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Attorneys for Defendant, CALIFORNIA SECURITY SERVICES, INC.

**SUPERIOR COURT OF CALIFORNIA
FOR THE COUNTY OF SACRAMENTO**

JAMES ZERVOS and GREGORY

LEE EBERLY, as individuals and as

aggrieved employees pursuant to the

Private Attorneys General Act

(PAGA),

Plaintiffs,

v.

CALIFORNIA SECURITY

SERVICES, INC., and DOES 1 to 20,

inclusive,

Defendants.

**Case No. 34-2021-00299445-CU-OE-
GDS**

**JOINT STIPULATION OF PAGA
SETTLEMENT AND RELEASE**

g. “Defendant” and “CSS” means CALIFORNIA SECURITY SERVICES, INC.

h. “Eberly Action” shall mean the *Gregory Lee Eberly v. California Security Services, Inc.*, Yuba County Case No. CVCV22-00074.

i. “Effective Date” shall mean the date the Court has granted approval of the PAGA Settlement and issued its order granting same.

j. “Gross Settlement Amount” means the total amount to be paid by CSS as provided by this Stipulation of Settlement.

k. “Order” means the Order Granting Approval of Settlement. The Parties will submit a proposed Order with the Motion to Approve this Stipulation of Settlement for consideration by the Court.

l. “PAGA” means California’s Labor Code Private Attorneys General Act of 2004, Cal. Lab. Code § 2698, *et seq.*

m. “Parties” means Plaintiffs, James Zervos and Gregory Lee Eberly and CSS, collectively and “Party” shall mean either Plaintiffs or Defendant, individually.

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

o. “LWDA Payment” means the portion of the payment from the Net Settlement Amount to be paid to the LWDA under the Stipulation of Settlement.

p. “Net Settlement Amount” means the amount from the Gross Settlement Amount that is available for distribution for the LWDA Payment and for Settlement Shares to the PAGA Members after deducting: (1) Plaintiffs’ Counsel’s attorney’s fees (not to exceed 35%) and costs (not to exceed \$22,000) (the final amount of which is subject to Court approval); and (2) Enhancement Payments to the representative Plaintiffs (not to exceed \$5,000 each); and (3) the Settlement Administrator’s fees and expenses (not to exceed \$4,950). The Net Settlement Amount will be distributed to the LWDA and PAGA Members in payment of PAGA penalties.

q. “PAGA Members or Aggrieved Employees” means individuals who worked as security guards in California for CSS at any point during the Covered Period.

r. “Aggrieved Employee List” means the spreadsheet containing the list of Aggrieved Employees that Defendant will, in good faith compile from their human resources electronic records and

1 provide only to the Settlement Administrator in a secure manner on a confidential basis. The Aggrieved
2 Employee List shall include Aggrieved Employees' full names, social security numbers, last known
3 mailing addresses to the extent available in Defendant's electronic business records, and their dates of
4 employment and/or pay periods worked as an Aggrieved Employee during the Covered Period.

5 s. "Plaintiffs" mean JAMES ZERVOS and GREGORY LEE EBERLY.

6 t. "Plaintiffs' Counsel" and "PAGA Counsel" means the law firm of Castle Law: California
7 Employment Counsel, P.C. and W Employment Law, APC.

8 u. "Released Parties" means Defendant and any of their present and former parents,
9 subsidiaries and affiliated companies or entities, and their respective owners, officers, directors,
10 employees, partners, shareholders and agents, as well as any other successors, assigns and legal
11 representatives and their related persons and entities.

12 v. "CSS" means California Security Services,, Inc.

13 w. "CSS's Counsel" means BRADLEY & GMELICH LLP.

14 x. "Settlement Administrator" means ILYM Group, Inc.

15 y. "Settlement Share" means the portion of the Net Settlement Amount allocable to each
16 PAGA Member as provided by this Stipulation of Settlement.

17 **II. FACTUAL BACKGROUND**

18 A. Plaintiffs were employed by CSS to perform work as security guards. James Zervos
19 worked for CSS from approximately November 2018 to April 31, 2020. Plaintiff James Lee Eberly
20 worked for CSS from approximately April 10, 2019 to November 20, 2019.

