

THE NOURMAND LAW FIRM, APC

MICHAEL NOURMAND, State Bar No. 198439

JAMES A. DE SARIO, State Bar No. 262552

8822 West Olympic Boulevard

Beverly Hills, CA 90211

Telephone: (310) 553-3600

Attorneys for Plaintiff GABRIEL ORTIZ, individually,
and on behalf of all others similarly situated**ALBRIGHT YEE & SCHMIT, APC**

CLIFTON ALBRIGHT, SR., State Bar No. 100020

BRYAN E. LUTHER, JR., State Bar No. 331919

707 Wilshire Boulevard, Suite 3600

Los Angeles, CA 90017

Telephone: (213) 833-1700

Attorneys for Defendants KONOIKE-PACIFIC
CALIFORNIA, INC.**CDF LABOR LAW LLP**

DAVID G. HAGOPIAN, State Bar No. 145171

GARRETT V. JENSEN, State Bar No. 242874

MARIANNE C. KOEPH, State Bar No. 191025

18300 Von Karman Avenue, Suite 800

Irvine, CA 92612

Telephone: (949) 622-1661

Attorneys for Defendant REAL TIME STAFFING
SERVICES, LLC, d.b.a. SELECT STAFFING**SUPERIOR COURT OF THE STATE OF CALIFORNIA****FOR THE COUNTY OF LOS ANGELES**GABRIEL ORTIZ, on behalf of himself and all
others similarly situated,

Plaintiff,

vs.

KONOIKE-PACIFIC CALIFORNIA, INC., a
California Corporation; REAL TIME
STAFFING SERVICES, LLC, d.b.a., SELECT
STAFFING; and DOES 1 through 50, inclusive,

Defendants.

Case No. 20STCV35421

*Assigned For All Purposes To:
Hon. Kenneth R. Freeman
Dept. 14***STIPULATION AND SETTLEMENT OF
PAGA ACTION**

Complaint Filed: September 15, 2020

This Stipulation and Settlement of PAGA Action ("Agreement") is made by and between Plaintiff Gabriel Ortiz ("Plaintiff"), individually and on behalf of the PAGA Group Members, on the one hand, and Defendants Konoike-Pacific California, Inc. ("KPAC") and Real Time Staffing Services, LLC, d.b.a. Select Staffing ("Real Time") (collectively, "Defendants"), on the other hand, after Plaintiff and Defendants engaged in informal discovery, participated in two full days of mediation, and negotiated this Agreement at arms-length. Plaintiff and Defendants are referred to in this Agreement collectively as the "Parties," or individually as a "Party." Capitalized terms used herein shall have the meanings set forth in Article I or as defined elsewhere in this Agreement.

For the consideration set forth herein, including, but not limited to, a release of claims by PAGA Group Members, and a general release of claims by Plaintiff, Defendants agrees to pay a settlement amount of One Hundred Fifty Thousand Dollars and Zero Cents (\$150,000.00) (the "Settlement Amount") as set forth herein.

Now, therefore, it is stipulated and agreed by and among the undersigned Parties, subject to the approval of the Court pursuant to the California Rules of Court, that the Settlement of the Action shall be effectuated subject to the following terms and conditions.

ARTICLE I

DEFINITIONS

Unless otherwise defined herein, the following terms used in this Agreement shall have the meanings ascribed to them as set forth below:

a. "Action" means the putative class lawsuit filed by Plaintiff against Defendants on September 24, 2021, as amended on October 26, 2022 to add a PAGA claim, in Los Angeles Superior Court, Case No. 21STCV35262, alleging violations of California's Labor Code sections 200, 201-203, 204, 210, 218, 218.5, 218.6, 226, 226.3, 226.7, 510, 512, 1194, 1194.2, 1197, 1197.1, 1199, 8 Cal. Code Regs § 11070, and applicable IWC Wage Orders based on theories for: (1) failure to pay overtime wages; (2) failure to pay minimum wages, (3) failure to provide meal periods, (4) failure to provide rest periods, (5) failure to pay all wages upon termination, (6) failure to provide accurate wage statements, (7) unfair and unlawful business practices in violation of the Unfair Competition Law, Calif. Bus. & Prof. Code §§17200 *et. seq.* ("UCL"), and (8) violations of California's Private

1 Attorneys General Act, Calif. Labor Code §§ 2698 *et seq.* (“PAGA”). The putative class claims
2 were dismissed without prejudice on December 13, 2023. This Agreement is a settlement of
3 Plaintiff’s PAGA claims only.

4 b. “Agreement” means this Stipulation and Settlement of PAGA Action, including any
5 attached Exhibit(s).

6 c. “Attorneys’ Fees and Costs” means reasonable attorneys’ fees for Class Counsel’s
7 litigation and resolution of this Action (not to exceed 35% of the Maximum Settlement Amount),
8 and Class Counsel’s expenses and costs reasonably incurred in connection with this Action.

9 d. “Check-Cashing Period” means the period of 180 days after the date Individual
10 Settlement Payment checks are issued.

