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16 Attorneys for Plaintiff RAUL NUNEZ

17 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**  
18 **FOR THE COUNTY OF SAN DIEGO**  
19

20 RAUL NUNEZ, an individual, for the real party  
in interest, the State of California

21 Plaintiff,

22 vs.

23 JRE LOGISTICS LLC; and DOES 1 through 50;

24 Defendants.  
25  
26  
27  
28

Case No. 37-2021-00005381-CU-OE-CTL

**PAGA SETTLEMENT AND RELEASE  
AGREEMENT**

[Assigned for all purposes to The Honorable  
Timothy Taylor, Dept. C-72]

Action Filed: February 4, 2021  
Trial Date: N/A

**PAGA SETTLEMENT AND RELEASE AGREEMENT**

11/5/22

1 Plaintiff RAUL NUNEZ ("Plaintiff"), individually and in his capacity as a representative of  
2 the State of California on behalf of other aggrieved employees, and Defendant JRE LOGISTICS,  
3 LLC ("Defendant"), enter into this PAGA Settlement and Release Agreement ("Settlement") as  
4 follows:

5 **I. DEFINITIONS**

6 As used in this Settlement, these terms shall have these meanings:

7 "PAGA Action" means this PAGA action, entitled *Raul Nunez v. JRE Logistics, LLC*, San  
8 Diego County Superior Court, Case No. 37-2021-00005381-CU-OE-CTL.

9 "Defendant" means JRE Logistics, LLC.

10 "Defense Counsel" means Tim L. Johnson, Nikolas T. Djordjevski, and Yousaf M. Jafri of  
11 Ogletree, Deakins, Nash, Smoak & Stewart, P.C.

12 "Effective Date" means the date upon which both the following have occurred: (i) approval  
13 of the Settlement is granted by the San Diego County Superior Court or other court assuming  
14 jurisdiction of this matter, and (ii) the Court's order approving the Settlement becomes Final.

15 "Final" shall mean the latest of: (i) if there are no objections to the Settlement, the date  
16 approval of the Settlement is granted by the San Diego County Superior Court or other court  
17 assuming jurisdiction of this matter; (ii) if there are objections to the Settlement and if there is an  
18 appeal of the Court's approval order, the date the approval order is affirmed on appeal, the date of  
19 dismissal of such appeal, or the expiration of the time to file a petition for review to the California  
20 Supreme Court; (iii) if there are objections to the Settlement and if a petition for review is filed, the  
21 date of denial of the petition for review, or the date the approval order is affirmed pursuant to such  
22 petition; or (iv) if there are objections to the Settlement and if no appeal is filed, the day following  
23 the expiration date for filing or noticing any appeal of the approval order.

24 "LWDA" means the California Labor and Workforce Development Agency.

25 "PAGA" means the California Labor Code Private Attorneys General Act of 2004, codified  
26 at California Labor Code §§ 2698 *et seq.*

1 "PAGA Notice" means the letter(s) Plaintiff filed with the LWDA on behalf of herself and  
2 all other aggrieved employees alleging Defendant committed certain violations of the California  
3 Labor Code.

4 "PAGA Period" means December 1, 2019 through April 30, 2022.

5 "PAGA Settlement Members" means all hourly-paid, non-exempt employees who worked  
6 for Defendant in California at any time during the PAGA Period. Defendant represents that the total  
7 number of PAGA Settlement Members is approximately 532 individuals.

8 "Plaintiff" means Raul Nunez, individually and in his capacity as representative of the State  
9 of California on behalf of other aggrieved employees.

10 "Plaintiff's Counsel" means Alex Asil Mashiri of Mashiri Law Firm, APC and Tamim Jami  
11 of The Jami Law Firm P.C.

12 "Parties" means Plaintiff and Defendant.