21 B. On April 26, 2021, Plaintiff James Zervos filed a PAGA letter with the LWDA alleging:
22 (1) Violation of California Unfair Competition Law; (2) Failure to Provide Accurate Wage Statements;
23 (3) Failure to Pay Minimum Wages; (4) Failure to Provide Meal and Rest Periods; (5) Waiting Time
24 Penalties; (6) Failure to Pay Overtime Wages; (7) Failure to Reimburse for Business Expenses; and (8)
25 Wage Theft Through Unlawful Deductions; (9) Civil Penalties Pursuant to PAGA; and (10) Failure to
26 Provide Employment Records. The LWDA did not indicate an intention to investigate the allegations on
27 its own within the applicable statutory time period.
28

1 C. On April 21, 2021, Plaintiff Gregory Lee Eberly filed a PAGA letter with the LWDA
2 alleging: (1) Failure to Provide Meal Periods; (2) Failure to Provide Rest Periods; (3) Failure to pay
3 Overtime; (4) Failure to Comply with California's "Day of Rest" law; (5) Failure to Maintain Accurate
4 Records; (6) Failure to Pay All Wages When Due; (7) Failure to Provide Accurate Wage Statements; (8)
5 Failure to Reimburse for Work Expenses; (9) Failure to Timely Pay Wages Upon Termination; (10)
6 Unfair Business Practices; and (11) Violation of the PAGA.

7 D. On April 27, 2021, Plaintiff James Zervos filed this Action against Defendant seeking to
8 recover civil penalties under PAGA on behalf of himself, other aggrieved employees, and the State of
9 California.

10 E. Plaintiff Zervos amended his complaint to add Gregory Lee Eberly as a Plaintiff.

11 F. Defendant denies any liability or wrongdoing of any kind whatsoever associated with the
12 claims and allegations alleged in Plaintiffs' Complaint and LWDA Notice Letter. Defendant further
13 denies that, for any purpose other than settling this Action, these claims are appropriate for PAGA
14 representative treatment, and contend, among other things, that it has complied with all applicable state,
15 federal and local laws regarding the payment of wages, accurate wage statements, and meal and rest
16 period provisions.

17 G. Through arms-length, serious negotiations conducted with a qualified neutral third-party
18 mediator, Hon. Michael A. Latin (Ret.), the Parties reached a settlement of all PAGA claims brought in
19 the Action ("Settlement"). On August 18, 2023, Plaintiffs and Defendant conducted an all-day
20 mediation session with the neutral mediator after the exchange of information to allow the parties to
21 evaluate the merits of Plaintiffs' claims and the merits of Defendant's defenses to those claims. The
22 negotiation between the parties was adversarial and contentious, while remaining professional. These
23 negotiations allowed the parties to reach a final resolution as to Plaintiffs' claims under the Private
24 Attorneys General Act of 2003 (the "PAGA"), which will be submitted to the LWDA, and to the above
25 captioned Court for approval, pursuant to Labor Code section 2699(1)(2). The Parties now enter this
26 detailed, formalized settlement agreement with respect to the Complaint, subject to the Court's approval
27 of the Settlement.

28 H. It is the desire of the Parties to settle, compromise and discharge all disputes and claims

1 that were alleged in Plaintiffs' Complaint and LWDA Notice Letter in this case fully, finally and
2 forever. To achieve a full and complete release of Defendant, Plaintiffs' and PAGA Counsel
3 acknowledges that this Stipulation of Settlement is intended to include in its effect all claims alleged, in
4 the LWDA Notice Letters and the Action, and all Released Claims against all Released Parties (as
5 defined herein) as of the date of the Court's approval of this Settlement.

6 I. It is the intention of the Parties that this Stipulation of Settlement shall constitute a full
7 and complete settlement and release of all PAGA claims alleged in the Complaint and the LWDA
8 Notice Letters brought against Defendant, which release includes in its effect Defendant and all other
9 present and former owners, parents, affiliated or related companies, shareholders, officers, directors,
10 employees, agents, attorneys, insurers, and successors and assigns of Defendant, and any individual or
11 entity which could be jointly liable with Defendant.

