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CANUL, JOSE WILBERT CUA, ALFREDO EDUARDO
NIS SAENZ, JOSE CHAN, MARCOS SIERRA,
WILBERTH INTERIAN, PEDRO HU MAY, ARTURO
ACEVEDO, JAVIER HUMBERTO VALLE, LUIS
DONALDO GALAVIZ ORTEGA.

SUPERIOR COURT OF THE STATE OF CALIFORNIA

IN AND FOR THE COUNTY OF SAN FRANCISCO

UNLIMITED JURISDICTION

VICTOR ORLANDO CELIS CANUL, JOSE
WILBERT CUA, ALFREDO EDUARDO NIS
SAENZ, JOSE CHAN, MARCOS SIERRA,
WILBERTH INTERIAN, PEDRO HU MAY,
ARTURO ACEVEDO, JAVIER HUMBERTO
VALLE, LUIS DONALDO GALAVIZ
ORTEGA

Plaintiff,

-vs-

RICHARD DINGMAN, PAUL LANGLEY,
LANGLEY ENTERPRISES and DOES 1-60
inclusive,

Defendants.

Case No. CGC-23-604355

DECLARATION OF CARLOS JATO
IN SUPPORT OF MOTION TO
APPROVE THE PAGA SETTLEMENT

Date: February 2, 2024

Time: 9:30 AM

Dpt. 302

I, CARLOS JATO, declare and state as follows:

1. I am the attorney for plaintiffs VICTOR ORLANDO CELIS CANUL, JOSE WILBERT CUA, ALFREDO EDUARDO NIS SAENZ, JOSE CHAN, MARCOS SIERRA, WILBERTH INTERIAN, PEDRO HU MAY, ARTURO ACEVEDO, JAVIER HUMBERTO VALLE, LUIS DONALDO GALAVIZ ORTEGA (Hereinafter Plaintiffs) in the case of *CANUL et al v. DINGMAN et al San Francisco Superior Court CGC-23-604355*.

2. The plaintiffs have alleged a PAGA claim in their complaint. I make this declaration in support of plaintiffs' Motion for an Order Approving the PAGA Settlement.

3. I have been an attorney in California for over a decade. Also, I have been an attorney in good standing with the Spanish Bar Association ("Ilustre Colegio de Abogados de Madrid") for over 15 years. During my time as an attorney in California, I have been a solo practitioner working in San Francisco. My practice focuses on wage and hour litigation and over the years I have represented employees in all kind of disputes against their employers. I have represented employees against large employers like Comcast, AC Square Inc., NTH Connect, Bath and Body Works, O.C. Communications, Fox Transportation Inc. or Coffee Meets Bagel just to name a few. These involve the complete range of California Labor Code wage and hour claims and some of them included misclassification claims very similar to those at issue in this case. Most importantly, most of these cases also involve PAGA claims.

4. RICHARD DINGMAN, PAUL LANGLEY, LANGLEY ENTERPRISES ("Defendants") operated a restaurant by the name Harvey's in the Castro neighborhood of the city of San Francisco up until January 22, 2023 (when it closed business), after, according to Defendants, the restaurant struggled through the COVID pandemic. Prior to its closure, Plaintiffs were employed at Harvey's by Defendants at defendants' restaurants over different periods of time, some as far back as 1997 and others as recently 2022.

5. On behalf of the Plaintiffs, I served on or about January 27, 2023 the Defendants and the Labor Workforce Development Agency ("LWDA") with a pre-requisite PAGA letter describing the violations of the Labor Code allegedly committed by the Defendants as to the employment of the plaintiffs.

6. On or about January 30, 2023, I caused to be filed in this court a lawsuit asserting nine causes of action for 1) violations of Labor Code sec. 226 2) Failure to pay overtime under Labor Code §510 3) failure to provide meal and rest breaks under Labor Code sec. 226.7 4) Illegal deductions from wages pursuant to Labor Code 221 and 224 5) Late Payment of wages under Labor Code section 203 6) Liability of Owners and managing agents for wages under Labor Code

1 sec. 558.1 and 7) Unfair Business Practices. After the LWDA declined to take on the PAGA
2 claim, I proceeded to amend and add a claim for Penalties under the Private Attorney General Act
3 Labor Code sec. 2699 *et seq.*

4 7. During the course of litigation, Plaintiffs propounded discovery on July 11, 2023, and
5 reviewed documents Defendants produced related to Plaintiffs' and other allegedly aggrieved
6 employees' employment at Harvey's.

7 8. The parties reached an agreement to conduct a full-day mediation with mediator Patricia
8 Prince. The mediation was conducted on November 13, 2023. At said mediation and through
9 arm's length negotiation, the parties were very close to reaching a settlement but unable to
10 materialize it in a written instrument at the mediation. However, through further negotiations, the
11 parties executed a settlement agreement on December 22, 2023. Attached hereto is a true and
12 correct copy of the agreement to settle the entire case as Exhibit A.

