

PAGA SETTLEMENT AGREEMENT

This PAGA Settlement Agreement (“Agreement”) is made by and between Plaintiffs Nicholas Wood (“Wood”) and Joshua Hayden-Thrasher (“Hayden-Thrasher”) (collectively, “Plaintiffs”) and Defendant Lyons Security Services, Inc. and its past or present parent(s), agencies, subsidiaries, related companies and divisions and its/their respective successors, assigns, representatives, agents, shareholders, officers, directors, and employees, whether current or former, in their individual and corporate capacities (hereinafter collectively and individually referred to as “Defendant”). The Agreement refers to Plaintiffs and Defendant collectively as “Parties,” or individually as “Party.”

The Parties agree that the Action shall be, and hereby is, ended, settled, resolved, and concluded by agreement of Defendant to pay the settlement sum of Five Hundred and Fifty Thousand Dollars (\$550,000.00) (“Settlement Sum”) upon the terms and conditions of this Agreement and for the consideration set forth herein, including but not limited to a release of claims by Named Plaintiffs as set forth herein.

1. DEFINITIONS.

- 1.1. “Actions” means Plaintiffs’ PAGA lawsuits alleging wage and hour violations against Defendant captioned *Wood v. Lyons Security Services, Inc.*, Los Angeles County Superior Court, Case No. 23NWCV02283, (“Wood Action”) and *Hayden-Thrasher v. Lyons Security Services, Inc.*, Sacramento Superior Court, Case No. 23CV011380 (“Hayden-Thrasher Action”).
- 1.2. “Administrator” means Phoenix Class Action Administration Solutions, the neutral entity the Parties have agreed to be responsible for the administration of the Settlement payments and notices to the aggrieved employees and LWDA.
- 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. “Aggrieved Employees” means all current and former non-exempt, hourly employees who worked for Defendant during the PAGA Period in the State of California.
- 1.5. “Aggrieved Employee Data” means Aggrieved Employees’ identifying information in Defendant’s possession including the Aggrieved Employee’s name, last-known mailing address, Social Security number, and dates of employment during the PAGA Period.
- 1.6. “Aggrieved Employee Address Search” means the Administrator’s investigation and search for Aggrieved Employees’ current 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 Department F of Norwalk Courthouse of the Superior Court of California, County of Los Angeles.
- 1.8. “Defense Counsel” means Marie DiSante, Esq., Carolina Schwalbach, Esq., John Keeney, Esq. of CDF LABOR LAW LLP.
- 1.1. “Effective Date” means the date by which the Court enters a Judgment on its Order Approving the PAGA Settlement.
- 1.2. “Gross Settlement Amount” means \$550,000, which is the total amount Defendant agrees to pay under the Settlement except as provided in Paragraph 8 below. The Gross Settlement Amount will be used to pay the PAGA Representative Awards, Individual PAGA Payments, the LWDA PAGA Payment, PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, and the Administration Expenses Payment.
- 1.3. “Individual PAGA Payment” means each 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.
- 1.4. “Judgment” or “Final Approval Order” means the judgment entered by the Court upon granting final approval of this Settlement as binding upon the Parties and Aggrieved Employees.
- 1.5. “LWDA” means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i).
- 1.6. “LWDA PAGA Payment” means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).
- 1.7. “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, PAGA Representative Awards, and the Administration Expenses Payment. The remainder is to be paid to the LWDA and Aggrieved Employees.
- 1.8. “PAGA Counsel” means David Alami, Daniel J. Hyun, and Shaheen Etemadi, Esq. of Torus LLP, the attorneys representing Plaintiff Wood, and Paul Haines, Sean M. Blakely, and Joel Gordon of Haines Law Group, attorneys representing Plaintiff Hayden-Thrasher.
- 1.9. “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 Actions.
- 1.10. “PAGA Pay Period” means any Pay Period during which an Aggrieved Employee worked for Defendant during the PAGA Period.
- 1.11. “PAGA Period” means the period from May 14, 2022, through August 30, 2024. Unless Defendant opts for an earlier date pursuant to Paragraph 8 of this Agreement.