12 J. PAGA Counsel has conducted a thorough investigation into the facts of this
13 representative case, including an extensive review of relevant documents and data, and has diligently
14 investigated PAGA Members' claims against Defendant. Based on their own independent investigation
15 and evaluation, PAGA Counsel are of the opinion that the Settlement with CSS for the consideration and
16 on the terms set forth in this Stipulation of Settlement is fair, reasonable and adequate, and is in the best
17 interest of Plaintiffs, the State of California, and PAGA Members in light of all known facts and
18 circumstances, including the risk of significant delay, CSS's ability to pay, the numerous defenses
19 asserted by Defendant, and various potential appellate issues.

20 K. The Parties agree to cooperate and take all steps necessary and appropriate to
21 consummate this Settlement and to effectuate a judgment. In the event that: (i) the Court does not
22 approve the Settlement as provided herein; or (ii) the Effective Date does not occur for any other reason
23 apart from the Court's refusal to approve, then this Settlement Agreement—and any documents
24 generated to bring it into effect—will be null and void, and the Parties will be returned to their
25 respective positions.

26 NOW THEREFORE, in consideration of the mutual covenants, promises and agreements set
27 forth herein, the Parties agree, subject to the Court's approval, as follows:
28

1 **III. SETTLEMENT TERMS AND CONDITIONS**

2 A. Stipulation of Dismissal for Settlement. Subject to the terms of this Stipulation of
3 Settlement, Plaintiffs will stipulate to the dismissal of this Action with prejudice. Such dismissal shall
4 include the Parties taking all necessary steps to effectuate the dismissal of the *Eberly* Action with
5 prejudice.

6 B. Representation Regarding PAGA Members. CSS represents that the PAGA Members
7 consist of approximately 240 individuals, which CSS represents are all of CSS's California security
8 guards from October 29, 2020 to January 5, 2023.

9 C. Gross Settlement Amount. This Settlement provides for mailing of an explanatory notice
10 (as set forth in **Exhibit A** below) and payment of Settlement Shares to all PAGA Members according to
11 a specified formula as provided herein. The Gross Settlement Amount under the Settlement, including
12 all attorneys' fees and costs, settlement administration costs, interest, PAGA penalties and any other
13 payments provided by this Settlement is \$140,000.00. It is understood and agreed that CSS's gross total
14 liability under this Settlement shall not exceed \$140,000.00. It is further understood and agreed that
15 CSS shall have no obligation to pay any person, entity or organization more than its gross total liability
16 under this Settlement as set forth above, which includes the total amount of: (1) the Settlement Shares
17 to the PAGA Members; (2) Enhancement Payments to the representative Plaintiffs, not to exceed \$5,000
18 each; (3) the attorneys' fees and costs approved by the Court; (4) the actual fees and expenses of the
19 Settlement Administrator; and (5) payment to the State of California pursuant to PAGA.

20 Any amount of the Gross Settlement Amount not required to pay administration costs, attorneys'
21 fees and costs, Plaintiff's enhancement payments, and any other payments provided by this Settlement,
22 shall be included in the Net Settlement Amount. The Settlement Share to PAGA Members will be
23 calculated by the Settlement Administrator based on CSS's records and paid out of the Net Settlement
24 Amount as detailed in section (1) below. The Gross Settlement Amount shall be paid by CSS to the
25 Settlement Administrator within thirty (30) calendar days after the Effective Date.

- 26 1. California Private Attorneys' General Act Allocation: Seventy-five Percent (75%) of
27 the Net Settlement Amount will be paid to the State of California LWDA pursuant to
28 the California Private Attorneys General Act and the remaining 25% is paid as

1 Settlement Shares to the PAGA Members, all within forty-five (45) calendar days
2 after the Effective Date. The Settlement Shares will be calculated by the Settlement
3 Administrator based on CSS's records and paid out of the Net Settlement Amount as
4 detailed in section (2) below.

5 2. Settlement Shares: The Settlement Administrator shall first determine for each
6 PAGA Member the pay periods he or she actively worked for CSS during the PAGA
7 Period. The Settlement Administrator shall divide the amount of the Net Settlement
8 Amount by the sum of all PAGA Members' pay periods worked to calculate an
9 "Estimated Amount Per Pay Period." For each PAGA Member, the Settlement
10 Administrator shall then multiply the Estimated Amount Per Pay Period by the PAGA
11 Member's pay periods worked in the Settlement Period to determine each individual
12 Settlement Share. The Settlement Share process is discussed further below.

