

**PRIVATE ATTORNEYS GENERAL ACT SETTLEMENT**  
**AGREEMENT AND RELEASE**

This Private Attorneys General Act Settlement Agreement and Release (“Agreement”) is made by and between Jesus Salazar (“Plaintiff”), on behalf of himself, on behalf of the PAGA Employees (as defined below), and as a proxy/agent for the California Labor Workforce Development Agency (“LWDA”), and Defendant Westcott Enterprises, Inc. (“Defendant”), to resolve the PAGA Action and Released Claims, subject to the terms and conditions hereof and the approval of the Court. Plaintiff and Defendant are collectively referred to herein as the “Parties” and each may be individually referred to as a “Party.”

**I. REPRESENTATIONS AND DEFINITIONS**

1. “Agreement” or “Settlement” means the arm’s-length settlement agreement reached between the Parties as set forth in this Private Attorneys General Act Settlement Agreement and Release, and the terms, conditions and requirements set forth herein, including any exhibit(s) attached hereto.

2. “Action” or “PAGA Action” means and refers to: the Complaint filed on December 6, 2022, entitled *Jesus Salazar v. Westcott Enterprises, Inc. et al.*, Case No. 37-2022-00048854, alleging a single cause of action under the Private Attorneys General Act, Cal. Lab. Code § 2698 *et seq.* based on alleged violations of the Labor Code and Wage Orders.

3. “Counsel for Defendant” means and refers to Amy L. Lessa and Nicole E. Myrmo of Fisher & Phillips LLP.

4. “Court” means and refers to the Superior Court of California for the County of San Diego. Court shall also mean any other Court that acquires proper jurisdiction of this Action.

5. “Defendant” means and refers to Westcott Enterprises, Inc.

6. “Effective Date” means and refers to the date on which the Court has signed and entered the Approval Order approving the Settlement.

7. “LWDA” means and refers to the California Labor and Workforce Development Agency.

8. “PAGA” means and refers to the Labor Code Private Attorneys General Act of 2004, codified at California Labor Code § 2698, *et seq.*

9. “PAGA Employees” or singularly “PAGA Employee” means and refers to Plaintiff

and all former non-exempt employees who worked for Westcott Enterprises, Inc. within the State of California during the PAGA Period.

10. “PAGA Period” means the time period from October 2, 2021 through the Effective Date of this Settlement, or the Alternate End Date, if applicable pursuant to Section V. 11. below.

11. “Parties” means and refers to, collectively, Plaintiff and Defendant, and “Party” means and refers to Parties individually.

12. “Pay Periods” means and refers to the total number of pay periods that each PAGA Employee worked as a non-exempt employee for Defendant during the PAGA Period.

13. The “Pay Period Estimate” as of August 3, 2023, is 1,716 cumulative pay periods for an estimated 89 non-exempt employees.

14. “Plaintiff” means Jesus Salazar.

15. “Plaintiff’s Counsel” means and refers to Nicholas J. Ferraro and Lauren N. Vega of Ferraro Vega Employment Lawyers, Inc.

16. “Released Claims” or “PAGA Claims” means and refers to all causes of action and claims for civil penalties under the PAGA, California Labor Code § 2698, *et seq.*, that were alleged in the Action, in Plaintiff’s LWDA Notice, or reasonably could have been alleged in the Action or LWDA Notice based on the facts and legal theories contained therein, arising during the PAGA Period, including claims for civil penalties based on the following: unpaid hours worked, unpaid minimum wage, unpaid overtime, unpaid paid sick leave, failure to provide meal periods, unpaid meal period premium wages, failure to provide rest periods, unpaid rest period premium wages, untimely payment of wages during employment, untimely payment of wages upon separation of employment, non-compliant wage statements, failure to provide employee records, failure to maintain accurate records, and for violations of and/or based on California Labor Code §§ 201, 202, 203, 204, 204b, 210, 226, 226.3, 226.7, 246, 246.5, 247, 247.5, 248, 248.1, 248.2, 248.3, 248.5, 256, 432, 510, 512, 516, 558, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 1198.5, 1199, and/or IWC Wage Orders.

17. “Released Parties” means and refers to Defendant Westcott Enterprises, Inc., its former, present and future owners, predecessors, parent companies, subsidiaries, investors, affiliates, divisions, and all of their current, former and future officers, directors, members, managers, employees, consultants, partners, shareholders, joint ventures, agents, successors, assigns, accountants, insurers, attorneys, benefit plan administrators, and representatives.

