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Attorneys for Plaintiff RAMONDA SHAKIR,
on behalf of herself and all others similarly situated

[Additional counsel and party listed on following page]

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES

RAMONDA SHAKIR, an individual, on behalf of herself and others similarly situated, Plaintiff, vs. WATERTON RESIDENTIAL L.L.C., a Delaware Limited Liability company; and DOES 1 through 50, inclusive, Defendants.	Case No. 23STCV30383 <u>Assigned for All Purposes To:</u> Hon. Christopher K. Lui Dept.: 76 **PAGA SETTLEMENT AGREEMENT AND RELEASE** Original Complaint filed: December 13, 2023 Trial Date: None set

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This PAGA Settlement Agreement and Release ("Settlement Agreement" or "Settlement") is made by and between plaintiff Ramonda Shakir ("Plaintiff") and Defendant Waterton Residential, LLC dba Waterton Residential ("Defendant"). The Agreement refers to Plaintiff and Defendant collectively as "Parties," or individually as "Party."

1. **DEFINITIONS**

1.1. "Action" means Plaintiff's PAGA lawsuit against Defendant captioned *Ramonda Shakir v. Waterton Residential, LLC dba Waterton Residential*, Case No. 23STCV30383, filed on December 13, 2023, and pending in Superior Court of the State of California, County of Los Angeles.

1.2. "Administrator" means Simpluris, the neutral entity the Parties have agreed to appoint to administer the Settlement.

1.3. "Administration Costs" means the amount to be paid to the Administrator from the Gross Settlement Amount for administration of this Settlement.

1.4. "Aggrieved Employees" means and includes all individuals who worked for Defendant as hourly, non-exempt employees in California at any time during the PAGA Period.

1.5. "Aggrieved Employee Data" means Aggrieved Employee identifying information in Defendant's possession including the Aggrieved Employee's name, last-known mailing address, Social Security number, and number of PAGA Pay Periods worked during the PAGA Period.

1.6. "Aggrieved Employee Address Search" means the Administrator's investigation and search for current Aggrieved Employee mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Aggrieved Employees.

1.7. "Approval Order" means the Court's Order Granting Approval of the Settlement.

1.8. "Court" means the Superior Court of California, County of Los Angeles.

1.9. "Defendant" means Waterton Residential, LLC dba Waterton Residential

1.10. "Defense Counsel" means McDermott Will & Emery, LLP.

1.11. "Effective Date" means the date on which the Court enters a Judgment on its Order Approving the PAGA Settlement and all applicable periods for appealing the Court's Order entering Judgment expired without an appeal being filed, or if an appeal is filed, the date upon which any appeals from such order have been dismissed or resolved affirming the Settlement and there is no possibility of any subsequent appeal or other judicial review. In the event that the Court does not approve the Settlement, or if the Order and Judgment is reversed on appeal, then there shall be no Effective Date and this Agreement shall become null and void.

1.12. "Gross Settlement Amount" or "GSA" means the non-reversionary payment of $165,000.00 (One Hundred Sixty-Five Thousand Dollars and No Cents), which is the total amount Defendant agree to pay under the Settlement. The GSA will be used to pay Individual PAGA Payments, the LWDA PAGA Payment, PAGA Counsel Fees, PAGA Counsel Costs, and the Administration Costs.

1.13. "Individual PAGA Payment" means each Aggrieved Employee's pro rata share of 25% of the PAGA Penalties calculated according to the number of Workweeks worked during the PAGA Period.

1.14. "Judgment" means the judgment entered by the Court based upon the Approval of the PAGA Settlement.

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

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

1.17. "Net Settlement Amount" or "NSA" means the Gross Settlement Amount less the following payments in the amounts approved by the Court: PAGA Counsel Fees and Costs, and Administration Costs. The NSA and the PAGA Penalties are similarly defined, as both are the remainder amount after deductions from the GSA to be paid to the LWDA and Aggrieved Employees as civil penalties under the PAGA.

1.18. "PAGA" means the Private Attorneys General Act (Labor Code §§ 2698.

et seq.).

1.19. "PAGA Counsel" means D.Law, Inc. David Yeremian & Associates, Inc., and Capstone Law APC.

