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Attorneys for Defendant
US Air Conditioning Distributors, LLC

SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF SAN BERNARDINO

TONY RAMOS, on behalf of himself and all
“aggrieved employees” pursuant to Labor Code §
2698 et seq.,

Plaintiffs

v.

US AIR CONDITIONING DISTRIBUTORS, LLC,
a Delaware limited liability company, and DOES 1
through 10, inclusive,

Defendants.

Case No. CIVDS2013269

**SETTLEMENT AGREEMENT AND
RELEASE OF CLAIMS**

This Settlement Agreement and Release of Claims (“Agreement”) is between Plaintiff Tony Ramos (“Plaintiff”), on behalf of himself and other aggrieved employees, and Defendant US Air Conditioning Distributors, LLC (“Defendant” or “US Air”) (collectively, with Plaintiff, the “Parties”). By executing this Agreement, the Parties intend to settle the lawsuit entitled *Ramos, et al. v. US Air Conditioning Distributors, LLC*, Case No. CIVDS2013269 (San Bernardino County Superior Court, filed June 18, 2020) (the “Action”) involving claims brought under the California Labor Code Private Attorneys General Act of 2004 (“PAGA”).

I. DEFINITIONS

1. “**Administration Fees**” refers to the amount to be paid to Simpluris, Inc. (or any other third-party settlement administrator approved by the Parties (“Settlement Administrator”)) for costs associated with administration of the settlement contemplated by this Agreement, including costs for, among other things, printing, copying, formatting, translation of materials, postage, envelopes, computer searches to locate addresses, calculation of payments to individual class members, calculation of applicable withholdings and taxes (if required by law), costs associated with the process for any uncashed settlement checks, and any other expenses the Settlement Administrator incurs to complete the settlement process according to the terms of this Agreement. The Settlement Administrator will be responsible for establishing a qualified settlement account and issuing all payments and appropriate tax forms (if required by law). The Parties agree that Administration Fees will not exceed \$6,000, all of which are to be taken from the PAGA Gross Settlement Amount (as defined below).

2. “**Aggrieved Employees**” consists of all current and former non-exempt employees who worked at least one pay period for US Air in California at any time from April 8, 2019 through January 31, 2021.

3. “**Attorneys’ Fees and Costs**” means the amount of money to be paid from the PAGA Gross Settlement Amount (as defined below) to Gaines & Gaines, APLC (“Plaintiff’s Counsel”) in full satisfaction of all claims Plaintiff may have for reasonable attorneys’ fees, litigation costs, and expenses incurred in the Action. The amount of attorneys’ fees awarded to Plaintiff’s Counsel may not exceed 40% of the PAGA Gross Settlement Amount, and the amount of litigation costs and

1 expenses (combined) may not exceed \$14,000. Defendant will not object to or otherwise oppose
2 requests consistent with this paragraph.

3 4. **“Effective Date”** shall be the date on which the Court approves this Agreement and
4 dismisses the Action with prejudice through entry of the Order (as defined herein). No money
5 will be distributed unless and until the Effective Date occurs.

6 5. **“Individual Settlement Payments to Aggrieved Employees”** means the individual
7 payments that shall be made to each Aggrieved Employee under this Agreement, which in the
8 aggregate shall total 25% of the PAGA Net Settlement Amount (as defined below).

9 6. **“PAGA Gross Settlement Amount”** means Three Hundred Seventy-Five Thousand
10 Dollars (\$375,000). This amount shall be used to satisfy all liabilities arising from this
11 Agreement, including Attorneys’ Fees and Costs, Plaintiff’s Individual Claim Payment (as defined
12 below), Individual Settlement Payments to Aggrieved Employees, Administration Fees, and
13 payment to the Labor and Workforce Development Agency (“LWDA”). Defendant shall pay
14 exactly the PAGA Gross Settlement Amount to fulfill all of its obligations under this settlement.

15 7. **“PAGA Net Settlement Amount”** means the amount, as approved by the Court,
16 after Attorneys’ Fees and Costs, Plaintiff’s Individual Claim Payment, and Administration Fees
17 are subtracted from the PAGA Gross Settlement Amount.

