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10 Attorney for Defendants
11 GOLDEN STAR TECHNOLOGY, INC. AND DENNIS WANG

12 SUPERIOR COURT OF THE STATE OF CALIFORNIA

13 FOR THE COUNTY OF LOS ANGELES / SPRING STREET COURTHOUSE

14 ALEJANDRO JIMENEZ, as an individual
15 on behalf of himself and all others similarly
16 situated,

17 Plaintiff,

18 v.

19 GOLDEN STAR TECHNOLOGY, INC., a
California corporation; DENNIS WANG, an
20 individual; and DOES 1 through 50,
inclusive,

21 Defendants.
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Case No. 22STCV21510

Assigned to: Hon. Stuart M. Rice
Dept. 1

PAGA SETTLEMENT AGREEMENT

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

PAGA SETTLEMENT AGREEMENT

Subject to Court approval by the Superior Court of the State of California for the County of Los Angeles (“Court”), Plaintiff Alejandro Jimenez (“Plaintiff”) and Defendants Golden Star Technology, Inc. (“GST”) and Dennis Wang (“Wang”) (collectively “Defendants”) hereby agree to the following binding settlement (the “Settlement”) of the PAGA claims in the lawsuit entitled Alejandro Jimenez, et al. v. Golden Star Technology, Inc., et al., Case No. 22STCV21510 (the “Action”).

PERSONS COVERED BY THE SETTLEMENT

1. Aggrieved Employees: This Settlement covers all individuals who worked for GST in California as a salesperson at any time from April 27, 2021, to the date the Court approves this Settlement (the “Aggrieved Employees”).
2. PAGA Period: The Settlement covers the period from April 27, 2021, to the date the Court approves this Settlement (the “PAGA Period”).
3. Effective Date: The “Effective Date” will be the date that the Superior Court or any party hereto serves notice of the Superior Court’s order and judgment approving the PAGA Settlement and dismissing the Action with prejudice. At no time will Defendants have any obligation to fund the settlement, in whole or in part, until after this Effective Date.

SETTLEMENT CONSIDERATION

4. Total Settlement Amount: Defendant will pay One Hundred Fourteen Thousand Dollars and Zero Cents (\$114,000.00) to settle the PAGA claims in the Action (“Gross Settlement Amount”). In no event shall Defendants be liable for more than the Gross Settlement Amount of One Hundred Fourteen Thousand Dollars and Zero Cents (\$114,000.00) as a result of this Settlement. The Gross Settlement Amount will be allocated as follows:
 - a. Third-Party Settlement Administration Fees of up to Five Thousand Dollars and Zero Cents (\$5,000.00);
 - b. Plaintiff’s counsel’s, GRAHAMHOLLIS APC (“PAGA Counsel”), attorneys’ fee request of up to One-Third (1/3) of the Gross Settlement Amount (\$37,999.62) (“PAGA Counsel’s Fees”);
 - c. PAGA Counsel’s request for costs in the amount of up to Eight Thousand Dollars

- 1 and Zero Cents (\$8,000.00) (“PAGA Counsel’s Costs”);
- 2 d. Plaintiff’s request for a Service Award in the amount of up to One Thousand
- 3 Dollars and Zero Cents (\$1,000.00) (“Service Award”); and
- 4 e. The remaining funds (the Gross Settlement Amount less the Third-Party
- 5 Settlement Administration Fees, PAGA Counsel’s Fees, PAGA Counsel’s Costs,
- 6 and Service Award) shall be referred to as the “Net Settlement Amount.” If less
- 7 than the maximum amounts set forth above are awarded for Third-Party
- 8 Settlement Administration Fees, PAGA Counsel’s Fees, PAGA Counsel’s Costs,
- 9 or a Service Award, any unused funds will become part of the Net Settlement
- 10 Amount.

