

PAGA SETTLEMENT AGREEMENT

This Settlement Agreement (“Agreement”) of claims brought under the Private Attorneys General Act, Labor Code § 2698 *et seq.*, is made and entered into between plaintiff Eusebio Estrada (“Plaintiff”), acting in his capacity as private attorney general, and defendants PALS, LLC (“PALS”), Rodney Mojarro (“Mojarro”), Harbor Developmental Disabilities Foundation, Inc. dba Harbor Regional Center (“Harbor”), Eastern Los Angeles Regional Center for the Developmentally Disabled, Inc. (“ELARC”), and Inland Regional Center (“Inland”) (collectively, “Defendants”). The Agreement refers to Plaintiff and Defendants collectively as “Parties,” or individually as “Party.”

I. DEFINITIONS

The following terms, when used in this Agreement, will have the following meanings:

1. “Action” means Plaintiff’s PAGA lawsuit alleging wage-and-hour violations against Defendants captioned as *Eusebio Estrada v. PALS, LLC, et al.* (Case No. CIVSB2115649), pending in the Superior Court of the State of California, County of San Bernardino.
2. “Administrator” means Simpluris Inc. (“Simpluris”), the neutral entity the Parties have agreed to appoint to administer the Settlement.
3. “Administration Expenses Payment” means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in connection with the approval of this Settlement.
4. “Aggrieved Employees” means all alleged current and former non-exempt employees of PALS in California at any time from March 24, 2020, to November 1, 2022.
5. “Aggrieved Employee Data” means identifying information for the Aggrieved Employees in PALS’ possession, namely, the Aggrieved Employees’ names, last-known mailing addresses, Social Security numbers, and numbers of PAGA Pay Periods.
6. “Aggrieved Employee Address Search” means the Administrator’s investigation and search for current Aggrieved Employee mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Aggrieved Employees.
7. “Court” means the Superior Court of California for the County of San Bernardino.
8. “Defendants” means PALS, Mojarro, Harbor, ELARC, and Inland.
9. “Defense Counsel” means Jackson Lewis P.C. (for PALS and Mojarro), Chapman Glucksman Dean & Roeb (for Harbor), Clousespaniac Attorneys (for ELARC), and Messner Reeves LLP (for Inland).
10. “Effective Date” means the date by when the Court enters a Judgment on its Order Approving the PAGA Settlement.

11. “Individual Settlement Payment” means the amount to be paid to each Aggrieved Employee based on the formula described herein.

12. “Judgment” means the judgment entered by the Court based upon the Final Approval.

13. “LWDA” means the California Labor and Workforce Development Agency.

14. “Maximum PAGA Settlement Amount” is the non-reversionary sum of \$155,000.00, which includes Individual Settlement Payments to all Aggrieved Employees, payment to the LWDA, Plaintiff’s representative enhancement award, payment of Plaintiffs’ attorney’s fees and costs, and payment to the Administrator for administration costs.

15. “Net PAGA Settlement Amount” is the amount remaining to distribute to the LWDA and Aggrieved Employees after the following amounts (subject to Court approval) are deducted from the Maximum PAGA Settlement Amount: (a) Plaintiff’s attorneys’ fees of up to 35% of the Maximum PAGA Settlement Amount, or \$54,250.00; (b) Plaintiff’s reasonable verified litigation costs in an amount not to exceed \$12,000.00; (c) Plaintiff’s representative enhancement award of \$5,000.00 subject to Court approval, and (d) reasonable third-party administration costs.

16. “PAGA” means the California Labor Code Private Attorneys General Act, California Labor Code § 2698, *et seq.*

17. “PAGA Notice” means Plaintiff’s February 25, 2021, PAGA letter to Defendants and the LWDA providing notice pursuant to Labor Code section 2699.3, subdivision (a).

18. “PAGA Penalties” means the total amount of PAGA civil penalties to be paid from the Maximum PAGA Settlement Amount, allocated 25% to the Aggrieved Employees and the 75% to the LWDA in settlement of the PAGA claims.

