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Clerk of the Superior Court

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By: R. Day, Deputy

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Superior Court of California,
County of San Diego

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Clerk of the Superior Court
By Andrea Naranjo, Deputy Clerk

SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF SAN DIEGO

ALICIA ALVAREZ, an individual, for the real
party in interest, the State of California,

Plaintiff,

v.

CRA MSO LLC.; and DOES 1 through 50,

Defendants.

Case No. 37-2023-00021295-CU-OE-CTL

Judge: Hon. Joel R. Wohlfeil
Department: C-73

~~PROPOSED~~ JUDGMENT AND ORDER
GRANTING PLAINTIFF'S NOTICE OF
MOTION AND UNOPPOSED MOTION
FOR APPROVAL OF PAGA
SETTLEMENT

Judge: Hon. Joel R. Wohlfeil
Department: C-73
Date: February 16, 2024
Time: 9:00 a.m.

1 Plaintiff Alicia Alvarez's Unopposed Motion for Approval of PAGA Settlement pursuant to
2 the Private Attorneys General Act of 2004, encoded in Cal. Labor Code section 2698 et. seq.
3 (hereinafter "PAGA") was heard in Department C-73 of the above entitled Court on **February 16,**
4 **2024 at 9:00 a.m.** The Court has considered the Parties' Settlement Agreement and supporting
5 Exhibits, the Motion for Approval of PAGA Settlement, as well as the Memorandum of Points and
6 Authorities, Declarations of Alex Mashiri and Tamim Jami filed in support thereof. On good cause
7 shown, this Court rules as follows:

8 WHEREAS on March 13, 2023, counsel for Plaintiff sent a PAGA Notice to the California
9 Labor and Workforce Development Agency ("LWDA") and Defendant, declaring Plaintiff's intent
10 to proceed with a representative action under the PAGA against Defendant CRA MSO LLC
11 ("Defendant") for violations of the Labor Code;

12 WHEREAS Plaintiff filed the instant Lawsuit against Defendant on behalf of the State of
13 California, pursuant to the PAGA, subsequent to giving written notice to the LWDA and Defendant
14 as required by California Labor Code section 2699.3;

15 WHEREAS the Parties desire to settle the Lawsuit solely for the purpose of avoiding the
16 burden, time, expense and uncertainty of continuing litigation, and for the purpose of putting to rest
17 the controversies that are the subject of the Lawsuit;

18 WHEREAS California Labor Code section 2699(1)(2) states that "[t]he superior court shall
19 review and approve any settlement of any civil action filed pursuant to [PAGA];

20 WHEREAS, pursuant to California Labor Code section 2699(1)(2), Plaintiff provided notice
21 of the proposed settlement to the LWDA, and

22 WHEREAS the Court has reviewed and considered (1) the proposed Settlement Agreement,
23 which is attached hereto as Exhibit 1, (2) the notice and motion, (3) the declarations submitted in
24 support thereof, and (4) the exhibit(s) attached to the declarations submitted therewith.

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1 **GOOD CAUSE APPEARING, it is HEREBY ORDERED THAT:**

2 1. The Court grants Plaintiff's Motion for Approval of PAGA Settlement.

3 2. Pursuant to Labor Code section 2699, subdivision (1)(2), the Court approves this
4 Settlement Agreement under the PAGA.

5 3. The Court finds that the Gross Settlement Amount of \$180,000 is fair, reasonable, and
6 adequate. The Court further finds that the Settlement has been reached through informed and arm's
7 length, non-collusive bargaining. The settlement recovery provides monetary value consistent with
8 the underlying purpose of PAGA. The Court also finds that the Settlement now will avoid delay
9 and risks if the Parties were to continue to litigate the case. The Court approves, adopts, and
10 incorporates by reference the terms and conditions of the Settlement Agreement, together with the
11 definitions used and contained therein. **Of the \$180,000.00 Gross Settlement Amount, the**
12 **judgment is awarded and allocated as follows:**

13 (a) The Court finds that the requested fees of Plaintiff's Counsel, Mashiri Law Firm APC
14 and The Jami Law Firm P.C., of **\$60,000** are reasonable and this amount is therefore awarded;

15 (b) The Court finds that Plaintiff Counsel's costs in the amount of **\$6,049.18** are
16 reasonable and this amount is therefore awarded;

17 (c) Administrative expenses of no more than **\$3,000** are to be paid to the settlement
18 administrator, Phoenix Class Action Administration Solutions;

19 (d) Of the remaining **\$110,950.82** awarded for civil penalties, 75%, or \$83,213.12, shall be
20 paid to the Labor and Workforce Development Agency ("LWDA") as required by Labor Code
21 Section 2699(i) "for enforcement of labor laws, including the administration of this part, and for
22 education of employers and employees about their rights and responsibilities under this code"; and
23 the remaining 25%, or \$27,737.70, will be distributed among the PAGA Settlement Members
24 according to the Parties' Settlement Agreement, as specifically described in Paragraph V.B of
25 Exhibit 1.

26 4. Plaintiff, the State of California, the LWDA, and the PAGA Settlement Members are
27 bound by the release of PAGA claims set forth in the Settlement attached hereto as Exhibit 1.

28 5. The Court hereby enters Final Judgment in accordance with the terms of the Settlement

1 Agreement and this Order and Judgment. Accordingly, upon entry of this Order and Judgment, the
2 Parties shall effectuate and carry out the terms of the Settlement Agreement.