13 3. Allocation and Taxability of Settlement Shares: The individual Settlement Shares
14 payable to PAGA Members shall be allocated entirely to alleged penalties, for which
15 IRS Forms 1099 MISC will be issued to the PAGA Members. Each PAGA Member
16 shall be individually responsible for the employee's share of taxes attributable to
17 receipt of any payments under this Settlement.

18 4. Settlement Shares Do Not Trigger Additional Benefits: All Settlement Shares to
19 PAGA Members shall be deemed to be income to such PAGA Members solely in the
20 year in which such awards actually are received by the PAGA Members. It is
21 expressly understood and agreed that the receipt of such Settlement Shares will not
22 entitle any PAGA Member to additional compensation or benefits under any
23 company bonus, contest or other compensation or benefit plan or agreement in place
24 during the period covered by the Settlement, nor will it entitle any PAGA Member to
25 any increased retirement, 401(k) benefits or matching benefits, or deferred
26 compensation benefits. No deductions or contributions for 401(k) shall be made from
27 the Settlement Shares. It is the intent of the Parties that the Settlement Shares
28 provided for in this Agreement are the sole payments to be made by CSS to PAGA

Members in connection with this Settlement, and that the PAGA Members are not entitled to any new or additional compensation or benefits as a result of having received the Settlement Shares (notwithstanding any contrary language or agreement in any benefit or compensation plan document that might have been in effect during the period covered by this Settlement).

5. Attorneys' Fees and Attorneys' Costs: Subject to Court approval, attorneys' fees and costs shall be paid to Plaintiffs' Counsel from the Gross Settlement Amount, as set forth below. The Court-approved attorneys' fees and costs will be paid out of a Settlement Administrator-established escrow account to PAGA Counsel within thirty (30) days after the Effective Date. Attorneys' fees and costs are discussed further below.

6. Enhancement Payments: Subject to Court approval, enhancement payments to Plaintiffs shall be paid to Plaintiffs from the Gross Settlement Amount, as set forth below. The Court-approved enhancement payment will be paid out of the Settlement Administrator-established escrow account to PAGA Counsel within thirty (30) days after the Effective Date.

7. Settlement Administrator: The fees of the Settlement Administrator for work done shall be paid from the Gross Settlement Amount. If the Settlement is ineffective for any reason, the Parties shall evenly split the costs of the Settlement Administrator regardless of the outcome of the Settlement. The Settlement Administrator, ILYM Group Inc., has capped the settlement administration fees at \$4,950. The Court-approved Settlement Administrator's expenses will be paid within thirty (30) days after the Effective Date. The Settlement Administrator is discussed further below.

IV. SETTLEMENT ADMINISTRATION

The Parties will agree to the appointment of ILYM Group, Inc as the Settlement Administrator. However, the Parties shall have the right to select or substitute a different Settlement Administrator by mutual agreement at any time. The Settlement Administrator will send an agreed-upon explanatory notice of the Settlement, attached hereto as **Exhibit A**, along with the Settlement Share to all PAGA

Members as discussed herein. The Settlement Administrator will calculate the Settlement Share amounts due to PAGA Members in accordance with this Stipulation of Settlement. The Settlement Administrator shall report, in summary or narrative form, the substance of its findings. Upon receipt of funds from CSS and as provided by the terms of the Settlement, the Settlement Administrator will issue and send out the Settlement Shares to PAGA Members. Tax treatment of the Settlement Shares will be as set forth herein, and in accordance with state and federal tax laws. The Settlement Administrator shall report the payments on a Form 1099 to the federal and state taxing agencies. All disputes relating to the Settlement Administrator's performance of duties shall be referred to the Court, if necessary, which will have continuing jurisdiction over the terms and conditions of this Stipulation of Settlement until all payments and obligations contemplated by this Stipulation of Settlement have been fully carried out.

V. ATTORNEYS' FEES AND COSTS

Except as set forth herein, each Party shall bear their own costs and fees of the Actions. In consideration for settling this matter and in exchange for the release of claims by the PAGA Group, and subject to approval or modification by the Court, PAGA Counsel's attorneys' fees shall be subtracted from the Gross Settlement Amount as approved by the Court. Subject to Court approval, PAGA Counsel's attorney's fees shall be an amount not to exceed thirty-five percent (35%) of the Gross Settlement Amount, which is \$49,000.00. The payment of Attorneys' Fees and Expenses shall be made 60% to Castle Law: California Employment Counsel, PC and 40% to W Employment Law, APC. In addition, and also subject to Court approval, PAGA Counsel shall be reimbursed for their out-of-pocket expenses, in the amount set forth in a declaration to be submitted to the Court concurrently with the motion for approval of this Joint Stipulation of PAGA Settlement and Release, but not to exceed \$22,000.00 for both Plaintiffs. Attorneys' fees and costs approved by the Court will cover all work performed and all fees and costs incurred to date, and all work to be performed and all fees and costs to be incurred in connection with the approval by the Court of this Joint Stipulation of PAGA Settlement and Release, the administration of the Settlement, and final judgment in this case. The attorneys' fees and costs approved by the Court shall be paid out of the Settlement Administrator's escrow account to PAGA Counsel, 60% to Castle Law: California Employment Counsel, PC and 40% to W Employment

1 Law, APC, within thirty (30) calendar days after the Effective Date.

2 **VI. ENHANCEMENT PAYMENTS**

3 In consideration for acting as the named PAGA representatives, and in exchange for the release
4 of claims, and subject to approval or modification by the Court, PAGA representative Plaintiffs'
5 enhancement payments shall be subtracted from the Gross Settlement Amount as approved by the Court.
6 Subject to Court approval, representative Plaintiffs' enhancement payments shall be an amount not to
7 exceed \$5,000 each. The enhancement payments approved by the Court shall be paid out of the
8 Settlement Administrator's escrow account to PAGA Counsel within thirty (30) calendar days after the
9 Effective Date.

10 **VII. SETTLEMENT SHARE ADMINISTRATION**

11 A. Thirty (30) calendar days after the Court has approved this Stipulation of Settlement, CSS
12 shall provide to the Settlement Administrator a spreadsheet, which will list for each PAGA Member the
13 PAGA Member's name, last-known address, social security number, and the number of pay periods
14 worked through that date. This spreadsheet shall be based on CSS's payroll and other business records.
15 The Settlement Administrator will run a check of the PAGA Members' address against those on file
16 with the U.S. Postal Service's National Change of Address Database. Within forty-five (45) calendar
17 days after the Settlement becomes final and effective as defined above, the Settlement Administrator
18 will mail the Notice accompanying the Settlement Shares to all PAGA Members.

19 B. Prior to the mailing of the Notice and Settlement Shares, the Settlement Administrator
20 will search for updated addresses through the U.S. Postal Service's National Address Database. Notices
21 returned to the Settlement Administrator as non-delivered shall be re-mailed to the forwarding address,
22 if any, on the returned envelope; any returned envelopes with forwarding addresses will be used by the
23 Settlement Administrator to forward the Notice to PAGA Members. If no forwarding address is
24 provided, the Settlement Administrator will perform a computer search for a new address and an
25 additional skip tracing pursuant to its usual and customary procedures.

26 C. All costs associated with the Notices are part of, and included within, the Gross
27 Settlement Amount.
28

1 **VIII. SETTLEMENT SHARES PROCESS**

2 A. Within ten (10) days after the Effective Date, as defined in this Agreement, the
3 Settlement Administrator will provide CSS with wire transfer information. Within thirty (30) days after
4 the Effective Date, CSS will transfer the Gross Settlement Amount to the Settlement Administrator via
5 wire transfer.

6 B. Within forty-five (45) calendar days after the Effective Date, the Settlement
7 Administrator shall pay the Settlement Share checks from the escrow account, which it will mail to
8 PAGA Members along with the Notice. Settlement Share checks shall remain valid and negotiable for
9 180 calendar days from the date of issuance and will be cancelled by the Settlement Administrator if not
10 cashed within that time. The checks provided to PAGA Members shall prominently state the checks
11 will expire in 180 calendar days, or alternatively, such a statement may be made in the explanatory
12 notice accompanying the check. PAGA Members shall be bound by the Settlement whether or not they
13 cash a Settlement Share Check.

14 C. Any unclaimed funds in the Settlement Administrator's account as a result of a failure to
15 timely cash a settlement check shall be handled by the Settlement Administrator and be issued to the
16 State Controller Fund, Department of Unclaimed Property in the name of the PAGA Member.

