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SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF ALAMEDA

SHAWNTE JOHNSON, in Representative
capacity only, and on behalf of other members of
the general public similarly situated,

Plaintiff,

v.

EDGES ELECTRICAL GROUP, LLC, a
California Limited Liability Corporation,
CHESTER C. LEHMANN CO., INC., a
California Corporation and DOES 1-10,
inclusive,

Defendants.

Case No. HG21111951

ASSIGNED FOR ALL PURPOSES TO
JUDGE Tara Desautels
DEPARTMENT 16

PAGA SETTLEMENT AGREEMENT

PAGA SETTLEMENT AGREEMENT

Subject to Court approval by the Superior Court of the State of California for the County of Alameda (“Court”), Plaintiff Shawnte Johnson (“Plaintiff”) and Defendants Edges Electrical Group LLC and Chester C. Lehmann, Co., Inc. (“Defendants”) (collectively with Plaintiff, the “Parties”) hereby agree to the following binding settlement (“Settlement” or “Settlement Agreement”) of the action entitled *Johnson v. Edges Electrical Group, LLC*, Case No. HG21111951 (Alameda County Superior Court) (the “Action”).

DEFINITIONS

The following definitions are applicable to this Settlement Agreement. Definitions contained elsewhere in this Settlement Agreement will also be effective:

1. “Action” means *Johnson v. Edges Electrical Group, LLC*, Case No. HG21111951 (Alameda County Superior Court).
2. “Aggrieved Employees” means all persons who were employed by Defendants in the State of California as non-exempt employees at any time from July 2, 2020 through November 6, 2022, or the date of entry of the Order and Judgment, whichever is earlier.
3. “Court” means the Superior Court for the State of California, County of Alameda.
4. “Gross Settlement Amount” means the settlement amount of Six Hundred Twenty Five Thousand Dollars (\$625,000) to be paid by Defendants in full satisfaction of all Settled Claims arising from the Action.
5. “LWDA” means the California Labor and Workforce Development Agency.
6. “PAGA Penalties Fund” means the Gross Settlement Amount less the Attorneys’ Fees and Costs, Plaintiff’s Individual Settlement Payment, and Settlement Administrator Costs.
7. “Pay Period” shall mean any bi-weekly pay period under Defendant’s usual payroll practice in which an Aggrieved Employee performed work for Defendants at least one day.
8. “Plaintiff’s Counsel” means Sullivan & Yaeckel Law Group, APC and Capstone Law APC.
9. “Plaintiff’s Individual Settlement Payment” means the amount to be paid to Plaintiff as payment for his service on behalf of the LWDA and Aggrieved Employees, and for a general release of

1 all claims arising out of his alleged employment with Defendants.

2 10. "Released Parties" means Defendants and each of their officers, directors, members,
3 partners, owners, shareholders, employees (excluding Aggrieved Employees), former employees, agents,
4 servants, attorneys, assigns, affiliates, independent contractors, volunteers, predecessors, successors,
5 parent companies and organizations, insurers.

6 11. "Settled Claims" means all claims, charges, complaints, liens, demands, causes of
7 action, obligations, and liabilities, whether known or unknown, for PAGA civil penalties predicated on
8 any of the alleged violations of the California Labor Code, Industrial Welfare Commission Wage Orders,
9 regulations, and/or other provisions of law that were alleged or asserted in the Complaint, Plaintiff's July
10 2, 2021 written PAGA notice, or the Action, or that could have been asserted in the Complaint,
11 Plaintiff's July 2, 2021 written PAGA notice, or the Action based on any facts or allegations therein,
12 with respect to Aggrieved Employees during the Settlement Period, to the greatest extent permitted by
13 the Court.

14 12. "Settlement Period" means July 2, 2020 through November 6, 2022, or the date of entry
15 of the Order and Judgment, whichever is earlier.

16 TERMS

17 13. Gross Settlement Amount. In consideration for Plaintiff's promises and representations
18 described in this Settlement Agreement, and subject to all of the conditions of the Settlement being met,
19 Defendants will pay Six Hundred Twenty Five Thousand Dollars (\$625,000) ("Gross Settlement
20 Amount") to settle the Action. The Gross Settlement Amount includes Plaintiff's attorneys' fees,
21 litigation costs and expenses, consideration for Plaintiff's service on behalf of the LWDA and Aggrieved
22 Employees and for a general release of all claims arising out of his alleged employment with Defendants,
23 Settlement Administration Costs, and payments to Aggrieved Employees and the LWDA for their share
24 of the PAGA Penalties Fund. No portion of the Gross Settlement Amount will be retained by, or revert
25 to, Defendants.

