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

MARTHA BARAJAS ESPINOZA,
individually, and on behalf of all others
similarly situated,

Plaintiff,
v.

TOTAL RECON SOLUTIONS, INC., a
California corporation; PARTNERS
PERSONNEL – MANAGEMENT
SERVICES, LLC, a limited liability company;
and DOES 1 through 10, inclusive,

Defendants.

Case No. 30-2021-01221147-CU-OE-CXC

PAGA SETTLEMENT AGREEMENT

Complaint Filed: September 13, 2021
Trial Date: None Yet Set

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PAGA SETTLEMENT AGREEMENT

This PAGA Settlement Agreement is made by and between plaintiff Martha Barajas Espinoza ("Plaintiff"), on behalf of herself and on behalf of the State of California and all Private Attorneys General Act ("PAGA") Settlement Group Members, on the one hand, and defendants TOTAL RECON SOLUTIONS, INC. and PARTNERS PERSONNEL – MANAGEMENT SERVICES, LLC, on behalf of themselves and all of their current and former owners, parents, subsidiaries, members, representatives, agents, insurers, officers, directors, and employees ("Defendants"), on the other hand (Plaintiff and Defendants are collectively referred herein as, the "Parties", and individually as a "Party"), subject to the approval of the Court in accordance with California Labor Code section 2699(l)(2), upon and subject to the following terms and conditions.

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 civil action titled *Martha Barajas Espinoza, individually, and on behalf of others similarly situated v. Total Recon Solutions, Inc., a California corporation; Partners Personnel – Management Services, LLC, a limited liability company, and DOES 1 through 10*, Case No. 30-2021-012211470CU-OE-CXC (the "Action"), pending before Superior Court of the State of California, for the County of Orange (the "Court").
- B.** "Agreement" or "Settlement Agreement" means this PAGA Settlement Agreement.
- C.** "Complaint" means the First Amended Complaint filed by Plaintiff on December 3, 2021, in the Action.
- D.** "Court" means the Superior Court for the State of California, County of Orange.
- E.** "Covered Period" means the period of time from September 11, 2020 to December 9, 2022.
- F.** "Defendants" means the Defendants in this Action, TOTAL RECON SOLUTIONS, INC. ("Total Recon") and PARTNERS PERSONNEL – MANAGEMENT SERVICES, LLC ("Partners Personnel").

- G.** “Effective Date” means the date upon full funding of the Settlement.
- H.** “Defendant’s Counsel” means Brandon R. McKelvey and Timothy B. Nelson of Medina McKelvey LLP for PARTNERS PERSONNEL – MANAGEMENT SERVICES, LLC and Jon C. Yonemitsu and Kara A. Cole of Littler Mendelson, P.C. for TOTAL RECON SOLUTIONS, INC.
- I.** “LWDA” means the California Labor and Workforce Development Agency.
- J.** “LWDA Payment” means the portion of the payment from the Total Settlement Amount to be paid to the LWDA under the Settlement Agreement.
- K.** “Net Settlement Amount” means the amount from the Total Settlement Amount that is available for distribution as Settlement Shares to PAGA Settlement Group Members and the LWDA Payment after deduction for (i) the Representative Plaintiff’s Payment, (ii) the Plaintiff’s Counsel Fees and Expenses Payment, and (iii) the Settlement Administrator’s fees and expenses. If any Settlement Share check is not timely cashed by a Settlement Group Member, that share will be sent to the California State Controllers’ Office Unclaimed Property Fund in the name of the Settlement Group Member.
- L.** “PAGA” means the Private Attorneys General Act of 2004, California Labor Code section 2698 *et seq.*
- M.** “PAGA Notice” means a notice of proposed settlement pursuant to PAGA, substantially in the form evidenced by **Exhibit A** to this Agreement.
- N.** “PAGA Released Claims” means any and all claims under PAGA that are pled in Plaintiff’s Representative PAGA Action Complaint, or which could have been pled under the PAGA based on the factual allegations in Plaintiff’s Representative Action PAGA Complaint, that arose during the Covered Period.
- O.** “PAGA Settlement Group Members” means all current and former hourly-paid or non-exempt employees of Defendants in the State of California who worked for Total Recon Solutions or were placed at Total Recon Solutions at any time during the Covered Period.

