

PRIVATE ATTORNEYS' GENERAL ACT ("PAGA") SETTLEMENT AGREEMENT

This Settlement Agreement (sometimes referred to as the "Agreement") of Plaintiff's Individual and Representative Private Attorneys General Act ("PAGA") Action is made by and between Plaintiff Marcos Casas, on behalf of himself, other aggrieved employees, and as a private attorney general on behalf of the State of California, on the one hand, and defendant Morrell's Electro Plating, Inc., on the other hand (collectively, the "Parties"), subject to the approval of the Court in accordance with California Labor Code section 2699(1)(2), and subject to the following terms and conditions.

I. DEFINITIONS

Unless otherwise defined herein, the following terms used in this Agreement shall have the meanings ascribed to them as set forth below:

- A. "Action" means the civil action filed in Los Angeles County Superior Court titled *Casas v. Morrell's Electro Plating, Inc., et al.*, Case No. 20STCV32116.
- B. "Agreement," "Settlement," or "Settlement Agreement" means this Settlement Agreement.
- C. "Complaint" means the Complaint filed by Plaintiff Marcos Casas on August 20, 2020 in the Action, and all amendments thereto, including the currently operative First Amended Complaint filed on January 22, 2021.
- D. "Court" means the County of Los Angeles Superior Court of California.
- E. "Covered Pay Periods" means the pay periods in which PAGA Settlement Employees were employed by and performed work for Defendant Morrell's Electro Plating, Inc. in California during the PAGA Period.
- F. "Defendant" means Morrell's Electro Plating, Inc., a California corporation.
- G. "Final" means that the Settlement has been fully finally approved by the Court and judgment entered with no challenges to said judgment; or, if there are any challenges to said judgment, either (1) the California Court of Appeal has rendered a final judgment affirming the Court's final approval and the date for further appeal has passed without further appeal; or (2) the applicable date for seeking appellate review of the Court's judgment approving of the Settlement has passed without a timely appeal or request for review having been made.
- H. "Defendant's Counsel" means the law firm of Buchalter, a professional corporation.
- I. "Order" means the Order Granting Approval of Settlement. The parties will submit a proposed Order in the form evidenced by Exhibit A to this Agreement for consideration by the Court.

- J. “LWDA” means the California Labor and Workforce Development Agency.
- K. “LWDA Payment” means the portion of the payment from the Net Settlement Amount to be paid to the LWDA under the Settlement Agreement.
- L. “Net Settlement Amount” means the amount from the Total Settlement Amount that is available for distribution of the LWDA Payment and as Settlement Shares to the PAGA Settlement Members after deducting (1) the Settlement Administrator’s fees and expenses (subject to Court approval); (2) the Plaintiff’s Incentive Payment (subject to Court approval); and (3) Plaintiffs attorneys’ fees and costs (subject to court approval). The entire Net Settlement Amount will be distributed to the LWDA and PAGA Settlement Members in payment of PAGA civil penalties under Labor Code section 2699, with seventy-five percent (75%) of the amount going to the LWDA and twenty-five percent (25%) to PAGA Settlement Members.
- M. “PAGA” means the California Private Attorneys General Act, Labor Code sections 2698 *et seq.*
- N. “PAGA Period” means the time period from August 20, 2019 through the date of the Court’s approval of settlement, or the day on which the number of pay periods being released exceeds 15,937 pay period (representing 14,488 pay periods at the time of mediation plus 10% buffer of 1,449 pay periods).
- O. “PAGA Released Claims” means all claims arising out of, relating to, or based on any facts, transactions, events, policies, occurrences, acts, omissions, or failures to act that were asserted in Plaintiff’s LWDA Letter dated August 20, 2020 and in the Plaintiff’s Complaint against Defendant; and/or reasonably could have been asserted based upon the facts in the LWDA Letter and Plaintiff’s Complaint, including but not limited to the PAGA claim for civil penalties related to allegations of unpaid wages and overtime compensation, meal and rest break violations, untimely final paychecks, inaccurate itemized wage statements, and failure to adopt standards to minimize excessive indoor heat.
- P. “PAGA Settlement Members” means all non-exempt employees employed by Defendant during the Covered Period.
- Q. “Plaintiff” means Marcos Casas.
- R. “Plaintiff’s Counsel” means Bradley/Grombacher, LLP and Law Offices of Sahag Majarian II.
- S. “Plaintiff’s Incentive Payment” means the total of \$10,000 to be allocated to Plaintiff as a service award.
- T. “Released Parties” means Defendant and any present, former and future parents, subsidiaries and affiliated companies or entities, and their respective officers, directors, employees, partners, shareholders, attorneys, accountants, and agents, and any other successors, assigns and legal representatives and its related persons