11 5. Separate Settlement Agreement of Plaintiff’s Individual Wage and Hour Claims. In

12 addition to Plaintiff’s share of the Net Settlement Amount and Service Award that are to be paid pursuant

13 to the Settlement, the Parties separately entered into a settlement agreement regarding Plaintiff’s individual

14 wage and hour claims (“Settlement Agreement of Plaintiff’s Individual Claims”). The Court may, in its

15 discretion, conduct an in-camera review of the confidential Settlement Agreement of Plaintiff’s Individual

16 Claims.

17 6. Distribution of the Net Settlement Amount. The Net Settlement Amount shall be

18 designated as PAGA penalties in full satisfaction of all claims for PAGA civil penalties under the

19 California Labor Code, Wage Orders, regulations, and/or other provisions of law alleged to have been

20 violated in or reasonably related to the operative Complaint with respect to Aggrieved Employees,

21 allocated between the Labor & Workforce Development Agency (“LWDA”) and the Aggrieved

22 Employees pursuant to Labor Code § 2699(i) with 75.00% paid to the LWDA and 25.00% paid to the

23 Aggrieved Employees on a pro-rata basis (“PAGA Penalties Fund”). The 25.00% of the Net Settlement

24 Amount will be paid to all Aggrieved Employees according to the following formula: Settlement Payment

25 to each Aggrieved Employee = $[\$25.00\% \text{ of Net Settlement Amount}] \times [\text{Pay Periods Worked by}$

26 $\text{Individual Aggrieved Employee During PAGA Period} \div \text{Total Pay Periods Worked by All Aggrieved}$

27 $\text{Employees during PAGA Period}]$.

28 7. Settlement Administration. Settlement Administrator ILYM Group, Inc., or as otherwise

1 agreed to by the Parties and approved by the Court, will administer this Settlement and will be responsible
2 for issuing payments and appropriate tax forms to Aggrieved Employees, the LWDA, Plaintiff, and PAGA
3 Counsel. The estimate of costs of administration for the disbursement of the PAGA Penalties Fund is Five
4 Thousand Dollars and Zero Cents (\$5,000.00). If less than \$5,000.00 is spent on the Settlement
5 administration, any unused funds will become part of the Net Settlement Amount.

6 8. Court Approval of the Settlement and Distribution of Settlement Payments. The Parties
7 will present this Settlement Agreement to the Court and will request that the Court issue a Court Approval
8 Order and Judgment approving and incorporating by reference the terms and conditions of the Settlement
9 Agreement (the "Court Approval Order and Judgment"), dismissing the Action with prejudice, and
10 entering judgment.

11 9. Notice to LWDA. Pursuant to California Labor Code § 2699(l)(1), Plaintiff shall submit to
12 the LWDA a copy of this Settlement Agreement and all supporting approval documents at the same time
13 that Plaintiff submits it to the Court for approval.

14 10. Funding of the Settlement. Within ten (10) calendar days after the Effective Date, GST
15 shall deposit the Gross Settlement Amount with the Settlement Administrator and provide the Settlement
16 Administrator with a list of all Aggrieved Employees, with each listed employee's full name, dates worked
17 for GST during the PAGA Period, last known mailing address, and social security number. Within ten (10)
18 days of receipt of the list of all Aggrieved Employees, the Settlement Administrator shall run all the
19 addresses of Aggrieved Employees through the United States Postal Service NCOA database to obtain
20 current address information, and issue the payments as set forth in section 4(a)–(e) to: (a) Aggrieved
21 Employees; (b) the LWDA; (c) PAGA Counsel; (d) Plaintiff, and (e) itself. The Settlement Administrator
22 will skip-trace returned mail and re-mail within five (5) calendar days. The Settlement Administrator will
23 issue the appropriate tax forms for all payments issued under this Settlement.

