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SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF ORANGE

GERARDO ABUNDO, on behalf of himself and all others similarly situated,

Plaintiff,

v.

AMERICAN RESIDENTIAL SERVICES, LLC, a Tennessee limited liability company; and DOES 1 through 50, inclusive,

Defendant.

CASE NO. 30-2021-01202607-CU-OE-CXC

Assigned for all purposes to:
Hon. Melissa McCormick, Dept. CX105

[PROPOSED] ORDER GRANTING APPROVAL OF PAGA SETTLEMENT AND JUDGMENT

Date: February 19, 2026
Time: 2:00 PM
Dept: CX105

Complaint Filed: May 24, 2021
Amended Complaint Filed: July 12, 2021

[PROPOSED] ORDER GRANTING APPROVAL OF PAGA SETTLEMENT AND JUDGMENT

This matter came before the Court on February 19, 2026 on Plaintiff Gerardo Abundo's ("Plaintiff") Renewed Motion for Approval of PAGA Settlement ("Renewed PAGA Approval Motion").

Having considered the Parties' PAGA Settlement Agreement, as amended, the Renewed PAGA Approval Motion and supporting and supplemental papers filed by Plaintiff, and the evidence and argument received by the Court, the Court grants approval of the PAGA Settlement Agreement and amendment thereto ("Amendment") and HEREBY ORDERS THE FOLLOWING:

1. Except as otherwise defined in this Order and Judgment ("Order"), all capitalized terms have the same meaning as defined in the PAGA Settlement Agreement, fully executed on December 11, 2024, as amended by the Amendment fully executed on February 3, 2026 (together the "PAGA Settlement" or "Settlement").

2. A copy of the PAGA Settlement Agreement is attached hereto as **Exhibit 1**. A copy of the Amendment is attached hereto as **Exhibit 2.**

3. Pursuant to the California Labor Code Private Attorneys General Act ("PAGA"), Cal. Lab. Code §§ 2699(l)(2), (l)(4), the California Labor Workforce and Development Agency ("LWDA") has been provided notice of the Settlement. On February 4, 2026, Plaintiff submitted to the LWDA a copy of the Settlement and the supplemental papers filed with the Court. Plaintiff's notice of the Settlement to the LWDA complied with the notice requirements of PAGA.

4. The Court finds that the settlement is fair, adequate and reasonable, and in the best interests of the PAGA Members.

5. The Court approves the Settlement as to the PAGA Members and the State of California, under Labor Code § 2699(l)(2).

6. The Court has jurisdiction over the subject matter of this litigation, over all PAGA Members, and over those persons undertaking affirmative obligations under the Settlement.

7. The Court approves the allocation and payment of the Gross Fund Value of Nine Hundred and Seventy Five Thousand Dollars ($975,000.00) plus the amount triggered by the escalator clause in Section 8 of the Agreement, in a total amount of One Million, One Hundred Eight Thousand, Six Hundred and Two Dollars and 63 cents ($1,108,602.63) for the resolution of this Action and compromise of claims brought under PAGA, to be paid in accordance with the terms of the Settlement.

8. The Court approves ILYM Group, Inc. to serve as the Settlement Administrator and authorizes the Settlement Administrator to calculate and pay the Individual PAGA Payments, in accordance with the terms of the Settlement. The Court approves payment to the Settlement Administrator of its actual fees and costs in accordance with the terms of the Settlement in an amount of $9,000.

9. Under the terms of the Settlement, 75% of the PAGA Fund Value will be paid to the LWDA ("LWDA Payment"). The remaining 25% of the PAGA Fund Value shall be distributed to the PAGA Members as Individual PAGA Payments in accordance with the terms of the Settlement. The Court authorizes the Settlement Administrator to pay the LWDA Payment and the Individual PAGA Payments, in accordance with the terms of the Settlement.

10. Checks for Individual PAGA Payments sent to PAGA Members shall be valid for 180 days after issuance. Funds remaining from any checks for Individual PAGA Payments uncashed after 180 days will be transmitted to the State Controller's Unclaimed Property Fund in the name of the affected PAGA Member.

11. The Court approves the form of PAGA Notice, attached hereto as **Exhibit 3**, for the Settlement Administrator to send to the PAGA Members with their Individual PAGA Payments. The Parties will send out the PAGA Notice to the PAGA Members in English and Spanish. A copy of the PAGA Notice translated into Spanish is attached hereto as **Exhibit 4.**

12. The Administrator is ordered to make disbursements in accordance with the terms of the Settlement Agreement.

13. Within 21 days after Defendant funds the Settlement, the Administrator will calculate the Individual PAGA Payments and mail checks for all Individual PAGA Payments.

The Administrator will issue checks for the Individual PAGA Payments and send them to the PAGA Members 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. The Administrator will cancel all checks not cashed by the void date. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database. The Administrator must conduct an PAGA Member Address Search for all PAGA Members whose checks are retuned undelivered without USPS forwarding address. Within seven 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 PAGA Member Address Search. The Administrator need not take further steps to deliver checks to PAGA Members whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any PAGA Member whose original check was lost or misplaced, requested by the PAGA Member prior to the void date.

14. The Court awards a PAGA Representative Service Payment to Plaintiff in the amount of $5,000, to be paid from the Gross Fund Value. The Court recognizes Plaintiff's service as a representative as consideration for the payment.

15. The Court approves James R. Hawkins, Christina M. Lucio, and Mitchell J. Murray of James Hawkins APLC as PAGA Counsel.

16. The Court awards the PAGA Counsel Fees Payment of $__________ and further approves the PAGA Counsel Litigation Expenses Payment of $____________. The Court authorizes the Settlement Administrator to make these payments, in accordance with the terms of the Settlement.