1.20. "PAGA Counsel Fees" and "PAGA Counsel Costs" mean the amounts allocated to PAGA Counsel for reimbursement of reasonable attorneys' fees and expenses, respectively, incurred in connection with this Action. PAGA Counsel will request approval of an award of attorneys' fees in an amount not to exceed $57,750 or 35% (Thirty-Five percent) of the Gross Settlement Amount, as well as actual reasonable litigation costs. Defendant will not oppose PAGA Counsel's request for attorneys' fees and costs in the amount provided for in this paragraph. PAGA Counsel Fees and Costs will be paid out of the Gross Settlement Amount. To the extent that the Court approves less than the amount of attorneys' fees or costs requested, the difference between the requested and awarded amounts will be added to the Net Settlement Amount for payment of the LWDA PAGA Payment.

1.21. "PAGA Notice" means Plaintiff's September 14, 2023 letter to Defendant and the LWDA providing notice pursuant to California Labor Code section 2699.3, subd.(a).

1.22. "PAGA Penalties" means the total PAGA civil penalties payment to be paid from the Gross Settlement Amount and is defined similarly as the NSA, with both calling for an allocation of 25% to the Aggrieved Employees and 75% to LWDA in settlement of PAGA claims.

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

1.24. "PAGA Period" means the period from September 14, 2022 through July 29, 2024.

1.25. "Plaintiff" means Ramonda Shakir, the named plaintiff in the Action.

1.26. "Released Parties" means: Defendant and any other person or entity that is or could be claimed to be an employer of any Aggrieved Employee with respect to the Released Claims, and each of their past, present and future officers, owners, directors, partners, employees, shareholders, agents, trustees, representatives, attorneys, insurers, reinsurers, customers, parent companies, investors, members, direct and indirect equity holders and control persons, subsidiaries, divisions, affiliates, predecessors, successors, assigns, and their respective heirs, estates, executors, administrators, successors and assigns, as well as any individual or entity that could be alleged to be jointly liable with Defendant.

1.27. "Settlement Notice" means an explanatory letter similar to that attached hereto as Exhibit A to be sent by the Administrator to Aggrieved Employees.

2. **RECITALS.**

2.1. On September 14, 2023, Plaintiff gave written notice to Defendant and the LWDA of the claims alleged in this Action by sending the PAGA Notice pursuant to Labor Code § 2699.3(a). On December 13, 2023, Plaintiff commenced this Action by filing a Complaint for Representative Action for Penalties Under Private Attorneys General Act, Labor Code § 2698 *et seq.* for: (1) Failure to Pay Minimum Wages; (2) Failure to Pay Wages and Overtime Under Labor Code § 510; (3) Meal-Period Liability Under Labor Code § 226.7; (4) Rest Break Liability Under Labor Code § 226.7; (5) Failure to Pay Vacation Wages; (6) Failure to Comply with Labor Code § 245 *et seq.* and 246; (7) Failure to Reimburse Necessary Business Expenditures Under Labor Code § 2802; (8) Violation of Labor Code § 226(a), 1174; and (9) Violation of Labor Code § 203, 204 ("Operative Complaint").

2.2. Shortly after initiating the Action, the Parties met and conferred regarding the allegations in the Complaint and PAGA Notice, and the enforceability of an arbitration agreement signed by Plaintiff. After much consideration, the Parties agreed to try and resolve the matter through mediation.

2.3. On May 3, 2024, the Parties participated in an all-day mediation with Dan Turner. Although the Parties were not able to settle at the mediation, the Parties continued to work cooperatively with the mediator and after extensive settlement discussions, the Parties accepted a mediator's proposal setting forth the general settlement terms on May 30, 2024.

2.4. The Parties have each independently analyzed and investigated the facts and law relevant to this case through informal discovery, including, but not limited to, the employment policies, procedures, and practices implicated by the Operative Complaint and/or the

PAGA Notice; a sampling of timekeeping records, payroll records, and wage statements relating to Plaintiff and other non-exempt employees on whose behalf the Operative Complaint and/or the PAGA Notice are asserted; and summaries of data pertaining to the number of employees allegedly affected by the policies, procedures, and practices implicated by the Operative Complaint and/or the PAGA Notice.

2.5. After evaluating the strengths and weaknesses of their respective positions, after considering the time, expense, and risk associated with litigating this case to judgment, and after engaging in arm's-length settlement negotiations through informed counsel with the assistance of a mediator, the Parties agreed to fully, finally, and exclusively resolve the Released Claims as to Plaintiff and the Aggrieved Employees, as set forth herein and subject to Court approval.