26 14. PAGA Penalties Fund. The PAGA Penalties Fund will be paid to Aggrieved Employees
27 and the LWDA in full satisfaction of the Settled Claims. Pursuant to PAGA, Seventy-Five Percent
28 (75%) of the PAGA Penalties Fund will be paid to the LWDA, and the remaining Twenty-Five Percent

(25%) will be paid to all Aggrieved Employees according to the following formula:

14(a) Defendants will calculate: (i) the total number of Pay Periods worked by each Aggrieved Employee during the Settlement Period, and (ii) the total number of Pay Periods worked by all Aggrieved Employees during the Settlement Period.

14(b) To determine each Aggrieved Employee's payment from the PAGA Penalties Fund, Defendants will use the following formula: Settlement Payment = 25% of PAGA Penalties Fund $\times$ [Pay Periods Worked by Individual Aggrieved Employee During the Settlement Period $\div$ Total Pay Periods Worked by All Aggrieved Employees during the Settlement Period].

14(c) Plaintiff has entered into this settlement based on Defendants' representation that Aggrieved Employees worked during a combined total of approximately Twelve Thousand Five Hundred Sixty-Four (12,564) Pay Periods from July 2, 2020 through June 13, 2022. If the actual number of Pay Periods for the period of July 2, 2020 through June 13, 2022 exceeds Defendants' representation by more than Six Hundred Twenty-Eight (628) (Five Percent (5%) of Defendants' 12,564 Pay Period representation), then the Parties agree that the Gross Settlement Amount shall increase proportionally (i.e. for an increase of six percent in Pay Periods, Defendants shall add an extra one percent to the Gross Settlement Amount, for a ten percent increase in Pay Periods, Defendants shall add an extra Five Percent (5%) to the Gross Settlement Amount).

15. Attorneys' Fees and Costs. Defendants agree not to oppose or impede any application or motion by Plaintiff's Counsel for Attorneys' Fees and Costs not to exceed Two Hundred Eight Thousand Three Hundred Thirty Three Dollars (\$208,333), plus the reimbursement of all out-of-pocket costs and expenses associated with Plaintiff's Counsel's litigation and settlement of the Action (including expert/consultant fees, investigations costs, etc.), not to exceed Fifteen Thousand Dollars (\$15,000), both

of which will be paid from the Gross Settlement Amount. Any portion of the Attorneys' Fees and Costs not awarded to Plaintiff's Counsel will be added to the PAGA Penalties Fund. The Court award of attorneys' fees will be divided between Plaintiff's Counsel as follows: Sixty-Five Percent (65%) to Sullivan & Yaeckel Law Group, APC and Thirty-Five Percent (35%) to Capstone Law APC.

16. Plaintiff's Individual Settlement Payment. Subject to Court approval of this Settlement Agreement, and for a general release of all claims Plaintiff may have against Released Parties arising out of his employment, and for his service on behalf of the LWDA and Aggrieved Employees, Defendants agree not to oppose or impede any application or motion by Plaintiff for an individual settlement payment of up to Ten Thousand Dollars (\$10,000). Upon receipt of Plaintiff's Individual Settlement Payment, Plaintiff will be deemed to have fully released and discharged Released Parties from any and all claims, demands, obligations, causes of action, rights, or liabilities of any kind which have been or could have been asserted against Released Parties arising out of, or relating to, Plaintiff's employment with Defendants or termination thereof, including but not limited to claims for wages, restitution, penalties, retaliation, defamation, discrimination, harassment or wrongful termination of employment, whether or not known or suspected to exist, and whether or not specifically or particularly described herein. This release specifically includes any and all claims, demands, obligations and/or causes of action for damages, restitution, penalties, interest, and attorneys' fees and costs (except provided by the Settlement) relating to or in any way connected with the matters referred to herein, whether or not known or suspected to exist, and whether or not specifically or particularly described herein. Specifically, Plaintiff will be deemed to have waived all rights and benefits afforded by California Civil Code Section 1542, which 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.

Plaintiff understand and agrees that this section of the Settlement Agreement shall remain in full force and effect even if the full amount of Plaintiff's Individual Settlement Payment sought by Plaintiff is not

1 ultimately approved by the Court.

2 17. Settlement Administration Costs. The Parties will retain CPT Group, Inc. as the third-
3 party settlement administrator ("Settlement Administrator"). The Settlement Administrator will be
4 responsible for establishing a qualified settlement fund ("QSF") and issuing payments and appropriate
5 tax forms to Aggrieved Employees, the LWDA, Plaintiff, and Plaintiff's Counsel. The Settlement
6 Administration Costs will be paid from the Gross Settlement Amount. Based on the estimate that there
7 are approximately Five Hundred (500) Aggrieved Employees, Settlement Administration Costs are
8 capped at Ten Thousand Dollars (\$10,000).

