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PERFORMING ARTS CENTER OF LOS ANGELES COUNTY

SUPERIOR COURT OF CALIFORNIA
COUNTY OF LOS ANGELES – CENTRAL DISTRICT

NERY MARROQUIN, an individual, JOSE CASTANEDA, an individual, on behalf of themselves and other employees and on behalf of the State of California and the Labor and Workforce Development Agency,	)	CASE NO. 20STCV33336
	)	
	)	[Assigned for all purposes to Stephanie M.
	)	Bowick, Judge Presiding in Dept. 19]
	)	
Plaintiffs,	)	STIPULATION AND AGREEMENT
	)	FOR PAGA REPRESENTATIVE
vs.	)	ACTION SETTLEMENT
	)	
PERFORMING ARTS CENTER OF LOS	)	
ANGELES COUNTY, a California Domestic	)	Complaint filed: 9/1/2020
Nonprofit Corporation, and DOES 1 through	)	Trial Date: 7/18/2023
100, INCLUSIVE,	)	
	)	
Defendants.	)	
	)	

This PAGA Settlement Agreement (“Agreement”) is made by and between Plaintiffs Nery Marroquin and Jose Castaneda (“Plaintiffs”) and Defendant Performing Arts Center of Los Angeles County (“Defendant” or “The Music Center”). The Agreement refers to Plaintiffs and Defendant collectively as “Parties,” or individually as “Party.”

1. DEFINITIONS.

1.1 “Action” means the Plaintiffs’ PAGA and individual lawsuit alleging wage and hour violations against The Music Center captioned Nery Marroquin et al. v. Performing Arts Center of Los Angeles County, Case No. 20STCV33336

initiated on September 1, 2020 and pending in the Superior Court of the State of California, County of Los Angeles.

1.2 “Administrator” means CPT Group, Inc., the neutral entity the Parties have agreed to appoint to administer the Settlement.

1.3 “Administration Expenses Payment” means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator’s “not to exceed” bid submitted to the Court in connection with approval of this Settlement.

1.4 “Aggrieved Employee” means all non-exempt hourly security professionals employed by The Music Center in California during the PAGA Period.

1.5. “Aggrieved Employee Data” means Aggrieved Employee identifying information in The Music Center’s possession, including each Aggrieved Employee’s name, last-known mailing address, Social Security number, and number of PAGA Pay Periods.

1.6. “Aggrieved Employee Address Search” means the Administrator’s investigation and search for current Aggrieved Employee mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Aggrieved Employees.

1.7 “Court” means the Superior Court of California, County of Los Angeles.

1.8 “Defense Counsel” means Joshua B. Wagner and Paul Harshaw, Esq. of Gordon Rees Scully Mansukhani, LLP

1.9 “Effective Date” means the date by when both of the following have occurred: (a) the Court enters a Judgment on its Order Approving the PAGA Settlement and (b) the Judgment is final. The Judgment is final when (a) the day the Court enters Judgment, provided that no third party has intervened in the Action, and the Judgment is consistent with the terms of this Agreement excluding PAGA Counsel Fees and PAGA Counsel Litigation Expenses, provided that PAGA

Counsel Fees are not less than 33 1/3% of the Gross Settlement Amount and
PAGA Counsel Litigation Expenses are not less than \$17,000 and accordingly,
the Parties have waived their right to appeal as set forth in paragraph 9.1 or (b) if
a third party has intervened in the Action or the Court enters Judgment
inconsistent with the terms of this Agreement (excluding PAGA Counsel Fees
and PAGA Counsel Litigation Expenses, provided that PAGA Counsel Fees are
not less than 33 1/3% of the Gross Settlement Amount and PAGA Counsel
Litigation Expenses are not less than \$17,000.00), when the right to appeal has
been exhausted (i.e., 60 days after entry of Judgment) or if an appeal is filed, the
date when a remittitur is issued and all appeals have been exhausted.