17 **IX. RELEASED CLAIMS**

18 Upon approval by the Court of this Stipulation of Settlement, and when all payments and
19 obligations contemplated by this Stipulation of Settlement have been fully carried out, each PAGA
20 Member, including Plaintiffs, and the State of California fully release and discharge the Released
21 Parties, from any and all claims, known and unknown, contingent or accrued, debts, liabilities, demands,
22 obligations, guarantees, costs, expenses, attorneys' fees, damages, interest, or civil penalties, arising out
23 of the facts alleged in the Action, Consolidated Actions, *Eberly* Action, the claims asserted by Plaintiffs
24 in their respective LWDA Notice Letter or the Complaint, and any other PAGA claims that were raised
25 or could have been raised in the LWDA Notice Letters, Action, Consolidated Actions, or
26 Complaint("PAGA Released Claims") for the PAGA Period. By and through this Settlement each
27 PAGA Member and the State of California forever agrees it, he, she shall not be entitled to pursue,
28 accept, or recover civil penalties for any PAGA Released Claims against the Released Parties from April

21, 2020, to the Effective Date. The PAGA Released Claims expressly exclude claims for vested benefits, wrongful termination, unemployment insurance, disability, social security, workers compensation, class claims, and PAGA claims outside of the Covered PAGA Period. Any class claims will be dismissed without prejudice.

PAGA Members shall have no right to opt out of this Stipulation of Settlement or object thereto.

X. PARTIES' DUTIES TO OBTAIN COURT APPROVAL OF THE PAGA SETTLEMENT

PAGA Counsel shall promptly submit this Stipulation of Settlement to the Court after all signatures being obtained. This Settlement shall remain confidential until filed with the Court. Plaintiffs shall apply to the Court via noticed motion for entry of an order approving the PAGA Settlement, consistent with the terms provided herein.

XI. PARTIES' AUTHORITY

The signatories hereto hereby represent that they are fully authorized to enter into this Stipulation of Settlement and bind the Parties hereto to the terms and conditions thereof.

XII. MUTUAL FULL COOPERATION

The Parties agree to fully cooperate with each other to accomplish the terms of this Stipulation of Settlement, including but not limited to, execution of such documents and taking such other action as reasonably may be necessary to implement the terms of this Stipulation of Settlement.

Once the Settlement is final and effective, the Parties agree to seek final dismissal of the Action. Plaintiffs agree to seek dismissal of the PAGA claim and entire lawsuit with prejudice, upon approval of this Joint Stipulation of PAGA Settlement and Release by the Court. The Parties to this Stipulation of Settlement shall use their best efforts, including all efforts contemplated by this Stipulation of Settlement and any other efforts that may become necessary by order of the Court, or otherwise, to effectuate this Stipulation of Settlement and the terms set forth herein.

As soon as practicable after execution of this Stipulation of Settlement, PAGA Counsel shall, with the assistance and cooperation of CSS and its counsel, take all necessary steps to secure the Court's final approval of this Stipulation of Settlement.

XIII. NO PRIOR ASSIGNMENTS

1 The Parties and their counsel represent, covenant and warrant that they have not directly or
2 indirectly assigned, transferred, encumbered or purported to assign, transfer or encumber to any person
3 or entity any portion of any liability, claim, demand, action, cause of action or right herein released and
4 discharged except as set forth herein.

5 **XIV. SUBMISSION OF ORDER**

6 Plaintiffs shall submit a copy of the order providing for or denying an award of civil penalties to
7 the LWDA within ten (10) calendar days after entry of the dismissal and/or Order, in compliance with
8 Section 2699(1)(3) of the California Labor Code.

9 **XV. WAIVER OF RIGHT TO APPEAL**

10 Provided that the Court's approval of this Settlement is consistent with the material terms of this
11 Stipulation of Settlement, Plaintiffs, CSS, and their respective counsel hereby waive any and all rights to
12 appeal the final approval of the Settlement, and the Order therefore will become non-appealable at the
13 time it is entered. If, for any reason an appeal is taken, the time for consummating the Settlement
14 (including making payments under the Settlement) will be suspended until such time as the appeal is
15 finally resolved and the Order becomes Final, as defined in this Stipulation of Settlement.

