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V FIRE SYSTEMS CORPORATION, CHRISTOPHER M. VILLARREAL,
MICHELLE VILLARREAL and NICOLE R VILLARREAL

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SAN BERNARDINO**

JORGE RUELAS, an individual;

Plaintiff,

v.

V FIRE SYSTEMS CORPORATION, a
California Corporation; CHRISTOPHER M.
VILLARREAL, an individual; MICHELLE
VILLARREAL, an individual; NICOLE R
VILLARREAL, an individual; and DOES 1
through 100, inclusive;

Defendants.

CASE NO.: CIVSB2109321

Assigned to: *Honorable Khymberli S
Apaloo, Dept. S25*

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

Complaint Filed: April 12, 2021

Plaintiff JORGE RUELAS ("Plaintiff") and Defendants V FIRE SYSTEMS
CORPORATION, CHRISTOPHER M. VILLARREAL, MICHELLE VILLARREAL and NICOLE
R VILLARREAL ("Defendants") (collectively, "the Parties"), by and through their respective counsel
of record, hereby stipulate as follows:

WHEREAS, on or about January 29, 2021, Plaintiff by and through Plaintiff's counsel, sent a

1 notice to the California Labor Workforce Development Agency (“LWDA”) and Defendants (the
2 “PAGA Notice”) alleging that Defendants engaged in violations of the California Labor Code and
3 California Wage Orders, seeking civil penalties pursuant to the California Labor Code Private
4 Attorneys’ General Act (“PAGA”);

5 **WHEREAS**, on or about April 12, 2021, Plaintiff filed a Complaint in the California Superior
6 Court for the County of San Bernardino entitled Ruelas -v- V Fire Systems Corporation, a California
7 Corporation, et al, (the “Action”) alleging the following causes of action: (1) Failure to Pay Minimum
8 Wage; (2) Failure to Compensate for All Hours Worked (3) Failure to Pay Overtime Compensation;
9 (4) Failure To Pay Meal Period Compensation; (5) Failure To Rest Period Compensation; (6) Failure
10 To Furnish Accurate Wage and Hour Statements; (7) Failure to Pay Wages Upon Discharge; (8)
11 Statutory Penalties; (9) Failure to Indemnify and Illegal Deductions From Wages; (10) Violation Of
12 The Private Attorneys General Act Of 2004; (11) Unfair Competition;

13 **WHEREAS**, this Settlement is entered into on August 2, 2022 by and between Plaintiff, on
14 behalf of themselves and “Aggrieved Employees” (defined below), on the one hand, and Defendant V
15 Fire Systems Corporation on the other hand, to memorialize the essential terms of the settlement of
16 Plaintiff’s representative claims asserted in the Action.

17
18 **WHEREAS**, for purposes of Plaintiff individual and representative claims under PAGA, and
19 for purposes of the Action (as defined below) and this PAGA Agreement, the alleged aggrieved
20 individuals (“Aggrieved Employees”) are defined by Plaintiff to be all non-exempt individuals who
21 were employed with Defendant in California at any time during the PAGA Period. The PAGA Period
22 is defined to be from February 6, 2020 to July 27, 2022;

23 Defendant has represented that there were approximately 367 pay periods during the PAGA
24 period;

25 **WHEREAS**, Defendants vigorously dispute and deny the allegations and various causes of
26 action asserted in the Action, including, without limitation, Plaintiff’s individual claims and the
27 Aggrieved Employees’ claim for civil penalties pursuant to PAGA;

28 **WHEREAS**, the Parties engaged in an informal exchange of documents and information

1 including Defendants' financial records. The Parties have also conducted extensive independent
2 investigation and evaluations of the claims and defenses in this matter. Both Plaintiff's counsel and
3 Defendants' counsel have significant experience litigating and resolving the type of wage-and-hour
4 claims alleged in the Action, including claims for civil penalties under PAGA;

5 **WHEREAS**, the parties will work together to obtain court approval for the PAGA Settlement
6 Agreement;

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

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

25 **WHEREAS**, the Parties have provided a copy of this Joint Stipulation and the proposed PAGA
26 Settlement Agreement to the LWDA in accordance with Labor Code Section 2699(l)(2), and a proof
27 of service to the LWDA is attached hereto
28

