PAGA SETTLEMENT AGREEMENT

This PAGA Settlement Agreement ("Agreement") is made by and between plaintiffs Francisco Ortiz and Jorge Gama ("Plaintiffs") and defendants Peach Home Services, LLC, and Goettl Air Conditioning and Plumbing ("Defendants"). The Agreement refers to Plaintiffs and Defendants collectively as "Parties," or individually as "Party."

1. DEFINITIONS.

1.1. "Actions" means the Plaintiffs' lawsuits alleging wage and hour violations on a PAGA representative basis against Defendants captioned *Ortiz v. Peach Home Services, LLC, et al.,* currently pending in Riverside Superior Court, Case No. CVRI2302496 ("*Ortiz* Action"); and *Gama v. Peach Home Services, LLC* currently pending in the Riverside Superior Court, Case No. CVRI2302988 ("*Gama* Action"). The Parties will stipulate to filing an amended complaint in the *Ortiz* Action adding Jorge Gama as a plaintiff for purposes of settlement approval.

1.2. "Administrator" means Atticus Administration, LLC, the neutral entity the Parties have agreed to appoint to administer the Settlement.

1.3. "Administration Expenses Payment" means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator's "not to exceed" bid submitted to the Court in connection with approval of this Settlement.

1.4. "Approval Order and Final Judgment" and "Judgment" mean the Court Order Granting Approval of PAGA Settlement and Entering Final Judgment.

1.5. "Court" means the Superior Court of California, County of Riverside.

1.6. "Defense Counsel" means Paul Hastings LLP.

1.7. "Effective Date" means be the date on which the Court's order approving the settlement and its entry of judgment becomes Final.

1.8. "Final" shall mean: the latest of (i) expiration of all potential appeal periods without the filing of a notice of appeal of the final approved order or judgment; or (ii) final affirmance of the final approval order and judgment by an appellate court as a result of any appeal(s), or (iii) final dismissal or denial of all such appeals (including any petitions for review, rehearing, certiorari, etc.) such that the final approval order and judgment is no longer subject to further judicial review.

1.9. "LWDA" means the California Labor and Workforce Development Agency.

1.10. "LWDA PAGA Payment" means the 75% of the PAGA Penalties payable to the LWDA under Labor Code section 2699, subdivision (i).

1.11. "Notice of Settlement" means the notice that PAGA Members will receive setting forth information about the Settlement, as evidenced by Exhibit A to this Agreement and incorporated by reference into this Agreement.

1.12. "Net Settlement Amount" and "PAGA Penalties" mean the amount from the Gross Settlement Amount that is available for distribution as the LWDA PAGA Payment and as Settlement Shares to PAGA Members after deductions for the following payments in the amounts approved by the Court: the PAGA Representative Payments, the PAGA Counsel Fees Payment, the PAGA Counsel Litigation Expenses Payment, and the Administration Expenses Payment. Pursuant to Labor Code section 2699, subdivision (i), the PAGA Penalties will be allocated 75% to the LWDA and 25% to the PAGA Members in settlement of PAGA claims.

1.13. "PAGA" means the Labor Code Private Attorneys General Act of 2004, Cal. Lab. Code § 2698 *et seq.*

1.14. "PAGA Counsel" means Koul Law Firm, APC, Majarian Law Group, APC, and Blumenthal Nordrehaug Bhowmik De Blouw LLP, the attorneys representing Plaintiffs in the Action.

1.15. "PAGA Counsel Fees Payment" and "PAGA Counsel Litigation Expenses Payment" mean the amounts allocated to PAGA Counsel for reimbursement of reasonable attorneys' fees and expenses, respectively, incurred to prosecute the Action.

1.16. "PAGA Pay Period" means any Pay Period within the PAGA Period during which a PAGA Member worked for Defendant in a non-exempt position in California for at least one day.

1.17. "PAGA Period" means the period from March 8, 2022, until the earlier of the date of settlement approval or February 19, 2025.

1.18. "PAGA Notices" means the Notice Letters to Defendants and the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a) dated March 8, 2023 (by Mr. Ortiz) and April 6, 2023 (by Mr. Gama).

