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Attorneys for Plaintiff, ARTURO WEBER,
as an aggrieved employee, and on behalf of
all other aggrieved employees

[Other Counsel listed on the next page.]

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES – SPRING STREET COURTHOUSE

ARTURO WEBER, an individual and on
behalf of all others similarly situated and
aggrieved,

Plaintiff,

v.

PROFESSIONAL SECURITY
CONSULTANTS, a California corporation;
MOSHE ALON, an individual; and DOES 1
through 100, inclusive,

Defendants.

CASE NO.: 21STCV26101

[Assigned for all purposes to the Hon.
William F. Highberger in Dept. 10]

REPRESENTATIVE ACTION

**JOINT STIPULATION RE: PAGA
SETTLEMENT**

Action Filed: July 16, 2021

Trial Date: None Set

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9 Attorneys for Defendant, PROFESSIONAL SECURITY CONSULTANTS

1 This Joint Stipulation re: PAGA Settlement (“Settlement,” “Agreement” or “Settlement
2 Agreement”) is made by and between plaintiff Arturo Weber (“Plaintiff”), individually, and on
3 behalf of the Aggrieved Employees, on one hand; and defendant Professional Security
4 Consultants (“Defendant”), on the other hand, in the lawsuit entitled *Arturo Weber v.*
5 *Professional Security Consultants, et al.*, filed in the Los Angeles County Superior Court, Case
6 No. 21STCV26101. Plaintiff and Defendant shall be, at times, collectively referred to as the
7 “Parties”. This Agreement is intended by the Parties to fully, finally and forever resolve the
8 claims as set forth herein, based upon and subject to the terms and conditions of this Agreement.

9 **1. DEFINITIONS**

10 1.1. “**Action**” means Plaintiff’s lawsuit, alleging wage and hour violations against
11 Defendant, captioned *Arturo Weber v. Professional Security Consultants, et al.*, Case No.
12 21STCV26101, initiated on July 16, 2021, and pending in the Superior Court of the State of
13 California, County of Los Angeles.

14 1.2. “**Administrator**” means ILYM Group, Inc. (“ILYM”), the neutral entity Plaintiff
15 has appointed to administer the Settlement.

16 1.3. “**Administration Expenses Payment**” means the amount the Administrator will
17 be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in
18 accordance with the Administrator’s “not to exceed” bid submitted to the Court in connection
19 with approval of this Settlement.

20 1.4. “**Aggrieved Employees**” means all current and former non-exempt, hourly-paid
21 employees employed by Defendant throughout California any time during the PAGA Period.

22 1.5. “**Aggrieved Employee Data**” means Aggrieved Employee identifying
23 information in Defendant’s possession including the Aggrieved Employee’s name, last-known
24 mailing address, Social Security number, and number of PAGA Pay Periods.

25 1.6. “**Aggrieved Employee Address Search**” means the Administrator’s
26 investigation and search for current Aggrieved Employee mailing addresses using all reasonably
27 available sources, methods and means including, but not limited to, the National Change of
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1 Address database, skip traces, and direct contact by the Administrator with Aggrieved
2 Employees.

3 1.7. "**Approval Order**" means the proposed Court Order Granting Approval of PAGA
4 Settlement.

5 1.8. "**Court**" means the Superior Court of California, County of Los Angeles.

6 1.9. "**Defense Counsel**" means Linh T. Hua and Srbui Karapetyan of Gordon Rees
7 Scully Mansukhani LLP.

8 1.10. "**Effective Date**" means (i) if there is an objection(s) to the settlement that is not
9 subsequently withdrawn, then the date upon the expiration of time for appeal of the Court's
10 Approval Order; or (ii) if there is a timely objection(s) and appeal by an objector(s), then after
11 such appeal(s) is dismissed or the Court's Approval Order is affirmed on appeal; or (iii) if there
12 are no timely objections to the settlement, or if any objections which were filed are withdrawn
13 before the date of approval, then the first business day after the Court's order granting Approval
14 of the Settlement.

15 1.11. "**Gross Settlement Amount**" means \$1,135,000.00, which is the total amount
16 Defendant agrees to pay under the Settlement except as provided in Paragraph 8 below. The
17 Gross Settlement Amount will be used to pay the PAGA Counsel Fees Payment, PAGA Counsel
18 Litigation Expenses Payment, Administrator's Expenses Payment, and PAGA Representative
19 Service Payment. The remainder is the Net Settlement Amount to be paid to the LWDA and
20 Aggrieved Employees as PAGA Penalties.

21 1.12. "**Individual PAGA Payment**" means the Aggrieved Employee's pro rata share
22 of 25% of the PAGA Penalties calculated according to the number of Pay Periods the Aggrieved
23 Employee worked during the PAGA Period.

24 1.13. "**Judgment**" means the judgment entered by the Court based upon the final
25 Approval of this Agreement.

26 1.14. "**LWDA**" means the California Labor and Workforce Development Agency, the
27 agency entitled, under Labor Code section 2699, subd. (i).

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1.15. **“LWDA PAGA Payment”** means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).

