

STIPULATION OF SETTLEMENT

I. DEFINITIONS

In addition to other terms defined in this Agreement, the terms below have the following meaning in this Agreement:

- A. “Action” means the civil action titled *Castellanos et al v. Starz Telecom, Inc. et al*, California Superior Court for the County of Santa Clara Case No. 21CV386437. Plaintiffs and Defendants collectively are referred to in this Agreement as the “Parties,” and each as a “Party.”
- B. “Agreement” shall refer to this document.
- C. “Aggrieved Employees” shall include Plaintiffs and all hourly or non-exempt employees employed by Defendant Starz Telecom, Inc. during the PAGA Period (May 7, 2020 through the date upon which the Court approves of this proposed PAGA Settlement Amount).
- D. Court means the Santa Clara County Superior Court.
- E. “Defendants” means Defendants Starz Telecom, Inc., Sammy Dean Wilbur Isaacson, and Joshua Michael Wayn Isaacson. Each Defendants will be referred to by their respective last names or entity name.
- F. “Defendants’ Counsel” means Alexis Gabrielson and Brian Bertossa of Cook Brown, LLP.
- G. “Effective Date” means: (a) if there are no objections to or efforts to intervene in the Action or this settlement, the date of approval of the PAGA Settlement Amount by the Court; (b) or if objections to the settlement are filed and overruled or an effort to intervene in the Action or this settlement is denied and no appeal is taken from the order granting approval of the PAGA Settlement Amount or denying an effort to intervene, then 65 days after service of notice of entry of judgment; or (c) if an appeal is taken from any aspect of the order granting approval of the PAGA Settlement Amount or the judgment, then 21 days after the later of either (i) the appeal being withdrawn or (ii) an appellate decision affirming the order granting approval of the PAGA Settlement Amount or judgment becoming final.
- H. “Employer Payroll Contributions” shall mean the employer’s portion of payroll taxes and other monetary contributions required by state and federal law to be made by an employer on wage payments, including but not limited to FICA, Medicare, FUTA, and SUTA, and any federal and state unemployment taxes, payable with respect to amounts treated as wages under this Agreement.
- I. “Judgment” means the Order Granting Approval of PAGA Settlement and Entering Final Judgment entered by the Superior Court.
- J. “Gross Settlement Amount” (“GSA”) means three-hundred and fifteen-thousand dollars (\$315,000) dollars, the maximum amount to be paid by Defendants to settle this Action as provided by this Agreement. There shall be no reversion to the Defendants.
- K. “LWDA” refers to the California Labor and Workforce Development Agency.

- L. "PAGA" means the Private Attorneys General Act claim in the Action, Cal. Lab. Code section 2698, *et seq.*
- M. "PAGA Period" shall refer to the time period applicable to the PAGA claim in this Action from May 7, 2020 through the date upon which the Court approves of this proposed PAGA settlement.
- N. "PAGA Settlement Amount" refers to the \$256,288.63 of the GSA allocated to Plaintiffs' counsel for fees and costs, the Settlement Administrator's costs, the Aggrieved Employees and the LWDA to settle the PAGA claim in the Action.
- O. "Plaintiffs' Counsel" means Justice at Work Law Group.
- P. "Plaintiffs" means JOSE ANGEL CASTELLANOS, GABRIEL CARRANZA, AND ULISES CEJA MARTINEZ. Each Plaintiff will be referred to by their respective last names.
- Q. "Individual Settlement Amounts" refers to the \$58,711.37 of the Gross Settlement Amount allocated to Plaintiffs for the release of their individual claims pending in the Action, including unpaid wages, penalties, attorneys' fees and costs and a release of all known and unknown claims. The amounts allotted to each individual Plaintiff are specified below in section IV, B.
- R. "Settlement" means the terms and conditions set forth in this Agreement meant to resolve the Actions.

II. RECITALS

- A. Plaintiffs filed a lawsuit against Defendants in Santa Clara County Superior Court on August 2, 2021 ("Action") alleging: (1) failure to pay minimum wages, overtime wages and prevailing wages, (2) failure to provide compliant meal breaks; (3) failure to provide compliant rest breaks; (4) waiting time penalties; (5) failure to provide accurate itemized wage stubs; (6) Unfair Business Practices (including for failure to reimburse business expenses under Labor Code § 2802); and (7) violation of the Private Attorneys General Act, Labor Code §§ 2699 *et seq.*
- B. The parties participated in mediation on August 11, 2022 before Honorable Kevin Murphy (ret.).
- C. The Parties expressly acknowledge that nothing in this Agreement, nor the fact of the Agreement itself, shall be construed or deemed an admission of liability, culpability, or wrongdoing of any kind by Defendants, nor shall it constitute an admission on behalf of Defendants of any fact or allegations against it.
- D. Plaintiffs and Plaintiffs' Counsel believe that the claims asserted in this Action have merit. Plaintiffs and Plaintiffs' Counsel, however, recognize and acknowledge the significant expense and length of continued proceedings necessary to prosecute the Action against Defendants through trial and through potential appeals. Plaintiffs and Plaintiffs' Counsel are also mindful of the possible defenses to the Released Claims. After careful consideration, Plaintiffs and Plaintiffs' Counsel have concluded that it is desirable that the Action be settled in the manner and upon the terms and conditions set

forth in this Agreement.