17. Without affecting the finality of this Order and entry of Judgment, the Court retains jurisdiction over this Action for purposes of supervising, administering, implementing, and enforcing this Order and the Settlement pursuant to Civil Procedure Code section 664.6

18. Nothing in this Order or the Settlement shall be construed as an admission or concession by any party. The Settlement and this resulting Order and Judgment simply represent a compromise of disputed allegations.

19. The Court enters Judgment in accordance with the terms of the Settlement and this Order.

20. Plaintiff is directed to submit a copy of this Order and Judgment to the LWDA within 10 calendar days of the date of this Order and Judgment.

21. PAGA counsel will file notice of entry of the judgment with this Court within 10 days after receipt of the signed order and judgment from the Court. The Court shall retain jurisdiction to oversee the execution of the settlement.

22. The Administrator will give notice of entry of judgment to the PAGA Members via the PAGA Notice. The PAGA Notice will direct the PAGA Members to the Court's docket where the PAGA Members are able to access the notice of entry of judgment. *See* **Exhibits 3-4.**

23. The Court sets a final accounting hearing for ____________________ (proposed December 10, 2026 at 2:00 p.m.). At least nine court days before the hearing, the Parties' counsel shall submit a Settlement Administrator's final report addressing the status of the settlement administration, including the actual amounts paid to the PAGA Members and the other amounts distributed under the settlement, including any uncashed checks. Counsel may appear at the compliance hearing remotely.

IT IS SO ORDERED, ADJUDGED AND DECREED.

Dated:______________________

____
Hon. Melissa McCormick
California Superior Court Judge, County of Orange

EXHIBIT 1

PAGA SETTLEMENT AGREEMENT

This PAGA Settlement Agreement ("Agreement") is made by and between Plaintiff Gerardo Abundo ("Plaintiff") and Defendant American Residential Services, LLC ("Defendant"). The Agreement refers to Plaintiff and Defendant collectively as "Parties," or individually as "Party."

1. DEFINITIONS.

1.1. "Action" means Plaintiff's lawsuit seeking civil penalties under PAGA for wage and hour violations against Defendant captioned *Gerardo Abundo v. American Residential Services, LLC*, Orange County Superior Court Case No. 30-2021-01202607-CU-OE-CXC, filed on May 24, 2021.

1.2. "Administrator" means ILYM Group, Inc., the neutral entity the Parties have agreed to appoint to administer the Settlement.

1.3. "Administration Expenses Payment" means the amount the Administrator will be paid from the Gross Fund Value to reimburse its reasonable fees and expenses in accordance with the Administrator's "not to exceed" bid submitted to the Court in connection with approval of this Settlement.

1.4. "Court" means the Superior Court of California, County of Orange.

1.5. "Defendant" means named Defendant American Residential Services, LLC.

1.6. "Defense Counsel" means Amanda C. Sommerfeld, Aileen Kim, and Samantha E. Dyar of Jones Day.

1.7. "Effective Date" means the later of: (i) the sixty-fifth (65) day after the Court enters a Judgment on its Order Approving the PAGA Settlement, provided no appeal has been initiated and no motion to vacate has been filed; or (ii) if such an appeal or motion to vacate is timely initiated, five (5) business days after final resolution of that appeal or motion (including any requests for rehearing or appeals, including petitions for certiorari), resulting in final judicial approval of the Settlement.

1.8. "Gross Fund Value" means $975,000 (Nine Hundred Seventy-Five Thousand Dollars) which is the total amount Defendant agrees to pay under the Settlement except as provided in Paragraph 8 below. The Gross Fund Value will be used to pay Individual PAGA Payments, the LWDA Payment, PAGA Representative Service Payment, PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, and the Administration Expenses Payment.

1.9. "Individual PAGA Payment" means the PAGA Member's pro rata share of 25% of the PAGA Fund Value calculated according to the number of PAGA Pay Periods the PAGA Member worked during the PAGA Period.

1.10. "Judgment" means the judgment entered by the Court based upon the Approval Order.

1.11. "LWDA" means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i).

1.12. "LWDA Payment" means the 75% of the PAGA Fund Value paid to the LWDA under Labor Code section 2699, subd. (i).

1.13. "Operative Complaint" refers to the First Amended Complaint filed in the Action on July 12, 2021.

1.14. "PAGA" means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).

1.15. "PAGA Counsel" means James R. Hawkins, Christina M. Lucio, and Mitchell J. Murray of James Hawkins APLC, the attorneys representing Plaintiff in the Action.

1.16. "PAGA Counsel Fees Payment" and "PAGA Counsel Litigation Expenses Payment" mean the amounts allocated to PAGA Counsel for reimbursement of reasonable attorneys' fees and expenses, respectively, incurred to prosecute the Action.

1.17. "PAGA Fund Value" means the Gross Fund Value, less the following payments in the amounts approved by the Court: PAGA Representative Service Payment, PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, and the Administration Expenses Payment.

1.18. "PAGA Member" means all current and former non-exempt employees who worked at American Residential Services, LLC in California during the PAGA Period.

1.19. "PAGA Member Address Search" means the Administrator's investigation and search for current PAGA Member 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 PAGA Members.

1.20. "PAGA Member Data" means PAGA Member identifying information in Defendant's possession including the PAGA Member's full name, last-known mailing address, Social Security number, and number of PAGA Pay Periods.

1.21. "PAGA Notice" means Plaintiff's respective letters to Defendant and the LWDA providing notice pursuant to Labor Code section 2699.3, subd. (a).

