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19 and ROSS MORGAN & COMPANY, INC.

20 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**  
21 **FOR THE COUNTY OF LOS ANGELES**

22 RUBEN VEGA, an individual; TRINDIA  
23 VEGA, an individual;

24 Plaintiffs,

25 vs.

26 MALIBU CANYON VILLAGE OWNERS  
27 ASSOCIATION, INC.; ROSS MORGAN &  
28 COMPANY, INC., a California corporation; and  
DOES 1 through 100, inclusive,

Defendants.

CASE NO.: 20STCV40591

Assigned to: *Honorable Gregory Keosian,*  
*Dept. 61*

**STIPULATION BY ALL PARTIES FOR  
ORDER APPROVING SETTLEMENT  
PURSUANT TO CALIFORNIA LABOR  
CODE PRIVATE ATTORNEYS'  
GENERAL ACT AND ENTERING  
JUDGMENT**

Complaint Filed: October 22, 2020  
Trial Date: January 31, 2023

Plaintiffs RUBEN VEGA and TRINDIA VEGA ("Plaintiffs") and Defendants MALIBU CANYON VILLAGE OWNERS ASSOCIATION, INC., and ROSS MORGAN & COMPANY, INC., ("Defendants") (collectively, "the Parties"), by and through their respective counsel of record, hereby stipulate as follows:

## DEFINITIONS

1. "Aggrieved Employee" or "Aggrieved Employees" means all current and former, non-exempt employees who worked at least one pay period for Defendants in California at any time during the PAGA Period.
2. The "PAGA Period" shall be from February 13, 2019 through the date the Court enters the order granting final approval of the PAGA settlement.
3. "Aggrieved Employees' Counsel" means Sarkis Sirmabekian, Esq. of Sirmabekian Law Firm, PC.
4. "Aggrieved Employees' Counsel Costs" means verified litigation costs in an amount not to exceed \$75.00 as approved by the Court.
5. "Aggrieved Employees' Counsel Fees" means the amount to be paid, after Court approval, to Aggrieved Employees' Counsel for all past and future attorneys' fees incurred by Aggrieved Employees' Counsel in the Lawsuit on behalf of Representative Plaintiffs and the Aggrieved Employees including, but not limited to, future attorneys' fees incurred in securing final approval of the Settlement in the amount of Thousand Six Hundred and Sixty-Six Dollars and Sixty-Six Cents (\$1,666.66), representing one-third of the PGSA.
6. "Agreement" means this Stipulation and Settlement Agreement, including any attached exhibits.
7. "Complaint" means the operative Complaint filed in the Lawsuit.
8. "Counsel for Defendants" or "Defense Counsel" means Tina M. Jacquez, Esq.
9. "Court" means the Los Angeles Superior Court, in which the Lawsuit is currently pending, the Honorable Judge Gregory Keosian presiding. Court shall also mean any other Court that acquires proper jurisdiction of this Lawsuit.
10. "Distributable Amount" means the amount that is distributable to the Aggrieved Employees, and equals the PGSA less Aggrieved Employees' Counsel Fees, Aggrieved Employees' Counsel Costs, Settlement Administration Costs, and payment to the California Labor & Workforce Development Agency ("LWDA").

- 1 11. "Effective Date" means the later of (a) the date of entry of Order granting approval of this  
2 Settlement, if no objection to the Settlement is filed, (b) the date on which the time for all  
3 appeals from objections to the Settlement has passed, if one or more objections to the  
4 Settlement are filed, and (c) if an appeal is taken, the date on which any reviewing court issues  
5 a decision, the time for further appeal has expired, and the trial court has regained jurisdiction.
- 6 12. "Maximum Settlement Amount" means the total amount of Eighty-Five Thousand Dollars  
7 and No Cents (\$85,000.00), the maximum amount to be paid by Defendants pursuant to the  
8 terms of this Agreement, regardless of how the court rules on the first or subsequent motions  
9 for approval.
- 10 13. "Lawsuit" means this lawsuit and the operative Complaint in the matter entitled *Ruben Vega,*  
11 *et al. v. Malibu Canyon Village Owners Association, Inc., et al.*, Case No. 20STCV40591, Los  
12 Angeles Superior Court.
- 13 14. "Notice of Settlement" means the form to be prepared and approved by both Counsel for  
14 Defendants and Aggrieved Employees' Counsel and sent to the Aggrieved Employees with the  
15 Settlement Payments to inform them of the material terms of the Agreement and the Released  
16 Claims.
- 17 15. "Notice Returns" means envelopes containing the Notice of Settlement that were mailed by  
18 the Settlement Administrator to Aggrieved Employees but were undelivered and returned to  
19 the Settlement Administrator by the United States Postal Service.
- 20 16. "Order and Judgment" means the order and judgment entered by the Court pursuant to the  
21 terms set forth in this Agreement (i) approving finally and fully the terms contained in this  
22 Agreement; (ii) permanently enjoining and forever barring from prosecuting any and all  
23 Released Claims against Defendants or the Released Persons; (iii) entering a final judgment in  
24 the Lawsuit; and (iv) retaining jurisdiction to enforce the terms of this Agreement following  
25 approval of the Settlement. Aggrieved Employees' Counsel will submit with its approval  
26 motion a proposed Order and Judgment – the form and content of which is agreed to by  
27 Counsel for Defendants.  
28

1 17. "Personal Release" means the Representative Plaintiffs' irrevocable and unconditional release,  
2 acquittal, and discharge of the Released Persons and all persons and/or corporate entities acting  
3 by, through, under or in concert with any of them, or any of them, from any and all complaints,  
4 claims, liabilities, obligations, promises, agreements, controversies, damages, costs, losses,  
5 debts and expenses (including attorneys' fees and costs actually incurred), of any nature  
6 whatsoever, including but not limited to the release of any and all claims arising under any of  
7 the following, as amended: the National Labor Relations Act ("NLRA"), Title VII of the Civil  
8 Rights Act of 1964, Sections 1981 through 1988 of Title 42 of the United States Code, the  
9 Employee Retirement Income Security Act of 1974 ("ERISA"), the Americans with  
10 Disabilities Act of 1990 ("ADA"), the Fair Labor Standards Act ("FLSA"), the Occupational  
11 Safety and Health Act ("OSHA"), the Consolidated Omnibus Budget Reconciliation Act of  
12 1985 ("COBRA"), the Genetic Information Nondiscrimination Act ("GINA"), the Family and  
13 Medical Leave Act ("FMLA"), the Worker Adjustment and Retraining Notification Act  
14 ("WARN"), the California Fair Employment and Housing Act ("FEHA"), the Family and  
15 Medical Leave Act of 1993 ("FMLA") and the California Family Rights Act ("CFRA"), the  
16 Private Attorneys' General Act ("PAGA"), the California Worker Adjustment and Retraining  
17 Notification Act ("Cal-WARN"), the California Business and Professions Code, including the  
18 Unfair Competition Law, Cal. Bus. & Prof. Code § 17200, the California Minimum Wage  
19 Law, the Equal Pay Law for California, the California Labor Code (including specifically,  
20 Section 132a) and California Wage Orders, together with any alleged violation of the United  
21 States or any state Constitution, any local, state or federal law, regulation or ordinance, and/or  
22 public policy, contract or tort or common-law, any claim for injunctive or declaratory relief  
23 any violation of the penal code, and any other claim whether cognizable at law or in equity  
24 having any bearing whatsoever on Representative Plaintiffs' application for employment,  
25 employment with, or separation of employment from the Released Persons, which  
26 Representative Plaintiffs ever had, now have, or shall have, from the beginning of time to the  
27 date of the Effective Date.  
28

1 18. As to the foregoing claims, Representative Plaintiffs expressly waive the benefits of California  
2 Civil Code §1542. Civil Code §1542 provides:

3  
4 ***A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE***  
5 ***CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO***  
6 ***EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE***  
7 ***RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE***  
8 ***MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE***  
9 ***DEBTOR OR RELEASED PARTY***  
10

11 19. "Per Capita Payment" means the amount payable to each Aggrieved Employee on an equal per  
12 capita basis.

