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STATE OF CALIFORNIA

SUPERIOR COURT FOR THE COUNTY OF SANTA BARBARA

MICHAEL DANIEL, individually, and on
behalf of all other similarly situated,

Plaintiff(s),

v.

P.C.J.L., Inc. a California corporation; and
DOES 1 through 10, inclusive,

Defendant(s).

Case No.: 22CV02953

**PRIVATE ATTORNEYS GENERAL ACT
SETTLEMENT AGREEMENT**

Complaint Filed: August 1, 2022
Trial Date: None Set

This Private Attorneys General Act Settlement Agreement (“Agreement”) is made by and between the State of California *ex rel.* Plaintiff Michael Daniel (“Plaintiff”) and Defendant P.C.J.L., Inc. (“Defendant”). The Agreement refers to Plaintiff Defendant collectively as “Parties,” or individually as “Party.”

1. DEFINITIONS

1.1. “Action” means the matter of *Michael Daniel v. P.C.J.L., Inc.*, Santa Barbara County Superior Court, Case No. 22CV02953.

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

1.3. “Administration Expenses Payment” means the amount the Administrator will be paid from

the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator's "not to exceed" bid submitted to the Court in connection with Plaintiff's Motion for Settlement Approval made pursuant to California Labor Code section 2699(l)(2) (effective June 27, 2016 to June 30, 2024) or 2699(s)(2) (effective on/after July 1, 2024), whichever applies.

1.4. "Aggrieved Employee" means any nonexempt employee employed by Defendant in California at any time during the PAGA Period.

1.5. "Aggrieved Employee Address Search" means the Administrator's investigation and search for current Aggrieved Employee mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Aggrieved Employees.

1.6. "Aggrieved Employee Counsel" means Kane Moon and Daniel Park of Moon Law Group, PC.

1.7. "Aggrieved Employee Counsel Fees Payment" and "Aggrieved Employee Counsel Litigation Expenses Payment" mean the amounts allocated to Aggrieved Employee Counsel to be paid from the Gross Settlement Amount as payment for reasonable attorneys' fees and costs, respectively, incurred to prosecute the Action.

1.8. "Aggrieved Employee Data" means each Aggrieved Employee's name, last-known mailing address, Social Security number, and number of pay periods worked during the PAGA Period.

1.9. "Court" means the Superior Court of California, County of Santa Barbara.

1.10. "Defendant" means Defendant P.C.J.L., Inc.

1.11. "Defense Counsel" means Ian B. Wieland and Michael J. Conway II of Sagaser Watkins & Wieland PC.

1.12. "Effective Date" means the first date on which the following have occurred: (a) the Court enters a Judgment on its Order Granting Approval of the Settlement; (b) the Judgment is final; and, (c) a Party or the Court has given notice of entry of the Judgment. The Judgment is final as of the latest of the following occurrences: (a) if no party with standing objects to the Settlement, the day the Court enters Judgment; (b) if one or more parties with standing objects to the Settlement, the day after the deadline for filing a notice of appeal from the Judgment; or, (c) if a timely appeal

from the Judgment is filed, the day after the appellate court affirms the Judgment and issues a remittitur.

1.13. “Gross Settlement Amount” means \$227,500.00, which is the total amount Defendant agrees to pay under this Settlement, subject to (voluntary) increase as provided in Section 8 of this Agreement. The Gross Settlement Amount will be used to make all payments discussed in this Agreement, including the Individual PAGA Payments, the LWDA PAGA Payment, the Aggrieved Employee Counsel Fees Payment, the Aggrieved Employee Counsel Litigation Expenses Payment, the PAGA Representative Service Payment, and the Administration Expenses Payment.

1.14. “Individual PAGA Payment” means an Aggrieved Employee’s pro rata share of 25% of the PAGA Penalties, calculated as provided in Section 3.2.4 of this Agreement.

