

PRIVATE ATTORNEYS GENERAL ACT SETTLEMENT AGREEMENT

This Private Attorneys General Act Settlement Agreement (“Agreement”) is made and entered into between DONALD DUMAS (acting in a private attorney general capacity) (“Plaintiff” or “Dumas”) on the one hand, and ALLIED NATIONWIDE SECURITY, INC. (“Allied Nationwide”) and AJMAL NOMAIR (“Nomair”), an individual, on the other hand. Allied Nationwide and Nomair are collectively referred to herein as the “Defendants.”

I. DEFINITIONS

The following terms, when used in this Settlement, shall have the following meanings:

1. “PAGA Action” means the matter entitled *Donald Dumas v. Allied Nationwide Security, Inc., et al.*, Los Angeles County Superior Court Case No. 21STCV26647, and as set forth in Plaintiff’s correspondence to the California Labor and Workforce Development Agency (“LWDA Letters”) dated February 19, 2021.
2. “Aggrieved Employees” consist of all nonexempt former and current employees of Defendants from July 20, 2020 until the date that the Court approves this Settlement. The number of Aggrieved Employees, including Plaintiff, is estimated to be one thousand one hundred fourteen (1,114) and the number of pay periods from July 20, 2020 through April 27, 2022 is estimated to be eighteen thousand nine hundred forty eight (18,948).
3. “PAGA Complaint” means the Representative Action Complaint entitled *Donald Dumas v. Allied Nationwide Security, Inc., et al.*, Los Angeles County Superior Court Case No. 21STCV26647, filed on July 20, 2021.
4. “Court” means the Superior Court of California for the County of Los Angeles.
5. “Effective Date” means the date of entry of an Order by the Court approving the Agreement.
6. “Individual PAGA Payment” means the Aggrieved Employee’s pro rata share of 25% of the PAGA Payment calculated according to the number of pay periods the Aggrieved Employee worked during the PAGA Period.
7. “LWDA” means the California Labor and Workforce Development Agency.
8. “Settlement” means the settlement of the PAGA Action as memorialized in this Agreement.
9. “Maximum Settlement Amount” is the non-reversionary sum of Four Hundred Twenty Thousand Dollars and Zero Cents (\$420,000.00), which represents the total amount payable under this Settlement by Defendants, including, without limitation, payments to all Aggrieved Employees, payment to the LWDA, payment to the Settlement Administrator, and payment of Plaintiff’s attorneys’ fees and costs.

10. “Net Settlement Amount” is the amount remaining to distribute to the LWDA and Aggrieved Employees after the following amounts (if approved by the Court) are subtracted from the Maximum Settlement Amount: (a) Plaintiff’s attorneys’ fees up to 33.3% of the Maximum Settlement Amount, currently estimated at One Hundred Thirty Nine Thousand Nine Hundred Ninety Eight Dollars and Sixty Cents (\$139,998.60); (b) Plaintiff’s costs up to \$15,000.00; and (c) the cost of a claims administrator, estimated to be Seven Thousand Five Hundred Dollars and Zero Cents (\$7,500.00);

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

12. “PAGA Period” means the time period from July 20, 2020 until the date the Court approves this Settlement.

13. “PAGA Released Claims” means any and all claims under PAGA that are pled in the PAGA Action, or which could have been pled under the PAGA Action based on the factual allegations in the PAGA Complaint and LWDA Letter that arose during the PAGA Period.

14. “Parties” means Plaintiff Donald Dumas and Defendants Allied Nationwide Security, Inc. and Ajmal Nomair.

15. “Plaintiff’s Counsel” means Justin Lo and May T. To of Work Lawyers, PC.

16. “Defendants” mean Allied Nationwide Security, Inc. and Ajmal Nomair.

17. “Defendants’ counsel” means Adam C. Rapaport of Law Offices of Adam C. Rapaport, P.C.

II. RECITALS

1. On February 19, 2021, Plaintiff provided written notice to the LWDA and Defendants asserting claims for civil penalties pursuant to PAGA stemming from alleged violations of the California Labor Code described in the PAGA Action.