1.16. **“Net Settlement Amount”** means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: PAGA Representative Service Payment, PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, and Administrator’s Expenses Payment. The remainder is the Net Settlement Amount to be paid to the LWDA and Aggrieved Employees as PAGA Penalties.

1.17. **“PAGA Counsel”** means David D. Bibiyan and Vedang J. Patel of Bibiyan Law Group, P.C., and Jasmin K. Gill of J. Gill Law Group, P.C., the attorneys representing the Plaintiff in the Action.

1.18. **“PAGA Counsel Fees Payment”** and **“PAGA Counsel Litigation Expenses Payment”** mean the amounts allocated to PAGA Counsel for reimbursement of reasonable attorneys’ fees and actual expenses, respectively, incurred to prosecute the Action, as described in paragraph 3.2.2 below.

1.19. **“PAGA Pay Period”** means any Pay Period during which an Aggrieved Employee worked for Defendant for at least one day during the PAGA Period.

1.20. **“PAGA Period”** means the period from July 9, 2020 through January 12, 2024.

1.21. **“PAGA”** means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).

1.22. **“PAGA Notice”** means Plaintiff’s July 9, 2021 letter to Defendant and the LWDA, providing notice pursuant to the Labor Code section 2699.3, subd. (a).

1.23. **“PAGA Penalties”** means the total amount of PAGA civil penalties to be paid from the Net Settlement Amount, with allocated 25% to the Aggrieved Employees and 75% to the LWDA in settlement of PAGA claims.

1.24. **“PAGA Representative Service Payment”** means the payment to Plaintiff for providing services in support of the Action and providing a broader release.

1.25. **“Plaintiff”** means Arturo Weber, the named plaintiff in the Action.

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

1.27. “**Released Parties**” means: Defendant and each of its former and present directors, officers, shareholders, owners, employees members, attorneys, insurers, parents, predecessors, successors, assigns, subsidiaries, and affiliates.

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

2. **RECITALS**

2.1. On July 16, 2021, Plaintiff commenced this Action by filing a wage and hour class action complaint, alleging causes of action against Defendant for: (1) failure to pay overtime wages; (2) failure to pay minimum wages; (3) failure to provide compliant meal periods or compensation in lieu thereof; (4) failure to provide compliant rest periods or compensation in lieu thereof; (5) failure to pay all wages due upon separation from employment; (6) failure to provide accurate wage statements; (7) failure to indemnify for business expenses; (8) failure to timely pay wages during employment; and (9) engaging in unfair competition.

2.2. On September 24, 2021, Plaintiff filed a First Amended Complaint in the Action, adding PAGA claims brought in the PAGA Notice. Pursuant to Labor Code section 2699.3, subd. (a), Plaintiff gave a timely written notice to Defendant and the LWDA by sending the PAGA Notice.

2.3. On September 21, 2022, Defendant’s motion to compel arbitration was granted, ordering Plaintiff to submit his individual claims to arbitration, dismissing all class claims, and staying the non-individual PAGA claims pending the outcome of the California Supreme Court’s ruling in *Adolph v. Uber Techs., Inc.*, No. G059860, 2022 WL 1073583 (Cal. Ct. App. Apr. 11, 2022) and/or arbitration.

2.4. On January 12, 2024, the parties participated in an all-day mediation presided over by Tripper Ortman, Esq., which led to this Agreement to settle the Action.

2.5. Prior to mediation, Plaintiff obtained, through informal discovery: (1) time and payroll records of approximately 15% of the estimated 2,500 Aggrieved Employees during the PAGA Period; (2) data points, including the number of Aggrieved Employees, the number of Aggrieved Employees separated from employment in the waiting time penalty period, the

average hourly rate of pay, and the number of Pay Periods and shifts during the PAGA Period;
(3) all relevant policy documents of Defendant; and (4) Plaintiff's personnel records.

3. MONETARY TERMS

3.1. **Gross Settlement Amount.** Except as otherwise provided by Paragraph 8 below, Defendant promises to pay \$1,135,000.00 and no more as the Gross Settlement Amount. Defendant has no obligation to pay the Gross Settlement Amount prior to the deadline stated in Paragraph 4.3 of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendant.

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

3.2.1. **To Plaintiff:** PAGA Representative Service Payment of not more than \$7,500 to Plaintiff (in addition to any Individual PAGA Payment he is entitled to receive as an Aggrieved Employee). Defendant will not oppose Plaintiff's request for a PAGA Representative Service Payment that does not exceed this amount. As part of the motion for PAGA Counsel Fees Payment and PAGA Litigation Expenses Payment, Plaintiff will seek Court approval for any PAGA Representative Service Payment prior to the Approval Hearing. If the Court approves a PAGA Representative Service Payment less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount. The Administrator will pay the PAGA Representative Service Payment using IRS Form 1099. Plaintiff assumes full responsibility and liability for any taxes owed on the PAGA Representative Service Payment.