3 6. Without affecting the finality of the Judgment or the Settlement, the Court shall retain
4 jurisdiction over the above-captioned action and the Parties solely for purposes of implementing
5 and enforcing the terms of the Settlement and Judgment entered herein.

6 7. The Settlement Agreement is not an admission of fault or any liability whatsoever by
7 Defendant, nor is this Order and Judgment a finding on the merits related to any allegations of
8 wrongdoing by Defendant. Neither this Order and Judgment, the Settlement Agreement, or any
9 other documents referred to herein, nor any action taken to carry out the Settlement Agreement,
10 may be construed as, or may be used as, an admission of any fault, wrongdoing, omission, or
11 liability whatsoever by or against Defendant or other Releasees.

12 8. Within ten (10) days of entry of this Order, Plaintiff shall provide to the LWDA a copy
13 of this Order pursuant to Labor Code section 2699, subdivision (l)(3).

14 **IT IS SO ORDERED, ADJUDGED, AND DECREED.**

15
16 DATED:

2-16-24

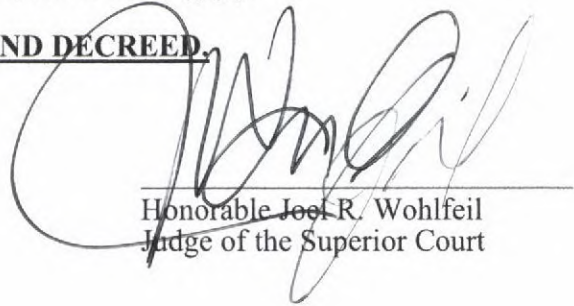

Honorable Joel R. Wohlfeil
Judge of the Superior Court

EXHIBIT 1

1 Anne K. Wilson (Bar No. 283341)
wilson@dmwplc.com
2 Jonah M. Mekebri (Bar No. 345318)
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3 **DUCKOR METZGER & WYNNE**
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5 (619) 209-3000; (619) 209-3043 fax

6 Attorneys for Defendant, CRA MSO, LLC

7 Alex Asil Mashiri, Esq.
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8 MASHIRI LAW FIRM, APC
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10 Attorneys for Plaintiff, ALICIA ALVAREZ

11 Tamim Jami, Esq.
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12 THE JAMI LAW FIRM P.C.
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14 (858) 284-0248; (858) 284-0977 fax

15 Attorneys for Plaintiff, ALICIA ALVAREZ

16 SUPERIOR COURT OF THE STATE OF CALIFORNIA

17 FOR THE COUNTY OF SAN DIEGO

19 ALICIA ALVAREZ, an individual, for the
20 real party in interest, the State of
21 California,

22 Plaintiff,

23 v.

24 CRA MSO LLC; and DOES 1 through 50,

25 Defendants.

CASE NO.: 37-2023-00021295-CU-OE-CTL

**SETTLEMENT AGREEMENT AND
RELEASE OF PAGA CLAIMS**

[COMPLEX CASE]

IMAGED FILE

Dept.: C-73
Judge: Hon. Joel R. Wohlfeil

Action Filed: May 17, 2023
Trial Date: None

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1 Plaintiff ALICIA ALVAREZ, in her capacity as a representative of the State of California
2 on behalf of herself and all allegedly "aggrieved" employees, on the one hand, and Defendant CRA
3 MSO, LLC, on the other hand, hereby enter into this Settlement Agreement and Release of Claims
4 under the California Private Attorneys General Act of 2004 as follows:

5 **I. DEFINITIONS**

6 For ease of reference, this section defines some, but not all, of the terms in this Settlement
7 Agreement and Release of Claims. Unless otherwise defined, the following terms used in this
8 Settlement Agreement and Release of Claims shall have the meanings set forth below:

9 A. "Action" shall mean the civil action entitled *Alvarez v. CRA MSO LLC*, San Diego
10 Superior Court Case No. 37-2023-00021295-CU-OE-CTL.

11 B. "Agreement" or "Settlement" shall mean this Settlement Agreement and Release
12 of Claims under the California Private Attorneys General Act of 2004.

13 C. "Defendant" shall mean Defendant CRA MSO, LLC, its parents, agents, officers,
14 directors, affiliates, subsidiaries, successors, and assigns.

15 D. "Defense Counsel" shall mean Anne K. Wilson and Jonah M. Mekebri of Duckor
16 Metzger & Wynne, a Professional Law Corporation.

17 E. "Effective Date" of the Settlement refers to the date upon which the Parties receive
18 notice that the Settlement is approved by the Superior Court of California for the County of San
19 Diego, or other court assuming jurisdiction of this matter, in materially the same form as this
20 Agreement.

21 F. "LWDA" refers to the California Labor and Workforce Development Agency.

22 G. "PAGA" refers to the California Private Attorneys General Act of 2004 (Cal. Lab
23 Code §§ 2698 *et seq.*).

24 H. "PAGA Period" shall mean March 13, 2022, through November 8, 2023.

25 I. "PAGA Settlement Members" shall mean all nonexempt employees performing
26 work for Defendant during the PAGA Period and against whom one or more violations are alleged
27 to have been committed.