- 1.10 "Gross Settlement Amount" means three hundred sixty thousand dollars
(\$360,000.00), which is the total amount The Music Center agrees to pay under
the Settlement except as provided in Paragraph 9 below. The Gross Settlement
Amount will be used to pay Individual PAGA Payments, the LWDA PAGA
Payment, PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses
Payment, and the Administrator's Expenses Payment.
- 1.11 "Individual PAGA Payment" means the Aggrieved Employee's pro rata share of
25% of the PAGA Penalties calculated according to the number of Pay Periods
the Aggrieved Employee worked during the PAGA Period.
- 1.12 "Judgment" means the judgment entered by the Court based upon the Final
Approval.
- 1.13 "LWDA" means the California Labor and Workforce Development Agency, the
agency entitled, under Labor Code section 2699, subd. (i).
- 1.14. "LWDA PAGA Payment" means the 75% of the PAGA Penalties paid to the
LWDA under Labor Code section 2699, subd. (i).
- 1.15 "Net Settlement Amount" means the Gross Settlement Amount, less the
following payments in the amounts approved by the Court: Individual PAGA
Payments, the LWDA PAGA Payment, PAGA Counsel Fees Payment, PAGA

Counsel Litigation Expenses Payment, and the Administration Expenses Payment. The remainder is to be paid to Aggrieved Employees as Individual PAGA Payments.

1.16 "PAGA Counsel" means T. Joshua Ritz & Associates, Inc., the attorneys representing the Plaintiffs in the Action.

1.17 "PAGA Counsel Fees Payment" and "PAGA Counsel Litigation Expenses Payment" mean the amounts allocated to PAGA Counsel for reimbursement of reasonable attorneys' fees and expenses, respectively, incurred to prosecute the Action.

1.18 "PAGA Pay Period" means any Pay Period during which an Aggrieved Employee worked for The Music Center for at least one day during the PAGA Period.

1.19 "PAGA Period" means the period from June 29, 2019 to the date of the court's approval of the representative settlement or when the PAGA Pay Period count hits twelve thousand (12,000), whichever comes first.

1.20 "PAGA" means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).

1.21 "PAGA Notice" means Plaintiffs Marroquin's and Castaneda's respective letters to The Music Center and the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a).

1.22 "PAGA Penalties" means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 25% to the Aggrieved Employees (\$48,675.00) and 75% to the LWDA (\$146,025.00) in settlement of PAGA claims.

1.23 "Plaintiffs" means Nery Marroquin and Jose Castaneda, the named plaintiffs in the Action.

1.24 "Approval Order" means the proposed Court Order Granting Approval of PAGA Settlement.

1.25 “Released PAGA Claims” means the claims being released by the Plaintiffs and PAGA Counsel and as described in Paragraph 5 below.

1.26 “Released Parties” means: Performing Arts Center of Los Angeles County, commonly known as The Music Center, and each of its former and present directors, officers, agents, exempt employees, attorneys, insurers, predecessors, successors, assigns and affiliates.

1.27 “Settlement” means the disposition of the Action effected by this Agreement and the Judgment.

1.28 The Music Center means named Defendant Performing Arts Center of Los Angeles County.

2. RECITALS.

2.1 On September 1, 2020, Plaintiffs commenced this Action by filing a Complaint alleging causes of action against The Music Center for (1) Failure Pay Wages and/or Overtime; (2) Failure to Provide Meal and/or Rest Breaks; (3) Violation of Labor Code section 226; (4) Violation of Business & Professions Code section 17200; (5) Waiting Time Penalties pursuant to Labor Code section 203; (6) Labor Code section 98.6 Retaliation; and (7) Private Attorney General Action pursuant to Labor Code section 2699. The Complaint is the operative complaint in the Action (the “Operative Complaint.”) The Music Center denies the allegations in the Operative Complaint, denies any failure to comply with the laws identified in the Operative Complaint, and denies any and all liability for the causes of action alleged.

2.2 Pursuant to Labor Code section 2699.3, subd.(a), Plaintiffs gave timely written notice to The Music Center and the LWDA by sending their respective PAGA Notices.

2.3 On August 18, 2022, the Parties participated in an all-day mediation presided over by neutral Mark Rudy which led to this Agreement to settle the Action.

2.4. Prior to mediation, the Parties engaged in substantial formal discovery through which Plaintiff obtained information on the policies and practices of The Security Department of The Music Center as well as relevant payroll and time and attendance records for the Aggrieved Employees during the PAGA Period.

2.5 The Parties, PAGA Counsel and Defense Counsel represent that they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement.