11 e. “Claims and Allegations at Issue” means all of the claims, theories, and allegations
12 asserted under PAGA in the First Amended Complaint; (ii) the amended letter to be sent to the
13 LWDA (see Section 2.01 below); and (iii) the letter sent to the LWDA on behalf of Plaintiff dated
14 September 24, 2021.

15 f. “Court” means the Los Angeles County Superior Court, where the Action is currently
16 pending.

17 g. “Defendant” means Defendants KPAC and Real Time.

18 h. “Defense Counsel” means counsel for Defendants, who are:

19 *Counsel for Defendant KPAC*

20 ALBRIGHT YEE & SCHMIT, APC
21 Clifton Albright, Sr.
22 Bryan E. Luther, Jr,
23 707 Wilshire Boulevard, Suite 3600
24 Los Angeles, CA 90017
25 clifton.albright@ayslaw.com
26 bryan.luther@ayslaaw.com

27 *Counsel for Defendant Real Time*

28 CDF LABOR LAW LLP
David G. Hagopian
Garrett V. Jensen
18300 Von Karman Avenue, Suite 800
Irvine, CA 92612
dhagopian@cdfllitigation.com
gjensen@cdfllaborlaw.com

i. "Effective Date" of this Settlement means the later of the following: (i) the date of final affirmance of the Judgment on an appeal, the expiration of the time for, or the denial of, a petition to review the Judgment, or, if review is granted, the date of final affirmance of the Judgment following review pursuant to that grant; (ii) the date of final dismissal of any appeal from the Judgment or final dismissal of any proceeding to review the Judgment, provided the Judgment is affirmed and/or not reversed in any part; (iii) the final resolution (or withdrawal) of any filed appeal in a way that affirms the Order Approving PAGA Settlement and Judgment in a form substantially identical to the form of the Order Approving PAGA Settlement entered by the Court, and the time to petition for review with respect to any appellate decision affirming the Order Approving PAGA Settlement has expired; or (iv) if no appeal is filed, the sixty-first (61st) calendar day after the Court enters approval of the PAGA Settlement and the Judgment approving this Agreement.

j. "Gross Settlement Amount" means the settlement amount of One Hundred Fifty Thousand Dollars and Zero Cents (\$150,000.00) which Defendants shall pay in connection with this Settlement, by way of a common fund, which shall be inclusive of all Individual Settlement Payments, Attorneys' Fees and Costs, the Enhancement Payment, Settlement Administration Costs, and the LWDA Payment.

k. "Enhancement Payment" means a monetary award subject to Court approval of up to Five Thousand Dollars and Zero Cents (\$5,000.00) that will be paid to Plaintiff pursuant to Section 3.07 (d) of this Agreement.

l. "Individual PAGA Settlement Payment" means each PAGA Member's pro rata share of 25% of the PAGA Penalties calculated according to the number of Pay Periods worked during the PAGA Period.

m. "LWDA" means the California Labor and Workforce Development Agency.

n. "LWDA Payment" means the portion of the PAGA Payment payable to the LWDA.

o. "Motion for Approval of the PAGA Settlement" means Plaintiff's submission of a written motion, including any evidence as may be required for the Court to conduct an inquiry into the fairness of and to approve the Settlement Agreement.

p. "Net Settlement Amount" means the Gross Settlement Amount less the amount allocated to Settlement Administration Costs, Attorneys' Fees and Costs, Enhancement Payment and the LWDA Payment.

q. "Operative Complaint" means the First Amended Complaint filed in this Action.

r. "Order Granting Approval of PAGA Settlement" means the order signed by the Court following the hearing regarding Approval of the PAGA Settlement in accordance with the terms herein, approving this Agreement.

s. "PAGA List" means a list in Excel spreadsheet format based on Defendants' business records that identifies each PAGA Member's name, last known home or mailing address, telephone, Social Security number or as applicable, other taxpayer identification number, and the number of Pay Periods worked during the PAGA Period. Defendant Real Time will provide the PAGA List to the Settlement Administrator within 21 days of the Court signing the judgment and the order approving the settlement.

t. "PAGA Members" means all current and former hourly non-exempt employees of Defendant Real Time assigned to work for Defendant KPAC in California during the PAGA Period.

u. "PAGA Notice" means the Court approved Notice of PAGA Settlement to be mailed to PAGA Members in English and Spanish in the form, without material variation, attached as **Exhibit A**.

v. "PAGA Payment" means the amount payable from the Maximum Settlement Amount to resolve the PAGA claim alleged in the Action, of which seventy-five percent (75%) shall be paid to the LWDA and twenty-five percent (25%) shall be paid to Aggrieved Employees.

w. "PAGA Period" means the period from September 24, 2020 through May 9, 2024, subject to Section 3.03(b) below.

x. "Pay Period" means any pay period during which a PAGA Member was assigned to work at least one day for Defendant KPAC as non-exempt hourly employee in California during the PAGA Period.

