

PAGA SETTLEMENT AGREEMENT

This PAGA Settlement Agreement (hereinafter “Settlement Agreement,” “Settlement,” or “Agreement”) is made and entered into between Plaintiff, Edwin Rendon (“Plaintiff”) for himself and on behalf of the State of California acting in a private attorney general capacity (hereinafter “Plaintiff”) and CSG Enterprises, LLC dba Moviso Academy and Gloria Y. Gonzalez (“Defendants”). Plaintiff and Defendants are collectively referred to herein as the “Parties” and may be individually referred to as a “Party.”

I. DEFINITIONS

The following terms, when used in this Settlement Agreement, shall have the following meanings:

1. “Action” means the matter entitled *Edwin Rendon v. Moviso Academy et. al.*, filed by Plaintiff on October 21, 2022 in the Superior Court of California, County of San Diego and as set forth in Plaintiff’s August 15, 2022 correspondence to the Private Attorneys General Act (“PAGA”) Administrator of the California Labor and Workforce Development Agency (hereinafter “LWDA Letter”).
2. “Administrator” means CAC Services Group, LLC the neutral entity the Parties have agreed to appoint to administer the Settlement.
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.
4. “Aggrieved Employee” means a person employed by CSG Enterprises, LLC dba Moviso Academy (“Moviso Academy”) in California and classified as a non-exempt hourly employee who worked for Moviso Academy during the PAGA Period.
5. “Aggrieved Employee Data” means Aggrieved Employee identifying information in Moviso Academy’s possession including the Aggrieved Employee’s name, last-known mailing address, Social Security number, and number of PAGA Pay Periods.
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.

7. “Defendants” mean CSG Enterprises, LLC dba Moviso Academy and Gloria Y. Gonzalez and their past, present, and future officers, directors, employees, board members, agents (including, without limitation, any investment bankers, accountants, insurers, reinsurers, attorneys and any past, present or future officers, directors and employees), customers, partners, investors, shareholders, members, representatives, parent companies, subsidiaries, affiliates, divisions, predecessors, successors, agents, and principals, and their heirs, estates, executors, administrators, servants, insurers, attorneys, and assigns (collectively, “Released Parties”).

8. “Court” means the Superior Court of California for the County of San Diego.

9. “Effective Date” means the date by when both of the following have occurred: (a) the Court enters a Judgment on its Order Approving the PAGA Settlement and (b) the Judgment is final. The Judgment is final as of the day the Court enters Judgment.

10. “Gross Settlement Amount” means the sum of Twelve Thousand Six Hundred and Ninety-Six Dollars and Zero Cents (\$12,696.00), which represents the maximum total amount payable under this Settlement Agreement by Defendants, including, without limitation, attorneys’ fees, costs, and the recovery by the eligible employees for the PAGA Payment (as defined above). Defendants will not be required to make any payment in excess of the Gross Settlement Amount under any circumstances except that if there is an increase by more than 20% of pay periods beyond the currently stated amount (1,058 pay periods) by the time of the earlier of court approval of the settlement or 60 days from full execution of this Settlement Agreement, then additional payment of \$12 (the equivalent of $\$12,696 / 1,058$) will be added to the Gross Settlement Amount per pay period that is beyond the 20% buffer of 1,058 (thus, per pay period beyond 1,270 pay periods).

11. “Individual PAGA Payment” means the amount to be paid to each of the Participating Aggrieved Employees from the 25% of the PAGA Penalties apportioned to them, such individual share to be based on the number of Pay Periods worked during the PAGA Period.

12. “Individual Settlement Payment” means the amount paid to Plaintiff in exchange for a settlement of his individual claims as provided for in a separately executed Individual Settlement Agreement. The Individual Settlement Payment is in addition to Mr. Rendon’s share of the PAGA Penalties as an Aggrieved Employee.

13. “Judgment” means the judgment entered by the Court based upon the Final Approval.

14. “LWDA” means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i).

15. “LWDA PAGA Payment” means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).

16. “Net Settlement Amount” means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: PAGA Representative Enhancement Payment, PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, and the Administration Expenses Payment. The remainder will constitute the PAGA Penalties, as defined below.

17. “PAGA Counsel” means Pamela Vallero, Esq. and Katherine Dishongh, Esq. of Gruenberg Law, the attorneys representing the Plaintiff in the Action.

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.

19. “PAGA Pay Period” means any Pay Period during which an Aggrieved Employee worked for Moviso Academy for at least one day during the PAGA Period.

20. “PAGA Period” means the period from October 21, 2021 to through the earlier of court approval of the settlement or 60 days from full execution of this Settlement Agreement.

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

22. “PAGA Penalties” means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 25% to the Participating Aggrieved Employees and 75% to LWDA in settlement of PAGA claims.