18. “Settlement Administrator” means and refers to Phoenix Settlement Administrators.

## II. TERMS OF SETTLEMENT

1. In consideration of the mutual covenants, promises and representations set forth in this Agreement, Plaintiff, on behalf of himself, the State of California, and all PAGA Employees, and Defendant agree to settle and compromise the Action and the Released Claims.

2. The Gross Settlement Amount. As consideration for the settlement described herein and the release provided herein, Defendant agrees to pay the all-inclusive total amount of Seventy-Two Thousand Dollars and Zero Cents (\$72,000.00) (“Gross Settlement Amount”). Defendant shall fund the Gross Settlement Amount as set forth herein, at section V.2. The Gross Settlement Amount will comprise the following payments, which Plaintiff will seek approval of from the Court, in conformity with this Agreement:

- a. Payment to the Settlement Administrator in the amount of up to Two Thousand Seven Hundred Fifty Dollars and Zero Cents (\$2,750.00) (“Settlement Administration Costs”);
- b. Payment to Plaintiff Jesus Salazar in the amount of Five Thousand Dollars and Zero Cents (\$5,000.00) for his general release of all claims made in connection with this Agreement and for his service as the named plaintiff and PAGA representative in this case (“Representative Award”);
- c. Payment of Plaintiff’s Counsel’s attorneys’ fees in the amount of up to Twenty-Four Thousand Dollars and Zero Cents (\$24,000.00), which represents 33.33% of the Gross Settlement Amount payable to Counsel for Plaintiff;
- d. Payment of Plaintiff’s Counsel’s litigation costs and expenses in an amount of up to Nine Thousand and Five Hundred Dollars and Zero Cents (\$9,500.00), payable to Counsel for Plaintiff;
- e. The PAGA Penalties to be paid to the LWDA and PAGA Employees, as set forth herein.

3. Allocation and Calculation of the PAGA Penalties. The net amount available for distribution to the LWDA and PAGA Employees (“PAGA Penalties”) is the Gross Settlement Amount less the Payment of Attorneys’ Fees and Costs to Plaintiff’s Counsel and the Settlement

Administration Costs to the Settlement Administrator. Seventy Five Percent (75%) of the PAGA Penalties will be paid to the LWDA (“LWDA Payment”), and Twenty Five Percent (25%) of the PAGA Penalties will be paid to the PAGA Employees (“Employee Amount”), as required by California Labor Code § 2699(i).

4. Allocation and Calculation of the Individual Settlement Payments. Each PAGA Employee will receive a *pro rata* portion of the Employee Amount, determined based on the pay periods that he or he worked for Defendant in the State of California during the PAGA Period, to be calculated as follows: the Employee Amount will be divided by the total number of Pay Periods worked by all PAGA Employees during the PAGA Period to yield the “Per Pay Period Amount,” and then each PAGA Employee’s individual number of Pay Periods will be multiplied by the Per Pay Period Amount to yield his or his “Individual Settlement Payment.” Individual Settlement Payments shall be paid to PAGA Employees by way of a single check to each PAGA Employee (“Individual Settlement Check”).

5. Tax Treatment of Individual Settlement Payments to PAGA Employees. The Parties agree that Individual Settlement Payments sent to PAGA Employees will be characterized One Hundred Percent (100%) as penalties for which Form 1099s will be issued. Nothing in this Agreement is intended to constitute legal advice regarding federal, state, and/or local tax obligations. Plaintiff and PAGA Employees shall be deemed to acknowledge that they have not obtained any tax advice from Defendant, Counsel for Defendant, or Plaintiff’s Counsel, and that neither Defendant, Counsel for Defendant, nor Plaintiff’s Counsel have made any representation concerning the tax consequences, if any, of any payments made pursuant to this Agreement. To the extent this Agreement or its exhibit(s) are interpreted to contain or constitute advice regarding any U.S. or Federal tax issue, such advice is not intended or written to be used, and cannot be used, by any person for the purpose of avoiding penalties under the Internal Revenue Code.

6. Plaintiff’s Counsel’s Attorneys’ Fees and Costs. Payment of Attorneys’ Fees and Costs will be reflected in a Form 1099 to Plaintiff’s Counsel who shall assume full responsibility and liability for the payment of taxes due on such payments. Should the Court approve a lesser amount, the difference shall be a part of the PAGA Penalties to be distributed to the LWDA and PAGA Employees as described above.

