

## PAGA SETTLEMENT AGREEMENT

This PAGA Settlement Agreement (“Agreement”) is made by and between plaintiff Luis Espinoza (“Plaintiff”) and defendant Pacific Coast Tree Experts (“Defendant”). The Agreement refers to Plaintiff and Defendant collectively as “Parties,” or individually as “Party.”

### 1. DEFINITIONS.

- 1.1. “Action” means the Plaintiff’s lawsuit alleging wage and hour violations on a PAGA representative basis against Defendant captioned *Luis Espinoza v. Pacific Coast Tree Experts*, currently pending in the Los Angeles Superior Court, Case No. 22STCV35361.
- 1.2. “Administrator” means ILYM Group, Inc., the neutral entity the Parties have agreed to appoint to administer the Settlement.
- 1.3. “Administration Expenses Payment” means the amount the Administrator will be paid from the Total 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.
- 1.4. “Approval Order and Final Judgment” and “Judgment” mean the Court Order Granting Approval of PAGA Settlement and Entering Final Judgment.
- 1.5. “Court” means the Superior Court of California, County of Los Angeles.
- 1.6. “Defense Counsel” means O’HAGAN MEYER LLP.
- 1.7. “Effective Date” means the date by when both of the following have occurred: (a) the Court enters a Judgment on its Approval Order and Final Judgment of the Settlement; and (b) the Judgment is final. The Judgment is final as of the latest of the following occurrences: (a) if no Participating Class Member objects to the Settlement, the day the Court enters Judgment; (b) if one or more Participating Class Members objects to the Settlement, the day after the deadline for filing a notice of appeal from the Judgment; or if a timely appeal from the Judgment is filed, the day after the appellate court affirms the Judgment and issues a remittitur.
- 1.8. “Final” shall mean the later of: (i) if there is an appeal of the Court’s judgment, the date the order and judgment approving the settlement are affirmed on appeal, the date of dismissal of such appeal, or the expiration of the time to file a petition for writ of certiorari to the California Supreme Court; (ii) if a petition for writ of certiorari is filed, the date of denial of the petition for writ of certiorari, or the date the order and judgment approving the settlement are affirmed pursuant to such petition; or (iii) if no objection or motion for intervention is filed prior to settlement approval, then the date the Court enters judgment.
- 1.9. “LWDA” means the California Labor and Workforce Development Agency.

- 1.10. “LWDA PAGA Payment” means the 75% of the PAGA Penalties payable to the LWDA under Labor Code section 2699, subdivision (i).
- 1.11. “Notice of Settlement” means the notice that Settlement Group Members will receive setting forth information about the Settlement, as evidenced by Exhibit A to this Agreement and incorporated by reference into this Agreement.
- 1.12. “Net Settlement Amount” and “PAGA Penalties” mean the amount from the Total Settlement Amount that is available for distribution as the LWDA PAGA Payment and as Settlement Shares to Settlement Group Members after deductions for the following payments in the amounts approved by the Court: the PAGA Representative Payment, the PAGA Counsel Fees Payment, the PAGA Counsel Litigation Expenses Payment, and the Administration Expenses Payment. Pursuant to Labor Code section 2699, subdivision (i), the PAGA Penalties will be allocated 75% to the LWDA and 25% to the Settlement Group Members in settlement of PAGA claims.
- 1.13. “PAGA” means the Labor Code Private Attorneys General Act of 2004, Cal. Lab. Code § 2698 *et seq.*
- 1.14. “PAGA Counsel” means Koul Law Firm, APC, and Majarian Law Group, APC, the attorneys representing Plaintiff in the Action.
- 1.15. “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.
- 1.16. “PAGA Pay Period” means any Pay Period within the PAGA Period during which a Settlement Group Member worked for Defendant in a non-exempt position in California for at least one day.
- 1.17. “PAGA Period” means (a) the period from November 2, 2021, until August 8, 2024, or the date of the Approval Order and Final Judgment, whichever occurs first.
- 1.18. “PAGA Notice” means the Notice Letter to Defendant and the LWDA dated November 2, 2022, providing notice of the claims against Defendant pursuant to Labor Code section 2699.3, subdivision (a).
- 1.19. “PAGA Representative Payment” means the special payment made to Plaintiff to compensate him for initiating and pursuing the Action and undertaking the risk of liability for attorneys’ fees and expenses in the event he was unsuccessful in the prosecution of the Action.
- 1.20. “Plaintiff” means Luis Espinoza, the named plaintiff in the Action.

