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SILVIA REYES, on behalf of herself and all others
6 similarly situated

7
8 SUPERIOR COURT OF THE STATE OF CALIFORNIA

9 FOR THE COUNTY OF LOS ANGELES – SPRING STREET COURTHOUSE

10
11 SILVIA REYES, on behalf of herself and all
other similarly situated,

12 Plaintiffs,

13 v.

14 LEE'S MAINTENANCE SERVICE, INC., a
15 California corporation; DEDICATED
BUILDING SERVICES, LLC, a California
16 limited liability company; and DOES 1
through 100, Inclusive

17 Defendants.
18

CASE NO.: 20STCV48667

[Assigned for all purposes to the Hon.
William F. Highberger - Dept. 10]

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**JOINT STIPULATION FOR CLASS
ACTION SETTLEMENT**

1 TO THE COURT:

2 This Joint Stipulation for Class Action Settlement ("Settlement Agreement") is made
3 and entered into by and between Silvia Reyes ("Plaintiff"), individually and on behalf of all
4 others similarly situated, and Lee's Maintenance Service, Inc. ("Defendant") (collectively, the
5 "Parties"), and is subject to the terms and conditions below, and to the Court's approval. The
6 Parties expressly acknowledge that this Settlement Agreement is entered into solely for the
7 purpose of compromising significantly disputed claims and that nothing in this Settlement
8 Agreement is an admission of liability or wrongdoing by Defendant. If for any reason the
9 Settlement Agreement is not approved, it will be of no force or effect, and the Parties will be
10 returned to their respective positions immediately prior to and as if they had never executed this
11 Settlement Agreement as more fully set forth below.

12 DEFINITIONS

13 The following definitions are applicable to this Settlement Agreement. Definitions
14 contained elsewhere in this Settlement Agreement will also be effective:

15 1. "Action" means *Silvia Reyes v. Lee's Maintenance Service, Inc., et al.*, Los
16 Angeles County Superior Court Case No. 20STCV48667.

17 2. "Claims Administrator" means Simpluris, Inc. or any other third-party class
18 action settlement claims administrator agreed to by the Parties and approved by the Court for
19 the purposes of administering this Settlement. The Parties each represent that they do not have
20 any financial interest in the Claims Administrator or otherwise have a relationship with the
21 Claims Administrator that could create a conflict of interest.

22 3. "Claims Administration Expenses" means the costs payable to the Claims
23 Administrator for administering this Settlement, including, but not limited to, printing,
24 translating into Spanish, conducting a National Change of Address ("NCOA") search,
25 distributing (including with appropriate postage), and tracking documents for this Settlement in
26 English and Spanish, any searches to locate any Class Members, tax reporting, distributing the
27 Individual Settlement Payments, Class Representative Enhancement Payment, Class Counsel
28 Fees and Costs, and providing necessary certification of completion of notice, reports and

1 declarations, establishing and administering a qualified settlement fund account and other
2 responsibilities set forth in this Settlement Agreement and as requested by the Parties. The
3 Claims Administration Expenses are currently estimated to be not more than Six Thousand Five
4 Hundred Dollars (\$6,500).

5 4. "Class Counsel" means Michael Nourmand and James A. DeSario of The
6 Nourmand Law Firm, APC.

7 5. "Class Counsel Fees and Costs" means attorneys' fees, costs, and expenses
8 approved by the Court for Class Counsel's litigation and resolution of the Action, and all costs
9 incurred and to be incurred by Class Counsel in the Action, including, but not limited to, costs
10 associated with documenting the Settlement, providing any notices required as part of the
11 Settlement or Court order, securing the Court's approval of the Settlement, administering the
12 Settlement, and obtaining entry of the Judgment terminating the Action. Class Counsel will
13 request attorneys' fees of not to exceed one-third of the Gross Settlement Amount or One
14 Hundred Thousand Dollars (\$100,000) and litigation costs and expenses not to exceed Twenty
15 Thousand Dollars (\$20,000). Defendant has agreed not to oppose Class Counsel's request for
16 Class Counsel Fees and Costs.

17 6. "Class List" means a complete list of all Class Members that Defendant will
18 diligently and in good faith compile from their records and provide on a confidential basis to
19 the Claims Administrator within seven (7) calendar days after the Court's entry of an order
20 granting preliminary approval of this Settlement. The Class List will be formatted in Microsoft
21 Office Excel and Defendant will use its best efforts to include each Class Member's full name;
22 most recent mailing address; last known telephone number if readily available; dates of
23 employment or number of workweeks worked during the Class Period; and Social Security
24 number.

25 7. "Class Member(s)" or "Settlement Class" means Plaintiff and all current and
26 former hourly non-exempt employees of Defendant within California at any time during the
27 Class Period.

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1 8. “Class Period” means the period from December 22, 2016 through June 28,
2 2021.

3 9. “Class Representative Enhancement Payment” means the amount to be paid from
4 the Gross Settlement Amount to the named Plaintiff in exchange for executing a general release
5 and in recognition of her efforts in prosecuting the Action on behalf of Class Members.
6 Plaintiff will request and Defendant will not oppose Plaintiff’s application to the court for a
7 payment of Five Thousand Dollars (\$5,000) for her willingness to serve as Class
8 Representative.

9 10. “Court” means the Los Angeles County Superior Court, or any other court taking
10 jurisdiction of the Action.