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1 **J. “Plaintiff”** shall mean Plaintiff Alicia Alvarez, individually, and in her capacity as
2 a representative of the State of California on behalf of other allegedly “aggrieved” employees.

3 **K. “Plaintiff’s Counsel”** shall mean Alex A. Mashiri of Mashiri Law Firm, A.P.C. and
4 Tamim Jami of the Jami Law Firm, P.C.

5 **L. “Parties”** collectively refers to Plaintiff and Defendant.

6 **M. “Released Claims”** shall mean any and all claims, whether known or unknown, to
7 recover allowable penalties under PAGA or the California Labor Code, which were asserted or
8 which could have reasonably been asserted in the Action based on the facts and theories pleaded
9 therein, including, but not limited to, those relating to failure to pay overtime compensation, failure
10 to provide employees with the number of vacation hours that the employees were entitled to, failure
11 to provide vested vacation hours upon cessation of employment, failure to provide accurate
12 itemized wage statements, failure to provide uninterrupted off-duty meal and rest periods, failure
13 to provide premium wages for missed meal and rest breaks, failure to keep required payroll records,
14 failure to pay wages when due, failure to pay all wages due upon termination of employment, failure
15 to provide all required records of employment to current or former employees, and violations of
16 California Labor Code §§ 201-204, 226, 226.7, 227.3, 432, 510, 512, 1198, 1198.5, 2698, 2699 *et*
17 *seq.*, and the applicable Industrial Welfare Commission Wage Orders, that accrued between March
18 13, 2022, and November 8, 2023.

19 **N. “Released Parties”** shall mean Defendant, and all of its past, present, and future
20 respective affiliates, parents, subsidiaries, predecessors, successors, divisions, joint ventures, and
21 assigns, and each of these entities’ past or present directors, officers, employees, partners, members,
22 principals, agents, insurers, co-insurers, re-insurers, shareholders, attorneys, accountants, auditors,
23 advisors, consultants, labor contractors, pension and welfare benefit plans, plan fiduciaries,
24 administrators, trustees, and personal or legal representatives.

25 **O. “Settlement Administrator”** shall mean refers to a qualified, third-party settlement
26 administrator agreed to by the Parties to administer the terms of the Settlement and approved by
27 the Court. In this case, the Parties have agreed to Phoenix Class Action Administration Solutions
28 (“Phoenix”).

1 **II. RECITALS**

2 A. On March 13, 2023, Plaintiff submitted notice of her PAGA claims to the LWDA
3 and Defendant ("PAGA Notice"). On May 17, 2023, after the expiration of the statutory period for
4 the LWDA to assume jurisdiction of the PAGA claims, Plaintiff filed her representative PAGA
5 Complaint in this Action for civil penalties under PAGA against Defendant. Plaintiff alleged
6 various wage and hour claims under PAGA against Defendant including alleged violations of
7 California Labor Code §§ 201-204, 226, 226.7, 227.3, 432, 510, 512, 1198, 1198.5, 2698, and 2699
8 *et seq.*, and the applicable Industrial Welfare Commission Wage Orders.

9 B. Defendant denied, and still denies, the allegations in the PAGA Complaint,
10 including, but not limited to, any violations of the Labor Code or applicable Wage Order, or any
11 other wage and hour violation. Defendant also denies that it undertook any unlawful action, denies
12 any liability on its part, and disputes Plaintiff's right to recover against it in this Action.

13 C. On April 18, 2023, Plaintiff's counsel provided Defendant with a draft Complaint
14 comprising of individual claims for wage and hour violations as well as Fair Employment and
15 Housing Act ("FEHA") violations relating to Plaintiff's pregnancy.

16 D. Thereafter, Defendant provided Plaintiff with a 10% sample of the itemized wage
17 statements and time records for the allegedly "aggrieved" employees covered by the PAGA claim.

18 E. On November 8, 2023, the Parties participated in a mediation, with the Hon.
19 Timothy Casserly (Ret.) acting as mediator, in an attempt to resolve the claims under the PAGA
20 Complaint and Plaintiff's individual claims. In order to avoid the substantial expense and
21 inconvenience of litigation, the Parties reached an agreement to settle all claims asserted in the
22 Action and all issues that were raised or could have been raised in the Action. Following the
23 mediation, the Parties executed a Term Sheet which memorialized the resolution that the Parties
24 were able to agree to during the mediation. This Agreement formalizes the settlement reached at
25 the mediation, as set forth in short form in the Term Sheet.

26 F. The Parties have entered into a separate settlement of Plaintiff's individual wage
27 and hour and FEHA claims. The settlement agreement for Plaintiff's claims will be made available
28 to the Court for in-camera review at the hearing on approval of the PAGA claim, if needed.

1 **NOW, THEREFORE**, in in consideration of the mutual covenants, promises, and
2 conditions set forth, the Parties agree as follows:

3 **III. STATEMENT OF NO ADMISSION OF LIABILITY**

4 A. This Agreement is entered into in compromise of disputed claims. Defendant denies
5 any wrongdoing of any sort and further denies any liability for any of the claims in the Action, as
6 well as any other potential or unknown claims based on wage and hour violations under state or
7 federal law. Neither this Settlement, nor any document referred to or contemplated herein, nor any
8 action taken to carry out this Settlement, is, may be construed as, or may be used as, an admission,
9 concession, or indication by or against Defendant of any unlawful conduct, fault, wrongdoing or
10 liability whatsoever. Defendant specifically denies that they have engaged in any unlawful or
11 wrongful conduct against Plaintiff or the PAGA Settlement Members.

