PAGA SETTLEMENT AGREEMENT

This Settlement Agreement is entered into by and between Sergio Echeverria ("Plaintiff"), individually and as authorized to sue as a private attorney general under PAGA, and Statek Corporation ("Defendant").

DEFINITIONS

The following terms are specially defined:

1. **"Action"** means the action entitled *Sergio Echeverria v. Statek Corporation*, Orange County Superior Court Case No. 30-2021-01192372-CU-OE-CXC.

2. **"Administration Costs"** means the amount the Court awards to pay the Settlement Administrator for the duties it performs in effectuating the terms of this Agreement.

3. **"Aggrieved Employees"** means all current and former employees employed by Defendant in a Covered Position (including Plaintiff) during the PAGA Period.

4. **"Agreement"** means this Settlement Agreement.

5. **"Court"** means the Orange County Superior Court, Complex Center, the Honorable Lon F. Hurwitz presiding (or such other judge as may later be assigned to oversee the Action).

6. **"Covered Pay Period"** means any pay period during which an Aggrieved Employee was employed in a Covered Position for Defendant in California during the PAGA Period. Covered Pay Periods excludes any full pay periods that an employee was on a furlough or leave of absence.

7. **"Covered Position"** means a non-exempt employee who was employed by Defendant in the State of California.

8. **"Effective Date"** means upon the entry of the judgment and the latter of (a) the deadline for filing of any appeal from the judgment or (b) the final dismissal of any appeal.

9. **"Fees and Costs Award"** means the amount the Court awards to Plaintiff's Counsel for reasonable attorneys' fees and reimbursement of litigation costs incurred in the Action.

10. **"Final Order and Judgment"** means the proposed order granting approval of the Settlement and entering Judgment, in the form substantially similar to that attached to this Agreement as Exhibit 1.

11. **"Gross Settlement Amount"** means $214,000.00, which is the total amount that Defendant is required to pay under this Agreement. This amount represents a negotiated sum between the Parties to settle the PAGA claims asserted in the action.

12. **"Individual PAGA Payment"** means the *pro rata* share of PAGA civil penalties paid to an Aggrieved Employee from the 25% share of the PAGA Payment in accordance with the Aggrieved Employee's credited number of Covered Pay Periods.

13. **"LWDA"** means the California Labor Workforce Development Agency.

14. **"PAGA"** means the California Labor Code Private Attorneys General Act, California Labor Code sections 2698 *et seq.*

15. **"PAGA Payment"** means the Gross Settlement Amount minus (a) the Plaintiff's Incentive Award of up to $5,000 pursuant to Section 34.d, (b) the Fees and Costs Award of up to $84,396.44 pursuant to Section 34.b, and (c) the Administration Costs of up to $6,000 pursuant to Section 34.c. If the Court awards the full amount of the Incentive Award, Fees and Costs Award, and Administration Costs, the PAGA Payment will equal $118,603.56 ($214,000 - $5,000 - $84,396.44 - $6,000). The entire PAGA Payment shall be allocated to civil penalties payable under PAGA, with 75% ($88,952.67) going to the LWDA and 25% ($29,650.89) to Individual PAGA Payments.

16. **"PAGA Period"** means the time period from March 24, 2020 to February 9, 2021.

17. **"Parties"** means Plaintiff and Defendant.

18. **"Plaintiff's Counsel"** means Jackson Law APC.

19. **"Plaintiff's Incentive Award"** means the amount the Court awards to Plaintiff for service to the LWDA and the other Aggrieved Employees.

20. **"Released Claims"** means all claims for relief under PAGA that arose during the PAGA Period that were or reasonably could have been asserted against Defendant and the other Released Parties on behalf of the Aggrieved Employees based on or arising from the facts or claims alleged in the Action and in the LWDA Notice. Without limiting the generality of the foregoing, and in addition to the foregoing, the release includes all civil penalties recoverable under PAGA for (i) Defendant's alleged failure to pay for all hours worked, failure to pay the minimum wage for all hours worked, failure to pay all overtime wages, failure to pay all overtime and other wages based on the proper regular rate of pay, failure to maintain accurate employment records, failure to issue accurate wage statements, failure to timely pay wages owed during employment and upon termination; (ii) violations of, or civil penalties recoverable under, California Labor Code sections §§ 201, 202, 203, 204, 210, 221, 226, 226.3, 226.7, 510, 558, 1182.12, 1194, 1197, 1197.1, 1198, and 2699; (iii) violations of the applicable Wage Order, including paragraphs 3, 4, 7, and 20 of the applicable IWC Wage Order; and (iv) attorneys' fees, costs of litigation, and interest.

21. **"Released Parties"** means Statek Corporation and its officers, directors, agents, insurers, employees, members, board members, partners, owners, shareholders, attorneys or representatives and all of their predecessors, successors, assigns, and any individual or entity that could be jointly liable with Defendant.

22. **"Settlement"** or **"Settlement Agreement"** means this agreement, which is entered into by the Parties to resolve the claims asserted in the Action and the LWDA Notice.

23. **"Settlement Administrator"** means Phoenix Class Action Administration Solutions which will administer the settlement and shall be paid for Administration Costs.

Recitals

24. Plaintiff worked for Defendant in a Covered Position for at least one Covered Pay Period during the PAGA Period.

25. On November 18, 2020, Plaintiff sent a notice to the LWDA, with a copy to Defendant (the "LWDA Notice"). A copy of the LWDA Notice is attached as Exhibit 2. On March 30, 2021, Plaintiff filed a Complaint in the Superior Court of the State of California, County of Orange, entitled *Sergio Echeverria v. Statek Corporation*, Case No. 30-2021-01192372-CU-OE-CXC (the "Action"). In the Action, Plaintiff initially asserted both class claims and PAGA claims.

26. After the first day of Plaintiffs' deposition, Plaintiff filed a First Amended Complaint on or about March 22, 2022, dismissing the class allegations and limiting the Action to seeking civil penalties under PAGA. Thereafter, on or about June 6, 2022, Plaintiff filed a Second Amended Complaint, again seeking only civil penalties under PAGA. Defendant filed Answers in response to each version of the Complaint, denying the allegations and asserting certain affirmative defenses.

27. On December 12, 2022, the parties attended a mediation. As a result of the mediation, the parties were able to resolve the claims asserted in the Action, subject to the terms of this Settlement Agreement.