3. MONETARY TERMS.

3.1 Gross Settlement Amount. Except as otherwise provided by Paragraph 9 below, The Music Center promises to pay three hundred and sixty thousand dollars (\$360,000.00) and no more as the Gross Settlement Amount. The Music Center has no obligation to pay the Gross Settlement Amount prior to the Effective Date of this Agreement and the exhaustion of all relevant appeals as set forth herein. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to The Music Center.

3.2 Payments from the Gross Settlement Amount. The Administrator will make and deduct the following payments from the Gross Settlement Amount, in the amounts specified by the Court in the Final Approval:

3.2.1. To PAGA Counsel and Representative Plaintiffs: A PAGA Counsel Fees Payment of not more than thirty-eight percent (38%) which is currently estimated to be one hundred thirty-six thousand, eight hundred dollars (\$136,800) and PAGA Counsel Litigation Expenses Payment of not more than nineteen thousand five hundred dollars (\$19,500.00) and a Representative Plaintiff Enhancement Award of two thousand (\$2,000.00) to each Plaintiffs Marroquin and Castaneda, respectively.

1 The Music Center will not oppose requests for Court approval of these
2 payments provided that they do not exceed these amounts. Plaintiffs
3 and/or PAGA Counsel will file an application or motion for PAGA
4 Counsel Fees Payment, PAGA Litigation Expenses Payment and
5 Representative Plaintiffs Enhancement Award. If the Court approves a
6 PAGA Counsel Fees Payment, a PAGA Counsel Litigation Expenses
7 Payment, and or a Representative Plaintiff(s) Enhancement Award of less
8 than the amounts requested, the Administrator will allocate the remainder
9 to the Net Settlement Amount. Released Parties shall have no liability to
10 PAGA Counsel or any other Plaintiffs' Counsel arising from any claim to
11 any portion of any PAGA Counsel Fee Payment and/or PAGA Counsel
12 Litigation Expenses Payment. The Administrator will pay the PAGA
13 Counsel Fees Payment and PAGA Counsel Litigation Expenses Payment
14 using one or more IRS 1099 Forms. PAGA Counsel assumes full
15 responsibility and liability for taxes owed on the PAGA Counsel Fees
16 Payment and the PAGA Counsel Litigation Expenses Payment and holds
17 The Music Center harmless, and indemnifies The Music Center, from
18 any dispute or controversy regarding any division or sharing of any of
19 these Payments.

20 3.2.2 To the Administrator: An Administrator Expenses Payment not to
21 exceed five thousand dollars (\$5,000.00), except for a showing of good
22 cause and as approved by the Court. To the extent the Administration
23 Expenses are less or the Court approves payment less than \$5,000.00, the
24 Administrator will retain the remainder in the Net Settlement Amount.

25 3.2.3 To the LWDA and Aggrieved Employees: PAGA Penalties in the
26 amount of one hundred ninety-four thousand, seven hundred dollars
27 (\$194,700.00) is to be paid from the Gross Settlement Amount, with 75%
28

1 (\$146,025.00) allocated to the LWDA PAGA Payment and 25%
2 (\$48,675.00) allocated to the Individual PAGA Payments.

3 3.2.3.1 The Administrator will calculate each Individual PAGA
4 Payment by (a) dividing the amount of the Aggrieved Employees'
5 25% share of PAGA Penalties (\$48,675.00) by the total number of
6 PAGA Period Pay Periods worked by all Aggrieved Employees
7 during the PAGA Period and (b) multiplying the result by each
8 Aggrieved Employee's PAGA Period Pay Periods. Aggrieved
9 Employees assume full responsibility and liability for any taxes
10 owed on their Individual PAGA Payment.

11 3.2.3.2 If the Court approves PAGA Penalties of less than the amount requested,
12 the Administrator will allocate the remainder to the Net Settlement
13 Amount. The Administrator will report the Individual PAGA Payments on
14 IRS 1099 Forms.

15 **4. SETTLEMENT FUNDING AND PAYMENTS.**

16 4.1. Aggrieved Employee Pay Periods. Based on a review of its records to date, The
17 Music Center estimates that as of May 28, 2022, there were one hundred
18 seventy-nine (179) Aggrieved Employees who have worked a total of ten
19 thousand, five hundred and twenty-two (10,522) PAGA Pay Periods.