24 11. Settlement Payments to Aggrieved Employees: The Settlement Administrator will issue
25 each Aggrieved Employee a check for his or her share of the Net Settlement Amount along with an
26 explanatory letter in the form attached hereto as Exhibit A. Checks will remain negotiable for one hundred
27 eighty (180) days. Any checks returned as non-deliverable on or before the check cashing deadline will be
28 sent promptly via regular First-Class U.S. Mail to the forwarding address affixed thereto. Funds

1 represented by settlement checks returned as undeliverable and those settlement checks remaining un-
2 cashed for more than 180 days after issuance will be tendered to the Unclaimed Property Fund of the
3 California State Controller's Office, to be held in the name of the Aggrieved Employees. The Parties do
4 not bear any liability for lost or stolen checks, forged signatures on checks, or unauthorized negotiation of
5 checks. Unless responsible by its own acts of omission or commission, the same is true for the Settlement
6 Administrator. All settlement payments to Aggrieved Employees will be treated as miscellaneous income
7 for which an IRS Form 1099 will be issued by the Settlement Administrator.

8 12. Waiver of Age Claims. By signing this Settlement Agreement, Plaintiff acknowledges: he
9 has carefully read and understood this Settlement Agreement; he has been given at least twenty-one (21)
10 days to consider this Settlement Agreement; he has been and hereby is advised to consult with an attorney
11 before signing this Settlement Agreement; he understands this Settlement Agreement is legally binding and
12 by signing it he is giving up certain rights; he has voluntarily chosen to enter into this Settlement
13 Agreement and has not been forced or pressured in any way to sign it; he knowingly and voluntarily
14 releases the Released Parties from any and all claims he may have, known or unknown, in exchange for the
15 payments obtained by signing this Settlement Agreement; he understands the Release in this Settlement
16 Agreement includes a waiver and release of all claims he may have under the Age Discrimination in
17 Employment Act ("ADEA") and the Older Workers Benefit Protection Act ("OWBPA"); and he
18 understands this Settlement Agreement and Release does not waive any rights or claims that may arise
19 under either the ADEA or the OWBPA after this Settlement Agreement is signed and becomes effective,
20 which is the eighth day after he signs it. Plaintiff knowingly and voluntarily waives the remainder of the
21 21-day consideration period, if any, following the date he signs this Settlement Agreement. Plaintiff has
22 not been asked by the Released Parties to shorten the time period to consider whether to sign this
23 Settlement Agreement. The Released Parties have not threatened to withdraw or alter the benefit due to
24 Plaintiff prior to the expiration of the 21-day period, nor have the Released Parties provided different terms
25 to Plaintiff because he has decided to sign this Release prior to the expiration of the 21-day consideration
26 period. Plaintiff agrees with Defendants that changes to this Settlement Agreement, whether material or
27 immaterial, will not restart the running of the 21-day consideration period. Plaintiff understands that if he
28 signs this Settlement Agreement, he can change his mind and revoke it as his age claims within seven (7)

1 calendar days after signing it by returning it with written revocation notice to Greg Labate, Sheppard,
2 Mullin, Richter & Hampton LLP, 650 Town Center Drive, 10th Floor, Costa Mesa, California 92626;
3 email: glabate @sheppardmullin.com. In the event Plaintiff revokes the Settlement Agreement as to his
4 age claims, Plaintiff shall not be entitled to seek the Service Award set forth herein. This waiver is limited
5 to any claims Plaintiff may have against Defendants and does not affect the claims of any other Aggrieved
6 Employees.

7 13. Settled PAGA Claims. As of and subject to the occurrence of the Effective Date, and in
8 consideration for the Gross Settlement Amount, the claims settled, fully released, and forever discharged by
9 the LWDA and the Aggrieved Employees, including Plaintiff, constitute any and all claims for civil
10 penalties that were alleged in, or reasonably could have been alleged, based on the factual allegations
11 and/or legal assertions made in the Action, including claims for civil penalties relating to GST's alleged
12 failure to pay all wages due including, commissions, bonuses, and contractual wages, and to provide
13 minimum wages or pay for all hours worked; failure to pay overtime compensation; failure to provide meal
14 and/or rest periods; failure to pay meal or rest period penalties; failure to provide and maintain accurate,
15 itemized wage statements; failure to maintain accurate records; failure to timely pay wages due during or at
16 separation of employment, failure to reimburse all business-related expenses, and claims arising under or
17 reasonably relating to the alleged violations of California Labor Code §§ 201, 202, 203, 204, 210, 218.6,
18 221, 223, 226, 226.3, 226.7, 256, 510, 512, 552, 558, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1,
19 1198, 1198.1, 2698 et seq., 2699 et seq., 2800, and 2802; and applicable California Industrial Welfare
20 Commission ("IWC") Wage Orders, including but not limited to IWC Wage Order No. 4 (Cal. Code
21 Regs., tit. 8, § 11040 ("PAGA Released Claims")), against the Released Parties. Upon approval of the
22 Settlement, Plaintiff and the Aggrieved Employees will be forever barred from pursuing against the
23 Released Parties any and all claims for civil penalties under PAGA based upon alleged violations of the
24 California Labor Code, Wage Orders, regulations, and/or other provisions of the law alleged, or that
25 reasonably could have been alleged, based on the factual allegations and/or legal assertions made in the
26 Action.