7. No Effect on Employee Benefits. The payments made to Plaintiff and other PAGA Employees pursuant to this Agreement are not intended to count as earnings by Plaintiff or the PAGA Employees, and will not entitle Plaintiff or the PAGA Employees to any additional compensation and/or benefits under any retirement, benefit, bonus, incentive, pension, welfare, and/or any other plan of or sponsored by Defendant. Defendant shall not make as part of this Agreement, nor be required to make, any deductions, nor pay any monthly contributions for any

insurance, retirement, bonuses, 403(b), or profit-sharing plans related to monies paid as a result of this Agreement. The Individual Settlement Payments paid to PAGA Employees shall not have any effect on the eligibility for, or calculation of, any of the employee benefits (e.g. bonuses, vacation, holiday pay, retirement plans, etc.) of PAGA Employees. The Parties agree that any Individual Settlement Payment paid to PAGA Employees under the terms of this Agreement do not represent any modification of PAGA Employees' previously credited hours of service or other eligibility criteria under an employee benefit plan sponsored by Defendant. Further, any Individual Settlement Payments are penalties and thus shall not be considered "compensation" in any year for purposes of determining eligibility for, or benefit accrual within, and employee benefit plan or bonus plan sponsored by Defendant.

### **III. RELEASE OF CLAIMS**

1. Release by Plaintiff, the State of California, and PAGA Employees. Upon the Effective Date, Plaintiff, the State of California, and each PAGA Employee, shall fully release and forever discharge Released Parties from the Released Claims during the PAGA Period.

2. Individual General Release by Plaintiff. Upon the Effective Date of this Agreement, and except as to the right to enforce the terms and conditions of this Agreement, Plaintiff releases the Released Parties from any and all charges, complaints, claims, causes of action, demands, disputes, damages, business expenses, attorneys' fees, costs, losses, and liabilities of any kind or nature whatsoever, known or unknown, suspected or unsuspected, asserted or unasserted, which Plaintiff, at any time had, claimed to have, or Plaintiff may have, including but not limited to any and all claims arising out of, relating to, or resulting from his employment with and separation of employment with Released Parties, including any claims arising under any federal, state, or local law relating to employment, including, but in no way limited to: any claim under Title VII of the Civil Rights Act of 1964, as amended, 42 U.S.C. § 1981; the Americans with Disabilities Act; the Family and Medical Leave Act; the Employee Retirement Income Security Act; the California Family Rights Act; the California Fair Employment and Housing Act; all claims for wages or penalties under the Fair Labor Standards Act; all claims for wages or penalties under the California Labor Code; Business and Professions Code §§ 17200 *et seq.*; all laws relating to violation of public policy, retaliation, or interference with legal rights; any and all other employment or discrimination laws; whistleblower claims; any tort, fraud, or constitutional claims; and any breach of contract claims or claims of promissory estoppel. It is agreed that this is a general release and is to be broadly construed as a release of all claims, provided that, notwithstanding the foregoing, this paragraph expressly does not include a release of any claims that cannot be released hereunder by law. Nothing in this Agreement prohibits Plaintiff from filing a charge or complaint or communicating with a government agency where, as a matter of law,

Defendant may not restrict Plaintiff's ability to do so. However, Plaintiff hereby waives his right to any monetary benefits or recovery in connection with any such claim, charge or proceeding, except this Agreement does not limit Plaintiff's right to receive an award for information provided to any government agencies. Nothing in this Agreement waives Plaintiff's right to testify or prohibits him from testifying in an administrative, legislative or judicial proceeding concerning alleged criminal conduct or alleged sexual harassment when he has been required or requested to attend the proceeding pursuant to court order, subpoena or written request from an administrative agency or the California state legislature. Plaintiff understands and expressly agrees that this Agreement extends to any and all claims that he has against Released Parties, of whatever nature and kind, known or unknown, suspected or unsuspected, vested or contingent, past, present or future, arising from or attributable to an incident or event, occurring in whole or in part, on or before the Effective Date of this Agreement. Any and all rights granted under any state or federal law or regulation limiting the effect of this Settlement Agreement, including the provisions of section 1542 of the California Civil Code, are hereby expressly waived by Plaintiff. Section 1542 of the Civil Code reads as follows: 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.