23. “PAGA Released Claims” with respect to the State of California and the Aggrieved Employees (other than Plaintiff) means penalties related to wage and hour claims, rights, demands, liabilities and causes of action, whether known or unknown, arising during the PAGA Period, that were asserted or could have been asserted in the Action against Defendants based on the facts alleged or ascertained during the pendency of the Action, under federal and state laws, including statutory, or common law claims for wages, penalties, liquidated damages, interest, attorneys' fees, litigation costs, restitution, equitable relief or other relief under Business & Professions Code section 17200, et seq. based on the alleged Labor Code violations, including, without limitations, the following categories: (a) any and all claims involving any alleged failure to pay overtime wages; (b) any and all claims involving any alleged failure to pay minimum wage; (c) any and all claims involving any alleged failure to pay employees for all hours worked, including but not limited to any claim for minimum, straight time, or overtime wages; (d) any and all claims involving any alleged failure to keep accurate records or to issue proper wage statements to employees; (e) any and all claims involving any alleged failure to timely pay wages, including but not limited to any claim that Defendant violated Labor Code sections 201, 202, or 204, and any claim for waiting time penalties under Labor Code section 203; (g) any and all claims involving any alleged failure to provide meal or rest breaks or pay premiums in lieu of breaks; (h) any and all claims involving any alleged failure to reimburse under Labor Code section 2802; and (i) any and all penalties pursuant to the Private Attorneys General Act ("PAGA") of 2004 arising out of any or all of the aforementioned claims. The PAGA Released Claims include all such claims arising under the California Labor Code including, but not limited to, sections 201-203, 226, 226.3, 226.7, 510, 558, 512, 1174, 1174.5, 1175, 1194, 1197, 1197.1, and 2698 *et seq.*, applicable Industrial Welfare Commission Wage Orders and California Code of Regulations, Title 8, section 11000 *et seq.* This release excludes the release of claims not permitted by law. The PAGA Released Claims expressly exclude all PAGA claims outside the PAGA Period.

II. RECITALS

1. Plaintiff is a former employee of Defendant Moviso Academy. Plaintiff was employed by Defendant CSG Enterprises, LLC dba Moviso Academy during the PAGA Period.

2. On August 15, 2022, Plaintiff sent his LWDA Letter asserting claims for civil penalties pursuant to PAGA stemming from Defendants' alleged: Failure to Pay Minimum Wages; Failure to Pay Wages and Overtime; Failure to Provide Meal Periods or Meal Period Premiums; Failure to Provide Rest Periods of Rest Period Premiums; Failure to Reimburse for Necessary Business Expenditures; Failure to Issue Accurate and Itemized Wage Statements; and Waiting Time Penalties for Failure to Pay Wages When Employment Ends.

3. On October 21, 2022, Plaintiff filed a PAGA action lawsuit, *Edwin Rendon v. Moviso Academy et. al.*, Case No. 37-2022-00042482-CU-OE-CTL in San Diego Superior Court asserting claims of (1) Disability Discrimination, (2) Failure to Prevent Discrimination, (3) Retaliation Cal. Gov't Code § 12940(h), (4) Retaliation Cal. Gov't Code § 1102.5, and the following claims under Private Attorney General Act 2004 ("PAGA") (5) PAGA-Minimum Wage Violation, (6) PAGA Overtime, (7) PAGA –Wage Statement Violation, (8) PAGA meal and rest break, (9) PAGA –failure to reimburse 2802, (10) PAGA –Failure to timely pay wages, and (11) PAGA –Failure to pay wages upon separation (the "Action").

4. The Parties engaged informal discovery, exchanging information, documents and reviewing and analyzing extensive data made available by Defendants which enabled the parties to thoroughly evaluate Plaintiff's claims, the claims of the Aggrieved Employees, Defendants' defenses, and the likely outcomes, risks and expense of pursuing litigation.

5. Over several weeks of informal negotiations, the Parties were able to agree to settle the claims.

6. The Parties agree a bona fide dispute exists as to whether any amount of penalties are due from Defendants to any California employees, including Plaintiff, and to the California Labor and Workforce Development Agency ("LWDA") and/or to any allegedly aggrieved employees.

7. Based on the discovery exchanged as well as their own independent investigation and evaluation, the Parties have considered the claims asserted by Plaintiff, the defenses asserted by Defendants, the risks associated with the continued prosecution of the Action, the cost of continued litigation through trial and appeals, and after considering all the circumstances, the Parties have concluded that the proposed settlement set forth in this Agreement is fair, adequate, and reasonable.

8. The Parties intend to fully and finally resolve the PAGA Released Claims as to Plaintiff and the Aggrieved Employees.

9. The Parties further agree that the Agreement, the fact of this Settlement, any of the terms of this Agreement, and any documents filed in connection with the Settlement shall not constitute, or be offered, received, claimed, construed, or deemed as an admission, finding, or evidence of: (i) any wrongdoing by any Released Parties, (ii) any violation of any statute or law by Released Parties, (iii) any liability on the claims or allegations in the Action on the part of any Released Parties, (iv) any waiver of Defendants' right to arbitration or the enforceability of any arbitration agreement, or (v) the propriety of certifying a litigation class or collective (conditionally or otherwise) or pursuing representative relief under the PAGA in the Action or any other civil or administrative proceeding; and this Agreement shall not be used by any person or entity for any purpose whatsoever in any administrative or legal proceeding, including but not limited to arbitrations, other than a proceeding to enforce the terms of the Agreement.