and entities. “Released Parties” expressly includes Defendant and its present, former, and future parents, subsidiaries and affiliated companies or entities, and their respective officers, directors, employees, partners, shareholders and agents, and any other successors, assigns and legal representatives and its related persons and entities. This Agreement shall inure to the benefit of and shall be binding and enforceable by all such entities and individuals.

- U. “Settlement Administrator” means ILYM Group, Inc. based in Tustin, California which is a recognized class action administrator.
- V. “Settlement Share” means the proportional pro rata amount payable from 25% of the Net Settlement Amount allocable to each PAGA Settlement Member, with such individual shares based on the number of Covered Pay Periods during which a PAGA Settlement Member was employed by Defendant and worked during the PAGA Period.
- W. “Maximum Settlement Amount” means the total of \$350,000 which is the maximum monetary amount that Defendant will be required to pay under this Agreement. The Maximum Settlement Amount will be used to pay all payments to the LWDA, PAGA Settlement Members, attorneys’ fees and costs, Settlement Administration costs and expenses, and payment to Plaintiff as a representative enhancement and for resolution of his individual claims.

II. FACTUAL BACKGROUND

- A. On August 20, 2020, Plaintiff commenced this Action against Defendant as a class action, alleging various violations of California Labor Code including the failure to pay all wages, meal period violations, rest break violations, failure to pay all wages at termination, failure to provide accurate wage statements, failure to adopt standards to minimize excessive indoor heat, and violations California’s Unfair Competition Law.
- B. On January 22, 2021, Plaintiff filed a First Amended Complaint, which is currently the operative Complaint asserting a claim for penalties under PAGA based on the same fact and theories and dismissed the class action allegations.
- C. This Agreement represents a compromise and settlement of highly disputed claims relating to the wage and hour claims at issue in the Action. Nothing in this Agreement is intended or will be construed as an admission by Defendant that Plaintiff’s claims in the Action have merit or that it has any liability to Plaintiff or the PAGA Settlement Members on those claims. Defendant expressly denies it violated the law in any manner alleged in the Action. This Settlement Agreement, and any related Court documents or orders, are not and may not be cited or admitted as evidence of liability. The Parties agree that an express condition of this Settlement Agreement is that there has been no finding of liability on the merits, and this Agreement cannot be a basis to assert offensive collateral estoppel against Defendant.

