

FILED
Superior Court of California
County of San Francisco

SEP - 5 2024

CLERK OF THE COURT
BY: Xan Liu
Deputy Clerk

RUBEN ESCOBEDO (SBN 277866)
WORKWORLD LAW CORP.
A Professional Corporation
6907 El Camino Real, Suite A
Atascadero, CA 93422
Telephone: (805) 335-2476
Facsimile: (805) 892-6213
Email: support@workworldlaw.com

Attorneys for ALEX CASTILLO MASIS,
as Private Attorney General

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF SAN FRANCISCO**

STATE OF CALIFORNIA ex rel.
ALEX CASTILLO MASIS, as Private
Attorney General,

Plaintiff,

v.

URBAN PACIFIC PROPERTIES, INC.,
DBA PACIFIC UNION
DEVELOPMENT; and DOES 1-25,
inclusive,

Defendants.

Case No. CGC-23-605440

*Assigned for All Purposes to:
Hon. Richard B. Ulmer Jr. - Dept. 610*

Judgment on
**STIPULATION OF SETTLEMENT AND ~~PROPOSED~~ ORDER APPROVING
SETTLEMENT OF PLAINTIFF'S CLAIMS
FOR CIVIL PENALTIES UNDER PAGA**

Trial Date: None

Complaint filed: March 27, 2023

JOINT STIPULATION

Plaintiff Alex Castillo Masis ("Plaintiff") and Urban Pacific Properties, Inc., dba Pacific Union Development ("Defendant") (Plaintiff and Defendant are together referred to as the "Parties"), by and through their counsel, hereby stipulate and agree to the settlement of Plaintiff's claim for civil penalties under the California Labor Code Private Attorney General Act, Labor Code § 2698, *et seq.* ("PAGA"), as follows:

1. Plaintiff Alex Castillo Masis worked for Defendant from approximately November 09, 2020, to May 13, 2022, as a nonexempt employee of Defendant.

Judgment
**STIPULATION OF SETTLEMENT AND ~~PROPOSED~~ ORDER APPROVING SETTLEMENT OF
PLAINTIFF'S CLAIMS FOR CIVIL PENALTIES UNDER PAGA**

2. On January 18, 2022, Plaintiff provided written notice to the LWDA and Defendant asserting claims for civil penalties pursuant to PAGA stemming from alleged violations of various Labor Code sections and his intent to file a civil lawsuit under the PAGA.

3. On March 27, 2023, Plaintiff filed a complaint for civil penalties under the Private Attorneys General Act ("PAGA") entitled *State of California ex rel. Alex Castillo Masis, as Private Attorney General v. URBAN PACIFIC PROPERTIES, INC., DBA PACIFIC UNION DEVELOPMENT*, County of San Francisco Superior Court, Case No. CGC-23-605440.

4. Defendant contends, among other things, that it has complied at all times with the California Labor Code, the related California Wage Orders, and all other state and federal wage-and-hour laws and health-and-safety laws. Defendant further believes that imposition of the asserted penalties would be unjust, arbitrary, oppressive, and confiscatory. While Defendant has denied, and continues to deny, all allegations in the above-described action, the Parties recognized the value of resolving this matter through mediation.

5. After arms-length negotiations occurred between counsel for the Parties, the Parties agreed to a settlement, which was negotiated in light of all known facts and circumstances, including the difficulty of proving Plaintiff's claims, potential defenses asserted by Defendant, the uncertainty associated with litigation, the risks of significant delay, and numerous potential appellate issues. It was not easy for the Parties to reach this settlement, which was possible with the skilled guidance and input of their counsel, all of which are experienced employment law litigators with an emphasis in PAGA litigation.

6. A true and correct copy of the Settlement Agreement, which was fully executed by all Parties, is attached hereto as **Exhibit 1**.

7. The settlement in this action provides a gross settlement amount of \$30,000 covering 20 alleged aggrieved employees and the LWDA in exchange for a release of claims under PAGA only. Aggrieved employees' individual claims are in no way affected by this settlement and they are completely free to bring their own claims separately in their personal capacities insofar as their personal rights are concerned. The Settlement Agreement contains a Release of Claims, which releases "all claims for civil penalties under PAGA arising from the

1 same facts and/or claims alleged in the Action, or related to claims that were pled or that could
2 have been pled under PAGA in the Action, that accrue through the date the Court enters its order
3 approving this Settlement.”

4 8. After attorneys’ fees (one third or \$10,000), costs (\$1,500), settlement
5 administrator fees (\$1,500), and an enhancement payment to Plaintiff (\$2,000) are accounted
6 for, the Settlement Agreement requires payment of the Net Settlement Amount in the estimated
7 amount of \$15,000 to be made directly to the LWDA and Aggrieved Employees on whose
8 behalf this action was brought. As mandated by the PAGA (Labor Code § 2699(i)), seventy-five
9 percent (75%) of the Net Settlement Amount will be paid to the LWDA in full satisfaction of all
10 claims for PAGA civil penalties under the California Labor Code, Wage Orders, regulations,
11 and/or other provisions of law alleged to have been violated in the PAGA Complaint in the
12 Action with respect to PAGA Members. The remaining twenty-five percent (25%) of the Net
13 Settlement Amount will be paid to all PAGA Members in equal shares.

14 9. The Settlement Agreement requires payment of \$11,500 for Plaintiff’s attorneys’
15 fees and costs, and up to \$1,500 for settlement administrator ILYM Group’s administration of
16 settlement payments to the Aggrieved Employees.

17 10. Plaintiff agrees that upon entry of an Order approving the Settlement and
18 judgment entered thereon, and upon the Settlement being fully funded, Plaintiff and all
19 Aggrieved Employees release the PAGA Released Claims against the Released Parties that arose
20 during the PAGA Period. Upon entry of the Order approving the settlement and judgment
21 entered thereon and the Settlement being fully funded, Plaintiff and all Aggrieved Employees
22 will be forever barred from pursuing any and all of the PAGA Released Claims that arose during
23 the PAGA Period against the Released Parties.

24 11. Plaintiff gave notice of the PAGA settlement to the LWDA on May 21, 2024.