10. Within 30 days of full execution of this Settlement Agreement by all Parties and their counsel, Plaintiff will file the Motion for Approval of the PAGA Settlement, as further addressed herein.

11. The Parties have agreed to fully and finally resolve the PAGA Released Claims as to Plaintiff and the Aggrieved Employees pursuant to this Settlement Agreement and Plaintiff's individual claims as provided for in a separately executed Individual Settlement Agreement.

12. NOW, THEREFORE, IT IS HEREBY CONSENTED TO, AND AGREED, by Plaintiff for himself and on behalf of the State of California and aggrieved employees and by Defendants, that, subject to the approval of the Court and the LWDA, the Action shall be settled, compromised, and dismissed, on the merits and with prejudice, and the Released Claims shall be finally and fully compromised, settled and dismissed as to the Released Parties, in the manner and upon the terms and conditions hereafter set forth in this Agreement.

III. OPERATIVE TERMS OF SETTLEMENT AGREEMENT

The Parties agree as follows:

1. **Non-Admission.** Nothing in this Settlement Agreement shall be construed to be an admission by Plaintiff that the PAGA claims do not have merit or by Defendants of any liability or wrongdoing as to Plaintiff, the Aggrieved Employees, or any other person, and Defendants specifically disclaim any such liability or wrongdoing. The Parties have entered into this Settlement Agreement with the intention to avoid further disputes and litigation with the attendant inconvenience, expenses, and risks. This Settlement Agreement and any related court documents or orders are not and may not be cited or admitted as evidence of liability.

2. **Settlement Amount.** Defendants shall pay the maximum Gross Settlement Amount of Twelve Thousand Six Hundred and Ninety-Six Dollars and Zero Cents (\$12,696.00) in settlement of the Action. The Parties agree to allocate the Gross Settlement Amount as follows:

3. **PAGA Payment:** The PAGA Payment is the total of the Gross Settlement Amount, less the payments for the Attorneys' Fees, Attorneys' Expenses and the Administration Costs, which shall be paid in full settlement of the PAGA Released Claims. The PAGA Payment will be subject to Court approval consistent with Labor Code § 2699. Upon approval, the PAGA Payment shall be distributed as follows:

(i) One Hundred Percent (100%) of the PAGA Payment shall be paid as a Labor Code section 2699 payment with 75% of this amount being paid to the LWDA and 25% being paid to the Participating Aggrieved Employees as their Individual PAGA Payments. Each Individual PAGA Payment shall be based on the number of pay periods each Aggrieved Employee worked during the PAGA Period as a percentage of the total pay periods worked by all Aggrieved Employees during the PAGA Period. This amount shall constitute resolution of all remedies available under Labor Code section 2699, and preclude pursuit by Aggrieved Employees of any PAGA Released Claims.

(ii) The penalty settlement payments will be reported on IRS Form 1099s. The Parties acknowledge and agree that all payments under this Settlement Agreement as PAGA Payments are attributable as penalties. None are attributable as wages. Accordingly, the parties acknowledge and agree that Defendants are not responsible for any employer-side taxes in connection with any PAGA Payments under this Settlement Agreement.

(iii) In the event the Court or LWDA increases the allocation of funds to the PAGA Payment, such increase shall come from the Gross Settlement Amount.

b. **Attorneys' Fees and Costs:** Defendant will not oppose Plaintiff's request for attorneys' fees up to 33.33% of the Gross Settlement Amount and reasonable costs. In the event this award is not approved by the Court, or a lesser amount is approved by the Court, the remainder will be included in the PAGA Payment.

c. **PAGA Administration:** Administrator's fee shall be paid from the Gross Settlement Amount. The Administrator's duties will include, among other things identified in this Agreement, a National Change of Address database search to update stale addresses prior to mailing Individual PAGA Payments and accompanying letters to Aggrieved Employees; calculate the pro rata payment of penalties allocated to the Aggrieved Employees, issue checks and IRS Form 1099's, and report such payments to the proper taxing authorities; format and print the letter accompanying the Individual PAGA Payment check; void Individual PAGA Payment checks after 180 days and transmit funds represented by such uncashed checks as provided for by this Agreement, and declarations as required by the Parties and the Court.

d. **Plaintiff's Service Payment:** Two Hundred and Fifty Dollars and Zero Cents (\$250.00) shall be paid to Plaintiff for resolution of his individual wage and hour claims and as a service award for initiation of and service as a representative of the State of California and of all other Aggrieved Employees.

