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Juana Consuegra Hernandez, and all others similarly situated

Additional counsel listed on the following page

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

DIEGO ALVAREZ, individually, and on behalf
of all others similarly situated,

Plaintiff,

vs.

SEA CREST FACILITIES SERVICES, LLC, a
limited liability company; and DOES 1 through
10, inclusive,

Defendants

Case No.: 24STCV02089

PAGA SETTLEMENT AGREEMENT

Action Filed: January 26, 2024

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PAGA SETTLEMENT AGREEMENT

This PAGA Settlement Agreement (“Agreement”) is made by and between Plaintiffs Diego Alvarez and Juana Consuegra Hernandez, (“Plaintiffs”) individually and in their capacity as representatives of the State of California on behalf of other allegedly aggrieved employees and Defendants Sea Crest Facilities Services, LLC, and Commercial Maintenance Services, Inc. (“Defendant”). The Agreement refers to Plaintiffs and Defendant collectively as “Parties,” or individually as “Party.”

1. **DEFINITIONS.**

- 1.1.□ “Action” means the Plaintiffs’ lawsuit alleging wage and hour violations against Defendant in the above captioned matter.
- 1.2.□ “Settlement Administrator” or “Administrator” means Simpluris, the neutral entity the Parties have agreed to appoint to administer the Settlement.
- 1.3.□ “Administration Expenses Payment” means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator’s “not to exceed” bid submitted to the Court in connection with approval of the Settlement.
- 1.4.□ “Aggrieved Employees” means all current and former hourly-paid, non-exempt employees of Defendant in California employed between January 21, 2023, through May 30, 2025 or until court approval, whichever is later. (the “PAGA Release Period”).
- 1.5.□ “Aggrieved Employee Data” means Aggrieved Employee identifying information in Defendant’s possession including the Aggrieved Employee’s name, last-known mailing address, Social Security number, and number of PAGA Pay Periods.
- 1.6.□ “Aggrieved Employee Address Search” means the Administrator’s investigation and search for current Aggrieved Employee mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Aggrieved Employees.
- 1.7.□ “Court” means the Superior Court of California, County of Los Angeles.
- 1.8.□ “Defense Counsel” means Joseph Naddour of Larsen & Naddour LLP.
- 1.9.□ “Effective Date” means the earliest date, following entry by the Court of the Judgment,

upon which one of the following has occurred: (i) if there are no intervenors, then the date the Court enters Judgment, (ii) if there is an intervenor, then final affirmance of the Judgment by an appellate court as a result of any appeal(s); or (iii) final dismissal or denial of all such appeals (including any petitions for review, rehearing, certiorari, etc.) such that the Judgment is no longer subject to further judicial review.

1.10.□ “Gross Settlement Amount” means \$225,000.00 which is the total amount Defendant agrees to pay under the Settlement except as provided in Paragraph 8 below. The Gross Settlement Amount will be used to pay Individual PAGA Payments, the LWDA PAGA Payment, Litigation Enhancement Payments to Plaintiffs, PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, and the Administration Expenses Payment.

1.11.□ “Individual PAGA Payments” means the Aggrieved Employee’s *pro rata* share of 25% of the PAGA Penalties calculated according to the number of Pay Periods the Aggrieved Employee worked during the PAGA Period.

1.12.□ “Judgment” means the judgment entered by the Court based upon the Order granting Approval of the Settlement.

1.13.□ “LWDA” means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code § 2699(i).

1.14.□ “LWDA PAGA Payment” means the 75% of the PAGA Penalties paid to the LWDA under Labor Code § 2699(i).

1.15.□ “Net Settlement Amount” means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: Litigation Enhancement Payments to Plaintiffs, PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, and the Administration Expenses Payment. The remainder is to be paid as follows: 75% of the Net Settlement Amount to the LWDA PAGA Payment and 25% of the Net Settlement Amount to the Individual PAGA Payments.

1.16.□ “PAGA Counsel” means Moon Law Group, PC, and MM LAW, APC.

