

PAGA SETTLEMENT AGREEMENT

This PAGA Settlement Agreement (“Agreement”) is made by and between Plaintiff Luis Gonzalez (“Plaintiff”) and Defendant Rolling Hills Community Association of Rancho Palos Verdes (“Rolling Hills”). The Agreement refers to Plaintiff and Rolling Hills collectively as “Parties,” or individually as “Party.”

1. DEFINITIONS

- 1.1. “Action” means the Plaintiff’s representative action pursuant to the California Labor Code Private Attorneys General Act of 2004, codified at Labor Code § 2699 *et seq.* (“PAGA”) alleging wage and hour violations against Rolling Hills captioned *Luis Gonzalez v. Rolling Hills Community Association of Rancho Palos Verdes*, initiated on February 17, 2023, pending in Superior Court of the State of California, County of Los Angeles.
- 1.2. “Administration Expenses Payment” means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator’s “not to exceed” bid submitted to the Court in connection with approval of this Settlement.
- 1.3. “Administrator” means Apex Class Action LLC, the neutral entity the Parties have agreed to appoint to administer the Settlement.
- 1.4. “Aggrieved Employee” means all current and former non-exempt employees who worked for Rolling Hills as Gate Attendants and/or Gate Service Representatives during the PAGA Period.
- 1.5. “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.
- 1.6. “Aggrieved Employee Data” means Aggrieved Employee identifying information in Rolling Hills’s possession including the Aggrieved Employee’s name, last-known mailing address, Social Security number, and number of PAGA Pay Periods.
- 1.7. “Approval Order” means the proposed Court Order Granting Approval of PAGA Settlement.
- 1.8. “Court” means the Superior Court of California, County of Los Angeles.
- 1.9. “Defense Counsel” means Gordon Rees Scully Mansukhani, LLP.
- 1.10. “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 on the day the Court enters Judgment.

- 1.11. "Enhancement Award" means the amount awarded to Plaintiff in exchange for his service as a Named Plaintiff and in exchange for his execution of a general release of claims.
- 1.12. "Gross Settlement Amount" means **\$95,000** which is the total amount Rolling Hills agrees to pay under the Settlement except as provided in Paragraph 9 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, the Enhancement Award, and the Administrator's Expenses Payment.
- 1.13. "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.
- 1.14. "Judgment" means the judgment entered by the Court based upon the Approval Order.
- 1.15. "LWDA" means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i).
- 1.16. "LWDA PAGA Payment" means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).
- 1.17. "Net Settlement Amount" means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: Individual PAGA Payments, the LWDA PAGA Payment, PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, the Enhancement Award, and the Administration Expenses Payment. The remainder is to be paid to Aggrieved Employees as Individual PAGA Payments.
- 1.18. "PAGA" means the Private Attorneys General Act (Labor Code §§ 2698, *et seq.*).
- 1.19. "PAGA Counsel" means GrahamHollis APC, the attorneys representing the Plaintiff in the Action.
- 1.20. "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.
- 1.21. "PAGA Pay Period" means any Pay Period during which an Aggrieved Employee worked for Rolling Hills for at least one day during the PAGA Period.
- 1.22. "PAGA Period" means the period from December 14, 2021 to December 28, 2024.
- 1.23. "PAGA Notice" means Plaintiff Luis Gonzalez's letter to Rolling Hills and the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a).

1.24. “PAGA Penalties” means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 25% to the Aggrieved Employees (**\$10,936.60**) and 75% to LWDA (**\$32,809.79**) in settlement of PAGA claims.

1.25. “Plaintiff” means Luis Gonzalez, the named plaintiff in the Action.

1.26. “Released PAGA Claims” means the claims being released by the Plaintiff and PAGA Counsel and as described in Paragraph 5 below.

1.27. “Released Parties” means: Rolling Hills and each of its former and present directors, officers, attorneys, insurers, predecessors, successors, assigns, subsidiaries, and/or affiliates.

1.28. “Rolling Hills” means named Defendant Rolling Hills Community Association of Rancho Palos Verdes.

1.29. “Settlement” means the disposition of the Action effected by this Agreement and the Judgment.