19. “PAGA Period” means the time period from March 24, 2020, to November 1, 2022. PALS estimated at the time of mediation that there were 91 Aggrieved Employees who worked 2,854 pay periods in aggregate between March 24, 2020 and July 8, 2022 during the PAGA Period, which was used as a basis for negotiating during mediation. After further review of the records, and extending the release through November 1, 2022, per agreement of the parties, PALS has identified a total of 99 Aggrieved Employees who worked 3,024 pay periods in aggregate during the entire PAGA Period. The parties agree that claims prior to March 24, 2020, are barred by the applicable statute of limitations for the Action.

20. “PAGA Released Claims” means all claims for civil penalties under the PAGA, that were alleged in the Action or that could have been alleged based on the facts alleged in Plaintiff’s PAGA Notice and in the Action, arising from the Aggrieved Employees’ employment with PALS during the PAGA Period including without limitation claims for PAGA civil penalties based on alleged violations of Labor Code §§ 201-204, 223, 226, 226.2, 226.7, 227.3, 510, 512, 515, 558, 1174, 1175, 1194, 1198, 1199, and 2802, and applicable Industrial Welfare Commission Wage Orders in conformity with Labor Code section 2699.3.

21. “Parties” means Plaintiff and Defendants.

22. “Plaintiff” means Eusebio Estrada.

23. “Plaintiff’s Counsel” means Gleason & Favarote LLP, Becerra Law Firm, and Law Offices of Scott Warmuth.

24. “Released Parties” means Defendants and their former, present and future owners, parents, and subsidiaries, and all of their current, former and future officers, directors, members, managers, partners, shareholders, joint venturers, successors, assigns, accountants, insurers, current and former employees, agents, affiliates, their employee benefit plans and programs and the trustees, administrators, fiduciaries, and insurers of such plans and programs, and legal representatives.

25. “Settlement” means the disposition of the Action effected by this Agreement and the Judgment.

II. RECITALS

1. On May 27, 2021, Plaintiff commenced this Action by filing a Complaint alleging causes of action against PALS and Mojarro under PAGA relating to alleged violations of Labor Code §§ 201-204, 223, 226, 226.2, 226.7, 227.3, 510, 512, 515, 558, 1174, 1175, 1194, 1198, 1199, and 2802, and applicable Industrial Welfare Commission Wage Orders (the “PAGA Complaint”). Plaintiff then added the remaining Defendants as DOE Defendants to the PAGA Complaint. Then, on October 15, 2021, PALS filed a cross complaint against Plaintiff (the “Cross-Complaint”). Plaintiff then filed a Cross-Cross Complaint/Amended Complaint against the Defendants alleging his own corresponding individual Labor Code claims, which the Court construed as an amendment to the PAGA Complaint (the “Operative Complaint”). Defendants deny the allegations in the Operative Complaint, deny any failure to comply with the laws identified in the Operative Complaint, and deny any and all liability for the causes of action alleged. Plaintiff denies all of the allegations against him in the Cross-Complaint. Defendants Harbor, Inland, and ELARC further deny that they are the employers or joint employers of the Aggrieved Employees or that they may otherwise be held vicariously liable for the causes of action alleged in the Operative Complaint.

2. Pursuant to Labor Code section 2699.3, subdivision (a), Plaintiff gave timely written notice to Defendants and the LWDA by sending the PAGA Notice.

3. On July 22, 2022, the Parties participated in an all-day mediation presided over by Steve Pearl, which, following months of further negotiation after the mediation, led to this Agreement to settle the Action in its entirety.

4. The Parties, Plaintiff’s 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.

III. OPERATIVE TERMS OF SETTLEMENT

The Parties agree as follows:

1. **Non-Admission of Liability.** Nothing in this Settlement will be construed to be an admission by Defendants of any liability or wrongdoing as to Plaintiff, the Aggrieved Employees, or any other person, and Defendants specifically disclaim any such liability or wrongdoing. Nothing in this Settlement will be construed to be an admission by Plaintiff of any liability or wrongdoing as to Defendants or any other person, and Plaintiff specifically disclaims any such liability or wrongdoing. The Parties have entered into this Settlement with the intention to avoid further disputes and litigation with the attendant inconvenience, expenses, and risks. This Settlement and any related court documents or orders are not, and may not be, cited or admitted as evidence of liability.