4. **Representative PAGA Release.** In Plaintiff's capacity as a private attorney general and "aggrieved employee" acting on behalf of Plaintiff's self, the State of California, and the Aggrieved Employees, and in consideration of the PAGA Payment and Plaintiff's Service Payment, Plaintiff hereby releases Defendants and Defendants' past, present and/or future, officers, board members, directors, employees, agents (including, without limitation, any investment bankers, accountants, insurers, reinsurers, attorneys and any past, present or future officers, directors and employees), representatives, attorneys, insurers, customers, partners, investors, shareholders, members, administrators, parent companies, subsidiaries, affiliates,

divisions, predecessors, successors and/or assigns (the Released Parties) from any and all PAGA Released Claims that arose during the PAGA Period. **Additionally, the executed Individual Settlement Agreement provides Plaintiffs' Individual Released Claims.**

5. **Release by State of California and Aggrieved Employees:**

The State of California and all Aggrieved Employees 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 all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the Operative Complaint and the PAGA Notice ("Released Claims").

6. **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 Operative Complaint and the PAGA Period facts stated in the Operative Complaint and the PAGA Notice.

7. **Settled Claims.** Upon entry of the Order approving this settlement, Plaintiff and all Aggrieved Employees will be forever barred from pursuing the PAGA Released Claims against Defendants during the PAGA Period.

8. **Confidentiality.** No Parties nor their counsel shall issue a press release, or hold a press conference about the settlement and should they be asked to comment, shall respond that the Action has been resolved and to look to the Court's file for further information.

9. **No Right to Opt Out or Object.** The Parties agree there is no statutory right for any PAGA Settlement Group Member to object, opt out or otherwise exclude himself or herself from the Settlement. The Parties further agree there is no right or opportunity for any PAGA Settlement Group Member to appeal the approval of the Settlement by the Court.

10. **Waiver of Right to Appeal.** Provided that the Judgment is consistent with the material terms of this Agreement, Plaintiff, Defendants, and their respective counsel hereby waive any and all rights to appeal from the Judgment, including all rights to any post-judgment proceeding and appellate proceeding, such as a motion to vacate judgment, a motion for new trial, and any extraordinary writ, and the Judgment therefore will become non-appealable at the time it is entered. The waiver of appeal does not include any waiver of the right to oppose any appeal, appellate proceedings or post-judgment proceedings. This paragraph does not preclude Plaintiff or Plaintiff's Counsel from appealing from a refusal by the Court to award the Plaintiff's Counsel attorneys' fees and/or costs sought by them. If an appeal is taken, the time for consummating the Settlement (including making payments under the Settlement) will be suspended until such time as their appeal is finally resolved and the Judgment becomes Final, as defined in this Agreement.

11. **Motion for Approval of PAGA Settlement by Plaintiff's Counsel.** The Parties recognize that in accordance with Labor Code Section 2699(I) Court approval is required in the

event of a settlement of a PAGA action on a representative basis. However, as explained in *Arias v. Superior Court* (2009) 46 Cal.4th 969, the Parties are not obligated to follow the class action procedural rules in PAGA cases and therefore need not obtain approval of the PAGA settlement through a motion for preliminary or final approval. Instead, to comply with the requirements of Labor Code Section 2699(l), Plaintiff's Counsel shall file a mutually agreeable Motion for settlement approval ("PAGA Approval Motion"):

- (a) Approving the Settlement and adjudging the terms thereof;
- (b) Approving the PAGA Payment to the LWDA;
- (c) Permanently enjoining all Aggrieved Employees from prosecuting against the Released Parties any and all PAGA Released Claims; and
- (d) Permanently enjoining the Plaintiffs from prosecuting against the Released Parties any and all of the Individual Released Claims.

Defendants or Defendants' Counsel shall not oppose such an motion provided that Plaintiff's Counsel sends a draft of the PAGA Approval Motion to Defendants' Counsel allowing sufficient time (at least seven [7] days) to review and comment. Defendant's Counsel will provide Plaintiff's Counsel with and allow Plaintiff's Counsel to submit to the Court, adequate information related to the released claims to obtain approval of the Settlement. PAGA Approval Motion of the PAGA Settlement requesting that the Court approve the amount of the PAGA Penalties provided for by this Settlement ("PAGA Approval Motion"). Upon filing the motion for settlement approval, Plaintiff will also serve the LWDA with notice of the settlement as required by applicable law. The Parties agree that Plaintiff will submit the Proposed Final Judgment and Order of Final Approval and Dismissal with Prejudice (retaining jurisdiction in the Court to enforce per CCP 664.6) ("Final Order") which will be approved by both counsel for Defendants and for Plaintiff prior to Plaintiff's filing, **in substantially the same format as Exhibit "A" attached hereto.**

12. The proposed PAGA Settlement is contingent upon the approval by the Court. If the Court should fail to approve this Settlement in the form agreed to by the Parties, the Parties agree to coordinate efforts to address the Court's questions or concerns and resubmit the Approval Stipulation or Motion. If, after the Parties are unable to obtain approval of the terms of the Settlement, or (b) the Court's approval of this Settlement is reversed, modified, or declared or rendered void, then (i) this Settlement shall be considered null and void; (ii) neither this Settlement nor any of the related negotiations or proceedings shall be of any force or effect; and (iii) all Parties to this Settlement shall stand in the same position, without prejudice, as if the Settlement had been neither entered into nor filed with the Court. Invalidity of any material portion of this Settlement, except for the amount of attorneys' fees and costs, shall invalidate this Settlement in its entirety unless the Parties shall subsequently agree in writing that the remaining provisions shall remain in full force and effect. The PAGA Approval Motion will request the Court to approve the amount of the PAGA Penalties, dismiss the Operative Complaint with Prejudice, and enter judgment.

