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SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF ORANGE – CIVIL COMPLEX

ADRIANA M. CHAVIRA ARMENTA, on
behalf of herself and current and former
aggrieved employees

Plaintiff,

vs.

COLLECTORS UNIVERSE, INC.; and DOES 1
to 100, inclusive,

Defendants.

Case No.: 30-2023-01336673-CU-OE-CXC

[Assigned for All Purposes to Hon. Melissa R. McCormick, Dept. CX104]

**[PROPOSED] ORDER GRANTING
PLAINTIFF’S MOTION FOR APPROVAL
OF A PRIVATE ATTORNEYS GENERAL
ACT SETTLEMENT AND JUDGMENT
THEREON**

*[Filed concurrently with the Notice of Motion
and Motion for Approval of Private Attorneys
General Act Settlement; Declaration of William
Tran in Support Thereof]*

Hearing Information:
Date: October 17, 2024
Time: 2:00 PM
Dept.: CX104

1 The Court, having reviewed and considered Plaintiff Adriana M. Chavira Armenta's
2 ("Plaintiff") Motion for Approval of the Private Attorneys General Act ("PAGA") Settlement and all
3 documents submitted in support of the motion, **HEREBY ORDERS AND ENTERS JUDGMENT**
4 **AS FOLLOWS:**

5 1. The All terms used herein shall have the same meaning as defined in the First
6 Amended Settlement Agreement attached as **Exhibit 1**.

7 2. The Court hereby approves the terms set forth in the Settlement Agreement and finds
8 that the Settlement Agreement is, in all respects, fair, adequate, and reasonable and directs the Parties
9 to effectuate the Settlement Agreement according to its terms.

10 3. Parties and Counsel to the PAGA Settlement:

11 Counsel for Plaintiff ADRIANA M. CHAVIRA ARMENTA,
12 on behalf of herself and others similarly situated

13 Joseph Lavi, Esq. (SBN 209776)

14 jlavi@lelawfirm.com

15 Vincent C. Granberry, Esq. (SBN 276483)

16 vgranberry@lelawfirm.com

17 William Tran, Esq. (SBN 335908)

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19 **LAVI & EBRAHIMIAN, LLP**

20 8889 W. Olympic Blvd., Suite 200

21 Beverly Hills, California 90211

22 Telephone: (310) 432-0000

23 Facsimile: (310) 432-0001

24 Counsel for Defendant COLLECTORS UNIVERSE, INC.:

25 Alejandro G. Ruiz, Bar No. 271999

26 agr@paynefears.com

27 Blake A. Dillion, Bar No. 305838

28 bad@paynefears.com

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PAYNE & FEARS LLP

Attorneys at Law

4 Park Plaza, Suite 1100

Irvine, California 92614

Telephone: (949) 851-1100

Facsimile: (949) 851-1212

4. The Court hereby confirms Lavi & Ebrahimian, LLP as PAGA Counsel.

5. The entire Net Settlement Amount (the remainder of the Settlement Amount after
deducting Plaintiff's counsel's fees (\$333,333.00) and costs (\$11,539.50) and the costs of

1 administration (not to exceed \$12,000) from the \$1,000,000 Settlement Sum) shall be allocated for
2 payment of civil penalties and shall be distributed 75% to the LWDA and 25% to the Aggrieved
3 Employees.

4 6. The Net Settlement Amount shall be distributed in accordance with the Settlement
5 Agreement.

6 7. Defendant shall pay the Aggrieved Employees pursuant to the procedure described in
7 the Settlement Agreement.

8 8. The Court hereby confirms CPT Group as the Settlement Administrator and confirms
9 that costs in the amount of no more than \$12,000 for administration of the settlement are reasonable.

10 9. The Court hereby awards attorneys' fees in the amount of 33 1/3% of the Settlement
11 Amount, which is \$333,333.00 in attorneys' fees and \$11,539.50 in attorneys' costs. The payment of
12 fees to Plaintiff's Counsel shall be made in accordance with the terms of the Settlement.

13 10. The Court approves the Notice of PAGA Settlement attached as **Exhibit A** to the
14 Settlement Agreement.