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y. "Plaintiff's Counsel" means:

THE NOURMAND LAW FIRM, APC
Michael Nourmand
James A. De Sario
8822 West Olympic Boulevard
Beverly Hills, CA 90211
mnourmand@nourmandlawfirm.com
jdesario@nourmandlawfirm.com

z. "Released PAGA Claims" means the claims being released as described in Section 4.01, below.

aa. "Released Parties" are defined in Section 4.01, below.

bb. "Settlement" means the final resolution and disposition of the Action pursuant to this Agreement.

cc. "Settlement Administration Costs" means all costs (not to exceed \$7,000.00) incurred by the Settlement Administrator in administering the Settlement, including, but not limited to, the following: (i) printing, mailing of Notice of Settlement to PAGA Members in English and Spanish; (ii) preparing and submitting to PAGA Members and government entities all appropriate tax filings and forms; (iii) computing the amount of and distributing Individual Settlement Payments, the Enhancement Award, Attorneys' Fees and Costs, and the LWDA Payment; (iv) establishing a Qualified Settlement Fund ("QSF"), as defined by the Internal Revenue Code; and (v) calculating and remitting to the appropriate government agencies all tax obligations arising from the Settlement (to the extent any exist) and preparing and submitting filings required by law in connection with the payments required by the Settlement.

dd. "Settlement Administrator" means CPT Group, which will be responsible for the administration of the Settlement pursuant to the terms of this Agreement.

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ARTICLE II

CONTINGENT NATURE OF THE AGREEMENT

Section 2.01: Submitting Amended Notice to the LWDA

As part of this Settlement, Plaintiff shall amend his letter to the LWDA dated September 24, 2021, which shall add the following alleged Labor Code violations: Labor Code §§ 204, 210, 218, 218.5, 218.6, 226.3, 1197.1 and 1199, violation of 8 Cal. Code Regs. section 11070, and violations of all applicable IWC wage orders.

Section 2.02: Stay of the Action

The Parties agree that the Action will be stayed until the request for approval of the Settlement is either granted or denied. Accordingly, the Parties enter into this Agreement on a conditional basis. This Agreement is contingent upon the approval by the Court.

Section 2.03: Continued Best Efforts to Obtain Court Approval of Settlement

The Parties and their respective counsel shall take all steps that may be requested by the Court relating to the approval and implementation of the Settlement in accordance with the terms of this Agreement and shall use their respective best efforts to obtain Court approval and to implement this Agreement. If the Court does not grant Approval of the Settlement, the Parties agree to meet and confer to address the Court's concerns.

Section 2.04: Effect of Non-Occurrence of Effective Date

If the Effective Date does not occur, the Parties agree as follows:

- (a) The Parties will be returned to their positions with respect to the Action as if this Agreement had not been entered into. Any Settlement Administration costs incurred to that point will be split by the Parties.
- (b) This Agreement shall be deemed null and void, shall be of no force or effect whatsoever, and shall not be referred to or used for any purpose whatsoever.

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ARTICLE III

PROCEDURE FOR APPROVAL AND IMPLEMENTATION OF SETTLEMENT

The procedure for obtaining Court approval of and implementing this Agreement shall be as follows:

Section 3.01: Preliminary Approval and Conditional Class Certification

Within 60 days of this Settlement of PAGA Action being executed by all Parties, Plaintiff will submit his Motion for Approval of the PAGA Settlement along with this Agreement to the Court for approval pursuant to Labor Code section 2699 (s)(2). Defendants will not oppose the Motion for Approval of the PAGA Settlement.

Section 3.02: The Settlement Administrator

a. Settlement Administrator Duties, Generally

The Parties shall solicit bids from two settlement administrators. The Parties have chosen CPT Group to administer the Settlement pursuant to this Agreement and to act as the Settlement Administrator. The Settlement Administrator shall perform all functions required under this Agreement and take necessary steps to effectuate the Settlement, including, but not limited to, the following: distributing and responding to inquiries about the PAGA Notice (Exhibit A) to accompany the Individual PAGA Payments; calculating the Individual PAGA Payments; issuing the Individual PAGA Payment checks and distributing them to PAGA Group Members; issuing the PAGA Payment to the LWDA; issuing payment to Plaintiff's Counsel for Attorneys' Fees and Costs, and issuing payment to Plaintiff for his Enhancement Award. The Settlement Administrator shall provide Plaintiff's Counsel an estimated average of the recovery for the PAGA Members, and the estimated high and low ranges of possible recoveries. To protect PAGA Members' privacy rights, the Settlement Administrator shall maintain any all PAGA Member identifying information provided to it by Defendant Real Time ("PAGA List Data") in confidence, use the PAGA List Data only for purposes of this Settlement and for no other purpose, and restrict access to the PAGA List Data to Administrator employees who need access to the PAGA List Data to effect and for this Agreement. The Settlement Administrator has a continuing duty to immediately notify Defense Counsel if it discovers the confidentiality of the PAGA List Data has been breached.

Section 3.03: Settlement Payment Procedures

a. Funding the Settlement Amount

In exchange for the releases set forth in this Agreement and subject to the terms and conditions set forth herein, Defendants agree to pay the Gross Settlement Amount on a non-reversionary basis. The Gross Settlement Amount includes Individual Settlement Payments to PAGA Members, Settlement Administration Costs, Attorneys' Fees and Costs, Enhancement Payment, and the LWDA Payment. Defendants are not jointly and severally liable for the Gross Settlement Amount. In no event will Defendants be required to pay more than the Gross Settlement Amount, other than as provided in Section 3.03 (b) below (if the escalator clause is triggered and Defendants elect to increase the Gross Settlement Amount).