1 **WHEREAS**, in consideration of the terms and conditions set forth in this PAGA Settlement
2 Agreement, the Parties agree to be bound to the terms and conditions set forth herein, including that:

3 Defendant shall pay the total sum of One Thousand Hundred Dollars (\$1,000.00) (the
4 “PAGA Settlement Sum”) to fully and finally resolve any and all claims and/or disputes between
5 Plaintiff and Defendant - including the individual Defendants, CHRISTOPHER M. VILLARREAL,
6 MICHELLE VILLARREAL, and NICOLE VILLARREAL, named in the operative complaint -
7 arising out of Plaintiffs employment and cessation of employment with Defendant, including but not
8 limited to those claims referenced in Case No. CIVSB2109321 currently pending in San Bernardino
9 Superior Court (the "Civil Action");

10 PAGA Settlement Sum shall be paid as follows:

11 A. One Thousand Dollars and Zero Cents (\$1,000.00) shall be paid to resolve the
12 Private Attorneys General Act of 2004 Claim ("PAGA Claim") asserted on behalf of Plaintiff and the
13 other “Aggrieved Employees” as defined above (“PAGA Settlement Payment”);

14 i. Seventy-Five Percent (75%) of the Civil Penalty Allocation, \$750, shall
15 be paid to the LWDA, which represents civil penalties payable to the LWDA under the PAGA, Labor
16 Code section 2698, *et seq.*;

17 ii. Twenty Five Percent (25%) of the Civil Penalty Allocation, \$250, (the
18 “Aggrieved Employee Amount”) shall be paid to the PAGA Members, based on a methodology to be
19 agreed upon between the parties.

20
21 **WHEREAS**, the Parties have entered into a separate Confidential Settlement Agreement to
22 fully resolve and release Plaintiff’s individual, non-PAGA claims (the “Individual Settlement
23 Agreement”). Plaintiff’s attorney’s fees and costs incurred in this matter resolved and released
24 pursuant to the Individual Settlement Agreement, and shall not be deducted from the \$1,000 PAGA
25 Settlement Payment.

26 **WHEREAS**, Plaintiff agrees to an express waiver pursuant to California Civil Code Section
27 1542 of all claims, known or unknown arising out of Plaintiffs employment;
28

1 Plaintiff agrees to a confidentiality provision consistent with California law, including
2 California Code of Civil Procedure 1001, regarding the Individual Settlement Agreement.

3 **WHEREAS**, in the event the court does not ultimately approve the PAGA Settlement
4 Agreement, the parties shall have the right to void the entire settlement agreement (i.e., both the
5 Individual Settlement Agreement and the PAGA Settlement Agreement) after undertaking reasonable
6 efforts to obtain approval and address any concerns raised by the court.

7 **WHEREAS**, Plaintiff as a private attorney general acting on behalf of the State of California,
8 and PAGA Members will fully and finally release and discharge Defendants V FIRE SYSTEMS
9 CORPORATION, CHRISTOPHER M. VILLARREAL, MICHELLE VILLARREAL and NICOLE
10 R VILLARREAL and V FIRE SYSTEMS CORPORATION'S former, present and future owners,
11 parents, and subsidiaries, and all of their current, former and future spouse(s), children, officers,
12 directors, members, managers, employees, consultants, partners, shareholders, joint venturers, agents,
13 successors, assigns, accountants, insurers, or legal representatives ("Released Parties"), from all
14 claims, rights, demands, liabilities and causes of action for civil penalties under the PAGA asserted,
15 or that could have been asserted in the Complaint, including, but not limited to, those under California
16 Labor Code §§ 201, 202, 203, 204, 206.5, 210, 221, 223, 224, 225.5, 226, 226.3, 226.7, 510, 512, 558,
17 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 1199, 2802, Wage Order sections 3, 4, 7,
18 9, 11, 12, 20, and a California Civil Code § 1542 release as to those sections, that arose during the
19 PAGA Period, based on the factual allegations pled in the operative complaint in the Action. These
20 released claims include, but are not limited to the following claims: (a) failure to pay all overtime
21 wages; (b) failure to pay all minimum wages; (c) failure to pay wages, (d) failure to pay for all work,
22 including off-the-clock work (e) failure to provide proper meal periods; (d) failure to authorize and
23 permit rest periods; (e) failure to furnish accurate wage statements; (f) failure to reimburse employees
24 for business expenses; (g) misclassification of employees as independent contractors, (h) failure to
25 timely pay final wages, and (i) failure to indemnify and illegal deductions from wages, including any
26 related claims for attorneys' fees, costs, or interest resulting therefrom ("Released Claims"). The
27 Release Period shall be the PAGA period;