16 **XVI. ATTORNEY AUTHORIZATION**

17 Plaintiffs' Counsel, and CSS's Counsel, warrant and represent that they are authorized by
18 Plaintiff and CSS, respectively, to take all appropriate action required or permitted to be taken by such
19 Parties pursuant to this Stipulation of Settlement to effectuate its terms, and to execute any other
20 documents required to effectuate the terms of this Stipulation of Settlement. The Parties and their
21 counsel will cooperate with each other and use their best efforts to affect the implementation of the
22 Settlement. In the event the Parties are unable to reach Stipulation of Settlement on the form or content
23 of any document needed to implement the Stipulation of Settlement, or on any supplemental provisions
24 that may become necessary to effectuate the terms of this Stipulation of Settlement, the Parties will seek
25 the assistance of the Court or mediator, and in all cases all such documents, supplemental provisions and
26 assistance of the court will be consistent with this Stipulation of Settlement.

27 **XVII. NOTICES**

28

All notices, demands or other communications given under this Stipulation of Settlement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, addressed as follows:

To Plaintiff and the PAGA Members:

Timothy B. Del Castillo
 Lisa L. Bradner
 CASTLE LAW: CALIFORNIA EMPLOYMENT COUNSEL, PC
 2999 Douglas Blvd., Suite 180
 Roseville, CA 95661
tdc@castleemploymentlaw.com
lb@castleemploymentlaw.com

and to:

W EMPLOYMENT LAW, APC
 Jacob N. Whitehead, Esq.
jacob@wemploymentlaw.com
 7700 Irvine Center Drive, Suite 930
 Irvine, CA 92618

To Defendant CSS, Inc. and CSS, LLC.:

Barry A. Bradley, Esq.
 Jean-Paul Le Clercq, Esq.
bbradley@bglawyers.com
jpleclercq@bglawyers.com
 BRADLEY & GMELICH LLP
 700 North Brand Boulevard, 10th Floor
 Glendale, California 91203-1202

XVIII. EXECUTION IN COUNTERPART

This Stipulation of Settlement may be executed in one or more counterparts. All executed counterparts and each of them will be deemed to be one and the same instrument provided that counsel for the Parties will exchange between themselves original signed counterparts. Facsimile or electronic generated signatures (e.g., DocuSign signatures) will be accepted, 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. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Stipulation of Settlement.

XIX. Acknowledgement that the Settlement is Fair and Reasonable. The Parties believe that this Settlement Agreement is a fair, adequate and reasonable settlement of the Actions and have arrived at

1 this Settlement Agreement after arm's – length negotiations by experienced counsel. The Parties further
2 acknowledge that they are each represented by competent counsel and that they have had an opportunity
3 to consult with their counsel regarding the fairness and reasonableness of this Settlement Agreement.

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

9 **XXI. Stay of Litigation.** The Parties agree that the continuing litigation of the Action
10 (including the *Eberly* Action) shall be stayed and that the time within which to bring this action to trial
11 shall be extended from the date of the signing of this Settlement Agreement by all Parties until the entry
12 of the final approval order and judgment, or if not entered, the date this agreement shall no longer be of
13 any force or effect.

14 **XXII. Governing Law.** This Settlement Agreement shall be construed under and governed by
15 the law of the State of California. This Settlement Agreement shall be deemed to have been entered into
16 in Sacramento County, California and all questions of validity, interpretation or performance of any of
17 its terms or of any rights or obligations of the Parties to this Settlement Agreement shall be governed by
18 California law. If any legal or equitable action or arbitration is necessary to enforce the terms of this
19 Settlement Agreement, it shall be brought in the State of California, County of Sacramento.

20 **XXIII. Judgment and Continued Jurisdiction.** After approval of this Settlement, the Court
21 will have continuing jurisdiction pursuant to California Code of Civil Procedure section 664.6, solely for
22 purposes of addressing: (1) the interpretation and enforcement of the terms of the Settlement, (ii)
23 settlement administration matters, and (iii) such post-judgment matters as may be appropriate under
24 court rules or as set forth in this Settlement Agreement.

25
26 *[Signatures on Following Page]*
27
28

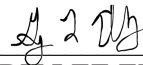
EXECUTION BY PARTIES AND COUNSEL

IN WITNESS THEREOF, the Parties each acknowledge that he/she/it has read the foregoing Settlement Agreement, accepts and agrees to the provisions contained in this Settlement Agreement and hereby executes it voluntarily and with full understanding of its consequences. Accordingly, the Parties and their counsel hereby execute this Stipulation of Settlement.

