

CONFIDENTIAL SETTLEMENT AGREEMENT AND RELEASE

This Confidential Settlement Agreement and Release (the “**Agreement**”) is made by and between Ryan Tilton (“**Tilton**”), on the one hand, and JVHK Investments, LLC (“**JVHK**”) on the other. Tilton and JVHK shall be collectively referred to individually as a “**Party**” and collectively as the “**Parties**.”

RECITALS

WHEREAS on April 7, 2021, Tilton sent a letter to the California Labor and Workforce Development Agency to serve as notice that Mr. Tilton was seeking civil penalties against JVHK pursuant to California Labor Code § 2698 et seq., the Private Attorney General Act of 2004 (“**PAGA**”) on behalf of himself and other similarly situated and similarly aggrieved workers;

WHEREAS on April 9, 2021 Tilton filed suit in the Superior Court of Los Angeles County an action against JVHK entitled *Tilton v. JVHK Investments, LLC*, Case No. 21STCV13593 alleging the following claims on behalf of himself and a putative class;

- (1) failure to pay overtime (Lab. Code §§ 510, 558);
- (2) failure to provide meal and rest periods (Lab. Code §§ 226.7, 512);
- (3) failure to reimburse business expenses (Lab. Code § 2802);
- (4) failure to timely pay final wages (Lab. Code §§ 201 et seq.);
- (5) failure to maintain accurate records (Lab. Code §§ 1174, 1174.5);
- (6) failure to furnish wage and hour statements (Lab. Code §§ 226, 226.3); and
- (7) unfair business practices (Bus. & Prof. Code §§ 17200 et seq.).

WHEREAS on August 4, 2021, Tilton filed a First Amended Complaint alleging the same seven causes of action as the Complaint, and an additional claim for PAGA penalties (together, the LWDA letter, Complaint, and First Amended Complaint are referred to as the “**Action**”);

WHEREAS, JVHK denies each and every claim in the Action including that the Action is not suitable for class or representative treatment;

WHEREAS, on April 6, 2022 the Parties participated in a mediation before an experienced mediator, Patricia Prince;

WHEREAS, the Parties wish to avoid the risk and expense of continued litigation.

In consideration of the promises contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and subject to the approval of the Superior Court of Los Angeles County, the Parties agree as follows:

1. **Full and General Release by Tilton.** The Parties desire to fully and finally resolve any and all individual claims Tilton might have against JVHK, whether known or unknown, that have been made or could have been made by or on behalf of Tilton against JVHK

relating to conduct or events occurring at any time prior to and including the date on which this Agreement is executed.

1.1. In exchange for the promises contained in this Agreement, Tilton agrees that he or any person acting by, through, or under him, releases JVHK and, as applicable, its owners, investors, parents, subsidiaries, affiliates, directors, officers, employees, former employees, attorneys, and agents, including all employee benefit plans sponsored or administered by any of them (collectively, the “Released Parties”), from any and all claims Tilton has against them, and agrees that he will not institute in state or federal court, or with any state, federal, or local government agency, or with any administrative or advisory body, any action or actions, cause or causes of action (in law or in equity), suits, debts, liens, claims, demands, known or unknown, fixed or contingent, that he may have or claim to have arising from or attributable to the Released Parties.

1.2. Tilton also specifically agrees that he is compromising, settling, and releasing the Released Parties from any right or claim or cause of action or liability asserted in the Action or that could have been asserted by Tilton in the Action, including, but not limited to the purported payment or nonpayment of compensation (including, but not limited to wages, minimum wage, straight time, overtime (including the calculation thereof)), meal or rest period violations, reimbursement of expenses, improper wage statements, unfair business practices, wage statement penalties, record-keeping violations, waiting time penalties, civil penalties, statutory penalties, liquidated damages, and attorney’s fees based on any of the factual allegations of the Action.

1.3. Tilton also specifically agrees that he is compromising, settling, and releasing the Released Parties from any right or claim and for all liability that may presently exist for any potential employment related claim, including, but not limited to, wrongful termination, termination in violation of public policy, fraud, defamation, breach of express or implied contract, breach of the implied covenant of good faith and fair dealing, intentional or negligent infliction of emotional distress, compensation, leave benefits, sick leave, supplemental sick leave, paid time off, right to reinstatement, punitive damages, and employment discrimination, harassment, or retaliation, including, but not limited to, any violation of the Age Discrimination in Employment Act of 1967, as amended by the Older Workers Benefit Protection Act, Title VII of the Civil Rights Act of 1964, as amended, the Americans With Disability Act of 1990, as amended, the Family Medical Leave Act of 1993, the California Family Rights Act, the Fair Employment and Housing Act, the Unruh Civil Rights Act, California Business and Professions Code § 17200 *et seq.*, the California Labor Code, or any other similar local, state or federal act or regulation.