13 20. "Redirected Notice" means a second Notice of Settlement mailed by the Settlement  
14 Administrator to a new or different address for an Aggrieved Employee that was obtained by  
15 the Settlement Administrator as a result of a Notice Return.

16 21. "Released Claims" means any and all claims, rights, demands, liabilities and causes of action  
17 for civil penalties under the PAGA that arose during the PAGA Period, based on the factual  
18 allegations pled in the operative complaint in the Lawsuit, with respect to the following claims:  
19 (a) failure to pay minimum wage (*Labor Code* §§ 200, 206, 216, 218.6, 221, 226, 500, 510,  
20 1182.12, 1194, 1194.2, 1197, 1197.1 and 1199); (b) failure to compensate for all hours worked  
21 (*Labor Code* §§ 200, 204, 226, 226.8, 432.5, 450, 500, 510, 1194, 1194.2, 1197 and 1198); (c)  
22 failure to pay overtime compensation (*Labor Code* §§ 200, 226, 500, 510, 558, 1194 and 1198);  
23 (d) failure to provide meal periods and pay meal period compensation (*Labor Code* §§ 226.7  
24 and 512); (e) failure to authorize and permit rest periods and pay rest period compensation  
25 (*Labor Code* §§ 226.7 and 558.2); (f) failure to furnish accurate wage statements (*Labor Code*  
26 §§ 226, 226.3, 1174, 1174.5 and 558.1); (g) failure to timely pay final wages upon discharge  
27 (*Labor Code* §§ 201, 203, 256 and 558.1); (h) statutory penalties (*Labor Code* §§ 201, 201.5,  
28 202, 203, 205.5 and 558); (i) failure to indemnify and illegal deductions from wages (*Labor*

1 Code §§ 200, 203, 226 and 2802); (j) violation of *Labor Code* § 1198.5, (k) violation of *Labor*  
2 *Code* § 226(c)(f), (l) violation of the Private Attorneys General Act of 2004, *Labor Code* §  
3 2698, *et seq.*; (m) unfair competition, *Business and Professions Code* § 17200, *et seq.*,  
4 including any related claims for attorneys' fees, penalties, costs, or interest resulting therefrom.  
5 ("Claims") The Released Claims shall specifically include all civil penalties or other amounts  
6 which are or may be available under or through the PAGA based on the facts that were alleged  
7 in the operative complaint filed in the Lawsuit, and/or predicated any of the Labor Code  
8 violations asserted in the operative complaint filed in the Lawsuit, inclusive of all  
9 Representative Aggrieved Employees' and the Aggrieved Employees' attorneys' fees and  
10 costs. As to the foregoing claims, Representative Plaintiffs and Aggrieved Employees release  
11 PAGA civil penalties recoverable under any theory of liability upon which such civil penalties  
12 under the PAGA could have been recovered based upon the allegations in the operative  
13 complaint filed in the Lawsuit.

14 22. "Released Persons" means Defendants and their respective agents, attorneys, insurers, past,  
15 present and future divisions, affiliates, any DBAs, predecessors, successors, shareholders,  
16 officers, directors, managers, employees, trustees, representatives, administrators, fiduciaries,  
17 assigns, subrogees, executors, partners, parents, subsidiaries, privies, and/or any and all  
18 persons and/or corporate entities acting by, through, under or in concert with any of them.

19 23. "Representative Plaintiffs" or "Plaintiffs" means Ruben Vega and Trindia Vega and their  
20 respective representative(s), heir(s), assign(s), attorney(s) and/or insurer(s).

21 24. "Settlement to Plaintiffs" means an amount of Eighty Thousand Dollars and No Cents  
22 (\$80,000.00) to be paid to Plaintiffs in exchange for the Personal Release.

23 25. "Settlement Administration Costs" means the fees and costs incurred or charged by the  
24 Settlement Administrator in connection with the execution of its duties under this Agreement  
25 including, but not limited to: (i) fees and costs associated with preparing, issuing and/or  
26 monitoring reports, filings and notices (including the cost of printing, verifying addresses  
27 through a United States Postal Service national change of address database (which provides  
28 updated addresses for any individual who has moved in the previous four years who has

1 notified the U.S. Postal Service of a forwarding address) to obtain current address information,  
2 skip tracing, and mailing all notices and other documents to the Aggrieved Employees)  
3 required to be prepared in the course of administering the Settlement; (ii) computing the  
4 amount of the Settlement Payments, taxes, and any other payments to be made under this  
5 Agreement; (iii) handling inquiries about the calculation of individual Settlement Payments or  
6 mailings; (iv) establishing and operating a physical Settlement payment center address, and  
7 phone number to receive Aggrieved Employees' inquiries about the Settlement; (v) remitting  
8 any tax deductions or subtractions applicable under the law and/or pursuant to this Agreement  
9 and preparing and submitting any filings required by any governmental taxing authority or  
10 other governmental agency and/or Defendants' worker's compensation insurer; and (vi)  
11 establishing a Qualified Settlement Fund. Settlement Administration Costs will not exceed One  
12 Thousand Eight Hundred Seventy Five Dollars and Cents (\$1,875.00).

13 26. "Settlement Administrator" refers to Phoenix Settlement Administrators, to administer this  
14 Settlement and to act as the administrator to process the Settlement under the terms of this  
15 Agreement.

16 27. "Settlement Payment(s)" refers to the payment(s) to any Aggrieved Employee pursuant to the  
17 terms of this Agreement.

18 28. "Settlement and Release Period" means from February 13, 2019 through the date the Court  
19 enters the order granting final approval of the PAGA settlement.  
20

21 **WHEREAS**, on or about August 6, 2020, Plaintiffs by and through Plaintiffs' counsel, sent a  
22 notice to the California Labor Workforce Development Agency ("LWDA") and all Defendants (the  
23 "PAGA Notice") alleging that Defendants engaged in violations of the California Labor Code and  
24 California Wage Orders, seeking civil penalties pursuant to the California Labor Code Private  
25 Attorneys' General Act ("PAGA") and on April 2, 2021, sent an amended notice;

26 **WHEREAS**, on or about October 22, 2020, Plaintiffs filed a Complaint in the California  
27 Superior Court for the County of Los Angeles entitled Ruben Vega, et al. v. Malibu Canyon Village  
28 Owners Association, Inc., et al. (the "Action") alleging individual employment claims;

1       **WHEREAS**, this Settlement is entered into on February 7, 2022 by and between Plaintiffs, on  
2 behalf of themselves and “Aggrieved Employees” (defined below), on the one hand, and Defendants  
3 Malibu Canyon Village Owners Association, Inc., and Ross Morgan & Company, Inc., on the other  
4 hand, to memorialize the essential terms of the settlement of Plaintiffs’ representative claims asserted  
5 in the Action.

6       **WHEREAS**, on or about October 22, 2020, Plaintiffs filed a Complaint, alleging the  
7 following causes of action: (1) Failure to Pay Minimum Wage; (2) Failure to Compensate for All  
8 Hours Worked (3) Failure to Pay Overtime Compensation; (4) Failure To Pay Meal Period  
9 Compensation; (5) Failure To Rest Period Compensation; (6) Failure To Furnish Accurate Wage and  
10 Hour Statements; (7) Failure to Pay Wages Upon Discharge; (8) Statutory Penalties; (9) Failure to  
11 Indemnify and Illegal Deductions From Wages; (10) Violation of the Private Attorneys General Act  
12 of 2004;

13       **WHEREAS**, for purposes of Plaintiffs representative claims under PAGA, and for purposes  
14 of the Action (as defined below) and this PAGA Agreement, the alleged aggrieved individuals  
15 (“Aggrieved Employees”) are defined by Plaintiffs to be current and former non-exempt employees,  
16 who worked at least one pay period for Defendants during the PAGA Period. The PAGA Period is  
17 defined to be from February 13, 2019 through the date this Court approves the settlement described  
18 herein (the “PAGA Settlement”) and enters judgment pursuant to the terms of the PAGA Settlement  
19 (the “Approval Date”);