2.6. Defendant denies the allegations in the Operative Complaint and PAGA Notice, deny any failure to comply with the laws identified in in the Operative Complaint and PAGA Notice, and deny any and all liability for the causes of action alleged in the Operative Complaint and PAGA Notice.

2.7. The Parties, PAGA Counsel and Defense Counsel represent that they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement. The Parties also entered into a separate individual settlement agreement addressing the general release Plaintiff is providing to Defendant and the related consideration.

3. **TERMS OF SETTLEMENT.**

3.1. GROSS SETTLEMENT AMOUNT. Defendant will pay a non-reversionary Gross Settlement Amount ("GSA") in the amount of $165,000.00 (One Hundred Sixty-Five Thousand Dollars) to fully settle, resolve, and extinguish all claims asserted in the Action, including without limitation all claims asserted in the PAGA Notice. The Parties stipulate and agree that the GSA covers and satisfies all amounts necessary to settle the Action including, without limitation, all PAGA Counsel Fees and Costs, and all Administration Costs. The Administrator will disburse the entire GSA without asking or requiring Aggrieved Employees to submit any claim as a condition of payment. None of the GSA will revert to Defendant. The Parties also entered into a separate individual settlement agreement addressing the general release Plaintiff is providing to Defendant and the related consideration.

3.2. FUNDING OF GROSS SETTLEMENT AMOUNT. Defendant shall fully fund the Gross Settlement Amount by transmitting the funds to the Administrator no later than 14 days after the Effective Date.

3.3. PAYMENTS FROM THE GROSS SETTLEMENT AMOUNT. The Administrator will make the following payments from the Gross Settlement Amount, in the amounts specified by the Court in the Approval Order:

3.3.1. To PAGA Counsel: A payment for PAGA Counsel Fees of not more than 35% (Thirty-Five percent) of the GSA, which is currently estimated to be $57,750.00, and PAGA Counsel Costs. Defendant will not oppose requests for these payments provided that they do not exceed these amounts. In the event the Court approves PAGA Counsel Fees and Costs less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. The Administrator will pay PAGA Counsel Fees and Costs using one or more IRS 1099 Forms. PAGA Counsel assumes full responsibility and liability for taxes owed on PAGA Counsel Fees and Costs.

3.3.2. To the Administrator: A payment for Administration Costs as approved by the Court. The Parties will not oppose the request for actual Administration Costs. To the extent Administration Costs are less or the Court approves payment less than $3,000.00, the Administrator will retain the remainder in the Net Settlement Amount.

3.3.3. PAGA Penalties Payment: After subtracting PAGA Counsel Fees and Costs, and Administration Costs, the resulting NSA will be distributed to the LWDA and Aggrieved Employees as the PAGA Penalties. The PAGA Penalties payments will be subject to Court approval consistent with California Labor Code section 2699.3(b)(4). Upon approval, the PAGA Penalties payments shall be allocated as follows:

3.3.3.1. The LWDA PAGA Payment: Seventy-five percent (75%) will be paid to the LWDA, as required by California Labor Code section 2699(i);

3.3.3.2. Individual PAGA Payments: Twenty-five percent (25%) will be divided on a *pro rata* basis among Aggrieved Employees calculated according to the number of PAGA Pay Periods worked during the PAGA Period and distributed by the Settlement Administrator in Individual PAGA Payments, as required by California Labor Code section 2699(i). To determine each Aggrieved Employee's Individual PAGA Payment, the Settlement Administrator will divide the Aggrieved Employees' 25% share of the NSA by the total number of PAGA Pay Periods worked by all Aggrieved Employees during the PAGA Period and multiply the result by the number of PAGA Pay Periods worked by each individual Aggrieved Employee.

3.3.3.3. The Individual PAGA Payments will be reported on IRS Forms 1099 issued to the LWDA and each Aggrieved Employee. The Settlement Administrator will be responsible for issuing to Aggrieved Employees any 1099 or other tax forms as may be required by law for all amounts paid pursuant to this Settlement.

4. **SETTLEMENT ADMINISTRATION.**

4.1. SELECTION OF ADMINISTRATOR. PAGA Counsel selected Simpluris to serve as the Administrator and verified that, as a condition of appointment, Simpluris agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Costs. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.

4.2. AGGRIEVED EMPLOYEE PAY PERIODS. Based on a review of its records to date, Defendant estimate there are 130 Aggrieved Employees who collectively worked a total of 2,798 PAGA Pay Periods during the PAGA Period.