20 4.2. Aggrieved Employee Data. Within 14 days, The Music Center will deliver the
21 Aggrieved Employee Data to the Administrator in the form of a Microsoft
22 Excel spreadsheet. To protect Aggrieved Employee' privacy rights, the
23 Administrator must maintain the Aggrieved Employee Data in confidence, use
24 the Aggrieved Employee Data only for purposes of this Settlement and for no
25 other purpose, and restrict access to the Aggrieved Employee Data to
26 Administrator employees who need access to the Aggrieved Employee Data to
27 effect and perform under this Agreement. The Music Center has a continuing
28 duty to immediately notify PAGA Counsel if it discovers that the Aggrieved

Employee Data omitted employee identifying information and to provide corrected or updated Aggrieved Employee Data as soon as reasonably feasible. Without any extension of the deadline by which The Music Center must send the Aggrieved Employee Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Aggrieved Employee Data.

4.3. Funding of Gross Settlement Amount. The Music Center shall fully fund the Gross Settlement Amount by transmitting the funds to the Administrator no later than fourteen (14) days after the Effective Date.

4.4. Payments from the Gross Settlement Amount. Within fifteen (15) days after The Music Center funds the Gross Settlement Amount, the Administrator will mail checks for all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the PAGA Counsel Fees Payment and the PAGA Counsel Litigation Expenses Payment. Disbursement of the PAGA Counsel Fees Payment and the PAGA Counsel Litigation Expenses Payment shall not precede the initial disbursement of Individual PAGA Payments.

4.4.1. The Administrator will issue checks for the Individual PAGA Payments and send them to the Aggrieved Employees via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (not less than 180 days after the date of mailing) when the check will be voided. The Administrator will cancel all checks not cashed by the void date. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database.

4.4.2. The Administrator must conduct an Aggrieved Employee Address Search for all Aggrieved Employees whose checks are returned

1 undelivered without USPS forwarding address. Within seven (7) days
2 of receiving a returned check the Administrator must re-mail checks to
3 the USPS forwarding address provided or to an address ascertained
4 through the Aggrieved Employee Address Search. The Administrator
5 need not take further steps to deliver checks to Aggrieved Employees
6 whose re-mailed checks are returned as undelivered. The
7 Administrator shall promptly send a replacement check to any
8 Aggrieved Employee whose original check was lost or misplaced, as
9 requested by the Aggrieved Employee prior to the void date.

10 4.4.3. For any Aggrieved Employee whose Individual PAGA Payment check
11 is uncashed and cancelled after the void date, the Administrator shall
12 transmit the funds represented by such checks to the California
13 Controller's Unclaimed Property Fund in the name of the Aggrieved
14 Employee.

15 4.4.4. The payment of Individual PAGA Payments shall not obligate The
16 Music Center to confer any additional benefits or make any additional
17 payments to the Aggrieved Employees (such as 401(k) contributions or
18 bonuses) beyond those specified in this Agreement.

19 **5. RELEASES OF CLAIMS.** Effective on the date when The Music Center fully funds
20 the entire Gross Settlement Amount Plaintiffs and PAGA Counsel will release claims against
21 all Released Parties as follows:

22 5.1 Plaintiffs' Release. Plaintiffs Marroquin and Castaneda have simultaneously
23 entered into a separate individual settlement agreement that resolves the
24 individual claims litigated in the Action and provides for a general release of all
25 known or unknown claims as set forth in that separate document. Plaintiffs and
26 their respective former and present spouses, representatives, agents, attorneys
27 (including PAGA Counsel), heirs, administrators, successors, and assigns herein
28 generally, release and discharge Released Parties from all claims, transactions,

1 or occurrences that occurred during the PAGA Period that were, or reasonably
2 could have been, alleged to seek civil penalties under PAGA based on the facts
3 contained in the Operative Complaint and the PAGA Notices (“Plaintiffs’
4 Release”), expressly including civil penalties for retaliation under Labor Code
5 section 98.6. Plaintiffs’ Release does not extend to any claims or actions to
6 enforce this Agreement, or to any claims for vested benefits, unemployment
7 benefits, disability benefits, social security benefits, workers’ compensation
8 benefits that arose at any time, or based on occurrences outside the PAGA
9 Period. Plaintiffs acknowledge that Plaintiffs may discover facts or law different
10 from, or in addition to, the facts or law that Plaintiffs now know or believe to be
11 true but agree, nonetheless, that Plaintiffs’ Release shall be and remain effective
12 in all respects, notwithstanding such different or additional facts or Plaintiffs’
13 discovery of them.

