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20 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**

21 **COUNTY OF LOS ANGELES, SPRING STREET COURTHOUSE**

22

23 ROBERTO MURGUIA, individually, and on
24 behalf of all others similarly situated,

25 Plaintiff,

26 v.

27 SARIS EUROPEAN PAINTING, INC., a
28 California corporation; and DOES 1 through
50, inclusive,

Defendants.

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CASE NO.: 24STCV08381

**CLASS ACTION AND PAGA
REPRESENTATIVE ACTION
SETTLEMENT AGREEMENT AND
RELEASE**

1 This Class Action Settlement and Release ("Settlement Agreement" or "Agreement") is
2 entered into by and between Plaintiff Roberto Murguia ("Plaintiff"), on behalf of himself and the
3 Class, on the one hand, and Defendant Saris European Painting, Inc., a California corporation
4 ("Defendant"), on the other hand. Plaintiff and Defendant are collectively referred to herein as
5 "Parties" and individually referred to herein as "Party."

6 In consideration of the mutual covenants, promises, and agreements set forth herein, the
7 Parties agree that, pursuant to the terms and conditions set forth herein, which are subject to approval
8 of the Court, this Action and the Released Claims shall be settled and compromised as between
9 Plaintiff and the Class on the one hand and Defendant on the other hand.

10 DEFINITIONS

11 1. "Action" means *Roberto Murguia v. Saris European Painting, Inc.*, Superior Court of
12 the State of California for the County of Los Angeles, Case No.: 24STCV08381.

13 2. "Class" means: all non-exempt, hourly employees of Defendant who worked for
14 Defendant in the State of California at any time during the Class Period.

15 3. "Class Counsel" means The Wheeler Law Firm, APC.

16 4. "Class Counsel Award" means attorneys' fees for Class Counsel's litigation and
17 resolution of this Action and Class Counsel's expenses and costs incurred in connection with this
18 Action.

19 5. "Class Information" means the compilation of the following information for each
20 Class Member: last known full name; social security number; last known address; number of
21 Compensable Pay Periods for each Class Member during the Class Period and PAGA Period; and
22 other such mutually agreed upon information by the Parties as may be necessary to independently
23 review the Compensable Pay Periods attributed to each Class Member and PAGA Aggrieved
24 Employee.

25 6. "Class Member" means each person who is a member of the Class defined above and
26 who is eligible to participate in this Settlement.

27 7. "Class Notice" means the notice, substantially in the form attached hereto as **Exhibit**
28 **1**, which the Settlement Administrator will mail to each Class Member, and which explains, *inter*

1 *alia*, the terms of this Settlement, each Class Member's estimated Individual Class Payment and/or
2 Individual PAGA Payment, the settlement process, and the right of Class Members to object to the
3 Settlement, opt-out of the Settlement, or dispute the number of Compensable Pay Periods attributed
4 to them. Notice to the Class Members will be in English and Spanish.

5 8. "Class Period" means the time period from April 2, 2020, through February 28,
6 2025.

7 9. "Class Representative Service Award" means the amount that the Court authorizes
8 to be paid to Plaintiff, in addition to Plaintiff's Individual Class Payment and Individual PAGA
9 Payment, in recognition of, *inter alia*, his efforts and risks in assisting with the prosecution of the
10 Action and in return for executing a general release with Defendant.

11 10. "Compensable Pay Period(s)" means any week during which a Class Member worked
12 for Defendant for at least one day during the Class Period and/or PAGA Period.

13 11. "Court" means the Superior Court for the County of Los Angeles, State of California.

14 12. "Defendant" means Saris European Painting, Inc.

15 13. "Effective Date" means the date by when both of the following have occurred: (a) the
16 Court grants final approval of the Settlement and enters a judgment; and (b) the judgment is final.
17 The judgment is final as of the latest of the following occurrences: (a) if no Class Member timely
18 appeals the judgment, the day after the deadline for filing a notice of appeal from the judgment; (b)
19 if one or more Class Members files a timely appeal from the judgment, the day after the appellate
20 court affirms the judgment and issues a remittitur.

21 14. "Employer's Share of Payroll Taxes" means the dollar amount of Defendant's
22 employer payroll tax obligation on the employee wage portion of the Individual Class Payments,
23 including but not limited to, customary withholdings for federal, state and local taxes, and any similar
24 tax or charge. Defendant shall be responsible for paying the Employer's Share of Payroll Taxes
25 separately from, and in addition to, the Gross Settlement Amount, in the event that any portion of the
26 Gross Settlement Amount is designated as wages.

