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SUPERIOR COURT OF CALIFORNIA

COUNTY OF SAN DIEGO

FABIAN GONZALEZ, individually and on
behalf of all others similarly situated,

Plaintiff,

v.

SEVEN SEAS ASSOCIATES, LLC, a California
Limited Liability Company; and DOES 1 to 100,

Defendants.

Case No.: 37-2023-00042280-CU-OE-CTL

Judge: Loren G. Freestone

CLASS ACTION

**CLASS ACTION AND PAGA
SETTLEMENT AGREEMENT**

Action filed: September 27, 2023

1 This Class Action and PAGA Settlement Agreement (“Agreement”) is made by and
2 between the Parties to the civil action entitled *Gonzalez v. Seven Seas Associates, LLC*, Case No.
3 37-2023-00042280-CU-OE-CTL, currently pending in the San Diego Superior Court (the
4 “Action”). Plaintiff Fabian Gonzalez (“Plaintiff”) on behalf of himself, the Class Members, and
5 the PAGA Representative Action Members, and Seven Seas Associates, LLC (hereinafter
6 collectively referred to as “Defendant”) are collectively referred to as “the Parties” or
7 individually as “Party.”

8 **1. DEFINITIONS.**

9 1.1. “Action” means the civil action entitled *Gonzalez v. Seven Seas Associates, LLC*,
10 Case No. 37-2023-00042280-CU-OE-CTL currently pending in the San Diego Superior Court.

11 1.2. “Administrator” means ILYM Group, Inc., the neutral entity the Parties have agreed
12 to appoint to administer the Settlement.

13 1.3. “Administration Expenses Payment” means the amount the Administrator will be
14 paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in
15 accordance with the Administrator’s “not to exceed” bid submitted to the Court in
16 connection with Preliminary Approval of the Settlement.

17 1.4. “Class Members” means all current and former non-exempt hourly individuals
18 employed by Defendant at any time from September 27, 2019, until the date of preliminary
19 approval or April 30, 2024.

20 1.5. “Class Counsel” means Janelle Carney of Janelle Carney – Attorney at Law, APC,
21 Manny Starr and Adam Rose of Frontier Law Center.

22 1.6. “Class Counsel Fees Payment” and “Class Counsel Litigation Expenses Payment”
23 mean the amounts allocated to Class Counsel for reimbursement of reasonable attorneys’ fees
24 and expenses, respectively, incurred to prosecute the Action.

25 1.7. “Class Data” means Class Member identifying information in Defendant’s
26 possession including the Class Member’s name, last-known mailing address, Social Security
27 number, total earnings during the class period and PAGA Pay Periods.

28 1.8. “Class Member” or “Settlement Class Member” means a member of the Class, as

1 either a Participating Class Member or Non-Participating Class Member (including a Non-
2 Participating Class Member who qualifies as a PAGA Representative Action Member).

3 1.9. "Class Member Address Search" means the Administrator's investigation and
4 search for current Class Member mailing addresses using all reasonably available sources,
5 methods and means including, but not limited to, the National Change of Address database, skip
6 traces, and direct contact by the Administrator with Class Members.

7 1.10. "Class Notice" means the NOTICE OF CLASS ACTION SETTLEMENT AND
8 HEARING DATE FOR FINAL COURT APPROVAL, to be mailed to Class Members, if
9 applicable in the form, without material variation, attached as **Exhibit 1** and incorporated by
10 reference into this Agreement.

11 1.11. "Class Period" means the period from September 27, 2019, until the date of
12 preliminary approval, or April 30, 2024, whichever is earlier.

13 1.12. "Class Representative" means Fabian Gonzalez, the named Plaintiff in the operative
14 complaints in the Action seeking Court approval to serve as a Class Representative.

15 1.13. "Court" means the Superior Court of California, County of San Diego.

16 1.14. "Defendant" means Seven Seas Associates, LLC.

17 1.15. "Defense Counsel" means Sweta H. Patel of Klein & Patel PC.

18 1.16. "Effective Date" means the date by when both of the following have occurred:
19 (a) the Court enters a Judgment on its Order Granting Final Approval of the Settlement,
20 and (b) the Judgment is final. The Judgment is final as of the latest of the following occurrences:
21 (a) if no Participating Class Member objects to the Settlement, the day the Court enters
22 Judgment; (b) if one or more Participating Class Members objects to the Settlement, the day after
23 the deadline for filing a notice of appeal from the Judgment; or if a timely appeal from the
24 Judgment is filed, the day after the appellate court affirms the Judgment and issues a remittitur.

25 1.17. "Final Approval" means the Court's order granting final approval of the Settlement.

26 1.18. "Final Approval Hearing" means the Court's hearing on the Motion for Final
27 Approval of the Settlement.

28 1.19. "Final Judgment" means the Judgment Entered by the Court upon Granting Final

Approval of the Settlement.

1.20. "Gross Settlement Amount" means \$500,000.00, which is the total amount Defendant agrees to pay under the Settlement except as provided in Paragraph 10 below. The Gross Settlement Amount will be used to pay Individual Class Payments, Individual PAGA Payments, the LWDA PAGA Payment, Class Counsel Fees, Class Counsel Expenses, Class Representative Service Payment, and the Administrator's Expenses. Class Counsel Fees and Class Counsel Expenses include, without limitation, all such fees and costs incurred to date, as well as such fees and costs to be incurred in documenting the settlement, securing Court approval of this Settlement Agreement, and obtaining judgment in the Action.

1.21. "Gross Individual Wages Percentage" is the percentage derived from dividing each Participating Settlement Class Member's gross wages earned during the Class Period by the total wages earned by all Participating Settlement Class Members during the Class Period.

1.22 "Individual Settlement Payment" means the amount of each Participating Settlement Class Member's Gross Individual Settlement Payment less employee portions of state and federal withholding taxes, including the employee FICA, FUTA, and SDI contributions and any other applicable payroll deductions required by law as a result of the payment of the amount allocated to such Participating Settlement Class Member under the terms of this Stipulation

1.23. "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 worked during the PAGA Period.

1.24. "Judgment" means the judgment entered by the Court based upon the Final Approval.

1.25. "LWDA" means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i).

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

1.27. "Net Settlement Amount" means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: Individual PAGA Payments, the LWDA PAGA

1 Payment, Representative Service Awards, Class Counsel Fees Payment, Class Counsel Litigation
2 Expenses Payment, the Administration Expenses Payment, and Defendant's share of employer
3 taxes will be paid separately. The remainder is to be paid to Participating Class Members as
4 Individual Class Payments.

5 1.28. "Non-Participating Class Member" means any Class Member who opts out of the
6 Settlement by sending the Administrator a valid and timely Request for Exclusion.

7 1.29. "PAGA Pay Period" means any Pay Period during which a PAGA Representative
8 Action Member worked for Defendant for at least one day during the PAGA Period.

9 1.30. "PAGA Period" means the period from September 27, 2022, until the date of
10 preliminary approval, or April 30, 2024.

11 1.31. "PAGA" means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).

12 1.32. "PAGA Notice" means Plaintiffs' letters to Defendant and the LWDA providing
13 notice pursuant to Labor Code section 2699.3, subd.(a).

14 1.33. "PAGA Penalties" means the total amount of PAGA civil penalties to be paid from
15 the Gross Settlement Amount, allocated 25% to the Aggrieved Employees (\$12,500.00) and the
16 75% to LWDA (\$37,500.00) in settlement of PAGA.

17 1.34. "Participating Class Member" refers to a Class Member who does not opt out of the
18 class.

19 1.35. "Plaintiff" means Fabian Gonzalez, the named plaintiff in the Action.

20 1.36. "Preliminary Approval" means the Court's Order Granting Preliminary Approval of
21 the Settlement.

22 1.37. "Preliminary Approval Order" means the proposed Order Granting Preliminary
23 Approval and Approval of PAGA Settlement.

24 1.38. "Released Class Claims" means the claims being released as described in Paragraph
25 6.2 below.

26 1.39. "Released PAGA Claims" means the claims being released as described in
27 Paragraph 6.2 below.

28 1.40. "Released Parties" means: Defendant, and their subsidiaries, facilities, parents and

attorneys, and agents, and each of their past, present and future officers, directors shareholders, managers, general partners, employees, agents, principals, owners, founders, heirs, representatives, accountants, auditors, consultants, attorneys, and insurers.

1.41. “Representative Service Award” means the payment to the Class Representatives for initiating the Action and providing services in support of the Action.

1.42. “Request for Exclusion” means a Class Member’s submission of a written request to be excluded from the Class Settlement signed by the Class Member.

1.43. “Response Deadline” means forty-five (45) days after the Administrator mails Notice to Class Members and shall be the last date on which Class Members and may: (a) mail Requests for Exclusion from the Settlement, or (b) mail his or her Objection to the Settlement.

1.44. “Settlement” means the disposition of the Action effected by this Agreement and the Judgment.

1.45. “Earnings” means any earning received by a Participating Settlement Class Member for at Defendant during the Class Period. The amount of earnings of any Participating Settlement Class Member who was on extended leaves of absence, shall not be included as Earnings.

2. RECITALS.

2.1. Plaintiff Gonzalez filed his original complaint in San Diego County Superior Court on September 27, 2023. Thereafter, Plaintiff filed a First Amended Complaint (“FAC”) on December 1, 2023 alleging eight causes of action : 1) Violation of Business and Professions Code Section 17200, et seq, 2) Violation of Labor Code Sections 204, 510, 1194, and 1198, 3) Inaccurate Wage Statements (Labor Code Section 226), 4) Failure to Provide Meal Periods, 5) Failure to Provide Rest Periods, 6) Work Expenditure Reimbursements, 7) Waiting Time Penalties, and 8) Penalties under PAGA. The parties in the Action have engaged in initial pre-certification discovery and informal pre-mediation discovery.

2.2 Defendant denies any liability or wrongdoing of any kind associated with the claims alleged in the Action, and further denies that the Action is appropriate for class treatment for any purpose other than pursuant to this settlement. Defendant contends that it has complied

1 at all times with the California Labor Code. It is Defendant's position that, if this case were to
2 be litigated, class certification would be inappropriate because, among other things, Plaintiff is
3 not an adequate class representative, the Plaintiff's claims are not typical of putative class
4 members, and individual issues predominate over class issues.

5 2.3. Pursuant to Labor Code section 2699.3, subd.(a), Plaintiff gave timely written
6 notice to Defendant and the LWDA by sending the PAGA Notice.

7 2.4 On February 16, 2024, the Parties participated in an all-day mediation presided
8 over by Jeffery Owensby, Esq., which led to this Agreement to settle the Action.

9 2.5. Prior to mediation, Plaintiff obtained, through informal discovery, Defendant's
10 policies and procedures, a sampling of time and pay records of putative class members, and the
11 total workweeks and class members during the relevant time period. Plaintiff's investigation was
12 sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.*
13 (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th
14 116, 129-130 ("*Dunk/Kullar*").

15 2.6. The Parties, Class Counsel, and Defense Counsel represent that they are not aware
16 of any other pending matter or action asserting claims that will be extinguished or affected by the
17 Settlement.

18 2.7. The Parties agree that the Action, the negotiation and execution of this Settlement
19 Agreement, and all acts performed or documents executed pursuant to or in furtherance of the
20 Settlement Agreement (i) shall not be used as an admission or evidence of wrongdoing by
21 Released Parties; (ii) shall not be an admission or evidence of fault by Released Parties in any
22 action before a civil, criminal, or administrative agency; and (iii) shall not be deemed to be, and
23 may not be used as, an admission or evidence of the appropriateness of these or similar claims
24 for class certification in the Action or with respect to any other proceeding.

25 **3. MONETARY TERMS.**

26 3.1. Gross Settlement Amount. Except as otherwise provided by Paragraph 10 below,
27 Defendant promises to pay \$500,000.00 and no more as the Gross Settlement Amount, and to
28 separately pay any and all employer payroll taxes owed on the Wage Portions of the Individual

1 Class Payments. Defendant has no obligation to pay the Gross Settlement Amount (or any
2 payroll taxes) prior to the deadline stated in Paragraph 6.1 of this Agreement. The Administrator
3 will disburse the entire Gross Settlement Amount without asking or requiring Participating Class
4 Members to submit any claim as a condition of payment. None of the Gross Settlement Amount
5 will revert to Defendant.