13. Within thirty (30) days of the full execution of this Agreement, Plaintiff will file the PAGA Approval Motion, together with the proposed PAGA Group Letter (defined in section

IV. 3. *infra*), and Final Order Approving the PAGA Settlement, but only after Defendants' opportunity for review of all said documents and approval thereof in writing.

14. **Termination of Settlement Agreement.** If the Court does not approve this settlement, or if the Court does not enter judgment as provided for in this Settlement Agreement, or if appellate review is sought and on such review the Court's decision is materially modified or reversed, or if one or more of the terms of the Settlement Agreement are not approved or is materially modified or reversed or found to be invalid, then Defendants shall have the right within twenty-one (21) days of written notice thereof to elect to terminate the Settlement Agreement, in which event it shall have no force or effect, and the Parties shall be deemed to have reverted to their respective status as of the date and time immediately prior to the execution of this Settlement Agreement.

15. **Final Order.** Plaintiff shall submit to the Court a proposed Final Order together with the Joint Motion for Approval of PAGA Settlement mutually agreed to by the Parties. This Settlement Agreement is expressly conditioned upon the Court entering the Final Order in its entirety. Defendant's must review and approve of the Final Order before it is submitted to the Court.

16. **Payment.** Defendant shall tender the Gross Settlement Amount to the Administrator within thirty (30) days of receipt of the signed Final Order and Judgment entered by the Court.

IV. ADMINISTRATION OF SETTLEMENT

1. Following Court approval of the PAGA Settlement, Administrator, will administer the PAGA Settlement and distribute the Gross Settlement Amount as provided for by this Agreement.

2. The PAGA Payment will be allocated as provided by Labor Code §2699(i), with 75% paid to the LWDA, and 25% distributed to Participating Aggrieved Employees on a proportionate basis, based upon the number of Pay Periods each worked during the PAGA Period.

3. Within thirty (30) days of receipt of Gross Settlement Amount the Administrator will issue to the Participating Aggrieved Employees, their Individual PAGA Payment together with a letter explaining the Individual PAGA Payment ("PAGA Group Letter") which is in a form substantially similar to **Exhibit "B"** which will be approved by both counsel for Defendant and for Plaintiff. The Individual PAGA Payment and letter will be mailed to the Aggrieved Employees' last-known home address or as updated by the Administrator following the NCOA database search. Individual PAGA Settlement checks will remain active for one hundred and eighty (180) days. Any check returned as non-deliverable on or before the cashing deadline will be sent promptly via regular First-Class U.S. Mail to the forwarding address affixed thereto. Funds represented by settlement checks returned as undeliverable and those settlement checks remaining uncashed for more than one hundred and eighty (180) days after issuance will be tendered to the State of California Controller Unclaimed Property Fund ("UPF") for further handling on behalf of the Aggrieved Employees. The Individual PAGA Payments shall be deemed penalties and shall be reported using IRS tax form 1099.

4. After the distribution of the Individual PAGA Payment, the balance of the Gross Settlement Amount shall be paid as follows:

5. Within fourteen (14) calendar days of the distribution of the Individual PAGA Payment, the Administrator will pay Plaintiff's counsel the attorneys' fees and costs in the amounts set forth in paragraph III.2(b) above to the extent it is approved by the Court.

6. Within fourteen (14) calendar days of the distribution of the Individual PAGA Payment, the Administrator shall pay the LWDA its share of the PAGA Payment.

7. Following distribution of the Gross Settlement Amount, the Administrator will provide a declaration to the Parties regarding the distribution to be filed with the Court.

8. Defendants make no representations or warranties with respect to tax consequences of any payment under this Settlement Agreement.

V. MISCELLANEOUS PROVISIONS

1. **Drafting.** The Parties agree that the terms and conditions of this Settlement Agreement are the result of lengthy, intensive, arm's-length negotiations between the Parties and that neither Party shall be considered the "drafter" of this Settlement Agreement for purposes of having terms construed against that Party.

2. **Successors.** This Settlement Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective heirs, trustees, executors, administrators and successors.

3. **Costs and Fees.** The Parties shall each bear their own costs, attorneys' fees, mediator fees, and other fees incurred in connection with this Agreement and in connection with the Action and Plaintiff's claims, except as otherwise set forth specifically herein and in the separately executed Individual Settlement Agreement.

4. **Authority.** Defendants represent and warrant that the undersigned has the authority to act on behalf of Defendants and to bind Defendants to the terms of this Agreement. Plaintiff and his counsel represent and warrant that Plaintiff has the capacity to act on behalf of the State of California as a private attorney general under PAGA to bind them to the terms and conditions of this Agreement.