III. SETTLEMENT TERMS AND CONDITIONS

- A. **Stipulation for Settlement Only.** Consistent with this Agreement, Plaintiff will stipulate to the dismissal with prejudice of all claims against Defendant including any unnamed Doe Defendants that arise from or relate to the claims alleged in the First Amended Complaint.
- B. **Representation Regarding PAGA Settlement Members.** Defendant represents that there are approximately 200 individuals that compose the PAGA Settlement Members.
- C. **Maximum Settlement Amount.** Subject to the terms and conditions of this Agreement, the Maximum Settlement Amount is Three Hundred Fifty Thousand Dollars and No Cents (\$350,000.00) inclusive of Plaintiffs Counsel's attorney's fees and costs. The Maximum Settlement Amount will cover (a) all Settlement Shares to PAGA Settlement Members pursuant to the Settlement (described in Section III.G); (b) the LWDA Payment set forth in Section III.J; (c) the Incentive Payment to Plaintiff set forth in Section III.E; (d) Plaintiff's attorneys' fees and costs; and (e) the Settlement Administrator's fees and expenses. Defendant shall pay no more than \$350,000.00.
- D. **Attorneys' Fees and Litigation Costs.** Plaintiff's Counsel will request, and Defendant will not oppose, attorneys' fees in an amount not to exceed 33.33% of the Maximum Settlement Amount in the amount of One Hundred Eleven Thousand Dollars Six Hundred Sixty-Six Dollars and Sixty-Seven Cents (\$116,666.67). Should the Court approve an award of attorney's fees of less than One Hundred Eleven Thousand, Six Hundred Sixty-Six Dollars and Sixty-Seven Cents (\$116,666.67), any amount remaining will be included in the Net Settlement Amount to be distributed to the LWDA and the PAGA Settlement Members. Additionally, Plaintiff's Counsel will request, and Defendant will not oppose, an award of attorneys' costs to be paid from the Maximum Settlement Amount in an amount not to exceed Fifteen Thousand Dollars (\$15,000.00).
- E. **Plaintiff's Incentive Payment.** Plaintiff's Counsel will request, and Defendant will not oppose, an incentive payment to Plaintiff from the Maximum Settlement Amount in an amount not to exceed Ten Thousand Dollars and No Cents (\$10,000.00). Should the Court approve an award of an Incentive Payment of less than Ten Thousand Dollars and No Cents (\$10,000.00), any amount remaining will be included in the Net Settlement Amount to be distributed to the LWDA and the PAGA Settlement Members. Plaintiff will be issued an IRS Form 1099 and its state and local equivalents for any incentive payment amount received under the Settlement.
- F. **Net Settlement Amount.** The \$350,000 Maximum Settlement Amount that is created will be used to pay attorney fees and litigation costs (not to exceed \$131,666.67), Plaintiff's Incentive Award (not to exceed \$10,000.00), and settlement administration costs (not to exceed \$15,000.00) to ILYM Group. The

Net Settlement Amount is thus \$193,333.33. Seventy-five percent (75%) of the remaining Net Settlement Amount (i.e. \$145,000.00) will be distributed to the LWDA and the remaining (25%) (i.e. approximately \$48,333.33) will be distributed to the PAGA Settlement Members, with such individual shares to be based on the number of Covered Pay Periods during the PAGA Period.

- G. **Settlement Shares.** Subject to the terms and conditions of this Agreement, each PAGA Settlement Member will be allocated a Settlement Share from 25% of the Net Settlement Amount; and 75% of the Net Settlement Amount shall be paid to the LWDA, as described below in Section III(J). The Settlement Share is intended to settle claims for civil penalties. Accordingly, the payments to PAGA Settlement Members will not be reduced by payroll tax withholding and deductions; instead, the Settlement Administrator will issue to each PAGA Settlement Member an IRS Form 1099 and his/her/its state and local equivalents with respect to the payment.
- H. **Distribution of Settlement Shares to PAGA Settlement Members.** After deducting for the amounts for the LWDA Payment, the remainder of the Net Settlement Amount will be paid as Settlement Shares to each PAGA Settlement Member. The portion of the Net Settlement Amount available for distribution to PAGA Settlement Members (25% of the Net Settlement Amount) will be divided among all PAGA Settlement Members based on the number of pay periods worked during the PAGA Period. The Settlement Administrator will be provided specific pay period information by Defendant for all PAGA Settlement Members. The Settlement Administrator will then calculate the total number of pay periods worked by all PAGA Settlement Members during the PAGA Period to get the “Total Pay Periods.” The Settlement Administrator will then divide the 25% of the Net Settlement Amount to be paid to the PAGA Settlement Members by the Total Pay Periods during the PAGA Period. This will yield the amount to be paid to each PAGA Settlement Member for each pay period, or the “Settlement Amount Per Pay Period.” Each PAGA Settlement Member’s share of the settlement will then be calculated by multiplying the Settlement Amount Per Pay Period by the number of Covered Pay Periods worked by that PAGA Settlement Member during the PAGA Period, based on Defendant’s records.
- I. **Payments to Settlement Administrator.** The Settlement Administrator will pay to itself out of the Maximum Settlement Amount its reasonable fees and expenses as approved by the Court but in any event an amount not to exceed Fifteen Thousand Dollars (\$15,000).
- J. **Payment to LWDA.** The Settlement Administrator will pay 75% of the Net Settlement Amount to the LWDA as its share of the Settlement attributable to civil penalties under PAGA (the “LWDA Payment”).
- K. **Appointment of Settlement Administrator.** The Settlement Administrator will distribute Settlement Shares and other payments due under the Settlement; and otherwise administer the Settlement. In the event that the Settlement is not approved, Plaintiff and Defendant will pay an equal share of the Settlement