1.15. “Judgment” means the Judgment entered by the Court in accordance with the Settlement Approval Order

1.16. “LWDA” means the California Labor and Workforce Development Agency, the agency entitled, under California Labor Code section 2699(i) (effective June 27, 2016, to June 30, 2024) or 2699(m) (effective on/after July 1, 2024), whichever applies, to receive the LWDA PAGA Payment.

1.17. “LWDA PAGA Payment” means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699(i) (effective June 27, 2016, to June 30, 2024).

1.18. “Operative Complaint” means complaint filed by Plaintiff in the Action on or about August 1, 2022, or any superseding complaint filed by Plaintiff in the Action thereafter.

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

1.20. “PAGA Pay Period” means any pay period during the PAGA Period in which Defendant paid an Aggrieved Employee for hours worked.

1.21. “PAGA Period” means the period from August 1, 2021, through the date of the Court’s Settlement Approval Order.

1.22. “PAGA Notice” means Plaintiff’s December 19, 2021, letter to Defendant and the LWDA providing notice pursuant to Labor Code section 2699.3(a) (effective July 1, 2021, to June 30, 2024), or any superseding notice issued by Plaintiff in the Action thereafter.

1 **1.23.** “PAGA Representative” means the named Plaintiff Michael Daniel.

2 **1.24.** “PAGA Representative Service Payment” means the additional amount the PAGA
3 Representative will be paid out of the Gross Settlement Amount for initiating the Action and
4 providing services in support of the Action.

5 **1.25.** “Plaintiff” means Michael Daniel, the named plaintiff in the Action.

6 **1.26.** “Settlement Approval Order” means the Court’s order granting approval of the
7 Settlement pursuant to California Labor Code section 2699(l)(2) (effective June 27, 2016, to June
8 30, 2024) or 2699(s)(2) (effective on/after July 1, 2024), whichever applies.

9 **1.27.** “Released Claims” means the claims being released by Aggrieved Employees and
10 the State of California during the PAGA Period, as described in Section 5.3 (inclusive of sections
11 5.3.1-5.3.4).

12 **1.28.** “Released Parties” means: Defendant together with its present and former parents,
13 subsidiaries, affiliated entities, commonly owned or controlled entities, present and former owners,
14 board members, officers, directors, trustees, shareholders, members, partners, employees, agents,
15 insurers, attorneys, representatives, heirs, executors, administrators, successors and assigns, and any
16 individual or entity to whom liability for the Released PAGA Claims could be assigned pursuant to
17 Labor Code §558.1, or on a joint-employer, alter-ego, or other vicarious liability theory.

18 **1.29.** “Settlement” means the disposition of the Action effected by this Agreement and the
19 Judgment.

20 **1.30.** “Settlement Notice” means the Court-approved Notice of Private Attorney General
21 Act Settlement to be mailed to Aggrieved Employees without material variation from the version
22 attached as **Exhibit A** hereto.

23 **2. RECITALS**

24 **2.1.** On August 1, 2022, Plaintiff commenced this Action by filing a Complaint asserting
25 claims for civil penalties under the PAGA. Defendant denies the allegations in the Operative
26 Complaint and any prior pleadings by Plaintiff, denies any failure to comply with the law, and denies
27 any liability for the claims alleged by Plaintiff in the Action.

28 **2.2.** Pursuant to Labor Code §2699.3, subd. (a), Plaintiff gave timely written notice to

1 Defendant and the LWDA by sending the PAGA Notice.

2 **2.3.** On May 29, 2024, the Parties participated in an all-day mediation presided over by neutral
3 Hon. Carl West (Ret.) which led to this Agreement to settle the Action.

4 **2.4.** Prior to mediation, Plaintiff obtained, through informal discovery, the number of Aggrieved
5 Employees, the number of PAGA Pay Periods, sample time records, sample payroll records, written
6 policies, and related information. Plaintiff's investigation was sufficient to satisfy the criteria for
7 court approval set forth in *Dunk v. Foot Locker Retail, Inc.* (1996) 48 Cal.App.4th 1794, 1801 and
8 *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 129-130 ("*Dunk/Kullar*"), to the
9 extent such decisions are applicable to claims under the PAGA.

