

LIDMAN LAW, APC

Scott M. Lidman (SBN 199433)
 slidman@lidmanlaw.com
 Milan Moore (SBN 308095)
 mmoore@lidmanlaw.com
 Tiara Gose-Hardy (SBN 323823)
 tgose@lidmanlaw.com
 2155 Campus Drive, Suite 150
 El Segundo, California 90245
 Tel: (424) 322-4772
 Fax: (424) 322-4775

Attorneys for Plaintiff
 PLACIDO LOPEZ

FINNEGAN & DIBA, A LAW CORPORATION

Kasey Diba (SBN 171081)
 3660 Wilshire Boulevard, Suite 800
 Los Angeles, California 90010
 Tel: (213) 480-0292
 Fax: (213) 480-0805

Attorneys for Defendant
 PARTNERS PERSONNEL-MANAGEMENT SERVICES, LLC

Additional Counsel Listed on Next Page

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

PLACIDO LOPEZ, as an individual and on
 behalf of all others similarly situated,

Plaintiff,

vs.

SIMPSON LABS, LLC, a California limited
 liability company; PARTNERS
 PERSONNEL- MANAGEMENT SERVICES,
 LLC, a Delaware limited liability company;
 and DOES 1 through 100, inclusive,
 Defendants.

CASE NO. 23STCV27829

*[Assigned for all purposes to the Hon.
 Samantha P. Jessner, Dept. 7]*

**JOINT STIPULATION TO APPROVE
 SETTLEMENT OF CLAIMS BROUGHT
 UNDER THE PRIVATE ATTORNEYS
 GENERAL ACT, LABOR CODE § 2698,
 et seq.; [PROPOSED] ORDER AND
 FINAL JUDGMENT**

*[Filed Concurrently with Declaration of
 Scott M. Lidman and [Proposed] Order and
 Judgment]*

Action Filed: November 13, 2023
 Trial Date: None Set

HAINES LAW GROUP, APC

Paul K. Haines (SBN 248226)
phaines@haineslawgroup.com
2155 Campus Drive, Suite 180
El Segundo, California 90245
Tel: (424) 292-2350
Fax: (424) 292-2355

Attorneys for Plaintiff
PLACIDO LOPEZ

YOUNG & CHIC LLP

Kristen L. Chic (Bar No. 299164)
kchic@youngchicllp.com
Brian Lee (Bar No. 318135)
blee@youngchicllp.com
25152 Springfield Court, Suite 345
Valencia, California 91355
Telephone: 661.259.9000
Facsimile: 661.554.7088

Attorneys for Defendant
SIMPSON LABS LLC

1 **TO THE COURT, THE PARTIES, AND THEIR ATTORNEYS OF RECORD:**

2 Plaintiff Placido Lopez (“Plaintiff”) and Defendants Simpson Labs LLC (“Simpson
3 Labs”) and Partners Personnel-Management Services, LLC (“Partners”) (collectively, the
4 “Parties”) by and through their respective attorneys of record, hereby submit the following Joint
5 Stipulation to Approve Settlement of Claims Brought Under the Private Attorneys General Act
6 (“PAGA”), Labor Code Section 2698 *et seq.* as follows:

7 WHEREAS, on November 13, 2023, Plaintiff filed a class action Complaint against
8 Defendants asserting claims for (1) failure to pay all overtime wages owed; (2) minimum wage
9 violations, (3) failure to provide meal periods; (4) failure to authorize and permit rest periods; (5)
10 failure to provide accurate, itemized wage statements; and (6) unfair competition;

11 WHEREAS, on November 14, 2023, Plaintiff sent a written notice pursuant to Labor
12 Code section 2698 *et seq.* to the Labor Workforce Development Agency (“LWDA”) and
13 Defendants asserting claims for civil penalties pursuant to the California Labor Code Private
14 Attorney General Act, Labor Code section 2698, *et seq.* (“PAGA) stemming from Defendants’
15 failure to pay all overtime wages, failure to pay minimum wage for all hours worked, failure to
16 provide meal and rest periods, failure to furnish accurate and compliant itemized wage
17 statements, and failure to maintain accurate records for all hourly, non-exempt employees;

18 WHEREAS, on January 22, 2024, Plaintiff filed a First Amended Complaint, adding a
19 claim for civil penalties pursuant to California Labor Code Private Attorney General Act, Labor
20 Code section 2698, *et seq.* (“PAGA) stemming from Defendants’ alleged violations of the
21 California Labor Code set forth in the Complaint and LWDA notice;

22 WHEREAS, Defendants vehemently deny all allegations asserted by way of the
23 Complaint and First Amended Complaint and answered Plaintiff’s operative pleadings denying
24 all allegations asserted there;

25 WHEREAS, on September 2, 2025, after motion practice and joint stipulations,
26 Plaintiff’s alleged class claims and allegations were dismissed and the only claims that remained
27 were Plaintiff’s individual claims (which the Parties agreed to arbitrate) and the representative
28 PAGA claim;

1 WHEREAS, the Parties conducted informal discovery and exchanged relevant documents
2 and records which enabled Plaintiff and his counsel to determine the number of potentially
3 “aggrieved employees” under the PAGA as well as the number of pay periods worked by the
4 “aggrieved employees” during the relevant statutory time period;

5 WHEREAS, on December 16, 2025, the Parties participated in mediation with Steven G.
6 Mehta, a respected wage and hour class and representative action mediator. During mediation,
7 the Parties vigorously debated their opposing legal positions and the likelihood of Plaintiff’s
8 ability to proceed on a representative basis and ultimately obtain a judgment in his favor;

9 WHEREAS, ultimately, the Parties reached a settlement, the terms of which were
10 subsequently finalized in writing after mediation and subsequently executed a long-form
11 settlement agreement memorializing the settlement of Plaintiff’s PAGA claim, which is attached
12 hereto as **Exhibit 1** (“Settlement Agreement”)

13 WHEREAS, though Defendants deny liability, settlement represents an amount
14 Defendants are willing to expend in order to dispose of the matter and to avoid mounting fees
15 and costs associated with proceeding through a costly trial;

16 WHEREAS, a settlement under the PAGA requires court approval but is not subject to
17 any procedural requirement for a noticed motion. *See* Labor Code Section 2699(1)(2) (“The
18 superior court shall review and approve any settlement of any civil action filed pursuant to this
19 part. The proposed settlement shall be submitted to the agency at the same time that it is
20 submitted to the court.”);

21 WHEREAS, Plaintiff is concurrently serving a copy of this Stipulation and all supporting
22 documents on the LWDA, including a copy of the Settlement Agreement;

23 WHEREAS, based on their extensive experience, counsel for the Parties believe that this
24 settlement is fair, reasonable, and adequate, and that approval of the Settlement Agreement
25 pursuant to this Stipulation is in the best interest of the “aggrieved employees,” the LWDA, and
26 judicial economy.

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1 NOW, THEREFORE, the Parties respectfully request that the Court enter the proposed
2 Order submitted concurrently herewith, approving the Settlement Agreement pursuant to Labor
3 Code § 2699(1), and dismissing the action in its entirety with prejudice.

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5 **IT IS SO STIPULATED.**

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7 Dated: June 26, 2026 Respectfully submitted,
8 LIDMAN LAW, APC

9 By: /s/ Milan Moore
10 Milan Moore
11 Attorneys for Plaintiff PLACIDO LOPEZ
12

13 Dated: June 26, 2026 FINNEGAN & DIBA, A LAW CORPORATION
14

15
16 By: /s/ Kasey Diba
17 Kasey Diba
18 Attorneys for Defendant
19 PARTNERS PERSONNEL-MANAGEMENT
20 SERVICES, LLC

21 Dated: June 26, 2026 YOUNG & CHIC LLP
22

23 By: /s/ Kristen L. Chic
24 Kristen L. Chic
25 Attorneys for Defendant SIMPSON LABS LLC
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27
28

1 **[PROPOSED] ORDER AND JUDGMENT**

2 Pursuant to the Joint Stipulation to Approve Settlement of Claims Brought Under the Private
3 Attorneys General Act submitted by Plaintiff Placido Lopez (“Plaintiff”) and Defendants Simpson
4 Labs LLC (“Simpson Labs”) and Partners Personnel-Management Services, LLC (“Partners”)
5 (Plaintiff and Defendants are referred to together herein as the “Parties”), and after considering the
6 Settlement Agreement, attached hereto as **Exhibit 1**, and the documents and evidence presented in
7 support thereof, and recognizing the disputed issues involved in this case, the risks of further
8 prosecution, the benefits to be received by the State of California and the Aggrieved Employees
9 pursuant to the Settlement Agreement, the Court hereby makes a final ruling pursuant to Labor Code
10 § 2699(*I*) that the proposed Settlement Agreement is fair, reasonable, and adequate, and is the
11 product of good faith, arms’-length negotiations between the parties. Good cause appearing therefore,
12 the Court hereby GRANTS the Parties’ request for Settlement Approval of Claims Brought under the
13 Private Attorneys General Act, Reasonable Attorneys’ Fees and Costs, and Enhancement Award, and
14 HEREBY ORDERS as follows:

15 1. The “Allegedly Aggrieved Employees” shall be defined as:¹

16 All individuals who worked for Simpson Labs LLC, directly and/or
17 individuals who provided services for Simpson Labs LLC, through
18 placement by Partners Personnel-Management Services, LLC at any
time during the Settlement Period.