Administrator's reasonable fees incurred as of that time. The Settlement Administrator's duties will include preparing, printing, and mailing the Notice Packet to the PAGA Settlement Members; conducting a National Change of Address search and using Accurant and other reasonable and cost-effective skip trace methods to locate any PAGA Settlement Member whose Notice Packet was returned by the U.S. Postal Service as non-deliverable, and re-mailing the Notice Packet to the PAGA Settlement Member's new address; determining PAGA payment amounts to PAGA Settlement Members; issuing the checks to effectuate the payments due under the Settlement to PAGA Settlement Members; distributing Plaintiff's Incentive Payment; making payment to the LWDA for its 75% share of the Net Settlement Amount; and otherwise performing related tax, accounting and administration services pursuant to this Agreement. The Settlement Administrator's reasonable fees and expenses, including the cost of printing and mailing the Notice Packet, will be paid out of the Maximum Settlement Amount.

L. Procedure for Approving Settlement.

1. Motion for an Order Approving the Settlement.
 - a. The Parties will cooperate in seeking approval of the Settlement Agreement, including by drafting and filing the Plaintiff's Motion For Approval of Settlement. The Parties further agree to fully cooperate in the drafting and/or filing of any further documents reasonably necessary to be prepared or filed and shall take all steps that may be requested by the Court relating to the approval and implementation of the Settlement Agreement. Plaintiff's Counsel shall draft the Plaintiff's Motion For Approval of Settlement and provide the draft to Defendant's Counsel for review and approval at least three (3) business days prior to the filing date for the Plaintiff's Motion For Approval of Settlement. Plaintiff's Counsel shall submit the Settlement Agreement and motion papers to the LWDA no later than three (3) business days after the Settlement Agreement and motion papers are filed with the Court.
 - b. At the hearing on the Plaintiff's Motion For Approval of Settlement, the Parties will jointly appear (if so ordered by the Court), support the granting of the motion, and submit an order granting the motion in the form evidenced by Exhibit A to this Agreement.
 - c. Plaintiff will file Plaintiff's Motion For Approval of Settlement. If the Court does not grant the Motion for Approval and issue an order approving the Settlement Agreement under the specific terms requested, the Parties agree to meet and confer to address the Court's concerns and determine whether resolution of the claims encompassed by the Settlement Agreement can be obtained in a manner consistent with the Court's concerns.

- d. If the Court does not grant approval of the Maximum Settlement Amount or any language in Paragraph III.S, then the Settlement will become null and void, and the Parties shall be deemed to have reverted to their respective status as of the date and time immediately prior to the execution of this Agreement. A reduction of amounts payable in attorneys' fees or expenses and/or to the amount of Plaintiff's Incentive Payment shall not be deemed a material modification of the Settlement.
- M. **No Right to Opt Out.** The Parties agree there is no statutory right to provide PAGA Settlement Members the option to opt out of the Settlement.
- N. **Notice and Payment of Settlement Shares to PAGA Settlement Members.** After the Court enters its order granting Plaintiff's Motion For Approval of Settlement, every PAGA Settlement Member will be provided with a notice explaining the Settlement (see Exhibit B; "**NOTICE OF PAGA ACTION SETTLEMENT**") and payment of the PAGA Settlement Member's Settlement Share.
 1. Consistent with the timeframes set forth in Section III.Q, the Settlement Administrator will send each PAGA Settlement Member the Notice Packet and payment of the PAGA Settlement Member's Settlement Share. The Settlement Administrator will mail the Notice Packets and Settlement Share payments to all identified PAGA Settlement Members, using the mailing address information provided by Defendant, unless modified by any updated address information that the Settlement Administrator obtains in the course of administration of the Settlement.
 2. In the event of returned or non-deliverable Notice Packets and Settlement Share payments, the Settlement Administrator will make reasonable efforts to locate PAGA Settlement Members and re-send the Notice Packets and Settlement Share payments. The Settlement Administrator will promptly, and not later than 15 calendar days from receipt of the returned packet and payment, search for a more current address for the PAGA Settlement Member using Accurint and other reasonable and cost-effective skip trace methods, and re-mail the Notice Packet and Settlement Share payment to the PAGA Settlement Member. The Settlement Administrator will be responsible for taking reasonable steps, consistent with its agreed-upon job parameters, court orders, and fee, as agreed to with Plaintiff's Counsel and according to the following deadlines, to trace the mailing address of any PAGA Settlement Member for whom a Notice Packet or Settlement Share payment is returned by the U.S. Postal Service as undeliverable. These reasonable steps will include, at a minimum, the tracking of all undelivered mail; performing address searches for all mail returned without a forwarding address; and promptly re-mailing to PAGA Settlement Members for whom new addresses are found. If the Notice Packet and Settlement Share payment is re-mailed, the Settlement Administrator will note for its own records and notify Plaintiff's Counsel and Defendant's