- 1.12. “PAGA” means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).
- 1.13. “PAGA Notices” means Plaintiff Wood’s May 14, 2023, letter and Plaintiff Hayden-Thrasher’s November 8, 2023, letter to Defendant and the LWDA providing notice pursuant to Labor Code section 2699.3, subd. (a).
- 1.14. “PAGA Penalties” means the total amount of PAGA civil penalties to be paid from the Net Settlement Amount, allocated 25% to the Aggrieved Employees and 75% to LWDA in settlement of the PAGA claims set forth in the PAGA Notices.
- 1.15. “PAGA Representative Awards” means the Court-approved amount to be paid to Plaintiff Wood in the amount of \$10,000 and Plaintiff Hayden-Thrasher in the amount of \$10,000, and in addition to Plaintiffs’ Individual Settlement Awards, in recognition of Plaintiffs’ efforts and risks in prosecuting the Actions. Any amount not approved by the Court shall be returned to the Net Settlement Amount.
- 1.16. “Plaintiffs” means Nicholas Wood and Joshua Hayden-Thrasher, the named Plaintiffs in the Actions.
- 1.17. “Released PAGA Claims” means all claims for attorneys’ fees or PAGA penalties based on Labor Code violations that were specifically alleged, or could have been alleged based on the operative facts, in Plaintiffs’ PAGA Notices, including retaliation, failure to pay minimum, overtime or double time wages (including for time worked off-the-clock, manipulation of time records or rounding), failure to include bonuses, commissions, shift differentials, or other incentive pay in the regular rate of pay for overtime or double time compensation, failure to authorize or permit meal and rest periods, failure to pay meal or rest period premiums at the regular rate of pay, failure to provide required paid sick leave, failure to pay paid sick leave at the regular rate of pay, failure to accrue vacation wages, failure to pay vested or accrued vacation wages, failure to provide accurate itemized wage statements, failure to maintain accurate records, failure to reimburse business expenses (including, but not limited to, cell phone expenses or uniform expenses), violation of Labor Code section 1199, failure to timely pay wages during employment, failure to pay all wages due upon termination of employment, and any other violations of the California Labor Code that were alleged in Plaintiffs’ PAGA Notices.
- 1.18. “Released Parties” means: Defendant and its present and former officers, members, directors, owners, shareholders, parents, predecessors, successors, divisions, subsidiaries, affiliates, agents, employees, insurers, co-insurers, attorneys, accountants, auditors, advisors, representatives, consultants, pension and welfare benefits plans, plan fiduciaries, administrators, trustees, general and limited partners, and/or assigns.
- 1.19. “Settlement” means the disposition of the Actions effected by this Agreement and the Judgment.

2. RECITALS.

- 2.1. On July 24, 2023, Plaintiff Wood filed a representative PAGA Complaint against Defendant alleging a single cause of action against Defendant for penalties under PAGA based on the following alleged Labor Code violations: (1) Unpaid Wages; (2) Failure to Provide Meal Periods; (3) Failure to Provide Rest Periods; (4) Failure to Reimburse Business Expenses; (5) Failure to Permit Employee to Use Accrued and Available Sick Leave; (6) Failure to Pay Vacation Wages; (7) Waiting Time Penalties; (8) Failure to Provide Accurate Itemized Wage Statements; (9) Retaliation for Engaging in Protected Activity; and (10) Violation of California's Equal Pay Act.
- 2.2. On November 8, 2023, Plaintiff Hayden-Thrasher submitted an LWDA Notice seeking to bring a claim under PAGA for the following Labor Code violations: (1) Failure to Pay Minimum Wages; (2) Failure to Pay Overtime; (3) Failure to Provide Meal Periods; (4) Failure to Provide Rest Periods; (5) Failure to Reimburse Business Expenses; and (6) Failure to Provide Accurate Itemized Wage Statements. On January 31, 2024, the Parties jointly stipulated to dismiss Plaintiff Hayden-Thrasher's class action claims and for leave for Plaintiff Hayden-Thrasher to file a First Amended Complaint alleging a single cause of action of penalties under PAGA based on the same alleged Labor Code violations in his LWDA Notice. On or about April 12, 2024, Plaintiff Hayden-Thrasher filed a First Amended Complaint alleging a single cause of action under PAGA alleging violations of the same Labor Code provisions in his LWDA Notice.
- 2.3. Following execution of this Agreement, Plaintiffs Wood and Hayden-Thrasher intend to consolidate their actions and amend Plaintiff Wood's Complaint to include all claims alleged in both Plaintiffs' actions and PAGA Notices (hereinafter referred to as the "Operative Complaint").
- 2.4. Defendant denies the allegations in the Actions and denies any and all liability, including any liability for any the alleged violations. Defendant maintains that it complied with all California Labor Code provisions.
- 2.5. Pursuant to Labor Code section 2699.3, subd. (a), Plaintiffs gave timely written notice to Defendant and the LWDA by sending the PAGA Notices.
- 2.6. On February 26, 2024, the Parties participated in an all-day mediation with experienced class and PAGA mediator, Michael D. Young, Esq. The Parties engaged in extensive arms-length negotiations over the next several months and on September 20, 2024, the Parties fully executed a Memorandum of Understanding.
- 2.7. Prior to mediation, Plaintiffs obtained, through informal discovery, substantial data and documents pertaining to Plaintiffs' alleged PAGA claims against Defendant, including all policies applicable to the alleged claims and a 20% blind sample of allegedly aggrieved employees time and pay records.

