

PAGA SETTLEMENT AGREEMENT

This PAGA Settlement Agreement (“Agreement”) is made by and between plaintiff Mariano Quianua (“Plaintiff”) and defendants Paper Source Converting & Manufacturing, Inc., (“Defendant Paper Source”) and PEOPLEASE, LLC (“Defendant PEOPLEASE”) (hereinafter, Defendant Paper Source and Defendant PEOPLEASE are together referred as “Defendants” and Plaintiff and Defendants are collectively referred to as the “Parties,” or individually as “Party”) in a lawsuit filed in the California Superior Court, County of Los Angeles, Case No. 23STCV07542 (the “Action”).

1. DEFINITIONS.

- 1.1. “Action” means the Plaintiff’s PAGA lawsuit alleging wage and hour violations against Defendants captioned *Mariano Quianua v. Paper Source Converting and Manufacturing, Inc., et al.* initiated on April 6, 2023, and pending in Superior Court of the State of California, County of Los Angeles.
- 1.2. “Administrator” means Simpluris, Inc., the neutral entity the parties have agreed to appoint to administer the Settlement.
- 1.3. “Administrator 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. “Aggrieved Employee” means all current and former non-exempt employees who were employed by Defendant Paper Source in the state of California and/or were issued wage statements by PEOPLEASE during their employment with Defendant Paper Source in California, at any time during the PAGA Period.
- 1.5. “Aggrieved Employee Data” means Aggrieved Employee identifying information in Defendants’ possession including the Aggrieved Employee’s name, last-known 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. “Defense Counsel” means Ali R. Moghaddami of Law Offices of Ali R. Moghaddami, and Spencer W. Waldron of Fisher & Phillips LLP.

- 1.9. “Effective Date” means the date an order or judgement approving the PAGA settlement in the Action is entered by the Court.
- 1.10. “Gross Settlement Amount” means \$142,500.00 which is the total amount Defendant Paper Source agrees to pay under the Settlement except as provided in Paragraph 8 below. 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 Expenses Payment.
- 1.11. “Individual PAGA Payment” means the Aggrieved Employee’s pro rata share of 25% 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 upon granting approval of the Settlement.
- 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 LWDA as LWDA PAGA Payment, and to Aggrieved Employees as Individual PAGA Payments.
- 1.16. “PAGA Counsel” means Moon Law Group, PC, the attorneys representing 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” or “Pay Periods” means any pay period during which an Aggrieved Employee worked for Defendants for at least one day during the PAGA Period.
- 1.19. “PAGA Period” means the period from April 10, 2022, until October 8, 2024.
- 1.20. “PAGA” means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).
- 1.21. “PAGA Notice” means Plaintiff’s April 4, 2023, letter of Notice of Labor Code Violations and PAGA Penalties to Defendant Paper Source and LWDA, and May 11, 2023 letter of Amended Notice of Labor Code Violations and PAGA Penalties to Defendant

Paper Source, Defendant PEOPLEASE, and the LWDA, providing notice pursuant to Labor Code section 2699.3, subdivision (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 the LWDA in settlement of PAGA claims.
- 1.23. “Plaintiff” means Mariano Quianua, 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 claims being released by Plaintiff and Aggrieved Employees as described in Paragraph 5 below.
- 1.26. “Released Parties” means: Defendant Paper Source and Defendant PEOPLEASE, and each of their former and present directors, officers, shareholders, owners, members, attorneys, insurers, predecessors, successors, assigns, subsidiaries, and affiliates.
- 1.27. “Settlement” means the disposition of the Action effected by this Agreement and the Judgment.