13 9. During the litigation, Defendants submitted time sheets, and wage records for the relevant
14 PAGA period between January 30, 2022 and January 23, 2023 (when the restaurant closed),
15 and also argued the following as pertaining to the relevant employment period for the PAGA
16 claim:

- 17 a. That Havery's ceased business and closed on January 23, 2022.
- 18 b. That prior to its closure Harvey's implemented meal and rest period policies which
19 stated as follows:
 - 20 i. Harvey's provides employees who work more than five hours in a day with
21 an unpaid 30 minute, uninterrupted meal period starting no later than the
22 end of the fifth hour of work. Harvey's provides employees who work
23 more than 10 hours in a day with a second unpaid 30-minute, uninterrupted
24 meal period starting no later than the end of the 10th hour of work.
25 Employees who work no more than six hours in a day may waive the first
26 meal period. Employees who work no more than 12 hours in a day may
27 waive the second meal period if they took their first meal period.

1 Employees are entitled, encouraged, and expected to take all meal periods
2 provided under this policy and not waived. During meal periods, Harvey's
3 will relieve employees of all duty and will not exercise control over
4 employees' activities. Employees are free to spend their meal period time
5 as they choose (consistent with any other Company policies that may apply
6 during off-duty time) and are free to leave the worksite. No supervisor or
7 manager may impede or discourage employees from taking meal periods
8 provided under this policy.

9 ii. Harvey's authorizes and permits nonexempt employees working at least
10 three and one-half hours in a day to take a ten-minute, off-duty paid rest
11 period for each four hours worked or major fraction thereof. The 10
12 minutes do not include the reasonable time it takes to walk to and from a
13 break area. Employees who work more than six hours in a day may take a
14 second rest period. Employees who work more than 10 hours in a day may
15 take a third rest period. Employees should take their rest periods in the
16 middle of each work period to the extent it is practicable to do so, and not
17 combine them with meal periods or skip them to leave work early.

18 c. According to Defendants, as a perk, Harvey's provided free meals to employees
19 during their lunch breaks. Defendants also contended that employees were not
20 required to take their meal breaks at Harvey's. Defendants also contended that as
21 Harvey's paid employees for their meal periods, it did not require them to clock
22 out.

23 d. Defendants argued that while Harvey's made close to \$1.3 million in food sales
24 and was modestly profitable each year before the pandemic. After the pandemic,
25 Defendants explained, Harvey's food sales plummeted to just over \$500,000 in
26 2020 and rose only slightly to about \$700k in 2021 and 2022. This amounted to a
27 drop in sales of roughly 62% and 47% over the following years.

1 Most importantly, Defendants have indicated that the slowest and worst year for
2 the restaurant was 2022 which coincides with the relevant PAGA period.

- 3 e. According to Defendants, after the pandemic, the downturn in sales, and labor
4 costs relative to food sales increased, meant that the kitchen staff had less work to
5 do.
- 6 f. Also according to Defendant, the slow food sales meant the employees who
7 worked at Harvey's during its final year had far more downtime than prior to the
8 pandemic, particularly in 2022. As such, Defendants asserted that its records and
9 evidence would establish employees had ample time to take meal and rest breaks
10 in compliance with its written policies during the PAGA period as compared to the
11 prior three years.
- 12 g. Defendants' time records further established that, during the last year of Harvey's
13 operation in 2022, it was not uncommon for some of the allegedly aggrieved
14 employees to work shifts of less than 5 hours, in which case they would not have
15 been entitled to a meal period.
- 16 h. According to Defendants, the foregoing established that Harvey's meal and rest
17 period policies complied with California law and stated that employees were free
18 to spend their breaks as they chose during the PAGA period. It is undeniable that
19 Harvey's business was drastically slower in its last year of operation and this did
20 have a huge impact in the damages projection of the PAGA claim
- 21 i. Though Plaintiffs' also asserted claims for unpaid minimum wage and overtime
22 pay, Defendants' produced records showing that it did paid its employees
23 minimum wage and overtime other than Victor Canul.
- 24 j. Finally, defendants also disputed whether Plaintiffs would be permitted to "stack"
25 PAGA penalties and cited case law for that proposition. Defendants further
26 asserted that, even if Plaintiffs recovered PAGA penalties, the Court would have
27 discretion to reduce any penalty award that it deemed "unjust, arbitrary and
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oppressive, or confiscatory. Labor Code § 2699(e)(2). Defendants cited a number of cases in which such a reduction was made. Defendants argued such a reduction would be particularly appropriate in this case as it is no longer in operation and any remedial or deterrent effect of assessing penalties against it would be moot. As such, even if Plaintiffs prevailed on their claim, there is no guarantee Plaintiffs would have recovered the full amount of PAGA penalties for all alleged violations.