3. MONETARY TERMS.

- 3.1. Gross Settlement Amount (“GSA”). Except as otherwise provided by Paragraph 8 below, Defendant promises to pay \$550,000, and no more, as the Gross Settlement Amount. 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.
- 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 Final Approval Order:
- 3.2.1. To PAGA Counsel: A PAGA Counsel Fees Payment of not more than thirty five percent (35%) of the Gross Settlement Amount which is currently estimated to be \$192,000. A PAGA Counsel Litigation Expenses Payment of not more than \$30,000, subject to proof of same. Defendant will not oppose requests for Court approval of these payments provided that they do not exceed these amounts unless increased pursuant to Paragraph 8 below. 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 Plaintiffs’ 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 Defendant harmless, and indemnifies Defendant, 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 \$5,995.00 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 of less than \$5,995.00, the Administrator will allocate the remainder to the Net Settlement Amount.
- 3.2.3. To the LWDA and Aggrieved Employees: 75% of the PAGA Penalties will be allocated to the LWDA PAGA Payment and 25% of the PAGA Penalties will be allocated to the Individual PAGA Payments.
- 3.2.4. 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.

3.2.5. For purposes of tax allocation, the Individual PAGA Payments will be allocated 100% to penalties. 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 records produced in discovery, Defendant estimates the Aggrieved Employees worked a total 24,500 PAGA Pay Periods.

4.2. Funding of Gross Settlement Amount. Defendant shall pay \$550,000.00 of the GSA into a Qualified Settlement Fund (“QSF”) account established by the Administrator within 18 months of the date this Agreement is fully executed by all the Parties.

4.3. Aggrieved Employee Data. Within 20 calendar days of the Effective Date, Defendant will deliver the Aggrieved Employee Data to the Administrator in the form of a Microsoft Excel spreadsheet. To protect Aggrieved Employees’ 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 perform the Administrator’s duties 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. Without any extension of the deadline by which Defendant 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.

4.4. Payments from the Gross Settlement Amount. Within 10 calendar days after Defendant funds the Gross Settlement Amount, the Administrator will mail checks for all Individual PAGA Payments, the LWDA PAGA Payment, the PAGA Representative Awards, the PAGA Counsel Expenses Payment, and PAGA Counsel Litigation Expenses Payment. The Administrator shall also withdraw the Administration Expenses Payment within 10 calendar days after Defendant funds the Gross Settlement Amount.

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 when the check will be voided (180 days after the date of mailing). The Administrator will cancel all checks not cashed by the void date. Before mailing any checks, the 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 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, 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 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.

4.4.4. 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.

