

PRIVATE ATTORNEYS GENERAL ACT SETTLEMENT AGREEMENT AND RELEASE

This Private Attorneys General Act Settlement Agreement and Release ("Settlement Agreement" or "Settlement") is entered into by and between Gilberto Baltazar ("Plaintiff"), for himself and as a representative of the State of California with respect to the Aggrieved Employees and Teserra ("Defendant"), subject to approval by the Court. The term "Party" or "Parties" as used herein shall refer to Plaintiff, Defendant, or both, as may be appropriate.

1. Definitions

(a) "Action" means Plaintiff's Complaint against Defendant filed on December 29, 2023 in Los Angeles Superior Court, Case No. 23STCV31901.

(b) "Aggrieved Employee(s)" means all current and former hourly-paid or nonexempt employees who worked for Defendant Teserra within the State of California during the PAGA Period.

(c) "LWDA" means the California Labor and Workforce Development Agency.

(d) "Operative Complaint" means the First Amended Complaint Plaintiff filed on March 5, 2024.

(e) "PAGA Settlement Administrator" means Phoenix, the neutral third-party administrator the Parties have chosen to administer the settlement.

(f) "PAGA Period" means the period from January 1, 2023 through December 31, 2025.

2. **Recitals.** This Settlement Agreement is made with reference to the following facts:

(a) Plaintiff is a former employee of Defendant. Plaintiff was employed by Defendant from approximately October 23, 2019 to approximately January 8, 2025;

(b) On December 29, 2023, the Law Offices of Ramin R. Younessi, APLC ("Plaintiff's Counsel"), submitted a letter on behalf of Plaintiff to the LWDA and Defendant, to notify the LWDA and Defendant, pursuant to the Private Attorneys General Act of 2004, California Labor Code section 2699, *et seq.* ("PAGA") of Plaintiff's intent to seek civil penalties under PAGA for Defendant's alleged violations of California Labor Code sections 201, 202, 203, 204, 210, 226(a), 226.7, 510, 512, 558, 1174, 1182.12, 1194, 1194.2, 1197 and Industrial Welfare Commission Wage Orders, including *inter alia*, Wage Order, 4-2001, and Business & Professions Code §§ 17200, *et seq.*, thereby initiating LWDA Case Number LWDA-CM-1002228-23 (the "PAGA Notice");

(c) On December 29, 2023, Plaintiff filed the Action, alleging causes of action for (1) Failure To Pay Wages (Cal. Labor Code §§201, 1194); (2) Failure to Pay Minimum Wages (Cal. Labor Code §§1182.12, 1194, 1194.2, 1197); (3) Failure To Pay Overtime Compensation (Cal. Labor Code §§510, 1194); (4) Failure To Provide Rest Periods (Cal. Labor Code §226.7); (5) Failure to Provide Meal Periods (Cal. Labor Code §512); (6) Failure To

Provide Itemized Wage and Hour Statements (Cal. Labor Code §§226, Et Seq.); (7) Late Payment Penalties (Cal. Labor Code §§204, 210); (8) Waiting Time Penalties (Cal. Labor Code §§201-203); and (9) Unfair Competition (Bus. & Prof. Code §17200 Et Seq.).

(c) On March 5, 2024, Plaintiff filed his Operative Complaint, adding a cause of action for penalties pursuant to the Private Attorney General Act (Cal. Labor Code §2699 et seq.)

(d) On August 26, 2025, the Parties participated in a full-day mediation with the Hon. Amy Hogue (Ret.) and reached an agreement to settle the disputed claims on behalf of Plaintiff and the Aggrieved Employees pursuant to PAGA.

(e) There has been no determination on the merits of the Action or the PAGA Notice but, in order to avoid additional cost and the uncertainty of litigation, the Parties desire to resolve the Action, Released Claims, and Plaintiff's Individual Release.