1.4. Tilton also agrees that he is waiving on behalf of himself and on behalf of his attorneys all claims for attorneys’ fees, expenses, and costs. Each Party will bear their own costs and attorneys’ fees.

1.5. Tilton also agrees that, if a claim against Released Parties is prosecuted in his name or on his behalf before any court or administrative agency, he waives and agrees not to take any award of money or other damages from such suit. Tilton also agrees that if a claim is

prosecuted in his name, that he will immediately request in writing that the claim on his behalf be withdrawn.

1.6. Tilton specifically acknowledges that he is aware of and familiar with the provisions of California Civil Code section 1542, which provides as follows:

“A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.”

1.7. Tilton, being aware of this section, hereby expressly waives and relinquishes all rights and benefits he may have under this section as well as any other statutes or common law principles of a similar effect.

1.8. Notwithstanding the above, nothing in this Agreement releases any claims which arise after Tilton’s execution of this Agreement, precludes Tilton from making a claim relating to the enforcement of this Agreement, precludes Tilton from filing a charge with or participating in an investigation by the Equal Employment Opportunity Commission or the California Department of Fair Employment and Housing, or from exercising rights protected by Section 7 of the National Labor Relations Act. Tilton waives his right to any monetary recovery or other relief from Released Parties should any agency pursue claims on his behalf that arose before he executed this Agreement.

2. **Consideration.** In exchange for the promises contained in the Agreement, JVHK agrees to pay Tilton and his attorneys the gross amount of Fifty Thousand Dollars (“\$50,000”) (the “**Settlement Amount**”) as follows.

2.1. One payment in the gross amount of \$50,000.00 allocated as set forth in this Section 2 (including Sections 2.1 and 2.2)(the “Tilton Settlement Payment”). More specifically, JVHK agrees to complete the following payments:

2.1.1. \$8,770.01 represents payment for wages, shall be subject to all applicable payroll withholdings, and shall be paid to Tilton and reported on a form W2;

2.1.2. \$15,930.79 represents payment for penalties and interest, and shall be paid to Tilton reported on a form 1099;

2.1.3. \$8,750.00 represents attorneys’ fees and shall be paid to ILG Legal Office, PC and reported on a form 1099¹;

¹ JVHK is permitted to combine the costs and fees portion to ILG Legal Office, PC in a single check and, similarly, JVHK is permitted to combine the costs and fees portion to Alon LLP in a single check.

2.1.4. \$8,750.00 represents attorneys' fees and shall be paid to ALON, LLP and reported on a form 1099;

2.1.5. \$4,817.80 represents legal costs and shall be paid to ILG Legal Office, PC and reported on a form 1099; and

2.1.6. \$1,106.40 represents legal costs and shall be paid to ALON, LLP and reported on a form 1099.

2.2. In the event the Court enters an order(s) approving the LWDA Payment, one payment in the gross amount of \$1,875.00 (the "LWDA Settlement Payment"), payable to the LWDA, representing 75% of the amount allocated by Tilton (\$2,500.00) to recovery of potential penalties under the California Private Attorney General's Act, California Labor Code sections 2698 *et seq.* If the Court does not approve a payment to the LWDA as part of this Agreement, then the \$1,875.00 will be added to Tilton's non-wage payment as set forth in Section 2.1.2 above.