28. The Parties have conducted a thorough investigation into the facts of the Action. This included exchanging extensive data and information, as well as documents relating to the underlying alleged violations. After attending a mediation, the Parties reached the settlement, which Plaintiff and his counsel believe is fair, reasonable, and adequate. The Parties understand, acknowledge, and agree that this Settlement Agreement constitutes a compromise of Representative Plaintiff's PAGA Claims and the PAGA Claims asserted on behalf of the Aggrieved Employees, and that it is the desire and intention of the Parties to effect a final and complete settlement of the PAGA Claims that the Representative Plaintiff and the Aggrieved Employees have against Defendant or any of the other Released Parties.

29. The Parties enter into this Settlement Agreement on a conditional basis. In the event the Court does not enter a Final Order and Judgment, this Settlement Agreement will be deemed null and void and will be of no force or effect whatsoever, and will not be referred to or utilized for any purpose whatsoever.

30. Defendant denies all of the claims in the Action, and does not waive, but rather expressly reserves, all rights to challenge all such claims and allegations upon all legal, procedural and factual grounds should this Agreement not become final. This Agreement reflects a compromise reached to end the Action and the appeal.

31. The Parties stipulate and agree to the following terms of this Settlement Agreement with the intent that this Agreement finally disposes of the Action with prejudice.

TERMS AND CONDITIONS

32. **Non-Admission and Denial of Liability.** By this Agreement, no Party admits that Action has merit or lacks merit, that the Action is manageable or not manageable, or that Defendant is liable or is not liable. Defendant specifically disclaims and denies any liability alleged in the Action. The Parties enter this Agreement solely to avoid further litigation with its attendant inconvenience, nuisance, expenses, and risks. This Agreement and any related court document cannot be used as evidence of liability in this or any future action. This Agreement cannot support any assertion of claim or issue preclusion against Defendant, and Defendant may use the Final Order and Judgment to establish claim or issue preclusion against any plaintiff in another action.

33. **Deposit of Gross Settlement Amount.** Within 20 business days after the Effective Date, Defendant shall deposit with the Settlement Administrator the Gross Settlement Amount.

34. **Components of the Gross Settlement Amount.** The Parties agree to the following payments from the Gross Settlement Amount:

a. **PAGA Payment.** The PAGA Payment, to settle the Released Claims, will be distributed as follows:

(1) The LWDA will receive 75% of the PAGA Payment; and

(2) The Aggrieved Employees will receive 25% of the PAGA Payment, allocated to each Aggrieved Employee on a pro rata basis depending on the number of Covered Pay Periods worked by that employee. These settlement payments will be reported for each employee on IRS Form 1099.

(3) The entire PAGA Payment of $118,603.56 shall be allocated to civil penalties payable under PAGA, with 75% ($88,952.67) going to the LWDA and 25% ($29,650.89) to Individual PAGA Payments.

b. **Fees and Costs Award.** In connection with prosecuting the PAGA claim in the Action, Plaintiff's Counsel will apply for an award of (i) reasonable attorneys' fees of no more than $71,326.20; and (ii) reimbursement of litigation costs of no more than $13,070.24 . The Fees and Costs Award, which is subject to Court approval, will satisfy any obligation to pay attorneys' fees, expenses, or costs incurred by any attorney on behalf of Plaintiff, Aggrieved Employees, and the State of California in connection with the Action. This payment will be reported on an IRS Form 1099 issued to Plaintiff's Counsel. If the Court approves a lower amount, then the difference will augment the PAGA Payment. Except as set forth herein, each Party shall bear that Party's own costs and fees.

c. **Administration Costs.** Administration Costs will include the cost of the Settlement Administrator selected by the Parties to administer the settlement. The Parties have estimated Administration Costs not to exceed $6,000.00. If the Court approves a lower amount, then the difference will augment the PAGA Payment.

d. **The Incentive Award.** Plaintiff intends to apply for an Incentive Award of up to $5,000. If the Court approves a lower amount, then the difference will augment the PAGA Payment.

e. The Gross Settlement Amount was calculated based on Defendant's estimate that Aggrieved Employees worked a total of 8,906 Covered Pay Periods during the PAGA Period. If the number of Covered Pay Periods is more than (10%) higher (i.e., more than 9,797 Covered Pay Periods), Defendant shall, in its sole discretion, have the option to either: (i) end the PAGA Period on the date when the Covered Pay Periods count totaled 9,796; or (ii) increase the Gross Settlement Amount proportionally by the number of Covered Pay Periods worked in excess of 9,796 multiplied by the Gross Settlement Amount. For example, if the Covered Pay Periods equal 10,242 and the Gross Settlement Amount would increase by $24 per Covered Pay Period.

35. Released Claims.

a. In exchange for the consideration recited in this Settlement Agreement, including the PAGA Payment, Plaintiff, as the representative for the State of California and all Aggrieved Employees, and on behalf of their current, former, and future heirs, executors, administrators, attorneys, agents, and assigns forever completely releases and discharges the Released Parties of any and all Released Claims. The Aggrieved Employees and the State of California are deemed by operation of the Final Order and Judgment to have agreed not to sue or otherwise make a claim against any of the Released Parties for any Released Claims.

b. As of the Effective Date, this Agreement releases, precludes, and bars all Released Claims against Defendant and the Released Parties that arose during the PAGA Period, regardless of whether Plaintiff, the LWDA, or the Aggrieved Employees cash their Individual PAGA Payment checks. Accordingly, as of the date of this Final Order and Judgment, all Aggrieved Employees are barred and enjoined from prosecuting or seeking to reopen the Released Claims against the Released Parties.

c. Beyond the Gross Settlement Amount, Defendant shall not owe any further monies to Plaintiff, the Aggrieved Employees, or to the State of California based upon any Released Claims asserted on behalf of the Aggrieved Employees in the Action or in any complaint filed therein with respect to any event that occurred during the PAGA Period.

d. Because this Agreement settles claims asserted under the PAGA, Aggrieved Employees do not have the right to opt out of or object to the Settlement, and will be bound by the release set forth in Section 20 upon the Effective Date. In addition, Aggrieved Employees cannot dispute the number of Covered Pay Periods allocated based on the records provided by Defendant to the Settlement Administrator.

e. Plaintiff generally releases all of his individual claims against Defendant and the Released Parties, and waives all known and unknown claims under Civil Code § 1542.

36. **Notice to LWDA.** Plaintiff's Counsel will timely submit notice of this Settlement to the LWDA, as required by Labor Code § 2699(*l*)(2).

37. **No Assignment.** Plaintiff and Plaintiff's Counsel represent that Plaintiff has not assigned or transferred any interest in any claim subject to this Agreement.

38. **Review of Agreement.** Plaintiff acknowledges that he has read this Agreement, fully understands his rights, privileges, and duties under the Agreement, and enters into this Agreement freely and voluntarily, on behalf of the State of California and all Aggrieved Employees. He further acknowledges he has had the opportunity to consult legal counsel to explain the terms of this Agreement and the consequences of signing this Agreement.