2. RECITALS.

- 2.1. On April 4, 2023, and on May 11, 2023, Plaintiff gave timely written notice to Defendants and the LWDA by sending the PAGA Notice, pursuant to Labor Code section 2699.3, subd.(a).
- 2.2. On April 6, 2023, Plaintiff filed a class action complaint against Defendants, on behalf of all non-exempt employees of Defendants who worked in California from the date four years before the filing of the complaint to the date the Class Notice to be sent, alleging the following violations of the California Labor Code and Business and Professions Code (“Complaint”): Failure to Pay Minimum Wage [*Labor Code* §§ 204, 1194, 1194.2, and 1197;] Failure to Pay Overtime Compensation [*Labor Code* §§ 1194 and 1198]; Failure to Provide Meal Periods [*Labor Code* §§ 226.7 and 512]; Failure to authorize and Permit Rest Breaks [*Labor Code* § 226.7]; Failure to Indemnify Necessary Business Expenses [*Labor Code* §§ 2802]; Failure to Timely Pay Final Wages at Termination [*Labor Code* §§ 201-203]; Failure to Provide Accurate Itemized Wage Statements [*Labor Code* § 226]; and Unfair Business Practices [*Business & Professions Code* §§ 17200, *et seq.*].
- 2.3. On June 8, 2023, Plaintiff filed a First Amended Class Action and Representative Action Complaint, which alleged an additional cause of action for Civil Penalties Under the Private Attorney General Act [*Labor Code* §§ 2699, *et seq.*] (“Operative Complaint”).

- 2.4. On November 17, 2023, the Court granted the Parties' stipulation and dismissed Plaintiff's class allegations asserted in the Action. Thus, the only claim remaining in the Operative Complaint is Plaintiff's claim for PAGA civil penalties.
- 2.5. On October 8, 2024, the Parties participated in an all-day mediation presided over by Marc Feder, Esq., which led to this Agreement to settle the Action.
- 2.6. Prior to mediation, Plaintiff obtained, through informal discovery, a sample of time and payroll records for the Aggrieved Employees, information regarding the Aggrieved Employee group.
- 2.7. 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. Except as otherwise provided by Paragraph 8 below, Defendant Paper Source promises to pay \$142,500.00 and no more as the Gross Settlement Amount. Defendant Paper Source has no obligation to pay the Gross Settlement Amount prior to the deadline stated in Paragraph 4.3 of this Agreement. 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 Defendants.
- 3.2. Payments from the Gross Settlement Amount. The Administrator will make and deduct the following payments from the Gross Settlement Amount, subject to approval by the Court:
 - 3.2.1. To PAGA Counsel: Attorney's fees of not more than one-third (1/3) of the Gross Settlement Amount, currently estimated to be \$47,500.00, and costs of not more than \$18,000.00. Defendants will not oppose Plaintiff's requests for Court approval of these payments provided that they do not exceed these amounts. Plaintiff and/or PAGA Counsel will file a motion, which will include an application for PAGA Counsel Fees Payment and PAGA Counsel Litigation Expenses Payment. 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. Released Parties shall have no liability to PAGA Counsel or any other Plaintiff's Counsel arising from any claim to any portion any PAGA Counsel Fee Payment and/or PAGA Counsel Litigation Expenses Payment. The Administrator will pay the PAGA Counsel Fees Payment and PAGA Counsel 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 Defendants harmless, and indemnifies Defendants, from any dispute or controversy regarding any division or sharing of any of these Payments.

3.2.2. To the Administrator: An Administrator Expenses Payment not to exceed \$8,000.00 except for a showing of good cause and as approved by the Court. To the extent the Administrator's actual expenses are less or the Court approves payment less than the amount stated above, the difference between the actual and estimated Administrator Expenses Payment will be allocated to the Net Settlement Amount. To the extent the actual Administrator Expenses Payment is more than the estimated Administrator Expenses Payment, it shall be paid from the Gross Settlement Amount.

3.2.3. To the LWDA and Aggrieved Employees: All amounts remaining after the deductions made pursuant to Paragraphs 3.2.1 and 3.2.2 of this Agreement shall constitute the Net Settlement Amount. The entire Net Settlement Amount will be allocated as PAGA Penalties, with 75% being paid to LWDA as LWDA PAGA Payment and 25% to Aggrieved Employees as Individual PAGA Payment.

3.2.3.1. 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 pay periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

3.2.3.2. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

4. SETTLEMENT FUNDING AND PAYMENTS.

4.1. Aggrieved Employee Pay Periods. Based on a review of its records as of the date of mediation, Defendants estimate the Aggrieved Employees worked a total 6,250 of PAGA Pay Periods.