1 **WHEREAS**, Parties agree that Defendant, shall be the Settlement Administrator. Payments
2 made pursuant to this PAGA Settlement Agreement to PAGA members and the LWDA shall be made
3 directly by Defendant V FIRE SYSTEMS CORPORATION. A third-party administrator will not be
4 used in light of the small number of Aggrieved Employees (6 total). Defendant shall provide Plaintiff
5 with a declaration regarding compliance as required by the court as part of the approval of the PAGA
6 Settlement Payment;

7 **WHEREAS**, the parties will work in good faith to prepare and finalize a formal settlement
8 agreement within 30-days of the date of the acceptance of this Mediator's Proposal and Defendant
9 agrees not to oppose Plaintiff's motion for PAGA settlement approval to the extent it comports with
10 this proposal. The long form settlement agreement shall reflect the terms contained herein and contain
11 other standard clauses commonly found in PAGA settlement agreements; and

12 Nothing contained in this proposal constitutes an admission of liability.

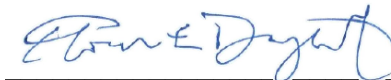
13 This Court shall retain jurisdiction to enforce the terms of the PAGA Settlement Agreement
14 pursuant to California Code of Civil Procedure Section 664.6; and

15
16 **NOW THEREFORE**, the Parties jointly request that the Court approve the PAGA Settlement
17 set forth in the PAGA Settlement Agreement and enter judgment accordingly to its terms.

18
19 DATED: September 30, 2022

KLINEDINST PC

20
21 By:



22 THOMAS E. DAUGHERTY

23 Attorney for Defendants
24
25
26
27
28

10/1/2022

DATED: September ___, 2022

SIRMABEKIAN LAW FIRM PC

By:

DocuSigned by:

Sarkis Sirmabekian

847C4C6AA169454

SARKIS SIRMABEKIAN

Attorney for Plaintiff

Stipulation for Approval of PAGA Settlement (final)(21676259.1)

EXHIBIT A

PAGA SETTLEMENT AGREEMENT

This PAGA Settlement Agreement (“Agreement”) is made by and between plaintiff JORGE RUELAS (“Plaintiff”) and defendant V FIRE SYSTEMS CORPORATION, (“V FIRE SYSTEMS”). The Agreement refers to Plaintiff and V FIRE SYSTEMS collectively as “Parties,” or individually as “Party.”

1. DEFINITIONS.

- 1.1. “Action” means the Plaintiff’s PAGA lawsuit alleging wage and hour violations against V FIRE SYSTEMS captioned *Ruelas v V Fire Systems Corp., et al.*, case number CIVSB 21092321, initiated on or about April 12, 2021, and pending in Superior Court of the State of California, County of San Bernardino.
- 1.2. “Aggrieved Employee” means a person employed by V FIRE SYSTEMS in California and classified as a non-exempt employee who worked for V FIRE SYSTEMS during the PAGA Period.
- 1.3. “Aggrieved Employee Data” means Aggrieved Employee identifying information in V FIRE SYSTEMS’s possession including the Aggrieved Employee’s name, last-known mailing address, Social Security number, and number of PAGA Pay Periods.
- 1.4. “Court” means the Superior Court of California, County of San Bernardino.
- 1.5. “Defense Counsel” means Klinedinst PC.
- 1.6. “Effective Date” means the date by when both of the following have occurred: (a) the Court enters a Judgment on its Order Approving the PAGA Settlement; and (b) the Judgment is final. The Judgment is final the day the Court enters Judgment.
- 1.7. “Gross Settlement Amount” means One Thousand Dollars and Zero Cents (\$1,000.00), which is the total amount V FIRE SYSTEMS agrees to pay under the PAGA Settlement except as provided in Paragraph 7 below. The Gross Settlement Amount will be used to pay Individual PAGA Payments and the LWDA PAGA Payment.
- 1.8. “Individual PAGA Payment” means the Aggrieved Employee’s pro rata share of 25% of the PAGA Penalties calculated according to the number of Pay Periods the Aggrieved Employee worked during the PAGA Period.
- 1.9. “Judgment” means the judgment entered by the Court based upon approval of this PAGA Settlement Agreement.
- 1.10. “LWDA” means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i).