- E. It is the desire of the Parties that Plaintiffs shall release, fully and completely, all claims, whether known or unknown, including those alleged in the Action, against the Released Parties prior to and through the date Plaintiffs execute this Agreement and, further, that Plaintiffs waive the protection of Section 1542 of the Civil Code of the State of California, as set forth more fully below. Plaintiffs intend this release to apply to their own claims and not of any Aggrieved Employees, except as provided in Section V.
- F. It is also the desire of the Parties that the Aggrieved Employees release all claims for civil penalties available under PAGA based upon the facts and theories alleged, that could have been alleged or that are reasonably related to the allegations within Plaintiffs' May 7, 2021 notice letter, or the operative Complaints filed in the Action or both, each of which is incorporated herein by reference.
- G. The Parties and their respective counsel of record deem the Agreement to be fair and reasonable and have arrived at the Agreement in arms-length negotiations taking into account all relevant factors, present or potential.
- H. Based on these Recitals, the Parties agree as follows:

III. COURT APPROVAL OF THE SETTLEMENT

- A. The Parties and their respective counsel shall take all necessary steps to implement this Agreement, any steps that may be requested by the Court relating to the approval of this Agreement and shall otherwise use their respective best efforts to obtain Court approval of this Agreement and implement this Agreement. The procedure for obtaining Court approval of this Agreement and implementing this Agreement shall be as set forth below.
- B. As soon as practicable after this Agreement has been executed by all Parties and their counsel, Plaintiffs shall submit a motion to the Court for approval of this Agreement pursuant to Labor Code § 2699(1)(2). Defendants agree that they will not object to or contest the amounts allocated to the individual Plaintiffs from the Gross Settlement Amount, the PAGA Settlement Amount, the Net PAGA Settlement Amount, and Plaintiffs' counsel's request for attorneys' fees and litigation costs, so long as they are consistent with this Agreement.
- C. Plaintiffs will request entry of an order that accomplishes the following:
 - 1. approves the Agreement to the extent required to settle claims arising under California Labor Code §§ 2698-2699.6, including, to the extent necessary, the amount of the PAGA Settlement Amount, which will be allocated to the LWDA, Aggrieved Employees, the settlement administrator, and Plaintiffs' Counsel for reasonable attorneys' fees and litigation costs;
 - 2. provides that the Court shall retain continuing jurisdiction over the Parties, the LWDA, the settlement administrator, and the Aggrieved Employees to enforce the Agreement; and
 - 3. enters judgment in accordance with the terms of this Agreement with respect to the claims arising under California Labor Code §§ 2698-2699.6 applicable to the

Aggrieved Employees.

D. Plaintiffs' counsel shall be responsible for ensuring that at least the following documents are filed with the Court in anticipation of the approval hearing:

1. A duly noticed motion, accompanying memorandum of points and authorities prepared by Plaintiff's Counsel, and such other pleadings or other documents as may be necessary for the Court to approve the Agreement.
2. A [Proposed] Order and Judgment for the Court's signature that (i) approves the Agreement to the extent required to settle claims arising under California Labor Code §§ 2698-2699.6, including, to the extent necessary, the amount of the Settlement to be allocated to the LWDA and Aggrieved Employees and Plaintiffs' Counsel's request for reasonable attorneys' fees and litigation costs and the costs of the settlement administration; (ii) provides that the Court shall retain continuing jurisdiction over the Parties, the LWDA, and the Aggrieved Employees to enforce the Agreement; and (vii) enters judgment in accordance with the terms of this Agreement with respect to the claims arising under California Labor Code §§ 2698-2699.6 applicable to the Aggrieved Employees.

E. The Parties agree that the Settlement shall not be contingent upon the Court awarding Plaintiffs' Counsel any particular amount for attorneys' fees or costs, provided Plaintiff seeks no more than 40% of the PAGA Settlement Amount.

IV. SETTLEMENT TERMS AND CONDITIONS

- A. Gross Settlement Amount. Defendants agree to pay a Gross Settlement Amount of \$315,000.00 to resolve the Action. This Gross Settlement Amount shall include all payments to Plaintiffs, the Aggrieved Employees, the LWDA, all of Plaintiffs' counsel's fees and costs, and costs of administration of the Settlement. Defendants' share of employer-side payroll taxes for the Settlement monies designated herein as wages shall be paid by Defendants separately from, and in addition to, the Gross Settlement Amount. The Gross Settlement Amount and Defendants' share of employer taxes for the wage portion of the Individual Settlement Amounts will be the maximum amount that Defendants must pay under this Agreement. The Gross Settlement Amount equals the Individual Settlement Amounts (equal to \$58,711.37) and the PAGA Settlement Amount (equal to \$256,288.63). Plaintiffs' Counsel will seek Court approval of (1) Plaintiffs' Counsel's fees and costs not to exceed 40 %, or \$102,515.45, of the PAGA Settlement Amount; 2) the Net PAGA Settlement Amount; and 3) \$3,000 of the PAGA Settlement Amount to be allocated to a third-party administrator disbursing checks to Aggrieved Employees stemming from the portion of the settlement allocated to PAGA pursuant to Labor Code § 2699.
- B. Individual Settlement Amounts. Subject to court approval, the Individual Settlement Amounts will be distributed as follows:
- a. To each Plaintiff in the following amounts: (1) To Castellanos the amount of \$20,382.25, (2) To Carranza the amount of \$21,429.27, and (3) To Martinez the amount of \$16,899.85, coming to a total of \$58,711.37.