- P.** “Plaintiff” means the Plaintiff in this Action, Martha Barajas Espinoza.
- Q.** “Plaintiff’s Counsel” means Kane Moon and Lilit Ter-Astvatsatryan of Moon & Yang, APC.
- R.** “Released Parties” means Defendants and all of each of their respective past, present and future officers, directors, employees, agents, board members, shareholders, attorneys, insurers, reinsurers, customers, partners, investors, members, representatives, predecessors, parent companies, subsidiaries, affiliates, divisions, successors, agents, and principals, and their heirs, estates, executors, administrators, servants, insurers, attorneys, and assigns and any individual or entity that could be jointly liable with Defendants, and each of them.
- S.** “Representative Plaintiff’s Payment” means the special payment made to Plaintiff to compensate her for initiating and pursuing the Action and undertaking the risk of liability for attorneys’ fees and expenses in the event that she was unsuccessful in the prosecution of the Action.
- T.** “Settlement” means this PAGA Settlement Agreement.
- U.** “Settlement Administrator” means the administrator proposed by the Parties and appointed by the Court to administer the Settlement. The Parties have agreed to propose Phoenix Settlement Administrators to serve in this capacity.
- V.** “Settlement Share” means the portion of the Net Settlement Amount allocable to each PAGA Settlement Group Member as provided by this Agreement.
- W.** “Total Settlement Amount” means the total amount to be paid by Defendants as provided by this Agreement. The Total Settlement Amount is three hundred fifty thousand dollars and no cents (\$350,000.00). The Total Settlement Amount will cover (i) all Settlement Shares to PAGA Settlement Group Members, (ii) the LWDA Payment, (iii) the Representative Plaintiff’s Payment, (iv) the Plaintiff’s Counsel Fees and Expenses Payment, and (v) the Settlement Administrator’s fees and expenses.

II. FACTUAL BACKGROUND

A. On or about September 11, 2021, Plaintiff served a letter to the LWDA and Defendants in accordance with the requirements of Labor Code section 2699.3, to notify the LWDA of alleged violations by Defendant of California Labor Code: (1) failure to pay minimum and regular rate wages (Labor Code sections 204, 1194, 1194.2, and 1197); (2) failure to pay overtime compensation (Labor Code sections 1194 and 1198); (3) failure to provide meal periods (Labor Code sections 226.7 and 512); (4) failure to authorize and permit rest breaks (Labor Code section 226.7); (5) failure to timely pay final wages at termination (Labor Code sections 201-203); and (6) failure to provide accurate itemized wage statements (Labor Code section 226).

B. On September 13, 2021, Plaintiff commenced this Action. Plaintiff's Complaint sought damages, on her behalf and on behalf of a class of all non-exempt or hourly employees, for the following alleged violations of the California Labor Code: (1) failure to pay minimum and regular rate wages (Labor Code sections 204, 1194, 1194.2, and 1197); (2) failure to pay overtime compensation (Labor Code sections 1194 and 1198); (3) failure to provide meal periods (Labor Code sections 226.7 and 512); (4) failure to authorize and permit rest breaks (Labor Code section 226.7); (5) failure to timely pay final wages at termination (Labor Code sections 201-203); (6) failure to provide accurate itemized wage statements (Labor Code section 226); and (7) unfair business practices (Business and Professions Code sections 17200 *et seq.*).

C. On December 2, 2021, Plaintiff filed a First Amended Complaint. The First Amended Complaint added a claim for civil penalties under the PAGA, based on the same alleged violations of the Labor Code contained in the original Complaint.

D. On March 21, 2022, the Court signed an Order dismissing Plaintiff's individual claims, without prejudice, and dismissing Plaintiff's class claims, without prejudice, based on an executed arbitration agreement signed by Plaintiff governing her employment with Defendants, leaving on the PAGA claims as the operative claims in the Action.

E. In the Action, Plaintiff sought penalties under PAGA on behalf of herself and the PAGA Settlement Group Members for alleged violations of California's Labor Code.

1 **F.** The Parties have each independently analyzed and investigated the facts and law
2 relevant to this case through informal discovery, including, but not limited to, the employment
3 policies, procedures, and practices implicated by the PAGA representative claims; timekeeping
4 records, payroll records, and wage statements relating to Plaintiff and other non-exempt employees
5 on whose behalf the PAGA claims are asserted in the Action; and summaries of data pertaining
6 to the number of employees allegedly affected by the PAGA claims, inclusive of implicated pay
7 periods.

8 **G.** On September 19, 2022, the Parties participated in a full-day mediation with
9 reputed class and collective action mediator, Lou Marlin, Esq. Prior to mediation, Defendants by
10 and through their counsel supplied Plaintiff's counsel with employee and payroll data, policy
11 documents, and additional information regarding Defendants' non-exempt, hourly employees in
12 California who during the Covered Period were either employed by Total Recon or who Partners
13 Personnel placed at Total Recon, which Plaintiff's Counsel reviewed and analyzed.

14 **H.** During the mediation, each side, represented by its respective counsel, discussed
15 the material liability and damages risks of their respective cases, and the potential impact of an
16 adverse result in the Action. By and through the assistance of the mediator, the Parties
17 subsequently agreed to a complete resolution of the Action by way of acceptance of a mediator's
18 proposal. The Parties have agreed to settle the Action in its entirety pursuant to the terms and
19 conditions of this Agreement.