5. **Governing Law.** This Agreement shall be construed under and governed by the laws of the State of California. This Agreement shall be deemed to have been entered into in San Diego, California and all questions of validity, interpretation or performance of any of its terms or of any rights or obligations of the Parties to this Agreement shall be governed by California law. If any legal or equitable action or arbitration is necessary to enforce the terms of this Agreement, it shall be brought in the State of California, County of San Diego.

6. **Complete Agreement.** The Parties each acknowledge and represent that no promise or representation not contained in this Settlement Agreement has been made to them and acknowledge and represent that this Settlement Agreement contains the entire understanding between them and contains all terms and conditions pertaining to the compromise and settlement

of the claims. This Settlement Agreement cannot be amended or modified except by a writing signed by the Parties hereto.

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

8. **Judgment and Continued Jurisdiction.** After approval of this settlement, the Court will have continuing jurisdiction solely for purposes of addressing: (i) the interpretation and enforcement of the terms of the Settlement, (ii) settlement administration matters, and (iii) matters as may be appropriate under court rules or as set forth in this Settlement.

9. **Entire Agreement.** This Settlement Agreement constitutes the entirety of the Parties' settlement terms. No other prior or contemporaneous written or oral agreements may be deemed binding on the Parties.

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

11. **Authorization to Enter Into Settlement Agreement.** Counsel for all Parties warrant and represent they are expressly authorized by the Parties whom they represent to negotiate this Settlement Agreement and to take all appropriate action required or permitted to be taken by such Parties pursuant to this Settlement Agreement to effectuate its terms and to execute any other documents required to effectuate the terms of this Settlement Agreement. The Parties and their counsel will cooperate with each other and use their best efforts to effect the implementation of the Settlement. If the Parties are unable to reach agreement on the form or content of any document needed to implement the Settlement, or on any supplemental provisions that may become necessary to effectuate the terms of this Settlement, the Parties may seek the assistance of the Court to resolve such disagreement.

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

13. **California Law Governs.** All terms of this Settlement Agreement and Exhibits hereto will be governed by and interpreted according to the laws of the State of California.

14. **Execution and Counterparts.** This Settlement Agreement is subject only to the execution of all Parties. However, the Settlement Agreement may be executed in one or more counterparts. All executed counterparts and each of them, including facsimile and scanned copies of the signature page, will be deemed to be one and the same instrument provided that counsel for the Parties will exchange among themselves original signed counterparts.

15. **Acknowledgement that the Settlement is Fair and Reasonable.** The Parties believe this Settlement Agreement is a fair, adequate, and reasonable settlement of the Action and have arrived at this Settlement after arm's-length negotiations by experienced counsel. The Parties further acknowledge that they are each represented by competent counsel and that they have had

an opportunity to consult with their counsel regarding the fairness and reasonableness of this Settlement.

16. **Invalidity of Any Provision.** Before declaring any provision of this Settlement Agreement invalid, the Court will first attempt to construe the provision as valid to the fullest extent possible consistent with applicable precedents so as to define all provisions of this Settlement Agreement valid and enforceable.

17. **Severability.** If any term or provision of this Agreement is held to be invalid or unenforceable, the remaining portions of this Agreement will continue to be valid and will be performed, construed, and enforced to the fullest extent permitted by law, and the invalid or unenforceable term will be deemed amended and limited in accordance with the intent of the Parties, as determined from the face of the Agreement, to the extent necessary to permit the maximum enforceability or validation of the term or provision.

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

19. **Taxes.** The Parties make no representation as to the tax treatment or legal effect of the payments called for hereunder, and the Plaintiff and the Participating Aggrieved Employees are not relying on any statement, representation, or calculation by any of the Parties or by the Settlement Administrator in this regard. Plaintiff and the Participating Aggrieved Employees understand and agree that they will be solely responsible for the payment of any taxes and penalties assessed on the payments described herein and will hold Plaintiff, Plaintiff's Counsel, Defendants, Defendants' counsel and the Released Parties free and harmless from and against any claims resulting from the tax treatment of payments under this Agreement. Plaintiff and Participating Aggrieved Employees acknowledge and agree that no provision of this Settlement, and no written communication or disclosure between or among the Parties or their attorneys and other advisers, is or was intended to be, nor will any such communication or disclosure constitute or be construed or be relied upon as, tax advice within the meaning of United States Treasury Department Circular 230 (31 C.F.R. Part 10, as amended).

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

21. **Mutual Preparation.** The Parties have had a full opportunity to negotiate the terms and conditions of this Settlement Agreement. Accordingly, this Settlement Agreement will not be construed more strictly against one party merely by virtue of the fact that it may have been prepared by counsel for one of the Parties, it being recognized that, because of the arm's-length negotiations between the Parties, all Parties have contributed to the preparation of this Settlement Agreement.

22. **Representation By Counsel.** The Parties acknowledge that they have been represented by counsel throughout all negotiations that preceded the execution of this Settlement

Agreement, and that this Settlement Agreement has been executed with the consent and advice of counsel, and reviewed in full.