2. RECITALS

2.1. On February 17, 2023, Plaintiff commenced this Action by filing a representative action Complaint against Rolling Hills with a single cause of action under the Private Attorneys General Act of 2004 seeking civil penalties for (1) failing to provide legally compliant meal periods and/or timely pay premium wage for non-compliant meal periods; (2) failing to provide legally compliant rest periods and/or timely pay premium wages for non-compliant rest periods; (3) failing to timely pay all minimum and/or regular wages; (4) Failing to timely pay all overtime wages; (5) failing to reimburse for necessary business expenses; (6) failing to furnish accurate itemized wage statements; and (7) failing to timely pay all wages upon termination. The Complaint is the operative complaint in the Action (the “Operative Complaint.”) Rolling Hills denies the allegations in the Operative Complaint, denies any failure to comply with the laws identified in the Operative Complaint, and denies any and all liability for the causes of action alleged. Rolling Hills contends, among other things, that it has complied at all times with the California Labor Code and all other state and federal wage laws.

2.2. Pursuant to Labor Code section 2699.3, subd.(a), Plaintiff gave timely written notice to Rolling Hills and the LWDA by sending the PAGA Notice.

2.3. On October 29, 2024, the Parties participated in an all-day mediation presided over by Tagore Subramaniam which led to this Agreement to settle the Action.

2.4. Prior to mediation, Plaintiff obtained, through informal discovery, written policies and procedures related to Aggrieved Employees—including those governing compensation and meal and rest periods—and time and payroll records for all Aggrieved Employees during the PAGA Period.

- 2.5. The Parties, PAGA Counsel and Defense Counsel, represent that they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement.

3. MONETARY TERMS

- 3.1. Gross Settlement Amount. Except as otherwise provided by Paragraph 8 below, Rolling Hills promises to pay the total amount of Ninety-Five Thousand Dollars (**\$95,000**) and no more than the Gross Settlement Amount. This amount, *i.e.*, the Gross Settlement Amount, shall cover, resolve, and fully satisfy any and all amounts owed to Plaintiff, the Aggrieved Employees, the State of California, and PAGA Counsel, including all amounts allocated to attorneys' fees and costs, in settlement of all Released PAGA Claims, as defined herein. Rolling Hills has no obligation to pay the Gross Settlement Amount prior to the deadline stated in Paragraph 6.1 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 Rolling Hills.
- 3.2. 100% of the Gross Settlement Amount is considered penalties and will not be subject to local, state or federal tax withholdings. All recipients of payments under this Agreement have their payments reported on an IRS Form 1099. The Settlement Administrator shall issue IRS Form 1099s (if required) to the Aggrieved Employees.
- 3.3. Payments from the Gross Settlement Amount. The Administrator will make and deduct the following payments from the Gross Settlement Amount, in the amounts specified by the Court in the Approval Order:
- 3.3.1. To PAGA Counsel: A PAGA Counsel Fees Payment of not more than one-third of the Gross Settlement Amount which is currently estimated to be **\$31,666.67** and PAGA Counsel Litigation Expenses Payment of not more than **\$12,000**. Rolling Hills 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 of 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 Rolling Hills harmless, and indemnifies Rolling Hills, from any dispute or controversy regarding any division or sharing of any of these Payments.

///
///

3.3.2. To Plaintiff: In addition to any amount allocated to Plaintiff as an Aggrieved Employee, an Enhancement Award in the amount of **\$5,000** in exchange for his service as a Named Plaintiff and in exchange for his execution of a general release of claims. If the Court approves an Enhancement Award of less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount.

3.3.3. To the Administrator: An Administrator Expenses Payment not to exceed **\$2,586.94** 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, **\$2,586.94** the Administrator will retain the remainder in the Net Settlement Amount.

3.3.4. To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of **\$43,746.39** to be paid from the Gross Settlement Amount, with 75% (**\$32,809.79**) allocated to the LWDA PAGA Payment and 25% (**\$10,936.60**) allocated to the Individual PAGA Payments.

3.3.4.1. The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties (**\$10,936.60**) by the total number of PAGA Period Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA Period Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

3.3.4.2. If the Court approves PAGA Penalties of less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

4. SETTLEMENT FUNDING AND PAYMENTS

4.1. Aggrieved Employee Pay Periods. Based on a review of its records to date, Rolling Hills estimates there are 45 Aggrieved Employees who worked a total of 1,766 PAGA Pay Periods.

4.2. Aggrieved Employee Data. Within 15 days after the Effective Date, Rolling Hills will simultaneously 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 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. Rolling Hills has a continuing duty to immediately notify PAGA Counsel if it discovers that the Aggrieved Employee Data omitted employee identifying information and provide corrected or updated Aggrieved Employee Data as soon as reasonably feasible. Without any extension of the deadline by which Rolling Hills 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. Rolling Hills shall fully fund the Gross Settlement Amount by transmitting the funds to the Administrator no later than 14 days after the Effective Date.