15 11. All settlement checks will remain valid for 180 days after which the checks shall
16 become null and void, and any monies remaining in the distribution account shall be transmitted to
17 the California State Controller for deposit in the Unclaimed Property Fund in the name of the PAGA
18 Group member to whom the uncashed Net Settlement Payment was drafted.

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

24 13. The Court further orders, adjudges and decrees that upon Approval by the Court of
25 this Settlement and Defendant's full funding of the Settlement Amount, Plaintiff, as a representative
26 of the State of California, the PAGA Group, and the State of California will release any and all claims
27 and causes of action, known or unknown, contingent or accrued, against Defendant, Defendant's
28 parents, subsidiaries, affiliates, their insurers, attorneys, shareholders, executives, managers, and all

agents thereof (collectively “Released Parties”), arising out of the facts and claims asserted in the Action for civil penalties under the Private Attorney General Act of 2004 Cal. Lab. Code § 2698 based upon the facts alleged, for violations of the California Labor Code governing: meal and rest breaks; unpaid wages, including minimum wages, regular wages, overtime, and double time wages, and all theories for or related to nonpayment of such wages; wage statement violations; separation pay violations; and any other penalties which could be asserted based on the allegations alleged against Defendant in Plaintiff’s LWDA letter and the Action.

14. Pursuant to California Code of Civil Procedure Section 664.6 this Court shall retain jurisdiction with respect to all matters related to the administration and consummation of the settlement, and any and all claims, asserted in, arising out of, or related to the subject matter of the lawsuit, including but not limited to all matters related to the settlement and the determination of all controversies relating thereto.

15. The Final Accounting Hearing shall be held on June 26, 2025 at 9:00 A.M. or _____ (a date approximately eight (8) months after issuance of this Order). The Settlement Administrator shall file a final report by June 12, 2025 or _____ (a date nine (9) Court days in advance of the Final Accounting Hearing) indicating the total amount paid to the LWDA and the Aggrieved Employees and confirming that uncashed funds have been distributed.

Dated: _____

Hon. Melissa R. McCormick
Orange County Superior Court Judge

EXHIBIT 1

FIRST AMENDED PAGA SETTLEMENT AGREEMENT

This First Amended PAGA Settlement Agreement (“Agreement”) is made by and between plaintiff Adriana M. Chavira Armenta (“Plaintiff”) and defendant Collectors Universe, Inc. (“Collectors”). The Agreement refers to Plaintiff and Collectors collectively as “Parties,” or individually as “Party.” This Agreement supersedes and replaces the Parties’ original PAGA Settlement Agreement entered into on or about December 18, 2023.

1. DEFINITIONS.

1.1. “Action” means the Plaintiff’s PAGA lawsuit alleging wage and hour violations against Collectors captioned *Adriana M. Chavira Armenta, et al. v. Collectors Universe, Inc.*, Case No. 30-2023-01336673, initiated on July 13, 2023, and pending in Superior Court of the State of California, County of Orange.

1.2. “Administrator” means CPT Group, Inc. the neutral entity the Parties have agreed to appoint to administer the Settlement.

1.3. “Administration Expenses Payment” means the amount the Settlement 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 current and former California-based hourly non-exempt employees that worked for Collectors during the PAGA period.

1.5. “Aggrieved Employee Data” means Aggrieved Employee identifying information in Collectors’ 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.

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1.7. "Approval Order" means the Court Order Granting Approval of PAGA Settlement.

1.8. "Collectors" means named Defendant, Collectors Universe, Inc.

1.9. "Court" means the Superior Court of California, County of Orange.

1.10. "Defense Counsel" means Payne & Fears LLP.

1.11. "Effective Date" means the date by when both of the following have occurred: (1) the Court enters a Judgment on its Order Approving the PAGA Settlement and (2) the Judgment is final. The Judgment is final as of the latest of the following occurrences: (a) the date on which all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals has expired; or (b) the date on which all post-judgment and appellate proceedings, motions to vacate judgment, motions for new trial, extraordinary writs, and appeals have been resolved and remitted to the Court's jurisdiction and judgment has thereafter been entered with no further rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, or appeals, or such rights have expired.

1.12. "Gross Settlement Amount" means One Million Dollars (\$1,000,000.00) which is the total amount Collectors agrees to pay under the Settlement. The Gross Settlement Amount will be used to pay Individual PAGA Payments, the LWDA PAGA Payment, PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, and the Administrator's Expenses Payment.

