

PAGA SETTLEMENT AGREEMENT AND RELEASE

This PAGA Settlement Agreement (hereinafter “Settlement Agreement,” “Settlement,” or “Agreement”) is entered into by and between Plaintiff Noriell Hoff, for himself and on behalf of all alleged aggrieved employees and the State of California acting in a private attorney general capacity (“Plaintiff”), on the one hand, and Defendants Anthem Mechanical and its owner Michael Solomon (collectively “Defendants”), on the other hand. Plaintiff and Defendants may sometimes hereinafter be referred to jointly as “Parties” and may be individually referred to as “Party.”

I. DEFINITIONS

The following terms, when used in this Settlement Agreement, shall have the following meanings:

1. “Action” means the matter entitled *Noriell Hoff v. Anthem Mechanical. et al.* filed by Plaintiff on March 1, 2024, in the Superior Court of California County of Riverside and as set forth in Plaintiff’s September 15, 2023 correspondence to the Private Attorneys General Act (“PAGA”) Administrator of the California Labor and Workforce Development Agency (hereinafter “PAGA Notice”).

2. Administrator means “Simpluris, Inc.”, the neutral entity the Parties have agreed to appoint to administer the Settlement.

3. “Administration Expenses Payment” means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator’s “not to exceed” bid submitted to the Court in connection with approval of this Settlement.

4. “Aggrieved Employee” means any person who worked for Defendant Anthem Mechanical as a non-exempt hourly employee during the PAGA Period.

5. “Court” means the Superior Court of California, County of Riverside.

6. “Effective Date” means the date when the Court orders Final Settlement Approval.

7. “Gross Settlement Amount” means the sum of One Hundred Thousand Dollars and Zero Cents (\$100,000.00).

8. “Individual PAGA Payment” means the amount to be paid to each of the Aggrieved Employees from the 25% PAGA Penalties apportioned to them, such individual share to be based on the relative number of Pay Periods worked during the PAGA Period.

9. “LWDA” means the California Labor and Workforce Development Agency.

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

11. "Net Settlement Amount" means the Gross Settlement Amount, less the PAGA Counsel Fees Payment, and Settlement Administration Costs.

12. "PAGA Counsel" means MM Law, APC, attorneys representing the Plaintiff in the Action.

13. "Defense Counsel" means Buchalter, APC, attorneys representing the Defendants in the Action.

14. "PAGA Counsel Fees Payment" and "PAGA Counsel Litigation Expenses Payment" mean the amounts allocated to PAGA Counsel for reimbursement of reasonable attorneys' fees and expenses incurred to prosecute the Action.

15. "PAGA Pay Period" means any Pay Period, within the PAGA Period, during which an Aggrieved Employee worked for Defendant Anthem Mechanical for at least one day.

16. "PAGA Period" means the period from December 27, 2022, until Court approval of the Settlement.

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

18. "PAGA Penalties" means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 25% to the Aggrieved Employees and 75% to LWDA in settlement of PAGA claims

19. "PAGA Released Claims" with respect to the State of California and the Aggrieved Employees, means penalties related to claims under the California Labor Code and Wage Orders, rights, demands, liabilities and causes of action, whether known or unknown, arising during the PAGA Period, that were asserted or could have been asserted in the Action against Defendants based on the facts alleged or ascertained during the pendency of the Action, under federal and state laws, including statutory, or common law claims for wages, penalties, liquidated damages, interest, attorneys' fees, litigation costs, restitution, equitable relief or other relief under Business & Professions Code section 17200, *et seq.* based on the alleged Labor Code violations, including, without limitations, the following categories: (a) any and all claims involving any alleged failure to pay overtime wages; (b) any and all claims involving any alleged failure to pay minimum wage; (c) any and all claims involving any alleged failure to pay employees for all hours worked, including but not limited to any claim for minimum, straight time, or overtime wages; (d) any and all claims involving any alleged failure to keep accurate records or to issue proper wage statements to employees; (e) any and all claims involving any alleged failure to timely pay wages, including but not limited to any claim that Defendants violated Labor Code sections 201, 202, or 204, and any claim for waiting time penalties under Labor Code section 203; (g) any and all claims involving any alleged failure to provide meal or rest breaks or pay premiums in lieu of breaks; (h) any and all claims involving any alleged failure to reimburse under Labor Code section 2802; and (i) any and all penalties pursuant to the Private Attorneys General Act ("PAGA") of 2004 arising out of any or all of the aforementioned claims. The PAGA Released Claims include all such claims

arising under the California Labor Code including, but not limited to, sections 201-204, 223, 226, 226.3, 226.7, 510, 558, 512, 1102.5, 1174, 1174.5, 1175, 1194, 1197, 1198, 1197.1, 2802 and 2698 et seq., applicable Industrial Welfare Commission Wage Orders and California Code of Regulations, Title 8, section 11000 et seq. This release excludes the release of claims not permitted by law. "Released Parties" means: Defendants Anthem Mechanical and Michael Solomon, together with Defendants' directors, officers, employees, and agents.