13 "Released Claims" means any and all claims for the recovery of civil penalties under PAGA,  
14 whether known or unknown, as well as for attorney fees and litigation costs arising therefrom, which  
15 Plaintiff and/or the PAGA Settlement Members alleged, or could have reasonably alleged, against  
16 the Released Parties, arising out of the facts, circumstances, and primary rights in the operative  
17 Complaint in this PAGA Action.

18 "Released Parties" means Defendant and all of its past and present owners, officers, directors,  
19 shareholders, employees, agents, assigns, attorneys, insurers, parent companies, subsidiaries, and  
20 affiliates, and their respective predecessors, successors, and assigns.

21 "Settlement Administrator" means Phoenix Class Action Administration Solutions  
22 ("Phoenix").

23 **II. RECITALS**

24 A. On December 1, 2020, Plaintiff's counsel sent a letter to the LWDA on behalf of  
25 Plaintiff pursuant to California Labor Code § 2699.3. Plaintiff sought to represent himself and all  
26 PAGA Settlement Members. At no time did the LWDA indicate its intention to investigate the  
27 alleged violations referenced in the letter.

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1 B. Thereafter, Plaintiff's counsel indicated an intent to file, and did file, a civil lawsuit  
2 alleging the violations set forth in the PAGA Notice as grounds for recovering civil penalties.

3 C. The Parties subsequently agreed to engage in mediation, which took place on March  
4 3, 2022, with mediator Jeffrey Krivis, Esq. The Parties engaged in extensive informal discovery prior  
5 to mediation. The Parties also engaged in extensive negotiations at mediation, which involved  
6 substantial offers and counteroffers between the Parties. The PAGA Action resolved, with the  
7 assistance of Jeffrey Krivis, Esq., ultimately culminating in this Settlement.

8 D. Counsel for all Parties have thoroughly investigated the facts relating to the claims  
9 alleged in the operative Complaint and made a thorough study of the legal principles applicable to  
10 the claims asserted against Defendant. Plaintiff's Counsel concluded the Settlement is fair,  
11 reasonable, and adequate in light of all known facts and circumstances, including the defenses  
12 asserted by Defendant, potential adverse findings regarding liability, numerous potential appellate  
13 issues, and most importantly, Defendant's financial condition.

14 E. Defendant denies, and continues to deny, each and every claim and contention alleged  
15 in the PAGA Notice, and has always maintained that it never engaged in any unlawful acts regarding  
16 any of the matters alleged in the PAGA Notice.

17 NOW, THEREFORE, in consideration of the mutual covenants, promises, and conditions  
18 set forth, the Parties agree as follows.

19 **III. NON-ADMISSION OF LIABILITY**

20 Based on the factual and legal issues involved, the expense and time necessary to prosecute  
21 the PAGA Action through trial, the risks, uncertainty, and costs of further prosecution, the financial  
22 status of Defendant, the difficulty of proof necessary to establish a class or manageable group for  
23 purposes of liability, and the relative benefits to the PAGA Settlement Members of an expeditious  
24 resolution to the PAGA Action, the Parties have concluded that the terms set forth in this Settlement  
25 are fair, reasonable, adequate, and in the best interests of the PAGA Settlement Members.

26 By entering into this Settlement, Defendant denies any liability for any of the claims in the  
27 PAGA Action, as well as any other potential or unknown claims based on wage and hour violations  
28 under California or federal law. Neither this Settlement, nor any document referred to or

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1 contemplated herein, nor any action taken to carry out this Settlement, may be construed as, or may  
2 be used as, an admission, concession, or indication by or against Defendant of any unlawful conduct,  
3 fault, wrongdoing or liability whatsoever. Defendant specifically denies that it has engaged in any  
4 unlawful or wrongful conduct against Plaintiff or the PAGA Settlement Members.

5 **IV. TERMS OF THE PAGA SETTLEMENT**

6 **A. Gross Settlement Amount**

7 Defendant shall pay a non-reversionary monetary settlement payment in the total amount of  
8 \$140,000.00 ("Gross Settlement Amount"). The Gross Settlement Amount is the maximum amount  
9 Defendant can be required to pay under this Settlement. Defendant shall submit the Gross Settlement  
10 Amount to the Settlement Administrator within 30 calendar days of the Effective Date ("Final  
11 Payment Date").