14 5.1.1 Plaintiffs’ Waiver of Rights Under California Civil Code Section
15 1542. Plaintiffs have entered into a separate settlement agreement
16 for their individual claims in which they execute a general release
17 pursuant to section 1542 of the California Civil Code.

18 5.2 Release by Aggrieved Employees:

19 All Aggrieved Employees are deemed to release, on behalf of themselves and
20 their respective former and present representatives, agents, attorneys, heirs,
21 administrators, successors, and assigns, the Released Parties from all claims for
22 PAGA penalties that were alleged, or reasonably could have been alleged, based
23 on the PAGA Period facts stated in the Operative Complaint and the PAGA
24 Notices of the Plaintiffs, including those arising from California Labor Code §§
25 200, 201, 201.5, 202, 203, 204, 205.5, 206, 206.5, 208, 210, 226, 226(a)(1),
26 226(a)(5), 226(a)(8), 226(a)(9), 226(c), 226(e)(1), 226(f), 226.3, 226.6, 226.7,
27 226.7, 226.8, 227.3, 510, 512, 512(a), 551, 552, 553, 558, 558(a)(3), 558.1,
28 1174(d), 1194, 1197, 1197.1 and 1199 relating to (a) failure to pay all overtime

wages; (b) failure to pay all minimum wages; (c) failure to pay wages, (d) failure to pay for all work, including off-the-clock work (e) failure to provide proper meal periods; (d) failure to authorize and permit rest periods; (e) failure to furnish accurate wage statements; (f) waiting time penalties and (g) failure to timely pay final wages.

5.3 Release by PAGA Counsel:

PAGA Counsel release on behalf of their present and former attorneys, employees, agents, successors and assigns the Released Parties from all claims for PAGA Fees incurred in connection with the Operative Complaint and the PAGA Period facts stated in the Operative Complaint and the PAGA Notice.

6. MOTION OR APPLICATION FOR APPROVAL OF SETTLEMENT. The Parties agree to jointly prepare and file an application or motion for approval of this Settlement.

6.1 Plaintiffs' Responsibilities. Plaintiffs will prepare and deliver to Defense Counsel all documents necessary for obtaining approval of this Settlement under Labor Code Section 2699, subd. (f)(2)) including (i) a draft proposed Order Granting Approval of PAGA Settlement; (ii) a signed declaration from the Administrator attaching its "not to exceed" bid for administering the Settlement and attesting to its willingness to serve; competency; operative procedures for protecting the security of Aggrieved Employee Data; amounts of insurance coverage for any data breach, defalcation of funds or other misfeasance; all facts relevant to any actual or potential conflicts of interest with Aggrieved Employees or the LWDA; and the nature and extent of any financial relationship with Plaintiff, PAGA Counsel or Defense Counsel; (iii) a signed declaration from PAGA Counsel firm attesting to its timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), Operative Complaint (Labor Code section 2699, subd. (l)(1)), this Agreement

(Labor Code section 2699, subd. (l)(2)); (iv) a redlined version of the parties' Agreement showing all modifications made to the Model Agreement ready for filing with the Court; and (v) all facts relevant to any actual or potential conflict of interest with Aggrieved Employees and/or the Administrator. In their Declarations, Plaintiffs and PAGA Counsel shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.

6.2 Responsibilities of PAGA Counsel. PAGA Counsel is responsible for expeditiously finalizing and filing the application or motion for approval of this Settlement no later than 30 days after the full execution of this Agreement and, if necessary, obtaining a prompt hearing date for the motion and appearing in Court to advocate in favor of the motion. PAGA Counsel is responsible for delivering the Court's Approval to the Administrator.

6.3 Duty to Cooperate. If the Parties disagree on any aspect of the proposed application or motion for approval of this Settlement and/or the supporting declarations and documents, PAGA Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting and conferring in good faith, to resolve the disagreement and, as necessary, looping in neutral Mark Rudy if otherwise at impasse. If the Court does not grant the motion for approval of this Settlement or conditions its approval on any material change to this Agreement, PAGA Counsel and Defense Counsel will expeditiously work together on behalf of the Parties to meet and confer in good faith to modify or amend the Agreement and otherwise satisfy the Court's concerns.