10 **3. MONETARY TERMS**

11 **3.1.** Gross Settlement Amount. To resolve the Action and in exchange for the releases by
12 Aggrieved Employees and other interested parties (including but not limited to the LWDA and
13 Aggrieved Employee Counsel), Defendant agrees to pay the Gross Settlement Amount, currently
14 estimated to be \$227,500.00, by the deadlines stated in Section 4.1.1 of this Agreement. The Gross
15 Settlement Amount shall be used by the Administrator to fund all aspects of the Settlement. None
16 of the Gross Settlement Amount shall revert to Defendant. Portions of the Gross Settlement Amount
17 payable to Aggrieved Employees shall not require submission of any claim as a condition of
18 payment.

19 **3.2.** Payments from the Gross Settlement Amount. The Administrator will make and
20 deduct the following payments from the Gross Settlement Amount, in the amounts specified by the
21 Court in the Settlement Approval Order:

22 3.2.1. To Plaintiff: A PAGA Representative Payment to Plaintiff of not more than
23 \$5,000.00 (in addition to any Individual PAGA Payment that Plaintiff is entitled to receive as
24 an Aggrieved Employee). Plaintiff shall have responsibility for seeking approval of the PAGA
25 Representative Service Payment as part of his Motion for Settlement Approval. Defendant will
26 not oppose Plaintiff's request for a PAGA Representative Service Payment not exceeding this
27 amount. If the Court approves the PAGA Representative Service Payment in an amount less
28 than requested by Plaintiff, the Administrator will retain the remainder and distribute it pursuant

1 to Section 3.2.4. The Administrator will pay the PAGA Representative Service Payment using
2 IRS Form 1099-MISC. Plaintiff assumes full responsibility and liability for taxes owed on the
3 PAGA Representative Service Payment and agrees to hold Defendant harmless, and indemnify
4 Defendant, from any dispute or controversy regarding any division, sharing, or taxation of this
5 payment.

6 3.2.2. To Aggrieved Employee Counsel: Aggrieved Employee Counsel Fees
7 Payment of not more than one-third of the Gross Settlement Amount, which is currently
8 estimated to be \$75,833.33 and Aggrieved Employee Counsel Litigation Expenses Payment of
9 not more than \$25,000.00. Plaintiff shall have responsibility for seeking approval of the
10 Aggrieved Counsel Fees Payment and the Aggrieved Employee Counsel Litigation Expenses
11 Payment. If the Court approves the Aggrieved Employee Counsel Fees Payment and/or the
12 Aggrieved Employee Counsel Litigation Expenses Payment in an amount less than requested
13 by Plaintiff, the Administrator will retain the remainder and distribute it pursuant to Section
14 3.2.4. The Administrator will pay the Aggrieved Employee Counsel Fees Payment and the
15 Aggrieved Employee Counsel Litigation Expenses Payment using IRS Form 1099-MISC.
16 Aggrieved Employee Counsel assumes full responsibility and liability for taxes owed on these
17 payments and agrees to hold Defendant harmless, and indemnify Defendant, from any dispute
18 or controversy regarding any division, sharing, or taxation of these payments.

19 3.2.3. To the Administrator: An Administrator Expenses Payment not to exceed
20 \$6,000.00 except for a showing of good cause and as approved by the Court. To the extent the
21 Administration Expenses are less than \$6,000.00 or the Court approves payment less than
22 \$6,000.00 the Administrator will retain the remainder and distribute it pursuant to Section 3.2.4.
23 The Administrator will pay itself the Administrator Expenses Payment using IRS Form 1099-
24 MISC. The Administrator assumes full responsibility and liability for taxes owed on these
25 payments and agrees to hold Defendant harmless, and indemnify Defendant, from any dispute
26 or controversy regarding any division, sharing, or taxation of these payments.