39. **No Unnecessary Publicity.** Plaintiff and his counsel agree that the terms of this Settlement Agreement (including, but not limited to, the Gross Settlement Amount), the negotiations leading to the execution of this Settlement Agreement, and the Settlement Agreement itself, shall not be discussed with or publicized or promoted to the media (including, without limitation, legal periodicals and publications such as "Jury Verdicts," or disclosure of the Settlement Agreement on any web site of Plaintiff's counsel), or the public at large, without the advance written consent of Defendant. The Parties intend this Paragraph 39 to prohibit Plaintiff or his counsel from discussing, answering questions about, promoting or publicizing the Settlement Agreement, its terms, or the negotiations leading to the Settlement Agreement with anyone other than the Court, the LWDA, and those individuals necessary to effectuate the terms of the Agreement. Notwithstanding the foregoing, Plaintiff and his counsel (1) may tell the public in general only that certain claims "have been resolved by the Parties;" and (2) may disclose the terms of the Settlement Agreement (a) in appropriate filings with the Court in this case; (b) where required by law (e.g., income tax returns); (c) to accountants or other tax professionals for the purpose of preparing tax returns; and (d) as necessary to effectuate this Settlement Agreement.

40. **Court Approval.** Plaintiff's Counsel shall be responsible for preparing and filing a motion for approval of the Agreement and taking any steps necessary for the Court to enter the Final Order and Judgment. The motion will be served on the LWDA upon the motion's filing with the Court.

41. **Non-Approval of Agreement.** Because settlement of the Action requires Court approval pursuant to Labor Code section 2699(*l*)(2), the Agreement depends on approval and entry of judgment, and affirmance of any appeal from the Final Order and Judgment, except as stated below. If the Court does not approve the Gross Settlement Amount or materially alters any language in Paragraphs 20 and 35, Defendant may, with 10 days' written notice, terminate the Agreement, reverting the Parties to their respective status immediately prior to the execution of this Agreement.

42. **Motion for Approval of Agreement.** After signing this Agreement, Plaintiff shall promptly file a motion for approval of the Agreement, and serve the motion and this Agreement on the LWDA consistent with Labor Code section 2699(*l*)(2). As part of this, Plaintiff agrees to undertake any efforts necessary for the Court to enter the Final Order and Judgment. Within ten days of the date of entry of the judgment, Plaintiff shall submit a copy of the judgment to the LWDA consistent with Labor Code section 2699(*l*)(3).

43. **Settlement Administration.** The Settlement Administrator's duties shall include the following: update addresses for Aggrieved Employees via the USPS National Change of Address database and perform a skip tracing process to determine the best address prior to

distribution of the Gross Settlement Amount; determine Individual PAGA Payment amounts for each Aggrieved Employee; distribute Individual PAGA Payments to Aggrieved Employees; re-mail undeliverable Individual PAGA Payment checks; distribute payments for attorneys' fees and costs to Plaintiff's Counsel; distribute Plaintiff's Incentive Award to Plaintiff; make payment to the LWDA for its 75% share of the PAGA Payment; redistribute uncashed checks for Individual PAGA Payments; and perform related tax, accounting, and administration services. Any unused Administration Costs will revert to the LWDA or to another entity approved by the Court.

44. **Aggrieved Employee Information.** Defendant will provide the necessary information about the Aggrieved Employees (i.e., full name, last known address, social security number, and number of Covered Pay Periods worked during the PAGA Period) to the Settlement Administrator within 15 business days of notice of entry of the Final Order and Judgment.

45. **Calculation of Individual PAGA Payments.** The Settlement Administrator will calculate how much each individual Aggrieved Employee will receive from the 25% portion of the PAGA Payment. Each such employee will participate on a pro rata basis on the basis of the number of Covered Pay Periods that employee is credited with during the PAGA Period.

46. **Distribution of Gross Settlement Amount.**

a. Within 10 business days of receiving the Gross Settlement Amount, the Settlement Administrator will issue to each Aggrieved Employee at the last known address a check for the Individual PAGA Payment, along with an explanatory letter (attached as Exhibit 3). Checks will remain negotiable for 120 days. Any checks returned as non-deliverable on or before the check-cashing deadline will be sent promptly via regular First Class U.S. Mail to the forwarding address affixed thereto. If no forwarding address is provided, then the Settlement Administrator will promptly attempt to determine the correct address using a skip-trace, or other search using the name, address or Social Security number of the Aggrieved Employee involved, and will then perform a single re-mailing. The Settlement Administrator shall mail a check-cashing reminder postcard to Aggrieved Employees who have not negotiated Individual PAGA Payment checks within 60 days of mailing and, if applicable, re-mailing. Funds represented by settlement checks returned as undeliverable and those settlement checks remaining uncashed for more than 120 days after issuance shall be paid to the LWDA.

b. Within 10 business days of receiving the Gross Settlement Amount, the Settlement Administrator will pay Plaintiff the Incentive Award.

c. Within 10 business days of receiving the Gross Settlement Amount, the Settlement Administrator will pay the LWDA the amount allocated to the LWDA, and will pay Plaintiff's Counsel the amount of the Fees and Costs Award. The Settlement Administrator shall use the Administration Costs to pay for any fees and costs associated with the administration of the settlement called for by this Agreement.

47. **Accounting.** The Settlement Administrator will provide an accounting under oath to the parties of all amounts paid out under this Agreement.

48. **No Tax Representations.** The Parties agree that all tax obligations, if any, arising from the payments set forth above shall be the sole obligation of individuals receiving the money:

the Plaintiff, Plaintiff's Counsel, and the Aggrieved Employees. Defendant makes no representations or warranties with respect to any tax consequences or characterization of the nature of any payment under this Agreement.

49. **Drafting.** The Parties agree that the terms and conditions of this Agreement are the result of lengthy, intensive, arms'-length negotiations and that neither Party shall be considered the "drafter" of this Agreement for purposes of construing the Agreement.

50. **Costs and Fees.** The Parties shall each bear their own costs, attorneys' fees, and other fees incurred in connection with this Action, except as otherwise specified in this Agreement.

51. **Authority.** Plaintiff represents that he, as a private attorney general and as an individual, has the capacity to bind himself and all who might claim through him (including the LWDA and all Aggrieved Employees and their heirs and successors-in-interest) to the terms of this Agreement.

52. **Governing Law.** California law will govern all questions of validity, interpretation, or performance of this Agreement. Any action needed to enforce this Agreement shall be brought in the Court.