1.19. "PAGA Representative Payments" means the special payment made to Plaintiffs to compensate them for initiating and pursuing the Actions and undertaking the risk of liability for attorneys' fees and expenses in the event they were unsuccessful in the prosecution of the Actions.

1.20. "Plaintiffs" means Francisco Ortiz and Jorge Gama the named Plaintiffs in the Actions.

1.21. "Released Parties" shall include Defendants and each of their respective current and former, direct and indirect owners, parents, subsidiaries, brother-sister companies, and all other affiliates and related entities, and their current and former partners, officers, directors, shareholders, owners, members, attorneys, insurers, employees, agents, predecessors, successors, assigns, subsidiaries, affiliates, and other related parties.

1.22. "Settlement" means the disposition of the Actions effected by this Agreement and the Judgment.

1.23. "PAGA Members" means all current and former non-exempt hourly employees of Defendants at any time from March 8, 2022, until the earlier of the date of settlement approval or February 19, 2025.

1.24. "PAGA Member Address Search" means the Administrator's investigation and search for current PAGA Member mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces and direct contact by the Administrator with PAGA Members.

1.25. "PAGA Member Data" means PAGA Member identifying information in Defendants' possession including the PAGA Member's name, last-known mailing address, Social Security number and number of PAGA Pay Periods.

1.26. "Settlement Share" means a PAGA Member's pro rata share of 25% of the PAGA Penalties calculated according to the number of PAGA Pay Periods the PAGA Member worked during the PAGA Period.

1.27. "Defendants" means defendants Peach Home Services, LLC, and Goettl Air Conditioning and Plumbing.

1.28. "Gross Settlement Amount" means $467,500.00 (four hundred sixty-seven thousand five hundred dollars), which is the total amount Defendants agree to pay under the Settlement. The Gross Settlement Amount will be used to pay the Settlement Shares, the LWDA PAGA Payment, the PAGA Representative Payments, the PAGA Counsel Fees Payment, the PAGA Counsel Litigation Expenses Payment and the Administration Expenses Payment.

2. RECITALS.

2.1. Plaintiff Francisco Ortiz filed his PAGA Notice letter on March 8, 2022. He filed a PAGA Complaint on May 12, 2023, alleging that Defendants are liable for (1) failing to comply with California law concerning payment for all hours worked, including overtime; (2) failing to provide timely, uninterrupted meal breaks and second meal breaks; (3) failing to provide rest breaks; (4) failing to timely pay all wages owed; (5) failing to reimburse for required business expenses; (6) failing to provide accurate itemized wage statements. Defendants deny the allegations, deny any failure to comply with the law, and deny any and all liability for the causes of action alleged.

2.2. Plaintiff Jorge Gama filed his PAGA Notice letter on April 6, 2023. He filed a PAGA Complaint on June 12, 2023, alleging that Defendants are liable for violation of California Labor Code §§ 201, 202, 203, 204, et seq., 210, 218, 221, 226(a), 226.7, 227.3, 246, 510, 512, 558(a)(1)(2), 1194, 1197, 1197.1, 1198, 2802, California Code of Regulations, Title 8, Section 11040, subdivisions 5(A)-(B), California Code of Regulations, Title 8, Section 1 1070(14) (Failure to Provide Seating), and the applicable Wage Order(s). Defendants deny the allegations, deny any failure to comply with the law, and deny any and all liability for the causes of action alleged.

2.3. Pursuant to Labor Code section 2699.3, subdivision (a), Plaintiffs gave timely written notice to Defendants and the LWDA.

2.4. On November 19, 2024, the Parties participated in an all-day mediation presided over by the Honorable Carl West (Ret.) which led to this Agreement to settle the Actions.

2.5. Prior to mediation, Defendants produced through informal discovery relevant documents, data, and information, including relevant policies and data reflecting the dates of employment, hours, and pay rates of PAGA Members, their hours worked, and the pay they received.