2. **Non-Admission of Employment Relationship.** Nothing in this Settlement will be construed to be an admission by Defendants Harbor, Inland, or ELARC that any of them is, or has been, an employer or a joint employer of any of the Aggrieved Employees, or that Defendants Harbor, Inland, or ELARC may otherwise be held vicariously liable for any of the causes of action alleged in the Operative Complaint. Defendants Harbor, Inland, and ELARC specifically disclaim any employment relationship with, and any liability to, the Aggrieved Employees. Defendants Harbor, Inland, and ELARC have entered into this Settlement with the intention to avoid further disputes and litigation with the attendant inconvenience, expenses, and risks. This Settlement and any related court documents or orders are not, and may not be, cited or admitted as evidence of any employment relationship with, or of liability to, the Aggrieved Employees.

3. **Net PAGA Settlement Amount.** The Parties agree that the following amounts should be deducted from the Maximum PAGA Settlement Amount, subject to Court approval, resulting in a Net PAGA Settlement Amount to distribute to the LWDA and Aggrieved Employees:

- a. **Plaintiff's Attorney's Fees and Costs.** Defendants will not oppose Plaintiff's request for attorneys' fees in the amount of up to 35% of the Maximum PAGA Settlement Amount (\$54,250.00) and actual costs incurred in prosecuting this Action, up to \$12,000.00 as supported by declaration. In the event the Court approves a payment of less than these amounts, the difference will be added to the Net PAGA Settlement Amount. The Administrator will report these payments on an IRS Form 1099-MISC issued to Plaintiff's Counsel. The Released Parties shall have no liability to Plaintiff's Counsel arising from any claim to any portion of these payments. Plaintiff's Counsel assumes full responsibility and liability for taxes owed on these payments and will defend, indemnify, and hold Defendants harmless from any dispute or controversy regarding any division or sharing of any of these payments.
- b. **Administration Costs.** Defendants will not oppose the Administrator's reasonable costs for administering the Settlement. In the event the Court approves a payment of less than this amount, the difference will be added to the Net PAGA Settlement Amount. The Settlement Administrator will report this payment on an IRS Form 1099-MISC issued to the Administrator.

- c. Plaintiff's Representative Enhancement Award. Defendants will not oppose a \$5,000.00 representative enhancement award for Plaintiff in consideration for his efforts in bringing this Action on behalf of the state and other aggrieved employees, subject to court approval. In the event the Court approves a payment less than this amount, the difference will be added to the Net PAGA Settlement Amount.

4. Plaintiff's Separate Individual Claims/PALS Dismissal of the Cross-Complaint. Plaintiff's counsel and PALS' counsel have separately agreed to address the individual claims presented in PALS' Cross-Complaint and as set forth in Plaintiff's Amended Complaint arising out of Plaintiff's employment relationship with PALS, and without admitting any liability, but solely out of the desire to avoid the time, risks and costs associated with litigation, and the desire to resolve any and all claims, known and unknown, asserted and unasserted, which Plaintiff has or may have against Defendant, Plaintiff will also execute a separate Confidential Settlement Agreement and General Release of all claims against Defendants and the released parties defined therein ("Individual Release Agreement").

5. Allocation of Net PAGA Settlement Amount. The Net PAGA Settlement Amount will be distributed 75% to the LWDA and 25% to the Aggrieved Employees, pursuant to Labor Code § 2699(i). The 25% portion to be paid to Aggrieved Employees will be allocated to the Aggrieved Employees as follows: Individual Settlement Payments will be calculated based on the proportionate number of pay periods worked by each Aggrieved Employee during the PAGA Period, by multiplying the 25% portion of the Net PAGA Settlement Amount by a fraction, the numerator of which is each Aggrieved Employee's total pay periods worked during the PAGA Period, and the denominator of which is the total aggregate number of pay periods worked by all Aggrieved Employees during the PAGA Period.

6. PAGA Released Claims. In consideration for the payments awarded pursuant to the terms of this Settlement, Plaintiff, in his capacity as a private attorney general, acting on behalf of himself, the State of California, and the Aggrieved Employees, agrees that upon the Effective Date, Plaintiff and the Aggrieved Employees, individually and on behalf of their heirs, executors, administrators, representatives, attorneys, successors and assigns, and the State of California, on behalf of itself and its administrators, representatives, and assigns, will be deemed to have knowingly and voluntarily released and forever discharged the Released Parties, including all Defendants and their former, present and future owners, parents, and subsidiaries, and all of their current, former and future officers, directors, members, managers, partners, shareholders, joint venturers, successors, assigns, accountants, insurers, current and former employees, agents, affiliates, their employee benefit plans and programs and the trustees, administrators, fiduciaries, and insurers of such plans and programs, and legal representatives from any and all liability for the PAGA Released Claims to the fullest extent permitted by law.