27 14. No Credit Toward Benefit Plans. Payments to Aggrieved Employees as referenced herein
28 will not be utilized to calculate any additional benefits under any benefit plans to which any Aggrieved

1 Employee may be eligible, including, but not limited to profit-sharing plans, bonus plans, 401(k) plans,
2 stock purchase plans, vacation plans, sick leave plans, PTO plans, and any other benefit plan. Rather, it is
3 the Parties' intention that this Settlement Agreement will not affect any rights, contributions, or amounts to
4 which any Aggrieved Employee may be entitled under any benefit plans.

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

9 16. Nullification of Settlement Agreement. In the event that: (i) the Court does not approve
10 the Settlement as provided herein; or (ii) the Settlement does not become final for any other reason, then
11 this Settlement Agreement, and any documents generated to bring it into effect, will be null and void, and
12 the Parties will be returned to their original respective positions.

13 17. Continued Jurisdiction. After entry of the Court Approval Order and Judgment, the Court
14 will have continuing jurisdiction under California Code of Civil Procedure § 664.6 solely for purposes of
15 addressing: (i) the interpretation and enforcement of the terms of the Settlement, (ii) settlement
16 administration matters, and (iii) such post-Court Approval matters as may be appropriate under court rules
17 or as set forth in this Settlement.

18 18. Entire Agreement. This Settlement Agreement constitutes the entirety of the Parties'
19 settlement terms regarding Plaintiff's PAGA claim. The terms of the settlement of Plaintiff's individual
20 claims are set forth in a separate agreement between the Parties. No other prior or contemporaneous
21 written or oral agreements may be deemed binding on the Parties.

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

25 20. Authorization to Enter Into Settlement Agreement. Counsel for all Parties warrant and
26 represent they are expressly authorized by the Parties whom they represent to negotiate this Settlement
27 Agreement and to take all appropriate action required or permitted to be taken by such Parties pursuant to
28 this Settlement Agreement to effectuate its terms and to execute any other documents required to effectuate

1 the terms of this Settlement Agreement. The Parties and their counsel will cooperate with each other and
2 use their best efforts to affect the implementation of the Settlement. If the Parties are unable to reach
3 agreement on the form or content of any document needed to implement the Settlement, or on any
4 supplemental provisions that may become necessary to effectuate the terms of this Settlement, the Parties
5 may seek the assistance of the Court and/or the mediator to resolve such disagreement.

6 21. Waiver of Certain Appeals. Plaintiff and PAGA Counsel hereby waive their right to
7 appeal or seek other judicial review of the Superior Court's order and judgment approving the PAGA
8 settlement and dismissing the Action with prejudice.

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

11 23. California Law Governs. All terms of this Settlement Agreement and Exhibit(s) hereto
12 will be governed by and interpreted according to the laws of the State of California.

13 24. Execution and Counterparts. This Settlement Agreement is subject only to the execution
14 of all Parties. However, the Settlement Agreement may be executed in one or more counterparts. All
15 executed counterparts and each of them, including facsimile and scanned copies of the signature page, will
16 be deemed to be one and the same instrument.