- 1.11. "LWDA PAGA Payment" means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).
- 1.12. "Net Settlement Amount" means the Gross Settlement Amount, less the payments in the amounts approved by the Court to the Individual PAGA Payments and the LWDA PAGA Payment. Any remainder is to be paid to Aggrieved Employees as Individual PAGA Payments.
- 1.13. "PAGA Counsel" means SIRMABEKIAN LAW FIRM, PC, the attorneys representing the Plaintiff in the Action.
- 1.14. "PAGA Pay Period" means any Pay Period during which an Aggrieved Employee worked for V FIRE SYSTEMS for at least one day during the PAGA Period.
- 1.15. "PAGA Period" means the period from February 6, 2020 to July 27, 2022.
- 1.16. "PAGA" means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).
- 1.17. "PAGA Notice" means Plaintiff's letter to V FIRE SYSTEMS and the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a).
- 1.18. "PAGA Penalties" means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 25% to the Aggrieved Employees (\$250) and the 75% to LWDA (\$750) in settlement of PAGA claims.
- 1.19. "Plaintiff" means JORGE RUELAS, the named plaintiff in the Action.
- 1.20. "Approval Order" means the proposed Court Order Granting Approval of PAGA Settlement.
- 1.21. "Released PAGA Claims" means the claims being released by the Plaintiff and PAGA Counsel and as described in Paragraph 5 below.
- 1.22. "Released Parties" means: V FIRE SYSTEMS CORPORATION, CHRISTOPHER M. VILLARREAL, MICHELLE VILLARREAL and NICOLE R VILLARREAL and each of V FIRE SYSTEMS CORPORATION'S former and present directors, officers, shareholders, owners, members, attorneys, insurers, predecessors, successors, assigns subsidiaries, and affiliates.
- 1.23. "Settlement" means the disposition of the PAGA claims in the Action effected by this Agreement and Judgment.
- 1.24. "V FIRE SYSTEMS" means named Defendant V FIRE SYSTEMS CORPORATION.

2. RECITALS.

- 2.1. On or about April 12, 2021, Plaintiff commenced this Action by filing a Complaint alleging causes of action against V FIRE SYSTEMS CORPORATION, CHRISTOPHER M. VILLARREAL, MICHELLE VILLARREAL and NICOLE R VILLARREAL for (1) Failure to Pay Minimum Wage; (2) Failure to Compensate for All Hours Worked (3) Failure to Pay Overtime Compensation; (4) Failure To Pay Meal Period Compensation; (5) Failure To Rest Period Compensation; (6) Failure To Furnish Accurate Wage and Hour Statements; (7) Failure to Pay Wages Upon Discharge; (8) Statutory Penalties; (9) Failure to Indemnify and Illegal Deductions From Wages; (10) Violation Of The Private Attorneys General Act Of 2004; (11) Unfair Competition. The Complaint is the operative complaint in the Action (the “Operative Complaint.”). V FIRE SYSTEMS denies the allegations in the Operative Complaint, denies any failure to comply with the laws identified in in the Operative Complaint and denies any and all liability for the causes of action alleged.
- 2.2. Pursuant to Labor Code section 2699.3, subd.(a), Plaintiff gave timely written notice to V FIRE SYSTEMS and the LWDA by sending the PAGA Notice.
- 2.3. On August 2, 2022, the Parties participated in an all-day mediation presided over by Daniel Turner, which led to this Agreement to settle the Action.
- 2.4. Prior to mediation and negotiating the Settlement, the Parties engaged in an informal exchange of documents and information relevant to the allegations contained in the Operative Complaint. The Parties have also conducted extensive independent investigation and evaluations of the claims and defenses in this matter.
- 2.5. The Parties, PAGA Counsel and Defense Counsel represent that they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement.