1.17.□ “PAGA Counsel Fees Payment” and “PAGA Counsel Litigation Expenses Payment” mean the amounts allocated to PAGA Counsel for reimbursement of reasonable attorneys’

fees and expenses, respectively, incurred to prosecute the Action.

1.18.□ “PAGA Pay Period” means any Pay Period during which an Aggrieved Employee worked for Defendant for at least one day during the PAGA Release Period.

1.19.□ “PAGA Release Period” means the period from January 21, 2023 until May 30, 2025 or until Court approval, whichever is later.

1.20.□ “PAGA” means the Private Attorneys General Act (Labor Code §§ 2698. *et seq.*).

1.21.□ “PAGA Notice” means Plaintiffs’ January 20, 2024, January 21, 2024, and January 3, 2025 letters to Defendant and the LWDA providing notice pursuant to Labor Code § 2699.3(a).

1.22.□ “PAGA Penalties” means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 25% to the Aggrieved Employees as Individual PAGA Payments and the 75% to LWDA as the LWDA PAGA Payment in settlement of PAGA claims.

1.23.□ “Plaintiffs” means Diego Alvarez and Juana Consuegra Hernandez, the named plaintiffs in the Action.

1.24.□ “Approval Order” means the proposed Court Order Granting Approval of PAGA Settlement.

1.25.□ “Released PAGA Claims” means the claims being released as described in Paragraph 5 below.

1.26.□ “Released Parties” means: Sea Crest Facilities Services, LLC, and Commercial Maintenance Services, Inc. and its current, future, and former, direct and indirect owners, shareholders, members, parents, subsidiaries, divisions, investors, partners, brother-sister companies, and all other affiliates and related entities, and each of its respective current, future, and former owners, partners, officers, directors, managers, employees, attorneys, agents, shareholders, members, assigns, heirs, beneficiaries, predecessors, successors, accountants, contractors, representatives, and other related parties.

1.27.□ “Settlement” means the disposition of the Action effected by this Agreement and the Judgment.

1.28. □ “Defendant” means named Defendants Sea Crest Facilities Services, LLC, and Commercial Maintenance Services, Inc.

2. **RECITALS.**

2.1. □ On January 26, 2024, Plaintiff Alvarez filed a class action complaint in this action against Defendant alleging violations of California law. Because of an enforceable arbitration agreement, Plaintiff Alvarez dismissed class and individual claims and filed a Private Attorney General Act (“PAGA”) only complaint. Plaintiff Juana Consuegra Hernandez filed a PAGA only complaint on March 25, 2024, entitled *Juana Consuegra Hernandez v. Commercial Maintenance Services, Inc.*, et al., Case No. 30-2024-01389290, pending in Orange Superior Court. Plaintiffs submitted Notice of Labor Code Violations and PAGA Penalties to the Labor & Workforce Development Agency (“LWDA”) on January 20, 2024, January 21, 2024 respectively, and an amended notice on January 3, 2025.

2.2. □ On December 10, 2024, the Parties in the Alvarez and the Hernandez Actions participated in a global mediation with Defendant and signed a binding Memorandum of Understanding. Prior to mediation, Plaintiffs obtained, through informal discovery, employee and payroll data, policy documents, and additional information regarding Defendant’s non-exempt, hourly employees in California who were employed by Defendant during the PAGA Period, which PAGA Counsel reviewed and analyzed.

2.3. □ The Parties, PAGA Counsel and Defense Counsel represent that they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement, although a former employee of Defendants filed similar claims, although that claim was released and dismissed prior to the execution of this Agreement.

3. **MONETARY TERMS.**

3.1. □ Gross Settlement Amount. Except as otherwise provided by Paragraph 8 below, Defendant promises to pay \$225,000.00 and no more as the Gross Settlement Amount. Defendant has no obligation to pay the Gross Settlement Amount prior to the deadline stated in Paragraph 4.3 of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Aggrieved Employees to submit any claim as a

condition of payment. None of the Gross Settlement Amount will revert to Defendant.

