PAGA SETTLEMENT AGREEMENT

This PAGA Settlement Agreement (“Agreement”) is made by and between Alexander Davis (“Plaintiff”) and JAJ Roofing dba Citadel Roofing and Solar (“Defendant”). The Agreement refers to Plaintiff and Defendant collectively as the “Parties,” or individually as a “Party.”

1. DEFINITIONS.

1.1. “Action” means the Plaintiff’s lawsuit alleging wage and hour violations against Defendant captioned *Alexander Davis v. JAJ Roofing dba Citadel Roofing and Solar*, Case No. 23CV011004, initiated on November 2, 2023 and pending in the Superior Court of the State of California, County of Sacramento (the “Court”).

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

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

1.4. “Aggrieved Employee(s)” means all current and former hourly-paid and/or non-exempt employees who worked for Defendant in the State of California during the PAGA Period.

1.5. “Aggrieved Employee Data” means Aggrieved Employee identifying information in Defendant’s possession, consisting of each Aggrieved Employee’s full name, last-known mailing address, Social Security number, and any other information as is necessary for the Administrator to calculate PAGA Pay Periods.

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

1.7. “Approval Order” means the Court order granting approval of the Settlement.

1.8. “Defense Counsel” means Kyle D. Kring and Kerri N. Kramer of Kring & Associates, APC.

1.9. “Effective Date” means the date on which both of the following have occurred: (a) the Court enters the Judgment, and (b) the Judgment is final. The Judgment is final as of the latest of the following occurrences: (a) the day the Court enters Judgment, assuming no appeal is filed; or (b) if a timely appeal is filed, the date of final resolution of that appeal (including any requests for rehearing and/or petitions for writs of certiorari) resulting in final judicial approval of the Settlement.

1.10. “Gross Settlement Amount” means $995,000.00 which is the total amount Defendant agrees to pay under the Settlement.

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

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

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

1.14. "LWDA PAGA Payment" means the 75% of the Net Settlement Amount paid to the LWDA.

1.15. "Net Settlement Amount" means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: PAGA Representative Service Award, PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, and the Administration Expenses Payment.

1.16. "PAGA Counsel" means Jonathan M. Genish, Miriam L. Schimmel, Joana Fang, and Alexandra Rose of Blackstone Law, APC, the attorneys representing the Plaintiff in the Action.

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

1.18. "PAGA Pay Period" means any pay period during which an Aggrieved Employee worked for Defendant while classified as a non-exempt and/or hourly-paid employee for at least one day during the PAGA Period.

1.19. "PAGA Period" means the period from October 20, 2022 until December 16, 2024.

1.20. "PAGA Representative Service Award" means the payment to the Plaintiff for initiating the Action and providing services in support of the Action.

1.21. "PAGA Notice" means Plaintiff's October 20, 2023 letter to Defendant and the LWDA providing notice pursuant to Labor Code section 2699.3, subd. (a).

1.22. "Released Parties" means Defendant and each of its former and present directors, officers, shareholders, owners, members, attorneys, insurers, predecessors, successors, assigns, subsidiaries, and affiliates.

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

2. BACKGROUND.

2.1. On November 2, 2023, Plaintiff commenced the Action by filing a Class Action Complaint alleging various causes of action against Defendant for purported unpaid minimum wages, unpaid overtime, unpaid meal period premiums, unpaid rest period premiums, wages not timely paid during employment, failure to provide accurate wage statements, untimely final wages, failure to reimburse necessary business expenses, and unfair competition. On December 27, 2023, Plaintiff filed a First Amended Class and Representative Action Complaint realleging the same and adding a cause of action against Defendant seeking civil penalties under the Private Attorneys General Act of 2004 pursuant to California Labor Code Section 2698 *et seq*. ("PAGA") for purported failure to pay overtime wages, failure to pay minimum wages, failure to provide legally-required meal periods, failure to pay required meal period premiums, failure to provide legally-required rest periods, failure to pay required rest period premiums, failure to timely pay wages during employment, failure to pay all wages at time of discharge from employment, failure to provide accurate wage statements, failure to keep complete and accurate payroll records, and failure to reimburse for necessary business-related expenses. The First Amended Class and Representative Action Complaint is the operative complaint in the Action (the "Operative Complaint"). Defendant denies the allegations in the Operative Complaint, denies any failure to comply with the laws identified in the Operative Complaint, and denies any and all liability for the causes of action alleged.

2.2. Pursuant to Labor Code section 2699.3, subd. (a), Plaintiff represents that he gave timely written notice to Defendant and the LWDA by sending the PAGA Notice. The PAGA Notice set forth Plaintiff's allegations of Defendant's purported violations and itemized the following numbered theories: (1) failure to pay for all time worked at correct rates of pay, including minimum wages, straight time wages, and overtime compensation; (2) failure to provide meal periods and pay meal period premiums; (3) failure to authorize and permit rest periods and pay rest period premiums; (4) failure to timely pay wages during employment; (5) failure to provide accurate itemized wage statements; (6) failure to maintain accurate records; (7) failure to reimburse necessary expenditures; and (8) failure to timely pay all wages upon termination of employment.

2.3. On October 17, 2024, the Parties participated in an all-day mediation presided over by Steven J. Rottman, Esq., that resulted in this Agreement to settle the PAGA claims in the Action.

2.4. Prior to mediation, Plaintiff obtained, through informal discovery, a significant sampling of time and pay records for the Aggrieved Employees, as well as documents that described Defendant's relevant policies and procedures during the PAGA Period.

3. MONETARY TERMS.

3.1. Gross Settlement Amount. Defendant promises to pay $995,000.00 and no more as the Gross Settlement Amount, subject to Paragraph 4.1 below. Defendant has no obligation to pay the Gross Settlement Amount prior to the deadline stated in Paragraph 4.3 of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendant.

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

3.2.1. To Plaintiff: A PAGA Representative Service Award to Plaintiff of not more than $5,000.00 (in addition to any Individual PAGA Payment the Plaintiff is entitled to receive as an Aggrieved Employee). Defendant will not oppose Plaintiff's request for a PAGA Representative Service Award that does not exceed this amount. If the Court approves a PAGA Representative Service Award less than the amount requested, the Administrator will retain the remainder in the Net Settlement Amount. The Administrator will report the PAGA Representative Service Award using IRS Form 1099. Plaintiff assumes full and sole responsibility and liability for any and all taxes owed on the PAGA Representative Service Award.

3.2.2. To PAGA Counsel: A PAGA Counsel Fees Payment of not more 35% of the Gross Settlement Amount, which is currently estimated to be $348,250.00 and PAGA Counsel Litigation Expenses Payment of not more than $30,000.00. Defendant will not oppose requests for Court approval of these payments provided that they do not exceed these amounts. Plaintiff and/or PAGA Counsel will file an application or motion for the PAGA Counsel Fees Payment and PAGA Counsel 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. Released Parties shall have no liability to PAGA Counsel or any other Plaintiff's counsel arising from any claim to any portion of the PAGA Counsel Fees Payment and/or PAGA Counsel Litigation Expenses Payment. The Administrator will report the PAGA Counsel Fees Payment and PAGA Counsel Litigation Expenses Payment using one or more IRS 1099 Forms. PAGA Counsel assumes sole and 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.

3.2.3. To the Administrator: An Administration Expenses Payment not to exceed $10,000.00, except upon a showing of good cause and as approved by the Court. To the extent the Administrator's expenses are less or are approved in a lesser amount, the Administrator will retain the remainder in the Net Settlement Amount.

3.2.4. To the LWDA and Aggrieved Employees: The Net Settlement Amount will be allocated 75% to the LWDA PAGA Payment and 25% to the Individual PAGA Payments.

3.2.4.1. The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of the Net Settlement Amount 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 total number of PAGA Pay Periods. Aggrieved Employees each assume full and sole responsibility and liability for any taxes owed on their Individual PAGA Payment.

3.2.4.2. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

4. SETTLEMENT FUNDING AND PAYMENTS.

4.1. Aggrieved Employee Pay Periods/Escalator Clause. Based on a review of its records to date, Defendant estimates there are 1,149 Aggrieved Employees who worked a total of 57,345 PAGA Pay Periods as of September 23, 2024. If the actual number of PAGA Pay Periods worked by the Aggrieved Employees During the PAGA Period actually exceeds 57,345 by more than 12.5% (i.e., by more than 7,168 PAGA Pay Periods), then the Gross Settlement Amount will be increased on a pro rata basis equal to the percentage increase in the number of PAGA Pay Periods worked by the Aggrieved Employees above 12.5%.

4.2. Aggrieved Employee Data. Within 30 days of the Approval Order, 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 the 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.

4.3. Funding of Gross Settlement Amount. Defendant shall fully fund the Gross Settlement Amount by transmitting the funds to the Administrator within 30 days after the Effective Date, or within 7 days after the Administrator provides Defense Counsel with all information needed for funding the Gross Settlement Amount, including complete payment instructions, whichever is later.

4.4. Payments from the Gross Settlement Amount. Within 14 days after Defendant funds the Gross Settlement Amount, the Administrator will simultaneously mail checks for the PAGA Representative Service Award, Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the PAGA Counsel Fees Payment, and the PAGA Counsel Litigation Expenses Payment.

4.4.1. The Administrator will issue checks for the Individual PAGA Payments, along with a cover letter ("Cover Letter") agreed to by the Parties and approved by the Court, in substantially the form attached here to "**Exhibit A**," and send them to the Aggrieved Employees via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (not less than 180 days after the date of mailing) when the check will be voided. The Administrator will cancel all checks not cashed by the void date. Before mailing any checks, the Administrator must update the recipients' mailing addresses using the National Change of Address Database.

4.4.2. The Administrator must conduct an Aggrieved Employee Address Search for all Aggrieved Employees whose checks are returned undelivered without a USPS forwarding address. Within 7 days of receiving a returned check, the Administrator must re-mail the check to the USPS forwarding address provided or to an address ascertained through the Aggrieved Employee Address Search, if such address is different from the address to which delivery was first attempted. 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. Neither Plaintiff nor Defendant, nor their respective counsel, shall bear any liability for lost or stolen checks, forged signatures on checks, or unauthorized negotiation of checks. Unless responsible by its own acts of omission or commission, the same is true for the Administrator.

4.4.3. For any Aggrieved Employee whose Individual PAGA Payment check is uncashed and canceled after the void date, the Administrator shall transmit the funds represented by such checks to a Court-approved nonprofit organization or foundation (“Cy Pres Recipient”), the Interdisciplinary Center for Healthy Workplaces at the University of California, Berkeley. The Parties, PAGA Counsel, and Defense Counsel represent that they have no interest or relationship, financial or otherwise, with the intended Cy Pres Recipient.

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

5. **RELEASES OF CLAIMS**. On the Effective Date and date Defendant fully funds the Gross Settlement Amount, Plaintiff, the Aggrieved Employees, the State of California with respect to the Aggrieved Employees, and PAGA Counsel will release claims against all Released Parties as follows:

5.1. <u>Plaintiff’s Release.</u> Plaintiff, individually, and on behalf of his respective former and present spouses, representatives, agents, attorneys (including PAGA Counsel), heirs, administrators, successors, and assigns generally, release and discharge the Released Parties from all claims, transactions, or occurrences that occurred prior to Plaintiff’s execution of this Agreement, including, but not limited to: all claims that were alleged, or reasonably could have been alleged, based on the facts contained in the Operative Complaint and the PAGA Notice (“Plaintiff’s Release”). The Plaintiff’s Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, or workers’ compensation benefits that arose at any time. Plaintiff acknowledges that Plaintiff may discover facts or law different from, or in addition to, the facts or law that Plaintiff now knows or believes to be true but agrees, nonetheless, that the Plaintiff’s Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiff’s discovery of them.

5.1.1. <u>Plaintiff’s Waiver of Rights Under California Civil Code Section 1542.</u> For purposes of the Plaintiff’s Release, Plaintiff expressly waives and relinquishes the provisions, rights, and benefits, if any, of section 1542 of the California Civil Code, which reads:
A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.

5.2. <u>Release by Aggrieved Employees and the State of California with respect to the Aggrieved Employees.</u> All Aggrieved Employees and the State of California with respect to the Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint and the PAGA Notice, arising during the PAGA Period, including any claims for civil penalties based on Defendant's (1) failure to pay for all time worked at correct rates of pay, including minimum wages, straight time wages, and overtime compensation; (2) failure to provide meal periods and pay meal period premiums; (3) failure to authorize and permit rest periods and pay rest period premiums; (4) failure to timely pay wages during employment; (5) failure to provide accurate itemized wage statements; (6) failure to maintain accurate records; (7) failure to reimburse necessary expenditures; and (8) failure to timely pay all wages upon termination of employment (collectively, the "Released PAGA Claims").

5.3. <u>Release by PAGA Counsel.</u> Other than the fees and costs provided to PAGA Counsel herein, PAGA Counsel release on behalf of their present and former attorneys, employees, agents, successors, and assigns the Released Parties from all claims for fees and/or expenses incurred in connection with the Action.

6. **APPLICATION OR MOTION FOR APPROVAL OF PAGA SETTLEMENT.** The Parties agree to jointly prepare and file an application or motion for approval of the Settlement.

6.1. <u>Plaintiff's Responsibilities.</u> Plaintiff will prepare and deliver to Defense Counsel all documents necessary for obtaining approval of the Settlement under Labor Code Section 2699, subd. (f)(2)) and any applicable orders of the Court.

6.2. <u>Responsibilities of Counsel.</u> PAGA Counsel and Defense Counsel are jointly responsible for expeditiously finalizing and filing the application or motion for approval of the Settlement, including utilizing best efforts to do so no later than 60 days after full execution of this Agreement, and, if necessary, obtaining a prompt hearing date for the motion and appearing in Court to advocate in favor of the motion. PAGA Counsel is responsible for delivering the Court's Approval Order to the Administrator.

6.3. <u>Duty to Cooperate.</u> If the Parties disagree on any aspect of the proposed application or motion for approval of the Settlement and/or the supporting declarations and documents, PAGA Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant approval of the Settlement or conditions its approval on any material change to this Agreement, PAGA Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to determine whether they can reach an agreement to modify the Agreement and/or otherwise satisfy the Court's concerns.

7. **SETTLEMENT ADMINISTRATION.**

7.1. <u>Selection of Administrator.</u> The Parties have jointly selected the Administrator and verified that, as a condition of appointment, the Administrator agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement or otherwise reasonably necessary to effectuate the Settlement in exchange for payment of the Administration Expenses Payment. The Parties and their counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.

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

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

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

8. CONTINUING JURISDICTION AND WAIVER OF RIGHT TO APPEAL. The Parties agree that, after entry of the Judgment, the Court will retain jurisdiction over the Parties, the 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. Provided the Judgment is consistent with the terms and conditions of this Agreement, the Parties and their respective counsel waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs, or appeals. If another party appeals the Judgment, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect the amount of the Net Settlement Amount.

9. ADDITIONAL PROVISIONS.

9.1. No Admission of Liability or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by 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 Parties agree that representative treatment is appropriate for purposes of the Settlement only. If, for any reason the Court does not approve the Settlement, Defendant reserves all available defenses to the claims in the Action, and Plaintiff reserves the right to contest Defendant's defenses. The Settlement, this Agreement, and the Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation or arbitration (except for proceedings to enforce or effectuate the Settlement and this Agreement).

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

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

9.4. 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 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 the mediator and/or the Court for resolution.

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

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

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

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

9.9. Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the State of California, without regard to conflict of law principles.

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

9.11. Confidentiality. To the extent permitted by law, all agreements made, and orders entered during Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement. Plaintiff and PAGA Counsel agree not to disclose or publicize the Settlement, its terms or contents, or the negotiations underlying the same, in any manner or form, directly or indirectly, to any person or entity, except as otherwise required by law, ordered by the Court, or contractually necessary to effectuate the terms of the Settlement as set forth herein. Nothing herein will restrict PAGA Counsel from disclosing the existence of this Agreement to Aggrieved Employees. Nothing herein will restrict PAGA Counsel from including publicly available information regarding the Settlement other than its monetary terms in future judicial submissions regarding PAGA Counsel's qualifications and experience. Furthermore, Plaintiff and PAGA Counsel will undertake any and all disclosures required to be made to the LWDA in conformity with PAGA.

9.12. Use and Return of Aggrieved Employee Data. Information provided to PAGA Counsel pursuant to Cal. Evid. Code § 1152, and all copies and summaries of the Aggrieved Employee Data provided to PAGA Counsel by Defendant (including indirectly through the Administrator) in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to the Settlement, and for no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. Not later than 90 days after the Administrator discharges its obligation to pay out all Settlement funds, Plaintiff shall destroy, and shall direct anyone with whom Plaintiff has shared (including, without limitation, retained consultants) copies to destroy, all paper and electronic versions of Aggrieved Employee Data received from Defendant (including indirectly through the Administrator) unless, prior to the Administrator's payment of all Settlement funds, Defendant makes a written request to PAGA Counsel for the return, rather than the destructions, of Aggrieved Employee Data.

9.13. Headings. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.

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

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

To Plaintiff:

Jonathan M. Genish (jgenish@blackstonepc.com)
Miriam L. Schimmel (mschimmel@blackstonepc.com)
Joana Fang (jfang@blackstonepc.com)
Alexandra Rose (arose@blackstonepc.com)
Blackstone Law, APC
8383 Wilshire Boulevard, Suite 745
Beverly Hills, California 90211
Telephone: (310) 622-4278
Facsimile: (855) 786-6356

To Defendant:

Kyle D. Kring (kkring@kringandassociates,com)
Kerri N. Kramer (kkramer@kringandassociates.com)

With copy to: Michelle Bennett (mbennett@kringandassociates.com)
Kring & Associates, APC
38 Corporate Park
Irvine, CA 92606
Telephone: (949) 393-1400
Facsimile: (949) 393-1430

9.16. Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e. DocuSign), or email which for purposes of this Agreement shall be accepted as an original. Any Party signing electronically shall provide documentation sufficient to authenticate the electronic signature at the time of delivery of the signature. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

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

Dated: 03/26/2025 Alexander Davis

Alexander Davis
Plaintiff

Dated:

JAJ Roofing dba Citadel Roofing and Solar
By: Dieter Folk
Title: President

Dated: March 27, 2025

BLACKSTONE LAW, APC
Jonathan M. Genish
Miriam L. Schimmel
Joana Fang
Alexandra Rose
Attorneys for Plaintiff

Dated:

KRING & ASSOCIATES, APC
Kyle D. Kring
Kerri N. Kramer
Attorneys for Defendant

With copy to: Michelle Bennett (mbennett@kringandassociates.com)
Kring & Associates, APC
38 Corporate Park
Irvine, CA 92606
Telephone: (949) 393-1400
Facsimile: (949) 393-1430

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Dated:__________

Alexander Davis
Plaintiff

Dated: 3/24/25

JAJ Roofing dba Citadel Roofing and Solar
By: Dieter Folk
Title: President

Dated: __________

BLACKSTONE LAW, APC
Jonathan M. Genish
Miriam L. Schimmel
Joana Fang
Alexandra Rose
Attorneys for Plaintiff

Dated: March 24, 2025

KRING & ASSOCIATES, APC
Kyle D. Kring
Kerri N. Kramer
Attorneys for Defendant

<u>Exhibit A</u>

To: <<First Name>><<Last Name>>
<<Street Address>>
<<City>><<State>><<Zip>>

Re: Settlement Payment from *Alexander Davis v. JAJ Roofing dba Citadel Roofing and Solar*, Sacramento County Superior Court Case No. 23CV011004

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 in the lawsuit entitled *Alexander Davis v. JAJ Roofing dba Citadel Roofing and Solar*, Sacramento County Superior Court Case No. 23CV011004 ("Action").

The Action was filed on November 2, 2023 by Alexander Davis ("Plaintiff") against his former employer JAJ Roofing dba Citadel Roofing and Solar ("Defendant"). Plaintiff, on behalf of the State of California, with respect to himself and other alleged aggrieved employees, sought recovery of civil penalties pursuant to the Private Attorneys General Act of 2004, California Labor Code § 2698, *et seq.* ("PAGA").

Defendant denies all of Plaintiff's allegations and denies any wrongdoing of any kind associated with Plaintiff's allegations. The Court did not determine whether any violations did or did not occur. Rather, a settlement was reached between Plaintiff and Defendant to resolve Plaintiff's claims without spending further time, money, and energy on lengthy litigation. On <<Date>>, the settlement was approved by the Court.

You are receiving a portion of the settlement because you have been identified as a current and former hourly-paid and/or non-exempt employee who worked for Defendant in the State of California during the period October 20, 2022 until December 16, 2024 (the "PAGA Period"). Your Individual PAGA Payment is based on the total number of pay periods that you worked for Defendant in California during the PAGA Period. It is considered to be 100% penalties, which will be reported on an IRS Form 1099 (if applicable). 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.

Under the settlement, as of << the Effective Date and date Defendant fully funds the Gross Settlement Amount >>, the Released Parties were released from the Released PAGA Claims.

> "Released Parties" means Defendant and each of its former and present directors, officers, shareholders, owners, members, attorneys, insurers, predecessors, successors, assigns, subsidiaries, and affiliates.
>
> "Released PAGA Claims" means 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, arising during the PAGA Period, including any claims for civil penalties based on Defendant's (1) failure to pay for all time worked at correct rates of pay, including minimum wages, straight time wages, and overtime compensation; (2) failure to provide meal periods and pay meal period premiums; (3) failure to authorize and permit rest periods and pay rest period premiums; (4) failure to timely pay wages during employment; (5) failure to provide accurate itemized wage statements; (6) failure to maintain

accurate records; (7) failure to reimburse necessary expenditures; and (8) failure to timely pay all wages upon termination of employment.

The enclosed check is valid for 180 calendar days from the original date of issuance and mailing, and if it is not cashed, deposited, or otherwise negotiated within the 180-day timeframe, it will be canceled, and the funds will be transmitted to the Interdisciplinary Center for Healthy Workplaces. **Therefore, if you want to receive the funds from this check, you must cash it on or before [date].**

Do not call or write the Court, Office of the Clerk of the Court, Defendant, or Defendant's counsel to ask questions about the settlement or to ask tax-related questions. If you have any such questions, you may contact [Administrator] at [toll-free phone number].