- b. Defendants will provide one payroll check made payable to each Plaintiff for half of their respective individual amounts, less withholdings and deductions required by law. This payment to Plaintiff shall be reported on a W-2 issued to Plaintiff by Defendants.
 - c. Defendants will also provide a separate check made payable to each Plaintiff equal to the remaining half of their respective individual amounts, without withholdings or deductions, for the alleged penalties claimed by Plaintiffs related to their claims in the Action. Defendants or their representative will issue each Plaintiff a Form 1099 for this sum.
- C. The PAGA Settlement Amount. Subject to Court approval, \$256,288.63 of the Gross Settlement Amount will be allocated to the settlement of the PAGA claims alleged within Plaintiffs' May 7, 2021 notice letter or the operative Complaints filed in the Action or both. Pursuant to Labor Code section 2699(i), the Net PAGA Settlement Amount will equal the PAGA Settlement Amount less the following payments, all of which are subject to Court approval: up to \$102,515.45 payment to Plaintiff's counsel for fees and litigation costs, and up to \$3,000 to the Court approved third-party PAGA settlement administrator. The Net PAGA Settlement Amount shall be paid to the LWDA and the Aggrieved Employees who fall within the PAGA period and distributed in the following way: seventy-five percent (75%) paid to the LWDA and twenty-five percent (25%) paid to the Aggrieved Employees. The twenty-five percent (25%) of the Net PAGA Settlement Amount allocated to Aggrieved Employees shall be distributed on a *pro rata* basis based on the number of workweeks worked by Aggrieved Employees during the PAGA Period. Aggrieved Employees' *pro rata* share of the PAGA Settlement will be based on the number of workweeks worked during the PAGA Period and calculated as follows: (a) the number of workweeks each Aggrieved Employee worked during the PAGA Period; divided by (b) the total number of workweeks collectively worked by all Aggrieved Employees during the PAGA Period; multiplied by (c) the twenty-five percent (25%) of the Net PAGA Settlement Amount. For tax purposes, the twenty-five percent (25%) of the Net PAGA Settlement Amount paid to the Aggrieved Employees will be characterized as penalties and will be reported on an IRS Form 1099.
- D. The PAGA Period and Aggrieved Employees. The "PAGA Period" shall run from May 7, 2020 through the date upon which the Court approves of this proposed PAGA Settlement Amount. The PAGA Settlement Amount and releases shall include Plaintiffs and all hourly or non-exempt employees employed by Defendant Starz Telecom during the PAGA Period, and shall include all civil penalties sought pursuant to PAGA within Plaintiff's May 7, 2021 notice letter, or the operative Complaints filed in the Action or both.
- E. Timing of Settlement Payments. The Parties agree that following court approval of the PAGA Settlement Amount, Defendants will make the payments constituting the entire Gross Settlement Amounts as follows:
 - 1. Within thirty (30) days of the Effective Date, and subject to court approval, Defendants shall make the following payments from the Gross Settlement Amount.

To each individual Plaintiff:

- a) Defendants shall issue one payroll check made payable to each Plaintiff equal to half of their individual settlement amounts, less withholdings and deductions required by law. This payment to Plaintiffs shall be reported on a W-2 issued to Plaintiffs by Defendants or their representatives;
- b) Defendants shall issue a second check made payable to each Plaintiff equal to half of their individual settlement amounts settlement amount without withholdings or deductions, for alleged penalties claimed by Plaintiff to arise from Plaintiffs' claims in the Action. Defendants or their representative will issue Plaintiffs a Form 1099 for this sum;
- c) The following chart summarizes the W-2 and 1099 payments outlined above:

Plaintiff	W-2	1099
Jose Angel Castellanos	\$10,191.12	\$10,191.13
Gabriel Carranza	\$10,714.64	\$10,714.65
Ulises Ceja Martinez	\$8,449.92	\$8,449.93

2. Within fourteen (14) days of the Effective Date, Defendants will provide to the third-party administrator designated for disbursing checks to Aggrieved Employees and the LWDA stemming from the portion of the settlement allocated to PAGA pursuant to Labor Code § 2699 an Excel spreadsheet including the following information for each Aggrieved Employee: (1) name; (2) employee ID number (if any); (3) last known address, (4) the number of workweeks they worked for Defendants during the PAGA Period; and (5) the amount of all payments to be made to each Aggrieved Employee pursuant to the formula outlined in paragraph IV.C. of this Agreement.
3. Subject to court approval, on the 1st of the month following the month in which the payment for the Individual Settlement Amounts is paid to Plaintiffs pursuant to Paragraph E.1 above, and continuing on the 1st of each subsequent month, Defendants will pay to the Third-Party Administrator \$21,357.39 in twelve (12) monthly installments until the PAGA Settlement Amount is paid in full. Distribution of these funds shall be as follows:
 - a. Upon receipt of sufficient funds, the Third-Party Administrator shall make one payment to Plaintiff's Counsel for Plaintiffs' Counsel's fees and costs not to exceed 40 %, or \$102,515.45, of the PAGA Settlement Amount. In no event shall Defendants be required to pay an amount of reasonable attorneys' fees and costs that would exceed the Gross Settlement Amount. This payment shall be made no later than fourteen (14) days after receipt of sufficient funds.
 - b. Upon receipt of all remaining funds:

i. One payment to the Third-Party Administrator in the amount of \$3,000 or the amount approved by the Court for the administration of the PAGA Settlement Amount. The third-party administrator must provide Defendants with an executed W-9 as a condition precedent to the payment herein.

ii. The Net PAGA Settlement Amount designated for disbursing checks to the Aggrieved Employees and LWDA stemming from the portion of the settlement allocated to PAGA pursuant to Labor Code § 2699. All such payments shall be accompanied by the notice attached to this Agreement as Exhibit 1. The language of this notice has been agreed to by the Parties.

iii. The Third-party Settlement Administrator will disburse the twenty-five percent (25%) of the Net PAGA Settlement Amount, or no more than \$64,072.16, of the PAGA Settlement whichever amount is approved by the Court to the Aggrieved Employees by sending checks by first class mail, representing Aggrieved Employee's shares of the Net PAGA Settlement Amount, determined by the formula outlined in paragraph IV.C of this Agreement, along with a copy of the Notice of Settlement Payment (a copy of which is attached hereto as Exhibit 1), and will disburse seventy-five percent (75%), or no more than \$192,216.47, whichever amount is approved by the Court, of the Net PAGA Settlement Amount to the LWDA in accordance with the LWDA's standard protocol for making such payments.