5. **RELEASES OF CLAIMS.** Effective on the date when Defendant fully funds the entire Gross Settlement Amount, Plaintiffs will release claims against all Released Parties as follows:

5.1. **Plaintiffs' Release.** Plaintiffs and their respective former and present spouses, representatives, agents, attorneys, heirs, administrators, successors, and assigns generally, release and discharge the Released Parties from all claims, transactions, or occurrences, whether known or unknown, relating to or arising from their employment with Defendant through the Effective Date of this Agreement. Even if Plaintiffs discover facts in addition to or different from those that they now know or believe to be true with respect to the subject matter of Plaintiffs' Release, those claims will remain released and forever barred. To effectuate a full and complete general release as described above, Plaintiffs expressly waive and relinquish all rights and benefits of section 1542 of the Civil Code of the State of California, and do so understanding and acknowledging the significance and consequence of specifically waiving section 1542. Section 1542 of the Civil Code of the State of California states as follows:

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.

Thus, notwithstanding the provisions of section 1542, and to implement a full and complete release and discharge of the Released Parties, Plaintiffs expressly acknowledge this Stipulation of Settlement is intended to include in its effect, without limitation, all claims Plaintiffs do not know or suspect to exist in Plaintiffs' favor at the time of signing this Stipulation of Settlement, and that this Stipulation of Settlement contemplates the extinguishment of any such claims. Plaintiffs warrant that they have read this Stipulation of Settlement, including this waiver of California Civil Code section 1542, and that Plaintiffs have consulted with or had the opportunity to consult with counsel of Plaintiffs' choosing about this Stipulation of Settlement and specifically about the waiver of section 1542, and that Plaintiffs understand this Stipulation of Settlement and the section 1542 waiver, and so Plaintiffs freely and knowingly enter into this Stipulation of Settlement.

Plaintiffs further acknowledge that Plaintiffs later may discover facts different from or in addition to those Plaintiffs now know or believe to be true regarding the matters released or described in this Stipulation of Settlement, and even so Plaintiffs agree that the releases and agreements contained in this Stipulation of Settlement shall remain effective in all respects notwithstanding any later discovery of any different or additional facts. Plaintiffs expressly assume any and all risk of any mistake in connection with the true facts involved in the matters, disputes, or controversies released or described in this Stipulation of Settlement or with regard to any facts now unknown to Plaintiffs relating thereto.

- 5.2. Release by Aggrieved Employees. All Aggrieved Employees shall be 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 alleged, or could have been alleged based on the operative facts, in the Operative Complaints and the PAGA Notices, including, but not limited to, retaliation, failure to pay minimum, overtime or double time wages (including for time worked off-the-clock, manipulation of time records or rounding), failure to include bonuses, commissions, shift differentials, or other incentive pay in the regular rate of pay for overtime or double time compensation, failure to authorize or permit meal and rest periods, failure to pay meal or rest period premiums at the regular rate of pay, failure to provide required paid sick leave, failure to pay paid sick leave at the regular rate of pay, failure to accrue vacation wages, failure to pay vested or accrued vacation wages, failure to provide accurate itemized wage statements, failure to maintain accurate records, failure to reimburse business expenses (including but not limited to cell phone expenses), violation of Labor Code section 1199, failure to timely pay wages during employment, failure to pay all wages due upon termination of employment and claims for attorneys' fees arising from those alleged PAGA penalties.

6. STIPULATION OR MOTION FOR APPROVAL OF SETTLEMENT. The effectiveness of this Agreement is contingent upon the Court entering orders approving this Settlement in compliance with Labor Code Section 2699(1)(2).

- 6.1 Plaintiffs' Responsibilities. Plaintiffs will prepare and deliver to Defense Counsel all documents necessary for obtaining approval of this Settlement under Labor Code Section 2699, subd. (1)(2)), including (i) a draft proposed Order Granting Approval of PAGA Settlement; and (ii) a draft stipulation (or if necessary, motion) for Court order granting approval of the PAGA Settlement. Plaintiffs will not file such documents with the Court without prior approval by Defense Counsel.
- 6.2 Responsibilities of PAGA Counsel. PAGA Counsel and Defense Counsel are jointly responsible for expeditiously finalizing and filing the stipulation for approval of this Settlement no later than thirty (30) days after the full execution of this Agreement. PAGA Counsel is responsible for delivering the Court's Approval Order to the Administrator. Plaintiffs will not file such documents with the Court without prior approval by Defense Counsel.
- 6.3 Duty to Cooperate. If the stipulation or motion and proposed order are denied or 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(s) 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 Phoenix Class Action Administration Solutions to serve as the Administrator and verified that, as a condition of appointment, the Administrator 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 Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a QSF under US Treasury Regulation section 468B-1.