4.3. AGGRIEVED EMPLOYEE DATA. Not later than seven (7) days after Judgment, Defendant will deliver the Aggrieved Employee Data to the Administrator in the form of a Microsoft Excel spreadsheet. This information will include the name, most last-known mailing address, social security number, and number of PAGA pay periods worked for each Aggrieved Employee during the PAGA Period. The list shall also include the sum total of all PAGA Pay Periods worked by Aggrieved Employees during the PAGA Period. As social security numbers are included in the list, the Settlement Administrator will maintain the list in confidence, and access shall be limited to those with a need to use the list as part of the administration of the Settlement.

4.3.1. Defendant's Continuing Duty Regarding Aggrieved Employee Data: Defendant has a continuing duty to immediately notify PAGA Counsel if it discovers that the Aggrieved Employee Data omitted employee identifying information and to provide corrected or updated Aggrieved Employee Data as soon as reasonably feasible. Without any extension of the deadline by which Defendant must send the Aggrieved Employee Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Aggrieved Employee Data.

4.4. CALCULATION OF INDIVIDUAL PAGA PAYMENTS: The Settlement Administrator will calculate the amount to be received by each Aggrieved Employee. Within seven (7) days of receiving the Aggrieved Employee Data, the Settlement Administrator will circulate to counsel for both Parties an anonymized spreadsheet containing the estimated Individual PAGA Payments to each Aggrieved Employee and the data used to calculate said payments. The Settlement Administrator shall obtain approval from all counsel of the calculations before mailing Individual PAGA Payments.

4.5. DISTRIBUTION OF PAYMENTS FROM THE GSA. Within 10 days after Defendant funds the GSA, the Administrator will mail checks for all Individual PAGA Payments along with an explanatory letter ("Settlement Notice"), LWDA PAGA Payment, Administration Costs, and PAGA Counsel Fees and Costs. Disbursement of PAGA Counsel Fees and Costs shall not precede disbursement of Individual PAGA Payments.

4.5.1. Individual PAGA Payments with Settlement Notice. The Administrator will issue checks for the Individual PAGA Payments and send the Individual PAGA Payments with the Settlement Notice to the Aggrieved Employees via First Class U.S. Mail, postage prepaid. Individual PAGA Payments will remain negotiable for 180 days and Aggrieved Employees will have 180 days from the date of mailing to cash their Individual PAGA Payments. The face of each check shall prominently state the date when the check will be voided ("void date"). The Administrator will cancel all checks not cashed by the void date. The Administrator will send checks for Individual PAGA Payments to all Aggrieved Employees. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database. If an Individual PAGA Payment is returned to the Administrator with a forwarding address provided by the United States Postal Service, the Administrator will promptly resend the check to the Aggrieved Employee at the forwarding address, but this re-mailing will not extend the 180-day period to cash the check.

4.5.2. Aggrieved Employee Address Search. The Administrator must conduct an Aggrieved Employee Address Search for all Aggrieved Employee's whose checks are returned undelivered without USPS forwarding address. Within seven (7) days of receiving a returned check the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Aggrieved Employee Address Search. The Administrator need not take further steps to deliver checks to Aggrieved Employees whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Aggrieved Employee whose original check was lost or misplaced, requested by the Aggrieved Employee prior to the void date.

4.5.3. Uncashed Checks. For any Aggrieved Employee who's Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the California Controller's Unclaimed Property Fund in the name of the Aggrieved Employee thereby leaving no "unpaid residue" subject to the requirements of California Code of Civil Procedure section 384(b).

4.5.4. The payment of Individual PAGA Payments shall not obligate Defendant to confer any additional benefits or make any additional payments to Aggrieved Employees (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

4.6. FINAL ACCOUNTING REPORT BY SETTLEMENT ADMINISTRATOR. Within 10 days after the Administrator disburses all funds in the GSA, the Administrator will provide PAGA 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 14 days before any deadline set by the Court, the Administrator will prepare, and submit to PAGA Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its disbursement of all payments required under this Agreement. PAGA Counsel is responsible for filing the Administrator's declaration in Court.