II. RECITALS

20. Plaintiff is a former employee of Defendant Anthem Mechanical, and was employed by Defendant Anthem Mechanical during the PAGA Period.

21. On September 15, 2023, Plaintiff submitted his LWDA Letter asserting claims for civil penalties pursuant to PAGA stemming from alleged Labor Code violations.

22. On or about March 1, 2024, Plaintiff filed this Action alleging individual and representative claims for failure to: (1) pay regular and overtime wages, (2) provide rest periods, (3) provide meal periods, (4) reimburse business expenses (5) issue compliant wage statements, (6) timely pay wages at termination, (7) timely pay wages during employment, and related claims under PAGA and the California Business and Professions Code.

23. The Parties engaged in informal discovery in support of resolution at mediation, including production of information, documents and reviewing and analyzing extensive data made available by Defendants which enabled the parties to thoroughly evaluate Plaintiff's claims, the claims of the Aggrieved Employees, Defendants' defenses, and the likely outcomes, risks and expense of pursuing litigation.

24. On September 26, 2024, the Parties participated in mediation with Katherine Edwards, Esq., wherein they were able to resolve the claims and the Action in its entirety.

25. The Parties agree a bona fide dispute exists as to whether any amount of penalties are due from Defendants to any California employees, including Plaintiffs, and to the LWDA and/or to any allegedly aggrieved employees.

26. Based on the discovery exchanged as well as their own independent investigation and evaluation, the Parties have considered the claims asserted by Plaintiff, the defenses asserted by Defendants, the risks associated with the continued prosecution of the Action, and the cost of continued litigation through trial and appeals. After considering all the circumstances, the Parties have concluded that the proposed settlement set forth in this Agreement is fair, adequate, and reasonable.

27. The Parties further agree that this Agreement, the fact of this Settlement, any of the terms of this Agreement, and any documents filed in connection with the Settlement shall not constitute, or be offered, received, claimed, construed, or deemed as an admission, finding, or evidence of: (i) any wrongdoing by any Released Parties, (ii) any violation of any statute or law by Released Parties, (iii) any liability on the claims or allegations in the Action on the part of any Released Parties, (iv) any waiver of Defendants' right to arbitration or the enforceability of any

arbitration agreement, or (v) the propriety of certifying a litigation class or collective (conditionally or otherwise) or pursuing representative relief under the PAGA in the Action or any other civil or administrative proceeding; and this Agreement shall not be used by any person or entity for any purpose whatsoever in any administrative or legal proceeding, including but not limited to arbitrations, other than a proceeding to enforce the terms of the Agreement.

28. Within 60 days of full execution of this Settlement Agreement by all Parties and their counsel, Plaintiff will file the Motion for Approval of the PAGA Settlement, as further addressed herein.

29. The Parties have agreed to fully and finally resolve the PAGA Released Claims as to Plaintiff and the Aggrieved Employees pursuant to this Settlement Agreement.

NOW, THEREFORE, IT IS HEREBY CONSENTED TO, AND AGREED, by Plaintiff for himself and on behalf of the State of California and Aggrieved Employees, and by Defendants, that subject to the approval of the Court and the LWDA, the Action shall be settled, compromised, and dismissed, on the merits and with prejudice, and the Released Claims shall be finally and fully compromised, settled and dismissed as to the Released Parties, in the manner and upon the terms and conditions hereafter set forth in this Agreement.

III. OPERATIVE TERMS OF THE SETTLEMENT AGREEMENT

The Parties agree as follows:

30. **Non-Admission.** Nothing in this Settlement Agreement shall be construed to be an admission by Plaintiff that the PAGA claims do not have merit or by Defendants of any liability or wrongdoing as to Plaintiff, the Aggrieved Employees, or any other person, and Defendants specifically disclaims any such liability or wrongdoing. The Parties have entered into this Settlement Agreement with the intention to avoid further disputes and litigation with the attendant inconvenience, expenses, and risks. This Settlement Agreement and any related court documents or orders are not and may not be cited or admitted as evidence of liability.