#### **IV. DUTIES OF THE PARTIES PRIOR TO COURT APPROVAL**

1. Settlement Approval by Court. The Parties recognize that Court approval is required in the event of any settlement of a PAGA action, in accordance with California Labor Code § 2699(l)(2), and that a judgment with respect to the PAGA Action is binding with respect to non-party aggrieved employees upon Court approval, pursuant to California Labor Code § 2699(l) and *Arias v. Superior Ct.* (2009) 46 Cal.4th 969. Parties further recognize that the Settlement of the PAGA Action is not subject to class action procedural rules, and that PAGA Employees do not have the right to opt-out of or otherwise exclude themselves from the Settlement, or object to the Settlement, and upon approval of the Settlement by the Court and funding of the Settlement, all PAGA Employees will have released the Released Parties of and for the Released Claims, and PAGA Employees will be entitled to receive payment, in conformity with the Settlement. In order to comply with the requirements of California Labor Code § 2699, promptly upon execution of this Agreement, Plaintiff's Counsel shall prepare, file and serve a proposed Stipulation and Order (or motion if necessary) requesting that the Court approve the Settlement, including and not limited to the PAGA Penalties, Attorneys' Fees and Costs, Representative Award, and Settlement Administration Costs, and apply to the Court for the entry of an order approving the Settlement and all of the requested payments and entering judgment ("Approval

Order and Judgment”). The stipulation shall advocate that the penalties are fair, adequate, and reasonable, which will draw no opposition from Defendant or Defense Counsel. Before Plaintiff applies to the Court for approval of the Settlement, Plaintiff’s Counsel shall submit the Agreement to the LWDA in conformity with California Labor Code § 2699(1)(2).

2. With Plaintiff’s Joint Stipulation and/or motion for approval of Settlement, Plaintiff shall submit a proposed Approval Order which shall seek approval of this Settlement and the terms herein. Upon entry of the Approval Order by the Court, Plaintiff’s Counsel shall submit the Approval Order to the LWDA in conformity with California Labor Code § 2699(1)(2).

## **V. ADMINISTRATION OF THE SETTLEMENT**

1. PAGA Employee List. Defendant shall compile a list containing the following information regarding each of the PAGA Employees: (1) full name; (2) last known mailing address; (3) Social Security or tax identification number; (4) dates of employment; and (5) the total number of pay periods he or he worked during the PAGA Period (the “PAGA Employee List”). The PAGA Employee List will be provided to the Settlement Administrator within ten (10) court days after the Court has signed and entered the Approval Order and Judgment. This information shall be treated as and remain confidential and shall be used solely to manage the notice and payment process described herein, shall not be disclosed to anyone other than the Settlement Administrator, except to applicable taxing authorities, or pursuant to express written authorization of Defendant, the individual in question, or by order of the Court.

2. Funding of Settlement. Defendant shall fund the Gross Settlement Amount by way of electronic transfer to the account to be established by the Settlement Administrator for purposes of administration of the Settlement (“Settlement Administration Account”) within fifteen (15) court days after the Effective Date.

3. Payments to LWDA, Plaintiff’s Counsel, Plaintiff, and Settlement Administrator. Within ten (10) business days after receiving the PAGA Employee List and the Gross Settlement Amount, the Settlement Administrator shall pay the Court-approved LWDA Payment to the LWDA, Plaintiff’s Counsel’s Attorneys’ Fees and Costs, and Settlement Administration Costs to itself.

4. Employee Notices and Payments to PAGA Employees. Within fifteen (15) business days after receiving the PAGA Employee List and the Gross Settlement Amount, the Settlement Administrator shall mail via U.S. First Class mail to each PAGA Employee his or his Individual Settlement Check at the last known address in the PAGA Employee List or a more updated address from the National Change of Address Database. A notice letter explaining why

the check is being sent (“Employee Notice”), 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 PAGA Employee’s Individual Settlement Check. Together, an Individual Settlement Check that is mailed to a PAGA Employee with the Employee Notice is referred to as a “Payment Packet.” Prior to mailing the Payment Packets, the Settlement Administrator shall check the addresses provided using the National Change of Address database. Should any of the Payment Packets be returned as undeliverable, the Settlement Administrator will have ten (10) business days after it receives the returned undeliverable mail to search for a more current address for the PAGA Employee (via a skip trace or other reasonable method) and to re-mail the Payment Packet to the traced address.