3. MONETARY TERMS.

- 3.1. Gross Settlement Amount. Except as otherwise provided by Paragraph 7 below, V FIRE SYSTEMS promises to pay ONE THOUSAND DOLLARS AND ZERO CENTS (\$1,000.00) and no more as the Gross Settlement Amount. V FIRE SYSTEMS has no obligation to pay the Gross Settlement Amount prior to the deadline stated in Paragraph 6.1 of this Agreement. The Parties have agreed that V FIRE SYSTEMS will administer the settlement payments, and will disburse the entire Gross Settlement Amount without asking or requiring Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to V FIRE SYSTEMS.
- 3.2. Payments from the Gross Settlement Amount. The Administrator will make and deduct the following payments from the Gross Settlement Amount, in the amounts specified by the Court in the Final Approval:
- 3.2.1. To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of \$1,000.00 to be paid from the Gross Settlement Amount, with 75%

(\$750) allocated to the LWDA PAGA Payment and 25% (\$250) allocated to the Individual PAGA Payments.

3.2.1.1. The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties (\$250) by the total number of PAGA Period Pay Periods worked

by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA Period Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

3.2.3.2. If the Court approves PAGA Penalties of less than the amount requested, V FIRE SYSTEMS will allocate the remainder to the Net Settlement Amount. V FIRE SYSTEMS will report the Individual PAGA Payments on IRS 1099 Forms.

4. SETTLEMENT FUNDING AND PAYMENTS.

4.1. Aggrieved Employee Pay Periods. Based on a review of its records to date, V FIRE SYSTEMS estimates there are six (6) Aggrieved Employees who worked a total of 367 PAGA Pay Periods.

4.2. Payments from the Gross Settlement Amount. Within 65 days after the Court enters Judgment in this matter, V FIRE SYSTEMS will mail checks for all Individual PAGA Payments, the LWDA PAGA Payment.

4.4.1. V FIRE SYSTEMS will issue checks for the Individual PAGA Payments and hand deliver or send them to the Aggrieved Employees via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (not less than 180 days after the date of mailing) when the check will be voided. V FIRE SYSTEMS will cancel all checks not cashed by the void date.

4.4.2. For any Aggrieved Employee whose Individual PAGA Payment check is uncashed and cancelled after the void date, V FIRE SYSTEMS shall transmit the funds represented by such checks to the California Controller's Unclaimed Property Fund in the name of the Aggrieved Employee.

4.4.3. The payment of Individual PAGA Payments shall not obligate V FIRE SYSTEMS to confer any additional benefits or make any additional payments to the Aggrieved Employees (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

5. RELEASES OF CLAIMS. Effective on the date when V FIRE SYSTEMS fully funds the entire Gross Settlement Amount Plaintiff and PAGA Counsel will release claims against all Released Parties as follows:

5.1 Plaintiff's Release of PAGA claims. Plaintiff and his or her respective former and present spouses, representatives, agents, attorneys (including PAGA Counsel), heirs, administrators, successors, and assigns generally, release and discharge Released Parties from all claims, transactions, or occurrences arising under the California Private Attorneys General Act of 2004, Cal. Labor Code § 2698 et seq., including, but not limited to: (a) all PAGA claims that were, or reasonably could have been, alleged, based on the facts contained in the Operative Complaint and the PAGA Notice ("Plaintiff's Release"). Plaintiff's Release in this Agreement does not extend to any non-PAGA claims, or any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, workers' compensation benefits that arose at any time, or based on occurrences outside the PAGA Period. Plaintiff acknowledges that Plaintiff may discover facts or law different from, or in addition to, the facts or law that Plaintiff now knows or believes to be true but agrees, nonetheless, that Plaintiff's Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiff's discovery of them.

5.1.1 Plaintiff's Waiver of Rights Under California Civil Code Section 1542. For purposes of Plaintiff's Release of PAGA claims, Plaintiff expressly waives and relinquishes the provisions, rights, and benefits, if any, of section 1542 of the California Civil Code, which reads:

A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release, and that if known by him or her would have materially affected his or her settlement with the debtor or Released Party.

5.2 Release by Aggrieved Employees:

All Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the Operative Complaint, and the PAGA Notice.

5.3 Release by PAGA Counsel:

PAGA Counsel release on behalf of their present and former attorneys, employees, agents, successors and assigns the Released Parties from all claims for PAGA Fees incurred in connection with the Operative Complaint and the PAGA Period facts stated in the Operative Complaint and the PAGA Notice.