31. **Settlement Amount.** Defendants shall pay the maximum Gross Settlement Amount of One Hundred Thousand Dollars and Zero Cents (\$100,000.00) in settlement of the Action, which is due from Defendants to be paid in within four (4) months of the Court's Order granting final settlement approval, with any dates falling on a weekend or holiday to be due the first business day following the date for payment. The Parties agree to allocate the Gross Settlement Amount as follows:

- a. **To Plaintiff:** An Individual General Release Payment to Plaintiff of \$10,000 for (1) his general release that includes a release of claims pursuant to California Civil Code section 1542 and (2) his service to the State of California and the Aggrieved Employees in prosecuting the Action. As part of the motion for the approval of the Settlement, Plaintiff will seek Court approval for the General Release Payment. If the Court approves a General Release Payment less than the amount requested, the Administrator will retain the remainder in the Net Settlement Amount to be distributed as PAGA Penalties. In the event the Court awards an amount for the General Release Payment less than the amount requested, the amount awarded shall

not constitute a material change to this Agreement. In the event the Court denies the request for the General Release Payment in its entirety, the denial shall not constitute a material change to the settlement. The Administrator will pay the General Release Payment using IRS Form 1099. Plaintiff assumes full responsibility and liability for employee taxes owed on the General Release Payment.

- b. **To PAGA Counsel:** A PAGA Counsel Fees Payment of not more than one third of the Gross Settlement Amount, which is currently estimated to be \$33,333.33 and a PAGA Counsel Litigation Expenses Payment of not more than \$10,000.00. Defendants will not oppose requests for these payments provided that they do not exceed these amounts. As part of the motion for approval of the Settlement, Plaintiff and/or PAGA Counsel will seek Court approval for any PAGA Counsel Fees Payment and PAGA Litigation Expenses Payment. If the Court approves a PAGA Counsel Fees Payment and/or a PAGA Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount to be distributed as PAGA Penalties. In the event the Court awards an amount for the PAGA Counsel Fees Payment and/or the PAGA Counsel Litigation Expenses Payment less than the amount requested, the amount awarded shall not constitute a material change to the settlement. Released Parties shall have no liability to PAGA Counsel or any other Plaintiff's counsel arising from any claim to any portion of any PAGA Counsel Fee Payment and/or PAGA Counsel Litigation Expenses Payment. The Administrator will pay the PAGA Counsel Fees Payment and PAGA Counsel Expenses Payment using one or more IRS 1099 Forms. PAGA Counsel assumes full responsibility and liability for taxes owed on the PAGA Counsel Fees Payment and the PAGA Counsel Litigation Expenses Payment and holds Defendant harmless, and indemnifies Defendant, from any dispute or controversy regarding any division or sharing of any of these payments.
- c. **To the Administrator:** An Administrator Expenses Payment not to exceed \$3,000.00 except for a showing of good cause and as approved by the Court. To the extent the Administration Expenses are less or the Court approves payment less than \$3,000.00, the Administrator will retain the remainder in the Net Settlement Amount.
- d. **To the LWDA and Aggrieved Employees:** The remaining \$43,666.67 of the Settlement Payment shall be designated as "PAGA Penalties," to be allocated 75% to the LWDA (\$32,750.00) and the remaining 25% to the Aggrieved Employees (\$10,916.67) (pursuant to Labor Code section 2699(i) and as further outlined below for individual employee payment calculations).
- e. Each Individual PAGA Payment shall be based on the number of pay periods each Aggrieved Employee worked during the PAGA Period as a percentage of the total pay periods worked by all Aggrieved Employees during the PAGA Period. This amount shall constitute resolution of all remedies available under Labor Code section 2699, and preclude pursuit by Aggrieved Employees of any PAGA Released Claims.

- f. The penalty settlement payments will be reported on IRS Form 1099s. The Parties acknowledge and agree that all payments under this Settlement Agreement as PAGA Payments are attributable as penalties. None are attributable as wages. Accordingly, the parties acknowledge and agree that Defendants are not responsible for any employer-side taxes in connection with any PAGA Payments under this Settlement Agreement.
- g. In the event the Court or LWDA increases the allocation of funds to the PAGA Payment, such increase shall come from the PAGA Counsel Fees Payment and shall not cause any increase to the Gross Settlement Amount.

32. **Aggrieved Employee Size Estimates and Escalator Clause.** Based on its records as of the date of the mediation, Defendant estimates that there are approximately 71 Aggrieved Employees who worked approximately 3,304 Pay Periods during the PAGA Period. If the number of pay periods in the PAGA Period exceeds the representations made by Defendants by more than 10% of the aggregate total pay periods at the end of the PAGA Period, the Gross Settlement Amount shall increase proportionately (e.g., if the number of workweeks exceed by 12%, then Defendants shall pay 2% more than the Gross Settlement Amount).