7. Plaintiff's Released Claims. Effective on the date when Defendants have (1) fully funded the entire Maximum PAGA Settlement Amount, (2) dismissed the Cross-Complaint in its entirety with prejudice, and (3) carried out the proscribed terms of the separate Individual Release Agreement, Plaintiff and Plaintiff's Counsel will release claims against all Released Parties as follows:

- a. Plaintiff's Release. Plaintiff and his respective and former and present spouses, representatives, agents, attorneys (including Plaintiff's Counsel), heirs,

administrators, successors, and assigns generally, release and discharge Released Parties from all claims, transactions, or occurrences including but not limited to: (a) all 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 does not extend to any claims or actions to enforce this Agreement, or to 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.

- b. Plaintiff's Waiver of Civil Code Section 1542. To effect a full and complete general release as described above, Plaintiff expressly waives and relinquishes all rights and benefits of section 1542 of the Civil Code of the State of California, and does so understanding and acknowledging the significance and consequence of specifically waiving section 1542. Section 1542 of the Civil Code of the State of California states as follows:

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.

Thus, notwithstanding the provisions of section 1542, and to implement a full and complete release and discharge of the Released Parties, Plaintiff expressly acknowledges this Agreement is intended to include in its effect, without limitation, all claims Plaintiff does not know or suspect to exist in Plaintiff's favor at the time of signing this Agreement, and that this Agreement contemplates the extinguishment of any such claims. Plaintiff warrants Plaintiff has read this Agreement, including this waiver of California Civil Code section 1542, and that Plaintiff has consulted with or had the opportunity to consult with counsel of Plaintiff's choosing about this Agreement and specifically about the waiver of section 1542, and that Plaintiff understands this Agreement and the section 1542 waiver, and so Plaintiff freely and knowingly enters into this Agreement. Plaintiff further acknowledges that Plaintiff later may discover facts different from or in addition to those Plaintiff now knows or believes to be true regarding the matters released or described in this Agreement, and even so Plaintiff agrees that the releases and agreements contained in this Agreement shall remain effective in all respects notwithstanding any later discovery of any different or additional facts. Plaintiff expressly assumes any and all risk of any mistake in connection with the true facts involved in the matters, disputes, or controversies released or described in this Agreement or with regard to any facts now unknown to Plaintiff relating thereto.

- c. Plaintiff's Counsel's Release. Plaintiff's Counsel, upon full payment of its fees and costs, releases on behalf of their present and former attorneys, employees, agents,

successors, and assigns the Release parties from all claims for PAGA fees, including, but not limited to, attorneys' fees and costs, expert witness fees, and any other fees or costs incurred in connection with the Operative Complaint and the PAGA Period facts stated in the Operative Complaint and the PAGA Notice in connection with the Action.

8. **Judgment.** As part of the Motion to approve the Settlement, Plaintiff will submit a proposed order and judgment which enters judgment in the Action in accordance with the terms of the Settlement and which retains jurisdiction of the Court over the Action for the purpose of enforcing the terms of the Settlement following approval of the Settlement pursuant to Code of Civil Procedure section 664.6. This Settlement is expressly conditioned upon the Court entering an order as set forth herein. If this Settlement is not approved by the Court, it shall be null and void in its entirety.

IV. **ADMINISTRATION OF SETTLEMENT**

1. **Administrator.** The Parties agree to use Simpluris to handle the administration of this Settlement.

2. **Aggrieved Employee Pay Periods.** Based on a review of its records to date, PALS has identified 99 Aggrieved Employees who worked approximately 3,024 PAGA Pay Periods between March 24, 2020, and November 1, 2022.