11 11. “Effective Date” means the date when the Final Approval Order becomes final
12 and Defendant fully funds the Gross Settlement Amount and employer’s share of payroll taxes.
13 For purposes of this Paragraph, the Final Approval Order “becomes final” upon the last to occur
14 of the following: (a) if there are no objections to the Settlement, the date the Court enters an
15 order granting final approval of the Settlement; or (b) if there are objections to the Settlement,
16 and if an appeal, review, or writ is not sought from the Final Approval Order, the day after the
17 time period to appeal the Settlement has expired, i.e., 60 days from the date the Court enters an
18 order granting final approval of the Settlement.

19 12. “Gross Settlement Amount” means the maximum settlement amount of Three
20 Hundred Thousand Dollars (\$300,000) (“Gross Settlement Amount”), which has been and/or
21 will be paid by Defendant in full satisfaction of all claims arising from the Action. The Gross
22 Settlement Amount includes all Individual Settlement Payments to Participating Class
23 Members, the Class Representative Enhancement Payment, Claims Administration Expenses,
24 Class Counsel Fees and Cost, and PAGA penalties in the amount of Ten Thousand Dollars
25 (\$10,000) of which 75% or Seven Thousand Five Hundred Dollars (\$7,500) will be paid to the
26 Labor Workforce Development Agency (“LWDA”) and 25% or Two Thousand Five Hundred
27 Dollars (\$2,500) to PAGA Group Members. Defendant will pay the employer's share of payroll
28 taxes, as applicable, in addition to the Gross Settlement Amount.

1 13. “Individual Settlement Payment” means each Participating Class Member’s and
2 PAGA Group Member’s share of the Net Settlement Amount, to be distributed to Plaintiff,
3 PAGA Group Members and Class Members who do not request exclusion from the settlement.

4 14. “Net Settlement Amount” means the maximum amount available for distribution
5 to the Class Members, after deduction of Class Counsel Fees and Costs, Class Representative
6 Enhancement Payment, Claims Administration Expenses, and \$7,500 as PAGA penalties from
7 the Gross Settlement Amount.

8 15. “Notice of Objection” means a Class Member’s valid and timely written
9 objection to the Settlement Agreement. For the objection to be valid, it must include: (i) the
10 objector’s full name, signature, address, and telephone number; (ii) a written statement of all
11 grounds for the objection accompanied by any legal support for such objection; (iii) copies of
12 any papers, briefs, or other documents upon which the objection is based; and (iv) a list of all
13 persons who will be called to testify in support of the objection. Further, an objector may
14 appear at the Final Approval hearing, either in person or through counsel, at his or her expense.
15 The Parties will be permitted to respond in writing to such objections at least seven calendar
16 days prior to the Final Approval hearing or within the time period set by the Court.

17 16. “Notice” means the Notice of Class Action Settlement, substantially in the form
18 attached as Exhibit A.

19 17. “PAGA” means the California Private Attorneys General Act of 2004, which is
20 codified in California Labor Code §2698, et seq.

21 18. “PAGA Group Member(s)” means Plaintiff and all current and former hourly
22 non-exempt employees of Defendant within California at any time during the PAGA Period.

23 19. “PAGA Period” means the period from December 22, 2019 through June 28,
24 2021.

25 20. “PAGA Settlement Amount” means the portion of the Gross Settlement Amount
26 allocated to the resolution of PAGA Group Members’ claims arising under PAGA. The Parties
27 have agreed that the PAGA Settlement Amount is Ten Thousand Dollars (\$10,000), subject to
28 Court approval. Of the PAGA Settlement Amount, 75% or Seven Thousand Five Hundred

Dollars (\$7,500) will be paid to the LWDA ("LWDA Payment"), and the remaining 25% of Two Thousand Five Hundred Dollars (\$2,500) will be distributed to PAGA Group Members.

21. "Participating Class Members" means all Class Members who do not submit valid Requests for Exclusion.

22. "Preliminary Approval" means the Court order granting preliminary approval of the Settlement Agreement.

23. "Released PAGA Claims" means any and all claims for civil penalties under PAGA based on the labor code violations alleged in the operative Complaint and Plaintiff's notice sent to the LWDA, including attorneys' fees and costs related thereto, regardless of whether PAGA Group Members opt out from the Settlement Agreement.

24. "Released Claims" means all *California* wage and hour claims, penalties, interest, and causes of action, arising from or related to the claims pled in Plaintiff's operative complaint ("Complaint") or that could have been pled in the Complaint based on the factual allegations pled in the Complaint, including all claims for allegedly unpaid minimum and overtime wages, failure to provide compliant meal breaks, failure to provide compliant rest breaks, inaccurate wage statements, and failure to pay all wages owed upon termination under the California Labor Code, or applicable wage order(s), unfair competition claims under California Business & Professions Code §17200, et seq. based on the labor code violations alleged, and any penalties, restitution, disgorgement, interest or attorneys' fees. This release will cover all Class Members who do not opt out.

25. "Released Parties" means Defendant and Defendant's former and present parents, subsidiaries and affiliated companies and entities, franchisors and franchisees, and its current, former, and future owners, officers, shareholders, directors, members, managers, operators, employees, consultants, vendors, partners, affiliates, subsidiaries, shareholders, attorneys, insurers, payroll providers, joint venturers and agents, and any successors, assigns, or legal representatives.