4. If Defendants fail to complete any payment laid out in this Section, any and all outstanding amounts due under this agreement shall become immediately due after notice by Plaintiff's counsel or the Settlement Administrator to Defendant Joshua Isaacson of the purported breach and the subsequent the expiration of a five (5)-day grace period, during which time Defendants may cure the alleged failure to pay. After the expiration of the grace period, Defendants shall have five (5) court days to pay the outstanding balance. Should Defendants fail to pay the outstanding balance within five (5) court days, Plaintiffs shall be entitled to judgment for said amount against each and every Defendant. Plaintiffs may secure this judgment through an *ex parte* motion that Defendants shall not oppose.

5. Plaintiff and all Aggrieved Employees shall have 120 calendar days after mailing to negotiate their settlement checks. If Plaintiff or any Aggrieved Employee does not receive (i.e., it is returned as undeliverable with no forwarding address) his or her PAGA settlement payment check(s), the amount of the check(s) will be redistributed on a *pro rata* basis to the Aggrieved Employees who have cashed their checks. For settlement payment check(s) that are not returned as undeliverable, if any Aggrieved Employee does not cash his or her settlement payment check(s) within the 120-day period, the funds for the checks will be submitted to the Department of Industrial Relations Unpaid Wage Fund for the benefit of the Aggrieved Employees.

6.. Defendants make no representations as to the taxable nature of the cash consideration paid to Plaintiffs pursuant to this Agreement. In consideration and inducement for this Agreement, Plaintiffs agree that they are solely and exclusively responsible for paying their respective federal or state taxes due as a result of these payments. Accordingly, Plaintiffs agree that they will indemnify and hold Defendants harmless from and against any claim,

demand, damage, debt, obligation, liability, action or cause of action (including payment of attorneys' fees and costs incurred by Defendants) based on, in connection with, or arising out of, the taxability as to these payments, with the exclusion of the Employer Payroll Contributions arising from the specific amounts identified within Section IV.E.2.(a) above.

V. RELEASE OF CLAIMS

- A. Plaintiffs Jose Angel Castellanos, Gabriel Carranza, and Ulises Ceja Martinez, on behalf of themselves, the LWDA, and all Aggrieved Employees, shall and hereby do fully release and discharge the Released Parties, as defined in Section V.B of this Agreement, from all claims, demands, rights, liabilities, and causes of action available for civil penalties under PAGA sought pursuant to PAGA within either Plaintiff's May 7, 2021 notice letter or the operative Complaints filed in the Action or both, or stemming from unpaid/underpaid/untimely paid wages, noncompliant breaks, inaccurate wage statements, late payment of final wages following separation of employment (i.e., waiting time penalties), and failure to reimburse business expenses for the PAGA period pertaining the Aggrieved Employees ("Release of PAGA Claim"). This Release of PAGA Claim also includes all civil penalties arising out of any violation of Labor Code §§ 200, 201, 202, 203, 204, 204(b), 210, 223, 226, 226.3, 226.7, 226.8, 246, 246.5, 247, 247.5, 248.5, 256, 510, 511, 558, 558.1, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1198, 1735, 1771, 1774, 1774.5, 1775, 1776, 1777, 1777.5, 1810, 1811, 1813, 1815, 2698 et seq., Bus. & Prof. Code §§ 17200, et seq., Industrial Welfare Commission Wage Orders, Cal. Code of Regulations, or any other statute or regulation. Released Claims does not mean or include individual claims PAGA pool members may have including but not limited to claims for unpaid wages, failure to provide complaint meal and rest breaks, or wage stub penalty claims.
- B. In exchange for the mutual promises made herein this Agreement, Plaintiffs, on behalf of themselves and their agents, representatives, heirs, and assigns, hereby releases and forever discharges Defendants Starz Telecom, Inc., Sammy Dean Wilbur Isaacson, and Joshua Michael Wayn Isaacson, and any of their respective affiliates, subsidiaries, or parents, and their respective current and former members, shareholders, partners, owners, managing members, agents, directors, officers, employees, attorneys, agents, principals, heirs, executors, administrators, representatives, trustees, accountants, auditors, consultants, insurers, reinsurers, successors and assigns ("Released Parties") from any and all manner of action or actions, claims, liabilities, demands, losses, damages, costs, expenses, and obligations, whether known or unknown, claimed or unsuspected, that Plaintiffs have or may have had, arising out of or in any way related to their employment with Defendants or termination of their employment with Defendants; provided, however, that nothing in this section shall release or discharge Defendants from their obligations under any of the other provisions of this Agreement.

This release includes, but is not limited to: all causes of action arising under or based upon: the Age Discrimination in Employment Act of 1967; Fair Labor Standards Act of 1938, 29 U.S.C. § 201 et seq.; Title VII of the Civil Rights Act of 1964, as amended, including the Civil Rights Act of 1991, 42 U.S.C. § 2000e et seq.; the Equal Pay Act of 1963, 29 U.S.C. § 206(d); the Rehabilitation Act of 1973, 29 U.S.C. § 701, et seq.; the

Employee Retirement Income Security Act of 1964 (ERISA), 29 U.S.C. § 1001 et seq.; Executive Order 11246; Americans With Disabilities Act, 42 U.S.C. § 12111, et seq.; the California Fair Employment and Housing Act, the California Labor Code, and any other local, state, or federal statute, public policy, order, or regulation, however promulgated, affecting or relating to claims or rights of employees, including any and all suits at law or in equity, including tort, contract, or any other cognizable claim, such as breach of an express or implied contract, whether oral or written, misrepresentation, defamation, interference with economic advantage, contract or prospective contractual relations, intentional or negligent infliction of emotional distress, invasion of privacy whether intentional or negligently caused, wrongful termination for any reason, including any allegations of termination based either on a refusal to commit, inquire about, or reporting on an act believed by Plaintiffs to be illegal, breach of the covenant of good faith and fair dealing, or conspiracy to commit any of the above, whether known or unknown, claimed or unsuspected, which Plaintiffs ever had, have, or can assert to have had against Defendants and/or the Released Parties occurring at any time prior to the date of execution of this Release (the “Named Plaintiffs’ Released Claims”).

