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GUARD-SYSTEMS, INC.

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES – CENTRAL DISTRICT

ANDRE CLARIZIO, on behalf of himself and
all others similarly situated and aggrieved,

Plaintiff,

v.

GUARD-SYSTEMS, INC., a California
corporation; and DOES 1 through 100,
inclusive,

Defendants.

CASE NO.: 21STCV28667

[Assigned to the Hon. Armen Tamzarian,
in Dept. 52]

**CLASS AND PAGA SETTLEMENT
AGREEMENT**

Action Filed: August 4, 2021

Trial Date: None Set

1 This Class Action and PAGA Settlement Agreement (“Agreement”) is made by and
2 between plaintiff Andre Clarizio (“Plaintiff”) and defendant Guard Systems, Inc. (“Defendant”).
3 The Agreement refers to Plaintiff and Defendant collectively as “Parties,” or individually as
4 “Party.”

5 **1. DEFINITIONS**

6 1.1. “Action” means the Plaintiff’s lawsuit alleging wage and hour violations against Guard-
7 Systems, Inc. captioned *Andre Clarizio v. Guard-Systems, Inc.* initiated on August 4, 2021 and
8 pending in Superior Court of the State of California, County of Los Angeles.

9 1.2. “Administrator” means ILYM Group, Inc., the neutral entity the Parties have agreed to
10 appoint to administer the Settlement

11 1.3. “Administration Expenses Payment” means the amount the Administrator will be paid
12 from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance
13 with the Administrator’s “not to exceed” bid submitted to the Court in connection with
14 Preliminary Approval of the Settlement.

15 1.4. “Aggrieved Employee” means Class Members working for Defendant during the PAGA
16 Period as non-exempt, hourly-paid employees in California.

17 1.5. “Class” means all current and former non-exempt, hourly-paid employees who worked
18 outside of the office in California for Defendant at any time during the Class Period.

19 1.6. “Class Counsel” means David D. Bibiyan of Bibiyan Law Group, P.C.

20 1.7. “Class Counsel Fees Payment” and “Class Counsel Litigation Expenses Payment” mean
21 the amounts allocated to Class Counsel for reimbursement of reasonable attorneys’ fees and
22 expenses, respectively, incurred to prosecute the Action.

23 1.8. “Class Data” means Class Member identifying information in Defendant’s possession
24 including the Class Member’s (1) name; (2) last known address(es) currently in Defendant’s
25 possession, custody, or control; (3) last known telephone number(s) currently in Defendant’s
26 possession, custody, or control; (4) last known Social Security Number(s) in Defendant’s
27 possession, custody, or control; (5) the dates of employment (i.e., hire dates, and, if applicable,
28 re-hire date(s) and/or separation date(s)); and (6) the number of Workweeks during which at

1 least one shift was worked for each Class Member..

2 1.9. “Class Member” or “Settlement Class Member” means a member of the Class, as either
3 a Participating Class Member or Non-Participating Class Member (including a Non- Participating
4 Class Member who qualifies as an Aggrieved Employee).

5 1.10. “Class Member Address Search” means the Administrator’s investigation and search for
6 current Class Member mailing addresses using all reasonably available sources, methods and
7 means including, but not limited to, the National Change of Address database, skip traces, and
8 direct contact by the Administrator with Class Members.

9 1.11. “Class Notice” means the COURT APPROVED NOTICE OF CLASS ACTION
10 SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL, to be mailed to
11 Class Members in English [with a Spanish translation, if applicable] in the form, without material
12 variation, attached as Exhibit A and incorporated by reference into this Agreement.

13 1.12. “Class Period” means the period from August 4, 2020 through: (1) the Preliminary
14 Approval Date; or (2) the date that the number of Workweeks worked by Class Members during
15 the Class Period reaches 25,287 Workweeks if Defendant elects to shorten the Class Period
16 pursuant to Paragraph 8.1 of the Settlement Agreement.

17 1.13. “Class Representative” means the named Plaintiff in the operative complaint in the
18 Action seeking Court approval to serve as a Class Representative.

19 1.14. “Class Representative Service Payment” means the payment to the Class Representative
20 for initiating the Action and providing services in support of the Action.

21 1.15. “Court” means the Superior Court of California, County of Los Angeles.

22 1.16. “Defendant” means named Defendant Guard Systems, Inc.

23 1.17. “Defense Counsel” means Elaine M. Vukadinovich of Musick Peeler & Garrett LLP.

24 1.18. “Effective Date” means the later of: (a) the date the Court signs an Order Granting Final
25 Approval of the Settlement and Judgment; (2) if there is an objector or intervenor, 60 days from
26 the date the Final Approval and Judgment; or (3) to the extent any appeals have been filed, the
27 date on which they have been resolved or exhausted.

28 1.19. “Final Approval” means the Court’s order granting final approval of the Settlement.

1 1.20. “Final Approval Hearing” means the Court’s hearing on the Motion for Final Approval
2 of the Settlement.

3 1.21. “Final Judgment” means the Judgment entered by the Court based upon the Final
4 Approval.

5 1.22. “Gross Settlement Amount” means \$250,00.00 (Two Hundred Fifty Thousand Dollars
6 and Zero Cents) which is the total amount Defendant agrees to pay under the Settlement, except
7 as provided in Paragraph 8.1 below and any and all employer payroll taxes owed on the Wage
8 Portions of the Individual Class Payments. The Gross Settlement Amount will be used to pay
9 Individual Class Payments, Individual PAGA Payments, the LWDA PAGA Payment, Class
10 Counsel Fees, Class Counsel Expenses, Class Representative Service Payment and the
11 Administrator’s Expenses.

12 1.23. “Individual Class Payment” means the Participating Class Member’s pro rata share of the
13 Net Settlement Amount calculated according to the number of Workweeks worked during the
14 Class Period.

15 1.24. “Individual PAGA Payment” means the Aggrieved Employee’s pro rata share of 25% of
16 the PAGA Penalties calculated according to the number of Workweeks worked during the PAGA
17 Period.

18 1.25. “Judgment” means the judgment entered by the Court based upon Final Approval.

19 1.26. “LWDA” means the California Labor and Workforce Development Agency, the agency
20 entitled, under Labor Code section 2699, subd. (i).

21 1.27. “LWDA PAGA Payment” means the 75% of the PAGA Penalties paid to the LWDA
22 under Labor Code section 2699, subd. (i).

23 1.28. “Net Settlement Amount” means the Gross Settlement Amount, less the following
24 payments in the amounts approved by the Court: Individual PAGA Payments, the LWDA PAGA
25 Payment, Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel
26 Litigation Expenses Payment, and the Administration Expenses Payment. The remainder is to
27 be paid to Participating Class Members as Individual Class Payments.

28 1.29. “Non-Participating Class Member” means any Class Member who opts out of the

Settlement by sending the Administrator a valid and timely Request for Exclusion.

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

1.31. “PAGA Period” means the period from August 4, 2020 through the end of the Class Period.

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

1.33. “PAGA Notice” means Plaintiff’s August 4, 2021 letter to Defendant and the LWDA, and Plaintiff’s January 21, 2022 letter to Defendant and the LWDA, providing notice pursuant to Labor Code section 2699.3 subd. (a).

1.34. “PAGA Penalties” means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 25% to the Aggrieved Employees (\$10,000.00) and the 75% to the LWDA (\$30,000.00) in settlement of PAGA claims.

1.35. “Participating Class Member” means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.

1.36. “Plaintiff” means Andre Clarizio, the named plaintiff in the Action.

1.37. “Preliminary Approval” means the Court’s Order Granting Preliminary Approval of the Settlement.

1.38. “Preliminary Approval Order” means the proposed Order granting Preliminary Approval and Approval of PAGA Settlement.

1.39. “Released Class Claims” means the claims being released as described in Paragraph 5.2 below.

1.40. “Released PAGA Claims” means the claims being released as described in Paragraph 5.4 below.

1.41. “Released Parties” means: Defendant and each of its present and past parent companies, affiliates or related entities, and its and their respective current and former owners, shareholders, accountants, insurers, attorneys, trustees, contractors, successors and assigns, heirs, advisors, employees, directors, officers and agents thereof.

1.42. “Request for Exclusion” means a Class Member’s submission of a written request to be

1 excluded from the Class Settlement signed by the Class Member.

2 1.43. "Response Deadline" means forty-five (45) days after the Administrator mails Notice to
3 Class Members and Aggrieved Employees, and shall be the last date on which Class Members
4 may: (a) fax, email, or mail Requests for Exclusion from the Settlement, or (b) fax, email, or mail
5 his or her Objection to the Settlement. Class Members to whom Notice Packets are resent after
6 having been returned undeliverable to the Administrator shall have an additional 15 calendar
7 days beyond the Response Deadline has expired.

8 1.44. "Settlement" means the disposition of the Action effected by this Agreement and the
9 Judgment.

10 1.45. "Workweek" means any week during which a Class Member was employed by and
11 worked for the Defendant in a non-exempt, hourly position during the Class Period in California,
12 based on hire dates, re-hire dates (as applicable), and termination dates (as applicable), so long
13 as at least one shift was worked during each of those weeks. .

14 **2. RECITALS**

15 2.1. On August 4, 2021, Plaintiff filed with the LWDA and served on Defendant a notice
16 under Labor Code section 2699.3 stating Plaintiff intended to serve as a proxy of the LWDA to
17 recover civil penalties for Aggrieved Employees for various Labor Code violations.

18 2.2. On August 4, 2021 Plaintiff commenced this Action by filing a Complaint alleging causes
19 of action against Defendant for (1) failure to pay overtime wages; (2) failure to pay minimum
20 wages; (3) failure to provide meal periods or compensation in lieu thereof; (4) failure to provide
21 rest periods or compensation in lieu thereof; (5) failure to pay wages due upon separation from
22 employment; (6) failure to issue compliant wage statements; (7) failure to timely pay wages; (8)
23 failure to reimburse for business expenses; (9) violation of Labor Code section 227.3; and (10)
24 engaging in unfair competition.

25 2.3. On August 10, 2021, Plaintiff filed a First Amended Complaint in the Action, clarifying
26 Plaintiff's allegations and including a claim for misclassification of employment status.

27 2.4. On November 1, 2021, after sixty-five (65) days had passed without any action by the
28 LWDA with respect to the alleged Labor Code violations in the PAGA Notice, Plaintiff filed a

1 Second Amended Complaint in the Action seeking PAGA civil penalties against Defendant for
2 the Labor Code violations alleged in the PAGA Notice.

3 2.5. On January 21, Plaintiff filed an amended PAGA notice with the LWDA setting forth
4 additional alleged and various Labor Code violations, theories, and facts (hereinafter, and
5 collectively with the August 4, 2021 PAGA Notice, the “PAGA Notice”).

6 2.6. Pursuant to Labor Code section 2699.3, subd. (a), Plaintiff gave timely written notice to
7 Defendant and the LWDA by sending the PAGA Notice.

8 2.7. On February 24, 2022, the Parties participating in an all-day mediation presided over by
9 Steve Mehta, Esquire, which led to this Agreement to settle the Action, as confirmed in an MOU
10 entered into by the Parties on March 17, 2022.

11 2.8. Prior to mediation, Plaintiff obtained, through informal discovery: (1) a sampling of time
12 and payroll records for 20% of the 702 Class Members working through mediation; (2) data
13 points showing, among other things, that there are 91 locations in which 702 Aggrieved
14 Employees were employed during the PAGA Period with approximately 22,988 weekly pay
15 periods worked through mediation; (3) Defendant’s employment policy documents pertaining to
16 wage and hour issues, including employee handbooks and a collective bargaining agreement
17 (“CBA”); (4) Plaintiff’s time records, wage statements, and personnel file; and (5) documents
18 and information pertaining to Defendant’s financial difficulties. Plaintiff’s investigation was
19 sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.*
20 (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th
21 116, 129-130 (“*Dunk/Kullar*”).

22 2.9. The Court has not granted class certification.

23 2.10. On February 27, 2022, Plaintiff filed a Third Amended Complaint in the Action, adding
24 a cause of action for violation of Labor Code section 212 and 213 and additional facts and theories
25 set forth in the PAGA Notice. The Third Amended Complaint is the operative complaint in the
26 Action (the “Operative Complaint.”). Defendant denies the allegations in the Operative
27 Complaint, denies any failure to comply with the laws identified in the Operative Complaint and
28 denies any and all liability for the causes of action alleged.

2.11. The Parties, Class Counsel and Defense Counsel represent that they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement, other than *Ricardo Lopez v. Guard-Systems, Inc.*, LASC Case No. 22STCV02112.

3. MONETARY TERMS

3.1. Gross Settlement Amount. Except as otherwise provided by Paragraph 9 below, Defendant promises to pay \$250,00.00 as the Gross Settlement Amount, unless escalated pursuant to Paragraph 8.1 of this Agreement and to separately pay any and all employer payroll taxes owed on the Wage Portions of the Individual Class Payments. Defendant has no obligation to pay the Gross Settlement Amount (or any payroll taxes) 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 Participating Class Members or 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 Final Approval:

3.2.1. To Plaintiff: Class Representative Service Payment to the Class Representative of not more than \$7,500.00, in addition to any Individual Class Payment and any Individual PAGA Payment the Class Representative is entitled to receive as a Participating Class Member. Defendant will not oppose Plaintiff's request for a Class Representative Service Payment that does not exceed this amount. As part of the motion for Class Counsel Fees Payment and Class Litigation Expenses Payment, Plaintiff will seek Court approval for any Class Representative Service Payments and endeavor to file no later than 16 court days prior to the Final Approval Hearing. If the Court approves a Class Representative Service Payment less than the amount requested, the Administrator will retain the remainder in the Net Settlement Amount. The Administrator will pay the Class Representative Service Payment using IRS Form 1099. Plaintiff assumes full responsibility and liability for employee taxes owed on the Class

Representative Service Payment.

3.2.2. To Class Counsel: A Class Counsel Fees Payment of not more than 35 %, which, unless escalated pursuant to Paragraph 8.1 of this Agreement, is currently estimated to be \$87,500.00 and a Class Counsel Litigation Expenses Payment of not more than \$25,000.00. XYZ will not oppose requests for these payments provided that do not exceed these amounts. Plaintiff and/or Class Counsel will file a motion for Class Counsel Fees Payment and Class Litigation Expenses Payment no later than 16 court days prior to the Final Approval Hearing. If the Court approves a Class Counsel Fees Payment and/or a Class Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. Released Parties shall have no liability to Class Counsel or any other Plaintiff's Counsel arising from any claim to any portion any Class Counsel Fee Payment and/or Class Counsel Litigation Expenses Payment. The Administrator will pay the Class Counsel Fees Payment and Class Counsel Expenses Payment using one or more IRS 1099 Forms. Class Counsel assumes full responsibility and liability for taxes owed on the Class Counsel Fees Payment and the Class Counsel Litigation Expenses Payment and holds Defendant harmless, and indemnifies Defendant, from any dispute or controversy regarding any division or sharing of any of these Payments. There will be no additional charge of any kind to either the Settlement Class Members or request for additional consideration from Defendant for such work unless, Defendant materially breach this Agreement, including any term regarding funding, and further efforts are necessary from Class Counsel to remedy said breach, including, without limitation, moving the Court to enforce the Agreement. Should the Court approve attorneys' fees and/or litigation costs and expenses in amounts that are less than the amounts provided for herein, then the unapproved portion(s) shall be a part of the Net Settlement Amount.

3.2.3. To the Administrator: An Administrator Expenses Payment not to exceed \$13,920.00 except for a showing of good cause and as approved by the Court. To the extent the Administration Expenses are less or the Court approves payment less than

\$13,920.00, the Administrator will retain the remainder in the Net Settlement Amount.

3.2.4. To Each Participating Class Member: An Individual Class Payment calculated by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members during the Class Period and (b) multiplying the result by each Participating Class Member's Workweeks.

3.2.4.1. Tax Allocation of Individual Class Payments. 20% of each Participating Class Member's Individual Class Payment will be allocated to settlement of wage claims (the "Wage Portion"). The Wage Portions are subject to tax withholding and will be reported on an IRS W-2 Form. The 80% of each Participating Class Member's Individual Class Payment will be allocated to settlement of claims for interest and penalties (the "Non-Wage Portion"). The Non-Wage Portions are not subject to wage withholdings and will be reported on IRS 1099 Forms. Participating Class Members assume full responsibility and liability for any employee taxes owed on their Individual Class Payment.

3.2.4.2. Effect of Non-Participating Class Members on Calculation of Individual Class Payments. Non-Participating Class Members will not receive any Individual Class Payments. The Administrator will retain amounts equal to their Individual Class Payments in the Net Settlement Amount for distribution to Participating Class Members on a pro rata basis.

3.2.5. To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of \$ to be paid from the Gross Settlement Amount, with 75% (\$30,00.00) allocated to the LWDA PAGA Payment and 25% (\$10,000.00) allocated to the Individual PAGA Payments.

3.2.5.1. The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties \$10,000.00 by the total number of PAGA Period Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA Period Pay Periods. Aggrieved

Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

3.2.5.2. If the Court approves PAGA Penalties of less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

4. SETTLEMENT FUNDING AND PAYMENTS

4.1. Class Workweeks and Aggrieved Employee Pay Periods. Based on a review of its records as of the time of mediation, Defendant estimates there are 702 Class Members who collectively worked a total of 22,988 Workweeks, and 702 of Aggrieved Employees who worked a total of 22,988 PAGA Pay Periods.

4.2. Class Data. Not later than 7 days after the Court grants Preliminary Approval of the Settlement, Defendant will simultaneously deliver the Class Data to the Administrator, in the form of a Microsoft Excel spreadsheet. To protect Class Members' privacy rights, the Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement and for no other purpose, and restrict access to the Class Data to Administrator employees who need access to the Class Data to effect and perform under this Agreement. Defendant has a continuing duty to immediately notify Class Counsel if it discovers that the Class Data omitted class member identifying information and to provide corrected or updated Class Data as soon as reasonably feasible. Without any extension of the deadline by which Defendant must send the Class Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Class Data.

4.3. Funding of Gross Settlement Amount. Defendant shall fully fund the Gross Settlement Amount, and also fund the amounts necessary to fully pay Defendant's share of payroll taxes by transmitting the funds to the Administrator no later than 7 days after the Effective Date.

4.4. Payments from the Gross Settlement Amount. Within 7 days after Defendant funds the Gross Settlement Amount, the Administrator will mail checks for all Individual Class Payments,

1 all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses
2 Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and
3 the Class Representative Service Payment. Disbursement of the Class Counsel Fees Payment,
4 the Class Counsel Litigation Expenses Payment and the Class Representative Service Payment
5 shall not precede disbursement of Individual Class Payments and Individual PAGA Payments.

6 4.4.1. The Administrator will issue checks for the Individual Class Payments and/or
7 Individual PAGA Payments and send them to the Class Members via First Class U.S.
8 Mail, postage prepaid. The face of each check shall prominently state the date (not less
9 than 180 days after the date of mailing) when the check will be voided. The
10 Administrator will cancel all checks not cashed by the void date. The Administrator
11 will send checks for Individual Settlement Payments to all Participating Class Members
12 (including those for whom Class Notice was returned undelivered). The Administrator
13 will send checks for Individual PAGA Payments to all Aggrieved Employees including
14 Non-Participating Class Members who qualify as Aggrieved Employees (including
15 those for whom Class Notice was returned undelivered). The Administrator may send
16 Participating Class Members a single check combining the Individual Class Payment
17 and the Individual PAGA Payment. Before mailing any checks, the Settlement
18 Administrator must update the recipients' mailing addresses using the National Change
19 of Address Database.

20 4.4.2. The Administrator must conduct a Class Member Address Search for all other
21 Class Members whose checks are returned undelivered without USPS forwarding
22 address. Within 7 days of receiving a returned check the Administrator must re-mail
23 checks to the USPS forwarding address provided or to an address ascertained through
24 the Class Member Address Search. The Administrator need not take further steps to
25 deliver checks to Class Members whose re-mailed checks are returned as undelivered.
26 The Administrator shall promptly send a replacement check to any Class Member whose
27 original check was lost or misplaced, requested by the Class Member prior to the void
28 date.

1 4.4.3. For any Class Member whose Individual Class Payment check or Individual
2 PAGA Payment check is uncashed and cancelled after the void date, the Administrator
3 shall transmit the funds represented by such checks to Legal Aid at Work, 180
4 Montgomery Street, Suite 600, San Francisco, California 94104, for use in Los Angeles
5 County (“Cy Pres Recipient”).

6 4.4.4. The payment of Individual Class Payments and Individual PAGA Payments shall
7 not obligate Defendant to confer any additional benefits or make any additional
8 payments to Class Members (such as 401(k) contributions or bonuses) beyond those
9 specified in this Agreement.

10 **5. Release of Claims.**

11 Effective on the date when Defendant fully funds the entire Gross Settlement Amount
12 and funds all employer payroll taxes owed on the Wage Portion of the Individual Class Payments,
13 Plaintiff, Class Members, and Class Counsel will release claims against all Released Parties as
14 follows:

15 5.1. Plaintiff’s Release. Plaintiff and his respective former and present spouses,
16 representatives, agents, attorneys, heirs, administrators, successors, and assigns generally, release
17 and discharge Released Parties from all claims, transactions, or occurrences including, but not
18 limited to: (a) all claims that were, or reasonably could have been, alleged, based on the facts
19 contained, in the Operative Complaint and (b) all PAGA claims that were, or reasonably could
20 have been, alleged based on facts contained in the Operative Complaint, Plaintiff’s PAGA
21 Notice, or ascertained during the Action and released under 5.2, below, or any claim of any nature
22 whatsoever, whether known or unknown, arising out of, or in connection with, Plaintiff’s
23 employment or separation from employment, with Defendant. (“Plaintiff’s Release.”) Plaintiff’s
24 Release does not extend to any claims or actions to enforce this Agreement, or to any claims for
25 vested benefits, unemployment benefits, disability benefits, social security benefits, workers’
26 compensation benefits that arose at any time, or to any administrative claim although Plaintiff
27 waives his right to monetary relief from any such administrative process. . Plaintiff
28 acknowledges that Plaintiff may discover facts or law different from, or in addition to, the facts

1 or law that Plaintiff now knows or believes to be true but agrees, nonetheless, that Plaintiff's
2 Release shall be and remain effective in all respects, notwithstanding such different or additional
3 facts or Plaintiff's discovery of them.

4 5.1.1. Plaintiff's Waiver of Rights Under California Civil Code Section 1542. For
5 purposes of Plaintiff's Release, Plaintiff expressly waives and relinquishes the
6 provisions, rights, and benefits, if any, of section 1542 of the California Civil Code,
7 which reads:

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

12 5.2. Release by Participating Class Members: For the duration of the Class Period, all
13 Participating Class Members, on behalf of themselves and their respective former and present
14 representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released
15 Parties from (i) all claims that were alleged, or reasonably could have been alleged, based on the
16 facts stated in the Operative Complaint including: (1) all claims for failure to pay overtime wages;
17 (2) all claims for failure to pay minimum wages; (3) all claims for failure to provide compliant
18 meal periods, or compensation in lieu thereof; (4) all claims for failure to provide compliant rest
19 periods, or compensation in lieu thereof (5) all claims for the failure to pay wages due upon
20 termination or resignation; (6) all claims for non-compliant wage statements; (7) all claims for
21 failure to timely pay wages; (8) all claims for failure to reimburse employees for business
22 expenses; (9) violation of Labor Code section 227.3; (10) violation of Labor Code sections 212
23 and 213; (11) all claims asserted through California Business & Professions Code section 17200,
24 *et seq.* .

25 5.3. Except as set forth in Section 5.1, 5.1.1. as to Plaintiff and 5.2 of this Agreement,
26 Participating Class Members do not release any other claims, including claims for vested
27 benefits, wrongful termination, violation of the Fair Employment and Housing Act,
28 unemployment insurance, disability, social security, workers' compensation, or claims based on

facts occurring outside the Class Period.

5.4. Release by Aggrieved Employees: For the duration of the PAGA Period, all Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the Operative Complaint and the PAGA Notice, including, claims for PAGA penalties pursuant to Labor Code sections 210, 226.3, 558, 1174.5, 1197.1, and 2699 in connection with alleged violations of Labor Code sections 96, 98.6, 200, 201, 201.3, 202, 203, 204, 212, 213, 221, 223, 226, 226.7, 227.3, 232, 232.5, 246 et seq., 432, 510, 512, 1174, 1194, 1194.2, 1197, 1197.5, 1181.12, , 1198.5, 2802, 2810.5, 6401, 6402, 6403, 6409.

6. MOTION FOR PRELIMINARY APPROVAL

The Parties agree to jointly prepare and file a motion for preliminary approval (“Motion for Preliminary Approval”) that complies with the Court’s current checklist for Preliminary Approvals.

6.1. Defendant’s Declaration in Support of Preliminary Approval. Within 21 days of the full execution of this Agreement, Defendant will prepare and deliver to Class Counsel a signed Declaration from Defendant and Defense Counsel disclosing all facts relevant to any actual or potential conflicts of interest with the Administrator and Cy Pres Recipient. In their Declarations, Defense Counsel and Defendant shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement, other than *Ricardo Lopez v. Guard-Systems, Inc.*, LASC Case No. 22STCV02112 .

6.2. Plaintiff’s Responsibilities. Plaintiff will prepare and deliver to Defense Counsel prior to filing: (i) a draft of the notice, and memorandum in support, of the Motion for Preliminary Approval that includes an analysis of the Settlement under *Dunk/Kullar* and a request for approval of the PAGA Settlement under Labor Code Section 2699, subd. (f)(2)); (ii) a draft proposed Order Granting Preliminary Approval and Approval of PAGA Settlement; (iii) a draft proposed Class Notice; and (iv) a redlined version of the parties’ Agreement showing all

1 modifications made to the Model Agreement ready for filing with the Court. Plaintiff will also
2 endeavor to provide to Defense Counsel prior to filing: (i) a signed declaration from the
3 Administrator attaching its “not to exceed” bid for administering the Settlement and attesting to
4 its willingness to serve; competency; operative procedures for protecting the security of Class
5 Data; amounts of insurance coverage for any data breach, defalcation of funds or other
6 misfeasance; all facts relevant to any actual or potential conflicts of interest with Class Members
7 and/or the proposed Cy Pres; and the nature and extent of any financial relationship with Plaintiff,
8 Class Counsel or Defense Counsel; (ii) a signed declaration from Plaintiff confirming willingness
9 and competency to serve and disclosing all facts relevant to any actual or potential conflicts of
10 interest with Class Members, and/or the Administrator and the proposed Cy Pres; (iii) a signed
11 declaration from each Class Counsel firm attesting to its competency to represent the Class
12 Members; its timely transmission to the LWDA of all necessary PAGA documents (initial notice
13 of violations (Labor Code section 2699.3, subd. (a)), Operative Complaint (Labor Code section
14 2699, subd. (1)(1)), this Agreement (Labor Code section 2699, subd. (1)(2)) and all facts relevant
15 to any actual or potential conflict of interest with Class Members, the Administrator and/or the
16 Cy Pres Recipient. In their Declarations, Plaintiff and Class Counsel Declaration shall aver that
17 they are not aware of any other pending matter or action asserting claims that will be extinguished
18 or adversely affected by the Settlement , other than *Ricardo Lopez v. Guard-Systems, Inc.*, LASC
19 Case No. 22STCV02112.

20 6.3. Responsibilities of Counsel. Class Counsel and Defense Counsel are responsible for
21 expeditiously finalizing the Motion for Preliminary Approval no later than 30 days after the full
22 execution of this Agreement; obtaining a prompt hearing date for the Motion for Preliminary
23 Approval; and for appearing in Court to advocate in favor of the Motion for Preliminary
24 Approval. Class Counsel is responsible for delivering the Court’s Preliminary Approval to the
25 Administrator.

26 6.4. Duty to Cooperate. If the Parties disagree on any aspect of the proposed Motion for
27 Preliminary Approval and/or the supporting declarations and documents, Class Counsel and
28 Defense Counsel will expeditiously work together on behalf of the Parties by meeting and

1 conferring, and in good faith, to resolve the disagreement. If the Court does not grant Preliminary
2 Approval or conditions Preliminary Approval on any material change to this Agreement, Class
3 Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by
4 meeting and conferring, and in good faith, to modify the Agreement and otherwise satisfy the
5 Court's concerns.

6 **7. SETTLEMENT ADMINISTRATION**

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

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

16 7.3. Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets
17 the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation section
18 468B-1.

19 7.4. Notice to Class Members

20 7.4.1. No later than three (3) business days after receipt of the Class Data, the
21 Administrator shall notify Class Counsel that the list has been received and state the
22 number of Class Members, PAGA Members, Workweeks, and Pay Periods in the Class
23 Data.

24 7.4.2. Using best efforts to perform as soon as possible, and in no event later than 14
25 days after receiving the Class Data, the Administrator will send to all Class Members
26 identified in the Class Data, via first-class United States Postal Service ("USPS") mail,
27 the Class Notice with Spanish translation, substantially in the form attached to this
28 Agreement as Exhibit A. The first page of the Class Notice shall prominently estimate the

dollar amounts of any Individual Class Payment and/or Individual PAGA Payment payable to the Class Member, and the number of Workweeks and PAGA Pay Periods (if applicable) used to calculate these amounts. Before mailing Class Notices, the Administrator shall update Class Member addresses using the National Change of Address database.

7.4.3. Not later than 3 business days after the Administrator's receipt of any Class Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class Notice using any forwarding address provided by the USPS. If the USPS does not provide a forwarding address, the Administrator shall conduct a Class Member Address Search, and re-mail the Class Notice to the most current address obtained. The Administrator has no obligation to make further attempts to locate or send Class Notice to Class Members whose Class Notice is returned by the USPS a second time.

7.4.4. The deadlines for Class Members' written objections, Challenges to Workweeks and/or Pay Periods, and Requests for Exclusion will be extended an additional 15 days beyond the 45 days otherwise provided in the Class Notice for all Class Members whose notice is re-mailed. The Administrator will inform the Class Member of the extended deadline with the re-mailed Class Notice.

7.4.5. If the Administrator, Defendant or Class Counsel is contacted by or otherwise discovers any persons who believe they should have been included in the Class Data and should have received Class Notice, the Parties will expeditiously meet and confer in person or by telephone, and in good faith, in an effort to agree on whether to include them as Class Members. If the Parties agree, such persons will be Class Members entitled to the same rights as other Class Members, and the Administrator will send, via email or overnight delivery, a Class Notice requiring them to exercise options under this Agreement not later than 15 days after receipt of Class Notice, or the deadline dates in the Class Notice, which ever are later.

7.5. Requests for Exclusion (Opt-Outs).

7.5.1. Class Members who wish to exclude themselves (opt-out of) the Class Settlement must send the Administrator, by fax, email, or mail, a signed written Request for

1 Exclusion not later than 45 days after the Administrator mails the Class Notice (plus an
2 additional 15 days for Class Members whose Class Notice is re-mailed). A Request for
3 Exclusion is a letter from a Class Member or his/her representative that reasonably
4 communicates the Class Member's election to be excluded from the Settlement and
5 includes the Class Member's name, address and email address or telephone number. To
6 be valid, a Request for Exclusion must be timely faxed, emailed, or postmarked by the
7 Response Deadline.

8 7.5.2. The Administrator may not reject a Request for Exclusion as invalid because it
9 fails to contain all the information specified in the Class Notice. The Administrator
10 shall accept any Request for Exclusion as valid if the Administrator can reasonably
11 ascertain the identity of the person as a Class Member and the Class Member's desire
12 to be excluded. The Administrator's determination shall be final and not appealable or
13 otherwise susceptible to challenge. If the Administrator has reason to question the
14 authenticity of a Request for Exclusion, the Administrator may demand additional proof
15 of the Class Member's identity. The Administrator's determination of authenticity shall
16 be final and not appealable or otherwise susceptible to challenge.

17 7.5.3. Every Class Member who does not submit a timely and valid Request for
18 Exclusion is deemed to be a Participating Class Member under this Agreement, entitled
19 to all benefits and bound by all terms and conditions of the Settlement, including the
20 Participating Class Members' Releases under Paragraphs 5.2 and 5.3 of this Agreement,
21 regardless whether the Participating Class Member actually receives the Class Notice
22 or objects to the Settlement.

23 7.5.4. Every Class Member who submits a valid and timely Request for Exclusion is a
24 Non-Participating Class Member and shall not receive an Individual Class Payment or
25 have the right to object to the class action components of the Settlement. Because
26 future PAGA claims are subject to claim preclusion upon entry of the Judgment, Non-
27 Participating Class Members who are Aggrieved Employees are deemed to release the
28 claims identified in Paragraph 5.4 of this Agreement and are eligible for an Individual

1 PAGA Payment.

2 7.6. Challenges to Calculation of Workweeks. Each Class Member shall have 45 days after
3 the Administrator mails the Class Notice (plus an additional 15 days for Class Members whose
4 Class Notice is re-mailed) to challenge the number of Class Workweeks and PAGA Pay Periods
5 (if any) allocated to the Class Member in the Class Notice. The Class Member may challenge
6 the allocation by communicating with the Administrator via fax, email or mail. The
7 Administrator must encourage the challenging Class Member to submit supporting
8 documentation. In the absence of any contrary documentation, the Administrator is entitled to
9 presume that the Workweeks contained in the Class Notice are correct so long as they are
10 consistent with the Class Data. The Administrator's determination of each Class Member's
11 allocation of Workweeks and/or Pay Periods shall be final and not appealable or otherwise
12 susceptible to challenge. The Administrator shall promptly provide copies of all challenges to
13 calculation of Workweeks and/or Pay Periods to Defense Counsel and Class Counsel and the
14 Administrator's determination regarding the challenges.

15 7.7. Objections to Settlement

16 7.7.1. Only Participating Class Members may object to the class action components of
17 the Settlement and/or this Agreement, including contesting the fairness of the
18 Settlement, and/or amounts requested for the Class Counsel Fees Payment, Class
19 Counsel Litigation Expenses Payment and/or Class Representative Service Payment.

20 7.7.2. Participating Class Members may send written objections to the Administrator,
21 by fax, email, or mail. In the alternative, Participating Class Members may appear in
22 Court (or hire an attorney to appear in Court) to present verbal objections at the Final
23 Approval Hearing. A Participating Class Member who elects to send a written objection
24 to the Administrator must do so not later than 45 days after the Administrator's mailing
25 of the Class Notice (plus an additional 15 days for Class Members whose Class Notice
26 was re-mailed).

27 7.7.3. Non-Participating Class Members have no right to object to any of the class action
28 components of the Settlement.

1 7.8. Administrator Duties. The Administrator has a duty to perform or observe all tasks to be
2 performed or observed by the Administrator contained in this Agreement or otherwise.

3 7.8.1. Website, Email Address and Toll-Free Number. The Administrator will establish
4 and maintain and use an internet website to post information of interest to Class
5 Members including the date, time and location for the Final Approval Hearing and
6 copies of the Settlement Agreement, Motion for Preliminary Approval, the Preliminary
7 Approval, the Class Notice, the Motion for Final Approval, the Motion for Class
8 Counsel Fees Payment, Class Counsel Litigation Expenses Payment and Class
9 Representative Service Payment, the Final Approval and the Judgment. The
10 Administrator will also maintain and monitor an email address and a toll-free telephone
11 number to receive Class Member calls, faxes and emails.

12 7.8.2. Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will
13 promptly review on a rolling basis Requests for Exclusion to ascertain their validity.
14 Not later than 5 days after the expiration of the deadline for submitting Requests for
15 Exclusion, the Administrator shall email a list to Class Counsel and Defense Counsel
16 containing (a) the names and other identifying information of Class Members who have
17 timely submitted valid Requests for Exclusion (“Exclusion List”); (b) the names and
18 other identifying information of Class Members who have submitted invalid Requests
19 for Exclusion; (c) copies of all Requests for Exclusion from Settlement submitted
20 (whether valid or invalid).

21 7.8.3. Weekly Reports. The Administrator must, on a weekly basis, provide written
22 reports to Class Counsel and Defense Counsel that, among other things, tally the number
23 of: Class Notices mailed or re-mailed, Class Notices returned undelivered, Requests for
24 Exclusion (whether valid or invalid) received, objections received, challenges to
25 Workweeks and/or Pay Periods received and/or resolved, and checks mailed for
26 Individual Class Payments and Individual PAGA Payments (“Weekly Report”). The
27 Weekly Reports must include the Administrator’s assessment of the validity of Requests
28 for Exclusion and attach copies of all Requests for Exclusion and objections received.

1 7.8.4. Workweek and/or Pay Period Challenges. The Administrator has the authority to
2 address and make final decisions consistent with the terms of this Agreement on all
3 Class Member challenges over the calculation of Workweeks and/or Pay Periods. The
4 Administrator's decision shall be final and not appealable or otherwise susceptible to
5 challenge.

6 7.8.5. Administrator's Declaration. Before the date by which Plaintiff is required to file
7 the Motion for Final Approval of the Settlement, the Administrator will provide to Class
8 Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting
9 to its due diligence and compliance with all of its obligations under this Agreement,
10 including, but not limited to, its mailing of Class Notice, the Class Notices returned as
11 undelivered, the re-mailing of Class Notices, attempts to locate Class Members, the total
12 number of Requests for Exclusion from Settlement it received (both valid or invalid),
13 the number of written objections and attach the Exclusion List. The Administrator will
14 supplement its declaration as needed or requested by the Parties and/or the Court. Class
15 Counsel is responsible for filing the Administrator's declaration(s) in Court.

16 7.8.6. Final Report by Settlement Administrator. Within 10 days after the Administrator
17 disburses all funds in the Gross Settlement Amount, the Administrator will provide
18 Class Counsel and Defense Counsel with a final report detailing its disbursements by
19 employee identification number only of all payments made under this Agreement. At
20 least 7 days before any deadline set by the Court, the Administrator will prepare, and
21 submit to Class Counsel and Defense Counsel, a signed declaration suitable for filing in
22 Court attesting to its disbursement of all payments required under this Agreement. Class
23 Counsel is responsible for filing the Administrator's declaration in Court.

24 **8. CLASS SIZE ESTIMATES AND ESCALATOR CLAUSE**

25 Based on its records, Defendant estimates that, as of the date of mediation, (1) there were
26 702 Class Members and 22,988 Total Workweeks during the Class period and (2) there were
27 702 Aggrieved Employees who worked 22,988 Pay Periods during the PAGA Period.

28 8.1. Increase in Workweeks. In the event the number of Workweeks worked by Class

Members during the Class Period increases by more than 10%, or 2,299 Workweeks, then the Gross Settlement Amount shall be increased proportionally by the Workweeks in excess of 25,287 Workweeks multiplied by the Workweek Value. The Workweek Value shall be calculated by dividing the originally agreed-upon Gross Settlement Amount (\$250,000.00) by 22,998, which amounts to a Workweek Value of \$10.88. Thus, for example, should there be 26,000 Workweeks in the Class Period, then the Gross Settlement Amount shall be increased by \$7,757.44. ((26,000 Workweeks – 25,287 Workweeks) x \$10.88 per Workweek.). In the event Defendant declines to increase the Gross Settlement Amount for the increase in Workweeks, the Class Period shall end on the date the number of Workweeks worked during the Class Period reaches 25,287 Workweeks, or the Preliminary Approval Date, whichever is earlier.

9. DEFENDANT’S RIGHT TO WITHDRAW

If the number of valid Requests for Exclusion identified in the Exclusion List exceeds 2% of the total of all Class Members, Defendant may, but is not obligated to, elect to withdraw from the Settlement. The Parties agree that, if Defendant withdraws, the Settlement shall be void ab initio, have no force or effect whatsoever, and that neither Party will have any further obligation to perform under this Agreement; provided, however, Defendant will remain responsible for paying all Settlement Administration Expenses incurred to that point. Defendant must notify Class Counsel and the Court of its election to withdraw not later than ten business days after the Administrator sends the final Exclusion List to Defense Counsel; late elections will have no effect.

10. MOTION FOR FINAL APPROVAL

Not later than 16 court days before the calendared Final Approval Hearing, Plaintiff will file in Court, a motion for final approval of the Settlement that includes a request for approval of the PAGA settlement under Labor Code section 2699, subd. (l), a Proposed Final Approval Order and a proposed Judgment (collectively “Motion for Final Approval”). Plaintiff shall provide drafts of these documents to Defense Counsel not later than three court (3) days prior to filing the Motion for Final Approval. Class Counsel and Defense Counsel will expeditiously meet and confer in person or by telephone and/or email, and in good faith, to resolve any disagreements

concerning the Motion for Final Approval.

10.1. Response to Objections. Each Party retains the right to respond to any objection raised by a Participating Class Member, including the right to file responsive documents in Court no later than 5 court days prior to the Final Approval Hearing, or as otherwise ordered or accepted by the Court.

10.2. Duty to Cooperate. If the Court does not grant Final Approval or conditions Final Approval on any material change to the Settlement (including, but not limited to, the scope of release to be granted by Class Members), the Parties will expeditiously work together in good faith to address the Court's concerns by revising the Agreement as necessary to obtain Final Approval. The Court's decision to award less than the amounts requested for the Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Administrator Expenses Payment shall not constitute a material modification to the Agreement within the meaning of this paragraph.

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

10.4. Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment reflected in this Settlement, the Parties, their respective counsel, and all Participating Class Members who did not object to the Settlement as provided in this Agreement, waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals. If an objector appeals the Judgment, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect the amount of the Net Settlement Amount.

10.5. Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a material modification of this Agreement (including, but not limited to, the scope of release to be granted by Class Members), this Agreement shall be null and void. The Parties shall nevertheless expeditiously work together in good faith to address the appellate court's concerns and to obtain Final Approval and entry of Judgment, sharing, on a 50-50 basis, any additional Administration Expenses reasonably incurred after remittitur. An appellate decision to vacate, reverse, or modify the Court's award of the Class Representative Service Payment or any payments to Class Counsel shall not constitute a material modification of the Judgment within the meaning of this paragraph, as long as the Gross Settlement Amount remains unchanged

11. AMENDED JUDGMENT

If any amended judgment is required under Code of Civil Procedure section 384, the Parties will work together in good faith to jointly submit a proposed amended judgment.

12. ADDITIONAL PROVISIONS

12.1. No Admission of Liability, Class Certification or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendant that any of the allegations in the Operative Complaint have merit or that Defendant has any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that Defendant's defenses in the Action have merit. The Parties agree that class certification and representative treatment is for purposes of this Settlement only. If, for any reason the Court does not grant Preliminary Approval, Final Approval or enter Judgment, Defendant reserves the right to contest certification of any class for any reasons, and Defendant reserves all available defenses to the claims in the Action, and Plaintiff reserves the right to move for class certification on any grounds available and to contest Defendant's defenses. The Settlement, this Agreement and Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).

1 12.2. Confidentiality Prior to Preliminary Approval. Plaintiff, Class Counsel, Defendant and
2 Defense Counsel separately agree that, until the Motion for Preliminary Approval of Settlement
3 is filed, they and each of them will not disclose, disseminate and/or publicize, or cause or permit
4 another person to disclose, disseminate or publicize, any of the terms of the Agreement directly
5 or indirectly, specifically or generally, to any person, corporation, association, government
6 agency, or other entity except: (1) to the Parties' attorneys, accountants, or spouses, all of whom
7 will be instructed to keep this Agreement confidential; (2) counsel in a related matter; (3) to the
8 extent necessary to report income to appropriate taxing authorities; (4) in response to a court
9 order or subpoena; or (5) in response to an inquiry or subpoena issued by a state or federal
10 government agency. Each Party agrees to immediately notify each other Party of any judicial or
11 agency order, inquiry, or subpoena seeking such information. Plaintiff, Class Counsel,
12 Defendant and Defense Counsel separately agree not to, directly or indirectly, initiate any
13 conversation or other communication, before the filing of the Motion for Preliminary Approval,
14 any with third party regarding this Agreement or the matters giving rise to this Agreement except
15 to respond only that "the matter was resolved," or words to that effect. This paragraph does not
16 restrict Class Counsel's communications with Class Members in accordance with Class
17 Counsel's ethical obligations owed to Class Members.

18 12.3. No Solicitation. The Parties separately agree that they and their respective counsel and
19 employees will not solicit any Class Member to opt out of or object to the Settlement, or appeal
20 from the Judgment. Nothing in this paragraph shall be construed to restrict Class Counsel's
21 ability to communicate with Class Members in accordance with Class Counsel's ethical
22 obligations owed to Class Members.

23 12.4. Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement
24 together with its attached exhibits shall constitute the entire agreement between the Parties
25 relating to the Settlement, superseding any and all oral representations, warranties, covenants, or
26 inducements made to or by any Party.

27 12.5. Attorney Authorization. Class Counsel and Defense Counsel separately warrant and
28 represent that they are authorized by Plaintiff and Defendant, respectively, to take all appropriate

1 action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate
2 its terms, and to execute any other documents reasonably required to effectuate the terms of this
3 Agreement including any amendments to this Agreement.

4 12.6. Cooperation. The Parties and their counsel will cooperate with each other and use their
5 best efforts, in good faith, to implement the Settlement by, among other things, modifying the
6 Settlement Agreement, submitting supplemental evidence and supplementing points and
7 authorities as requested by the Court. In the event the Parties are unable to agree upon the form
8 or content of any document necessary to implement the Settlement, or on any modification of the
9 Agreement that may become necessary to implement the Settlement, the Parties will seek the
10 assistance of a mediator and/or the Court for resolution.

11 12.7. No Prior Assignments. The Parties separately represent and warrant that they have not
12 directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or
13 encumber to any person or entity and portion of any liability, claim, demand, action, cause of
14 action, or right released and discharged by the Party in this Settlement.

15 12.8. No Tax Advice. Neither Plaintiff, Class Counsel, Defendant nor Defense Counsel are
16 providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied
17 upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR
18 Part 10, as amended) or otherwise.

19 12.9. Modification of Agreement. This Agreement, and all parts of it, may be amended,
20 modified, changed, or waived only by an express written instrument signed by all Parties or their
21 representatives, and approved by the Court.

22 12.10. Agreement Binding on Successors. This Agreement will be binding upon, and inure to
23 the benefit of, the successors of each of the Parties.

24 12.11. Applicable Law. All terms and conditions of this Agreement and its exhibits will be
25 governed by and interpreted according to the internal laws of the state of California, without
26 regard to conflict of law principles

27 12.12. Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of
28 this Agreement. This Agreement will not be construed against any Party on the basis that the

1 Party was the drafter or participated in the drafting

2 12.13. Confidentiality. To the extent permitted by law, all agreements made, and orders entered
3 during Action and in this Agreement relating to the confidentiality of information shall survive
4 the execution of this Agreement

5 12.14. Use of Class Data and Informal Discovery. Defendant is under no obligation to provide
6 the Class Data to Class Counsel at the time it provides the Class Data to the Settlement
7 Administrator and Settlement Administrator is not to provide such Class Data to Class Counsel
8 other than the limited data outlined in sections 7.4.1, 7.4.5, and 7.6 and only if, and as,
9 necessary to comply with those sections. Class Counsel, to date, has not received Class Data
10 categories 1-4, as defined. Class Counsel has, however, received Class Data categories 5-6, as
11 defined, in addition to other informal discovery, all provided to Class Counsel pursuant to Cal.
12 Evid. Code §1152 and in connection with the mediation, other settlement negotiations, or in
13 connection with the Settlement. Information and documents provided to Class Counsel may be
14 used only with respect to this Settlement, and no other purpose, and may not be used in any
15 way that violates any existing contractual agreement, statute, or rule of court. *If Class Counsel*
16 *receives Class Data categories 1-4 after preliminary approval, which should only be through*
17 *compliance with sections 7.4.1, 7.4.5, 7.6 of this Agreement or independent means other than*
18 *the Settlement Administrator such as, for example, from a class member directly, Class Counsel*
19 *shall only use such information with respect to this Settlement and no other purpose, and may*
20 *not be used in any way that violates any existing contractual agreement, statute, or rule of*
21 *court.*

22 12.15. Headings. The descriptive heading of any section or paragraph of this Agreement is
23 inserted for convenience of reference only and does not constitute a part of this Agreement.

24 12.16. Calendar Days. Unless otherwise noted, all reference to “days” in this Agreement shall
25 be to calendar days. In the event any date or deadline set forth in this Agreement falls on a
26 weekend or federal legal holiday, such date or deadline shall be on the first business day
27 thereafter.

28 12.17. Notice. All notices, demands or other communications between the Parties in connection

with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email or messenger, addressed as follows:

To Plaintiff: David Bibiyan, Esq., Bibiyan Law Group, P.C., 8484 Wilshire Boulevard, Suite 500, Beverly Hills, California 90211; david@tomorrowlaw.com

To Defendant: Elaine M. Vukadinovich, Esq., Musick, Peeler & Garrett LLP, 624 S. Grand Ave., Ste. 2000, Los Angeles CA 90017; e.vukadinovich@musickpeeler.com

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

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

12.20. Severability. In the event that one or more of the provisions contained in this Agreement shall for any reason be held invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall in no way effect any other provision if Defendant's Counsel and Class Counsel, on behalf of the Parties and the Settlement Class, mutually elect in writing to proceed as if such invalid, illegal, or unenforceable provision had never been included in this Agreement.

IT IS SO AGREED:

Aug 18, 2022

 Aug 18, 2022 17:10 CDT)

For Plaintiff, Andre Clarizio

For Defendant, Guard Systems, Inc.

1 with this Agreement will be in writing and deemed to have been duly given as of the third
2 business day after mailing by United States mail, or the day sent by email or messenger, addressed
3 as follows:

4 To Plaintiff: David Bibiyan, Esq., Bibiyan Law Group, P.C., 8484 Wilshire Boulevard,
5 Suite 500, Beverly Hills, California 90211; david@tomorrowlaw.com

6 To Defendant: Elaine M. Vukadinovich, Esq., Musick, Peeler & Garrett LLP, 624 S. Grand Ave.,
7 Ste. 2000, Los Angeles CA 90017; e.vukadinovich@musickeeler.com

8 12.18. Execution in Counterparts. This Agreement may be executed in one or more counterparts
9 by facsimile, electronically (i.e. DocuSign), or email which for purposes of this Agreement shall
10 be accepted as an original. All executed counterparts and each of them will be deemed to be one
11 and the same instrument if counsel for the Parties will exchange between themselves signed
12 counterparts. Any executed counterpart will be admissible in evidence to prove the existence
13 and contents of this Agreement.

14 12.19. Stay of Litigation. The Parties agree that upon the execution of this Agreement the
15 litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further
16 agree that upon the signing of this Agreement that pursuant to CCP section 583.330 to extend
17 the date to bring a case to trial under CCP section 583.310 for the entire period of this settlement
18 process.

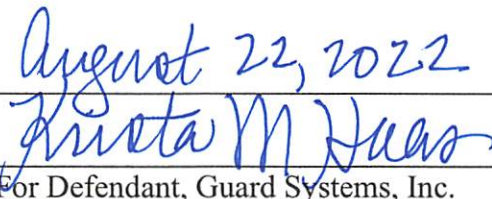
19 12.20. Severability. In the event that one or more of the provisions contained in this Agreement
20 shall for any reason be held invalid, illegal, or unenforceable in any respect, such invalidity,
21 illegality, or unenforceability shall in no way effect any other provision if Defendant's Counsel
22 and Class Counsel, on behalf of the Parties and the Settlement Class, mutually elect in writing
23 to proceed as if such invalid, illegal, or unenforceable provision had never been included in this
24 Agreement.

25 **IT IS SO AGREED:**

26 **Aug 18, 2022**

27  Aug 18, 2022 17:10 CDT)

28 For Plaintiff, Andre Clarizio


For Defendant, Guard Systems, Inc.

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Vedang J. Patel

David D. Bibiyan
Vedang J. Patel
Counsel for Plaintiff



Elaine M. Vukadinovich
Counsel for Defendant Guard Systems, Inc.