25 12. Based on their own independent investigations and evaluations, Plaintiff and his
26 counsel are of the opinion that the settlement for the consideration and on the terms set forth in the
27 Settlement Agreement and Release of Claims is fair, reasonable, and adequate and is in the best
28 interests of the Plaintiff and the Aggrieved Employees in light of all known facts and

1 circumstances and the risks inherent in litigation, including the potential appellate issues. Further,
2 Plaintiff's counsel believes that the settlement amount entered into is in the best interests of the
3 Aggrieved Employees and that the settlement for each Aggrieved Employee is fair, reasonable,
4 and adequate, given the inherent risk of litigation.

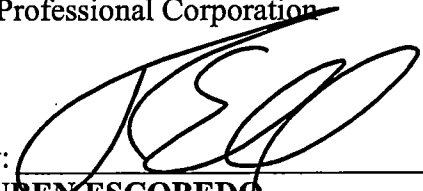
5 13. The Parties request that the Court approve the arm's length settlement reached between
6 the Parties pertaining to penalties under PAGA, and the release of PAGA claims.

7 **NOW THEREFORE**, in return for the mutual commitments and consideration detailed
8 in the Settlement Agreement attached hereto as Exhibit 1, the Parties stipulate to the Court's
9 approval of the proposed Order and Judgment submitted concurrently herewith.

10 **IT IS SO STIPULATED.**

11
12 DATED: 5/21/24

WORKWORLD LAW CORP.
A Professional Corporation

13
14
15 By: 
16 **RUBEN ESCOBEDO**
Attorneys for ALEX CASTILLO MASIS
as Private Attorney General

17
18 DATED: 5/23/24

KAUFMAN DOLOWICH VOLUCK LLP
A Professional Corporation

19
20
21 By: 
22 **KATHERINE S. CATLOS**
23 **KARTIKEY A. PRADHAN**
Attorneys for Defendant
24 **URBAN PACIFIC PROPERTIES, INC.,**
25 **DBA PACIFIC UNION DEVELOPMENT**
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27
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PROPOSED ORDER AND JUDGMENT

Having considered the Parties' Stipulation for Approval of Private Attorneys General Act Settlement Agreement and Release ("Stipulation"), and recognizing the disputed factual and legal issues involved in this case, the risks of further prosecution, the substantial benefits to be received by alleged concerned pursuant to the Settlement, and the fair, reasonable, and adequate nature of the settlement obtained as a result of good faith arm's-length negotiations between the Parties, the Court hereby makes a final ruling that the Settlement is approved. Good cause appearing therefor, the Court hereby APPROVES the Settlement of Claims under the Private Attorneys General Act ("Settlement"), and ORDERS as follows:

1. The Court hereby approves the settlement as set forth in the Settlement as fair, reasonable, and adequate, and directs the parties to effectuate the Settlement according to its terms.

2. Defendant URBAN PACIFIC PROPERTIES DBA PACIFIC UNION DEVELOPMENT ("Defendant") shall fund the Gross Settlement Amount of \$30,000 with the Settlement Administrator within 15 days of this Order.

3. The Court hereby approves, as to form and content, the explanatory letter submitted by the parties and included as Exhibit A to the Settlement Agreement.

4. Within five (5) business days of this Order, Defendant shall provide the Settlement Administrator with the PAGA Member List.

5. The Court hereby appoints ILYM Group as the Settlement Administrator. The Settlement Administrator shall calculate all shares of the Gross Settlement Amount and distribute the Gross Settlement Amount and notices in accordance with the Settlement Agreement.

6. Following entry of this Judgment and Order and the Settlement being fully funded, Plaintiff and all Aggrieved Employees will release the PAGA Released Claims against the Released Parties that arose during the PAGA Period. Upon entry of the Order approving the settlement and judgment entered thereon and the Settlement being fully funded, Plaintiff and all Aggrieved Employees will be forever barred from pursuing any and all of the PAGA Released Claims that arose during the PAGA Period against the Released Parties. The terms of the

1 Settlement Agreement, and this Judgment and Order, shall be binding on Plaintiff, the State of
2 California, and the Aggrieved Employees, as well as their heirs, executors and administrators,
3 successors and assigns, and those terms shall have res judicata, collateral estoppel and other
4 preclusive effect in all pending and future claims, lawsuits or other proceedings maintained by or
5 on behalf of any such persons or entities, to the extent those claims, lawsuits or other proceedings
6 constitute PAGA Released Claims as set forth in the Settlement Agreement.

7 7. Upon entry of this Order, the Court hereby enters judgment, with prejudice, for the
8 reasons described above and in accordance with the terms of the Settlement Agreement. Except as
9 otherwise provided in the Settlement Agreement, all parties shall bear their own attorneys' fees,
10 costs, and expenses incurred by them in or arising out of the lawsuit and shall not seek
11 reimbursement thereof from the Released Parties. Upon entry of this Judgment and Order, the
12 Court permanently enjoins and forever bars the Plaintiff and/or the Aggrieved Employees from
13 instituting or prosecuting any of the PAGA Released Claims against the Released Parties which
14 were resolved as part of the Settlement. Without affecting the finality of this Judgment and Order
15 in any way, the Court retains jurisdiction to enforce the terms of the Settlement.

16 8. Neither this Order nor the Settlement Agreement (or any other document referred to
17 herein, or any action taken to carry out this Order) is, may be construed as, or may be used as, an
18 admission of liability or fault by Defendant or the Released Parties, or a finding as to the validity
19 of any claims in the Action or of any wrongdoing or violation of law that is otherwise alleged, or
20 could have been alleged, against Defendant or the Released Parties. The Settlement Agreement is
21 not a concession by the Parties and, to the extent permitted by law, neither the Settlement
22 Agreement nor this Judgment and Order, nor any of their terms or provisions, nor any of the
23 negotiations or proceedings connected with them, shall be offered as evidence or received in
24 evidence in any pending or future civil, criminal, or administrative action or proceeding to
25 establish any liability of, or admission by the Released Parties. Notwithstanding the foregoing,
26 nothing in this Judgment and Order shall be interpreted as prohibiting the use of this Judgment and
27 Order in a proceeding to consummate or enforce the Settlement Agreement, or the use of this
28 Order and Judgment to defend against the assertion of claims in any other proceeding, or as

1 otherwise required by law. This Judgment ~~and Order~~ ^{on} and the Settlement Agreement may be filed
2 in any action by Defendant or the Released Parties to support a defense of res judicata, collateral
3 estoppel, release, waiver, good-faith settlement, judgment bar or reduction, full faith and credit, or
4 any other theory of claim preclusion, issue preclusion or similar defense or counterclaim.

5 IT IS SO ORDERED, ADJUDGED, AND DECREED.

6 DATED: 9/5/24

7 
8 JUDGE OF THE SUPERIOR COURT

9 RICHARD ULMER

EXHIBIT 1

SETTLEMENT AGREEMENT AND LIMITED RELEASE

This Private Attorneys General Act Settlement Agreement and Limited Release ("PAGA Settlement") is by and between ALEX CASTILLO MASIS ("Plaintiff"), for himself and on behalf of the State of California and all allegedly aggrieved employees, and URBAN PACIFIC PROPERTIES, INC. dba PACIFIC UNION DEVELOPMENT (each, a "Party" and collectively, the "Parties").

WHEREAS, Plaintiff sent a notice to the California Labor and Workforce Development Agency ("LWDA") alleging violations of the Labor Code alleged to have occurred during Plaintiff's employment with Defendant on behalf of Plaintiff and other purported aggrieved employees ("PAGA Notice"). The PAGA Notice defines "Aggrieved Employees" as all employees of Defendant beginning January 18, 2022.

WHEREAS, Plaintiff filed a complaint in the Superior Court of California, County of San Francisco, Case No. CGC-23-605440 entitled *State of California ex rel. Alex Castillo Masis, as Private Attorney General v. Urban Pacific Properties, Inc. dba Pacific Union Development; and Does 1-25, inclusive* alleging twelve causes of action for Failure to Provide Compliant Meal Periods; Failure to Pay Premium Wages; Failure to Provide Compliant Rest Periods; Failure to Pay Premium Wages; Failure to Pay Minimum Wages Owed; Failure to Pay Overtime Wages Owed; Inaccurate Wage Statements; Failure to Timely Pay Wages; Failure to Comply with Recordkeeping Requirements; Failure to Pay All Wages Due at Separation; Failure to Pay Wages at Termination; Failure to Establish, Implement, and Maintain Effective Injury Prevention Program; Requiring Unqualified Person to Perform Electrical Work; Permitting Unsafe Work and Failure to Provide Safe Workplace, Practices, and Processes; and Retaliation (the "Complaint").

WHEREAS, Plaintiff asserted the PAGA Claims against Defendant on behalf of himself and other employees who were employed by Defendant between January 18, 2022 and the date the Court approves this PAGA Settlement Agreement. These claims are statutorily confined to a one-year time period, based on the aforementioned letter to the LWDA. Based on the filing dates of the PAGA Demand Letter and the Lawsuit, the timeframe for alleged PAGA violations at issue in this case is January 18, 2022, through the date the court approves the PAGA Settlement (the "PAGA Period").

WHEREAS, the above-referenced PAGA Notice and Complaint and all of the allegations contained within, are referred to herein as the "Action," all of which are incorporated herein by reference.

WHEREAS, Defendant denies and continues to denies all of the allegations raised by PLAINTIFF.

WHEREAS, Plaintiff and Defendant mutually desire to compromise, settle, and release the claims asserted in the Action and any and all other claims whether known or unknown, arising out of or based on any fact, matter, or event which occurred prior to the date of the PAGA Settlement.

WHEREAS, the Parties understand, acknowledge, and agree that the PAGA Settlement constitutes a compromise of Plaintiff's and/or the Other Employees' PAGA Claims, and that it is the desire and intention of the Parties to effect a final and complete resolution of the Action and all representative claims, including the PAGA Claims, that Plaintiff and/or the Other Employees may have against Defendant. The Parties further acknowledge that the PAGA Settlement is a compromise of disputed claims and that nothing in this Agreement shall be construed as an admission by Defendant of liability.

WHEREAS, the Parties believe and agree that the PAGA Settlement provides for a fair, adequate, and reasonable resolution of the PAGA Claims, and have arrived at the settlement in extensive, arms-length negotiations, taking into account all relevant factors, present and potential.

NOW, THEREFORE, IT IS HEREBY AGREED, by and between Plaintiff and Defendant as follows:

A. Definitions

1. "Action" means the case entitled *State of California ex rel. Alex Castillo Masis, as Private Attorney General v. Union Pacific Properties, Inc. dba Pacific Union Development; and Does 1-25, inclusive* pending in Superior Court of California, County of San Francisco, Case No. CGC-23-605440, and the Operative Complaint in that matter.

2. "Aggrieved Employee Settlement Fund" means twenty-five percent (25%) of the Net Settlement Amount. Individual Settlement Payments to PAGA Members will be made from the Aggrieved Employee Settlement Fund.

3. "Agreement" or "Settlement Agreement" shall mean this Private Attorneys General Act Settlement Agreement and Release.

4. "Attorneys' Fees" means such attorneys' fees as the Court may award to Plaintiff's Counsel for the services they have rendered and will render to the PAGA Cohort Members in the Action, and which shall not exceed \$10,000.

5. "Enhancement Payment" means a payment of \$2,000 to Alex Castillo Masis as compensation for bringing this case on behalf of the State and other alleged aggrieved employees and in exchange of Masis granting a general release.

6. "Attorneys' Costs" means such litigation costs as the Court may award to Plaintiff's Counsel for the costs they have incurred and will incur in the investigation, litigation, and resolution of the Action, and in administration of the Settlement, and which are not expected to exceed \$1,500.

7. "Court" shall mean the Superior Court of California, County of San Francisco, where the Action is venued.

8. "Defense Counsel" or "Defendant's Counsel" mean Katherine S. Catlos and Kartikey A. Pradhan of KAUFMAN DOLOWICH VOLUCK LLP.

9. "Effective Date" means the date this Settlement is approved and the Court's order granting Settlement Approval and entry of Judgment is entered.

10. "Judgment" means the order entered by the Court granting the entry of judgment in this Action and retaining jurisdiction only as set forth in Paragraph C(4) below.

11. "Funding Date" means the date that is fifteen (15) calendar days after the Effective Date. If the Funding Date falls on a weekend or holiday, it shall be extended to the following business day.

12. "Gross Settlement Amount" means the amount of \$30,000 that Defendant will pay if the Court approves this Settlement and the Effective Date occurs. The Gross Settlement Amount will fund: (a) the Aggrieved Employee Settlement Fund; (b) the LWDA Payment; (c) the award of Attorneys' Fees to Plaintiff's Counsel; (d) the award of Attorneys' Costs to Plaintiff's Counsel; (e) the Settlement Administration Costs; and (f) the Enhancement Payment. Under no circumstances will Defendant be required to pay more than the Gross Settlement Amount in order to settle the Action. In no event will any money revert to Defendant.

13. "Individual Settlement Payment" means the portion of the Aggrieved Employee Settlement Fund allocated to each PAGA Member, which shall be an equal share of the Aggrieved Employee Settlement Fund. One hundred percent (100%) of the Individual Settlement Payments made to PAGA Members shall be deemed miscellaneous income for which a Form 1099-MISC will be issued.

14. "LWDA Payment" means seventy-five percent (75%) of the Net Settlement Amount. The LWDA Payment will be issued to the LWDA.

15. "Net Settlement Amount" means the Gross Settlement Amount minus the Attorneys' Fees, Attorneys' Costs, Enhancement Payment, and Settlement Administration Costs. Seventy-five percent (75%) of the Net Settlement Amount will be distributed to the LWDA and twenty-five percent (25%) will be distributed to PAGA Members.

16. "Notice" means the form of notice that will be sent to each PAGA Member accompanying their Individual Settlement Payments, which shall be substantially in the form attached hereto as **Exhibit A**.

17. "PAGA Members" means Plaintiff and all current or former employees of Defendant in the State of California during the PAGA Period. Defendant warrants and represents there are 20 PAGA Members as of the date of this Agreement. If there are additional PAGA Members hired after this Agreement but before the Effective Date, Defendant agrees to either exclude those PAGA Members from this Agreement or pay the additional PAGA Members an Individual Settlement Payment equal to the amount to be paid to the other PAGA Members under this Agreement.

18. "PAGA Member List" means the list of full names, most recent mailing addresses, most recent telephone numbers, Social Security numbers, and dates of employment, for all PAGA Members, which Defendant will diligently and in good faith compile from their records. To be eligible, the PAGA Member must have worked at least one (1) shift during the PAGA Period.

19. "PAGA Period" means the period from January 18, 2022, through the date that the Court enters an order approving the Settlement and entering Judgment.

20. "Plaintiff's Counsel" means Ruben Escobedo of WorkWorld Law Corp.

21. "Release" means Plaintiff agreement, in consideration of Defendant's promises and agreements as set forth herein, to fully release and discharge the Released Parties from any and all Released Claims.

22. "Released Claims" means all claims for civil penalties under PAGA arising from the same facts and/or claims alleged in the Action, or related to claims that were pled or that could have been pled under PAGA in the Action, that accrue through the date the Court enters its order approving this Settlement. This includes, without limitation: (A) claims under California Labor Code §§ 200-204, 206, 210, 218, 218.5, 218.6, 226, 226.2, 226.3, 226.7, 226.8, 246, 248, 432, 510, 512, 515, 558, 1174, 1174.5, 1175, 1182, 1182.12, 1194, 1194.2, 1194.3, 1197, 1197.1, 1198, 1198.5, 2753, 2800, 2802, California Code of Regulations, Title 8 section 11050 *et seq.*, and any other applicable Industrial Welfare Commission ("IWC") Wage Orders, for failure to provide employment records, failure to pay for all hours worked, unpaid minimum wages, unpaid overtime, failure to pay unpaid double time, failure to timely pay commission wages, failure to provide meal periods, failure to provide rest breaks, failure to pay meal period premiums, failure to pay rest break premiums, failure to pay meal period and rest break premiums at the proper rate of pay, failure to reimburse for reasonable business expenses, failure to pay all wages owed to discharged or resigned employees in a timely manner, failure to maintain accurate employment records, failure to timely pay wages/failure to pay wages two times per month, failure to maintain itemized records, failure to provide accurate, itemized wage statements, failure to comply with the wage statement requirements of Cal. Labor Code § 226, failure to pay reporting pay, failure to pay split shift premiums, failure to provide notice of paid sick time and accrual, and failure to pay all earned wages in a timely manner, including but not limited to claims under California Labor Code; (B) all claims that Defendant is liable for the attorneys' fees and costs incurred in the prosecution of this Action on behalf of the PAGA Members; (C) all claims that Defendant is liable for any other remedies, penalties, or interest based on the facts alleged in the Action; and (D) all claims that Plaintiff and/or the PAGA Members may have against the Released Parties relating to the payment, taxation, and allocation of attorneys' fees and costs to Plaintiff's Counsel pursuant to this Settlement Agreement. The period of the release shall extend to the limits of the PAGA Period. The *res judicata* effect of the judgment will be the same as that of the Release. Other than Plaintiff (who has agreed to release individual claims against Defendant as provided in Section D), "Released Claims" does not include a release of individual claims the PAGA Members may have against the Released Parties. However, "Released Claims" does include a release of all individual PAGA claims (as defined above in this paragraph) the PAGA Members have against the Released Parties.

23. "Released Parties" means Defendant and its past, present and future parents, affiliates, subsidiaries, divisions, predecessors, successors, partners, joint venturers, affiliated organizations, shareholders, insurers, reinsurers and assigns, and each of their past, present and future officers, directors, trustees, agents, employees, attorneys, contractors, representatives, benefits plans sponsored or administered by the Released Parties, divisions, units, and branches, and any other persons or entities acting on behalf of or in concert with any of the foregoing or any persons who Defendant have an obligation to indemnify on account of the Released Claims.

24. "Settlement Administrator" means ILYM Group a third-party settlement administrator agreed upon by the Parties and appointed by the Court for the purposes of administering this Settlement. The Parties each represent that they have selected a Settlement Administrator that they do not have any financial interest in or otherwise have a relationship with the Settlement Administrator that could create a conflict of interest.

25. "Settlement Administration Costs" means the amount from the Gross Settlement Amount which shall be allocated, subject to the Court's approval, to the Settlement Administrator for services rendered in administering the Settlement, and which shall not exceed \$1,500.

26. "Settlement Approval" means the settlement approval order and Judgment that will be entered by the Court.

27. "Settlement Fund Account" means the bank account established by the Settlement Administrator pursuant to the terms of this Settlement Agreement, from which all monies payable under the terms of this Settlement shall be paid, as set forth herein.

28. "Void Date" means the 181st day after issuance of Individual Settlement Payment checks to PAGA Members, upon which the Individual Settlement Payment checks will no longer be valid and negotiable.

B. Consideration

1. No Admission of Liability. Defendant contends and continues to contend that the allegations in the Action have no merit and do not give rise to liability. Defendant specifically denies all of the allegations in the Action. This Settlement Agreement is a compromise of disputed claims. Nothing contained in this Settlement Agreement, no documents referred to herein, and no action taken to carry out the terms of this Settlement Agreement may be construed or used as an admission by or against Defendant or any of the Released Parties of any fault, wrongdoing, or liability whatsoever.

2. Monetary Settlement Components. Provided that the Court approves the Settlement and the Effective Date occurs, Defendant will pay the Gross Settlement Amount. Defendant will deposit the Gross Settlement Amount into the Settlement Fund Account, which shall be administered by the Settlement Administrator. All amounts to be paid pursuant to this Settlement Agreement shall be paid out of the Settlement Fund Account.

- a. Attorneys' Fees. In full satisfaction of all claims Plaintiff or Plaintiff's Counsel may have for attorney's fees arising out of the Action, the Parties agree that Plaintiff's Counsel will ask the Court for an amount not to exceed one-third (1/3) of the Gross Settlement Amount, \$10,000. Defendant will not oppose a request made by Plaintiff for an award of Attorneys' Fees within this amount. The Attorneys' Fees to be awarded to Plaintiff are subject to the approval of the Court and will be paid only from the Gross Settlement Amount. Any portion of the Attorneys' Fees not awarded to Plaintiff's Counsel will be added to the Net Settlement Amount. Plaintiff understands and agrees that this Settlement Agreement and Release shall remain in full force and effect even if the full amount of Attorney's Fees identified herein is not awarded by the Court. However, Plaintiff's Counsel retains their right to appeal any decision by the Court regarding the Attorneys' Fees.
- b. Attorneys' Costs. In full satisfaction of all claims Plaintiff or Plaintiff's Counsel may have for litigation costs and expenses arising out of the Action, the Parties agree that Plaintiff's Counsel will ask the Court for an amount not to exceed \$1,500 from the Gross Settlement Amount as Attorney's Costs. Defendant will not oppose a request made by Plaintiff for an award of Attorney's Costs within this amount. The Attorney's Costs to be awarded to Plaintiff are subject to the approval of the Court and will be paid only from the Gross Settlement Amount. Any portion of the Attorney's Costs not awarded to Plaintiff's Counsel will be added to the Net Settlement Amount. Plaintiff understands and agrees that this Settlement Agreement and Release shall remain in full force and effect even if the full amount of Attorney's Costs identified herein is not awarded by the Court. However, Plaintiff's Counsel retains their right to appeal any decision by the Court regarding the Attorney's Costs.
- c. Settlement Administration Costs. A maximum of \$1,500 from the Gross Settlement Amount will be allocated and paid to the Settlement Administrator. The Settlement Administration Costs to be paid to the Settlement Administrator are subject to the Court's approval and will be paid only from the Gross Settlement Amount. Any portion of the Settlement Administration Costs identified herein not ordered paid to the Settlement Administrator will be added to the Net Settlement Amount.
- d. Net Settlement Amount. Seventy-five percent (75%) of the Net Settlement Amount will be paid to the LWDA in full satisfaction of all claims for PAGA civil penalties under the California Labor Code, Wage Orders, regulations, and/or other provisions of law alleged to have been violated in the PAGA Complaint in the Action with respect to PAGA Members. The remaining twenty-five percent (25%) of the Net Settlement Amount will be paid to all PAGA Members in equal shares.

3. PAGA Members' Release. Upon the Effective Date, Plaintiff, on behalf of himself, the State of California, and all PAGA Members, releases the Released Parties from the d Claims asserted in the PAGA Notice. PAGA Members may discover facts in addition to those they now know or believe to be true with respect to the subject matter of the Released Claims, but upon the Effective Date, PAGA Members shall be deemed to have, and by operation of the Settlement Approval shall have, fully, finally, and forever settled and released any and all of the Released Claims during the PAGA Period, without regard to the subsequent discovery or existence of such different or additional facts. PAGA Members agree not to sue or otherwise make a claim against any of the Released Parties that seeks recovery for any of the Released Claims during the PAGA Period. It is the intent of the Parties that the Settlement approval order and Judgment entered by the Court shall have full *res judicata* effect and be final and binding upon PAGA Members regarding the Released Claims during the PAGA Period.

C. Settlement Administration Procedures

1. Stipulation for Settlement Approval. Following full execution of this Settlement Agreement, Plaintiff will promptly seek approval of this Agreement by submission of stipulation and order or noticed motion, as the court may require. Plaintiff's Counsel will present this Settlement Agreement to the Court for an order (a) approving and incorporating by reference the terms and conditions of the Settlement Agreement, (b) retaining jurisdiction over the parties under Code of Civil Procedure Section 664.4 to enforce the Settlement Agreement, and (c) dismissing the entire Action with prejudice. Plaintiff's Counsel will be primarily responsible for drafting all documents necessary to obtain the above order, and shall provide drafts of such documents for review by Defendant's counsel prior to the filing of same. Defendant will not oppose Plaintiff's request for Settlement Approval unless the motion is inconsistent with the terms set forth in this Settlement Agreement.

2. No Right of PAGA Member to Opt-Out. The Parties agree there is no statutory right for any PAGA Member to opt-out or otherwise exclude himself or herself from the Settlement. Nor is there any right for any PAGA Member to dispute the value of the Individual Settlement Payment provided to them under this Settlement.

3. LWDA Notice. Pursuant to California Labor Code § 2699(l)(2), Plaintiff will provide a copy of this Settlement to the LWDA concurrently with the filing of the motion for Settlement Approval. Plaintiff will also file a declaration in support of their request for Settlement Approval, confirming that they have submitted the Settlement to the LWDA in compliance with Labor Code § 2699(l)(2). Pursuant to California Labor Code § 2699(l)(3), a copy of the Court's judgment and any other order issued in connection with this Settlement Agreement shall be submitted by Plaintiff to the LWDA within ten (10) calendar days after entry of the judgment or order.

4. Judgment and Continued Jurisdiction. The Parties expressly request that, after entry of Judgment, the Court retain continuing and exclusive jurisdiction under Code of Civil Procedure Section 664.6 for purposes of addressing: (a) the interpretation and enforcement of the terms of the Settlement Agreement; (b) matters relating to the administration of the Settlement;

and (c) such post-judgment matters as may be appropriate under Court rules or as set forth in this Settlement Agreement.

5. Settlement Administrator. The Parties will retain ILYM Group as the Settlement Administrator, subject to approval by the Court, to administer this Settlement. The Settlement Administrator will be responsible for: establishing the Settlement Fund Account; calculating Individual Settlement Payments; preparing, printing, and mailing the Individual Settlement Checks and accompanying Notice to PAGA Members; disbursing payment of Attorney's Fees and Attorney's Costs to Plaintiff's Counsel; disbursing payment to the LWDA consisting of seventy-five percent (75%) of the Net Settlement Amount; printing and providing PAGA Members, Plaintiff, and Plaintiff's Counsel with IRS Forms 1099 as required under this Settlement Agreement and applicable law; providing a due diligence declaration for submission to the Court upon completion of the terms of the Settlement; and for such other tasks as the Parties mutually agree or the Court orders. The Settlement Administrator shall keep the Parties timely apprised of the performance of all Settlement Administrator responsibilities, and shall not mail any payments to Plaintiff, the LWDA, Plaintiff's counsel or any PAGA Member unless and until the Settlement Administrator receives approval by the Parties to do so. Any legally mandated tax reports, tax filings, or other tax documents required by the administration of this Settlement shall be prepared by the Settlement Administrator. Any expenses incurred in connection with such preparation shall be part of the Settlement Administration Costs.

6. PAGA Member List. On or before the Effective Date, Defendant will provide the Settlement Administrator with the PAGA Member List, which shall be used solely for the administration of this Settlement and for no other purpose, and which shall not be shared with any persons or entity not employed by the Settlement Administrator and working on the administration of this Settlement. Because PAGA Members' sensitive personal information is included in the PAGA Member List, the Settlement Administrator shall maintain the PAGA Member List securely and in confidence, maintaining the strictest standards of data privacy. Access to the PAGA Member List shall be limited to employees of the Settlement Administrator with a need to use the PAGA Member List for administration of this Settlement. The Settlement Administrator shall permanently delete and destroy all electronic and hard copies of the PAGA Member List in its possession once settlement administration is concluded.

7. Funding of the Settlement. On or before the Funding Date, Defendant shall fund the Settlement by depositing the Gross Settlement Amount into the Settlement Fund Account to be established by the Settlement Administrator.

8. Payment of Attorneys' Fees and Attorneys' Costs. Within ten (10) calendar days following the Funding Date, the Settlement Administrator shall pay from the Settlement Fund Account the Court-approved Attorneys' Fees and Attorneys' Costs to Plaintiff's Counsel. Plaintiff's Counsel agrees to provide the Settlement Administrator with an executed IRS Form W-9 before payments for Attorneys' Fees and Attorneys' Costs are issued. The Settlement Administrator shall issue an IRS Form 1099 to Plaintiff's Counsel for the payments made pursuant to this Paragraph.

Defendant's payment of the Attorneys' Fees and Attorneys' Costs to Plaintiff's Counsel shall constitute full satisfaction of the obligation to pay any and all attorney's fees, expenses, and/or costs pertaining to the Action or the settlement of the Action as set forth in this Settlement Agreement.

9. Settlement Administration Costs. Within ten (10) calendar days following the Funding Date, the Settlement Administrator shall pay from the Settlement Fund Account the Court-approved Settlement Administration Costs.

10. Payment to LWDA. Within ten (10) calendar days following the Funding Date, the Settlement Administrator shall issue from the Settlement Fund Account a check payable to the LWDA for seventy-five percent (75%) of the Net Settlement Amount.

11. Individual Settlement Payments. Within ten (10) calendar days following the Funding Date, the Settlement Administrator shall mail the Individual Settlement Payments to the PAGA Members' last known mailing address. Prior to mailing, the Settlement Administrator will perform a search based on the National Change of Address Database for information to update and correct for any known or identifiable address changes. Any checks returned as non-deliverable on or before the Void Date will be sent promptly via regular First Class U.S. Mail to the forwarding address affixed thereto. If no forwarding address is provided, the Settlement Administrator will promptly attempt to determine the correct address using a skip trace, or other search using the name, address or Social Security number of the PAGA Member involved, and will then perform a single re-mailing. Any check re-mailings will not extend the 180-day period to cash a check. Any checks issued to PAGA Members shall remain valid and negotiable for one hundred and eighty (180) calendar days from the date of their issuance and then shall become void on the 181st day after issuance, *i.e.*, the Void Date. Within fourteen (14) calendar days after the Void Date, any unclaimed funds in the Settlement Fund Account as a result of the failure to cash Individual Settlement Payment checks prior to the Void Date shall be paid by the Settlement Administrator to the LWDA.

12. Tax Treatment of Individual Settlement Payments. One hundred percent (100%) of each Individual Settlement Payment shall be allocated to miscellaneous income for which an IRS Form 1099-MISC will issue, if required by law.