Counsel of the date of each such re-mailing as part of a weekly status report provided to the Parties.

- O. **Submission of Order.** Plaintiff shall submit a copy of the order providing for or denying an award of civil penalties to the LWDA within 10 calendar days after entry of the dismissal and/or Order, in compliance with Section 2699(1)(3) of the California Labor Code.
- P. **Waiver of Right to Appeal.** Provided that the Court's approval of this Settlement Agreement is consistent with the material terms of this Agreement, Plaintiff, Defendant, and their respective counsel hereby waive any and all rights to appeal the approval of the Settlement Agreement, and the Order therefore will become non-appealable at the time it is entered.
- Q. **Timing of Settlement Payments and Receipt of Contact Information.** Within 3 (three) calendar days after the Court enters an Order of approval of the Settlement Agreement, the Settlement Administrator will provide Defendant with information for depositing the Maximum Settlement Amount. Within 30 (thirty) calendar days after the Settlement Administrator provides Defendant with information for deposit of the Maximum Settlement Amount, Defendant will deposit the Maximum Settlement Amount to the Settlement Administrator. Also, within 30 (thirty) calendar days after the Settlement Administrator provides Defendant with information for deposit of the Maximum Settlement Amount, Defendant will provide to the Settlement Administrator the names, last known addresses and telephone numbers, number of Covered Pay Periods worked during the PAGA Period, and Social Security numbers of all PAGA Settlement Members. This information will remain confidential and will not be disclosed to anyone, except in order to carry out the reasonable efforts described in Section III.N, or pursuant to Defendant's express written authorization or by order of the Court. The Settlement Shares, the LWDA Payment, Plaintiff's Counsel's attorney's fees and costs, and the Incentive Payment will be paid out of the Maximum Settlement Amount within 5 (five) calendar days after the Settlement becomes Final.
- R. **Uncashed Settlement Share Checks.** A PAGA Settlement Member must receive or cash his or her Settlement Share payment or check within 180 calendar days after it is mailed to him or her. If a check is returned to the Settlement Administrator, the Settlement Administrator will make all reasonable efforts to re-mail it to the PAGA Settlement Member at his or her correct address in accordance with the procedures set forth in Section III.M.2 above. If a PAGA Settlement Member cannot be located using the procedures set forth in Section III.N.2 above, or if a PAGA Settlement Member fails to cash the check for his or her Settlement Share within 180 days after it is mailed to him or her, the Settlement Administrator will distribute the funds represented by the uncashed check to the California State Controllers' Office Unclaimed Property Fund.
- S. **Release and Waiver of Claims.**

1. **PAGA Settlement Members.** In consideration for the LWDA Payment and the PAGA Settlement Members awarded Settlement Shares, as of the date the Settlement becomes Final, in his capacity as private attorney general “aggrieved employee” acting on behalf of himself and as a proxy or agent of the LWDA, Plaintiff agrees to release Defendant and the other released Parties, from the PAGA Released Claims.
2. **Plaintiff’s Waiver of Rights under California Civil Code Section 1542.** Plaintiff’s released claims shall include all claims, including PAGA claims, whether known or unknown by the releasing party relating the allegations in the First Amended Complaint. Thus, even if Plaintiff discovers facts in addition to or different from those that she now knows or believes to be true with respect to the subject matter of the First Amended Complaint, those claims will remain released and forever barred. Therefore, with respect only to those respective released claims, Plaintiff expressly waives and relinquishes the provisions, rights and benefits of section 1542 of the California Civil Code, which reads:

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.