2. On July 20, 2021, Plaintiff and his counsel filed the PAGA Complaint. In his PAGA Complaint, Plaintiff alleges causes of action for: (1) failure to provide meal periods in violation of Labor Code section 512; (2) failure to provide rest breaks in violation of Labor Code section 226.7; (3) failure to provide complete and accurate wage statements in violation of Labor Code section 226; (4) failure to pay overtime wages; (5) failure to pay minimum wages; (6) failure to timely pay wages during employment; and (7) failure to pay all wages due to discharged and quitting employees;

3. The Parties have conducted a thorough investigation into the facts of the PAGA Action. This included exchanging extensive data and information as well as documents relating to the underlying alleged violations.

4. On April 27, 2022, the Parties participated in mediation with Steve Cerveris, Esq. With the assistance of Mr. Cerveris, the Parties agreed to fully and finally resolve the PAGA Action as to Plaintiff and the Aggrieved Employees.

III. OPERATIVE TERMS OF THE SETTLEMENT AGREEMENT

The Parties agree as follows:

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

2. **Funding of Maximum Settlement Amount.** Defendants shall pay Four Hundred Twenty Thousand Dollars and Zero Cents (\$420,000.00) as the non-reversionary Maximum Settlement Amount. Defendants will not pay more than the Maximum Settlement Amount. The Maximum Settlement Amount shall be deposited in an interest-bearing account set up by the Settlement Administrator and funded as follows: Within thirty (30) calendar days of the Effective Date, Defendants shall deposit the first payment of One Hundred Fifty Thousand Dollars and Zero Cents (\$150,000.00) ("First Payment") with the Settlement Administrator. Thereafter, Defendants shall deposit the remaining Two Hundred Seventy Thousand Dollars and Zero Cents (\$270,000.00) in five (5) equal monthly payments of Fifty Four Thousand Dollars and Zero Cents (\$54,000.00). The first \$54,000.00 shall be paid within thirty (30) calendar days of the First Payment. The second \$54,000.00 shall be paid within sixty (60) calendar days of the First Payment and so forth within every thirty calendar Days until the entire Maximum Settlement Amount is paid and deposited with the Settlement Administrator. Failure to make any installment payment will be deemed a breach of the Agreement. In the event of any breach of the Agreement, the unpaid amounts and all other accrued obligations shall automatically become immediately due and payable within thirty (30) calendar days after five (5) days' notice of said failure to make payment. The Parties agree the Court shall retain jurisdiction to enforce this settlement agreement pursuant to CCP § 664.6.

3. **Escalator Clause.** As stated above, Defendants represent that the number of relevant pay periods from July 20, 2020 through April 27, 2022, based on review of records, is estimated to be 18,948. If the actual number of pay periods increases by ten percent (10%) or more, Defendants shall either (1) increase the Maximum Settlement Amount on a proportional basis, or (2) back the PAGA release date up to where the pay periods are 10% or less. In the event the number of pay periods worked increases by more than 10%, or 20,843 pay periods worked, and Defendants elect to increase the Maximum Settlement Amount on a proportional basis, then the Maximum Settlement Amount shall be increased proportionally by the pay periods in excess of 18,948 multiplied by the pay period value. The pay periods value shall be calculated by dividing the Maximum Settlement Amount by 18,948. The Parties agree that the pay period value equals \$22.16 per pay period (\$420,000 / 18,948 pay periods). Thus, for example, should there be 21,000

pay periods in the Period, then the Maximum Settlement Amount shall be increased by \$45,472.32 (21,000 pay periods – 18,948 pay periods x \$22.16/pay period.)

4. **Plaintiff's Attorneys' Fees and Costs.** Defendants will not oppose Plaintiff's request for attorneys' fees in the amount up to one third of the Maximum Settlement Amount and costs incurred in prosecuting this PAGA Action, up to \$15,000.00. In the event the Court approves a payment of less than these amounts, the difference will be added to the Net Settlement Amount (although Plaintiff may appeal an order granting less than the full amount sought for attorneys' fees and costs). Defendants will report these payments on IRS Form 1099 issued to Plaintiff's Counsel.

5. **Allocation of Net Settlement Amount.** The Net Settlement Amount shall be designated as "2699 Civil Penalties" and shall be distributed 75% to the LWDA and 25% to Aggrieved Employees, pursuant to Lab. Code § 2699(i). The 25% portion to be paid to Aggrieved Employees shall be paid to all Aggrieved Employees pro rata based on the number of pay periods worked by each Aggrieved Employee during the PAGA Period.