27 15. "Final Approval Hearing" means the hearing that the Court will hold after the Court
28 has granted preliminary approval of the Settlement and notice has been provided to the Class

1 regarding, *inter alia*, whether final approval of the Settlement is appropriate and the amounts properly
2 payable for: (a) Individual Class Payments and Individual PAGA Payments; (b) the Class Counsel
3 Award; (c) the Class Representative Service Award; (d) payment to the LWDA; and (e) the
4 Settlement Administration Costs.

5 16. "Gross Settlement Amount" means the maximum amount which Defendant is
6 obligated to pay under this Settlement Agreement, which is One Hundred and Fifty Thousand Dollars
7 (\$150,000.00). This is a non-reversionary Settlement in which Defendant is required to pay the entire
8 Gross Settlement Amount. No portion of the Gross Settlement Amount will revert to Defendant under
9 any circumstances. Payments of any appropriate and lawfully-required employer share of the payroll
10 taxes on the taxable portion of the settlement payments shall be paid separately from the Gross
11 Settlement Amount by Defendant.

12 17. "Individual Class Payment" means the amount payable from the Net Settlement
13 Amount to each Settlement Class Member.

14 18. "Individual PAGA Payment" means the amount payable to each PAGA Aggrieved
15 Employee from the PAGA Penalties (i.e., the 25% of the PAGA Penalties allocated to the PAGA
16 Aggrieved Employees).

17 19. "LWDA" means the California Labor and Workforce Development Agency.

18 20. "Net Settlement Amount" means the Gross Settlement Amount, less the Class
19 Counsel Award, Class Representative Service Award, 75% of PAGA Penalties to be paid to the
20 LWDA, 25% of PAGA Penalties to be paid to PAGA Aggrieved Employees, and Settlement
21 Administration Costs. If the Court approves less than the amounts requested for the Class Counsel
22 Award, Class Representative Service Awards, payment to the LWDA and PAGA Aggrieved
23 Employees for PAGA Penalties, or Settlement Administration Costs, such amounts will return to the
24 Net Settlement Amount.

25 21. "Objection" means a written communication submitted by a Class Member to the
26 Settlement Administrator that contains a clear statement by the Class Member that the Class Member
27 is objecting to any of the terms of the Settlement. A Class Member may also object to the Settlement
28 orally at the Final Approval Hearing without the need to submit a written Objection.

22. "PAGA Aggrieved Employees" means all non-exempt, hourly employees employed by Defendant in California, during the PAGA Period.

23. "PAGA Penalties" means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 25% to the PAGA Aggrieved Employees and 75% to the LWDA in settlement of PAGA claims.

24. "PAGA Period" means all non-exempt, hourly employees of Defendant who worked for Defendant in the State of California at any time between January 28, 2023, through February 28, 2025.

25. "Parties" means Plaintiff and Defendant, collectively, and "Party" means either Plaintiff or Defendant, individually.

26. "Plaintiff" means Roberto Murguia.

27. "Preliminary Approval Date" means the date upon which the Court grants preliminary approval of the Settlement.

28. "Request for Exclusion" means a letter or other written communication submitted by a Class Member to the Settlement Administrator that contains a clear statement by the Class Member that he or she is electing to be excluded from the Settlement.

29. "Released Claims by Plaintiff" means: Plaintiff and his former and present spouses, representatives, agents, attorneys, heirs, administrators, successors and assigns generally, releases and discharges Released Parties from all claims, demands, rights, liabilities and causes of action of every nature and description whatsoever, known or unknown, asserted or that might have been asserted, whether in tort, contract, or for violation of any state or federal statute, rule, law or regulation arising out of, relating to, or in connection with any act or omission of the Released Parties through the date of full execution of this Settlement Agreement. ("Plaintiff's Release.") Plaintiff's Release does not extend to any claims or actions to enforce this Settlement Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, or workers' compensation benefits. Plaintiff acknowledges that Plaintiff may discover facts or law different from, or in addition to, the facts or law that Plaintiff now knows or believes to be true but agrees, nonetheless, that Plaintiff's Release shall be and remain effective in all respects,

1 notwithstanding such different or additional facts or Plaintiff's discovery of them. With respect to
2 Plaintiff's Release, Plaintiff stipulates and agrees that, upon the Effective Date, he shall be deemed
3 to have expressly waived and relinquished, to the fullest extent permitted by law, the provisions,
4 rights and benefits of Section 1542 of the California Civil Code, or any other similar provision under
5 federal or state law as to the generally released claims, which provides:

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

10 Plaintiff's Release applies to Plaintiff only. It does not apply to the Released Claims by
11 Settlement Class Members or PAGA Aggrieved Employees, which are set forth in Paragraphs 30
12 and 31 below.