17 25. Acknowledgement that the Settlement is Fair and Reasonable. The Parties believe this
18 Settlement Agreement is a fair, adequate, and reasonable settlement of the Action and have arrived at this
19 Settlement after arm's-length negotiations by experienced counsel before the Hon. Abraham Khan (Ret.),
20 an experienced and well-respected mediator and former Judge of the Los Angeles Superior Court. The
21 Parties further acknowledge that they are each represented by competent counsel and that they have had an
22 opportunity to consult with their counsel regarding the fairness and reasonableness of this Settlement.

23 26. Denial of Liability. The Parties expressly recognize that the making of this Settlement
24 Agreement does not in any way constitute an admission or concession of wrongdoing on the part of
25 Defendants. Nothing in this Settlement, nor any action taken in implementation thereof, nor any
26 statements, discussions or communications, nor any materials prepared, exchanged, issued or used during
27 the course of this Action, is intended by the Parties to, nor will any of the foregoing constitute, be
28 introduced, be used or be admissible in any way in any other judicial, arbitral, administrative, investigative

1 or other forum or proceeding, as evidence of any violation of any federal, state, or local law, statute,
2 ordinance, regulation, rule or executive order, or any obligation or duty at law or in equity.
3 Notwithstanding the foregoing, this Settlement Agreement may be used in any proceeding in the Court that
4 has as its purpose the interpretation, implementation, or enforcement of the Settlement or any orders or
5 judgments of the Court entered into in connection therewith.

6 27. Invalidity of Any Provision. Before declaring any provision of this Settlement Agreement
7 invalid, the Court will first attempt to construe the provision as valid to the fullest extent possible consistent
8 with applicable precedents so as to define all provisions of this Settlement Agreement valid and
9 enforceable. If any provision of this Settlement Agreement or the application thereof is held invalid, the
10 invalidity shall not affect other provisions or applications of this Settlement Agreement which can be given
11 effect without the invalid provisions or application and, to this end, the provisions of this Settlement
12 Agreement are declared to be severable. Notwithstanding the foregoing, no portion of any release
13 contained herein may be deemed severed or deleted from this Agreement, except upon waiver in writing by
14 the applicable party.

15 28. Captions. The captions and section numbers in this Settlement Agreement are inserted for
16 the reader's convenience, and in no way define, limit, construe, or describe the scope or intent of the
17 provisions of this Settlement Agreement.

18 29. Waiver. No waiver of any condition or covenant contained in this Settlement Agreement
19 or failure to exercise a right or remedy by any of the Parties hereto will be considered to imply or constitute
20 a further waiver by such party of the same or any other condition, covenant, right or remedy.

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

26 31. Mutual Preparation. The Parties have had a full opportunity to negotiate the terms and
27 conditions of this Settlement Agreement. Accordingly, this Settlement Agreement will not be construed
28 more strictly against one party than another merely by virtue of the fact that it may have been prepared by

1 counsel for one of the Parties, it being recognized that, because of the arms-length negotiations between the
2 Parties, all Parties have contributed to the preparation of this Settlement Agreement.

3 32. Representation By Counsel. The Parties acknowledge that they have been represented by
4 counsel throughout all negotiations that preceded the execution of this Settlement Agreement, and that this
5 Settlement Agreement has been executed with the consent and advice of counsel and reviewed in full.

6 33. Cooperation and Execution of Necessary Documents. All Parties will cooperate in good
7 faith and execute all documents to the extent reasonably necessary to effectuate the terms of this Settlement
8 Agreement.

9 34. Binding Agreement. The Parties warrant that they understand and have full authority to
10 enter into this Settlement, and further intend that this Settlement Agreement will be fully enforceable and
11 binding on all Parties, and agree that it will be admissible and subject to disclosure in any proceeding to
12 enforce its terms, notwithstanding any mediation confidentiality provisions that otherwise might apply
13 under federal or state law.