53. **Complete Agreement.** The Parties represent that no promise not contained in this Agreement has been made and represent that this Agreement contains their entire understanding regarding all terms and conditions pertaining to the settlement of the Action. This Agreement cannot be modified except by a writing signed by both Parties.

54. **Nullification of Agreement.** If the Court does not approve the Agreement and enter the Final Order and Judgment accordingly or the Agreement does not become final for any other reason, then this Agreement will be null and void, and the Parties will revert to their original respective positions.

55. **Judgment and Continued Jurisdiction.** Following entry of the Final Order and Judgment, the Court will retain jurisdiction solely for purposes of implementing, interpreting, and enforcing the Agreement.

56. **Authorization to Enter Into Agreement.** Counsel for all Parties represent they are expressly authorized by their clients to negotiate this Agreement and to take all appropriate action required or permitted under this Agreement to effectuate its terms.

57. **Execution and Counterparts.** This Agreement is subject only to the execution of all Parties. But the Agreement may be executed in one or more counterparts. All executed counterparts – including electronic, facsimile, DocuSign or other electronic signature, and scanned copies of the signature page – will be deemed to be one and the same instrument.

58. **Acknowledgement That the Settlement is Fair and Reasonable.** The Parties believe this Agreement is a fair, adequate, and reasonable settlement of the Action, acknowledging that the Court "may award a lesser amount than the maximum civil penalty amount specified by" PAGA "if, based on the facts and circumstances of the particular case, to do otherwise would result in an award that is unjust, arbitrary and oppressive, or confiscatory." Labor Code § 2699(e)(2).

59. **Invalidity of Any Provision.** Before declaring any term of this Agreement invalid, the Court will construe the provision as valid to the fullest extent possible, so as to find all terms valid and enforceable.

60. **Waiver.** No waiver of any term contained in this Agreement, and no failure to exercise a right or remedy under this Agreement, will imply or constitute a further waiver of the same or any other condition, covenant, right, or remedy.

61. **Severability.** If any term of this Agreement is held to be invalid or unenforceable, the remaining terms will continue to apply to the fullest extent permitted by law, and the invalid or unenforceable term will be deemed amended and limited in accordance with the intent of the Parties, as determined from the face of the Agreement, to the extent necessary to maximize enforceability of the term.

62. **Representation by Counsel.** The Parties arrived at this Agreement after arms'-length negotiations by competent counsel, who have advised their clients regarding the fairness and reasonableness of this Agreement and its consequences.

63. **Cooperation and Execution of Necessary Documents.** The Parties and their counsel will cooperate with each other in good faith and use their best efforts to effect the implementation of the Agreement and receive approval from the Court.

64. **Binding Agreement.** The Parties have authority to enter into this Agreement, and intend it to bind all Parties and be admissible in any proceeding to enforce its terms.

65. **Right to Appeal.** Upon approval of the settlement pursuant to this Agreement, Plaintiff, Aggrieved Employees, the LWDA, and Defendant all hereby waive all rights to appeal in connection with the judgment.

a. If the Court does not grant approval of this settlement, this Agreement will not be admissible for any purpose.

b. Plaintiff agrees that other than as a Aggrieved Employee and other than recovery of Plaintiff's Incentive Award, he is waiving entitlement to any individualized relief in the Action including, without limitation, any allegedly unpaid wages, unpaid meal periods penalties, unpaid rest break penalties, waiting-time penalties, itemized wage statement penalties or any other damages or statutory penalties.

66. **Entire Agreement.** This Agreement constitutes the entire integrated agreement between the Parties relating to the Action, and no oral representations, warranties, or inducements have been made to any party concerning this Settlement Agreement other than the representations, warranties, and covenants contained and memorialized in this Settlement Agreement.

[Signatures On Next Page]

IN WITNESS THEREOF, the Parties acknowledge that they have read the Agreement, agree to all its terms, and execute it voluntarily, fully understanding its consequences.

PLAINTIFF:

Dated: August 29, 2023

Sergio Echeverria
SERGIO ECHEVERRIA

DEFENDANT:

Dated: August 11, 2023

STATEK CORPORATION

By: DocuSigned by: Brian McCarthy C54F70A4F30442C...

Print Name: Brian McCarthy

Title: Co-President & CFO

Exhibit 1 – Proposed Final Approval Order and Judgment

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF ORANGE

SERGIO ECHEVERRIA, as an individual and on behalf of other similarly situated employees, Plaintiff, vs. STATEK CORPORATION, a California corporation, Defendants.	Case No. 30-2021-01192372-CU-OE-CXC ASSIGNED FOR ALL PURPOSES TO HONORABLE LON F. HURWITZ DEPARTMENT CX-103 **[PROPOSED] ORDER GRANTING APPROVAL OF PAGA SETTLEMENT AND ENTERING JUDGMENT** **Hearing Date:** September 15, 2023 **Hearing Time:** 1:30 p.m. **Department:** CX103 Date Action Filed: March 30, 2021 Trial Date: Not Yet Set

This matter came on for hearing on September 15, 2023 at 1:30 p.m. in Department CX-103 of the above-captioned Court on Plaintiff's unopposed motion for approval of a PAGA Settlement Agreement (the "Settlement" or "Settlement Agreement") pursuant to the California Labor Code Private Attorneys General Act ("PAGA").

Having received and considered the Settlement Agreement, the supporting papers filed by Plaintiff, and the evidence and argument received by the Court, the Court grants approval of the Settlement. GOOD CAUSE BEING FOUND, IT IS ORDERED AND ADJUDGED that:

1. Final judgment is entered in conformity with the parties' PAGA Settlement Agreement (the "Settlement Agreement"), a copy of which is attached as Exhibit A and is ROA# __. Except as otherwise defined in this Order Granting Approval of PAGA Settlement and Entering Judgment ("Final Order and Judgment"), all capitalized terms have the same meaning as defined in the Settlement Agreement.

2. The California Labor Workforce and Development Agency ("LWDA") has been provided notice of the Settlement in accordance with PAGA, California Labor Code § 2699(l)(2), (l)(4). In particular, on March 3, 2023, Plaintiff submitted to the LWDA a notice of the Settlement enclosing a copy of the Settlement Agreement. (Ex. B.) Plaintiff thereafter submitted a copy of the amended PAGA Settlement to the LWDA on September 1, 2023. (Ex. C.) Plaintiff also submitted to the LWDA a copy of the Court's Minute Order, dated June 23, 2023. (Ex. D.) Plaintiff's notice of the Settlement to the LWDA complied with the notice requirements of PAGA and the Court's Minute Order, dated June 23, 2023.