- T. **No Effect on Other Benefits.** The Settlement Shares will not result in any additional benefit payments (such as 401(k) or bonus) beyond those provided by this Agreement to Plaintiff or the PAGA Settlement Members.
- U. **Confidentiality.** Plaintiff and his counsel represent and agree that they have not and will not issue any public announcement, publication, or otherwise disclose the Agreement, the terms thereof, the claims, demand, or allegations alleged by Plaintiff, or any facts alleged to exist as support thereof, the information gathered in discovery, to anyone, including the press, media, websites, or any service which reports litigation, verdicts or settlements. Plaintiff and his attorneys will not issue any press or other media releases or have any communication with the press or media or anyone other than family members, clients, PAGA Settlement Members, financial advisors, retained experts, and vendors related to settlement administration, regarding the Settlement. Information regarding the Settlement may be disclosed to the Court if requested or in response to information disclosed by Defendant. The requirement to obtain approval of the settlement and dismissal of the Action is a limited exception to obligations of Plaintiff and his counsel under this provision.
- V. **Circular 230 Disclaimer.** EACH PARTY TO THIS AGREEMENT (FOR PURPOSES OF THIS SECTION, THE “ACKNOWLEDGING PARTY” AND

EACH PARTY TO THIS AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN "OTHER PARTY") ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS AGREEMENT, AND NO WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN OR AMONG THE PARTIES OR THEIR ATTORNEYS AND OTHER ADVISERS, IS OR WAS INTENDED TO BE, NOR SHALL ANY SUCH COMMUNICATION OR DISCLOSURE CONSTITUTE OR BE CONSTRUED OR BE RELIED UPON AS, TAX ADVICE WITHIN THE MEANING OF UNITED STATES TREASURY DEPARTMENT CIRCULAR 230 (31 CFR PART 10, AS AMENDED); (2) THE ACKNOWLEDGING PARTY (A) HAS RELIED EXCLUSIVELY UPON HIS OR ITS OWN, INDEPENDENT LEGAL AND TAX ADVISERS FOR ADVICE (INCLUDING TAX ADVICE) IN CONNECTION WITH THIS AGREEMENT, (B) HAS NOT ENTERED INTO THIS AGREEMENT BASED UPON THE RECOMMENDATION OF ANY OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO ANY OTHER PARTY, AND (C) IS NOT ENTITLED TO RELY UPON ANY COMMUNICATION OR DISCLOSURE BY ANY ATTORNEY OR ADVISER TO ANY OTHER PARTY TO AVOID ANY TAX PENALTY THAT MAY BE IMPOSED ON THE ACKNOWLEDGING PARTY; AND (3) NO ATTORNEY OR ADVISER TO ANY OTHER PARTY HAS IMPOSED ANY LIMITATION THAT PROTECTS THE CONFIDENTIALITY OF ANY SUCH ATTORNEY'S OR ADVISER'S TAX STRATEGIES (REGARDLESS OF WHETHER SUCH LIMITATION IS LEGALLY BINDING) UPON DISCLOSURE BY THE ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX STRUCTURE OF ANY TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED BY THIS AGREEMENT.

W. Miscellaneous Terms.

1. No Admission of Liability.

- a. Defendant denies that it has engaged in any unlawful activity, has failed to comply with the law in any respect, or has any liability to anyone under the claims asserted in the Action. This Agreement is entered into solely for the purpose of compromising highly disputed claims and a bona fide dispute of allegedly unpaid sums. Nothing in this Agreement is intended or will be construed as an admission of liability or wrongdoing by Defendant. This Settlement Agreement and the fact that Plaintiff and Defendant were willing to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (other than solely in connection with the Settlement).
- b. Whether or not the Order becomes Final, nothing in this Settlement Agreement, any document, statement, proceeding or conduct related to the terms of settlement, or any reports or accounting of those matters, will be construed as, offered or admitted in evidence as,

received as, or deemed to be evidence of a presumption, concession, indication or admission by any of the Released Parties of any liability, fault, wrongdoing, omission, concession or damage.