2.6. The Parties, PAGA Counsel and Defense Counsel represent that they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement

3. MONETARY TERMS.

3.1. Gross Settlement Amount. Defendants promise to pay $467,500.00 (four hundred sixty-seven thousand five hundred dollars) and no more as the Gross Settlement Amount. The Gross Settlement Amount includes the Individual PAGA Payments to the Aggrieved Employees, the LWDA PAGA Payment, PAGA Representative Payments, PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, and the Administration Expenses Payment. Defendants have no obligation to pay the Gross Settlement Amount prior to the deadline stated in Paragraph 6.1 of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring PAGA Members to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendants.

3.2. Payments from the Gross Settlement Amount. The Administrator will make and deduct the following payments from the Gross Settlement Amount, in the amounts specified by the Court in the Approval Order and Final Judgment:

3.2.1. To PAGA Counsel: A PAGA Counsel Fees Payment of not more than 33.33% of the Gross Settlement Amount (which is currently estimated to be $155,817.75) and a PAGA Counsel Litigation Expenses Payment of not more than $30,000. Plaintiffs and/or PAGA Counsel will file an application or motion for the PAGA Counsel Fees Payment and the PAGA Counsel

Litigation Expenses Payment, and Defendants will not oppose requests for Court approval of these payments provided they do not exceed these amounts. If the Court approves a PAGA Counsel Fees Payment and/or a PAGA Counsel Litigation Expenses Payment of less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. Released Parties shall have no liability to PAGA Counsel or any other Plaintiffs' counsel arising from any claim to any portion of any PAGA Counsel Fees Payment and/or PAGA Counsel Litigation Expenses Payment. The Administrator will pay the PAGA Counsel Fees Payment and the PAGA Counsel Litigation Expenses Payment using one or more IRS 1099 Forms. PAGA Counsel assumes full responsibility and liability for taxes owed on the PAGA Counsel Fees Payment and the PAGA Counsel Litigation Expenses Payment and holds Defendant and the other Released Partied harmless, and indemnifies Defendant and the other Released Parties, from any dispute or controversy regarding any division or sharing of any of these Payments.

3.2.2. <u>To Plaintiffs</u>: PAGA Representative Payments of not more than $2,500 to each Plaintiff, for a total of $5,000. Plaintiffs and/or PAGA Counsel will file an application or motion for the PAGA Representative Payments, and Defendants will not oppose the request for Court approval of these payments provided they do not exceed this amount. If the Court approves PAGA Representative Payments of less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount. The Administrator will pay the PAGA Representative Payments using one or more IRS 1099 Forms. Plaintiffs assume full responsibility and liability for taxes owed on the PAGA Representative Payments.

3.2.3. <u>To the Administrator</u>: An Administrator Expenses Payment not to exceed $4,900 except for a showing of good cause and as approved by the Court. To the extent the Administration Expenses are less or the Court approves payment less than $4,900, the Administrator will retain the remainder in the Net Settlement Amount.

3.2.4. <u>To the LWDA and PAGA Members</u>: The Net Settlement Amount, of which 75% shall be allocated to the LWDA PAGA Payment and 25% shall be allocated to the Settlement Shares pursuant to Labor Code section 2699(i).

3.2.4.1. The Administrator will calculate each Settlement Share by (a) dividing the amount of the PAGA Members' 25% share of PAGA Penalties by the total number of PAGA Pay Periods worked by all PAGA Members during the PAGA Period and (b) multiplying the result by each PAGA Member's PAGA Pay Periods. PAGA Members assume full responsibility and liability for any taxes owed on their Settlement Share.

3.2.4.2. No tax shall be withheld from the PAGA Payments, and the Administrator will report the Settlement Shares on IRS 1099 Forms.

4. SETTLEMENT FUNDING AND PAYMENTS.

4.1. PAGA Pay Periods. Defendants represented that there were approximately 14,129 pay periods through November 19, 2024.