10. The most notable terms of the agreement are as follows:

- a. The settlement agreement provides for a total PAGA payment of \$20,000.00 for a small group of 33 restaurant workers—which includes the ten Plaintiffs in this action—within the PAGA limitations period, which covers January 30, 2022 through January 23, 2022, when the restaurant closed. An average of 19 aggrieved employees worked during each pay period. Assuming Plaintiffs could establish that each aggrieved employee suffered one meal period violation per pay period—which Defendants dispute as outlined above—that would amount to a \$100 penalty for a total of \$1,900 in penalties per pay period (i.e., \$100 per employee at 19 employees), or \$47,500 over the course of 25 pay periods. As such, the portion of the settlement attributed to PAGA penalties equals a recovery of approximately 47% of the penalties Plaintiffs could have recovered for missed meal periods had they entirely prevailed on all their meal period claims. Assuming Plaintiffs could have also established each aggrieved employees suffered a rest or wage statement violation during the PAGA period, the total amount in recoverable PAGA penalties would have been approximately \$95,000, and the settlement represents a recovery of 21% of that amount.
- b. Separately, each named plaintiff received consideration in exchange for releasing all their own individual wage and hour claims, which is shared with the court for the sake of transparency. Notably, Plaintiffs’ individual claims encompassed a much longer time period than the PAGA claim (four years as opposed to one year),

1 during which—according to the records and information Defendants produced—
2 the restaurant was much busier and Plaintiffs worked more and longer hours.
3 Moreover, the individual claims include that of Victor Canul, who, unlike the other
4 Plaintiffs and aggrieved employees, had a separate and independent claim for
5 being misclassified as an exempt manager. Plaintiff’s settlement consideration is
6 calculated based on the size of their claim which in most cases extends to multiple
7 years. Some of the plaintiffs’ claims are as small as \$6,990.34 (see Ex. A at page
8 3). Their claims encompass claims for meal and rest break violations, penalties
9 and interest. The highest consideration is received by plaintiff Victor Canul, who,
10 as noted, also had a claim for being misclassified as an exempt manager. As with
11 the PAGA claim, the individual wage and hour claims of each Plaintiff was
12 compromised for amounts that represent only a small portion (20 to 40%) of their
13 forecasted “best day” in observance of the inherent risks of litigation.

14 c. The distributions of the proceeds of the PAGA consideration shall be as provided
15 pursuant to the statutory requirements of Labor Code § 2699 *et seq.* as follows:
16 First deducting the costs and attorney’s fees incurred by plaintiff (\$6,666.66 as
17 explained in para. 11 below) then, the net PAGA settlement amount shall be
18 distributed Seventy-Five Percent (75%) paid to the LWDA totaling \$10,000.00
19 and 25% paid to the aggrieved employees amounting to \$3,333.34 distributed in
20 proportion to the number of pay periods they worked during the PAGA period
21 (January 30, 2023 through January 23, 2023, which includes 25 pay periods).
22 Attached as Exhibit B is a chart calculating the PAGA payments to the aggrieved
23 employees.

24 d. Given the small amount of workers in the PAGA period (approximately 33
25 individuals, including the 10 Plaintiffs in this action) Defendants will undertake the
26 administration of the payments to these individuals providing them a check with
27 covering letter stating in material respects: “You are receiving this payment as part of
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1 the settlement of a claim brought under the Private Attorney General Act in the action
2 of Canul et al. v. Dingman et al., pending in the San Francisco Superior Court, Case
3 #CGC-23-604355.”

- 4 e. The disbursement of the funds will take place upon the Court issuing its order
5 approving the PAGA settlement. (see, Ex. A at page 1, defining “EFFECTIVE
6 DATE” as the date the court approves the proposed PAGA settlement).
- 7 f. Under the *cy pres* doctrine, Plaintiffs’ counsel requests that Settlement checks which
8 are returned as undeliverable and those settlement checks remaining un-cashed for
9 more than 120 days after issuance (described in a declaration to be submitted by
10 defendants’ counsel in anticipation to the compliance hearing) shall be sent to the *cy*
11 *pres* beneficiary Legal Aid at Work (180 Montgomery St. #600 San Francisco, CA).
12 This request is being made because these sums of money are for the benefit of
13 workers. In the event any of the workers fail to claim their share of the PAGA
14 penalties, providing those funds to Legal Aid at Work (a non-profit organization with
15 a track record of assisting workers with labor disputes) is the second most beneficial
16 way of disposing of the funds since this organization helps workers to resolve disputes
17 with their employers (as opposed to delivering the funds to the State’s Controller).
- 18 g. The California Labor Workforce Development Agency (“LWDA”) is being served
19 with a copy of this motion and the Settlement Agreement through the online
20 process as required by Labor Code § 2699(1) and therefore has notice of this
21 PAGA settlement through this motion.