6. MOTION OR APPLICATION FOR APPROVAL OF SETTLEMENT. The Parties agree to jointly prepare and file a stipulation, application or motion for approval of this Settlement.

- 6.1 Plaintiff's Responsibilities. Plaintiff will prepare and deliver to Defense Counsel all documents necessary for obtaining approval of this Settlement under Labor Code Section 2699, subd. (f)(2)) including (i) a draft proposed Stipulation for Order Granting Approval of PAGA Settlement; (ii) a signed declaration from PAGA Counsel firm attesting to its timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), Operative Complaint (Labor Code section 2699, subd. (l)(1)), this Agreement (Labor Code section 2699, subd. (l)(2)).
- 6.2 Responsibilities of PAGA Counsel. PAGA Counsel and Defense Counsel are jointly responsible for expeditiously finalizing and filing the stipulation, application or motion for approval of this Settlement no later than 30 days after the full execution of this Agreement and, if necessary, obtaining a prompt hearing date for the motion, if any is necessary, and appearing in Court to advocate in favor of the motion. PAGA Counsel is responsible for delivering the Court's Preliminary Approval to the Administrator.
- 6.3 Duty to Cooperate. If the Parties disagree on any aspect of the proposed stipulation, application or motion for approval of this Settlement and/or the supporting declarations and documents, PAGA Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant the motion for approval of this Settlement or conditions its approval on any material change to this Agreement, PAGA Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns.
7. **CONTINUING JURISDICTION OF THE COURT.** The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties, Action, and the Settlement solely for purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters, and (iii) addressing such post-Judgment matters as are permitted by law.
- 7.1 Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the PAGA Counsel Fees Payment and PAGA Counsel Litigation Expenses Payment, the Parties, their respective counsel waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals. If another party appeals the Judgment, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect the amount of the Net Settlement Amount.
8. **ADDITIONAL PROVISIONS.**

- 8.1 No Admission of Liability or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by V FIRE SYSTEMS that any of the allegations in the Operative Complaint have merit or that V FIRE SYSTEMS has any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that V FIRE SYSTEMS's defenses in the Action have merit. The Parties agree that representative treatment is for purposes of this Settlement only. If, for any reason the Court does not approve this Settlement, V FIRE SYSTEMS reserves all available defenses to the claims in the Action, and Plaintiff reserves the right to contest V FIRE SYSTEMS's defenses. The Settlement, this Agreement and Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).
- 8.2 Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party.
- 8.3 Attorney Authorization. PAGA Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiff and V FIRE SYSTEMS, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.
- 8.4 Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying the Settlement Agreement, submitting supplemental evidence and supplementing points and authorities as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of a mediator and/or the Court for resolution.
- 8.5 No Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity and portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.
- 8.6 No Tax Advice. Neither Plaintiff, PAGA Counsel, V FIRE SYSTEMS nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.

- 8.7 Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their representatives, and approved by the Court.
- 8.8 Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.
- 8.9 Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the state of California, without regard to conflict of law principles.
- 8.10 Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.
- 8.11 Confidentiality. To the extent permitted by law, all agreements made, and orders entered during Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.
- 8.12 Use and Return of Aggrieved Employee Data. Information provided to PAGA Counsel pursuant to Cal. Evid. Code §1152, and all copies and summaries of the PAGA Data provided to PAGA Counsel by V FIRE SYSTEMS in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. Not later than 90 days after V FIRE SYSTEMS discharges its obligation to pay out of all Settlement funds, Plaintiff shall destroy all paper and electronic versions of Aggrieved Employee Data received from V FIRE SYSTEMS unless, prior to payment of all Settlement Funds, V FIRE SYSTEMS makes a written request to PAGA Counsel for the return, rather than the destructions, of Aggrieved Employee Data.
- 8.13 Headings. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.
- 8.14 Calendar Days. Unless otherwise noted, all reference to “days” in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.
- 8.15 Notice. All notices, demands or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email or messenger, addressed as follows:

To Plaintiff:

Sarkis Sirmabekian, Esq.