19 2. The “Settlement Period” means the time period of November 14, 2022, up to and
20 including March 14, 2026.

21 3. The Court hereby approves the Settlement as set forth in the Settlement as fair,
22 reasonable, and adequate, and directs the parties to effectuate the Settlement according to the terms
23 of the Settlement.

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27 ¹ All terms and definitions set forth in the Settlement Agreement are incorporated by reference into
this Order.

1 4. The Court orders that Simpson Labs LLC and Partners Personnel-Management
2 Services, LLC (Defendants”) shall deposit the Gross Settlement Amount of \$365,000.00 to the
3 Settlement Administrator within 61 days after the Effective Date.² The Effective Date is defined as
4 “the last of the following dates: (a) the date of service of notice of entry of the order approving this
5 agreement and the PAGA settlement if no objections are filed to this settlement or if all objections
6 are withdrawn prior to the court ruling on them; or, (b) thirty-one (31) days after the date of service
7 of notice of entry of the settlement approval order if objections are filed and overruled and no appeal
8 is taken from the order approving the settlement; or (c) if a timely appeal is made, ten (10) business
9 days after the final resolution of that appeal if the appeal is rejected, the settlement is upheld, and the
10 settlement approval order is no longer subject to further judicial review.”

11 5. The Court hereby approves, as to form and content, the Notice of PAGA Settlement
12 and Release of Claims attached to the Settlement as Exhibit A, and attached to this Order and
13 Judgment as **Exhibit A** of the Settlement Agreement.

14 6. The Court hereby appoints ILYM Group as Settlement Administrator.

15 7. Within 14 calendar days after settlement approval, Defendants shall provide to the
16 Settlement Administrator information constituting a list of Allegedly Aggrieved Employees showing
17 the name, Social Security Number, last known address, and last known telephone number (if
18 available) of each Allegedly Aggrieved Employee. Such information also shall include the number
19 of pay periods attributable to each Allegedly Aggrieved Employee during the Settlement Period.

21
22 ² Defendants represent that, as of March 14, 2026, there are approximately 22,811 pay periods worked by 401 Allegedly
23 Aggrieved Employees (“Affected Pay Periods”) who worked for Simpson Labs LLC, directly or individuals who provided
24 services for Simpson Labs LLC, through placement by Partners Personnel-Management Services, LLC (19,995 pay
25 periods for Partners; 2,816 pay periods for Simpson). If the actual number of Affected Pay Periods during the Settlement
26 Period (November 14, 2022 through March 14, 2026) exceeds 22,811 by more than ten percent (10%) (i.e., exceeds 25,092
27 Affected Pay Periods), then, at Defendants’ election: (a) the Gross Settlement Amount shall be increased on a pro rata
28 basis based on the percentage by which the Affected Pay Periods exceed 22,811 up to a maximum increase of ten percent
(10%) (the “Escalator”); or (b) the Settlement Period end date shall be shortened such that the number of Affected Pay
Periods equals 22,811. For example, if the number of Affected Pay Periods through March 14, 2026 is 26,233 (an increase
of 15 percent), the Gross Settlement Amount would be increased by ten (10) percent, to \$412,500.00. Conversely,
Defendants shall have the option to claw back or reduce settlement funds to limit the Gross Settlement Amount to the
amount within the escalator if participation falls short of projections. Except as expressly provided in this paragraph, the
Gross Settlement Amount remains non-reversionary.

8. Within seven (7) calendar days of receiving the Allegedly Aggrieved Employees' information from Defendants, the Settlement Administrator will circulate to counsel for all Parties an anonymized spreadsheet containing the estimated individual settlement payments to each Aggrieved Employee and the data used to calculate said payments. The Settlement Administrator shall also determine whether the Escalator Clause has been triggered. The Settlement Administrator shall obtain approval from all counsel of the calculations before mailing Individual PAGA Payments.

9. Within thirty (30) days after Defendants fund the Gross Settlement Amount (which funding shall occur within sixty-one (61) days after the Effective Date), the Settlement Administrator shall distribute the settlement proceeds (including payments to Allegedly Aggrieved Employees, the LWDA, Representative Plaintiff's Counsel for Court-approved attorneys' fees and costs, and the Settlement Administrator for Court-approved administration expenses) in accordance with this Settlement Agreement, subject to any further Court orders and the Court's continuing jurisdiction. A true and correct copy of the proposed Notice agreed upon by the Parties to be mailed to the Aggrieved Employees is attached hereto as **Exhibit A** of the Settlement Agreement.

10. The Court finds that attorneys' fees in the total amount of \$127,750.00 for Lidman Law, APC and Haines Law Group, APC ("Plaintiff's Counsel"), and reimbursement of litigation costs in the amount of \$21,106.63 to Plaintiff's Counsel are fair, reasonable, and adequate, and orders that the Settlement Administrator distribute these payments to Plaintiff's Counsel as provided for in the Settlement.

11. The Court orders that the Settlement Administrator shall be paid \$5,450.00 for all of its work done and to be done until the completion of this matter and finds that sum appropriate.

12. The Court finds that enhancement award/general release payment of \$10,000.00 to Plaintiff Placido Lopez, is fair and reasonable in recognition of the unique contributions he has made, the risks he undertook on behalf of the Allegedly Aggrieved Employees and the State of California.

13. The Court finds that the amount from the Gross Settlement Amount remaining after deductions for (i) Plaintiff's Counsel's attorneys' fees and costs, (ii) enhancement award to Plaintiff; and (iii) Settlement Administrator fees, the Net Settlement Amount, which is \$200,693.37 shall be distributed as follows: 75% or \$150,520.03 shall to be paid to the California Labor and Workforce Development Agency ("LWDA") and 25% or \$50,173.34 shall be paid to the Allegedly Aggrieved Employees based on their relative number of pay periods during the Settlement Period, as reflected in Defendants' records. Allegedly Aggrieved Employees shall not be required to submit a claim form to receive their respective shares. The total and individual number of pay periods attributable to Allegedly Aggrieved Employees during the Settlement Period shall be calculated according to Defendants' records. The Court finds that these amounts and the distribution formula as set forth in the Settlement is fair, adequate, and reasonable, and orders that payment be made to the LWDA and Allegedly Aggrieved Employees in accordance with the terms of the Settlement.

14. The Court hereby approves the limited scope of the release as set forth in the Settlement. Specifically, as of the “Effective Date” and following payment by Defendants of all funds due under the terms of this Settlement Agreement, the Representative Plaintiff and all Allegedly Aggrieved Employees release Defendants SIMPSON LABS LLC, a California limited liability company; and PARTNERS PERSONNEL-MANAGEMENT SERVICES, LLC, a Delaware limited liability company, and each of their past, present and future owners, stockholders, all present and former parent corporations, related or affiliated companies, subsidiaries, officers, directors, shareholders, employees, agents, principals, heirs, representatives, accountants, attorneys, auditors, consultants, insurers and re-insurers, and their respective successors and predecessors in interest, each of their company-sponsored employee benefit plans of any nature (including, without limitation, profit-sharing plans, pension plans, 401(k) plans, and severance plans) and all of their respective officers, directors, employees, administrators, fiduciaries, trustees and agents, and any individual or entity that could be jointly, severally, or personally liable with Defendants (the “Releasees”) from the “Released Claims” during the Settlement Period.

15. The “Released Claims” that the Representative Plaintiff and the Allegedly Aggrieved Employees are releasing for the Settlement Period are defined as: All claims, demands, rights, liabilities, and causes of action that were, or could have been asserted on behalf of the Allegedly Aggrieved Employees in the Lawsuit and identified in Representative Plaintiff’s November 14, 2023, notice letter to the LWDA, pursuant to the Labor Code Private Attorneys General Act of 2004, Labor Code §2698, et seq. (“PAGA”), based on alleged violations of Labor Code §§ Labor Code 204, 210, 226, 226.7, 510, 512, 516, 558, 1174, 1194, 1194.2, and 1197 for the following alleged violations: (1) failure to pay all minimum wages earned; (2) failure to pay overtime wages earned; (3) failure to provide meal breaks or premium wages; (4) failure to authorize and permit rest breaks or pay premium wages; (5) failure to provide accurate and compliant itemized wage statements; (6) failure to pay earned wages at least twice each calendar month; and (7) failure to keep accurate employment records, attorneys’ fees and costs (including, but not limited to attorneys’ fees and costs pursuant to Labor Code §§ 218.5, 1193.6, and 2699(g), Code of Civil Procedure §1021.5), or interest arising out of the claims at issue, including, without limitation: alleged unpaid minimum wages, unpaid overtime, failure to provide meal periods, failure to provide rest breaks, failure to timely pay wages when due, failure to pay all wages due and owing at termination, failure to keep accurate employment records, and for any shortcomings, deficiencies, and/or inaccuracies in any wage statements or other employment records, including but not limited to any failure to provide such wage statements entirely or failure to provide the requisite elements mandated by the California Labor Code, whether by Labor Code § 226 or otherwise. This release of claims under PAGA is not intended to affect either a release or waiver of any individual claims asserted on behalf of the Allegedly Aggrieved Employees outside of PAGA, nor is it intended to establish res judicata against any such claims outside of PAGA. Provided, however, that this Settlement Agreement requires that Plaintiff dismiss all individual claims in the Lawsuit with prejudice. These dismissals are material terms of this Settlement Agreement.