22 11. Practicing law in the wage and hour field as an attorney in California, has allowed
23 me to learn the prevailing rates charge by fellow plaintiff attorneys with similar work experience
24 in San Francisco. In 2023 the hourly rate for work in wage and hour in San Francisco was
25 trending at \$750.00 per hour. This is slightly less than the hourly rate of \$878/hr for an attorney
26 with my experience in 2023 as projected in the [Laffey Matrix](#) (see discussion in Nemecek & Cole
27 v. Horn, 208 Cal. App. 4th 641). In this litigation, I have incurred a total of 9 hours of work to
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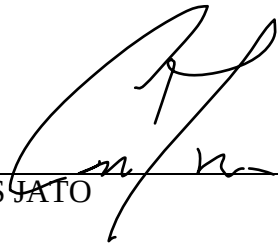
1 prosecute the PAGA claim. Using the above hourly rate, of \$750 per hour, the value of my
2 services to litigate the PAGA claim is \$6,750.00. Here is a breakdown of my hours in prosecuting
3 the PAGA claim: 1 hour of initial investigation of the PAGA claim; 2 hours preparing the PAGA
4 letter, 0.5 hours amending the complaint to add the PAGA cause of action; 2 hours to analyze and
5 prepare the PAGA damages projection in anticipation to the mediation; 1 hour negotiating the
6 PAGA claim at the mediation and another 2.5 to prepare this motion.

7 It is worth noting that this amount does not include the litigation costs devoted to the PAGA
8 cause of action (\$70 charged by the LWDA to file the PAGA letter; \$60.00 charged by the court
9 as filing fee charge by to amend the complaint to add the PAGA cause of action or the share of
10 the mediation fee charged by the mediator to mediate the PAGA claim). As such, I respectfully
11 request to be compensated 1/3 of the amount of the PAGA settlement common fund for the work
12 and costs pertaining to the prosecuting the PAGA portion of the case (\$6,666.66).

13 12. I do believe that plaintiffs have a strong liability case going forward but they have
14 to consider the risks and uncertainties of continued litigation (mainly whether plaintiffs will be
15 able to prove their case in its entirety and defeat all the defenses alleged). So, in order to reach
16 this settlement and present this PAGA settlement to the court for approval, I have evaluated the
17 possible best outcome of the PAGA claim in the light most favorable to plaintiffs. If all aggrieved
18 employees were able to prove two PAGA violations per pay period within the limitations period
19 of the PAGA claim and if plaintiffs were able to defeat entirely each and every defense alleged by
20 the defendants, the possible recovery would be \$99,800.00. I reach this amount by multiplying
21 the PAGA penalty of \$100 x 2 (this represents two potential violations per pay period) x 499 (this
22 represents the number of pay periods estimated for all the non-exempt employees who worked at
23 the restaurant within the PAGA period). Thus, the settlement amount of \$20,000.00 represents
24 20% of the highest potential recovery. This settlement (based on the many PAGA settlements I
25 have negotiated and my research of many other PAGA settlements approved by several other
26 courts) compares very favorably to other PAGA settlements. I wholly endorse this PAGA
27 settlement without reservations based on my analysis of the claim and the risks of litigation.

1 I declare under penalty of perjury under the laws of the State of California that the
2 foregoing is true and correct. Executed in San Francisco, California.

3
4 Dated: January 8, 2024

5
6 
CARLOS JATO

“A”

SETTLEMENT AGREEMENT AND RELEASE

This Settlement Agreement and Release (“SETTLEMENT AGREEMENT”) is made by and between Plaintiffs VICTOR ORLANDO CELIS CANUL (“CANUL”), JOSE WILBERT CUA (“CUA”), ALFREDO EDUARDO NIS SAENZ (“SAENZ”), JOSE CHAN (“CHAN”), MARCOS SIERRA (“SIERRA”), WILBERTH INTERIAN (“INTERIAN”), PEDRO HU MAY (“MAY”), ARTURO ACEVEDO (“ACEVEDO”), JAVIER HUMBERTO VALLE (“VALLE”), and LUIS DONALDO GALAVIZ ORTEGA (“ORTEGA”), on the one hand, and Defendants RICHARD DINGMAN, PAUL LANGLEY and LANGLEY ENTERPRISES, INC., on the other hand. This SETTLEMENT AGREEMENT also includes a settlement and release of a claim for penalties under California’s Private Attorneys General Act (Labor Code § 2698 *et seq.*) (“PAGA”) subject to the approval of the Court in accordance with California Labor Code §2699(1)(2).

DEFINITIONS

For purposes of this SETTLEMENT AGREEMENT, the terms below have the following meanings:

A. “PLAINTIFFS” means CANUL, CUA, SAENZ, CHAN, SIERRA, INTERIAN, MAY, ACEVEDO, VALLE, and ORTEGA.

B. “DEFENDANTS” means RICHARD DINGMAN, PAUL LANGLEY and LANGLEY ENTERPRISES, INC.

C. “PARTIES” means the parties to this SETTLEMENT AGREEMENT: PLAINTIFFS and DEFENDANTS.

D. “AGGRIEVED EMPLOYEES” means non-exempt employees who worked at Harvey’s Restaurant between January 27, 2022, and January 23, 2023, and who allegedly suffered one or more Labor Code violations.

E. The “LITIGATION” means the lawsuit entitled *Canul et al. v. Dingman et al.*, San Francisco County Superior Court Case No. CGC-23-604355.