3.2.2. **To PAGA Counsel:** A PAGA Counsel Fees Payment of up to 35% from the Gross Settlement Amount, which, unless escalated pursuant to section 8.1 of this Agreement, is currently estimated to be \$397,250.00, and

1 approval by the Court and PAGA Counsel Litigation Expenses Payment
2 of not more than \$25,000.00. Defendant will not oppose requests for Court
3 approval of these payments provided that they do not exceed these
4 amounts. Plaintiff and/or PAGA Counsel will file an application or motion
5 for PAGA Counsel Fees Payment and PAGA Counsel Litigation Expenses
6 Payment. If the Court approves a PAGA Counsel Fees Payment and/or a
7 PAGA Counsel Litigation Expenses Payment less than the amounts
8 requested, the Administrator will allocate the remainder to the Net
9 Settlement Amount. Released Parties shall have no liability to PAGA
10 Counsel or any other Plaintiff's Counsel arising from any claim to any
11 portion any PAGA Counsel Fees Payment and/or PAGA Counsel
12 Litigation Expenses Payment. The Administrator will pay the PAGA
13 Counsel Fees Payment and PAGA Counsel Litigation Expenses Payment
14 using one or more IRS 1099 Forms. PAGA Counsel assume full
15 responsibility and liability for taxes owed on the PAGA Counsel Fees
16 Payment and the PAGA Counsel Litigation Expenses Payment and hold
17 Defendant harmless, and indemnify Defendant, from any dispute or
18 controversy regarding any division or sharing of any of these Payments.
19 There will be no additional charge of any kind to Aggrieved Employees or
20 request for additional consideration from Defendant for such work unless
21 Defendant materially breaches this Agreement, including any term
22 regarding funding and further efforts are necessary from PAGA Counsel
23 to remedy said breach, including, without limitation, moving the Court to
24 enforce the Agreement.

25 3.2.3. **To the Administrator:** An Administrator Expenses Payment not to
26 exceed \$9,950.00 except for a showing of good cause and as approved by
27 the Court. To the extent the Administration Expenses are less or the Court
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1 approves payment less than \$9,950.00, the Administrator will retain the
2 remainder in the Net Settlement Amount.

3 3.3. **Net Settlement Amount.** The Net Settlement Amount to be paid to the LWDA
4 and Aggrieved Employees as PAGA Penalties is the Gross Settlement Amount, less the following
5 payments in the amounts approved by the Court: PAGA Representative Service Payment, PAGA
6 Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, and Administrator's
7 Expenses Payment.

8 3.3.1. **To the LWDA and Aggrieved Employees:** PAGA Penalties will be paid
9 from the Net Settlement Amount, with 75% allocated to the LWDA PAGA
10 Payment and 25% allocated to the Individual PAGA Payments.

11 3.3.1.1. The Administrator will calculate each Individual PAGA Payment
12 by (a) dividing the 25% of the Net Settlement Amount allocated
13 to Individual PAGA Payments by the total number of PAGA
14 Period Pay Periods worked by all Aggrieved Employees during
15 the PAGA Period and (b) multiplying the result by each
16 respective Aggrieved Employee's PAGA Period Pay Periods.
17 Aggrieved Employees assume full responsibility and liability for
18 any taxes owed on their Individual PAGA Payment.

19 3.3.1.2. Within 30 days after full execution of this Settlement Agreement,
20 Defendant will provide a declaration to support the accuracy of
21 the Pay Periods worked by Aggrieved Employees during the
22 PAGA Period. Plaintiff may file the declaration as part of the
23 motion for approval of PAGA settlement.

24 **4. SETTLEMENT FUNDING PAYMENTS**

25 4.1. **Aggrieved Employee Pay Periods.** Based on a review of Defendant's records as
26 of mediation, Defendant estimates there are 2,500 Aggrieved Employees who worked a total of
27 92,000 PAGA Pay Periods.

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1 **4.2. Aggrieved Employees Data.** Within 30 days of the Effective Date, Defendant
2 will deliver the Aggrieved Employees Data to the Administrator in the form of a Microsoft Excel
3 spreadsheet. To protect Aggrieved Employees' privacy rights, the Administrator must maintain
4 the Aggrieved Employees Data in confidence, use the Aggrieved Employees Data only for
5 purposes of this Settlement and for no other purpose, and restrict access to the Aggrieved
6 Employees Data to Administrator employees who need access to the Aggrieved Employees Data
7 to effect and perform under this Agreement. Defendant has a continuing duty to immediately
8 notify PAGA Counsel if it discovers that the Aggrieved Employees Data omitted employee
9 identifying information and to provide corrected or updated Aggrieved Employee Data as soon
10 as reasonably feasible. Without any extension of the deadline by which Defendant must send the
11 Aggrieved Employees Data to the Administrator, the Parties and their counsel will expeditiously
12 use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or
13 omitted Aggrieved Employee Data.

14 **4.3. Funding of Gross Settlement Amount.** Defendant shall fund the Gross
15 Settlement Amount into an interest-bearing escrow account held by the Settlement Administrator
16 in 12 equal monthly installments, starting 30 days after full execution of this Settlement
17 Agreement, and continuing every 30 days thereafter until the Gross Settlement Amount is fully
18 funded.