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

24. **Integration.** This Settlement contains the entire agreement between the Parties relating to the resolution of the PAGA claim. The Parties separately executed an Individual Settlement as to Plaintiff's individual claims against Defendants. Except for this individual settlement agreement, all prior or contemporaneous agreements, understandings, representations, and statements, whether oral or written and whether by a Party or such Party's legal counsel, are merged in this Stipulation.

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

26. **Denial of Liability.** The Parties expressly recognize that the making of this agreement does not in any way constitute an admission or concession of wrongdoing on the part of Defendants. Nothing in this Settlement, nor any action taken in implementation thereof, nor any statements, discussions or communications, nor any materials prepared, exchanged, issued or used during the course of this Action, is intended by the Parties to, nor will any of the foregoing constitute, be introduced, be used or be admissible in any way in any other judicial, arbitral, administrative, investigative or other forum or proceeding, as evidence of any violation of any federal, state, or local law, statute, ordinance, regulation, rule or executive order, or any obligation or duty at law or in equity. Notwithstanding the foregoing, this agreement may be used in any proceeding in the Court that has as its purpose the interpretation, implementation, or enforcement of the Settlement or any orders or judgments of the Court entered into in connection therewith.

27. **Authorization and Voluntary Agreement**

Each of the Parties represents and warrants that (a) they are fully authorized to enter into this Agreement; (b) they have read and fully understand each of the provisions of this Agreement; (c) they have had the opportunity to rely, and/or have relied, upon the advice and representation of their legal counsel of their own choosing in entering into this Agreement; (d) they have signed the Agreement voluntarily, without any duress or undue influence on the part, or on behalf, of any Party; and (e) the terms of this Agreement are contractual and not merely recitals. **Plaintiff hereby is advised not to sign this Agreement before consulting with legal counsel.**

IN WITNESS THEREOF, the Parties each acknowledge that she/he/it has read the foregoing Settlement Agreement, accepts and agrees to the provisions contained in this Settlement Agreement and hereby executes it voluntarily and with full understanding of its consequences.

PLAINTIFF:

Dated: ^{4/4/2023}_____, 2023

By: 
ID cRk41BvwMqUAXdJC1UFEur7e
EDWIN RENDON

PLAINTIFF'S COUNSEL (AS TO FORM ONLY):

Dated: April 05, 2023

By: 
Pamela Vallerio, Esq.
Katherine Dishongh, Esq.
GRUENBERG LAW

DEFENDANTS:

Dated: _____, 2023

By: _____
GLORIA Y. GONZALEZ

Dated: _____, 2023

By: _____
Gloria Y. Gonzalez
CSG Enterprises, LLC dba Moviso Academy

DEFENDANTS' COUNSEL (AS TO FORM ONLY):

Dated: _____, 2023

By: _____
Tatiana Dupuy

PLAINTIFF:

Dated: _____, 2023

By: _____
EDWIN RENDON

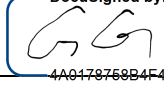
PLAINTIFF'S COUNSEL (AS TO FORM ONLY):

Dated: _____, 2023

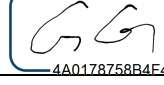
By: _____
Pamela Vallero, Esq.
Katherine Dishongh, Esq.
GRUENBERG LAW

DEFENDANTS:

April 3, 2023 | 1:51 PM PDT
Dated: _____, 2023

DocuSigned by:

4A0178758B4F4D9...
GLORIA Y. GONZALEZ

April 3, 2023 | 1:51 PM PDT
Dated: _____, 2023

DocuSigned by:

4A0178758B4F4D9...
Gloria Y. Gonzalez
CSG Enterprises, LLC dba Moviso Academy

DEFENDANTS' COUNSEL (AS TO FORM ONLY):

Dated: April 4, 2023

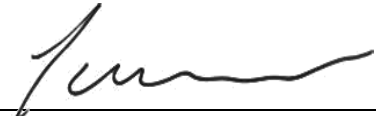
By: 
Tatiana Dupuy

EXHIBIT A

Plaintiff Edwin Rendon's ("Plaintiff") Motion for Approval of PAGA Settlement was heard by the Court on [REDACTED]. The Court having reviewed the Motion for Approval of PAGA Settlement, the PAGA Settlement Agreement and Release (Settlement Agreement") attached as Exhibit A to the Declaration of [REDACTED] filed with Plaintiff's motion, the papers, the arguments of counsel, and other evidence and matters presented, and good cause appearing:

IT IS HEREBY ORDERED, ADJUDGED and DECREED that the Plaintiffs Motion for Approval of PAGA Settlement is GRANTED, subject to the following findings and orders:

1. All terms used herein shall have the same meaning as defined in the Settlement Agreement.
2. The Court here by approves the terms set forth in the Settlement Agreement for the settlement of PAGA claims in accordance with Labor Code section 2699(1)(2), and find that agreement is in all respects, fair, adequate, and reasonable and directs the parties to effectuate the PAGA settlement, according to the term set forth in the Settlement Agreement.
3. The Settlement Agreement is not an admission by Defendants or by any release party, nor is this order a finding of the validity of any allegations, or have any wrongdoing by Defendants, or at any other released parties. Neither this order, or the Settlement Agreement, nor any document refer to hearing, nor any action taken to carry out the Settlement Agreement, may be construed as, or may be used as, admission of fault, wrongdoing, omission, concession, or liability whatsoever by or against Defendants, or any of the release parties.