3. The Court approves the release of claims Plaintiff brings under the PAGA in conformity with the Settlement Agreement. As of the date that this Final Order and Judgment becomes final, all Aggrieved Employees release and discharge the Released Parties from all Released Claims;

4. The Court confirms approval of the Settlement as to the LWDA and the Aggrieved Employees.

5. The Court has jurisdiction over the subject matter of this litigation, over all Aggrieved Employees, and over those persons undertaking affirmative obligations under the

Settlement.

6. The Settlement is approved under Labor Code § 2699(l)(2).

7. The PAGA Settlement Notice to Aggrieved Employees, attached to this Final Order and Judgment as Exhibit B, fairly and adequately describes the Action, the approved Settlement, and provides adequate notice to the Aggrieved Employees.

8. The Court finds that each Aggrieved Employee, in accordance with the Settlement, releases all Released Claims against the Released Parties.

9. The Gross Settlement Amount of $214,000.00, and the methodology used to calculate the PAGA Payment and Individual PAGA Payments, set forth in the Settlement Agreement are approved. More specifically, the Court approves the following payments:

a. Fees and Costs Award of $84,396.44 (as more fully set forth in ¶ 12, below);

b. Plaintiff's Incentive Award of $5,000;

c. The Administration Costs of $6,000; and

d. PAGA Payment (i.e., net settlement amount) of $118,603.56, with 75% ($88,952.67) paid to the LWDA and 25% ($29,650.89) allocated to Individual PAGA Payments to Aggrieved Employees.

10. The Court approves Phoenix Class Action Administration to act as the Settlement Administrator.

11. The Court approves the law firm of Jackson Law APC as Plaintiff's Counsel.

12. The Court awards Plaintiff's counsel's attorneys' fees in the amount of $71,326.20 and actual litigation costs of $13,070.24, both of which the Court finds to be fair and reasonable. The Court authorizes the Settlement Administrator to make these payments, in accordance with the terms of the Settlement Agreement.

13. The Court authorizes the Settlement Administrator to calculate and pay the Individual PAGA Payments to the Aggrieved Employees, in accordance with the terms of the Settlement Agreement.

14. The Court finds that payment to the LWDA of $88,952.67 as its share of the settlement of PAGA civil penalties is fair and reasonable. The Court authorizes the Settlement

Administrator to pay the LWDA payment, in accordance with the terms of the Settlement Agreement.

15. The Court finds the Incentive Award in the sum of $5,000 to Plaintiff is fair and reasonable. The Court authorizes the Settlement Administrator to pay the Incentive Award in accordance with the terms of the Settlement Agreement.

16. Upon completion of the settlement administration process, the Settlement Administrator will provide written declaration of the completion and final accounting to counsel for the Parties. A final accounting hearing is set for May 17, 2024. Plaintiff's Counsel shall file the declaration and final accounting with the Court on or before May 3, 2024. Plaintiff also will file a Notice of Satisfaction of Judgment upon payment of the entire Gross Settlement Amount by Defendant and distribution of the Gross Settlement Amount by the Settlement Administrator in accordance with this Settlement Agreement.

17. The Court dismisses the PAGA claims and the Action with prejudice.

18. Without affecting the finality of this Final Order and Judgment, the Court retains exclusive and continuing jurisdiction over this Action for purposes of supervising, administering, implementing, and enforcement of this Judgment and the Settlement Agreement.

19. Nothing in this Final Order and Judgment, or the Settlement Agreement, shall be construed as an admission or concession by any party. The Settlement and this resulting Final Order and Judgment, and entry of Judgement, simply represent a compromise of disputed allegations.

20. The Court enters the Final Order and Judgment in accordance with the terms of the Settlement Agreement and this Judgment.

21. Plaintiff's Counsel is directed to submit a copy of this Final Order and Judgment and entry of Judgment to the LWDA within 10 days of the date of entry of this Judgment.

IT IS SO ORDERED:

DATED:________________________ ________________________________

HONORABLE LON F. HURWITZ
Judge of the Superior Court

EXHIBIT A

EXHIBIT B

Thank you for your Proposed Settlement Submission

DIR PAGA Unit <lwdadonotreply@dir.ca.gov>

Fri 3/3/2023 3:05 PM

To: Armond Jackson <ajackson@jacksonapc.com>

03/03/2023 03:05:24 PM

Thank you for your submission to the Labor and Workforce Development Agency.

Item submitted: Proposed Settlement
If you have questions or concerns regarding this submission or your case, please send an email to pagainfo@dir.ca.gov.

DIR PAGA Unit on behalf of
Labor and Workforce Development Agency

Website: http://labor.ca.gov/Private_Attorneys_General_Act.htm

EXHIBIT C

EXHIBIT D

Thank you for your Other Response or Document Submission

DIR PAGA Unit <lwdadonotreply@dir.ca.gov>

Fri 9/1/2023 12:49 PM

To:Armond Jackson <ajackson@jacksonapc.com>

09/01/2023 12:48:42 PM

Thank you for your submission to the Labor and Workforce Development Agency.

Item submitted: Other Response or Document Submission
If you have questions or concerns regarding this submission or your case, please send an email to pagainfo@dir.ca.gov.

DIR PAGA Unit on behalf of
Labor and Workforce Development Agency

Website: http://labor.ca.gov/Private_Attorneys_General_Act.htm

Exhibit 2 – PAGA Notice

JACKSON APC

2 Venture Plaza, Ste. 240 * Irvine, CA 92618 * Tel: 949-281-6857 * Fax: 949-777-6218

Armond M. Jackson
ajackson@jlaw-pc.com

November 18, 2020

Sent By Certified Mail to Statek Corporation

Submitted Via Online to Labor and Workforce Development Agency

Statek Corporation
512 N. Main St
Orange, California 92868

GKL Corporate/Search, Inc.
One Capitol Mall Site 660
Sacramento, CA 95814

Labor and Workforce Development Agency
Attn. PAGA Administrator
455 Golden Gate Avenue, 9th Floor
San Francisco, CA 94102
(415) 703-4810

PRIVATE ATTORNEY GENERAL ACT (PAGA) NOTICE
PURSUANT TO LABOR CODE § 2699

Re: Notice Pursuant to California Labor Code Section 2699
Violations of California Labor Code Sections 201, 202, 203, 210, 221, 226 (a) 1-2, 4-5, 8-9, 226.3, 226.7, 510, 512, 558, 1194, 2802
Violations of California Labor Code Section 1198 (Industrial Welfare Commission Order No. 5-2001 ("Wage Order 4"), Sections 3, 7, 11 and 12 Violations of California Labor
Labor and Workforce Development Agency Right to Investigate and Issue a Citation (Lab. Code § 2699.3)
Sergio Echeverria et al. v. Statek Corporation et al.