27 3.2.4. To the LWDA and Aggrieved Employees: The Administrator shall distribute
28 the sum remaining following deductions of the amounts approved by the Court pursuant to

Sections 3.2.1-3.2.3, inclusive, as follows: 75-percent to the LWDA as the LWDA PAGA Payment; and 25-percent to Aggrieved Employees on a pro rata basis as Individual PAGA Payments. The amount due to each individual Aggrieved Employee as an Individual PAGA Payment shall be determined by: (a) dividing 25-percent of the Net Settlement Amount by the total number of PAGA Pay Periods worked by all Aggrieved Employees; and, (b) multiplying the resulting figure by each individual Aggrieved Employee's PAGA Pay Periods. The Administrator will pay each Aggrieved Employee his/her Individual PAGA Payment using IRS Form 1099-MISC. Aggrieved Employees assume full responsibility and liability for employee-side taxes owed on these payments and shall hold Defendant harmless, and indemnify Defendant, from any dispute or controversy regarding any division, sharing, or taxation of these payments.

4. SETTLEMENT FUNDING AND PAYMENTS

4.1.1. Funding of Gross Settlement Amount. Defendant shall fund the first \$167,500.00 of the Gross Settlement Amount within 30 calendar days after the Effective Date. Defendant shall fund the remainder of the Gross Settlement Amount (currently estimated to be \$60,000.00) within 90 calendar days after the Effective Date.

4.1.2. Payments from the Gross Settlement Amount. Within 14 days after the date Defendant fully funds the Settlement, the Administrator shall mail checks for the payments described in Sections 3.2.1-3.2.4, inclusive, of this Agreement. Disbursement of the Aggrieved Employee Counsel Fees Payment, the Aggrieved Employee Counsel Litigation Expenses Payment, and the PAGA Representative Service Payment shall not precede disbursement of the Individual PAGA Payments.

4.1.3. The Administrator will issue Individual PAGA Payments to the Aggrieved Employees via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (not less than 180 days after the date of mailing) when the check will be voided. The Administrator will cancel all checks not cashed by the void date. The Administrator will send checks for Individual PAGA Payments to all Aggrieved Employees.

4.1.4. The Administrator must conduct an Aggrieved Employee Address Search for

all Aggrieved Employees whose checks are returned undelivered without USPS forwarding address. Within 7 days of receiving a returned check the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained by the Aggrieved Employee Address Search. The Administrator need not take further steps to deliver checks to Aggrieved Employees whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Aggrieved Employee whose original check was lost or misplaced, as requested by the Aggrieved Employee prior to the void date.

4.1.5. For any Aggrieved Employee who's Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to San Luis Obispo Children's Museum thereby leaving no "unpaid residue" subject to the requirements of California Code of Civil Procedure section 384, subd. (b), to the extent the statute applies to this Settlement. To the extent the Court disapproves this arrangement, the parties agree the funds shall be directed to the State's unclaimed property fund.

4.1.6. The payment of Individual PAGA Payments to Aggrieved Employees shall not obligate Defendant to confer any additional benefits or make any additional payments to Aggrieved Employees (such as 401(k) contributions, bonuses, vacation plans, sick leave plans, PTO plans, regular rate of pay calculations, or other benefit plan) beyond those specified in this Agreement, nor shall such payments have any impact on their employment status with Defendant.

5. RELEASES OF CLAIMS

5.1 Effective Date of Release. The releases described in this Agreement shall take effect upon the Effective Date. Therefore, Defendant and Released Parties shall have the right to enforce the releases contained in this Agreement against Plaintiff, Aggrieved Employees, and the LWDA as of the Effective Date, prior to funding the Gross Settlement Amount and prior to distribution of Individual PAGA Payments and/or the LWDA PAGA Payment. The releases described in this Agreement may be invalidated after the Effective Date if Defendant fails to fund the Gross Settlement Amount by the deadlines set forth in Section 4.1.1 of this Agreement. The statute of limitations on any Released Claims shall be tolled between the Effective Date and Defendant's

1 deadline to fund the Gross Settlement Amount per Section 4.1.1.