18 8. **“Plaintiff’s Individual Claim Payments”** means the amount to be paid to Plaintiff
19 Ramos in consideration for his general release of all claims, as set forth in Paragraph 22 below.
20 Plaintiff’s Individual Claim Payment shall be in addition to the amount payable to Plaintiff as the
21 Individual Settlement Payments to Aggrieved Employees. Plaintiff’s Individual Claim Payment
22 shall not exceed \$10,000. Plaintiff will receive an IRS Form 1099 from the Settlement
23 Administrator and will be solely responsible for reporting and paying all applicable federal, state
24 and local tax. Defendant will not object to or otherwise oppose requests consistent with this
25 paragraph.

26 9. **“Settlement Period”** means April 8, 2019 through January 31, 2021.
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II. RECITALS AND PROCEDURAL HISTORY

10. **Allegations in the Complaint and Amendment Thereto.** On June 18, 2020, Plaintiff Ramos filed the Action in the Superior Court of California, County of San Bernardino, individually and on behalf of all “aggrieved employees” pursuant to Labor Code §§ 2698 *et seq.* In the Complaint, Plaintiff alleges a single claim for penalties under PAGA.

11. **Defendant’s Denials.** Nothing in this Agreement, or in the Memorandum of Understanding executed by the Parties at mediation, shall constitute an admission on behalf of Defendant of any form of liability or the accuracy of any allegation against it. Defendant denies (1) all the material allegations in the Action; (2) that it violated any applicable laws; and (3) that it is liable for damages, penalties, attorneys’ fees, costs, or any other form of compensation or remedy with respect to the claims asserted in the Action. Nevertheless, without admitting any liability or wrongdoing, Defendant has agreed to settle the Action on the terms set forth in this Agreement to avoid the burden, expense, and uncertainty of litigation. Any statements by Defendant in this Agreement are made for settlement purposes only.

12. **Counsel’s Investigation.** Plaintiff’s Counsel has investigated the facts relating to the claims alleged in the Action and also has analyzed all defenses. Plaintiff’s Counsel also engaged in informal discovery and obtained the production of relevant documentation and data from Defendant prior to mediation on February 1, 2021, to allow Plaintiff’s Counsel to further investigate and evaluate the claims and defenses in this Action.

13. **Negotiation of Settlement.** Plaintiff’s Counsel engaged in arms-length negotiations with Defendant at a mediation on February 1, 2021, with experienced mediator Lisa Klerman with a view toward achieving substantial benefits for the Aggrieved Employees and the State of California, while avoiding the cost, delay, and uncertainty of further litigation.

III. TERMS OF THE AGREEMENT

14. **Court Approval of the Settlement.** The Parties will present this Agreement to the Court and will request that the Court issue an order approving and incorporating by reference the terms and conditions of this Agreement and dismissing the Action with prejudice (the “Order”).

1 Plaintiff's Counsel will be responsible for drafting and filing all documents necessary to obtain the
2 Order.

3 **15. Delivery of the List of Aggrieved Employees.** As soon as practicable, but no later
4 than 15 business days after the Effective Date, Defendant will provide the Settlement
5 Administrator with a confidential list containing the Aggrieved Employees' names, last known
6 addresses, last known telephone numbers, and social security numbers, which will be used to send
7 the Individual Settlement Payments to Aggrieved Employees. Defendant will also provide the
8 Settlement Administrator with the number of the pay periods worked by each Aggrieved
9 Employee during the Settlement Period. Data provided by Defendant shall be kept confidential by
10 the Settlement Administrator except for purposes of administering the settlement. The Settlement
11 Administrator shall not share any personally-identifying Aggrieved Employee data with Plaintiff's
12 Counsel, but may disclose the number of Aggrieved Employees, the number of pay periods
13 worked by each Aggrieved Employee during the Settlement Period (with names redacted), and
14 their Individual Settlement Payments (with names redacted).

15 **16. Funding of the Settlement.** Within 30 calendar days after the Effective Date,
16 Defendant will deposit the PAGA Gross Settlement Amount into a Qualified Settlement Account
17 ("QSA") to be established by the Settlement Administrator.

18 **17. Settlement Payments.** Within 21 calendar days of the funding of the QSA, the
19 Settlement Administrator shall issue the following payments from the QSA: (a) the Individual
20 Settlement Payments to Aggrieved Employees (including Plaintiff); (b) the LWDA PAGA
21 Payment (as defined below) to the LWDA; (c) Plaintiff's Individual Claim Payment to Plaintiff;
22 (d) Attorney's Fees and Costs to Plaintiff's Counsel; and (e) the Administration Fees to itself. The
23 Settlement Administrator, and not Defendant, will issue appropriate tax forms for all payments
24 issued under this Settlement, if and as required by law as determined by the Settlement
25 Administrator. Because the payments made under this Agreement will be made with respect to
26 only the PAGA claims for all Aggrieved Employees and the individual claims for Plaintiff, this
27 Agreement is not subject to the rules governing the settlement of class or collective actions.