Within seven (7) calendar days after the Effective Date, Defendants will deposit the Gross Settlement Amount with the Settlement Administrator, as set forth herein.

b. Escalator Clause

Defendant Real Time represented that there are 10,425 Pay Periods from September 24, 2020 to October 23, 2023 ("Data Period"). To the extent the final amount of Pay Periods for the Data Period exceeds 110% of that number, i.e., 11,468 total Pay Periods, Defendants will have the option of: (1) increasing the Gross Settlement Amount on a pro rata basis for each additional Pay Period above 11,468, or (2) ending the PAGA Period on the date before the 11,468 Pay Period threshold is exceeded.

c. Payment of Attorneys' Fees and Costs

Plaintiff's Counsel shall apply for an award of attorneys' fees of up to 35% of the Gross Settlement Amount, which is Fifty-Two Thousand Five Hundred Dollars and Zero Cents (\$52,500.00). In addition, subject to Court approval, Plaintiff's Counsel shall be entitled to an award of reasonable costs associated with Class Counsel's prosecution of the Action not to exceed Fifteen Thousand Dollars (\$15,000.00). Such application for attorneys' fees and costs shall be heard by the Court at the Approval Hearing. Defendants will not object to or oppose Plaintiff's application for these amounts. Plaintiff's Counsel shall be paid any Court-awarded attorneys' fees and costs no later than fourteen (14) calendar days after the Effective Date of the Settlement. The Court's approval of

attorneys' fees and/or costs in an amount less than that requested by Plaintiff's Counsel shall not invalidate this Agreement.

Any fees and costs awarded by the Court shall be paid from the Gross Settlement Amount and shall not constitute payment to any PAGA Member(s). The Attorneys' Fees and Costs approved by the Court shall encompass all work performed and all costs and expenses related to the investigation, prosecution, and settlement of the Action incurred through the Effective Date. To the extent that the Court approves less than the amounts of attorneys' fees and/or costs that Plaintiff's Counsel requests, the difference between the requested and awarded amounts will be reallocated to the Net Settlement Amount.

d. Payment of Settlement Administration Costs

The Settlement Administration Costs shall be paid out of the Gross Settlement Amount and shall not constitute payment to any PAGA Member. Plaintiff's Counsel will submit an application for Court approval for an allocation of Settlement Administration Costs no greater than Seven Thousand Dollars and Zero Cents (\$7,000.00). Defendants will not object to or oppose Plaintiff's application for this amount. To the extent there are unused funds of this cost allocation, such funds will be reallocated to the Net Settlement Amount.

e. Payment of Enhancement Payment to Plaintiff

Subject to Court approval, Plaintiff shall receive an Enhancement Payment of up to Five Thousand Dollars and Zero Cents (\$5,000.00) for services as PAGA representative and in exchange for a general release of Plaintiff's claims. Defendants will not oppose this request. The Enhancement Payment will be paid from the Gross Settlement Amount and is not allocated as payment to any PAGA Member. Plaintiff shall be paid the Court-awarded Enhancement Payment no later than fourteen (14) days after the Effective Date of the Settlement. To the extent that the Court approves less than the amount of the Enhancement Payment that Plaintiff has requested, the difference between the requested and awarded amount will be reallocated to the Net Settlement Amount.

Because it is the intent of the Parties that the Enhancement Payment represents payment to Plaintiff for services performed on behalf of the PAGA Members and not to be considered wages, the Settlement Administrator will not withhold any taxes from the Enhancement Payment. The

Enhancement Payment will be reported on an IRS Form 1099, which the Settlement Administrator will provide to each Plaintiff and to the pertinent taxing authorities as required by law.

f. LWDA Payment

In consideration of claims alleged under PAGA, Plaintiff's Counsel will request that the Court approve allocation of Seventy Thousand Five Hundred Dollars and Zero Cents (\$70,500.00) of the Gross Settlement Amount as PAGA penalties. Seventy-five percent (75%), or Fifty-Two Thousand Eight Hundred Seventy-Five Dollars (\$52,875.00), of this amount will be paid to the LWDA, and twenty-five percent (25%), or Seventeen Thousand Six Hundred Twenty-Five Dollars (\$17,625.00) will be allocated to the Net Settlement Amount for distribution to PAGA Members. Defendants will not oppose this request for allocation and distribution of payments under this Section 3.03(e). The Court's adjustment, if any, of the amount allocated as PAGA penalties will not invalidate this Agreement, as long as the Gross Settlement Amount does not exceed \$150,000.00 (subject to Section 3.03 (a) above) and final approval of the Settlement is granted.

f. PAGA Payments to Aggrieved Employees

The employees' portion of the PAGA Payment will be determined on a pro rata basis based upon the number of Pay Periods that the Aggrieved Employee worked during the PAGA Period. Each Individual Settlement will be allocated 100% to penalties and interest. The Settlement Administrator will issue a Form 1099 for the Individual Settlement Payments.