- 1.21. “Released Parties” shall collectively include any of Defendant’s present, former, or future, known or unknown, parent corporations, subsidiary corporations, divisions, affiliates, employees, landlords, licensees, lessors, employee benefit plans and plan fiduciaries, transferees, heirs, executors, administrators, owners, officers, directors, joint venturers, members, managers, shareholders, partners, employees, contractors, consultants, clients, insurers, reinsurers, successors, predecessors, assigns, and agents; and any, all and related agents, representatives, partnerships, corporations, firms, associations and/or attorneys of all of the foregoing entities and/or individuals.
- 1.22. “Settlement” means the disposition of the Action effected by this Agreement and the Judgment.
- 1.23. “Settlement Group Members” or “Aggrieved Employees” means all current and former non-exempt hourly employees of Defendant at any time during the PAGA Period.
- 1.24. “Settlement Group Member Address Search” means the Administrator’s investigation and search for current Settlement Group Member 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 Settlement Group Members.
- 1.25. “Settlement Group Member Data” means Settlement Group Member identifying information in Defendant’s possession including the Settlement Group Member’s name, last-known mailing address, Social Security number and number of PAGA Pay Periods.
- 1.26. “Settlement Share” means a Settlement Group Member’s pro rata share of 25% of the PAGA Penalties calculated according to the number of PAGA Pay Periods the Settlement Group Member worked.
- 1.27. “Defendant” means defendant Pacific Coast Tree Experts.
- 1.28. “Total Settlement Amount” means \$945,000 (Nine Hundred Forty-Five Thousand Dollars), which is the total amount Defendant agrees to pay under the Settlement. The Total Settlement Amount will be used to pay the Settlement Shares, the LWDA PAGA Payment, the PAGA Representative Payment, the PAGA Counsel Fees Payment, the PAGA Counsel Litigation Expenses Payment and the Administration Expenses Payment.

## **2. RECITALS.**

- 2.1. Plaintiff Luis Espinoza filed his PAGA Notice letter on November 2, 2022. He filed a Class Action Complaint on November 7, 2022, and on January 9, 2023, Plaintiff filed a First Amended Complaint adding a cause of action for PAGA (“Operative Complaint”). Class claims were dismissed by stipulation. In the Operative

Complaint and LWDA Notice, Plaintiff alleges the following claims on a PAGA representative basis: (1) failing to pay for all hours worked including overtime hours worked (§204, 206, 206.5, 210, 216, 218, 218.6, 221, 222, 223, 510, 558, 1194, 1197, 1197.1, 1198); (2) failing to pay wages due upon termination (§201, 202, 203, 256); (3) failing to provide rest breaks (§226, 226.7, 512, 558, 1198); (4) failing to provide uninterrupted meal breaks & second meal breaks (§226, 226.7, 512, 558, 1198); (5) failing to reimburse for required business expenses (2802); and (6) and failing to provide accurate wage statements and maintain accurate records (§226, 1174, 1174.5). Defendant denies the allegations, denies any failure to comply with the law, and denies any and all liability for the causes of action alleged.

- 2.2. Pursuant to Labor Code section 2699.3, subdivision (a), Plaintiff gave timely written notice to Defendant and the LWDA.
- 2.3. On May 8, 2024, the Parties participated in an all-day mediation presided over by the Hon. Carl West (Ret.), an expert in California wage and hour law. The Parties were unable to reach an agreement that day and continued engaging in protracted settlement discussions with the assistance of the mediator. On May 14, 2024 shortly thereafter, the Parties were able to come to terms on an Agreement to settle the Action.
- 2.4. Prior to mediation, Defendant produced through informal discovery relevant documents, data, and information, including relevant policies and data reflecting the dates of employment, hours, and pay rates of Settlement Group Members, their hours worked, and the pay they received.