20 **I.** This Settlement contemplates the entry of an Order by the Court approving the
21 payment allocated for settlement of PAGA penalties to Plaintiff and the PAGA Settlement Group
22 Members, and the dismissal with prejudice of the Complaint and the entirety of the Action.

23 **J.** This Agreement represents a compromise and settlement of highly disputed claims.
24 Nothing in this Agreement is intended or will be construed as an admission by Defendants that
25 Plaintiff's claims in the Action have merit or that Defendants have any liability whatsoever to
26 Plaintiff or the PAGA Settlement Group on those claims, or as an admission by Plaintiff that
27 Defendants' defenses in the Action have merit.

28 **III. SETTLEMENT TERMS AND CONDITIONS**

1 **A. Non-Admission.** Nothing in this Settlement nor the acts to be performed or
2 judgments to be entered pursuant to the terms of the Settlement shall be construed to be an
3 admission by Plaintiff that her claims do not have merit or by Defendants of any liability or
4 wrongdoing as to Plaintiff, allegedly Aggrieved Employees or any other person. Defendants
5 specifically disclaim any such liability or wrongdoing. Defendants deny the allegations in the
6 Action in their entirety and specifically deny that they have committed any misconduct, statutory
7 or regulatory violation, wrongdoing, or any other actionable conduct of any kind. The Parties have
8 entered into this Settlement with the intention to avoid further disputes and litigation with the
9 attendant inconvenience, expenses and risks. This Settlement and any related court documents or
10 orders are not and may not be cited or admitted as evidence of liability.

11 **B. Total Settlement Amount.** Subject to the terms and conditions of this Agreement
12 and court approval, the Total Settlement Amount is three hundred fifty thousand dollars and no
13 cents (\$350,000.00.) The Total Settlement Amount will cover (i) all Settlement Shares to PAGA
14 Settlement Group Members, (ii) the LWDA Payment, (iii) the Representative Plaintiff's Payment,
15 (iv) the Plaintiff's Counsel Fees and Expenses Payment, and (v) the Settlement Administrator's
16 fees and expenses. The settlement is non-reversionary, such that the entire Total Settlement
17 Amount will be disbursed.

18 **C. Net Settlement Amount.** The Parties agree that the following amounts should be
19 subtracted from the Total Settlement Amount, if approved by the Court, resulting in a Net
20 Settlement Amount to distribute to the LWDA and Aggrieved Employees: (1) Payment to the
21 Settlement Administrator; (2) Payment to Plaintiff's Counsel for attorney's fees and costs; and (3)
22 Representative Plaintiff's Payment.

23 **D. Payment to Settlement Administrator.** The Settlement Administrator will pay to
24 itself out of the Total Settlement Amount its reasonable fees and expenses as approved by the
25 Court, and not to exceed ten thousand dollars (\$10,000.00).

26 **E. Payment to LWDA.** The Settlement Administrator shall pay to the LWDA 75%
27 of the Net Settlement Amount, as required by California Labor Code section 2699(i).
28

1 **F. Payment to Plaintiff's Counsel.** Defendants will not oppose Plaintiff's Counsel's
2 request for a Fees and Expenses Payment in the total, maximum amount of one hundred sixteen
3 thousand six hundred and sixty six dollars and sixty six cents (\$116,666.66) for attorneys' fees (up
4 to thirty three and one third percent (33 1/3%) of the Total Settlement Amount) and expenses not
5 to exceed fifteen thousand dollars (\$15,000.00). The Settlement Administrator will issue to
6 Plaintiff's Counsel a Form 1099 with respect to the awarded attorneys' fees and costs.

7 **G. Payment to Plaintiff.** In addition to her Settlement Share, and in exchange for her
8 providing a complete, general release of all claims in addition to her service as a representative in
9 the Action, Plaintiff will collectively apply to the Superior Court for a Representative Plaintiff's
10 Payment of not more than five thousand dollars and no cents (\$5,000.00). Defendants will not
11 oppose a Representative Plaintiff's Payment of up to five thousand dollars and no cents
12 (\$5,000.00). The Settlement Administrator will pay the Representative Plaintiff Payment
13 approved by the Superior Court out of the Total Settlement Amount. If the Superior Court
14 approves a Representative Plaintiff's Payment of less than five thousand dollars and no cents
15 (\$5,000.00), the remainder will be retained in the Net Settlement Amount. Tax deductions and
16 withholdings will not be taken from the Representative Plaintiff's Payment, and instead a Form
17 1099 will be issued to Plaintiff with respect to this payment.

18 **H. Settlement Share to PAGA Settlement Group Members.** Subject to the terms
19 and conditions of this Agreement, the Settlement Administrator will allocate 25% of the Net
20 Settlement Amount as Settlement Shares to the PAGA Settlement Group Members in proportion
21 to the number of pay periods they worked for Total Recon or while placed at Total Recon during
22 the Covered Period, as required by California Labor Code section 2699(i). No deductions shall be
23 taken, and a Form 1099 will be issued to each Settlement Group Member for his/her Settlement
24 Share because the Action sought civil penalties and interest, only, and not actual wages. The
25 Settlement Administrator will be responsible for issuing any 1099 or other tax forms as may be
26 required by law for all amounts paid pursuant to this Settlement. Defendants make no
27 representations or warranties with respect to tax consequences of any payment under this
28 Settlement.

