

PAGA SETTLEMENT AGREEMENT

This PAGA Settlement Agreement (“Agreement”) is made by and between Plaintiff Hamid Tabrizi (“Plaintiff”) and Defendants Work Creation Training, Inc., and Ben Behzadi (“Defendant”). The Agreement refers to Plaintiff and Defendant collectively as “Parties,” or individually as “Party.”

1. DEFINITIONS.

- 1.1. “Action” means the Plaintiff’s PAGA lawsuit alleging wage and hour violations against Defendant captioned *Hamid Tabrizi and PAGA Plaintiffs v. Work Creation Training, Inc., et al.*, Case No. 23STCV26911, initiated on November 2, 2023 and pending in Superior Court of the State of California, County of Los Angeles.
- 1.2. “Administrator” means Azadegan Law Group, APC, the 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 administer the Settlement.
- 1.4. “Aggrieved Employees” means all current and former technician employees employed by Defendant in California during the PAGA Period.
- 1.5. “Aggrieved Employee Data” refers to the list of Aggrieved Employees’ information to be provided to the Administrator by Defendant in a Microsoft Excel spreadsheet, including the following: full name; last known home mailing address; Social Security Number; and number of PAGA Pay Periods.
- 1.6. “Aggrieved Employee Address Search” means the Administrator’s investigation and search for current Aggrieved Employee 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 Aggrieved Employees.
- 1.7. “Court” means the Superior Court of California, County of Los Angeles.
- 1.8. “Court Approval” refers to the entry of the Court’s approval of this Agreement, as required under California *Labor Code* section 2699, subd. (l)(2).
- 1.9. “Defense Counsel” or “Defendant’s Counsel” means Natalie R. Alameddine and Taylor Morosco of Blank Rome LLP.
- 1.10. “Gross Settlement Amount” means \$45,000.00 which is the total amount Defendant agrees to pay under the Settlement. The Gross Settlement Amount will be used to pay Individual PAGA Payments, the LWDA PAGA Payment, PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, and the Administrator’s Expenses Payment.
- 1.11. “Individual PAGA Payment” means the Aggrieved Employee’s pro rata share of 25%

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of the PAGA Penalties, calculated according to the number of Pay Periods the Aggrieved Employee worked during the PAGA Period.

- 1.12. “Judgment” means the judgment entered by the Court.
- 1.13. “LWDA” means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i).
- 1.14. “LWDA PAGA Payment” means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).
- 1.15. “Net Settlement Amount” means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, and the Administration Expenses Payment. The remainder is to be paid to the LWDA and Aggrieved Employees, including Plaintiff, 75% as the LWDA PAGA Payment and 25% as Individual PAGA Payments to Aggrieved Employees.
- 1.16. “PAGA Counsel” means Ramin Azadegan of Azadegan Law Group, APC, the attorney representing the Plaintiff in the Action.
- 1.17. “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.
- 1.18. “PAGA Pay Period” means any semi-monthly Pay Period during which an Aggrieved Employee worked for Defendant for at least one day during the PAGA Period.
- 1.19. “PAGA Period” means the period from April 2017 through the effective date of the settlement.
- 1.20. “PAGA” means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).
- 1.21. “PAGA Notice” means Plaintiff’s April 24, 2023 letter to Defendant and the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a).
- 1.22. “PAGA Penalties” means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 25% to the Aggrieved Employees and the 75% to LWDA in settlement of PAGA claims.
- 1.23. “Plaintiff” means Hamid Tabrizi, the named plaintiff in the Action.
- 1.24. "Approval Order" means the proposed Court Order Granting Approval of PAGA Settlement.
- 1.25. “Released PAGA Claims” means the PAGA claims being released as described herein.

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- 1.26. “Released Parties” means: Defendant and each of its current and former officers, directors, representatives, board members, partners, shareholders, members, employees, agents, attorneys, insurance companies, successors, assigns, subsidiaries, owners, parent companies, predecessors, franchisors, heirs, legal representatives, successors, and assigns.
- 1.27. “Settlement” means the disposition of the Action effected by this Agreement and the Judgment.
- 1.28. “Defendant” means named Defendants Work Creation Training, Inc., and Ben Behzadi.