3. **Provision of Information for Aggrieved Employees.** Within fifteen (15) business days after the Effective Date, PALS will provide the Administrator with the Aggrieved Employee Data in the form of a Microsoft Excel spreadsheet. To protect the Aggrieved Employees' privacy rights, the Administrator will maintain the Aggrieved Employee Data in confidence, use the Aggrieved Employee Data only for purposes of this Settlement and for no other purpose, and restrict access to the Aggrieved Employee Data to Administrator employees who need access to the Aggrieved Employee Data to effect and perform under this Agreement. Without any extension of the deadline by which PALS must send the Aggrieved Employee Data to the Administrator, the Parties will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues relating to missing or omitted Aggrieved Employee Data.

Within ten (10) business days of receiving the Aggrieved Employees' information from PALS, the Administrator will circulate to counsel for both Parties an anonymized spreadsheet containing the Individual Settlement Payments to each Aggrieved Employee and the data used to calculate said payments. The Administrator will obtain approval from all counsel for the Parties of the calculations before mailing Individual Settlement Payments.

4. **Funding of the Maximum PAGA Settlement Amount.** Defendants shall fund the Maximum PAGA Settlement Amount by transmitting the funds to the Administrator in the following manner: (1) an initial payment of \$77,500.00 within thirty (30) calendar days after the Effective Date, with PALS and Mojarro contributing \$60,000.00, ELARC contributing \$10,000.00, Inland contributing \$5,000.00, and Harbor contributing \$2,500.00 (the "Initial Payment"); (2) a second, final payment of \$77,500.00 within eight (8) months after the Initial Payment (the "Second Payment"), with PALS and Mojarro contributing the full amount of the

Second Payment. Any additional consideration for the claims released in the Individual Release Agreement will be paid in accordance with the terms of that Release Agreement.

5. **Explanatory Letter and Individual Settlement Payments.** Within fourteen (14) calendar days after Defendants' deposit of the entire Maximum PAGA Settlement Amount, including the Initial and Second Payments, and after receiving approval from all counsel for the Individual Settlement Payments, the Administrator will mail copies of a mutually approved explanatory letter attached as **Exhibit A**, in English and Spanish, along with the Individual Settlement Payments via First-Class U.S. Mail, postage prepaid. The Administrator will issue checks for the Individual Settlement Payments and such checks will prominently state the date (not less than 180 days after the date of mailing) when the check will be voided. The Administrator will cancel all checks not cashed by the void date. Before mailing any checks, the Administrator must update the recipients' mailing addresses using the National Change of Address Database.

The Administrator must conduct an Aggrieved Employee Address Search for all Aggrieved Employees whose checks are returned undelivered without an USPS forwarding address. Within seven (7) calendar days of receiving a returned check, the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Aggrieved Employee Address Search. The Administrator need not take further steps to deliver checks to Aggrieved Employees whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Aggrieved Employee whose original check was lost or misplaced, requested by the Aggrieved Employee prior to the void date.

For any Aggrieved Employee whose Individual Settlement Payment check is uncashed and canceled after the void date, the Administrator shall transmit the funds represented by such checks to the California Controller's Unclaimed Property Fund in the name of the Aggrieved Employee. The payment of the Individual Settlement Payments shall not obligate Defendants to confer any additional benefits or make any additional payments to the Aggrieved Employees, and Defendants fully discharge their obligations to those Aggrieved Employees through the Administrator's initial mailing of a check. Each Individual Settlement Payment will be deemed 100% penalties and reported using an IRS Form 1099-MISC.

6. **Payment of Remainder.** Within fourteen (14) calendar days of Defendants' deposit of the entire Maximum PAGA Settlement Amount, including the Initial and Second Payments, and after receiving approval from all counsel for the Parties, the Administrator will issue the following payments: (1) the 75% share of the Net PAGA Settlement Fund to the LWDA; (2) Court-approved attorneys' fees and costs to Plaintiff's Counsel; (3) Plaintiff's representative enhancement award up to \$5,000.00 or as awarded by the Court; and (4) Court-approved administration costs to the Administrator.

7. **Accounting.** The Settlement Administrator will provide an accounting declaration under oath to the Parties of the amounts paid from the Settlement as soon as practicable after the check cashing deadline.

8. **Tax Consequences.** Individual Settlement Payments made under this Settlement will be attributed 100% as penalties and paid via IRS Form 1099-MISC issued to each Aggrieved Employee. Neither Plaintiff nor Defendants, nor counsel for any of the Parties, makes any

representations or warranties with respect to tax consequences of any payment under this Settlement.