5. Within twenty (20) calendar days of distributing the Gross Settlement Fund, the Settlement Administrator shall provide to Plaintiff’s and Defendant’s Counsel written confirmation verifying that it effected disbursement of the Gross Settlement Fund pursuant to the terms of this Agreement.

6. Expiration of Settlement Checks. All Individual Settlement Checks will expire one hundred and eighty (180) calendar days after the initial mailing of the original Payment Packets to the PAGA Employees, and thereafter, shall be cancelled. If any funds remain in the Settlement Administration Account as a result of cancelled Individual Settlement Checks, such funds shall be transmitted to the State Controller’s Office Unclaimed Property Fund in the name of each PAGA Employee whose check is voided. All duties set forth herein shall be included in the Settlement Administration Costs and paid from the Gross Settlement Amount.

7. Disputes Relating to Settlement Administration. Any disputes concerning administration of the Settlement which cannot be resolved by the Parties shall be submitted to and resolved by the Court.

8. Settlement Administrator’s Tax Reporting. The Settlement Administrator shall be responsible for providing the requisite Form 1099’s as required by this Agreement, and the completion of any other steps necessary for compliance with any tax obligations of the Settlement under federal, state, and/or local law, as applicable.

9. As soon as practicable after execution of this Agreement, Plaintiff’s Counsel shall, with the assistance and cooperation of Defendant and its counsel, take all necessary steps to secure the approval of this Settlement from the Court. Irrespective of whether a PAGA Employee’s Individual Settlement Check has been cashed, he or she will be deemed to be bound to this Settlement, the release provided herein, and the Court’s Approval Order.

10. Judgment/Dismissal of Action. Plaintiff shall promptly file a Notice of Entry of Judgment after the Effective Date. However, if the Court does not enter final judgment pursuant to the terms of the Proposed Order, then it shall be Plaintiff's requirement to dismiss this action. In such case, within ten (10) days of delivery of the payments described above and written confirmation verifying that the Settlement Administrator effected disbursement of the Gross Settlement Funds pursuant to the terms of Section V.5. of this Agreement, Plaintiff shall file a fully-executed Request for Dismissal with prejudice of this Action with the Court.

11. Escalator Clause. Based on its records, Defendant has provided a Pay Period Estimate. In the event the total Pay Periods set forth in the Pay Period Estimate is incorrect by more than 5% as of August 3, 2023, Defendant will have the option to: (a) increase the Gross Settlement Amount on a pro rata basis by the number of Pay Periods in excess of 5% as of August 3, 2023 (e.g. if the total Pay Periods is in fact 6% higher than the Pay Period Estimate as of August 3, 2023, the Gross Settlement Amount will be increased by 1%); or (b) shorten the PAGA Period to the last date on which the Pay Periods do not exceed 5% of the Pay Period Estimate ("Alternate End Date"). However, if Defendant selects Option (b) in this paragraph, Plaintiff shall have the right to terminate this Agreement by providing written notice to counsel for Defendant within fifteen (15) days of learning of Defendant's election of Option (b).

## **VI. ADDITIONAL TERMS.**

1. No Prior Assignments. The Parties hereto represent, covenant, and warrant that they have not directly or indirectly, assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action or rights herein released and discharged except as set forth herein.

2. No Admission. Nothing contained herein, nor is the consummation of this Settlement, to be construed or deemed an admission with respect to liability, culpability, negligence, or wrongdoing on the part of Defendant, Released Parties, Plaintiff, Plaintiff's Counsel, PAGA Employees, or the LWDA. Each of the Parties hereto has entered into this Agreement with the intention to avoid further disputes and litigation with the attendant inconvenience and expenses. Defendant denies that it has engaged in any unlawful activity, that it has failed to comply with the law in any respect, that it has any liability to anyone under the claims asserted in the Action. The Parties agree that this Agreement does not constitute an admission by Defendant or any of the Released Parties of any of the matters alleged in the Action or of any violation by any of them of any federal, state or local law, ordinance or regulation, or of any violation of any policy or procedure, or of any liability or wrongdoing whatsoever. This Agreement is entered into solely for the purpose of compromising highly disputed claims. Neither this Agreement nor anything in this Agreement shall be construed to be or shall be admissible in any

proceeding as evidence of liability or wrongdoing by Defendant or any of the Released Parties.