2 5.2 Release Period: The Aggrieved Employees, LWDA, and any other party bound by the
3 Judgment shall be deemed to have released the Released Parties from the Released Claims that arose
4 or existed during the PAGA Period.

5 5.3 Released Claims: As of the Effective Date, all Aggrieved Employees and the State of
6 California, including all of its departments and agencies, shall release Defendant and Released
7 Parties of all claims alleged in the PAGA Notice and all claims alleged in the Operative Complaint,
8 or which could have been alleged based on the facts set forth in the Operative Complaint (“Released
9 Claims”). Without limiting the foregoing, Released Claims shall include:

10 5.3.1 All claims for civil penalties recoverable under PAGA relating to: unpaid wages
11 (including claims for failure to pay minimum wages, straight time wages, overtime wages, and
12 double-time wages); the timeliness of wage payments (whether regular or final wages); the failure
13 to provide compliant meal, rest, and/or recovery periods; the failure to pay premiums for violations
14 of meal, rest, and/or recovery period laws (including the failure to pay premiums when required, or
15 failure to pay premiums at the correct rate of pay); the provision of wage statements (including the
16 accuracy of any wage statements provided); the failure to maintain accurate employment records;
17 and, the failure to reimburse necessary business expenses.

18 5.3.2 All claims for civil penalties recoverable under PAGA relating to violations of Labor
19 Code sections 201, 202, 203, 204, 204b, 208, 210, 226, 226.7, 246(i), 510, 512, 558, 1174, 1182.11,
20 1182.12, 1194, 1194.2, 1197, 1198, 2802; and/or, 8 C.C.R. section 11070, sections 3, 4, 7, 11, 12,
21 20, and, 8 C.C.R. section 11090, sections 3, 4, 7, 11, 12, 20, or equivalent provisions in any other
22 applicable IWC Wage Order.

23 5.3.3 All claims for civil penalties recoverable under PAGA and set forth in California
24 Labor Code sections 203, 210, 225.5, 226, 226.3, 248.5, 558, 1174.5, 1197.1; and/or 8 C.C.R.
25 section 11070, section 20, and 8 C.C.R. section 11090, section 20, or equivalent provisions in any
26 other applicable IWC Wage Order; and/or other default civil penalties for the Released Claims
27 available under California Labor Code section 2699.

28 5.3.4 All claims for other forms of relief recoverable under PAGA, including but not

limited to claims for costs, attorneys' fees, injunctive or equitable relief, and any other remedies available under PAGA related to the Released Claims.

5.4 Releases Effective Regardless of Receipt of Settlement Notice and/or Payment: The releases described in this Agreement shall bind all Aggrieved Employees regardless of whether they receive the Settlement Notice, receive their Individual PAGA Payment, and regardless of whether they deposit their Individual PAGA Payment.

5.5 Construction. The Parties intend that this release be construed as broadly as possible. The release excludes the release of claims not permitted by law.

5.6 Resolution of Good Faith Dispute. The Parties warrant and represent that the releases for Aggrieved Employees resolve, pursuant to Labor Code §§206 and 206.5, and applicable case law (including but not limited to *Chindarah v. Pick Up Stix, Inc.* (2009) 171 Cal.App.4th 796) a good faith dispute regarding any and all wages, if any, owed by Defendant to Aggrieved Employees through their last day of employment with Defendant within PAGA Period. The Gross Settlement Amount is in addition to any undisputed wages and/or benefits owed by Defendant to Aggrieved Employees.