4.4. Payments from the Gross Settlement Amount. Within 14 days after Rolling Hills funds the Gross Settlement Amount, the Administrator will mail checks for all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the Enhancement Award, the PAGA Counsel Fees Payment, and the PAGA Counsel Expenses Payment.

4.4.1. The Administrator will issue checks for the Individual PAGA Payments as well as a cover letter enclosure attached as Exhibit A; and send them to the Aggrieved Employees via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (not less than 180 days after the date of mailing) when the check will be voided. The Administrator will cancel all checks not cashed by the void date. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database.

4.4.2. The Administrator must conduct an Aggrieved Employee Address Search for all Aggrieved Employees whose checks are returned undelivered without USPS forwarding address. Within 7 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 Rolling Hills 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 Rolling Hills 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; and (b) all claims that were, or reasonably could have been, alleged, related in any way to Plaintiff's employment with Rolling Hills ("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.

The scope of Plaintiff's Release extends to claims including, but not limited to, any alleged (a) violation of the National Labor Relations Act, Title VII of the Civil Rights Act, the California Fair Employment and Housing Act, the Americans With Disabilities Act of 1990, the Fair Labor Standards Act, the California Labor Code, any applicable California Wage Order, the California Private Attorneys General Act (to include but not limited to, acting as a PAGA representative), the Occupational Safety and Health Act, the Consolidated Omnibus Budget Reconciliation Act of 1985, the California Family Rights Act, the Employee Retirement Income Security Act (excluding vested benefits), the California Unfair Business Practices Act/Unfair Competition Law, the Family and Medical Leave Act, the California Family Rights Act, the Worker Adjustment and Retraining Notification Act, and any state law equivalent; (b) harassment, discrimination, and/or retaliation on the basis of age, race, color, ancestry, national origin (including language use restrictions), citizenship, religious creed (including religious dress and grooming practices), sex marital status, domestic partnership status, sexual orientation, gender, gender identity or gender expression, veteran status, military status, political affiliation, family care or medical leave status or the denial of family and medical care leave, physical or mental disability (including HIV and AIDS), medical condition (including cancer and genetic characteristics), genetic information or any other basis protected by applicable federal, state and/or local laws, regulations, rules, ordinances and/or orders, failure to prevent harassment, discrimination, and/or retaliation, failure to accommodate, failure to engage in the interactive process, retaliation; (c) any whistleblower or retaliation claims on the basis of any protected activity or other protected basis; (d) breach of any express or implied promise, contract or agreement (express or implied), or breach of the implied covenant of good faith and fair dealing; (e) any tort or common law claims, including wrongful discharge, intentional or negligent infliction of emotional distress, negligence, fraud, misrepresentation, defamation, interference with prospective economic advantage, or other tort or common law actions; (f) claims for misclassification, wage and hour, or other claims related to hours, conditions, or compensation related to work; and (g) any other violation of local, state, or federal law, constitution, statute, regulation or ordinance, public policy, contract, or tort or common law claim, whether for legal or equitable relief, having any bearing whatsoever on the terms and conditions of employment, or association or working relationship, with any of the Released Parties, including but not limited to any allegations for penalties, interest,

costs and fees, including attorneys' fees, incurred in any of these matters, which Plaintiff ever had, now has, or may have prior to the date of Plaintiff's execution of this Agreement. All such claims, liabilities or causes of action (including, without limitation, claims for related attorneys' fees and costs) are forever barred by this Agreement regardless of the forum in which they may be brought. The Parties intend for Plaintiff's General Release to be as broad as possible.

Plaintiff represents and acknowledges that the Enhancement Payment contained herein shall constitute the entire consideration provided to Plaintiff and Plaintiff will not seek any further compensation for any claim, damage, cost, or attorney's fees in connection with the matters encompassed in the Agreement. Plaintiff represents and acknowledges that the enhancement and general release payment contained herein constitutes a full satisfaction and accord of any claims Plaintiff has or may have against any of the Released Parties. Plaintiff acknowledges the payment constitutes ample consideration, the sufficiency of which is hereby acknowledged, for Plaintiff's promises in this Agreement.

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.

Plaintiff may hereafter discover facts in addition to or different from those he now knows or believes to be true with respect to the subject matter of the Release, but Plaintiff upon the Effective Date shall fully, finally, and forever settle and release any and all of the claims released pursuant to Plaintiff's Release, whether known or unknown, suspected or unsuspected, contingent or non-contingent, which now exist, or heretofore have existed upon any theory of law or equity now existing or coming into existence in the future, including, but not limited to, conduct that is negligent, intentional, with or without malice, or a breach of any duty, law, or rule, without regard to the subsequent discovery or existence of such different or additional facts.