1.13. "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.

1.14. "Judgment" means the judgment entered by the Court based upon the Approval Order.

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

1.16. "LWDA PAGA Payment" means 75% of the PAGA Penalties, which are to be paid to the LWDA under Labor Code section 2699, subd. (i).

1.17. "Net Settlement Amount" means the Gross Settlement Amount, less the following

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payments in the amounts approved by the Court: the LWDA PAGA Payment, PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, and the Administration Expenses Payment. The Net Settlement Amount is to be paid to Aggrieved Employees as Individual PAGA Payments.

1.18. "PAGA Counsel" means Lavi & Ebrahimian LLP, the attorneys representing the Plaintiff in the Action.

1.19. "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.

1.20. "PAGA Pay Period" means any Pay Period during which an Aggrieved Employee worked for Collectors for at least one day during the PAGA Period.

1.21. "PAGA Period" means the period from May 8, 2022, to December 31, 2023.

1.22. "PAGA" means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).

1.23. "PAGA Notice" means Plaintiff's May 8, 2023 letter to Collectors and the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a).

1.24. "PAGA Penalties" means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 25% to the Aggrieved Employees (\$160,846.17) and the 75% to LWDA (\$482,538.50) in settlement of PAGA claims.

1.25. "Plaintiff" means Adriana M. Chavira Armenta, the named plaintiff in the Action.

1.26. "Released PAGA Claims" means the claims being released by the Plaintiff and PAGA Counsel and as described in Paragraph 5 below.

1.27. "Released Parties" means: Collectors and each of its former and present directors, officers, shareholders, owners, members, attorneys, insurers, predecessors, successors, assigns, parent organizations, subsidiaries, and affiliates.

1.28. "Settlement" means the disposition of the Action effected by this Agreement and the Judgment.

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2. RECITALS.

2.1. On July 13, 2023, Plaintiff commenced this Action by filing a Complaint alleging causes of action against Collectors for civil penalties pursuant to the Private Attorneys General Act of 2004 for alleged failures to (a) pay all wages for all hours worked at the legal minimum wage; (b) to pay wages for overtime hours worked at the overtime rate of pay; (c) to pay wages to hourly non-exempt employees for workdays that Defendant failed to provide legally required and compliant meal periods; (d) to pay wages to hourly non-exempt employees for workdays that Defendant failed to provide legally required and compliant rest periods; (e) to timely pay earned wages during employment; (f) to provide complete and accurate wage statements; and (g) to pay employees all wages due at time of termination/resignation. The Complaint is the operative complaint in the Action (the "Operative Complaint"). Collectors denies the allegations in the Operative Complaint, denies any failure to comply with the laws identified in in the Operative Complaint and denies any and all liability for the causes of action alleged.

2.2. Pursuant to Labor Code section 2699.3, subd. (a) Plaintiff gave timely written notice to Collectors and the LWDA by sending the PAGA Notice on May 8, 2023.

2.3. On September 22, 2023, the Parties participated in an all-day mediation presided over by David Phillips, Esq. at Signature Resolution, which led to this Agreement to settle the Action.

2.4. Prior to mediation, Plaintiff obtained, through informal discovery, time and pay records for Plaintiff and the Aggrieved Employees, as well as documents establishing Collectors' policies, procedures, and practices.

2.5. 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.

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3. MONETARY TERMS.

3.1. Gross Settlement Amount. Collectors shall pay \$1,000,000.00 and no more as the Gross Settlement Amount. Collectors 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 Collectors.

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:

3.2.1. To PAGA Counsel: A PAGA Counsel Fees Payment of not more than 33.33% which is currently estimated to be \$333,333.33 and PAGA Counsel Litigation Expenses Payment of not to exceed \$11,532.00. Collectors will not oppose requests for Court approval of these payments provided that they do not exceed these amounts. Plaintiff and/or PAGA Counsel will file an application or motion for PAGA Counsel Fees Payment and PAGA 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 reduction shall not constitute a material change subject to Paragraph 6.4 and the Administrator will allocate the amounts by which the PAGA Counsel Fees Payment and/or a PAGA Counsel Litigation Expenses Payment were reduced to the PAGA Penalties. Released Parties shall have no liability to PAGA Counsel or any other Plaintiff's Counsel arising from or related to any claim for or to any portion of the requested, or awarded, 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 approved by the Court 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 Collectors harmless, and indemnifies Collectors, 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

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\$11,750, except for a showing of good cause, and as approved by the Court. To the extent the Administration Expenses are less or the Court approves payment less than \$15,000, the Administrator will retain the remainder in the Net Settlement Amount.