4.2. Aggrieved Employee Data. Within 7 days of settlement approval, Defendant Paper Source 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. Defendants have 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. Without any extension of the deadline by which Defendant Paper Source must send the Aggrieved Employee 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 Aggrieved Employee Data.

- 4.3. Funding of Gross Settlement Amount. Defendant Paper Source shall fully fund the Gross Settlement Amount by transmitting the funds to the Administrator no later than 7 calendar days after the Effective Date.
- 4.4. Payments from the Gross Settlement Amount. Within 7 days after Defendant Paper Source funds the Gross Settlement Amount, the Administrator will mail checks for all Individual PAGA Payments, the LWDA PAGA Payment, the Administrator Expenses Payment, the PAGA Counsel Fees Payment, and the PAGA Counsel Litigation Expenses Payment.
 - 4.4.1. The Administrator will issue checks for the Individual PAGA Payments and send them to the Aggrieved Employees via First Class 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. 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 an Aggrieved Employee Address Search for all Aggrieved Employees 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 Aggrieved Employee Address Search. The Administrator need not take further steps to deliver checks to Aggrieved Employees whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Aggrieved Employee whose original check was lost or misplaced, as requested by the Aggrieved Employee prior to the void date.
 - 4.4.3. For any Aggrieved Employee whose Individual PAGA Payment check is uncashed and canceled 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. Aggrieved Employees who fail to cash their Individual PAGA Payment checks before the void date are still deemed to release the claims identified in Paragraph 5.2 of this Agreement.

4.4.4. The payment of Individual PAGA Payments shall not obligate Defendants 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.

5. RELEASES OF CLAIMS. Effective on the date when Defendant Paper Source fully funds the entire Gross Settlement Amount Plaintiff and PAGA Counsel will release claims against all Released Parties as follows:

5.1. Plaintiff's Release. Plaintiff and his former and present spouses, representatives, agents, attorneys (including PAGA Counsel), heirs, administrators, successors, and assigns generally, release and discharge Released Parties from all claims, transactions, or occurrences that occurred during the PAGA Period, including, but not limited to all claims that were, or reasonably could have been, alleged, based on the facts contained in the Operative Complaint and the PAGA Notices ("Plaintiff's Release"). Plaintiff's Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, workers' compensation benefits that arose at any time, or based on occurrences outside the PAGA Period. Plaintiff acknowledges that he 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 agree, nonetheless, that Plaintiff's Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiff's discovery of them.

5.1.1. Plaintiff's Waiver of Rights Under California Civil Code Section 1542. For purposes of Plaintiff's Release, Plaintiff expressly waives and relinquishes 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 that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.

5.2. Released by Aggrieved Employees:

All Aggrieved Employees are deemed to release the Released Parties from all claims for PAGA civil penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the Operative Complaint in the Action and/or Plaintiff's PAGA Notice. However, with the exception of Plaintiff, this Settlement shall not impact aggrieved employees' ability to assert claims, such as claims for wages and other damages, other than the PAGA claims being released by this Settlement.

5.3. Release by PAGA Counsel:

PAGA Counsel release on behalf of their present and former attorneys, employees, agents, successors and assigns, the Released Parties from all claims for fees incurred in connection with the Action and the PAGA Period facts stated in the Operative Complaint and the PAGA Notice, other than the payments to PAGA Counsel as provided for in this Agreement.

6. MOTION FOR APPROVAL OF SETTLEMENT. The Parties agree to jointly prepare and file a motion for approval of this Settlement.

6.1. Plaintiff's Responsibilities. Plaintiff will prepare and deliver to Defense Counsel all documents necessary for obtaining approval of this Settlement under Labor Code Section 2699, subd. (f)(2) including (i) a draft proposed Order Granting Approval of PAGA Settlement; (ii) 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 Aggrieved Employee 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 Aggrieved Employees or the LWDA; and the nature and extent of any financial relationship with Plaintiff, PAGA Counsel or Defense Counsel; (iii) a signed declaration from PAGA Counsel attesting to its timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), Operative Complaint (Labor Code section 2699, subd. (l)(1)), this Agreement (Labor Code section 2699, subd. (l)(2)); (iv) a redlined version of the Parties' Agreement showing all modifications made to the Model Agreement ready for filing with the Court; and (v) all facts relevant to any actual or potential conflict of interest with Aggrieved Employees and/or the Administrator. In their Declarations, Plaintiff and PAGA Counsel shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.