1 Accordingly, the settlement payments shall be distributed without a claims process or an
2 opportunity to object or opt out.

3 18. **Calculation of Individual Settlement Payments to Aggrieved Employees.** The
4 PAGA Net Settlement Amount will be distributed as follows:

5 a. 75% of the PAGA Net Settlement Amount shall be paid to the LWDA (the
6 “LWDA PAGA Payment”); and

7 b. The remaining 25% of the PAGA Net Settlement Amount (the “Aggrieved
8 Employee Settlement Amount”) shall be distributed to all Aggrieved Employees, with each
9 Aggrieved Employee receiving an Individual Settlement Payment based on the number of pay
10 periods he or she worked for US Air in California during the Settlement Period. The Aggrieved
11 Employee Settlement Amount will be divided by the total number of such pay periods to yield the
12 Pay Period Value. Each Aggrieved Employee shall be paid an Individual Settlement Payment
13 equal to their individual number of pay periods multiplied by the Pay Period Value.

14 19. **Distribution of Individual Settlement Payments to Aggrieved Employees.** The
15 Settlement Administrator will issue to each Aggrieved Employee a check in the amount of his or
16 her Individual Settlement Payment, along with an explanatory letter in the form attached hereto as
17 Exhibit A, within the time parameters set forth in paragraph 17 above. Checks shall remain
18 negotiable for 180 days. Any checks returned as non-deliverable on or before the check cashing
19 deadline will be sent promptly via regular First-Class U.S. Mail to the forwarding address affixed
20 thereto. If no forwarding address is provided, the Settlement Administrator will promptly attempt
21 to determine the correct address using a skip-trace, or other search using the name, address, or
22 Social Security number of the Aggrieved Employee, and will then perform a single re-mailing.
23 Funds contained in the settlement checks that are returned as undeliverable and in settlement
24 checks uncashed for more than 180 days after issuance will be tendered to the California State
25 Controller’s Office - Unclaimed Property Fund, to be held in the name of the Aggrieved
26 Employee. All settlement payments to Aggrieved Employees will be treated as miscellaneous
27 income for which a 1099 will be issued to the extent required by law.

1 20. **Attorneys' Fees and Costs.** As referenced above, Plaintiff's Counsel intends to
2 request, and Defendant agrees not to oppose, that the Court award Plaintiff's Counsel, (a)
3 attorneys' fees in an amount up to 40% of the PAGA Gross Settlement Amount, and (b) costs and
4 expenses incurred in representing the interests of the Aggrieved Employees up to \$14,000. These
5 amounts shall be paid from the PAGA Gross Settlement Amount. Defendant shall have no
6 liability for any other attorneys' fees or costs. If the Court approves a lesser amount for either fees
7 or costs and expenses, this will not impact the enforceability of this Agreement and the difference
8 will remain part of the PAGA Net Settlement Amount. The Settlement Administrator shall issue
9 Plaintiff's Counsel the Attorneys' Fees and Costs within the time parameters set forth in paragraph
10 17 above, together with a Form 1099. Plaintiff's Counsel agree that they are solely responsible for
11 paying all applicable taxes on any payments they receive hereunder.

12 21. **Release of PAGA Claims.** Upon Court approval of the Settlement, dismissal of the
13 Action with prejudice, and subject to Defendant's full payment of the PAGA Gross Settlement
14 Amount, Plaintiff, the State of California, and Aggrieved Employees will fully and finally release
15 and discharge US Air and its former, present and future owners, parents, and subsidiaries, and all
16 of their current, former and future officers, directors, members, managers, employees, consultants,
17 partners, shareholders, joint venturers, agents, successors, assigns, accountants, insurers, or legal
18 representatives ("Released Parties"), from all claims, rights, demands, liabilities and causes of
19 action for civil penalties under the PAGA that arose during the Settlement Period, based on the
20 factual allegations pled in the letter to the LWDA dated April 8, 2020 and in the operative
21 complaint in the Action, with respect to the following claims: (a) failure to provide proper meal
22 periods or to pay premium wages for missed meal periods; (b) failure to authorize and permit rest
23 periods or to pay premium wages for missed rest periods; (c) failure to pay overtimes wages; (d)
24 failure to pay minimum wage; (e) failure to maintain accurate records; (f) failure to furnish
25 accurate wage statements; (g) failure to timely pay wages; (h) failure to timely pay final wages; (i)
26 failure to provide paid sick time; and (j) improper use of background checks, including any related
27 claims for attorneys' fees and costs, resulting therefrom.