3. Nullification. If the Court should fail to approve the Settlement as agreed upon by the Parties, the Parties shall coordinate efforts to address the Court's questions or concerns and work jointly to make reasonable efforts to remedy the Settlement in order to obtain the Court's approval. If the Parties cannot resolve the issues identified by the Court in denying approval, the Parties shall be restored to their litigation positions and all funds returned to Defendant. If, after the Parties make a second attempt to obtain approval of the material terms of the Settlement, unless the Parties specifically agree to continue with their coordinated efforts to obtain Court approval, the Court fails to approve the material terms of the settlement in the form agreed to by the Parties, or if the Court's approval of this Agreement is reversed, modified, or declared or rendered void, then: (a) this Agreement shall be considered null and void; (b) neither this Agreement nor any of the related negotiations or proceedings shall be of any force or effect; and (c) all Parties to this Agreement shall stand in the same position, without prejudice, as if the Agreement had been neither entered into nor filed with the Court. Invalidation of any material portion of this Agreement shall invalidate this Agreement in its entirety unless the Parties shall subsequently agree in writing that the remaining provisions shall remain in full force and effect.

4. Attorneys' Fees, Costs And Expenses. Except as specifically set forth herein, the Parties shall bear their own attorneys' fees, costs and expenses, taxable or otherwise, incurred by them arising out of the Action, and shall not seek reimbursement thereof from any other party to this Agreement, unless otherwise specifically stated.

5. Enforcement And Continuing Jurisdiction Of The Court. The Parties agree that upon approval by the Court, this Agreement shall be enforceable by the Court, and the Court shall retain exclusive and continuing equity jurisdiction pursuant to California Code of Civil Procedure § 664.6 of this action over all Parties and PAGA Employees to interpret and enforce the terms, conditions, and obligations set forth in this Agreement. In the event that one Party institutes any legal action or other proceeding against any other Party to enforce the provisions of this Settlement or to declare rights and/or obligations under this Settlement, the successful Party will be entitled to recover from the unsuccessful Party reasonable attorneys' fees and costs.

6. Severability. The Parties agree that if any immaterial provision of this Agreement is held to be invalid by a court of competent jurisdiction, that provision shall be deemed severed and deleted from this Agreement, and neither that provision nor its severance and deletion shall affect the validity of the remaining provisions, and the remaining provisions shall be deemed enforceable.

7. Construction. The Parties hereto agree that the terms and conditions of this

Agreement are the result of lengthy, intensive arm's-length negotiations between the Parties and that this Agreement constitutes the entire agreement between Plaintiff and Defendant regarding the settlement of the Released Claims and that this Agreement supersedes all prior agreements, written or oral, between or among the Parties regarding the resolution of the Released Claims.

8. Given that all Parties hereto had the opportunity to draft, review, and edit the language of this Agreement, no presumption for or against any Party arising out of drafting all or any part of this Agreement may be applied in any action relating to, connected to, or involving this Agreement. Accordingly, the Parties hereby waive the benefit of any legal principle or rule providing that, in cases of uncertainty, the language of a contract should be interpreted against the Party who caused the uncertainty to exist.

9. Choice Of Law. The rights and obligations of the Parties under this Agreement shall be construed and enforced in accordance with, and governed by, the laws of the State of California. California law shall govern the interpretation of this Agreement even if a choice of law analysis under state or federal law would dictate that another forum's law be applied.

10. Cooperation. Each Party, on behalf of themselves, and their respective business entities, heirs, executors, and assigns, agrees that they will abide by this Agreement and will do all such acts, and prepare, execute, and deliver all such documents, as may be reasonably required to carry out the stated objectives of this Agreement.

11. Captions And Headings. Paragraph titles, captions, or headings contained herein are inserted as a matter of convenience and for reference, and in no way define, limit, extend, or describe the scope of this Agreement or any provision hereof.

12. Modification. This Agreement may not be changed, altered, waived, or modified, except in writing and signed by counsel for the Parties hereto, and approved by the Court. This Agreement may not be discharged except by performance in accordance with its terms or by a writing signed by the Parties hereto.

13. Binding. This Agreement is binding upon, and shall inure to the benefit of, the Parties hereto and their respective agents, employees, representatives, officers, directors, parents, subsidiaries, assigns, heirs, executors, administrators, insurers, and successors in interest.

14. Electronic Signatures and Counterparts. This Agreement may be executed in counterparts, and when each Party has signed and delivered at least one such counterpart, each counterpart shall be deemed an original, and, when taken together with other signed counterparts, shall constitute one Agreement, which shall be binding upon and effective as to all Parties. The counterparts may be executed and/or transmitted electronically or by facsimile.