Non-Waivable Rights: Plaintiff's Release does not apply to any claims that cannot be released as a matter of law. The provisions of this Section also do not preclude filing a charge or complaint with or from participating in an investigation or proceeding conducted by the Equal Employment Opportunity Commission ("EEOC"), the National Labor Relations Board ("NLRB"), the Occupational Safety and Health Administration ("OSHA"), or any other federal, state, or local agency charged with the enforcement of any employment laws, although Plaintiff understands that by signing this Agreement, he waives the right to recover any damages or to receive other relief directly from the Released Parties in any claim or suit brought by or through the EEOC, NLRB, OSHA or any other federal, state, or local agency on his behalf.

///

- 5.2 Release by Aggrieved Employees: 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.
- 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 Operative Complaint and the PAGA Period facts stated in the Operative Complaint and the PAGA Notice.

6. MOTION OR APPLICATION FOR APPROVAL OF SETTLEMENT.

The Parties agree to jointly prepare and file an application or motion for approval of this Settlement.

- 6.1 Plaintiff's Responsibilities. Plaintiff will prepare and deliver to Defense Counsel all documents necessary for obtaining approval of this Settlement under Labor Code Section 2699, subd. (f)(2)) including (i) a draft proposed Order Granting Approval of PAGA Settlement; (ii) a signed declaration from the Administrator attaching its "not to exceed" bid for administering the 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 (Labor Code section 2699, subd. (l)(1)), this Agreement (Labor Code section 2699, subd. (l)(2)); (iv) a redlined version of the parties' Agreement showing all modifications made to the Model Agreement ready for filing with the Court; and (v) all facts relevant to any actual or potential conflict of interest with Aggrieved Employees and/or the Administrator. In their Declarations, Plaintiff and PAGA 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 Settlement Responsibilities of PAGA Counsel. PAGA Counsel and Defense Counsel are jointly responsible for expeditiously finalizing and filing the application or motion for approval of this 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 Approval Order to the Administrator.
- 6.2 Tax Treatment and Tax Indemnification. Aggrieved Employees will assume any tax obligations or consequences which may arise from this Settlement that are attributable to the Aggrieved Employee. If any state or federal taxing authority contacts, investigates, or pursues any action against any Aggrieved Employees for their individual share of taxes related to any payments made under this Agreement, each

Aggrieved Employee shall be responsible for his/her own defense of and payment for any claim of unpaid taxes, interest, or penalties brought by any state or federal taxing authority for the Aggrieved Employee's share of any state or federal tax obligation. If an Aggrieved Employee has questions about any liability to any state or federal taxing authority, they shall their tax advisor. The Aggrieved Employees assume no responsibility for any tax obligations owed by Defendant or any Released Parties.

- 6.3 Duty to Cooperate. If the Parties disagree on any aspect of the proposed application or motion for approval of this 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 motion for approval of this 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 Apex Class Action LLC to serve as the Administrator and verified that, as a condition of appointment, Apex Class Action LLC 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, Rolling Hills attests that there are 45 Aggrieved Employees who worked 1,766 Pay Periods during the PAGA Period. If the number of Pay Periods during the PAGA Period exceeds this estimate by more than 5%, Rolling Hills agrees to increase the settlement by a proportional amount.

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

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

10. **ADDITIONAL PROVISIONS**

10.1 **No Admission of Liability or Representative Manageability for Other Purposes.** This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Rolling Hills that any of the allegations in the Operative Complaint have merit or that Rolling Hills has any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that Rolling Hills's defenses in the Action have merit. The Parties agree that representative treatment is for purposes of this Settlement only. If, for any reason the Court does not approve this Settlement, Rolling Hills reserves all available defenses to the claims in the Action, and Plaintiff reserves the right to contest Rolling Hills's defenses. If the Court does not enter an order approving the Agreement, this Agreement shall be deemed null and void; it shall be of no force or effect whatsoever; it shall not be referred to or utilized for any purpose whatsoever; and the negotiation, terms, and entry of this Agreement shall remain subject to the provisions of California Evidence Code Sections 1119 and 1152, Federal Rule of Evidence 408, and any other analogous rules of evidence that may be applicable. Defendant further specifically retains the right to defend, on the merits, against any non-settled claims brought by any Aggrieved Employees. The Settlement, this Agreement, and the Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).

10.2 **Integrated Agreement.** Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party.