12 B. The Parties have concluded that the terms set forth in this Agreement are fair,
13 reasonable, adequate, and in the best interests of the PAGA Settlement Members based on the
14 factual and legal issues involved, the expense and time necessary to prosecute the Action through
15 trial, the risks, uncertainty and costs of further prosecution, the difficulty of proof necessary to
16 establish liability and penalties (if any), and the relative benefits to the PAGA Settlement Members
17 of an expeditious resolution to the Action.

18 C. Except as set forth elsewhere herein, in the event that this Agreement is not approved
19 by the Court, or any appellate court, is terminated, or otherwise fails to be enforceable, Plaintiff
20 will not be deemed to have waived, limited, or affected in any way any claims, rights, remedies, or
21 damages in the Action, and Defendant will not be deemed to have waived, limited, or affected in
22 any way any of its objections or defenses in the Action. The Parties shall be restored to their
23 respective positions in the Action prior to the entry of this Settlement.

24 **IV. TERMS OF THE PAGA SETTLEMENT**

25 A. **The Total Settlement Payment**

26 Defendant shall pay a settlement payment in a total amount of \$180,000.00 to settle the
27 PAGA claims (the "Total Settlement Payment"). The Total Settlement Payment shall include
28 settlement administrative costs, attorneys' fees and costs, and the Net PAGA Settlement Fund, as

1 defined in Paragraph IV.D below. No payroll taxes will be deducted from the Total Settlement
2 Payment.

3 **B. Settlement Administration Fees and Costs**

4 Settlement administration shall be done by the Settlement Administrator, Phoenix. The
5 Parties agree that the settlement administrative fees and costs shall be paid from the Total
6 Settlement Payment. The settlement administrative fees and costs include all fees and costs for
7 printing notice of the PAGA release for distribution with the payment of the Individual Settlement
8 Shares, postage, envelopes, and computer searches to locate addresses, as well as the expenses of
9 the Settlement Administrator to implement and complete the settlement process according to the
10 terms of this Settlement, to calculate payments to individual PAGA Settlement Members, any cost
11 associated with the escheatment process for any uncashed or undeliverable settlement checks, to
12 prepare any necessary tax documents for PAGA Settlement Members, and any other related fees
13 and costs. The Settlement Administration Costs shall be no more than \$10,000. To the extent fees
14 and costs are less than \$10,000, or the Court approves a lesser amount, then the remainder will be
15 allocated to the Net PAGA Settlement Fund.

16 **C. Attorneys' Fees and Costs**

17 The Parties agree that costs and fees incurred by Plaintiff's Counsel in prosecuting the
18 litigation, \$10,000 in costs and \$60,000 in fees (or 33.33% of the Total Settlement Fund), shall be
19 paid from the Total Settlement Amount. Plaintiff's Counsel will request, and Defendants shall not
20 oppose, Court approval of the aforementioned fees and costs. To the extent costs are less than
21 \$10,000 at the time of approval or the Court approves a lesser amount for fees or costs, then the
22 remainder will be allocated to the Net PAGA Settlement Fund. Thus, the total amount to be
23 deducted is \$70,000 in fees and costs ("Plaintiff's Fees and Costs").

24 **D. Net PAGA Settlement Fund**

25 1. After deducting the settlement administration fees and costs, attorney's fees
26 and costs, and the Service Award, the remainder of the Total Settlement Payment shall be allocated
27 toward payment to the LWDA and PAGA Settlement Members (the "Net PAGA Settlement
28 Fund"). The Net PAGA Settlement Fund, subject to Court approval, is estimated to be \$100,000.

2. A total of seventy-five percent (75%) of the Net PAGA Settlement Fund shall be paid to the LWDA (the "LWDA Payment"), which is \$75,000.

3. The remaining twenty-five percent (25%) of Net PAGA Settlement Fund, which is \$25,000, shall be payable to the PAGA Settlement Members (the "PAGA Settlement Member Fund"), and each PAGA Settlement Member shall receive a pro rata share of this amount as further detailed in Paragraph V.B below.

V. COMPUTATION AND DISTRIBUTION OF TOTAL SETTLEMENT AMOUNT

A. Deposit of Total Settlement Payment

1. The Settlement Administrator shall establish a Qualified Settlement Fund pursuant to Section 468B of the Internal Revenue Code for purposes of administering the Settlement. The Settlement Administrator shall furnish the Qualified Settlement Fund with its own Employer ID Number and calculate all settlement checks based on information that will be confidentially furnished by Defendants.

2. Within fifteen (15) calendar days after the Effective Date, Defendants shall deposit the Total Settlement Payment with the Settlement Administrator.

B. Formula for Calculating Share of PAGA Settlement Member Fund

Each PAGA Settlement Member shall receive a pro rata share of the PAGA Settlement Member Fund ("Individual Settlement Share") based on the number of pay periods that he or she worked for Defendant in the State of California during the PAGA Period ("Qualifying Pay Periods"). Each PAGA Settlement Member's number of Qualifying Pay Periods will be divided by the total number of Qualifying Pay Periods for all PAGA Settlement Members, and the resulting figure will be referred to as the "Multiplier." Each PAGA Settlement Member's Multiplier will be applied to the PAGA Settlement Member Fund to calculate his or her Individual Settlement Share.