1 If the total number of pay periods worked by the PAGA Group at from September 11, 2020
2 to August 31, 2022 exceeds 16,519 (i.e., ten percent above the 15,017 pay periods that Defendants
3 reported prior to or during the mediation), the Settlement Amount shall increase in proportion to
4 the increase above ten percent. In other words, an 11 percent increase in pay periods will result in
5 a 1 percent increase in the Settlement Amount.

6 **I. Appointment of Settlement Administrator.** The Parties have agreed to propose
7 Phoenix Settlement Administrators as the Settlement Administrator to resolve disputes in
8 connection with the calculation of Settlement Shares in accordance with the Settlement; distribute
9 Settlement Shares and other payments due under the Settlement; and otherwise administer the
10 Settlement. The Settlement Administrator's duties will include preparing, printing, and mailing
11 the Notice Packet to the PAGA Settlement Group Members; conducting a National Change of
12 Address search and using Accurant and other reasonable and cost-effective skip trace methods to
13 locate any PAGA Settlement Group Member whose Notice Packet was returned by the U.S. Postal
14 Service as non-deliverable, and re-mailing the Notice Packet to the PAGA Settlement Group
15 Member's new address; issuing the checks to effectuate the payments due under the Settlement;
16 and otherwise administering the Settlement pursuant to this Agreement. The Settlement
17 Administrator will have the final authority to resolve all disputes concerning the calculation of a
18 PAGA Settlement Group Member's Settlement Share, subject to the dollar limitations set forth in
19 this Agreement. The Settlement Administrator's reasonable fees and expenses, including the cost
20 of printing and mailing the Notice Packet, will be paid out of the Total Settlement Amount.

21 **J. Procedure for Approving Settlement.**

22 **1. Motion for an Order Approving the Settlement.**

23 a. The Parties will cooperate in seeking approval of the Settlement, by
24 way of a Joint Stipulation and Order Approving PAGA Settlement Agreement (the "Stipulated
25 Approval"). Should the Court require a noticed motion pursuant to the Code of Civil Procedure,
26 Plaintiff will move to file a Motion for an Order Approving PAGA Settlement.

27 b. Pursuant to PAGA, on the date the Parties file the Stipulated
28 Approval, , Plaintiff will submit to the LWDA the PAGA Notice substantially evidenced by

Exhibit A to this Agreement, enclosing this Agreement. The Parties intend and believe that providing notice of this Settlement to the LWDA pursuant to the procedures described in this section complies with the requirements of PAGA.

c. Pursuant to PAGA, on the date the Parties file the Stipulated Approval, Plaintiff will submit to the Court an order granting the motion and dismissing the Action in its entirety in the form evidenced by **Exhibit B** to this Agreement.

d. At any hearing on the Stipulated Approval, the Parties will jointly appear, support the granting of the the Stipulated Approval .

e. Should the Court decline to approve all material aspects of the Settlement, or order material changes to the Settlement to which the Parties do not agree, the Parties will meet and confer to address the Court's concerns and determine whether resolution of the Action can be obtained in a manner consistent with the Court's concerns. If no agreement can be reached, the Settlement will be null and void and the Parties will have no further obligations under it and shall return to their positions prior to entering into this Settlement in the first instance. However, an award by the Court of lesser amounts than sought for the Representative Plaintiff's Payment and/or Counsel Fees and Expenses Payment will not be considered a material change to the Settlement.

2. No Right to Opt Out or Object. The Parties agree there is no statutory right for any PAGA Settlement Group Member to object, opt out or otherwise exclude himself or herself from the Settlement. The Parties further agree there is no right or opportunity for any PAGA Settlement Group Member to appeal the approval of the Settlement by the Court. The Parties further agree that an Aggrieved Employees' recovery under this Settlement does not act to preclude claims not encompassed within the release of claims in Section III.K.1.