Plaintiffs also agree and promise that they will not file any lawsuit or administrative complaint or demand for arbitration asserting any of the released claims or causes of action set forth above, with the exception Plaintiffs understands nothing in this Agreement prohibits them from filing a charge or complaint with the Equal Opportunity Employment Commission, the National Labor Relations Board or the California Department of Fair Employment and Housing or participating in any investigation or proceeding conducted by any of these agencies, except that Plaintiffs agree that they have waived any right to receive any monetary compensation on account of any such charge or complaint.

This Agreement does not waive rights or claims under federal or state law that Plaintiffs cannot waive by private agreement as a matter of law, including, but not limited to, any rights to unemployment benefits or workers’ compensation benefits to which Plaintiffs may be entitled.

- C. Plaintiffs Castellanos and Carranza are over the age of forty (40) years, and in accordance with the Age Discrimination in Employment Act and Older Workers’ Benefit Protection Act (collectively, the “Act”), they acknowledge that:
- a. They have been advised in writing to consult with an attorney prior to executing this Agreement, and have had the opportunity to do so;
 - b. They are aware of certain rights to make claims for age discrimination to which they may be entitled under the Act, and understand that by signing this Agreement they are giving up any rights to assert or sue for such claims;
 - c. In exchange for executing this Agreement and the release it contains, they will receive their respective Individual Settlement Amounts to which they would not otherwise be entitled, and in addition to the compensation and benefits that they earned as employees of Defendants;

- d. By signing this Agreement, they will not waive rights or claims under the Act which may arise after the execution of this Agreement;
 - e. They have been given a period of at least twenty-one (21) days to consider this Agreement, and understand that if they do not sign this Agreement, they will not receive their respective Individual Settlement Amounts. If Plaintiffs Castellanos and Carranza are signing this Agreement after less than 21 days' review, they acknowledge that they are doing so voluntarily and are expressly waiving their right to take 21 days to review it; and
 - f. Plaintiffs further acknowledge that they had a period of seven (7) days from the date of execution in which to revoke this Agreement by written notice to Defense Counsel Alexis Gabrielson, Cook Brown LLP, at agabrielson@cookbrown.com. In the event Plaintiffs do not exercise their right to revoke this Agreement, the Agreement shall become effective on the Effective Date as defined herein and in no event earlier than the expiration of the 7-day revocation period, and Plaintiffs will receive their respective Individual Settlement Amounts in accordance with the terms of this Agreement.
- D. Plaintiffs understand and intend that the claims and rights released herein include all legal, contractual, constitutional, statutory and equitable duties, rights, causes of action and claims owed to them by the Released Parties on the date they sign this Agreement, regardless of whether those claims, liabilities, and/or causes of action are presently existing, known or anticipated.
- E. Plaintiffs acknowledge that they may hereafter discover facts different from or in addition to those now known or believed to be true regarding the subject matter of the Agreement, but agrees that this Agreement shall remain in full force and effect notwithstanding the existence or discovery of any such new or different facts. In order to achieve a full and complete release of claims by Plaintiffs, they waive all rights and benefits afforded to them by Section 1542 of the Civil Code of the State of California and do so understanding the significance of that waiver. Section 1542 provides:

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.

VI. MISCELLANEOUS PROVISIONS

- A. Dismissal of Individual Claims. Within five (5) days of the date on which Plaintiff receives their Individual Settlement Amounts, Plaintiff's Counsel shall file a Request for Dismissal with prejudice as to all individual (non-PAGA) claims filed in the Action by Plaintiffs.
- B. No Other Claims. Plaintiffs represent that, excluding the Action, they have not filed any complaints, claims, grievances or actions against Defendants, whether previously or

hereafter affiliated in any manner, in any state, federal or local court or agency, and covenants not to file any claims (other than administrative claims and charges, and/or other filings not subject to waiver by law) against Defendants at any time hereafter based on events occurring on or before the date on which the Parties sign this Agreement.

- C. No Other Attorneys Fees or Costs absent breach. The Parties shall each bear their own attorney fees and costs in connection with the Action, and none shall be entitled to recover attorney fees or costs from any other except as provided in this Agreement. However, if Defendants breach the payment terms as laid out in Section IV or the requirements of Section VI, parts G and H, Plaintiffs are entitled to recover reasonable attorneys' fees and costs to enforce those sections.
- D. Successors and Assigns. The Parties agree that this Agreement shall be binding upon their successors and assignees. Each represents that it has not transferred to any person or entity any of the rights released or transferred through this Agreement.
- E. Fair Settlement. The Parties and their respective counsel believe and warrant that this Agreement reflects a fair, reasonable, and adequate settlement of the Action and have arrived at this Agreement through arm's length negotiations, taking into account all relevant factors, current and potential.
- F. Jurisdiction. The Court shall retain jurisdiction with respect to the implementation and enforcement of the terms of the Settlement, and all Parties submit to the jurisdiction of the Court for purposes of implementing and enforcing the Settlement as embodied in this agreement, including any award of attorneys' fees and costs. Any action to enforce this Settlement shall be commenced and maintained only in the Court.
- G. Non-Disparagement and Neutral References. Plaintiffs agrees that they will not criticize, denigrate or disparage, defame, or make statements to anyone or on social media or to otherwise publish regarding Defendants or any Released Parties (as defined in Section V.B of this Agreement), their respective business products, services, practices, policies or conduct in such a way likely to be harmful to their respective business or personal reputations. The exceptions to Section VI.J.(a) & (b) of this Agreement will apply equally to this provision.) Defendants Sammy Dean Wilbur Isaacson and Joshua Michael Wayn Isaacson agree that they will not criticize, denigrate or disparage, defame, or make statements to anyone or on social media or to otherwise publish regarding Plaintiffs employment or conduct in such a way likely to be harmful to their professional or personal reputations.
- H. Neutral Job Reference. If contacted by a third-party for an employment reference about Plaintiffs, Defendants will provide only the dates of Plaintiff's employment and positions, provided that Plaintiffs directs the third-party to the attention of Joshua Isaacson. If asked about the litigation or any of their claims raised in their respective lawsuits, Plaintiffs will respond only that "the matter is resolved."
- I. Confidentiality. The Parties agree that they will not disclose, make public or publicize the terms of this Agreement on social media or to anyone or through any media and will not discuss the terms of this Agreement, other than to acknowledge that the matter has been resolved, with anyone other than their spouse, accountant, and their attorneys as applicable, unless required to by legal process. The Parties agree that should any Party

seek enforcement of this provision that the prevailing party will be entitled to recover their attorneys' fees for seeking enforcement of this provision. Other exceptions to this provision are as follows:

- a. The Parties understand and acknowledge that this Agreement does not prevent any of them from (1) testifying in an administrative, legislative or judicial proceeding concerning alleged criminal conduct or alleged sexual harassment when they have been compelled or requested to do so pursuant to court order, subpoena, or written request from an administrative agency or the legislature or (2) reporting alleged violations of federal, state or local law or regulation to any governmental agency or entity, including but not limited to the Department of Justice or the Securities and Exchange Commission.
 - b. The disclosure of this Agreement pursuant to court order or as otherwise required by law shall not be considered a breach of this provision. Pursuant to California Evidence Code section 1154, California Code of Civil Procedure section 664.6, and Federal Rules of Evidence 408, all terms of this Agreement may be disclosed to a court of law and shall be enforceable and binding upon them in a court of law, but the disclosure shall be designated "CONFIDENTIAL."
- J. No Admission. Neither the acceptance nor the performance by Defendants of the terms of this Agreement nor any of the related negotiations or proceedings is or shall be claimed to be construed as, or deemed to be an admission by Defendants of the truth of any of the allegations of the Actions, the representative character of the Action, the validity of any of the claims that were or could have been asserted by Plaintiff, the LWDA, and/or the Aggrieved Employees in the Action, or any liability or guilt of Defendants for the claims alleged in the Action or otherwise.
- K. Amendment or Modification. Unless otherwise provided herein, this Agreement may be amended or modified only by a written instrument signed by counsel for all Parties or their successors-in-interest.
- L. Authorization to Enter Into Agreement. Each individual signing this Agreement warrants that he, she, or they have the authority and is expressly authorized to enter into this Agreement on behalf of the party for which that individual signs.
- M. Advice of Counsel. The Parties to this Agreement are represented by competent counsel, and they have had an opportunity to consult with counsel. The Parties to this Agreement agree that it reflects their good faith compromise of the claims raised in this action, based upon their assessment of the mutual risks and costs of further litigation and the assessments of their respective counsel.
- N. Governing Law. This Agreement shall be governed, construed, and interpreted, and the rights of the Parties shall be determined, in accordance with the laws of the State of California, irrespective of the State of California's choice of law principles.
- O. Entire Agreement. This Agreement and any supplemental written agreement subsequently incorporated constitute the entire Agreement among these Parties, and no oral or written representations, warranties or inducements have been made to any Party

concerning this Agreement other than the representations, warranties and covenants contained and memorialized herein. This Agreement, once it is fully executed, supersedes, any and all prior agreements between the Parties, whether written or verbal, including, but not limited to, the Parties' Memorandum of Understanding.

- P. Counterparts. This Agreement, and any amendments hereto, may be executed in any number of counterparts (and by facsimile or electronically-transmitted signatures, which shall be deemed to be originals) and any Party and/or their respective counsel hereto may execute any such counterpart on behalf of themselves, each of which when executed and delivered shall be deemed to be an original and all of which counterparts taken together shall constitute but one and the same instrument.
- Q. Cooperation. The Parties shall cooperate fully with one another and to use their best efforts to consummate the Agreement and cause the Court to enter an order and judgment as described herein. No Party to this Agreement shall seek to evade his, her or its good faith obligations to seek approval and implementation of the Agreement by virtue of any ruling, order, or other development, whether in the Action, in any other litigation or otherwise that hereafter might occur and might be deemed to alter the relative strengths of the Parties with respect to any claims or defenses of their relative bargaining power with respect to negotiating.
- R. The Parties' settlement is conditioned upon the Court's approval.

* * *

THE UNDERSIGNED ACKNOWLEDGE THAT EACH HAS READ THE FOREGOING AGREEMENT AND ACCEPTS AND AGREES TO THE PROVISIONS CONTAINED THEREIN, AND HEREBY EXECUTES IT VOLUNTARILY WITH FULL KNOWLEDGE OF ITS CONSEQUENCES.

VII. EXECUTION BY PARTIES

The Parties hereby execute this Agreement.

Dated: _____

Defendant Starz Telecom, Inc.

Name: _____

Title: _____

Dated: _____

Defendant Sammy Dean Wilbur Isaacson

Dated: _____

Defendant Joshua Michael Wayn Isaacson

11/04/2022

Dated: _____

Plaintiff Jose Angel Castellanos



11/04/2022

Dated: _____

Plaintiff Gabriel Carranza



11/04/2022

Dated: _____

Plaintiff Ulises Ceja Martinez



Approved as to form.