12 **B. Settlement Administrator's Fees and Costs**

13 The Settlement Administrator shall calculate and distribute payments to individual PAGA  
14 Settlement Members and to the LWDA. The Settlement Administrator will skip-trace and re-mail all  
15 returned, undeliverable mail within seven (7) calendar days of receiving notice that the mailing was  
16 undeliverable. The Settlement Administrator will also handle payment of Plaintiff's Counsel's  
17 attorney fees and costs as approved by the Court. Settlement Administrator's Fees are estimated to  
18 be \$4,250.00 and are to be paid from the Gross Settlement Amount based on 532 PAGA Settlement  
19 Members.

20 **C. Attorneys' Fees and Costs**

21 A total of \$46,666.67 or (33.33%) of the Gross Settlement Amount shall be allocated as  
22 attorneys' fees and up to \$15,000 shall be allocated as costs, payable to Plaintiff's Counsel and issued  
23 via an IRS Form 1099. The Settlement Administrator will issue payment to Plaintiff's Counsel.

24 **D. PAGA Fund**

25 A total of \$74,083.33 of the Gross Settlement Amount shall be allocated toward payment to  
26 the LWDA and PAGA Settlement Members ("PAGA Fund"). 75% of the PAGA Fund (\$55,562.50)  
27 will be sent to the LWDA and 25% of the PAGA Fund (\$18,520.83) will be allocated among the  
28

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1 PAGA Settlement Members based on proportionate number of pay periods during the PAGA Period  
2 as set forth in Section V.B., *infra*.

3 **V. COMPUTATION AND DISTRIBUTION OF THE PAGA FUND**

4 **A. Payment of the PAGA Fund**

5 Within 14 calendar days after the Final Payment Date, the Settlement Administrator shall  
6 distribute Plaintiff's Counsel's attorney fees and costs, the General Release Payment to Plaintiff, and  
7 respective amounts of the PAGA Fund to the LWDA and to the PAGA Settlement Members.  
8 Payments to PAGA Settlement Members shall be made via U.S. Mail to their last known addresses.

9 The Settlement Administrator shall also provide a Notice of PAGA Settlement to the PAGA  
10 Settlement Members accompanying their respective payment from the PAGA Fund. A true and  
11 correct copy of the template Notice of PAGA Settlement is attached hereto as **Exhibit 1**.

12 **B. Satisfaction of Judgment and/or Dismissal**

13 Within seven (7) business days of the payments in Paragraph V.A. being made, Plaintiff will  
14 file a satisfaction of judgment and/or dismissal, whichever is appropriate.

15 **C. Formula for Calculating Share of PAGA Fund**

16 The portion of the PAGA Fund to be paid to each PAGA Settlement Member shall be  
17 determined based on this formula:

18 The payments to PAGA Settlement Members will be based on the number of pay periods for  
19 each PAGA Settlement Member during the PAGA Period. The value of a pay period will be  
20 calculated by dividing the portion of the PAGA Fund paid to PAGA Settlement Members by the total  
21 number of pay periods for all PAGA Settlement Members during the PAGA Period. The resulting  
22 value will then be multiplied by the number of pay periods for each PAGA Settlement Member to  
23 calculate the individual PAGA payment ("Individual Payment"). Defendant's records shall be  
24 determinative for purposes of calculating the number of pay periods and any payments to PAGA  
25 Settlement Members.

26 **D. Distribution of PAGA Fund**

27 The Settlement Administrator shall pay an amount equivalent to 75% of the PAGA Fund to  
28 the LWDA, or as otherwise directed by the Court. A copy of the check that the Settlement

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1 Administrator mails to the LWDA shall be provided to Plaintiff's Counsel within five business days  
2 of mailing.