3. Notice to PAGA Settlement Group Members. After the Court enters its order granting the the Stipulated Approval, every PAGA Settlement Group Member will be provided with the Notice of their Settlement Share.

a. Within fourteen (14) days after the Court Order is signed, approving the Settlement, Defendants will provide to the Settlement Administrator the names, last known

addresses, Social Security numbers, and Covered Pay Periods of all PAGA Settlement Group Members. The Settlement Administrator shall keep this information confidential and not disclose it to Plaintiff's Counsel or any third parties. If any or all of the PAGA Settlement Group Members' data is unavailable to Defendants, Defendants will use best efforts to deduce or reconstruct the data prior to when it must be submitted to the Settlement Administrator.

b. Within seven (7) days after receiving the PAGA Settlement Group Members' data from Defendants, the Settlement Administrator will send a Notice to each PAGA Settlement Group Member. The Settlement Administrator will mail this information to all identified PAGA Settlement Group Members, using the mailing address information provided by Defendants, unless modified by any updated address information that the Settlement Administrator obtains in the course of administration of the Settlement. In the event of returned or non-deliverable notices, the Settlement Administrator will make reasonable efforts to locate PAGA Settlement Group Members and re-send the notices.

c. If a Notice is returned because of an incorrect address, the Settlement Administrator will promptly, and not later than five (5) days from receipt of the returned Notice, search for a more current address for the PAGA Settlement Group Member using Accurant and/or other reasonable and cost-effective skip trace methods, and re-mail the Notice to the PAGA Settlement Group Member. The Settlement Administrator will use the PAGA Settlement Group Members' data and otherwise work with Defendants to find a more current address. The Settlement Administrator will be responsible for taking reasonable steps, consistent with its agreed-upon job parameters, court orders, and fees, as agreed to with counsel and according to the following deadlines, to trace the mailing address of any PAGA Settlement Group Member for whom a Notice is returned by the U.S. Postal Service as undeliverable. These reasonable steps will include, at a minimum, the tracking of all undelivered mail; performing address searches for all mail returned without a forwarding address; and promptly re-mailing to PAGA Settlement Group Members for whom new addresses are found.

4. Waiver of Right to Appeal. Provided that the final disposition of the Action is consistent with the material terms of this Agreement, Plaintiff, Defendants, and their

1 respective counsel hereby waive any and all rights to appeal from it, including all rights to any
2 post-dismissal proceeding or appellate proceeding, such as a motion to vacate or set aside
3 dismissal, a motion for new trial, and any extraordinary writ, and the dismissal therefore will
4 become non-appealable at the time it is entered. The waiver of appeal does not include any waiver
5 of the right to oppose any appeal, appellate proceedings or post-dismissal proceedings. This
6 paragraph does not preclude Plaintiff or Plaintiff's Counsel from appealing from a refusal by the
7 Court to award the Plaintiff's attorneys' fees and/or costs sought by them. If an appeal is taken,
8 the time for consummating the Settlement (including making payments under the Settlement) will
9 be suspended until such time as their appeal is finally resolved and the disposition of the Action
10 becomes Final, as defined in this Agreement.

11 **5. Vacating, Reversal, or Material Modification of Dismissal on Appeal or**
12 **Review.** If, after a notice of appeal or a petition for *certiorari* or review, or any other motion,
13 petition, or application, the reviewing court vacates, reverses, or modifies the disposition of this
14 Action such that there is a material change to the Settlement, and that court's decision is not
15 completely reversed and the disposition of this Action is not fully affirmed on review by a higher
16 court, then either Plaintiff or Defendants will have the right to void the Settlement, which the Party
17 must do by giving written notice to the other Parties, the reviewing court, and the Court not later
18 than thirty (30) days after the reviewing court's decision vacating, reversing, or materially
19 modifying the disposition of this Action becomes Final. A vacation, reversal, or modification of
20 the Court's award of the Representative Plaintiff's Payment and/or Plaintiff's attorneys' fees
21 and/or costs will not constitute a vacating, reversal, or material modification of the disposition of
22 this Action within the meaning of this paragraph, although Plaintiff or Plaintiff's Counsel have the
23 right to appeal from any refusal by the Court to award the Plaintiff's Counsel's attorneys' fees
24 and/or costs sought by them.

25 **6. Timing of Settlement Payments.** The settlement payment provided for in
26 Paragraph III.B. shall be made within thirty (30) days after the Court Order is signed approving
27 the Settlement.
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7. Within seven (7) days after the Court Order is signed approving the Settlement, the Settlement Administrator will provide Defendants with wire transfer information. Within thirty (30) days after the Court Order is signed approving the Settlement, Defendants will transfer their respective shares of the Total Settlement Amount to the Settlement Administrator via wire transfer. Within forty-five (45) days after the Court Order is signed approving the Settlement, the Settlement Administrator will make the following payments from the Total Settlement Amount: distribution as Settlement Shares to PAGA Settlement Group Members; the LWDA Payment paid to the LWDA; the Representative Plaintiff's Payment to Plaintiff; Plaintiff's Counsel Fees and Expenses Payment paid to Plaintiff's Counsel; and the Settlement Administrator's fees and expenses.