13 30. "Released Claims by Settlement Class Members" means: All Settlement Class
14 Members, on behalf of themselves and their respective former and present representatives, agents,
15 attorneys, heirs, administrators, successors and assigns, release Released Parties, for the duration of
16 the Class Period, from all claims that were alleged, or reasonably could have been alleged, based on
17 the facts stated in the operative Complaint in the Action and ascertained in the course of the Action,
18 including, e.g., any and all federal, California state law, and local wage-and-hour claims, rights,
19 demands, liabilities, and/or causes of action involving any alleged (a) failure to provide meal periods
20 and/or pay meal period premiums; (b) failure to provide rest breaks and/or pay rest break premiums;
21 (c) failure to pay overtime wages; (d) failure to pay minimum wages; (e) failure to pay timely wages;
22 (f) failure to pay all wages due to discharged and quitting employees; (g) failure to furnish accurate
23 itemized wage statements; (h) failure to maintain required records; (i) failure to provide
24 reimbursement for employment-related expenses; (j) failure to provide for sick leave and
25 supplemental COVID-19 sick leave; and (k) violation of California Business & Professions Code
26 section 17200, *et seq.*

27 31. "Released PAGA Claims by PAGA Aggrieved Employees" means: Means the State
28 of California, Plaintiff and PAGA Aggrieved Employees, on behalf of themselves and their
respective former and present representatives, agents, attorneys, heirs, administrators, successors and

1 assigns, release Released Parties, for the duration of the PAGA Period, from all claims for PAGA
2 penalties only that were alleged, or reasonably could have been alleged, based on the facts stated in
3 the operative Complaint in the Action, and Plaintiff's LWDA letter dated January 19, 2024, and
4 ascertained in the course of the Action including, e.g., any and all claims involving any alleged (a)
5 failure to provide meal periods and/or pay meal period premiums; (b) failure to provide rest breaks
6 and/or pay rest break premiums; (c) failure to provide recovery periods and/or pay recovery period
7 premiums; (d) failure to pay premiums and or wages at the correct rate of pay; (e) failure to pay
8 overtime wages; (f) failure to pay minimum wages; (g) failure to pay timely wages; (h) failure to pay
9 all wages owed and due upon termination; (i) failure to maintain required records; (j) failure to
10 furnish accurate itemized wage statements; (k) failure to provide for supplemental COVID-19 sick
11 leave; (l) failure to provide notice of COVID-19 exposures; (m) failure to provide suitable seating;
12 (n) failure to provide reimbursement for employment-related expenses; (o) failure to wage theft
13 information at the time of hiring pursuant to Labor Code §2810.5; and (p) failure to furnish or provide
14 all documents signed or obtained pursuant to Labor Code §2810.5. PAGA Aggrieved Employees
15 will release the Released PAGA Claims even if they, as a Class Member, request exclusion from the
16 Settlement.

17 32. "Released Parties" collectively means: (i) Defendant; and (ii) Defendant's current
18 officers, directors, employees and agents only.

19 33. "Response Deadline" means forty-five (45) days after the postmark date of the Notice
20 of Class Settlement that the Settlement Administrator shall mail to Class Members, and the last date
21 on which Class Members may: (a) submit a Request for Exclusion; (b) submit an Objection to the
22 Settlement; or (c) submit a dispute regarding the number of Compensable Pay Periods or PAGA
23 Compensable Pay Periods.

24 34. "Settlement" means the disposition of the Action pursuant to this Agreement.

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

27 36. "Settlement Administrator" means Phoenix Settlement Administrator. The Settlement
28 Administrator shall be responsible for, *inter alia*: (a) printing and mailing the Class Notice to the

1 Class; (b) calculating the Individual Class Payments and Individual PAGA Payments based on the
2 Class Information; (c) to the extent applicable, calculating the Employer's Share of Payroll Taxes
3 which Defendant shall pay in addition to the Gross Settlement Amount; (d) receiving and reporting
4 the Requests for Exclusion and Objections submitted by Class Members to the Parties; (e) providing
5 declaration(s) as necessary in support of preliminary and/or final approval of this Settlement; (f)
6 processing and mailing payments to Plaintiffs, Class Counsel, the LWDA, and Settlement Class
7 Members; (g) creating and maintaining a static settlement website where relevant documents and
8 information pertaining to the Settlement will be posted, including *inter alia*, the judgment and
9 amended judgment if applicable; and (h) any other tasks as the Parties mutually agree or the Court
10 orders the Settlement Administrator to perform. The Settlement Administrator shall keep the Parties
11 timely apprised of the performance of all Settlement Administrator responsibilities. The Parties agree
12 that they have no financial interest or other relationship with Phoenix Settlement Administrator that
13 could create a conflict of interest. Should a conflict of interest or other issue lead to the
14 disqualification of the selected Settlement Administrator, the Parties will meet and confer as to a
15 suitable replacement.