Dated: _____, 2023

JAMES ZERVOS

Dated: Dec 5, 2023, 2023



GREGORY LEE EBERLY

Dated: 12/5/2023, 2023

DocuSigned by:


CSS, INC. 82DED3CB9563402...
[Authorized Representative]

APPROVED AS TO FORM:

Dated: _____, 2023

CASTLE LAW: CALIFORNIA EMPLOYMENT
COUNSEL, P.C.

By: _____
Timothy B. Del Castillo
Lisa L. Bradner
Attorneys for Plaintiff JAMES ZERVOS

Dated: Dec 6, 2023, 2023

W EMPLOYMENT LAW, APC

By: 

Jacob N. Whitehead, Esq.
Attorneys for Plaintiff Gregory Lee Eberly

Dated: December 5, 2023

BRADLEY, GMELICH & WELLERSTEIN LLP

By: 

Barry A. Bradley, Esq.
Jean-Paul Le Clercq, Esq.
Attorneys for Defendant California
Security Services, Inc.

1 **EXECUTION BY PARTIES AND COUNSEL**

2 IN WITNESS THEREOF, the Parties each acknowledge that he/she/it has read the foregoing
3 Settlement Agreement, accepts and agrees to the provisions contained in this Settlement Agreement and
4 hereby executes it voluntarily and with full understanding of its consequences. Accordingly, the Parties
5 and their counsel hereby execute this Stipulation of Settlement.

6 Dated: 11-13-2023, 2023

James Zervos
James Zervos (Nov 13, 2023 16:03 PST)
JAMES ZERVOS

8 Dated: _____, 2023

GREGORY LEE EBERLY

10 Dated: _____, 2023

CSS, INC.
[Authorized Representative]

12 **APPROVED AS TO FORM:**

14 Dated: November 14, 2023

CASTLE LAW: CALIFORNIA EMPLOYMENT
COUNSEL, P.C.

15 By: 
16 Timothy B. Del Castillo
17 Lisa L. Bradner
18 Attorneys for Plaintiff JAMES ZERVOS

19 Dated: _____, 2023

W EMPLOYMENT LAW, APC

21 By: _____
22 Jacob N. Whitehead, Esq.
23 Attorneys for Plaintiff Gregory Lee Eberly

24 Dated: _____, 2023

BRADLEY, GMELICH & WELLERSTEIN LLP

25 By: _____

26 Barry A. Bradley, Esq.
27 Jean-Paul Le Clercq, Esq.
28 Attorneys for Defendant California
Security Services, Inc.

EXHIBIT A

NOTICE OF PAGA SETTLEMENT

James Zervos, et al. v. CSS, Inc., et al.
Superior Court of the State of California for the County of Sacramento,
Case No. 34-2021-00299445-CU-OE-GDS

ILYM Group, Inc.
14751 Plaza Dr., Ste. J
Tustin, CA 92780
www.ilymgrouplassaction.com
(888)250-6810

[Name]
[Address]

You are receiving this Notice because of a lawsuit brought on behalf of the State of California by James Zervos and Gregory Lee Eberly (“Plaintiffs”), against CSS, Inc. (“Defendant”), for civil penalties pursuant to the Private Attorneys General Act, California Labor Code § 2698 *et seq.* (“PAGA”).

Defendant strongly denies these claims and denies that they owe any penalties. To avoid further time and expense in litigation, Defendant and Plaintiffs have agreed to settle the case. The settlement resolves and releases all the claims that were asserted in the lawsuit on behalf of all security guards who worked in California for CSS, Inc. any time during the period from April 21, 2020, to the Effective Date of the PAGA settlement (“PAGA Member”).

The lawsuit and Settlement are for PAGA penalties only. This Settlement does not release any individual claims that you might have against CSS, Inc. or CSS, LLC outside of PAGA.

According to CSS, Inc.’s records, you are a PAGA Member and are therefore entitled to a share of the settlement. Enclosed with this Notice is your settlement check. **The settlement check shall remain valid for one hundred eighty (180) calendar days.** Checks remaining un-cashed for more than 180 calendar days after issuance will be tendered to the California Department of Unclaimed Property.

If you have questions, contact the Settlement Administrator at the number above.