2.3. The checks for the Tilton Settlement Payment shall be sent by overnight mail to 156 S. Spruce Avenue, Unit 206A, South San Francisco, CA 94080, on or before the 30th day after each of the following has occurred (a) both Tilton and his counsel execute this Agreement, (b) Tilton's attorney provides JVHK with its completed IRS Form W-9, and (c) the Court enters an order dismissing the Action as to Tilton with prejudice and as to the putative class and unnamed potentially aggrieved employees without prejudice

2.4. The check for the LWDA Payment, if approved by the Court, shall be sent by overnight mail to the Labor Workforce Development Agency, Department of Industrial Relations, Accounting Unit, 455 Golden Gate Avenue, 10th Floor, San Francisco, California 94102, on or before the 30th day after each of the following has occurred (a) both Tilton and his counsel execute this Agreement, (b) Tilton submits this proposed settlement to the LWDA at the same time that it is submitted to the Court and (c) the Court enters an order(s) approving the LWDA Payment and dismissing the Action as to Tilton with prejudice and as to the putative class and unnamed potentially aggrieved employees without prejudice. The LWDA Payment, if any, shall be accompanied by a copy of the order of the Court approving the LWDA Payment. In the event that the Court enters an order dismissing the Action but does not approve the LWDA Payment as part of this Agreement, then the \$1,875.00 that would have been sent to the LWDA will be added to Tilton's non-wage payment as set forth in Section 2.1.2 above.

2.5. Tilton acknowledges that the Settlement Amount is being paid in full settlement of all claims that he raised or that he could have raised against the Released Parties, and includes amounts to which Tilton otherwise would not be entitled. Specifically, Tilton acknowledges that the Settlement Amount reflects full payment of all amounts he contends (or may contend) were owed under state and federal law, as well as any and all attorneys' fees and costs incurred by Tilton. Tilton further acknowledges that JVHK would not agree to pay the Settlement Amount unless he signed this Agreement and agreed to fulfill the promises contained herein, including the promise to cause his attorneys to file a motion for court approval of this settlement and LWDA Payment and dismissal of the Action with prejudice as to Tilton and without prejudice as to the putative class and unnamed potentially aggrieved employees.

3. **Dismissal of Claims.** The enforceability of this Agreement is expressly conditioned upon the Court dismissing the Action as to Tilton with prejudice and as to the putative class and potentially aggrieved employees without prejudice. Within twenty-one (21) calendar days after JVHK's delivery of a copy of this Agreement executed by JVHK to Tilton's counsel, Tilton or his attorneys shall file with the court a motion for approval of this settlement and the LWDA Payment, and to dismiss the Action with prejudice only as to Tilton. The Parties each will use their good faith efforts to obtain approval of the settlement and dismissal of the Action. Counsel for JVHK will submit a declaration in support of such motion apprising the Court of the significant direct settlements entered into by certain of the putative class members. This Agreement will become enforceable only upon entry of an order dismissing the Action with prejudice as to Tilton, and without prejudice as to the putative class and unnamed potentially aggrieved employees.

4. **Notice to the Putative Class and Unnamed Potentially Aggrieved Employees.** No later than ten (10) business days following entry of an order dismissing the Action with prejudice as to Tilton, and without prejudice as to the putative class and unnamed potentially aggrieved employees, JVHK will send a notice to each putative class member/unnamed potentially aggrieved employee at their last known address that reads as follows:

“RE: NOTICE OF DISMISSAL OF LAWSUIT

As you may know, Ryan Tilton, a former employee of G&G Garage Door Company (JVHK Investments, LLC, doing business as “G&G Garage Door Company” or “G&G”) sent a letter to the California Labor Workforce and Development Agency and then filed a lawsuit against G&G called *Tilton v. JVHK Investments, LLC* in the Los Angeles Superior Court, Case Number 21STCV13593. Mr. Tilton sought to represent a class of current and former non-exempt G&G employees, including you, from April 10, 2017 to the present, and he alleged in his lawsuit that G&G (1) failed to pay overtime wages (Labor Code sections 200-204, 210, 216, 223, 225.5, 500, 510, 558, 1194, 1198, and under IWC Wage Orders); (2) failed to provide meal and rest periods (Labor Code sections 226.7, 512, and under IWC Wage Orders); (3) failed to reimburse business expenses (Labor Code section 2802); (4) failed to pay final wages on time (Labor Code sections 201 et seq.); (5) failed to maintain accurate records (Labor Code sections 1174, 1174.5), (6) failed to furnish wage and hour statements (Labor Code sections 226(e), and 226.3); (7) engaged in unfair business practices (Business & Professions Code sections 17200 et seq.); and (8) was liable under the Private Attorney General Act (Labor Code section 2698 et seq.) (the “Lawsuit”).

G&G disputed all claims in the Lawsuit. G&G does not agree with Mr. Tilton's allegations, does not admit to any wrongdoing, and denies the allegations made in the complaint.

Mr. Tilton and G&G have resolved Mr. Tilton's claims on an individual basis, and the Lawsuit has been dismissed.