Sirmabekian Law Firm
3435 Wilshire Blvd., Suite 1710
Los Angeles, CA 90010
Tel: (818) 473-5003
Fax: (818) 476-5619
sarkis@slawla.com

To V FIRE SYSTEMS:

Thomas E. Daugherty, Esq.
KLINEDINST PC
501 West Broadway, Suite 600
San Diego, California, 92101
Telephone: 619.239.8131
Facsimile: 619.238.8707
tdaugherty@klinedinstlaw.com

- 8.16 Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e. DocuSign), or email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

8.17 Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that pursuant to CCP section 583.330 to extend the date to bring a case to trial under CCP section 583.310 for the entire period of this settlement process.

DATED: 10/3/2022, 2022 PLAINTIFF

DocuSigned by:

7B44B3DC0D3046D...
JORGE RUELAS

DATED: _____, 2022 V FIRE SYSTEMS CORPORATION

By: _____
Chris Villarreal, as authorized representative of
V FIRE SYSTEMS CORPORATION

PAGA Settlement Agreement - Ruelas v V Fire Systems (final)(21676265.1)

8.17 Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that pursuant to CCP section 583.330 to extend the date to bring a case to trial under CCP section 583.310 for the entire period of this settlement process.

DATED: _____, 2022 PLAINTIFF

JORGE RUELAS

DATED: _____, 2022 V FIRE SYSTEMS CORPORATION

By: Chris Villarreal
Chris Villarreal, as authorized representative of
V FIRE SYSTEMS CORPORATION

PAGA Settlement Agreement - Ruelas v V Fire Systems (final)(21676269.1)

Final Audit Report

2022-10-04

Created:	2022-09-30
By:	Thomas Daugherty (TDaugherty@Klinedinstlaw.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAAH7YnF_CCW7VxE1D7vAx1JsO74z7YXrzN

"PAGA Settlement Agreement - Ruelas v V Fire Systems (final)(21676269.1)" History

-  Document created by Thomas Daugherty (TDaugherty@Klinedinstlaw.com)
2022-09-30 - 6:07:59 PM GMT
-  Document emailed to Chris Villarreal (chris@vfiresystems.com) for signature
2022-09-30 - 6:08:38 PM GMT
-  Email viewed by Chris Villarreal (chris@vfiresystems.com)
2022-09-30 - 7:17:44 PM GMT
-  Document e-signed by Chris Villarreal (chris@vfiresystems.com)
Signature Date: 2022-10-04 - 4:59:23 PM GMT - Time Source: server
-  Agreement completed.
2022-10-04 - 4:59:23 PM GMT

PROOF OF SERVICE
(§ 1013a, 2015.5 C.C.P.)

STATE OF CALIFORNIA)
) ss.
COUNTY OF LOS ANGELES)

I am a citizen of the United States of America; I am over the age of eighteen years and not a party to the within entitled action; my business address is: 3435 Wilshire Boulevard, Suite 1710, Los Angeles, California 90010.

On the below-indicated date, I served the following document:

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

on the interested parties in said action by placing:

___X___ a true and correct copy,

and addressed as set forth on the attached Service List and delivered by one or more of the means set forth below:

☒ **BY ELECTRONIC SERVICE IN LIEU OF SERVICE BY MAIL, EXPRESS MAIL, OVERNIGHT DELIVERY, OR FACSIMILE TRANSMISSION:** In accordance with California Code of Civil Procedure section 1010.6, I caused the document to be sent to the person(s) below at the e-mail address(es) listed below.

I declare under penalty of perjury under the laws of the State of California that the above is true and correct.

EXECUTED: October 11, 2022
At Los Angeles, California

Grigor Gregg Sirmabekhian
Grigor Gregg Sirmabekhian

[SERVICE LIST ON THE FOLLOWING PAGE]

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SERVICE LIST

Thomas E. Daugherty, Esq. [SBN 218370] KLINEDINST PC 501 West Broadway, Suite 600 San Diego, California 92101 Email: <i>tdaugherty@klinedinstlaw.com</i>	<i>Attorneys for Defendants</i>
Labor and Workforce Development Agency ("LWDA") Department of Industrial Relations Attn. PAGA Administrator 1515 Clay Street, Suite 801 Oakland, CA 94612	<i>Labor and Workforce Development Agency</i> <i>("LWDA") filed/ served online at:</i> <i>https://www.dir.ca.gov/Private-Attorneys-General-Act/Private-Attorneys-General-Act.html</i>