1.22. "PAGA Pay Period" means any Pay Period during which a PAGA Member worked for Defendant for at least one day during the PAGA Period.

1.23. "PAGA Period" means the period from March 19, 2020 to the date of the Approval Order.

1.24. “PAGA Representative Service Payment” is the amount to be paid to Plaintiff for his service as PAGA Representative.

1.25. “Plaintiff” means Gerardo Abundo, the named Plaintiff in the Action.

1.26. “Approval Order” means the proposed Court Order Granting Approval of the PAGA Settlement.

1.27. “Released PAGA Claims” means the claims being released by the Plaintiff and PAGA Counsel and as described in Paragraph 5 below.

1.28. “Released Parties” means: Defendant, its respective former and present parents, subsidiaries, affiliated corporations and entities, clients, and vendors and independent contractors through which Defendant conducts business, and each of its respective current, former, and future officers, directors, members, managers, employees, consultants, vendors, independent contractors, clients, partners, shareholders, joint venturers and third-party agents, and any successors, assigns, or legal representatives.

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

2. RECITALS.

2.1. Pursuant to Labor Code section 2699.3, subd. (a), Plaintiff gave timely written notice to Defendant and the LWDA by sending the PAGA Notice on March 19, 2021.

2.2. On May 24, 2021, Plaintiff commenced this Action by filing a Complaint alleging a single cause of action against Defendant under PAGA. On July 12, 2021, Plaintiff filed a First Amended Complaint (“FAC”) seeking civil penalties under PAGA for Defendant’s alleged failure to: (1) pay all wages owed, including minimum wages and overtime; (2) provide lawful meal periods; (3) authorize and permit lawful rest periods; (4) timely pay wages due and payable during employment; (5) timely pay wages owed at separation; (6) comply with itemized employee wage statement provisions; (7) pay sick leave at the proper rate; and (8) reimburse business expenses. The FAC is the operative complaint in the Action (the “Operative Complaint”).

2.3. Defendant filed an answer to the FAC on September 3, 2021. Defendant 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.

2.4. On June 27, 2022, the Parties participated in an all-day mediation presided over by Hon. William J. Cahill (Ret.). However, the mediation was not successful.

2.5 On July 7, 2022, Defendant filed a Motion to Compel Arbitration and Dismiss Plaintiff's Representative PAGA claims. Plaintiff filed his Opposition on August 25, 2022, and filed a demand for arbitration of his non-representative PAGA claims. Defendant filed its reply on

August 31, 2022. The Court declined to dismiss the representative PAGA claims and stayed the matter pending arbitration of Plaintiff's non-representative claims on September 8, 2022.

2.6. On February 14, 2024, the Parties participated in a second all-day mediation presided over by Hon. Steven J. Stone (Ret.), which led to this Agreement to settle the Action.

2.7. Prior to mediation, Plaintiff obtained, through informal discovery, PAGA Member information for the PAGA period, a sampling of time and wage records for the PAGA Members, Plaintiff's personnel file, and information regarding Defendant's policies and practices during the PAGA Period, to aid in preparation of Plaintiff's evaluation of the claims and formulation of a damages model.

3. MONETARY TERMS

3.1. Gross Fund Value. Except as otherwise provided by Paragraph 8 below, Defendant promises to pay $975,000 and no more as the Gross Fund Value. Defendant has no obligation to pay the Gross Fund Value prior to the deadline stated in Paragraph 4.3 of this Agreement. The Administrator will disburse the entire Gross Fund Value without asking or requiring PAGA Members to submit any claim as a condition of payment. None of the Gross Fund Value will revert to Defendant.

3.2. Payments from the Gross Fund Value. The Administrator will make and deduct the following payments from the Gross Fund Value, in the amounts specified by the Court in the Approval Order:

3.2.1. To PAGA Counsel: A PAGA Counsel Fees Payment of not more than 35% of the Gross Fund Value (estimated $341,250) and PAGA Counsel Litigation Expenses Payment of not more than $20,000. Defendant will not oppose requests for Court approval of these payments provided that they do not exceed these amounts. Plaintiff and/or PAGA Counsel will file an application or motion for PAGA Counsel Fees Payment and PAGA Litigation Expenses Payment. If the Court approves a PAGA Counsel Fees Payment and/or a PAGA Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the PAGA Fund Value. Released Parties shall have no liability to PAGA Counsel or any other Plaintiff's Counsel arising from any claim to any portion any PAGA Counsel Fee Payment and/or PAGA Counsel Litigation Expenses Payment. The Administrator will pay the PAGA Counsel Fees Payment and PAGA Counsel Expenses Payment using one or more IRS 1099 Forms. PAGA Counsel assumes full responsibility and liability for taxes owed on the PAGA Counsel Fees Payment and the PAGA Counsel Litigation Expenses Payment and holds Defendant harmless, and indemnifies Defendant, from any dispute or controversy regarding any division or sharing of any of these Payments.

3.2.2. To Plaintiff: A PAGA Representative Service Payment to Plaintiff of up to $10,000 in exchange for his service in the Action and the release of his individual claims stated in Paragraphs 5.1 and 5.1.1, subject to the approval of the Court. Defendant will not oppose Plaintiff's request for a PAGA Representative Service Payment that does not exceed this amount.

The Administrator will issue an IRS Form 1099 to Plaintiff for the PAGA Representative Service Payment. If the Court approves a PAGA Representative Service Payment less than the amount requested, the Administrator will allocate the remainder to the PAGA Fund Value.

3.2.3. <u>To the Administrator</u>: An Administration Expenses Payment not to exceed $9,000 except for a showing of good cause and as approved by the Court. To the extent the Administration Expenses are less or the Court approves payment less than $9,000, the Administrator will allocate the remainder to the PAGA Fund Value.