Dated: _____

Alexis Gabrielson
Attorney for Defendants

11/04/2022

Dated: _____

Huy Tran
Attorney for Plaintiffs



Document History

SignNow E-Signature Audit Log

All dates expressed in MM/DD/YYYY (US)

Document name: DRAFT Settlement Agreement v3 (FINAL AGREEMENT)
Document created: 11/04/2022 17:45:31
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Sender: alan@jawlawgroup.com
Signers: j.castellanos87@yahoo.com, pollito.ceja.m@gmail.com, huy@jawlawgroup.com, fabecarr5880@gmail.com
CC:

Client	Event	By	Server Time	Client Time	IP Address
SignNow Web Application	Uploaded the Document	alan@jawlawgroup.com	11/04/2022 17:45:31 pm UTC	11/04/2022 17:45:28 pm UTC	198.54.134.76
SignNow Web Application	Viewed the Document	alan@jawlawgroup.com	11/04/2022 17:45:46 pm UTC	11/04/2022 17:45:46 pm UTC	198.54.134.76
SignNow Web Application	Document Saved	alan@jawlawgroup.com	11/04/2022 17:51:20 pm UTC	11/04/2022 17:51:19 pm UTC	198.54.134.76
SignNow Web Application	Invite Sent to: j.castellanos87@yahoo.com, pollito.ceja.m@gmail.com, sabecarr5880@gmail.com, huy@jawlawgroup.com	alan@jawlawgroup.com	11/04/2022 17:52:05 pm UTC	11/04/2022 17:52:04 pm UTC	198.54.134.76
SignNow Web Application	Viewed the Document	pollito.ceja.m@gmail.com	11/04/2022 18:09:38 pm UTC	11/04/2022 18:09:37 pm UTC	174.194.194.45
SignNow Web Application	Signed the Document	pollito.ceja.m@gmail.com	11/04/2022 18:11:57 pm UTC	11/04/2022 18:11:56 pm UTC	174.194.194.45
SignNow Web Application	Added a Text	pollito.ceja.m@gmail.com	11/04/2022 18:11:57 pm UTC	11/04/2022 18:11:56 pm UTC	174.194.194.45
SignNow Web Application	Document Saved	pollito.ceja.m@gmail.com	11/04/2022 18:11:57 pm UTC	11/04/2022 18:11:56 pm UTC	174.194.194.45
SignNow Web Application	Invite Canceled for: sabecarr5880@gmail.com	alan@jawlawgroup.com	11/04/2022 18:21:15 pm UTC	11/04/2022 18:21:15 pm UTC	198.54.134.40
SignNow Web Application	Invite Sent to: fabecarr5880@gmail.com	alan@jawlawgroup.com	11/04/2022 18:21:16 pm UTC	11/04/2022 18:21:15 pm UTC	198.54.134.40
SignNow Web Application	Viewed the Document	fabecarr5880@gmail.com	11/04/2022 18:32:48 pm UTC	11/04/2022 18:32:47 pm UTC	172.58.39.172
SignNow Web Application	Signed the Document	fabecarr5880@gmail.com	11/04/2022 18:34:15 pm UTC	11/04/2022 18:34:15 pm UTC	172.58.39.172
SignNow Web Application	Added a Text	fabecarr5880@gmail.com	11/04/2022 18:34:15 pm UTC	11/04/2022 18:34:15 pm UTC	172.58.39.172
SignNow Web Application	Document Saved	fabecarr5880@gmail.com	11/04/2022 18:34:15 pm UTC	11/04/2022 18:34:15 pm UTC	172.58.39.172
SignNow Web Application	Viewed the Document	huy@jawlawgroup.com	11/04/2022 21:53:31 pm UTC	11/04/2022 21:53:30 pm UTC	69.181.229.76
SignNow Web Application	Signed the Document	huy@jawlawgroup.com	11/04/2022 21:53:41 pm UTC	11/04/2022 21:53:40 pm UTC	69.181.229.76
SignNow Web Application	Added a Text	huy@jawlawgroup.com	11/04/2022 21:53:41 pm UTC	11/04/2022 21:53:40 pm UTC	69.181.229.76
SignNow Web Application	Document Saved	huy@jawlawgroup.com	11/04/2022 21:53:41 pm UTC	11/04/2022 21:53:40 pm UTC	69.181.229.76
SignNow Web Application	Viewed the Document	j.castellanos87@yahoo.com	11/05/2022 01:26:27 am UTC	11/05/2022 01:26:29 am UTC	73.222.195.198
SignNow Web Application	Viewed the Document	alan@jawlawgroup.com	11/05/2022 01:38:49 am UTC	11/05/2022 01:38:49 am UTC	198.54.134.77
SignNow Web Application	Signed the Document	j.castellanos87@yahoo.com	11/05/2022 01:42:45 am UTC	11/05/2022 01:42:46 am UTC	73.222.195.198
SignNow Web Application	Added a Text	j.castellanos87@yahoo.com	11/05/2022 01:42:45 am UTC	11/05/2022 01:42:46 am UTC	73.222.195.198
SignNow Web Application	Document Saved	j.castellanos87@yahoo.com	11/05/2022 01:42:45 am UTC	11/05/2022 01:42:46 am UTC	73.222.195.198
SignNow Web Application	Document Downloaded	alan@jawlawgroup.com	11/05/2022 01:43:43 am UTC	11/05/2022 01:43:42 am UTC	198.54.134.77
SignNow Web Application	Viewed the Document	alan@jawlawgroup.com	11/05/2022 01:44:22 am UTC	11/05/2022 01:44:22 am UTC	198.54.134.77

concerning this Agreement other than the representations, warranties and covenants contained and memorialized herein. This Agreement, once it is fully executed, supersedes, any and all prior agreements between the Parties, whether written or verbal, including, but not limited to, the Parties' Memorandum of Understanding.

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- R. The Parties' settlement is conditioned upon the Court's approval.

* * *

THE UNDERSIGNED ACKNOWLEDGE THAT EACH HAS READ THE FOREGOING AGREEMENT AND ACCEPTS AND AGREES TO THE PROVISIONS CONTAINED THEREIN, AND HEREBY EXECUTES IT VOLUNTARILY WITH FULL KNOWLEDGE OF ITS CONSEQUENCES.

VII. EXECUTION BY PARTIES

The Parties hereby execute this Agreement.

Dated: 11/4/2022


Defendant Starz Telecom, Inc.