3. **No Admission of Wrongdoing.** The Parties agree that neither this Settlement Agreement nor the furnishing of the consideration for this Settlement Agreement shall be deemed or construed at any time for any purpose as an admission by the Released Parties of wrongdoing or evidence of any liability or unlawful conduct of any kind.

4. **Consideration.**

(a) In consideration for Plaintiff signing this Settlement Agreement and complying with its terms, Defendant shall pay the maximum gross sum of Two Hundred Forty Thousand Dollars and Zero Cents (\$240,000.00) (the "Total Settlement Amount") to resolve the Action, Released Claims, and Plaintiff's Individual Release (as defined herein), which will be paid as follows:

(1) Attorneys' fees in the amount of Thirty-Three and One-Third Percent (33.3%) of the Total Settlement Amount, which is Seventy-Nine Thousand Nine-Hundred and Twenty Dollars and Zero Cents (\$79,920.00) ("Attorneys' Fees"), and reimbursement of litigation costs and expenses in the amount of up to Twelve Thousand Dollars and Zero Cents (\$12,000.00) ("Attorneys' Costs") to Plaintiff's Counsel, which Defendant will not contest. If the Court approves Attorneys' Fees or Attorneys' Costs for less than the amount requested, the PAGA Settlement Administrator will retain the remainder in the Net Settlement Amount.

(2) PAGA Enhancement Payment to Plaintiff Gilberto Baltazar of not more than Ten Thousand Dollars and Zero Cents (\$10,000.00) in addition to any Individual PAGA Payment Plaintiff is entitled to receive as an Aggrieved Employee, which Defendant will not contest. If the Court approves a PAGA Enhancement Payment for less than the amount requested, the PAGA Settlement Administrator will retain the remainder in the Net Settlement Amount. The Administrator will pay the PAGA Enhancement Payment using IRS Form 1099. Plaintiff assumes full responsibility and liability for employee taxes owed on the PAGA Enhancement Payment.

(3) Costs and expenses of administration of the Settlement up to the amount of 4,750 Dollars and 00 Cents (\$4,750.00) ("Settlement Administration Costs") to the PAGA Settlement Administrator.

(4) The amounts stated in Sections 3(a)(1) – 3(a)(3) above, once approved by the Court, shall be paid from the Total Settlement Amount. The balance remaining after these deductions is referred to as the “Net Settlement Amount.”

(5) Seventy-five percent (75%) of the Net Settlement Amount will be distributed to the LWDA (“LWDA Payment”); and the remaining twenty-five percent (25%) will be distributed to the Aggrieved Employees. The 25% portion of the Net Settlement Amount payable to Aggrieved Employees is referred to as the “Employees’ Portion.”

(b) The Aggrieved Employees are estimated to consist of approximately 330 individuals who worked approximately 26,600 workweeks.

(c) Because this is a settlement of PAGA claims for civil penalties only, no portion of the Settlement is allocated to unpaid wages. One Hundred Percent (100%) of the payments for Attorneys’ Fees and Costs, and the Net Settlement Amount to be paid to the LWDA and Aggrieved Employees as described in Section 3(a) above will be treated and reported for tax purposes as non-wage payments and the PAGA Settlement Administrator will be responsible for issuing IRS Forms 1099 as required.

5. **Court Approval is Required.** Plaintiff understands and agrees that the State of California and Aggrieved Employees, including Plaintiff, would not receive the consideration specified in Section 4(a) above, except for Plaintiff’s execution of this Settlement Agreement, and the fulfillment of the promises contained herein, as well as Court approval of the Settlement. If this Settlement Agreement is not approved by the Court, it shall be null and void.

6. **Disbursement of Settlement Funds.**

(a) Subject to Section 4 above, Defendant shall remit to the PAGA Settlement Administrator the Total Settlement Amount within sixty (60) calendar days of the date both: (i) the Settlement Agreement is fully executed by all Parties and their counsel; and (ii) the Court has entered an order approving the Settlement.