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26. “Request for Exclusion” means a timely letter submitted by a Class Member indicating a request to be excluded from the Settlement. The Request for Exclusion must: (a) set forth the name, address, telephone number and last four digits of the Social Security Number of the Class Member requesting exclusion; (b) be signed by the Class Member; (c) be returned by mail or fax to the Claims Administrator at the specified address or fax number indicated in the Notice; (d) clearly state that the Class Member does not wish to be included in the Settlement; and (e) be faxed or postmarked on or before the Response Deadline.

27. **“Response Deadline” means the deadline by which Class Members must fax or postmark to the Claims Administrator a valid Request for Exclusion, submit objections to the Settlement or dispute workweeks. The Response Deadline will be forty-five (45) calendar days from the initial mailing of the Notice by the Claims Administrator. The Response Deadline for Request for Exclusion, objection or dispute workweeks will be extended fifteen (15) calendar days for any Class Member who is re-mailed a Notice by the Claims Administrator in accordance with the notice procedure described herein. The Response Deadline may also be extended by express agreement between Class Counsel and Defendant’s counsel.**

TERMS OF AGREEMENT

Plaintiff, on behalf of herself and the Settlement Class, and Defendant agree as follows:

28. **Impact of Any Court Determination Not to Enter Final Approval Order.** In the event that the Court does not enter a Final Approval Order and this Settlement Agreement does not become effective, the following will occur:

- a. on the date final approval is denied, the status of the Action will be deemed to return to its status at the time immediately prior to and as if the Parties had never executed this Settlement Agreement; and
- b. Defendant will pay the Claims Administrator for any costs incurred by the Claims Administrator.

29. **Settlement Funding.** Within seven (7) calendar days of the Effective Date, Defendant will deposit the Gross Settlement Amount and employer's share of payroll taxes with the Claims Administrator who will deposit the funds into an interest-bearing trust account

1 referred to as the Qualified Settlement Fund account from which the Claims Administrator will
2 have authority to distribute money in accordance with the terms of this Settlement Agreement.
3 The employer's share of the payroll taxes, which shall be paid in addition to the Gross
4 Settlement Amount, with the assistance of the Claims Administrator to calculate the appropriate
5 amount of the employer's share of the payroll taxes to funded by Defendant.

6 30. Class Counsel Fees and Costs. Defendant agrees not to oppose or impede any
7 application or motion by Class Counsel for Class Counsel Fees in the amount of up to One
8 Hundred Thousand Dollars (\$100,000), plus the reimbursement of the actual costs and expenses
9 associated with Class Counsel's litigation and settlement of the Action, not to exceed Twenty
10 Thousand Dollars (\$20,000). In consideration of their awarded attorneys' fees and costs and
11 expenses, Plaintiff and Class Counsel waive any and all claims to any further attorneys' fees
12 and expenses in connection with the Action.

13 31. Class Representative Enhancement Payment. In exchange for named Plaintiff's
14 executing a general release, and in recognition of her efforts in prosecuting the Action on behalf
15 of Class Members, Defendant agrees not to oppose or impede any application or motion for a
16 Class Representative Enhancement Payment of up to Five Thousand Dollars (\$5,000). The
17 Class Representative Enhancement Payment, which will be paid from the Gross Settlement
18 Amount, will be in addition to Plaintiff's Individual Settlement Payment paid pursuant to the
19 Settlement. Plaintiff will be solely and legally responsible to pay any and all applicable taxes,
20 penalties and interest on the payment made pursuant to this paragraph and will hold Defendant
21 harmless from any claim or liability for taxes, penalties, or interest arising as a result of the
22 payment.

23 32. Claims Administration Expenses. The Claims Administrator will be paid for the
24 reasonable fees and costs of administration of the Settlement, which are estimated no to exceed
25 Six Thousand Five Hundred Dollars (\$6,500). These will include, *inter alia*, fees and costs
26 payable to the Claims Administrator for printing, translating into Spanish, distributing
27 (including with appropriate postage), and tracking documents for this Settlement in English and
28 Spanish, any searches to locate any Class Members, calculating estimated amounts per Class

Member, tax reporting, distributing the Individual Settlement Payments, Class Representative Enhancement Payment, Class Counsel Fees and Costs, payment to LWDA for PAGA penalties, and providing necessary certification of completion of notice, reports and declarations, establishing and administering a Qualified Settlement Fund account, required tax reporting on the Individual Settlement Payments, the issuing of 1099 and W-2 IRS forms, calculating the employer's share of payroll taxes on the wage portion of the Individual Settlement Payments and coordinating related reporting, and other responsibilities as requested by the Parties. The Claims Administration Expenses will be paid from the Gross Settlement Amount.

33. Net Settlement Amount. The Net Settlement Amount will be used to satisfy Individual Settlement Payments to Participating Class Members from the Settlement Class and PAGA Group Members in accordance with the terms of this Agreement.

34. Individual Settlement Payment Calculations. Defendant will provide the Claims Administrator with the total number of workweeks for each Class Member during the Class Period and total number of workweeks for each PAGA Group Member during the PAGA Period. The Claims Administrator will divide the Net Settlement Amount, less \$2,500 (or the Court approved amount from the PAGA Settlement Amount allocated for PAGA penalties to PAGA Group Members), by the total number of workweeks ("Work Week Rate Amount") and then multiply this amount by each Class Member's total number of workweeks to yield that employee's Net Settlement Payment. In the event a Class Member submits a timely Request for Exclusion from the settlement, his/her share of the settlement will be added to the Net Settlement Amount.