Name: Josh Isaacson

Title: President

Dated: 11-4-22


Defendant Sammy Dean Wilbur Isaacson

Dated: 11/4/2022


Defendant Joshua Michael Wayne Isaacson

Dated: _____

Plaintiff Jose Angel Castellanos

Dated: _____

Plaintiff Gabriel Carranza

Dated: _____

Plaintiff Ulises Ceja Martinez

Approved as to form.

11/7/22
Dated: _____


Alexis Gabrielson
Attorney for Defendants

Dated: _____

Huy Tran
Attorney for Plaintiffs

EXHIBIT ONE

Notice of PAGA Settlement and Release of Claims

Castellanos et al v. Starz Telecom, Inc. et al, Santa Clara County Case No. 21CV386437

<<EmployeeName>>
<<Address1>> <<Address2>>
<<City>>, <<State>> <<Zip Code>>
XXX - XX - <<W9SSN>>

I. NOTICE OF PAGA SETTLEMENT

Plaintiffs filed the above-referenced action in Santa Clara County (“Action”). In this action, Plaintiffs alleged that Defendants Starz Telecom, Inc., Sammy Dean Wilbur Isaacson, or Joshua Micheal Wayn Isaacson (collectively “Defendants”) failed to: (1) pay minimum wages, overtime wages, and prevailing wages, (2) provide compliant meal and rest breaks, and (3) provide accurate wage statements. Plaintiffs also alleged that Defendants owed penalties and restitution. In the complaint, Plaintiffs sought individual damages and civil penalties on behalf of California’s Labor and Workforce Development Agency (“LWDA”) and other Aggrieved Employees under the Private Attorneys General Act (“PAGA”), Labor Code sections 2698 *et seq.*

The Court has not made a determination about Plaintiffs’ allegations. This Notice is not to be understood as an expression of any opinion by the Court as to the merits of the claims in this action.

Defendants maintain that they were in compliance with the California Labor Code at all times and enter into this Settlement with no admission of liability and solely for the purposes of compromising and settling the actions to avoid the cost and operational burden of continued litigation.

You are receiving this Notice because you are in the group of employees referred to as the “Aggrieved Employees,” which is defined as: Plaintiffs and all hourly or non-exempt employees employed by Defendant Starz Telecom, Inc. during the PAGA Period.

The “PAGA Period” is defined as the period from May 7, 2020 through the date upon which the Court approved of this proposed PAGA settlement.

II. RELEASE OF CLAIMS

As a result of this settlement, the State’s and your ability to seek penalties recoverable under PAGA for the claims described above have been settled. Through this settlement, you are releasing Defendants, and any of their respective affiliates, subsidiaries, or parents, and their respective current and former members, shareholders, partners, owners, managing members, agents, directors, officers, employees, attorneys, agents, principals, heirs, executors, administrators, representatives, trustees, accountants, auditors, consultants, insurers, reinsurers, successors and assigns (the “Released Parties”) from claims, demands, rights, liabilities, and causes of action available for civil penalties under PAGA sought pursuant to PAGA within either Plaintiff’s May 7, 2021 notice letter or the operative Complaints filed in the Action or both, or stemming from unpaid/underpaid/untimely paid wages, noncompliant breaks, inaccurate wage statements, late payment of final wages following separation of employment (i.e., waiting time penalties), and failure to reimburse business expenses for the PAGA period pertaining the Aggrieved Employees (“Release of PAGA Claim”). This Release of PAGA Claim also includes all civil penalties arising out of any violation of Labor Code §§ 200, 201, 202, 203, 204, 204(b), 210, 223, 226,

226.3, 226.7, 226.8, 246, 246.5, 247, 247.5, 248.5, 256, 510, 511, 558, 558.1, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1198, 1735, 1771, 1774, 1774.5, 1775, 1776, 1777, 1777.5, 1810, 1811, 1813, 1815, 2698 et seq., Bus. & Prof. Code §§ 17200, et seq., Industrial Welfare Commission Wage Orders, Cal. Code of Regulations, or any other statute or regulation.

You may not opt out of this settlement and upon approval of this settlement you will release all Released Claims regardless of whether you cash your settlement check, as further described below.

III. CALCULATION OF INDIVIDUAL PAGA SHARE

You worked <<Work Weeks>> work weeks during the PAGA Period. The Aggrieved Employee Payment fund is equal to twenty-five percent (25%) of the Net PAGA Settlement Amount (\$), which is allocated to the Aggrieved Employees on a pro rata basis pursuant to Labor Code section 2699(i). Thus, your individual PAGA Share is estimated to be <<CheckAmount>>.

Each individual PAGA Share was calculated on a pro rata basis (*i.e.*, proportional) based on the number of work weeks worked by each Aggrieved Employee, respectively, during the PAGA Period, divided by the total number of work weeks collectively worked by all Aggrieved Employees during the PAGA Period, multiplied by the Aggrieved Employee Payment, or the twenty-five percent (25%) of the PAGA Settlement Amount that is allocated to the Aggrieved Employees pursuant to Labor Code section 2699(i). By law, the remaining seventy-five percent (75%) of the PAGA Settlement Amount will be paid to the Labor and Workforce Development Agency.

IV. TIME TO CASH YOUR CHECK

Settlement checks will be null and void one hundred and twenty (120) days after issuance. In such event, the Settlement Administrator shall direct all unclaimed funds to the California Department of Industrial Relations Unpaid Wage Fund in the name of the Aggrieved Employee to whom the check was issued. If your check is lost or misplaced, contact the Settlement Administrator at immediately to request a replacement. Even if you fail to cash your check, you will still be deemed to have waived all claims based on or arising from the Action, including all claims set forth in the release of claims described above.

If you have any questions, you can contact the settlement administrator at [ADD CONTACT INFORMATION].

Sincerely,

[ADMINISTRATOR]