6 3.2. Payments from the Gross Settlement Amount. The Administrator will make and
7 deduct the following payments from the Gross Settlement Amount, in the amounts specified by
8 the Court in the Final Approval:

9 3.2.1. To Plaintiff/Class Representative: Representative Service Award to
10 the Class Representative of not more than \$7,500.00 (in addition to any Individual
11 Class Payment, and any Individual PAGA Payment, the Class Representative is
12 entitled to receive as a Participating Class Member). Defendant will not oppose
13 Plaintiff's request for a Representative Service Award that does not exceed this
14 amount. As part of the motion for Class Counsel's Fees Payment and Class
15 Litigation Expenses Payment, Plaintiff will seek Court approval for any
16 Representative Service Awards no later than sixteen (16) court days prior to the
17 Final Approval Hearing. If the Court approves a Representative Service Awards
18 less than the amount requested, the Administrator will retain the remainder in the
19 Net Settlement Amount. The Administrator will pay the Representative Service
20 Awards using IRS Form 1099. Plaintiff assumes full responsibility and liability
21 for employee taxes owed on the Representative Service Awards. In exchange for
22 the Representative Service Awards, the Class Representative will execute a
23 complete and full release in favor of Defendant, as described in detail below.

24 3.2.2. To Class Counsel: A Class Counsel Fees Payment of not more than
25 33.33%, which is currently estimated to be \$166,666.67 and a Class Counsel
26 Litigation Expenses Payment of not more than \$7,500.00. Defendant will not
27 oppose requests for these payments provided that do not exceed these amounts.
28 Plaintiff and/or Class Counsel will file a motion for Class Counsel Fees Payment

1 and Class Litigation Expenses Payment no later than 16 court days prior to the
2 Final Approval Hearing. If the Court approves a Class Counsel Fees Payment
3 and/or a Class Counsel Litigation Expenses Payment less than the amounts
4 requested, the Administrator will allocate the remainder to the Net Settlement
5 Amount. Released Parties shall have no liability to Class Counsel or any other
6 Plaintiff's Counsel arising from any claim to any portion any Class Counsel Fee
7 Payment and/or Class Counsel Litigation Expenses Payment. The Administrator
8 will pay the Class Counsel Fees Payment and Class Counsel Expenses Payment
9 using one or more IRS 1099 Forms. Class Counsel assumes full responsibility and
10 liability for taxes owed on the Class Counsel Fees Payment and the Class Counsel
11 Litigation Expenses Payment and holds Defendant harmless, and indemnifies
12 Defendant, from any dispute or controversy regarding any division or sharing of
13 any of these Payments.

14 3.2.3. To the Administrator: An Administrator Expenses Payment not to
15 exceed \$9,250.00 except for a showing of good cause and as approved by the
16 Court. To the extent the Administration Expenses are less or the Court approves
17 payment less than \$9,250.00, the Administrator will retain the remainder in the
18 Net Settlement Amount.

19 3.2.4. To Each Participating Class Member: Estimated proportionate share
20 of the Net Settlement Amount shall be determined by the Settlement
21 Administrator pursuant to the following formula: To determine the Gross
22 Individual Settlement Payment for each Participating Settlement Class Members,
23 the Settlement Administrator will:

- 24 a) Determine the Total Earnings paid to all the Participating Settlement Class Members
25 during the Class Period as provided in the Class List and Data Report.
26 b) Determine the amount of Earnings each Participating Settlement Class Member
27 earned while employed as a Settlement Class Member during the applicable Class
28 Period as provided in the Class List and Data Report.

- 1 c) Calculate each Participating Settlement Class Member's Gross Individual Wages
2 Percentage by dividing the individual Participating Settlement Class Member's
3 Earnings by the Total Earnings earned by all Participating Settlement Class Members.
- 4 d) The distribution of the Net Class Settlement Fund is determined by allocating to each
5 Participating Settlement Class Member a percentage of the Net Class Settlement Fund
6 that is equivalent to his or her Gross Individual Wages Percentage. The resulting
7 monetary amount is the Gross Individual Settlement Payment for each Participating
8 Settlement Class Members.
- 9 e) For taxation purposes, the Gross Individual Settlement Payment to each Participating
10 Settlement Class Member shall be allocated as follows: seventy percent (70%) shall
11 be attributed to penalties and interest and payable on a IRS form 1099 and thirty
12 percent (30%) shall be attributed to wages ("Wage Component"), to be reported on a
13 W-2 form.
- 14 f) The Settlement Administrator shall determine the eligibility for, and the amounts of,
15 any Individual Settlement Payments under the terms of this Settlement Agreement.
- 16 g) The Gross Individual Settlement Payments will be reduced by any required legal
17 deductions for each Participating Settlement Class Member. Standard employer and
18 employee payroll deductions will be made for state and federal withholding taxes and
19 any other applicable payroll deductions owed by the Participating Class Members as a
20 result of the Wage Component. The Settlement Administrator will issue a check and
21 W-2 Form to each Participating Settlement Class Member for the Wage Component.
- 22 h) The Parties stipulate to a) class certification for purposes of settling the Action only;
23 and b) stipulate to stay the action pending approval. The Parties agree that class
24 certification will be revoked if the Court denies preliminary or final approval of the
25 settlement, or if the settlement does not become final for any other reason. The Parties
26 shall cooperate in good faith to secure a court order staying the Action and all
27 deadlines, pending implementation of the settlement. If the settlement is declared
28

1 null and void by Defendant pursuant to Paragraph 10, or if the Court denies
2 preliminary or final approval of the settlement, the Parties will resume litigation.

3 3.2.4.1. Tax Allocation of Individual Class Payments. For tax purposes,
4 settlement payments to Class Members shall be allocated (a) 70 percent as penalties and
5 interest and (b) 30 percent as wages. Class Members shall be issued an IRS Form W-2 for
6 amounts paid under this settlement deemed wages, and an IRS Form 1099 for the
7 amounts allocated to penalties and interest. Settlement payments to PAGA
8 Representative Action Members shall be allocated 100 percent as penalties, and PAGA
9 Representative Action Members shall be issued an IRS Form 1099 and be responsible for
10 payment of any and all taxes that are due as a result of their PAGA penalty settlement
11 payments. Any representative service award approved by the Court will result in the
12 issuance of an IRS Form 1099 to Plaintiffs, who shall assume full responsibility and
13 liability for the payment of taxes due on such award.

14 3.2.4.2. Effect of Non-Participating Class Members on Calculation of Individual
15 Class Payments (i.e., those that have requested exclusion). Non-Participating Class
16 Members will not receive any Individual Class Payments. The Administrator will retain
17 amounts equal to their Individual Class Payments in the Net Settlement Amount for
18 distribution to Participating Class Members on a pro rata basis.

19 3.2.5. To the LWDA and Aggrieved Employees: PAGA Penalties in the amount
20 of \$50,000.00 to be paid from the Gross Settlement Amount, with 75%
21 (\$37,500.00) allocated to the LWDA PAGA Payment and 25% (\$12,500.00)
22 allocated to the Individual PAGA Payments.

23 3.2.5.1. PAGA Representative Action Members estimated proportionate
24 share of the PAGA Settlement Amount shall be determined by the
25 Settlement Administrator pursuant to the following formula:

26 3.2.5.1.1. Individual PAGA Members who worked as current and
27 former non-exempt hourly individuals employed by Defendant at
28 any time from September 27, 2022, until the date of preliminary

1 approval or April 30, 2024, whichever is earlier, at any of the
2 Defendant's California facilities;
3 3.2.5.1.2. To calculate each PAGA Individual's proportionate
4 share: The Settlement Administrator shall calculate the total
5 aggregate number of Pay Periods that all PAGA Individuals were
6 employed by, and worked for, Defendant as non-exempt hourly
7 individuals employed in California at any time during the PAGA
8 Period. The value of each individual Pay Period shall then be
9 determined by dividing the PAGA Payment Amount of \$12,500.00
10 by the Total pay periods resulting in the "Pay Period Value." Each
11 Individual PAGA Share shall then be determined by multiplying
12 the Individual PAGA Member's number of Pay Periods by the Pay
13 Period Value.

14 **4. SETTLEMENT FUNDING AND PAYMENTS.**

15 4.1. Based on a review of its records as of March 31, 2024, Defendant estimates there are
16 168 Class Members. There are 89 PAGA Representative Action Members who worked a total
17 of 2124 PAGA Pay Periods.

18 4.2. Class Data. Not later than fifteen (15) days after the Court grants Preliminary
19 Approval of the Settlement, Defendant will simultaneously deliver the Class Data to the
20 Administrator, in the form of a Microsoft Excel spreadsheet. To protect Class Members' privacy
21 rights, the Administrator must maintain the Class Data in confidence, use the Class Data only for
22 purposes of this Settlement and for no other purpose, and restrict access to the Class Data to
23 Administrator employees who need access to the Class Data to effect and perform under this
24 Agreement. Defendant has a continuing duty to immediately notify Class Counsel if it discovers
25 that the Class Data omitted class member identifying information and to provide corrected or
26 updated Class Data as soon as reasonably feasible. Without any extension of the deadline by
27 which Defendant must send the Class Data to the Administrator, the Parties and their counsel
28 will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues

related to missing or omitted Class Data.

4.3. Funding of Gross Settlement Amount. Upon the Court entering an order granting Final Approval of the settlement, Defendant shall fund the Gross Settlement Amount, and also fund the amounts necessary to fully pay Defendant's share of payroll taxes by transmitting the funds to the Administrator, as follows:

(a) Within 30 days of the Court entering an order granting preliminary approval, Defendant shall deposit \$225,000.00 with the Administrator in an interest-bearing escrow account.

(b) Within 6 months of the Court entering an order granting final approval, Defendant shall deposit \$275,000 and the applicable payroll taxes with the Administrator in interest-bearing escrow account.

5. DISTRIBUTION OF SETTLEMENT FUNDS.

5.1. Payments from the Gross Settlement Amount. Within fourteen (14) days after Defendant fund the total Gross Settlement Amount, including applicable payroll taxes, the Administrator will mail checks for all Individual Class Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class Representative Service Payment. Disbursement of the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment and the Class Representative Service Payment shall not precede disbursement of Individual Class Payments and Individual PAGA Payments.

5.1.1. The Administrator will issue checks for the Individual Class Payments and/or Individual PAGA Payments and send them to the Class Members 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. The Administrator will send checks for Individual Settlement Payments to all Participating Class Members (including those for whom Class Notice was returned undelivered). The Administrator will send checks for Individual PAGA

1 Payments to all Aggrieved Employees including Non-Participating Class
2 Members who qualify as Aggrieved Employees (including those for whom Class
3 Notice was returned undelivered). The Administrator may send Participating
4 Class Members a single check combining the Individual Class Payment and the
5 Individual PAGA Payment. Before mailing any checks, the Settlement
6 Administrator must update the recipients' mailing addresses using the National
7 Change of Address Database.

8 5.1.2. The Administrator must conduct a Class Member Address Search for all
9 other Class Members whose checks are returned undelivered without USPS
10 forwarding address. Within seven (7) days of receiving a returned check the
11 Administrator must re-mail checks to the USPS forwarding address provided or to
12 an address ascertained through the Class Member Address Search. The
13 Administrator need not take further steps to deliver checks to Class Members
14 whose re-mailed checks are returned as undelivered. The Administrator shall
15 promptly send a replacement check to any Class Member whose original check
16 was lost or misplaced, requested by the Class Member prior to the void date.

17 5.1.3. For any Class Member whose Individual Class Payment check or Individual
18 PAGA Payment check is uncashed and cancelled after the void date, the
19 Administrator shall transmit the funds represented by such checks to the
20 California Controller's Unclaimed Property Fund in the name of the Class
21 Member thereby leaving no "unpaid residue" subject to the requirements of
22 California Code of Civil Procedure Section 384, subd. (b). The Parties, Class
23 Counsel and Defense Counsel represent that they have no interest or relationship,
24 financial or otherwise, with the California Controller's Unclaimed Property Fund.

25 5.1.4. The payment of Individual Class Payments and Individual PAGA Payments
26 shall not obligate Defendant to confer any additional benefits, compensation or
27 make any additional payments to Class Members (such as 401(k) contributions or bonuses)
28 beyond those specified in this Agreement.