19 If the Settlement is approved, 75% of the interest amount, if any, shall be paid to the
20 LWDA and 25% of the interest amount shall be paid to the Aggrieved Employees. If the
21 Settlement is not approved, the Gross Settlement Amount and the interest amount shall be
22 returned to Defendant.

23 **4.4. Payments from the Gross Settlement Amount.** Within 14 days after Defendant
24 fully funds the Gross Settlement Amount, the Administrator will mail checks for all Individual
25 PAGA Payments, the LWDA PAGA Payment, PAGA Representative Service Payment,
26 Administration Expenses Payment, PAGA Counsel Fees Payment, and PAGA Counsel
27 Litigation Expenses Payment. Disbursement of the PAGA Counsel Fees Payment and the PAGA
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1 Counsel Litigation Expenses Payment shall not precede disbursement of Individual PAGA
2 Payments.

3 4.4.1. The Administrator will issue checks for the Individual PAGA Payments
4 and send them to the Aggrieved Employees via First Class U.S. Mail,
5 postage prepaid. The face of each check shall prominently state the date
6 (not less than 180 days after the date of mailing) when the check will be
7 voided. The Administrator will cancel all checks not cashed by the void
8 date. Before mailing any checks, the Settlement Administrator must update
9 the recipients' mailing addresses using the National Change of Address
10 Database. One hundred percent (100%) of Individual PAGA Payments are
11 penalties, and the Administrator will issue Form 1099's to Plaintiff and
12 Aggrieved Employees for the payments.

13 4.4.2. The Administrator must conduct an Aggrieved Employee Address Search
14 for all Aggrieved Employees whose checks are returned undelivered
15 without USPS forwarding address. Within 7 days of receiving a returned
16 check the Administrator must re-mail checks to the USPS forwarding
17 address provided or to an address ascertained through the Aggrieved
18 Employee Address Search. The Administrator need not take further steps
19 to deliver checks to Aggrieved Employees whose re-mailed checks are
20 returned as undelivered. The Administrator shall promptly send a
21 replacement check to any Aggrieved Employee whose original check was
22 lost or misplaced, requested by the Aggrieved Employee prior to the void
23 date.

24 4.4.3. For any Aggrieved Employee whose Individual PAGA Payment check is
25 uncashed and cancelled after the void date, the Administrator shall
26 transmit the funds represented by such checks to the California Controller's
27 Unclaimed Property Fund in the name of the Aggrieved Employee.
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1 4.4.4. The payment of Individual PAGA Payments shall not obligate Defendant
2 to confer any additional benefits or make any additional payments to the
3 Aggrieved Employees (such as 401(k) contributions or bonuses) beyond
4 those specified in this Agreement.

5 **5. RELEASES OF CLAIMS**

6 Effective upon final approval of this Settlement and when Defendant fully funds the entire
7 Gross Settlement Amount, Plaintiff, Aggrieved Employees, and PAGA Counsel will release
8 claims against all Released Parties as follows:

9 5.1. **Plaintiff's Release.** Plaintiff and his former and present spouses, representatives,
10 agents, attorneys (including PAGA Counsel), heirs, administrators, successors, and assigns
11 generally, release and discharge Released Parties from all claims, transactions, or occurrences
12 that occurred during the PAGA Period, including, but not limited to, all claims that were, or
13 reasonably could have been, alleged, based on the facts contained in the Operative Complaint
14 and/or the PAGA Notice ("Plaintiff's Release"). Plaintiff's Release does not extend to any claims
15 or actions to enforce this Agreement, or to any claims for vested benefits, unemployment
16 benefits, disability benefits, social security benefits, workers' compensation benefits that arose
17 at any time, or based on occurrences outside the PAGA Period. Plaintiff acknowledges that
18 Plaintiff may discover facts or law different from, or in addition to, the facts or law that Plaintiff
19 now knows or believes to be true but agrees, nonetheless, that Plaintiff's Release shall be and
20 remain effective in all respects, notwithstanding such different or additional facts or Plaintiff's
21 discovery of them.

22 5.1.1. **Plaintiff's Waiver of Rights Under California Civil Code Section 1542.**

23 For purposes of Plaintiff's Release, Plaintiff expressly waives and
24 relinquishes the provisions, rights, and benefits, if any, of section 1542 of
25 the California Civil Code, which reads:

26 A general release does not extend to claims that the creditor or releasing
27 party does not know or suspect to exist in his or her favor at the time of
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1 executing the release, and that if known by him or her would have
2 materially affected his or her settlement with the debtor or Released Party.

3 5.1.1.1. The foregoing Plaintiff's Release, including the waiver of
4 California Civil Code Section 1542, expressly excludes
5 Plaintiff's individual claims for: (1) failure to pay overtime
6 wages; (2) failure to pay minimum wages; (3) failure to provide
7 compliant meal periods or compensation in lieu thereof; (4)
8 failure to provide compliant rest periods or compensation in lieu
9 thereof; (5) failure to pay all wages due upon separation from
10 employment; (6) failure to provide accurate wage statements; (7)
11 failure to indemnify for business expenses; (8) failure to timely
12 pay wages during employment; and (9) engaging in unfair
13 competition, which were compelled to arbitration on September
14 21, 2022.