(b) Upon complete distribution of the Total Settlement Amount by the PAGA Settlement Administrator in accordance with this Settlement Agreement, the PAGA Settlement Administrator will notify the Parties of distribution of the entire Total Settlement Amount.

7. **Approval and Implementation of the PAGA Settlement.**

(a) The Parties agree to cooperate and take any and all steps required by the Court in the Action to implement the settlement and terminate the Action pursuant to settlement (i.e., to terminate the Action by way of judgment or dismissal).

(b) The Parties further agree to cooperate in the drafting and/or filing of any further documents and/or filings reasonably necessary to be prepared and/or filed, and to take all steps that may be requested by the Court in order to obtain approval and implementation of this Settlement Agreement, and the payments described in Section 3(a) above.

(c) The Parties shall seek to obtain Court approval of this Settlement Agreement by way of an unopposed motion to be filed by Plaintiff’s Counsel. Plaintiff’s

Counsel shall provide a draft of all documents to be submitted in connection with the motion to approve this Settlement Agreement to Cecilia Martin of Best, Best & Krieger LLP (“Defendant’s Counsel”) for review; Defendant’s Counsel will be given an opportunity to comment on the papers prior to their being filed with the Court, and such comments will be implemented to the extent reasonable.

(d) The Parties expressly acknowledge that the Court’s approval of the Settlement Agreement is a condition precedent to any payments described in this Settlement Agreement. Therefore, the Parties further acknowledge that, should the Court not grant approval of this Settlement Agreement and/or should the Court refuse to grant judgment or dismissal of the Action and close the Action based on this Settlement Agreement, the entirety of this Settlement Agreement shall be null and void.

8. **Payment of Total Settlement Amount / Notice to Recipients.**

(a) Subject to Court approval of this Settlement Agreement, Defendant shall pay the Total Settlement Amount by transmitting the required sums to a qualified settlement account established by the PAGA Settlement Administrator for administration of this Settlement, within the deadline prescribed by Section 5(a) above. If the date by which payment by Defendant is due falls on a Saturday, Sunday or legal holiday in the State of California, then the due date shall be extended the next following day which is not a Saturday, Sunday or legal holiday in the State of California.

(b) Each Aggrieved Employee will be entitled to a *pro rata* share of 25% of the Net Settlement Amount (i.e., the Employees’ Portion) based upon the number of workweeks they each worked between January 1, 2023 through December 31, 2025, based on Defendant’s payroll records which will be calculated by the PAGA Settlement Administrator. Specifically, to calculate each Aggrieved Employee’s share of the Employees’ Portion (“Individual Settlement Share”), the PAGA Settlement Administrator shall: (i) for each Aggrieved Employee, divide the number of workweeks he or she individually worked by the total aggregate number of workweeks worked by all Aggrieved Employees, and then (ii) multiply this amount by the Employees’ Portion to arrive at each Aggrieved Employee’s Individual Settlement Share.

(1) One Hundred Percent (100%) of all Individual Settlement Shares are to be considered penalties and the PAGA Settlement Administrator will not undertake any deductions, withholding, or remittances for local, state, or federal taxes. Aggrieved Employees’ Individual Settlement Shares will be reported on an IRS Form 1099, as required by the IRS.

(c) The PAGA Settlement Administrator shall distribute each Individual Settlement Share by way of check, along with a cover letter (“Cover Letter”) agreed to by the Parties and approved by the Court, in substantially the form attached hereto as “Exhibit A”, in the following manner:

(1) No later than thirty (30) calendar days after the Court’s order granting approval of the Settlement, Defendant shall provide the PAGA Settlement Administrator with a list of all Aggrieved Employees (the “Aggrieved Employees List”), containing the following information for each Aggrieved Employee: (i) first and last name; (ii) last known address; (iii) last

known telephone number; (iv) Social Security number; and (v) applicable workweeks worked during the PAGA Period.

(2) The PAGA Settlement Administrator shall conduct one (1) National Change of Address ("NCOA") search for all individuals identified on the Aggrieved Employees List, and update addresses for Aggrieved Employees to the extent updated addresses are located through the NCOA search.

(3) No later than fourteen (14) calendar days after the PAGA Settlement Administrator receives the Aggrieved Employees List and Total Settlement Amount, the PAGA Settlement Administrator shall mail the agreed-upon Cover Letter and Individual Settlement Share checks (together, the "PAGA Settlement Package") to all Aggrieved Employees by first-class United States mail. For each PAGA Settlement Package that is returned undeliverable within thirty (30) calendar days of the initial mailing, the PAGA Settlement Administrator shall promptly attempt to locate an alternate, updated address for the Aggrieved Employee at issue, by using a skip-trace search and shall attempt one (1) re-mailing of the PAGA Settlement Package.

(4) The Individual Settlement Share checks issued to Aggrieved Employees shall remain valid for ninety (90) calendar days, and thereafter, shall be canceled. Funds associated with canceled checks shall be transmitted to the State Controller's Office Unclaimed Property Division in the name of the Aggrieved Employee(s) at issue and in the amount of his or her respective Individual Settlement Share(s).

(d) No later than fourteen (14) calendar days after the PAGA Settlement Administrator receives the Aggrieved Employees List and Total Settlement Amount, the PAGA Settlement Administrator shall transmit the LWDA Payment to the LWDA.

(e) No later than fourteen (14) calendar days after the PAGA Settlement Administrator receives the Aggrieved Employees List and Total Settlement Amount, the PAGA Settlement Administrator shall transmit the Attorneys' Fees and Costs to Plaintiff's Counsel in addition to the PAGA Enhancement Payment to Plaintiff.

(f) No later than fourteen (14) calendar days after the PAGA Settlement Administrator receives the Aggrieved Employees List and Total Settlement Amount, the PAGA Settlement Administrator shall transmit the Settlement Administration Costs to itself.

9. **Release of Claims by Plaintiff, Aggrieved Employees, and the State of California.**

(a) Upon the date the Court has entered an order approving the Settlement Agreement and full funding of the Total Settlement Amount, and except as to the rights and obligations created by this Settlement Agreement, Plaintiff and the State of California with respect to Aggrieved Employees, will be deemed to have knowingly and voluntarily released and forever discharged Defendant, including Defendant's parent corporation, affiliates, subsidiaries, divisions, predecessors, insurers, successors and assigns, and their current and former employees, attorneys, officers, directors and agents thereof, both individually and in their business capacities, and their employee benefit plans and programs and the trustees, administrators, fiduciaries and insurers of such plans and programs (collectively, the "Released Parties"), to the full extent permitted by law, of and from claims in the Action for civil penalties under California Labor Code section 2698, *et seq.* ("PAGA") as well as any interest, fees, and

costs available under PAGA, based on the factual allegations in the Operative Complaint and the PAGA Notice, including but not limited to, for failure to pay minimum, regular, and overtime wages, failure to provide compliant meal periods and associated premiums, failure to provide compliant rest periods and associated premiums, failure to timely pay wages upon termination, failure to provide compliant and accurate wage statements, failure to pay wages for unused vested vacation time, including but not limited to violations of California Labor Code sections 201, 202, 203, 226, 226.7, 227.3, 510, 512, 1174, 1182.12, 1194, 1194.2, and 1197, and Industrial Welfare Commission Wage Orders, including *inter alia*, Wage Order, 4-2001 (collectively, the “Released Claims”).

(b) Upon the date the Court has entered an order approving the Settlement Agreement and full funding of the Total Settlement Amount, and except as to the rights and obligations created by this Settlement Agreement, Plaintiff, individually and on behalf of his heirs, executors, administrators, representatives, attorneys, successors and assigns, will be deemed to have knowingly and voluntarily released and forever discharged Released Parties, to the full extent permitted by law, from any and all claims of every nature whatsoever, known or unknown, suspected or unsuspected, which Plaintiff has or may have as of the date the Court has entered an order approving the Settlement Agreement. This broader release includes, but is not limited to, all claims arising directly or indirectly from Plaintiff’s employment with Defendant and the termination of that employment, including without limitation claims arising under federal, state, or local laws and claims for unpaid wages, penalties, liquidated damages, breach of contract, breach of the implied covenant of good faith and fair dealing, infliction of emotional distress, wrongful or retaliatory discharge, harassment, discrimination, defamation, impairment of economic opportunity, and violations of public policy, the Fair Labor Standards Act, the California Labor Code, the California Fair Employment and Housing Act, the California Business and Professions Code, the California Constitution, the Civil Rights Act of 1866, Title VII of the Civil Rights Act of 1964, and the Americans with Disabilities Act of 1990 (“Plaintiff’s Individual Release”). With respect to those claims released by Plaintiff in an individual capacity, Plaintiff acknowledges and waives any and all rights and benefits available under California Civil Code Section 1542, which provides:

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.

Plaintiff understands and agrees that claims or facts in addition to or different from those which are now known or believed by him to exist may hereafter be discovered. It is Plaintiff’s intention to, upon the date the Court has entered an order approving the Settlement Agreement and full funding of the Total Settlement Amount, settle fully and release all claims he now has against the Released Parties, whether known or unknown, suspected or unsuspected. Notwithstanding the above, the general release by Plaintiff shall not extend to claims for workers’ compensation benefits, claims for unemployment benefits, or other claims that may not be released by law.

(c) The Parties agree that the Action shall be dismissed in its entirety, and the Action’s dismissal shall be entered with prejudice as to any claims released in this

Settlement, including the Released Claims and Plaintiff's Individual Release. For the avoidance of doubt, any unreleased claims encompassed in the action, such as putative class members' individual claims, shall be dismissed without prejudice. Plaintiff agrees that he shall separately dismiss any pending arbitrations against Defendant.

10. **Governing Law and Interpretation.**

(a) This Settlement Agreement shall be governed and conformed in accordance with the laws of the State of California. Should any non-material provision of this Settlement Agreement be declared illegal or unenforceable by any court of competent jurisdiction and cannot be modified to be enforceable such provision immediately shall become null and void, leaving the remainder of this Settlement Agreement in full force and effect.

(b) In the event of a breach of any provision of this Settlement Agreement, any Party reserves the right to institute an action specifically to enforce any term or terms of this Settlement Agreement or seek damages for breach. In an action to enforce any term or terms of this Settlement Agreement or to seek damages for breach of this Settlement Agreement, the prevailing Party in that action shall be entitled to recover reasonable attorney's fees and costs from the non-prevailing Party.

11. **Amendment.** This Settlement Agreement may not be modified, altered or changed except in writing and signed by both Parties' counsel, wherein specific reference is made to this Settlement Agreement, subject to approval by the Court.

12. **Miscellaneous.**

(a) The Parties agree to stay all proceedings in the Action, including with respect to California Code of Civil Procedure section 583.310, except such proceedings necessary to implement and complete the Settlement, pending approval of the Settlement.

(b) The Parties agree that Los Angeles County Superior Court shall retain jurisdiction pursuant to California Code of Civil Procedure section 664.6 to enforce the terms of the Settlement.

(c) This Settlement Agreement may be signed in counterparts, each of which shall be deemed an original, but all of which, taken together shall constitute the same instrument. A signature made on a faxed or electronically transmitted copy of the Settlement Agreement or a signature transmitted by facsimile or electronic mail shall have the same effect as the original signature.

(d) The section headings used in this Settlement Agreement are intended solely for convenience of reference and shall not in any manner amplify, limit, modify or otherwise be used in the interpretation of any of the provisions hereof.

(e) This Settlement Agreement was the result of arms-length negotiations between the Parties and their respective counsel. In the event of vagueness, ambiguity or uncertainty, this Settlement Agreement shall not be construed against the Party preparing it but shall be construed as if both Parties prepared it jointly.

(f) If Plaintiff or Defendant fails to enforce this Settlement Agreement or to insist on performance of any term, that failure does not mean a waiver of that term or of the Settlement Agreement. The Settlement Agreement remains in full force and effect anyway.

HAVING ELECTED TO EXECUTE THIS SETTLEMENT AGREEMENT, TO FULFILL THE PROMISES, AND TO RECEIVE THE CONSIDERATION SET FORTH ABOVE, PLAINTIFF AND DEFENDANT, FREELY AND KNOWINGLY, AND AFTER DUE CONSIDERATION, ENTER INTO THIS SETTLEMENT AGREEMENT

IN WITNESS WHEREOF, the Parties hereto knowingly and voluntarily executed this Settlement Agreement as of the date set forth below:

Date: 05 / 07 / 2026, 2025 *Gilberto Baltazar N*
Gilberto Baltazar
Individually and On Behalf of the State of
California with Respect to Aggrieved Employees

Date: _____, 2025 _____
Name:
Title:
On Behalf of Defendant, Teserra

Approved as to form and content.

LAW OFFICES OF RAMIN R. YOUNESSI, P.C.

Date: May 8, 2026, 202~~7~~ *Sam Ortiz*
Ramin R. Younessi
Samantha L. Ortiz
Attorneys for Plaintiff Gilberto Baltazar

BEST BEST & KRIEGER, LLP

Date: _____, 2025 _____
Cecilia L. Martin, Esq.
Kieran Hartley, Esq.
Attorneys for Defendant Teserra

(f) If Plaintiff or Defendant fails to enforce this Settlement Agreement or to insist on performance of any term, that failure does not mean a waiver of that term or of the Settlement Agreement. The Settlement Agreement remains in full force and effect anyway.

HAVING ELECTED TO EXECUTE THIS SETTLEMENT AGREEMENT, TO FULFILL THE PROMISES, AND TO RECEIVE THE CONSIDERATION SET FORTH ABOVE, PLAINTIFF AND DEFENDANT, FREELY AND KNOWINGLY, AND AFTER DUE CONSIDERATION, ENTER INTO THIS SETTLEMENT AGREEMENT

IN WITNESS WHEREOF, the Parties hereto knowingly and voluntarily executed this Settlement Agreement as of the date set forth below:

Date: _____, 2025

Gilberto Baltazar
Individually and On Behalf of the State of
California with Respect to Aggrieved Employees

Date: 05/08, 2025

Name: James Harebottle
Title: CFO
On Behalf of Defendant, Teserra

Approved as to form and content.

LAW OFFICES OF RAMIN R. YOUNESSI, P.C.

Date: _____, 2025

Ramin R. Younessi
Samantha L. Ortiz
Attorneys for Plaintiff Gilberto Baltazar

BEST BEST & KRIEGER, LLP

Date: May 8, 2026

Cecilia L. Martin, Esq.
Kieran Hartley, Esq.
Attorneys for Defendant Teserra

Exhibit A

<<Mailing Date>>

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

Re: Settlement from *Gilberto Baltazar v. Teserra*
Los Angeles County Superior Court Case No. 23STCV31901

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

Please find enclosed a check in the amount of <<amount of payment>> (“Individual Settlement Share”). This check is your payment from the settlement in the lawsuit entitled *Gilberto Baltazar v. Teserra*, Los Angeles County Superior Court Case No. 23STCV31901 (“Action”).

The lawsuit was filed on December 29, 2023 by Gilberto Baltazar (“Plaintiff”) against Teserra (“Defendant”), on behalf of the State of California, with respect to himself and other alleged aggrieved employees, to seek recovery of civil penalties pursuant to the Private Attorneys General Act of 2004, California Labor Code section 2698, *et seq.* (“PAGA”), for multiple alleged violations of the California Labor Code and Industrial Welfare Commission Wage Orders, including, *inter alia*, for failure to properly pay minimum, regular, and overtime wages, failure to provide compliant meal and rest periods and associated premiums, failure to timely pay wages upon termination, failure to provide compliant wage statements, and failure to pay wages for unused vested vacation time. Prior to filing the lawsuit, on December 29, 2023, Plaintiff submitted a letter to the California Labor and Workforce Development Agency (“LWDA”), pursuant to PAGA, to provide notice of his intent to seek civil penalties under PAGA for Defendant’s alleged violations of California Labor Code sections 201, 202, 203, 226(a), 226.7, 227.3, 510, 512, 1174, 1182.12, 1194, 1194.2, and 1197, and Industrial Welfare Commission Wage Orders, including *inter alia*, Wage Order, 4-2001, and Business & Professions Code §§ 17200, *et seq.*, thereby initiating LWDA Case Number LWDA-CM-1002228-23 (the “PAGA Notice”).

Defendant denies all of Plaintiff’s allegations and denies any wrongdoing of any kind associated with Plaintiff’s allegations. However, to avoid the risk and expense of continued litigation, Plaintiff and Defendant compromised and reached a settlement of these claims. .

On << Date>>, the settlement was approved by the Court, with a portion to be paid to the LWDA and a portion to be paid to all current and former hourly-paid or non-exempt employees who worked for Defendant in the State of California during the period from January 1, 2023 through December 31, 2025 (“Aggrieved Employees”). The period January 1, 2023 through December 31, 2025 is the “PAGA Period.”

You are receiving a portion of the settlement (the enclosed Individual Settlement Share) because you have been identified as an Aggrieved Employee. Your Individual Settlement Share is based on the total number of pay periods that you worked for Defendant in California during the PAGA Period. The Individual Settlement Share is considered to be 100% penalties, which will be reported on an IRS Form 1099. You are responsible for paying any and all taxes that may be due as a result of any payment issued to you under the settlement and should consult a tax advisor regarding the tax consequences of such payment.

Under the settlement, as of <<date of entry of order by the Court approving the Settlement>>, the Released Parties were fully released and forever discharged from any and all Released Claims.

“Released Parties” means Defendant Teserra, including Defendant’s parent corporation, affiliates, subsidiaries, divisions, predecessors, insurers, successors and assigns, and their current and former employees, attorneys, officers, directors and agents thereof, both individually and in their business capacities, and their employee benefit plans and programs and the trustees, administrators, fiduciaries and insurers of such plans and programs.

“Released Claims” means any and all claims arising during the PAGA Period for civil penalties under California Labor Code section 2698, *et seq.* (“PAGA”) as well as any interest, fees, and costs available under PAGA, based on the factual allegations in the Operative Complaint and PAGA Notice, including but not limited to, for failure to pay minimum, regular, and overtime wages, failure to provide compliant meal periods and associated premiums, failure to provide compliant rest periods and associated premiums, failure to timely pay wages upon termination, failure to provide compliant and accurate wage statements, and failure to pay wages for unused vested vacation time, including but not limited to violations of California Labor Code sections 201, 202, 203, 204, 226, 226.7, 227.3, 510, 512, 1174, 1182.12, 1194, 1194.2, 1197, and Industrial Welfare Commission Wage Orders, including *inter alia*, Wage Order, 4-2001.

The enclosed check is valid for 90 days from the original date of issuance and mailing, and if it is not

EXHIBIT A – COVER LETTER

cashed, deposited, or otherwise negotiated within the 90-day timeframe, it will be canceled, and the funds associated with the canceled check will be transmitted to the State Controller's Office Unclaimed Property Division in your name and in the amount of your respective Individual Settlement Share.

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 [PAGA Settlement Administrator] at [toll-free phone number].