3.2.4. <u>To the LWDA and PAGA Members</u>: PAGA Fund Value in the estimated amount of $594,750 to be paid from the Gross Fund Value, with 75% (estimated $446,062.50) allocated to the LWDA Payment and 25% (estimated $148,687.50) allocated to the Individual PAGA Payments. The Administrator will pay the Individual PAGA Payments using one or more IRS 1099 Forms.

3.3. The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the PAGA Members' 25% share of the PAGA Fund Value (i.e., PAGA Fund Value less the LWDA Payment) by the total number of PAGA Period Pay Periods worked by all PAGA Members during the PAGA Period and (b) multiplying the result by each PAGA Member's PAGA Pay Periods. PAGA Members assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

4. SETTLEMENT FUNDING AND PAYMENTS.

4.1. <u>PAGA Member Pay Periods</u>. Based on a review of its records, Defendant estimates that the PAGA Members worked a total of 103,861 PAGA Pay Periods from March 19, 2020 through February 14, 2024.

4.2. <u>PAGA Member Data</u>. Within 30 days of the Effective Date, Defendant will deliver the PAGA Member Data to the Administrator in the form of a Microsoft Excel spreadsheet. To protect PAGA Member' privacy rights, the Administrator must maintain the PAGA Member Data in confidence, use the PAGA Member Data only for purposes of this Settlement and for no other purpose, and restrict access to the PAGA Member Data to Administrator employees who need access to the PAGA Member Data to effect and perform under this Agreement. Defendant has a continuing duty to immediately notify PAGA Counsel if it discovers that the PAGA Member Data omitted employee identifying information and to provide corrected or updated PAGA Member Data as soon as reasonably feasible. Without any extension of the deadline by which Defendant must send the PAGA Member Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted PAGA Member Data.

4.3. <u>Funding of Gross Fund Value</u>. Defendant shall fully fund the Gross Fund Value by transmitting the funds to the Administrator no later than 21 days after the Effective Date.

4.4. <u>Payments from the Gross Fund Value</u>. Within 21 days after Defendant funds the Gross Fund Value, the Administrator will calculate the Individual PAGA Payments and mail checks for all

Individual PAGA Payments, the PAGA Representative Service Payment, the LWDA Payment, the Administration Expenses Payment, the PAGA Counsel Fees Payment, and the PAGA Counsel Expenses Payment. Disbursement of the PAGA Counsel Fees Payment and the PAGA Counsel Litigation Expenses Payment shall not precede disbursement of Individual PAGA Payments.

4.4.1. The Administrator will issue checks for the Individual PAGA Payments and send them to the PAGA Members 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. The Administrator will cancel all checks not cashed by the void date. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database.

4.4.2. The Administrator must conduct an PAGA Member Address Search for all PAGA Members whose checks are retuned undelivered without USPS forwarding address. Within 7 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 PAGA Member Address Search. The Administrator need not take further steps to deliver checks to PAGA Members whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any PAGA Member whose original check was lost or misplaced, requested by the PAGA Member prior to the void date.

4.4.3. For any PAGA Member whose Individual PAGA Payment check is uncashed and cancelled 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 PAGA Member.

4.4.4. The payment of Individual PAGA Payments shall not obligate Defendant to confer any additional benefits or make any additional payments to the PAGA Members (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

5. RELEASES OF CLAIMS. Effective on the date when Defendant fully funds the entire Gross Fund Value, Plaintiffs, the LWDA, and PAGA Counsel will release claims against all Released Parties as follows:

5.1 Plaintiff's Release. In exchange for a PAGA Representative Service Payment, Plaintiff and his former and present spouse, representatives, agents, attorneys (including PAGA Counsel), heirs, administrators, successors, and assigns generally, release and discharge Released Parties from all claims, transactions, or occurrences that occurred during the PAGA Period, 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 and all PAGA claims that were, or reasonably could have been alleged based on facts ascertained during the Action and released under paragraphs 5.1.1 and 5.2 below ("Plaintiff's Release"). Plaintiff's Release does not extend to 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 Plaintiffs 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, 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 PAGA Members. All PAGA Members 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, rights, demands, liabilities, and causes of action for PAGA penalties for the PAGA Period, whether known or unknown, arising from and/or relating in any way to the claims pled in the Action (including in the Operative Complaint and the PAGA Notice or that could have been asserted based on the facts alleged in the Action, including, but not limited to, claims for civil penalties for: failure to timely pay all wages at termination or during employment (e.g., Cal. Lab. Code §§ 200, 201, 202, 203, 204, 558); failure to pay all wages (i.e., minimum, overtime, doubletime, on-call, and reporting time wages), including with respect to the timeliness and rate at which these wages were paid (e.g., Cal. Lab. Code §§ 200, 201.3, 204, 210, 215, 216, 221, 223, 510, 558, 558.1, 1182, 1182.11, 1182.12, 1194, 1194.1, 1194.2, 1197, 1197.1, 1198, 1199); meal and rest period violations, including with respect to the rate at which premiums are paid (e.g., Cal. Lab. Code §§ 200, 226.7, 512, 516, 558, 1198); failure to pay vested vacation time at termination, including with respect to the rate at which it was paid (e.g., Cal. Lab. Code §§ 227.3, 558); failure to provide sick leave or pay sick pay, including with respect to the rate at which it was paid (e.g., Cal. Lab. Code §§ 226, 233, 246, 248, 248.5, 248.6, 248.7, 558); failure to reimburse all necessary business expenses (e.g., Cal. Lab. Code §§ 2802, 2804); failure to provide accurate wage statements (e.g., Cal. Lab. Code §§ 226, 226.3, 226.4, 226.6, 558); failure to maintain records (e.g., Cal. Lab. Code § 226, 226.2, 1174, 1174.5, 1198); and violation of the applicable IWC California Wage Orders based on the foregoing claims.