NET
SETTLEMENT
AMOUNT

X

Participating
Class Member's
Workweeks

Total number of
Workweeks for
all Class
Members

1 In additional, each Class Member who is a PAGA Group Member will be paid a pro-rata
2 share of the \$2,500 allocated for PAGA penalties to PAGA Group Members, as calculated by
3 the Claims Administrator, with a formula similar to payments to Participating Class Members.

$$\begin{array}{ccc} & \$2,500 \text{ for PAGA} & \\ & \text{Penalties to PAGA} & \\ & \text{Group Members} & \times \text{ Individual PAGA} \\ & & \text{Group Member's} \\ \hline & \text{Total number of} & \text{Workweeks during} \\ & \text{Workweeks for all} & \text{PAGA Period} \\ & \text{PAGA Group Members} & \\ & \text{during PAGA Period} & \end{array}$$

10 The Individual Settlement Payment for any Participating Class Member who is also a
11 PAGA Group Member shall include the Participating Class Member's share of the PAGA
12 Settlement Amount allocated for PAGA penalties to PAGA Group Members.

13 Class Members who are PAGA Group Members will not be permitted to exclude
14 themselves from the PAGA claim portion of the Settlement. PAGA penalty settlement
15 payments in the appropriate amounts will be distributed by the Claims Administrator by mail to
16 the PAGA Group Members including to those Class Members who are PAGA Group Members
17 who submitted a request for exclusion.

18 35. No Credit Toward Benefit Plans. All Settlement Awards to Class Members shall
19 be deemed to be income to such Class Members solely in the year in which such awards
20 actually are received by the Class Members. It is expressly understood and agreed that the
21 receipt of such Settlement Awards will not entitle any Class Member to additional
22 compensation or benefits under any company bonus, paid time off (including vacation and sick
23 leave), or other compensation or benefit plan or agreement in place during the period covered
24 by the Settlement, nor will it entitle any Class Member to any increased retirement, 401(k)
25 benefits or matching benefits, or deferred compensation benefits. It is the intent of this
26 Settlement that the Settlement Awards provided for in this Agreement are the sole payments to
27 be made by Defendant to the Class Members in connection with this Settlement, and that the
28 Class Members are not entitled to any new or additional compensation or benefits as a result of

1 having received the Settlement Awards (notwithstanding any contrary language or agreement in
2 any benefit or compensation plan document that might have been in effect during the period
3 covered by this Settlement).

4 36. Claims Administration Process. The Parties agree to cooperate in the
5 administration of the settlement and to make all reasonable efforts to control and minimize the
6 costs and expenses incurred in administration of the Settlement.

7 37. Delivery of the Class List. Within seven (7) calendar days of Preliminary
8 Approval, Defendant will provide the Class List to the Claims Administrator.

9 38. Notice by First-Class U.S. Mail. Within five (5) calendar days after receiving
10 the Class List from Defendant, the Claims Administrator will mail the Notice to all Class
11 Members via regular First-Class U.S. Mail.

12 39. Confirmation of Contact Information in the Class Lists. Prior to mailing, the
13 Claims Administrator will perform a search based on the National Change of Address Database
14 for information to update and correct for any known or identifiable address changes. Any
15 Notice returned to the Claims Administrator as non-deliverable on or before the Response
16 Deadline will be sent promptly via regular First-Class U.S. Mail to the forwarding address, and
17 the Claims Administrator will indicate the date of such re-mailing on the Notice. If no
18 forwarding address is provided, the Claims Administrator will promptly attempt to determine
19 the correct address using a skip-trace, or other search using the name, address and/or Social
20 Security number of the Class Member involved, and will then perform a single re-mailing.
21 Those Class Members who receive a re-mailed Notice will have between the latter of (i) an
22 additional fifteen calendar (15) days or (ii) the Response Deadline to fax or postmark a Request
23 for Exclusion, submit an objection to the Settlement or dispute workweeks.

24 40. Notice. All Class Members will be mailed the Notice. The Notice will provide:
25 (1) information regarding the nature of the Action, (2) a summary of the Settlement's principal
26 terms, (3) the Settlement Class definition, (4) each Class Member's number of workweeks
27 worked during the Class Period, (5) each Class Member's estimated Individual Settlement
28 Payment; (6) the dates which comprise the Class Period, (7) instructions on how to submit valid

1 Requests for Exclusion, objections or dispute workweeks, (8) the deadlines by which the Class
2 Member must fax or postmark Request for Exclusions, submit objections to the Settlement or
3 dispute workweeks, and (9) the claims to be released, as set forth in this Settlement Agreement.

4 41. Request for Exclusion Procedures. Any Class Member wishing to opt out from
5 the Settlement Agreement must sign and fax or postmark a written Request for Exclusion to the
6 Claims Administrator within the Response Deadline. The date of the fax or postmark on the
7 return mailing envelope will be the exclusive means to determine whether a Request for
8 Exclusion has been timely submitted. The Parties to this Agreement and their counsel agree that
9 they will not solicit or encourage Class Members to opt-out or object to this Settlement
10 Agreement. If the Court approves the compromise of the PAGA claim, all PAGA Group
11 Members are bound by the Court's resolution of that claim. Class Members who are also
12 PAGA Group Members submitting a request for exclusion will nevertheless receive their pro-
13 rata share of the 25% of the PAGA Settlement Amount allocated for PAGA penalties to PAGA
14 Group Members.