F. The “EFFECTIVE DATE” of this SETTLEMENT AGREEMENT shall be the date of Court approval of the settlement of PLAINTIFFS’ claim for penalties under California’s Private Attorneys General Act (Labor Code § 2698 *et seq.*) (“PAGA”), as set forth in Section 6. If the Court declines to approve the PAGA settlement, this SETTLEMENT AGREEMENT will be null and void.

RECITALS

1. PLAINTIFFS were employees of Harvey’s Restaurant, which was operated by DEFENDANT, LANGLEY ENTERPRISES, INC., until it ceased operations on January 23, 2023.

2. On January 27, 2023, PLAINTIFFS sent a letter to the California Labor and Work Force Development Agency (“LWDA”) alleging Labor Code violations relating to DEFENDANTS’ alleged failure to properly pay overtime wages, alleged failure to provide meal periods and rest breaks, alleged failure to provide compliant wage statements, and alleged illegal deductions from wages (“THE LWDA NOTICE”). On January 30, 2023, PLAINTIFFS filed a Complaint for Damages in the San Francisco County Superior Court, Case No. CGC-23-604355, alleging claims for paystub violations, failure to pay overtime, illegal deductions from wages, late payment of wages and unfair business practices (“THE COMPLAINT”). On April 7, 2023, PLAINTIFFS filed an Amended Complaint for Damages adding a cause of action for penalties under PAGA (“THE AMENDED COMPLAINT”).

3. The PARTIES desire to settle any and all claims PLAINTIFFS have, or claim to have, against DEFENDANTS as alleged in the LITIGATION including, but not limited to, any claims for paystub violations, failure to pay overtime wages, failure to provide meal and rest breaks, illegal deductions from wages, late payment of wages, as well as any other claims arising out of or related to the PARTIES’ employment relationship, up to and including the EFFECTIVE DATE of this SETTLEMENT AGREEMENT. The PARTIES also desire to settle all claims for penalties asserted pursuant to PAGA.

4. The PARTIES desire to memorialize the terms of such settlement in this SETTLEMENT AGREEMENT as hereinafter set forth.

TERMS

1. No Admission of Fault, Liability, or Wrongdoing

The PARTIES to this SETTLEMENT AGREEMENT are entering into this SETTLEMENT AGREEMENT voluntarily and solely for the purpose of ending the LITIGATION. This SETTLEMENT AGREEMENT is the result of a compromise and by entering into this SETTLEMENT AGREEMENT, or by agreeing to pay any sum of money or to provide any other form of consideration for the execution of this SETTLEMENT AGREEMENT, no party is admitting any fault, liability or wrongdoing, or any matter of fact (including as to the alleged value of PLAINTIFFS’ claims or alleged damages), nor shall this SETTLEMENT AGREEMENT ever be construed as such. DEFENDANTS disclaim that they have any liability to, or have engaged in any wrongful acts against, PLAINTIFFS, the AGGREIVED EMPLOYEES, or any other person or entity.

2. Consideration and Conditions

2.1 In consideration of PLAINTIFFS’ releases and other promises herein, and pursuant to the other terms and conditions contained in this SETTLEMENT AGREEMENT, DEFENDANTS agree to pay the total sum of \$300,000.00 (“the SETTLEMENT AMOUNT”) as set forth below. Before DEFENDANTS’ obligation to pay the SETTLEMENT AMOUNT arises, PLAINTIFFS’ counsel will submit to DEFENDANTS’ counsel a completed and executed Form W-9 and obtain Court approval of the settlement of the PAGA claims as detailed below. DEFENDANTS take no position with regard to the characterization of the SETTLEMENT

AMOUNT payments and take no position with regard to the taxable status of said payments, but will report said amount to the taxing authorities, as set forth below.

2.1.1 Of the SETTLEMENT AMOUNT, each PLAINTIFF will be paid as delineated in the following chart showing the total gross amount allocated to each PLAINTIFF as well as the portion allocated to compensation for alleged lost wages:

NAME	TOTAL PAYMENT	W2 WAGES PORTION
CUA	\$ 8,012.68	\$ 400.63
CANUL	\$ 89,479.92	\$ 22,799.48
SAEZ	\$ 32,579.87	\$ 4,886.98
CHAN	\$ 9,587.18	\$ 479.36
SIERRA	\$ 34,386.41	\$ 4,470.23
ITERAN	\$ 34,605.87	\$ 4,498.76
MAY	\$ 24,099.88	\$ 3,132.98
ACEBEDO	\$ 6,990.34	\$ 349.52
VALLE	\$ 22,374.27	\$ 2,908.66
GALAVIZ	\$ 17,883.58	\$ 894.18

The foregoing "W2 Wages Portion" amounts set forth in the chart above will be paid by checks made payable to each PLAINTIFF minus applicable payroll tax withholdings. PLAINTIFFS shall each receive a Form W-2 for said payments. Said checks shall be sent via FedEx to PLAINTIFFS' counsel, Carlos Jato, within ten (10) business days of the EFFECTIVE DATE.