4. The Court authorizes the Settlement Administrator to calculate and pay the Individual PAGA Payments, in accordance with the terms of the Settlement Agreement
5. The Court awards CAC Services Group, LLC, the Settlement Administrator in this Actions its fees and costs in the amount of \$1,630 to be paid from the Gross Settlement Amount.
6. The Court awards Plaintiff Edwin Rendon a two-hundred and fifty dollar (\$250) incentive award to be paid from the Gross Settlement Amount.
7. The Court approves the allocations and payment of Twelve Thousand Six Hundred and Ninety-Six Dollars (\$12,696) for the compromise of claims brought under PAGA, to be paid in accordance with the terms of the Settlement Agreement.
8. Under the terms of the Settlement Agreement, 75% of the PAGA Payment will be paid to the State of California Labor and Workforce Development Agency ("LWDA Payment"); the remaining amount of the PAGA Payment shall be distributed to the Aggrieved Employees in accordance with the terms of the settlement Agreement.
9. Checks for Aggrieved Employee Individual PAGA Payments sent to Aggrieved Employees shall be valid for 180 days after issuance. Funds remaining from any checks for any Individual PAGA Payments uncashed after 180 days will be disbursed to the California State Controllers' Office Unclaimed Property Fund.
10. The Court Approves reasonable attorneys' fees in the amount of \$4,232 to Plaintiff's counsel in the Action.
11. The Court approves reasonable costs in the amount of \$760 to Plaintiff's counsel in the Action.
12. Fees in the amount of \$4,232 and Costs in the amount of \$1,000 for a total of \$5,232
13. The Court further orders, a judges, and agrees that the Plaintiff and the PAGA Settlement Members have released in forever discharge the release parties from and regarding the release claims for the PAGA Period, pursuant to the Settlement Agreement.

14. This Final Judgment is entered, pursuant to the Settlement Agreement, and as intended to Effectuate the settlement more fully described in a Settlement Agreement, and
15. This Court maintains jurisdiction to adjudicate any matters related to this Order and Judgment and the Agreement.

IT IS SO ORDERED ADJUDGED AND DECREED.

The Clerk of the Court is hereby ordered to enter this Judgement

Date_____

By_____

EXHIBIT B

<<Mailing Date>>

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

Re: Individual PAGA Payment from *Edwin Rendon v. Moviso Academy et. al.*
San Diego County Superior Court, Case No. CV-21-004716

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 *Edwin Rendon v. Moviso Academy et. al.*, Case No. 37-2022-00042482-CU-OE-CTL (“Action”), pending in the Superior Court of California for the County of San Diego (“Court”).

The lawsuit was filed by Edwin Rendon (“Plaintiff”), a former employee of Moviso Academy (“Defendant”), on behalf of the State of California with respect to himself 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 and Industrial Welfare Commission Wage Orders by failing to properly pay all overtime wages, provide lawful meal periods or compensation in lieu thereof, authorize or permit lawful rest breaks or provide compensation in lieu thereof, provide accurate itemized wage statements, and timely pay all wages during employment and 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 Defendants, on behalf of Plaintiff, the State of California, and the following Aggrieved Employees: persons employed by Moviso Academy in California and classified as a non-exempt hourly employee who worked for Moviso Academy at any time from October 21, 2021 to ____.

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. You are receiving a portion of the settlement (the enclosed Individual PAGA Payment) because you have been identified as an Aggrieved Employee. Your Individual PAGA Payment is based on the total number of pay periods that you worked as a PAGA Employee during the period between October 21, 2021 to _____. (“PAGA Period”). The Individual Settlement Check 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 are deemed to fully release and forever discharge the Released Parties from the Released Claims. The “Released Parties” means Moviso Academy and each of its

former and present directors, officers, shareholders, owners (expressly including Gloria Y. Gonzales and CSG Enterprises, LLC), members, attorneys, insurers, predecessors, successors, assigns, subsidiaries, and affiliates. The “Released Claims” means and refers to all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the Operative Complaint and the PAGA Notice, from October 21, 2021 to _____, including for the failure to properly pay overtime wages, provide lawful meal periods or compensation in lieu thereof, authorize or permit lawful rest breaks or provide compensation in lieu thereof, provide wages for all time work, provide reimbursement for business expenses, provide accurate itemized wage statements, and timely pay all wages during employment and upon separation of employment.

Your 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 the name of the PAGA Employee whose check is voided.

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>>.

eSignature Details

Signer ID:	cRk41BvwMqUAXDjC1UFEur7e
Signed by:	Edwin Rendon
Sent to email:	syedwinds@gmail.com
IP Address:	201.171.70.115
Signed at:	Apr 4 2023, 1:18 pm PDT