4.2. PAGA Member Data. Within ten (10) days after the date of the Approval Order and Final Judgment, Defendants will simultaneously deliver the PAGA Member Data to the Administrator in the form of a Microsoft Excel spreadsheet. To protect PAGA Members' privacy rights, the Administrator must maintain the PAGA Member Data in confidence, use the PAGA Member Data only for purposes of this Settlement and for no other purpose and restrict access to the PAGA Member Data to Administrator employees who need access to the PAGA Member Data to effect and perform under this Agreement. The PAGA Member Data shall not be shared with either Plaintiffs or PAGA Counsel unless expressly approved by Defendants and Defense Counsel, or if a PAGA Member requests that their personal data be shared with PAGA Counsel. Defendants have a continuing duty to immediately notify PAGA Counsel if it discovers that the PAGA Member Data omitted employee identifying information and to provide corrected or updated PAGA Member Data as soon as reasonably feasible. Without any extension of the deadline by which Defendants must send the PAGA Member Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted PAGA Member Data.

4.3. Funding of Gross Settlement Amount.

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

4.3.2. Defendants will fund the Gross Settlement Amount within fifteen (15) days of the Effective Date.

4.4. Payments from the Gross Settlement Amount. Within 14 days after Defendants fund the Gross Settlement Amount, the Administrator will disburse all amounts payable under this Agreement.

4.4.1. The Administrator will issue checks for the Settlement Shares and send them to the PAGA Members via First Class U.S. Mail, postage prepaid, together with a copy of the Notice of Settlement completed by the Parties to reflect information regarding the Approval Order and Final Judgment. The face of each check shall prominently state the date (180 days after the date of mailing) when the check will be voided. The Administrator will cancel all checks not cashed by the void date. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database.

4.4.2. The Administrator must conduct a PAGA Member Address Search for all PAGA Members whose checks are returned undelivered without USPS forwarding address. Within 7 days of receiving a returned check, the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the PAGA Member Address Search. The Administrator need not take further steps to deliver checks to PAGA Members whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any PAGA Member whose original check was lost or misplaced if requested by the PAGA Member prior to the void date.

4.4.3. For any PAGA Member whose Settlement Share check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the California State Controller's Unclaimed Property Fund in the name of the PAGA Member.

4.4.4. The payment of Settlement Shares shall not obligate Defendant to confer any additional benefits or make any additional payments to the PAGA Members (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

5. RELEASES OF CLAIMS

5.1. <u>Release by Plaintiffs, PAGA Members, and State of California</u>: In consideration for their awarded portions of the Settlement Group Allocation and PAGA Representative Payments, as of the date the Settlement becomes Final and is fully funded as set forth in Paragraph 4.3, Plaintiffs, the State of California, the LWDA, and all PAGA Members are deemed to release, on behalf of themselves and their respective former and present spouses, respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all "Released PAGA Claims." "Released PAGA Claims" means all PAGA claims alleged or that could have reasonably been alleged arising out of the facts in the Actions and the PAGA Notices pursuant to PAGA that, occurred during the PAGA Period. This release includes, but is not limited to, claims for PAGA civil penalties premised on California Labor Code sections 201, 202, 203, 204 et seq., 210, 218, 221, 226, 226(a), 226.7, 227.3, 246, 510, 512, 558, 1174, 1194, 1194.2, 1197, 1197.1, 1198, 1199, 2699 et seq., and 2802. All PAGA Members will release the Released PAGA Claims and receive a Settlement Share. Plaintiffs acknowledge that Plaintiffs may discover facts or law different from, or in addition to, the facts or law that Plaintiff now knows or believes to be true but agrees, nonetheless, that Plaintiffs' Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiffs' discovery of them.

5.1.1. Plaintiffs' Waiver of Rights Under Civil Code Section 1542. For purposes of Plaintiffs' Release, Plaintiffs expressly waive and relinquish the provisions, rights, and benefits, if any, of section 1542 of the California Civil Code, which reads:

A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release, and if known by him or her would have materially affected his or her settlement with the debtor or Released Party.

5.2. .Release by PAGA Counsel: PAGA Counsel release on behalf of their present and former attorneys, employees, agents, successors or assigns the Released Parties from all claims for PAGA Fees incurred in connection with the Actiosn and the PAGA Period facts stated in the Actions or PAGA Notices.

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6. MOTION OR APPLICATION FOR APPROVAL OF SETTLEMENT.