15 42. Defective Submissions. If a Class Member's Request for Exclusion is defective
16 as to the requirements listed in this Settlement Agreement, that Class Member will be given an
17 opportunity to cure the defect(s). The Claims Administrator will mail the Class Member a cure
18 letter within three (3) calendar days of receiving the defective submission to advise the Class
19 Member that his or her submission is defective and that the defect must be cured to render the
20 Request for Exclusion valid. The Class Member will have until the later of (i) Response
21 Deadline or (ii) fifteen (15) calendar days from the date of the cure letter to fax or postmark a
22 revised Request for Exclusion.

23 43. Settlement Terms Bind All Class Members Who Do Not Opt-Out. Any Class
24 Member who does not affirmatively opt out of the Settlement Agreement by submitting a
25 timely and valid Request for Exclusion will be bound by all of its terms, including those
26 pertaining to the Released Claims (other than as it applies to the PAGA claims with respect to
27 the PAGA Group Members), as well as any Judgment that may be entered by the Court if it
28 grants final approval to the Settlement. If the Court approves the compromise of the PAGA

1 claim, Class Members who are also PAGA Group Members submitting a request for exclusion
2 will nevertheless be bound by the Court's resolution of that claim and receive their pro-rata
3 share of the 25% of the PAGA Payment allocated to the PAGA Group Members.

4 44. Objection Procedures. To object to the Settlement Agreement, a Class Member
5 may not submit a Request for Exclusion and must mail a valid Notice of Objection to the
6 Claims Administrator by the Response Deadline. The Claims Administrator will notify counsel
7 for the Parties forthwith via email. Class Counsel will lodge the objection with the Court. The
8 Notice of Objection must be signed by the Class Member and contain all information required
9 by this Settlement Agreement. The postmark date of the mailing will be deemed the exclusive
10 means for determining that the Notice of Objection is timely. Class Members who wish to
11 object will have a right to appear at the Final Approval Hearing, with or without counsel at
12 his/her own expense, in order to have their objections heard by the Court. At no time will any
13 of the Parties or their counsel seek to solicit or otherwise encourage Class Members to submit
14 written objections to the Settlement Agreement or appeal from the Final Approval Order and
15 Judgment.

16 45. Certification Reports Regarding Individual Settlement Payment Calculations.
17 The Claims Administrator will provide Defendant's counsel and Class Counsel a weekly report
18 which certifies: (i) the number of Class Members who have submitted valid Request for
19 Exclusion and objections; and (ii) the number of any deficient Request for Exclusion.
20 Additionally, the Claims Administrator will provide to counsel for both Parties any updated
21 reports regarding the administration of the Settlement Agreement as needed or requested.

22 46. Timing of Distribution of Individual Settlement Payments. Within three (3)
23 calendar days of Defendant depositing the second installment payment as set forth above, the
24 Claims Administrator will issue payments to (1) Participating Class Members and PAGA
25 Group Members; (2) Plaintiff; (3) Class Counsel; and payment to LWDA. The Claims
26 Administrator will also issue a payment to itself for Court-approved services performed in
27 connection with the settlement.

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1 47. Uncashed or Undeliverable Settlement Checks. Individual settlement checks
2 paid to participating Class Members will be valid for 180 days. Participating Class Members
3 will have one hundred eighty (180) calendar days from the date of issuance of the check to cash
4 their check. For any check not cashed after 180 calendar days, the Claims Administrator will
5 send the amount represented by the check to the California State Controller Unclaimed
6 Property, with the identity of the Participating Class Member to whom the funds belong, to be
7 held for the participating Class Member per California Unclaimed Property Law, in the interest
8 of justice. The money paid to the California State Controller Unclaimed Property will remain
9 the Participating Class Member's property. This will allow Participating Class Members who
10 did not cash their checks to collect their Individual Settlement Amounts at any time in the
11 future. Therefore, there will be no unpaid residue or unclaimed or abandoned class member
12 funds, and the California Code of Civil Procedure section 384 shall not apply. The funds will
13 be held by the State until claimed by the employee and the uncashed check never ceases to be
14 the employee's property.

15 48. Cap on Workweeks. The total workweeks shall be capped at 30,000. In no
16 event shall the total workweeks during the Class Period be more than 30,000.

17 49. Certification of Completion. Upon completion of administration of the
18 Settlement, the Claims Administrator will provide a written declaration under oath to certify
19 such completion to the Court and counsel for all Parties.

20 50. Treatment of Individual Settlement Payments. All Individual Settlement
21 Payments will be allocated as follows: 100% of each PAGA Groups Members pro-rate share of
22 the \$2,500 allocated for PAGA penalties shall be allocated as penalties; 20% of each Individual
23 Settlement Payment will be allocated for the settlement of wage claims; and the remaining 80%
24 will be allocated to the settlement of claims for interest and statutory penalties. The portion
25 allocated to wages in each Individual Settlement Payment will be reported on an IRS Form W-2
26 and the portion allocated to interest and penalties will be reported on an IRS Form-1099 by the
27 Claims Administrator.

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1 51. Administration of Taxes by the Claims Administrator. The Claims
2 Administrator will be responsible for issuing to Plaintiff, Participating Class Members, PAGA
3 Group Members, Class Counsel, and Defendant any W-2, 1099, or other tax forms as may be
4 required by law for all amounts paid pursuant to this Settlement Agreement. The Claims
5 Administrator will also be responsible for forwarding all payroll taxes and other legally
6 required withholdings, and related reporting, to the appropriate government authorities.