13. Administration of Taxes. The Settlement Administrator will be responsible for issuing to Plaintiff, PAGA Members, and Plaintiff's Counsel, IRS Form 1099s or other tax forms as may be required by law for all amounts paid pursuant to this Settlement, and for forwarding all penalties to the appropriate government authorities.

14. Certification of Completion. Upon completion of administration of the Settlement, the Settlement Administrator will provide a written declaration under oath to certify such completion to the Court and counsel for all Parties.

D. Miscellaneous Provisions

1. No Effect on Employee Benefits. Amounts paid to Plaintiff and other PAGA Members pursuant to this Settlement Agreement do not count as earnings or compensation for purposes of any benefits (e.g., 401(k) plans or retirement plans) sponsored by Defendants.

2. **Tax Liability.** The Parties make no representation as to the tax treatment or legal effect of the payments called for hereunder, and the Parties are not relying on any statement, representation, or calculation by any of the Parties or by the Settlement Administrator in this regard.

3. Circular 230 Disclaimer. EACH PARTY TO THIS AGREEMENT (FOR PURPOSES OF THIS SECTION, THE “ACKNOWLEDGING PARTY” AND EACH PARTY TO THIS AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN “OTHER PARTY”) ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS AGREEMENT, AND NO WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN OR AMONG THE PARTIES OR THEIR ATTORNEYS AND OTHER ADVISERS, IS OR WAS INTENDED TO BE, NOR WILL ANY SUCH COMMUNICATION OR DISCLOSURE CONSTITUTE OR BE CONSTRUED OR BE RELIED UPON AS, TAX ADVICE WITHIN THE MEANING OF UNITED STATES TREASURY DEPARTMENT CIRCULAR 230 (31 CFR PART 10, AS AMENDED); (2) THE ACKNOWLEDGING PARTY (A) HAS RELIED EXCLUSIVELY UPON HIS, HER OR ITS OWN, INDEPENDENT LEGAL AND TAX COUNSEL FOR ADVICE (INCLUDING TAX ADVICE) IN CONNECTION WITH THIS AGREEMENT, (B) HAS NOT ENTERED INTO THIS AGREEMENT BASED UPON THE RECOMMENDATION OF ANY OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO ANY OTHER PARTY, AND (C) IS NOT ENTITLED TO RELY UPON ANY COMMUNICATION OR DISCLOSURE BY ANY ATTORNEY OR ADVISER TO ANY OTHER PARTY TO AVOID ANY TAX PENALTY THAT MAY BE IMPOSED ON THE ACKNOWLEDGING PARTY; AND (3) NO ATTORNEY OR ADVISER TO ANY OTHER PARTY HAS IMPOSED ANY LIMITATION THAT PROTECTS THE CONFIDENTIALITY OF ANY SUCH ATTORNEY’S OR ADVISER’S TAX STRATEGIES (REGARDLESS OF WHETHER SUCH LIMITATION IS LEGALLY BINDING) UPON DISCLOSURE BY THE ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX STRUCTURE OF ANY TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED BY THIS AGREEMENT. Defendants, Defendant’s Counsel, Plaintiff and Plaintiff’s Counsel make no representation as to the tax treatment or legal effect of the payments called for hereunder, and Plaintiff and PAGA Members are not relying on any statement, representation, or calculation by Defendant, Defendant’s Counsel, or by the Settlement Administrator in this regard. Plaintiff and PAGA Members understand and agree that they will be solely responsible for the payment of any taxes and penalties assessed on the payments described herein.

4. **Plaintiff Solely Responsible.** Plaintiff and the PAGA Members understand and agree that they will be solely responsible for the payment of any taxes and penalties assessed on the payments described herein and will hold Defendant, Defendant's Counsel, the Released Parties, and the Settlement Administrator free and harmless from and against any claims resulting from treatment of such payments as non-taxable damages.

5. No Prior Assignments. The Parties and their counsel represent, covenant, and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action or right herein released and discharged.

6. Exhibits Incorporated by Reference. The terms of this Settlement Agreement include the terms set forth in any attached Exhibits, which are incorporated by this reference as though fully set forth herein. Any Exhibits to this Settlement Agreement are an integral part of the Settlement.

7. Entire Agreement. This Settlement Agreement and any attached Exhibits constitute the entirety of the Parties' settlement terms, and no oral or written representations, warranties or inducements have been made to any Party concerning this Settlement Agreement or its Exhibits other than the representations, warranties and covenants contained and memorialized in the Settlement Agreement and its Exhibits.

8. Amendment or Modification. This Agreement may be amended or modified only by a formal written instrument signed by counsel for all Parties or their successors-in-interest.

9. Authorization to Enter Into Settlement Agreement. The Parties warrant and represent they are expressly authorized by the Parties whom they represent to negotiate this Settlement Agreement and to take all appropriate action required or permitted to be taken by such Parties pursuant to this Settlement Agreement to effectuate its terms. The person or persons signing this Settlement Agreement on behalf of Defendant represents and warrants that he/she/they are authorized to sign this Settlement Agreement on behalf of Defendant. Plaintiff represents and warrants that he is authorized to sign this Settlement Agreement and that he has not assigned any claim covered by this Settlement to a third party.

10. Binding Agreement. The Parties warrant that they understand and have full authority to enter into this Settlement, and further intend that this Agreement will be fully enforceable and binding on all Parties, and agree that it will be admissible and subject to disclosure in any proceeding to enforce its terms, notwithstanding any settlement confidentiality provisions that otherwise might apply under federal or state law.

11. Binding on Successors and Assigns. This Settlement Agreement will be binding upon, and inure to the benefit of, the successors or assigns of the Parties hereto, as previously defined.

12. California Law Governs. All terms of this Settlement Agreement and Exhibits hereto will be governed by and interpreted according to the laws of the State of California.

13. Execution and Counterparts. This Agreement is subject only to the execution of all Parties. However, the Settlement Agreement may be executed in one or more counterparts. All executed counterparts and each of them, including facsimile, scanned, and e-mailed copies of the signature page, will be deemed to be one and the same instrument.