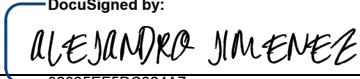
14 35. Confidentiality. The Parties and their counsel agree that they will not issue any press
15 releases, initiate any contact with the press, respond to any press inquiry or have any communication with
16 the press about the fact, amount or terms of the Settlement prior to the Effective Date. PAGA Counsel may
17 respond to press inquiries by stating the matter has been resolved and refer the press to court filings. In
18 addition, PAGA Counsel agree that they will not engage in any advertising or distribute any marketing
19 materials specifying any material terms specifically relating to the Settlement of this case, including but not
20 limited to any postings on any websites maintained by PAGA Counsel prior to the Effective Date. Any
21 communication about the Settlement to Aggrieved Employees prior to the check mailing will be limited to
22 a statement that a settlement has been reached and the details will be communicated in a forthcoming
23 notice letter in the form attached hereto as Exhibit A. Plaintiff is prohibited from discussing the terms or
24 the fact of this PAGA Settlement with third parties prior to the Effective Date other than (1) his immediate
25 family members, and (2) his respective accountants or lawyers as necessary for tax purposes. Nothing
26 herein shall restrict PAGA Counsel from including publicly available information regarding this Settlement
27 in future judicial submissions regarding PAGA Counsel's qualifications and experience.

28 *[Signatures on Next Page]*

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8/1/2024
Dated: ~~July~~ __, 2024

PLAINTIFF ALEJANDRO JIMENEZ

By 
ALEJANDRO JIMENEZ

Dated: July __, 2024

DEFENDANT GOLDEN STAR TECHNOLOGY, INC.

By _____
Its _____

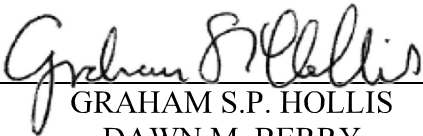
Dated: July __, 2024

By _____
DENNIS WANG

APPROVED AS TO FORM

August 1, 2024
Dated: ~~July~~ __, 2024

GRAHAMHOLLIS APC

By 
GRAHAM S.P. HOLLIS
DAWN M. BERRY

Attorneys for Plaintiff
ALEJANDRO JIMENEZ

Dated: July __, 2024

SHEPPARD, MULLIN, RICHTER & HAMPTON LLP

By _____
GREG S. LABATE

Attorney for Defendants
GOLDEN STAR TECHNOLOGY, INC. AND
DENNIS WANG

1 Dated: July __, 2024

PLAINTIFF ALEJANDRO JIMENEZ

2
3 By

ALEJANDRO JIMENEZ

4
5 Dated: July 31, 2024

DEFENDANT GOLDEN STAR TECHNOLOGY, INC.

6
7 By

Dennis Wang

8
9 Its

Chief Executive Officer

10 Dated: July 31, 2024

11 By


DENNIS WANG

12
13
14 **APPROVED AS TO FORM**

15
16 Dated: July __, 2024

GRAHAMHOLLIS APC

17
18 By

GRAHAM S.P. HOLLIS
DAWN M. BERRY

19
20 Attorneys for Plaintiff
ALEJANDRO JIMENEZ

21
22 Dated: July 31, 2024

SHEPPARD, MULLIN, RICHTER & HAMPTON LLP

23
24 By


GREG S. LABATE

25
26 Attorney for Defendants
GOLDEN STAR TECHNOLOGY, INC. AND
27 DENNIS WANG
28

EXHIBIT A

<<DATE>>

<<FIRST NAME>> <<LAST NAME>>
<<ADDRESS>>

Re: Payment From *Alejandro Jimenez, et al. v. Golden Star Technology, Inc., et al.*

Dear <<FIRST NAME>> <<LAST NAME>>:

Enclosed you will find a check made payable to you. This is your payment from the settlement of the lawsuit entitled *Alejandro Jimenez, et al. v. Golden Star Technology, Inc., et al.*, Case No. 22STCV21510 (Los Angeles County Superior Court) (the “Action”).

The Action was filed against Golden Star Technology, Inc. (“GST”) pursuant to the California Private Attorneys General Act of 2004, California Labor Code section 2698 *et seq.* (“PAGA”). The claim was brought by a former GST employee on behalf of the State of California and all persons currently or formerly employed by GST as a salesperson from April 27, 2021, through <<DATE COURT ENTERS ORDER APPROVING SETTLEMENT>>. You have been identified as one of the employees on whose behalf the case was brought.