20       **WHEREAS**, Defendants vigorously dispute and deny the allegations and various causes of  
21 action asserted in the Action, including, without limitation, Plaintiffs’ individual claims and the  
22 Aggrieved Employees’ claim for civil penalties pursuant to PAGA;

23       **WHEREAS**, the Parties engaged in an informal exchange of documents and information  
24 including Defendants’ financial records. The Parties have also conducted extensive independent  
25 investigation and evaluations of the claims and defenses in this matter. Both Plaintiffs’ counsel and  
26 Defendants’ counsel have significant experience litigating and resolving the type of wage-and-hour  
27 claims alleged in the Action, including claims for civil penalties under PAGA;

28

1       **WHEREAS**, according to the PAGA Settlement Agreement, Plaintiffs' "PAGA Claims" are  
2 defined as any and all claims for civil penalties pursuant to PAGA based on the allegations in  
3 Plaintiffs' Complaints and/or PAGA Notices, broadly construed, including, but not limited to, civil  
4 penalties based on or arising from California Labor Code Sections 98.6, 200, 201, 201.5, 202, 203,  
5 204, 205.5, 206, 206.5, 208, 210, 215, 216, 218.5, 221, 223, 224, 225.5, 226, 226(a)(1), 226(a)(5),  
6 226(a)(8), 226(a)(9), 226(c), 226(e)(1), 226(f), 226.3, 226.6, 226.7, 226.8, 227.3, 233 *et seq.*, 246,  
7 247, 432.5, 450, 500, 510, 512, 512(a), 551, 552, 553, 558, 558(a)(3), 558.1, 1102.5, 1174, 1174.5,  
8 1175, 1182.12, 1194, 1194.2, 1197, 1197.1, 1197.2, 1198, 1198.5, 1198.5(k), 1199, 1776, 2698 *et seq.*,  
9 2699.3(c)(1), 2699(i), 2802 and 2810.5 *et seq.*, California Code of Civil Procedure Section 1021.5,  
10 3294, California Constitution Article I § 8, Government Code Section 12926.1, 12940 *et seq.*,  
11 12940(h) *et seq.*, 12940(m), 12940(n), 12945.2, 12945.2(c)(3)(C), 12965(b), 12965(c) California  
12 Business and Professions Code Section 17200 *et seq.*, and the California Wage Orders, whether known  
13 or unknown, suspected or unsuspected, concealed or hidden, that were alleged in the Action and/or  
14 the PAGA Notice, or that could have been alleged in the Action and/or PAGA Notices, which Plaintiffs  
15 and any Aggrieved Employee have or had at any time through and including the Approval Date,  
16 against any of the Releasees identified in the PAGA Settlement Agreement. A true and correct copy  
17 of the PAGA Settlement Agreement is attached hereto as Exhibit A, and its defined terms are hereby  
18 incorporated by reference;

19       **WHEREAS**, California Labor Code Section 2699(l)(2) requires that this Court review and  
20 approve any settlement pursuant to PAGA;

21       **WHEREAS**, the Parties recognize that the issues presented in the Action are likely only to be  
22 resolved with extensive and costly discovery, pretrial and trial proceedings, and that further litigation  
23 will cause inconvenience, distraction, disruption, delay and expense disproportionate to the potential  
24 benefits of litigation. The Parties agree that it reflects their good faith compromise of the claims raised  
25 in the Action, based upon their assessment of the mutual risks and costs of further litigation and the  
26 assessments of their respective counsel;

27       **WHEREAS**, based on their own independent investigations and evaluations, the Parties and  
28 their respective counsel are of the opinion that the settlement of the PAGA Claims on the terms set

1 forth in the PAGA Settlement Agreement are fair, reasonable and adequate and is in the best interests  
2 of the Parties, the LWDA, and Aggrieved Employees in light of all known facts and circumstances  
3 and the risks inherent in litigation. Such submission will also include a Notice of Class Settlement.

4 **WHEREAS**, the parties agree to fully cooperate to obtain approval of the settlement, pursuant  
5 to the terms set forth herein. The Parties also pledge their good faith effort and fair dealing in providing  
6 assistance and assent to a final Joint Stipulation for Settlement (or similar long-form Settlement  
7 Agreement), and in effectuating the terms of the settlement of Plaintiffs' representative claims asserted  
8 in the Action.

9 **WHEREAS**, the Parties recognize that this Court may, pursuant to California Labor Code  
10 Section 2699(e)(2), award a lesser amount than the maximum civil penalty amount permitted under  
11 PAGA if, based on the facts and circumstances of the particular case, to do otherwise would result in  
12 an award that is unjust, arbitrary and oppressive, or confiscatory;

13 **WHEREAS**, the Parties have provided a copy of this Joint Stipulation and the proposed PAGA  
14 Settlement Agreement to the LWDA in accordance with Labor Code Section 2699(l)(2), and a proof  
15 of service to the LWDA is attached hereto ; *See proof of service page*;

16 **WHEREAS**, the Parties have agreed upon a "Notice to Aggrieved Employees", to accompany  
17 settlement payments to aggrieved employees, attached hereto as Exhibit B;

18 **WHEREAS**, in consideration of the terms and conditions set forth in the PAGA Settlement  
19 Agreement, the Parties agree to be bound to the terms and conditions set forth in the PAGA Settlement  
20 Agreement, including that:

21 Upon expiration of the appeal period after the final Approval Date, the Company shall  
22 pay the total sum of Eighty-Five Thousand Dollars (\$5,000.00) (the "PAGA Settlement Sum") on  
23 account of disputed and alleged civil penalties as follows:

24 A. One-third (1/3) of the PAGA Gross Settlement Amount ("PGSA"), \$1,666.66,  
25 plus \$75.00 for costs, totaling \$1741.66, shall be paid to Plaintiffs' counsel Sirmabekian Law Firm  
26 PC, for attorney's fees and costs incurred on the PAGA claims; \$1,875.00 shall be paid to the  
27 settlement administrator.

1           B.     The remaining balance after deducting the amount being paid to Plaintiffs'  
2 counsel for attorney's fees, costs, and administration on the PAGA claims, \$1,383.34 (the "PAGA  
3 Net Settlement Amount" or "PNSA"), shall be classified for tax purposes as civil penalties ("Civil  
4 Penalty Allocation"), unless otherwise required by law, and shall be distributed as follows:

5           The remaining balance after deducting the above amounts being paid to Plaintiffs'  
6 counsel, Aggrieved Employees' Counsel will request, and Defendants will not oppose:

7           i.     Seventy-Five Percent (75%) of the Civil Penalty Allocation, \$1,037.50,  
8 shall be paid to the LWDA, which represents civil penalties payable to the LWDA under the PAGA,  
9 Labor Code section 2698, *et seq.*;

10          ii.    Twenty Five Percent (25%) of the Civil Penalty Allocation, \$345.84,  
11 (the "Aggrieved Employee Amount") shall be paid to the PAGA Members, pursuant to Labor Code §  
12 2699(i), divided amongst PAGA Members based on each PAGA Member's respective number of pay  
13 periods worked for Defendants in California during the PAGA Period.

14          Plaintiffs agree that counsel for Plaintiffs will notify the LWDA of the settlement at the same  
15 time the settlement is submitted to the Court for approval, seek approval of the settlement, and perform  
16 any and all statutory tasks as required by law.

17          The Parties further agree that should the Court deny approval of the settlement based on the  
18 allocation of the PGSA or PNSA, the Parties agree to re-negotiate in good faith in an effort to obtain  
19 approval of the settlement.

20          **WHEREAS**, Defendants will provide PAGA Members' information (names, addresses, phone  
21 numbers, social security numbers, and number of pay periods worked for Defendants in California  
22 during the PAGA Period) to the Settlement Administrator to assist the settlement process within ten  
23 (10) business days of the court signing the approval order.