7.3 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. Defendant represents that there are approximately 24,500 Pay Periods worked by Aggrieved Employees as of February 26, 2024. In the event the number of Pay Periods increases by more than 10% by August 30, 2024 or the date of Court Approval (whichever occurs first), then Defendant, at its sole discretion, may choose either: (1) the Gross Settlement Amount shall be increased proportionally by the Pay Periods worked in the PAGA Period in excess of 24,500 Pay Periods by the Pay Period Value; or (2) revise the PAGA Release Period to end on the date there were 26,950 pay periods (24,500 + 10% pay period increase). If Defendant chooses to increase the Gross Settlement Amount by a pro rata value, the Pay Period Value shall be calculated by dividing the Gross Settlement Amount by 24,500 Pay Periods. The Parties agree that the Pay Period Value amounts to Twenty-Two Dollars and Forty-Five Cents (\$22.45) per Pay Period based on 24,500 Pay Periods. For purposes of this Agreement, Pay Periods shall be calculated using Aggrieved Employees' hire dates, termination dates, and re-hire dates (as applicable).

9. CONTINUING JURISDICTION OF THE COURT. The Parties agree that, after entry of Judgment, pursuant to California Code of Civil Procedure Section 664.6, the Court will retain jurisdiction over the Parties, Actions, 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, PAGA Counsel Litigation Expenses Payment, and Gross Settlement Amount, the Parties and 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 Notice to LWDA. PAGA Counsel shall comply with all notices required to be provided to the LWDA, including provision of notice of this Agreement to the LWDA and provision of any copy of the Court's order approving this Agreement.
- 10.2 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 Actions have merit or that Defendant has any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiffs 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 Plaintiffs reserve the right to contest Defendant's 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).
- 10.3 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.
- 10.4 Attorney Authorization. PAGA Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiffs 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.
- 10.5 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.
- 10.6 Submission to LWDA. PAGA Counsel shall be responsible for submitting the Notice of the Settlement to the LWDA at the same time it is submitted to the Court for approval.

- 10.7 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.
- 10.8 No Tax Advice. Neither Plaintiffs, 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.
- 10.9 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.
- 10.10 Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.
- 10.11 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.
- 10.12 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.
- 10.13 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.
- 10.14 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 Defendant 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, Plaintiffs shall destroy all paper and electronic versions of Aggrieved Employee Data received from Defendant unless, prior to the Administrator's payment of all Settlement Funds, Defendant makes a written request to PAGA Counsel for the return, rather than the destruction, of Aggrieved Employee Data.
- 10.15 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.
- 10.16 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.

10.17 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:

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Daniel J. Hyun
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Shaheen A. Etemadi
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Telephone: (424) 292-2350

Counsel for Plaintiff Joshua Hayden-Thrasher

To Defendant:

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Carolina Schwalbach, Esq.
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cschwalbach@cdflaborlaw.com
jkeeney@cdflaborlaw.com

- 10.18 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.
- 10.19 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 section 583.330 to extend the date to bring a case to trial under CCP section 583.310 for the entire period of this settlement process.
- 10.20 Representation. Plaintiffs and their counsel represent and warrant that they are not currently aware of any: (a) unalleged claims against Defendant in addition to, or different from, those which are finally and forever settled and released against Defendant by this settlement; or (b) unalleged facts or legal theories upon which any claims or causes of action could be brought against Defendant, except such facts and theories specifically alleged in the Operative Complaint and the PAGA Notices in this action. Plaintiffs and their counsel further represent that, other than this action, they have no current intention of asserting any other claims against Defendant in any judicial or administrative forum, including but limited to any class claims. Plaintiffs and their counsel represent that they do not currently know of or represent any persons who have expressed any interest in pursuing litigation or seeking any recovery against Defendant.