V. MISCELLANEOUS PROVISIONS

1. **Non-Publicity**. The Parties agree that no Party will issue any press release nor other public representation regarding the settlement other than as necessary to obtain Court approval and effectuate the terms of the Settlement. The Parties and their counsel agree that they will not initiate or have any contact with the press, respond to any press inquiry, or have any communication with the press about this case.

2. **Successors**. This Settlement will be binding upon and inure to the benefit of the Parties hereto and their respective heirs, trustees, executors, administrators and successors.

3. **Governing Law**. This Settlement will be construed under and governed by the laws of the State of California, without regard to choice of law principles. All questions of validity, interpretation or performance of any of its terms or of any rights or obligations of the Parties to this Settlement will be governed by California law. If any legal or equitable action is necessary to enforce the terms of this Settlement, it will be brought in the State of California, County of San Bernardino.

4. **Complete Agreement**. The Parties each acknowledge and represent that no promise or representation not contained in this Settlement has been made to them and acknowledge and represent that this Settlement contains the entire understanding between them and contains all terms and conditions pertaining to the compromise and settlement of the Action.

5. **Nullification of Settlement**. In the event that: (i) the Court does not approve the Settlement as provided herein; or (ii) the Settlement does not become final for any other reason, then this Settlement and any documents generated to bring it into effect, will be null and void, and the Parties will be returned to their original respective positions.

6. **Judgment and Continued Jurisdiction**. After approval of this Settlement, the Court will have continuing jurisdiction per Code of Civil Procedure section 664.6 solely for purposes of addressing: (i) the interpretation and enforcement of the terms of the Settlement; (ii) settlement administration matters; and (iii) such post-judgment matters as may be appropriate under court rules or as set forth in this Settlement.

7. **Amendment or Modification**. This Settlement may be amended or modified only by a written instrument, signed by the Parties or their successors-in-interest or counsel for the Parties.

8. **Authorization to Enter into Settlement**. Counsel for the Parties warrant and represent that they are expressly authorized by the Parties whom they represent to negotiate this Settlement and to take all appropriate action required or permitted to be taken by such Parties pursuant to this Settlement to effectuate its terms, and to execute any other documents required to effectuate the terms of this Settlement. The Parties and their counsel will cooperate with each other and use their best efforts to effect the implementation of the Settlement. If they are unable to reach agreement on the form or content of any document needed to implement the Settlement, or on any

supplemental provisions that may become necessary to effectuate the terms of this Settlement, the Parties may seek the assistance of the Court to resolve such disagreement.

9. **Execution and Counterparts.** This Settlement is subject only to the execution of the Parties. However, the Settlement may be executed in one or more counterparts. All executed counterparts, and each of them, including facsimile and scanned copies of the signature page, will be deemed to be one and the same instrument provided that counsel for the Parties will exchange among themselves original signed counterparts.

10. **Severability.** If any term or provision of this Settlement is held to be invalid or unenforceable, the remaining portions of this Settlement will continue to be valid and will be performed, construed and enforced to the fullest extent permitted by law, and the invalid or unenforceable term will be deemed amended and limited in accordance with the intent of the Parties, as determined from the face of the Agreement, to the extent necessary to permit the maximum enforceability or validation of the term or provision.

11. **Waiver.** No waiver of any condition or covenant contained in this Settlement or failure to exercise a right or remedy by any of the Parties hereto will be considered to imply or constitute a further waiver by such Party of the same or any other condition, covenant, right or remedy.

12. **Mutual Preparation.** The Parties have had a full opportunity to negotiate the terms and conditions of this Settlement. Accordingly, this Settlement will not be construed more strictly against one Party merely by virtue of the fact that it may have been prepared by counsel for one of the Parties, it being recognized that, because of the arm's-length negotiations between the Parties, all Parties have contributed to the preparation of this Settlement.

13. **Representation by Counsel.** The Parties acknowledge that they have been represented by counsel throughout all negotiations that preceded the execution of this Settlement, and this Settlement has been executed with the consent and advice of counsel and reviewed in full.