24          **WHEREAS**, Defendants represents that they have employed 8 persons from the beginning of  
25 the PAGA Period through present. If as of the date of court approval, the number of PAGA Members  
26 exceeds 8 by more than twenty percent (20%) (i.e., the number of class members exceeds 8 by 2 or  
27 more class members), then the amount of the PGSA shall increase in proportion to the increased  
28

1 percentage in excess of the 20% threshold. For example, if such increase in PAGA Members during  
2 the Class Period is 30% over 8 PAGA members, the PGSA will increase by 10%.

3 Phoenix Settlement Administrators, shall be the Settlement Administrator. Payments  
4 to PAGA members, the LWDA, Plaintiffs, and Plaintiffs' Counsel shall be made by the Settlement  
5 Administrator within 21 days of the payment by Defendants. All checks to Aggrieved Employees will  
6 be sent by the Settlement Administrator to each Aggrieved Employees' last known address on file  
7 with Defendants and shall remain valid and negotiable for 180 days from the date of their issuance to  
8 Aggrieved Employees. If any checks are returned as undeliverable, the Settlement Administrator shall  
9 make reasonable efforts to obtain an updated address and reissue a check to that Aggrieved Employee.  
10 All funds not claimed within 180 days of the initial mailing shall be directed to the State Controller's  
11 Office under the Unclaimed Property Statutes in the name(s) of the individual(s) who did not cash his  
12 or her check(s).

13 **WHEREAS**, Discovery is stayed in the Action while the Parties work toward settlement and  
14 court approval of the settlement. The Parties shall submit stipulations of settlement within 30 days of  
15 execution of a full and complete settlement agreement, which fully executed settlement agreement  
16 should occur within 45 days of the settlement.

17 **WHEREAS**, the Parties agree that this PAGA Settlement is not evidence that the operative  
18 complaint filed in the Action by Plaintiffs has any merit, nor does it constitute an admission of any  
19 wrongdoing by Defendants. Defendants do not admit to liability or to the suitability of this case for  
20 representative litigation other than for purposes of settlement. This PAGA Settlement will not be  
21 deemed admissible in any other proceeding or in this proceeding other than to effectuate this  
22 settlement. If the Court does not grant approval of this settlement, then the Parties revert to their  
23 previous positions and Defendants will contend that a representative action is not appropriate.

24 **WHEREAS**, the Parties to this PAGA Settlement are represented by competent counsel, and  
25 they have had an opportunity to consult with counsel. The Parties to this PAGA Settlement agree that  
26 it reflects their good faith compromise of the claims raised in the Action, based upon their assessment  
27 of the mutual risks and costs of further litigation and the assessments of their respective counsel.

28 **WHEREAS**, the Parties agree that this PAGA Settlement is confidential (except for purposes

1 of enforcement) and that no Party will communicate with or to anyone the settlement or anything to  
2 do with the settlement, including, but not limited, to the issuance of any press release nor other public  
3 or non-public representation regarding the settlement other than as necessary to obtain Court approval  
4 and effectuate the terms of the settlement. The Parties and their counsel agree that they will not initiate  
5 or have any contact with the press, respond to any press inquiry, or have any communication with the  
6 press about this case. The terms of this PAGA Settlement, and any subsequently executed Settlement  
7 Agreement, may be fully disclosed to the Court to obtain court approval of the settlement.

8       **WHEREAS**, the Parties intend that this PAGA Settlement shall be fully enforceable and  
9 binding upon all Parties, and that it shall be admissible and subject to disclosure in any proceeding to  
10 enforce its terms under Code of Civil Procedure section 664.6 and any other applicable statute or law,  
11 notwithstanding the mediation confidentiality provisions that otherwise might apply under local,  
12 federal and state law.

13       **WHEREAS**, the Parties agree that mediator Hon Joseph Biderman, Esq. may, at his discretion,  
14 execute a Declaration supporting the settlement and the Court may, in its discretion, contact Hon  
15 Joseph Biderman to discuss the settlement.

16       **WHEREAS**, the Parties agree that the subsequent filing of a Joint Stipulation of Settlement  
17 (or similar Settlement Agreement) is for settlement purposes only and if, for any reason, the settlement  
18 is not approved, the Joint Stipulation of Settlement and this PAGA Settlement will be of no force or  
19 effect.

20       **WHEREAS**, the Defendants shall not authorize or knowingly permit any disparaging or  
21 critical statements in reference to Plaintiffs' employment with Defendants. In response to requests for  
22 employment verification, Defendants will only provide (i) dates of Plaintiffs' employment and (ii)  
23 position.

24       The Parties shall not make any disparaging or critical statement about, relating or pertaining  
25 to, or otherwise involving each other. Nothing in this PAGA Settlement prevents Plaintiffs from  
26 discussing or disclosing information about unlawful acts in the workplace, such as harassment or  
27 discrimination or any other conduct that you have reason to believe is unlawful.

28       **WHEREAS**, the Parties to this PAGA Settlement agree that the long-form Settlement

1 Agreement will contain an integration clause.

2       **WHEREAS**, Plaintiffs will prepare and file a motion, if necessary, with the Court requesting  
3 Approval of the PAGA Settlement. If the Court does not approve the settlement reached at mediation,  
4 the Parties agree to work cooperatively together to renegotiate the terms of any settlement within 60  
5 days of the first date the Court fails to approve the settlement. Should Court approval of a settlement  
6 still not occur within 60 days after any such renegotiation, then any settlement and agreement is null  
7 and void, of no force and effect whatsoever and shall not be referred to or used for any purpose  
8 whatsoever and the Parties will be restored to their positions prior to mediation, unless the Parties  
9 mutually agree otherwise in writing.

10       This Court shall retain jurisdiction to enforce the terms of the PAGA Settlement Agreement  
11 pursuant to California Code of Civil Procedure Section 664.6; and

12  
13       **NOW THEREFORE**, the Parties jointly request that the Court approve the PAGA Settlement  
14 set forth in the PAGA Settlement Agreement and enter judgment accordingly to its terms.

15 DATED: 4/8/22  
16

SOLTMAN, LEVITT, FLAHERTY & WATTLES LLP

17  
18 By:



TINA M. JACQUEZ  
Attorney for Defendants

19  
20  
21  
22 DATED: 4/13/22

SIRMABEKIAN LAW FIRM PC

23  
24  
25 By:



SARKI S. SIRMABEKIAN  
Attorney for Plaintiffs

# **EXHIBIT A**

## **CALIFORNIA PRIVATE ATTORNEYS' GENERAL ACT SETTLEMENT & RELEASE AGREEMENT**

This California Private Attorneys' General Act Settlement & Release Agreement (the "PAGA Settlement Agreement") is entered into by Ruben Vega and Trindia Vega (collectively, "Plaintiffs"), Malibu Canyon Village Owners Association, Inc., and Ross Morgan & Company, Inc. (collectively, "Defendants") (Plaintiffs and Defendants shall be collectively referred to herein as the "Parties"), and is made with knowledge of the facts as set forth in Paragraphs 1 through 9 below:

### **RECITALS**

A. On August 6, 2020, Plaintiffs, through Plaintiffs' counsel, sent a notice to the California Labor Workforce Development Agency ("LWDA") and to Defendants alleging that Defendants engaged in violations of the California Labor Code and California Wage Orders ("**PAGA Notice**"). On April 2, 2021, Plaintiffs, through Plaintiffs' counsel, sent an amended notice to the LWDA and to Defendants. Pursuant to the PAGA Notices, and for purposes of the Action (as defined below) and this PAGA Settlement Agreement, the alleged "**Aggrieved Workers**" are defined by Plaintiffs to be:

(1) all current/former nonexempt employees who worked at least one pay period for Defendants in California at any time during the PAGA Period.

B. On or about October 22, 2020, Plaintiffs filed a Complaint in the California Superior Court for the County of Los Angeles (the "Court") in the case styled *Ruben Vega, et al. v. Malibu Canyon Village Owners Association, Inc., et al., and DOES 1-100*, Case No. 20STCV40591 (the "**Action**"). The Action was brought on an individual basis as to Plaintiffs Ruben Vega and Trindia Vega alleging the following causes the action: (1) Failure to Pay Minimum Wages, (2) Failure to Compensate for all Hours Worked, (3) Failure to Pay Overtime Compensation, (4) Failure to Pay Meal Period Compensation, (5) Failure to Pay Rest Period Compensation; (6) Failure to Furnish Accurate Itemized Wage Statements, (7) Failure to Pay Wages Upon Discharge, (8) Statutory Penalties, (9) Failure to Indemnify and Illegal Deductions From Wages, (10) Violation of the Private Attorneys General Act of 2004. The Action was also brought on a representative basis by Plaintiffs under the California Private Attorneys' General Act ("PAGA") seeking civil penalties for alleged Labor Code violations set forth in the previous causes of action.