6. MOTION FOR SETTLEMENT APPROVAL

6.1 Motion for Settlement Approval

6.1.1 Plaintiff will move for an order granting approval of the Settlement. Concurrently, Plaintiff will provide a copy of its filing to the LWDA via online submission ("Motion for Settlement Approval") pursuant to California Labor Code section 2699(l)(2) (effective June 27, 2016, to June 30, 2024) or 2699(s)(2) (effective on/after July 1, 2024), whichever applies. Defendant shall not oppose the motion, to the extent consistent with this Agreement. Plaintiff shall work expeditiously to file the Motion for Settlement Approval in a timely manner. The Motion for Settlement Approval shall include all information required to obtain approval from the Court of the Settlement, including: (i) a notice and memorandum in support, of the Motion for Settlement Approval; (ii) a proposed order granting approval of the Settlement; (iii) a proposed Settlement Notice; (iv) a declaration from Plaintiff confirming his willingness and competency to serve as a PAGA representative; (v) a declaration from Aggrieved Employee Counsel attesting to their

competency to represent the Aggrieved Employees; (vii) proof of Plaintiff's timely transmission to the LWDA of all necessary documents and information required pursuant to the PAGA; and, (viii) other information necessary to obtain the Court's approval of the Settlement, including evidence supporting the reasonableness of the Settlement. Aggrieved Employee Counsel shall have responsibility for appearing in Court to advocate in favor of the Motion for Settlement Approval and providing necessary information to the Administrator.

6.1.2 Plaintiff shall provide a draft of the Motion for Settlement Approval to Defendant no less than five days prior to filing the Motion. If the Parties disagree on any aspect of the proposed Motion for Approval and/or the supporting declarations and documents, Aggrieved Employee Counsel and Defense Counsel will expeditiously work together on behalf of the Parties in good faith to resolve the disagreement. If the Court does approve the settlement or conditions approval of the Settlement on changes to this Settlement Agreement, the Parties shall expeditiously work together in good faith to modify the Agreement and otherwise satisfy the Court's concerns.

6.2 Continuing Obligations. The Parties shall have a continuing obligation to seek approval of the Settlement, unless and until both Parties have, in a writing signed by their principals, agreed to rescind this Settlement Agreement. To the extent the Court denies approval of the Settlement, the Parties shall expeditiously work together to address the bases for the Court's denial. No Party shall be obligated to consent to any material change of this Agreement, whether or not such material change is requested by the Court. A "material change" for these purposes includes a change to the Gross Settlement Amount or scope of the releases set forth herein, but does not include the Court's decision to award less than the amounts requested by Plaintiff for the PAGA Representative Service Payment, Aggrieved Employee Counsel Fees Payment, and/or the Aggrieved Employee Counsel Litigation Expenses Payment.

6.3 Continuing Jurisdiction of the Court. The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties, the 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.

6.4 Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and

conditions of this Agreement, the Parties, their counsel, Aggrieved Employees, and the LWDA 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.

6.5 Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If an appellate court vacates, reverses, or modifies the Judgment in a manner that requires a material change to this Agreement, 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 approval of the Settlement and entry of Judgment, sharing, on a 50-50 basis, any additional administration expenses reasonably incurred after remittitur. No Party shall be obligated to consent to any material change of this Agreement, whether or not such material change is requested by the reviewing court. A "material change" for these purposes includes a change to the Gross Settlement Amount or scope of the releases set forth herein, but does not include the Court's decision to award less than the amounts requested by Plaintiff for the PAGA Representative Service Payment, Aggrieved Employee Counsel Fees Payment, and/or the Aggrieved Employee Counsel Litigation Expenses Payment.

6.6 Amended Judgment. If any amended judgment is required under Code of Civil Procedure §384, the Parties will work together in good faith to jointly submit and a proposed amended judgment no less than five days prior to the final compliance hearing.

7. SETTLEMENT ADMINISTRATION

7.1 Selection of Administrator. By accepting this assignment, the Administrator has agreed to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for the Administration Expenses Payment. The Parties, Aggrieved Employee Counsel, and Defense Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.

7.2 Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation section

1 468B-1.