1 22. **Additional Release of Claims by Plaintiff.** In addition to the release given by each
2 Aggrieved Employee, Plaintiff Tony Ramos fully releases and discharges the Released Parties
3 from any and all claims, demands, obligations, causes of action, rights, or liabilities of any kind,
4 known or unknown, arising out of any acts or omissions by US Air or any of the Released Parties
5 through the Effective Date. This release by Plaintiff specifically includes, but is not limited to,
6 any and all claims, demands, obligations, causes of action, rights, or liabilities under any federal,
7 state, or local laws, statutes, or regulations (including, but not limited to, the California Labor
8 Code, the California Fair Employment and Housing Act, Title VII of the Civil Rights Act, the
9 Equal Pay Act, and the Fair Labor Standards Act), whether or not known or suspected to exist, and
10 whether or not specifically or particularly described herein. Specifically, because he is releasing
11 claims that he may not know about, Plaintiff waives all rights and benefits afforded to him by
12 California Civil Code Section 1542, which provides:

13 A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT
14 THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR
15 SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF
16 EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR
 HER WOULD HAVE MATERIALLY AFFECTED HIS OR HER
 SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY

17 23. **No Credit Toward Benefit Plan.** Payments to Aggrieved Employees, including
18 Plaintiff, as referenced herein will not be utilized to calculate any additional benefits under any
19 benefit plans to which any Aggrieved Employee may be eligible, including, but not limited to
20 profit-sharing plans, bonus plans, 401(k) or 403(b) plans, vacation plans, sick leave plans, PTO
21 plans, and any other benefit plan. Rather, it is the Parties' intention that this Agreement will not
22 affect any rights, contributions, or amounts to which any Aggrieved Employee may be entitled
23 under any benefit plans.

24 24. **Circular 230 Disclaimer.** Each Party to this Settlement Agreement acknowledges
25 and agrees that (1) no provision of this Agreement, and no written communication or disclosure
26 between or among the Parties or their attorneys or other advisors, is or was intended to be, nor will
27 any such communication or disclosure constitute or be construed or be relied upon as, tax advice
28 within the meaning of United States Treasury Department Circular 230 (31 C.F.R. Part 10, as

1 amended); (2) each Party (a) has relied exclusively upon her or its own, independent legal and tax
2 counsel for advice (including tax advice) in connection with this agreement, (b) has not entered
3 into this Agreement based upon the recommendation of any other Party or any attorney or advisor
4 to any other Party, and (c) is not entitled to rely upon any communication or disclosure by any
5 attorney or advisor to any other Party to avoid any tax penalty that may be imposed on the Party;
6 and (3) no attorney or advisor to any other Party has imposed any limitation that protects the
7 confidentiality of any such attorney's or advisor's tax strategies (regardless of whether such
8 limitation is legally binding) upon disclosure by the Party of the tax treatment or tax structure of
9 any transaction, including any transaction contemplated by this Agreement.

10 25. **No Prior Assignment.** Plaintiff represents and warrants that he has not assigned or
11 transferred any portion of any claims, demands, obligations, causes of action, rights, or liabilities
12 that, but for such assignment or transfer, would be released under this Agreement.

13 26. **Nullification of Settlement Agreement.** Unless otherwise noted herein, if (i) the
14 Court does not approve the settlement as provided or (ii) the settlement does not become final for
15 any other reason, then this Agreement, the Memorandum of Understanding, and any documents
16 generated to bring it into effect will be null and void, and the Parties will be returned to their
17 original, respective positions.

18 27. **No Publicity; Confidentiality.** No party hereto (including the Parties' attorneys)
19 shall publicize this settlement, this Agreement, any terms of this Agreement (including, but not
20 limited to, the PAGA Gross Settlement Amount), or any information about the negotiations
21 leading to the execution of this Agreement. This includes, but not limited to, communications
22 through any social media, unless so ordered by the Court. Nothing herein limits or purports to
23 limit Plaintiff's Counsel's ability or right to respond to Aggrieved Employee inquiries about this
24 Settlement or to submit this Settlement to the LWDA and the Court for the purpose of obtaining
25 approval of the Settlement and in compliance with the requirements of PAGA.