C. On or about December 10, 2020, Defendants filed an Answer to the Complaint denying all material allegations and raising certain affirmative defenses.

D. The Parties agree that this PAGA Settlement Agreement sets forth the terms and conditions of the resolution of Plaintiffs and the Aggrieved Workers' PAGA Claims, the resolution of which shall be referred to as the "**PAGA Settlement Agreement**."

For purpose of this PAGA Settlement Agreement, "**Released Claims**" or "**PAGA Claims**" means and refers to Plaintiffs and Aggrieved Workers' claims for PAGA civil penalties based on the allegations in the Complaint filed in the Action, and in the PAGA Notice.

All of Plaintiffs' claims, other than Plaintiffs' PAGA Claims, are expressly excluded from this PAGA Settlement Agreement and, instead, are subject to the Parties' separate and concurrently executed

confidential settlement and general release agreement of Plaintiffs' individual claims (the "**Individual Settlement Agreement**").

E. Defendants have not made any representation to Plaintiffs regarding the legal or tax consequences of any funds received pursuant to this PAGA Settlement Agreement.

F. The "**PAGA Covered Period**" is defined to be the period from February 13, 2019 to the Approval Date, as defined in paragraph 1 below of this PAGA Settlement Agreement.

G. The Parties have conducted a thorough investigation in the facts of Plaintiffs' PAGA Claims. This included exchanging information and documents related to the Plaintiffs' PAGA Claims. Based on the foregoing data, and on their own independent investigation and evaluation, Plaintiffs' counsel are of the opinion that the settlement with Defendants for the consideration and on the terms set forth in this PAGA Settlement Agreement is fair, reasonable, and adequate and is in the best interest of the State of California and Aggrieved Workers in light of all known facts and circumstances, including the risk of significant delay, uncertainty associated with litigation, various defenses asserted by Defendants, and numerous potential appellate issues. Defendants and Defendants' counsel also agree that the PAGA Settlement Agreement is fair and in the best interest of the LWDA and Aggrieved Workers.

H. The Parties hereto desire to resolve Plaintiffs' and the Aggrieved Workers' PAGA Claims, without the further expenditure of time or expense of litigation and, for that reason, have entered into this PAGA Settlement Agreement. This PAGA Settlement Agreement is a full release and settlement of all of Plaintiffs' and of all Aggrieved Workers' PAGA Claims as asserted by Plaintiffs in the Complaint, or which could have been asserted by Plaintiffs, as defined in this PAGA Settlement Agreement.

I. This PAGA Settlement Agreement does not constitute an admission by Defendants of any violation of federal, state, or local law, ordinance or regulation or of any violation of Defendants' policies, procedures, or of any liability or wrongdoing whatsoever. Consistent therewith, Defendants have denied, and continue to deny, any allegation made by Plaintiffs and Defendants have further denied, and continue to deny, that Plaintiffs and the Aggrieved Workers have been damaged in any way or are entitled to any remedy in any form, whether legal or equitable. Neither this PAGA Settlement Agreement nor anything in this PAGA Settlement Agreement shall be construed to be or shall be admissible in any proceeding as evidence of liability or wrongdoing by Defendants.

#### **AGREED-UPON TERMS AND CONDITIONS OF PAGA SETTLEMENT**

**NOW, THEREFORE, IN CONSIDERATION OF THE PROMISES AND COVENANTS SET FORTH BELOW, THE PARTIES TO THIS PAGA SETTLEMENT AGREEMENT AGREE AS FOLLOWS:**

1. The Parties will cooperate in obtaining an order from the Court approving the PAGA Settlement Agreement (the "Approval Order") on substantially the terms provided herein or as may be modified by subsequent agreement of the Parties and entry of judgment. The date that the Court issues its Approval Order shall be referred to as the "Approval Date." The Parties agree to use their best efforts to expedite the preparation and submission of documents to the Court and LWDA within ten business days of the Parties' execution of this PAGA Settlement Agreement. The Parties further agree to fully cooperate in the drafting and/or filing of any further documents or filings reasonably necessary to be

prepared or filed with the Court, and shall take all steps that may be requested by the Court relating to or that are otherwise necessary to the approval and implementation of this PAGA Settlement Agreement.

2. Because the PAGA Settlement Agreement requires approval by the Court, the Parties enter into this PAGA Settlement Agreement on a conditional basis. This PAGA Settlement Agreement is expressly contingent upon the Court's approval of the PAGA Settlement Agreement pursuant to the terms and conditions set forth in this PAGA Settlement Agreement.

If this PAGA Settlement Agreement is not approved by Approval Order of the Court without making a fundamental change of the Parties' settlement, then this shall render the entire PAGA Settlement Agreement void and unenforceable as to all Parties unless otherwise approved and ratified by the Parties. The Parties will attempt in good faith to cure any perceived defects in the PAGA Settlement Agreement to facilitate approval.

### 3. Terms of Settlement

Subject to submission of this PAGA Settlement Agreement to the Labor and Workforce Development Agency by Plaintiffs and subject to the Court's approval of the PAGA Settlement Agreement pursuant to Labor Code § 2699(1)(2), which counsel and the Parties agree to recommend in good faith to the Court, the Parties agree to the following binding settlement and disposal of the entire Action.

Upon the Court entering the Approval Order approving this PAGA Settlement Agreement, Defendants shall pay a Maximum Settlement Amount of Eighty-Five Thousand Dollars (\$85,000.00) (the "Maximum Settlement Amount") of which a non-reversionary Five Thousand Dollars (\$5,000.00) (the "PAGA Gross Settlement Amount" or "PGSA") shall be paid to the PAGA Settlement Administrator within the Schedule of Payments as set forth below. The PAGA Settlement Amount is the maximum amount that will be paid inclusive of all settlement payments to the State of California, Aggrieved Employee Plaintiffs, Plaintiffs' counsel's attorneys' fees and litigation costs, and will be distributed in the following manner:

- (a) **Attorneys' Fees and Costs:** The Parties agree that, subject to the Court's review and approval, Plaintiffs' counsel will be paid one-third (\$1,666.66) of the PAGA Gross Settlement Amount as Plaintiffs' PAGA-claim-related attorneys' fees, \$1,875.00 for settlement administration, and \$75.00 for Plaintiffs' PAGA-claim-related litigation costs from the PAGA Settlement Amount.
- (b) **Allocation of Net Settlement Amount:** After deducting the amounts specified in items (a) from the PAGA Settlement Amount, the balance remaining (\$1,383.34) will form the PAGA Net Settlement Amount ("PNSA") and will be paid to the Labor and Workforce Development Agency ("LWDA") and the Aggrieved Employee Plaintiffs in the following proportion: 75 percent to the LWDA ("LWDA Settlement Proceeds") and 25 percent to Aggrieved Employee Plaintiffs ("The Aggrieved Employee Settlement Proceeds") divided amongst PAGA Members based on each PAGA Member's respective number of pay periods worked for Defendants in California during the PAGA Period.
- (c) **Schedule of Payments:** The LWDA Settlement Proceeds and The Aggrieved Employee Settlement Proceeds shall be delivered according to the following schedule:

- i. The Defendants will pay the PAGA Gross Settlement Amount upon expiration of the appeal period after the final Court approval (hereinafter “Effective Date”) of the Settlement. Within twenty-one (21) calendar of the first payment by Defendants, payments to PAGA Members, the LWDA, Plaintiffs, and Plaintiffs’ Counsel shall be made by the Settlement Administrator and to be distributed after the Court’s approval of the PAGA settlement agreement. Phoenix Settlement Administrators will serve as the “**Settlement Administrator**” for all purposes.
  - ii. If Defendants fail to deliver The Claims Administrator the Settlement Proceeds and The Aggrieved Employee Settlement Proceeds within the time prescribed in this Agreement, Plaintiffs shall provide notice of such non-payment to Defendants by e-mail to their counsel at [tjacquez@slfesq.com](mailto:tjacquez@slfesq.com). The Defendants shall then have ten (10) business days from date of Plaintiffs’ e-mail delivery to make such payment to cure the default. In the event that Defendants fail to timely cure any non-payment under this PAGA Settlement Agreement, Plaintiffs may move for judgment pursuant to California Code of Civil Procedure section 664.6, and any PAGA Settlement Amount paid up to and through the date of default shall be applied to any judgment entered by the Court against Defendants.
  - iii. Any Settlement check to any PAGA Members that is not negotiated within one hundred eighty (180) days of mailing to the PAGA Members shall be directed to the State Controller’s Office under the Unclaimed Property Statutes.
- (d) **Taxes and Reporting:** The Aggrieved Employee Settlement Proceeds shall be treated as penalties (i.e., non-wage income) for all purposes and reported by Defendants on IRS Form 1099 to Aggrieved Employee Plaintiffs and applicable governmental authorities. No portion of the Aggrieved Employee Settlement Proceeds is or shall be construed as wages. Nothing in this PAGA Settlement Agreement is intended to constitute legal advice regarding federal, state and/or local tax obligations or legal requirements for attribution of settlement proceeds. To the extent that this PAGA Settlement Agreement or any of its attachments is interpreted to contain or constitute advice regarding any U.S. or Federal tax issue, such advice is not intended or written to be used, and cannot be used, by any person for the purpose of avoiding penalties under the Internal Revenue Code. Defendants, Defendants’ counsel, Plaintiffs Vega’s counsel are not responsible for any employee tax obligations arising out of the Aggrieved Employee Settlement Proceeds.

The Parties agree that the PAGA Settlement Agreement is fair and reasonable and will so represent to the Court.

#### **4. Release as to the PAGA Representative Claims**

Upon Court approval of the Settlement and performance of the payment obligations therein, Plaintiffs and PAGA Members will fully and finally release and discharge Defendants and their former,

present and future owners, parents, and subsidiaries, and all of their current, former and future spouse(s), children, officers, directors, members, managers, employees, consultants, partners, shareholders, joint venturers, agents, successors, assigns, accountants, insurers, or legal representatives (“**Released Parties**”), from all claims, rights, demands, liabilities and causes of action for civil penalties under the PAGA claim asserted, or that could have been asserted in the Complaint, including, but not limited to, those under California Labor Code §§ 201, 202, 203, 204, 206.5, 210, 221, 223, 224, 225.5, 226, 226.3, 226.7, 510, 512, 558, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 1199, 2802, 2698 et seq., Wage Order sections 3, 4, 7, 9, 11, 12, 20, Business and Professions Code section 17200, and a California Civil Code § 1542 release as to those sections, that arose during the PAGA Period, based on the factual allegations pled in the operative complaint in the Action. These released claims include, but are not limited to the following claims: (a) failure to pay all overtime wages; (b) failure to pay all minimum wages; (c) failure to pay wages upon discharge, (d) failure to pay for all work, including off-the-clock work (e) failure to pay meal period compensation; (d) failure to pay rest period compensation; (e) failure to furnish accurate wage statements; (f) failure to indemnify and illegal deductions from wages; and (g) unfair competition (“**Released Claims**”).

In addition to the PAGA Gross Settlement Amount, and likewise included within the Maximum Settlement Amount, Defendants shall pay Eighty Thousand Dollars (\$80,000.00) the Individual Settlement Amount to Plaintiffs in exchange for a full, general release of all claims, rights, demands, liabilities, and causes of action Plaintiff may have or claim to have against Defendants or Released Parties, whether known or known, relating to any matter, except as may be prohibited by law. Defendants’ obligations to pay the Individual Settlement Amount are subject to Court Approval of the settlement of the Action, in full and as to all causes of action therein, including under PAGA.

In accordance with *Arias v. Superior Court*, 46 Cal. 4th 969, 985 (2009), a judgment in “a representative action brought by an aggrieved employee under the Labor Code Private Attorneys General Act of 2004...is binding not only on the named employee plaintiff but also on government agencies and any aggrieved employee not a party to the proceeding,” which the Approval Order shall so reflect. However, notwithstanding anything to contrary contained herein, in accordance with *Arias, supra*, the Approval Order shall be binding on the Aggrieved Workers as to the PAGA Claims, such that Plaintiffs Vega and Aggrieved Workers shall be forever barred and enjoined from instituting or prosecuting, either directly or indirectly, individually, collectively, and/or representatively, any PAGA Claim released by this Agreement against any Released Parties.

Plaintiffs hereby expressly waive any rights and benefits conferred by Section 1542 of the California Civil Code as to the PAGA Claims. Section 1542 of the California Civil Code states:

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

Plaintiffs acknowledge that they may hereafter discover claims or facts in addition to or different from those which they now know or believe to exist with respect to the subject matter of this PAGA Settlement Agreement and which, if known or suspected at the time of executing this PAGA Settlement Agreement, may have materially affected this PAGA Settlement Agreement. Nevertheless, Plaintiffs hereby waive any right, claim or cause of action that might arise as a result of such different or additional

claims or facts relating to their PAGA Claims. Plaintiffs acknowledge that they understand the significance and consequence of such release and such specific waiver of Section 1542.

## **5. Representation as to number of PAGA Members**

Defendants represent that they have employed 8 persons from the beginning of the PAGA Period through present. If as of the date of court approval, the number of PAGA Members exceeds 8 by more than twenty percent (20%) (i.e., the number of class members exceeds 8 by 2 or more class members), then the amount of the PGSA shall increase in proportion to the increased percentage in excess of the 20% threshold. For example, if such increase in PAGA Members during the Class Period is 30% over 8 PAGA members, the PGSA will increase by 10%.

## **6. PAGA Settlement Agreement Approval and Implementation Procedures**

Plaintiffs' counsel shall prepare a stipulation or motion for approval of the settlement pursuant to California Labor Code § 2699(1)(2), advocating that the PAGA Settlement Agreement is fair, adequate, and reasonable, and Defendants and Defendants' counsel shall not oppose such a motion. If the Court does not approve the settlement reached at mediation, the Parties agree to work cooperatively together to renegotiate the terms of any settlement within 60 days of the first date the Court fails to approve the settlement. Should Court approval of a settlement still not occur within 60 days after any such renegotiation, then any settlement and agreement is null and void, of no force and effect whatsoever and shall not be referred to or used for any purpose whatsoever and the Parties will be restored to their positions prior to mediation, unless the Parties mutually agree otherwise in writing. Defendants will provide PAGA Members' information (names, addresses, phone numbers, social security numbers, and number of pay periods worked for Defendants in California during the PAGA Period) to the Settlement Administrator to assist the settlement process within ten (10) business days of the court signing the approval order, provided delivering such information does not potentially violate any such worker's right to privacy.

Upon the Court's entry of the Approval Order, Plaintiffs will: (i) be bound by the terms and conditions of this PAGA Settlement Agreement, and the releases set forth herein; (ii) be deemed to have waived all objections and oppositions to the fairness, reasonableness, and adequacy of the settlement and the Court's Approval Order; and (iii) be entitled to receive The Aggrieved Employee Settlement Proceeds as set forth herein.

## **7. Mutual Full Cooperation**

The Parties agree to fully cooperate with each other to accomplish the terms of this PAGA Settlement Agreement, including but not limited to, execution of such documents and to take such other action as may reasonably be necessary to implement the terms of this PAGA Settlement Agreement. The Parties to this PAGA Settlement Agreement shall use their best efforts, including all efforts contemplated by this PAGA Settlement Agreement and any other efforts that may become necessary by order of the Court, or otherwise, to effectuate this PAGA Settlement Agreement and the terms set forth herein. As soon as practicable after execution of this PAGA Settlement Agreement, Plaintiffs' counsel shall, with the assistance and cooperation of Defendants and Defendants' counsel, take all necessary steps to secure the Court's approval of the PAGA Settlement Agreement, and the Approval Order. The Parties also pledge their good faith effort and fair dealing in providing assistance and assent to a final Joint Stipulation for Settlement (or similar long-form Settlement Agreement), and in effectuating the terms of the settlement of Plaintiffs' representative claims asserted in the Action.