3 The Settlement Administrator shall also distribute each Individual Payment to each PAGA  
4 Settlement Member, or as otherwise directed by the Court, by postmarked First Class U.S. Mail. The  
5 Settlement Administrator shall maintain a list of the postmarked dates for the original mailing of  
6 each Individual Payment to the PAGA Settlement Members and a list of PAGA Settlement Members  
7 who did not receive the Individual Payment, if any, due to the inability to locate a valid address.

8 All settlement checks will remain valid and negotiable for 180 calendar days from the date  
9 of their execution. After 180 calendar days, any uncashed checks will be void and escheat to the State  
10 of California Controller's Office – Unclaimed Property Fund in the names of the PAGA Settlement  
11 Members who did not cash such checks.

12 The Settlement Administrator will prepare and issue IRS Form 1099s to PAGA Settlement  
13 Members who received an Individual Payment.

14 **VI. RELEASE OF CLAIMS**

15 **A. Claims Released by the LWDA and PAGA Settlement Members**

16 Upon the Effective Date, and subject to Defendant's full payment of the Gross Settlement  
17 Amount, the LWDA and PAGA Settlement Members, including Plaintiff, fully release and forever  
18 discharge the Released Parties from any and all Released Claims which arose during the PAGA  
19 Period. The Parties agree that the settlement of this PAGA Action shall be effective as a full and  
20 final accord and satisfaction, settlement of, and as a bar to, the Released Claims. The Parties further  
21 agree the settlement of this PAGA Action shall be binding on Plaintiff, the PAGA Settlement  
22 Members, the LWDA, the State of California, Defendant, and the Released Parties. As a result of  
23 this release, the PAGA Settlement Members will be unable to bring a claim under, or recover in any  
24 other claim encompassed within the Released Claims.

25 **B. Tax Treatment and Indemnification**

26 PAGA Settlement Members, including Plaintiff, will assume any tax obligations or  
27 consequences that may arise from payments made to them under this Settlement. PAGA Settlement  
28 Members release any and all claims they have or may have against Defendant or Released Parties

per 5/31/22

1 for any claims, demands, deficiencies, levies, assessments, executions, judgments, penalties, taxes,  
2 indemnification, and any other recoveries related to any payments made under this Settlement or any  
3 compensation provided at any time by Defendant or any of the Released Parties. The PAGA  
4 Settlement Members shall not contact Defendant, any of the Released Parties, or Defense Counsel.

5 **VII. MISCELLANEOUS PROVISIONS**

6 **A. Mutual Full Cooperation**

7 Plaintiff, Defendant, Plaintiff's Counsel, and Defendant's Counsel agree to cooperate fully  
8 with each other to accomplish the terms of this Settlement, including, but not limited to, execution  
9 of such documents, and to take such other action as may reasonably be necessary to implement the  
10 terms herein. The Parties agree to use their best efforts and any other efforts that may become  
11 necessary by Order of the Court, or otherwise, to effectuate this Settlement.

12 **B. Parties' Authority**

13 The signatories hereto represent they are authorized to enter into this Settlement.

14 **C. Binding Nature of the Settlement**

15 This Settlement shall be binding upon, and inure to the benefit of, the successors or assigns  
16 of the Released Parties. Plaintiff represents, covenants, and warrants she has not directly or indirectly,  
17 assigned, transferred, or encumbered any claim, demand, action, cause of action, or rights released  
18 in the Released Claims in this Settlement. This Settlement shall be binding upon Plaintiff and the  
19 PAGA Settlement Members. This Settlement may be amended or modified only by a written  
20 instrument signed by Plaintiff and Defendant's duly authorized representative. No rights under this  
21 Settlement may be waived except in writing.

22 **D. Joint Drafting of Settlement Documents**

23 The Parties have arrived at this Settlement as a result of a series of arm's-length negotiations,  
24 taking into account all relevant factors, present and potential. This Settlement has been drafted jointly  
25 by Plaintiff's Counsel and Defense Counsel and, therefore, in any construction or interpretation of  
26 this Settlement, the same shall not be construed against any of the Parties.

