

## INDIVIDUAL PAGA SETTLEMENT AGREEMENT

This individual PAGA Settlement Agreement (“Agreement”) is made by and between plaintiff Debora Beaird (“Plaintiff”) and defendant Beauty Solutions, LLC (“Defendant”). The Agreement refers to Plaintiff and Defendant collectively as “Parties,” or individually as “Party.”

### 1. DEFINITIONS.

- 1.1. “Action” means Plaintiff’s PAGA lawsuit alleging wage and hour violations against Defendant captioned *Debora Beaird, et al. v. Beauty Solutions, LLC, et al.* pending in Santa Cruz County Superior Court, Case No. 23CV00122.
- 1.2. “Court” means the Superior Court of California, County of Santa Cruz.
- 1.3. “Defense Counsel” means Littler Mendelson, P.C.
- 1.4. “Effective Date” means the date the Court enters an Order Approving the Individual PAGA Settlement and entering judgment.
- 1.5. “Gross Settlement Amount” means \$7,500.00 which is the total amount Defendant agrees to pay under the Settlement. The Gross Settlement Amount will be used to pay Plaintiff’s Individual PAGA Payment, the LWDA PAGA Payment, PAGA Counsel Fees Payment, and Plaintiff’s Enhancement Payment.
- 1.6. “Individual PAGA Payment” means the Plaintiff’s 25% share of the PAGA Penalties.
- 1.7. “Judgment” means the judgment entered by the Court.
- 1.8. “LWDA” means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i).
- 1.9. “LWDA PAGA Payment” means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).
- 1.10. “Net Settlement Amount” means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: the LWDA PAGA Payment, and PAGA Counsel Fees Payment, and Plaintiff’s Enhancement Payment. The remainder is to be paid to Plaintiff as an Individual PAGA Payment.
- 1.11. “PAGA Counsel” means Roman Otkupman and Nidah Farishta of Otkupman Law Firm, A Law Corporation, the attorneys representing the Plaintiff in the Action.
- 1.12. “PAGA Counsel Fees Payment” mean the amount allocated to PAGA Counsel for reimbursement of reasonable attorneys’ fees incurred to prosecute the Action.

- 1.13. “PAGA Pay Period” means any Pay Period during which Plaintiff worked for Defendant for at least one day during the PAGA Period.
- 1.14. “PAGA Period” means the period from October 3, 2021 through the date the Court approves this Settlement.
- 1.15. “PAGA” means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).
- 1.16. “PAGA Notice” means Plaintiff’s October 3, 2022 letter to Defendant and the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a).
- 1.17. “PAGA Penalties” means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 25% to Plaintiff and 75% to LWDA in settlement of PAGA claims.
- 1.18. “Plaintiff” means Debora Beaird, the named plaintiff in the Action.
- 1.19. "Approval Order" means the proposed Court Order Granting Approval of PAGA Settlement.
- 1.20. “Released PAGA Claims” means the claims being released by Plaintiff and as described in Paragraph 5 below.
- 1.21. “Released Parties” means: Defendant and each of its former and present directors, officers, shareholders, owners, members, attorneys, insurers, predecessors, successors, assigns, subsidiaries, and affiliates.
- 1.22. “Settlement” means the disposition of the Action effected by this Agreement and the Judgment.
- 1.23. “Defendant” means named Defendant, Beauty Solutions, LLC.

## **2. RECITALS.**

- 2.1. On October 3, 2022, Plaintiff sent a PAGA Notice to Defendant and the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a). On January 17, 2023, Plaintiff a PAGA Complaint against Defendant (Santa Cruz County Superior Court Case No. 23CV00122).
- 2.2. Plaintiff obtained, through informal discovery, statistical data from Defendant, including her wage statements, clock in and clock out times, times taken for meal breaks, wages earned during the relevant pay periods, written policies and procedures on meal breaks, rest breaks, overtime compensation, and the number of pay periods she worked in the PAGA Period. Thereafter, the Parties engaged in serious, arms-length and non-collusive negotiations.

- 2.3. 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. Defendant promises to pay \$7,500.00 and no more as the Gross Settlement Amount. None of the Gross Settlement Amount will revert to Defendant.

- 3.2. Payments from the Gross Settlement Amount. Defendant will make the following payments from the Gross Settlement Amount, in the amounts specified by the Court during Approval:

- 3.2.1. To PAGA Counsel: A PAGA Counsel Fees Payment of not more than 33% which is currently estimated to be \$2,475.00. Defendant will not oppose request for Court approval of this payment provided that it does not exceed this amount. If the Court approves a PAGA Counsel Fees Payment less than the amount requested, the remainder will be allocated to the Net Settlement Amount. Released Parties shall have no liability to PAGA Counsel arising from any claim to any portion any PAGA Counsel Fee Payment. Defendant will pay the PAGA Counsel Fees Payment using an IRS 1099 Form. PAGA Counsel assumes full responsibility and liability for taxes owed on the PAGA Counsel Fees Payment and holds Defendant harmless, and indemnifies Defendant, from any dispute or controversy regarding any division or sharing of any of this Payment.
- 3.2.2. To Plaintiff: An enhancement payment of not more than \$1,000.00 (in addition to any Individual PAGA Payment Plaintiff is entitled to receive under this Agreement).
- 3.2.3. To the LWDA and Plaintiff: PAGA Penalties in the amount of \$4,025 to be paid from the Gross Settlement Amount, with 75% (\$3,018.75) allocated to the LWDA PAGA Payment and 25% (\$1,006.25) allocated to Plaintiff's Individual PAGA Payment. Plaintiff assumes full responsibility for any taxes owed on her Individual PAGA Payment. The Individual PAGA Payment will be reported on an IRS 1099 Form.