IN WITNESS WHEREOF, the parties knowingly and voluntarily executed this Private Attorneys General Act Settlement Agreement and Release as of the date set forth below.

**PLAINTIFF  
JESUS SALAZAR**

DATED: Sep 22, 2023

*Jesus Salazar*

Jesus Salazar

**DEFENDANT  
WESTCOTT ENTERPRISES, INC.**

DATED: 10-5-23

By: *[Signature]*

Name: *RAM FIDOOZIE*

Title: *President*

**APPROVED AS TO FORM ONLY:**

DATED: Sep 22, 2023

**FERRARO VEGA EMPLOYMENT LAWYERS, INC.**

By: *Nicholas J. Ferraro*

Nicholas J. Ferraro

Lauren N. Vega

Attorneys for Plaintiff, Jesus Salazar

DATED: October 6, 2023

**FISHER & PHILLIPS, LLP**

By: *Amy L. Lessa*

Amy L. Lessa

Nicole E. Myrmo

Attorneys for Defendant, Westcott Enterprises, Inc.

**Exhibit A**  
**Employee Notice**

<<Mailing Date>>

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

Re: PAGA Settlement Payment for the case of: *Jesus Salazar v. Westcott Enterprises, Inc., et al.*, Case No. 37-2022-00048854-CU-OE-CTL

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

Please find enclosed a check in the amount of <<amount of payment>> (“PAGA Settlement Check”). This check is your portion of payment from the settlement of the PAGA claims asserted in the lawsuit entitled *Jesus Salazar v. Westcott Enterprises, Inc., et al.*, Case No. 37-2022-00048854-CU-OE-CTL, filed on December 6, 2022 (“Action”), pending in the Superior Court of California for the County of San Diego (“Court”).

The lawsuit was filed by Jesus Salazar (“Plaintiff”), a former employee of Defendant Westcott Enterprises, Inc., 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 for unpaid hours worked, unpaid minimum wage, unpaid overtime, unpaid paid sick leave, failure to provide meal periods, unpaid meal period premium wages, failure to provide rest periods, unpaid rest period premium wages, untimely payment of wages during employment, untimely payment of wages upon separation of employment, non-compliant wage statements, failure to provide employee records, and failure to maintain accurate records. 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 current and former non-exempt employees who worked for Westcott Enterprises, Inc. October 2, 2021 through <<Approval Date>> (“PAGA Employees”).

On <<Approval Date>>, the PAGA 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 PAGA Employees. You are receiving a portion of the settlement (the enclosed Individual Settlement Check) because you have been identified as a PAGA Employee. Your Individual Settlement Check is based on the total number of pay periods that you worked as a PAGA Employee during the period between October 2, 2021 through <<Approval Date>> (“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 this PAGA settlement, you are deemed to fully release and forever discharge the Released Parties from the Released Claims. The “Released Parties” means and refers to Defendant Westcott Enterprises, Inc., its former, present and future owners, predecessors, parent companies, subsidiaries, investors, affiliates, divisions, and all of their current, former and future officers, directors, members, managers, employees, consultants, partners, shareholders, joint ventures, agents, successors, assigns, accountants, insurers, attorneys, benefit plan administrators, and representatives. The “Released Claims” means and refers to all causes of action and claims for civil penalties under the PAGA, California Labor Code § 2698, *et seq.*, that were alleged in the Action, in Plaintiff’s LWDA Notice, or reasonably could have been alleged in the Action or LWDA Notice based on the facts and legal theories contained therein, arising during the PAGA Period, including claims for civil penalties based on the following: unpaid hours worked, unpaid minimum wage, unpaid overtime, unpaid paid sick leave, failure to provide meal periods, unpaid meal period premium wages, failure to provide rest periods, unpaid rest period premium wages, untimely payment of wages during employment, untimely payment of wages upon separation of employment, non-compliant wage statements, failure to provide employee records, failure to maintain accurate records, and for violations of and/or based on California Labor Code §§ 201, 202, 203, 204, 204b, 210, 226, 226.3, 226.7, 246, 246.5, 247, 247.5, 248, 248.1, 248.2, 248.3, 248.5, 256, 432, 510, 512, 516, 558, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 1198.5, 1199, and/or IWC Wage Orders.

Your PAGA Settlement 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 PAGA Settlement Check 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>>.