2. MONETARY TERMS.

- 2.1. Gross Settlement Amount. The Gross Settlement Amount (“GSA”) is \$45,000 total. Within fifteen (15) days after Defendant is served with the signed Court Approval Order (either by the Clerk of the Court or by Plaintiff’s Counsel, which may be via email to Defendant’s Counsel) approving the Settlement, Defendant shall provide the Aggrieved Employee Data to the Administrator (as set forth below).
- 2.1.1. Within thirty (30) days of Court Approval, Defendant shall deliver the first \$22,500 payment of the GSA to the Administrator. The second payment of \$22,500 is due 60 days after Court Approval. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendant.
- 2.2. Payments from the Gross Settlement Amount. Subject to Court Approval, the Administrator will make and deduct the following payments from the Gross Settlement Amount, in the amounts specified by the Court:
- 2.2.1. To PAGA Counsel: A PAGA Counsel Fees Payment of not more than one-third of the Gross Settlement Amount which is currently estimated to be \$14,190.00 and PAGA Counsel Litigation Expenses Payment of not more than \$1,000.00.
Defendant will not oppose requests for Court approval of these payments provided that they do not exceed these amounts. If the Court approves a PAGA Counsel Fees Payment and/or a PAGA Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. The Administrator will pay the PAGA Counsel Fees Payment and PAGA Counsel Expenses Payment, and Defendant, via the Administrator, will report these payments using one or more IRS 1099 Forms issued to Plaintiff’s Counsel.
- 2.2.2. To the Administrator: An Administrator Expenses Payment not to exceed \$500.00 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 \$500.00, the Administrator will retain the remainder in the Net Settlement Amount.

2.2.3. To the LWDA and Aggrieved Employees: PAGA Penalties in the estimated amount of \$2,000.00 to be paid from the Net Settlement Amount, with 75% (estimated to be \$1,500.00) distributed to the LWDA PAGA Payment and 25% (estimated to be \$500.00) allocated to the Individual PAGA Payments.

2.2.3.1. The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties by the total number of PAGA Period Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA Period Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

2.2.3.2. If the Court awards amounts less than requested, the Administrator will allocate the remainder to the Net Settlement Amount. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

3. SETTLEMENT FUNDING AND PAYMENTS.

3.1. Aggrieved Employee Pay Periods. Based on a review of its records from August 29, 2022 through December 2024, Defendant estimates there are 53 potential Aggrieved Employees who worked a certain sum of PAGA Pay Periods. The Parties will update this calculation for settlement administration purposes.

3.2. Aggrieved Employee Data. Within fifteen (15) days of the date Defendant receives notice of the Court Approval, Defendant will deliver the Aggrieved Employee Data to the Administrator in the form of a Microsoft Excel spreadsheet. To protect Aggrieved Employee' privacy rights, the Administrator must maintain the Aggrieved Employee Data in confidence, use the Aggrieved Employee Data only for purposes of this Settlement and for no other purpose, and restrict access to the Aggrieved Employee Data to Administrator employees who need access to the Aggrieved Employee Data to effect and perform under this Agreement. Defendant has a continuing duty to immediately notify PAGA Counsel if it discovers that the Aggrieved Employee Data omitted employee identifying information and to provide corrected or updated Aggrieved Employee Data as soon as reasonably feasible. If any or all of the Aggrieved Employees' data are unavailable to Defendant, Defendant will use best efforts to deduce or reconstruct their data prior to when it must be submitted 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 Aggrieved Employee Data.

3.3. Funding of Gross Settlement Amount. Defendant shall fully fund the Gross Settlement Amount within thirty (30) days of Court Approval. If the Court fails to approve the Settlement, the Parties will work in good faith to address the Court's concerns.

3.4. Payments from the Gross Settlement Amount. Within 14 calendar days after Defendant funds the Gross Settlement Amount and the Court has approved the settlement, the

Administrator will mail checks for all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the PAGA Counsel Expenses Payment. Disbursement of the PAGA Counsel Litigation Expenses Payment shall not precede disbursement of Individual PAGA Payments.

3.4.1. The Administrator will issue checks for the Individual PAGA Payments and send them to the Aggrieved Employees via U.S. Mail, postage prepaid. The face of each check shall prominently state the date (not less than 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.

3.4.2. Defendant shall provide the contact information for each Aggrieved Employee. 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 Aggrieved Employee Address Search. The Administrator shall promptly send a replacement check to any Aggrieved Employee whose original check was lost or misplaced, requested by the Aggrieved Employee prior to the void date.

3.4.3. For any Aggrieved Employee whose Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the California Controller's Unclaimed Property Fund in the name of the Aggrieved Employee.

3.4.4. The payment of Individual PAGA Payments shall not obligate Defendant to confer any additional benefits or make any additional payments to the Aggrieved Employees (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

4. RELEASES OF CLAIMS. Effective on the date when Defendant fully funds the entire Gross Settlement Amount Plaintiff and Aggrieved Employees will release claims against all Released Parties as follows:

4.1 Release by Aggrieved Employees:

Plaintiff and all Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint, and the PAGA Notice, for anytime during the PAGA Period.