///

- 10.3 Attorneys' Fees and Costs. With respect to this Agreement, neither Plaintiff's Counsel nor any other attorneys acting for, or purporting to act for the Aggrieved Employees, or Plaintiff may recover or seek to recover any amounts for fees, costs, or disbursements from the Released Parties or the Gross Settlement Amount except as expressly provided herein. Rolling Hills shall bear its own attorney's fees and costs, and neither Plaintiff's Counsel, Aggrieved Employees or the Plaintiff shall be responsible for Rolling Hills' attorney's fees and costs. If any party moves the Court to enforce this Agreement, the prevailing party shall be entitled to recover from the other party all attorneys' fees and costs incurred to enforce this Agreement.
- 10.4 Attorney Authorization. PAGA Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiff and Rolling Hills, 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.
- 10.5 Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying the Settlement Agreement, submitting supplemental evidence, and supplementing points and authorities as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of a mediator and/or the Court for resolution.
- 10.6 No Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity and portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.
- 10.7 No Tax Advice. Neither Plaintiff, PAGA Counsel, Rolling Hills nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.
- 10.8 Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their representatives, and approved by the Court.
- 10.9 Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.
- 10.10 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.

- 10.11 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.
- 10.12 Confidentiality. To the extent permitted by law, all agreements made, and orders entered during Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.
- 10.13 Use and Return of Aggrieved Employee Data. Information provided to PAGA Counsel pursuant to Cal. Evid. Code §1152, and all copies and summaries of the PAGA Data provided to PAGA Counsel by Rolling Hills in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. Not later than 90 days after the Administrator discharges its obligation to pay out of all Settlement funds, Plaintiff shall destroy all paper and electronic versions of Aggrieved Employee Data received from Rolling Hills unless, prior to the Administrator's payment of all Settlement Funds, Rolling Hills makes a written request to PAGA Counsel for the return, rather than the destructions, of Aggrieved Employee Data.
- 10.14 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.
- 10.15 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.
- 10.16 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:

Hali M. Anderson
Samara A. Bahu
GRAHAMHOLLIS APC
3555 Fifth Avenue, Suite 200
San Diego, CA 92013
handerson@grahamhollis.com
sbahu@grahamhollis.com

///

///

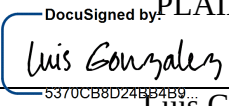
To Defendant:

Aya J. Deam
Alison M. Pringle
GORDON REESE SCULLY MANSUKHANI, LLP
633 West Fifth Street, 52nd Floor
Los Angeles, CA 90071
adeam@grsm.com
aprigle@grsm.com

10.17 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.

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

Dated: 5/8/2025

By:  PLAINIFF
Luis Gonzalez

DEFENDANT Rolling Hills Community
Association of Rancho Palos Verdes

Dated: April ___, 2025

By: _____

Its: _____

To Defendant:

Aya J. Deam
Alison M. Pringle
GORDON REESE SCULLY MANSUKHANI, LLP
633 West Fifth Street, 52nd Floor
Los Angeles, CA 90071
adeam@grsm.com
aprangle@grsm.com

10.17 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.

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

PLAINTIFF

Dated: April __, 2025

By: _____
Luis Gonzalez

^{may}
Dated: April 7, 2025

DEFENDANT Rolling Hills Community
Association of Rancho Palos Verdes
Ann Marie Occhipinti

By: Ann Marie Occhipinti
Its: Board President

Exhibit A

Dear [NAME]:

The enclosed check is your proportional share of the settlement payment in the California Private Attorneys General Act (“PAGA”) lawsuit titled *Luis Gonzalez, on behalf of all aggrieved employees of Defendant v. Rolling Hills Community Association of Rancho Palos Verdes; and Does 1 through 50 inclusive*, Case No. 23TRCV00477. You are receiving this check because you worked for Rolling Hills Community Association of Rancho Palos Verdes (“Rolling Hills”) within the state of California at some point between December 14, 2021 up to December 28, 2024. It is important to note that Rolling Hills denies all claims and allegations in the lawsuit and that no court has found that the company did anything wrong or violated any laws. Rather, to avoid further costs and time in defending the lawsuit, Rolling Hills has settled the lawsuit, and the Court has approved the settlement and release of the PAGA claims.

This settlement releases claims for civil penalties under the PAGA, but does not release other claims. Enclosed you will also find an IRS Form 1099 for 100% of this payment, which represents civil penalties only. Please cash or deposit the check on or before its printed void date. Checks will not be re-issued after the void date.

If you have any questions about this payment, contact Apex Class Action, LLC, the Settlement Administrator at (000) 000-0000. Please note that we cannot provide tax advice. If you have questions about the tax treatment of this payment, we suggest that you consult your tax advisor or accountant.

Regards,