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

3.2.1. ☐ To PAGA Counsel: A PAGA Counsel Fees Payment of not more than one-third of the Gross Settlement Amount, which is currently estimated to be \$75,000 and a PAGA Counsel Litigation Expenses Payment of not more than \$35,000.00.

Defendant will not oppose requests for these payments provided that do not exceed these amounts. Plaintiffs and/or PAGA Counsel will file an application or motion for PAGA Counsel Fees Payment and PAGA Litigation Expenses Payment. If the Court approves a PAGA Counsel Fees Payment and/or a PAGA Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Aggrieved Employees. Released Parties shall have no liability to PAGA Counsel or any other Plaintiffs' Counsel arising from any claim to any portion any PAGA Counsel Fee Payment and/or PAGA Counsel Litigation Expenses Payment. The Administrator will pay the PAGA Counsel Fees Payment and PAGA Counsel Expenses Payment using IRS 1099 Forms. PAGA Counsel assumes full responsibility and liability for taxes owed on the PAGA Counsel Fees Payment and the PAGA Counsel Litigation Expenses Payment and holds Defendant harmless, and indemnifies Defendant, from any dispute or controversy regarding any division or sharing of any of these Payments.

3.2.2. ☐ To the Administrator: An Administration Expenses Payment not to exceed \$5,000.00 except for a showing of good cause and as approved by the Court. To the extent the Administration Expenses are less, or the Court approves payment less than \$5,000.00, the Administrator will allocate the remainder to the Aggrieved Employees.

3.2.3. ☐ Litigation Enhancement Payments to Plaintiffs: Payments to Plaintiffs of \$5,000.00 each. Defendant will not oppose Plaintiffs' request for a Litigation Enhancement

Payments to Plaintiffs that does not exceed this amount. These \$5,000 payments also constitute adequate consideration for resolution of Plaintiffs' individual claims and a comprehensive release of all known and unknown claims by Plaintiffs, including a Section 1542 waiver.

3.2.4. ☐ To the LWDA and Aggrieved Employees: After deducting Litigation Enhancement Payments to Plaintiffs, PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, and the Administration Expenses Payment from the Gross Settlement Amount, the remaining amount will be the Net Settlement Amount. The Net Settlement Amount is comprised of the LWDA PAGA Payment and Individual PAGA Payments. The Net Settlement Amount shall be allocated 75% to the LWDA PAGA Payment. The remaining 25% of the Net Settlement Amount will be allocated to the Individual PAGA Payments that will be paid to the Aggrieved Employees on a *pro rata* basis as noted below.

3.2.4.1. ☐ The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties by the total number of PAGA Period Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA Period Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payments.

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

4. **SETTLEMENT FUNDING AND PAYMENTS.**

4.1. ☐ Aggrieved Employee Pay Periods. Based on a review of its records, Defendant estimates that Aggrieved Employees collectively worked 17,000 pay periods during the PAGA Release Period.

4.2. ☐ Aggrieved Employee Data. Within thirty (30) days after the Court Order is signed, Defendant will simultaneously deliver the Aggrieved Employee Data to the Administrator

in the form of a Microsoft Excel spreadsheet. To protect Aggrieved Employees' privacy rights, the Administrator must maintain the Aggrieved Employee Data in confidence, use the Aggrieved Employee Data only for purposes of this Settlement and for no other purpose, and restrict access to the Aggrieved Employee Data to Administrator employees who need access to the Aggrieved Employee Data to effect and perform under this Agreement. Defendant has a continuing duty provide corrected or updated Aggrieved Employee Data as soon as reasonably feasible to the extent it determines if it inadvertently omitted employee identifying information. Without any extension of the deadline by which Defendant must send the Aggrieved Employee Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Aggrieved Employee Data.

4.3. ☐ Funding of Gross Settlement Amount. Within fifteen (15) days after the Effective Date, the Administrator will provide Defendant with wire transfer information. Defendant shall fully fund the Gross Settlement Amount by transmitting the funds to the Administrator no later than fourteen (14) days after the Effective Date, but no earlier than December 10, 2025, whichever is later. Defendant shall have at least 7 business days from receiving the wire transfer information to fully fund the Gross Settlement Amount.