Mr. Tilton is not pursuing any claims on your behalf. If you believe you have an unresolved claim against G&G, you may pursue that claim on your own or through your own attorney, though you are in no way required to do so.”

5. **Reporting Requirement.** Tilton acknowledges that JVHK must report to the Internal Revenue Service (as well as state and local taxing authorities where applicable) the Tilton Settlement Payment made under this Agreement, and that it is his responsibility (other than employer-side withholdings from the wages payment) to make tax payments on these amounts, if applicable.

6. **No Other Claims Exist.** Tilton represents that, other than the Action, he has not filed any lawsuit, administrative claim, or demand for arbitration against JVHK or any of the Released Parties, and that there are no undisclosed charges, actions, or claims pending on Tilton’s behalf against JVHK or any of the Released Parties.

7. **Confidentiality.**

7.1. In support of his motion for approval of this Agreement, the LWDA Payment, and to dismiss the Action, Tilton will submit a copy of this Agreement with the dollar values of the Settlement Amount and Tilton Settlement Payment redacted.

7.2. Tilton’s counsel agrees not to issue a press release, respond to inquiries (by any member of the press or otherwise), publicize the result of this action, use the result of this action as advertising material, or otherwise make public or disclose to anyone in any manner the terms of this Agreement or the negotiations leading thereto unless required to do so by law.

8. **Remedies in Event of Breach.** The Parties acknowledge that each would be irreparably harmed by any breach of the commitments in the Agreement by the other Party, and that in the event of any such breach, the prevailing party shall be entitled to the recovery of all costs and attorneys’ fees incurred in bringing an action for breach of this Agreement. Any such action would have no effect on the validity or enforceability of this Agreement.

9. **Non-Disparagement.** Tilton agrees that he will not engage in any form of conduct, or make any statements or representations, that disparage or otherwise impair the reputation, goodwill or commercial interests of JVHK or any of its past or present owners, investors, officers, directors, or employees, in any form or to any person or entity, including, without limitation, to any current or prospective customer, supplier, employee, competitor, industry participant, or any other person or entity whatsoever, except if testifying truthfully under oath pursuant to any lawful court order or subpoena or otherwise responding to or providing disclosures required by law. Nothing in this agreement prevents you from discussing or disclosing information about unlawful acts in the workplace, such as harassment or discrimination or any other conduct that you have reason to believe is unlawful.

10. **Arbitration and Mediation.** All disputes arising out of this Agreement (except a motion for enforcement under California Code Civ. Proc. § 664.6) shall be submitted to mediation before Patricia Prince and administered by Prince Law & Mediation under its mediation rules and procedures. The Parties will share the costs of the mediator and mediation equally. Each Party will cooperate fully and fairly with the mediator and will attempt to reach a

mutually satisfactory compromise to the dispute within thirty (30) days after it is referred to the mediator.

If mediation is not successful in resolving all disputes arising out of this Agreement, those unresolved disputes shall be submitted to final and binding arbitration before a retired judge affiliated with ADR Services, Inc. and shall be conducted by ADR Services under its arbitration rules and procedures, and the California Code of Civil Procedure. This agreement to arbitrate requires that all claims be submitted to arbitration and that they be arbitrated on an individual basis only. JVHK and Tilton jointly will be responsible for any fees charged by ADR Services or the arbitrator. The prevailing Party shall be entitled to recover the reasonable expenses associated therewith, including but not limited to costs and reasonable attorney's fees and expenses. The Parties hereby waive their respective rights to have any dispute between them resolved in court by a judge or jury. This paragraph will not prevent either party from seeking preliminary injunctive relief or any other provisional remedy in aid of arbitration from any court having jurisdiction over the parties, and shall not apply to disputes that are expressly excluded from arbitration by statute.

11. **Governing Law and Interpretation.** This Agreement shall be governed in accordance with the laws of the State of California without regard to its conflict of laws provision. If any provision of the Agreement shall be held void or unenforceable, the remainder of the Agreement shall remain in full force and effect, and the Agreement shall be construed as if such void or unenforceable provision were omitted; provided that in interpreting the Agreement a court shall replace such void or unenforceable provision with an effective and legally permissible provision the effect of which shall be identical to, or as close as reasonably possible to, the effect of the original provision.