## **8. Binding Settlement**

The Parties agree that this PAGA Settlement Agreement is not evidence that the operative complaint filed in the Action by Plaintiffs has any merit, nor does it constitute an admission of any wrongdoing by Defendants. Defendants do not admit to liability or to the suitability of this case for representative litigation other than for purposes of settlement. This PAGA Settlement Agreement will not be deemed admissible in any other proceeding or in this proceeding other than to effectuate this settlement. If the Court does not grant approval of this settlement, then the Parties revert to their previous positions and Defendants will contend that a representative action is not appropriate.

The Parties intend that this PAGA Settlement shall be fully enforceable and binding upon all Parties, and that it shall be admissible and subject to disclosure in any proceeding to enforce its terms under Code of Civil Procedure section 664.6 and any other applicable statute or law, notwithstanding the mediation confidentiality provisions that otherwise might apply under local, federal and state law. Each of the Parties hereto has entered into this PAGA Settlement Agreement with the intention of avoiding further disputes and litigation with the attendant inconvenience and expenses. This PAGA Settlement Agreement is a settlement document and shall, pursuant to California Evidence Code section 1152 and/or Federal Rule of Evidence 408, be inadmissible in evidence in any proceeding, except an action or proceeding to approve this PAGA Settlement Agreement, and/or interpret or enforce this PAGA Settlement Agreement.

## **9. Discovery Stayed**

Discovery is stayed in the Action while the Parties work toward settlement and court approval of the settlement. The Parties shall submit stipulations of settlement within 30 days of execution of a full and complete settlement agreement, which fully executed settlement agreement should occur within 45 days of the settlement.

## **10. Confidential**

The Parties agree that this PAGA Settlement Agreement is confidential (except for purposes of enforcement and settlement approval) and that no Party will communicate with or to anyone the settlement or anything to do with the settlement, including, but not limited, to the issuance of any press release nor other public or non-public representation regarding the settlement other than as necessary to obtain Court approval and effectuate the terms of the settlement. The Parties and their counsel agree that they will not initiate or have any contact with the press, respond to any press inquiry, or have any communication with the press about this case. The terms of this PAGA Settlement Agreement, and any subsequently executed Settlement Agreement, may be fully disclosed to the Court to obtain court approval of the settlement.

## **11. Enforcement Actions**

Except as otherwise provided in this PAGA Settlement Agreement, in the event that one or more of the Parties to this PAGA Settlement Agreement institutes any legal action or other proceeding against any other Party or Parties to enforce the provisions of this PAGA Settlement Agreement or to declare rights and/or obligations under this PAGA Settlement Agreement, the successful Party or Parties shall be entitled to recover from the unsuccessful Party or Parties reasonable attorneys' fees and costs incurred in connection with any enforcement actions.

## **12. Notices**

Plaintiffs agrees that counsel for Plaintiffs will notify the LWDA of the settlement at the same time the settlement is submitted to the Court for approval, seek approval of the settlement, and perform any and all statutory tasks as required by law. The Parties further agree that should the Court deny approval of the settlement based on the allocation of the PGSA or PNSA, the Parties agree to re-negotiate in good faith in an effort to obtain approval of the settlement.

Except as otherwise set forth in this PAGA Settlement Agreement, any notice to be given under this PAGA Settlement Agreement to Plaintiffs shall be sent to: SIRMABEKIAN LAW FIRM, PC, 3435 Wilshire Blvd., Suite 1710, Los Angeles, CA 90067. Any notice to be given under this PAGA Settlement Agreement to Defendants shall be sent to: Tina M. Jacquez, SOLTMAN, LEVITT, FLAHERTY & WATTLES LLP, 90 E, Thousand Oaks Blvd., Suite 300, Thousand Oaks, CA 91360.

## **13. Construction**

The Parties hereto agree that the terms and conditions of this PAGA Settlement Agreement are the result of lengthy, intensive arms' length negotiations among the Parties and that this PAGA Settlement Agreement constitutes the entire agreement among Plaintiffs and Defendants regarding actual or potential PAGA claims asserted by Plaintiffs against Released Parties, except for the Individual Settlement Agreements executed by Plaintiffs, which shall be construed to have been executed and effective concurrently herewith. This PAGA Settlement Agreement shall not be construed in favor of or against any Party by reason of the extent to which any Party or his or its counsel participated in the drafting of this PAGA Settlement Agreement. With the exception of the Individual Settlement Agreement, this PAGA Settlement Agreement supersedes all prior agreements, written or oral, between or among the Parties regarding those claims or potential claims and the resolution of those claims, no other agreement, statement, or promise made by one Party to another as to any matter addressed in this PAGA Settlement Agreement shall be binding or valid.

## **14. Modification**

This PAGA Settlement Agreement may not be changed, altered, or modified, except in writing and signed by the Parties hereto, and approved by the Court. This PAGA Settlement Agreement may not be discharged except by performance in accordance with its terms or by a writing signed by all of the Parties hereto.

## **15. Choice of Law**

This Settlement Agreement shall be governed by and construed, enforced and administered in accordance with the laws of the State of California, without regard to its conflicts-of-law rules.

## **16. Integration Clause**

The Parties to this Memorandum agree that the long-form Settlement Agreement will contain an integration clause.

## **17. Counterparts**

This PAGA Settlement Agreement may be executed in counterparts, and when each Party has signed and delivered at least one such counterpart, each counterpart shall be deemed an original, and, when taken

together with other signed counterparts, shall constitute one fully-signed PAGA Settlement Agreement, which shall be binding upon and effective as to all Parties. Electronic delivery shall be deemed an original.

### **18. Jurisdiction**

The Parties agree that upon approval of this Settlement Agreement submitted to the Court, this PAGA Settlement Agreement shall be enforceable by the Court, and the Court shall retain exclusive and continuing jurisdiction of this action over all Parties and Aggrieved Workers to interpret and enforce the terms, conditions, and obligations set forth in this PAGA Settlement Agreement, to the furthest extent allowed by law, including pursuant to California Code of Civil Procedure § 664.6 and any other applicable statute or law, notwithstanding the mediation confidentiality provisions that otherwise might apply under local, federal and state law. The Parties agree that if any provision of this PAGA Settlement Agreement is determined to be invalid, the invalid portion shall be deemed severed and the remaining PAGA Settlement Agreement deemed enforceable.

The Parties agree that mediator Hon Joseph Biderman, Esq. may, at his discretion, execute a Declaration supporting the settlement and the Court may, in its discretion, contact Hon Joseph Biderman, Esq. to discuss the settlement.

### **19. No Disparagement**

Defendants shall not authorize or knowingly permit any disparaging or critical statements in reference to Plaintiff's employment with Defendants. In response to requests for employment verification, Defendants will only provide (i) dates of Plaintiffs' employment and (ii) position.

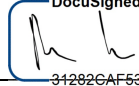
The Parties shall not make any disparaging or critical statement about, relating or pertaining to, or otherwise involving each other. Nothing in this PAGA Settlement prevents Plaintiffs from discussing or disclosing information about unlawful acts in the workplace, such as harassment or discrimination or any other conduct that you have reason to believe is unlawful.

## 20. Acknowledgments

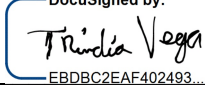
The undersigned acknowledge that they have read this PAGA Settlement Agreement, that they have had opportunity to consult with an attorney, that they have had a reasonable amount of time to consider this PAGA Settlement Agreement, that they fully understand and appreciate its meaning, and that it includes a full and final release and settlement of Plaintiffs' and the Aggrieved Workers' PAGA Claims, and Plaintiffs voluntarily signs it in their individual and representative capacities.