The plaintiff in the Action claimed that GST owed penalties under PAGA for alleged violations of the California Labor Code related to unpaid wages, including commissions, bonuses and contractual wages; overtime compensation; meal and rest breaks; wage statements; recordkeeping; timely payment of wages during or at separation of employment; and reimbursement of business-related expenses as applied to employees of GST who performed work in California as a salesperson between April 27, 2021, and <<DATE COURT ENTERS ORDER APPROVING SETTLEMENT>>.

GST denies the allegations and maintains that its policies and practices were lawful and that all employees were provided all wages and compensation to which they were entitled under the law and reimbursed for all business-related expenses they incurred while performing their jobs, and denies that it owes any unpaid wages or penalties.

The Court has not ruled on the merits of the lawsuit, but it has approved the \$114,000.00 settlement amount agreed upon by the parties. The Gross Settlement Amount will be allocated as follows: (1) third party settlement administration fees not to exceed \$5,000.00; (2) attorneys’ fees of up to \$39,900.00 to the plaintiff’s counsel; (3) litigation costs of up to \$8,000.00 to the plaintiff’s counsel; and a Service Award to the plaintiff of up to \$1,000.00. The remaining funds after these disbursements are available for distribution (“Net Settlement Amount”).

Under California law, 75% of the Net Settlement Amount will go to the State of California’s Labor and Workforce Development Agency. The remaining 25% of the Net Settlement Amount goes to the current and former employees who were allegedly affected by the wage and hour practices at issue in the case. The 25% of the Net Settlement Amount will be paid on a pro-rata basis according to the following formula:

Settlement Payment to each Aggrieved Employee = \$[25% of Net Settlement Amount] x
[Pay Periods Worked By the Individual Aggrieved Employee During PAGA Period ÷ Total
Pay Periods Worked By All Aggrieved Employees During PAGA Period].

In agreeing to this settlement, GST does not admit that it is liable in any way to its current or former employees for any alleged underpaid wages.

Pursuant to the settlement, enclosed is a check for your share of a portion of the civil penalties. You are not a party to this lawsuit, but you and the government will be bound by the judgment in this matter as to PAGA civil penalties, including being bound by the following release:

[T]he claims settled, fully released, and forever discharged by the LWDA and the Aggrieved Employees, including Plaintiff, constitute any and all claims for civil penalties that were alleged in, or reasonably could have been alleged, based on the factual allegations and/or legal assertions made in the Action, including claims for civil penalties relating to GST's alleged failure to pay all wages due including, commissions, bonuses, and contractual wages, and to provide minimum wages or pay for all hours worked; failure to pay overtime compensation; failure to provide meal and/or rest periods; failure to pay meal or rest period penalties; failure to provide and maintain accurate, itemized wage statements; failure to maintain accurate records; failure to timely pay wages due during or at separation of employment, failure to reimburse all business-related expenses, and claims arising under or reasonably relating to the alleged violations of California Labor Code Sections 201, 202, 203, 204, 210, 218.6, 221, 223, 226, 226.3, 226.7, 256, 510, 512, 552, 558, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 1198.1, 2698 et seq., 2699 et seq., 2800, and 2802; and applicable California Industrial Welfare Commission ("IWC") Wage Orders, including but not limited to IWC Wage Order No. 4 (Cal. Code Regs., tit. 8, § 11040 ("PAGA Released Claims")), against the Released Parties. Upon approval of the Settlement, Plaintiff and the Aggrieved Employees will be forever barred from pursuing against the Released Parties any and all claims for civil penalties under PAGA based upon alleged violations of the California Labor Code, Wage Orders, regulations, and/or other provisions of the law alleged, or that reasonably could have been alleged, based on the factual allegations and/or legal assertions made in the Action.

You may contact the <<SETTLEMENT ADMINISTRATOR>> if you have any questions about this payment.

Very truly yours,

[INSERT NAME],