6. **Representative PAGA Release.** In his capacity as a private attorney general or "aggrieved employee" acting on behalf of himself, the State of California and Aggrieved Employees, Plaintiff hereby releases Defendants and its respective heirs, executors, administrators, successors, assignees, parents, subsidiaries and related entities, owners, officers, directors, shareholders, employees, agents, servants, representatives, independent contractors, members, attorneys, insurers, re-insurers, assigns, and affiliates, and any and all other entities with whom they have been, are now, or may hereafter be affiliated, and any of their affiliated companies, predecessors, successors and assigns, as well as their past or present officers, directors, agents, representatives, attorneys, insurers, re-insurers, assigns, or employees (collectively "Releasees") from any and all of the PAGA Released Claims that arose during the PAGA Period.

7. **PAGA Released Claims.** Plaintiff agrees that upon entry of an Order approving the Agreement, all Aggrieved Employees will release any and all PAGA Released Claims against the Released Parties that arose during the PAGA Period. Upon entry of the Order approving the Agreement and judgment entered thereon, Plaintiff and all Aggrieved Employees will be forever barred from pursuing any and all of the PAGA Released Claims that arose during the PAGA Period against the Released Parties.

8. **Covenants and Representations by Plaintiff and Plaintiff's Counsel.**

a. Plaintiff represents and warrants that he has not assigned or transferred or purported to assign or transfer to any person or entity, any claim or portion thereof, or interest therein, which is or may be subject to this Agreement.

b. Plaintiff acknowledges that he has read this Agreement, that he fully understands his rights, privileges and duties under the Agreement, and enters into this Agreement freely and voluntarily. Plaintiff further acknowledges that he had the opportunity to consult with his attorneys to explain the terms of this Agreement and the consequences of signing this Agreement.

9. **Confidentiality.** Except as provided below, and excepting to the extent necessary to effectuate the Agreement or as required by court or legal process, Plaintiff and Plaintiff's Counsel will keep the terms of this Agreement confidential. Neither Plaintiff nor Plaintiff's Counsel shall issue a press release, hold a press conference, publish information about the Agreement on any website or through any social media or otherwise publicize the Agreement or communicate its terms in public or in private, unless ordered by the Court. However, for the limited purpose of establishing adequacy of counsel in future actions, Plaintiff's Counsel may reference the Action by name and case number in a declaration establishing adequacy as class or representative counsel.

To permit judicial review and approval of the PAGA Payment, as required by Labor Code § 2698, *et seq.*, Plaintiff's Counsel will file the Agreement with the Court and submit the Agreement to the LWDA as part of the Parties' request for Court approval of the Agreement, per Lab. Code § 2699(1)(2).

10. **Termination of Agreement.** If the Court does not approve the Agreement, if the Court does not enter judgment, as provided for in this Settlement, or if appellate review is sought and, on such review, the Court's decision is materially modified or reversed, or if one or more of the terms of the Agreement is not approved or is materially modified or reversed or found to be invalid, then either of the Parties shall have the right within ten (10) calendar days of written notice thereof to elect to terminate the Agreement, in which case the Agreement shall have no force or effect, and the Parties shall be deemed to have reverted to their respective status as of the date and time immediately prior to the execution of this Agreement.

11. **Motion for Application for Approval of Settlement and Judgment.** As part of the Motion to approve the Agreement, Plaintiff shall submit a proposed order and judgment which enters judgment in the Action in accordance with the terms of the Agreement and retains jurisdiction over the Action for the purpose of enforcing the terms of the Agreement following approval of the Agreement. This Agreement is expressly conditioned upon the Court entering judgment as set forth herein. The judgment will not release or bar any claims other than the PAGA Released Claims as to Plaintiff and Aggrieved Employees.

IV. ADMINISTRATION OF SETTLEMENT

1. **Settlement Administrator.** The Parties agree that Phoenix Settlement Administrators will manage the administration of this Settlement ("Settlement Administrator").

2. **Provision of Information for Aggrieved Employees.** Defendants will in good faith compile from its records a list of Aggrieved Employees that will be in a computer-readable format, such as a Microsoft Excel spreadsheet, and shall include each Aggrieved Employee's full name, last known mailing address, last known telephone number, start date(s) of employment, end date(s) of employment, total pay periods worked, and Social Security numbers. The list shall also include the sum total of all pay periods worked by Aggrieved Employees during the PAGA Period.