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1 E. Execution of the Settlement Agreement

2 All executed copies of this Settlement and photocopies thereof shall have the same force and  
3 effect and shall be as legally binding and enforceable as the original.

4 F. No Press Release or Publicity Regarding Terms of the Settlement

5 Plaintiff and Plaintiff's Counsel, as well as Defendant and Defense Counsel agree that they  
6 will issue no media or press release, initiate any contact with the media or the press, respond to any  
7 media or press inquiry, or have any communications with the media or the press about the fact,  
8 amount, or terms of this Settlement. Plaintiff and Plaintiff's Counsel shall not publicize or refer to  
9 the fact or amount of the Settlement on their websites, social media, any other marketing materials,  
10 or legal publications. Plaintiff and Plaintiff's Counsel will not state on their websites, social media,  
11 any other marketing materials, or legal publications, that Defendant engaged in any act contrary to  
12 California law, or denied payment owed to its employees, or otherwise committed any violations of  
13 the California Labor Code or any other local, state, or federal law, otherwise disparage Defendant,  
14 or otherwise identify Defendant. Defendant may report the Settlement or results of this lawsuit if  
15 required to do so by public disclosure regulatory requirements, or with respect to any financial or  
16 other disclosures, which in their judgment are necessary. However, nothing in this provision shall  
17 prohibit or prevent Plaintiff and Plaintiff's counsel from disclosing this Settlement to the Court or  
18 LWDA or any other government entity in order to adequately effectuate approval or enforcement of  
19 this settlement.

20 G. Continuing Jurisdiction of the Court

21 The above-entitled Court shall retain jurisdiction over all disputes between and among the  
22 Parties arising out of the Settlement, including but not limited to the interpretation and enforcement  
23 of the terms herein.

24 H. Advice of Counsel

25 Each Party represents and agrees that they have been advised or are fully aware of their right  
26 to discuss all aspects of this Agreement with their independent attorney prior to signing this  
27 Agreement, that each Party has carefully read and fully understands all of the provisions of this  
28

*Handwritten signature and date: 5/31/22*

1 Agreement, and that each Party is vountarily, and without fraud, duress or undue influence, entering  
2 into this Agreement.

3 **PLAINTIFF AND PLAINTIFF'S COUNSEL**

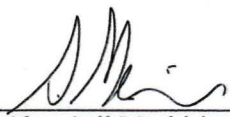
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5 DATED: <sup>May</sup> April <sup>10</sup>, 2022

6   
7 Plaintiff Raul Nunez

8  
9 Approved as to form:

10 DATED: May 9, 2022

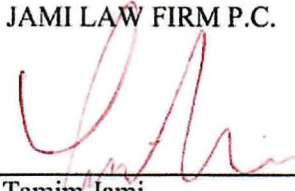
MASHIRI LAW FIRM, APC

11  
12 By:   
13 Alex Asil Mashiri

14 Attorneys for Plaintiff Raul Nunez

15  
16 DATED: <sup>May</sup> May 9, 2022

THE JAMI LAW FIRM P.C.

17  
18 By:   
19 Tamim Jami

20 Attorneys for Plaintiff Raul Nunez

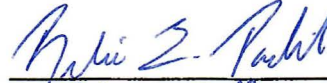
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**DEFENDANT AND DEFENDANT'S COUNSEL**

JRE LOGISTICS, LLC

DATED: May 31, 2022



By: Ruben E. Padilla  
Its: owner

Approved as to form:

DATED: May 31, 2022

OGLETREE, DEAKINS, NASH, SMOAK &  
STEWART, P.C.