7 52. Defendant's Responsibility for Employer Taxes: For any portion of the Class
8 Members' Individual Settlement Payments that are designated as "wages" for purposes of tax
9 reporting, the employer's taxes, employer contributions of all federal, state, and local taxes
10 (including, but not limited to, FICA, FUTA, and SDI), will be paid in addition to the Gross
11 Settlement Amount, via and with the Claims Administrator's assistance.

12 53. Circular 230 Disclaimer. EACH PARTY TO THIS AGREEMENT (FOR
13 PURPOSES OF THIS SECTION, THE "ACKNOWLEDGING PARTY" AND EACH PARTY
14 TO THIS AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN "OTHER
15 PARTY") ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS
16 AGREEMENT, AND NO WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN
17 OR AMONG THE PARTIES OR THEIR ATTORNEYS AND OTHER ADVISERS, IS OR
18 WAS INTENDED TO BE, NOR SHALL ANY SUCH COMMUNICATION OR
19 DISCLOSURE CONSTITUTE OR BE CONSTRUED OR BE RELIED UPON AS, TAX
20 ADVICE WITHIN THE MEANING OF UNITED STATES TREASURY DEPARTMENT
21 CIRCULAR 230 (31 CFR PART 10, AS AMENDED); (2) THE ACKNOWLEDGING PARTY
22 (A) HAS RELIED EXCLUSIVELY UPON HIS, HER OR ITS OWN, INDEPENDENT
23 LEGAL AND TAX COUNSEL FOR ADVICE (INCLUDING TAX ADVICE) IN
24 CONNECTION WITH THIS AGREEMENT, (B) HAS NOT ENTERED INTO THIS
25 AGREEMENT BASED UPON THE RECOMMENDATION OF ANY OTHER PARTY OR
26 ANY ATTORNEY OR ADVISOR TO ANY OTHER PARTY, AND (C) IS NOT ENTITLED
27 TO RELY UPON ANY COMMUNICATION OR DISCLOSURE BY ANY ATTORNEY OR
28 ADVISER TO ANY OTHER PARTY TO AVOID ANY TAX PENALTY THAT MAY BE

1 IMPOSED ON THE ACKNOWLEDGING PARTY; AND (3) NO ATTORNEY OR ADVISER
2 TO ANY OTHER PARTY HAS IMPOSED ANY LIMITATION THAT PROTECTS THE
3 CONFIDENTIALITY OF ANY SUCH ATTORNEY'S OR ADVISER'S TAX STRATEGIES
4 (REGARDLESS OF WHETHER SUCH LIMITATION IS LEGALLY BINDING) UPON
5 DISCLOSURE BY THE ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR
6 TAX STRUCTURE OF ANY TRANSACTION
7 CONTEMPLATED BY THIS AGREEMENT.

8 54. No Prior Assignments. The Parties and their counsel represent, covenant, and
9 warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported
10 to assign, transfer, or encumber to any person or entity any portion of any liability, claim,
11 demand, action, cause of action or right released and discharged in this Settlement Agreement.

12 55. Release by Plaintiff. Upon the date the Court enters an order granting final
13 approval of the settlement and Defendant fully funds the Gross Settlement Amount and the
14 employer's share of payroll taxes, in addition to the claims being released by all Class
15 Members, Plaintiff will provide the following additional general release ("General Release") :

16 Plaintiff, on her own behalf and on behalf of her heirs, spouses, executors, administrators,
17 attorneys, agents and assigns, fully and finally releases the Released Parties from all claims,
18 demands, rights, liabilities and causes of action of every nature and description whatsoever,
19 known or unknown, asserted or that might have been asserted, whether in tort, contract, or for
20 violation of any state or federal statute, rule or regulation arising out of, relating to, or in
21 connection with any act or omission by or on the part of any of the Released Parties committed
22 or omitted prior to the execution of this Agreement. This General Release includes any

23 unknown claims Plaintiff does not know or suspect to exist in her favor at the time of this
24 General Release, which, if known by them, might have affected her settlement with, and release
25 of, the Released Parties or might have affected her decision not to object to this Settlement or
26 this Release. To the extent the foregoing releases are releases to which Section 1542 of the
27 California Civil Code or similar provisions of other applicable law may apply, Plaintiff
28 expressly waives any and all rights and benefits conferred upon them by the provisions of

1 Section 1542 of the California Civil Code or similar provisions of applicable law which are as
2 follows:

3 A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE
4 CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER
5 FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF
6 KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS
7 OR HER SETTLEMENT WITH THE DEBTOR.

8 The significance of this release and waiver of Civil Code Section 1542 has been explained to
9 Plaintiff by her counsel. Release by Plaintiff expressly excludes any claims for workers
10 compensation against Defendant.

11 56. Neutral Reference. Defendant agrees that it will only provide a neutral reference
12 for Plaintiff should any prospective employers or anyone contact them regarding Plaintiff's
13 employment. Defendant shall only provide the dates of employment and Plaintiff's last job title
14 held with Defendant.

15 57. Nullification of Settlement Agreement. In the event that: (i) the Court does not
16 finally approve the Settlement as provided in this Settlement Agreement; or (ii) the Settlement
17 does not become final for any other reason, then this Settlement Agreement and any documents
18 generated to bring it into effect will be null and void. Any order or judgment entered by the
19 Court in furtherance of this Settlement Agreement will likewise be treated as void from the
20 beginning. In such case, the Settlement shall not be used or be admissible in any subsequent
21 proceedings, either in this Action, this Court, or any other Court or forum.