### **3. MONETARY TERMS.**

- 3.1. Total Settlement Amount. Defendant promises to pay \$945,000 (Nine Hundred Forty-Five Thousand Dollars) and no more as the Total Settlement Amount. Defendant has no obligation to pay the Total Settlement Amount prior to the deadline stated in Paragraph 4.3 of this Agreement. The Administrator will disburse the entire Total Settlement Amount without asking or requiring Settlement Group Members to submit any claim as a condition of payment. None of the Total Settlement Amount will revert to Defendant.
- 3.2. Payments from the Total Settlement Amount. The Administrator will make and deduct the following payments from the Total Settlement Amount, in the amounts specified by the Court in the Approval Order and Final Judgment:
  - 3.2.1. To PAGA Counsel: A PAGA Counsel Fees Payment of not more than 33.33% of the Total Settlement Amount (which is currently estimated to be \$314,968) and a PAGA Counsel Litigation Expenses Payment of not more than \$25,000. Plaintiff and/or PAGA Counsel will file an application or motion for the PAGA Counsel Fees Payment and the PAGA Counsel Litigation Expenses Payment, and Defendant will not oppose requests for

Court approval of these payments provided they do not exceed these amounts. If the Court approves a PAGA Counsel Fees Payment and/or a PAGA Counsel Litigation Expenses Payment of 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 Fees Payment and/or PAGA Counsel Litigation Expenses Payment. The Administrator will pay the PAGA Counsel Fees Payment and the PAGA Counsel Litigation Expenses Payment using one or more IRS 1099 Forms. PAGA Counsel assumes full responsibility and liability for taxes owed on the PAGA Counsel Fees Payment and the PAGA Counsel Litigation Expenses Payment and holds Defendant and the other Released Parties harmless, and indemnifies Defendant and the other Released Parties, from any dispute or controversy regarding any division or sharing of any of these Payments.

- 3.2.2. To Plaintiff: PAGA Representative Payment of not more than \$7,500. Plaintiff and/or PAGA Counsel will file an application or motion for the PAGA Representative Payment, and Defendant will not oppose the request for Court approval of these payments provided they do not exceed this amount. If the Court approves PAGA Representative Payment of less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount. The Administrator will pay the PAGA Representative Payment using one or more IRS 1099 Forms. Plaintiff assumes full responsibility and liability for taxes owed on the PAGA Representative Payment.
- 3.2.3. To the Administrator: An Administrator Expenses Payment not to exceed \$7,500 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 \$7,500 the Administrator will retain the remainder in the Net Settlement Amount.
- 3.2.4. To the LWDA and Settlement Group Members: The Net Settlement Amount, of which 75% shall be allocated to the LWDA PAGA Payment and 25% shall be allocated to the Settlement Shares pursuant to Labor Code section 2699(i).
  - 3.2.4.1. The Administrator will calculate each Settlement Share by (a) dividing the amount of the Settlement Group Members' 25% share of PAGA Penalties by the total number of PAGA Pay Periods worked by all Settlement Group Members during the PAGA Period and (b) multiplying the result by each Settlement Group Member's PAGA Pay Periods. Settlement Group Members assume full responsibility and liability for any taxes owed on their Settlement Share.

3.2.4.2. The Administrator will report the Settlement Shares on IRS 1099 Forms.

#### **4. SETTLEMENT FUNDING AND PAYMENTS.**

4.1. Settlement Group Members/Aggrieved Employees. The Parties estimate that as of July 2, 2024, the date of execution of this Agreement, there are approximately 532 Settlement Group Members (or, Aggrieved Employees) who worked 27,482 PAGA Pay Periods.

4.2. Settlement Group Member Data. Within thirty (30) days after the date of the Approval Order and Final Judgment, Defendant will simultaneously deliver the Settlement Group Member Data to the Administrator in the form of a Microsoft Excel spreadsheet. To protect Settlement Group Members' privacy rights, the Administrator must maintain the Settlement Group Member Data in confidence, use the Settlement Group Member Data only for purposes of this Settlement and for no other purpose and restrict access to the Settlement Group Member Data to Administrator employees who need access to the Settlement Group Member Data to effect and perform under this Agreement. Defendant has a continuing duty to immediately notify PAGA Counsel if it discovers that the Settlement Group Member Data omitted employee identifying information and to provide corrected or updated Settlement Group Member Data as soon as reasonably feasible. Without any extension of the deadline by which Defendant must send the Settlement Group Member 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 Settlement Group Member Data.