6.2. Responsibilities of PAGA Counsel. PAGA Counsel and Defense Counsel are jointly responsible for expeditiously finalizing and filing the motion for approval of this Settlement and, if necessary, obtaining a prompt hearing date for a motion and appearing in Court to advocate in favor of the motion. PAGA Counsel is responsible for delivering the Court's order approving the settlement to 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 the motion for 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 Simpluris, Inc. ("Simpluris"), to serve as the Administrator and verified that, as a condition of appointment, Simpluris 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 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. Notice to Aggrieved Employees. When mailing the checks for the Individual PAGA Payments, the Administrator shall include a copy of the Judgment and a settlement notice letter, substantially in the form attached to this Agreement as **Exhibit A**, subject to Court's approval.
- 7.5. 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. PAGA PAY PERIOD SIZE ESTIMATES AND ESCALATOR CLAUSE.

- 8.1. Based on its records, Defendants estimate that the number of PAGA Pay Periods is approximately 6,250. Should the actual number of pay periods in the PAGA Period exceed the estimated number of PAGA Pay Periods (6,250) by more than 10% (6,876 pay periods or more), the Gross Settlement Amount will increase proportionally over the 10% grace (*i.e.* if the number of PAGA Pay Periods increases by 11%, the Gross Settlement Amount will increase by 1%).

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 Judgment is consistent with the terms and conditions of this Agreement, specifically including the PAGA Counsel Fees Payment and PAGA Counsel Litigation Expenses Payment, the Parties, their respective counsel waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals. If another party appeals the Judgment, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect the amount of the Net Settlement Amount.

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 Operative Complaint have merit or that Defendants have any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that Defendants' 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, Defendants reserve all available defenses to the claims in the Action, and Plaintiff reserves the right to contest Defendants' 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).
- 10.2. 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, except for the settlement of Plaintiff's individual claims the Parties are concurrently entering into.
- 10.3. Attorney Authorization. PAGA Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiff 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 Plaintiff, 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 exhibits 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. 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.
- 10.12. Use and Return of Aggrieved Employee Data. Information provided to PAGA Counsel pursuant to Cal. Evid. Code §1152, and all copies and summaries of the PAGA Data 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 no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. Not later than 90 days after the Administrator discharges its obligation to pay out of all Settlement funds, Plaintiff shall destroy all paper and electronic versions of Aggrieved Employee Data received from Defendants unless, prior to the Administrator's payment of all Settlement

Funds, Defendants make a written request to PAGA Counsel for the return, rather than the destructions, of Aggrieved Employee Data.

- 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. Publication. Plaintiff and PAGA Counsel agree that they have not and will not publish this Settlement prior to seeking court approval. In response to any inquires, Plaintiff will state that “the case was resolved, and it was resolved confidentially.” PAGA Counsel shall not report this Settlement in any medium or in any publication, shall not post or report anything regarding the claims of Plaintiff or the Aggrieved Employees or this Settlement on its website, and shall not contact any reporters or media regarding this Settlement. Despite this provision, PAGA Counsel can discuss this settlement with Plaintiff, the Aggrieved Employees, and in any filings with the Court, including declarations submitted to the Court to establish PAGA Counsel’s adequacy to serve as counsel, and declarations and other pleadings filed with the Court in connection with this Settlement.
- 10.16. 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:

Kane Moon (SBN 249834)
Allen Feghali (SBN 301080)
Julie Sohyun Oh (SBN 341157)
MOON LAW GROUP, PC
725 S. Figueroa St., 31st Floor
Los Angeles, California 90017
Telephone: (213) 232-3128
Facsimile: (213) 232-3125
E-mail: kmoon@moonlawgroup.com
E-mail: afeghali@moonlawgroup.com
E-mail: joh@moonlawgroup.com

To Defendant PEOPLEASE:

Spencer Waldron, Esq.
FISHER & PHILLIPS LLP
2050 Main Street, Suite 1000
Irvine, California 92614
Los Angeles, CA 90071
Telephone: (949) 851-2424
Facsimile: (949) 851-0152
swaldron@fisherphillips.com

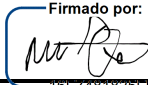
To Defendant Paper Source:

Ali R. Moghaddami, Esq.
LAW OFFICES OF ALI R. MOGHADDAMI
333 East Glenoaks Boulevard, Suite 202
Glendale, California 91207
Telephone: (818) 500-4111
Facsimile: (818) 500-4144
armoghilaw@gmail.com

- 10.17. 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.
- 10.18. 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 CCP 583.330 to extend the date to bring a case to trial under Code of Civil Procedure section 583.330 for the entire period of this settlement process.

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Dated: 11/26/2024

By:  Firmado por:
Mariano Quianua 16E7481825FB499...

Dated:

Paper Source Converting &
Manufacturing, Inc.

By: _____

Its: _____

Dated:

PEOPLEASE, LLC

By: _____

Its: _____

Approved as to form by:

MOON LAW GROUP, PC

Dated: 11/26/2024

By: 
Kane Moon
Allen Feghali
Julie Sohyun Oh
Attorneys for Plaintiff, Mariano
Quianua

FISHER & PHILLIPS LLP

Dated:

By: _____
Spencer W. Waldron
Attorney for Defendant, PEOPLEASE,
LLC

Dated:

By:

Mariano Quianua

Dated:

12/3/24

Jonathan Khodabakhch

Paper Source Converting &
Manufacturing, Inc.

By:

Its:

Vice President

Dated:

12/02/24

AM Remington

AM Remington (Rev. 7, 2014) (PA 11-1-51)

PEOPLEASE, LLC

By:

Its:

AM Remington

Chief Legal Officer

Approved as to form by:

MOON LAW GROUP, PC

Dated:

By:

Kane Moon

Allen Feghali

Julie Sohyun Oh

Attorneys for Plaintiff, Mariano
Quianua

FISHER & PHILLIPS LLP

Dated: 12/03/24

By:

Spencer Waldron

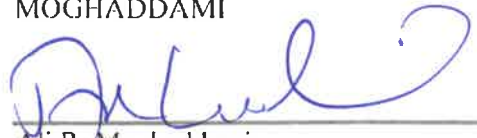
Spencer W. Waldron

Attorney for Defendant, PEOPLEASE,
LLC

Dated: 12/9/2024

LAW OFFICES OF ALI R.
MOGHADDAMI

By:



Ali R. Moghaddami
Attorney for Defendant, Paper Source
Converting & Converting &
Manufacturing, Inc

Exhibit A

<<DATE>>

<<FIRST_NAME>> <<LAST_NAME>>

<<ADDRESS 1>>

<<ADDRESS 2>>

NOTICE OF PAGA SETTLEMENT

Mariano Quianua v. Paper Source Converting & Manufacturing, et al.

Superior Court of California, County of Los Angeles, Case No. 23STCV07542

PLEASE READ THIS NOTICE

Enclosed is your payment from the settlement of the lawsuit entitled *Mariano Quianua v. Paper Source Converting & Manufacturing, et al.* (Los Angeles County Superior Court, Case No. 23STCV07542). The lawsuit was filed by a former employee, Mariano Quianua (“Plaintiff”), against the named defendants Paper Source Converting & Manufacturing, Inc. (“Defendant Paper Source”) and PEOPLEASE, LLC (“Defendant PEOPLEASE”) (hereinafter, Defendant Paper Source and Defendant PEOPLEASE are together referred as “Defendants”), pursuant to the California Private Attorneys General Act of 2004, codified at California Labor Code § 2698, *et seq.* (called “PAGA”). The lawsuit was brought on behalf of the State of California and all persons who worked for Defendant Paper Source in California as a non-exempt employee and/or were issued wage statements by PEOPLEASE during their employment with Defendant Paper Source in California, at any time between April 10, 2022 to October 8, 2024 (“PAGA Period”). You have been identified as one of the employees on whose behalf the lawsuit was filed.