15 5.2. **Release of PAGA Claims:** For the duration of the PAGA Period and to the extent
16 permitted by law, the LWDA and the State of California, by and through Plaintiff as an agent
17 and proxy of the LWDA, release the Released Parties from all claims for PAGA penalties that
18 were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in
19 the Operative Complaint and/or the PAGA Notice for PAGA civil penalties, including, but not
20 limited to, pursuant to Labor Code section 96, 98.6, 200, 201, 202, 203, 204, 210, 218, 218.5,
21 221, 224, 226, 226.3, 226.7, 227.3, 232, 232.5, 246, 300, 432, 510, 512, 558, 558.1, 1102.5, 1174,
22 1194, 1194.2, 1197, 1197.1, 1197.5, 1198, 1198.5, 2698, *et seq.*, 2699, 2699.3, 2699.5, 2802,
23 2804, and 2810.5, among others, and Business and Professions Code section 17200, *et seq.*

24 5.3. **Release by PAGA Counsel:** PAGA Counsel release, on behalf of their present
25 and former attorneys, employees, agents, successors and assigns, the Released Parties from all
26 claims for PAGA Fees incurred in connection with the Operative Complaint and/or the PAGA
27 Period facts stated in the Operative Complaint and the PAGA Notice.

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1 **6. MOTION OR APPLICATION FOR APPROVAL OF**
2 **SETTLEMENT**

3 The Parties agree to Plaintiff's filing of a motion for approval of this Settlement.

4 6.1. **Plaintiff's Responsibilities.** Plaintiff will prepare and endeavor to deliver to
5 Defense Counsel all documents necessary for obtaining approval of this Settlement under Labor
6 Code Section 2699, subd. (f)(2)) including (i) a draft proposed Order Granting Approval of
7 PAGA Settlement; (ii) a signed declaration from the Administrator attaching its "not to exceed"
8 bid for administering the Settlement and attesting to its willingness to serve; competency;
9 operative procedures for protecting the security of Aggrieved Employee Data; amounts of
10 insurance coverage for any data breach, defalcation of funds or other misfeasance; all facts
11 relevant to any actual or potential conflicts of interest with Aggrieved Employees or the LWDA;
12 and the nature and extent of any financial relationship with Plaintiff, PAGA Counsel or Defense
13 Counsel; (iii) a signed declaration from PAGA Counsel firm attesting to its timely transmission
14 to the LWDA of all necessary PAGA documents (initial notices of violations (Labor Code section
15 2699.3, subd. (a)), Operative Complaint (Labor Code section 2699, subd. (l)(1)), this Agreement
16 (Labor Code section 2699, subd. (l)(2)); and (iv) all facts relevant to any actual or potential
17 conflict of interest with Aggrieved Employees and/or the Administrator. In their Declarations,
18 Plaintiff and PAGA Counsel shall aver that they are not aware of any other pending matter or
19 action asserting claims that will be extinguished or adversely affected by the Settlement.

20 6.2. **Responsibilities of PAGA Counsel.** PAGA Counsel are responsible for
21 expeditiously finalizing and filing the motion for approval of this Settlement within 30 days after
22 the full execution of this Agreement and, if necessary, obtaining a prompt hearing date for the
23 motion and appearing in Court to advocate in favor of the motion. PAGA Counsel are responsible
24 for delivering the Court's Approval Order to the Administrator.

25 6.3. **Duty to Cooperate.** If the Parties disagree on any aspect of the proposed
26 application or motion for approval of this Settlement and/or the supporting declarations and
27 documents, PAGA Counsel and Defense Counsel will expeditiously work together on behalf of
28 the Parties by meeting in person or by telephone, and in good faith, to resolve the disagreement.

1 If the Court does not grant the motion for approval of this Settlement or conditions its approval
2 on any material change to this Agreement, PAGA Counsel and Defense Counsel will
3 expeditiously work together on behalf of the Parties by meeting in person or by telephone, and
4 in good faith, to modify the Agreement and otherwise satisfy the Court's concerns.

5 **7. SETTLEMENT ADMINISTRATION**

6 7.1. **Selection of Administrator.** Plaintiff has appointed ILYM Group, Inc. ("ILYM")
7 to serve as the Administrator and verified that, as a condition of appointment, ILYM agrees to be
8 bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in
9 exchange for payment of Administration Expenses. The Parties and their Counsel represent that
10 they have no interest or relationship, financial or otherwise, with the Administrator other than a
11 professional relationship arising out of prior experiences administering settlements.

12 7.2. **Employer Identification Number.** The Administrator shall have and use its own
13 Employer Identification Number for purposes of calculating payroll tax withholdings and
14 providing reports state and federal tax authorities.

15 7.3. **Qualified Settlement Fund.** The Administrator shall establish a settlement fund
16 that meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury
17 Regulation section 468B-1.

18 7.4. **Administrator Duties.** The Administrator has a duty to perform or observe all
19 tasks to be performed or observed by the Administrator contained in this Agreement or otherwise.