g. Distribution of the Gross Settlement Amount

The Settlement Administrator will distribute the Individual Settlement Payments to PAGA Members no later than fourteen (14) days after the Effective Date of the Settlement. If Individual Settlement Payments are returned to the Settlement Administrator as undeliverable, the Settlement Administrator shall promptly attempt to obtain a valid mailing address by performing a skip trace or a mass search on LexisNexis databases based on set criteria and, if another address is identified, shall mail the check to the newly identified address. If the Settlement Administrator is unable to obtain a valid mailing address or if any funds representing Individual Settlement Payments remain uncashed upon the expiration of the Check-Cashing Period, the Settlement Administrator will deliver the

monies represented by the check to the State of California's State Controller Unclaimed Property Fund with an identification of the amount of unclaimed funds attributable to each Class Member.

h. No Credit Toward Benefit Plans

The Individual Settlement Payments made to PAGA Members under this Agreement, as well as any other payments made pursuant to this Agreement, will not be utilized to calculate any additional benefits under any benefit plans to which any Class Members 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' intent that this Agreement will not affect any rights, contributions, or amounts to which any PAGA Members may be entitled under any benefit plans.

ARTICLE IV

RELEASES

Section 4.01: Release by PAGA Members and Plaintiff

For the PAGA Period, Plaintiff and all PAGA Members shall be deemed to have released the Released Parties of any and all claims and/or causes of action under PAGA which are based upon the facts, claims and theories expressly pleaded in the First Amended Complaint, and/or any facts, claims, or theories set forth in the Amended LWDA Notice to be filed against Defendants (see Section 2.01 above) and/or the prior LWDA Notice filed against Defendants dated September 14, 2020,; which include alleged violations of California's Labor Code sections 200, 201-203, 204, 210, 218, 218.5, 218.6, 226, 226.3, 226.7, 510, 512, 1194, 1194.2, 1197, 1197.1, and 8 Cal. Code Regs § 11070 and all applicable IWC Wage Orders, and/or which are based on theories for: (1) failure to pay overtime wages; (2) failure to pay minimum wages, (3) failure to provide meal periods, (4) failure to provide rest periods, (5) failure to pay all wages upon termination, (6) failure to provide accurate wage statements, and (6) violations of the PAGA ("Released PAGA Claims").

Plaintiff and Participating Class Members will waive and release the Released PAGA Claims against Defendants KPAC and Real Time, together with their current and former owners, officers, directors, managers, members, employees and/or agents, including without limitation any other third party staffing agency who placed employees to work at KPAC during the PAGA Period, as well as

KPAC and Real Time's predecessors, successors, parent companies, subsidiaries, and each of their current and former owners, officers, directors, managers, members, employees and/or agents (the "Released Parties").

Section 4.03: General Release by Plaintiff

Upon Defendants providing the Gross Settlement Amount to the Settlement Administrator, Plaintiff for himself and his heirs, successors, and assigns, waives, releases, acquits, and forever discharges the Released Parties from any and all claims, actions, charges, complaints, grievances, and causes of action, of any nature arising from Plaintiff's employment with Defendants KPAC and/or Real Time, whether known or unknown, which exist or may exist as of the Parties' execution of this Agreement.

Section 1542 of the California Civil Code provides as follows:

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

Plaintiff's general release provided herein is made with an express waiver and relinquishment of any claim, right, or benefit under California Civil Code § 1542. Plaintiff warrants that he has read this Agreement, including this waiver of California Civil Code § 1542, and that Plaintiff has consulted with or had the opportunity to consult with counsel about this Agreement and specifically about the waiver of § 1542, and that Plaintiff understands this Agreement and the § 1542 waiver, and so he freely and knowingly enters into this Agreement. Plaintiff further acknowledges that Plaintiff later may discover facts different from or in addition to those Plaintiff now knows or believes to be true regarding the matters released or described in this Agreement, and even so Plaintiff agrees that the releases and agreements contained in this Agreement shall remain effective in all respects notwithstanding any later discovery of any different or additional facts.

Section 4.03: Plaintiff's Employment

It is understood that by entering into this Agreement, the Parties agree that Plaintiff's employment with Defendants KPAC and/or Real Time has ended. The Parties agree that Defendants

1 KPAC and/or Real Time had legitimate, non-discriminatory and non-retaliatory reasons for ending
2 the employment relationship.

3 **Section 4.04: No Publicity**

4 The Parties, each of them, and their respective counsel agree to limit public comment on this
5 settlement, the case, and the claims to stating that the matter has been resolved to the satisfaction of
6 all Parties. None of the above will initiate public comment.

7 **Section 4.04: No Additional Attorneys' Fees or Costs**

8 Except for the allocation of attorneys' fees and costs from the Gross Settlement Amount set
9 forth herein, the Parties agree to bear their own attorneys' fees and costs related to this Action.

