

PAGA SETTLEMENT AGREEMENT

This PAGA Settlement Agreement (“Agreement”) is made by and between plaintiff Adrianna Farris (“Plaintiff”) and defendant Inszone Insurance Services, LLC (“Defendant”). The Agreement refers to Plaintiff and Defendant collectively as “Parties,” or individually as “Party.”

1. DEFINITIONS.

- 1.1. “Action” means the Plaintiff’s PAGA lawsuit alleging wage and hour violations against Defendant captioned *Adrianna Farris v. Inszone Insurance Services, LLC*, Case No. 34-2022-00323403 initiated on July 14, 2022 and pending in Superior Court of the State of California, County of Sacramento for civil penalties under the Private Attorneys General Act, Labor Code §2698 et seq. predicated on Plaintiff’s allegations that Defendant: (1) failure to pay minimum wages; (2) failure to pay overtime; (3) failure to provide meal periods; (4) failure to authorize and permit rest periods; (5) failure to indemnify employees for expenditures; (6) failure to provide accurate itemized wage statements; (7) failure to timely pay wages during employment; and (8) failure to timely pay wages at separation of employment.
- 1.2. “Administrator” means Phoenix Settlement Administrators, 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 approval of this Settlement.
- 1.4. “Aggrieved Employee” means a person employed by Defendant as an hourly and/or non-exempt employee in California for one or more pay periods during the PAGA Period.
- 1.5. “Aggrieved Employee Data” means Aggrieved Employee identifying information in Defendant’s possession including the Aggrieved Employee’s name, last-known mailing address, Social Security number, and information necessary to calculate the number of PAGA Pay Periods.
- 1.6. “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.
- 1.7. "Approval Order" means the Court Order Granting Approval of PAGA Settlement.
- 1.8. “Court” means the Superior Court of California, County of Sacramento.

- 1.9. "Defendant" means Inszone Insurance Services, LLC, the named Defendant in the Action.
- 1.1. "Defense Counsel" means Dina Glucksman, Leslie Joyner, and Emilie MacLean of Gordon Rees Scully Mansukhani, LLP.
- 1.2. "Effective Date" means the date the Court enters a Judgment on its Approval Order of this Settlement.
- 1.3. "Gross Settlement Amount" means \$336,180.00 which is the total amount Defendant agrees to pay under the Settlement except as provided in Paragraph 8 below. The Gross Settlement Amount will be used to pay Individual PAGA Payments, the LWDA PAGA Payment, Service Payment, PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, and the Administrator's Expenses Payment.
- 1.4. "Individual PAGA Payment" means the Aggrieved Employee's pro rata share of 25% of the PAGA Penalties calculated according to the number of Pay Periods the Aggrieved Employee worked during the PAGA Period.
- 1.5. "Judgment" means the judgment entered by the Court based upon the Approval Order.
- 1.6. "LWDA" means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i).
- 1.7. "LWDA PAGA Payment" means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).
- 1.8. "Net Settlement Amount" means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: the Service Payment, PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, and the Administration Expenses Payment. The remainder is to be paid: 25% to Aggrieved Employees as Individual PAGA Payments; and 75% to the LWDA as the LWDA PAGA Payment.
- 1.9. "PAGA Counsel" means Samuel Wong, Kashif Haque, Jessica Campbell, and Kristy R. Connolly of Aegis Law Firm, PC, the attorneys representing the Plaintiff in the Action.
- 1.10. "PAGA Counsel Fees Payment" and "PAGA Counsel Litigation Expenses Payment" mean the amounts allocated to PAGA Counsel for reimbursement of reasonable attorneys' fees and expenses, respectively, incurred to prosecute the Action.
- 1.11. "PAGA Pay Period" means any Pay Period during which an Aggrieved Employee worked for Defendant for at least one day during the PAGA Period.

- 1.12. “PAGA Period” means the period from July 14, 2021 through January 13, 2025.
- 1.13. “PAGA” means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).
- 1.14. “PAGA Notice” means Plaintiff’s July 14, 2022 letter to Defendant and the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a).
- 1.15. “PAGA Penalties” means the total amount of PAGA civil penalties to be paid from the Net Settlement Amount, allocated 25% to the Aggrieved Employees and 75% to LWDA in settlement of PAGA claims.
- 1.16. “Plaintiff” means Adrianna Farris, the named plaintiff in the Action.
- 1.17. “Released PAGA Claims” means the claims being released by Plaintiff on behalf of the State of California and Aggrieved Employees as described in Paragraph 5 below.
- 1.18. “Released Parties” means Defendant and its former and present parents, subsidiaries, divisions, corporate members, and affiliated companies, and their respective officers, directors, employees, partners, shareholders, agents, successors, assigns, and legal representatives.
- 1.19. “Settlement” means the disposition of the Action effected by this Agreement and the Judgment.
- 1.20. “Service Award” means the payment to Plaintiff for initiating the Action and providing services in support of the Action.

2. RECITALS.

- 2.1. On July 14, 2022, Plaintiff commenced this Action by filing a Complaint alleging causes of action against Defendant for failure to pay minimum wages; failure to pay overtime wages; failure to provide meal periods; failure to permit rest breaks; failure to reimburse business expenses; failure to provide accurate itemized wage statements; failure to pay wages timely during employment; failure to pay all wages due upon separation of employment; and violation of Business and Professions Code §§ 17200, et seq. On September 15, 2022, Plaintiff filed a First Amended Complaint alleging causes of action against Defendants for Enforcement of Labor Code§ 2698 et seq. ("PAGA"). The First Amended Complaint is the operative complaint in the Action (the “Operative Complaint.”). On May 19, 2023, the Court granted Defendant’s Motion to Compel Arbitration and dismissed Plaintiff’s class claims. The Court compelled Plaintiff’s individual and representative PAGA claims to arbitration.
- 2.2. On September 14, 2023, Plaintiff filed a Demand for Arbitration with JAMS.

- 2.3. Defendant denies the allegations in the Operative Complaint, denies any failure to comply with the laws identified in in the Operative Complaint and denies any and all liability for the causes of action alleged.
- 2.4. Pursuant to Labor Code section 2699.3, subd.(a), Plaintiff gave timely written notice to Defendants and the LWDA by sending the PAGA Notice.
- 2.5. On October 14, 2024, the Parties participated in an all-day mediation presided over by Gig Kyriacou which led to this Agreement to settle the Action.
- 2.6. Prior to mediation Plaintiff obtained, through informal discovery, Plaintiff's personnel file, relevant wage and hour policies, and a 10% sample of aggrieved employees' time and pay records.
- 2.7. The Parties, PAGA Counsel and Defense Counsel represent that they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement.

3. MONETARY TERMS.

- 3.1. Gross Settlement Amount. Except as otherwise provided by Paragraph 8 below, Defendant promises to pay \$336,180.00 and no more as the Gross Settlement Amount. Defendant has no obligation to pay the Gross Settlement Amount prior to the deadline stated in Paragraph 4.3 of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendant.
- 3.2. Payments from the Gross Settlement Amount. The Administrator will make and deduct the following payments from the Gross Settlement Amount, in the amounts specified by the Court in the Final Approval:
 - 3.2.1. To PAGA Counsel: A PAGA Counsel Fees Payment of not more than one-third of the Gross Settlement Amount which is currently estimated to be \$112,060 and PAGA Counsel Litigation Expenses Payment of not more than \$25,000. Defendant will not oppose requests for Court approval of these payments provided that they do not exceed these amounts. Plaintiff and/or PAGA Counsel will file an application or motion for PAGA Counsel Fees Payment and PAGA Litigation Expenses Payment. If the Court approves a PAGA Counsel Fees Payment and/or a PAGA Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. Released Parties shall have no liability to PAGA Counsel or any other Plaintiff's Counsel arising from any claim to any portion any PAGA Counsel Fee Payment and/or PAGA Counsel Litigation Expenses Payment. The Administrator will pay the PAGA Counsel Fees Payment and PAGA Counsel Expenses Payment using one or more IRS 1099

Forms. PAGA Counsel assumes full responsibility and liability for taxes owed on the PAGA Counsel Fees Payment and the PAGA Counsel Litigation Expenses Payment and holds Defendant harmless, and indemnifies Defendant, from any dispute or controversy regarding any division or sharing of any of these Payments. To the extent the Court approves payment less than the amount requested as PAGA Counsel Fees and/or the PAGA Counsel Litigation Expenses Payment, the Administrator will retain the remainder in the Net Settlement Amount. If the Court reduces or does not approve the requested PAGA Counsel Fees and/or the PAGA Counsel Litigation Expenses Payment, Plaintiff and PAGA Counsel shall not have the right to revoke the Settlement, or to appeal such order, and the Settlement will remain binding.

3.2.2. To Plaintiff: A Service Award to Plaintiff in the amount of \$5,000.00, in addition to any Individual PAGA Payment Plaintiff is entitled to receive as an Aggrieved Employee. The Administrator will pay the Service Award using IRS Form 1099. Plaintiff assumes full responsibility and liability for employee taxes owed on the Service Award. To the extent the Court approves payment less than \$5,000.00 the Administrator will retain the remainder in the Net Settlement Amount.

3.2.3. To the Administrator: An Administrator Expenses Payment not to exceed \$4,950 except for a showing of good cause and as approved by the Court. To the extent the Administration Expenses are less or the Court approves payment less than \$4,950, the Administrator will retain the remainder in the Net Settlement Amount.

3.2.4. To the LWDA and Aggrieved Employees: PAGA Penalties will be paid from the Net Settlement Amount, with 75% allocated to the LWDA PAGA Payment and 25% allocated to the Individual PAGA Payments.

3.2.4.1. The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties by the total number of PAGA Period Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA Period Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

4. SETTLEMENT FUNDING AND PAYMENTS.

4.1. Aggrieved Employee Pay Periods. Based on a review of its records as of October 14, 2024, Defendant estimates there are 325 Aggrieved Employees who worked a total of 8,095 PAGA Pay Periods during the PAGA Period.

4.2. Aggrieved Employee Data. Within 10 business days of the Approval Order, Defendant will deliver the Aggrieved Employee Data to the Administrator in the form of a

Microsoft Excel spreadsheet. To protect Aggrieved Employee' privacy rights, the Administrator must maintain the Aggrieved Employee Data in confidence, use the Aggrieved Employee Data only for purposes of this Settlement and for no other purpose, and restrict access to the Aggrieved Employee Data to Administrator employees who need access to the Aggrieved Employee Data to effect and perform under this Agreement. Defendant has a continuing duty to immediately notify PAGA Counsel if it discovers that the Aggrieved Employee Data omitted employee identifying information and to provide corrected or updated Aggrieved Employee Data as soon as reasonably feasible. Without any extension of the deadline by which Defendant must send the Aggrieved Employee Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Aggrieved Employee Data.

- 4.3. Funding of Gross Settlement Amount. Defendant shall fully fund the Gross Settlement Amount by transmitting the funds to the Administrator no later than 15 business days after the Effective Date.
- 4.4. Payments from the Gross Settlement Amount. Within 10 business days after Defendant funds the Gross Settlement Amount, the Administrator will mail checks for all Individual PAGA Payments, the LWDA PAGA Payment, the Individual Settlement for Plaintiff, the Service Award, the Administration Expenses Payment, the PAGA Counsel Expenses Payment, and the PAGA Counsel Fees Payment. Disbursement of the Service Award, PAGA Counsel Litigation Expenses Payment, and PAGA Counsel Fees Payment shall not precede disbursement of Individual PAGA Payments.
 - 4.4.1. The Administrator will issue checks for the Individual PAGA Payments and send them to the Aggrieved Employees via First Class U.S. Mail, postage prepaid. A notice letter explaining why the check is being sent, in a mutually-agreed upon form that has been approved by the Court, in substantially the form that is attached hereto as "Exhibit A," will be included in the mailing of each Individual PAGA Payment. 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. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database.
 - 4.4.2. The Administrator must conduct an Aggrieved Employee Address Search for all Aggrieved Employees whose checks are returned undelivered without USPS forwarding address. Within 7 calendar days of receiving a returned check the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through 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, requested by the Aggrieved Employee prior to the void date.

4.4.3. For any Aggrieved Employee whose Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the California Controller's Unclaimed Property Fund in the name of the Aggrieved Employee.

4.4.4. The payment of Individual PAGA Payments shall not obligate Defendant to confer any additional benefits or make any additional payments to the Aggrieved Employees (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

5. RELEASES OF CLAIMS. Effective on the date when Defendant fully funds the entire Gross Settlement Amount, Plaintiff, as agent and proxy of the State of California (including the LWDA), all Aggrieved Employees and the State of California (including the LWDA and all individuals who seek to serve as agent and proxy of the State of California in bringing PAGA claims) are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from any and all claims, rights, demands, liabilities, and causes of action arising from July 14, 2021 through January 13, 2025, arising out of the California Private Attorneys General Act of 2004, Labor Code §§2698 *et seq.*, based on any of the underlying claims and factual allegations in the Operative Complaint, including but not limited to Labor Code §§ 201, 202, 203, 204(a)-(b), 204, 210, 221, 222, 223, 226, 226.3, 226(a)-(e), 226.7, 510, 512, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1197.5, 1198, 2800, 2802, and the IWC Wage Order.

6. MOTION OR APPLICATION FOR APPROVAL OF SETTLEMENT.
Plaintiff will prepare and file an application or motion for approval of this Settlement.

7. SETTLEMENT ADMINISTRATION.

7.1 Selection of Administrator. The Parties have jointly selected Phoenix Settlement Administrators to serve as the Administrator and verified that, as a condition of appointment, Phoenix Settlement Administrators agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Expenses. The Parties and their 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 Employer Identification Number. The Administrator shall have and use its own Employer Identification Number for purpose of providing reports state and federal tax authorities.

7.3 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 468B-1.

7.4 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.

8. **ESCALATOR CLAUSE.** It is estimated that there are 325 Aggrieved Employees who worked 8,095 PAGA Pay Periods during the PAGA Period. If the actual number of PAGA Pay Periods worked during the PAGA Period exceeds 8,095 by more than 10%, there will be a proportional increase of the Gross Settlement Amount, as to the PAGA Pay Periods which exceed 10% above 8,095. However, Defendant may instead, in its sole discretion, adjust the length of the PAGA Period by moving the end date to the date on which the total number of PAGA Pay Periods amounts to 8,095 so as to avoid triggering the Escalation Clause.

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

9.1 Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, the Parties and their respective counsel waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals. If another party appeals the Judgment, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect the amount of the Net Settlement Amount.

10. **ADDITIONAL PROVISIONS.**

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

- 10.2 Integrated Agreement. Upon execution by all 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 oral representations, warranties, covenants, or inducements made to or by any Party.
- 10.3 Attorney Authorization. PAGA Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiff and Defendant, respectively, 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 reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.
- 10.4 Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying the Settlement Agreement, submitting supplemental evidence and supplementing points and authorities as requested by the Court. 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 a mediator and/or the Court for resolution.
- 10.5 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 and portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.
- 10.6 No Tax Advice. Neither Plaintiff, PAGA Counsel, Defendant nor Defense Counsel are 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.
- 10.7 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 or their representatives, and approved by the Court.
- 10.8 Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.
- 10.9 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 regard to conflict of law principles.
- 10.10 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.

- 10.11 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.
- 10.12 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.
- 10.13 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 federal legal holiday, such date or deadline shall be on the first business day thereafter.
- 10.14 Notice. All notices, demands, or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email or messenger, addressed as follows:

To Plaintiff: Aegis Law Firm, PC
Kashif Haque
Samuel Wong
Jessica L. Campbell
jcampbell@aegislawfirm.com
Kristy Connolly
kconnolly@aegislawfirm.com
9811 Irvine Center Drive, Suite 100
Irvine, California 92618

To Defendant: Dina Glucksman
Leslie Joyner
Emilie MacLean
GORDON REES SCULLY MANSUKHANI, LLP
633 West Fifth Street, 52nd Floor
Los Angeles, CA 90071
Telephone: 310.663.0817
dglucksman@grsm.com
emaclean@grsm.com
ljoyner@grsm.com

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

be admissible in evidence to prove the existence and contents of this Agreement.

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

Agreed to by the Parties:

Dated: 11/15/2024

By: 
Adrianna Farris

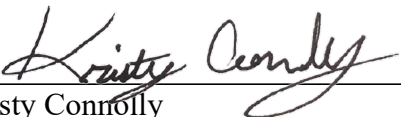
Dated: _____

By: _____
Inszone Insurance Services LLC;

Agreed As to Form Only:

AEGIS LAW FIRM, PC

Dated: 11/18/2024

By: 
Kristy Connolly
Attorneys for Plaintiff

GORDON REES SCULLY
MANSUKHANI, LLP

Dated: _____

By: _____
Dina Glucksman
Attorneys for Defendant

be admissible in evidence to prove the existence and contents of this Agreement.

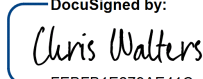
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Agreed to by the Parties:

Dated: _____

By: _____
Adrianna Farris

Dated: November 18, 2024 | 11:53 AM PST
By: _____

DocuSigned by:

FEBEB1E279AE41C
Inszone Insurance Services LLC;

Agreed As to Form Only:

AEGIS LAW FIRM, PC

Dated: _____

By: _____
Kristy Connolly
Attorneys for Plaintiff

GORDON REES SCULLY
MANSUKHANI, LLP

Dated: November 18, 2024

By: 
Dina Glucksman
Attorneys for Defendant

<<Mailing Date>>

To: <<First Name>><<Last Name>>
<<Address>>
<<City>> <<State>> <<Zip>>

Re: Individual PAGA Payment from *Adrianna Farris v. Inszone Insurance Services, LLC*
Sacramento County Superior Court, Case No. 34-2022-00323403

Dear <<First Name>><<Last Name>>:

Please find enclosed a check in the amount of <<amount of payment>> (“Individual PAGA Payment”). This check is your payment from the settlement of a lawsuit entitled *Adrianna Farris v. Inszone Insurance Services, LLC*, Case No. 34-2022-00323403 (“Action”), filed in the Superior Court of California for the County of Sacramento (“Court”).

The lawsuit was filed by Adrianna Farris (“Plaintiff”), a former employee of Inszone Insurance Services, LLC (“Defendant”), on behalf of the State of California with respect to herself and other alleged aggrieved employees, to seek recovery of civil penalties pursuant to the California Private Attorneys General Act of 2004, California Labor Code § 2698, *et seq.* (“PAGA”). Plaintiff alleged that Defendant violated the California Labor Code by failing to pay minimum wages and overtime wages; failing to provide meal periods and permit rest breaks; failing to reimburse business expenses; failing to provide accurate itemized wage statements; failing to pay wages timely during employment; and failing to pay all wages due upon separation of employment.

Defendant denies these allegations and denies any wrongdoing of any kind associated with these allegations.

A settlement was reached between Plaintiff and Defendant, on behalf of Plaintiff, the State of California, and the following Aggrieved Employees: all persons employed by Defendant in California as a non-exempt employee at any time from July 14, 2021 through January 13, 2025. You are receiving a portion of the settlement (the enclosed Individual PAGA Payment check) because you have been identified as an Aggrieved Employee. You will not be retaliated against by Defendant for cashing your check.

On <<Approval Date>>, the settlement was approved by the Court, with a portion to be paid to the State of California and a portion to be paid to the Aggrieved Employees. Your Individual PAGA Payment is based on the total number of pay periods that you worked as an Aggrieved Employee during the period between July 14, 2021 through January 13, 2025 (the “PAGA Period”). The Individual PAGA Payment is considered to be 100% penalties, which will be reported on an IRS Form 1099. You are responsible for paying any and all taxes that may be due as a result of any payment issued to you under the settlement and should consult a tax advisor regarding the tax consequences of such payment.

By way of the settlement, you will be deemed to release Defendant and its former and present parents, subsidiaries, divisions, corporate members, and affiliated companies, and their respective officers, directors, employees, partners, shareholders, agents, successors, assigns, and legal representatives (the “Released Parties”) from any and all claims, rights, demands, liabilities, and causes of action arising from July 14, 2021 through January 13, 2025, arising out of the California Private Attorneys General

Act of 2004, Labor Code §§2698 et seq., based on any of the underlying claims and factual allegations in the First Amended Complaint, including but not limited to Labor Code §§ 201, 202, 203, 204(a)-(b), 204, 210, 221, 222, 223, 226, 226.3, 226(a)-(e), 226.7, 510, 512, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1197.5, 1198, 2800, 2802, and the IWC Wage Order.

Your Individual PAGA Payment check is valid for 180 calendar days from the date of issuance, and if you do not cash, deposit, or otherwise negotiate the check within the 180-day timeframe, your Individual PAGA Payment will be cancelled and the funds will be transmitted to the State Controller's Office Unclaimed Property Fund in your name.

Do not call or write the Court or Office of the Clerk of the Court to ask questions about the settlement. If you have any questions concerning the settlement, you may contact the Settlement Administrator at <<INSERT CONTACT INFORMATION>>.