16 37. "Settlement Class" or "Settlement Class Members" means all Class Members who
17 have not opted out of the Class by submitting a valid and timely Request for Exclusion.

18 **RECITALS**

19 38. Procedural History. On April 2, 2024, Plaintiff filed a complaint against Defendant
20 in Los Angeles County Superior Court, Case No.: 242STCV08381. Defendant has filed an answer
21 to the complaint.

22 39. Investigation and Discovery. The Parties have conducted significant investigation of
23 the facts and law during the prosecution of this Action and before this Settlement was reached. Such
24 discovery and investigation includes, *inter alia*, the exchange of information and documents
25 pertaining to Plaintiff and the Class, and numerous meetings and informal conferences wherein the
26 Parties exchanged information, class data, and theories of the case. Plaintiff has also investigated the
27 law as applied to the facts of Plaintiff's claims and Defendant's potential defenses thereto.

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40. Mediation. The Parties participated in a private mediation session with the Hon. Howard Broadman (Ret.), on January 30, 2025. The Parties were able to reach a proposed class action settlement that would fully resolve this matter.

41. Benefits of Settlement to Class Members. Plaintiff and Class Counsel recognize the expense and length of continued proceedings necessary to litigate Plaintiff's claims through trial and any possible appeals. Plaintiff has also taken into account the uncertainty and risk of the outcome of further litigation, and the difficulties and delays inherent in such litigation. Plaintiff and Class Counsel are also aware of the burdens of proof necessary to establish liability for the claims asserted in the Action, both generally and in response to Defendant's defenses thereto, and the difficulties in establishing damages for the Class. Plaintiff and Class Counsel have also taken into account Defendant's agreement to enter into a settlement that confers substantial relief upon the members of the Class. Based on the foregoing, Plaintiff and Class Counsel have determined that the Settlement set forth in this Settlement Agreement is a fair, adequate, and a reasonable settlement, and is in the best interests of the Class.

STIPULATION AND AGREEMENT

42. NOW THEREFORE, in consideration of the mutual covenants, promises, and agreements set forth herein, the Parties agree, subject to the Court's approval, as follows:

43. It is agreed by and among Plaintiff and Defendant that this Settlement shall bind Plaintiff, Settlement Class Members, PAGA Aggrieved Employees, and Defendant, subject to the terms and conditions hereof.

44. Circular 230 Disclaimer. Each Party to this Agreement (for purposes of this section, the “acknowledging party” and each Party to this Agreement other than the acknowledging party, an “other party”) acknowledges and agrees that (1) no provision of this Agreement, and no written communication or disclosure between or among the Parties or their attorneys and other advisers, is or was intended to be, nor shall any such communication or disclosure constitute or be construed or be relied upon as, tax advice within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended); (2) the acknowledging party (a) has relied exclusively upon his, her, or its own, independent legal and tax counsel for advice (including tax advice) in connection with

1 this Agreement, (b) has not entered into this Agreement based upon the recommendation of any other
2 party or any attorney or advisor to any other party, and (c) is not entitled to rely upon any
3 communication or disclosure by any attorney or advisor to any other party to avoid any tax penalty
4 that may be imposed on the acknowledging party; and (3) no attorney or advisor to any other party
5 has imposed any limitation that protects the confidentiality of any such attorney's or adviser's tax
6 strategies (regardless of whether such limitation is legally binding) upon disclosure by the
7 acknowledging party of the tax treatment or tax structure of any transaction, including any transaction
8 contemplated by this Agreement.

9 45. Class Certification. The Parties stipulate to class certification for purposes of
10 settlement only. If the Court does not grant either preliminary or final approval of this Settlement,
11 the Parties stipulate that this stipulation regarding class certification will be revoked and the Parties
12 will return to a point in litigation immediately prior to the execution of this Settlement Agreement.

13 46. Approval of Settlement. Plaintiff will move the Court to grant preliminary and final
14 approval of this class action Settlement. The Parties agree to work diligently and cooperatively to
15 have this matter presented to the Court for preliminary and final approval.

16 47. LWDA Notice. Plaintiff acknowledges and agrees that he will provide notice to the
17 LWDA of this Settlement in accordance with California Labor Code § 2699(1)(2).