7. SETTLEMENT ADMINISTRATION.

7.1 Selection of Administrator. The Parties have jointly selected CPT Group, Inc. to serve as the Administrator and verified that, as a condition of appointment, CPT Group, Inc. agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration

Expenses. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.

7.2 Employer Identification Number. The Administrator shall have and use its own Employer Identification Number for purposes of providing reports and forms to state and federal tax authorities.

7.3 Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation section 468B-1.

7.4 Administrator Duties. The Administrator has a duty to perform or observe all tasks to be performed or observed by the Administrator contained in this Agreement or otherwise.

8. **AGGRIEVED EMPLOYEE SIZE ESTIMATES.** Based on its records, The Music Center estimates that there were 179 Aggrieved Employees, including approximately 66 current employees, who worked 10,522 Pay Periods from the start of the PAGA Period to May 28, 2022. In lieu of any escalator clause, the Parties agree that the PAGA Period will conclude on the date of court approval or when the PAGA Pay Period count hits twelve thousand (12,000), whichever comes first.

9. **CONTINUING JURISDICTION OF THE COURT.** The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties, the Action, and the Settlement solely for purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters, and (iii) addressing such post-Judgment matters as are permitted by law.

9.1 **Waiver of Right to Appeal.** Provided the Judgment is consistent with the terms and conditions of this Agreement, excluding the PAGA Counsel Fees Payment and PAGA Counsel Litigation Expenses Payment, so long as the Judgment awards not less than 33 1/3% of the Gross Settlement Amount as PAGA

Counsel Fees and not less than \$17,000 for PAGA Counsel Litigation Expenses, the Parties, and their respective counsel waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals. If the Parties, their counsel, or another party appeals the Judgment, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect the amount of the Net Settlement Amount.

10. ADDITIONAL PROVISIONS.

10.1 No Admission of Liability or Representative Manageability for Other Purposes.

This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by The Music Center that any of the allegations in the Operative Complaint have merit or that The Music Center has any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiffs that The Music Center's defenses in the Action have merit. The Parties agree that representative treatment is for purposes of this Settlement only. If, for any reason the Court does not approve this Settlement, The Music Center reserves all available defenses to the claims in the Action, and Plaintiffs reserve the right to contest The Music Center's defenses. The Settlement, this Agreement and the Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).

10.2 Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits shall constitute the entire agreement between the Parties relating to the Settlement, superseding any

1 and all oral representations, warranties, covenants, or inducements made to
2 or by any Party.

3 10.3 Attorney Authorization. PAGA Counsel and Defense Counsel separately
4 warrant and represent that they are authorized by Plaintiffs and The Music
5 Center, respectively, to take all appropriate action required or permitted to be
6 taken by such Parties pursuant to this Agreement to effectuate its terms, and to
7 execute any other documents reasonably required to effectuate the terms of this
8 Agreement, including any amendments to this Agreement.

9 10.4 Cooperation. The Parties and their counsel will cooperate with each other and
10 use their best efforts, in good faith, to implement the Settlement by, among
11 other things, modifying the Settlement Agreement, submitting supplemental
12 evidence and supplementing points and authorities as requested by the Court.
13 In the event the Parties are unable to agree upon the form or content of any
14 document necessary to implement the Settlement, or on any modification of
15 the Agreement that may become necessary to implement the Settlement, the
16 Parties will seek the assistance of mediator Mark Rudy and/or the Court for
17 resolution.

18 10.5 No Prior Assignments. The Parties separately represent and warrant that they
19 have not directly or indirectly assigned, transferred, encumbered, or
20 purported to assign, transfer, or encumber to any person or entity and portion
21 of any liability, claim, demand, action, cause of action, or right released and
22 discharged by the Party in this Settlement.