33. **Release of Claims.** Effective on the date when Defendant fully funds the entire Gross Settlement Amount, Plaintiff, PAGA Counsel, and the Aggrieved Employees will release claims against all Released Parties as follows:

- a) Release by Plaintiff, as an individual and as an Aggrieved Employee, and Aggrieved Employees: All Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from any and all claims for civil penalties that could have been assessed upon and collected from the Released Parties under PAGA during the PAGA Period, based on the factual allegations in the Action, including, but not limited to (a) any and all claims involving any alleged failure to pay overtime wages; (b) any and all claims involving any alleged failure to pay minimum wage; (c) any and all claims involving any alleged failure to pay employees for all hours worked, including but not limited to any claim for minimum, straight time, or overtime wages; (d) any and all claims involving any alleged failure to keep accurate records or to issue proper wage statements to employees; (e) any and all claims involving any alleged failure to timely pay wages, including but not limited to any claim that Defendants violated Labor Code sections 201, 202, or 204, and any claim for waiting time penalties under Labor Code section 203; (g) any and all claims involving any alleged failure to provide meal or rest breaks or pay premiums in lieu of breaks; (h) any and all claims involving any alleged failure to reimburse under Labor Code section 2802; and (i) any and all penalties pursuant to the Private Attorneys General Act ("PAGA") of 2004 arising out of any or all of the aforementioned claims. The PAGA Released Claims include all such claims arising under the California Labor Code including, but not limited to, sections 201-204, 223, 226, 226.3, 226.7, 510, 558, 512, 1102.5, 1174, 1174.5, 1175, 1194, 1197, 1198, 1197.1, 2802 and 2698 et

seq., applicable Industrial Welfare Commission Wage Orders and California Code of Regulations, Title 8, section 11000 et seq.

- b) Plaintiff's Release and Waiver of Rights Under California Civil Code Section 1542. For purposes of Plaintiff's Release, Plaintiff expressly waives and relinquishes any and all known, or unknown claims, including those under the provisions, rights, and benefits, if any, of section 1542 of the California Civil Code, which reads:

"A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release, and that if known by him or her would have materially affected his or her settlement with the debtor or Released Party."

- c) Release by PAGA Counsel: PAGA Counsel release on behalf of their present and former attorneys, employees, agents, successors, and assigns the Released Parties from all claims for PAGA Fees incurred in connection with the Operative Complaint and the PAGA Period facts stated in the Operative Complaint and the PAGA Notice.

34. **Settled Claims.** Upon entry of the Order approving this settlement, Plaintiff and all Aggrieved Employees will be forever barred from pursuing the PAGA Released Claims against Defendants.

35. **Confidentiality.** No Parties nor their counsel shall issue a press release, hold a press conference about the settlement, publicize or disclose or cause or knowingly permit or authorize the publicizing or disclosure of the fact of the settlement, the contents of this Settlement Agreement, including the amount(s) paid in settlement and the parties involved, or of the negotiations leading up to the settlement. Should they be asked to comment, they shall respond that the Action has been resolved.

36. **No Right to Opt Out or Object.** The Parties agree there is no statutory right for any Aggrieved Employee to object, opt out or otherwise exclude himself or herself from the Settlement. The Parties further agree there is no right or opportunity for any Aggrieved Employee to appeal the approval of the Settlement by the Court.

37. **Waiver of Right to Appeal.** Provided that the Approval is consistent with the material terms of this Agreement, Plaintiff, Defendants, and their respective counsel hereby waive any and all rights to appeal from the Approval, including all rights to any post-judgment proceeding and appellate proceeding, such as a motion to vacate judgment, a motion for new trial, and any extraordinary writ, and the Approval therefore will become non-appealable at the time it is entered. The waiver of appeal does not include any waiver of the right to oppose any appeal, appellate proceedings or post-judgment proceedings. This paragraph does not preclude Plaintiff or Plaintiff's Counsel from appealing from a refusal by the Court to award the Plaintiff's Counsel's attorneys' fees and/or costs sought by them. If an appeal is taken, the time for consummating the Settlement (including making payments under the Settlement) will be suspended until such time as their appeal is finally resolved and the Approval becomes Final, as defined in this Agreement.