Within ten (10) calendar days of Defendants' funding and payment of the entirety of the Maximum Settlement Amount, Defendants will circulate the spreadsheet to the Settlement Administrator for purposes of calculating Individual PAGA Payments and mailing.

3. **Explanatory Letter and Individual PAGA Payments.** The Settlement Administrator will include copies of the explanatory letter, which will be mutually approved by the Parties, along with Individual PAGA Payments to all Aggrieved Employees via regular First-Class U.S. Mail. The explanatory letter and Individual PAGA Payments will be mailed to Aggrieved Employees by the Settlement Administrator within thirty (30) calendar days after Defendants' funding and payment of the entirety of the Maximum Settlement Amount and after receipt of a spreadsheet from the Defendants with sufficient information to allow payments to be made.

The amount to be received by each Aggrieved Employee, will be based on the formula set forth in Section III.5., *supra*. Checks will remain negotiable for 180 days. Each Individual PAGA Payment shall be deemed penalties and reported using IRS Form 1099.

4. **Undeliverable Notices.** The Settlement Administrator shall exercise its best judgment to determine the current mailing address for each Aggrieved Employee.

Any checks returned as non-deliverable on or before the check cashing deadline will be sent promptly via regular First-Class U.S. Mail to the forwarding address affixed thereto. If no forwarding address is provided, the Settlement Administrator will promptly attempt to determine the correct address using a skip-trace or other search using the name, address or Social Security number of the Aggrieved Employee involved and will perform a single re-mailing.

Defendants fully discharge its obligations to those Aggrieved Employees to whom it will pay Individual PAGA Payments through the mailing of a check, regardless of whether such checks are actually received and/or negotiated by Aggrieved Employees. Funds represented by checks returned as undeliverable after a re-mailing, and funds represented by checks remaining uncashed for more than 180 days after issuance, will be tendered to the California Department of Industrial Relations – Unclaimed Wage Fund in the names of the Aggrieved Employees to whom the checks were issued.

5. **Payment of Remainder.** Within thirty (30) calendar days after Defendants' funding and payment of the entirety of the Maximum Settlement Amount and after receipt of a spreadsheet from the Defendants with sufficient information to allow payments to be made, the Settlement Administrator will distribute the following additional payments: (1) the 75% share of 2699 Civil Penalties to the LWDA and (2) Court-approved attorneys' fees and costs to Plaintiff's Counsel.

6. **Accounting.** Within five (5) business days after mailing the Individual PAGA Payments and the additional payments to the LWDA and the Settlement Administrator, the Settlement Administrator will provide an accounting under oath to Plaintiff's Counsel and to Defendants' counsel of the amounts paid from the Settlement.

7. **Tax Consequences.** Individual PAGA Payments made under this Settlement will be attributed 100% as penalties and interest and paid via IRS Form 1099 issued to each Aggrieved Employee. Neither Plaintiff nor Defendants, nor counsel for either of the Parties, makes any representations or warranties with respect to tax consequences of any payment under this Agreement

8. **Request for Dismissal.** Within thirty (30) days after the Settlement Administrator completes the distribution of the Net Settlement Amount and provides an accounting pursuant to Section VI.6, *supra*, Plaintiff will file a Request for Dismissal without prejudice of the entire PAGA Action.

V. **MISCELLANEOUS PROVISIONS**

1. **Drafting.** The Parties agree that the terms and conditions of this Agreement are the result of lengthy, intensive, arm's-length negotiations between the Parties and that neither Plaintiff nor Defendants shall be considered the "drafter" of this Agreement for purposes of having terms construed against that Party.

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

3. **Costs and Fees.** The Parties shall each bear their own costs, attorneys' fees, mediator fees and other fees incurred in connection with this Agreement and the PAGA Action, except as specifically set forth in Section V.15.

4. **Governing Law.** This Agreement shall be construed under and governed by the laws of the State of California. All questions of validity, interpretation or performance of any of its terms or of any rights or obligations of the Parties to this Agreement shall be governed by California law. If any legal or equitable action is necessary to enforce the terms of this Agreement, it shall be brought in the State of California.