2.1.2 Of the SETTLEMENT AMOUNT, \$235,179.21 will be allocated to compensation for PLAINTIFFS' alleged non-wage damages including for penalties, interest and attorney's fees ("the alleged non-wage damages"). A single check payable to "Carlos Jato Trustee for Plaintiffs in the Harvey's matter" for said amount will be sent via FedEx to PLAINTIFFS' counsel, Carlos Jato, within ten (10) business days of the EFFECTIVE DATE. PLAINTIFFS will each receive a Form 1099 for their portion of the alleged non-wages damages.

2.1.3 Of the SETTLEMENT AMOUNT, \$20,000.00 will be allocated to PLAINTIFFS' PAGA claim, with no withholdings ("THE PAGA PAYMENT"). Of that sum, 25% shall be allocated to the AGRIEVED EMPLOYEES and 75% will be allocated to the LWDA. As detailed below, PLAINTIFFS' COUNSEL, Carlos Jato, will be responsible for obtaining Court approval of the settlement of PLAINTIFFS' claim for PAGA penalties, administration costs and fees and, thereafter, for distributing payment of the PAGA funds to the AGRIEVED EMPLOYEES and the LWDA pursuant to Labor Code § 2699(i), or as otherwise required by law or Court order. DEFENDANTS will provide the names and addresses of the AGRIEVED EMPLOYEES within ten (10) days after the date when this SETTLEMENT AGREEMENT is fully executed.

2.1.4 PLAINTIFFS acknowledge and agree that DEFENDANTS have made no representations regarding the tax consequences of any SETTLEMENT AMOUNT payments made pursuant to this SETTLEMENT AGREEMENT and that they are responsible for all taxes

due by them with respect to payments from the SETTLEMENT AMOUNT. PLAINTIFFS are advised to seek the advice of tax counsel concerning their responsibility to pay taxes on payments from the SETTLEMENT AMOUNT. PLAINTIFFS agree to defend and indemnify DEFENDANTS to the fullest extent allowed by the law in the event of any liability imposed against DEFENDANTS arising out of any failure to pay any taxes on any portion of the SETTLEMENT AMOUNT (except for any wage tax withholding from the wage portion of the settlement as delineated above). DEFENDANTS agree to notify PLAINTIFFS, through PLAINTIFFS' counsel Carlos Jato, of any such claims and/or liability within a reasonable time period of learning of such so as to give them an opportunity to defend against any such claims and/or liabilities.

3. Release of Claims

3.1 **PLAINTIFF'S Individual Claims.** In exchange for and in consideration of payment of the SETTLEMENT AMOUNT, PLAINTIFFS and their respective current and former agents, trustees, beneficiaries, executors, administrators, successors, assigns, attorneys, and all others claiming through or by them, hereby release and forever discharge DEFENDANTS and all their respective current and former owners, investors, officers, directors, managers, employees, contractors, agents, subsidiaries, related entities, administrators, successors, assigns, insurers, attorneys, and any of them (collectively, the "RELEASEES"), from any and all claims PLAINTIFFS have, or claim to have, against RELEASEES, or any of them, as alleged in the LITIGATION or not, including, but not limited to, any claims for paystub violations, failure to pay overtime wages, failure to provide meal and rest breaks, late payment of wages, illegal deductions from wages, individual liability under Labor Code § 558.1, violations of the California Labor Code or Fair Labor Standards Act, violations of the California Fair Employment & Housing Act, violation of Title VII of the Civil Rights Act of 1964 (as amended), penalties, liquidated damages, or attorneys' fees and/or costs, as well as any claims arising out of or related to the PARTIES' employment relationship up to and including the EFFECTIVE DATE of this SETTLEMENT AGREEMENT. The PARTIES understand and agree that this release includes any claim by PLAINTIFFS for unpaid wages and any related penalties, which claims DEFENDANTS disputes on the merits. Accordingly, the PARTIES understand and agree that the provisions of Labor Code §206.5, which preclude a release of undisputed wage claims, do not apply to any claims for wages released hereunder.

3.2 **PAGA Release.** In consideration for the PAGA PAYMENT the LWDA, and AGGRIEVED EMPLOYEES release any and all claims under PAGA against the RELEASEES that were pled based on the factual allegations of the LWDA NOTICE, THE COMPLAINT or the AMENDED COMPLAINT including, but not limited to, PLAINTIFFS' allegation that DEFENDANTS' failed to properly pay overtime wages, failed to provide meal periods and rest breaks, failed to provide compliant wage statements, and made illegal deductions from wages. This includes, but is not limited to, PAGA claims for alleged violation of California Labor Code Sections 201-208, 221, 224, 226, 226.7, 510, 512, 558.1, 1194, 1198 and 2750.5. For avoidance of doubt, the only claims being released by the LWDA and AGGRIEVED EMPLOYEES are claims that were, or could have been, brought under PAGA based on the allegations in the LWDA NOTICE, THE COMPLAINT or the AMENDED COMPLAINT.

3.3 The PLAINTIFFS expressly acknowledge that they have been advised by their attorneys with respect to this release and are familiar with the provisions of California Civil Code § 1542, which provides 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

The PLAINTIFFS expressly acknowledge their awareness of the foregoing provision and that it is their intention to waive their rights under that provision and any other provision, statute, rule or legal doctrine in this or any other jurisdiction of similar import for any and all claims released in this SETTLEMENT AGREEMENT. In waiving the provisions of section 1542, and similar provisions, the PLAINTIFFS expressly acknowledge and understand they may hereafter discover facts in addition to, or different from, those that they now believe to be true with respect to the subject matter of the claims released herein, but expressly agree that they have taken these possibilities into account in electing to enter into this SETTLEMENT AGREEMENT.

3.4 The PARTIES understand and agree that nothing in this SETTLEMENT AGREEMENT prohibits or prevents PLAINTIFFS from participating, testifying, or assisting in any investigation, hearing, or other proceeding before the U.S. Equal Employment Opportunity Commission, the National Labor Relations Board or a similar agency enforcing federal, state or local anti-discrimination laws. However, to the maximum extent permitted by law, PLAINTIFFS agree that if such an administrative claim is made to such an agency, PLAINTIFFS shall not be entitled to recover any individual monetary relief or other individual remedies.

3.5 Except as specified herein, the PARTIES acknowledge that they are each to bear their own costs and attorneys' fees incurred in connection with the underlying lawsuit.

4. No Actions re Released Claims

PLAINTIFFS represent and warrant that they have not transferred to any person or entity any rights, causes of action, or claims released in this SETTLEMENT AGREEMENT. PLAINTIFFS agree that they will not bring any complaints, charges, notices or claims in any court or before any governmental agency, including but not limited to the EEOC, DFEH, LWDA, EDD or DLSE on behalf of themselves or others against or relating to RELEASEES, or any of them, by which they assert claims released in this SETTLEMENT AGREEMENT.

5. Non-Cooperation

PLAINTIFFS will not encourage, cooperate with, or volunteer to assist any third party in pursuing or bringing any demands, litigation, actions, charges, or legal claims against RELEASEES, or any of them, unless compelled to do so by legal process and then only to the extent compelled to do so.

6. Court Approval and Dismissal

PLAINTIFFS will seek Court approval for the settlement of their PAGA claim and PLAINTIFFS' counsel's PAGA fees and costs. PLAINTIFFS and DEFENDANTS hereby expressly authorize PLAINTIFFS' counsel, Carlos Jato, to prepare and file the necessary documents to secure Court approval of the settlement of their PAGA claim and to cooperate with him as necessary to secure such approval.

Within ten (10) days of DEFENDANTS' satisfaction of the SETTLEMENT AMOUNT payment terms set forth in Section 2, PLAINTIFFS will dismiss with prejudice and without further costs any complaints, allegations, causes of action, or counts pending in the LITIGATION. PLAINTIFFS hereby expressly authorizes their counsel, Carlos Jato, to prepare and file the dismissal with prejudice and without further costs in accordance with this section and PLAINTIFFS' counsel will take all necessary steps to secure such dismissal.

7. Enforcement

7.1 The PARTIES agree that this SETTLEMENT AGREEMENT may be enforced, as permitted by state law, and that the San Francisco County Superior Court, will have jurisdiction to enforce this SETTLEMENT AGREEMENT. In that regard and pursuant to CCP sec. 664.6, the PARTIES stipulate that the court shall retain jurisdiction over the parties to enforce the settlement until performance in full of the terms of this settlement.

7.2 In any legal action solely and specifically for breach of the PARTIES' respective obligations under the SETTLEMENT AGREEMENT, the prevailing party therein shall be entitled to have its/her costs and reasonable experts' and attorneys' fees paid by the losing party. Unless otherwise ordered to do so, only the provisions of the SETTLEMENT AGREEMENT alleged to have been breached shall be disclosed in such action.

8. Integration

This SETTLEMENT AGREEMENT represents the complete understanding between PLAINTIFFS, on the one hand, and DEFENDANTS, on the other, regarding the subject matter herein, namely PLAINTIFFS' final resolution of the claims released herein against DEFENDANTS and RELEASEES, and no other promises or agreements shall be binding on the PARTIES or shall modify the SETTLEMENT AGREEMENT unless it is in writing and signed by the PARTIES. The SETTLEMENT AGREEMENT supersedes any prior agreements between PLAINTIFFS, on the one hand, and DEFENDANTS, on the other, and shall be binding upon the PARTIES as to the subject matter herein as stated above. The PARTIES represent that they have not relied upon any promise or representation not contained in the SETTLEMENT AGREEMENT in executing it.

9. Construction

The PARTIES have reviewed and approved the content of the SETTLEMENT AGREEMENT. Therefore, the normal rule of construction that any ambiguity or uncertainty in a writing shall be interpreted against the party drafting the writing shall not apply to any action

on the SETTLEMENT AGREEMENT. The SETTLEMENT AGREEMENT is made in the State of California and shall be construed and interpreted in accordance with its laws without regard to its principles of conflicts of law.