38. **Motion for Approval of PAGA Settlement by Plaintiff's Counsel.** The Parties recognize that in accordance with Labor Code Section 2699(l) Court approval is required in the event of a settlement of a PAGA action on a representative basis. However, as explained in *Arias v. Superior Court* (2009) 46 Cal.4th 969, the Parties are not obligated to follow the class action procedural rules in PAGA cases and therefore need not obtain approval of the PAGA settlement through a motion for preliminary or final approval. Instead, to comply with the requirements of Labor Code Section 2699(l), Plaintiffs' Counsel shall file a mutually agreeable Motion for settlement approval ("PAGA Approval Motion") seeking an Order: (a) Approving the Settlement and the terms thereof; (b) Approving the PAGA Payment to the LWDA; (c) Permanently enjoining all Aggrieved Employees from prosecuting against the Released Parties any and all PAGA Released Claims; and (d) Permanently enjoining the Plaintiff from prosecuting against the Released Parties any and all of the Individual Released Claims. Defendants or Defendants' Counsel shall not oppose such a motion provided that Plaintiff's Counsel sends a draft of the PAGA Approval Motion to Defendants' Counsel allowing sufficient time (at least thirty (30) days) to review and comment. Defendants' Counsel will provide Plaintiff's Counsel with and allow Plaintiff's Counsel to submit to the Court, adequate information related to the released claims to obtain Approval of the Settlement. Upon filing the PAGA Approval Motion, Plaintiff's Counsel will serve the LWDA with notice of the settlement as required by applicable law. The Parties agree that Plaintiff will submit the Proposed PAGA Approval and Order of Final Approval and Dismissal with Prejudice (retaining jurisdiction in the Court to enforce per CCP § 664.6) ("Final Approval Order") which will be approved by both counsel for Defendants and for Plaintiff prior to Plaintiff's filing, in substantially the same format as Exhibit "A" attached hereto.

39. The proposed PAGA Settlement is contingent upon the approval by the Court. If the Court should fail to approve this Settlement in the form agreed to by the Parties, the Parties agree to coordinate efforts to address the Court's questions or concerns and resubmit the PAGA Approval Motion. If, after the Parties are unable to obtain approval of the terms of the Settlement, or the Court's approval of this Settlement is reversed, modified, or declared or rendered void, then (i) this Settlement shall be considered null and void; (ii) neither this Settlement nor any of the related negotiations or proceedings shall be of any force or effect; and (iii) all Parties to this Settlement shall stand in the same position, without prejudice, as if the Settlement had been neither entered into nor filed with the Court. Invalidity of any material portion of this Settlement, except for the amount of attorneys' fees and costs, shall invalidate this Settlement in its entirety unless the Parties shall subsequently agree in writing that the remaining provisions shall remain in full force and effect. The PAGA Approval Motion will request the Court to approve the amount of the PAGA Penalties, dismiss the Complaint with Prejudice, and retain jurisdiction in accordance with CCP § 664.6.

40. Within sixty (60) days of the full execution of this Agreement, Plaintiff will file the PAGA Approval Motion, together with the proposed PAGA Group Letter (defined below), and Final Order Approving the PAGA Settlement, but only after Defendants' opportunity for review of all said documents and approval thereof in writing.

IV. ADMINISTRATION OF SETTLEMENT

41. Following Court approval of the PAGA Settlement, the Settlement Administrator,

Simpluris Inc., will administer the PAGA Settlement and distribute the Gross Settlement Amount as provided for by this Agreement.

42. The PAGA Payment will be allocated as provided by Labor Code §2699(i), with 75% paid to the LWDA, and 25% distributed to Aggrieved Employees on a proportionate basis, based upon the number of Pay Periods each worked during the PAGA Period.

43. Aggrieved Employee Data. Within (15) days after the later of 1) the Effective Date, and 2) the date the Settlement Administrator provides Defendant with file transfer instructions for securely sending the Aggrieved Employee Data to the Administrator, Defendant will deliver the Aggrieved Employee Data to the Administrator in the form of a Microsoft Excel spreadsheet. To protect the Aggrieved Employees' privacy rights, the Administrator must maintain the Aggrieved Employee Data in confidence, use the Aggrieved Employee Data only for purposes of this Settlement and for no other purpose, and restrict access to the Aggrieved Employee Data to Administrator employees who need access to the Aggrieved Employee Data to effect and perform under this Agreement. Defendant has a continuing duty to immediately notify PAGA Counsel if it discovers that the Aggrieved Employee Data omitted employee identifying information and to provide corrected or updated Aggrieved Employee Data as soon as reasonably feasible. Without any extension of the deadline by which Defendant must send the Aggrieved Employee Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Aggrieved Employee Data.

44. Defendant shall fully fund the Gross Settlement Amount by transmitting the funds to the Administrator no later than four (4) months from the Effective Date.