THE UNDERSIGNED HAVE CAREFULLY READ THE AGREEMENT, HAVE CONSULTED WITH COUNSEL CONCERNING THE AGREEMENT, AND KNOW AND UNDERSTAND ITS CONTENTS.

DATED: 4/8/2022

DocuSigned by:  
  
31282CAF53F2468...  
\_\_\_\_\_  
Ruben Vega (Plaintiff)

DATED: 4/8/2022

DocuSigned by:  
  
EBDBC2EAF402493...  
\_\_\_\_\_  
Trindia Vega (Plaintiff)

DATED: \_\_\_\_\_

\_\_\_\_\_  
Malibu Canyon Village Owners Association, Inc.  
(Defendant)

By: \_\_\_\_\_  
Its: \_\_\_\_\_

DATED: \_\_\_\_\_

\_\_\_\_\_  
Ross Morgan & Company, Inc. (Defendant)

By: \_\_\_\_\_  
Its: \_\_\_\_\_

**20. Acknowledgments**

The undersigned acknowledge that they have read this PAGA Settlement Agreement, that they have had opportunity to consult with an attorney, that they have had a reasonable amount of time to consider this PAGA Settlement Agreement, that they fully understand and appreciate its meaning, and that it includes a full and final release and settlement of Plaintiffs' and the Aggrieved Workers' PAGA Claims, and Plaintiffs voluntarily signs it in their individual and representative capacities.

THE UNDERSIGNED HAVE CAREFULLY READ THE AGREEMENT, HAVE CONSULTED WITH COUNSEL CONCERNING THE AGREEMENT, AND KNOW AND UNDERSTAND ITS CONTENTS.

DATED: \_\_\_\_\_

\_\_\_\_\_  
Ruben Vega (Plaintiff)

DATED: \_\_\_\_\_

\_\_\_\_\_  
Trindia Vega (Plaintiff)

DATED: 4/9/2022

\_\_\_\_\_  
Malibu Canyon Village Owners Association, Inc.  
(Defendant)

By: \_\_\_\_\_

Its: \_\_\_\_\_

DATED: \_\_\_\_\_

\_\_\_\_\_  
Ross Morgan & Company, Inc. (Defendant)

By: \_\_\_\_\_

Its: \_\_\_\_\_

## 20. Acknowledgments

The undersigned acknowledge that they have read this PAGA Settlement Agreement, that they have had opportunity to consult with an attorney, that they have had a reasonable amount of time to consider this PAGA Settlement Agreement, that they fully understand and appreciate its meaning, and that it includes a full and final release and settlement of Plaintiffs' and the Aggrieved Workers' PAGA Claims, and Plaintiffs voluntarily signs it in their individual and representative capacities.

THE UNDERSIGNED HAVE CAREFULLY READ THE AGREEMENT, HAVE CONSULTED WITH COUNSEL CONCERNING THE AGREEMENT, AND KNOW AND UNDERSTAND ITS CONTENTS.

DATED: \_\_\_\_\_

\_\_\_\_\_  
Ruben Vega (Plaintiff)

DATED: \_\_\_\_\_

\_\_\_\_\_  
Trindia Vega (Plaintiff)

DATED: \_\_\_\_\_

\_\_\_\_\_  
Malibu Canyon Village Owners Association, Inc.  
(Defendant)

By: \_\_\_\_\_

Its: \_\_\_\_\_

DATED: 4/9/22

  
\_\_\_\_\_  
Ross Morgan & Company, Inc. (Defendant)

By: BRIAN DAVIDOFF

Its: PRESIDENT/CEO

# **EXHIBIT B**

**Re: NOTICE OF SETTLEMENT**

***Ruben Vega, et al. v. Malibu Canyon Village Owners Association, Inc., et al.*  
Superior Court of California for the County of Los Angeles  
Case Number: 20STCV40591**

Date: [REDACTED]

SIMID  
Name  
Address

Dear **Name:**

A settlement was reached between Plaintiffs and Defendants in *Ruben Vega, et al. v. Malibu Canyon Village Owners Association, Inc., et al.*, filed in the Superior Court of California for the County of Los Angeles (Case Number: 20STCV40591) (the “Action”). On [REDACTED], the Superior Court of California, for the County of Los Angeles issued an Order approving the Settlement, which was brought pursuant to the Private Attorneys General Act of 2004 (“PAGA”). An action under PAGA is an enforcement action, in which an aggrieved employee acts as a private attorney general to collect penalties from employers. In reaching this settlement, Defendants made no admission of liability and denied the truth of the allegations in the Complaint. However, to avoid additional expense, inconvenience, and interference with Defendants’ business operations, the parties have concluded that it is in the best interests of the parties to settle.

This settlement affects certain employees and former employees of Defendants. You are receiving this Notice of Settlement because you worked for Defendants and at some point from **February 13, 2019 through [REDACTED]** (“Claims Period”). Pursuant to the Settlement, enclosed is a check for your share of a portion of the civil penalties. This check will remain valid for 180 days from the date of issuance. If you do not cash your check within 180 days of issuance, the funds will be deposited by the Settlement Administrator with the California State Controller to be deposited in the Unclaimed Property Fund in your name. If you are still employed by Defendants, your decision to cash the check will not affect your employment.

Payment of this settlement includes a release of any and all claims pursuant to the California Labor Code § 2698, which were alleged based on the facts in the operative Complaint or notice for the California Labor Workforce Development Agency (“LWDA”) on behalf of Plaintiffs and all aggrieved employees during the Claims Period. The release includes all claims, rights, demands, liabilities and causes of action that arose during the period from February 13, 2019 through [date of the final order] (the “PAGA Period”) for civil penalties under the PAGA, based on the allegations pled by Plaintiffs in the Action: (a) failure to pay minimum wage (Labor Code section 1197); (b) failure to compensate for all hours worked (Labor Code section 1198); (c) failure to pay overtime compensation (Labor Code section 1198); (d) failure to pay meal period

compensation (Labor Code section 226.7); (e) failure to rest period compensation (Labor Code section 226.7); (f) failure to furnish accurate wage and hour statements (Labor Code section 226); (g) failure to pay wages upon discharge (Labor Code section 201); (h) statutory penalties (Labor Code section 203 and 558); (i) failure to indemnify and illegal deductions from wages (Labor Code section 2802); (j) violation of the California Private Attorneys' General Act of 2004 (Labor Code section 2698, *et. seq.*), including any related claims for attorneys' fees, costs, penalties or interest resulting there from, during the PAGA Period; and (k) unfair competition (Business and Professions Code section 17200. This release only waives, and is limited to, the aggrieved employee's rights to collect civil penalties under PAGA (2698 *et seq.*).

If you have any questions, you can contact Phoenix Settlement Administrators, the Settlement Administrator, at 1. XXX.XXX.XXXX.

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**SERVICE LIST**

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| <p>Tina M. Jacquez, Esq. [SBN 218370]<br/><b>Soltman, Levitt, Flaherty &amp; Wattles LLP</b><br/>90 E. Thousand Oaks Blvd., Suite 300<br/>Thousand Oaks, California 91360<br/>Email: <a href="mailto:tjacquez@slfesq.com">tjacquez@slfesq.com</a></p> | <p><i>Attorney for Defendants MALIBU CANYON VILLAGE OWNERS' ASSOCIATION, INC. and ROSS MORGAN &amp; COMPANY, INC.</i></p>                                                                                                                                                                  |
| <p><b>Labor and Workforce Development Agency</b><br/>("LWDA")<br/>Department of Industrial Relations<br/>Attn. PAGA Administrator<br/>1515 Clay Street, Suite 801<br/>Oakland, California 94612</p>                                                   | <p><i>Labor and Workforce Development Agency ("LWDA") filed/served online at:</i></p> <p><a href="https://www.dir.ca.gov/Private-Attorneys-General-Act/Private-Attorneys-General-Act.html">https://www.dir.ca.gov/Private-Attorneys-General-Act/Private-Attorneys-General-Act.html</a></p> |