C. Distribution of PAGA Fund

1. Defendant shall provide the Settlement Administrator with a list of the names, last-known addresses, and Social Security numbers of the PAGA Settlement Members, to be furnished within thirty (30) calendar days after the Effective Date. The contact information is being provided confidentially to the Settlement Administrator only, and the Settlement

1 Administrator shall treat the information as private and confidential and take all necessary
2 precautions to maintain the confidentiality of contact information of the PAGA Settlement
3 Members. This information is to be used only to carry out the Settlement Administrator's duties
4 as specified in this Settlement.

5 2. Within forty-five (45) calendar days after the Effective Date, the Settlement
6 Administrator shall pay to the LWDA Payment as otherwise directed by the Court.

7 3. Within forty-five (45) calendar days after the Effective Date, the Settlement
8 Administrator shall distribute to the PAGA Settlement Members their Individual Settlement Share.

9 4. Within forty-five (45) calendar days after the Effective Date, the Settlement
10 Administrators shall distribute Plaintiff's Fees and Costs to Plaintiff's counsel.

11 5. The Settlement Administrator will send the calculated Individual Settlement
12 Shares by check payable to the PAGA Settlement Members by postmarked First Class U.S. Mail,
13 enclosed with the Notice of Settlement of PAGA Representative Action (attached as **Exhibit A**)
14 approved by the Court.

15 6. To provide the best notice practicable, any Individual Settlement Share
16 returned to the Settlement Administrator as non-delivered shall be sent by post-marked First-Class
17 U.S. Mail to the forwarding address affixed thereto, if any. If no forwarding address is provided
18 for an Individual Settlement Payment that is returned as non-deliverable, the Settlement
19 Administrator shall use the best available technology accessible (e.g., skip tracing, address
20 verification, etc.) to the Settlement Administrator or other mutually agreeable method to locate
21 PAGA Settlement Members and will then mail the Individual Settlement Payment to the address
22 identified by the best available technology accessible to the Settlement Administrator or other
23 mutually agreeable method. If no current address is located, the Individual Settlement Payment for
24 that individual will be deemed undeliverable. If any PAGA Settlement Members cannot be located
25 within two attempts at mailings by the Settlement Administrator, the Individual Settlement
26 Payment for that individual will be deemed undeliverable.

27 7. The Settlement Administrator shall maintain a list of the postmark date for
28 the original mailing of the Individual Settlement Payment to the PAGA Settlement Members, the

1 postmark date of any subsequent mailing to any PAGA Settlement Members, and a list of PAGA
2 Settlement Members who did not receive the Individual Settlement Payment due to the inability to
3 locate a valid address using the procedures described herein or who otherwise could not be located
4 within two attempts at mailing.

5 8. All settlement checks will remain valid and negotiable for 180 calendar days
6 from the date of their mailing by the Settlement Administrator. After the 180-day period from the
7 date of their mailing by the Settlement Administrator, any uncashed checks will be void and escheat
8 to the State of California State Controller's Unclaimed Property Fund.

9 9. No later than January 31st of the year following payment of their individual
10 portion of the PAGA Fund, the Settlement Administrator will prepare and issue IRS Form 1099 to
11 PAGA Settlement Members who received a payment. One hundred percent (100%) of the PAGA
12 Fund payable to PAGA Settlement Members will be considered 1099 income representing payment
13 of penalties.

14 10. For any PAGA Settlement Members for whom the Individual Settlement
15 Payment was deemed undeliverable, their portion of the PAGA Fund will be sent to the State of
16 California to be held pursuant to the Unclaimed Property Law, California Civil Code § 1500 *et seq.*
17 for the benefits of those PAGA Settlement Members who did not cash their checks until such time
18 they claim their property.

19 **D. Settlement Administration Payment**

20 Within thirty (30) calendar days after the Effective Date, the Settlement Administrator shall
21 deduct, for itself, an amount equivalent to the settlement administrative fees and costs incurred.

22 **VI. CLAIMS RELEASE BY PAGA SETTLEMENT MEMBERS**

23 **A. Claims Released by the LWDA and the PAGA Settlement Members**

24 Upon the Effective Date, the LWDA and PAGA Settlement Members, including Plaintiff,
25 fully release and forever discharge the Released Parties from any and all Released Claims. As a
26 result of this release, the LWDA and the PAGA Settlement Members will be unable to bring a claim
27 under, or recover in any other claim brought under, PAGA, Labor Code § 2698 *et seq.*, for any
28 violations of the Released Claims that took place between March 13, 2022, through November 8,

1 2023.

2 **B. Tax Treatment and Tax Indemnification**

3 PAGA Settlement Members will assume any tax obligations or consequences which may
4 arise from this Settlement. PAGA Settlement Members release any and all claims that they have
5 or may have against Defendant and the Released Parties for any claims, demands, deficiencies,
6 levies, assessments, executions, judgments, penalties, taxes, indemnification, and any other
7 recoveries related to any payments made under this Agreement. If any state or federal taxing
8 authority contacts, investigates, or pursues any action against any PAGA Settlement Members for
9 their individual share of taxes related to any payments made under this Agreement or any
10 compensation provided at any time by Defendant or any of the Released Parties, each PAGA
11 Settlement Member shall be responsible for their own defense of and payment for any claim of
12 unpaid taxes, interest, or penalties brought by any state or federal taxing authority for the PAGA
13 Settlement Member's share of any state or federal tax obligation. If a PAGA Settlement Member
14 has questions about any liability to any state or federal taxing authority, they shall contact the
15 Settlement Administrator. The PAGA Settlement Members shall not contact Defendant, any of the
16 Released Parties, or Defense Counsel.