By:



Tim L. Johnson  
Nikolas T. Djordjevski  
Yousaf M. Jafri

Attorneys for Defendant JRE LOGISTICS, LLC

# **EXHIBIT 1**

Nunez v. JRE Logistics  
c/o Phoenix Administration  
[P.O. BOX]  
[TELEPHONE]

DATE

<<first\_name>> <<last\_name>>  
<<address>>  
<<city>> <<state>> <<zip>>

**NOTICE OF PRIVATE ATTORNEYS GENERAL ACT SETTLEMENT**

Re: Raul Nunez v. JRE Logistics LLC  
San Diego County Superior Court (Case No. 37-2021-00005381-CU-OE-CTL)

Dear <<first\_name>> <<last\_name>>:

Notice is hereby given that a Private Attorneys General Act (“PAGA”) settlement, pursuant to California Labor Code section 2698, *et seq.*, has been approved by the Court in the lawsuit filed by Raul Nunez (“Plaintiff”) against JRE Logistics LLC (“Defendant”), entitled *Raul Nunez v. JRE Logistics LLC*, Superior Court of the State of California, County of San Diego, Case No. 37-2021-00005381-CU-OE-CTL (the “**Lawsuit**”).

***What is the purpose of this notice?***

This notice is being sent to you because you have been identified as an allegedly aggrieved employee who is entitled to a portion of this PAGA settlement. For purposes of this Lawsuit, aggrieved employees mean all hourly-paid, non-exempt employees who worked for Defendant in California at any time during the “PAGA Period” (i.e. December 1, 2019 *through* April 30, 2022).

Receipt of this notice means that you are entitled to your share in the proceeds from the PAGA settlement. Your share of the settlement proceeds is enclosed herewith.

***What is this case about?***

In the Lawsuit, Plaintiff asserted claims for civil penalties pursuant to the PAGA against Defendant on behalf of himself and all hourly-paid, non-exempt employee who worked for Defendant in California at any time during the time period of December 1, 2019 *through* April 30, 2022 (“aggrieved employees”). These claims are based on Defendant’s alleged violations of the California Labor Code. Defendant denies all liability, claims, and allegations in the Lawsuit, denies that it owes any penalties, and asserts that it has fully complied with all applicable Labor Code provisions. Nevertheless, to avoid further costs and time in defending the Action, Defendant has settled the Lawsuit, and the Court has approved the settlement and release of the PAGA claims. By settling the Lawsuit, Defendant is not admitting it has done anything wrong. The Court has not made any rulings on the merits of the Lawsuit. The Settlement resolves all PAGA claims for civil penalties alleged in the Lawsuit, including but not limited to remedies available under Labor Code sections 2699, for violations of the California Labor Code governing: unpaid wages, sick pay, vacation pay, overtime pay, regular rate of pay, meal periods, rest periods, wage statements, and final pay.

***What are the terms of the Settlement?***

Plaintiff and Defendant reached a settlement, which was reviewed and approved by the Court. Defendant’s records show that you are a PAGA Settlement Member. Accordingly, you are entitled to a Settlement Share based on your percentage share of pay periods during the PAGA Period and the Court approved allocation.

This settlement does not affect an aggrieved employee's ability to allege individual, non-representative claim(s) against Defendant.

***What should I do now?***

You are automatically included in this Settlement. You may immediately deposit your enclosed settlement check and need not take any further action at this time.

Please Note: One hundred percent (100%) of your Individual PAGA Payment under this Settlement will be considered penalties and may be subject to local, state, or federal tax withholdings and will be reported to the IRS and state tax authorities. You should rely on your own tax advisors as to the tax consequences of your Individual PAGA Payment. Neither Plaintiff nor Defendant has made any representations or warranties regarding the taxation of your Individual PAGA Payment. Nothing within this notice or any other communication shall constitute or be construed or relied upon as tax advice within the meaning of United States Treasury Department Circular 230 (31 C.F.R. Part 10, as amended).

Do not call or write the Court or Office of the Clerk to ask questions about the settlement or to ask questions about the claims process. If you have any questions, you may call or write to the Settlement Administrator using the contact information at the top of this correspondence.