- c. This Section and all other provisions of this Agreement notwithstanding, any and all provisions of this Agreement may be admitted in evidence and otherwise used in any and all proceedings to enforce any or all terms of this Agreement, or in defense of any claims released or barred by this Agreement.
2. **Integrated Agreement.** After this Agreement is signed and delivered by all Parties and their counsel, this Agreement and its exhibits will constitute the entire agreement between the Parties relating to the Settlement, and it will then be deemed that no oral representations, warranties, covenants, or inducements have been made to any Party concerning this Agreement or its exhibits other than the representations, warranties, covenants, and inducements expressly stated in this Agreement and its exhibits.
3. **Attorney Authorization.** Plaintiff's Counsel and Defendant's Counsel warrant and represent that they are authorized by Plaintiff and Defendant, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents required to effectuate the terms of this Agreement. The Parties and their counsel will cooperate with each other and use their best efforts to effect the implementation of the Settlement Agreement. In the event the Parties are unable to reach agreement on the form or content of any document needed to implement the Agreement, or on any supplemental provisions that may become necessary to effectuate the terms of this Agreement, the Parties will seek the assistance of the Court or mediator, and in all cases all such documents, supplemental provisions and assistance of the court will be consistent with this Agreement.
4. **Modification of Agreement.** This Agreement, and any and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their successors-in-interest.
5. **Agreement Binding on Successors.** This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.
6. **Applicable Law.** All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the laws of the State of California, without giving effect to any conflict of law principles or choice of law principles.
7. **Cooperation in Drafting.** The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed

against any Party on the basis that the Party was the drafter or participated in the drafting.

8. **Fair Settlement.** The Parties and their respective counsel affirm that they reached this believe Agreement through arms-length negotiations, taking into account all relevant factors, and after having conducted adequate discovery and investigation.
9. **Headings.** The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.
10. **Notice.** All notices, demands or other communications given under this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, addressed as follows:

To Plaintiff and the PAGA Settlement Group:

Marcus J. Bradley, Esq.
Email: mbradeley@bradleygrombacher.com
BRADLEY/GROMBACHER, LLP
31365 Oak Crest Drive, Suite 240
Westlake Village, California 91361
Telephone: (805) 270-7100
Facsimile: (805) 270-7589

To Defendant:

Joshua Mizrahi, Esq.
Email: jmizrahi@buchalter.com
BUCHALTER, a professional corporation
1000 Wilshire Blvd, Floor 15
Los Angeles, California 90017
Telephone: (213) 891-0700
Facsimile: (213) 630-5648

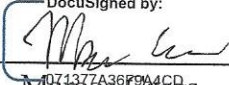
11. **Execution in Counterpart.** This Agreement may be executed in one or more counterparts. All executed counterparts and each of them will be deemed to be one and the same instrument provided that counsel for the Parties will exchange between themselves original signed counterparts. Facsimile signatures will be accepted if the original signature is provided within seven days. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

IV. EXECUTION BY PARTIES AND COUNSEL

The Parties and their counsel hereby execute this Settlement Agreement.

Dated: 04/13/, 2022

MARCOS CASAS

DocuSigned by:
Signature: 
Name: Marcos Casas

Dated: 4/15, 2022

MORRELL'S ELECTRO PLATING, INC.

Signature: 
Name: Cyrus G. Poor
Title: CEO / President

APPROVED AS TO FORM:

Dated: April 14, 2022

BRADLEY/GROMBACHER, LLP


Marcus Bradley, Esq.
Attorney for Plaintiff, MARCOS CASAS

Dated: April 15, 2022

BUCHALTER, a professional corporation

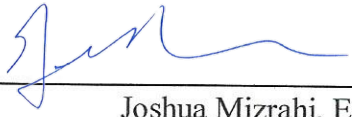

Joshua Mizrahi, Esq.
Graham Lambert, Esq.
Attorney for Defendant, MORRELL'S
ELECTRO PLATING, INC.