4.3. Funding of Total Settlement Amount.

4.3.1. The Administrator will provide Defendant with wire transfer information within 7 days after the Effective Date.

4.3.2. Defendant will fund the Total Settlement Amount of \$945,000 in two separate installments. The first installment will be in the amount of \$472,500 ("First Installment") and shall be payable within thirty (30) calendar days following the Effective Date. The second installment will be in the amount of \$472,500 ("Second Installment") and shall be payable one hundred and eighty (180) calendar days thereafter, following the First Installment payment. The settlement will be considered "Fully Funded" upon payment of the First Installment and Second Installment.

4.4. Payments from the Total Settlement Amount. Within 14 days after Defendant funds the First Installment, the Administrator will mail checks for all Settlement Shares and the PAGA Representative Payment. The amount remaining after all Settlement Shares and PAGA Representative Payment are paid will be allocated *pro rata* to the LWDA PAGA Payment, the Administration Expenses Payment, the

PAGA Counsel Fees Payment, and the PAGA Counsel Litigation Expenses Payment. Disbursement of the PAGA Counsel Fees Payment, the PAGA Counsel Litigation Expenses Payment, and the PAGA Representative Payment shall not precede disbursement of Settlement Shares.

- 4.4.1. The Administrator will issue checks for the Settlement Shares and send them to the Settlement Group Members via First Class U.S. Mail, postage prepaid, together with a copy of the Notice of Settlement completed by the Parties to reflect information regarding the Approval Order and Final Judgment. The face of each check shall prominently state the date (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 a Settlement Group Member Address Search for all Settlement Group Members 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 Settlement Group Member Address Search. The Administrator need not take further steps to deliver checks to Settlement Group Members whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Settlement Group Member whose original check was lost or misplaced if requested by the Settlement Group Member prior to the void date.
- 4.4.3. For any Settlement Group Member whose Settlement Share check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the California State Controller's Unclaimed Property Fund in the name of the Settlement Group Member.
- 4.4.4. The payment of Settlement Shares shall not obligate Defendant to confer any additional benefits or make any additional payments to the Settlement Group Members (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

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

- 5.1. Plaintiff's Release. In consideration of Plaintiff's awarded PAGA Representative Payment, Plaintiff's Settlement Share, and the other terms and conditions of the Settlement, as of the date the Settlement becomes Final and is fully funded as set forth in Paragraph 4.3, Plaintiff releases any and all known and unknown claims against Defendant and its officers, directors, employees, representatives, attorneys,

and any subsidiaries or affiliated companies (the “Released Parties”), and waives the protection of California Civil Code section 1542, which 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.

(“Plaintiff’s Released Claims.”)

- 5.2. Release by Settlement Group Members/Aggrieved Employees and State of California: In consideration for their awarded portions of the Settlement Group Allocation, as of the date the Settlement becomes Final and is fully funded as set forth in Paragraph 4.3, the State of California and all Settlement Group Members/Aggrieved Employees generally, release and discharge the Released Parties from all claims, transactions, or occurrences that occurred during the PAGA Period, including, but not limited to: any and all claims under PAGA for civil penalties against Defendant and the other Released Parties that arise out of or reasonably relate to the allegations asserted in the Operative Complaint and the LWDA Notice pursuant to PAGA that, during the PAGA Period, Defendant is allegedly liable for: (1) failing to pay for all hours worked including overtime hours worked (§204, 206, 206.5, 210, 216, 218, 218.6, 221, 222, 223, 510, 558, 1194, 1197, 1197.1, 1198); (2) failing to pay wages due upon termination (§201, 202, 203, 256); (3) failing to provide rest breaks (§226, 226.7, 512, 558, 1198); (4) failing to provide uninterrupted meal breaks & second meal breaks (§226, 226.7, 512, 558, 1198); (5) failing to reimburse for required business expenses (2802); and (6) and failing to provide accurate wage statements and maintain accurate records (§226, 1174, 1174.5) (the “Released PAGA Claims”). All Settlement Group Members/Aggrieved Employees will release the Released PAGA Claims and receive a Settlement Share.