8. **Uncashed Settlement Share Checks.** A PAGA Settlement Group Member must receive or cash his or her Settlement Share payment or check within 180 calendar days after it is mailed to him or her. If a check is returned to the Settlement Administrator, the Settlement Administrator will make all reasonable efforts to re-mail it to the PAGA Settlement Group Member at his or her correct address. If any PAGA Settlement Group Member's Settlement Share check is not cashed within 120 days after its last mailing to the PAGA Settlement Group Member, the Settlement Administrator will send the PAGA Settlement Group Member a letter or postcard informing him or her that unless the check is cashed in the next 60 days, it will expire and become non-negotiable, and offer to replace the check if it was lost or misplaced but not cashed. If a PAGA Settlement Group Member fails to cash the check for his or her Settlement Share within 180 days after it is mailed to him or her, the funds shall be distributed by the Settlement Administrator to the State Controller's Unclaimed Property Fund in the Settlement Group Member's name.

K. Release and Waiver of Claims.

1. **PAGA Settlement Group Members.** Upon the full funding of the Settlement, Plaintiff, acting on behalf of the State of California, and all PAGA Settlement Group Members shall release Defendants and the Released Parties from any and all claims based on the Private Attorneys General Act (2004), as pleaded in Plaintiff's Complaint and the First Amended Complaint or that could have been pleaded on the facts as alleged in the Complaint and the First

Amended Complaint and Plaintiff's notice letters to LWDA, arising during the Covered Period, including but not limited to claims under Labor Code sections 201, 202, 203, 204, 226, 226.7, 512, 1194, 1194.2, 1197, 1198, 2698, 2699.3, and 2699.5, the Industrial Welfare Commission Wage Orders, and any resulting claim for attorneys' fees and costs (the "Released Claims").

2. Plaintiff's General Release of All Claims. In addition to the release made in Section III.K.1, and in consideration of and in return for the promises and covenants undertaken in this Agreement, and for other good and valuable consideration, receipt of which is hereby acknowledged, except as noted below, Plaintiff does hereby acknowledge full and complete satisfaction of and does hereby release, absolve and discharge Defendants and all Released Parties from any and all claims, demands, liens, agreements, contracts, covenants, actions, suits, causes of action, grievances, wages, vacation payments, severance payments, obligations, commissions, overtime payments, debts, profit sharing claims, expenses, damages, judgments, orders and liabilities of whatever kind or nature in state or federal law, equity or otherwise, whether known or unknown to Plaintiff, which she now owns or holds or has at any time owned or held as against Defendants or the Released Parties, or any of them, including specifically but not exclusively and without limiting the generality of the foregoing, any and all claims known or unknown, suspected or unsuspected: (1) arising out of Plaintiff's employment with any Defendant or Released Party or separation of that employment; (2) arising out of Plaintiff's assignment at or work/services provided to any Defendant or Released Party or the ending of that assignment; or (3) arising out of or in any way connected with any claim, loss, damage or injury whatsoever, known or unknown, suspected or unsuspected, resulting from any act or omission by or on the part of Defendants or any Released Parties, or any of them, committed or omitted on or before the date this Agreement is executed by Plaintiff, including the Action. Also, without limiting the generality of the foregoing, Plaintiff specifically releases Defendants and the Released Parties from any claim for attorneys' fees.

3. Section 1542 Release. In addition to the release made in Sections III.K.1-2, Plaintiff makes the additional following general release of all claims, known or unknown. Plaintiff releases the Defendants and all Released Parties from all claims, demands, rights,

liabilities and causes of action of every nature and description whatsoever, known or unknown, asserted or that might have been asserted, whether in tort, contract, or for violation of any state or federal statute, rule or regulation arising out of, relating to, or in connection with Plaintiff's relationship with Defendants as well as any and all acts or omissions by or on the part of Defendants and/or any Released Parties. (The release set forth in this paragraph shall be referred to hereinafter as the "General Release.")

With respect to the General Release, Plaintiff stipulates and agrees that, upon the date on which the Court's approval order becomes final, Plaintiff shall be deemed to have expressly waived and relinquished, to the fullest extent permitted by law, the provisions, rights and benefits of Section 1542 of the California Civil Code, or any other similar provision under federal or state law, which provides:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

This release specifically excludes claims for unemployment insurance, disability, social security, and workers compensation (with the exception of claims arising pursuant to California Labor Code Sections 132(a) and 4553). Accordingly, if the facts relating in any manner to this Settlement are found hereafter to be other than or different from the facts now believed to be true, the release of claims contained herein shall be effective as to all unknown claims.