20 **8. AGGRIEVED EMPLOYEE SIZE ESTIMATES and ESCALATOR** 21 **CLAUSE**

22 Based on a review of Defendant's records as of mediation, Defendant estimates there are
23 2,500 Aggrieved Employees who worked a total of 92,000 PAGA Pay Periods.

24 8.1. **Escalator Clause.** Defendant represents that there are no more than 92,000 Pay
25 Periods worked by Aggrieved Employees during the PAGA Period. In the event the number of
26 Pay Periods worked increases by more than 10% or 9,200 Pay Periods, then the Gross Settlement
27 Amount shall be increased proportionally by the Pay Periods worked in excess of 101,200 Pay
28 Periods multiplied by the Pay Period Value. The Pay Period Value shall be calculated by dividing

1 the originally agreed-upon Gross Settlement Amount (\$1,135,000.00) by 92,000. The Parties
2 agree that the Pay Period Value is \$12.34 per Pay Period (\$1,135,000.00 / 92,000 Pay Periods).
3 Thus, for example, should there be 110,000 Pay Periods worked by Aggrieved Employees during
4 the PAGA Period, then the Gross Settlement Amount shall be increased by \$108,592.00 (110,000
5 Pay Periods – 101,200 Pay Periods x \$12.34/Pay Period.)

6 **9. CONTINUING JURISDICTION OF THE COURT**

7 The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the
8 Parties, Action, and the Settlement solely for purposes of (i) enforcing this Agreement and/or
9 Judgment, (ii) addressing settlement administration matters, and (iii) addressing such post-
10 Judgment matters as are permitted by law.

11 9.1. **Waiver of Right to Appeal.** Provided the Judgment is consistent with the terms
12 and conditions of this Agreement, specifically including the PAGA Counsel Fees Payment and
13 PAGA Counsel Litigation Expenses Payment, the Parties, their respective counsel waive all
14 rights to appeal from the Judgment, including all rights to post-judgment and appellate
15 proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary
16 writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such
17 motions, writs or appeals. If another party appeals the Judgment, the Parties' obligations to
18 perform under this Agreement will be suspended until such time as the appeal is finally resolved
19 and the Judgment becomes final, except as to matters that do not affect the amount of the Net
20 Settlement Amount.

21 **10. ADDITIONAL PROVISIONS**

22 10.1. **No Admission of Liability or Representative Manageability for Other**
23 **Purposes.** This Agreement represents a compromise and settlement of highly disputed claims.
24 Nothing in this Agreement is intended or should be construed as an admission by Defendant that
25 any of the allegations in the Operative Complaint and/or PAGA Notice have merit or that
26 Defendant has any liability for any claims asserted; nor should it be intended or construed as an
27 admission by Plaintiff that Defendant's defenses in the Action have merit. The Parties agree that
28 representative treatment is for purposes of this Settlement only. If, for any reason the Court does

1 not approve this Settlement, Defendant reserves all available defenses to the claims in the Action,
2 and Plaintiff reserves the right to contest Defendant's defenses. The Settlement, this Agreement
3 and Parties' willingness to settle the Action will have no bearing on, and will not be admissible
4 in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement
5 and this Agreement).

6 10.2. **Integrated Agreement.** Upon execution by all Parties and their counsel, this
7 Agreement together with its attached exhibits shall constitute the entire agreement between the
8 Parties relating to the Settlement, superseding any and all oral representations, warranties,
9 covenants, or inducements made to or by any Party.

10 10.3. **Attorney Authorization.** PAGA Counsel and Defense Counsel separately
11 warrant and represent that they are authorized by Plaintiff and Defendant, respectively, to take
12 all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement
13 to effectuate its terms, and to execute any other documents reasonably required to effectuate the
14 terms of this Agreement including any amendments to this Agreement.

15 10.4. **Cooperation.** The Parties and their counsel will cooperate with each other and
16 use their best efforts, in good faith, to implement the Settlement by, among other things,
17 modifying the Settlement Agreement, submitting supplemental evidence and supplementing
18 points and authorities as requested by the Court. In the event the Parties are unable to agree upon
19 the form or content of any document necessary to implement the Settlement, or on any
20 modification of the Agreement that may become necessary to implement the Settlement, the
21 Parties will seek the assistance of a mediator and/or the Court for resolution.

22 10.5. **No Prior Assignments.** The Parties separately represent and warrant that they
23 have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer,
24 or encumber to any person or entity and portion of any liability, claim, demand, action, cause of
25 action, or right released and discharged by the Party in this Settlement.

26 10.6. **No Tax Advice.** Neither Plaintiff, PAGA Counsel, Defendant nor Defense
27 Counsel are providing any advice regarding taxes or taxability, nor shall anything in this
28

1 Settlement be relied upon as such within the meaning of United States Treasury Department
2 Circular 230 (31 CFR Part 10, as amended) or otherwise.

3 10.7. **Modification of Agreement.** This Agreement, and all parts of it, may be
4 amended, modified, changed, or waived only by an express written instrument signed by all
5 Parties or their representatives, and approved by the Court.

6 10.8. **Agreement Binding on Successors.** This Agreement will be binding upon, and
7 inure to the benefit of, the successors of each of the Parties.