10. Severability

If any provision or clause of the SETTLEMENT AGREEMENT is declared illegal or unenforceable by any court of competent jurisdiction and cannot be modified to be enforceable, that provision will immediately become null and void, leaving the remainder of the SETTLEMENT AGREEMENT in full force and effect. Sections 2, 3, and 6 are non-severable

11. Voluntary and Knowing Nature of Settlement

The PARTIES have carefully read this entire SETTLEMENT AGREEMENT. The PARTIES have had their attorneys fully explain its contents to them. The PARTIES fully understand the final and binding effect of this SETTLEMENT AGREEMENT. The only promises or representations made to the PARTIES about this SETTLEMENT AGREEMENT are contained herein. The PARTIES hereby acknowledge that they are signing this SETTLEMENT AGREEMENT voluntarily and freely and without pressure or undue influence from any other party.

12. Execution

This SETTLEMENT AGREEMENT may be executed by the PARTIES in counterparts with each counterpart to be deemed an original as to the party executing it. Electronic (e.g., DocuSign), facsimile, and .pdf copies of the PARTIES' signatures shall have the same effect as originals. This SETTLEMENT AGREEMENT will be effective only after all parties have signed it.

[The remainder of this page is intentionally left blank.]

PLAINTIFFS' SIGNATURES

PLAINTIFFS, having read this SETTLEMENT AGREEMENT in its entirety, or having had it translated and full explained to them by their counsel, Carlos Jato, hereby sign it as a free act.

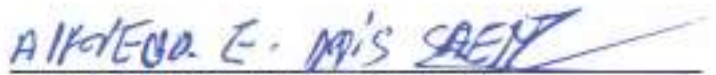
DATED: 12/14, 2023


VICTOR ORLANDO CELIS CANUL

DATED: 12/14, 2023


JOSE WILBERT CUA

DATED: 12/14, 2023


ALFREDO EDUARDO NIS SAENZ

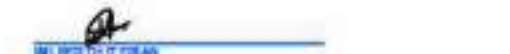
DATED: 12/14, 2023


JOSE CHAN

DATED: 12/14, 2023


MARCOS SIERRA

DATED: 12/14, 2023


WILBERTH INTERIAN

DATED: 12/14, 2023


PEDRO HU MAY

DATED: 12/14, 2023


ARTURO ACEVEDO

DATED: 12/14, 2023


JAVIER HUMBERTO VALLE

DATED: 12/14, 2023


LUIS DONALDO GALAVIZ ORTEGA

Approved as to form and content.

DATED: 12/14, 2023

CARLOS JATO

By: 
CARLOS JATO

DEFENDANTS' SIGNATURES

DATED: 12/20, 2023

LANGLEY ENTERPRISES

By: Richard Dingman
RICHARD DINGMAN

DATED: 12/20, 2023

RICHARD DINGMAN

By: Richard Dingman

DATED: 12/20, 2023

PAUL LANGLEY

By: Richard Dingman
By RICHARD DINGMAN as
attorney-in-fact for PAUL
LANGLEY

Approved as to form and content.

DATED: 12/20, 2023

LONG & LEVIT, LLP

By: 
DOUGLAS J. MELTON

“B”

Employee Initials*	# of Pay Periods Worked	Proportional Share %	Share of Total PAGA Payment of \$3,333.34
R.B.	15	3.232758621	\$107.76
B.B.	9	1.939655172	\$64.66
A.C.	17	3.663793103	\$122.13
T.C.	10	2.155172414	\$71.84
M.C.	13	2.801724138	\$93.39
Canul	25	5.387931034	\$179.60
Interian	25	5.387931034	\$179.60
A.K.	25	5.387931034	\$179.60
E.Le.	17	3.663793103	\$122.13
E.Lo.	16	3.448275862	\$114.94
D.M.	12	2.586206897	\$86.21
Ortega	25	5.387931034	\$179.60
I.P.	6	1.293103448	\$43.10
M.R.	22	4.74137931	\$158.05
Saenz	25	5.387931034	\$179.60
Sierra	25	5.387931034	\$179.60
May	25	5.387931034	\$179.60
Valle-Ballam	25	5.387931034	\$179.60
C.W.	4	0.862068966	\$28.74
J.W.	17	3.663793103	\$122.13
K.W.	16	3.448275862	\$114.94
C.F.	12	2.586206897	\$86.21
H.T.	1	0.215517241	\$7.18
Chan	15	3.232758621	\$107.76
D.Ma.	6	1.293103448	\$43.10
G.G.	3	0.646551724	\$21.55
C.C.	12	2.586206897	\$86.21
E.M.	11	2.370689655	\$79.02
N.G.	1	0.215517241	\$7.18
J.M.	4	0.862068966	\$28.74
S.U.	11	2.370689655	\$79.02
M.V.	8	1.724137931	\$57.47
A.B.	6	1.293103448	\$43.10
TOTALS	464	100	\$3,333.34

*Employee initials used to preserve privacy rights, except Plaintiffs