1 **6. RELEASES OF CLAIMS.**

2 Effective on the date when Defendant fully funds the entire Gross Settlement Amount
3 and funds all employer payroll taxes owed on the Wage Portion of the Individual Class
4 Payments, Plaintiffs, Participating Class Members, and Class Counsel will release claims against
5 all Released Parties as follows:

6 6.1 Plaintiff's Release. As part of the consideration for the settlement of Plaintiff's
7 representative service award, Plaintiff shall enter into individual general releases of
8 all known and unknown claims of any type whatsoever that they may have against the
9 Released Parties. This release is entitled "Individual General Release," ("Releases").
10 This Release is incorporated herein by reference and attached hereto as Exhibit 2.
11 This Release will include, but will not be limited to, a release of all claims under the
12 Fair Employment and Housing Act, Americans with Disabilities Act, and Title VII of
13 the Civil Rights Act of 1964. This will also include a release of any and all claims,
14 known or unknown, contingent or accrued arising out of any act or event that
15 occurred prior to execution of the release, including a California Civil Code section
16 1542 waiver.

17 6.1.1 Plaintiff's Waiver of Rights Under California Civil Code Section 1542. For
18 purposes of Plaintiff's Release, the named Plaintiff expressly waives and
19 relinquishes the provisions, rights, and benefits, if any, of section 1542 of the
20 California Civil Code, which reads:

21 **A general release does not extend to claims that the creditor or releasing**
22 **party does not know or suspect to exist in his or her favor at the time of executing**
23 **the release, and that if known by him or her would have materially affected his or**
24 **her settlement with the debtor or released party,**

25 6.1.2 Plaintiff expressly acknowledges that the Release will include in their
26 effect, without limitation, all claims which Plaintiff does not know of or suspect to exist at the
27 time of signing this Agreement, and that this Agreement contemplates the release of any such
28 claims.

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1 6.2 Release by Class Members:

2 Each Class Member who does not opt out of the settlement shall be deemed to release the
3 Released Parties from any and all claims, known or unknown, that: were asserted in any and/or
4 all of the complaints in the Action and/or any of Plaintiff's letters to the LWDA (including any
5 subsequently amended complaints or letters); and/or any and all claims, that could have been
6 asserted based on the factual allegations in all of the complaints in the Action and/or any of
7 Plaintiffs' letters to the LWDA (including any subsequently amended complaints or letters). This
8 includes but is not limited to claims for or related to: pay for all hours worked/compensation due
9 for services; calculation of the regular rate of pay; meal periods; rest periods; meal and/or rest
10 period premiums pay, including the calculation of premium pay; wage statements; failure to
11 reimburse for work related out-of-pocket expenses, payment of wages at termination; maintain
12 accurate and complete records; unfair competition related to any or all of the foregoing; any
13 unpaid wages or compensation related to any or all of the foregoing; restitution related to any or
14 all of the foregoing; and any penalties, including statutory or civil penalties, related to any or all
15 of the foregoing.. This release includes, but is not limited to any and all claims pursuant to:
16 California Labor Code §§ 200, 201, 202, 203, 204, 218, 226, 226.7, 510, 512, 558, 1194, 1194.2,
17 1197, 1197.1, 1198, and 2802, and 2698, et seq.; Business & Professions Code § 17200; and
18 Industrial Welfare Commission Wage Order 5-01. The release shall run through the date the
19 court grants preliminary approval of the settlement or April 30, 2024, whichever occurs first.

20 6.3. Release by PAGA Representative Action Members:

21 Each PAGA Representative Action Member, irrespective of whether he or she opts out of
22 the settlement as a Non-Participating Class Member, shall be deemed to release the Released
23 Parties from any and all claims, known or unknown, for civil penalties under California Labor
24 Code section 2698 *et seq.* (PAGA) that: were asserted in any and/or all of the complaints in the
25 Action and/or any of Plaintiffs' letters to the LWDA (including any subsequently amended
26 complaints or letters); and/or any and all claims, that could have been asserted based on any or
27 all the factual allegations in any and/or all of the complaints in the Action and/or any of
28 Plaintiffs' letters to the LWDA (including any subsequently amended complaints or letters). This

1 release includes, but is not limited to, claims for PAGA civil penalties premised on: Labor Code
2 §§ 200, 201, 202, 203, 204, 218, 226, 226.7, 510, 512, 558, 1194, 1194.2, 1197, 1197.1, 1198,
3 2698, 2699, and 2802; failure to pay overtime; failure to pay for all hours worked/compensation
4 due for services; calculation of the regular rate of pay, including failure to include all
5 remuneration into the regular rate for overtime, rest period premiums and meal period premiums;
6 failure to provide meal periods and rest periods; failure to pay meal period and rest period
7 premiums, including the calculation of the premium pay; failure to reimburse for work related
8 out-of-pocket expenses, failure to provide accurate itemized wage statements; inaccurate wage
9 statements; and failure to timely pay wages at termination; The release shall run through the date
10 the San Diego Superior Court grants preliminary approval of the settlement or April 30, 2024,
11 whichever occurs first.

12 **7. MOTION FOR PRELIMINARY APPROVAL.** Plaintiff will prepare and file a motion for
13 preliminary approval (“Motion for Preliminary Approval”).

14 7.1 Plaintiffs’ Responsibilities. Plaintiffs will prepare and deliver to Defense Counsel
15 all documents necessary for obtaining Preliminary Approval, including a draft of the notice to
16 be sent to the class and said notice will be translated and sent to class members in English and
17 Spanish.

18 7.2 Responsibilities of Counsel. Class Counsel and Defense Counsel are jointly
19 responsible for expeditiously finalizing this agreement; and for appearing in Court to advocate in
20 favor of the Motion for Preliminary Approval. Class Counsel is responsible for delivering the
21 Court’s Preliminary Approval to the Administrator.

22 **8. SETTLEMENT ADMINISTRATION.**

23 8.1. Selection of Administrator. The Parties have jointly selected ILYM Group, Inc. to
24 serve as the Administrator and verified that, as a condition of appointment, ILYM Group, Inc.
25 agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this
26 Agreement in exchange for payment of Administration Expenses. The Parties and their Counsel
27 represent that they have no interest or relationship, financial or otherwise, with the Administrator
28 other than a professional relationship arising out of prior experiences administering settlements.

1 8.2. Employer Identification Number. The Administrator shall have and use its own
2 Employer Identification Number for purposes of calculating payroll tax withholdings and
3 providing reports state and federal tax authorities.

4 8.3. Qualified Settlement Fund. The Administrator shall establish a settlement fund that
5 meets the requirements of a Qualified Settlement Fund (“QSF”) under US Treasury Regulation
6 section 468B-1.

7 8.4. Notice to Class Members.

8 8.4.1 No later than three (3) business days after receipt of the Class Data, the
9 Administrator shall notify Class Counsel that the list has been received and state
10 the number of Class Members, PAGA Members, earnings and Pay Periods in
11 the Class Data.

12 8.4.2. Using best efforts to perform as soon as possible, and in no event later than
13 fourteen (14) days after receiving the Class Data, the Administrator will send to
14 all Class Members identified in the Class Data, via first-class United States Postal
15 Service (“USPS”) mail, the Class Notice with Spanish translation, substantially in
16 the form attached to this Agreement as **Exhibit 1**. The first page of the Class
17 Notice shall prominently estimate the dollar amounts of any Individual Class
18 Payment and/or Individual PAGA Payment payable to the Class Member, and the
19 total earnings during the class period and PAGA Pay Periods (if applicable) used
20 to calculate these amounts. Before mailing Class Notices, the Administrator shall
21 update Class Member addresses using the National Change of Address database.

22 8.4.3. Not later than three (3) business days after the Administrator’s receipt of
23 any Class Notice returned by the USPS as undelivered, the Administrator shall re-
24 mail the Class Notice using any forwarding address provided by the USPS. If the
25 USPS does not provide a forwarding address, the Administrator shall conduct a
26 Class Member Address Search, and re-mail the Class Notice to the most current
27 address obtained. The Administrator has no obligation to make further attempts
28 to locate or send Class Notice to Class Members whose Class Notice is returned

1 by the USPS a second time.

2 8.4.4. The deadlines for Class Members' written objections, Challenges to
3 total earnings and/or Pay Periods, and Requests for Exclusion will be extended an
4 additional fourteen (14) days beyond the forty-five (45) days otherwise provided
5 in the Class Notice for all Class Members whose notice is re-mailed. The
6 Administrator will inform the Class Member of the extended deadline with the re-
7 mailed Class Notice.

8 8.4.5 If the Administrator, Defendant or Class Counsel is contacted by or
9 otherwise discovers any persons who believe they should have been included in
10 the Class Data and should have received Class Notice, the Parties will
11 expeditiously meet and confer in person or by telephone, and in good faith, in an
12 effort to agree on whether to include them as Class Members. If the Parties agree,
13 such persons will be Class Members entitled to the same rights as other Class
14 Members, and the Administrator will send, via email or overnight delivery, a
15 Class Notice requiring them to exercise options under this Agreement not later
16 than fourteen (14) days after receipt of Class Notice, or the deadline dates in the
17 Class Notice, which ever are later.

18 8.5 Requests for Exclusion (Opt-Outs).

19 8.5.1 Class Members who wish to exclude themselves (opt-out of) the Class
20 Settlement must send the Administrator, by mail, a signed written
21 Request for Exclusion not later than forty-five (45) days after the Administrator
22 mails the Class Notice. A Request for Exclusion is a letter from a Class Member
23 or his/her representative that reasonably communicates the Class Member's
24 election to be excluded from the Settlement and includes the Class Member's
25 name, address and email address or telephone number. To be valid, a Request for
26 Exclusion must be timely postmarked by the Response Deadline.

27 8.5.2 The Administrator may not reject a Request for Exclusion as invalid because
28 it fails to contain all the information specified in the Class Notice. The

1 Administrator shall accept any Request for Exclusion as valid if the Administrator
2 can reasonably ascertain the identity of the person as a Class Member and the
3 Class Member's desire to be excluded. The Administrator's determination shall
4 be final and not appealable or otherwise susceptible to challenge. If the
5 Administrator has reason to question the authenticity of a Request for Exclusion,
6 the Administrator may demand additional proof of the Class Member's identity.
7 The Administrator's determination of authenticity shall be final and not
8 appealable or otherwise susceptible to challenge.

9 8.5.3 Every Class Member who does not submit a timely and valid Request for
10 Exclusion is deemed to be a Participating Class Member under this Agreement,
11 entitled to all benefits and bound by all terms and conditions of the Settlement,
12 including the Participating Class Members' Releases under Paragraphs 6.2 and
13 6.3 of this Agreement, regardless of whether the Participating Class Member
14 actually receives the Class Notice or objects to the Settlement.

15 8.5.4 Every Class Member who submits a valid and timely Request for Exclusion
16 is a Non-Participating Class Member and shall not receive an Individual Class
17 Payment or have the right to object to the class action components of the
18 Settlement. Because future PAGA claims are subject to claim preclusion upon
19 entry of the Judgment, Non-Participating Class Members who are Aggrieved
20 Employees are deemed to release the claims identified in Paragraph 6.3 of this
21 Agreement and are eligible for an Individual PAGA Payment.

22 8.6 Challenges to Calculation of Earnings. Each Class Member shall have forty-five (45)
23 days after the Administrator mails the Class Notice to challenge the number of the total earnings
24 and PAGA Pay Periods (if any) allocated to the Class Member in the Class Notice. The Class
25 Member may challenge the allocation by communicating with the Administrator via fax, email or
26 mail. The Administrator must encourage the challenging Class Member to submit supporting
27 documentation. In the absence of any contrary documentation, the Administrator is entitled to
28 presume that the earnings contained in the Class Notice are correct so long as they are consistent

1 with the Class Data. The Administrator's determination of each Class Member's allocation of
2 earnings and/or Pay Periods shall be final and not appealable or otherwise susceptible to
3 challenge. The Administrator shall promptly provide copies of all challenges to calculation of
4 earnings and/or Pay Periods to Defense Counsel and Class Counsel and the Administrator's
5 determination the challenges.

6 8.7 Objections to Settlement.

7 8.7.1 Only Participating Class Members may object to the class action
8 components of the Settlement and/or this Agreement, including contesting the
9 fairness of the Settlement, and/or amounts requested for the Class Counsel Fees
10 Payment, Class Counsel Litigation Expenses Payment and/or Class
11 Representative Service Payment.