9 18. Court Approval of the Settlement and Distribution of Settlement Payments. The Parties
10 will present this Settlement Agreement to the Court and the LWDA. The Parties will request that the
11 Court issue an order and judgment approving and incorporating by reference the terms and conditions of
12 the Settlement Agreement (the "Order and Judgment") to the extent necessary to effectuate this
13 Settlement Agreement.

14 19. List of Aggrieved Employees. Within fourteen (14) calendar days after entry of the
15 Order and Judgment, Defendants will provide the Settlement Administrator a complete list of all
16 Aggrieved Employees ("Aggrieved Employee List"). The Aggrieved Employee List will be formatted in
17 Microsoft Office Excel and will include each Aggrieved Employees full name; most recent mailing
18 address and telephone number known to Defendants; Social Security number; the respective number of
19 Pay Periods for each Aggrieved Employee worked during the Settlement Period; and any other relevant
20 information needed to calculate settlement payments.

21 20. Funding of the Settlement. Within fourteen (14) calendar days after Defendants receive
22 notice of entry of the Order and Judgment, Defendant will deposit the Gross Settlement Amount into the
23 QSF to be established by the Settlement Administrator. Within fourteen (14) calendar days of the
24 funding of the Settlement, the Settlement Administrator will issue payments to: (a) Aggrieved
25 Employees; (b) the Labor and Workforce Development Agency; (c) Plaintiff; (d) Plaintiff's Counsel;
26 and (e) itself. The Settlement Administrator, and not Defendants, will issue the appropriate tax forms for
27 all payments issued under this Settlement.

28 21. Settlement Payments to Aggrieved Employees. The Settlement Administrator will issue

each Aggrieved Employee one check for his or her share of the PAGA Penalties Fund along with an explanatory letter, attached as Exhibit A. Prior to mailing, the Settlement Administrator will perform a search based on the National Change of Address Database for information to update and correct for any known or identifiable address changes. Any checks returned as non-deliverable on or before the check cashing deadline will be sent promptly via regular First-Class U.S. Mail to the forwarding address affixed thereto. If no forwarding address is provided, the Settlement Administrator will promptly attempt to determine the correct address using a skip-trace, or other search using the name, address or Social Security number of the Aggrieved Employee involved, and will then perform a single re-mailing. Checks will remain negotiable for 180 days. Those funds represented by un-cashed checks which remain outstanding 180 days after the mailing of the Settlement checks by the Settlement Administrator will be tendered to the LWDA. All settlement payments to Aggrieved Employees will be treated as miscellaneous income for which a 1099 will be issued.

22. Settled Claims. Upon entry of the Order and Judgment, Plaintiff and all Aggrieved Employees will be forever barred from pursuing against Released Parties any and all Settled Claims during the Settlement Period. Aggrieved Employees, other than Plaintiff, will not be deemed to have released any non-PAGA individual wage and hour claims by virtue of this Settlement.

23. No Right to Exclusion or Objections by Representative Action Members. Because this settlement resolves claims and actions brought pursuant to PAGA by Plaintiff acting as a proxy and as a Private Attorney General of, and for, the State of California and the LWDA, the Parties agree that no Aggrieved Employee has the right to exclude himself or herself from the Settlement. Aggrieved Employees will be bound by the terms of the Settlement Agreement, upon its approval by the Court, regardless of whether he or she cashes any payment received as a result of this Settlement. The Parties also agree that no Aggrieved Employee has the right to object to the terms of the Settlement Agreement.

24. No Credit Toward Benefit Plans. Payments to Aggrieved Employees as referenced herein will not be utilized to calculate any additional benefits under any benefit plans to which any Aggrieved Employee may be eligible, including, but not limited to profit-sharing plans, bonus plans, 401(k) plans, stock purchase plans, vacation plans, sick leave plans, PTO plans, and any other benefit plan. Rather, it is the Parties' intention that this Settlement Agreement will not affect any rights,

contributions, or amounts to which any Aggrieved Employee may be entitled under any benefit plans.

25. No Prior Assignments. The Parties and their counsel represent, covenant, and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action or right herein released and discharged.

26. Nullification of Settlement Agreement. In the event that: (i) the Court does not approve the Settlement as provided herein, except as provided below; or (ii) the Settlement does not become final for any other reason, then this Settlement Agreement, and any documents generated to bring it into effect, will be null and void and the Parties will be returned to their original respective positions. A request by the Court for additional brief, or a preliminary denial pending additional briefing, shall not be deemed to trigger (i), above. To the extent the Court requests further or supplemental briefing, the Parties will work in good faith to address the Court's concerns and questions.

27. Judgment and Continued Jurisdiction. After entry of the Order and Judgment, the Court will have continuing jurisdiction solely for purposes of addressing: (i) the interpretation and enforcement of the terms of the Settlement, (ii) settlement administration matters, and (iii) such post-Judgment matters as may be appropriate under court rules or as set forth in this Settlement.

28. Entire Agreement. This Settlement Agreement constitutes the entirety of the Parties' settlement terms. No other prior or contemporaneous written or oral agreements may be deemed binding on the Parties.

29. Amendment or Modification. This Settlement Agreement may be amended or modified only by a written instrument, signed by either the Parties or their successors-in-interest or counsel for all Parties.

30. Authorization to Enter Into Settlement Agreement. Counsel for all Parties warrant and represent they are expressly authorized by the Parties whom they represent to negotiate this Settlement Agreement and to take all appropriate action required or permitted to be taken by such Parties pursuant to this Settlement Agreement to effectuate its terms and to execute any other documents required to effectuate the terms of this Settlement Agreement. The Parties and their counsel will cooperate with each other and use their best efforts to affect the implementation of the Settlement. If the Parties are unable to

1 reach agreement on the form or content of any document needed to implement the Settlement, or on any
2 supplemental provisions that may become necessary to effectuate the terms of this Settlement, the Parties
3 may seek the assistance of the Court to resolve such disagreement.

4 31. Binding on Successors and Assigns. This Settlement Agreement will be binding upon,
5 and inure to the benefit of, the successors or assigns of the Parties hereto, as previously defined.

6 32. California Law Governs. All terms of this Settlement Agreement will be governed by
7 and interpreted according to the laws of the State of California.

8 33. Execution and Counterparts. This Settlement Agreement is subject only to the execution
9 of all Parties. However, the Settlement Agreement may be executed in one or more counterparts. All
10 executed counterparts and each of them, including electronic signatures (e.g., Docusign), facsimiles, and
11 scanned copies of the signature pages, will be deemed to be one and the same instrument.

12 34. Acknowledgement that the Settlement is Fair and Reasonable. The Parties believe this
13 Settlement Agreement is a fair, adequate, and reasonable settlement of the Action and have arrived at this
14 Settlement after arm's-length negotiations by experienced counsel and with the assistance of a skilled
15 and experienced mediator. The Parties further acknowledge that they are each represented by competent
16 counsel and that they have had an opportunity to consult with their counsel regarding the fairness and
17 reasonableness of this Settlement.

18 35. Waiver of Certain Appeals. The Parties agree to waive appeals; except, however, that
19 Plaintiff may appeal any reduction to the Attorneys' Fees and Costs below the amount they request from
20 the Court, and either party may appeal any court order that materially alters the Settlement's terms.

21 36. Invalidity of Any Provision. Before declaring any provision of this Settlement
22 Agreement invalid, the Court will first attempt to construe the provision as valid to the fullest extent
23 possible consistent with applicable precedents so as to define all provisions of this Settlement Agreement
24 valid and enforceable.

25 37. Captions. The captions and section numbers in this Settlement Agreement are inserted
26 for the reader's convenience, and in no way define, limit, construe or describe the scope or intent of the
27 provisions of this Settlement Agreement.

28 38. Waiver. No waiver of any condition or covenant contained in this Settlement Agreement

1 or failure to exercise a right or remedy by any of the Parties hereto will be considered to imply or
2 constitute a further waiver by such party of the same or any other condition, covenant, right or remedy.

3 39. Enforcement Action. In the event that one or more of the Parties institutes any legal
4 action or other proceeding against any other Party or Parties to enforce the provisions of this Settlement
5 or to declare rights and/or obligations under this Settlement, the successful Party or Parties will be
6 entitled to recover from the unsuccessful Party or Parties reasonable attorneys' fees and costs, including
7 expert witness fees incurred in connection with any enforcement actions.

8 40. Mutual Preparation. The Parties have had a full opportunity to negotiate the terms and
9 conditions of this Settlement Agreement. Accordingly, this Settlement Agreement will not be construed
10 more strictly against one party merely by virtue of the fact that it may have been prepared by counsel for
11 one of the Parties, it being recognized that, because of the arm's-length negotiations between the Parties,
12 all Parties have contributed to the preparation of this Settlement Agreement.

13 41. Representation By Counsel. The Parties acknowledge that they have been represented
14 by counsel throughout all negotiations that preceded the execution of this Settlement Agreement, and
15 that this Settlement Agreement has been executed with the consent and advice of counsel, and reviewed
16 in full.

17 42. Cooperation and Execution of Necessary Documents. All Parties will cooperate in good
18 faith and execute all documents to the extent reasonably necessary to effectuate the terms of this
19 Settlement Agreement.

20 43. Binding Agreement. The Parties warrant that they understand and have full authority to
21 enter into this Settlement, and further intend that this Settlement Agreement will be fully enforceable and
22 binding on all parties, and agree that it will be admissible and subject to disclosure in any proceeding to
23 enforce its terms, notwithstanding any mediation confidentiality provisions that otherwise might apply
24 under federal or state law.

25 44. Denial of Liability. The Parties expressly recognize that the making of this agreement
26 does not in any way constitute an admission or concession of wrongdoing on the part of Defendants.
27 Nothing in this Settlement, nor any action taken in implementation thereof, nor any statements,
28 discussions or communications, nor any materials prepared, exchanged, issued or used during the

pendency of the Action, is intended by the Parties to, nor will any of the foregoing constitute, be introduced, be used or be admissible in any way in any other judicial, arbitral, administrative, investigative or other forum or proceeding, as evidence of any violation of any federal, state, or local law, statute, ordinance, regulation, rule or executive order, or any obligation or duty at law or in equity. Notwithstanding the foregoing, this agreement may be used in any proceeding in the Court that has as its purpose the interpretation, implementation, or enforcement of the Settlement or any orders or judgments of the Court entered into in connection therewith.

READ CAREFULLY BEFORE SIGNING

Dated: 9/21/2022 _____

DocuSigned by:



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Shawnte Johnson

DEFENDANT

Dated: 09/28/2022 _____

Mark Arndt

Name of Authorized Signatory
Edges Electrical Group LLC

DEFENDANT

Dated: 09/28/2022 _____

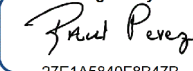
Mark Arndt

Name of Authorized Signatory
Chester C. Lehmann, Co., Inc.

APPROVED AS TO FORM

Dated: 9/27/2022 _____

DocuSigned by: CAPSTONE LAW APC



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Raul Perez

Dated: 9/27/2022 _____

DocuSigned by: YAECKEL LAW GROUP, APC



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Eric Yaeckel

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Dated: 9/30/2022

HOPKINS & CARLEY



Ernest Malaspina

Exhibit A

<<DATE>>

<<FIRST_NAME>> <<LAST_NAME>>

<<ADDRESS 1>>

<<ADDRESS 2>>

**Re: Payment From *Johnson v. Edges Electrical Group LLC*, Case No. HG21111951
(Alameda County Superior Court)**

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

Enclosed you will find a check made payable to you. This is your payment from the settlement of the lawsuit entitled *Johnson v. Edges Electrical Group, LLC, et al.*, No. HG21111951 (Alameda County Superior Court) (the “Action”).

The Action was filed against Defendants Edges Electrical Group LLC and Chester C. Lehmann, Co., Inc. (“Defendants”) pursuant to the California Private Attorneys General Act of 2004, Cal. Lab. Code § 2698 *et seq.* (called “PAGA”). The Action was brought by a former employee of Defendant Edges Electrical Group LLC on behalf of the State of California and all allegedly “aggrieved employees” of Defendants. You have been identified as one of the allegedly aggrieved employees on whose behalf the case was brought.

The Plaintiff in the Action claimed that Defendants owed civil penalties recoverable under PAGA for alleged violations of the California Labor Code and California Wage Orders. Defendants deny that they violated the Labor Code or California Wage Orders, and Defendant Chester C. Lehmann, Co., Inc. additionally denied having employed the Plaintiff. In agreeing to this settlement, Defendants do not admit that they are liable in any way for any penalties.

The Court has not ruled on the merits of the Action but it has approved the settlement of PAGA civil penalties, of which 75% will be paid to the California Labor and Workforce Development Agency, and the remaining 25% will be paid to the allegedly aggrieved employees. Pursuant to the settlement, enclosed is a check for your share of a portion of the civil penalties.

The Settlement includes a release of Defendants from civil penalties recoverable under PAGA for any violations of the California Labor Code and California Wage Orders that were or could have been alleged in the Action based on the facts alleged. The release does not extend to any individual, non-PAGA wage and hour claims based on alleged violations of the Labor Code or of a California Wage Order for which a private right of action may exist.

You are not a party to this lawsuit, but you and the government will be bound by the settlement in this matter as to civil penalties. If you have any questions, you can contact the settlement administrator (whose contact information is at the top of this letter).

Very Truly Yours,

[Administrator]