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 Notice.

6. MOTION OR APPLICATION FOR APPROVAL OF 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) application or motion for approval of this Settlement; (ii) a draft proposed Order Granting Approval of PAGA Settlement; (iii) a signed declaration from the

Administrator attaching its "not to exceed" bid for administering the Settlement and attesting to its willingness to serve; competency; operative procedures for protecting the security of PAGA Member Data; amounts of insurance coverage for any data breach, defalcation of funds or other misfeasance; all facts relevant to any actual or potential conflicts of interest with PAGA Members or the LWDA; and the nature and extent of any financial relationship with Plaintiff, PAGA Counsel or Defense Counsel; (iv) 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)); and (v) all facts relevant to any actual or potential conflict of interest with PAGA Members and/or the Administrator.

6.2 Timing. PAGA Counsel is responsible for expeditiously finalizing and filing the 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 and appearing in Court to advocate in favor of the motion. PAGA Counsel is responsible for delivering the Court's Approval Order to the Administrator. PAGA Counsel is responsible for providing Defense Counsel a draft of the application or motion for approval of this Settlement and draft proposed Order Granting Approval of PAGA Settlement no later than one week before filing of the papers.

6.3 Duty to Cooperate. If the Parties disagree on any aspect of the proposed 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. SETTLEMENT ADMINISTRATION.

7.1 Selection of Administrator. The Parties have jointly selected ILYM Group, Inc. to serve as the Administrator and verified that, as a condition of appointment, ILYM Group, Inc. agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Expenses. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.

7.2 Employer Identification Number. The Administrator shall have and use its own Employer Identification Number for purposes of calculating payroll tax withholdings and providing reports state and federal tax authorities.

7.3 Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation section 468B-1.

7.4 Administrator Duties. The Administrator has a duty to perform or observe all tasks to be performed or observed by the Administrator contained in this Agreement or otherwise.

8. PAGA MEMBER SIZE ESTIMATES and ESCALATOR CLAUSE. Defendant represents that the PAGA Members worked approximately 103,861 Pay Periods between March 19, 2020, through February 14, 2024. . If the PAGA Pay Periods exceed 110% of 103,861 (i.e., more than 114,247 PAGA Pay Periods), Defendant shall have the option to pay the pro-rata increase or have the PAGA Period expire as of that point in time and not incur any additional amounts.

9. CONTINUING JURISDICTION OF THE COURT. The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties, Actions, 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.

9.1 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 PAGA Fund Value.

10. ADDITIONAL PROVISIONS.

10.1 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 Defendant that any of the allegations in the Operative Complaint have merit or that Defendant has any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that Defendant'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, Defendant reserves all available defenses to the claims in the Action, and Plaintiff reserves the right to contest Defendant'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).

10.2 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.

10.3 Attorney Authorization. PAGA Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiffs and Defendant, 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.

10.4 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 mediation 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.

10.5 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.

10.6 No Tax Advice. Neither Plaintiffs, PAGA Counsel, Defendant 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.

10.7 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.

10.8 Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.

10.9 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.

10.10 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.

10.11 Confidentiality. To the extent permitted by law, all agreements made, and orders entered during Actions and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.

10.12 Use and Return of PAGA Member 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 Defendant 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 the Administrator discharges its obligation to pay out of all Settlement funds, Plaintiff shall destroy all paper and electronic versions of PAGA Member Data received from Defendant unless, prior to the Administrator's payment of all Settlement Funds, Defendant makes a written request to PAGA Counsel for the return, rather than the destructions, of PAGA Member Data.

10.13 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.

10.14 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.

10.15 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: James R. Hawkins, James Hawkins APLC, 9880 Research Drive, Suite 200, Irvine, CA 92618.

To Defendant: Amanda C. Sommerfeld, Jones Day, 555 South Flower Street, Fiftieth Floor Los Angeles, CA 90071.

10.16 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.

10.17 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.

[SIGNATURES ON NEXT PAGE]

Dated: ____________________

PLAINTIFF GERARDO ABUNDO

____
Gerardo Abundo

Dated: 4/22/2024

AMERICAN RESIDENTIAL SERVICES, LLC

____
Signature

By: Caroline Giovannatti
Name

Its: VP + Deputy GC
Title

APPROVED AS TO FORM

Dated: April 22, 2024

JONES DAY

____
Amanda C. Sommerfeld
Attorneys for Defendant American Residential Services, LLC

Dated: ____________________

JAMES HAWKINS APLC

____
James R. Hawkins
Attorneys for Plaintiff Gerardo Abundo

Dated: 04/18/24

PLAINTIFF GERARDO ABUNDO

Gerardo Abundo (Apr 18, 2024 15:55 PDT)

Gerardo Abundo

Dated: ____________________

AMERICAN RESIDENTIAL SERVICES, LLC

____
Signature

By: ______________________________
Name

Its: ______________________________
Title

APPROVED AS TO FORM

Dated: ____________________

JONES DAY

____
Amanda C. Sommerfeld
Attorneys for Defendant American Residential Services, LLC

Dated: 04.18.24

JAMES HAWKINS APLC

____
James R. Hawkins
Attorneys for Plaintiff Gerardo Abundo

EXHIBIT 2

AMENDMENT TO PAGA SETTLEMENT AGREEMENT

This Amendment to the Parties' PAGA Settlement Agreement ("Amendment") is made by and between Plaintiff Gerardo Abundo ("Plaintiff") and Defendant American Residential Services, LLC ("Defendant"). The Amendment refers to Plaintiff and Defendant collectively as "Parties," or individually as "Party." The Amendment fully supersedes and replaces a prior amendment, which was fully executed by the Parties on August 11, 2025.