## **6. MOTION OR APPLICATION FOR APPROVAL OF SETTLEMENT.**

The Parties agree that PAGA Counsel will prepare and file all documents necessary for an Approval Order and Final Judgment by the Court, subject to review and approval by Defense Counsel.

- 6.1. Motion for Approval. The Parties agree that PAGA Counsel will prepare and file a motion or stipulation for approval of this Settlement, subject to review and approval by Defense Counsel. PAGA Counsel is responsible for delivering the Court’s Approval Order and Final Judgment to the Administrator.
- 6.2. Responsibilities of PAGA Counsel. PAGA Counsel will prepare and deliver to Defense Counsel all documents necessary for obtaining approval of this Settlement under Labor Code section 2699, subdivision (f)(2), including (a) 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 Settlement Group Member 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 Settlement Group Members or the LWDA; and the nature and extent of any financial relationship with Plaintiff, PAGA Counsel or Defense Counsel; (b) a signed declaration by PAGA Counsel attesting to their timely transmission to the LWDA of all necessary documents pursuant to Labor Code section 2699(I) and all facts relevant to any actual or potential conflict of interest with Settlement Group Members and/or the Administrator; and (c) a signed declaration by Plaintiff attesting to all facts relevant to any actual or potential conflict of interest with Settlement Group Members and/or the Administrator.

- 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 ILYM Group, Inc. to serve as the Administrator and verified that, as a condition of appointment, ILYM Group, Inc. 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 to state and federal tax authorities.
- 7.3. Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund (“QSF”) under US Treasury Regulation section 468B-1.
- 7.4. Administrator Duties. The Administrator has a duty to perform or observe all tasks to be performed or observed by the Administrator contained in this Agreement or otherwise.

**8. AGGRIEVED EMPLOYEE SIZE ESTIMATES AND ESCALATOR CLAUSE**

Based on its records, Defendant estimates there were approximately 27,482 pay periods commencing November 2, 2021, through July 2, 2024, the date this Agreement was executed. The Parties anticipate that the total number of pay periods will increase prior to settlement approval. If it is determined that the actual number of pay periods commencing November 2, 2021, through settlement approval, or August 8, 2024, whichever occurs first, exceeds 27,482 by more than ten percent (10%), Defendant shall increase the Total Settlement Amount by the percentage difference beyond the ten percent (10%) between the amount of 27,482 and the actual number of pay periods.

**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. The Parties waive all appeals from the Court's approval of the Settlement unless the Court materially modifies the Settlement, except that Plaintiff and PAGA Counsel may appeal from an order by the Court that reduces the amounts sought for the PAGA Representative Payment, the PAGA Counsel Fees Payment and/or the PAGA Counsel Litigation Expenses Payment. Such an order or affirmance of such an order will not entitle Plaintiff to avoid the Settlement or obtain an increased Total Settlement Amount. Defendant's payment obligations under the Settlement will be suspended pending an appeal of the Judgment. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals.

9.2. Settlement Group Members/ Aggrieved Employee. There is no statutory right for any Settlement Group Member or Aggrieved Employee to object, opt out, or otherwise exclude himself or herself from the Settlement. Further, there is no right or opportunity for any Settlement Group Member, with the exception of Plaintiff, to appeal the approval of the Settlement by the Court.

**10. ADDITIONAL PROVISIONS.**

10.1. No Admission of Liability or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendant that any of the allegations in the PAGA Notices or Operative Complaint have merit or that Defendant has any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that Defendant's defenses in the Action have merit. The Parties agree that representative treatment is for purposes of this Settlement only. 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).

- 10.2. Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibit 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. Attorney Authorization. PAGA Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiff and Defendant, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.
- 10.4. Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the 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.
- 10.5. 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.
- 10.6. No Tax Advice. Neither Plaintiff, PAGA Counsel, Defendant nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.
- 10.7. Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed or waived only by an express written instrument signed by all Parties or their representatives, and approved by the Court.
- 10.8. Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.
- 10.9. Applicable Law. All terms and conditions of this Agreement and its exhibit will be governed by and interpreted according to the internal laws of the state of California, without regard to conflict of law principles.

- 10.10. Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.
- 10.11. Confidentiality and Press Releases. Plaintiff and Plaintiff's attorneys agree not to issue any press or other media releases or talk to the press or media regarding the Settlement, and Plaintiff's attorneys agree not to publicize the Settlement on their website or social media. In addition, prior to filing of the motion for approval of the Settlement, Plaintiff and Plaintiff's attorneys will not have any communication regarding the Settlement with anyone other than family members, clients, Settlement Group Members, financial advisors, retained experts, and vendors related to settlement administration.
- 10.12. Use and Return of Settlement Group Member Information. Information provided to PAGA Counsel pursuant to Evidence Code section 1152, and all copies and summaries of Settlement Group Member information provided to PAGA Counsel by Defendant in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and for no other purpose, and may not be used in any way that violates any existing contractual agreement, statute or California Rules of Court rule. Not later than 90 days after the Administrator discharges its obligation to distribute all Settlement funds, PAGA Counsel shall destroy all paper and electronic versions of Settlement Group Member information received from Defendant unless, prior to the Administrator's distribution of all Settlement funds, Defendant makes a written request to PAGA Counsel for the return, rather than the destruction, of Settlement Group Member information.
- 10.13. Headings. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.
- 10.14. Calendar Days. Unless otherwise noted, all reference to "days" in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.
- 10.15. Notice. All notices, demands or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email or messenger, addressed as follows:

*To Plaintiff:*

Nazo Koulloukian  
nazo@koullaw.com  
KOUL LAW FIRM  
3435 Wilshire Blvd., Suite 1710  
Los Angeles, CA 90010  
Telephone: (213) 761-5484  
Facsimile: (818) 561-3938

Sahag Majarian, II  
Sahagii@aol.com  
MAJARIAN LAW GROUP, APC  
18250 Ventura Blvd.  
Tarzana, CA 91356  
Telephone: (818) 609-0807  
Facsimile: (818) 609-0892

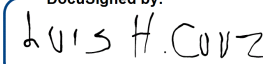
*To Defendant:*

O'HAGAN MEYER LLP  
Katherine C. Den Bleyker  
E-Mail:  
kdenbleyker@ohaganmeyer.com  
Kris Khodaverdian  
E-Mail:  
khodaverdian@ohaganmeyer.com  
21650 Oxnard Street, Suite 530  
Woodland Hills, California 91367  
Telephone: 213-306-1610

- 10.16. Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (e.g., 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 their signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.
- 10.17. Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that pursuant to Code of Civil Procedure section 583.330 to extend the date to bring a case to trial under Code of Civil Procedure section 583.310 for the entire period of this settlement process.

PLAINTIFF LUIS ESPINOZA

Dated: 7/1/2024

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DEFENDANT PACIFIC COAST TREE  
EXPERTS

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

By: \_\_\_\_\_  
Its: \_\_\_\_\_

*To Plaintiff:*

Nazo Koulloukian  
nazo@koullaw.com  
KOUL LAW FIRM  
3435 Wilshire Blvd., Suite 1710  
Los Angeles, CA 90010  
Telephone: (213) 761-5484  
Facsimile: (818) 561-3938

Sahag Majarian, II  
Sahagii@aol.com  
MAJARIAN LAW GROUP, APC  
18250 Ventura Blvd.  
Tarzana, CA 91356  
Telephone: (818) 609-0807  
Facsimile: (818) 609-0892

*To Defendant:*

O'HAGAN MEYER LLP  
Katherine C. Den Bleyker  
E-Mail:  
kdenbleyker@ohaganmeyer.com  
Kris Khodaverdian  
E-Mail:  
khodaverdian@ohaganmeyer.com  
21650 Oxnard Street, Suite 530  
Woodland Hills, California 91367  
Telephone: 213-306-1610

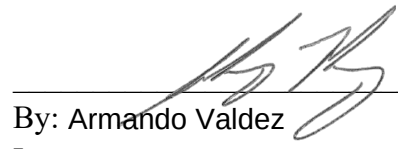
- 10.16. Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (e.g., DocuSign), or email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties will exchange between their signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.
- 10.17. Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that pursuant to Code of Civil Procedure section 583.330 to extend the date to bring a case to trial under Code of Civil Procedure section 583.310 for the entire period of this settlement process.

PLAINTIFF LUIS ESPINOZA

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

DEFENDANT PACIFIC COAST TREE  
EXPERTS

Dated: 7/8/2024

  
By: Armando Valdez  
Its: CEO

[APPROVED AS TO FORM ONLY]

Dated: 7/1/2024

KOUL LAW FIRM, APC

DocuSigned by:  
*Nazo Koulloukian*  
5F87388C1D414C7...  
\_\_\_\_\_  
Nazo Koulloukian  
Attorney for Plaintiff

O'HAGAN MEYER LLP

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

\_\_\_\_\_  
Katherine C. Den Bleyker  
Kris Khodaverdian  
Attorneys for Defendant

[APPROVED AS TO FORM ONLY]

KOUL LAW FIRM, APC

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

\_\_\_\_\_  
Nazo Koulloukian  
Attorney for Plaintiff

O'HAGAN MEYER LLP

Dated: 7/9/24 \_\_\_\_\_

  
\_\_\_\_\_  
Katherine C. Den Bleyker  
Kris Khodaverdian  
Attorneys for Defendant

**EXHIBIT A**  
**(NOTICE OF SETTLEMENT)**

[Date], 202\_\_

[Settlement Administrator Name]  
[Settlement Administrator Address]

[Employee Name]  
[Employee Street Address]  
[City, State Zip]

Re: PAGA Settlement Payment

Dear Current or Former Pacific Coast Tree Experts Employee:

You have received this notice because Pacific Coast Tree Experts (“Defendant”) records indicate that you work or have worked for Defendant in California at some time between November 2, 2021, and [\_\_\_\_\_] (the “PAGA Period”). This notice relates to the settlement of a lawsuit titled *Luis Espinoza v. Pacific Coast Tree Experts*, filed in the Los Angeles Superior Court, Case No. 22STCV35361 (the “Lawsuit”).

In this Lawsuit, Plaintiff Luis Espinoza (“Plaintiff”) seeks civil penalties pursuant to the California Private Attorneys General Act (“PAGA”), a law which allows a Plaintiff to attempt to recover penalties on behalf of the State of California and on behalf of employees who Plaintiff claims were “aggrieved” by alleged wage and hour violations. In the Lawsuit, Plaintiff alleges that Defendant is liable for: failing to pay for all hours worked including overtime hours worked; failing to pay wages due upon termination; failing to provide rest breaks; failing to provide uninterrupted meal breaks & second meal breaks; failing to reimburse for required business expenses; and failing to provide accurate wage statements and maintain accurate records.

Defendant strongly disputes Plaintiff’s allegations and maintains that Defendant has fully complied with all applicable wage and hour laws. The Court has not issued any ruling regarding the merits of the Lawsuit. Nonetheless, to avoid the cost and distraction of litigation, Defendant has made a business decision to settle the Lawsuit, which settlement has been approved by the Court.

**The enclosed settlement check represents your portion of the Court-approved PAGA settlement. You will not be retaliated against for cashing your check. Checks that are not cashed within 180 days of issuance will be voided and the funds will be transmitted to the state controller unclaimed payment fund in your name.**

Regardless of what you do with the settlement check, you will have released claims for penalties arising under PAGA as asserted in the Lawsuit.

If you have any questions about this notice, please contact the Settlement Administrator, [NAME] at <<number/email>>.

THIS NOTICE IS NOT AN EXPRESSION OF ANY OPINION BY THE COURT AS TO THE MERITS OF THE CLAIMS OR DEFENSES BY EITHER SIDE IN THE LAWSUITS. PLEASE DO NOT CONTACT THE COURT REGARDING THE CASES.