12. **Reservation of Jurisdiction.** The Parties agree that this settlement may be enforced pursuant to California Code Civ. Proc. § 664.6. The parties intend this Agreement to be binding and enforceable and that this writing may be used as evidence of that intent. The Parties further agree that the court shall retain jurisdiction over the parties to enforce the settlement.

13. **Non-Admission of Wrongdoing.** The Parties agree that neither this Agreement nor the furnishing of the consideration for the Agreement shall be deemed or construed at any time for any purpose as an admission by any party of any liability or unlawful conduct of any kind. JVHK specifically denies all of Tilton's claims and charges, particularly those that form the alleged basis of the Action.

14. **Amendment.** This Agreement may not be modified, altered, or changed except upon express written consent of all Parties wherein specific reference is made to the Agreement.

15. **Entire Agreement.** This Agreement sets forth the entire agreement between the Parties, and fully supersedes any prior agreements or understandings between the Parties. The Parties acknowledge that they have not relied on any representations, promises, or agreements of any kind made to any of them in connection with the decision to accept the Agreement, except for those set forth in the Agreement. The Agreement shall be binding upon the Parties, their heirs, executors, successors and assigns.

16. **Representations.** Each Party represents to the other that in executing the Agreement, he or it does not rely and has not relied upon any representation or statement not set forth herein, made by any other party or by any other party's agents, representatives, or attorneys with regard to the subject matter, basis, or effect of the Agreement or otherwise.

17. **Advice from Counsel.** The Parties acknowledge that they are represented by counsel in this matter and have sought advice from an attorney regarding the effect of the Agreement prior to signing it.

18. **Authorization to Enter into Agreement.** Each individual signing the Agreement warrants that he or she is expressly authorized to enter into the Agreement on behalf of the party or parties for which the individual signs. Following execution of the Agreement and the expiration of the revocation period described in Paragraph 4, the Agreement shall be binding on the Parties.

19. **Severability.** If any of the above provisions are found null, void, or inoperative, for any reason, the remaining provisions will remain in full force and effect.

20. **Section Headings.** Section headings are used herein for convenience of reference only and shall not affect the meaning of any provision of the Agreement.

21. **Understanding of Agreement.** The Parties acknowledge that they have read the above paragraphs and fully understand the terms, nature, and effect of this Agreement, which they voluntarily execute in good faith, and deem to be fair and equitable settlement of this matter.

22. **Facsimile and Counterparts.** This Agreement may be executed by facsimile (or scanned email or electronic signature) and in counterparts. The Agreement will be binding on the Parties once it has been fully-executed. Thereafter, the Parties shall exchange copies, and all the counterparts together shall constitute a single original Agreement.

IN WITNESS WHEREOF, the Parties knowingly and voluntarily execute this Agreement as of the dates set forth below:

Dated: April __, 2022


[Ryan Tilton \(Apr 15, 2022 16:23 PDT\)](#)

Ryan Tilton

Dated: April __, 2022

JVHK Investments, LLC


[John X. Vach Jr. \(Apr 19, 2022 12:26 PDT\)](#)

By: John Vach

Its: Member

APPROVED AS TO FORM:

Dated: April 15, 2022

ILG Legal Office



By: Stephen Noel Ilg, Esq.
Attorneys for Plaintiff
Ryan Tilton and the putative class and unnamed
potentially aggrieved employees

Dated: April 19, 2022

WITTLIFF CUTTER PLLC



By: Jennifer Rappoport
Attorneys for Defendant
JVHK Investments, LLC

Settlement Agreement 04.14.2022 (Final for signature)

Final Audit Report

2022-04-19

Created:	2022-04-15
By:	Joy Ramirez (joy@wittliffcutter.com)
Status:	Signed
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"Settlement Agreement 04.14.2022 (Final for signature)" History

-  Document created by Joy Ramirez (joy@wittliffcutter.com)
2022-04-15 - 6:30:27 PM GMT
-  Document emailed to Ryan Tilton (rtilton96@gmail.com) for signature
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-  Document emailed to Stephen Ilg (silg@ilglegal.com) for signature
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Document e-signed by Ryan Tilton (rtilton96@gmail.com)

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Document e-signed by Jennifer Rappoport (jennifer@wittliffcutter.com)

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Document e-signed by John X. Vach Jr. (pwrply@pacbell.net)

Signature Date: 2022-04-19 - 7:26:31 PM GMT - Time Source: server



Agreement completed.

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