4.2 Right to Opt-Out or Object. The Parties agree there is no statutory right for any Aggrieved Employee to object, opt out, or otherwise exclude himself or herself from the Settlement. The Parties further agree there is no right or opportunity for any Aggrieved Employee to appeal the approval of the Settlement by the Court. The Parties further agree that an Aggrieved Employee's recovery under this Settlement does not act to preclude claims not encompassed within the release of claims herein. This Agreement shall not be subject to

collateral attack by any Aggrieved Employee.

5. APPLICATION FOR APPROVAL OF SETTLEMENT AND SETTLEMENT ADMINISTRATION.

5.1 Selection of Administrator. The Parties have jointly selected Azadegan Law Group, APC (“ALG”) to serve as the Administrator and verified that, as a condition of appointment, ALG 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.

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

5.3 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.

5.4 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.

5.5 Approval of Settlement

5.5.1 The Parties will cooperate in seeking approval of the Settlement, including Plaintiff drafting a stipulation and order seeking approval of the settlement, or (if needed) a Motion for an Order Approving the Settlement Agreement (the "Motion"). Plaintiff agrees to provide a draft of the Stipulation and/or Motion to defense counsel within two (2) weeks of all parties signing this long form. Defendant shall not oppose the motion so long as it is consistent with the terms of this Agreement.

5.5.2 Pursuant to PAGA, on the date the Parties file the Motion or submit the stipulation, Plaintiff will submit the Agreement to the LWDA. The Parties intend and believe that providing notice of this Settlement to the LWDA pursuant to the procedures described in this section complies with the requirements of PAGA.

5.5.3 With the stipulation, or at the hearing on the Motion, the Parties will jointly submit an order granting approval of the Settlement along the terms outlined in this agreement.

5.5.4 Should the Court decline to approve all material aspects of the Settlement, (except for the amount of attorney's fees or costs requested), the Parties will meet and confer in good faith to address the Court's concerns and determine whether resolution of the Lawsuit can be obtained in a manner consistent with the Court's concerns. If no agreement can be reached, or Court approval cannot be obtained in spite of the Parties' reasonable efforts, or the Court's approval of this Settlement is reversed, modified, or declared or rendered void, then (i) the Settlement will be null and void and the Parties will have no further obligations under it, (ii) neither the Settlement nor any of the

related negotiations or proceedings shall be of any force or effect; and (iii) all Parties to the Settlement shall stand in the same position, without prejudice, as if the Settlement had been neither entered into nor filed with the Court. Invalidity of any material portion of the Settlement, shall invalidate the Settlement in its entirety unless the Parties shall subsequently agree in writing that the remaining provisions shall remain in full force and effect. However, an award by the Court of lesser amounts than sought for the Plaintiff's Counsel's fees, Plaintiff's Counsel's costs, or the Administrator's Fees will not be considered a material change to the Settlement.

5.5.5 Apex will provide a final accounting declaration to the Parties within 14 days after the end of the check cashing period.

5.5.6 Within 10 days of submission of the final accounting declaration Plaintiff's Counsel shall apply for entry of dismissal of the Action and shall file all necessary documentation and supporting evidence required to obtain a dismissal of the PAGA Claims.

5.5.7 Plaintiff's Counsel shall provide notice of the PAGA Dismissal to Defense counsel and the Administrator within three (3) calendar days of obtaining a conformed copy of the entry of dismissal.

6. 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.

7. ADDITIONAL PROVISIONS.

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

7.2 Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits 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.

- 7.3 Attorney Authorization. PAGA Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiff and Defendant, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.
- 7.4 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.
- 7.5 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.
- 7.6 No Tax Advice. Neither Plaintiff, PAGA Counsel, Defendant nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.
- 7.7 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.
- 7.8 Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.
- 7.9 Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the state of California, without regard to conflict of law principles.
- 7.10 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.
- 7.11 Confidentiality. To the extent permitted by law, all agreements made, and orders entered during Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.
- 7.12 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.

7.13 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.

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

To Plaintiff:
Azadegan Law Group
Ramin Azadegan, Esq.
ramin@raminlaw.com
Jonathan Aminpour, Esq.
jonathan@raminlaw.com

To Defendant:
Blank Rome
Natalie Almeddine
natalie.alameddine@blankrome.com

7.15 Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e. 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 themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

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Dated: _____

By: _____
Hamid Tabrizi

Dated: _____

By: _____
Ben Behzadi
Work Creation Training, Inc.
Title: _____

As to Form Only:

AZEDEGAN LAW GROUP

Dated: _____

By: _____
Jonathan Aminpour

BLANK ROME, LLP

Dated: _____

By: _____
Natalie Alameddine