10 **Section 4.05: Inapplicability of California Labor Code 206.5**

11 The Participating Class Members, including Plaintiff, shall be deemed to have acknowledged
12 and agreed that there is a bona fide dispute as to their claim for wages and/or penalties and/or any
13 other recovery solely in connection with this Action, and that the payments to them set forth in this
14 Agreement constitute payment of all sums allegedly due to them solely from the claims alleged in
15 the Action. Participating Class Members, including Plaintiff, shall be deemed to have acknowledged
16 and agreed that Labor Code section 206.5 does not apply to any such payments. That section provides
17 in pertinent part as follows: "No employer shall require the execution of any release of any claim
18 or right on account of wage due, or to become due, or made as an advance on wages to be
19 earned, unless payment of such wages has been made." Each Participating Class Member shall
20 be deemed to have made the foregoing Release as if by manually signing it. This section in no way
21 limits the releases set forth in Sections 4.01, 4.02 and 4.03, above.

22 **ARTICLE V**

23 **LIMITATIONS ON USE OF THIS SETTLEMENT**

24 **Section 5.01: No Admission**

25 Defendants dispute the allegations in the Action and contend that, but for this Settlement, a
26 Class should not have been certified in the Action. This Agreement is entered into solely for the
27 purpose of settling highly disputed claims. Nothing in this Agreement is intended nor will be
28 construed as an admission of liability or wrongdoing by Defendants and/or the Released Parties. The

Parties enter into this Agreement to resolve the dispute that has arisen between them and to avoid the burden, expense, and risk of continued litigation. In entering into this Agreement, Defendants do not admit—and in fact specifically deny—that they violated any federal, state, or local law; violated any regulations or guidelines promulgated pursuant to any statute or any other applicable laws, regulations, or legal requirements; breached any contract; violated or breached any duty; engaged in any misrepresentation or deception; or engaged in any other unlawful conduct with respect to any and all employees of Defendants and/or the Released Parties. Neither this Agreement, nor any of its terms or provisions, nor any of the negotiations connected with it, will be construed as an admission or concession by Defendants and/or the Released Parties of any such violations or failures to comply with any applicable law. Except as necessary in a proceeding to enforce the terms of this Agreement, this Agreement and its terms and provisions will not be offered or received as evidence in any action or proceeding to establish any liability or admission on the part of Defendants or the Released Parties or to establish the existence of any condition constituting a violation of, or non-compliance with, federal, state, local, or other applicable law.

Section 5.02: Non-Evidentiary Use

Whether or not the Effective Date occurs, neither this Agreement nor any of its terms nor the Settlement itself will be: (a) construed as, offered, or admitted in evidence as, received as, or deemed to be evidence for any purpose adverse to Defendants or any other of the Released Parties, including but not limited to, evidence of a presumption, concession, indication, or admission by any of the Released Parties of any liability, fault, wrongdoing, omission, concession, or damage; or (b) disclosed, referred to, or offered in evidence against any of the Released Parties in any further proceeding in the Action, except for the purposes of effectuating the Settlement pursuant to this Agreement or for Defendants to establish that a Class Member has resolved any of his or her claims released through this Agreement.

Section 5.03: Nullification

The Parties have agreed to the certification of the Class encompassing all claims alleged in the Action for the sole purpose of effectuating this Agreement. If (a) the Court should for any reason fail to certify this Class for settlement, or (b) the Court should for any reason fail to approve this

1 Settlement, or (c) the Court should for any reason fail to enter the Final Order, or (d) the Final Order
 2 is reversed, or declared or rendered void, or (e) the Court should for any reason fail to dispose of the
 3 Action in its entirety, then (i) this Agreement shall be considered null and void; (ii) neither this
 4 Agreement nor any of the related negotiations or proceedings shall be of any force or effect; (iii) all
 5 Parties to this Agreement shall stand in the same position, without prejudice, as if the Agreement had
 6 been neither entered into nor filed with the Court; and (iv) the fact that the Parties were willing to
 7 stipulate to class certification of all causes of action pled in the Action as part of the Settlement will
 8 have no bearing on, and will not be admissible in connection with, the issue of whether the Class
 9 should be certified by the Court in a non-settlement context in this Action or any other action, and in
 10 any of those events, Defendants expressly reserve the right to oppose certification of the Class.

11 In the event of a timely appeal from the Final Order, the Final Order shall be stayed and the
 12 Gross Settlement Amount shall not be distributed until 14 days after the Effective Date, as that term
 13 is defined herein.

14 ARTICLE VI

15 MISCELLANEOUS PROVISIONS

16 **Section 6.01: Amendments or Modification**

17 The terms and provisions of this Agreement may be amended or modified only by an express
 18 written agreement that is signed by all the Parties (or their successors-in-interest) and their counsel.

19 **Section 6.02: Assignment**

20 None of the rights, commitments, or obligations recognized under this Agreement may be
 21 assigned by any Party, Class Member, Class Counsel, or Defense Counsel without the express written
 22 consent of all other Parties and their respective counsel. The representations, warranties, covenants,
 23 and agreements contained in this Agreement are for the sole benefit of the Parties under this
 24 Agreement and shall not be construed to confer any right or to avail any remedy to any other person.

25 **Section 6.03: Governing Law**

26 This Agreement shall be governed, construed, and interpreted, and the rights of the Parties
 27 shall be determined, in accordance with the laws of the State of California, without regard to conflicts
 28 of laws.