17 **VII. COURT APPROVAL OF SETTLEMENT**

18 **A. Obtaining Court Approval of the Settlement and Notice to the LDWA**

19 Plaintiff's Counsel shall be responsible for preparing and filing a Motion for Approval of
20 the PAGA Settlement and a proposed Judgment ("Motion") subject to Defendant's review and
21 approval prior to filing. Plaintiff's Counsel will provide Defense Counsel with an opportunity to
22 propose revisions to that Motion before it is filed. The Parties will cooperate in obtaining through
23 an unopposed motion an Order from the Court approving the payment of the PAGA Settlement
24 Sum and entry of Judgment thereon at the earliest possible date.

25 Concurrently with the submission of this Agreement to the Court, Plaintiff shall submit it
26 to the LWDA as required by PAGA. The Parties agree to use their best efforts to expedite the
27 preparation and submission of the Motion. The Parties further agree to fully cooperate in the
28 drafting of any further documents reasonably necessary to be prepared or filed, shall take all steps

1 that may be requested by the Court relating to, or that are otherwise necessary to, the approval of
2 the Total Settlement Payment as described in this Agreement.

3 The Court's approval of the Settlement and entry of Judgment shall be transmitted to the
4 LWDA by Plaintiff promptly as required by PAGA.

5 **B. Voiding the Settlement**

6 Should the Court deny with prejudice the motion for approval of the payment of the Total
7 Settlement Payment as described in this Agreement or decline to dismiss the Action as agreed by
8 the Parties, this Agreement shall be null and void and have no further effect.

9 **C. Waiver of Right to Appeal**

10 Provided that the Court's approval of this Settlement is consistent with the material terms
11 of this Agreement, Plaintiff, Defendant, and their respective counsel hereby waive any and all right
12 to appeal the approval of the Settlement, and the Order therefore will become non-appealable at the
13 time it is entered.

14 **VIII. MISCELLANEOUS PROVISIONS**

15 **A. Mutual Full Consideration**

16 Plaintiff, Defendant, Plaintiff's Counsel, and Defense Counsel agree to fully cooperate with
17 each other to accomplish the terms of this Settlement, including, but not limited to, execution of
18 such documents and to take such other action as may reasonably be necessary to implement the
19 terms herein. The Parties agree to use their best efforts and any other efforts that may become
20 necessary by Order of the Court, or otherwise, to effectuate this Settlement.

21 **B. Authority to Execute**

22 The Parties represent and warrant to the other Party that she or it has the right, power and
23 authority to enter into this Agreement, and that the person signing this Agreement on behalf of such
24 Party has the power and authority to do so.

25 **C. Binding Nature of the Settlement**

26 1. This Settlement shall be binding upon, and inure to the benefit of, the
27 successors or assigns of the Released Parties. Plaintiff represents, covenants, and warrants that she
28 has not directly or indirectly, assigned, transferred, encumbered, any claim, demand, action, cause

1 of action or rights released in the Released Claims in this Settlement. This Settlement also shall be
2 binding upon Plaintiff and the PAGA Settlement Members.

3 2. This Settlement may be amended or modified only by a written instrument
4 signed by Plaintiff's Counsel and Plaintiff, as well as Defense Counsel and Defendant. No rights
5 under this Settlement may be waived except in writing.

6 3. This Settlement and any attached exhibits constitute the entire agreement
7 between Plaintiff and Defendants relating to the terms contained herein. All prior or
8 contemporaneous agreements, understandings, and statements, whether oral or written, whether
9 express or implied, and whether by a party or its counsel, concerning this Agreement are merged
10 herein. No oral or written representations, warranties, or inducements have been made to any Party
11 concerning this Agreement or its exhibits, other than the representations, warranties, and covenants
12 contained and memorialized in such documents.

13 4. Paragraph titles or captions contained herein are inserted as a matter of
14 convenience and for reference, and in no way define, limit, extend, or describe the scope of this
15 Agreement or any of its provisions. Each term of this Agreement is intended to be contractual and
16 not merely a recital.

17 **D. Construction**

18 1. This Agreement has been drafted jointly and negotiated at arms' length, and
19 each Party has consulted with independent legal counsel with respect to such Party's rights and
20 obligations under this Agreement. Accordingly, any rule of law (including without limitation
21 California Civil Code § 1654) or legal decision that would require interpretation of any ambiguities
22 in this Agreement against the Party drafting this Agreement is not applicable and is waived. The
23 provisions of this Agreement will be interpreted in a reasonable manner to affect the intent of the
24 Parties and the purpose of this Agreement. This Agreement has been reviewed by the Parties and
25 their respective counsel, and the Parties have had full opportunity to negotiate the contents of this
26 Agreement. The Parties expressly waive any common law or statutory rule of construction that
27 ambiguities should be construed against the drafter of this Agreement.