26 28. **Confidential Information.** Plaintiff's Counsel will destroy all confidential
27 documents and information provided by Defendant for mediation purposes within 60 calendar
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1 days after the completion of the administration of this Agreement. Plaintiff's Counsel agrees that
2 none of the information provided by Defendant shall be used for any purpose.

3 29. **Continued Jurisdiction.** After entry of the Order, the Court shall retain, and will
4 have continuing, jurisdiction solely for purposes of addressing: (i) the interpretation and
5 enforcement of the terms of this Agreement; (ii) settlement administration matters; and (iii) such
6 matters as may be appropriate under court rules or as set forth in this Agreement, as permitted by
7 Code of Civil Procedure section 664.6 and any other applicable law.

8 30. **Entire Agreement.** This Agreement constitutes the entirety of the Parties'
9 settlement terms. No other prior or contemporaneous written or oral agreements may be deemed
10 binding on the Parties.

11 31. **Amendment or Modification.** This Agreement may be amended or modified only
12 by a written instrument, signed by both Parties, their successors-in-interest, or their counsel.

13 32. **Authorization to Enter into a Settlement Agreement.** Counsel for all Parties
14 warrant and represent they are expressly authorized by the Parties whom they represent to
15 negotiate this Agreement and to take all appropriate action required or permitted to be taken by
16 such Parties pursuant to this Agreement. The Parties and their counsel will cooperate with each
17 other and use their best efforts to effect the implementation of the settlement.

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

20 34. **Governing Law.** All terms of this Agreement shall be governed by, and interpreted
21 according to, the laws of the State of California.

22 35. **Execution and Counterparts.** This Agreement is subject only to the execution of
23 all Parties. However, the Agreement may be executed in one or more counterparts. All executed
24 counterparts and each of them, including fax and scanned copies of the signature page, will be
25 deemed to be one and the same instrument.

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

3 37. **Construction and Interpretation.** Headings and paragraph titles are inserted as a
4 matter of convenience and for reference, and in no way define, limit, extend or describe the scope
5 of this Agreement or any of its provisions. Each term of the Agreement is contractual.

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

10 39. **Enforcement Action.** In the event that one or more of the Parties institutes any
11 legal action or other proceeding against any other Party or Parties to enforce the provisions of this
12 Agreement or to declare rights and/or obligations under this Agreement, the successful Party will
13 be entitled to recover from the unsuccessful Party reasonable attorneys' fees and costs, including
14 expert witness fees incurred in connection with any enforcement action.

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

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

24 42. **Cooperation and Execution of Necessary Documents; Stipulation/Motion for**
25 **Court Approval.** All Parties will cooperate in good faith and execute all documents to the extent
26 reasonably necessary to effectuate the terms of this Agreement. Plaintiff's Counsel shall prepare
27 and file a joint stipulation for Court approval of the Settlement (or a motion if required by the
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1 Court) as soon as practicable. Plaintiff's Counsel shall submit the stipulation/motion to
2 Defendant's counsel for approval a reasonable time prior to filing.

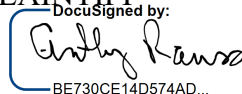
3 43. **Binding Agreement.** The Parties warrant that they understand and have full
4 authority to enter into this settlement, and further intended that this Agreement will be fully
5 enforceable and binding on all Parties, and agree that it will be admissible and subject to
6 disclosure in any proceeding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

8 44. **Compliance with PAGA's Procedural Requirements.** Plaintiff agrees that
9 Plaintiff's Counsel will notify the LWDA (with respect to Plaintiff's PAGA notice letter) of the
10 Settlement at the same time this Settlement is submitted to the Court for approval, and perform
11 any and all statutory tasks as required by law necessary to effectuate consummation and approval
12 of this Settlement.