Section 6.04: Entire Agreement

This Agreement, including the Exhibit A (PAGA Notice) referred to herein, which form an integral part hereof, contains the entire understanding of the Parties with respect to the subject matter contained herein. In case of any conflict between text contained in Articles I through VI of this Agreement and text contained in the Exhibit to this Agreement, the former (*i.e.*, Articles I through VI) shall be controlling, unless the Exhibit is changed by or in response to a Court order. There are no restrictions, promises, representations, warranties, covenants, or undertakings governing the subject matter of this Agreement other than those expressly set forth or referred to herein. This Agreement supersedes all prior agreements and understandings among the Parties with respect to the Settlement of the Action, including correspondence between Plaintiff's Counsel and Defense Counsel and drafts of prior agreements or proposals.

Section 6.05: Waiver of Compliance

Any failure of any Party, Plaintiff's Counsel, or Defense Counsel to comply with any obligation, covenant, agreement, or condition set forth in this Agreement may be expressly waived in writing, to the extent permitted under applicable law, by the Party or Parties and their respective counsel entitled to the benefit of such obligation, covenant, agreement, or condition. A waiver or failure to insist upon strict compliance with any representation, warranty, covenant, agreement, or condition shall not operate as a waiver of, or estoppel with respect to, any subsequent or other failure.

Section 6.06: Counterparts and Electronic Signatures

This Agreement, and any amendments hereto, may be executed in any number of counterparts, and any Party and/or their respective counsel may execute any such counterpart, each of which when executed and delivered shall be deemed to be an original. All counterparts taken together shall constitute one instrument. A fax, PDF, or electronic signature on this Agreement shall be as valid as an original signature.

Section 6.07: Meet and Confer Regarding Disputes

Should any dispute arise among the Parties or their respective counsel regarding the implementation or interpretation of this Agreement, Class Counsel and Defense Counsel shall meet and confer in an attempt to resolve such disputes prior to submitting such disputes to the Court.

1 **Section 6.08: Agreement Binding on Successors**

2 This Agreement will be binding upon, and inure to the benefit of, the successors in interest
3 of each of the Parties.

4 **Section 6.09: Cooperation in Drafting**

5 The Parties have cooperated in the negotiation and preparation of this Agreement. This
6 Agreement will not be construed against any Party on the basis that the Party, or the Party's counsel,
7 was the drafter or participated in the drafting of this Agreement.

8 **Section 6.10: Fair and Reasonable Settlement**

9 The Parties believe that this Agreement reflects a fair, reasonable, and adequate settlement of
10 the Action and have arrived at this Agreement through arm's-length negotiation and in the context
11 of adversarial litigation, taking into account all relevant factors, current and potential. The Parties
12 further believe that the Settlement is consistent with public policy, and fully complies with applicable
13 law. The Parties further acknowledge that they are each represented by competent counsel and have
14 had an opportunity to consult with their counsel regarding the fairness and reasonableness of this
15 Settlement.

16 **Section 6.11: Headings**

17 The descriptive heading of any section or paragraph of this Agreement is inserted for
18 convenience of reference only and does not constitute a part of this Agreement and shall not be
19 considered in interpreting this Agreement.

20 **Section 6.12: Notice**

21 Except as otherwise expressly provided in the Agreement, all notices, demands, and other
22 communications under this Agreement must be in writing and addressed as follows:

23 *To Plaintiff:*
24 Michael Nourmand
25 James A. De Sario
26 The Nourmand Law Firm APC
27 8822 West Olympic Boulevard
28 Beverly Hills, CA 90211
 mnourmand@nourmandlawfirm.com
 jdesario@nourmandlawfirm.com

 And

To Defendant KPAC:
Clifton Albright, Sr.
Bryan E. Luther Jr.
Albright Yee & Schmit, APC
707 Wilshire Boulevard, Suite 3600
Los Angeles, CA 90017
clifton.albright@ayslaw.com
bryan.luther@ayslaw.com

To Defendant Real Time:
David G. Hagopian
Garrett V. Jensen
18300 Von Karman Avenue, Suite 800
Irvine, CA 92612
dhagopian@cdflitigation.com
gjensen@cdflaborlaw.com

Section 6.13: Enforcement of Settlement and Continuing Court Jurisdiction

To the extent consistent with class action procedure, this Agreement shall be enforceable by the Court pursuant to California Code of Civil Procedure section 664.6 and California Rule of Court 3.769(h). The Final Order entered by the Court will not adjudicate the merits of the Action or the liability of the Parties resulting from the allegations of the Action. Its sole purpose is to adopt the terms of the Settlement and to retain jurisdiction over its enforcement. To that end, the Court shall retain continuing jurisdiction over this Action and over all Parties and Class Members, to the fullest extent to enforce and effectuate the terms and intent of this Agreement.