EXHIBIT A

[PROPOSED] ORDER GRANTING APPROVAL OF SETTLEMENT

EXHIBIT B

NOTICE OF PAGA ACTION SETTLEMENT

Marcos Casas v. Morrell's Electro Plating, Inc., Los Angeles County Superior Court Case No. 20STCV32116

This is not a solicitation by a lawyer. You are not being sued.

IF YOU ARE OR WERE EMPLOYED AS A NON-EXEMPT EMPLOYEE BY DEFENDANT MORRELL'S ELECTRO PLATING, INC. ("DEFENDANT") DURING THE PAGA PERIOD (August 20, 2019 through -----), THIS PAGA SETTLEMENT AFFECTS YOUR RIGHTS.

A settlement (the "Settlement") has been reached in the lawsuit entitled *Marcos Casas v. Morrell's Electro Plating, Inc., Los Angeles County Superior Court Case No. 20STCV32116* (the "Action"), asserting claims under the Labor Code Private Attorneys General Act of 2004, Labor Code § 2698, *et seq.* ("PAGA"). The purpose of this Notice is to advise you as to why you have received a portion of the Settlement proceeds. The Settlement resolves the Action.

Who is affected by this proposed Settlement?

The Court has designated, for settlement purposes only, the following persons as "Aggrieved Employees":

all non-exempt employees employed by Defendant in California at any time during the PAGA Period (the "PAGA Period" refers to the period of August 20, 2019 through -----).

According to Defendant's records, you are one of the Aggrieved Employees.

What is this case about?

In the Action, Plaintiff Marcos Casas asserted claims that Defendant violated provisions of the Labor Code giving rise to civil penalty liability under the Labor Code Private Attorneys General Act of 2004 ("PAGA") [Lab. Code § 2699, *et seq.*].

Defendant denied all liability and was confident that it had strong legal and factual defenses to these claims, but Defendant recognized the risks, distractions, and costs associated with continued litigation.

This Settlement is a compromise reached after good faith, arm's length negotiations between Plaintiffs and Defendant (the "Parties"), through their attorneys and is not an admission of liability on the part of Defendant.

The Court has not ruled on the merits of Plaintiffs' claims or Defendant's defenses but did approve the Settlement.

What are the Settlement terms?

Defendant will pay **\$350,000** (the "Gross Settlement Amount") for: (a) payment of \$_____ to the Labor and Workforce Development Agency ("LWDA") as its 75% share of PAGA penalties; (b) payment of \$_____ to Aggrieved Employees as their 25% share of PAGA penalties, (c) payment of attorney's fees of \$_____ and litigation costs of \$_____; and, (d) payment of administration costs of \$_____ to the Settlement Administrator.

By operation of the Settlement's terms, all Aggrieved Employees will release Defendant and their owners, shareholders, members, parent corporations or entities, sister corporations or entities, related and/or affiliated entities, subsidiaries, divisions, investors, partners, general partners, limited partners, directors, officers, employees, managers, supervisors, assigns, heirs, beneficiaries, predecessors, successors, attorneys, agents, and representatives, and all others related to them, and each of them (collectively, the "Released Parties") from the PAGA claims for civil penalties based on alleged violations of California Labor Code violations of Labor Code §§ 201, 202, 203, 204, 210, 218.5, 221,

222, 223, 224, 226, 226(a), 226(e), 226.2, 226.3, 226.7, 233, 246, 246.5, 510, 512, 551, 552, 558, 558.1, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1198, 1199, 2698, 2699, 2800, and 2802; , as well as the applicable provisions of the Industrial Wage Orders and any other PAGA violations that have been asserted in the Complaints and/or PAGA Notice (the “Released Claims”).

The Settlement Payments to Aggrieved Employees are classified as other miscellaneous income and will be reported on IRS Form 1099-MISC, if required. Your share was calculated based on the number of pay periods you worked during the PAGA Period.

All checks will remain valid and negotiable for one hundred eighty (180) days from the date of the checks’ issuance and shall thereafter automatically be void if not cashed within that time. Uncashed checks will be sent to the California State Controller’s Unclaimed Property division, in the name of the PAGA Settlement Member.

The Settlement includes a release of PAGA claims asserted in the Action.

PLEASE DO NOT CONTACT THE COURT FOR INFORMATION REGARDING THIS SETTLEMENT.