AMENDMENT TO PAGA SETTLEMENT AND RELEASE AGREEMENT

Amairani Gomez v. Focus Industries, Inc., et al.
Orange County Superior Court, Case No. 30-2023-01336931-CU-OE-CXC

I. INTRODUCTION

The Parties agree that the below sections shall be struck from the PAGA Settlement Agreement and replaced with alternative language in accordance with the Court's tentative order.

II. AMENDMENTS

A. Section 4(b): Strike the language of: "up to 33% of the Gross Settlement Amount, or Sixteen Thousand Six Hundred Sixty-six Dollars and Sixty-six Cents ($16,666.66)" and replace with the language of "30% of the Gross Settlement Amount, or Fifteen Thousand Dollars and Zero Cents ($15,000)."

B. Paragraph 12: Strike the entire paragraph and replace with the language of:

"Upon the Effective Date of this Settlement, Plaintiff, on behalf of the State of California (including, but not limited to, the LWDA), and the PAGA Members will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released PAGA Claims with respect to Defendant and its past and present officers, directors, shareholders, unit holders, managers, employees, agents, principals, heirs, representatives, accountants, auditors, consultants, and its respective successors and predecessors in interest, subsidiaries, affiliates, parents and attorneys. The Released PAGA claims shall include all known or unknown claims for civil penalties, attorneys' fees and costs, or any other relief under PAGA arising out of the Labor Code claims based on any facts, claims, or theories set forth in the LWDA Notice against Defendants dated April 10, 2023, including but not limited to: California Labor Code Sections §§ 201, 202, 203, 204, 226, 226.7, 510, 512, 558, 558.1, 1174, 1194, 1197, 1198, 2802, and IWC Wage Order 1, §§7, 11-12."

C. The cover letter to the aggrieved employees, attached as Exhibit A to this Amendment, is corrected as follows:

1. Page numbering has been added on the notice.

2. On Page 1 of the notice, strike the language of "as a result of lawsuits" and replace with the language of "as a result of a lawsuit".

3. The release in the first paragraph on page 1 of the notice has been split into a separate paragraph and amended to be consistent with the amendments to the PAGA release noted above in Paragraph 12 of the settlement agreement.

III. EXECUTION BY PARTIES

The Parties hereby execute the Amendment to the PAGA Settlement Agreement.

07/20/2025	Amairani Gomez Amairani Gomez (Jul 20, 2025 21:17 PDT)
DATE	AMAIRANI GOMEZ, Plaintiff
7/23/2025	Signed by: Cheri Luna D0BBCCFBED07444
DATE	FOCUS INDUSTRIES INC. BY Cherie Luna, Controller
7-23-25	DocuSigned by: Stan Shibata CB7D4D36638B494
DATE	STAN SHIBATA

APPROVED AS TO FORM

	MM LAW APC
07/20/2025	Maralle Messrelian
DATE	Maralle Messrelian for Plaintiff Amairani Gomez
	GORDON REES SCULLY MANSUKHANI, LLP
07/23/2025	Matthew Theriault
DATE	Matthew Theriault for Defendants

EXHIBIT A

NOTICE OF PAGA SETTLEMENT

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<<Settlement Administrator >>
[ ]
[ ]
Telephone: [ ]

«Barcode» «BarcodeString»
SIMID «SIMID»
«FirstName»
«LastName»
«Address1» «Address2»
«City» «State» «Zip»

You are receiving this notice as a result of a lawsuit brought on a representative basis under the Private Attorneys General Act, Labor Code § 2698 et seq. ("PAGA") ("the Action"). The plaintiff in the Action is Amairani Gomez ("Plaintiff") and the defendants are Focus Industries, Inc. and Stan Shibata ("Defendants"). The Action seek civil penalties for purported violations of the California Labor Code on behalf of all persons within the State of California who are or were employed by Defendants in the State of California and classified as non-exempt during the PAGA Period of April 10, 2022 through June 20, 2024 (the "PAGA Members"). Defendants deny all claims and allegations in the Action, deny that they owe any penalties, and assert that they have fully complied with all applicable Labor Code provisions. Nevertheless, to avoid further costs and time in defending the Action, Defendants have settled the case and the Court has approved the settlement and release of claims. By settling the Action, Defendants are not admitting that they have done anything wrong as of and subject to the occurrence of the Effective Date of the Settlement.

Upon the Effective Date of this Settlement, Plaintiff, on behalf of the State of California (including, but not limited to, the LWDA), and the PAGA Members will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released PAGA Claims with respect to Defendant and its past and present officers, directors, shareholders, unit holders, managers, employees, agents, principals, heirs, representatives, accountants, auditors, consultants, and its respective successors and predecessors in interest, subsidiaries, affiliates, parents and attorneys. The Released PAGA claims shall include all known or unknown claims for civil penalties, attorneys' fees and costs, or any other relief under PAGA arising out of the Labor Code claims based on any facts, claims, or theories set forth in the LWDA Notice against Defendants dated April 10, 2023, including but not limited to: California Labor Code Sections §§ 201, 202, 203, 204, 226, 226.7, 510, 512, 558, 558.1, 1174, 1194, 1197, 1198, 2802, and IWC Wage Order 1, §§7, 11-12.

No claims for any unpaid or underpaid wages have been settled by this settlement, and this settlement is without prejudice to any pursuit of such claim.

By Order dated <<court approval order date>>, the Superior Court of the State of California, Orange County approved the Settlement of the PAGA claims.

According to the Defendants' records, you are a PAGA Member and 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 180 days. Thereafter, all uncashed checks shall be distributed to California State Controller's Office Unclaimed Property Fund with an identification of the amount of unclaimed funds attributable to each PAGA Member.

Please Note: One hundred percent (100%) of your individual PAGA payment under this 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 individual PAGA payment. Neither Plaintiff nor Defendants have made any representations or warranties regarding the taxation of your individual PAGA payment. Nothing within this notice or any other communication shall constitute or be construed or relied upon as tax advice within the meaning of United States Treasury Department Circular 230 (31 C.F.R. Part 10, as amended). Enclosed are the appropriate tax forms pertaining to your payment.

Do not call or write the Court or Office of the Clerk to ask questions about the settlement or to ask questions about the claims process. If you have any questions, you may call or write to __________________ (the Settlement Administrator) using the contact information at the top of this correspondence.