22 58. Preliminary Approval Hearing. Plaintiff will obtain a hearing before the Court to
23 request the Preliminary Approval of the Settlement Agreement, and the entry of a Preliminary
24 Approval Order for: (i) conditional certification of the Settlement Class for settlement purposes
25 only, (ii) preliminary approval of the proposed Settlement Agreement, and (iii) setting a date
26 for a Final Approval/Settlement Fairness Hearing. The Preliminary Approval Order will
27 provide for the Notice to be sent to all Class Members as specified in this Settlement
28 Agreement. In conjunction with the Preliminary Approval motion, Plaintiff will submit this

1 Settlement Agreement, which sets forth the terms of this Settlement and will include the
2 proposed Notice.

3 59. Final Settlement Approval Hearing and Entry of Judgment. Upon expiration of
4 the deadlines to fax or postmark Request for Exclusion or submit objections to the Settlement
5 Agreement, and with the Court's permission, a Final Approval/Settlement Fairness Hearing will
6 be conducted to determine the Final Approval of the Settlement Agreement along with the
7 amounts properly payable for (i) Individual Settlement Payments; (ii) the Class Counsel Fees
8 and Costs; (iii) the Class Representative Enhancement Payment; (iv) payment to LWDA for
9 PAGA penalties; and (v) all Claims Administration Expenses. Class Counsel will be
10 responsible for drafting all documents necessary to obtain final approval. Class Counsel will
11 also be responsible for drafting the attorneys' fees and costs application to be heard at the Final
12 Approval/Settlement Fairness Hearing.

13 60. Judgment and Continued Jurisdiction. Upon final approval of the Settlement by
14 the Court or after the Final Approval/Settlement Fairness Hearing, the Parties will present a
15 proposed Judgment to the Court for its approval. Pursuant to California Rules of Court, Rule
16 3.771(b), the Claims Administrator shall post on its website a copy of the Judgment for a period
17 of thirty days from the date the Court signs the Judgment. After entry of the Judgment, the
18 Court will have continuing jurisdiction solely for purposes of addressing: (i) the interpretation
19 and enforcement of the terms of the Settlement Agreement, (ii) settlement administration
20 matters, and (iii) such post-Judgment matters as may be appropriate under court rules or as set
21 forth in this Settlement Agreement.

22 61. Exhibits Incorporated by Reference. The terms of this Settlement Agreement
23 include the terms set forth in any attached Exhibits, which are incorporated by this reference as
24 though fully set forth in this Settlement Agreement. Any Exhibits to this Agreement are an
25 integral part of the Settlement.

26 62. Entire Agreement. This Settlement Agreement and any attached Exhibits
27 constitute the entirety of the Parties' settlement terms. No other prior or contemporaneous
28 written or oral agreements may be deemed binding on the Parties. The Parties expressly

1 recognize California Civil Code Section 1625 and California Code of Civil Procedure Section
2 1856(a), which provide that a written agreement is to be construed according to its terms and
3 may not be varied or contradicted by extrinsic evidence, and the Parties agree that no such
4 extrinsic oral or written representations or terms will modify, vary or contradict the terms of
5 this Agreement.

6 63. Amendment or Modification. This Settlement Agreement may be amended or
7 modified only by a written instrument signed by counsel for all Parties or their successors-in-
8 interest.

9 64. Authorization to Enter Into Settlement Agreement. Counsel for all Parties
10 warrant and represent they are expressly authorized by the Parties whom they represent to
11 negotiate this Settlement Agreement and to take all appropriate action required or permitted to
12 be taken by such Parties pursuant to this Settlement Agreement to effectuate its terms and to
13 execute any other documents required to effectuate the terms of this Settlement Agreement.
14 The Parties and their counsel will cooperate with each other and use their best efforts to effect
15 the implementation of the Settlement. If the Parties are unable to reach agreement on the form
16 or content of any document needed to implement the Settlement Agreement, or on any
17 supplemental provisions that may become necessary to effectuate the terms of this Settlement
18 Agreement, the Parties may seek the assistance of the Court to resolve such disagreement.

19 65. Binding on Successors and Assigns. This Settlement Agreement will be binding
20 upon, and inure to the benefit of, the successors or assigns of the Parties to this Settlement
21 Agreement, as previously defined.

22 66. Execution and Counterparts. This Settlement Agreement is subject only to the
23 execution of all Parties. However, the Settlement Agreement may be executed in one or more
24 counterparts. All executed counterparts and each of them, including facsimile, scanned copies
25 of the signature page, and electronic signature will be deemed to be one and the same
26 instrument provided that counsel for the Parties will exchange among themselves original
27 signed counterparts.
28

1 67. Acknowledgement that the Settlement is Fair and Reasonable. The Parties
2 believe this Settlement Agreement is a fair, adequate and reasonable settlement of the Action
3 and have arrived at this Settlement Agreement after arm's-length negotiations and in the
4 context of adversarial litigation, taking into account all relevant factors, present and potential.
5 The Parties further acknowledge that they are each represented by competent counsel and that
6 they have had an opportunity to consult with their counsel regarding the fairness and
7 reasonableness of this Settlement Agreement.