The Parties agree to jointly prepare and file a stipulation or motion for approval of this Settlement.

6.1. Joint Motion or Stipulation for Approval. The Parties agree to jointly prepare and file a motion or stipulation for approval of this Settlement. PAGA Counsel is responsible for delivering the Court's Approval Order and Final Judgment to the Administrator.

6.2. Responsibilities of PAGA Counsel. PAGA Counsel will prepare and deliver to Defense Counsel all documents necessary for obtaining approval of this Settlement under Labor Code section 2699, subdivision (f)(2), including (a) a signed declaration from the Administrator attaching its "not to exceed" bid for administering the Settlement and attesting to its willingness to serve; competency; operative procedures for protecting the security of PAGA Member Data; amounts of insurance coverage for any data breach, defalcation of funds or other misfeasance; all facts relevant to any actual or potential conflicts of interest with PAGA Members or the LWDA; and the nature and extent of any financial relationship with Plaintiffs, PAGA Counsel or Defense Counsel; (b) a signed declaration by PAGA Counsel attesting to their timely transmission to the LWDA of all necessary documents pursuant to Labor Code section 2699(*l*) and all facts relevant to any actual or potential conflict of interest with PAGA Members and/or the Administrator; and (c) a signed declaration by Plaintiffs attesting to all facts relevant to any actual or potential conflict of interest with PAGA Members and/or the Administrator.

6.3. Duty to Cooperate. If the Parties disagree on any aspect of the proposed application or motion for approval of this Settlement and/or the supporting declarations and documents, PAGA Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant approval of this Settlement or conditions its approval on any material change to this Agreement, PAGA Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns.

7. SETTLEMENT ADMINISTRATION.

7.1. Selection of Administrator. The Parties have jointly selected Atticus Administration LLC, to serve as the Administrator and verified that, as a condition of appointment, Atticus Administration LLC, agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Expenses. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.

7.2. Employer Identification Number. The Administrator shall have and use its own Employer Identification Number for purposes of calculating payroll tax withholdings and providing reports to state and federal tax authorities.

7.3. Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation section 468B-1.

7.4. Administrator Duties. The Administrator has a duty to perform or observe all tasks to be performed or observed by the Administrator contained in this Agreement or otherwise.

8. AGGRIEVED EMPLOYEE SIZE ESTIMATES AND ESCALATOR CLAUSE

Based on its records, Defendants represented that there were approximately 14,129 pay periods through November 19, 2024. If it is determined that the actual number of pay periods during the PAGA Period, exceeds 14,129 by more than ten percent (10%), Defendants shall increase the GSA by the percentage difference beyond the ten percent (10%) between the certified amount of 14,129 and the actual number of pay periods in the PAGA Period.

9. CONTINUING JURISDICTION OF THE COURT.

The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties, Action and the Settlement solely for purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters and (iii) addressing such post-Judgment matters as are permitted by law.

9.1. Waiver of Right to Appeal. Provided the Judgement is consistent with the terms and conditions of this Agreement, the Parties waive all appeals from the Court's approval of the Settlement unless the Court materially modifies the Settlement, except that Plaintiffs and PAGA Counsel may appeal from an order by the Court that reduces the amounts sought for the PAGA Representative Payment, the PAGA Counsel Fees Payment and/or the PAGA Counsel Litigation Expenses Payment. Such an order or affirmance of such an order will not entitle Plaintiffs to avoid the Settlement or obtain an increased Gross Settlement Amount. Defendants' payment obligations under the Settlement will be suspended pending an appeal of the Judgment. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals.

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

10. ADDITIONAL PROVISIONS.

10.1. No Admission of Liability or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendants that any of the allegations in the PAGA Notices or complaints filed in the Actions have merit or that Defendants have any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiffs that Defendants' defenses in the Actions have merit. The Parties agree that representative treatment is for purposes of this Settlement only. If for any reason the Court does not approve this Settlement, Defendants reserve all available defenses to the claims in the Action, and Plaintiffs reserves the right to contest Defendants' defenses. The Settlement, this Agreement and Parties' willingness to settle the Actions will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).

10.2. Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibit shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants or inducements made to or by any Party.

