

1 **CASTLE LAW: CALIFORNIA EMPLOYMENT COUNSEL, PC**

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8 **STIPULATION OF PAGA ACTION SETTLEMENT AND RELEASE**
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10 ENRIQUE SERRANO, MELISSA
11 SERRANO, individually and as aggrieved
12 employees pursuant to the Private Attorneys
General Act (PAGA),

13 Plaintiffs,

14 v.

15 BACO REALTY CORPORATION; DOES 1
16 to 20, inclusive,

17 Defendants.

Contra Costa County Superior Court
Case No. C23-02083

18 MIKE BRAZIL, TIMOTHY GORHAM, on
19 behalf of themselves and all “aggrieved
20 employees” pursuant to Labor Code § 2698 et
seq.,

21 Plaintiffs,

22 v.

23 BACO REALTY CORPORATION; DOES 1
24 to 10, inclusive,

25 Defendants.
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Sacramento County Superior Court
Case No. 23CV010056

1 This Joint Stipulation of PAGA Settlement and Release (hereinafter “Stipulation of
2 Settlement”) is made and entered into by and between Enrique Serrano, Melissa Serrano, Mike
3 Brazil, and Timothy Gorham (collectively, “Plaintiffs” or “PAGA Representatives”), individually
4 and on behalf of themselves, the State of California and all other allegedly similarly aggrieved
5 employees (“PAGA Members”), on the one hand, and BACO Realty Corporation (“Defendant”),
6 on the other.

7 This Stipulation of Settlement shall be binding on Plaintiffs, the State of California, and
8 PAGA Members as provided herein, and on Defendant and its present and former parents, affiliated
9 or related companies, shareholders, officers, directors, employees, agents, attorneys, insurers,
10 successors and assigns, and any individual or entity which could be jointly liable with Defendant,
11 and its respective counsel, subject to the terms and conditions hereof and the Court’s approval.

12 **THE PARTIES STIPULATE AND AGREE** as follows:

13 1. Plaintiffs and Defendant are collectively referred to herein as “the Parties.”

14 2. On July 18, 2023, Plaintiffs Enrique and Melissa Serrano filed a PAGA Notice with
15 the LWDA, alleging various violations of the Labor Code by Defendant. On August 22, 2023,
16 Plaintiffs Enrique and Melissa Serrano filed their Complaint in Contra Costa County Superior Court.

17 3. The Serranos’ Complaint alleges individual wage and hour causes of action on behalf
18 of both of them for the following: Failure to Pay Minimum Wage for All Hours Worked; Failure to
19 Provide Compliant Wage Statements; Waiting Time Penalties; Failure to Pay Overtime Wages;
20 Failure to Reimburse Business Expenses; Violation of California Unfair Competition Law (Business
21 & Professions Code section 17200 et seq.); and, Civil Penalties Pursuant to the Private Attorneys
22 General Act.

23 4. On August 9, 2023, Plaintiffs Mike Brazil and Timothy Gorham filed a PAGA Notice
24 with the LWDA, alleging various violations of the Labor Code by Defendant. On October 18, 2023,
25 Plaintiffs Brazil and Gorham filed their Complaint in Sacramento County Superior Court alleging
26 one cause of action for PAGA penalties for various asserted violations of the California Labor Code.

27 5. The Serrano Complaint and the Brazil/Gorham Complaint are collectively referred
28 to herein as the “Action.”

1 6. The Action seeks to recover damages, including, but not limited to, individual wage
2 and hour damages and PAGA civil penalties, interest including pre- and post-judgment, injunctive
3 relief, and attorneys' fees and costs.

4 7. Defendant denies all material claims and allegations and asserts numerous
5 affirmative defenses.

6 8. Through arms-length, serious negotiations and a mediation session held on May 21,
7 2024, with the Honorable Amy D. Hogue (Ret.), and pursuant to the mediator's proposal the Parties
8 have reached a settlement of Plaintiffs' claims brought in the Action ("Settlement") after the
9 exchange of information to allow the Parties to evaluate the merits of Plaintiffs' claims and the
10 merits of Defendant's defenses to those claims. The negotiation between the Parties was adversarial
11 and contentious, while remaining professional. These negotiations allowed the Parties to reach a
12 resolution subject to approval by the Court. The Parties now enter into this detailed, formalized
13 Stipulation of Settlement with respect to the Plaintiffs' PAGA claims, subject to the Court's
14 approval of the Settlement.