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1 2. Plaintiff and Plaintiff's Counsel agree that none of the documents provided
2 to them by Defendant shall be used for any purpose other than the settlement of this Action.
3 Specifically, none of the documents provided shall be used to pursue any subsequent claims or
4 litigation against Defendant or the Released Parties. Plaintiff and Plaintiff's Counsel agree that any
5 and all documents provided to them by Defendant shall remain confidential following the Effective
6 Date of this Agreement. Plaintiff and Plaintiff's Counsel further agree to ensure the return or
7 destruction of any records provided by Defendant that Plaintiff and/or Plaintiff's Counsel shared
8 with their agents, consultants, expert witnesses, or employees during the course of this Action.

9 **E. Severability**

10 Each provision of this Agreement is independent, separate, and divisible, and in the event
11 any provision or portion of a provision of this Agreement is found by the final order of a court of
12 competent jurisdiction to be invalid, unenforceable, or in contravention of any applicable law,
13 regulation, or public policy, such provision will be deemed not to be a part of this Agreement and
14 will not affect the validity or enforceability of the remaining provisions. Nothing contained in this
15 Agreement will be construed so as to require the commission of any acts contrary to law, and
16 wherever there is a conflict between any provision of this Agreement and any present or future law
17 or regulation, such provision will be limited to the extent necessary to make it comply with such
18 law or regulation.

19 **F. Counterparts**

20 This Agreement may be executed in two or more counterparts, each of which will be
21 deemed an original, but all of which together will constitute one and the same instrument.
22 Execution and delivery of this Agreement by delivery of a facsimile or electronically recorded copy
23 (including a .pdf file) bearing a copy of the signature of a Party will constitute a valid and binding
24 execution and delivery of this Agreement by such Party. Such copies will constitute enforceable
25 original documents.

26 **G. No Press Release or Publicity Regarding the Settlement**

27 Plaintiff and Plaintiff's Counsel, as well as Defendant and Defense Counsel, agree that they
28 will not issue any media or press release, initiate any contact with the media or the press, respond

1 to any media or press inquiry or have any communications with the media or the press about the
2 fact, amount, or terms of this Settlement. Plaintiff and Plaintiff's Counsel shall not publicize or
3 refer to the fact, terms, or amount of the Settlement, on their websites, social media, any other
4 marketing materials, or legal publication; notwithstanding the foregoing, Plaintiff's Counsel shall
5 have the right to publicize the general nature of the settlement so long as Plaintiff's Counsel does
6 not identify the name of the case, the case number, any identities of the Parties to the Action, or
7 any other information that would indicate the identity of the Parties to the Action. Plaintiff and
8 Plaintiff's Counsel will not state on their websites, social media, any other marketing materials, or
9 legal publications, that Defendant engaged in any act contrary to California law, or denied payment
10 owed to individuals classified as independent contractors or employees, or otherwise disparage
11 Defendant, or otherwise identify Defendant. Defendant shall be allowed to report the Settlement
12 or results of this lawsuit if required to do so by public disclosure regulatory requirements or with
13 respect to any financial or other disclosures which in their judgment are necessary. Plaintiff and
14 Plaintiff's counsel are allowed to disclose and submit this Settlement Agreement and Release of
15 Claims to the LWDA and court or any other governmental entity if ordered to do so by the court or
16 if required by law.

17 **H. Governing Law/Venue**

18 This Agreement will be deemed to have been executed and delivered in California, and the
19 rights and obligations of the Parties will be construed and enforced in accordance with, and
20 governed by, the laws of California. The Parties stipulate that any action or proceeding in
21 connection with, or arising out of, this Agreement will be commenced and maintained only in the
22 County of San Diego California.

23 **I. Continuing Jurisdiction of the Court**

24 Pursuant to Code of Civil Procedure § 664.6, the Parties agree that the Court shall retain
25 jurisdiction over the Parties, and over this Settlement, in order to: (a) monitor and enforce
26 compliance of Settlement, and/or (b) resolve any disputes over this Settlement or the administration
27 of the benefits of this Settlement.

28 **[SIGNATURE PAGE IS ON THE NEXT PAGE]**

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IT IS SO AGREED:

DATED: 12/10/2023

By: Alicia Alvarez
Plaintiff ALICIA ALVAREZ, on behalf of
herself and all others similarly situated and in
her representative capacity

DATED: Defendant CRA MSO, LLC

By: _____
Name: _____
Title: _____

APPROVED AS TO FORM:

DATED: 12-10-2023

MASHIRI LAW FIRM, APC

By: Alex Asil Mashiri
ALEX ASIL MASHIRI
Attorney for Plaintiff ALICIA ALVAREZ

DATED: 12/10/2023

THE JAMI LAW FIRM P.C.

By: Tamim Jami
TAMIM JAMI
Co-Counsel for Plaintiff ALICIA ALVAREZ

DATED:

DUCKOR METZGER & WYNNE,
A Professional Law Corporation

By: _____
ANNE K. WILSON
JONAH M. MEKEBRI
Attorneys for Defendant CRA MSO, LLC

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IT IS SO AGREED:

DATED:

By: _____
Plaintiff ALICIA ALVAREZ, on behalf of
herself and all others similarly situated and in
her representative capacity

DATED: December 13, 2023

Defendant CRA MSO, LLC

By:  _____
Name: Clay Rempe
Title: CEO

APPROVED AS TO FORM:

DATED:

MASHIRI LAW FIRM, APC

By: _____
ALEX ASIL MASHIRI
Attorney for Plaintiff ALICIA ALVAREZ

DATED:

THE JAMI LAW FIRM P.C.