14. Acknowledgement that the Settlement is Fair, Adequate and Reasonable. The Parties believe this Agreement is a fair, adequate and reasonable settlement of the Action and have arrived at this Settlement after arm's-length negotiations, and in the context of adversarial litigation, taking into account all relevant factors, present and potential. The Parties further acknowledge that they are each represented by competent counsel and that they have had an opportunity to consult with their counsel regarding the fairness, adequacy and reasonableness of this Settlement.

15. Captions. The captions and paragraph numbers in this Agreement are inserted for the reader's convenience, and in no way define, limit, construe or describe the scope or intent of the provisions of this Agreement.

16. Waiver. No waiver of any condition or covenant contained in this Agreement or failure to exercise a right or remedy by any of the Parties hereto will be considered to imply or constitute a further waiver by such party of the same or any other condition, covenant, right or remedy.

17. Representation By Counsel. The Parties acknowledge that they have been represented by counsel throughout all negotiations that preceded the execution of this Agreement, and that this Agreement has been executed with the consent and advice of counsel, and reviewed in full. Further, Plaintiff and Plaintiff's Counsel warrant and represent that there are no liens on the Agreement.

18. Cooperation and Execution of Necessary Documents. All Parties will cooperate in good faith and execute all documents to the extent reasonably necessary to effectuate the terms of this Agreement. If the Parties are unable to reach agreement on the form or content of any document needed to implement the Settlement, or on any supplemental provisions that may become necessary to effectuate the terms of this Settlement, the Parties may seek the assistance of the Court to resolve such disagreement.

19. Publicity. The Parties agree that Plaintiff will not communicate the fact of, or the terms of, this Settlement to members of the press, including to Verdicts and Settlements. The Parties and their attorneys also agree not to publish the fact of, or terms of, this Settlement or any related information on their website, for advertising purposes and/or in publication materials generally available to the public.

20. Notices. Unless otherwise specifically provided, all notices, demands or other communications in connection with this Settlement Agreement shall be: (a) in writing; (b) deemed given on the third business day after mailing; and (c) sent via United States registered or certified mail, return receipt requested, addressed as follows:

Katherine S. Catlos
Kartikey A. Pradhan
Kaufman Dolowich Voluck LLP
425 California Street, Suite 2100

San Francisco, California 94104
kpradhan@kdvlaw.com
KCatlos@kdvlaw.com

[SIGNATURES ON FOLLOWING PAGE]

PLEASE READ CAREFULLY BEFORE SIGNING. THIS CONFIDENTIAL SETTLEMENT AGREEMENT AND RELEASE OF ALL CLAIMS INCLUDES A GENERAL RELEASE OF ALL KNOWN AND/OR UNKNOWN CLAIMS.

I HAVE READ THIS AGREEMENT AND I AGREE WITH ALL OF ITS TERMS. I UNDERSTAND THAT I AM GIVING UP IMPORTANT RIGHTS. I SIGN THIS AGREEMENT FREELY AND VOLUNTARILY, WITHOUT DURESS OR COERCION.

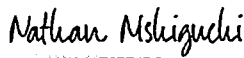
Dated: 04 / 15 / 2024



ALEX CASTILLO MASIS

Dated: 4/25/2024

DocuSigned by:



4E927341E0774D6

URBAN PACIFIC PROPERTIES, INC.

Exhibit A

<<DATE>>

<<FIRST NAME>> <<LAST NAME>>

<<ADDRESS>>

Re: Payment From *State of California ex rel. Alex Castillo Masis, as Private Attorney General v. Urban Pacific Properties, Inc. dba Pacific Union Development et al.*

Dear <<FIRST NAME>> <<LAST NAME>>:

Enclosed you will find a check made payable to you. This is your payment from the settlement of the lawsuit entitled *State of California ex rel. Alex Castillo Masis, as Private Attorney General v. Urban Pacific Properties, Inc. dba Pacific Union Development et al.*, Superior Court of California, County of San Francisco, Case No. CGC-23-605440 (the "Action").

The Action was filed by Alex Castillo Masis ("Plaintiff") against Urban Pacific Properties, Inc. dba Pacific Union Development ("Defendant") under the Private Attorneys General Act ("PAGA"). Plaintiff alleges that he is a former employee of Defendant and brings the Action on behalf of the State of California and all employees of Defendant in the State of California between January 18, 2022, and [DATE OF COURT'S APPROVAL ORDER] ("PAGA Members"). You have been identified as a PAGA Member on whose behalf the case was brought.

Plaintiff alleges that Defendant owes the State and PAGA Members penalties pursuant to the PAGA, California Labor Code sections 2698 *et seq.*, for alleged violations of the California Labor Code, including: Failure to Provide Compliant Meal Periods; Failure to Pay Premium Wages; Failure to Provide Compliant Rest Periods; Failure to Pay Premium Wages; Failure to Pay Minimum Wages Owed; Failure to Pay Overtime Wages Owed; Inaccurate Wage Statements; Failure to Timely Pay Wages; Failure to Comply with Recordkeeping Requirements; Failure to Pay All Wages Due at Separation; Failure to Pay Wages at Termination; Failure to Establish, Implement, and Maintain Effective Injury Prevention Program; Requiring Unqualified Person to Perform Electrical Work; Permitting Unsafe Work and Failure to Provide Safe Workplace, Practices, and Processes; and Retaliation.

Defendant denies that it has done anything wrong, denies all allegations made against it in the Action, and asserts that it has complied with applicable law at all times relevant to the Action. However, Defendant has agreed to settle this matter to avoid litigation costs and put this matter to rest.

The Court has not ruled on the merits of the lawsuit, but it has approved the settlement reached by Plaintiff and Defendant. By law, a portion of the amount from that settlement goes to the State of California, while another portion of the settlement amount goes to the PAGA Members. This Settlement constitutes a compromise of disputed claims and should not be construed as an admission of liability on the part of Defendant.

Enclosed is a check for your share of the settlement. You are not a party to this lawsuit, but you and the State are bound by the judgment.

If you have further questions about this settlement, please contact the lawyer for Mr. Castillo Masis:

Ruben Escobedo, 6907 El Camino Real, Suite A, Atascadero, CA 93422, (805) 335-2476

Sincerely,

[NAME AND TITLE OF SIGNATORY]