8 10.9. **Applicable Law.** All terms and conditions of this Agreement and its exhibits will
9 be governed by and interpreted according to the internal laws of the state of California, without
10 regard to conflict of law principles.

11 10.10. **Cooperation in Drafting.** The Parties have cooperated in the drafting and
12 preparation of this Agreement. This Agreement will not be construed against any Party on the
13 basis that the Party was the drafter or participated in the drafting.

14 10.11. **Confidentiality.** To the extent permitted by law, all agreements made, and orders
15 entered during Action and in this Agreement relating to the confidentiality of information shall
16 survive the execution of this Agreement.

17 10.12. **Use and Return of Aggrieved Employee Data.** Information provided to PAGA
18 Counsel pursuant to Cal. Evid. Code §1152, and all copies and summaries of the PAGA Data
19 provided to PAGA Counsel by Defendant in connection with the mediation, other settlement
20 negotiations, or in connection with the Settlement, may be used only with respect to this
21 Settlement, and no other purpose, and may not be used in any way that violates any existing
22 contractual agreement, statute, or rule of court.

23 10.13. **Headings.** The descriptive heading of any section or paragraph of this Agreement
24 is inserted for convenience of reference only and does not constitute a part of this Agreement.

25 10.14. **Calendar Days.** Unless otherwise noted, all reference to “days” in this Agreement
26 shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a
27 weekend or federal legal holiday, such date or deadline shall be on the first business day
28 thereafter.

1 10.15. **Notice.** All notices, demands or other communications between the Parties in
2 connection with this Agreement will be in writing and deemed to have been duly given as of the
3 third business day after mailing by United States mail, or the day sent by email or messenger,
4 addressed as follows:

5 To Plaintiff: **BIBIYAN LAW GROUP, P.C.**
6 David D. Bibiyan (SBN 287811)
7 *david@tomorrowlaw.com*
8 Vedang J. Patel (SBN 328647)
9 *vedang@tomorrowlaw.com*
 1460 Westwood Boulevard
 Los Angeles, California 90024
 Tel: (310) 438-5555; Fax: (310) 300-1705

10 **J. GILL LAW GROUP, P.C.**
11 Jasmin K. Gill (Cal Bar No. 315090)
12 515 South Flower Street, Suite 1800
 Los Angeles, California 90071
 Tel: (310) 728-2137; Fax: (310) 728-2137

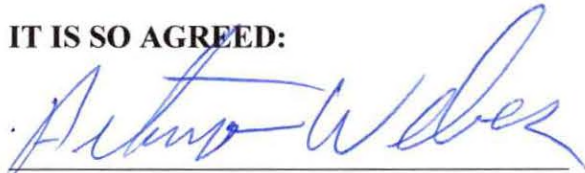
13 To Defendant: Linh T. Hua (SBN 247419)
14 *lhua@grsm.com*
15 Srbui Karapetyan (SBN 325816)
16 *skarapetyan@grsm.com*
 GORDON REES SCULLY MANSUKHANI LLP
 633 West Fifth Street, 52nd Floor
 Los Angeles, California 90071
 Phone: (213) 576-5000; Fax: (213) 680-4470

17 10.16. **Execution in Counterparts.** This Agreement may be executed in one or more
18 counterparts by facsimile, electronically (i.e. DocuSign), or email which for purposes of this
19 Agreement shall be accepted as an original. All executed counterparts and each of them will be
20 deemed to be one and the same instrument if counsel for the Parties will exchange between
21 themselves signed counterparts. Any executed counterpart will be admissible in evidence to
22 prove the existence and contents of this Agreement.

23 10.17. **Severability.** In the event that one or more of the provisions contained in this
24 Agreement shall for any reason be held invalid, illegal, or unenforceable in any respect, such
25 invalidity, illegality, or unenforceability shall in no way effect any other provision if Defendant's
26 Counsel and PAGA Counsel, on behalf of the Parties and the Aggrieved Employees, mutually
27 elect in writing to proceed as if such invalid, illegal, or unenforceable provision had never been
28 included in this Agreement

1 10.18. **Stay of Litigation.** The Parties agree that upon the execution of this Agreement
2 the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further
3 agree that upon the signing of this Agreement that pursuant to CCP section 583.330 to extend the
4 date to bring a case to trial under CCP section 583.310 for the entire period of this settlement
5 process.

6
7 **IT IS SO AGREED:**

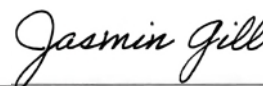
8 
9 Arturo Weber


Professional Security Consultants
By: Iris Shapiro
Its: CFO

11 **APPROVED AS TO FORM ONLY:**

12
13
14 /s/ Vedang J. Patel 11/25/24
David D. Bibiyan
Vedang J. Patel
15 Counsel for Plaintiff Arturo Weber


11/20/2024
Linh T. Hua
Srbui Karapetyan
Gordon Rees Scully Mansukhani LLP
Counsel for Defendant Professional
Security Consultants

16
17 11-12-24 
18 Jasmin K. Gill
Co-Counsel for Plaintiff Arturo Weber

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3 agree that upon the signing of this Agreement that pursuant to CCP section 583.330 to extend the
4 date to bring a case to trial under CCP section 583.310 for the entire period of this settlement
5 process.