16. Upon entry of this Final Order and Judgment, the Court permanently enjoins and forever bars Plaintiff and the Allegedly Aggrieved Employees from instituting or prosecuting any

1 action, claim, cause of action, and/or issue against the Released Persons which was and/or were
2 resolved as part of the Settlement. Without affecting the finality of this Final Order and Judgment in
3 any way, the Court retains jurisdiction to enforce the terms of the Settlement.

4 ~~_____~~

5 ~~17. Plaintiff shall file a declaration confirming the final distribution of funds on or before~~

6 ~~_____~~ 2027.

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8 **IT IS SO ORDERED.**



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11 Samantha Jessner / Judge

12 Dated: 07/01/2026, 2026

13 By:

14 Honorable Samantha P. Jessner
15 Judge of the Superior Court

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EXHIBIT 1

LABOR CODE PRIVATE ATTORNEYS GENERAL ACT
REPRESENTATIVE ACTION SETTLEMENT AGREEMENT AND
RELEASE

THIS LABOR CODE PRIVATE ATTORNEYS GENERAL ACT REPRESENTATIVE ACTION SETTLEMENT AGREEMENT AND RELEASE (hereinafter “Settlement Agreement”) is entered into and effective upon its execution by all parties hereto, subject to Court approval. It is entered into by and between Plaintiff, PLACIDO LOPEZ, an individual (the “Representative Plaintiff”) as proxy for California’s Labor & Workforce Development Agency (“LWDA”) in collecting civil penalties on behalf of alleged Labor Code violations against other aggrieved employees (the “Aggrieved Employees,” as described below), on the one hand, and Defendants SIMPSON LABS LLC, a California limited liability company; and PARTNERS PERSONNEL-MANAGEMENT SERVICES, LLC, a Delaware limited liability company (hereinafter “Defendants”), on the other hand (collectively the “Parties”).

This Agreement, and the settlement of claims for civil penalties embodied herein, shall be binding on Plaintiff, the Aggrieved Employees he represents, the LWDA, and Partners, subject to the approval of the Court.

RECITALS

- A. On November 14, 2023, Representative Plaintiff notified the LWDA that he would pursue civil penalties against Defendants under PAGA for violation of Labor Code sections 2698, 2699, and 2699.3.
- B. On November 13, 2023, the Representative Plaintiff filed an action in the Superior Court of California, County of Los Angeles, Case No. 23STCV27829 (the “Lawsuit”), alleging the following claims, which were asserted on an individual basis and class basis: (1) failure to pay all overtime wages owed; (2) failure to pay all minimum wages owed; (3) failure to provide meal periods; (4) failure to authorize and permit all rest periods; (5) failure to provide accurate, itemized wage statements; and (6) unfair competition.
- C. On or about January 23, 2024, the Representative Plaintiff filed a First Amended Complaint, which added a seventh cause of action for civil penalties pursuant to the Private Attorneys General Act (“PAGA”) on behalf of all individuals who worked for Simpson Labs LLC, directly and/or individuals who provided services for Simpson Labs LLC, through placement by Partners Personnel-Management Services, LLC (“Allegedly Aggrieved Employees”), at any time from November 14, 2022, through February 14, 2026. The Representative Plaintiff sought penalties under Labor Code sections 204, 210, 226, 226.7, 510, 512, 516, 558, 1174, 1194, 1194.2, and 1197 for the following alleged violations: (1) failure to pay all minimum wages earned; (2) failure to pay overtime wages earned; (3) failure to provide meal breaks or premium wages; (4) failure to authorize and permit rest breaks or pay premium wages; (5) failure to provide accurate and compliant itemized wage statements; (6) failure to pay earned wages at least twice each calendar month; and (7) failure to keep accurate employment records.
- D. That on November 6, 2024, and pursuant to the Dispute Resolution and Arbitration agreement executed by Representative Plaintiff on March 21, 2018, which precludes any class or collective

action, the Court entered an Order compelling Representative Plaintiff to arbitrate his individual claims and dismiss his putative class claims as to Partners Personnel-Management Services, LLC, but allowed the PAGA claims to proceed in the Superior Court.

- E. Then on August 27, 2025, and pursuant to the Parties' stipulation, the Court entered an Order staying the PAGA proceedings pending the completion of arbitration of Representative Plaintiff's individual claims, and further dismissing class claims against Simpson Labs LLC.
- F. The Parties further stipulated to defer binding arbitration in favor of mediation between the Parties for Representative Plaintiff's individual and PAGA claims, which took place on December 16, 2025.
- G. Defendants deny each and every allegation by the Representative Plaintiff. Defendants contend that they properly paid all wages to, provided meal periods and rest breaks, maintained and provided accurate itemized wage statements, timely paid employees, and kept accurate records for the Representative Plaintiff and all of the Allegedly Aggrieved Employees. Defendants further deny that the Lawsuit can be tried in a manageable manner that comports with due process.
- H. The Representative Plaintiff is represented in the Lawsuit by the following law firm(s) ("Representative Plaintiff" Counsel):

**LIDMAN LAW, APC
HAINES LAW GROUP, APC**

- I. Defendant Simpson Labs LLC, is represented in the Lawsuit by:

YOUNG & CHIC LLP

- J. Defendant Partners Personnel-Management Services, LLC, is represented in the Lawsuit by:

FINNEGAN & DIBA, A LAW CORPORATION

- K. The Representative Plaintiff and Defendants prepared for and engaged in formal mediation on December 16, 2025, with the Mediation Offices of Steve G. Mehta, Esq.
- L. The parties hereto have conducted informal investigation in connection with the claims asserted, and otherwise litigated, in the Lawsuit. The parties have exchanged informal discovery and researched the relevant legal and factual issues arising from all of the claims that are alleged in, or could have been alleged in, the Lawsuit. The parties' discovery efforts and the metrics that Representative Plaintiff's Counsel possessed in advance of the mediation enabled Representative Plaintiff's Counsel to fully evaluate the merits and value the case for settlement purposes.
- M. The Parties believe and agree that this Agreement provides for a fair, adequate, and reasonable resolution of the Representative PAGA Claims, and have arrived at the settlement in extensive, arms-length negotiations, taking into account all relevant factors, present and potential.

N. Defendants have denied and continue to deny each of the claims and contentions asserted against it in the Lawsuit. Neither this Settlement Agreement, nor any document referred to or contemplated herein, nor any action taken to carry out this Settlement Agreement, is or may be construed or used in the Lawsuit or in any other action or proceeding (including any related proceedings) as an admission, concession or indication by or against Defendants or any Releasee of any fault, wrongdoing or liability whatsoever.

It is the intention of the parties to this Settlement Agreement to settle and dispose of, fully and completely, any and all claims, demands, and causes of action that are, or could have been, set forth in the Lawsuit by the Representative Plaintiff. In that regard, Plaintiff agrees to dismiss all individual claims with prejudice per the terms of a separate settlement agreement between the parties regarding Plaintiffs' individual claims. The remaining PAGA claims are settled per the terms of this Settlement Agreement.

PROVISIONS

1. EFFECTIVE DATE.

The effective date ("Effective Date") of this agreement shall mean the last of the following dates: (a) the date of service of notice of entry of the order approving this agreement and the PAGA settlement if no objections are filed to this settlement or if all objections are withdrawn prior to the court ruling on them; or, (b) thirty-one (31) days after the date of service of notice of entry of the settlement approval order if objections are filed and overruled and no appeal is taken from the order approving the settlement; or (c) if a timely appeal is made, ten (10) business days after the final resolution of that appeal if the appeal is rejected, the settlement is upheld, and the settlement approval order is no longer subject to further judicial review.

2. COOPERATION BY THE PARTIES

The parties to this Settlement Agreement and their counsel agree to cooperate fully with each other to promptly execute all documents and take all steps necessary to effectuate the terms and conditions of this Settlement Agreement.

3. APPOINTMENT OF SETTLEMENT ADMINISTRATOR

The parties will stipulate to and seek the Court's order appointing ILYM Group, Inc. (which has provided a written estimate of \$5,450.00) to act as the settlement administrator (the "Settlement Administrator") for purposes of this settlement. The Settlement Administrator shall be responsible for performing all necessary administration duties in exchange for its reasonable fees and expenses to be paid out of the Gross Settlement Amount (as defined below), but not to exceed \$5,450.00. These administration duties shall include, without limitation, the mailing of all settlement checks and tax forms to the LWDA, Allegedly Aggrieved Employees, the Representative Plaintiff, Representative Plaintiff's Counsel, and tax authorities.

4. APPLICABLE P.A.G.A. SETTLEMENT PERIOD

The "Settlement Period" is November 14, 2022, up to and including March 14, 2026.

5. ALLEGEDLY AGGRIEVED EMPLOYEES

For purposes of this settlement only, the parties agree that the “Allegedly Aggrieved Employees” are all individuals who worked for Simpson Labs LLC, directly and/or individuals who provided services for Simpson Labs LLC, through placement by Partners Personnel-Management Services, LLC at any time during the Settlement Period.

6. DISMISSAL OF INDIVIDUAL CLAIMS

Plaintiff will provide a complete release of plaintiff’s individual claims with a 1542 release of individual claims, along with the PAGA release of all claims made or that could have been made based on the facts alleged for the aggrieved employees against all defendants including Simpson Labs LLC and Partners Personnel-Management Services, LLC, their agents, directors, officers and owners and anyone else that can be jointly or severally or personally liable for the claims arising out of this lawsuit. Defendants will be permitted to file said dismissals upon paying the Gross Settlement Amount and individual settlement amounts. Dismissal of the individual claims are material terms of this Agreement. Representative Plaintiff shall participate in filing whatever supporting documents the Court requires to accomplish said dismissals.