5. **<u>RELEASE OF CLAIMS</u>.** As of the Effective Date, all Aggrieved Employees, the State of California, the LWDA, and Plaintiff, in consideration of the PAGA Payment, shall be bound by this Agreement and shall have recourse exclusively to the benefits, rights, and remedies provided hereunder. Plaintiff and Aggrieved Employees (on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns), and the State of California, shall be deemed to have released Defendant and the Released Parties from all claims for PAGA penalties that were alleged, or could have been alleged, based on the facts stated in the Operative Complaint and the PAGA Notice that occurred during the PAGA Period including but not limited to all claims seeking the civil penalties for violations of the California Labor Code sections 201, 202, 203, 204, 210, 218.5, 218.6, 226, 226.3, 226.4, 226.7, 510, 512, 558, 558.1, 1174, 1174.5, 1182.12, 1185, 1194, 1194.2, 1197, 1198, 1199 and the corresponding provisions of the relevant IWC Wage Orders, with respect to failure to pay overtime wages, failure to pay minimum wage, failure to provide meal and rest breaks, failure to timely pay wages upon separation of employment and failure to provide compliant wage statements.

6. **<u>REQUEST FOR APPROVAL OF SETTLEMENT</u>.** The Parties will cooperate in obtaining through an unopposed or joint motion an order from the Court approving the terms of this Agreement at the earliest possible date following the execution of this Agreement. PAGA Counsel shall be responsible for filing an unopposed Motion for Approval of the Settlement. Plaintiff shall provide the requisite notice of this Settlement Agreement to the LWDA on or before the date Plaintiff requests approval of this Settlement Agreement from the Court. If the Court approves this Settlement, the Parties shall request that the Court enter an Order approving the settlement. As part of the request to approve the Settlement, Plaintiff shall submit a proposed order granting approval of this Settlement. The Order granting approval of the settlement shall

provide for a dismissal, with prejudice, of the entire Action. The Court shall retain jurisdiction to enforce the terms of this Agreement. This Settlement is expressly conditioned upon the Court entering such an Order approving this Settlement as set forth herein.

6.1. DUTY TO COOPERATE. The Parties agree to work diligently and cooperatively to have this matter presented to the Court for approval as efficiently as possible. Defendant agrees not to oppose Plaintiff's Motion for Approval provided it comports with this Settlement Agreement. If the Parties disagree on any aspect of the proposed Motion for Approval and/or the supporting declarations and documents, PAGA Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting and conferring, in good faith, to resolve the disagreement. If the Court does not grant Approval or conditions Approval on any material change to this Agreement, PAGA Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting and conferring, in good faith, to modify the Agreement and otherwise satisfy the Court's concerns.

6.2. CONFIDENTIALITY PRIOR TO APPROVAL. Plaintiff, PAGA Counsel, Defendant and Defense Counsel separately agree that, until the motion for approval of the Settlement is filed, they and each of them will not disclose, disseminate and/or publicize, or cause or permit another person to disclose, disseminate or publicize, any of the terms of the Agreement directly or indirectly, specifically or generally, to any person, corporation, association, government agency, or other entity except: (1) to the Parties' attorneys, accountants, or spouses, all of whom will be instructed to keep this Agreement confidential; (2) counsel in a related matter; (3) to the extent necessary to report income to appropriate taxing authorities; (4) in response to a court order or subpoena; or (5) in response to an inquiry or subpoena issued by a state or federal government agency. PAGA counsel may put publicly available information about the Settlement in any description of their experience or the like to describe their experience to a court. At no point in time shall Plaintiff and PAGA Counsel issue a press release, hold a press conference, publish information about the settlement on any website, or otherwise publicize the settlement. This paragraph does not restrict PAGA Counsel's communications with Aggrieved Employees in accordance with PAGA Counsel's ethical obligations owed to Aggrieved Employees.

7. **<u>WORKWEEK REDUCTION CLAUSE</u>.** Based on its records, Defendant represented that, as of May 3, 2024, (1) there were 130 Aggrieved Employees with a total of 2,798 PAGA Pay Periods. If the number of total PAGA Pay Periods during the PAGA Period increases by more than 10% percent from the total number of PAGA Pay Periods (i.e. an increase of 279 or more PAGA Pay Periods), then Defendant will agree to revise the definition of PAGA Period to a date range in which the number reaches no more than 3,077.

8. **<u>CONTINUING JURISDICTION OF THE COURT</u>.** Pursuant to California Code of Civil Procedure section 664.6, the Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties, Action, and the Settlement solely for purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters, and (iii) addressing such post-Judgment matters as are permitted by law.

9. **<u>AMENDED JUDGMENT.</u>** If any amended judgment is required under Cal. Civ. Proc. § 384, the Parties will work together in good faith to jointly submit and a proposed amended judgment.