2 7.3 Aggrieved Employee Data. Not later than 30 days after service by a Party or the Court of the
3 Settlement Approval Order, Defendant shall deliver the Aggrieved Employee Data to the
4 Administrator, in the form of a Microsoft Excel spreadsheet. To protect Aggrieved Employees'
5 privacy rights, the Administrator must maintain the Aggrieved Employee Data in confidence, use
6 the Aggrieved Employee Data only for purposes of this Settlement and for no other purpose, and
7 restrict access to the Aggrieved Employee Data to Administrator employees who need access to the
8 Aggrieved Employee Data to effect and perform under this Agreement. Defendants have a
9 continuing duty to immediately notify Aggrieved Employee Counsel if it discovers that the
10 Aggrieved Employee Data omitted Aggrieved Employee identifying information and to provide
11 corrected or updated Aggrieved Employee Data as soon as reasonably feasible. Without any
12 extension of the deadline by which Defendants must send the Aggrieved Employee Data to the
13 Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to
14 reconstruct or otherwise resolve any issues related to missing or omitted Aggrieved Employee Data.
15 The Administrator shall, within three business days of receiving the Aggrieved Employee Data,
16 notify Aggrieved Employee Counsel of the number of Aggrieved Employees and PAGA Pay
17 Periods.

18 7.4 Notice to Aggrieved Employees. The Administrator shall issue Settlement Notices to the
19 Aggrieved Employees via First Class U.S. Mail, postage prepaid, at the same time it mails the
20 payments to Aggrieved Employees as provided for in Section 4.1.2-4.1.3 of this Agreement. The
21 Administrator shall send the Settlement Notice to all Aggrieved Employees. The Administrator shall
22 conduct an Aggrieved Employee Address Search for all Aggrieved Employees whose Settlement
23 Notice is returned undeliverable without a USPS forwarding address. Within seven days of receiving
24 a returned Settlement Notice, the Administrator shall re-mail the Settlement Notice to the USPS
25 forwarding address provided or to an address ascertained through the Aggrieved Employee Address
26 Search. The Administrator need not take further steps to deliver the Settlement Notice to Aggrieved
27 Employees. If the Administrator, Defendant, or Aggrieved Employee Counsel is contacted by or
28 otherwise discovers any persons who believe they should have been included in the Aggrieved

Employee Data and should have received Settlement Notice, the Parties will expeditiously meet and confer in good faith in an effort to agree on whether to include them as Aggrieved Employees. If the Parties agree, such persons will be Aggrieved Employees entitled to the same rights as other Aggrieved Employees.

7.5 Responses to Settlement Notice. Aggrieved Employees shall have no right to object to, opt-out of, or dispute the sufficiency of their Individual PAGA Payment.

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

7.6.1 Email Address and Toll-Free Number. The Administrator will establish and maintain and use an email address and a toll-free telephone number to receive Aggrieved Employee emails and calls.

7.6.2 Administrator's Declaration. Not later 60 after date on which the Administrator completes the mailing of the Settlement Notice and Individual PAGA Payments, the Administrator will provide the Parties with a signed declaration suitable for filing in Court attesting to its due diligence and compliance with its obligations under this Agreement, including, but not limited to, its mailing of the Settlement Notices, the Settlement Notices returned as undelivered, the re-mailing of Settlement Notices, attempts to locate Aggrieved Employees, and other relevant information. The Administrator will supplement its declaration as needed or requested by the Parties and/or the Court. Aggrieved Employee Counsel is responsible for filing the Administrator's declaration(s) in Court.

7.6.3 Final Report by Administrator. Not later than 10 days before the Final Compliance Hearing (or within 30-days after the check cashing deadline, whichever is later), the Administrator will provide the Parties with a signed declaration suitable for filing in Court attesting to its disbursement of all payments required under this Agreement. Aggrieved Employee Counsel is responsible for filing the Administrator's declaration in Court.

8. CLASS SIZE ESTIMATES and ESCALATOR CLAUSE. This Agreement was entered into with the understanding that there were approximately 9,054 PAGA Pay Periods. If by the date of the Settlement Approval Order there are more than 9,959 pay periods, Defendant shall have the option of either: (a) ending the PAGA Period earlier than the date of the Court's Settlement

Approval Order such that the number of PAGA Pay Periods does not exceed 9,959; or, (b) increasing the Gross Settlement Amount \$22.84 for each PAGA Pay Period above 9,959.