L. Releases By and Between Defendants Total Recon and Partners Personnel. In consideration of and in return for the promises and covenants undertaken in this Agreement by the Parties hereto, including the foregoing releases by Plaintiff of the Released Parties, and for other good and valuable consideration, receipt of which is hereby acknowledged, Total Recon and Partners Personnel respectively and mutually acknowledge full and complete satisfaction of and do hereby release, absolve and discharge one another and each of their respective affiliates, parents, partners, divisions, business units, clients and customers, subsidiaries, predecessors, successors, related entities and businesses, past and present, and each of them, as well as each of

1 their stockholders, partners, trustees, members, managers, directors, officers, agents, insurers,
2 attorneys, servants and employees, contractors, past and present, and each of them from any and
3 all claims, demands, liens, agreements, contracts, covenants, actions, suits, causes of action,
4 grievances, obligations, debts, expenses, damages, judgments, orders and liabilities of whatever
5 kind or nature in state or federal law, equity or otherwise, whether known or unknown: (1) arising
6 out of Plaintiff's employment with any Defendant or Released Party or separation of that
7 employment; (2) arising out of Plaintiff's assignment at or work/services provided to any
8 Defendant or Released Party or the ending of that assignment; or (3) arising out of or in any way
9 connected with any claim, loss, damage or injury whatsoever, known or unknown, suspected or
10 unsuspected, resulting from any act or omission alleged by Plaintiff, either on an individual or
11 representative basis, including the entirety of the Action. Also, without limiting the generality of
12 the foregoing, this mutual release specifically includes a release from any claim for attorneys' fees
13 as between the Defendants.

14 **M. No Effect on Other Benefits.** The payment to PAGA Settlement Group Members
15 will not result in any additional benefit payments (such as 401(k) or bonus) beyond those provided
16 by this Agreement to Plaintiff or the PAGA Settlement Group Members, and they will be deemed
17 to have waived all such claims, whether known or unknown by them, as part of their release of
18 claims under this Agreement.

19 **N. Confidentiality Preceding Approval.** Prior to filing of the Stipulated Approval,
20 Plaintiff will not issue any press or other media releases or have any communication with the press
21 or media or anyone other than financial advisors, retained experts, the LWDA and vendors related
22 to settlement administration, regarding the Settlement. If, before the filing of the Stipulated
23 Approval, Plaintiff or her attorneys disclose to any unauthorized party (a) that a settlement has
24 been reached or (b) any of the terms of the Settlement except as required by law or to effect the
25 Settlement, Defendants may rescind the Settlement, rendering it null and void. Plaintiff further
26 agrees that she will instruct her attorneys not to disclose the terms of this Agreement other than as
27 necessary in connection with the Stipulated Approval. This section does not bar Plaintiff's counsel
28 from carrying out their duties as counsel to Representative Plaintiff for the LWDA.

O. Miscellaneous Terms.

1. No Admission of Liability.

a. Defendants deny that they have engaged in any unlawful activity, have failed to comply with the law in any respect, or have any liability to anyone under the claims asserted in the Action. This Agreement is entered into solely for the purpose of compromising highly disputed claims. Nothing in this Agreement is intended or will be construed as an admission of liability or wrongdoing by Defendants, or an admission by Plaintiff that any of her claims were non-meritorious or any defense asserted by Defendants was meritorious. This Settlement and the fact that Plaintiff and Defendants were willing to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (other than solely in connection with the Settlement).

b. Whether or not the disposition of this Action becomes Final, nothing in the Settlement, this Agreement, any document, statement, proceeding or conduct related to the Settlement or the Agreement, or any reports or accounting of those matters, will be (i) construed as, offered or admitted in evidence as, received as, or deemed to be evidence for any purpose adverse to Defendants or any other 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 (ii) disclosed, referred to or offered in evidence against any of the Released Parties, in any further proceeding in the Action, or any other civil, criminal or administrative action or proceeding except for purposes of effectuating the Settlement pursuant to this Agreement.

c. This section and all other provisions of this Agreement notwithstanding, any and all provisions of this Agreement may be admitted in evidence and otherwise used in any and all proceedings to enforce any or all terms of this Agreement, or in defense of any claims released or barred by this Agreement.

2. Integrated Agreement. After this Agreement is signed and delivered by all Parties and their counsel, this Agreement and its exhibits will constitute the entire agreement between the Parties relating to the Settlement, and it will then be deemed that no oral

representations, warranties, covenants, or inducements have been made to any Party concerning this Agreement or its exhibits other than the representations, warranties, covenants, and inducements expressly stated in this Agreement and its exhibits.

3. Attorney Authorization. Plaintiff's Counsel and Defendants' Counsel each warrant and represent that they are authorized by their respective clients to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents required to effectuate the terms of this Agreement. The Parties and their counsel will cooperate with each other and use their best efforts to affect the implementation of the Settlement. In the event the Parties are unable to reach agreement on the form or content of any document needed to implement the Agreement, or on any supplemental provisions that may become necessary to effectuate the terms of this Agreement, the Parties will seek the assistance of the Court or mediator, and in all cases all such documents, supplemental provisions and assistance of the court will be consistent with this Agreement. No attorney for any party is a party to this agreement and will not be liable for any Party's breach of any of the terms of this Agreement.

4. Modification of Agreement. This Agreement, and any and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their successors-in-interest.

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

6. Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the laws of the State of California, without giving effect to any conflict of law principles or choice of law principles.