23 10.6 No Tax Advice. Neither Plaintiffs, PAGA Counsel, the Music Center, nor
24 Defense Counsel are providing any advice regarding taxes or taxability, nor
25 shall anything in this Settlement be relied upon as such within the meaning
26 of United States Treasury Department Circular 230 (31 CFR Part 10, as
27 amended) or otherwise.
28

- 1 10.7 Modification of Agreement. This Agreement, and all parts of it, may be
2 amended, modified, changed, or waived only by an express written
3 instrument signed by all Parties or their representatives, and approved by
4 the Court.
- 5 10.8 Agreement Binding on Successors. This Agreement will be binding upon,
6 and inure to the benefit of, the successors of each of the Parties.
- 7 10.9 Applicable Law. All terms and conditions of this Agreement and its exhibits
8 will be governed by and interpreted according to the internal laws of the state
9 of California, without regard to conflict of law principles.
- 10 10.10 Cooperation in Drafting. The Parties have cooperated in the drafting and
11 preparation of this Agreement. This Agreement will not be construed
12 against any Party on the basis that the Party was the drafter or participated
13 in the drafting.
- 14 10.11 Confidentiality. To the extent permitted by law, all agreements made, and orders
15 entered during the Action and in this Agreement relating to the confidentiality of
16 information shall survive the execution of this Agreement.
- 17 10.12 Use and Return of Aggrieved Employee Data. Information provided to PAGA
18 Counsel during the discovery process and/or pursuant to Cal. Evid. Code §1152,
19 and all copies and summaries of the PAGA Data provided to PAGA Counsel by
20 The Music Center in discovery and/or in connection with the mediation, other
21 settlement negotiations, or in connection with the Settlement, may be used only
22 with respect to this Settlement, and no other purpose, and may not be used in
23 any way that violates any existing contractual agreement, statute, or rule of
24 court. Not later than 90 days after the Administrator discharges its obligation to
25 pay out of all Settlement funds, Plaintiffs and PAGA Counsel shall destroy all
26 paper and electronic versions of Aggrieved Employee Data received from The
27 Music Center.
- 28

1 10.13 Headings. The descriptive heading of any section or paragraph of this
2 Agreement is inserted for convenience of reference only and does not constitute
3 a part of this Agreement.

4 10.14 Calendar Days. Unless otherwise noted, all reference to “days” in this
5 Agreement shall be to calendar days. In the event any date or deadline set forth
6 in this Agreement falls on a weekend or federal legal holiday, such date or
7 deadline shall be on the first business day thereafter.

8 10.15 Notice. All notices, demands or other communications between the Parties in
9 connection with this Agreement will be in writing and deemed to have been
10 duly given as of the third business day after mailing by United States mail, or
11 the day sent by email, addressed as follows: To Plaintiffs: Joshua Ritz,
12 jritz@rrhllp.com, Hector Guzman, hguzman@rrhllp.com, Ani Shahinyan,
13 ashahinyan@rrhllp.com; To The Music Center: Josh Wagner,
14 jwagner@grsm.com, Paul Harshaw, pharshaw@grsm.com; Renata Brown,
15 rgbrown@grsm.com; and Lisa Monroe: lmonroe@grsm.com

16 10.16 Execution in Counterparts. This Agreement may be executed in one or more
17 counterparts by facsimile, electronically (i.e. DocuSign), or email which for
18 purposes of this Agreement shall be accepted as an original. All executed
19 counterparts and each of them will be deemed to be one and the same
20 instrument if counsel for the Parties will exchange between themselves signed
21 counterparts. Any executed counterpart will be admissible in evidence to prove
22 the existence and contents of this Agreement.

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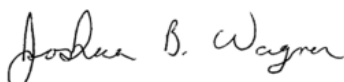
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10.17 Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that pursuant to CCP section 583.330 to extend the date to bring a case to trial under CCP section 583.310 for the entire period of this settlement process.

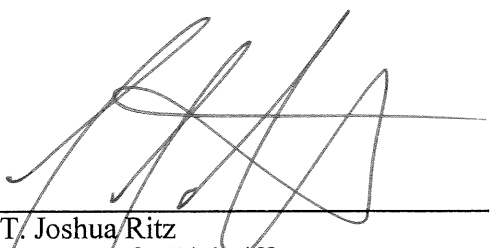
Dated: September 22, 2022

GORDON REES SCULLY MANSUKHANI, LLP

By: 
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Attorneys for Defendant
PERFORMING ARTS CENTER OF LOS
ANGELES COUNTY

Dated: September ¹⁴, 2022

T. JOSHUA RITZ & ASSOCIATES, INC.

By: 
T. Joshua Ritz
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NERY MARROQUIN and JOSE
CASTANEDA