8 68. Invalidity of Any Provision. Before declaring any provision of this Settlement
9 Agreement invalid, the Court will first attempt to construe the provision as valid to the fullest
10 extent possible consistent with applicable precedents so as to define all provisions of this
11 Settlement Agreement valid and enforceable.

12 69. Captions. The captions and section numbers in this Agreement are inserted for
13 the reader's convenience, and in no way define, limit, construe or describe the scope or intent of
14 the provisions of this Agreement.

15 70. Waiver. No waiver of any condition or covenant contained in this Agreement or
16 failure to exercise a right or remedy by any of the Parties hereto will be considered to imply or
17 constitute a further waiver by such party of the same or any other condition, covenant, right or
18 remedy.

19 71. Enforcement Actions. In the event that one or more of the Parties institutes any
20 legal action or other proceeding against any other Party to enforce the provisions of this
21 Settlement Agreement or to declare rights and/or obligations under this Settlement Agreement,
22 the successful Party will be entitled to recover from the unsuccessful Party reasonable
23 attorneys' fees and costs, including expert witness fees incurred in connection with any
24 enforcement actions.

25 72. Mutual Preparation. The Parties have had a full opportunity to negotiate the
26 terms and conditions of this Settlement Agreement. Accordingly, this Settlement Agreement
27 will not be construed more strictly against one party than another merely by virtue of the fact
28 that it may have been prepared by counsel for one of the Parties, it being recognized that,

1 because of the arms-length negotiations between the Parties, all Parties have contributed to the
2 preparation of this Agreement.

3 73. Representation By Counsel. The Parties acknowledge that they have been
4 represented by counsel throughout all negotiations that preceded the execution of this
5 Settlement Agreement, and that this Settlement Agreement has been executed with the consent
6 and advice of counsel.

7 74. All Terms Subject to Final Court Approval. All amounts and procedures
8 described in this Settlement Agreement will be subject to final Court approval.

9 75. Cooperation and Execution of Necessary Documents. All Parties will cooperate
10 in good faith and execute all documents to the extent reasonably necessary to effectuate the
11 terms of this Settlement Agreement.

12 76. Binding Agreement. The Parties warrant that they understand and have full
13 authority to enter into this Agreement, and further intend that this Agreement will be fully
14 enforceable and binding on all Parties and agree that it will be admissible and subject to
15 disclosure in any proceeding to enforce its terms, notwithstanding any mediation confidentiality
16 provisions that otherwise might apply under federal or state law.

17 77. No Admission of Liability. Nothing contained in this Settlement Agreement shall
18 be construed or deemed an admission of liability, culpability, negligence, or wrongdoing on the
19 part of Defendant. Each of the Parties has entered into this Settlement Agreement with the
20 intention to avoid further disputes and litigation, and the attendant inconvenience and expense,
21 and to fully and forever buy their respective peace. This Settlement Agreement shall be
22 inadmissible in evidence in any action or proceeding, by any party, except an action or
23 proceeding by one of the Parties to approve, interpret, or enforce the Settlement Agreement's
24 terms.

25 78. Disputes. Any dispute between the Parties concerning the interpretation or
26 implementation of this Settlement Agreement will be resolved by the Court. Prior to any such
27 resort to the Court, counsel for the Parties will confer in good faith to resolve the dispute. If the
28 Parties are unable to resolve the dispute themselves, the dispute will be submitted to Marc

1 Feder, Esq. for mediation before being submitted to the Court, unless the Parties agree
2 otherwise.

3 79. Applicable Law. All terms and conditions of this Stipulation and its exhibits will
4 be governed by and interpreted according to the laws of the State of California, without giving
5 effect to any conflict of law or choice of law principles.

6 SIGNATURES

7 READ CAREFULLY BEFORE SIGNING

8
9 PLAINTIFF

10 Dated: 09/19/2022



11 Silvia Reyes

12 DEFENDANT

13
14 Dated: _____

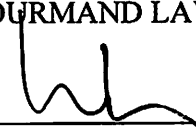
15 Lee's Maintenance Service, Inc.

16 By:
17 Its:

18 APPROVED AS TO FORM

19 Dated: 3/21, ²⁰²³~~2022~~

20 THE NOURMAND LAW FIRM, APC

21 By: 
22 Michael Nourmand
James A. De Sario

23 *Attorneys for Plaintiff*
24 SILVIA REYES, on behalf of herself and all
25 others similarly situated
26
27
28

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6 SIGNATURES

7 READ CAREFULLY BEFORE SIGNING

8
9 PLAINTIFF

10 Dated: _____

11 Silvia Reyes

12 DEFENDANT

13 Dated: 3-8-23

14 Lee's Maintenance Service
Lee's Maintenance Service, Inc.

15
16 By:
17 Its:

18 APPROVED AS TO FORM

19 Dated: _____, 2023

20 THE NOURMAND LAW FIRM, APC

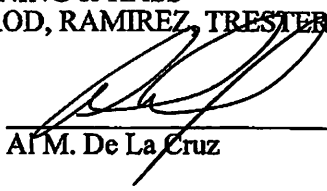
21 By:

22 Michael Nourmand
James A. De Sario

23 *Attorneys for Plaintiff*
24 SILVIA REYES, on behalf of herself and all
25 others similarly situated
26
27
28

1 Dated: 3/8/, 2023

2 MANNING & KASS
3 ELLROD, RAMIREZ, TRESTER LLP

4 By: 

A.M. De La Cruz

5 *Attorneys for Defendant*
6 LEE'S MAINTENANCE SERVICE, INC.