Dear Statek Corporation, GKL Corporation and PAGA Administrator:

This letter is issued pursuant to Labor Code § 2698, et seq. (Specifically Labor Code § 2699(f)), which provides notice to the PAGA Administrator, Statek Corporation and GKL Corporation/Search, Inc. by Sergio Echeverria ("Mr. Echeverria" or "Plaintiff") on behalf of all California aggrieved current and aggrieved former similarly situated employees of Statek Corporation, ("SC") (collectively referred to throughout herein as "Defendants"), a private right of action under the Private Attorney General Act (PAGA) of 2004.

As a prerequisite to prosecuting this private action in superior court, Mr. Echeverria is required to provide notice by certified mail to the Labor and Workforce Development Agency and the employers regarding each violation, along with facts and theories supporting each violation as mentioned below. (Labor Code § 2699.3) If you have any questions regarding this letter, please contact Armond M. Jackson, Esq. at Jackson Law, APC at 949-281-6857 or via email at ajackson@jlaw-pc.com.

Facts and Theories

Defendants are a healthcare technology production company.

This letter encompasses violations for all of Defendants nonexempt California employees as the aggrieved employees or similarly situated employees.

Plaintiff was deployed to work for Defendants as a cleaning employee. Plaintiff was responsible for general laborer tasks including cleaning, repairs, general laborer tasks as assigned.

Throughout Plaintiff's shifts, they were not provided with all 10 minute duty-free uninterrupted rest breaks during its working shifts that were at or above 7.5 hours as a result of encouragement and requirement to take short rest breaks because he was interrupted during rest breaks, had to start rest breaks late and report back from rest breaks early or required to miss entitled rest breaks approximately 10 to 20 shifts each month.. Moreover, at times when Plaintiff and similarly situated employees were required to report back to work for interrupted rest breaks were not paid premium wages for this interrupted meal break. Finally, Defendants required Plaintiff and similarly situated employees to work on-call or on-premises as they had to be available to perform job tasks and to return to work during rest breaks.

Furthermore, Plaintiff was not provided with proper 30 minute duty-free uninterrupted meal periods each five hours of its working shifts that he was entitled to when he worked over five and ten hour shifts and meal breaks were short, late, interrupted or not taken at all as a result of being encouraged and required to take short meal breaks because he was interrupted during meal breaks, had to start meal breaks late and report back from meal breaks early or completely miss meal breaks due to workload. Moreover, Defendants required Plaintiff and similarly situated employees to work on-call or on-premises as they had to be available to perform job tasks and to return to work during meal breaks each shift each day. Finally at times when Plaintiff and similarly situated employees were required to report back to work for interrupted meal breaks were not paid premium wages for this interrupted meal break approximately 10 to 20 shifts each month.

Defendants have violated California Labor Code sections 226.7, 510, 512, 1194, and Wage Order 4, Sections 7, 11 and 12 and any other applicable wage orders. Other similarly situated employees at Defendants were under the same conditions as Plaintiff.

Moreover, Defendants failed to incorporate Plaintiff's premium wages and hours' worth of work, actual name of the legal entity of the employer and applicable rates for all hours worked on their wage statements as required by California Labor Code section 226(a) 1-2, 4-5, 9. All other similarly situated employees were subjected to the same working conditions as Plaintiff, such as not being provided with their entitled meal breaks and rest breaks and recording their applicable hourly rates for all hours worked and actual hours worked or premium wages earned on their wage statements.

Moreover, Defendants failed to pay for all hours worked due to requiring employees to undergo medical inspections and testing before clocking-in. These medical inspections and medical testing and questions required Plaintiff and other employees to work off-the-clock for up to 30 minutes before clocking-in in violation of 510, 1194 and Wage Order 4, Sections 3 and any other applicable wage and hour laws.

Furthermore, Defendants required Plaintiff and similarly situated employees to purchase masks to protect from COVID-19 transmissions requiring them to wear these masks at work but failed to reimburse in violation of California Labor Code section 2802 and the applicable California Industrial Welfare Commission wage order(s). Additionally, having employees conduct off clock temperature checks before clocking in.

By virtue of not authorizing or permitting Plaintiff and all other similarly situated employees to take their entitled meal breaks and rest breaks, off-the-clock work, failure to reimburse, failing to incorporate hours worked and wages earned on the itemized wage statements disclosing total hours worked, total gross wages earned, net wages earned, name and address of the legal entity employer, hours worked at the applicable hourly rate and deductions that should have been taken out, and rights to accurate wages statements and retention of those rights. Consequently, Defendants are violating California Labor Code Sections, 226(a) 1-2, 4-5, 8, 9, 226(a), 226.3, and 226.7, 510, 512, and Wage Order 4, Sections 3, 7, 11 and 12, 2802.

Violation of California Labor Code Sections, 201, 202, 203, 204

An employer may not willfully fail to pay any wages owed to an employee who is either discharged, resigns or quits. If the employer does fail to pay its employees upon separation of employment, the wages of the employee shall continue as a penalty from the due date thereof at the same rate until paid or until an action therefore is commenced; but the wages shall not continue for more than 30 days. (See Lab. Code §203) Here, Defendants did not compensate Plaintiff and do not compensate other similarly situated employees at the time of discharge or timely at the time of separation due to failing to compensate employees for owed premium wages, off-the-clock work, timely payments at the time of end of employment for COVID-19 layoffs, and on-call meal breaks.

Violation of California Labor Code § 210

Labor Code section 210, an employer may not fail to pay the wages of each employee. Here, Defendants failed to pay for all hours worked due to requiring employees to undergo medical inspections and testing before clocking-in. These medical temperatures checks and medical questions required Plaintiff and other employees to work off-the-clock for up to 30 minutes.

Violation of California Labor Code § 221

It shall be unlawful for any employer to collect or receive from an employee any part of wages theretofore paid by said employer to said employee. Again, here, Defendants failed to pay for all hours worked due to requiring employees to undergo medical inspections and testing before clocking-in. These medical inspections and medical testing and questions required Plaintiff and other employees to work off-the-clock for up to 30 minutes.