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

8. Fair Settlement. The Parties and their respective counsel believe and warrant that this Agreement reflects a fair, reasonable, and adequate settlement of the Action and

have arrived at this Agreement through arms-length negotiations, taking into account all relevant factors, current and potential.

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

10. Notice. All notices, demands or other communications given under 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, addressed as follows:

To Plaintiff and the Settlement Group:

Kane Moon (SBN 249834)
kane.moon@moonyanglaw.com
Lilit Ter-Astvatsatryan (SBN 320389)
lilit@moonyanglaw.com
MOON & YANG, APC
1055 W. Seventh St., Suite 1880
Los Angeles, California 90017
Telephone: (213) 232-3128
Facsimile: (213) 232-3125

To Defendant Partners Personnel – Management Services, LLC:

Brandon R. McKelvey (SBN 217002)
brandon@medinamckelvey.com
Timothy B. Nelson (SBN 235279)
tim@medinamckelvey.com
MEDINA McKELVEY LLP
925 Highland Pointe Drive, Suite 300
Roseville, California 95678
Telephone: (916) 960-2211

To Defendant Total Recon Solutions, Inc.:

Jon C. Yonemitsu (SBN 199026)
jyonemitsu@littler.com
Kara Adelle Ritter Cole (SBN 306515)
kcole@littler.com
LITTLER MENDELSON, P.C.
501 W. Broadway, Suite 900
San Diego, California 92101-3577
Telephone: (619) 232-0441
Facsimile: (619) 232-4302

11. Execution in Counterpart. This Agreement may be executed in one or more counterparts. All executed counterparts and each of them will be deemed to be one and the

same instrument provided that counsel for the Parties will exchange between themselves original signed counterparts. Facsimile signatures will be accepted if the original signature is provided within seven days. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement. The Parties agree this Agreement may be signed electronically using "DocuSign," "Adobe Sign" or other verifiable electronic signature program, pursuant to California Civil Code Section 1633.7, and that any party using such electronic signature program will retain any and all documents related to the signature process for purposes of authenticating the signature. If Plaintiff counsel provides only an electronic signature, she waives any challenge to the veracity of such signature on this Agreement.

IV. EXECUTION BY PARTIES

The Parties hereby execute this Agreement.

Dated: December^{MB} __, 2022

Martha Barajas Espinoza

DocuSigned by:

Martha Barajas

A0E4749499FE462...

Plaintiff

Dated: December __, 2022

Partners Personnel – Management Services, LLC

By: _____

[NAME]

[TITLE]

Dated: December __, 2022

Total Recon Solutions, Inc.

By: _____

Santiago Rydelski

Its: President

1 same instrument provided that counsel for the Parties will exchange between themselves original
2 signed counterparts. Facsimile signatures will be accepted if the original signature is provided
3 within seven days. Any executed counterpart will be admissible in evidence to prove the existence
4 and contents of this Agreement. The Parties agree this Agreement may be signed electronically
5 using "DocuSign," "Adobe Sign" or other verifiable electronic signature program, pursuant to
6 California Civil Code Section 1633.7, and that any party using such electronic signature program
7 will retain any and all documents related to the signature process for purposes of authenticating
8 the signature. If Plaintiff counsel provides only an electronic signature, she waives any challenge
9 to the veracity of such signature on this Agreement.

10 **IV. EXECUTION BY PARTIES**

11 The Parties hereby execute this Agreement.

12 Dated: December __, 2022

Martha Barajas Espinoza

13
14 _____
15 Plaintiff

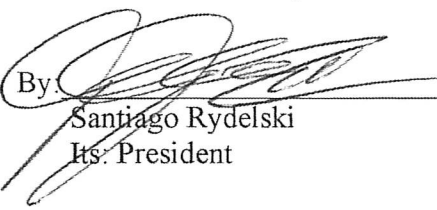
16 Dated: December __, 2022

Partners Personnel – Management Services, LLC

17
18
19 By: _____
20 [NAME]
21 [TITLE]

22 Dated: December 19, 2022

Total Recon Solutions, Inc.

23
24 By: 
25 Santiago Rydelski
26 Its: President
27
28

1 APPROVED AS TO FORM:

2 Dated: December 15, 2022

MOON & YANG, APC

3
4 By: 

5 Kane Moon
6 Lilit Ter-Astvatsatryan
7 Attorneys for Plaintiff MARTHA
8 BARAJAS ESPINOZA

9
10 Dated: December __, 2022

MEDINA McKELVEY LLP

11
12 By: _____

13 Brandon R. McKelvey
14 Timothy B. Nelson
15 Attorneys for Defendant PARTNERS
16 PERSONNEL – MANAGEMENT
17 SERVICES, LLC

18
19 Dated: December 19, 2022

LITTLER MENDELSON, P.C.

20
21 By: 

22 Jon C. Yonemitsu
23 Kara A. Cole
24 Attorneys for Defendant TOTAL RECON
25 SOLUTIONS, INC.