10.3. Attorney Authorization. PAGA Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiffs and Defendants, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.

10.4. Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying the Settlement Agreement, submitting supplemental evidence and supplementing points and authorities as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of a mediator and/or the Court for resolution.

10.5. No Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered or purported to assign, transfer or encumber to any person or entity and portion of any liability, claim, demand, action, cause of action or right released and discharged by the Party in this Settlement.

10.6. No Tax Advice. Neither Plaintiffs, PAGA Counsel, Defendants nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.

10.7. Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed or waived only by an express written instrument signed by all Parties or their representatives, and approved by the Court.

10.8. Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.

10.9. Applicable Law. All terms and conditions of this Agreement and its exhibit will be governed by and interpreted according to the internal laws of the state of California, without regard to conflict of law principles.

10.10. Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.

10.11. Confidentiality and Press Releases. Plaintiffs and Plaintiffs' attorneys agree not to issue any press or other media releases or talk to the press or media regarding the Settlement, and Plaintiffs' attorneys agree not to publicize the Settlement on their website or social media. In addition, prior to filing of the motion for approval of the Settlement, Plaintiffs and Plaintiffs' attorneys will not have any communication regarding the Settlement with anyone other than family members, clients, PAGA Members, financial advisors, retained experts, and vendors related to settlement administration.

10.12. Use and Return of PAGA Member Information. Information provided to PAGA Counsel pursuant to Evidence Code section 1152, and all copies and summaries of PAGA Member information provided to PAGA Counsel by Defendants in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and for no other purpose, and may not be used in any way that violates any existing contractual agreement, statute or California Rules of Court rule. Not later than 90 days after the Administrator discharges its obligation to distribute all Settlement funds, PAGA

Counsel shall destroy all paper and electronic versions of PAGA Member information received from Defendants unless, prior to the Administrator's distribution of all Settlement funds, Defendants make a written request to PAGA Counsel for the return, rather than the destruction, of PAGA Member information.

10.13. Headings. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.

10.14. Calendar Days. Unless otherwise noted, all reference to "days" in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.

10.15. Notice. All notices, demands or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email or messenger, addressed as follows:

To Plaintiffs:

Nazo Koulloukian
nazo@koullaw.com
KOUL LAW FIRM, APC
217 South Kenwood
Glendale, CA 91205
Telephone: (213) 761-5484
Facsimile: (818) 561-3938

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Garen Majarian
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Tarzana, CA 91356
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Norman B. Blumenthal
Kyle R. Nordrehaug
Aparajit Bhowmik
Nicholas J. De Blouw
BLUMENTHAL NORDREHAUG
BHOWMIK DE BLOUW LLP
2255 Calle Clara
La Jolla, CA 92037
Telephone: (858) 551-1223
Facsimile: (858) 551-1232

To Defendant:

Chris A. Jalian
chrisjalian@paulhastings.com
PAUL HASTINGS LLP
515 South Flower Street, Twenty-Fifth Floor,
Los Angeles, CA 90071
Direct: +1.213.683.6143
Main: +1.213.683.6000
Fax: +1.213.996.3143

10.16. Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (*e.g.*, DocuSign), or email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties will exchange between their signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

10.17. Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that pursuant to Code of Civil Procedure section 583.330 to extend the date to bring a case to trial under Code of Civil Procedure section 583.310 for the entire period of this settlement process. In the event the settlement is not finally approved, or is terminated, cancelled or fails to become effective for any reason, the Parties shall revert back to their respective positions as of before entering into the settlement. The Parties shall cooperate in good faith to secure a court order staying the Action and all deadlines, pending implementation of the settlement. If the Court denies approval of the settlement, the Parties will resume litigation.