15 9. Plaintiffs' individual wage and hour claims are settled separately and are subject to
16 separately negotiated written settlement agreements.

17 10. In order to effectuate this Settlement, the Parties stipulate and agree to the dismissal
18 of the Serrano Complaint in Contra Costa County, with prejudice as to all of the Serranos' causes
19 of action except for the representative PAGA cause of action, and will stipulate to the filing of an
20 amended Complaint in the Brazil/Gorham matter in Sacramento County adding Enrique and
21 Melissa Serrano as named Plaintiffs.

22 11. For purposes of this Settlement, the "PAGA Members" shall all consist of all
23 nonexempt employees employed by Defendant in California at any time between July 18, 2022,
24 through the Court's approval of this Stipulation of Settlement ("PAGA Period"). Defendant has
25 represented that there are approximately 252 PAGA Members, who worked approximately 6,373
26 pay periods during the PAGA Period.

27 12. Defendant specifically and generally denies any liability or wrongdoing of any kind
28 whatsoever associated with the claims and allegations alleged in the Action and LWDA Notice

1 Letters. Defendant makes no concessions or admissions of liability of any sort, and contends that
2 for any purpose other than settlement, the Action is not manageable or appropriate for representative
3 treatment. Defendant asserts a number of defenses to the claims, and has denied any wrongdoing
4 or liability arising out of any of the alleged facts or conduct in the Action. Neither this Agreement,
5 nor any document referred to or contemplated herein, nor any action taken to carry out this
6 Agreement, is or may be construed as, or may be used as an admission, concession, or indication by
7 or against Defendant or any of the Released Parties (defined below) of any fault, wrongdoing, or
8 liability whatsoever. Nor should the Agreement be construed as any admission or determination by
9 any court as to the merits of the claims asserted in the PAGA action. Defendant recognizes that the
10 defense of this litigation will be time-consuming and require a significant investment of resources.
11 Defendant, therefore, has made a business decision to settle in the manner and upon the terms set
12 forth in this Agreement to put to rest the Released Claims.

13 13. It is the desire of the Parties to fully, finally and forever settle, compromise and
14 discharge all disputes and claims for PAGA penalties that were alleged in the Action and LWDA
15 Notice Letters in these matters and that could have been alleged based on the facts therein. To
16 achieve a full and complete release, the Parties acknowledge that this Stipulation of Settlement is
17 intended to include in its effect all PAGA penalties for claims alleged, and that could have been
18 alleged based on the facts in the LWDA Notice Letters and the Action, as of the date of the Court's
19 approval of this Settlement.

20 14. This release includes Defendant and each of its former and present parents,
21 subsidiaries, affiliates, successors, assigns, and insurers, and all of its current and former employees,
22 officers, directors, owners, employees, partners, shareholders, agents, representatives and attorneys,
23 and all persons acting by, through, under or in concert with any of them ("Released Parties"), from
24 any and all PAGA penalties for any claims that were asserted or could have been asserted based on
25 the facts alleged and/or asserted in Plaintiffs' LWDA Notice Letters and the Action for the entire
26 PAGA Period.

27 15. "PAGA Counsel" means Castle Law: California Employment Counsel PC, and
28 CounselOne PC, the attorneys representing the Plaintiffs in the Action. PAGA Counsel have

1 conducted a thorough investigation into the facts of this representative case, including an extensive
2 review of relevant documents and data, and has diligently investigated Plaintiffs' and the PAGA
3 Members' claims against Defendant. Based on their own independent investigation and evaluation,
4 PAGA Counsel are of the opinion that the Settlement with Defendant for the consideration and on
5 the terms set forth in this Stipulation of Settlement is fair, reasonable and adequate and is in the best
6 interest of Plaintiffs and PAGA Members in light of all known facts and circumstances, including
7 the risk of significant delay, the numerous defenses asserted by Defendant, and various potential
8 appellate issues.

9 16. The Parties agree to cooperate and take all steps necessary and appropriate to
10 consummate this Settlement and to effectuate a judgment. In the event that: (i) the Court does not
11 approve the Settlement as provided herein; or (ii) the Effective Date does not occur for any other
12 reason apart from the Court's refusal to approve, then this Settlement Agreement—and any
13 documents generated to bring it into effect—will be null and void, and the Parties will be returned
14 to their respective positions.

15 17. This Settlement provides for mailing of an explanatory notice (as set forth in **Exhibit**
16 **A** below) (the "Settlement Notice") and payment of Settlement Awards (as defined herein) to all
17 PAGA Members according to a specified formula as provided herein. The gross total payment
18 under the Settlement, including all attorneys' fees and costs, settlement administration costs, and
19 payments to PAGA Members and the Labor and Workforce Development Agency ("LWDA"). The
20 total amount provided by this Settlement is \$260,000.00. It is understood and agreed that
21 Defendant's gross total liability under this Settlement shall not exceed \$260,000.00. It is further
22 understood and agreed that Defendant shall have no obligation to pay any person, entity or
23 organization more than its gross total liability under this Settlement as set forth above, which
24 includes the total amount of: (1) the Settlement Awards to the PAGA Members; (2) the attorneys'
25 fees and costs approved by the Court; (3) the actual fees and expenses of the Settlement
26 Administrator; and (4) payment to the LWDA pursuant to PAGA.

27 TERMS OF SETTLEMENT

28 18. NOW THEREFORE, in consideration of the mutual covenants, promises and

1 agreements set forth herein, the Parties agree, subject to the Court's approval, as follows:

2 a. It is agreed by and among Plaintiffs and Defendant that any claims for
3 penalties under the PAGA, be settled and compromised as between the Plaintiffs, the PAGA
4 Members (including Plaintiffs) and Defendant, subject to the terms and conditions set forth in this
5 Stipulation of Settlement and approval by the Court.

6 b. Effective Date: The Settlement embodied in this Stipulation of Settlement
7 shall become effective when all of the following events have occurred: (i) this Stipulation of
8 Settlement has been executed by all Parties and by counsel for the PAGA Members and Defendant;
9 (ii) the Court has approved this PAGA Settlement, and (iii) the Judgement is final. The term
10 "Judgment" means the judgment entered by the Court based upon the final approval by the Court.

11 c. Gross Settlement Amount, and Net Settlement Amount: To implement the
12 terms of this Settlement, Defendants agree to pay a gross settlement amount of \$260,000.00 ("Gross
13 Settlement Amount").

14 i. At no time shall Defendant have the obligation
15 to segregate the funds comprising the Gross Settlement Amount. The Gross
16 Settlement Amount will be used to pay all Settlement Awards for the PAGA
17 Members, all attorneys' fees and costs of PAGA Counsel, all fees and
18 expenses of the Settlement Administrator, the payment to the LWDA
19 pursuant to the PAGA, and other payments provided by this Settlement.

20 The Net Settlement Amount shall be calculated by deducting all attorneys' fees and
21 costs of PAGA Counsel, and the actual fees and expenses of the Settlement Administrator from the
22 Gross Settlement Amount ("Net Settlement Amount"). The Settlement Awards to PAGA Members
23 will be calculated by the Settlement Administrator based on Defendant's records and paid out of the
24 Net Settlement Amount as detailed in Paragraph 18(e) below. The Gross Settlement Amount shall
25 be paid by Defendant to the Settlement Administrator as follows:

26 a. \$100,000 within 30 days of court(s) approval of Settlement; and

27 b. \$160,000 within 210 days of court(s) approval of Settlement.

28 d. California Private Attorneys' General Act Allocation: Seventy-five percent

1 (75%) of the Net Settlement Amount will be paid to the State of California's LWDA pursuant to the
2 PAGA (the "LWDA PAGA Payment") and the remaining 25% will be paid as Settlement Awards
3 to the PAGA Members (the "Employee PAGA Payment"). The Settlement Awards will be
4 calculated by the Settlement Administrator based on Defendant's records and paid out of the Net
5 Settlement Amount as detailed in Paragraph 18(e) below. The Net Settlement Amount will be
6 distributed as provided herein within fifteen (15) days of Defendant funding of the Settlement.

7 e. Settlement Awards: The term "Settlement Awards" means the PAGA
8 Members' *pro rata* shares of the Employee PAGA Payment calculated according to the number of
9 pay periods each PAGA Member worked during the PAGA Period. The Settlement Administrator
10 shall first determine for each PAGA Member the pay periods the PAGA Member was employed by
11 Defendant during the PAGA Period. The Settlement Administrator shall divide the amount of the
12 Employee PAGA Payment by the sum of all PAGA Members' pay periods to calculate an
13 "Estimated Amount Per Pay Period." For each PAGA Member, the Settlement Administrator shall
14 then multiply the Estimated Amount Per Pay Period by the PAGA Member's pay periods in the
15 PAGA Period to determine each individual Settlement Award. Defendant represents that the
16 approximate number of pay periods during the PAGA Period is 6,373. The Settlement Award
17 process is discussed further below.

18 f. Allocation and Taxability of Settlement Awards: The individual Settlement
19 Awards payable to PAGA Members shall be allocated entirely to alleged unpaid penalties and
20 unpaid interest, for which IRS Forms 1099-MISC will issue to the PAGA Members. PAGA
21 Members assume full responsibility and liability for any taxes owed or attributable to the Settlement
22 Awards paid to the PAGA Members under this Settlement.

23 g. Settlement Awards Do Not Trigger Additional Benefits: All Settlement
24 Awards to PAGA Members shall be deemed to be income to such PAGA Members solely in the
25 year in which such awards actually are received by the PAGA Members. It is expressly understood
26 and agreed that the receipt of such Settlement Awards will not entitle any PAGA Member to
27 additional compensation or benefits under any company bonus, contest or other compensation or
28 benefit plan or agreement in place during the period covered by the Settlement, nor will it entitle

1 any PAGA Member to any increased retirement, 401(k) benefits or matching benefits, or deferred
2 compensation benefits. No deductions or contributions for 401(k) shall be made from the Settlement
3 Awards. It is the intent of this Settlement that the Settlement Awards provided for in this Agreement
4 are the sole payments to be made by Defendant to PAGA Members in connection with this
5 Settlement, and that the PAGA Members are not entitled to any new or additional compensation or
6 benefits as a result of having received the Settlement Awards (notwithstanding any contrary
7 language or agreement in any benefit or compensation plan document that might have been in effect
8 during the period covered by this Settlement).

9 h. Attorneys' Fees and Attorneys' Costs: Subject to Court approval, attorneys'
10 fees and costs shall be paid to PAGA Counsel from the Gross Settlement Amount, as set forth in
11 Paragraph 20 below. The Court-approved attorneys' fees and costs will be paid out of the Gross
12 Settlement Amount to PAGA Counsel within five (5) days after the Settlement is funded by
13 Defendant.

14 i. Settlement Administrator: The Parties have jointly selected CPT Group, Inc.
15 to serve as the "Settlement Administrator" and verified that, as a condition of appointment, CPT
16 Group, Inc. agrees to be bound by this Stipulation of Settlement and to perform, as a fiduciary, all
17 duties specified in this Stipulation of Settlement in exchange for payment of actual expenses and
18 fees incurred in the administration of this Settlement ("Administration Expenses"). The Parties and
19 their counsel represent that they have no interest or relationship, financial or otherwise, with the
20 Settlement Administrator other than a professional relationship arising out of prior experiences
21 administering settlements. However, the Parties shall have the right to select or substitute a different
22 Settlement Administrator by mutual agreement at any time. The fees of the Settlement
23 Administrator for work done shall be paid from the Gross Settlement Amount. CPT Group, Inc. has
24 capped the Administration Expenses at \$10,000.00. The Court-approved Administration Fees will
25 be paid out of the Gross Settlement Amount within five (5) days after the Settlement is funded by
26 Defendant. The Settlement Administrator is discussed further below.

1 SETTLEMENT ADMINISTRATION

2 19. The Settlement Administrator will send an agreed upon explanatory notice of the
3 Settlement, attached hereto as **Exhibit A**, along with the Settlement Award to all PAGA Members
4 as discussed herein. The Settlement Administrator will calculate the Settlement Award amounts
5 due to PAGA Members in accordance with this Stipulation of Settlement. The Settlement
6 Administrator shall report, in summary or narrative form, the substance of its findings. The
7 Settlement Administrator shall establish a settlement fund that meets the requirements of a Qualified
8 Settlement Fund (“QSF”) under US Treasury Regulation section 468B-1. Upon receipt of funds
9 from Defendant and as provided by the terms of the Settlement, the Settlement Administrator will
10 issue and send out the Settlement Awards to PAGA Members using one or more IRS 1099-MISC
11 Forms. Tax treatment of the Settlement Awards will be as set forth herein, and in accordance with
12 state and federal tax laws. All disputes relating to the Settlement Administrator’s performance of
13 duties shall be referred to the Court, if necessary, which will have continuing jurisdiction over the
14 terms and conditions of this Stipulation of Settlement until all payments and obligations
15 contemplated by this Stipulation of Settlement have been fully carried out.

16 ATTORNEYS’ FEES AND COSTS

17 20. In consideration for settling this matter and in exchange for the release of claims by
18 Plaintiffs and the PAGA Members, and subject to approval or modification by the Court, PAGA
19 Counsel’s attorneys’ fees and costs shall be subtracted from the Gross Settlement Amount, as
20 approved by the Court. Subject to Court approval, PAGA Counsel’s attorney’s fees shall be an
21 amount not to exceed 33.33% of the Gross Settlement Amount, that is \$86,858. In addition, and
22 also subject to Court approval, PAGA Counsel shall be reimbursed for their actual out-of-pocket
23 expenses and legal costs (subject to proof) in an amount not to exceed \$20,000.00. Subject to the
24 maximum application amount of these above stated amounts, attorneys’ fees and costs approved by
25 the Court will cover all work performed and all fees and costs incurred to date, and all work to be
26 performed and all fees and costs to be incurred in connection with the approval by the Court of this
27 Stipulation of Settlement, the administration of the Settlement, and obtaining the Judgment in this
28 case. The attorneys’ fees and costs approved by the Court shall be paid out of the Settlement

1 Administrator's QSF to PAGA Counsel within five (5) days after the Settlement is funded by
2 Defendant.

3 21. The Settlement Administrator will pay PAGA Counsel's attorneys' fees and costs
4 using one or more IRS 1099-MISC Forms. PAGA Counsel assumes full responsibility and liability
5 for taxes owed on the attorneys' fees and costs incurred as a result of the Action and holds Defendant
6 harmless, and indemnifies Defendant, from any dispute or controversy regarding any division or
7 sharing of any of these payments for attorneys' fees and costs by Defendant pursuant to this
8 Settlement.

9 SETTLEMENT AWARD ADMINISTRATION

10 22. Fifteen (15) calendar days after the Court has approved the settlement, Defendant
11 shall provide to the Settlement Administrator a spreadsheet, which will list for each PAGA Member
12 the PAGA Member's name, last-known address, last-known telephone number, and the number of
13 pay periods worked through the date of the report (the "PAGA Members' Data"). This spreadsheet
14 shall be based on Defendant's payroll and other business records. The Settlement Administrator
15 will run a check of the PAGA Members' address against those on file with the U.S. Postal Service's
16 National Change of Address Database. Within ten (10) calendar days after the Settlement is funded
17 by Defendant, the Settlement Administrator will mail the Settlement Notice to all PAGA Members
18 with the PAGA Members' individual Settlement Awards.

19 a. Prior to the mailing of the Settlement Notice and
20 Settlement Awards, the Settlement Administrator will search for updated
21 addresses through the U.S. Postal Service's National Address Database.
22 Notices returned to the Settlement Administrator as non-delivered shall be
23 re-mailed to the forwarding address, if any, on the returned envelope; any
24 returned envelopes with forwarding addresses will be used by the Settlement
25 Administrator to forward the Settlement Notice and Settlement Awards to the
26 PAGA Members. If no forwarding address is provided, the Settlement
27 Administrator will perform a computer search for a new address and an
28 additional skip tracing pursuant to its usual and customary procedures.

b. All costs associated with the Settlement Notices are part of, and included within, the Gross Settlement Amount.

SETTLEMENT AWARD PROCESS

23. Within ten (10) calendar days after the Settlement is funded, the Settlement Awards will be mailed to the PAGA Members along with the Settlement Notice. The Settlement Award checks shall remain valid and negotiable for 180 calendar days from the date of issuance and will be cancelled by the Settlement Administrator if not cashed within that time. The checks provided to the PAGA Members shall prominently state the checks will expire in 180 calendar days, or alternatively, such a statement may be made in the Settlement Notice accompanying the check. PAGA Members shall be bound by the Settlement whether or not they cash their Settlement Award check.

24. Any unclaimed funds in the Settlement Administrator's QSF as a result of a failure to timely cash a Settlement Award check within 180 days shall be provided to the California Unclaimed Property Fund, pursuant to California Civil Procedure Code § 384, subject to Court approval.

25. Pro Rata Increase: If the number of employees exceeds 252 or the number of pay periods exceeds 6,373 by more than 10%, the Gross Settlement Amount will increase pro rata per additional PAGA member or additional pay period, whichever is greater. In the alternative, the number of employees and/or the number of pay periods shall be capped at that number on the date such numbers are reached.

RELEASED CLAIMS

26. Release by Aggrieved Employees: Upon approval by the Court of this Stipulation of Settlement, all PAGA Members, including Plaintiffs, on behalf of themselves and their former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, fully release and discharge the Released Parties from any and all PAGA penalties for any claims that were asserted or could have been asserted based on the facts alleged and/or asserted in Plaintiffs' LWDA Notice Letters and the Action during the PAGA Period.

27. Plaintiffs' Waiver of Rights Under California Civil Code Section 1542: For purposes

1 of Plaintiffs' Release, with the exception of the claims encompassed by Plaintiffs' separate
2 individual settlement agreements, Plaintiffs expressly waive and relinquish the provisions, rights,
3 and benefits, if any, of section 1542 of the California Civil Code, which reads:

4 A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR
5 OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER
6 FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY
7 HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER
8 SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

9 PARTIES' DUTIES TO OBTAIN COURT APPROVAL OF THE PAGA SETTLEMENT

10 28. Plaintiffs shall promptly submit this Stipulation of Settlement to the LWDA within
11 one (1) week of all signatures being obtained from Plaintiffs and Defendant, and their respective
12 counsel. Promptly upon execution of this Stipulation of Settlement, Plaintiffs shall apply to the
13 Court for entry of an order approving the PAGA Settlement consistent with the terms provided
14 herein.

15 PARTIES' AUTHORITY

16 29. The signatories hereto hereby represent that they are fully authorized to enter into
17 this Stipulation of Settlement and bind the Parties hereto to the terms and conditions thereof.

18 MUTUAL FULL COOPERATION

19 30. The Parties agree to fully cooperate with each other to accomplish the terms of this
20 Stipulation of Settlement, including but not limited to, execution of such documents and taking such
21 other action as reasonably may be necessary to implement the terms of this Stipulation of Settlement.
22 Once the Settlement is final and effective, the Parties agree to seek final dismissal of the Action
23 with prejudice. The Parties to this Stipulation of Settlement shall use their best efforts, including
24 all efforts contemplated by this Stipulation of Settlement and any other efforts that may become
25 necessary by order of the Court, or otherwise, to effectuate this Stipulation of Settlement and the
26 terms set forth herein. As soon as practicable after execution of this Stipulation of Settlement,
27 PAGA Counsel shall, with the assistance and cooperation of Defendant and its counsel, take all
28 necessary steps to secure the Court's final approval of this Stipulation of Settlement.

1 NO PRIOR ASSIGNMENTS

2 The Parties and their counsel represent, covenant and warrant that they have not directly or indirectly
3 assigned, transferred, encumbered or purported to assign, transfer or encumber to any person or
4 entity any portion of any liability, claim, demand, action, cause of action or right herein released
5 and discharged except as set forth herein.NO ADMISSION

6 31. Nothing herein shall constitute any admission by Defendant of wrongdoing or
7 liability, or of the truth of any factual allegations in the Lawsuit. Nothing herein shall constitute an
8 admission by Defendant that the Lawsuit was properly brought as a representative action other than
9 for settlement purposes. To the contrary, Defendant has denied and continues to deny each and
10 every material factual allegation and alleged claim asserted in the Lawsuit. To this end, the
11 settlement of the Lawsuit, the negotiation and execution of this Stipulation of Settlement, and all
12 acts performed or documents executed pursuant to or in furtherance of this Stipulation of Settlement
13 or the settlement are not, shall not be deemed to be, and may not be used as, an admission or evidence
14 of any wrongdoing or liability on the part of Defendant or of the truth of any of the factual allegations
15 in the Lawsuit; and are not, shall not be deemed to be, and may not be used as, an admission or
16 evidence of any fault or omission on the part of Defendant in any civil, criminal or administrative
17 proceeding any court, administrative agency or other tribunal.

18 CONSTRUCTION

19 32. The Parties hereto agree that the terms and conditions of this Stipulation of
20 Settlement are the result of lengthy, intensive arms-length negotiations between the Parties and
21 through a third-party mediator, and this Stipulation of Settlement shall not be construed in favor of
22 or against any party by reason of the extent to which any party or his, her or its counsel participated
23 in the drafting of this Stipulation of Settlement. All Parties have contributed to the preparation and
24 drafting of this Stipulation of Settlement.

25 CAPTIONS AND INTERPRETATIONS

26 33. Paragraph titles or captions contained herein are inserted as a matter of convenience
27 and for reference, and in no way define, limit, extend or describe the scope of this Stipulation of
28 Settlement or any provision of it. Each term of this Stipulation of Settlement is contractual and not

1 merely a recital.

2 MODIFICATION

3 34. This Stipulation of Settlement may not be changed, altered or modified, except in
4 writing and signed by the Parties hereto and approved by the Court. This Stipulation of Settlement
5 may not be discharged except by performance in accordance with its terms or by a writing signed
6 by the Parties hereto.

7 INTEGRATION CLAUSE

8 35. This Stipulation of Settlement contains the entire agreement between the Parties
9 relating to the settlement transaction contemplated hereby, and all prior or contemporaneous
10 agreements, understandings, representations and statements, whether oral or written and whether by
11 a party or such party's legal counsel, are merged herein. No rights hereunder may be waived except
12 in writing.

13 BINDING ON ASSIGNS

14 36. This Stipulation of Settlement shall be binding upon and inure to the benefit of the
15 Parties and their respective heirs, trustees, executors, administrators, successors and assigns.

16 PAGA MEMBER SIGNATORIES

17 37. It is agreed that because the PAGA Members are so numerous, it is impossible or
18 impractical to have each PAGA Member execute this Stipulation of Settlement. Further, it is not
19 legally required for each PAGA Member to sign in order for the Settlement to be binding upon the
20 State of California and PAGA Members.

21 COUNTERPARTS

22 38. This Stipulation of Settlement may be executed in counterparts and by facsimile
23 signatures, and when each party has signed and delivered at least one such counterpart, each
24 counterpart, including email and PDF versions, shall be deemed an original and, when taken together
25 with other signed counterparts, shall constitute one Stipulation of Settlement binding upon and
26 effective as to all Parties.

27 NO PUBLICITY MEDIA AND PRESS COMMUNICATIONS

28 39. Plaintiffs agree that they will not publicize this litigation or this Settlement in any

1 manner. Plaintiffs and PAGA Counsel agree that they will not issue any press releases, initiate any
2 contact with the press, respond to any press inquiry, or have any communication with the press about
3 this case. If contacted by the press or media, Plaintiffs may only state that the case has been resolved.
4 Plaintiff will refrain from discussing the terms or the fact of this Settlement with third parties other
5 than: (1) their immediate family members; and (2) their accountants or lawyers as necessary for tax
6 purposes. If asked by any person or entity about the matter, Plaintiffs may only state that the case
7 has been resolved.

8 NO TAX ADVICE

9 40. Neither Plaintiffs, PAGA Counsel, nor Defendant's counsel are providing any advice
10 regarding taxes or taxability, nor shall anything in this Stipulation of Settlement be relied upon as
11 such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as
12 amended) or otherwise.

13 CONTINUING JURISDICTION OF THE COURT

14 41. The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over
15 the Parties, Action, and the Settlement solely for purposes of (i) enforcing this Stipulation of
16 Settlement and/or Judgment, (ii) addressing settlement administration matters, and (iii) addressing
17 such post-Judgment matters as are permitted by law.

18 42. Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and
19 conditions of this Agreement, the Parties, their respective counsel waive all rights to appeal from
20 the Judgment, including all rights to post-judgment and appellate proceedings, the right to file
21 motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of
22 appeal does not include any waiver of the right to oppose such motions, writs or appeals. If another
23 party appeals the Judgment, the Parties' obligations to perform under this Agreement will be
24 suspended until such time as the appeal is finally resolved and the Judgment becomes final, except
25 as to matters that do not affect the amount of the Net Settlement Amount.

26 IN WITNESS WHEREOF, the Parties hereto knowingly and voluntarily executed this Joint
27 Stipulation of Settlement and Release between Plaintiff and Defendants as of the date(s) set forth
28 below:

PLAINTIFFS AND PAGA REPRESENTATIVES

Dated: Sep 12, 2024

PLAINTIFF ENRIQUE SERRANO

By  Enrique Serrano (Sep 12, 2024 18:45 CDT)

Enrique Serrano

Dated: _____

PLAINTIFF MELISSA SERRANO

By _____

Melissa Serrano

Dated: _____

PLAINTIFF MIKE BRAZIL

By _____

Mike Brazil

Dated: _____

PLAINTIFF TIMOTHY GORHAM

By _____

Timothy Gorham

DEFENDANT

Dated: 9/12/2024

DEFENDANT BACO REALTY
CORPORATION.

By  _____

Benjamin Eisler
on Behalf of BACO REALTY
CORPORATION

1 **PLAINTIFFS AND PAGA REPRESENTATIVES**

2
3 Dated: _____

PLAINTIFF ENRIQUE SERRANO

4
5 By _____
Enrique Serrano

6
7 Dated: Sep 12, 2024

PLAINTIFF MELISSA SERRANO

8
9 By *ms*
Melissa Serrano (Sep 12, 2024 18:32 CDT)
Melissa Serrano

10
11
12 Dated: _____

PLAINTIFF MIKE BRAZIL

13
14 By _____
Mike Brazil

15
16 Dated: _____

PLAINTIFF TIMOTHY GORHAM

17
18 By _____
Timothy Gorham

19
20
21 **DEFENDANT**

22 Dated: 9/12/2024

DEFENDANT BACO REALTY
CORPORATION.

24
25 By *[Signature]*
Benjamin Eisler
on Behalf of BACO REALTY
CORPORATION

PLAINTIFFS AND PAGA REPRESENTATIVES

Dated: _____

PLAINTIFF ENRIQUE SERRANO

By _____
Enrique Serrano

Dated: _____

PLAINTIFF MELISSA SERRANO

By _____
Melissa Serrano

Dated: 09 / 13 / 2024

PLAINTIFF MIKE BRAZIL

By 
Mike Brazil

Dated: 09 / 13 / 2024

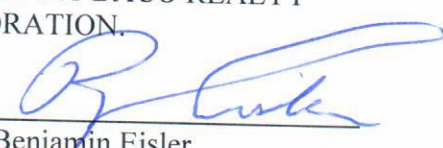
PLAINTIFF TIMOTHY GORHAM

By 
Timothy Gorham

DEFENDANT

Dated: 9/12/2024

DEFENDANT BACO REALTY
CORPORATION.

By 
Benjamin Eisler
on Behalf of BACO REALTY
CORPORATION

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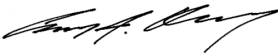
3
4 Dated: _____

CASTLE LAW: CALIFORNIA
EMPLOYMENT COUNSEL, PC

5
6 By _____
7 Timothy B. Del Castillo
8 Kent L. Bradbury
9 Attorneys for Plaintiffs

10 Dated: 09 / 13 / 2024

COUNSELONE

11
12 By  _____
13 Anthony J. Orshansky
14 Attorneys for Plaintiffs

15 **APPROVED AS TO FORM**

16
17 Dated: 9/12/24

POTOMAC LAW GROUP PLLC

18
19 By  _____
20 Sweta Patel
21 Attorneys for Defendant
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APPROVED AS TO FORM

Dated: 09/12/2024

CASTLE LAW: CALIFORNIA
EMPLOYMENT COUNSEL, PC

By 
Timothy B. Del Castillo
Kent L. Bradbury
Attorneys for Plaintiffs

Dated: _____

COUNSELONE

By _____
Anthony J. Orshansky
Attorneys for Plaintiffs

APPROVED AS TO FORM

Dated: 9/12/24

POTOMAC LAW GROUP PLLC

By 
Sweta Patel
Attorneys for Defendant