13 45. **Representation Regarding the Number of Pay Periods Worked by Aggrieved**
14 **Employees.** US Air represents that there are approximately 9,186 pay periods worked by
15 Aggrieved Employees in California ("Affected Pay Periods") during the Settlement Period. If the
16 actual number of Affected Pay Periods during the Settlement Period is more than 10% greater than
17 this number (i.e., if there are more than 10,105 Affected Pay Periods during the Settlement
18 Period), US Air shall increase the PAGA Gross Settlement Amount in proportion to the increase
19 in Affected Pay Periods over 10% (e.g., if the number of Affected Pay Periods in the Settlement
20 Period is 12% greater than 9,186, US Air will increase the PAGA Gross Settlement Amount by
21 2%).
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24 SO AGREED:
March 1, 2021
25 Dated: March ___, 2021

PLAINTIFF
DocuSigned by:


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27 Tony Ramos
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1 Dated: March ___, 2021

US Air Conditioning Distributors, LLC

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4 By: Jack Scarsi,
its Vice President of Operations

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6 APPROVED AS TO FORM, AND AGREED TO AS APPLICABLE:

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8 Dated: March 1, 2021

GAINES & GAINES, APLC

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10 *Daniel F. Gaines*
Daniel F. Gaines
11 Counsel for Plaintiff

12 Dated: March ___, 2021

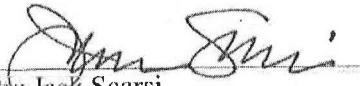
HILL, FARRER & BURRILL LLP

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14 James A. Bowles
15 Counsel for Defendant
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Dated: March 1, 2021

US Air Conditioning Distributors, LLC


By: Jack Scarsi,
its Vice President of Operations

APPROVED AS TO FORM, AND AGREED TO AS APPLICABLE:

Dated: March __, 2021

GAINES & GAINES, APLC

Daniel F. Gaines
Counsel for Plaintiff

Dated: March 1, 2021

HILL, FARRER & BURRILL LLP

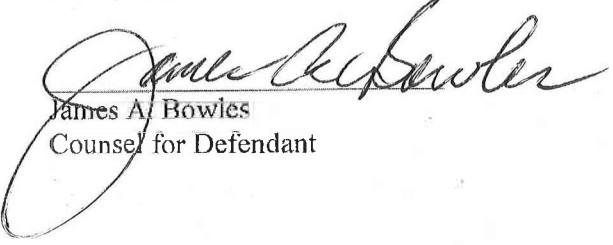

James A. Bowles
Counsel for Defendant

EXHIBIT A

Date

NOTICE OF SETTLEMENT**San Bernardino County Superior Court Case No. CIVDS2013269****Case Name: *Tony Ramos v. US Air Conditioning Distributors, LLC***

«FirstName» «LastName»

«Address1» «Address2»

«City» «State» «Zip»

You are receiving the enclosed check in settlement of a lawsuit entitled TONY RAMOS, on behalf of himself and all “aggrieved employees” pursuant to Labor Code § 2698 et seq., “Plaintiffs,” v. US AIR CONDITIONING DISTRIBUTORS, LLC, a Delaware limited liability company, and DOES 1 through 10, inclusive, (“Defendants”), Superior Court of the State of California, County of San Bernardino, Case Number CIVDS2013269 (the “Lawsuit”).

In the Lawsuit, Plaintiff pursued various claims for penalties against Defendant under the California Private Attorneys General Act of 2004 (“PAGA”). Defendant denies Plaintiff’s claims in their entirety, and asserts it complied with the applicable law. However, the parties believe that continued litigation would be protracted, expensive, uncertain, and contrary to their best interests and, therefore, agreed to settlement of this lawsuit. The court has not ruled on the merits of this lawsuit, but it has approved the civil penalties settlement amount to be paid by Defendant. The settlement addresses claims for PAGA penalties on behalf of non-exempt employees who worked for Defendant in California at any time from April 8, 2019 through January 31, 2021 (the “PAGA Period”).

According to Defendant’s records, you worked for Defendant during the PAGA Period and are therefore entitled to a share of the settlement. Enclosed with this Notice is your settlement check. The settlement check shall remain valid for one hundred eighty (180) calendar days. Checks remaining un-cashed for more than 180 days after issuance will become void and the outstanding balance will be tendered to the California State Controller’s Office - Unclaimed Property Fund, to be held in your name.

While you were not a party to the Lawsuit, you and the State of California have been bound by the settlement entered in this matter and approved by the Court, including the release contained in the settlement. The release pertains to civil penalties under PAGA only. The release includes all claims under the PAGA that were alleged in Plaintiff’s complaint in the Lawsuit.

If you have any questions, you can contact Simpluris, Inc., the Settlement Administrator, at 1-____-____.