Violation of California Labor Code § 226(a)

Labor Code § 226 (a) requires employers to provide "accurate itemized statement in writing" each pay period that includes nine categories of information. These categories include (1) gross wages earned, (2) total hours worked, (4) deductions taken, (5) net wages earned, (8) name and address of the legal entity employer and (9) all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee. (See Labor Code §226, subsection (a)) Any employer who has violated California Labor Code Section 226(a) will also be subject to penalties under California Labor Code Section 226.3. These records must be maintained for a period of at least three years. It is Plaintiffs' contention that Defendant are in violation of the following California Labor Codes:

Violation of 226 (a)(1)

Section a (1) requires gross wages to be inserted on an employee's paystubs. Plaintiffs and other similarly situated employees' paystubs did not accurately reflect their gross wages earned by virtue of excluding hours worked and wages earned because Plaintiff and other similarly situated employees did not receive all entitled meal periods and rest periods but Defendants did not compensate them for that extra hour worth of work nor disclosed or recorded the extra hour worth of gross wages earned on their paystubs for failing to pay for all hours worked and provide the entitled meal breaks and rest breaks. Moreover, Defendants failed to insert all hours worked and wages earned due to the off-the-clock work.

Violation of 226 (a)(2)

Section a (2) requires the total hours worked by the employee to be inserted on an employee's paystubs. Plaintiffs and other similarly situated employees' paystubs did not accurately reflect their total hours worked by virtue of excluding hours worked because Plaintiff and other similarly situated employees did not receive all entitled meal periods and rest periods but Defendants did not compensate them for that extra hour worth of work nor disclosed or recorded the extra hour worth of gross wages earned on their paystubs for failing to pay for all hours worked and provide the entitled meal breaks and rest breaks. Moreover, Defendants failed to insert all hours worked and wages earned due to the off-the-clock work.

Violation of 226 (a)(4)

Section a (4) requires all deductions out of the employees' wages to be inserted on an employee's paystubs. Plaintiffs and other similarly situated employees' paystubs did not accurately reflect all deductions taken out of their paychecks by virtue of excluding hours worked and wages earned because Plaintiff and other similarly situated employees did not receive all entitled meal periods and rest periods but Defendants did not compensate them for that extra hour worth of work nor disclosed or recorded the extra hour worth of gross wages earned on their paystubs for failing to pay for all hours worked and provide the entitled meal breaks and rest breaks. Moreover, Defendants failed to insert all hours worked and wages earned due to the off-the-clock work.

Violation of 226 (a)(5)

Section a (5) requires net wages to be inserted on an employee's paystubs. Plaintiffs' and other similarly situated employees' paystubs did not accurately reflect their net wages earned by virtue of excluding hours worked and wages earned because Plaintiff and other similarly situated employees did not receive all entitled meal periods and rest periods but Defendants did not compensate them for that extra hour worth of work nor disclosed or recorded the extra hour worth of gross wages earned on their paystubs for failing to pay for all hours worked and provide the entitled meal breaks and rest breaks. Moreover, Defendants failed to insert all hours worked and wages earned due to the off-the-clock work.

Violation of 226 (a)(9)

Section a (9) requires all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee. Plaintiffs and other similarly situated employees' paystubs did not reflect their applicable hourly rate because BSC and FSS excluded hours worked and wages earned because Plaintiff and other similarly situated employees did not receive all entitled meal periods and rest periods but Defendants did not compensate them for that extra hour worth of work nor disclosed or recorded the extra hour worth of gross wages earned on their paystubs for failing to pay for all hours worked and provide the entitled meal breaks and rest breaks. Moreover, Defendants failed to insert all hours worked and wages earned due to the off-the-clock work.

Violation of California Labor Code Sections 226.7, 512, 1198 and Wage Order 4, Sections 3, 7, 11 and 12

An employer must provide rest period pursuant to an applicable order of the Industrial Welfare Commission. (See Lab. Code §226.7)

Under Labor Code § 1198 an employer is required to comply with the standard conditions of labor required in the orders set by the Industrial Welfare Commission. Industrial Welfare Commission Order No. 5-2001 (hereinafter "Wage Order 4").

Under these circumstances, Plaintiffs' position at Defendants falls within Wage Order 4 employed Plaintiff's as a non-exempt employee.

California Labor Code sections 226.7, 512 and Wage Order 4, Section 11, requires employers to provide employees with uninterrupted meal breaks for 30 minutes every 5 hours unless waived by mutual consent and the work shift is not above 6 hours. California Labor Code sections 226.7, 512 and Wage Order 4, Section 11 requires every employer to provide its employees with uninterrupted meal breaks for 30 minutes every 5 hours if the employee works more than a 6-hour shift. Plaintiff and other similarly situated employees regularly worked above five, six and ten hour shifts and were not provided meal breaks every five hours nor were they compensated premium wages for working through their meal breaks as mentioned above.

California Labor Code sections 226.7 and Wage Order 4, Section 12 states every employer shall authorize and permit all employees to take rest periods, which insofar as practicable shall be in the middle of each work period. The authorized rest period time shall be based on the total hours worked daily at the rate of ten (10) minutes net rest time per four (4) hours or major fraction thereof. However, a rest period need not be authorized for employees whose total daily work time is less than three and one-half (3 1/2) hours. Authorized rest period time shall be counted as hours worked for which there shall be no deduction from wages. (B) If an employer fails to provide an employee a rest period in accordance with the applicable provisions of this order, the employer shall pay the employee one (1) hour of pay at the employee's regular rate of compensation for each workday that the rest period is not provided.

Plaintiff and other similarly situated employees did not receive their entitled uninterrupted rest periods and meal breaks during their employment at Defendants while regularly working above 6- and 7.5-hour shifts.

Wage Order 4, Section -7- Records

Section 7 sets out the requirements for the maintenance of employee records by an employer. Subsection (A) requires employers to "keep accurate information with respect to each employee" regarding identification information, including their "[f]ull name, home address, occupation and social security number," "[time records showing when the employee begins and ends each work period," "[m]eal periods," and [t]otal hours worked in the payroll period and applicable rates of pay."

Subsection (B) requires an employer to provide accurate, itemized statements showing deductions and the dates of the pay period. Subsection (C) requires such records to be kept for three (3) years and made available on request.

As discussed above, Defendants failed to record "meal periods" as Plaintiff and other similarly situated employees were not provided with proper meal periods. Furthermore, Defendants failed to incorporate the extra hours' worth of work when Plaintiff and other similarly situated employees worked through their entitled meal breaks and rest breaks without being paid premium wages. The extra hours' worth of work at the applicable rate of pay was not disclosed on the itemized wage statement s in violation of Wage Order 4, Section -7- Records.

California Labor Code Section 510, and 1194, Wage Order 4cf, Section

Section 3 lays out the requirements for overtime pay applicable to employees working in restaurants and all similar establishments such as the Commerce Club. If an employee works in excess of eight (8) hours in any one day, or over forty (40) hours in one week, those hours must be paid at the rate of one and one-half (1.5) times the employee's regular rate of pay for all hours worked in excess of eight (8) hours and up until twelve (12) hours in any day. Any hour worked in excess of 12 hours in any workday is to be paid at the rate of double the employee's regular rate of pay.