45. Within fifteen (15) days after Defendants deposit the Gross Settlement Amount with the Settlement Administrator, the Settlement Administrator will issue to the Aggrieved Employees their Individual PAGA Payment together with a letter explaining the Individual PAGA Payment ("PAGA Group Letter") which is in a form substantially similar to Exhibit "B" which will be approved by both counsel for Defendants and for Plaintiff. The Individual PAGA Payment and letter will be mailed to the Aggrieved Employees' last-known home address or as updated by the Settlement Administrator following the NCOA database search. Individual PAGA Settlement checks will remain active for one hundred and eighty (180) days. Any check returned as non-deliverable on or before the cashing deadline will be sent promptly via regular First-Class U.S. Mail to the forwarding address affixed thereto. Funds represented by settlement checks returned as undeliverable and those settlement checks remaining uncashed for more than one hundred and eighty (180) days after issuance will be tendered to the State of California Controller Unclaimed Property Fund ("UPF") for further handling on behalf of the Aggrieved Employees. The Individual PAGA Payments shall be deemed penalties and shall be reported using IRS tax form 1099.

46. Following the full distribution of the Gross Settlement Amount, the Settlement Administrator will provide a declaration to the PAGA Counsel regarding the distribution, to be filed with the Court.

V. MISCELLANEOUS PROVISIONS

47. **Successors.** This Settlement Agreement shall be binding upon and inure to the

benefit of the Parties hereto and their respective heirs, trustees, executors, administrators and successors.

48. **Costs and Fees.** The Parties shall each bear their own costs, attorneys' fees, mediator fees, and other fees incurred in connection with this Agreement and in connection with the Action and Plaintiff's claims, except as otherwise set forth specifically herein.

49. **Authority.** Defendants represent and warrant that the undersigned have the authority to act on behalf of Defendants and to bind Defendants to the terms of this Agreement. Plaintiff and his counsel represent and warrant that Plaintiff has the capacity to act on behalf of the Aggrieved Employees and the State of California as a private attorney general under PAGA to bind them to the terms and conditions of this Agreement.

50. **Governing Law.** This Agreement shall be construed under and governed by the laws of the State of California. This Agreement shall be deemed to have been entered into in Riverside, California and all questions of validity, interpretation or performance of any of its terms or of any rights or obligations of the Parties to this Agreement shall be governed by California law. If any legal or equitable action is necessary to enforce the terms of this Agreement, it shall be brought in the State of California, County of Riverside.

51. **Complete Agreement.** The Parties each acknowledge and represent that no promise or representation not contained in this Settlement Agreement has been made to them and acknowledge and represent that this Settlement Agreement contains the entire understanding between them and contains all terms and conditions pertaining to the compromise and settlement of the claims. This Settlement Agreement cannot be amended or modified except by a writing signed by the Parties hereto.

52. **Approval and Continued Jurisdiction.** After approval of this settlement, the Court will have continuing jurisdiction solely for purposes of addressing: (i) the interpretation and enforcement of the terms of the Settlement, (ii) settlement administration matters, and (iii) matters as may be appropriate under court rules or as set forth in this Settlement.

53. **Amendment or Modification.** This Settlement Agreement may be amended or modified only by a written instrument, signed by either the Parties or their successors-in-interest or counsel for all Parties.

54. **Authorization to Enter Into Settlement Agreement.** Counsel for all Parties warrant and represent they are expressly authorized by the Parties whom they represent to negotiate this Settlement Agreement and to take all appropriate action required or permitted to be taken by such Parties pursuant to this Settlement Agreement to effectuate its terms and to execute any other documents required to effectuate the terms of this Settlement Agreement. If the Parties are unable to reach agreement on the form or content of any document needed to implement the Settlement, or on any supplemental provisions that may become necessary to effectuate the terms of this Settlement, the Parties may seek the assistance of the Court to resolve such disagreement.

55. **Execution and Counterparts.** This Settlement Agreement is subject only to the execution of all Parties. However, the Settlement Agreement may be executed in one or more counterparts. All executed counterparts and each of them, including facsimile and scanned copies

of the signature page, will be deemed to be one and the same instrument provided that counsel for the Parties will exchange among themselves original signed counterparts.

56. **Severability.** If any term or provision of this Agreement is held to be invalid or unenforceable, the remaining portions of this Agreement will continue to be valid and will be performed, construed, and enforced to the fullest extent permitted by law, and the invalid or unenforceable term will be deemed amended and limited in accordance with the intent of the Parties, as determined from the face of the Agreement, to the extent necessary to permit the maximum enforceability or validation of the term or provision.

57. **Taxes.** The Parties make no representation as to the tax treatment or legal effect of the payments called for hereunder. Plaintiff and the Aggrieved Employees will be solely responsible for the payment of any taxes assessed on the payments described herein and will hold Defendants, Defendants' counsel and the Released Parties free and harmless from and against any claims resulting from the tax treatment of payments under this Agreement. No provision of this Settlement, and no written communication or disclosure between or among the Parties or their attorneys and other advisers, is or was intended to be, nor will any such communication or disclosure constitute or be construed or be relied upon as, tax advice.