3.2.3. To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of 75% (\$482,538.50) to the LWDA and 25% (\$160,846.17) allocated to the Individual PAGA Payments.

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 (\$160,846.17) by the total number of PAGA 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 and Escalator Clause. Based on a review of its records to date, Collectors estimates there are 1,830 Aggrieved Employees who worked a total of 42,913 PAGA Pay Periods as of September 30, 2023. If the total number of PAGA Pay Periods exceeds 42,913 by more than 15%, Collectors shall have the sole option to: (i) increase the Gross Settlement Amount proportionally per additional pay period (i.e. if there is an 16% increase in the total number of PAGA Pay Periods, Collectors will agree to increase the Gross Settlement Amount by 1%); or (ii) end the PAGA Period as of the date that the total number of PAGA Pay Periods reaches 15% above the estimated numbers.

4.2. Aggrieved Employee Data. Within thirty (30) business days of the Approval Order, Collectors 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

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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. Collectors 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. 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. Collectors shall fully fund the Gross Settlement Amount by transmitting the funds to the Administrator no later than sixty (60) business days after the Effective Date.

4.4. Payments from the Gross Settlement Amount. Within fourteen (14) days after Collectors funds the Gross Settlement Amount, the Administrator will mail checks for all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the PAGA Counsel Expenses Payment. Disbursement of the PAGA Counsel Litigation Expenses Payment shall not precede disbursement of Individual PAGA Payments.

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 a USPS forwarding address. Within seven (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

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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 Collectors 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. Once the Settlement is Fully Funded, Plaintiff and PAGA Counsel will release claims against all Released Parties as follows:

5.1. Plaintiff's Release. Plaintiff, on behalf of herself and her respective former and present spouses, representatives, agents, attorneys (including PAGA Counsel), heirs, administrators, successors, and assigns generally, hereby release and discharge Released Parties from all claims, transactions, or occurrences, 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 Notice ("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 Plaintiff may discover facts or law different from, or in addition to, the facts or law that Plaintiff now knows or believes to be true but agrees, nonetheless, that 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

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

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 PAGA Fees incurred in connection with the Operative Complaint and the PAGA Period facts stated in the Operative Complaint and the PAGA Notice.

6. **MOTION OR APPLICATION FOR APPROVAL OF SETTLEMENT.** The Parties agree to cooperate in the preparation and filing of an application or 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 Motion for Approval of PAGA Settlement, proposed Order Granting Approval of PAGA Settlement, and proposed Judgment thereon; (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

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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)); and (iv) 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 is responsible for expeditiously finalizing and filing the application or motion for approval of this Settlement no later than thirty (30) days after the full execution of this Agreement and, if necessary, obtaining a prompt hearing date for the motion and appearing in Court to advocate in favor of the motion. PAGA Counsel is responsible for delivering the Court's Approval Order to the Administrator and to the LWDA. Upon obtaining the Approval Order, PAGA Counsel shall submit a proposed Judgment to the Court.

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.

6.4. Material Changes Ordered by The Court. 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. If, after good faith efforts, the Parties are unable to agree on a material change to this Agreement that is required by the Court, or approval of this Settlement is denied after the Parties have exhausted good faith efforts to modify the Agreement with a material change ordered by the Court, the Settlement will be deemed null and void, and the Parties will be returned to their respective positions as they existed prior to mediation as though this Agreement had not

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been reached.

7. SETTLEMENT ADMINISTRATION.

7.1. Selection of Administrator. The Parties have jointly selected CPT Group to serve as the Administrator and verified that, as a condition of appointment, CPT Group 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 to calculate payroll tax withholdings, if any, and provide reports to the appropriate state and federal tax authorities.

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

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

8. 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.