18 48. Release of Claims by Plaintiff. Plaintiff releases the "Released Claims by Plaintiff"
19 as of the Effective Date.

20 49. Release of Class Claims by Settlement Class Members. Settlement Class Members
21 release the "Released Claims by Settlement Class Members" as of the Effective Date.

22 50. Release of PAGA Claims by PAGA Aggrieved Employees. PAGA Aggrieved
23 Employees release the "Released PAGA Claims" as of the Effective Date.

24 51. Settlement Administration. Within twenty (20) calendar days after the Preliminary
25 Approval Date, Defendant shall provide the Settlement Administrator with the Class Information.

26 52. Notice to the Class. Upon receipt of the Class Information, the Settlement
27 Administrator will perform a search based on the National Change of Address Database to update
28 and correct any known or identifiable address changes. Within fourteen (14) calendar days after

1 receiving the Class Information, the Settlement Administrator shall mail copies of the Class Notice
2 to all Class Members via regular First-Class U.S. Mail. The Settlement Administrator shall exercise
3 its best judgment to determine the current mailing address for each Class Member. The address
4 identified by the Settlement Administrator as the current mailing address shall be presumed to be the
5 best mailing address for each Class Member.

6 a. The Class Notice and Procedure Comports with Due Process. The Parties
7 agree that the notice procedures outlined in this Agreement provide the best and most practical
8 method of giving notice to the Class and fully comply with due process and all applicable laws and
9 rules.

10 b. Undeliverable Notices. Any Class Notice returned to the Settlement
11 Administrator as non-delivered on or before the Response Deadline shall be re-mailed to the
12 forwarding address affixed thereto within ten (10) calendar days. If no forwarding address is
13 provided, the Settlement Administrator shall promptly attempt to determine a correct address by use
14 of skip-tracing, or other search using the name, address and/or Social Security number of the Class
15 Member involved, and shall then perform a re-mailing, if another mailing address is identified by the
16 Settlement Administrator. If the undeliverable notice is for a currently employed Class Member, the
17 Settlement Administrator shall contact Defendant, which will then make all reasonable efforts to
18 obtain the Class Member's current mailing address within ten (10) calendar days and provide it to
19 the Settlement Administrator. Class Members who receive a re-mailed Notice of Class Settlement
20 shall have twenty (20) days after the postmark date of the re-mailed Notice of Class Settlement to:
21 (a) submit a Request for Exclusion; (b) submit an Objection to the Settlement; or (c) dispute the
22 number of Compensable Pay Periods attributed to them.

23 c. Disputes Regarding Compensable Pay Periods. Class Members will have the
24 opportunity, should they disagree with Defendant's records regarding the number of Compensable
25 Pay Periods attributed to them in the Class Notice, to provide documentation and/or an explanation
26 to show contrary information by the Response Deadline. The dispute form must: (a) contain the full
27 name, address, and telephone number of the Class Member, and the last four digits of the Class
28 Member's social security number or full employee ID number; (b) contain the case name and case

1 number; (c) contain a clear statement by the Class Member that he or she is disputing the number of
2 Compensable Pay Periods and the basis for the dispute; (d) be signed by the Class Member; and (e)
3 be postmarked or e-mailed by the Response Deadline. The date of the postmark on the return mailing
4 envelope on the dispute form, or the date the e-mail is sent, shall be the exclusive means used to
5 determine whether it has been timely submitted. If there is a dispute, the Settlement Administrator
6 will consult with the Parties to determine whether an adjustment is warranted. The Settlement
7 Administrator shall then determine the eligibility for, and the amounts of, any Individual Class
8 Payments and/or Individual PAGA Payments under the terms of this Agreement. In the absence of
9 circumstances indicating fraud, manipulation or destruction, Defendant's records shall be presumed
10 to be accurate.

11 d. Requests for Exclusion. Class Members who wish to exclude themselves from
12 the Settlement must mail to the Settlement Administrator a Request for Exclusion by the Response
13 Deadline. The Request for Exclusion must: (a) contain the full name, address, and telephone number
14 of the Class Member, and the last four digits of the Class Member's social security number; (b)
15 contain the case name and case number; (c) contain a clear statement by the Class Member that he
16 or she is electing to be excluded from the Settlement; (d) be signed by the Class Member; and (e) be
17 postmarked or e-mailed by the Response Deadline. The date of the postmark on the return mailing
18 envelope on the Request for Exclusion, or the date the e-mail is sent, shall be the exclusive means
19 used to determine whether it has been timely submitted. Any Class Member who requests to be
20 excluded from the Settlement Class shall not be entitled to any Individual Class Payment, shall not
21 release any of the Released Claims by Settlement Class Members, and shall not have any right to
22 object, appeal or comment thereon. Class Members who fail to submit a valid and timely Request for
23 Exclusion on or before the Response Deadline shall be bound by all terms of the Settlement and any
24 Final Approval Order and Judgment entered in this Action. Any Class Member who submits a valid
25 and timely Request for Exclusion cannot opt-out of PAGA portion of this Settlement and will still
26 receive their share of the PAGA portion of this Settlement.