10. **<u>ADDITIONAL PROVISIONS</u>.**

10.1. <u>NO ADMISSION OF LIABILITY</u>. 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 Operative Complaint 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 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).

10.2. <u>INTEGRATED AGREEMENT</u>. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party. This Agreement does not supersede or replace the separate individual settlement agreement addressing Plaintiff's general release.

10.3. ATTORNEY AUTHORIZATION. PAGA Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiff and Defendant, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.

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

10.5. NO PRIOR ASSIGNMENTS. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity and portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.

10.6. NO TAX ADVICE. Neither Plaintiff, PAGA Counsel, Defendant nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.

10.7. MODIFICATION OF AGREEMENT. This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their representatives, and approved by the Court.

10.8. AGREEMENT BINDING ON SUCCESSORS. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.

10.9. APPLICABLE LAW. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the state of California, without regard to conflict of law principles.

10.10. COOPERATION IN DRAFTING. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.

10.11. CONFIDENTIALITY. To the extent permitted by law, all agreements made, and orders entered during Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.

10.12. CALENDAR DAYS. Unless otherwise noted, all reference to “days” in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.

10.13. EXECUTION IN COUNTERPARTS. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e. DocuSign), or email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

10.14. 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 California Code of Civil Procedure section 583.330 to extend the date to bring a case to trial under California Code of Civil Procedure section 583.310 for the entire period of this settlement process.

IT IS SO AGREED.

Dated: January 21, 2025

WATERTON RESIDENTIAL, LLC dba WATERTON RESIDENTIAL

By: Erick Harris
Its: Authorized Signatory and authorized representative

Dated: January 21, 2025

PLAINTIFF

DocuSigned by:
6CC9247628594C4...
Ramonda Shakir

AGREED AS TO FORM

Dated: January 21, 2025

D.LAW, INC.

Roman Shkodnik

Roman Shkodnik

Dated: January 21, 2025

DAVID YEREMIAN & ASSOCIATES, INC.

David Yeremian

CAPSTONE LAW APC

Roxanna Tabatabaeepour

Dated: January 21, 2025

WATERTON RESIDENTIAL, LLC dba WATERTON RESIDENTIAL

By: Erick Harris
Its: Authorized Signatory and authorized representative

Dated: January _____, 2025

PLAINTIFF

____
Ramonda Shakir

AGREED AS TO FORM

Dated: January _____, 2025

D.LAW, INC.

____
Roman Shkodnik

Dated: January _____, 2025

DAVID YEREMIAN & ASSOCIATES, INC.

____
David Yeremian

Dated: January 21, 2025

CAPSTONE LAW APC

Roxanna Tabatabaeepour
Roxanna Tabatabaeepour

Dated: January 21, 2025

MCDERMOTT WILL & EMERY, LLP

Chris A. Braham

EXHIBIT A

NOTICE OF REPRESENTATIVE ACTION SETTLEMENT

Enclosed is your individual payment from the settlement of the lawsuit entitled *Ramonda Shakir v. Waterton Residential, LLC d/b/a Waterton Residential*, Los Angeles County Superior Court, Case No. 23STCV30383 (the "Action" or "Lawsuit").

1. Why should you read this notice and what is the Action about?

A settlement (the "Settlement") has been reached and approved in this representative action pursuant to the California Labor Code Private Attorneys General Act of 2004, California Labor Code § 2698 *et seq*. ("PAGA"). The Defendant in the Action is Waterton Residential, LLC dba Waterton Residential ("Defendant"). The Court has granted approval of the Settlement on behalf of a group of Aggrieved Employees defined as follows:

> All individuals who worked for Defendant as hourly, non-exempt employees in California at any time during the PAGA Period of September 14, 2022 through July 29, 2024.

Defendant's employment records indicate that you meet this definition, which makes you a member of the group of Aggrieved Employees who are receiving payments from a portion of the Gross Settlement Amount of $165,000.00. The Court directed that this Notice be sent to all Aggrieved Employees to inform them about the case and their rights, and to explain the Individual PAGA Payment check you are receiving with this Notice.

Defendant denies that they have done anything wrong or that they owe any penalties under the PAGA.
The Court did not decide in favor of Plaintiff or Defendant. Instead, both sides agreed to a Settlement. This allows the Parties to avoid the risk and uncertainty of trial and any subsequent appeal, and all affected employees will receive compensation. The Settlement is not an admission of liability by Defendant. Plaintiff and Plaintiff's attorneys believe the Settlement is fair, reasonable and adequate, and in the best interests of all Aggrieved Employees.

Under the PAGA statute, certain penalties get divided between the State and the employees. As a result of this settlement, the State's and your ability to seek penalties recoverable under the PAGA for the claims in the Action have been released. These releases are addressed in further detail below.

2. What are the terms of the Settlement?

Defendant agreed to pay $165,000.00 (One Hundred Sixty-Five Thousand Dollars and Zero Cents) to settle the Action (the "Gross Settlement Amount"). The Gross Settlement Amount includes: (a) PAGA Counsel's Fees, (b) PAGA Counsel's Costs; (c) Administration Costs; and (d) PAGA Penalties. The Court has approved the following payments from the Gross Settlement Amount:

- PAGA Counsel's Fees of $57,750.00
- PAGA Counsel's Costs of $______;
- Administration Costs of $_____; and
- PAGA Penalties of $_______.

As required by California Labor Code section 2699(i), the PAGA Penalties payment totaling $_______.00 has been divided between the State for the LWDA PAGA Payment and the Aggrieved Employees Individual PAGA Payments, with 75% ($________.00) allocated to State for the LWDA PAGA Payment and 25% ($________.00) allocated to the Individual PAGA Payments to be provided to the Aggrieved Employees. No portion of the Gross Settlement Amount will be returned to Defendant.

3. How much am I receiving for my Individual PAGA Payment and how was it calculated?

From the $_______.00 allocated to the Aggrieved Employees, the Administrator calculated each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties (est. $________.00) by the total number of PAGA Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment. Using this calculation, and based on Defendant's records:

Your Compensable Pay Periods are: <<PayPeriods>>
Based on your Pay Periods, your Individual PAGA Payment check is for: $<<Est.PAGAPaymentAmt>>

Current employees will not be retaliated against for cashing their Individual PAGA Payment checks.

Checks will remain valid until the void date of 180 days after mailing. For any Aggrieved Employee who's Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator will transmit the funds represented by such checks to the California Controller's Unclaimed Property Fund in the name of the Aggrieved Employee. You can search for unclaimed property on the State's website at: https://www.sco.ca.gov/search_upd.html

4. What claims are being released by the Settlement?

On September 14, 2023, Plaintiff gave written notice to Defendant and the LWDA by sending the PAGA Notice pursuant to Labor Code § 2699.3(a). On December 13, 2023, Plaintiff commenced this Action by filing a Complaint for Representative Action for Penalties Under Private Attorneys General Act, Labor Code § 2698 *et seq.* for: (1) Failure to Pay Minimum Wages; (2) Failure to Pay Wages and Overtime Under Labor Code § 510; (3) Meal-Period Liability Under Labor Code § 226.7; (4) Rest Break Liability Under Labor Code § 226.7; (5) Failure to Pay Vacation Wages; (6) Failure to Comply with Labor Code § 245 *et seq.* and 246; (7) Failure to Reimburse Necessary Business Expenditures Under Labor Code § 2802; (8) Violation of Labor Code § 226(a), 1174; and (9) Violation of Labor Code § 203, 204 ("Operative Complaint").

Upon the Effective Date of the Judgment as entered, the State of California, the LWDA, Plaintiff, and the Aggrieved Employees will be deemed to have released Defendant and the Released Parties from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint and the PAGA Notice that occurred during the PAGA Period ("Released Claims").

The "Released Parties" are defined as Defendant and any other person or entity that is or could be claimed to be an employer of any Aggrieved Employee with respect to the Released Claims, and each of their past, present and future officers, owners, directors, partners, employees, shareholders, agents, trustees, representatives, attorneys, insurers, reinsurers, customers, parent companies, investors, members, direct and indirect equity holders and control persons, subsidiaries, divisions, affiliates, predecessors, successors, assigns, and their respective heirs, estates, executors, administrators, successors and assigns, as well as any individual or entity that could be alleged to be jointly liable with Defendant..

Your release is specific to the above-described claims for PAGA penalties only. You are not releasing any individual claims.

If you have questions, you can call the Settlement Administrator at ______________.

PLEASE DO NOT TELEPHONE THE COURT OR DEFENDANT'S MANAGERS OR SUPERVISORS ABOUT THIS SETTLEMENT