8.1. Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, excluding any reductions to the requested PAGA Counsel Fees Payment and PAGA Counsel Litigation Expenses Payment that are ordered by the Court, 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,

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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.

9. ADDITIONAL PROVISIONS.

9.1. 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 Collectors that any of the allegations in the Operative Complaint have merit or that Collectors has any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that Collectors' 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, Collectors reserves all available defenses to the claims in the Action, and Plaintiff reserves the right to contest Collectors' 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).

9.2. 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.

9.3. Attorney Authorization. PAGA Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiff and Collectors, 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.

9.4. Cooperation. The Parties and their counsel will cooperate with each other and use

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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.

9.5. 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.

9.6. No Tax Advice. Neither Plaintiff, PAGA Counsel, Collectors 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.

9.7. 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.

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

9.9. 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.

9.10. 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.

9.11. 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

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survive the execution of this Agreement.

9.12. 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 Collectors 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 30 days after the Approval Order, Plaintiff and PAGA Counsel shall destroy all paper and electronic versions of AggrievedEmployee Data received from Collectors unless Collectors makes a written request to PAGA Counsel for the return, rather than the destructions, of Aggrieved Employee Data.

9.13. 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.

9.14. 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.

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

To Plaintiff Adriana M. Chavira Armenta:

Joseph Lavi (jlavi@lelawfirm.com)
Vincent C. Granberry (vgranberry@lelawfirm.com)
William Tran (wtran@lelawfirm.com)
Arthur Adamian (aadamian@lelawfirm.com)
LAVI & EBRAHIMIAN, LLP
8889 W. Olympic Blvd., Suite 200
Beverly Hills, CA 90211
Telephone: (310) 432-0000
Facsimile: (310) 432-0001

To Collectors:

Alejandro Ruiz (agr@paynefears.com)

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Blake Dillion (bad@paynefears.com)
PAYNE & FEARS LLP
4 Park Plaza, Suite 1100
Irvine, California 92614
Telephone: 949.851.1100
Facsimile: 949.851.1212

9.16. 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.

9.17. Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that pursuant to CCP section 583.330 to extend the date to bring a case to trial under CCP section 583.30 for the entire period of this settlement process.

IN WITNESS THEREOF, the Parties hereto have so agreed.

DATED: 10/02, 2024

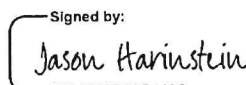
Adriana M. Chavira Armenta



On behalf of herself, the State of California and the Aggrieved Employees as a private attorney general

DATED: October 7,, 2024

COLLECTORS UNIVERSE, INC.

Signed by:

By: D33A709D6AB446C...
NAME Jason Harinstein
TITLE CFO



Approved as to Form and Content

DATED: 10/2, 2024

LAVI & EBRAHIMIAN LLP

By: 

JOSEPH LAVI
VINCENT C. GRANBERRY
WILLIAM TRAN
ARTHUR ADAMIAN

Attorneys for Plaintiff Adriana M. Chavira
Armenta and the Aggrieved Employees

DATED: October 8, 2024

PAYNE & FEARS LLP

By: 

ALEJANDRO G. RUIZ
BLAKE A. DILLION

Attorneys for Defendant Collectors Universe, Inc.

4863-2998-0136.1

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EXHIBIT A

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF ORANGE – CIVIL COMPLEX

ADRIANA M. CHAVIRA ARMENTA, on
behalf of herself and current and former
aggrieved employees

Plaintiff,

vs.

COLLECTORS UNIVERSE, INC.; and DOES
1 to 100, inclusive,

Defendants.

**NOTICE OF PAGA SETTLEMENT AND
RELEASE**

To [NAME]:

The enclosed check is your share of a court-approved representative action settlement between Plaintiff Adriana M. Chavira Armenta (“Plaintiff”), and Defendant Collectors Universe, Inc. (“Defendant”) in the matter of Adriana M. Chavira Armenta, on behalf of herself and other aggrieved employees v. Collectors Universe, Inc., Orange County Superior Court Case No. 30-2023-01336673-CU-OE-CXC (“the Action”).