DATED: _____, 2024



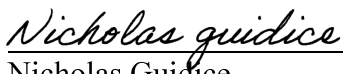
Nicholas Wood (Nov 10, 2024 09:20 EST)
Nicholas Wood
Plaintiff

DATED: Nov 13, 2024



Joshua Hayden-Thrasher (Nov 13, 2024 12:33 PST)
Joshua Hayden-Thrasher
Plaintiff

DATED: Nov 15, _____, 2024



Nicholas Guidice
CEO
Defendant

Approved as to form:

DATED: _____, 2024

David Alami

David Alami, Esq.
Torus LLP
Counsel for Plaintiff Nicholas Wood

DATED: November 13, 2024



Paul Haines, Esq.
Haines Law Group
Counsel for Plaintiff Joshua Hayden-
Thrasher

DATED: November 15, 2024



Marie DiSante, Esq.
Carolina Schwalbach, Esq.
John Keeney, Esq.
CDF LABOR LAW LLP
Counsel for Defendant

EXHIBIT 1

<<DATE>>

<<FIRST_NAME>> <<LAST_NAME>>

<<ADDRESS 1>>

<<ADDRESS 2>>

Re: NOTICE OF PRIVATE ATTORNEYS GENERAL ACT SETTLEMENT

Dear <<FIRST_NAME>> <<LAST_NAME>>:

Enclosed you will find a check made payable to you. This is your payment from the settlement (hereinafter “Settlement”) of the lawsuit entitled *Nicholas Wood, et al. v. Lyons Security Services, Inc.*, Los Angeles County Superior Court Case No. 23NWCV02283 (the “Lawsuit”).

1. The Lawsuit

The Lawsuit was filed against Lyons Security Services, Inc. (“Defendant”) pursuant to the California Private Attorneys General Act of 2004, Cal. Lab. Code § 2698 *et seq.* (called “PAGA”). The Lawsuit was brought Plaintiffs Nicholas Wood and Joshua Hayden-Thrasher (“Plaintiffs”), former employees of Defendant, on behalf of the State of California and other allegedly aggrieved employees. In the Lawsuit, among other claims, Plaintiffs allege they and other current and formerly non-exempt hourly employees who worked for Defendant from May 14, 2022, to August 30, 2024, experienced violations of the California Labor Code and applicable Industrial Welfare Commission Wage Orders by Defendants. Specifically, Plaintiffs alleged that Defendants violated sections of the California Labor Code and related IWC Wage Orders, premised upon various theories of liability, including: (1) Unpaid Minimum and Overtime Wages; (2) Failure to Provide Meal Periods; (3) Failure to Provide Rest Periods; (4) Failure to Reimburse Business Expenses; (5) Failure to Permit Employee to Use Accrued and Available Sick Leave; (6) Failure to Pay Vacation Wages; (7) Waiting Time Penalties; (8) Failure to Provide Accurate Itemized Wage Statements; (9) Retaliation for Engaging in Protected Activity; and (10) Violation of California’s Equal Pay Act. Based on these alleged violations, the Lawsuit sought civil penalties under PAGA on behalf of the State of California and all current and former hourly paid employees of Defendant who worked for Defendant from May 14, 2022 through August 30, 2024 (the “PAGA Period”).

The Settlement is limited to all current and former non-exempt hourly employees who worked for Defendant during the PAGA Period. . As a current or former employee who worked for Defendant during the PAGA Period, you have been identified as one of the allegedly aggrieved employees on whose behalf the case was brought. There have been no findings that Defendant violated any laws or regulations. Defendant denies the allegations in the Lawsuit, contends that it followed lawful policies and practices, and denies any and all liability, including any liability for the alleged violations.

The merits of the Lawsuit have not been determined. On [Approval Date], however, the Los Angeles County Superior Court approved a settlement of the Lawsuit.