### **4. SETTLEMENT PAYMENTS.**

- 4.1. Payments from the Gross Settlement Amount. Within 30 days after the Effective Date, Defendant will mail checks for Plaintiff's Individual PAGA Payment, the LWDA PAGA Payment, Plaintiff's Enhancement Payment, and the PAGA Counsel Fees Payment.

### **5. RELEASES OF CLAIMS.**

- 5.1 Release by Plaintiff. Effective on the date when payments are received by Plaintiff, Plaintiff will be deemed to release, on behalf of the State of California, herself and her

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 PAGA Complaint and the PAGA Notice; *provided* that such claims are released only as to Plaintiff's individual PAGA claim and not as to PAGA claims Plaintiff purported to be pursuing on behalf of others.

**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)). Those documents shall include a Proposed Order that provides for dismissal of Plaintiff's individual PAGA claim with prejudice and the dismissal of her representative PAGA claim without prejudice.

6.2 Responsibilities of 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 60 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.

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. 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, and (ii) addressing such post-Judgment matters as are permitted by law.

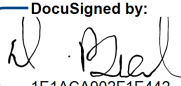
**8. ADDITIONAL PROVISIONS.**

8.1 No Admission of Liability or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendant that any of the allegations in the PAGA Complaint have merit or that Defendant has any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that Defendant's defenses in the Action have merit. If, for any reason the Court does not approve this Settlement, Defendant reserves all available

defenses to the claims in the Action, and Plaintiff reserves the right to contest Defendant's defenses. The Settlement, this Agreement and Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).

- 8.2 Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement shall constitute the entire agreement between the Parties relating to this Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party.
- 8.3 Attorney Authorization. PAGA Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiff and Defendant, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.
- 8.4 Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying the Settlement Agreement, submitting supplemental evidence and supplementing points and authorities as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of a mediator and/or the Court for resolution.
- 8.5 No Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity and portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.
- 8.6 No Tax Advice. Neither Plaintiff, PAGA Counsel, Defendant nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.
- 8.7 Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their representatives, and approved by the Court.
- 8.8 Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.
- 8.9 Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the state of California, without regard to conflict of law principles.

- 8.10 Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.
- 8.11 Confidentiality. To the extent permitted by law, all agreements made, and orders entered during Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.
- 8.12 Headings. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.
- 8.13 Calendar Days. Unless otherwise noted, all reference to “days” in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.
- 8.14 Notice. All notices, demands or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the day sent by email.
- 8.15 Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e. DocuSign), or email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.
- 8.16 Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that pursuant to CCP section 583.330 to extend the date to bring a case to trial under CCP section 583.310 for the entire period of this settlement process.

DocuSigned by:  
  
1E1ACA902E1E442...

Plaintiff Debora Beaird

Dated: 6/18/2024

By:

Defendant Beauty Solutions, LLC

Dated: \_\_\_\_\_

- 8.10 Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.
- 8.11 Confidentiality. To the extent permitted by law, all agreements made, and orders entered during Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.
- 8.12 Headings. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.
- 8.13 Calendar Days. Unless otherwise noted, all reference to "days" in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.
- 8.14 Notice. All notices, demands or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the day sent by email.
- 8.15 Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e. DocuSign), or email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.
- 8.16 Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that pursuant to CCP section 583.330 to extend the date to bring a case to trial under CCP section 583.310 for the entire period of this settlement process.

\_\_\_\_\_  
Plaintiff Debora Beard

Dated: \_\_\_\_\_

\_\_\_\_\_  
GARY HEATH

By:

\_\_\_\_\_  
Defendant Beauty Solutions, LLC

Dated: 5/21/2024

[signatures continued on next page]

APPROVED AS TO FORM:

OTKUPMAN LAW FIRM, A LAW  
CORPORATION



---

Roman Otkupman  
Nidah Farishta  
Counsel For Plaintiff

LITTLER MENDELSON, P.C.

---

Marlene S. Muraco  
Adam J. Fiss  
Counsel For Defendant

Dated: June 18, 2024 \_\_\_\_\_

Dated: \_\_\_\_\_

[signatures continued on next page]

APPROVED AS TO FORM:

OTKUPMAN LAW FIRM, A LAW  
CORPORATION

LITTLER MENDELSON, P.C.



---

Roman Otkupman  
Nidah Farishta  
Counsel For Plaintiff

---

Marlene S. Muraco  
Adam J. Fiss  
Counsel For Defendant

Dated: \_\_\_\_\_

Dated: June 3, 2024 \_\_\_\_\_