14. **Cooperation and Execution of Necessary Documents.** The Parties will cooperate in good faith and execute all documents to the extent reasonably necessary to effectuate the terms of this Settlement. The Parties agree to work cooperatively, diligently and in good faith to ensure that all documents necessary to seek the Court's approval of this Agreement are timely filed. Plaintiff's Counsel shall provide a draft of all documents to be submitted in connection with any motion to approve this Settlement to Defendant's attorneys for review and approval prior to filing. Plaintiff's Counsel shall prepare and submit any other Court filings as necessary to seek approval of this Settlement—in its entirety—by the Court presiding over the Action.

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

IN WITNESS THEREOF, the Parties to this Settlement each acknowledge that they have read the foregoing Settlement, accept and agree to the provisions contained in this Settlement and hereby execute it voluntarily and with full understanding of its consequences.

EUSEBIO ESTRADA

Date: 12/22/2022

DocuSigned by:

Eusebio Estrada

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Eusebio Estrada, Plaintiff

PALS, LLC and RODNEY MOJARRO

Date: _____

Rodney Mojarro, Individually and as Owner of
PALS, LLC

**EASTERN LOS ANGELES REGIONAL
CENTER FOR THE DEVELOPMENTALLY
DISABLED, INC.**

Date: _____

Gloria Wong, Executive Director

INLAND REGIONAL CENTER

Date: _____

Lavinia Johnson, Executive Director

**HARBOR DEVELOPMENTAL
DISABILITIES FOUNDATION, INC. dba
HARBOR REGIONAL CENTER**

Date: _____

Patrick Ruppe, Executive Director

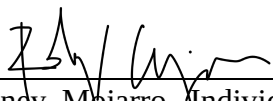
EUSEBIO ESTRADA

Date: _____

Eusebio Estrada, Plaintiff

PALS, LLC and RODNEY MOJARRO

Date: 12/23/2022 _____



Rodney Mojarro, Individually and as Owner of
PALS, LLC

**EASTERN LOS ANGELES REGIONAL
CENTER FOR THE DEVELOPMENTALLY
DISABLED, INC.**

Date: _____

Gloria Wong, Executive Director

INLAND REGIONAL CENTER

Date: _____

Lavinia Johnson, Executive Director

**HARBOR DEVELOPMENTAL
DISABILITIES FOUNDATION, INC. dba
HARBOR REGIONAL CENTER**

Date: _____

Patrick Ruppe, Executive Director

EUSEBIO ESTRADA

Date: _____

Eusebio Estrada, Plaintiff

PALS, LLC and RODNEY MOJARRO

Date: _____

Rodney Mojarro, Individually and as Owner of
PALS, LLC

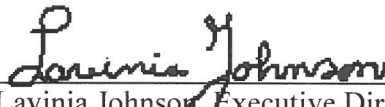
**EASTERN LOS ANGELES REGIONAL
CENTER FOR THE DEVELOPMENTALLY
DISABLED, INC.**

Date: _____

Gloria Wong, Executive Director

INLAND REGIONAL CENTER

Date: 12/22/2022



Lavinia Johnson, Executive Director

**HARBOR DEVELOPMENTAL
DISABILITIES FOUNDATION, INC. dba
HARBOR REGIONAL CENTER**

Date: _____

Patrick Ruppe, Executive Director

EXHIBIT A

Dear [Name of Recipient]

This check is being sent to you in settlement of a lawsuit brought against PALS, LLC, Rodney Mojarro, Harbor Developmental Disabilities Foundation, Inc. dba Harbor Regional Center, Eastern Los Angeles regional Center for the Developmentally Disabled, Inc., and Inland Regional Center (collectively, "Defendants"), by a former employee of PALS, LLC, Eusebio Estrada, in the San Bernardino County Superior Court, Case No. CIVSB2115649. Mr. Estrada brought this suit under the California Private Attorneys General Act, Cal. Labor Code §§ 2698, *et seq.*, representing himself and other employees of PALS, LLC regarding certain penalties that he claimed PALS, LLC owed him and others.

Defendants denied and deny that any of their practices justify any award of penalties against them. Nevertheless, Defendants agreed to settle the case rather than spend time and attorneys' fees defending it. That settlement is without any admission that Defendants owe any money as alleged by Mr. Estrada.

You are receiving this check because you were identified as an employee who worked for PALS, LLC during the relevant time frame. You need do nothing further to cash this check.