Section 6.14: Mutual Full Cooperation

The Parties agree fully to cooperate with each other to accomplish the terms of this Agreement, including but not limited to execution of such documents, and taking such other action as may reasonably be necessary to implement the terms of this Agreement. The Parties to this Agreement shall use their best efforts, including all efforts contemplated by this Agreement, to effectuate this Agreement and its terms. In the event the Parties are unable to reach agreement on the form or content of any document needed to implement the Settlement, or on any supplemental provisions that may become necessary to effectuate the terms of the Settlement, the Parties agree to seek the assistance of the Court.

//

Section 6.15: Authorization to Act

Plaintiff's Counsel represents and warrants that they are authorized by Plaintiff, and Defense Counsel warrants that they are authorized by Defendants to take all appropriate action required to effectuate the terms of this Agreement, except for signing documents, including but not limited to this Agreement, that are required to be signed by the Parties. Defendants represent and warrant that the individuals executing this Agreement on their behalf have the full right, power, and authority to enter into this Agreement and to carry out the transactions contemplated herein.

Section 6.16: No Reliance on Representations

The Parties have made such investigation of the facts and the law pertaining to the matters described herein and to this Agreement as they deem necessary, and have not relied, and do not rely, on any statement, promise, or representation of fact or law, made by any of the other Parties, or any of their agents, employees, attorneys, or representatives, with regard to any of their rights or asserted rights, or with regard to the advisability of making and executing this Agreement, or with respect to any other matters. No representations, warranties, or inducements, except as expressly set forth herein, have been made to any party concerning this Agreement.

EXECUTION BY PARTIES AND COUNSEL

The Parties hereby execute this Agreement.

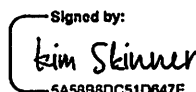
Dated: 04/07/2025

GABRIEL ORTIZ

By: 

Dated: 4/21/2025

REAL TIME STAFFING SERVICES, LLC

By: 
Signed by: Kim Skinner
5A5888DC51D647E...

Dated: _____

KONOIKE-PACIFIC CALIFORNIA, INC.

By: _____

Section 6.15: Authorization to Act

Plaintiff's Counsel represents and warrants that they are authorized by Plaintiff, and Defense Counsel warrants that they are authorized by Defendants to take all appropriate action required to effectuate the terms of this Agreement, except for signing documents, including but not limited to this Agreement, that are required to be signed by the Parties. Defendants represent and warrant that the individuals executing this Agreement on their behalf have the full right, power, and authority to enter into this Agreement and to carry out the transactions contemplated herein.

Section 6.16: No Reliance on Representations

The Parties have made such investigation of the facts and the law pertaining to the matters described herein and to this Agreement as they deem necessary, and have not relied, and do not rely, on any statement, promise, or representation of fact or law, made by any of the other Parties, or any of their agents, employees, attorneys, or representatives, with regard to any of their rights or asserted rights, or with regard to the advisability of making and executing this Agreement, or with respect to any other matters. No representations, warranties, or inducements, except as expressly set forth herein, have been made to any party concerning this Agreement.

EXECUTION BY PARTIES AND COUNSEL

The Parties hereby execute this Agreement.

Dated: 04/07/2025

GABRIEL ORTIZ

By: Mabul

Dated: _____

REAL TIME STAFFING SERVICES, LLC

By: _____

Dated: 4/29/25

KONOKE-PACIFIC CALIFORNIA, INC.

By: N. A. [Signature]

1 Approved as to form:

2 Dated: April 8, 2025

THE NOURMAND LAW FIRM APC

3
4 By: Michael Nourmand
5 Michael Nourmand
6 Attorneys for Plaintiff

7 Dated: _____

ALBRIGHT YEE & SCHMIT

8
9 By: _____
10 Bryan Luther
11 Attorneys for Defendant KPAC

12 Dated: _____

CDF LABOR LAW LLP

13
14 By: _____
15 David G. Hagopian
16 Attorneys for Defendant Real Time
17 Staffing Services, LLC

1 Approved as to form:

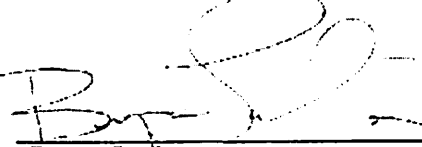
2
3 Dated: _____

THE NOURMAND LAW FIRM APC

4
5 By: _____
6 Michael Nourmand
7 Attorneys for Plaintiff

8 Dated: 04/29/25

ALBRIGHT YEE & SCHMIT

9
10 By:  _____
11 Bryan Luther
12 Attorneys for Defendant KPAC

13 Dated: _____

CDF LABOR LAW LLP

14
15 By: _____
16 David G. Hagopian
17 Attorneys for Defendant Real Time
18 Staffing Services, LLC
19
20
21
22
23
24
25
26
27
28

1 Approved as to form:

2
3 Dated: _____

THE NOURMAND LAW FIRM APC

4
5 By: _____
6 Michael Nourmand
7 Attorneys for Plaintiff

8 Dated: _____

ALBRIGHT YEE & SCHMIT

9
10 By: _____
11 Bryan Luther
12 Attorneys for Defendant KPAC

13 Dated: April 21, 2025

CDF LABOR LAW LLP

15 By: 
16 _____
17 David G. Hagopian
18 Attorneys for Defendant Real Time
19 Staffing Services, LLC
20
21
22
23
24
25
26
27
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