7. SETTLEMENT CONSIDERATION

In consideration for the releases and dismissals set forth in this Settlement Agreement, Defendants agree to fund: (a) the payments to the Allegedly Aggrieved Employees and the LWDA pursuant to the payment procedures described herein; (b) the payment of attorneys’ fees and costs, as set forth herein and as awarded by the Court; and (c) the administration costs of the Settlement Administrator, as set forth hereinafter.

(a) “Gross Settlement Amount” To Be Paid By Defendants

The “Gross Settlement Amount” to be paid by Defendants is the total sum of Three Hundred Seventy-Five Thousand Dollars (\$375,000.00), paid by Defendants collectively to the aggrieved employees and Plaintiff on a common fund, “all-in” non-reversionary basis for all aggrieved members. This is a settlement of the PAGA case only. Defendants will separately let plaintiff’s counsel know the allocation of the settlement amongst defendants, if any such allocation is to be made.

- i. The Gross Settlement Amount is non-reversionary, meaning no portion of it will return to Defendants under any circumstances. This constitutes the maximum payment by Defendants under this Settlement Agreement and shall be “all inclusive,” including: all payments to the Allegedly Aggrieved Employees and the LWDA, respectively; attorneys’ fees and costs of Representative Plaintiff’s Counsel, as approved by the Court; the fees and expenses of the Settlement Administrator in connection with settlement administration, as approved by the Court; and all other settlement-related payments and costs. No condition will increase Defendants’ liability for payments under this settlement in excess of the Gross Settlement Amount, except as expressly provided in this Agreement.

- ii. Out of the total Gross Settlement Amount, Plaintiff will identify \$10,000 in the MOU or settlement agreement that will be allocated to plaintiff's individual claims including wage and hour claims, FEHA, Wrongful termination claims and any and all other employment related claims related to Plaintiff's employment.
- iii. Defendants shall fund the Gross Settlement Amount by paying the total sum of Three Hundred Sixty-Five Thousand Dollars (\$365,000.00) to the Settlement Administrator within sixty-one (61) days after the Effective Date (as defined above).

(b) Escalator and Claw back Provision

Defendants represent that, as of March 14, 2026, there are approximately 22,811 pay periods worked by 401 Allegedly Aggrieved Employees ("Affected Pay Periods") who worked for Simpson Labs LLC, directly or individuals who provided services for Simpson Labs LLC, through placement by Partners Personnel-Management Services, LLC (19,995 pay periods for Partners; 2,816 pay periods for Simpson).

If the actual number of Affected Pay Periods during the Settlement Period (November 14, 2022 through March 14, 2026) exceeds 22,811 by more than ten percent (10%) (i.e., exceeds 25,092 Affected Pay Periods), then, at Defendants' election: (a) the Gross Settlement Amount shall be increased on a pro rata basis based on the percentage by which the Affected Pay Periods exceed 22,811 up to a maximum increase of ten percent (10%) (the "Escalator"); or (b) the Settlement Period end date shall be shortened such that the number of Affected Pay Periods equals 22,811. For example, if the number of Affected Pay Periods through March 14, 2026 is 26,233 (an increase of 15 percent), the Gross Settlement Amount would be increased by ten (10) percent, to \$412,500.00. Conversely, Defendants shall have the option to claw back or reduce settlement funds to limit the Gross Settlement Amount to the amount within the escalator if participation falls short of projections. Except as expressly provided in this paragraph, the Gross Settlement Amount remains non-reversionary.

(c) Attorneys' Fees and Costs

Defendants understand that Representative Plaintiff's Counsel will file an application for an award of attorneys' fees in an amount not to exceed One Hundred Thirty-One Thousand Two Hundred Fifty Dollars (\$131,250.00) [*i.e.*, thirty-five percent of the Gross Settlement Amount] and reimbursement of reasonable costs. Defendants agree not to object to such application up to such amounts. Any such attorneys' fees and costs approved by the Court shall be paid from the Gross Settlement Amount. If the Court awards attorneys' fees in an amount that is less than thirty-five percent (35%) of the Gross Settlement Amount, then the difference between the thirty-five percent of the Gross Settlement Amount and the amount of attorneys' fees actually awarded by the Court shall become part of the Net Settlement Amount (as defined below).

(d) Plaintiff's Enhancement Award

Defendants understand that Representative Plaintiff will file an application for an enhancement award in the amount of \$10,000.00 for his service to the LWDA and the Allegedly

Aggrieved Employees by and through the filing of the Action, participation in this Action, and the risk he undertook by attaching his name to the Action. In the event the Court approves a payment of less than the requested amount, the difference will be added to the Net Settlement Amount. If the Court believes the Enhancement Award should be reduced, the other terms of the Settlement will remain in effect and enforceable, and any such reduction will not affect the remaining terms, other than adjusting the Net Settlement Amount. The Settlement Administrator will report this payment on IRS Form 1099 issued to Plaintiff. The Parties agree that in no event shall this affect the Gross Settlement Amount.

(e) Administration Costs

Third party administration costs are determined to be no more than \$5,450.00 pursuant to the Third-Party Administrator's January 20, 2026, estimate based on 373 Allegedly Aggrieved Employees. The Settlement Administrator will report this payment on IRS Form 1099 issued to the Settlement Administrator.

8. ALLOCATIONS AND CALCULATIONS

(a) Settlement Administrator's Role

The Settlement Administrator shall calculate amounts to be paid to the Allegedly Aggrieved Employees and the LWDA, respectively, as provided below. The Settlement Administrator also shall pay all settlement proceeds out of a qualified settlement fund, on a confidential basis, and issue IRS tax forms.

(b) Net Settlement Amount and Payment to the LWDA

The Gross Settlement Amount less: (i) attorneys' fees and costs to Representative Plaintiff's Counsel and (ii) administration costs of the Settlement Administrator, shall constitute the "Net Settlement Amount." 75% of the Net Settlement Amount shall be paid to the LWDA and the remaining 25% shall be paid to the Allegedly Aggrieved Employees based on their relative number of pay periods during the Settlement Period, as reflected in Defendants' records. Allegedly Aggrieved Employees shall not be required to submit a claim form to receive their respective shares. The total and individual number of pay periods attributable to Allegedly Aggrieved Employees during the Settlement Period shall be calculated according to Defendants' records.

This paragraph regarding allocation is based on the Parties' collective understanding that all payments will be considered "penalties" and that there will be no employer-side tax consequence to Defendants as a result of an allocation of the penalty. If the Parties later determine otherwise, they will meet and confer regarding changes to this allocation provision. The Parties agree that should the Court deny approval of the Settlement based on the allocation of the Net Settlement Amount, the Parties agree to re-negotiate in good faith in an effort to obtain approval of the Settlement.

(c) Tax Treatment

The entirety of each settlement payment paid to each Allegedly Aggrieved Employee will be attributable to alleged penalties, which will be reported to the IRS on Form 1099.

9. ADMINISTRATION OF GROSS SETTLEMENT AMOUNT

(a) List of Allegedly Aggrieved Employees

(b) Within fourteen (14) calendar days after settlement approval, Defendants shall provide to the Settlement Administrator information constituting a list of Allegedly Aggrieved Employees showing the name, Social Security Number, last known address, and last known telephone number (if available) of each Allegedly Aggrieved Employee. Such information also shall include the number of pay periods attributable to each Allegedly Aggrieved Employee during the Settlement Period.

Within seven (7) calendar days of receiving the Allegedly Aggrieved Employees' information from Defendants, the Settlement Administrator will circulate to counsel for all Parties an anonymized spreadsheet containing the estimated individual settlement payments to each Aggrieved Employee and the data used to calculate said payments. The Settlement Administrator shall also determine whether the Escalator Clause has been triggered. The Settlement Administrator shall obtain approval from all counsel of the calculations before mailing Individual PAGA Payments.

(c) Address Verification Procedures

The Settlement Administrator will perform address updates and verifications as necessary prior to the first mailing of the settlement checks to the Allegedly Aggrieved Employees. The Settlement Administrator will perform one skip trace as to any payments that are returned by the post office for invalid addresses within five (5) calendar days of its receipt of such returned payment and will re-mail the payment to an updated address (if any) within fifteen (15) calendar days of receipt of the returned mail. The parties intend that reasonable, but not extraordinary, means be used to locate Allegedly Aggrieved Employees. If no other address is found, no further action is required.

The Settlement Administrator shall maintain a list of the postmark date for the original mailing of the Individual Settlement Payment to the Aggrieved Employees, the postmark date of any subsequent mailing to any of the Allegedly Aggrieved Employees, and a list of Allegedly Aggrieved Employees who did not receive the Individual Settlement Payment due to the inability to locate a valid address using the procedures described herein or who otherwise could not be located within two attempts at mailing.

Defendants fully discharge their obligations to those Allegedly Aggrieved Employees to whom they will pay an Individual PAGA Payment through the mailing of a check, regardless of whether such checks are actually received and/or negotiated by Allegedly Aggrieved Employees. Funds represented by checks returned as undeliverable after a re-mailing, and funds represented by checks remaining un-cashed for more than 180 days after issuance, will be tendered to the State Controller's Office pursuant to the Unclaimed Property Law, California Civil Code § 1500, *et. seq.* for the benefit of and in the name(s) of the Allegedly Aggrieved Employees to whom the checks were issued but whom did not cash the checks. The unclaimed checks shall remain in the unclaimed property fund in the name of the Allegedly Aggrieved Employee until such time that

they claim their property (the Individual Settlement Payment), or the property is otherwise disposed of pursuant to the Unclaimed Property Laws.

(d) Settlement Administrator's Calculations

The Settlement Administrator shall calculate the amounts to be paid to the Allegedly Aggrieved Employees from the Net Settlement Amount pro rata based on the number of pay periods of each Allegedly Aggrieved Employee in relation to the total of all pay periods of all Allegedly Aggrieved Employees. Defendants' counsel and Representative Plaintiff's Counsel will be provided access to all calculations forming the basis for such determinations. The fees and expenses of the Settlement Administrator in connection with said verification and/or performance shall be considered settlement administration expenses and shall be paid from the Gross Settlement Amount. All of the fees and expenses of the Settlement Administrator in connection with printing, issuing and/or mailing settlement payments shall be considered settlement administration expenses and shall be paid from the Gross Settlement Amount, as provided herein. The Court shall retain jurisdiction over the correctness of such calculations and the number of payments due, and the parties shall submit any disagreements regarding these issues to the Court for determination.

(e) Disbursement Of Payments

Within thirty (30) days after Defendants fund the Gross Settlement Amount (which funding shall occur within sixty-one (61) days after the Effective Date), the Settlement Administrator shall distribute the settlement proceeds (including payments to Allegedly Aggrieved Employees, the LWDA, Representative Plaintiff's Counsel for Court-approved attorneys' fees and costs, and the Settlement Administrator for Court-approved administration expenses) in accordance with this Settlement Agreement, subject to any further Court orders and the Court's continuing jurisdiction.

The Parties agree that there is no statutory right for any Allegedly Aggrieved Employee to opt-out or otherwise exclude himself or herself from the Settlement.

Within ten (10) business days of receiving approval from counsel of the payment calculations, the Settlement Administrator will provide an accounting under oath to the Parties of the amounts paid from the Settlement. The Settlement Administrator shall provide a further such accounting under oath, upon request, after the conclusion of the 180-day check cashing period.

(f) Waiver of Right to Appeal

Provided that the judgment comports with the terms of the Agreement, Plaintiff, Allegedly Aggrieved Employees, and Defendants all hereby waive all rights to appeal in connection with the judgment, with the exception that Plaintiff and Plaintiff's Counsel may appeal any order reducing by more than 30% the requested attorneys' fees and costs. The Parties may also appeal any order that alters any language in the release.

(g) Settlement Payment Explanation

The settlement payment shall include a brief description that the payment is the Allegedly Aggrieved Employee's share of a lawsuit resolving the instant claims in a form substantially similar

to that attached hereto as **Exhibit A**. Exhibit A is hereby incorporated by reference as though set forth fully herein and is a material part of this Settlement Agreement. Notwithstanding the foregoing, insubstantial changes to the attached exhibit shall not invalidate this Settlement Agreement.

(g) Unclaimed or Uncashed Settlement Checks

Settlement checks mailed to Allegedly Aggrieved Employees and the LWDA shall be valid for a period of one hundred eighty (180) calendar days from the date of issuance. At the end of the 180-day period, the Settlement Administrator shall cause the funds represented by any un-cashed checks to be transmitted to the State of California Unclaimed Property Fund, in the name of the intended beneficiaries of the checks.

(h) Payment Of Settlement Funds Will Not Be Considered By Defendants As Having Any Effect On Any Employee Benefit Plan and Similar Plans

The payment to any individual Allegedly Aggrieved Employee as provided for in this Settlement Agreement is not and shall not be deemed by Defendants to constitute an addition to, a modification of, or a change in any previously credited hours of service, compensation and/or wages under any employee benefit plan, employment policy, or stock option plan of or sponsored by the Defendants or any of its present or former parent corporations or affiliates or any jointly trustee benefit plans. Any such payment to any Allegedly Aggrieved Employee shall not be considered by Defendants to form the basis for additional contributions to, additional benefits under, or any other additional entitlements under any employee benefit plan, employment policy, or stock option plan of or sponsored by Defendants or any of their present or former parent corporations or affiliates or any jointly trustee benefit plans. Defendants and each of their present and former parent corporations and affiliates retain the right to modify and/or amend the language of their employee benefit plans, employment policies, and stock option plans, and to seek to have modified and/or amended the language of any jointly trustee benefit plans, to make clear that any amounts paid as a result of this Settlement Agreement are not considered by Defendants as compensation or wages, or payments for "hours worked," as defined by the applicable plans and policies, and that no additional contributions or benefits will be provided by Defendants by reason of the settlement.

(h) No Claims Against The Parties, Their Counsel, Or The Settlement Administrator

No person shall have any claim against Defendants, Defendants' counsel, the Representative Plaintiff, Representative Plaintiff's Counsel, or the Settlement Administrator based on distributions and payments made in accordance with this Settlement Agreement.

10. RELEASED CLAIMS

(a) Release

As of the "Effective Date" and following payment by Defendants of all funds due under the terms of this Settlement Agreement, the Representative Plaintiff and all Allegedly Aggrieved Employees release Defendants SIMPSON LABS LLC, a California limited liability company; and PARTNERS PERSONNEL-MANAGEMENT SERVICES, LLC, a Delaware limited liability company, and each of their past, present and future owners, stockholders, all present and former parent corporations, related or affiliated companies, subsidiaries, officers, directors, shareholders,

employees, agents, principals, heirs, representatives, accountants, attorneys, auditors, consultants, insurers and re-insurers, and their respective successors and predecessors in interest, each of their company-sponsored employee benefit plans of any nature (including, without limitation, profit-sharing plans, pension plans, 401(k) plans, and severance plans) and all of their respective officers, directors, employees, administrators, fiduciaries, trustees and agents, and any individual or entity that could be jointly, severally, or personally liable with Defendants (the “Releasees”) from the “Released Claims” during the Settlement Period.

(b) Released Claims

The “Released Claims” that the Representative Plaintiff and the Allegedly Aggrieved Employees are releasing for the Settlement Period are defined as: All claims, demands, rights, liabilities, and causes of action that were, or could have been asserted on behalf of the Allegedly Aggrieved Employees in the Lawsuit and identified in Representative Plaintiff’s November 14, 2023, notice letter to the LWDA attached hereto as **Exhibit B**, pursuant to the Labor Code Private Attorneys General Act of 2004, Labor Code §2698, *et seq.* (“PAGA”), based on alleged violations of Labor Code §§ Labor Code 204, 210, 226, 226.7, 510, 512, 516, 558, 1174, 1194, 1194.2, and 1197 for the following alleged violations: (1) failure to pay all minimum wages earned; (2) failure to pay overtime wages earned; (3) failure to provide meal breaks or premium wages; (4) failure to authorize and permit rest breaks or pay premium wages; (5) failure to provide accurate and compliant itemized wage statements; (6) failure to pay earned wages at least twice each calendar month; and (7) failure to keep accurate employment records, attorneys’ fees and costs (including, but not limited to attorneys’ fees and costs pursuant to Labor Code §§ 218.5, 1193.6, and 2699(g), Code of Civil Procedure §1021.5), or interest arising out of the claims at issue, including, without limitation: alleged unpaid minimum wages, unpaid overtime, failure to provide meal periods, failure to provide rest breaks, failure to timely pay wages when due, failure to pay all wages due and owing at termination, failure to keep accurate employment records, and for any shortcomings, deficiencies, and/or inaccuracies in any wage statements or other employment records, including but not limited to any failure to provide such wage statements entirely or failure to provide the requisite elements mandated by the California Labor Code, whether by Labor Code § 226 or otherwise. This release of claims under PAGA is not intended to affect either a release or waiver of any individual claims asserted on behalf of the Allegedly Aggrieved Employees outside of PAGA, nor is it intended to establish *res judicata* against any such claims outside of PAGA. Provided, however, that this Settlement Agreement requires that Plaintiff dismiss all individual claims in the Lawsuit with prejudice. These dismissals are material terms of this Settlement Agreement.

11. COURT APPROVAL OF PAGA SETTLEMENT

As required by Labor Code Section 2698, *et seq.*, the Representative Plaintiff shall promptly file a Motion for Approval of this Settlement with the presiding Court requesting approval of this Settlement Agreement, including approval of Representative Plaintiff’s Counsel’s fees and costs and the reasonable costs of the Settlement Administrator, and concurrently submit a copy of the motion to the LWDA pursuant to California Labor Code §2699(l). Representative Plaintiff’s Counsel will provide Defendants’ counsel with a draft of the motion at least five business days before filing, to enable Defendants to propose revisions before the motion is filed. The motion shall be served on the LWDA upon the motion’s filing with the Court. The Representative Plaintiff shall submit a copy of

the presiding Court's judgment or other order to the LWDA within ten (10) days after entry of the judgment or order.

12. JUDGMENT

As part of the Motion to approve the Settlement, Plaintiff shall submit a proposed order and judgment which enters judgment in the Action in accordance with the terms of the Settlement and retains jurisdiction over the Action for the purpose of enforcing the terms of the Settlement following approval of the Settlement. This Settlement is expressly conditioned upon the Court entering judgment as set forth herein. The judgment will not release or bar any claims other than the PAGA Released Claims as to Plaintiff and Aggrieved Employees. Plaintiff's Counsel will further submit any judgment rendered in the Action and approving the PAGA Settlement to the LWDA, per Lab. Code § 2699(1)(3).

13. VACATING, REVERSAL, OR MATERIAL MODIFICATION OF JUDGMENT ON APPEAL OR REVIEW

If, after a notice of appeal, a petition for review, or a petition for certiorari, or any other motion, petition, or application, the reviewing Court vacates, reverses, or modifies the Judgment such that this is a material modification to the Settlement (including, but not limited to, the scope of release to be granted by Aggrieved Employees), and that Court's decision is not completely reversed and the Judgment is not fully affirmed on review by a higher Court, then the Parties shall work together in good faith to address any concerns raised by the reviewing Court and propose a revised Settlement for the approval of the Court not later than fourteen days after the reviewing Court's decision vacating, reversing, or materially modifying the Judgment becomes Final. A vacation, reversal, or modification of the Court's award of the PAGA Counsel Fees Payment or Plaintiff's Counsel Litigation Expenses Payment will not constitute a vacation, reversal, or material modification of the Judgment within the meaning of this paragraph, provided that Defendants' obligation to make payments under this Settlement will remain limited by the Gross Settlement Amount. If an appeal is successful or the Court does not approve the Settlement, Defendants are not required to pay the Gross Settlement Amount.

14. CONFIDENTIALITY

The parties and their counsel agree that they will not issue any press releases or press statements, post any internet disclosures, have any communications with the press or media, or have any communications via social media, about the Lawsuit or the Settlement Agreement, or otherwise publicize the terms of the settlement, except as required by law or court order, or as necessary to seek Court approval of, and implement, this Settlement Agreement. Notwithstanding the foregoing, the parties and their counsel shall be allowed to refer to the settlement in seeking court approval of the same and in communicating with the Settlement Administrator, the LWDA, or Allegedly Aggrieved Employees regarding the Settlement.

15. NO TAX ADVICE

Neither counsel for the Representative Plaintiff nor counsel for Defendants intend anything contained herein (or in any other document pertaining to the Lawsuit) to constitute legal advice regarding the taxability of any amount paid hereunder, nor shall it be relied upon as such. The Parties

and the Allegedly Aggrieved Employees should rely exclusively upon his, her or its own, independent legal and tax counsel for advice (including tax advice) in connection with this Settlement Agreement and any payments resulting from this settlement.

16. TERMINATION OF SETTLEMENT AGREEMENT

Subject to the obligation of mutual cooperation set forth above, if the Court declines to approve this Settlement Agreement and enter a final order and judgment substantially in the form submitted by the Parties, or if the Court requires revisions that materially alter the Parties' rights or obligations under this Settlement Agreement (including, without limitation, the release, the Gross Settlement Amount, or the allocation of settlement proceeds), the Parties shall meet and confer in good faith regarding mutually acceptable revisions. If the Parties are unable to agree on revisions within thirty (30) days after service of notice of entry of the Court's order, any party may terminate this Settlement Agreement written notice. Termination shall have the following effects:

This Settlement Agreement shall be terminated and shall have no force or effect and no party shall be bound by any of its terms. Any payments made or to be made pursuant to the separate Individual Settlement Agreement shall be governed by the terms of that agreement, including that any such payments shall be held in Plaintiff's counsel's client trust account and not disbursed unless and until this Settlement Agreement is fully executed and approved by the Court.

If the settlement is terminated, Defendants shall have no obligation to make any payment to the LWDA, the Allegedly Aggrieved Employees, the Representative Plaintiff, or Representative Plaintiff's Counsel under this agreement; however, whichever party terminates the agreement shall pay the Settlement Administrator for services rendered up to the date the Settlement Administrator is notified that the settlement has been terminated, and if the Court refuses to approve the settlement, each side shall split the administrative costs equally.

(a) The Settlement Agreement and all negotiations, statements, and proceedings relating thereto shall be without prejudice to the rights of any of the parties, all of whom shall be restored to their respective positions in the litigation prior to the settlement; and

(b) Neither this Settlement Agreement nor any ancillary documents, actions, statements, or filings in furtherance of settlement (including any matters associated with the mediation) shall be admissible or offered into evidence in the litigation or any other action for any purpose whatsoever.

17. REPRESENTATIONS AND WARRANTIES

Each party to this Settlement Agreement represents and warrants that he or it has not heretofore assigned or transferred, or purported to assign or transfer, any of the claims released pursuant to this Settlement Agreement to any other person and that he or it is fully entitled to compromise and settle same.

18. CALIFORNIA LAW

All questions with respect to the construction of this Settlement Agreement and the rights and liabilities of the parties hereto shall be governed by the laws of the State of California applicable to agreements to be wholly performed within the State of California.

19. OWN COUNSEL

Each party hereto acknowledges that he or it has been represented by counsel of his or its own choice throughout all the negotiations which preceded the execution of this Settlement Agreement and in connection with the preparation and execution of this Settlement Agreement.

20. STAY OF LITIGATION / ARBITRATION

The parties hereto agree to stay this litigation, except as necessary to complete, finalize, and implement this Agreement. However, if this Settlement Agreement is not approved by the Court and the Settlement Agreement is terminated, the stay will be automatically lifted, and litigation (or arbitration) may resume without further Court order.

21. FURTHER ACTS AND DOCUMENTS

The parties hereto agree to do such acts and execute all such documents necessary to effectuate the intent of this Settlement Agreement.

22. COUNTERPARTS

This Settlement Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument and will be effective upon execution by all parties. Facsimile signatures shall be deemed original signatures for all purposes.

23. HEADINGS

The headings contained in this Settlement Agreement are for reference only and are not to be construed in any way as a part of the Settlement Agreement.

24. ENTIRE AGREEMENT

This Settlement Agreement represents the entire agreement between the parties hereto with respect to the subject matter hereof and supersedes all prior oral and written agreements and discussions with exception to the agreements resolving Plaintiffs' individual claims and release of same. Each of the Parties covenants that he or it has not entered into this Settlement Agreement as a result of any representation, agreement, inducement, or coercion, except to the extent specifically provided herein. Each party further covenants that the consideration recited herein is the only consideration for entering into this Settlement Agreement and that no promises or representations of another or further consideration have been made by any person. This Settlement Agreement may be amended only by an agreement in writing duly executed by all parties hereto.

25. BINDING EFFECT

This Settlement Agreement shall be binding upon and inure to the benefit of the parties hereto and to their respective heirs, assigns and successors-in-interest, and certain intended third-party beneficiaries, including without limitation, the other Releasees.

26. DRAFTING

Each party hereto has cooperated in the drafting and preparation of this Settlement Agreement. Hence, in any construction to be made of this Settlement Agreement, the same shall not be construed against any party as drafter of this Settlement Agreement.

27. SEVERABILITY

In the event any covenant or other provision herein (except for the release in the RELEASED CLAIMS section herein) is held to be invalid, void or illegal, the same shall be deemed severed from the remainder of this Settlement Agreement and shall in no way affect, impair or invalidate any other covenant, condition or other provision herein. If any covenant, condition or other provision herein is held to be invalid due to its scope or breadth, such covenant, condition or other provision shall be deemed valid to the extent of the scope or breadth permitted by law.

28. AUTHORITY

Each party hereto warrants and represents that each of the persons or entities executing this Settlement Agreement is duly empowered and authorized to do so.

29. ADMINISTRATION OF SETTLEMENT AND COMPLIANCE

The Court shall have continuing jurisdiction to resolve any dispute which may arise with regard to the terms and conditions of this Settlement Agreement as set forth herein.

WHEREFORE, the Representative Plaintiff, in their capacity as a proxy for the LWDA, and Defendant, by its duly authorized agents or counsel, have executed this Settlement Agreement as of the dates set forth below.

Plaintiff Placido Lopez

Dated: March 25, 2026

Placido Lopez

Placido Lopez

Defendant Simpson Labs LLC

Dated: March __, 2026

SIMPSON LABS LLC

By _____

26. DRAFTING

Each party hereto has cooperated in the drafting and preparation of this Settlement Agreement. Hence, in any construction to be made of this Settlement Agreement, the same shall not be construed against any party as drafter of this Settlement Agreement.

27. SEVERABILITY

In the event any covenant or other provision herein (except for the release in the RELEASED CLAIMS section herein) is held to be invalid, void or illegal, the same shall be deemed severed from the remainder of this Settlement Agreement and shall in no way affect, impair or invalidate any other covenant, condition or other provision herein. If any covenant, condition or other provision herein is held to be invalid due to its scope or breadth, such covenant, condition or other provision shall be deemed valid to the extent of the scope or breadth permitted by law.

28. AUTHORITY

Each party hereto warrants and represents that each of the persons or entities executing this Settlement Agreement is duly empowered and authorized to do so.

29. ADMINISTRATION OF SETTLEMENT AND COMPLIANCE

The Court shall have continuing jurisdiction to resolve any dispute which may arise with regard to the terms and conditions of this Settlement Agreement as set forth herein.

WHEREFORE, the Representative Plaintiff, in their capacity as a proxy for the LWDA, and Defendant, by its duly authorized agents or counsel, have executed this Settlement Agreement as of the dates set forth below.

Plaintiff Placido Lopez

Dated: March __, 2026

Placido Lopez

Defendant Simpson Labs LLC

Dated: March 21, 2026

SIMPSON LABS LLC

By _____

Joe O'Dea

VP of R+D

Defendant Partners Personnel-Management Services, LLC

Dated: March 27, 2026

**PARTNERS PERSONNEL-
MANAGEMENT SERVICES, LLC**

By Alissa C. Greenwalt

APPROVED AS TO FORM:

LIDMAN LAW, APC

Dated: March 26, 2026



Scott M. Lidman, Esq.
Attorneys for Plaintiff

HAINES LAW GROUP, APC

Dated: March 26, 2026



Paul K. Haines, Esq.
Attorneys for Plaintiff

YOUNG & CHIC LLP

Dated: March 23, 2026



Kristen L. Chic
Attorneys for Defendant
Simpson Labs LLC

FINNEGAN & DIBA, ALC

Dated: March 27, 2026



Kasey Diba, Esq.
Attorneys for Defendant
Partners Personnel-Management Services, LLC

EXHIBIT A

EXHIBIT A

[INSERT]

[insert address]

[Date], 2026

[insert employee name]

[insert employee address]

Re: Explanation of PAGA Settlement and Release of Claims

Dear Current or Former Simpson Labs LLC or Partners Personnel-Management Services, LLC Worker:

I. NOTICE OF PAGA SETTLEMENT

[INSERT] is the Court-approved settlement administrator for a lawsuit entitled *Lopez. v. Simpson Labs, LLC, et al.*, Los Angeles County Superior Court Case No. 23STCV27829 (the “Lawsuit”).

The plaintiff brought suit pursuant to the California Private Attorneys General Act of 2004, Labor Code §§2698 *et seq.* (“PAGA”), asserting the following claims against Simpson Labs LLC, and Partners Personnel-Management Services, LLC, and further seeking penalties under Labor Code sections 204, 210, 226, 226.7, 510, 512, 516, 558, 1174, 1194, 1194.2, and 1197 for the following alleged violations: (1) failure to pay all minimum wages earned; (2) failure to pay overtime wages earned; (3) failure to provide meal breaks or premium wages; (4) failure to authorize and permit rest breaks or pay premium wages; (5) failure to provide accurate and compliant itemized wage statements; (6) failure to pay earned wages at least twice each calendar month; and (7) failure to keep accurate employment records.

The Court has ***not*** made a determination about the merits of Plaintiff’s claims. This Notice is not to be understood as an expression of any opinion by the Court as to the merits of Plaintiff’s claims.

Simpson Labs LLC, and Partners Personnel-Management Services, LLC, deny all liability. The parties reached a settlement, which the Court approved.

You are receiving this Notice because you are in the group of employees referred to as “Aggrieved Employees,” which is defined as “all against individuals who worked for Simpson Labs, LLC, directly and/or individuals who provided services for Simpson Labs LLC, through placement by Partners Personnel-Management Services, LLC at any time between November 14, 2022, through February 14, 2026.”

II. INDIVIDUAL PAGA PAYMENT

Each individual PAGA payment was calculated on a pro rata basis (*i.e.*, proportional) based on the number of pay periods worked by each Aggrieved Employee in the PAGA Period. Your individual PAGA payment has been calculated at \$[AMOUNT PAID TO THIS EMPLOYEE]. Your payment is enclosed with this Notice.

Please Note: One hundred percent (100%) of your Individual PAGA Payment under this Settlement will be considered penalties reported on an IRS Form 1099, and may be subject to local, state, or federal tax withholdings and will be reported to the IRS and state tax authorities. You should rely on your own tax advisors as to the tax consequences, if any, of your individual PAGA payment. Neither Plaintiff nor Defendants has made any representations or warranties regarding the taxation of your Individual PAGA payment. Nothing within this notice or any other communication shall constitute or be construed or relied upon as tax advice within the meaning of United States Treasury Department Circular 230 (31 C.F.R. Part 10, as amended).

III. RELEASE

The Court has approved the Parties' Settlement Agreement ("Settlement"). By operation of the Settlement's terms, Plaintiff and the Allegedly Aggrieved Employees are releasing for the Settlement Period are defined as: All claims, demands, rights, liabilities, and causes of action that were, or could have been asserted on behalf of the Allegedly Aggrieved Employees in the Lawsuit and identified in Representative Plaintiff's November 14, 2023, notice letter to the LWDA attached hereto as **Exhibit B**, pursuant to the Labor Code Private Attorneys General Act of 2004, Labor Code §2698, *et seq.* ("PAGA"), based on alleged violations of Labor Code §§ Labor Code 204, 210, 226, 226.7, 510, 512, 516, 558, 1174, 1194, 1194.2, and 1197 for the following alleged violations: (1) failure to pay all minimum wages earned; (2) failure to pay overtime wages earned; (3) failure to provide meal breaks or premium wages; (4) failure to authorize and permit rest breaks or pay premium wages; (5) failure to provide accurate and compliant itemized wage statements; (6) failure to pay earned wages at least twice each calendar month; and (7) failure to keep accurate employment records, attorneys' fees and costs (including, but not limited to attorneys' fees and costs pursuant to Labor Code §§ 218.5, 1193.6, and 2699(g), Code of Civil Procedure §1021.5), or interest arising out of the claims at issue, including, without limitation: alleged unpaid minimum wages, unpaid overtime, failure to provide meal periods, failure to provide rest breaks, failure to timely pay wages when due, failure to pay all wages due and owing at termination, failure to keep accurate employment records, and for any shortcomings, deficiencies, and/or inaccuracies in any wage statements or other employment records, including but not limited to any failure to provide such wage statements entirely or failure to provide the requisite elements mandated by the California Labor Code, whether by Labor Code § 226 or otherwise.

This release of claims under PAGA is not intended to affect either a release or waiver of any individual claims asserted on behalf of the Allegedly Aggrieved Employees outside of PAGA, nor is it intended to establish *res judicata* against any such claims outside of PAGA. Provided, however, that this Settlement Agreement requires that Plaintiff dismiss all individual claims in the Lawsuit with prejudice.

Upon entry of the Order approving the Settlement, any Aggrieved Employee covered by this Agreement (including you) will be barred from proceeding with any of the PAGA Released Claims released by this Settlement, which means claims for civil penalties, but not claims for unpaid wages

or statutory penalties recoverable under the Labor Code and/or Wage Orders for the violations alleged in this Lawsuit.

IV. SETTLEMENT ADMINISTRATOR

PLEASE DO NOT CALL THE COURT ABOUT THIS NOTICE.

You may call the Settlement Administrator, ILYM Group, Inc. at [ADMINISTRATOR INFO] with any questions.

Settlement checks will be void 180 days after issuance if not deposited or cashed. In such event, the Settlement Administrator shall direct all unclaimed funds to the California State Controller's Office under the unclaimed property laws in the name of the Aggrieved Employee to whom the check was issued. If your check is lost or misplaced, you should contact the Settlement Administrator immediately to request a replacement.

EXHIBIT B

LIDMAN LAW

2155 CAMPUS DRIVE, SUITE 150, EL SEGUNDO, CA 90245

OFFICE: (424) 322-4772

FAX: (424) 322-4775

November 14, 2023

VIA LWDA WEBSITE

Labor and Workforce Development Agency
Attn: PAGA Administrator
1515 Clay Street, Suite 801
Oakland, CA 94612

**VIA U.S. CERTIFIED MAIL – RETURN
RECEIPT REQUESTED**

Partners Personnel-Management Services, LLC
c/o Sarah Clemens
5901 W. Century Blvd.
Los Angeles, CA 90045

**VIA U.S. CERTIFIED MAIL – RETURN
RECEIPT REQUESTED**

Simpson Labs, LLC
c/o Eric Simpson
27540 Avenue Mentry
Valencia, CA 91355

Re: *Placido Lopez v. Simpson Labs, LLC and Partners Personnel-Management Services, LLC*

To Whom It May Concern:

Please be advised that this law firm represents Placido Lopez (“Mr. Lopez”) in claims arising from his employment with Simpson Labs, LLC and Partners Personnel-Management Services, LLC (“Defendants”). Mr. Lopez is an “aggrieved employee” as defined by Labor Code sections 2699, *et seq.* due to Defendant’s numerous violations of the Labor Code as set forth below. The purpose of this letter is to comply with Labor Code section 2699.3, which requires aggrieved employees to notify their employer and the Labor and Workforce Development Agency (“LWDA”) of the specific provisions of the Labor Code allegedly violated. For purposes of this letter, an “aggrieved employee” should be considered to include all current and former hourly, non-exempt employees working for Defendants in California (including any and all individuals who: (i) worked for Defendant Simpson Labs, LLC directly or (ii) worked for and/or provided services for Defendant Simpson Labs, LLC through Defendant Partners Personnel-Management Services, LLC) during the one year immediately preceding the date of this letter through the present date, and continuing through a civil judgment if the LWDA takes no action and Mr. Lopez files a civil lawsuit seeking civil penalties.

Defendant Simpson Labs, LLC did (and continues to do) business by being a self-described leading contract manufacturer for the nutritional supplement industry. Defendant Partners Personnel – Management Services, LLC did (and continues to do) business by placing individuals at Defendant Simpson Labs, LLC to work and/or provide services for.

Mr. Lopez, a current employee, has been employed by Defendants as a non-exempt employee since approximately 2018. He was placed to work and/or provide services for Defendant Simpson Labs, LLC through Defendant Partners Personnel – Management Services, LLC. During his employment with Defendants, Mr. Lopez operated a forklift around Defendants’ facility.

Mr. Lopez was generally scheduled to work five to six days a week Monday through Saturday, from 5:00 a.m. to 6:00/7:00 p.m. Mr. Lopez would use his employee badge to clock in and out. Mr. Lopez and other hourly, non-exempt employees would often work more than 8 hours in a workday and/or 40 hours in a workweek.

During his employment with Defendants, or at least a portion of the relevant time period, Defendants would keep track of Mr. Lopez's and other hourly, non-exempt employees time worked and would unlawfully shave their work time and/or round their work time such that they would not be fully paid for all time worked. This time-shaving and/or rounding practice utilized by Defendants was not even-handed over time and would almost exclusively round and shave in Defendants' favor such that Mr. Lopez and other hourly, non-exempt employees were routinely unpaid for their time worked. As a result, Defendants failed to pay Mr. Lopez and other hourly, non-exempt employees all required minimum and overtime wages.

Throughout Mr. Lopez's employment with Defendants, Mr. Lopez and other hourly, non-exempt employees were not provided all legally required meal periods due to Defendants' meal period policies and practices. Due to the work demands imposed by Defendants, Mr. Lopez and other hourly, non-exempt employees were often provided with a meal period that was late, short, missed, and/or otherwise unlawful. Further, Defendants' meal period policies and practices fail to provide Mr. Lopez and the other non-exempt employees a second meal period for shifts over 10.0 hours. As a result, when Mr. Lopez and other hourly, non-exempt employees worked in excess of 10.0 hours, they were not provided with a second 30-minute meal period in violation of California law.

Although Mr. Lopez and other hourly, non-exempt employees were not provided with all legally-compliant meal periods to which they were entitled, Defendants failed to compensate Mr. Lopez and the other hourly, non-exempt employees with the required meal period premium for each workday in which they experienced a meal period violation as mandated by Labor Code § 226.7.

In addition, throughout Mr. Lopez's employment with Defendants, Mr. Lopez and other hourly, non-exempt employees were not authorized and permitted to take legally required rest periods due to Defendants' unlawful rest period policies and practices. Defendants' rest period policies and practices fail to authorize and permit paid rest periods for every four hours worked, *or major fraction thereof*. Further, Defendants failed to authorize and permit Mr. Lopez and other hourly, non-exempt employees to take rest periods that were at least a net ten minutes in duration, resulting in short rest periods in violation of California law. Additionally, Mr. Lopez and other non-exempt employees were not authorized and permitted to take a third rest period when they worked shifts in excess of 10.0 hours.

On those occasions when Mr. Lopez and other hourly, non-exempt employees were not authorized and permitted to take all legally-compliant rest periods to which they were entitled, Defendants failed to compensate them with the required rest period premium for each workday in which they experienced a rest period violation as mandated by Labor Code § 226.7.

As a result of Defendants' failure to pay all minimum and overtime wages, as well as meal and rest period premium wages, Defendants maintained inaccurate payroll records and issued inaccurate wage statements to Mr. Lopez and other hourly, non-exempt employees.

As described above, Defendant committed the following violations of the Labor Code and Industrial Welfare Commission Wage Order No. 1 ("Wage Order 1"):

Minimum Wage Violations

Defendant was required to pay Mr. Lopez and other aggrieved employees an hourly rate at least equal to the minimum wage for each hour actually worked. *See* Labor Code §§ 1194; 1194.2, 1197, 1197.1; The Wage Order 1, § 4. Mr. Lopez and other aggrieved employees were not paid for all hours worked due to Defendant's unlawful practices and procedures. As alleged above, Defendant's unlawful policies and procedures were to pay pursuant to the scheduled hours. These practices by Defendant resulted in Defendant not paying Mr. Lopez and other aggrieved employees for all wages owed for the work they performed, including failing to pay them all required minimum wages.

Overtime Violations

Defendants were required to pay Mr. Lopez and other aggrieved employees overtime wages for all hours worked in excess of eight hours per workday and/or forty hours per workweek. *See* Labor Code §§ 1194(a) and 1198; the Wage Order 1, § 3. According to Labor Code § 510(a), "Any work in excess of eight hours in one workday and any work in excess of 40 hours in any one workweek and the first eight hours worked on the seventh day of work in any one workweek shall be compensated at the rate of no less than one and one-half times the regular rate of pay for an employee." This Section further provides, "Any work in excess of 12 hours in one day shall be compensated at the rate of no less than twice the regular rate of pay for an employee." As alleged above, Defendants' unlawful policies and procedures were to pay pursuant to the scheduled hours. As a result of Defendants' policies and/or practices that fail to compensate for all hours worked, Mr. Lopez and other aggrieved employees were deprived all required overtime wages earned.

Meal Period Violations

As alleged above, Defendants failed to provide the aggrieved employees with all required and compliant meal periods. *See* Labor Code §§ 226.7 and 512; Wage Order 1, § 11. As described above, Defendants failed to provide Mr. Lopez and other aggrieved employees with all legally compliant meal periods due to Defendants' meal period policies/practices, which have frequently resulted in late (commencing after the fifth hour of work), short (less than 30 minutes), and missed meal periods. In addition, Defendants failed to provide Mr. Lopez or other aggrieved employees with second meal periods on shifts over 10.0 hours. Therefore, the aggrieved employees are owed an additional hour of wages at their regular rate of compensation for each workday they experienced a meal period violation. *See* Labor Code § 226.7 ("If an employer fails to provide an employee a meal or rest or recovery period in accordance with ... [an] order of the Industrial Welfare Commission ... the employer shall pay the employee one additional hour of pay at the employee's regular rate of compensation for each workday that the meal or rest or recovery period is not provided."). Although Mr. Lopez and other aggrieved employees were not provided with all legally-compliant meal periods to which they were entitled, Defendants failed to compensate them with the required meal period premium for each workday in which they experienced a meal period violation as mandated by Labor Code § 226.7.

Rest Period Violations

Defendants also failed to authorize and permit their aggrieved employees to take all required rest periods. *See* Labor Code §§ 226.7 and 516; Wage Order 1, § 12. Specifically, Mr. Lopez and other aggrieved employees were not authorized and permitted to take all required rest periods due to Defendant's rest period policies/practices, which upon information and belief, fail to authorize and

permit all rest periods for every four hours worked, or *major fraction thereof*. Additionally, Defendants has often failed to authorize and permit a third rest period when Mr. Lopez worked a shift in excess of 10.0 hours. As a result, Mr. Lopez and the aggrieved employees are owed an additional hour of wages at their regular rate of compensation for each workday that they were not authorized and permitted to take all legally required rest periods. *See* Labor Code § 226.7 (“If an employer fails to provide an employee a meal period or rest period in accordance with an applicable order of the Industrial Welfare Commission, the employer shall pay the employee one additional hour of pay at the employee’s regular rate of compensation for each workday that the meal or rest period is not provided.”)

Wage Statement Violations

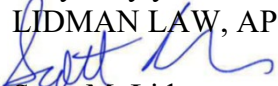
Defendants knowingly and intentionally, as a matter of uniform practice and policy, failed to furnish Mr. Lopez and other aggrieved employees with accurate and complete, itemized wage statements that included, among other requirements, all minimum and/or overtime wages earned, meal and rest period premiums, total gross wages earned, and total net wages earned, in violation of Labor Code § 226 *et seq.* Defendants’ failure to furnish Mr. Lopez and other aggrieved employees with complete and accurate, itemized wage statements resulted in actual injury, as said failures led to, among other things, the non-payment of all minimum and/or overtime wages earned and meal and rest period premiums, and deprived them of the information necessary to identify discrepancies in Defendants’ reported data.

As an “aggrieved employee,” Mr. Lopez will initiate a civil action on behalf of himself and other aggrieved employees to recover damages, statutory penalties, and civil penalties resulting from the wage and hour violations alleged herein. Based on Mr. Lopez’s own investigation, and on information and belief, Defendant committed the following Labor Code violations:

- a) Defendants violated Labor Code §§ 1194, 1194.2, and 1197 by failing to pay Mr. Lopez and other aggrieved employees the statutory minimum wage for all hours worked;
- b) Defendants violated Labor Code §§ 204, 510, 558, 1194, and 1198 by failing to pay Mr. Lopez and other aggrieved employees all overtime compensation earned;
- c) Defendants violated Labor Code §§ 226.7, 512, and 558 by failing to provide all legally required meal periods and failing to pay meal period premiums to Mr. Lopez and the aggrieved employees;
- d) Defendants violated Labor Code §§ 226.7, 516, and 558 by failing to provide all legally required rest periods and failing to pay rest period premiums to Mr. Lopez and the aggrieved employees;
- e) Defendants violated Labor Code § 226 by failing to furnish Mr. Lopez and other aggrieved employees with accurate and compliant itemized wage statements;
- f) Defendants violated Labor Code §§ 204 and 210 by failing to pay Mr. Lopez and other aggrieved employees all earned wages at least twice during each calendar month; and

- g) Defendants violated Labor Code § 1174 by failing to maintain accurate records on behalf of Mr. Lopez and other aggrieved employees.

Pursuant to Labor Code section 2699.3(a)(2)(A), please notify us and Defendant if the LWDA intends to investigate these alleged violations of the Labor Code. Please contact me should you require additional information.

Very truly yours,
LIDMAN LAW, APC

Scott M. Lidman