58. **Enforcement Action.** In the event that one or more of the Parties institutes any legal action or other proceeding against any other Party or Parties to enforce the provisions of this Settlement or to declare rights and/or obligations under this Settlement, the successful Party or Parties will be entitled to recover from the unsuccessful Party or Parties reasonable attorneys' fees and costs, including expert witness fees incurred in connection with any enforcement actions.

59. **Mutual Preparation.** The Parties have had a full opportunity to negotiate the terms and conditions of this Settlement Agreement. Accordingly, this Settlement Agreement will not be construed more strictly against one party merely by virtue of the fact that it may have been prepared by counsel for one of the Parties, it being recognized that, because of the negotiations between the Parties, all Parties have contributed to the preparation of this Settlement Agreement.

60. **Representation By Counsel.** The Parties acknowledge that they have been represented by counsel throughout all negotiations that preceded the execution of this Settlement Agreement, and that this Settlement Agreement has been executed with the consent and advice of counsel, and reviewed in full.

61. **Cooperation and Execution of Necessary Documents.** All Parties will cooperate in good faith and execute all documents to the extent reasonably necessary to effectuate the terms of this Settlement Agreement.

62. **Binding Agreement.** The Parties warrant that they understand and have full authority to enter into this Settlement Agreement, and further intend that this Settlement Agreement will be fully enforceable and binding on all Parties, and agree that it will be admissible and subject to disclosure in any proceeding to enforce its terms, notwithstanding any mediation confidentiality provisions that otherwise might apply under federal or state law.

63. **Authorization and Voluntary Agreement.** Each of the Parties represents and warrants that (a) they are fully authorized to enter into this Agreement; (b) they have read and fully

understand each of the provisions of this Agreement; (c) they have had the opportunity to rely, and/or have relied, upon the advice and representation of their legal counsel of their own choosing in entering into this Agreement; (d) they have signed the Agreement voluntarily, without any duress or undue influence on the part, or on behalf, of any Party; and (e) the terms of this Agreement are contractual and not merely recitals. Plaintiff is hereby advised not to sign this Agreement before consulting with legal counsel.

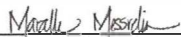
IN WITNESS THEREOF, the Parties each acknowledge that he/it has read the foregoing Settlement Agreement, accepts and agrees to the provisions contained in this Settlement Agreement and hereby executes it voluntarily and with full understanding of its consequences.

Executed on February 21, 2025



Noriell Hoff (Feb 21, 2025 11:58 PST)
Plaintiff Noriell Hoff

Executed on February 21, 2025



Maralle Messrelian
MM Law, APC

Executed on February 28, 2025



Defendant Anthem Mechanical
By: Michael Solomon
Its: Owner

Executed on February 28, 2025



Defendant Michael Solomon

March 5
Executed on February 28, 2025



Alicia Belock
Buchalter, APC

Exhibit A

Plaintiff Noriell Hoff's ("Plaintiff") Motion for Approval of PAGA Settlement was heard by the Court on _____. The Court having reviewed the Motion for Approval of PAGA Settlement, the PAGA Settlement Agreement and Release ("PAGA Settlement") attached as Exhibit A to the Declaration of _____ filed with Plaintiff's motion, the papers, the arguments of counsel, and other evidence and matters presented, and good cause appearing:

IT IS HEREBY ORDERED that the Plaintiff's Motion for Approval of PAGA Settlement is GRANTED, subject to the following findings and orders:

1. To the extent required by Labor Code § 2699(l), the PAGA Settlement and its terms represent a reasonable and adequate settlement of highly disputed claims to Plaintiff, the "Aggrieved Employees" (as the term is defined in the PAGA Settlement), the State of California, Plaintiff's counsel, and Defendants Anthem Mechanical and Michael Solomon, and is approved.

2. The allocation of the settlement funds among the Plaintiff, the Aggrieved Employees, the State of California, and Plaintiff's counsel is fair, just, reasonable, adequate, and equitable to all concerned, and is approved to the extent required under Labor Code § 2699(l).

3. The settlement is approved on the terms stated in the PAGA Settlement.

4. Judgment in this matter is entered in accordance with, and incorporates by reference, the terms and conditions of the PAGA Settlement. Instead of filing a request for dismissal to terminate this action, this judgment will terminate the action.