On July 13, 2023, Plaintiff filed the Action against Defendant as the representative of the State of California and Defendant’s other current and former hourly or non-exempt employees that worked in California. Plaintiff asserted claims against Defendant under California Labor Code § 2698 *et seq.*, also known as the Private Attorneys General Act (“PAGA”), alleging violations of wage and hour laws including failure to pay the minimum wage rate of pay for all hours worked; failure to pay overtime wages for overtime hours worked; failure to authorize or permit meal periods or pay a meal period premium in lieu thereof; failure to authorize or permit rest periods or pay a rest period premium in lieu thereof; failure to timely pay earned wages during employment; failure to provide accurate wage statements; and failure to pay all wages due and owing upon separation of employment.

On September 22, 2023, the Parties participated in an all-day mediation presided over by David Phillips, Esq. at Signature Resolution, which led to this Agreement to settle the Action.

Prior to mediation, Plaintiff obtained, through informal discovery, time and pay records for Plaintiff and the Aggrieved Employees, as well as documents establishing Collectors’ policies, procedures, and practices. Defendant denies any liability or wrongdoing and contends, among other things, that it has complied at all times with the California Labor Code, the related California Wage Orders, and all other state and federal wage laws, and further contends that the Action is without merit. Defendant has agreed to settle the case as part of a compromise with Plaintiff following a mediation with an experienced and well-respected mediator David Phillips, Esq. The proposed settlement is not an admission of liability by Defendant. Throughout the course of litigation in the Action, Defendant has denied any liability or wrongdoing, or that any compensable injury arose out of any of the matters alleged. By agreeing to settle, Defendant is not admitting liability on any of the factual allegations or claims in the Action or that it can or should proceed as a PAGA representative action.

Pursuant to the Court’s Order, a payment of \$1,000,000.00 was approved in settlement of the Action. After accounting for Plaintiff’s Counsel’s attorneys’ fees and reimbursement of litigation costs, administration of the settlement, the remaining sum is \$643,384.67. This sum, called the “Net Settlement Amount” will be divided pursuant to California law as follows: \$482,538.50 (75%) to the State of California Labor Workforce Development Agency and \$160,846.17 (25%) to all employees considered to be a member of the “PAGA Group” under the Action, to be shared on a proportionate basis. “PAGA Group” is defined as all non-exempt current or former employees of Defendant within the State of California at any time during the time period from May 8, 2022 through December 31, 2023.

The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties (\$160,846.17) by the total number of PAGA 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. The Administrator will report the individual PAGA Payments on IRS 1099 Forms.

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

The enclosed check is your share of the settlement. The payment amount was calculated based on the number of pay periods you worked for Defendant as a member of the PAGA Group between May 8, 2022 through December 31, 2023, as determined by Defendant's business records. Because this calculation was approved by the Court, the amount of your payment is final and cannot change. In the event you cash the enclosed check, you may receive an IRS Form 1099 for your portion of the settlement, if deemed required by the Settlement Administrator (in compliance with IRS guidelines). Please note that no taxes were withheld from your payment, so it will be your responsibility to pay any taxes that may be due. You should consult with your own tax professional or accountant with regard to any questions that you may have concerning any taxes that may be due.

Your enclosed check is valid for 180 days from the date of its issuance. After that date, you cannot cash the check and it will be null and void. Funds attributable to such uncashed checks will be sent to the State of California Unclaimed Property Fund in your name. You are bound by the settlement and release of claims based on the Court's final judgment whether or not you cash or deposit the enclosed check. Regardless of what you do with the settlement check, you will have released claims for penalties arising under PAGA as asserted in the Action.

If you have any questions or would like more information about the settlement or the Action, you may contact the Settlement Administrator at CPT Group, Inc., 50 Corporate Park, Irvine, CA 92606, (800) 542-0900 or go to the Settlement Administrator's website at <https://civilwebshopping.occourts.org/Search.do#searchAnchor>. The Settlement Administrator's website will contain key documents including the operative complaint, the PAGA Notice Letter to the LWDA, and the Settlement Agreement, this Notice, and the order granting approval and judgment of this Action. The judgment will be on the website for at least 180 days. You can also telephone PAGA Counsel at (310) 432 0000. You can also consult the Orange County Superior Court website <https://civilwebshopping.occourts.org/Search.do#searchAnchor> and entering the Case Number for the Action, Case No. No. 30-2023-01336673.