6 **IT IS SO AGREED:**

7
8
9 _____
Arturo Weber

Professional Security Consultants

By: _____

Its: _____

10
11 **APPROVED AS TO FORM ONLY:**

12
13
14 _____
David D. Bibiyan
15 Vedang J. Patel
Counsel for Plaintiff Arturo Weber

Linh T. Hua
Srbui Karapetyan
Gordon Rees Scully Mansukhani LLP
Counsel for Defendant Professional
Security Consultants

16
17
18 _____
Jasmin K. Gill
19 Co-Counsel for Plaintiff Arturo Weber

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EXHIBIT 1

NOTICE OF SETTLEMENT OF PAGA REPRESENTATIVE ACTION

Arturo Weber v. Professional Security Consultants
(California Superior Court, County of Los Angeles)
Case No. 21STCV26101

Eligible Employee

Address

Address

You are receiving this notice in connection with a Court-approved settlement (the “Settlement”) in the lawsuits entitled *Arturo Weber v. Professional Security Consultants, et al.*, filed in the Los Angeles County Superior Court, Case No. 21STCV26101, (the “PAGA Action”), brought on a representative basis under the Labor Code Private Attorneys’ General Act of 2004 codified at California Labor Code section 2698, et seq. (“PAGA”). The plaintiff in the lawsuit is ARTURO WEBER (“Plaintiff”) and the defendant is PROFESSIONAL SECURITY CONSULTANTS (“Defendant”). The Settlement provides for recovery of civil penalties for alleged violations of the California Labor Code on behalf of all Aggrieved Employees, defined as all current and former non-exempt, hourly-paid employees employed by Defendant throughout California any time during July 9, 2020 through January 12, 2024 (“PAGA Period”). The PAGA statute provides that seventy-five percent (75%) or \$ [redacted] of which will be paid to the Labor and Workforce Development Agency (“LWDA”) out of the Net Settlement Amount and twenty-five percent (25%) or \$ [redacted] of which will be paid to the Aggrieved Employees out of the Net Settlement Amount according to the number of Pay Periods each Aggrieved Employee worked during the PAGA Period.

Defendant denies all claims and allegations in the Action, denies that it owes any penalties and asserts that it has fully complied with all applicable Labor Code provisions. Nevertheless, to avoid further costs and time in defending the Action, Defendant has settled the Action. By settling the lawsuit, Defendant is not admitting that it has done anything wrong.

The Settlement resolves all claims for PAGA civil penalties, known or unknown, that were alleged or reasonably could have been alleged, based on the facts stated in the First Amended Complaint and the PAGA Notice, including, without limitation, civil penalties for alleged violation of Labor Code sections 96, 98.6, 200, 201, 202, 203, 204, 210, 218, 218.5, 221, 224, 226, 226.3, 226.7, 227.3, 232, 232.5, 246, 300, 432, 510, 512, 558, 558.1, 1102.5, 1174, 1194, 1194.2, 1197, 1197.1, 1197.5, 1198, 1198.5, 2698, et seq., 2699, 2699.3, 2699.5, 2802, 2804, and 2810.5, among others, and Business and Professions Code section 17200, et seq. (“Released Claims”).

The “Released Parties” means the Defendant, and each of its former and present directors, officers, employees, shareholders, owners, employees, members, attorneys, insurers, parents, predecessors, successors, assigns, subsidiaries and affiliates.

By an Order dated [Approval Date], the Superior Court of California approved the Settlement of the Released Claims. By approving the Settlement, the Court did not decide in favor of either Plaintiff or Defendant.

According to Defendant’s records, you are an Aggrieved Employee and are therefore entitled to a share of the Settlement based upon the Court-approved allocation. Enclosed with this Notice is your settlement check for your share. The settlement check shall remain valid for one hundred eighty (180) days. Thereafter, the settlement check shall be cancelled. If your settlement check remains uncashed and is canceled after the void date, the Administrator shall transmit the fund represented by such check to the California Controller's Unclaimed Property Fund in your name.

Please Note: One hundred percent (100%) of the payment you are receiving in connection with the Settlement will be considered penalties reported on IRS Form 1099, and may be subject to local, state or federal tax withholdings and will be reported to the IRS and state tax authorities. You should rely on your own tax advisors as to the tax consequences of your settlement payment. Neither Plaintiff nor Defendant has made any representations or warranties regarding the taxation of your settlement payment. Nothing in this Notice or any other communication shall constitute or be construed or relied upon as tax advice.

PLEASE DO NOT CALL OR WRITE THE COURT OR OFFICE OF THE CLERK TO ASK QUESTIONS ABOUT THE SETTLEMENT. IF YOU HAVE ANY QUESTIONS, YOU MAY CALL OR WRITE TO THE SETTLEMENT ADMINISTRATOR AT:

INSERT NAME OF ADMINISTRATOR

WEBSITE

Phone: