

PAGA SETTLEMENT AGREEMENT

This PAGA Settlement Agreement (“Agreement”) is made by and between Plaintiff Emilio Castaneda (“Plaintiff”), on behalf of similarly situated aggrieved PAGA members, and Defendant HC West, LLC (“Defendant”). The Agreement refers to Plaintiff and Defendant collectively as “Parties,” or individually as “Party.”

1. DEFINITIONS.

- 1.1 “Action” the matter entitled *Emilio Castaneda v. HC West, LLC, et al.*, Los Angeles County Superior Court Case No. 22STCV35517, filed on or about November 8, 2022.
- 1.2 “Administrator” means Simpluris, the neutral entity the Parties have agreed to appoint to administer the PAGA 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 PAGA Settlement.
- 1.4 “Aggrieved Employee” consists of all persons within the State of California who are or were employed by Defendant in the State of California as a non-exempt and/or hourly employee during the PAGA Period (defined below).
- 1.5 “Aggrieved Employee Data” means Aggrieved Employee identifying information in Defendant’s possession including the Aggrieved Employee’s full name, last-known mailing address, Social Security number and 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 “Court” means the Superior Court of California, County of Los Angeles.
- 1.8 “Defendant” means Defendant HC West, LLC dba A&D Fire Sprinklers.
- 1.9 “Defense Counsel” means Adam F. Sloustcher, Stephanie Reynolds, and Benjamin P. Carney of Fisher & Phillips LLP.
- 1.10 “Effective Date” means the date by when the Court enters a Judgment on its Order Approving the PAGA Settlement.

- 1.11 “Gross Settlement Amount” means \$351,288.00 which is the total amount Defendant agrees to pay under the PAGA Settlement except as provided in Paragraph 8 below. The Gross Settlement Amount will be used to pay Individual PAGA Payments, the LWDA PAGA Payment, PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment and the Administrator’s Expenses Payment.
- 1.12 “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.
- 1.13 “Judgment” means the judgment entered by the Court based upon approval of the PAGA Settlement.
- 1.14 “LWDA” means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subdivision (i).
- 1.15 “LWDA PAGA Payment” means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subdivision (i).
- 1.16 “Net Settlement Amount” means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment and the Administration Expenses Payment. The remainder is to be paid to Aggrieved Employees and the LWDA as PAGA Penalties.
- 1.17 “PAGA Counsel” means Kelly Y. Chen of the Law Office of Kelly Y. Chen, the attorney representing the Plaintiff in the Action.
- 1.18 “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.
- 1.19 “PAGA Pay Period” means any Pay Period during which an Aggrieved Employee worked for Defendant for at least one day during the PAGA Period.
- 1.20 “PAGA Period” means the period from September 4, 2021, through November 6, 2023.
- 1.21 “PAGA” means the Private Attorneys General Act (Lab. Code, § 2698. et seq.).
- 1.22 “PAGA Notice” means Plaintiff’s August 19, 2022, letter to Defendant and the LWDA providing notice pursuant to Labor Code section 2699.3, subdivision (a).
- 1.23 “PAGA Penalties” means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 25% to the Aggrieved Employees (\$53,798.00) and the 75% to LWDA (\$161,394.00) in settlement of PAGA claims.

- 1.24 “Plaintiff” means Emilio Castaneda, the named plaintiff in the Action.
- 1.25 “Approval Order” means the proposed Court Order Granting Approval of PAGA Settlement.
- 1.26 “Released PAGA Claims” means the claims being released by the Plaintiff, the Aggrieved Employees, PAGA Counsel, and the LWDA as described in Paragraph 5 below.
- 1.27 “Released Parties” means Defendant and each of Defendant’s former and present directors, officers, shareholders, owners, employees, attorneys, insurers, predecessors, successors, assigns, subsidiaries, and affiliates.
- 1.28 “PAGA Settlement” means the disposition of the PAGA claims effected by this Agreement and the Judgment.
- 1.29 “Settlement Notice” means the Notice of PAGA Settlement which shall be sent to all Aggrieved Employees in conjunction with the check for their Individual PAGA Payment, substantially in the form attached hereto as Exhibit A. The Settlement Notice shall contain: (i) a summary of the provisions of the Agreement; (ii) the number of pay periods worked by the Aggrieved Employee; and the (iii) the Aggrieved Employees’ Individual PAGA Payment.

2. RECITALS.

- 2.1 On August 19, 2022, pursuant to Labor Code section 2699.3, subdivision (a), Plaintiff gave timely written notice to Defendant and the LWDA by submitting the PAGA Notice.
- 2.2 On November 8, 2022, Plaintiff commenced this Action by filing a Complaint alleging causes of action against Defendant for (1) Failure to Pay All Wages; (2) Failure to Provide Meal and Rest Periods and Premium Pay; (3) Failure to Maintain and Provide Accurate Itemized Wage Statements; (4) Failure to Indemnify Employees for All Business Expenses; (5) Waiting Time Penalties; and (6) Violation of Private Attorneys General Act of 2004, Labor Code §§ 2698, et seq. (the “Complaint”).
- 2.3 Defendant denies the allegations in the Complaint including, but not limited to, those that serve as the basis for the Released PAGA Claims, denies any failure to comply with the laws identified in in the Complaint, and denies any and all liability for the causes of action alleged. To the extent any allegations in the Complaint contend that Defendant ever maintained policies or procedures that were inconsistent with California law, which Defendant specifically denies, Defendant contends that that its policies have been audited to ensure continued compliance.
- 2.4 On November 6, 2023, the Parties participated in an all-day mediation presided over by Steve Pearl. Following the mediation, the Parties continued to negotiate and exchange data and information which led to this Agreement to settle the Action.

- 2.5 The Parties have entered into a separate Confidential Settlement Agreement and Release (the "Individual Settlement Agreement") regarding Plaintiff's individual, non-PAGA claims. In the Individual Settlement Agreement, Plaintiff expressly waives and relinquishes, among other things, the provisions, rights, and benefits, if any, of section 1542 of the California Civil Code. The Individual Settlement Agreement is contingent on Court approval of this Agreement, and this Agreement is contingent on execution and compliance with the Individual Settlement Agreement.

3. MONETARY TERMS.

- 3.1 Gross Settlement Amount. Except as otherwise provided by Paragraph 9 below, Defendant promises to pay \$351,288.00 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 its approval of the Settlement:
- 3.2.1 To PAGA Counsel: A PAGA Counsel Fees Payment not to exceed \$117,096.00 (i.e., one-third of the Gross Settlement Amount) and a PAGA Counsel Litigation Expenses Payment in an amount not to exceed \$15,000.00. 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.
- 3.2.2 To the Administrator: An Administrator Expenses Payment not to exceed \$4,000.00 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 \$4,000.00, the Administrator will retain the remainder in the Net Settlement Amount.

- 3.2.3 To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of \$215,192.00 to be paid from the Gross Settlement Amount, with 75% (\$161,394.00) allocated to the LWDA PAGA Payment and 25% (\$53,798.00) allocated to the Individual PAGA Payments.

3.2.3.1 The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties (\$53,798.00) 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. Individual PAGA Payments will be designated as 100% penalties. If required, the Settlement Administrator will be responsible for issuing to an IRS Form 1099 to Aggrieved Employees for their Individual PAGA Payments. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

4. SETTLEMENT FUNDING AND PAYMENTS.

- 4.1 Aggrieved Employee Pay Periods. Based on a review of its records, Defendant estimates there are 498 Aggrieved Employees who worked a total of 29,387 pay periods during the PAGA Period.
- 4.2 Aggrieved Employee Data. Within 30 calendar days of the Effective Date, Defendant will deliver the Aggrieved Employee Data to the Administrator in the form of a Microsoft Excel spreadsheet. To protect Aggrieved Employees' privacy rights, the Administrator must maintain the Aggrieved Employee Data in confidence, use the Aggrieved Employee Data only for purposes of this PAGA 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 30 calendar days after the Effective Date.

4.4 Payments from the Gross Settlement Amount. Within 14 calendar days after Defendant funds the Gross Settlement Amount, the Administrator will mail checks for all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the PAGA Counsel Fees Payment, and the PAGA Counsel Litigation Expenses Payment. Disbursement of the PAGA Counsel Litigation Expenses 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. Individual PAGA Payments shall be accompanied by a PAGA Settlement Notice, substantially in the form attached hereto as Exhibit A. 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 5 business 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 and PAGA Counsel will release claims against all Released Parties as follows:

5.1 Plaintiff's Release. Plaintiff and his respective former and present spouses, representatives, agents, attorneys (including PAGA Counsel), heirs, administrators, successors, and assigns generally, release and discharge Released Parties from all claims,

transactions, or occurrences [that occurred during the PAGA Period], including, but not limited to: (a) all claims that were, or reasonably could have been, alleged, based on the facts contained in the Operative Complaint and the PAGA Notice (“Plaintiff’s Release”). Plaintiff’s Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, workers’ compensation benefits that arose at any time, or based on occurrences outside the PAGA Period. Plaintiff acknowledges that Plaintiff may discover facts or law different from, or in addition to, the facts or law that Plaintiff now knows or believes to be true but agrees, nonetheless, that Plaintiff’s Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiff’s discovery of them.

5.1.1 Plaintiff’s Waiver of Rights Under California Civil Code Section 1542. For purposes of Plaintiff’s Release, Plaintiff expressly waives and relinquishes the provisions, rights, and benefits, if any, of section 1542 of the California Civil Code, which reads:

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

5.2 Release by Aggrieved Employees: All Aggrieved Employees will be bound by a release of all claims for civil penalties that were alleged or could have been alleged in the Complaint under the Labor Code and PAGA (including but not limited to meal period violations and failure to pay premiums; rest period violations and failure to pay premiums; inaccurate wage statements; failure to maintain accurate records; failure to timely pay wages during employment; failure to pay minimum, regular, and overtime wages; failure to reimburse; and failure to timely pay final wages) and that arose during the PAGA Period.

5.3 Release by PAGA Counsel: PAGA Counsel release on behalf of their present and former attorneys, employees, agents, successors and assigns the Released Parties from all claims for PAGA Fees incurred in connection with the Complaint and the PAGA Period facts stated in the Complaint and the PAGA Notice.

6. MOTION, APPLICATION, OR STIPULATION FOR APPROVAL OF PAGA SETTLEMENT.

6.1 Plaintiff’s Responsibilities. Plaintiff will prepare and deliver to Defense Counsel all documents necessary for obtaining approval of this PAGA Settlement under Labor Code section 2699, subdivision (f)(2)) including (i) a draft proposed Order Granting Approval of PAGA Settlement and Entering Judgment Thereon; (ii) a signed declaration or written confirmation from the Administrator attaching its “not to exceed”

bid for administering the PAGA Settlement and attesting to its willingness to serve; competency; operative procedures for protecting the security of Aggrieved Employee Data; amounts of insurance coverage for any data breach, defalcation of funds or other misfeasance; all facts relevant to any actual or potential conflicts of interest with Aggrieved Employees or the LWDA; and the nature and extent of any financial relationship with Plaintiff, PAGA Counsel or Defense Counsel; (iii) a signed declaration from PAGA Counsel firm attesting to its timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), Operative Complaint (Lab. Code, §2699, subd. (1)(1)), and this Agreement (Lab. Code, § 2699, subd. (1)(2)); and (iv) all facts relevant to any actual or potential conflict of interest with Aggrieved Employees and/or the Administrator. In their Declarations, Plaintiff and PAGA Counsel shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the PAGA Settlement.

- 6.2 Responsibilities of PAGA Counsel. PAGA Counsel is responsible for expeditiously finalizing and filing the stipulation, application, or motion for approval of this PAGA Settlement no later than 30 days after the full execution of this Agreement and, if necessary, obtaining a prompt hearing date for the motion and appearing in Court to advocate in favor of the motion. PAGA Counsel is responsible for delivering the Court's Preliminary Approval to the Administrator. Defendant agrees that it will not oppose Plaintiff's motion or application for approval of the PAGA Settlement.
- 6.3 Duty to Cooperate. If the Parties disagree on any aspect of the proposed stipulation, application, or motion for approval of this PAGA Settlement and/or the supporting declarations and documents, PAGA Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant the stipulation, application, or motion for approval of this PAGA Settlement or conditions its approval on any material change to this Agreement, PAGA Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns.

7. SETTLEMENT ADMINISTRATION.

- 7.1 Selection of Administrator. The Parties have jointly selected Simpluris to serve as the Administrator and verified that, as a condition of appointment, Simpluris 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 purposes of calculating payroll tax withholdings and 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. AGGRIEVED EMPLOYEE SIZE ESTIMATES AND ESCALATOR CLAUSE.

Based on its records, Defendant estimates that there are 498 Aggrieved Employees who worked approximately 29,387 Pay Periods between the start of the PAGA Period and the date of mediation (“Certified Pay Period Amount”). Should the final number of PAGA Pay Periods worked by Aggrieved Employees during the PAGA Period exceed the Certified Pay Period Amount by more than ten percent (10%), the Gross Settlement Amount to be paid by shall increase on a *pro-rata* basis equal to the percentage increase between the Certified Pay Period Amount and the number of actual number of PAGA Pay Periods worked by the Aggrieved Employees. For example, if the number of actual number of PAGA Pay Periods increases by 11% to 32,620, the Gross Settlement Amount will increase by 1% to \$354,800.88.

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 PAGA Settlement pursuant to Code of Civil Procedure section 664.6 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, specifically including the PAGA Counsel Fees Payment and PAGA Counsel Litigation Expenses Payment, 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, and 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 PAGA Settlement only. If for any reason the Court does not approve this PAGA 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 exhibit, along with the Individual Settlement Agreement, shall constitute the entire agreement between the Parties relating to settlement of this Action, 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 PAGA Settlement by, among other things, modifying the PAGA 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 PAGA Settlement, or on any modification of the Agreement that may become necessary to implement the PAGA 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 PAGA 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 PAGA 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, their representatives, or the Parties' counsel of record, 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 internal 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. Plaintiff and PAGA Counsel agree that they have not and will not publish the resolution of this case. PAGA Counsel shall not report the resolution of this case in any medium or in any publication, shall not post or report anything regarding the claims of Plaintiff, the claims of the Aggrieved Employees, or the resolution of this case on their website which identify Plaintiff or Defendant by name, and shall not contact any reporters or media regarding the resolution of this case. However, PAGA Counsel is authorized to make disclosure to the Court for the purpose of obtaining the approval of the settlement and may discuss the settlement with the Aggrieved Employees and the Administrator. This disclosure is limited to court filings and neither Plaintiff, PAGA Counsel, nor their representatives are permitted to disseminate or publish, distribute or discuss the information provided to the Court in those filings outside the filings themselves and any hearing held on those filings, unless ordered otherwise by the Court. Plaintiff may disclose the terms of the PAGA Settlement with his tax advisor, attorneys, and spouse. Furthermore, nothing in this provision shall be construed as preventing PAGA Counsel from referring to the PAGA Settlement or the Action in support of their adequacy as counsel or to justify an award of attorneys' fees in other cases.
- 10.12 Use and Return of Aggrieved Employee Data. Information provided to PAGA Counsel pursuant to Evidence Code section 1152, and all copies and summaries of the PAGA Data provided to PAGA 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 PAGA Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute or California Rules of Court rule. Not later than 90 days after the Administrator discharges its obligation to pay out of all PAGA Settlement funds, Plaintiff shall destroy all paper and electronic versions of Aggrieved Employee Data received from Defendant unless, prior to the Administrator's payment of all PAGA Settlement Funds, Defendant makes a written request to PAGA Counsel for the return, rather than the destruction, of Aggrieved Employee Data.
- 10.13 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.
- 10.14 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.

10.15 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:

Law Office of Kelly Y. Chen
Attn: Kelly Y. Chen
13200 Crossroads, Parkway North, Suite 475
City of Industry, CA 91746
attorney@kellychenlaw.com

To Defendant:

Fisher & Phillips LLP
Attn: Stephanie Reynolds
4747 Executive Drive, Suite 1000
San Diego, CA 92121
sreynolds@fisherphillips.com

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10.16 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.

10.17 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 Code of Civil Procedure section 583.330 to extend the date to bring a case to trial under Code of Civil Procedure section 583.310 for the entire period of this settlement process.

DATED:

Defendant HC West, LLC

Name: _____

Title: _____

DATED: 03/21/2024



Emilio Castaneda (Mar 21, 2024 08:55 PDT)
Plaintiff Emilio Castaneda

APPROVED AS TO FORM AND CONTENT:

DATED:

Stephanie Reynolds
FISHER & PHILLIPS, LLP
Attorneys for Defendant HC West, LLC

DATED: 3/21/2024

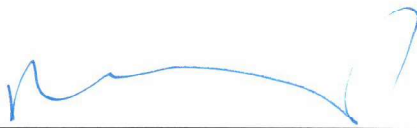


Kelly Y. Chen
LAW OFFICE OF KELLY Y. CHEN
Attorneys for Plaintiff Emilio Castaneda

10.16 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.

10.17 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 Code of Civil Procedure section 583.330 to extend the date to bring a case to trial under Code of Civil Procedure section 583.310 for the entire period of this settlement process.

DATED:



Defendant HC West, LLC

Name: Anthony Ciccone

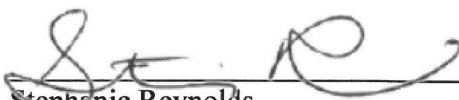
Title: CFO

DATED:

Plaintiff Emilio Castaneda

APPROVED AS TO FORM AND CONTENT:

DATED:



Stephanie Reynolds

FISHER & PHILLIPS, LLP

Attorneys for Defendant HC West, LLC

DATED:

Kelly Y. Chen

LAW OFFICE OF KELLY Y. CHEN

Attorneys for Plaintiff Emilio Castaneda

Exhibit A

NOTICE OF PAGA SETTLEMENT AND RELEASE OF CLAIMS

Emilio Castaneda v. HC West, LLC, et al.
Los Angeles County Superior Court Case No. 22STCV35517

This notice has been approved by the Los Angeles County Superior Court. This is not a solicitation from a lawyer. You are not being sued.

<<Name>>
<<Address>>
<<City>>, <<State>> <<Zip Code>>
XX - XX - _____

I. NOTICE OF PAGA SETTLEMENT

The Los Angeles County Superior Court (the “Court”) has approved a settlement in the above-captioned action filed by Emilio Castaneda (“Plaintiff”) on behalf of himself and all other aggrieved employees.

In this lawsuit, Plaintiff is seeking to recover civil penalties for alleged violations of the California Labor Code on behalf of the California Labor and Workforce Development Agency (“LWDA”) and other aggrieved employees under the California Private Attorneys General Act (the “PAGA”). These civil penalties are based on Plaintiff’s allegations that HC West, LLC failed to provide minimum wages to Aggrieved Employees; failed to provide overtime and double time wages to Aggrieved Employees; failed to provide Aggrieved Employees legally compliant meal and rest periods and, as a result, failed to pay meal and rest period premiums; failed to pay Aggrieved Employees earned wages and all wages during employment; failed to pay Aggrieved Employees earned wages and all wages due at separation; failed to keep and provide accurate itemized wage statements to Aggrieved Employees; and failed to reimburse Aggrieved Employees necessary business-related expenses and costs, and as a result of the foregoing, are liable for civil penalties under PAGA.

The Court has ***not*** made a determination about the merits of Plaintiff’s claims. This Notice is not to be understood as an expression of any opinion by the Court as to the merits of Plaintiff’s claims.

HC West, LLC denies Plaintiff’s allegations. It maintains that it was in compliance with the California Labor Code at all times and enters into this Settlement with no admission of liability and solely for the purposes of compromising and settling the action to avoid the cost and operational burden of continued litigation.

You are receiving this Notice because you are in the group of employees referred to as “Aggrieved Employees,” which is defined as: all persons within the State of California who are or were employed by HC West, LLC in the State of California between September 4, 2021 and November 6, 2023 (“PAGA Period”).

II. INDIVIDUAL PAGA PAYMENT

Each individual PAGA payment was calculated on a pro rata basis (*i.e.*, proportional) based on the number of pay periods worked by each Aggrieved Employee during the PAGA Period. Your individual PAGA payment has been calculated at \$[AMOUNT PAID TO THIS EMPLOYEE]. Your payment is enclosed with this Notice.

III. RELEASE

The Court has approved the Parties' Settlement Agreement ("Settlement"). By operation of the Settlement's terms, all Aggrieved Employees (including you) will release HC West, LLC and each of HC West, LLC's former and present directors, officers, shareholders, owners, employees, attorneys, insurers, predecessors, successors, assigns, subsidiaries, and affiliates ("Released Parties") from all claims for civil penalties that were alleged or could have been alleged in the Operative Complaint under the Labor Code and PAGA (including but not limited to meal period violations and failure to pay premiums; rest period violations and failure to pay premiums; inaccurate wage statements; failure to maintain accurate records; failure to timely pay wages during employment; failure to pay minimum, regular, and overtime wages; failure to pay all sick pay; failure to reimburse; and failure to timely pay final wages) and that arose during the PAGA Period.

Upon entry of the Order approving the Settlement, any Aggrieved Employee covered by this Agreement (including you) is barred from proceeding with any of the PAGA Released Claims released by this Settlement.

IV. SETTLEMENT ADMINISTRATOR

PLEASE DO NOT CALL THE COURT ABOUT THIS NOTICE.

You may call the Settlement Administrator, Simpluris, at 800-779-2104 with any questions.

Settlement checks will be void 180 days after issuance if not deposited or cashed. In such event, the Settlement Administrator shall direct all unclaimed funds to the California State Controller's Office under the unclaimed property laws in the name of the Aggrieved Employee to whom the check was issued. If your check is lost or misplaced, you should contact the Settlement Administrator immediately to request a replacement.