Moreover, if any employee works (7) consecutive days, the employee shall be paid one and one-half (1.5) times his or her regular pay for the first eight (8) hours. Any hours worked in excess of eight (8) hours on the seventh consecutive day must be paid at twice the employee's regular rate of pay.

Violation of California Labor Code Section 510

Work in excess of eight hours in one workday and/or 40 hours in one workweek, and the first eight hours on the seventh day of work in any workweek must be compensated at no less than one and one-half times the employee's regular rate of compensation. (See Lab. Code §510) "Double time" required after twelve hours in any workday, after eight hours on the seventh day of work. Plaintiff and other similarly situated employees were subjected to pre-shift medical inspections lasting between 15 to 30 minutes before being allowed to clock-in resulting in off-the-clock work. Some of this work time would have qualified as overtime wages for these employees whom earned these overtime wages that were not paid at the overtime rates for hours worked in excess of 8 hours per day or forty hours per week because they worked through shifts above 8 hours per day and 40 hours per week violating Labor Code section 510.

Violation of California Labor Code Section 558

Any employer or other person acting on behalf of an employer who violates, or causes to be violated, a section of this chapter or any provision regulating hours and days of work in any order of the Industrial Welfare Commission shall be subject to a civil penalty in addition to recover unpaid wages. (See Lab. Code §558)

Violation of California Labor Code sections 1182.12, 1194, 1197, 1197.1 and 1198-Failure to Provide Minimum Wages

Any employee receiving less than the legal minimum wage or overtime compensation applicable to the employee is entitled to recover, in a civil action, the unpaid balance of the full amount of the minimum wage or overtime compensation including interest, reasonable attorney's fees, and costs of suit. (See Lab. Code §1194) Plaintiff and other similarly situated employees were not paid any overtime for hours worked in excess of 8 hours per day or forty hours per week because they worked hours during pre-shift off-the-clock medical inspections entitling them to minimum wage payments.

Conclusion

Pursuant to the above stated facts, it is Plaintiffs' theory that Defendants are in violation of Labor Code Labor Code §§ 201, 202, 203, 210, 221, 226(a) 1-2, 4-5, 9, 226.3, 226.7, 510, 512, 558, 1194 and Violations of California Labor Code Section 1198, Wage Order 4, Sections 7, 11 and 12, 2802. It is Plaintiff's contention that all similarly situated employees at Defendants are subjected to all of the above-mentioned violations as Defendants employees.

Sincerely,

Jackson Law, APC

/s/ Armond M. Jackson

Armond M. Jackson

Exhibit 3 – Notice Regarding Monetary Payments

[Date], 2023

[Employee's Full Name]
[Employee Street Address]
[City, State Zip]

Re: *Orange County Superior Court Case No. 30-2021-01192372-CU-OE-CXC*

Dear [Employee's Full Name]:

Please find enclosed a check in the amount of [amount of payment], which is your payment from the settlement that was approved by the Orange County Superior Court ("Court") on [settlement approval date] based upon the number of pay periods you worked at Statek between March 24, 2020 to February 9, 2021 (the "PAGA Period"). You have received this notice because Statek Corporation's records reflect that you were employed by Statek in a non-exempt position, and worked [number] pay periods, during the "PAGA Period"). This notice relates to the settlement of the lawsuit, entitled *Sergio Echeverria v. Statek Corporation*, Orange County Superior Court Case No. 30-2021-01192372-CU-OE-CXC (the "Action").

In the Action, the Plaintiff sought civil penalties pursuant to the California Private Attorneys General Act ("PAGA"), on behalf of hourly employees who Plaintiff claims were not paid wages for time spent waiting in line for COVID-19 temperature checks before clocking in for the workday, which resulted in off-the-clock work. Statek strongly disputes Plaintiff's allegations and maintains that it has fully complied with all applicable wage-and-hour laws. The Court has not issued any ruling regarding the merits of the Action. Nonetheless, to avoid the cost and distraction of litigation, Statek has made a business decision to settle the Action, which settlement has been approved by the Court.

The total amount of the settlement approved by the Court is $214,000, which is allocated as follows:

a. Attorneys' fees and costs of $84,396.44;

b. An incentive award to the named plaintiff's of $5,000;

c. Cost of settlement administration of $6,000;

d. A settlement payment to the California Labor and Workforce Development Agency of $88,952.67; and

e. Payments to non-exempt employees who worked for Statek during the PAGA period in the total amount of $29,650.89, allocated to employees based on the number of workweeks worked.

The enclosed settlement check represents your portion of the court-approved settlement. You are receiving a check because you are identified as having worked in a covered position at a

Statek during the PAGA Period. The amount of your check is based the number of pay periods you worked for Statek during the PAGA Period. Because this is a settlement of claims asserted under the PAGA, you do not have a right to object to or opt out of the settlement.

You will not be retaliated against for depositing or cashing your check. Checks that are not cashed or deposited within 120 days of issuance will be cancelled and the funds will be transmitted to a legal aid organization.

Regardless of what you do with the settlement check, you will have released claims for penalties arising under PAGA as asserted in the Action. More specifically, pursuant to the Settlement Agreement, you are releasing Statek from all claims that were or reasonably could have been asserted against Statek based on or arising from the facts or claims alleged in the Action, including claims relating to (i) Defendant's alleged failure to pay for all hours worked, failure to pay the minimum wage for all hours worked, failure to pay all overtime wages, failure to pay all overtime and other wages based on the proper regular rate of pay, failure to maintain accurate employment records, failure to issue accurate wage statements, failure to timely pay wages owed during employment and upon termination; (ii) violations of, or civil penalties recoverable under, California Labor Code sections §§ 201, 202, 203, 204, 210, 221, 226, 226.3, 226.7, 510, 558, 1182.12, 1194, 1197, 1197.1, 1198, and 2699; (iii) violations of the applicable Wage Order, including paragraphs 3, 4, 7, and 20 of the applicable IWC Wage Order; and (iv) attorneys' fees, costs of litigation, and interest. The full Settlement Agreement, including a complete description of the release of claims, can be viewed at [inset link to settlement administrator website].

If you have any questions, you may call the Settlement Administrator, Phoenix Class Action Administration Solutions, toll free at <   >.

THIS NOTICE IS NOT AN EXPRESSION OF ANY OPINION BY THE COURT AS TO THE MERITS OF THE CLAIMS OR DEFENSES BY EITHER SIDE IN THE ACTION. PLEASE DO NOT CONTACT THE COURT REGARDING THE CASE.