2. Why The Settlement Check is Being Sent to You

Under the PAGA statute, 75% of the penalties are paid to the State of California’s Labor and Workforce Development Agency and the remaining 25% of the penalties are paid to the employees of Defendant who were allegedly affected by the alleged violations of the California Labor Code. Your payment is based on the

proportionate number of pay periods you worked for Defendant in California during the PAGA Period. Based on Defendant's records, you worked [Number] pay periods during the PAGA Period. Any allegedly aggrieved employee who receives an Individual PAGA Payment assumes full responsibility and liability for any taxes owed.

3. How the Amount of Your Settlement Check Was Determined

The enclosed settlement check was calculated on a pro rata basis based on the number of pay periods you worked for Defendant between [redacted] ("Settlement Period") relative to the entire settlement group. The enclosed check represents your portion of the penalties allocated to the employees.

The settlement check shall remain valid for one hundred eighty (180) days and will be deposited by the Settlement Administrator with the California State Controller to be deposited in the Unclaimed Property Fund in your name.

The Lawsuit was filed as a representative action under PAGA, which functions as a substitute for an enforcement action by the State of California. Although you are not a "party" to the Lawsuit, the Superior Court's orders and judgment approving the settlement of the Lawsuit binds all persons, including nonparty employees, such as yourself, who would be bound by a judgment in an action brought by the State of California itself. As a result, the judgment entered upon settlement of the Lawsuit is binding on you with respect to any claims for civil penalties under PAGA encompassed by the settlement. This is true regardless of whether you choose to cash, deposit, or negotiate the enclosed settlement check.

If you are still employed by Defendant, your decision to cash the check will not affect your employment in any way.

Upon the Effective Date, the State of California with respect to Defendants' employment of Plaintiff and Settlement Group Members, shall, for the Settlement Period, fully and forever release Defendant, together with its present and former officers, members, directors, owners, shareholders, parents, predecessors, successors, divisions, subsidiaries, affiliates, agents, employees, insurers, co-insurers, attorneys, accountants, auditors, advisors, representatives, consultants, pension and welfare benefits plans, plan fiduciaries, administrators, trustees, general and limited partners, and/or assigns during the PAGA Period ("Released Parties") from the Released PAGA Claims and any claims for civil penalties provided by the California Labor Code that could have been asserted by the State of California, Plaintiffs on behalf of the State of California, and/or any Settlement Group Member on behalf of the State of California based on all claims and/or causes of action under the PAGA that were asserted or could have been asserted based upon the facts, claims, and theories expressly raised in Plaintiff Wood's Complaint or Plaintiff Thrasher's First Amended Complaint or any prior Complaints and/or raised by Plaintiffs in their respective notices to the California's Labor Workforce Development Agency ("LWDA") or any prior notices to the LWDA (the "PAGA Released Claims").

"Released PAGA Claims" means all claims for attorneys' fees or PAGA penalties based on Labor Code violations that were specifically alleged, or could have been alleged based on the operative facts, in Plaintiffs' PAGA Notices, including retaliation, failure to pay minimum, overtime or double time wages (including for time worked off-the-clock, manipulation of time records or rounding), failure to include bonuses, commissions, shift differentials, or other incentive pay in the regular rate of pay for overtime or double time compensation, failure to authorize or permit meal and rest periods, failure to pay meal or rest period premiums at the regular rate of pay, failure to provide required paid sick leave, failure to pay paid sick leave at the regular rate of pay,

failure to accrue vacation wages, failure to pay vested or accrued vacation wages, failure to provide accurate itemized wage statements, failure to maintain accurate records, failure to reimburse business expenses (including, but not limited to, cell phone expenses or uniform expense), violation of Labor Code section 1199, failure to timely pay wages during employment, failure to pay all wages due upon termination of employment, and any other violations of the California Labor Code that were alleged in Plaintiffs' PAGA Notices.

PLEASE DO NOT TELEPHONE THE COURT REGARDING THIS NOTICE. THE COURT IS NOT ABLE TO PROVIDE ANY INFORMATION OR ADVICE REGARDING THIS NOTICE.

If you have any questions, you may contact the Settlement Administrator (whose contact information is at the top of this letter).

Very Truly Yours,

Phoenix Settlement Administrators