27 e. Objections. Class Members who wish to object to the Settlement may do so
28 orally at the Final Approval Hearing without the need to submit a written objection, or may object

1 by emailing or mailing by U.S. Mail to the Settlement Administrator a written objection by the
2 Response Deadline. The written objection should contain the following: (a) contain the full name,
3 address, and telephone number of the Class Member, and the last four digits of the Class Member's
4 social security number; (b) contain the case name and case number; (c) the dates of employment of
5 the Class Member; (d) be signed by the Class Member; (e) provide a concise statement of the reasons
6 for objecting; and (f) be postmarked or e-mailed by the Response Deadline. The date of the postmark
7 on the return mailing envelope on the written Objection, or the date the e-mail is sent, shall be the
8 exclusive means used to determine whether the written Objection has been timely submitted. Class
9 Members who fail to make Objections in the manner specified above shall be deemed to have waived
10 any objections and shall be foreclosed from making any objections (whether by appeal or otherwise)
11 to the Settlement. Class Counsel shall not represent any Class Members with respect to any
12 Objections. The Settlement Administrator will provide the Parties with any written Objection within
13 seven (7) calendar days of its receipt of any Objection. Plaintiff will file any and all written
14 Objections with the Court in advance of the Final Approval Hearing.

15 53. Funding Gross Settlement Amount. Within thirty (30) days of the Effective Date,
16 Defendant shall wire transfer the full Gross Settlement Amount. Defendant shall also separately pay
17 Employer's Share of Payroll Taxes to the Settlement Administrator as calculated and directed by the
18 Settlement Administrator at the time of funding the Gross Settlement Amount. The Settlement
19 Administrator shall notify the Parties in writing upon receipt of the full Gross Settlement Amount
20 and employer payroll taxes.

21 54. Allocation of Settlement. Individual Class Payments will be paid from the Net
22 Settlement Amount and shall be paid pursuant to the settlement formula set forth herein. Individual
23 Class Payments shall be mailed by regular First Class U.S. Mail to Settlement Class Members' last
24 known mailing address.

25 a. The Settlement Administrator shall calculate the Individual Class Payment for
26 each Settlement Class Member based on the Class Information provided by Defendant. The Net
27 Settlement Amount will be divided by the total Compensable Pay Periods during the Class Period
28 for all Settlement Class Members and the result will then be multiplied by each Settlement Class

1 Members' Compensable Pay Periods during the Class Period to determine his or her Individual Class
2 Payment.

3 1. Individual Class Payments due to each Settlement Class

4 Member shall be designated as follows:

5 (a). Twenty-five percent (25%) of the Individual Class Payment
6 shall represent payment for alleged unpaid wages. This payment shall be subject to the withholding
7 of all applicable local, state, and federal taxes. Applicable payroll taxes and/or contributions will be
8 deducted from the amount paid to Settlement Class Members. The Settlement Administrator will
9 issue a W-2 Form to each Settlement Class Member in relation to this payment.

10 (b). Seventy percent (70%) of the Individual Class Payment shall
11 represent payment of all penalties. These payments will not be subject to withholding of local, state,
12 and federal taxes. The Settlement Administrator will issue an IRS Form 1099 to each Settlement
13 Class Member in relation to these payments.

14 (c). Five percent (5%) of the Individual Class Payment shall
15 represent payment of all interest. These payments will not be subject to withholding of local, state,
16 and federal taxes. The Settlement Administrator will issue an IRS Form 1099 to each Settlement
17 Class Member in relation to these payments.

18 b. The Settlement Administrator shall calculate the Individual PAGA Payment
19 for each PAGA Aggrieved Employee based on the Class Information provided by Defendant. The
20 PAGA Aggrieved Employees' 25% share of the PAGA Penalties will be divided by the total
21 Compensable PAGA Pay Periods during the PAGA Period for all PAGA Aggrieved Employees and
22 the result will then be multiplied by each PAGA Aggrieved Employees' Compensable Pay Periods
23 during the PAGA Period to determine his or her Individual PAGA Payment. Individual PAGA
24 Payments are counted as penalties rather than wages for tax purposes. The Settlement Administrator
25 will issue an IRS Form 1099 to each PAGA Aggrieved Employee in relation to these payments.

26 c. Un-Negotiated Individual Payment Checks. Individual Class Payment checks
27 and Individual PAGA Aggrieved Employee Payment checks shall remain negotiable for one hundred
28 and eighty (180) calendar days from the postmark date of issuance. If the Individual Class Payment

1 check and/or Individual PAGA Aggrieved Employee Payment check is not cashed, deposited, or
2 otherwise negotiated within the 180-day deadline, the check will be voided, and the funds associated
3 with any such voided checks shall be paid in the name of the Class Member and/or PAGA Aggrieved
4 Employee to the State of California Controller's Unclaimed Property Fund. Neither Defendant,
5 Defendant's counsel, Plaintiff's counsel nor Plaintiff will have any liability for lost or stolen
6 settlement checks, forged signatures on settlement checks, unauthorized negotiation of settlement
7 checks or failure to timely cash a settlement check within the 180-day period. The Settlement
8 Administrator shall send a reminder postcard to any Class Member and/or PAGA Aggrieved
9 Employee whose settlement distribution check has not been negotiated within sixty (60) days after
10 the date of mailing.

11 d. Certification By Settlement Administrator. The Parties have the right to
12 monitor and review administration of the Settlement. Any disputes not resolved by the Settlement
13 Administrator concerning the administration of the Settlement will be resolved by the Court, under
14 the laws of the State of California. Prior to any such involvement of the Court, counsel for the Parties
15 will confer in good faith to resolve the disputes without the necessity of involving the Court. Upon
16 completion of administration of the Settlement, the Settlement Administrator shall provide written
17 certification of such completion to counsel for the Parties, and which shall be filed with the Court as
18 necessary.

19 e. Settlement Awards Do Not Trigger Additional Benefits. All monies received
20 by Settlement Class Members and/or PAGA Aggrieved Employees shall be deemed to be income
21 solely in the year in which such awards actually are received. It is expressly understood and agreed
22 that the receipt of such Individual Class Payments and/or Individual PAGA Payments will not entitle
23 any Settlement Class Member and/or PAGA Aggrieved Employee to additional compensation or
24 benefits under any company compensation or benefit plan or agreement in place during the period
25 covered by the Settlement, nor will it entitle any Settlement Class Member and/or PAGA Aggrieved
26 Employee to any increased pension and/or retirement, or other deferred compensation benefits. It is
27 the intent of this Settlement that any Individual Class Payments and/or Individual PAGA Payments
28 provided for in this Agreement are the sole payments to be made by Defendant to the Settlement

1 Class Members and PAGA Aggrieved Employees in connection with this Settlement, and that the
2 Settlement Class Members and PAGA Aggrieved Employees are not entitled to any new or additional
3 compensation or benefits as a result of having received the Individual Class Payments and/or
4 Individual PAGA Payments (notwithstanding any contrary language or agreement in any benefit or
5 compensation plan document that might have been in effect during the period covered by this
6 Settlement).

7 f. Class Representative Service Award. Defendant agrees not to oppose or
8 object to a Class Representative Service Award to Plaintiff of up to Six Thousand Dollars
9 (\$6,000.00), subject to Court approval. The Settlement Administrator shall issue an IRS Form 1099
10 – MISC to Plaintiff in connection with the Class Representative Service Award payment. Plaintiff
11 shall be solely and legally responsible to pay any and all applicable taxes on his Class Representative
12 Service Award and shall hold harmless Defendant and Class Counsel from any claim or liability for
13 taxes, penalties, or interest arising as a result of the Class Representative Service Award payment.
14 The Class Representative Service Award shall be in addition to Plaintiff's Individual Class Payment
15 and Individual PAGA Payment. This Settlement is not contingent upon the Court awarding Plaintiff
16 a Class Representative Service Award in any amount, and any amount requested by Plaintiff for the
17 Class Representative Service Award that is not granted by the Court shall return to the Net Settlement
18 Amount and be distributed to Settlement Class Members as provided in this Agreement.