IN WITNESS HEREOF, the Parties hereto knowingly and voluntarily execute this PAGA SETTLEMENT AGREEMENT as of the dates indicated below:

Dated: March __, 2025 ___________________________________

By:
Defendant Peach Home Services, LLC

Dated: March __, 2025 ___________________________________

By:
Defendant Goettl Air Conditioning and Plumbing

Dated: March __, 2025 ___________________________________

Plaintiff, Francisco Ortiz

05/19/2025

Dated: March __, 2025 ___________________________________

Jorge Gama (May 19, 2025 11:48 PDT)

Plaintiff, Jorge Gama

APPROVED AS TO FORM:

Dated: March __, 2025 ___________________________________

Chris Jalian
Matthew Honig
Counsel for Defendants

Dated: March __, 2025 ___________________________________

Nazo Koulloukian
Sahag Majarian, II
Counsel for Plaintiffs

Dated: May 19, 2025 ___________________________________

AJ Bhowmik
Counsel for Plaintiffs

IN WITNESS HEREOF, the Parties hereto knowingly and voluntarily execute this PAGA SETTLEMENT AGREEMENT as of the dates indicated below:

Dated: ______________________________

By:
Defendant Peach Home Services, LLC

Dated: ______________________________

By:
Defendant Goettl Air Conditioning and Plumbing

Dated: April 13, 2025

DocuSigned by:
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Plaintiff, Francisco Ortiz

Dated: ______________________________

Plaintiff, Jorge Gama

APPROVED AS TO FORM:

Dated: ______________________________

Chris Jalian
Matthew Honig
Counsel for Defendants

Dated: 4/14/2025

DocuSigned by:
Nazo Koulloukian
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Nazo Koulloukian
Sahag Majarian, II
Counsel for Plaintiffs

Dated: ______________________________

AJ Bhowmik
Counsel for Plaintiffs

IN WITNESS HEREOF, the Parties hereto knowingly and voluntarily execute this PAGA SETTLEMENT AGREEMENT as of the dates indicated below:

Dated: May 27, 2025

By:
Defendant Peach Home Services, LLC

Dated: May 27, 2025

By:
Defendant Goettl Air Conditioning and Plumbing

Dated:

Plaintiff, Francisco Ortiz

Dated:

Plaintiff, Jorge Gama

APPROVED AS TO FORM:

Dated: June 2, 2025

Chris Jalian
Matthew Honig
Counsel for Defendants

Dated:

Nazo Koulloukian
Sahag Majarian, II
Counsel for Plaintiffs

Dated:

AJ Bhowmik
Counsel for Plaintiffs

EXHIBIT A

[Date], 2025

[Settlement Administrator Name]
[Settlement Administrator Address]

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

Re: **Notice of PAGA Settlement Payment**

Dear Current or Former Peach Home Services, LLC, and/or Goettl Air Conditioning and Plumbing Employee:

You have received this notice because Peach Home Services, LLC, and/or Goettl Air Conditioning and Plumbing ("Defendants") records indicate that you work or have worked for Defendants in California at some time between March 8, 2022, to the present (the "PAGA Period"). This notice relates to the settlement of a lawsuit titled *Ortiz, et al. v. Peach Home Services, LLC*, et al., currently pending in the Riverside Superior Court, Case No. CVRI2302496 (referred to as the "Lawsuit").

In the Lawsuit, Plaintiffs Francisco Ortiz and Jorge Gama ("Plaintiffs") seek civil penalties pursuant to the California Private Attorneys General Act ("PAGA") for the alleged violations of the California Labor Code sections 201, 202, 203, 204 et seq., 210, 218, 221, 226, 226(a), 226.7, 227.3, 246, 510, 512, 558, 1174, 1194, 1194.2, 1197, 1197.1, 1198, 1199, 2802, and 2699 et seq.

Defendants strongly dispute Plaintiffs' allegations and maintain that they have fully complied with all applicable wage and hour laws. The Court has not issued any ruling regarding the merits of the Lawsuit. Nonetheless, to avoid the cost and distraction of litigation, Defendants have made a business decision to settle the Lawsuit, which settlement has been approved by the Court.

The enclosed settlement check represents your portion of the Court-approved PAGA settlement. You will not be retaliated against for cashing your check. Checks that are not cashed within 180 days of issuance will be voided and the funds will be transmitted to the California State Controller Unclaimed Payment Fund in your name. You may search for and claim unclaimed funds by visiting: https://www.sco.ca.gov/search_upd.html

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

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

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