By: _____
TAMIM JAMI
Co-Counsel for Plaintiff ALICIA ALVAREZ

DATED: December 13, 2023

DUCKOR METZGER & WYNNE,
A Professional Law Corporation

By:  _____
ANNE K. WILSON
JONAH M. MEKEBRI
Attorneys for Defendant CRA MSO, LLC

EXHIBIT A

EXHIBIT A

NOTICE OF SETTLEMENT OF PAGA REPRESENTATIVE ACTION

Case Name: *Alicia Alvarez v. CRA MSO LLC*

Case Number: San Diego Superior Court Case No. 37-2023-00021295-CU-OE-CTL

Aggrieved Employee

Address

Address

You are receiving this notice in connection with a Court-approved settlement (the "Settlement") in a lawsuit brought on a representative basis under the Labor Code Private Attorneys General Act of 2004, California Labor Code §§ 2698, *et seq.* ("PAGA"). The plaintiff in the lawsuit is Alicia Alvarez ("Plaintiff") and the Defendant is CRA MSO LLC ("CRA"). The Settlement provides for recovery of civil penalties for purported violations of the California Labor Code on behalf of all individuals who worked for CRA in California as non-exempt employees during the PAGA Period, which is March 13, 2022 through November 8, 2023 ("Eligible Employees"). The PAGA statute provides that 75% of any civil penalties recovered pursuant to the Settlement be paid to the State of California and 25% of any civil penalties recovered be paid to the "aggrieved employee" group, which in this case is the group of Eligible Employees.

CRA denies all claims and allegations in the lawsuit, denies that it owes any penalties, and asserts that it has fully complied with all applicable Labor Code provisions, as well as any other potential or unknown claims based on wage and hour violations under state or federal law. Nevertheless, to avoid further costs and time in defending the lawsuit, CRA has settled the lawsuit. By settling the lawsuit, CRA is not admitting that it has done anything wrong.

The Settlement resolves all claims seeking the civil penalties available to the California Labor and Workforce Development Agency ("LWDA") under the California Labor Code predicated on the PAGA claims that were alleged or could have reasonably been alleged in the lawsuit based on the facts and theories alleged therein, during the PAGA Period, against CRA and all of its past, present, and future respective affiliates, parents, subsidiaries, predecessors, successors, divisions, joint ventures, and assigns, and each of these entities' past or present directors, officers, employees, partners, members, principals, agents, insurers, co-insurers, re-insurers, shareholders, attorneys, accountants, auditors, advisors, consultants, labor contractors, pension and welfare benefit plans, plan fiduciaries, administrators, trustees, and personal or legal representatives, including, but not limited to, all PAGA claims relating to failure to pay overtime compensation, failure to provide employees with the number of vacation hours that the employees were entitled to, failure to provide vested vacation hours upon cessation of employment, failure to provide accurate itemized wage statements, failure to provide uninterrupted off-duty meal and rest periods, failure to provide premium wages for missed meal and rest breaks, failure to keep required payroll records, failure to pay wages when due, failure to pay all wages due upon termination of employment, failure to provide all required records of employment to current or former employees, and PAGA claims under California Labor Code sections 201, 202, 203, 204, 226, 226.7, 226.7, 227.3, 432, 510, 512, 1198, 1198.5, 2698, 2699 *et seq.* and the applicable Industrial Welfare Commission Wage Orders, that accrued between March 13, 2022, and November 8, 2023 (the "Released PAGA Claims"). **This Settlement is limited to civil penalties due under the PAGA, and does not include any claims you may have for unpaid wages or other legal remedies.**

By an Order dated **Approval Date**, the Superior Court approved the Settlement of the PAGA claims. By approving the Settlement, the Court did not decide in favor of either Plaintiff or CRA.

According to CRA's records, you are an Eligible Employee and are therefore entitled to a share of the Settlement based upon the Court-approved allocation. Enclosed with this Notice is your check for your share. The settlement check shall remain valid for one hundred eighty (180) calendar days. Thereafter, all uncashed checks shall be distributed to the Controller of the State of California to be held pursuant to the Unclaimed

Property Law in the name of, and for the benefit of, the Eligible Employee that did not cash his or her settlement check.

Please Note: One hundred percent (100%) of the payment you are receiving in connection with the Settlement will be considered penalties and may be subject to local, state, or federal tax withholdings and will be reported to the IRS and state tax authorities. You should rely on your own tax advisors as to the tax consequences of your settlement payment. Neither Plaintiff nor CRA has made any representations or warranties regarding the taxation of your settlement payment. Nothing in this Notice or any other communication shall constitute or be construed or relied upon as tax advice.

PLEASE DO NOT CALL OR WRITE THE COURT OR OFFICE OF THE CLERK TO ASK QUESTIONS ABOUT THE SETTLEMENT. IF YOU HAVE ANY QUESTIONS, YOU MAY CALL OR WRITE TO THE SETTLEMENT ADMINISTRATOR AT:

[ADMIN NAME]

[ADDRESS]

[ADDRESS]

[ADDRESS]