9. ADDITIONAL PROVISIONS.

9.1 Conditional Nature of Settlement: The Parties' decisions to settle on the terms set forth herein are conditioned upon the Court's approval of the Settlement and entry of Judgment in accordance therewith.

9.2 No Admission of Liability or Manageability for Other Purposes. This Agreement represents a compromise and settlement of 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 claim asserted. Nor shall this Agreement be construed as an admission by Plaintiff that Defendant's defenses in the Action have merit. The Parties agree that representative treatment is for purposes of this Settlement only. If, for any reason the Court does approve the Settlement or enter Judgment, Defendant shall have the right to contest representative treatment for any reason and otherwise reserves all available defenses to the Action, and Plaintiff shall have the right to seek representative treatment of the Action and otherwise reserves all available claims in the Action. The Settlement, this Agreement, and Parties' willingness to settle the Action shall have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement).

9.3 Discussions with Aggrieved Employees. Nothing in this section shall be construed to restrict the Parties' or their respective counsels' ability to communicate with Aggrieved Employees for purposes of informing them about this Settlement and its procedures.

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

9.5 Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification

of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of Hon. Carl West (Ret.) and/or the Court for resolution. Nothing in this section shall be construed as obligating the Parties to consent to any material change in the Agreement, whether or not such material change is caused or requested by the Court or a reviewing court.

9.6 No Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action, or right released and discharged as provided for in this Agreement.

9.7 No Tax Advice. Plaintiff, Aggrieved Employee Counsel, Defendant, and Defense Counsel are not providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.

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

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

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

9.11 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.

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

9.13 Use and Return of Aggrieved Employee Data. Information provided to Aggrieved Employee Counsel pursuant to California Evid. Code §1152, and all copies and summaries of the

Aggrieved Employee Data provided to Aggrieved Employee Counsel by Defendant in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. Not later than 180 days after the Effective Date, Plaintiff shall destroy all paper and electronic versions of Aggrieved Employee Data received from Defendant unless, prior to the Effective Date, Defendant make a written request to Aggrieved Employee Counsel for the return, rather than the destruction, of Aggrieved Employee Data.

9.14 Headings. The descriptive heading of any section or section of this Agreement is inserted for convenience of reference only.

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

9.16 Notice. All written notices, demands or other communications between the Parties in connection with this Agreement shall be addressed as follows:

To Plaintiff:
Kane Moon, Esq.
Daniel J. Park, Esq.
MOON LAW GROUP, PC
725 S Figueroa St., Suite 3100
Los Angeles, California 90017
Email: dpark@moonlawgroup.com

To Defendants:
Ian B. Wieland, Esq.
Michael J. Conway II, Esq.
SAGASER, WATKINS & WIELAND PC
5260 N Palm Ave, Suite 400
Fresno, CA 93704
Email: ian@sw2law.com; mikec@sw2law.com

9.17 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

SAGASER, WATKINS & WIELAND PC
ATTORNEYS AT LAW
5250 North Palm Avenue, Suite 400
Fresno, California 93704
Telephone: (559) 421-7000

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.

Dated: January ⁰¹³₀₂₅, 2025

MICHAEL DANIEL

By:  DocuSigned by: EA33A6E25DEA42A...

Dated: February ¹¹, 2025

P.C.J.L, INC.

By:  Sean Porcher (Feb 11, 2025 10:11:51)

Approved as to Form

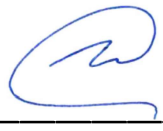
Dated: January ³¹, 2025

MOON LAW GROUP, PC

By: 
Attorneys for Plaintiff

Dated: February 7, 2025

SAGASER, WATKINS & WIELAND PC

By: 
Attorneys for Defendant