5. The PAGA Settlement is not an admission of liability, wrongdoing, or damages by Defendant or the "Released Parties" (as the term is defined in the PAGA Settlement), nor is this judgment a finding of the validity of any allegations in the operative complaint as to Defendant or the Released Parties. Neither this judgment, the PAGA Settlement, nor any document referred to therein, nor any action taken to carry out the PAGA Settlement, may be construed as, or may be used as, an admission of any fault, wrongdoing, omission, concession, or liability whatsoever by or against Defendant or the Released Parties.

6. The PAGA Settlement shall be binding on Plaintiff, all PAGA Members, and the State of California, who are hereby barred from re-litigating any of the claims released by the

PAGA Settlement.

7. Pursuant to Code of Civil Procedure section 664.6 the Court shall retain exclusive and continuing jurisdiction over the above-captioned action and the parties for purposes of enforcing the terms of the PAGA Settlement.

8. A Final Accounting (nonappearance) hearing will be held on _____ at _____ a.m/p.m. , in Department 1 of this Court. A Final Accounting Declaration from the Settlement Administrator shall be filed 15 days prior to the hearing concerning the amount of money distributed and/ or uncashed.

IT IS SO ORDERED, ADJUDGED AND DECREED.

DATED: _____

HON. HAROLD W. HOPP
JUDGE OF THE SUPERIOR COURT

1.

Exhibit B

<<Mailing Date>>

To: <<First Name>><<Last Name>>

<<Address>>

<<City>> <<State>> <<Zip>>

Re: Individual PAGA Payment from *Noriell Hoff v. Anthem Mechanical, et. al.*

Riverside County Superior Court, Case No. CVRI2401199

Dear <<First Name>><<Last Name>>:

Please find enclosed a check in the amount of <<**amount of payment**>> (“Individual PAGA Payment”). This check is your payment from the settlement of a lawsuit entitled *Noriell Hoff v. Anthem Mechanical, et. al.*, Case No. CVRI2401199 (“Action”), pending in the Superior Court of California for the County of Riverside (“Court”).

The lawsuit was filed by Noriell Hoff (“Plaintiff”), against his former employer Anthem Mechanical and its owner Michael Solomon (together, “Defendants”), on behalf of the State of California with respect to himself and other alleged aggrieved employees, to seek recovery of civil penalties pursuant to the California Private Attorneys General Act of 2004, California Labor Code § 2698, *et seq.* (“PAGA”). Plaintiff alleged that Defendants violated the California Labor Code and Industrial Welfare Commission Wage Orders by failing to properly pay all wages, provide lawful meal periods or compensation in lieu thereof, authorize or permit lawful rest breaks or provide compensation in lieu thereof, provide accurate itemized wage statements, provide reimbursement for business expenses, and timely pay all wages during employment and upon

separation of employment. Defendants deny these allegations and deny any wrongdoing of any kind associated with these allegations.

A settlement was reached between Plaintiff and Defendants, on behalf of Plaintiff, the State of California, and the following Aggrieved Employees: any person employed by Anthem Mechanical as a non-exempt hourly employee at any time from December 27, 2022 through <<<Date of Settlement Approval>>>.

On <<Date of Settlement Approval>>, the settlement was approved by the Court, with a portion to be paid to the State of California and a portion to be paid to the Aggrieved Employees. You are receiving a portion of the settlement (the enclosed Individual PAGA Payment) because you have been identified as an Aggrieved Employee. Your Individual PAGA Payment is based on the total number of pay periods that you worked as a PAGA Employee during the period between December 27, 2022 to <<<Date of Settlement Approval>>>. ("PAGA Period"). The Individual Settlement Check is considered to be 100% penalties, which will be reported on an IRS Form 1099. You are responsible for paying any and all taxes that may be due as a result of any payment issued to you under the settlement and should consult a tax advisor regarding the tax consequences of such payment.

By way of the settlement, you are deemed to fully release and forever discharge the Released Parties from the Released Claims. The "Released Parties" means Defendants and their officers, directors, employees, and agents.. The "Released Claims" means and refers to all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period and facts stated in the Complaint and the PAGA Notice, from December 27, 2022 to <<<Date of Settlement Approval>>>.

No claims for any unpaid or underpaid wages have been settled by this settlement, and this settlement is without prejudice to any pursuit of such claim.

Your check is valid for 180 calendar days from the date of issuance, and if you do not cash, deposit, or otherwise negotiate the check within the 180-day timeframe, your Individual PAGA Payment will be cancelled and the funds will be transmitted to the State Controller's Office Unclaimed Property Fund in the name of the PAGA Employee whose check is voided.

Do not call or write the Court or Office of the Clerk of the Court to ask questions about the settlement. If you have any questions concerning the settlement, you may contact the Defense Counsel: Alicia Belock, Buchalter APC, 655 West Broadway, Suite 1600, San Diego CA, 92101, (619) 219-8183.