4.4. ☐ Payments from the Gross Settlement Amount. Within ten (10) days after Defendant funds the Gross Settlement Amount, the Administrator will mail checks for all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the PAGA Counsel Fees Payment, and the PAGA Counsel Litigation Expenses Payment. Additionally, the Administrator will send Aggrieved Employees a Notice of PAGA Action Settlement (attached hereto as **Exhibit 1**) along with their respective Individual PAGA Payment.

4.4.1. ☐ The Administrator will issue checks for the Individual PAGA Payments and send them to the Aggrieved Employees via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (not less than 180 days after the date of mailing) when the check will be voided. The Administrator will cancel all

checks not cashed by the void date. Before mailing any checks, the Administrator must update the recipients' mailing addresses using the National Change of Address Database.

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

4.4.3. ☐ For any Aggrieved Employee whose Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the California Controller's Unclaimed Property Fund in the name of the Aggrieved Employee.

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

5. **RELEASES OF CLAIMS.**

Effective on the date when Defendant fully funds the entire Gross Settlement Amount, Aggrieved Employees (including Plaintiffs) will release claims against all Released Parties as follows:

5.1. ☐ Release by Aggrieved Employees: Plaintiffs, Aggrieved Employees, the LWDA, and the State of California release Released Parties from civil penalties under the Labor Code Private Attorneys General Act ("PAGA"), based upon all underlying wage and hour claims under state, federal, or local law, which arise out of the claims expressly pleaded in the

Action, and in the letter(s) to the LWDA, and all other claims, such as those under the California Labor Code, Wage Orders, regulations, and/or other provisions of law, that could have been asserted based on the facts pleaded in the Action for, but not limited to California Labor Code sections 98.6, 201, 202, 203, 204, 210, 216, 218, 222, 225.5, 226 et. Seq., 226.3, 226.7, 227.3, 233, 234, 246, 246.5, 432, 510, 512, 516, 551, 552, 558, 558.1, 1174, 1182.12, 1193, 1193.6, 1194, 1194.2, 1197, 1197.1, 1198, 1198.5, 1199, 2698 et seq., 2699, 2802, 2804, and 2810.5. In particular, and in line with the holding of *Arias v. Superior Court*, 46 Cal. 4th 969 (2009), because Plaintiffs' action under PAGA functions as a substitute for an action by the government itself, any judgment will be binding not only on the Plaintiffs but also on government agencies and any other Aggrieved Employee not a party to the proceeding. Thus, nonparty employees who are Aggrieved Employees cannot sue to recover additional civil penalties for the same Labor Code violations released (but may sue for damages or other remedies for the same violations).

5.2. ☐ **Plaintiffs' Waiver of Rights Under California Civil Code § 1542.** For purposes of Plaintiffs' Release, Plaintiffs expressly waive and relinquish the provisions, rights, and benefits, if any, of Section 1542 of the California Civil Code, which reads:

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

Plaintiff Juana Consuegra Hernandez's release also includes a waiver and release of claims under the Age Discrimination in Employment Act (ADEA), as set forth in and incorporated by reference in Exhibit 2.

6. **MOTION OR APPLICATION FOR APPROVAL OF SETTLEMENT.**

The Parties agree to jointly prepare and file an application or motion for approval of this Settlement.

6.1. ☐ **Plaintiffs' Responsibilities.** Plaintiffs will prepare and deliver to Defense Counsel all documents necessary for obtaining approval of this Settlement under Labor Code Section

2699, subd. (f)(2) including (i) a draft proposed Order Granting Approval of PAGA Settlement; (ii) signed declaration from PAGA Counsel firm attesting to its timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code § 2699.3(a)), Operative Complaint (Labor Code § 2699(l)(1)), this Agreement (Labor Code § 2699(l)(2)); (iv) all facts relevant to any actual or potential conflict of interest with Aggrieved Employees and/or the Administrator. In their Declarations, Plaintiffs and PAGA Counsel shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.

6.2. ☐ Responsibilities of All Counsel. PAGA Counsel and Defense Counsel are jointly responsible for expeditiously finalizing and filing the application or motion for approval of this Settlement and, if necessary, obtaining a prompt hearing date for the motion and appearing in Court to advocate in favor of the motion. PAGA Counsel is responsible for delivering the Court's Approval Order to the Administrator.

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

7. **SETTLEMENT ADMINISTRATION.**

7.1. ☐ Selection of Administrator. The Parties have jointly selected Simpluris to serve as the Administrator and verified that, as a condition of appointment, Simpluris agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of the Administration Expenses Payment. The Parties

and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.

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

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

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

8. **AGGRIEVED EMPLOYEE SIZE ESTIMATES AND ESCALATOR CLAUSE**

The Parties estimate that there are a total of 17,000 pay periods in the PAGA Release Period wherein the alleged aggrieved employees performed work. In the event that the total pay periods included in the settlement of this Action increases by more than 10% (i.e. more than 1,700 additional pay periods) then the Gross Settlement Amount shall be increased proportionally by the pay periods in excess of 18,700 pay periods multiplied by the pay period value (\$13.23 per pay period). The Parties agree that the pay period value is \$13.23., which is calculated by dividing the originally agreed upon Gross Settlement Amount (\$225,000.00) by the pay period count of 17,000 and rounding up. Defendants will have the option to select the end date of the PAGA Release Period.

9. **CONTINUING JURISDICTION AND WAIVER OF RIGHT TO APPEAL.**

9.1. ☐ Continuing Jurisdiction of the Court. The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties, Action, and the Settlement solely for purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters, and (iii) addressing such post-Judgment matters as are permitted by law.

9.2. ☐ Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the PAGA Counsel Fees Payment and

PAGA Counsel Litigation Expenses Payment, the Parties, their respective counsel waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals. If another party appeals the Judgment, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect the amount of the Net Settlement Amount.

10. ADDITIONAL PROVISIONS.

10.1. ☐ No Admission of Liability or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendant that any of the allegations in the Action have merit or that Defendant has any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiffs that Defendant's defenses in the Action have merit. The Parties agree that representative treatment is for purposes of this Settlement only. If, for any reason the Court does not approve this Settlement, Defendant reserves all available defenses to the claims in the Action, and Plaintiffs reserve the right to contest Defendant's defenses. The Settlement, this Agreement, and the Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).

10.2. ☐ Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits and the previously executed Memorandum of Understanding shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party.

10.3. ☐ Attorney Authorization. PAGA Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiffs and Defendant, respectively, to take all

appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.

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

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

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

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

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

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

10.10. ☐ Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that

the Party was the drafter or participated in the drafting.

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

10.12. Use and Return of Aggrieved Employee Data. Information provided to PAGA Counsel pursuant to Cal. Evid. Code §1152, and all copies and summaries of the PAGA Data provided to PAGA Counsel by Defendant in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. Aggrieved Employee Data shall not be shared with PAGA Counsel unless identifying information is anonymized. In the event PAGA Counsel receives non-anonymized Aggrieved Employee Data, PAGA Counsel shall delete it immediately.

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

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

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

10.16. Enforcement Actions. Except as otherwise provided in this PAGA Settlement Agreement, in the event that one or more of the Parties to this PAGA Settlement Agreement institutes

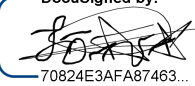
any legal action or other proceeding against any other Party or Parties to enforce the provisions of this PAGA Settlement Agreement or to declare rights and/or obligations under this PAGA Settlement Agreement, the successful Party or Parties shall be entitled to recover from the unsuccessful Party or Parties reasonable attorneys' fees and costs incurred in connection with any enforcement actions.

10.17. ☐ Binding Settlement. This PAGA Settlement Agreement is intended to and shall be fully binding, enforceable, and subject to disclosure, including Evidence Code section 1123 and Code of Civil Procedure section 664.6.

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

Plaintiffs:

Dated: 5/21/2025

DocuSigned by:

 70824E3AFA87463...
 By: _____
 Diego Alvarez

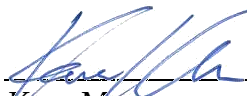
Dated:

By: _____
 Juana Consuegra Hernandez

Plaintiffs' Counsel:

Dated: 5/22/2025

MOON LAW GROUP, PC

By:  _____
 Kane Moon
 Lilit Ter-Astvatsatryan

Dated:

MM LAW, APC

By: _____
 Maralle Messrelian
 Attorneys for Plaintiffs

any legal action or other proceeding against any other Party or Parties to enforce the provisions of this PAGA Settlement Agreement or to declare rights and/or obligations under this PAGA Settlement Agreement, the successful Party or Parties shall be entitled to recover from the unsuccessful Party or Parties reasonable attorneys' fees and costs incurred in connection with any enforcement actions.

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Plaintiffs:

Dated: By: _____
Diego Alvarez

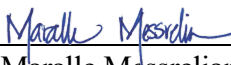
Dated: 5/23/2025 By:  _____
Juana Consuegra Hernandez

Plaintiffs' Counsel:

Dated: **MOON LAW GROUP, PC**

By: _____
Kane Moon
Lilit Ter-Astvatsatryan

Dated: 05/23/2025 **MM LAW, APC**

By:  _____
Maralle Messrelian
Attorneys for Plaintiffs

1 **Defendant:**

2 Dated: 5-20-2025

3 By: Sean Gonzalez
4 Print Name

5 
6 Signature

7 Vice President
8 Title

9
10 **Defendant's Counsel:**

11 Dated: 5-20-2025

LARSEN & NADDOUR LLP

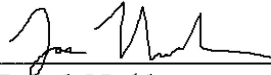
12 By: 
13 Joseph Naddour
14 Attorneys for Defendants

EXHIBIT 1

[CLAIMS ADMINISTRATOR LETTERHEAD]

Mailing Date

NOTICE OF PAGA SETTLEMENT

Re: **Diego Alvarez, et al. v. Sea Crest Facilities Services, LLC**
Los Angeles County Superior Court, Case No. 24STCV0089

[claims admin info]

You have received the enclosed check in connection with the Settlement (“Settlement”) of the above-referenced lawsuit (“Lawsuit”) brought by former employees Diego Alvarez and Juana Consuegra Hernandez (“Plaintiff”) against Sea Crest Facilities Services, LLC, and Commercial Maintenance Services, Inc. (“Defendant”) for civil penalties pursuant to the Private Attorneys General Act, Labor Code sections 2698, *et seq.* (“PAGA”).

Plaintiff claimed they and other non-exempt, hourly-paid employees of Defendant employed at any time from January 21, 2023, through [DATE] (“PAGA Period”) in California were subjected to various Labor Code violations.

Defendant adamantly denies all allegations and liability. To avoid further time and expense of protracted and uncertain litigation, however, Defendant and Plaintiff have agreed to settle the Lawsuit. The Settlement, approved by the Court on [DATE], resolves the alleged claims brought on behalf of all California past and present hourly-paid, non-exempt employees of Defendant employed at any time during the PAGA Period (“PAGA Group”).

Pursuant to the Court’s Order Approving PAGA Settlement (“Approval Order”), a payment of \$225,000.00 was approved in settlement of this Lawsuit. As discussed in detail below, significant fees and costs will be deducted from the \$225,000.00 settlement payment, leaving only a small portion to be split among approximately [REDACTED] employees who worked during the PAGA Period, including you. Upon the date of entry of that Approval Order, and payment of all funds due under this Settlement, the California Labor & Workforce Development Agency (“LWDA”) and PAGA Group, including Plaintiff, fully release and forever discharge the Defendant (and other Released Parties as defined in the PAGA Settlement Agreement) from all claims for PAGA penalties during the PAGA Period that were alleged, or reasonably could have been alleged, based on the facts contained in the Operative Complaint, and the PAGA Notices dated Plaintiff’s January 20, 2024, January 21, 2024, and January 3, 2025 letters to Defendant and the LWDA (“PAGA Notice”), which include the PAGA claims based on Defendant’s alleged failure to: pay minimum and overtime wages, provide meal periods and rest periods, maintain accurate records for hours worked, timely pay wages at termination, provide accurate itemized wage statements, reimburse necessary business expenses, and all other claims and allegations made or which could have reasonably been made in the Lawsuit based on the facts and allegations pled in the Operative Complaint and PAGA Notice. The Parties intend this release to be limited to claims for civil penalties only.

After accounting for PAGA Counsel’s attorneys’ fees of \$75,000.00 and reimbursement of litigation costs of \$35,000.00, settlement administration costs of \$5,000.00, and \$5,000.00 to each Plaintiff as Litigation Enhancement Payments, the remaining sum will be divided pursuant to California law as follows: \$75,000.00 (75%) to the LWDA and \$25,000.00 (25%) to all PAGA Group employees to be shared on a proportionate basis. The enclosed check represents your share based upon the number of PAGA Pay Periods you worked during the PAGA Period. An IRS 1099 form is enclosed. You will be solely responsible for paying federal, state, or local taxes, if any, on the amount of your check.

Regardless of whether you negotiate the enclosed check, by way of this Settlement and the corresponding Approval Order, for the PAGA Period, each PAGA Group employee has fully released Defendant and other Released Parties for all claims for civil penalties under PAGA that were alleged, or could have been alleged, based on the facts contained in the PAGA Notice and Plaintiff' Operative Complaint filed in the Action.

Your enclosed check is valid for 180 days from the date of its issuance. **It is strongly recommended that you cash or deposit this check immediately.** After the 180 days expires, you cannot cash the check, it will be null and void, and the amount will be forwarded to the State of California Controller's Office Unclaimed Property Division for further handling. **Even if you fail to cash the enclosed check, you will still be deemed to have released all claims arising from the Lawsuit, including all claims set forth in the release of claims described above.**

If the check is lost or misplaced, please contact the Administrator immediately at [xxx-xxx-xxxx] to have it reissued. If you have any questions about your check, please contact the [insert administrator information].

EXHIBIT 2

ADEA Waiver

WAIVER OF CLAIMS UNDER THE AGE DISCRIMINATION IN EMPLOYMENT ACT (ADEA)

Juana Consuegra Hernandez ("Plaintiff") acknowledges that, by signing the General Release in Section 5.2 of the PAGA Settlement Agreement (the "Agreement"), she is knowingly and voluntarily waiving and releasing any rights or claims arising under the Age Discrimination in Employment Act of 1967 ("ADEA"), as amended, which they may have against the Released Parties listed in the Agreement, including any claims based on age discrimination relating to their employment with or separation from Sea Crest Facilities Services, LLC, and Commercial Maintenance Services, Inc. ("Defendants").

This waiver and release is made in compliance with the Older Workers Benefit Protection Act ("OWBPA") and meets all the requirements set forth therein. In particular:

1. This waiver is knowing and voluntary.
2. This waiver has been written in a manner that is calculated to be understood, and that this waiver/Agreement is understood by Plaintiff.
3. This waiver specifically refers to rights or claims under the ADEA, including the right to file a lawsuit against Defendants for age discrimination.
4. This waiver does not cover rights or claims that may arise after the date the Agreement is signed.
5. In exchange for this waiver, Plaintiff is receiving consideration beyond that to which they are otherwise entitled, and Defendants do not have a preexisting duty to pay the amount identified in the Agreement.
6. Plaintiff is advised in writing to consult with an attorney before signing the Agreement.
7. Plaintiff has been given at least 21 days to consider the Agreement before signing it.
8. Plaintiff has 7 days after signing the Agreement to revoke it, and the Agreement will not become effective or enforceable until the revocation period has expired.

Plaintiff affirms that she has read and understand the terms of this waiver and the Agreement, and that she is signing this waiver voluntarily and of her own free will.

Dated: 05/26/2025

By:


Juana Consuegra Hernández (May 26, 2025 13:27 PDT)

Juana Consuegra Hernandez