5. **Complete Agreement.** The Parties each acknowledge and represent that no promise or representation not contained in this Agreement has been made to them and acknowledge and represent that this Agreement contains the entire understanding between them and contains all terms and conditions pertaining to the compromise and settlement of the PAGA Released Claims. This Agreement cannot be amended or modified except by a writing signed by the Parties hereto.

6. **Nullification of Agreement.** In the event that: (i) the Court does not approve the Agreement as provided herein; or (ii) the Agreement does not become final for any other reason, then this Agreement 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.

7. **Judgment and Continued Jurisdiction.** After approval of this Agreement, the Court will have continuing jurisdiction solely for purposes of addressing: (i) the interpretation and enforcement of the terms of the Agreement, (ii) settlement administration matters, and (iii) such post-Judgment matters as may be appropriate under court rules or as set forth in this Agreement.

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

9. **Authorization to Enter into Settlement.** Counsel for all Parties warrant and represent that they are expressly authorized by the Parties whom they represent to negotiate this

Agreement and 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 required to effectuate the terms of this Agreement. The Parties and their counsel will cooperate with each other and use their best efforts to effect the implementation of the Agreement. If the Parties are unable to reach agreement on the form or content of any document needed to implement the Agreement, or on any supplemental provisions that may become necessary to effectuate the terms of this Agreement, the Parties may seek the assistance of the Court to resolve such disagreement.

10. **Execution and Counterparts.** This Agreement is subject to the execution of all Parties. However, the Agreement 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.

11. **Acknowledgement that the Settlement is Fair and Reasonable.** The Parties believe this Agreement is a fair, adequate and reasonable settlement of the Action, and have arrived at this Agreement after arm's-length negotiations by experienced counsel. The Parties further acknowledge that they are each represented by competent counsel and that they have had an opportunity to consult with their counsel regarding the fairness and reasonableness of this Agreement.

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

13. **Severability.** If any term or provision of this Agreement is held to be invalid or unenforceable, the remaining portions of this Agreement 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.

14. **Waiver.** No waiver of any condition or covenant contained in this Agreement 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.

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

16. **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 Agreement.

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

18. **Cooperation and Execution of Necessary Documents.** All Parties will cooperate in good faith and execute all documents to the extent reasonably necessary to effectuate the terms of this Agreement.

19. **Binding Agreement.** The Parties warrant that they understand and have full authority to enter into this Agreement, and further intend that this Agreement 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.

20. **Denial of Liability.** The Parties expressly recognize that the making of this Agreement does not in any way constitute an admission or concession of wrongdoing on the part of Defendants. Nothing in this Agreement, nor any action taken in implementation thereof, nor any statements, discussions or communications, nor any materials prepared, exchanged, issued or used during the course of this Action, is intended by the Parties to, nor will any of the foregoing constitute, be introduced, be used or be admissible in any way in any other judicial, arbitral, administrative, investigative or other forum or proceeding, as evidence of any violation of any federal, state or local law, statute, ordinance, regulation, rule or executive order, or any obligation or duty at law or in equity. Notwithstanding the foregoing, this Agreement may be used in any Court proceeding that has as its purpose the interpretation, implementation or enforcement of the Agreement or any orders or judgments of the Court entered into in connection therewith.

21. **Stay of Litigation.** The Parties agree that the continuing litigation of the Action shall be stayed and that the time within which to bring this action to trial under Code of Civil Procedure Section 583.310 shall be extended from the date of the signing of this Agreement by all Parties until the entry of the final approval order and judgment or if not entered the date this agreement shall no longer be of any force or effect.

[THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

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

Dated: _____, 2022

DONALD DUMAS

By: _____
Donald Dumas

Dated: 9/22, 2022

ALLIED NATIONWIDE SECURITY, INC.

Ajmal Nomair
By: Ajmal Nomair
Its: President

Dated: 9/22, 2022

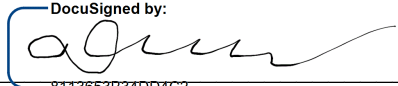
AJMAL NOMAIR

By: Ajmal Nomair
Ajmal Nomair

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

Dated: 9/23/2022, 2022

DONALD DUMAS

By: 
8113653B34DD4C2...
Donald Dumas

Dated: _____, 2022

ALLIED NATIONWIDE SECURITY, INC.

By: _____

Its: _____

Dated: _____, 2022

AJMAL NOMAIR

By: _____
Ajmal Nomair