12 8.7.2 Participating Class Members may send written objections to the
13 Administrator by mail. In the alternative, Participating Class
14 Members may appear in Court (or hire an attorney to appear in Court) to present
15 verbal objections at the Final Approval Hearing. A Participating Class Member
16 who elects to send a written objection to the Administrator must do so not later
17 than forty-five (45) days after the Administrator's mailing of the Class Notice.

18 8.7.3 Non-Participating Class Members have no right to object to any of the
19 class action components of the Settlement.

20 8.8 Administrator Duties. The Administrator has a duty to perform or observe all
21 tasks to be performed or observed by the Administrator contained in this Agreement or
22 otherwise.

23 8.8.1 Toll-Free Number. The Administrator will also maintain a toll-free
24 telephone number to receive Class Member calls.

25 8.8.2 Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator
26 will promptly review on a rolling basis Requests for Exclusion to ascertain their
27 validity. Not later than five (5) days after the expiration of the deadline for
28 submitting Requests for Exclusion, the Administrator shall email a list to Class

1 Counsel and Defense Counsel containing (a) the names and other identifying
2 information of Class Members who have timely submitted valid Requests for
3 Exclusion (“Exclusion List”); (b) the names and other identifying information of
4 Class Members who have submitted invalid Requests for Exclusion; (c) copies of
5 all Requests for Exclusion from Settlement submitted (whether valid or invalid).

6 8.8.3 Weekly Reports. The Administrator must, on a weekly basis, provide
7 written reports to Class Counsel and Defense Counsel that, among other things,
8 tally the number of: Class Notices mailed or re-mailed, Class Notices returned
9 undelivered, Requests for Exclusion (whether valid or invalid) received,
10 objections received, challenges to earnings and/or Pay Periods received and/or
11 resolved, and checks mailed for Individual Class Payments and Individual PAGA
12 Payments (“Weekly Report”). The Weekly Reports must include provide the
13 Administrator’s assessment of the validity of Requests for Exclusion and attach
14 copies of all Requests for Exclusion and objections received.

15 8.8.4 Earnings Challenges. The Administrator has the authority to address and
16 make final decisions consistent with the terms of this Agreement on all Class
17 Member challenges over the calculation of total earnings. The Administrator’s
18 decision shall be final and not appealable or otherwise susceptible to challenge.

19 8.8.5 Administrator’s Declaration. Not later than ten (10) days before the date by
20 which Plaintiffs are required to file the Motion for Final Approval of the
21 Settlement, the Administrator will provide to Class Counsel and Defense Counsel,
22 a signed declaration suitable for filing in Court attesting to its due diligence and
23 compliance with all of its obligations under this Agreement, including, but not
24 limited to, its mailing of Class Notice, the Class Notices returned as undelivered,
25 the re-mailing of Class Notices, attempts to locate Class Members, the total
26 number of Requests for Exclusion from Settlement it received (both valid or
27 invalid), the number of written objections and attach the Exclusion List. The
28 Administrator will supplement its declaration as needed or requested by the

Parties and/or the Court. Class Counsel is responsible for filing the Administrator's declaration(s) in Court.

8.8.6 Final Report by Settlement Administrator. Within ten (10) days after the Administrator disburses all funds in the Gross Settlement Amount, the Administrator will provide Class Counsel and Defense Counsel with a final report detailing its disbursements by employee identification number only of all payments made under this Agreement. At least 15 days before any deadline set by the Court, the Administrator will prepare, and submit to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its disbursement of all payments required under this Agreement. Class Counsel is responsible for filing the Administrator's declaration in Court.

9. CLASS SIZE ESTIMATES

Based on its records, Defendant estimates that, as of March 31, 2024, (1) there are 168 Class Members and (2) there are 89 PAGA Representative Action Members who worked a total of 2,124 Pay Periods during the PAGA Period current as of March 31, 2024.

10. DEFENDANT'S RIGHT TO WITHDRAW.

If the number of valid Requests for Exclusion identified in the Exclusion List exceeds 10% of the total of all Class Members, Defendant may, but is not obligated, elect to withdraw from the Settlement. The Parties agree that, if Defendant withdraws, the Settlement shall be void ab initio, have no force or effect whatsoever, and that neither Party will have any further obligation to perform under this Agreement. Defendant must notify Class Counsel and the Court of its election to withdraw not later than seven (7) days after the Administrator sends the final Exclusion List to Defense Counsel; late elections will have no effect.

11. MOTION FOR FINAL APPROVAL.

Not later than sixteen (16) court days before the calendared Final Approval Hearing, Plaintiff will file in Court, a motion for final approval of the Settlement that includes a request for approval of the PAGA settlement under Labor Code section 2699, subd. (l), a Proposed Final Approval Order and a proposed Judgment (collectively "Motion for Final Approval"). Plaintiff

1 shall provide drafts of the Proposed Judgment to Defense Counsel prior to filing the Motion for
2 Final Approval. Class Counsel and Defense Counsel will expeditiously meet and confer in
3 person or by telephone, and in good faith, to resolve any disagreements concerning the Proposed
4 Order and Judgment.

5 11.1 Response to Objections. Each Party retains the right to respond to any objection
6 raised by a Participating Class Member, including the right to file responsive documents in Court
7 no later than five (5) court days prior to the Final Approval Hearing, or as otherwise ordered or
8 accepted by the Court.

9 11.2 Duty to Cooperate. If the Court does not grant Final Approval or conditions Final
10 Approval on any material change to the Settlement (including, but not limited to, the scope of
11 release to be granted by Class Members), the Parties will expeditiously work together in good
12 faith to address the Court's concerns and negotiate revisions to the Agreement as necessary to
13 obtain Final Approval. The Court's decision to award less than the amounts requested for the
14 Representative Service Awards, Class Counsel Fees Payment, Class Counsel Litigation Expenses
15 Payment and/or Administrator Expenses Payment shall not constitute a material modification to
16 the Agreement within the meaning of this paragraph.

17 11.3 Continuing Jurisdiction of the Court. The Parties agree that, after entry of Judgment,
18 the Court will retain jurisdiction over the Parties, Action, and the Settlement solely for purposes
19 of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration
20 matters, and (iii) addressing such post-Judgment matters as are permitted by law.

21 11.4 Waiver of Right to Appeal. Provided the Judgment is consistent with the terms
22 and conditions of this Agreement, specifically including the Class Counsel Fees Payment and
23 Class Counsel Litigation Expenses Payment reflected set forth in this Settlement, the Parties,
24 their respective counsel, and all Participating Class Members who did not object to the
25 Settlement as provided in this Agreement, waive all rights to appeal from the Judgment,
26 including all rights to post-judgment and appellate proceedings, the right to file motions to
27 vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal
28 does not include any waiver of the right to oppose such motions, writs or appeals. If an objector

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.

11.5 Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a material modification of this Agreement (including, but not limited to, the scope of release to be granted by Class Members), this Agreement shall be null and void. The Parties shall nevertheless expeditiously work together in good faith to address the appellate court's concerns and to obtain Final Approval and entry of Judgment, sharing, on a 50-50 basis, any additional Administration Expenses reasonably incurred after remittitur. An appellate decision to vacate, reverse, or modify the Court's award of the Class Representative Service Payment or any payments to Class Counsel shall not constitute a material modification of the Judgment within the meaning of this paragraph, as long as the Gross Settlement Amount remains unchanged.

12. ADDITIONAL PROVISIONS.

12.1 No Admission of Liability, Class Certification 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 FAC have merit or that Defendant has any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that Defendant's defenses in the Action have merit. The Parties agree that class certification and representative treatment is for purposes of this Settlement only. If, for any reason the Court does not grant Preliminary Approval, Final Approval or enter Judgment, Defendant reserves the right to contest certification of any class for any reasons, and Defendant reserves all available defenses to the claims in the Action, and Plaintiff reserves the right to move for class certification on any grounds available and to contest Defendant's 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).

1 12.2 No Solicitation. The Parties separately agree that they and their respective counsel
2 and employees will not solicit any Class Member to opt out of or object to the Settlement, or
3 appeal from the Judgment. Nothing in this paragraph shall be construed to restrict Class
4 Counsel's ability to communicate with Class Members in accordance with Class Counsel's
5 ethical obligations owed to Class Members.

6 12.3 Integrated Agreement. Upon execution by all Parties and their counsel, this
7 Agreement together with its attached exhibits shall constitute the entire agreement between the
8 Parties relating to the Settlement, superseding any and all oral representations, warranties,
9 covenants, or inducements made to or by any Party.

10 12.4 Attorney Authorization. Class Counsel and Defense Counsel separately warrant
11 and represent that they are authorized by Plaintiff and Defendant, respectively, to take all
12 appropriate action required or permitted to be taken by such Parties pursuant to this Agreement
13 to effectuate its terms, and to execute any other documents reasonably required to effectuate the
14 terms of this Agreement including any amendments to this Agreement.

15 12.5 Cooperation. The Parties and their counsel will cooperate with each other and use
16 their best efforts, in good faith, to implement the Settlement by, among other things, modifying
17 the Settlement Agreement, submitting supplemental evidence and supplementing points and
18 authorities if requested by the Court. In the event the Parties are unable to agree upon the form or
19 content of any document necessary to implement the Settlement, or on any modification of the
20 Agreement that may become necessary to implement the Settlement, the Parties will seek the
21 assistance of a mediator and/or the Court for resolution.

22 12.6 No Prior Assignments. The Parties separately represent and warrant that they have
23 not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or
24 encumber to any person or entity and portion of any liability, claim, demand, action, cause of
25 action, or right released and discharged by the Party in this Settlement.

26 12.7 No Tax Advice. Neither Plaintiff, Class Counsel, Defendant nor Defense Counsel
27 are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be
28 relied upon as such within the meaning of United States Treasury Department Circular 230 (31

CFR Part 10, as amended) or otherwise. The Parties acknowledge and agree that (i) no provision of this Agreement, and no written communication or disclosure between or among the Parties or their attorneys and other advisers, is or was intended to be, nor shall any such communication or disclosure constitute or be construed or be relied upon as, tax advice within the meaning of the United States Treasury Department circular 230 (31 C.F.R. part 10, as amended); (ii) the acknowledging party (a) has relied exclusively upon his, her, or its own, independent legal and tax counsel for advice (including tax advice) in connection with this Stipulation of Settlement, (b) has not entered into this Agreement based upon the recommendation of any other party or any attorney to any other party, and (c) is not entitled to rely upon any communication or disclosure by any attorney or adviser to any other party to avoid any tax penalty that may be imposed on the acknowledging part, and (iii) no attorney or adviser to any other party has imposed any limitation that protects the confidentiality of any such attorney's or adviser's tax strategies (regardless of whether such limitation is legally binding) upon disclosure by the acknowledging party of the tax treatment or structure of any transaction, including any transaction contemplated by this Agreement.

12.8 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.

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

12.10 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.

12.11 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.

12.12 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.

12.13 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.

12.14 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.

12.15 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 Plaintiffs:

Janelle Carney, Esq.
JANELLE CARNEY – ATTORNEY AT LAW, APC
14758 Pipeline Ave., Suite E
Chino Hills, CA 91709
Tel. (909) 521-9609
Email: Janelle@JanelleCarneyLaw.com

Manny Starr, Esq.
Adam Rose, Esq.
FRONTIER LAW CENTER
23901 Calabasas Road, #1084
Calabasas, CA 91302
Telephone: (818) 914-3433
Email: Manny@frontierlawcenter.com;
Adam@frontierlawcenter.com

To Defendant:

KLEIN & PATEL, PC
Sweta H. Patel
1255 Treat Boulevard, Suite 300
Walnut Creek, CA 94597
Telephone: 415-951-0535
Email: spatel@khiplaw.com

1
2 12.16 Execution in Counterparts. This Agreement may be executed in one or more
3 counterparts by facsimile, electronically (i.e., DocuSign), or email which for purposes of this
4 Agreement shall be accepted as an original. All executed counterparts and each of them will be
5 deemed to be one and the same instrument if counsel for the Parties will exchange between
6 themselves signed counterparts. Any executed counterpart will be admissible in evidence to
7 prove the existence and contents of this Agreement.

8 12.17 Stay of Litigation. The Parties agree that upon the execution of this Agreement
9 The litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties
10 further agree that upon the signing of this Agreement that pursuant to CCP section 583.330 to
11 extend the date to bring a case to trial under CCP § 583.310 for the entire period of this
12 settlement process.

13 12.18 Parties' Authority. The signatories hereto represent that they are fully authorized to
14 enter into this Agreement and bind the Parties to the terms and conditions hereof.

15 Executed at _____, _____, this ____ day of _____, 2023.
16 (print name of city) (print name of state)

17
18 _____
19 Signature of Employee
20 Fabian Gonzalez

21 Executed at _____, _____, this ____ day of _____, 2023.
22 (print name of city) (print name of state)

23 Defendant Seven Seas Associates LLC

24 By: Markev Realty Corporation, Manager

25
26 By: _____
27 Name: Eric Horodas
28 Title: President

12.16 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.

12.17 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 § 583.310 for the entire period of this settlement process.

12.18 Parties' Authority. The signatories hereto represent that they are fully authorized to enter into this Agreement and bind the Parties to the terms and conditions hereof.

Executed at San Diego, California, this 4/4/2024 day of _____, 2023.
(print name of city) (print name of state)

DocuSigned by:


405E9ADB7D954BD...

Signature of Employee
Fabian Gonzalez

Executed at _____, _____, this ____ day of _____, 2023.
(print name of city) (print name of state)

Defendant Seven Seas Associates LLC

By: Markev Realty Corporation, Manager

By: _____
Name: Eric Horodas
Title: President

12.16 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.

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12.18 Parties' Authority. The signatories hereto represent that they are fully authorized to enter into this Agreement and bind the Parties to the terms and conditions hereof.

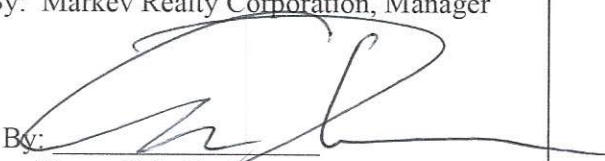
Executed at _____, _____, this ____ day of _____, 2024.
(print name of city) (print name of state)

Signature of Employee
Fabian Gonzalez

Executed at Oakland, California this 1 day of April, 2024.
(print name of city) (print name of state)

Defendant Seven Seas Associates LLC

By: Markev Realty Corporation, Manager

By: 
Name: Eric Horodas
Title: President

Janelle Carney (Bar No. 201570)
janelle@janellecarneylaw.com
JANELLE CARNEY- ATTORNEY AT LAW, APC
14758 Pipeline Ave., Suite E
Chino Hills, CA 91709-6025
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Manny Starr, Esq. (Bar No. 319778)
manny@frontierlawcenter.com
Adam Rose, Esq. (Bar No. 210880)
adam@frontierlawcenter.com
FRONTIER LAW CENTER
23901 Calabasas Road, #1084
Calabasas, CA 91302
Telephone: (818) 914-3433/ Fax: (818) 914-3433

Attorneys for Plaintiff Fabian Gonzalez

SUPERIOR COURT OF CALIFORNIA

COUNTY OF SAN DIEGO

FABIAN GONZALEZ, individually and on
behalf of all others similarly situated,

Plaintiff,

v.

SEVEN SEAS ASSOCIATES, LLC, a California
Limited Liability Company; and DOES 1 to 100,

Defendants.

Case No.: 37-2023-00042280-CU-OE-CTL
Judge: Loren G. Freestone

**NOTICE OF CLASS ACTION
SETTLEMENT AND HEARING DATE
FOR FINAL COURT APPROVAL**

Action filed: September 27, 2023

1 **NOTICE OF CLASS ACTION AND PAGA SETTLEMENT AND**
2 **HEARING DATE FOR FINAL COURT APPROVAL**

3 *Gonzalez v. Seven Seas Associates, LLC*
4 Case No.: 37-2023-00042280-CU-OE-CTL
5 San Diego Superior Court

6 ***The Superior Court for the State of California authorized this Notice. Read it***
7 ***carefully! It's not junk mail, spam, an advertisement, or solicitation by a lawyer. You are not***
8 ***being sued.***

9 **You may be eligible to receive money** from an employee class action lawsuit (“Action”) against Defendant, Seven Seas Associates, LLC (hereinafter collectively referred to as “Defendant” or “Seven Seas”) for alleged wage and hour violations, including failing to pay all wages, specifically failing to pay for all time worked, proper premium overtime and failing to calculate the regular rate for overtime and when paying meal and/or rest period violations; and failing to provide compliant, off-premises meal periods and rest breaks and failure to provide accurate itemized wage statements, failing to reimburse for work related expenses, and waiting time penalties. The Action was filed by Fabian Gonzalez, a former employee of Defendant. Defendant denies all alleged violations and denies that it owes class members any damages, penalties, or other remedies. The Court has not made a ruling on the merits of the case.

18 Plaintiff seeks payment of (1) unpaid wages for a class of all current and former non-exempt hourly individuals employed by Defendant at any time from September 27, 2019, until the date of preliminary approval or April 30, 2024. The PAGA Period is September 27, 2022 through April 30, 2024.

22 The proposed Settlement has two main parts: (1) a Class Settlement requiring Defendant to fund Individual Class Payments, and (2) a PAGA Settlement requiring Defendant to fund Individual PAGA Payments and pay penalties to the California Labor and Workforce Development Agency (“LWDA”).

26 Based on Defendant’s records, and the Parties’ current assumptions, **(1) your estimated settlement share is \$_____**, your gross earnings based on hours worked during the class period are \$_____, and **(2) your Individual PAGA Payment is estimated to be \$_____.**

(Total Pay periods worked during the PAGA period are _) The actual amount you may receive likely will be different and will depend on a number of factors. (If no amount is stated for your Individual PAGA Payment, then according to Defendant’s records you are not eligible for an Individual PAGA Payment under the Settlement because you didn’t work during the PAGA Period.)

If you believe that you earned more during the class period, you can submit a challenge by the deadline date. See Section 4 of this Notice.

The Court has already preliminarily approved the proposed Settlement and approved this Notice. The Court has not yet decided whether to grant final approval. Your legal rights are affected whether you act or do not act. Read this Notice carefully. You will be deemed to have carefully read and understood it. At the Final Approval Hearing, the Court will decide whether to finally approve the Settlement and how much of the Settlement will be paid to Plaintiff and Plaintiff’s attorneys (“Class Counsel”). The Court will also decide whether to enter a judgment that requires Defendant to make payments under the Settlement and requires Class Members and Aggrieved Employees to give up their rights to assert certain claims against Defendant. If you worked for Defendant during the Class Period and/or the PAGA Period, you have two basic options under the Settlement:

(1) **Do Nothing.** You don’t have to do anything to participate in the proposed Settlement and be eligible for an Individual Class Payment and/or an Individual PAGA Payment. As a Participating Class Member, though, you will give up your right to assert Class Period wage and hour claims and PAGA Period penalty claims against Defendant.

(2) **Opt-Out of the Class Settlement.** You can exclude yourself from the Class Settlement (opt-out) by submitting the written Request for Exclusion or otherwise notifying the Administrator in writing. If you opt-out of the Settlement, you will not receive an Individual Class Payment. You will, however, preserve your right to personally pursue Class Period wage claims against Defendant. ***You cannot opt-out of the PAGA portion of the proposed Settlement.***

Defendant will not retaliate against you for any actions you take with respect to the proposed Settlement.

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

You Don't Have to Do Anything to Participate in the Settlement	If you do nothing, you will be a Participating Class Member, eligible for an Individual Class Payment and an Individual PAGA Payment (if any). In exchange, you will give up your right to assert the wage and hour claims against Defendant that are covered by this Settlement (Released Claims).
You Can Opt-out of the Class Settlement but not the PAGA Settlement The Opt-out Deadline is _____ (45 days)	If you don't want to fully participate in the proposed Settlement, you can opt-out of the Class Settlement by sending the Administrator a written Request for Exclusion. Once excluded, you will be a Non-Participating Class Member and no longer eligible for an Individual Class Payment. Non-Participating Class Members cannot object to any portion of the proposed Settlement. See Section 6 of this Notice. You cannot opt-out of the PAGA portion of the proposed Settlement. Defendant must pay Individual PAGA Payments to all Aggrieved Employees and the Aggrieved Employees must give up their rights to pursue Released Claims (defined below).
Participating Class Members Can Object to the Class Settlement but not the PAGA Settlement Written Objections Must be Submitted by _____ (45 days)	All Class Members who do not opt-out ("Participating Class Members") can object to any aspect of the proposed Settlement. The Court's decision whether to finally approve the Settlement will include a determination of how much will be paid to Class Counsel and Plaintiff who pursued the Action on behalf of the Class.
You can Participate in the _____ Final Approval Hearing	The Court's Final Approval Hearing is scheduled to take place on _____. You don't have to attend but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person, by telephone or by using the Court's virtual appearance platform. Participating Class Members can verbally object to the Settlement at the Final Approval Hearing. See Section 8 of this Notice.

**You Can Challenge the
Calculation of Your
Workweeks/Pay Periods**

**Written Challenges Must be
Submitted by _____**

The amount of your Individual Class Payment is based on your total earnings and your PAGA payment is based on the total pay periods, respectively. Your gross earnings and total PAGA pay periods are based on Defendant's records, as stated on the first page of this Notice. If you disagree with either of these numbers, you must challenge it by _____. See **Section 4** of this Notice.

1. WHAT IS THE ACTION ABOUT?

Plaintiff is a former employee of Defendant. The Action accuses Defendant of violating California labor laws by failing to pay all wages, specifically failing to pay for all time worked, proper premium overtime and failing to calculate the regular rate for overtime and when paying meal and/or rest period violations; and failing to provide compliant, off-premises meal periods and rest breaks and failure to provide accurate itemized wage statements, failing to reimburse for work related expenses, and waiting time penalties. Based on the same claims, Plaintiff has also asserted a claim for civil penalties under the California Private Attorneys General Act (Labor Code §§ 2698, et seq.) ("PAGA"). Plaintiff is represented by attorneys in the Action: Janelle Carney of Janelle Carney – Attorney at Law, APC, Manny Starr and Adam Rose of Frontier Law Center. ("Class Counsel.")

Defendant strongly denies violating any laws or failing to pay any wages and contend they complied with all applicable laws.

2. WHAT DOES IT MEAN THAT THE ACTION HAS SETTLED?

So far, the Court has made no determination whether Defendant or Plaintiff is correct on the merits. In the meantime, Plaintiff and Defendant hired an experienced, neutral mediator in an effort to resolve the Action by negotiating an to end the case by agreement (settle the case) rather than continuing the expensive and time-consuming process of litigation. The negotiations were successful. By signing a lengthy written settlement agreement ("Agreement") and agreeing to jointly ask the Court to enter a judgment ending the Action and enforcing the Agreement, Plaintiff and Defendant have negotiated a proposed Settlement that is subject to the Court's Final

1 Approval. Both sides agree the proposed Settlement is a compromise of disputed claims. By
2 agreeing to settle, Defendant does not admit any violations or concede the merit of any claims.

3 The Court preliminarily approved the proposed Settlement as fair, reasonable and
4 adequate, authorized this Notice, and scheduled a hearing to determine Final Approval.

5 **3. WHAT ARE THE IMPORTANT TERMS OF THE PROPOSED SETTLEMENT?**

6 1. Defendant Will Pay \$500,000.00 as the Gross Settlement Amount (Gross
7 Settlement). Defendant has agreed to deposit the Gross Settlement into an account controlled by
8 the Administrator of the Settlement. The Administrator will use the Gross Settlement to pay the
9 Individual Class Payments, Individual PAGA Payments, Class Representative Service Payment,
10 Class Counsel's attorney's fees and expenses, the Administrator's expenses, and penalties to be
11 paid to the California Labor and Workforce Development Agency ("LWDA").

12 2. Funding of Gross Settlement Amount. Defendant shall fund the Gross Settlement
13 Amount, and also fund the amounts necessary to fully pay Defendant's share of payroll taxes by
14 transmitting the funds to the Administrator, as follows:

15 a. Within 30 days of the Court entering an order granting preliminary
16 approval, Defendant shall deposit \$225,000.00 with the Administrator in an
17 interest-bearing escrow account.

18 b. Within 6 months of the Court entering an order granting final approval,
19 Defendant shall deposit \$275,000 and the applicable payroll taxes with the
20 Administrator in interest-bearing escrow account.

21 Within fourteen (14) days after Defendant fully funds the Gross Settlement Amount, the
22 Administrator will mail checks for all Individual Class Payments, all Individual PAGA
23 Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the Class
24 Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class
25 Representative Service Payment. Disbursement of the Class Counsel Fees Payment, the Class
26 Counsel Litigation Expenses Payment and the Class Representative Service Payment shall not
27 precede disbursement of Individual Class Payments and Individual PAGA Payments.
28

1 The Judgment will be final on the date the Court enters Judgment, or a later date if
2 Participating Class Members object to the proposed Settlement or the Judgment is appealed.

3 2. Court Approved Deductions from Gross Settlement. At the Final Approval
4 Hearing, Plaintiff and/or Class Counsel will ask the Court to approve the following deductions
5 from the Gross Settlement, the amounts of which will be decided by the Court at the
6 Final Approval Hearing:

- 7 A. Up to \$166,666.67 (33.33% of the Gross Settlement] to Class
8 Counsel for attorneys' fees and up to \$7,500.00 for their litigation
9 expenses. To date, Class Counsel have worked and incurred expenses on
10 the Action without payment.
- 11 B. Class Representative Award of up to \$7,500.00 to the Class
12 Representative for filing the Action, working with Class Counsel and
13 representing the Class (in addition to any Individual Class Payment, and
14 any Individual PAGA Payment, the Class Representative is entitled to
15 receive as a Participating Class Member).
- 16 C. Up to \$9,250.00 to the Administrator for services administering
17 the Settlement.
- 18 D. Up to \$50,000.00 for PAGA Penalties, allocated 75% (\$37,500.00) to the
19 LWDA PAGA Payment and 25% (\$12,500.00) in Individual PAGA
20 Payments to the Aggrieved Employees based on their PAGA Period Pay
21 Periods. Participating Class Members have the right to object to any of
22 these deductions. The Court will consider all objections.

23 3. Net Settlement Distributed to Class Members. After making the above deductions
24 in amounts approved by the Court, the Administrator will distribute the rest of the Gross
25 Settlement (the "Net Settlement") by making Individual Class Payments to Participating
26 Class Members based on their Class Period earnings.

27 4. Taxes Owed on Payments to Class Members. Plaintiff and Defendant are asking
28 the Court to approve an allocation of 30% of each Individual Class Payment to taxable wages

1 (“Wage Portion”) and 70% to [e.g., interest, and penalties] (“Non-Wage Portion.”). The Wage
2 Portion is subject to withholdings and will be reported on IRS W-2 Forms.

3 Defendant will separately pay employer payroll taxes it owes on the Wage Portion
4 outside the gross settlement fund. The Individual PAGA Payments are counted as penalties
5 rather than wages for tax purposes. The Administrator will report the Individual PAGA
6 Payments and the Non-Wage Portions of the Individual Class Payments on IRS 1099 Forms. It
7 will be your responsibility to pay any tax owing on these amounts.

8 Although Plaintiff and Defendant have agreed to these allocations, neither side is giving
9 you any advice on whether your Payments are taxable or how much you might owe in taxes.
10 You are responsible for paying all taxes (including penalties and interest on back taxes)
11 on any Payments received from the proposed Settlement. You should consult a tax advisor if you
12 have any questions about the tax consequences of the proposed Settlement.

13 5. Need to Promptly Cash Payment Checks. The front of every check issued for
14 Individual Class Payments and Individual PAGA Payments will show the date when the check
15 expires (the void date). If you don’t cash it by the void date, your check will be automatically
16 cancelled, and the monies will be deposited with the California Controller's Unclaimed Property
17 Fund in your name. If the monies represented by your check are sent to the Controller’s
18 Unclaimed Property, you should consult the rules of the Fund for instructions on how to retrieve
19 your money.

20 6. Requests for Exclusion from the Class Settlement (Opt-Outs). You will be treated
21 as a Participating Class Member, participating fully in the Class Settlement, unless you notify
22 the Administrator in writing, not later than _____, that you wish to opt-out. The
23 easiest way to notify the Administrator is to send a written and signed Request for Exclusion by
24 the _____ Response Deadline. The Request for Exclusion should be a letter from a
25 Class Member or his/her representative setting forth a Class Member’s name, present address,
26 telephone number, and a simple statement electing to be excluded from the Settlement. Excluded
27 Class Members (i.e., Non-Participating Class Members) will not receive Individual Class
28

1 Payments, but will preserve their rights to personally pursue wage and hour claims against
2 Defendant.

3 You cannot opt-out of the PAGA portion of the Settlement. Class Members who exclude
4 themselves from the Class Settlement (Non-Participating Class Members) remain eligible for
5 Individual PAGA Payments and are required to give up their right to assert PAGA
6 claims against Defendant based on the PAGA Period facts alleged in the Action.

7 7. The Proposed Settlement Will be Void if the Court Denies Final Approval. It is
8 possible the Court will decline to grant Final Approval of the Settlement or decline to enter a
9 Judgment. It is also possible the Court will enter a Judgment that is reversed on appeal. Plaintiff
10 and Defendant have agreed that, in either case, the Settlement will be void: Defendant will not
11 pay any money and Class Members will not release any claims against Defendant.

12 8. Administrator. The Court has appointed a neutral company, ILYM Group, Inc.
13 (the “Administrator”) to send this Notice, calculate and make payments, and process Class
14 Members’ Requests for Exclusion. The Administrator will also decide Class Member Challenges
15 over total earnings, mail and remail settlement checks and tax forms, and perform other tasks
16 necessary to administer the Settlement. The Administrator’s contact information is contained in
17 Section 9 of this Notice.

18 9. Participating Class Members’ Release. After the Judgment is final and Defendant
19 has fully funded the Gross Settlement and separately paid all employer payroll taxes,
20 Participating Class Members will be legally barred from asserting any of the claims released
21 under the Settlement. This means that unless you opted out by validly excluding yourself from
22 the Class Settlement, you cannot sue, continue to sue, or be part of any other lawsuit against
23 Seven Seas Associates, LLC, or related entities for wages and penalties based on the Class
24 Period facts and PAGA penalties based on PAGA Period facts, as alleged in the Action and
25 resolved by this Settlement.

26 The Participating Class Members will be bound by the following release which includes
27 all the released parties as stated in the settlement agreement on file with the court including but
28 not limited to Defendant, and their subsidiaries, facilities, parents and attorneys, and agents, and

each of their past, present and future officers, directors shareholders, managers, general partners, employees, agents, principals, owners, founders, heirs, representatives, accountants, auditors, consultants, attorneys, and insurers.:

Each Class Member who does not opt out of the settlement shall be deemed to release the Released Parties from any and all claims, known or unknown, that: were asserted in any and/or all of the complaints in the Action and/or any of Plaintiff's letters to the LWDA (including any subsequently amended complaints or letters); and/or any and all claims, that could have been asserted based on the factual allegations in all of the complaints in the Action and/or any of Plaintiffs' letters to the LWDA (including any subsequently amended complaints or letters). This includes but is not limited to claims for or related to: pay for all hours worked/compensation due for services; calculation of the regular rate of pay; meal periods; rest periods; meal and/or rest period premiums pay, including the calculation of premium pay; wage statements; failure to reimburse for work related out-of-pocket expenses, payment of wages at termination; maintain accurate and complete records; unfair competition related to any or all of the foregoing; any unpaid wages or compensation related to any or all of the foregoing; restitution related to any or all of the foregoing; and any penalties, including statutory or civil penalties, related to any or all of the foregoing.. This release includes, but is not limited to any and all claims pursuant to: California Labor Code §§ 200, 201, 202, 203, 204, 218, 226, 226.7, 510, 512, 558, 1194, 1194.2, 1197, 1197.1, 1198, and 2802, and 2698, et seq.; Business & Professions Code § 17200; and Industrial Welfare Commission Wage Order 5-01. The release shall run through April 30, 2024

10. Aggrieved Employees' PAGA Release. After the Court's judgment is final, and Defendant has paid the Gross Settlement (and separately paid the employer-side payroll taxes), all Aggrieved Employees will be barred from asserting PAGA claims against Defendant, whether or not they exclude themselves from the Settlement. This means that all Aggrieved Employees, including those who are Participating Class Members and those who opt-out of the Class Settlement, cannot sue, continue to sue, or participate in any other PAGA claim against Seven Seas Associates, LLC, or their related entities based on the PAGA Period facts alleged in the Action and resolved by this Settlement.

The Aggrieved Employees' Releases for Participating and Non-Participating Class Members are as follows:

Each PAGA Representative Action Member, irrespective of whether he or she opts out of the settlement as a Non-Participating Class Member, shall be deemed

1 to release the Released Parties from any and all claims, known or unknown, for
2 civil penalties under California Labor Code section 2698 et seq. (PAGA) that:
3 were asserted in any and/or all of the complaints in the Action and/or any of
4 Plaintiff's letters to the LWDA (including any subsequently amended complaints
5 or letters); and/or any and all claims, that could have been asserted based on any
6 or all the factual allegations in any and/or all of the complaints in the Action
7 and/or any of Plaintiff's letters to the LWDA (including any subsequently
8 amended complaints or letters). This release includes, but is not limited to, claims
9 for PAGA civil penalties premised on: Labor Code §§ 200, 201, 202, 203, 204,
10 218, 226, 226.7, 510, 512, 558, 1194, 1194.2, 1197, 1197.1, 1198, 2698, 2699,
11 and 2802; failure to pay overtime; failure to pay for all hours
12 worked/compensation due for services; calculation of the regular rate of pay,
including failure to include all remuneration into the regular rate for overtime,
meal period premiums; failure to provide meal periods; failure to pay meal period
premiums, including the calculation of the premium pay; failure to reimburse for
work related out-of-pocket expenses, failure to provide accurate itemized wage
statements; and failure to timely pay wages at termination; The release shall run
through the date the San Diego Superior Court grants preliminary approval of the
settlement or April 30, 2024, whichever occurs first.

13 **4. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?**

14 A. The estimated proportionate share of the Net Settlement Amount shall be
15 determined by the Settlement Administrator pursuant to the following formula:

- 16 1. To determine the Gross Individual Settlement Payment for each
17 Participating Settlement Class Members, the Settlement Administrator will:
- 18 i. Determine the Total Earnings paid to all the Participating Settlement
19 Class Members during the Class Period as provided in the Class List and
20 Data Report.
 - 21 ii. Determine the amount of Earnings each Participating Settlement Class
22 Member earned while employed as a Settlement Class Member during
23 the applicable Class Period as provided in the Class List and Data
24 Report.
 - 25 iii. Calculate each Participating Settlement Class Member's Gross
26 Individual Wages Percentage by dividing the individual Participating
27 Settlement Class Member's Earnings by the Total Earnings earned by all
28 Participating Settlement Class Members.

- 1 iv. The distribution of the Net Class Settlement Fund is determined by
2 allocating to each Participating Settlement Class Member a percentage
3 of the Net Class Settlement Fund that is equivalent to his or her Gross
4 Individual Wages Percentage. The resulting monetary amount is the
5 Gross Individual Settlement Payment for each Participating Settlement
6 Class Members.
- 7 v. For taxation purposes, the Gross Individual Settlement Payment to each
8 Participating Settlement Class Member shall be allocated as follows:
9 seventy percent (70%) shall be attributed to penalties and interest and
10 payable on a IRS form 1099 and thirty percent (30%) shall be attributed
11 to wages (“Wage Component”), to be reported on a W-2 form.
- 12 vi. The Settlement Administrator shall determine the eligibility for, and the
13 amounts of, any Individual Settlement Payments under the terms of this
14 Settlement Agreement.
- 15 vii. The Gross Individual Settlement Payments will be reduced by any
16 required legal deductions for each Participating Settlement Class
17 Member. Standard employer and employee payroll deductions will be
18 made for state and federal withholding taxes and any other applicable
19 payroll deductions owed by the Participating Class Members as a result
20 of the Wage Component. The Settlement Administrator will issue a
21 check and W-2 Form to each Participating Settlement Class Member for
22 the Wage Component.
- 23 viii. The Parties stipulate to a) class certification for purposes of settling the
24 Action only; and b) stipulate to stay the action pending approval. The
25 Parties agree that class certification will be revoked if the Court denies
26 preliminary or final approval of the settlement, or if the settlement does
27 not become final for any other reason. The Parties shall cooperate in
28 good faith to secure a court order staying the Action and all deadlines,

1 pending implementation of the settlement. If the settlement is declared
2 null and void by Defendant pursuant to Paragraph 10, or if the Court
3 denies preliminary or final approval of the settlement, the Parties will
4 resume litigation.

- 5 ix. Effect of Non-Participating Class Members on Calculation of Individual
6 Class Payments (i.e., those that have requested exclusion). Non-
7 Participating Class Members will not receive any Individual Class
8 Payments. The Administrator will retain amounts equal to their
9 Individual Class Payments in the Net Settlement Amount for distribution
10 to Participating Class Members on a pro rata basis.

11 2. PAGA Representative Action Members estimated proportionate share of
12 the PAGA Settlement Amount shall be determined by the Settlement Administrator pursuant to
13 the following formula:

- 14 i. Individual PAGA Members who worked as current and former
15 non-exempt hourly individuals employed by Defendant at any time
16 from September 27, 2022, until the date of preliminary approval or
17 April 30, 2024, whichever is earlier;
- 18 ii. To calculate each PAGA Individual's proportionate share: The
19 Settlement Administrator shall calculate the total aggregate
20 number of Pay Periods that all PAGA Individuals were employed
21 by, and worked for, Defendant as non-exempt hourly individuals
22 employed in California at any time during the PAGA Period. The
23 value of each individual Pay Period shall then be determined by
24 dividing the PAGA Payment Amount of \$12,500.00 by the Total
25 Pay Periods, resulting in the "Pay Period Value." Each Individual
26 PAGA Share shall then be determined by multiplying the
27 Individual PAGA Member's number of Pay Periods by the Pay
28 Period Value.

1 B. Total Earnings/Pay Period Challenges. The total gross earnings you earned during
2 the Class Period and the number of PAGA Pay Periods you worked during the PAGA
3 Period, as recorded in Defendant’s records, are stated in the first page of this Notice. You
4 have until _____ to challenge these figures. You can submit your challenge by
5 signing and sending a letter to the Administrator via mail. (See Section 9 of this Notice for the
6 Administrator’s contact information.)

7 You need to support your challenge by sending copies of pay stubs or other records. The
8 Administrator will accept Defendant’s calculation of your total earnings and/or Pay Periods
9 based on Defendant’s records as accurate unless you send copies of records containing contrary
10 information. You should send copies rather than originals because the documents will not be
11 returned to you. The Administrator will resolve challenges based on your submission and on
12 input from Class Counsel (who will advocate on behalf of Participating Class Members) and
13 Defendant’s Counsel. The Administrator’s decision is final. You can’t appeal or otherwise
14 challenge its final decision.

15 **5. HOW WILL I GET PAID?**

16 1. Participating Class Members. The Administrator will send, by U.S. mail, a single
17 check to every Participating Class Member (i.e., every Class Member who doesn’t opt-out)
18 including those who also qualify as Aggrieved Employees. The single check will combine the
19 Individual Class Payment and the Individual PAGA Payment. Please make sure the
20 administrator has your correct address.

21 2. Non-Participating Class Members. The Administrator will send, by U.S. mail, a
22 single Individual PAGA Payment check to every Aggrieved Employee who opts out of the
23 Class Settlement (i.e., every Non-Participating Class Member). Your check will be sent to the
24 same address as this Notice. If you change your address, be sure to notify the Administrator as
25 soon as possible. Section 9 of this Notice has the Administrator’s contact information.

26 **6. HOW DO I OPT-OUT OF THE CLASS SETTLEMENT?**

27 Submit a written and signed letter with your name, present address, telephone number,
28 and a simple statement that you do not want to participate in the Settlement. The Administrator

will exclude you based on any writing communicating your request be excluded. Be sure to personally sign your request, identify the Action as *Gonzalez v. Seven Seas Associates, LLC*, and include your identifying information (full name, address, telephone number, approximate dates of employment, and social security number for verification purposes). You must make the request yourself. If someone else makes the request for you, it will not be valid. **The Administrator must be sent your request to be excluded by _____, or it will be invalid.** Section 9 of the Notice has the Administrator's contact information.

7. HOW DO I OBJECT TO THE SETTLEMENT?

Only Participating Class Members have the right to object to the Settlement. Before deciding whether to object, you may wish to see what Plaintiff and Defendant are asking the Court to approve. At least sixteen (16) court days before the _____ Final Approval Hearing, Class Counsel and/or Plaintiff will file in Court (1) a Motion for Final Approval that includes, among other things, the reasons why the proposed Settlement is fair, and (2) a Motion for Fees, Litigation Expenses and Service Award stating (i) the amount Class Counsel is requesting for attorneys' fees and litigation expenses; and (ii) the amount Plaintiff is requesting as a Class Representative Service Award. Upon reasonable request, Class Counsel (whose contact information is in Section 9 of this Notice) will send you copies of these documents at no cost to you.

A Participating Class Member who disagrees with any aspect of the Agreement, the Motion for Final Approval and/or Motion for Fees, Litigation Expenses and Service Award may wish to object, for example, that the proposed Settlement is unfair, or that the amounts requested by Class Counsel or Plaintiff are too high or too low. **The deadline for sending written objections to the Administrator is _____.** Be sure to tell the Administrator what you object to, why you object, and any facts that support your objection. Make sure you identify the Action *Gonzalez v. Seven Seas Associates, LLC* and include your name, current address, telephone number, and approximate dates of employment for Defendant and sign the objection.

Section 9 of this Notice has the Administrator's contact information.

Alternatively, a Participating Class Member can object (or personally retain a lawyer to object at your own cost) by attending the Final Approval Hearing. You (or your attorney) should be ready to tell the Court what you object to, why you object, and any facts that support your objection. See Section 8 of this Notice (immediately below) for specifics regarding the Final Approval Hearing.

8. CAN I ATTEND THE FINAL APPROVAL HEARING?

You can, but don't have to, attend the Final Approval Hearing on _____, 2024 at _____ in Department C-64 of the San Diego Superior Court, located at 330 W. Broadway San Diego, CA. At the Hearing, the judge will decide whether to grant Final Approval of the Settlement and how much of the Gross Settlement will be paid to Class Counsel, Plaintiff, and the Administrator. The Court will invite comment from objectors, Class Counsel and Defense Counsel before making a decision. You can attend (or hire a lawyer to attend) either personally, or virtually. Check the Court's website for the most current information.

It's possible the Court will reschedule the Final Approval Hearing. You should check the Court's website at <https://roa.sdcourt.ca.gov/roa/> beforehand or contact Class Counsel to verify the date and time of the Final Approval Hearing.

9. HOW CAN I GET MORE INFORMATION?

The Agreement sets forth everything Defendant and Plaintiff have promised to do under the proposed Settlement. The easiest way to read the Agreement, the Judgment or any other Settlement documents is to go to the court's website at <https://roa.sdcourt.ca.gov/roa/>. You can also telephone or send an email to Class Counsel or the Administrator using the contact information listed below. You can also make an appointment to personally review court documents in the Clerk's Office at the San Diego Superior Court courthouse by calling (619) 450-7064.

**DO NOT TELEPHONE THE SUPERIOR COURT TO OBTAIN INFORMATION
ABOUT THE SETTLEMENT.**

Class Counsel:

Janelle Carney, Esq.
JANELLE CARNEY – ATTORNEY AT LAW, APC
14758 Pipeline Ave., Suite E
Chino Hills, CA 91709
Tel. (909) 521-9609
Email: Janelle@JanelleCarneyLaw.com

Manny Starr, Esq.
Adam Rose, Esq.
FRONTIER LAW CENTER
23901 Calabasas Road, #1084
Calabasas, CA 91302
Telephone: (818) 914-3433
Email: Manny@frontierlawcenter.com; Adam@frontierlawcenter.com;

Settlement Administrator: ILYM Group, Inc.
Name of Company:
Email Address:
Mailing Address:
Telephone:
Fax Number:

10. WHAT IF I LOSE MY SETTLEMENT CHECK?

If you lose or misplace your settlement check before cashing it, the Administrator will replace it as long as you request a replacement before the void date on the face of the original check. If your check is already void, you should consult the Unclaimed Property Fund https://www.sco.ca.gov/upd_inss.html, for instructions on how to retrieve the funds.

11. WHAT IF I CHANGE MY ADDRESS?

To receive your check, you should immediately notify the Administrator if you move or otherwise change your mailing address.

INDIVIDUAL GENERAL RELEASE

Seven Seas Associates, LLC (the Company) and **Fabian Gonzalez** (Employee) (together, the Parties; individually, a Party), have entered into this Individual General Release (Agreement) to settle all known and unknown claims Employee might have against Company and all related parties. This Agreement shall be governed by the statutes and common law of California.

WHEREAS, on or about September 27, 2023, Employee filed a Complaint in the San Diego County Superior Court captioned *Fabian Gonzalez, individually and on behalf of all others similarly situated v. Seven Seas Associates, LLC, a California Limited Liability Company et al.* (Case No. 37-2023-00042280-CU-OE-CTL), and the subsequent First Amended Complaint on or about December 1, 2023 (the “Action”).

WHEREAS, the Parties now wish to forever resolve, settle, compromise, and end, to the maximum extent permitted by law, any and all claims arising out of Employee’s employment with, and separation from, the Company;

WHEREAS, the Parties intend the following to constitute the entire Agreement between them as to the subject matters contemplated herein;

WHEREAS, the Parties each deny wrongdoing of any kind whatsoever related to Employee’s employment with the Company;

NOW, THEREFORE, in consideration of the mutual obligations herein made and undertaken and the consideration specified herein, the receipt and sufficiency of which are hereby acknowledged, the Parties, intending to be legally bound, the Company and Employee agree as follows:

Section 1 -- Benefits

(a) **In General:** Employee understands that the benefits set forth in this Agreement are conditioned on Employee entering into (and not revoking) this Agreement with the Company.

(b) **Payment:** In addition to his proportionate share of the class settlement amount, and in exchange for the following general release of all claims and waiver under Section 1542, the Company is paying Employee consideration as set out in the paragraphs entitled “Monetary Terms” and “Releases of Claims” in the Class Action and PAGA Settlement Agreement, which is incorporated herein by reference.

Section 2 -- Complete Release

(a) **Claims Released by Employee:** Except for the claims identified in Section 2(b), Employee irrevocably and unconditionally releases all known and unknown claims, promises, causes of action, charges, complaints, liabilities, obligations, promises, agreements, controversies, damages, actions, suits, rights, demands, costs, losses, debts, and expenses (including attorneys’ fees and costs actually incurred) or similar rights of any type that Employee

presently may have that relate in any way to employment with or separation from the Company (Claims) with respect to any Released Party listed in Section 2(d). Employee understands that Employee is not releasing future claims. Employee understands that the Claims Employee is releasing might arise under many different foreign, domestic, national, state, or local laws (including statutes, regulations, other administrative guidance, and common law doctrines), such as the following:

Anti-discrimination statutes, such as Title VII of the Civil Rights Act of 1964, Sections 1981 and 1983 of the Civil Rights Act of 1866, and Executive Order 11,246, which prohibit discrimination based on race, color, national origin, religion, or sex; the Age Discrimination in Employment Act (ADEA) and Executive Order 11,141, which prohibit age discrimination in employment; the Equal Pay Act, which prohibits paying men and women unequal pay for equal work; the Americans With Disabilities Act (ADA) and Sections 503 and 504 of the Rehabilitation Act of 1973, which prohibit discrimination based on disability; and any other federal, state, or local laws prohibiting discrimination in employment based on actual or perceived race, religion, color, national origin, ancestry, physical or mental disability, medical condition, marital status, sex, age, sexual orientation, or association with a person who has, or is perceived to have, any of those or other protected characteristics.

Examples of released Claims include, but are not limited to the following (except to the extent explicitly preserved by Section 2(b) of this Agreement):

- i. claims of discrimination, retaliation, or harassment arising under any federal, state, or local statute or ordinance, including but not limited to any claims for demotion, failure to promote, constructive discharge, wrongful termination, harassment, retaliation, discrimination, failure to prevent discrimination, disparate impact claims, claims arising under any state or federal statute or local (including but not limited to: the California Fair Employment and Housing Act, the Family Medical Leave Act, Title VII of the Civil Rights Act of 1964, the Age Discrimination in Employment Act, the Americans With Disabilities Act, the Employee Retirement Income Security Act and any other laws or regulations relating to employment or employment discrimination or attorneys' fees, expenses or costs with respect to any of the above), failure to accommodate and/or failure to engage in the interactive process;
- ii. claims arising under any federal, state or local law regarding employee benefits, wage payment or penalty, labor relations, equal employment, civil, human or employee rights, whistleblower or fair employment practices law, statute or regulation and/or discrimination on the basis of engaging in protected activity, gender, disability, perceived disability, history of disability, race, marital status, sex, color, religion, national origin, ancestry, age (INCLUDING THE FEDERAL AGE DISCRIMINATION IN EMPLOYMENT ACT, 29 U.S.C. section 621 et seq. as amended), creed, handicap, citizenship, ethnic characteristics, sexual orientation or

affectional preference, genetic predisposition or carrier status, gender or marital status, veteran status, the Sarbanes-Oxley Act, or the Employee Retirement Income Security Act;

- iii. claims relating to any contract of employment, express or implied, including breach of the covenant of good faith and fair dealing;
- iv. claims for attorney's fees, costs or expenses or interest on any sums allegedly due;
- v. tort claims of any nature, including, but not limited to, any torts related to assault, battery, defamation, false imprisonment, invasion of privacy, intentional infliction of emotional distress, negligent and intentional interference with contract and/or prospective economic advantage or opportunity, misrepresentation, negligence, bad faith, and intentional and negligent infliction of emotional distress, negligent hiring or supervision, conversion, breach of promise, abusive discharge, conspiracy, fiduciary breach, declaratory relief, prohibited transactions, fraud, retaliation, wrongful or constructive discharge;
- vi. claims relating to violations of any California Labor Code sections or any sections of the California Civil Code, including but not limited to California Civil Code sections 51.7 and 52.1,
- vii. claims or causes of action arising out of, or in connection with or relating to The Action, as well as any claims alleged or referred to, directly or indirectly, or in any way connected with, or arising out of, or which may hereafter be claimed to arise out of, the matters, facts, events or occurrences alleged or referred to in any of the pleadings on file in The Action;
- viii. all claims which arise from misclassification of an employee as an independent contractor, including the filing of a claim for unemployment insurance or disability benefits through the Employment Development Department or any other governmental agency;
- ix. all claims brought under the Private Attorney General's Act ("PAGA"); and
- x. wage and hour claims of any nature including overtime, split-shift premiums, minimum wage, meal and rest break violations and all other claims of money owed under any California Labor Code section.

If, despite this Agreement, Employee sues asserting any Claim that Employee released, Employee will be liable to the Released Parties (as defined below) for their attorneys' fees, other defense costs, and any other damages that the suit or arbitration causes, except those attributable to ADEA Claims. Employee promises not to accept any relief or remedies not set forth in this Agreement as to any Claim Employee has released by signing it.

(b) **Claims Not Released:** This Agreement does not include, and Employee does not waive, any rights or claims: (a) that may arise after Employee signs this Agreement; (b) for alleged workplace injuries or occupational disease that arise under any state's workers' compensation laws; (c) that cannot be released by law; (d) to enforce this Agreement; or (e) to participate in any proceedings before an administrative agency responsible for enforcing labor and/or employment laws, e.g., the Equal Employment Opportunity Commission (EEOC). Employee agrees, however, to waive and release any right to receive any monetary award from any such proceedings before an administrative agency. In addition, nothing in this Agreement shall be construed to limit Employee's right to respond accurately and fully to any question, inquiry or request for information when required by legal process.

(c) **Unknown Claims:** Employee expressly waives and relinquishes all rights and benefits afforded by Section 1542 of the Civil Code which 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 for the purpose of implementing a full and complete release, Employee expressly acknowledges that this Agreement is intended to include in its effect, without limitation, all Claims which the parties do not know of or suspect to exist in either of their favor at the time of signing this Agreement, and that this Agreement contemplates the release of any such Claim or Claims.

Released Parties: The Released Parties are the Company, all current and former parents, subsidiaries, related companies, partnerships, or joint ventures, and, with respect to each of them, their predecessors and successors; and, with respect to each such entity, all of its past, and present, employees, officers, directors, stockholders, owners, representatives, assigns, attorneys, agents, insurers, employee benefit programs (and the trustees, administrators, fiduciaries, and insurers of such programs), and any other persons acting by, through, under, or in concert with any of the persons or entities listed in this subsection, and their successors.

Covenant Not Aid In Other Litigation: Employee agrees not to aid, participate, assist, promote, or encourage any third parties, to assert or make any claims, charges, lawsuits, or investigations against Released Parties. This shall not limit the Employee's ability to comply with his legal responsibilities to provide information in an adversarial situation.

Section 3 -- Consideration of Agreement

Employee acknowledges that, before signing this Agreement, Employee was given at least 21 days in which to consider it. Employee further acknowledges that: (1) Employee took advantage of the time Employee was given to consider this Agreement before signing it; (2) Employee carefully read it; (3) Employee fully understands it; (4) Employee is entering into it voluntarily; (5) Employee is receiving valuable consideration in exchange for Employee's execution of this Agreement that Employee would not otherwise be entitled to receive; and (6) the Company, in writing, encouraged Employee to discuss this Agreement with

Employee's attorney before signing it, and Employee did so to the extent Employee deemed appropriate. Employee understands that Employee is entitled to revoke this Agreement, in writing, within seven (7) days once Employee signs it. Such revocation must be delivered to the Company, through its outside counsel, KLEIN & PATEL, PC, 1255 Treat Boulevard, Suite 300, Walnut Creek, CA 94597, Attention Sweta H. Patel, within the 7-day period, in which case Employee will receive no benefits. If Employee does not revoke this Agreement, it will become enforceable on the eighth day after Employee signs it (Effective Date).

Section 4 -- Miscellaneous

(a) **Agreement Not Admission:** This settlement is not an admission by Company or of its shareholders, officers, employees, principals, parent entity, affiliates, or insurers, that it violated any law or failed to fulfill any duty to Employee.

(b) **Non-Disparagement:** Employee agrees that he will not make any negative, derogatory, or disparaging comments, whether oral or written, about Company in any way, now or in the future.

Nothing in this Agreement prevents Employee from discussing or disclosing information about unlawful acts in the workplace, such as harassment or discrimination or any other conduct that she has reason to believe is unlawful.

(c) A proven breach of this non-disparagement provision by Employee will be deemed to be a material breach of the Agreement and will entitle Company to Five Hundred (\$500.00) for each violation of this covenant, as well as any attorneys' fees and costs that Company may incur in proving such breach, as reasonable liquidated damages for proving this breach. Company shall be entitled to immediate injunctive relief to enforce this Confidentiality provision and Employee shall be further liable for Company's reasonable attorneys' fees incurred in any effort to remedy a breach of this provision. Employee agrees that this liquidated damages provision is reasonable under the circumstances that exist at the time this Agreement is entered into.

(d) **Tax Consequences and Indemnification:** Employee acknowledges and agrees that Company makes no representation as to any tax consequences arising from the above-referenced total settlement payment. Employee shall be solely responsible for the payment of all taxes on these payments and shall indemnify and hold harmless Company in the event any taxing authority seeks payment from it for any taxes or penalties which Employee is obligated to pay. Moreover, Employee understands and agrees that any tax consequences and/or liability arising from the aforementioned payments shall be his sole responsibility.

(e) **Authority to Enter Agreement:** Employee represents and warrants that, as of the date of this Agreement, Employee is the true party in interest, that he is fully authorized to execute this Agreement, and that Employee has not sold, assigned, transferred, conveyed, or otherwise disposed of any rights surrendered by virtue of this Agreement.

(f) **Attorneys' Fees in the Action:** Each party should bear its own attorneys' fees and costs incurred in the Action, except as provided in Class Action and PAGA Settlement Agreement. Company is not responsible for, and makes no representations regarding, the allocation or payment of any attorneys' fees from the Settlement Payment as between Employee and his attorneys.

(g) **Attorneys' Fees for Breach of the Agreement:** The prevailing party in any arbitration or litigation brought to enforce this Agreement shall be entitled to recover from the non-prevailing party its costs and reasonable attorneys' fees incurred in bringing proceeding to enforce this Agreement.

(h) **Entire Agreement:** This Agreement is the entire agreement between the Parties relating to Employee's employment and the subject matters of this Agreement in conjunction with the Class Action Settlement Agreement. Neither may not be modified or canceled in any manner, nor may any provision of it or any legal remedy with respect to it be waived, except by a writing signed by both Parties. Employee acknowledges that the Company has made no representations or promises other than those in or referred to by this Agreement. If any provision in this Agreement is found to be unenforceable, all other provisions will remain fully enforceable. This Agreement constitutes the sole and entire agreement between the Parties and supersedes all prior and contemporaneous statements, promises, understandings or agreements, whether written or oral.

(i) **Amendments:** This Agreement may be amended, modified or altered at any time upon the approval of the Parties; however, any such amendment must be in writing and signed by all Parties in order for such amendment to be of any force and effect.

(j) **Partial Invalidity.** In the event that any provision of this Agreement is declared by any court of competent jurisdiction or any administrative judge to be void or otherwise invalid, all of the other terms, conditions and provisions of this Agreement shall remain in full force and effect to the same extent as if that part declared void or invalid had never been incorporated in the Agreement and in such form, the remainder of the Agreement shall continue to be binding upon the Parties.

(k) **Survival:** All representations and warranties contained herein shall survive the execution and delivery of this Agreement, and the execution and delivery of any other document or instrument referred to herein.

(l) **Applicable Law:** This Agreement shall be subject to and governed by the laws of the State of California, without regard to conflict of law rules. The Parties hereby consent that jurisdiction is proper in the State of California for any action arising out of, under or in connection with this Agreement.

(m) **Successors:** This Agreement binds Employee's heirs, administrators, representatives, executors, successors, and assigns, and will inure to the benefit of all Released Parties and their respective heirs, administrators, representatives, executors, successors, and assigns.

(n) **Interpretation:** This Agreement shall be construed as a whole according to its fair meaning. It shall not be construed strictly for or against Employee or any Released Party. Unless the context indicates otherwise, the term “or” shall be deemed to include the term “and” and the singular or plural number shall be deemed to include the other. Captions are intended solely for convenience of reference and shall not be used in the interpretation of this Agreement.

(o) **Counterparts:** This Agreement may be signed and executed in one or more counterparts, each of which shall be deemed an original and all of which together shall constitute one Agreement. A fax or pdf signature shall be considered as valid as an original signature. The Parties also agree that either Party may, where practicable, use DocuSign, an electronic signature technology, to expedite the execution of this Agreement, pursuant to California Civil Code Section 1633.7.

(p) **Not Evidence:** This Agreement shall not be used as evidence in any proceeding other than one to enforce this Agreement, or one seeking damages arising from a breach of this Agreement.

BEFORE SIGNING THIS AGREEMENT READ AND CAREFULLY CONSIDER IT. IF YOU CHOOSE, DISCUSS IT WITH YOUR ATTORNEY (AT YOUR OWN EXPENSE). BY SIGNING THIS AGREEMENT, YOU WILL BE WAIVING YOUR KNOWN AND UNKNOWN CLAIMS.

Executed at San Diego, California, this 4/4/2024 day of _____, 2023.
(print name of city) (print name of state)

DocuSigned by:



Signature of Employee
Fabian Gonzalez

Executed at _____, _____, this _____ day of _____, 2023.
(print name of city) (print name of state)

Defendant Seven Seas Associates LLC

By: Markev Realty Corporation, Manager

By: _____

Name: Eric Horodas

Title: President

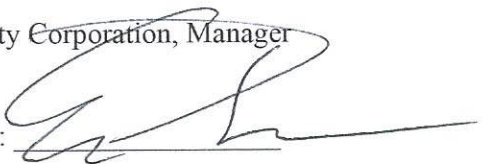
BEFORE SIGNING THIS AGREEMENT READ AND CAREFULLY CONSIDER IT. IF YOU CHOOSE, DISCUSS IT WITH YOUR ATTORNEY (AT YOUR OWN EXPENSE). BY SIGNING THIS AGREEMENT, YOU WILL BE WAIVING YOUR KNOWN AND UNKNOWN CLAIMS.

Executed at _____, this ____ day of _____, 2024.
(print name of city) (print name of state)

Signature of Employee
Fabian Gonzalez

Executed at Dakeland, CALIFORNIA this 1 day of April, 2024.
(print name of city) (print name of state)
Defendant Seven Seas Associates LLC

By: Markev Realty Corporation, Manager

By: 

Name: Eric Horodas

Title: President