit of, the successors or assigns of the Parties hereto.

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

44. Execution and Counterparts. This Settlement Agreement is subject only to the execution of all Parties. However, the Settlement Agreement may be executed in one or more counterparts. All executed counterparts and each of them, including electronic, 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.

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

46. Waiver of Certain Appeals. In the event the Court approves this Settlement, the Parties agree to waive appeals concerning this Settlement.

47. Captions. The captions and section numbers in this Settlement 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 Settlement Agreement.

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

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

50. 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 that this Settlement Agreement has been executed with the consent and advice of

counsel and reviewed in full. Further, Plaintiff and PAGA Group Counsel warrant and represent that there are no liens on the Settlement Agreement.

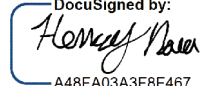
51. Cooperation and Execution of Necessary Documents. All Parties will cooperate in good faith and execute all documents to the extent reasonably necessary to effectuate the terms of this Settlement Agreement.

52. Limitation on Communications With the PAGA Group Members: The PAGA Notice letter will be the approved manner for communicating with the PAGA Group Members. Plaintiff and PAGA Group Counsel shall not issue any press release or make any other public representation regarding the Settlement, including posting any information pertaining to this Settlement on social media (Instagram, Facebook, Twitter, LinkedIn, YouTube, Google+, Tumblr, etc.), or on PAGA Group Counsel's websites. PAGA Group Counsel may initiate no contact with a PAGA Group Member, and is limited solely to responding to an individual and direct contact by a PAGA Group Member to PAGA Group Counsel (for example by a phone call or letter), which response shall be directed to the contacting PAGA Group Member only.

53. 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 confidentiality provisions that otherwise might apply under federal or state law.

54. Notice to the Settlement Court. To the extent not already done, the Parties shall immediately notify the Settlement Court of this Settlement Agreement.

It is hereby agreed:

Henry Nava
DocuSigned by:

A48FA03A3F8F467...
Henry Nava
Date: August 26, 2020

Sterling BV, Inc.

By: Dan Lee
Its: Chief Financial Officer
Date: August __, 2020

Approved as to form:

Bradley/Grombacher, LLP

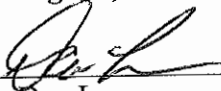


By: Marcus Bradley
Attorney for Plaintiff Henry Nava
Date: August 26, 2020

Greenberg Traurig, LLP

By: Lindsay E. Hutner
Attorney for Defendant Sterling BV, Inc.
Date: August __, 2020

Sterling BV, Inc.



By: Dan Lee
Its: Chief Financial Officer
Date: August 24, 2020

Approved as to form:

Bradley/Grombacher, LLP

By: Marcus Bradley
Attorney for Plaintiff Henry Nava
Date: August __, 2020

Greenberg Traurig, LLP



By: Lindsay E. Hutner
Attorney for Defendant Sterling BV, Inc.
Date: August 25, 2020

EXHIBIT A

(Notice of PAGA Settlement)

[CLAIMS ADMINISTRATOR LETTERHEAD]

Mailing Date

NOTICE OF SETTLEMENT

Re: Henry Nava, an individual, on behalf of himself and on behalf of other individuals similarly situated v. Sterling BV, Inc., Case No. 20STCV28159

[claims admin info]

Dear Sir or Madam:

The enclosed payment is made to you pursuant to a court-approved settlement between Plaintiff Henry Nava (“Plaintiff”), on behalf of himself and the people of the State of California and as an “aggrieved employee” under the Labor Code Private Attorneys General Act of 2004, section 2699, *et seq.* (“PAGA”), and Defendant Sterling BV, Inc. (“Sterling”) in the above-referenced matter (the “Action”) in which Plaintiff made claims against Sterling.

Sterling denies any liability or wrongdoing of any kind associated with the claims alleged in the above referenced matter, and further denies that the above-referenced action is appropriate for representative treatment for any purpose other than settling the above-referenced matter. No finding of liability has been made.

The enclosed check represents your portion of the settlement recovery. Your enclosed check is valid for 180 days from the date of issuance. For tax purposes, an IRS Form 1099 will be issued to you for this payment. After 180 days, the funds from uncashed checks will be paid cy pres to the Legal Aid Foundation of Los Angeles.

EXHIBIT B

(Proposed Order of Approval)

SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF LOS ANGELES

HENRY NAVA, individually and on behalf of
other individuals similarly situated,

Plaintiff,

v.

STERLING BV, INC., a Delaware
corporation; and DOES 1 through 100,
inclusive,

Defendant.

CASE NO. 20STCV28159

JUDGE: [REDACTED]

Complaint filed: July 24, 2020

The Court has received and considered the joint stipulation of Plaintiff, as an individual, and on behalf of the people of the State of California and as an “aggrieved employee” acting as a private attorney general under the Labor Code Private Attorneys General Act of 2004, § 2699, *et seq.* (“PAGA”) and Defendant in the above-captioned action filed on July 24, 2020 (the “Settlement”), and Plaintiff’s motion for approval of the Settlement came regularly on for hearing on [date] Good cause having been shown, Plaintiff’s motion is GRANTED.

NOW THEREFORE, IT IS ORDERED, ADJUDGED, AND DECREED:

The Court hereby approves the Parties’ proposed PAGA Settlement and hereby enters FINAL JUDGMENT based on the terms set forth in the Parties’ Settlement in favor of Plaintiff and the PAGA Group Members in the amount of \$127,000. Of this, \$42,333.33 is awarded as attorney fees paid to PAGA

Group Counsel, \$15,000.00 is awarded as costs paid to PAGA Group Counsel, and \$6,000.00 is awarded as administrative costs paid to the claims administrator.

This Judgment is entered as part of a Settlement and the Court has made no findings of liability or provided any notice of PAGA violations.

As a result of this Judgment, the PAGA Group Members are barred from prosecuting any of the claims covered by the PAGA Group Member Release, as defined in the Settlement Agreement, against Defendant and the Released Parties.

The PAGA Group Members waive any rights to appeal this Judgment.

This Judgment is intended to be a final disposition in its entirety of the above captioned action.

IT IS SO ORDERED.

Dated: _____, 2020

Judge of the Superior Court, County of Los Angeles