RECITALS

WHEREAS, the Parties previously entered into a revised PAGA Settlement Agreement ("Agreement") on or about December 11, 2024 in connection with Plaintiff's Motion for Approval of PAGA Settlement.

WHEREAS, the Court issued a tentative ruling on May 8, 2025, instructing the Parties to revise the terms of the Agreement and set forth those revisions in a separate amendment to the Agreement.

WHEREAS, the Parties entered into an amendment, fully executed by the Parties on August 11, 2025, to address the Court's tentative.

WHEREAS, the Court ordered the Parties to make additional changes to their Agreement in its tentative ruling dated August 28, 2025.

WHEREAS, the Parties have drafted the current Amendment to address the Court's August 28, 2025 Order and to fully supersede and replace the amendment dated August 11, 2025.

AGREEMENT

NOW THEREFORE, in connection with the settlement of the Action (as defined in the Agreement), the Parties agree to amend the Agreement by deleting or amending certain provisions and restating them as follows:

1. DEFINITIONS.

Section 1.28 of the Agreement is hereby deleted in its entirety and amended and restated as follows:

> 1.28. "Released Parties" means: Defendant, and each of its respective current and former officers, directors, members, managers, employees, partners, shareholders, and any successors, assigns, or legal representatives.

3. MONETARY TERMS.

The first sentence of Section 3.2.1 of the Agreement is hereby amended and restated as follows:

3.2.1. To PAGA Counsel: A PAGA Counsel Fees Payment of not more than 33% of the Gross Fund Value (including as subject to the escalator clause of Section 8) and PAGA Counsel Litigation Expenses Payment of up to $24,000.00.

The remainder of Section 3.2.1 shall remain the same.

Section 3.2.2 of the Agreement is hereby deleted in its entirety and amended and restated as follows:

3.2.2. To Plaintiff: A PAGA Representative Service Payment to Plaintiff of up to $5,000 in exchange for his service in the Action, subject to the approval of the Court. Defendant will not oppose Plaintiff's request for a PAGA Representative Service Payment that does not exceed this amount. The Administrator will issue an IRS Form 1099 to Plaintiff for the PAGA Representative Service Payment. If the Court approves a PAGA Representative Service Payment less than the amount requested, the Administrator will allocate the remainder to the PAGA Fund Value.

4. SETTLEMENT FUNDING AND PAYMENTS.

To correct a typographical error, Section 4.4 of the Agreement is revised to delete reference to "PAGA Counsel Expenses Payment" and replace that reference with "PAGA Counsel Litigation Expenses Payment," consistent with the defined terms of Section 1.16.

5. RELEASES OF CLAIMS. Effective on the date when Defendant fully funds the entire Gross Fund Value, Plaintiffs, the LWDA, and PAGA Counsel will release claims against all Released Parties as follows:

Sections 5.1 and 5.2 of the Agreement are hereby deleted in their entirety and amended and restated as follows:

5.1 Plaintiff's Release. In exchange for his Individual PAGA Payment, Plaintiff and his former and present spouse, representatives, agents, attorneys (including PAGA Counsel), heirs, administrators, successors, and assigns generally, release and discharge Released Parties from all claims, transactions, or occurrences that occurred during the PAGA Period, including, but not limited to: (a) all claims for civil penalties that were 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 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.

5.2 Release by PAGA Members. All PAGA Members 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, rights, demands, liabilities, and causes of action for civil PAGA penalties for the PAGA Period arising from the facts alleged in the Operative Complaint and the PAGA Notice.

[SIGNATURES ON THE NEXT PAGE]

IN WITNESS WHEREOF, the Parties have caused the Amendment to be executed.

Dated: 02/03/26

PLAINTIFF GERARDO ABUNDO

Gerardo Abundo (Feb 3, 2026 09:36:08 PST)

Gerardo Abundo

Dated: 2/3/26

AMERICAN RESIDENTIAL SERVICES, LLC

Signature

By: Caroline Giovannetti
Name

Its: VP & Deputy General Counsel
Title

APPROVED AS TO FORM

Dated: 02/03/2026

JONES DAY

Amanda C. Sommerfeld
Attorneys for Defendant American Residential Services, LLC

Dated: 02/03/2026

JAMES HAWKINS APLC

James R. Hawkins
Attorneys for Plaintiff Gerardo Abundo

EXHIBIT 3

<<DATE>>

<<FIRST_NAME>> <<LAST_NAME>>
<<ADDRESS 1>>
<<ADDRESS 2>>

Re: PAGA Settlement Payment from *Abundo v. American Residential Services, LLC*

Dear <<FIRST_NAME>> <<LAST_NAME>>:

The enclosed check is your share of a court-approved representative action settlement between Plaintiff Gerardo Abundo ("Plaintiff"), and Defendant American Residential Services, LLC ("Defendant") in the matter of *Abundo v. American Residential Services, LLC*, California Superior Court of Orange County, Case No. 2021-01202607 (the "Action"). By way of that lawsuit, Plaintiff asserted a claim brought pursuant to the California Private Attorneys General Act of 2004, Cal. Lab. Code § 2698 *et seq*. ("PAGA"). PAGA authorizes aggrieved employees to file lawsuits against their employers to recover civil penalties on behalf of the State of California and other aggrieved employees for Labor Code violations.

The Action was brought on a representative basis on behalf of the State of California and all persons employed by Defendants as non-exempt employees in the State of California, including, without limitation, all HVAC employees, service technicians, repairers, installers, other field employees, and/or customer service employees, who worked for Defendant at any time from March 19, 2020 to April 3, 2025. The Action alleged Defendant owed civil penalties under PAGA for violations of the California Labor Code, specifically alleging that Defendant failed to: (1) pay all wages owed; (2) provide lawful meal periods; (3) authorize and permit lawful rest periods; (4) timely pay wages due and payable during employment; (5) timely pay wages owed at separation; (6) comply with itemized employee wage statements; (7) pay sick leave at the proper rate; and (7) reimburse business expenses. Defendant denies it violated this, or any other provision of California law.

The Parties agreed to settle this matter, and the Court approved the settlement on [______], 2026 and has determined that the settlement is fair, adequate, and reasonable. Under the settlement, Defendant will pay a total gross payment of $1,108,602.63 to settle the PAGA claim. A final order entering judgment was signed on [_____] and may be viewed on the Court's docket accessible at https://civilwebshopping.occourts.org/Login.do and entering the case information including the case number (30-2021-01202607-CU-OE-CXC) and the year filed (2021).

After accounting for Plaintiff's attorneys' fees of $ __________ and reimbursement of litigation costs of $ ____________, costs of administration of the settlement in the amount of $ ________, and Plaintiff's representative service payment in the amount of $ ___________, the remaining sum is $[________]. This sum, called the "PAGA Fund Value" will be divided pursuant to California law as follows: $[______] (75%) to the State of California Labor Workforce Development Agency and $[________] (25%) to all employees considered to be "PAGA Members" in this Action, to be shared on a proportionate basis based on the number of pay periods worked by each PAGA Member during that period. A PAGA Member is a non-exempt current or former employee of Defendant within the State of California from March 19, 2020 to April 3, 2025.

As a PAGA Member, you are covered by this settlement, which contains the following release of claims:

> All PAGA Members 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, rights, demands, liabilities, and causes of action for PAGA penalties for the PAGA Period, arising from the facts alleged in the Operative Complaint and the PAGA Notice.

The above release of claims means that you are not able to pursue a PAGA lawsuit against Defendant and the "Released Parties" based on such claims. The "Released Parties" refers to Defendant, and each of its respective current and former officers, directors, members, managers, employees, partners, shareholders, and any successors, assigns, or legal representatives. You may not opt-out of the settlement with respect to any PAGA claims.

The settlement is not an admission of wrongdoing by Defendant or an indication that any law was violated. Indeed, the Court has not ruled on the merits of the claim, and by approving the settlement, the Court is not suggesting which side would win or lose this case if it went to trial.

The enclosed check is your share of the settlement. The payment amount was calculated based on the number of pay periods you worked for Defendant as a PAGA Member between March 19, 2020 through April 3, 2025. This amount represents penalties and will be reported on an IRS Form 1099. Please note that no taxes were withheld from your payment, so it will be your responsibility to pay any taxes that may be due. You should consult with your own tax accountant with regard to any questions that you may have concerning any taxes that may be due. Your check is valid for 180 days from the date of mailing. After that date, you cannot cash the check and it will be null and void. Funds attributable to such uncashed checks will be sent to the California Controller's Unclaimed Property Fund in your name. You are bound by the settlement and release of claims based on the Court's final judgment in this Action whether or not you cash or deposit the enclosed check.

If you have any questions or would like more information about the settlement or this lawsuit, you may contact the Settlement Administrator at ILYM Group, Inc., P.O. Box 2031, Tustin, CA 92781, (888) 250-6810; you may contact class counsel at christina@jameshawkinsaplc.com; or you may access the court's docket at www.occourts.org/online-services/case-access through the case number 30-2021-01202607-CU-OE-CXC More information about the case can also be found on the Settlement Administrator's website at ilymgroup.com. Judgment was entered on ________, 2026 and may be viewed on the Court's docket.

Sincerely,

ILYM Group, Inc.

EXHIBIT 4

<<FECHA>>

<<NOMBRE>> <<APELLIDOS>>
<<DIRECCIÓN 1>>
<<DIRECCIÓN 2>>

Asunto: Acuerdo de Pago bajo la PAGA de *Abundo v. American Residential Services, LLC*

Estimado(a) <<NOMBRE>> <<APELLIDOS>>:

El cheque adjunto es su participación del acuerdo de la acción representativa aprobada por la corte entre el Demandante, Gerardo Abundo (el "Demandante"), y el Demandado, American Residential Services, LLC (el "Demandado") en el asunto de *Abundo v. American Residential Services, LLC*, Corte Superior de California para el Condado de Orange, Caso No. 2021-01202607 (la "Acción"). Por medio de la demanda, el Demandante aseguró un reclamo traído en cumplimiento con la Ley General de Abogados Privados del 2004, Cód. de Trab. De Cal. § 2698 *y siguientes* (la "PAGA"). La PAGA autoriza a los empleados agraviados a presentar una demanda en contra de sus empleadores para recuperar penalidades civiles en nombre del Estado de California y otros empleados agraviados por violaciones del Código de Trabajo.

La Acción fue traída bajo base representativa en nombre del Estado de California y todas las personas empleadas por los Demandados como empleados no exentos en el Estado de California, incluyendo, sin limitación, todos los empleados de HVAC (sistemas de aire acondicionado y calefacción), técnicos de servicios, reparadores, instaladores, otros empleados de campo y/o empleados de servicio al cliente, quienes trabajaron para el Demandado en cualquier momento entre el 19 de Marzo del 2020 hasta el 3 de Abril del 2025. La Acción alegó que el Demandado debe penalidades civiles bajo la PAGA por violaciones del Código de Trabajo de California, específicamente alegando que el Demandado falló en : (1) pagar todos los salarios adeudados; (2) brindar periodos de comida bajo ley; (3) autorizar y permitir periodos de descanso bajo ley; (4) pagar oportunamente todos los salarios adeudados y pagaderos durante el empleo; (5) pagar oportunamente los salarios adeudados al momento de separación; (6) cumplir con los estados de cuentas detallados de salarios de los empleados; (7) pagar licencia por enfermedad a la tasa apropiada de pago; y (7) reembolsar los gastos de negocios. El Demandado niega que ha violado esto, o cualquier otra disposición de la ley de California.

Las Partes están de acuerdo en liquidar el asunto, y la Corte aprobó el acuerdo el [_____] del 2026 y ha determinado que el acuerdo es justo, adecuado y razonable. Bajo el acuerdo, el Demandado pagará un pago bruto total de $1,108,602.63 para liquidar el reclamo bajo la PAGA. Una orden final que dicta sentencia fue firmada el [_____] y puede consultarse en el registro del Tribunal accesible en: https://civilwebshopping.occourts.org/Login.do ingresando la información del caso, incluido el número de caso (30-2021-01202607-CU-OE-CXC) y el año de presentación (2021).

Después de contabilizar los honorarios de los abogados del Demandante de $ __________ y el reembolso de los gastos de litigación de $ ____________, los costos de administración del acuerdo por el monto de $ ________, y el pago por servicio al representante del Demandante por el monto de $ ___________, la suma restante es de $[________]. Esta suma, llamada el "Valor del Fondo bajo la PAGA" será dividido en cumplimiento con la ley de California de la siguiente forma: $[_____] (75%) a la Agencia de Desarrollo de Trabajo y Fuerza Laboral del Estado de California y $[________] (25%) a todos los empleados considerados que son "Miembros bajo la PAGA" en esta Acción, para ser compartida de forma proporcional basándose en el número de periodos de pago trabajados por cada Miembro bajo la PAGA durante ese periodo. Un Miembro bajo la PAGA es un empleado o exempleado no exento del Demandado dentro del Estado de California desde el 19 de Marzo del 2020 hasta el 3 de Abril del 2025.

Como Miembro bajo la PAGA, usted está cubierto por este acuerdo, el cual contiene la siguiente exoneración de reclamos:

> Todos los Miembros bajo la PAGA serán considerados que exoneran, en nombre de ellos mismos y sus respectivos pasados y presentes representantes, agentes, abogados, herederos, administradores, sucesores y cesionarios, a las Partes Exoneradas de todos los reclamos, derechos, demandas, responsabilidades y causas de acción por penalidades bajo la PAGA para el Periodo bajo la PAGA, que surgen de los hechos alegados en el Reclamo Operativo y en el Aviso bajo la PAGA.

La exoneración de reclamos anterior significa que usted no es capaz de perseguir una demanda bajo la PAGA en contra del Demandado y las "Partes Exoneradas" basándose en dichos reclamos. Las "Partes Exoneradas" se refieren al Demandado y a cada uno de sus presentes y pasados oficiales, directores, miembros, gerentes, empleados, socios, accionistas y cualquier otro sucesor, cesionario o representante legal. Usted no puede optar por retirarse del acuerdo con respecto a cualquiera de los reclamos bajo la PAGA.

El acuerdo no es una admisión de mal actuar por el Demandado o una indicación de que alguna ley fue violada. En efecto, la Corte no ha generado un fallo en cuanto a los méritos del reclamo, y al aprobar el acuerdo, la Corte no está sugiriendo que lado ganaría o perdería si el caso pasara a juicio.

El cheque adjunto es su porción del acuerdo. El monto del pago fue calculado basándose en el número de periodos de pago que usted trabajo para los Demandados como un Miembro bajo la PAGA entre el 19 de Marzo del 2020 hasta el 3 de Abril del 2025. Este monto representa penalidades y será reportado en un Formulario 1099 del IRS. Por favor tome en cuenta que no se retuvieron impuestos de su pago, así que será su responsabilidad de pagar cualquier impuesto que pueda ser adeudado. Usted debe consultar con su propio contador fiscal en relación con cualquier pregunta que usted pueda tener en relación a cualquier impuesto que usted pueda ser adeudado. Su cheque será válido por 180 días a partir de la fechad e su envío por correo. Después de esa fecha, usted no puede cobrar el cheque y será nulo e inválido. Los fondos atribuibles a dichos cheques sin cobrar serán enviados al Fondo de Propiedad Sin reclamar del Contralor de California en su nombre. Usted está sujeto por el acuerdo y la exoneración de reclamos basándose en la sentencia final de la Corte en esta Acción ya sea que usted cobre o deposite o no el cheque adjunto.

Si usted tiene alguna pregunta o si le gustaría más información sobre el acuerdo o esta demanda, usted puede contactar al Administrador del Acuerdo a ILYM Group, Inc., P.O. Box 2031, Tustin, CA 92781, (888) 250-6810; usted puede contactar a los abogados del grupo a christina@jameshawkinsaplc.com; o usted puede también tener acceso al expediente de la corte en la dirección www.occourts.org/online-services/case-access a través del número de caso 30-2021-01202607-CU-OE-CXC. Se puede encontrar más información sobre el caso en el sitio web del Administrador del Acuerdo en la dirección ilymgroup.com. La sentencia se dictó el _____, 2026 y puede consultarse en el registro del Tribunal.

Sinceramente,

ILYM Group Inc.