Plaintiff alleges he and other non-exempt employees employed by Defendants in California during the PAGA Period were subjected to various Labor Code violations. Defendants denied and continue to deny all allegations and liability. However, to avoid further time and expense of protracted and uncertain litigation, Plaintiff and Defendants have agreed to settle the lawsuit for civil penalties under PAGA (“Settlement”).

The Court approved the Settlement on [**DATE**]. Upon the date the Court enters the Order and Judgment approving the Settlement and payment of all funds due under the Settlement are made, the Labor and Workforce Development Agency (“LWDA”) and Aggrieved Employees (as defined below), including Plaintiff, fully release and forever discharge the Released Parties (as defined below) from any and all Released Claims (as defined below).

“Aggrieved Employee” means all current and former non-exempt employees who were employed by Defendant Paper Source in the state of California and/or were issued wage statements by PEOPLEASE during their employment with Defendant Paper Source in California, at any time from April 10, 2022, until October 8, 2024.

“Released PAGA Claims” means that as part of the Settlement, you will be releasing claims for PAGA civil penalties that arose during the PAGA Period based on the facts and violations alleged

in this lawsuit or Plaintiff's PAGA notice letters to the LWDA. Specifically, the Settlement provides: "All Aggrieved Employees are deemed to release the Released Parties from all claims, for PAGA civil penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the Operative Complaint in the Action and/or Plaintiff's PAGA Notice. However, with the exception of Plaintiff, this Settlement shall not impact aggrieved employees' ability to assert claims, such as claims for wages and other damages, other than the PAGA claims being released by this Settlement."

"Released Parties" are Defendant Paper Source and Defendant PEOPLEASE, and each of their former and present directors, officers, shareholders, owners, members, attorneys, insurers, predecessors, successors, assigns, subsidiaries, affiliates.

The Gross Settlement Amount is the maximum total payment under the Settlement. The Gross Settlement Amount is \$142,500.00. This sum is comprised of PAGA Counsel attorneys' fees of \$47,500.00; reimbursement of PAGA Counsel's litigation costs of \$_____; settlement administration costs of \$_____; and the remainder as PAGA Penalties. The PAGA Penalties is comprised of the LWDA Payment and the Individual PAGA Payments to Aggrieved Employees. \$_____, or 75% of the PAGA Penalties, will be paid to the LWDA in accordance with the PAGA. \$_____, or 25% of the PAGA Penalties, will be allocated as the Net Settlement Amount, to be paid to the Aggrieved Employees as Individual PAGA Payments, which will be calculated on a pro rata basis, based on the number of each Aggrieved Employee's pay periods worked during the PAGA Period.

Based on Defendant's records, you worked [NUMBER OF PAY PERIODS] pay periods during the PAGA Period. The total amount of pay periods worked by all Aggrieved Employees during the PAGA Period is [NUMBER OF PAY PERIODS].

The enclosed check represents your share based upon the number of pay periods you worked during the period from April 10, 2022 to October 8, 2024.

An IRS 1099 Form is enclosed. You will be solely responsible for paying federal, state or local taxes, if any, on the amount of your check.

Your enclosed check is valid for 180 days from the date of its issuance. **It is strongly recommended that you cash or deposit this check immediately.** The date when your check will be voided is stated on your check. After that date, you cannot cash the check, and it will be null and void. The check amount will be forwarded to the State of California Controller's Office Unclaimed Property Division, in your name, for further handling.

Even if you fail to cash the enclosed check, you will still be deemed to have released all claims arising from the above-entitled lawsuit as defined above under "Released PAGA Claims," including all claims set forth in the release of claims described above.

If the check is lost or misplaced, please contact the Settlement Administrator immediately at [xxx-xxx-xxxx]. If you have any questions about your check, please contact the [insert administrator information].