19 g. Class Counsel Award. Defendant agrees not to oppose or object to any
20 application or motion by Class Counsel for attorneys' fees not to exceed one-third from the Gross
21 Settlement Amount, or Forty-Nine Thousand and Nine Hundred and Fifty Dollars and Zero cents
22 (\$49,950). Defendant further agrees not to oppose any application or motion by Class Counsel for
23 the reimbursement of any costs or expenses associated with Class Counsel's prosecution of this
24 matter from the Gross Settlement Amount, up to, but not to exceed Seventeen Thousand Dollars
25 (\$17,000.00). Class Counsel shall be solely and legally responsible to pay all applicable taxes on the
26 payment made pursuant to this paragraph. The Settlement Administrator shall issue an IRS Form
27 1099 – MISC to Class Counsel for the payments made pursuant to this paragraph. This Settlement is
28 not contingent upon the Court awarding Class Counsel any particular amount in attorneys' fees and

1 costs. Any amount requested by Class Counsel for the Class Counsel Award and costs that is not
2 granted by the Court shall return to the Net Settlement Amount and be distributed to Settlement Class
3 Members as provided in this Agreement.

4 h. Settlement Administration Costs. The Settlement Administrator shall be paid
5 for the costs of administration of the Settlement from the Gross Settlement Amount. The costs of
6 notice and administration for the disbursement of the Gross Settlement Amount shall not exceed
7 \$10,000 unless otherwise approved by the Court. Prior to the filing of a motion for final approval of
8 this Settlement, the Settlement Administrator shall provide the Parties with a statement detailing the
9 costs of administration.

10 i. Payment to the LWDA. Ten Thousand Dollars and Zero Cents (\$10,000) from
11 the Gross Settlement Amount will be allocated to penalties under the Private Attorneys General Act
12 of 2004. Seventy-five percent (75%) of that amount, or \$7,500, will be paid to the LWDA and
13 twenty-five (25%) of that amount, or \$2,500, will be paid to the PAGA Aggrieved Employees. This
14 PAGA Payment is made pursuant to California Labor Code § 2699(i).

15 55. Distribution of Settlement Payments. Individual Class Payments to Settlement Class
16 Members, Individual PAGA Payments to PAGA Aggrieved Employees, the Class Representative
17 Service Award, the Class Counsel Award, Settlement Administration Costs, and payment to the
18 LWDA, shall all be distributed by the Settlement Administrator within thirty (30) calendar days of
19 receipt of the Gross Settlement Amount from Defendant. No person shall have any claim against
20 Defendant, Defendant's Counsel, Plaintiff, Settlement Class Members, Class Counsel, or the
21 Settlement Administrator based on distributions and payments made in accordance with this
22 Agreement.

23 56. Escalator Clause/Pay Period Differential. It is currently estimated that Class Members
24 worked 5,776 Compensable Pay Periods in the Class Period. If the number of Compensable Pay
25 Periods in the Class Period increases by more than 10%, or 58 additional Compensable Pay Periods
26 above 5,834, there will be a pro rata adjustment to the Gross Settlement Amount by the same
27 proportion as the increase above 10% (e.g., if the number of Compensable Pay Periods increases by
28

1 10%, i.e., 58 additional Compensable Pay Periods, the Gross Settlement Amount shall increase on a
2 pro rata basis).

3 57. Final Settlement Approval Hearing and Entry of Final Judgment. Upon expiration of
4 the Response Deadline, a final approval hearing shall be conducted to determine, *inter alia*, final
5 approval of the Settlement and amounts properly payable for: (a) Individual Class Payments; (b)
6 Individual PAGA Payments; (c) the Class Counsel Award; (d) the Class Representative Service
7 Award; (e) payment to the LWDA; and (f) the Settlement Administration Costs.

8 58. Nullification of Settlement Agreement. In the even the Settlement does not become
9 final for any reason, then this Agreement, and any documents generated to bring it into effect, shall
10 be null and void. Any order or judgment entered by the Court in furtherance of this Agreement shall
11 likewise be treated as void from the beginning. In the event an appeal is filed from the Court's Final
12 Approval Order and Judgment, or any other appellate review is sought, administration of the
13 Settlement shall be stayed pending final resolution of the appeal or other appellate review, and any
14 fees incurred by the Settlement Administrator prior to it being notified of the filing of an appeal from
15 the Court's Final Approval Order and Judgment, or any other appellate review, shall be paid to the
16 Settlement Administrator by the party or person that filed the appeal, within thirty (30) calendar days
17 of said notification.

18 59. No Effect on Employee Benefits. Amounts paid to Plaintiff or other Settlement Class
19 Members or PAGA Aggrieved Employees pursuant to this Agreement shall be deemed not to be
20 pensionable earnings and shall not have any effect on the eligibility for, or calculation of, any of the
21 employee benefits (e.g., vacations, holiday pay, retirement plans, etc.) of Plaintiff or Settlement Class
22 Members or PAGA Aggrieved Employees.

23 60. No Admission by Defendant. Defendant denies any and all claims alleged in this
24 Action and denies all wrongdoing whatsoever. This Settlement Agreement is not a concession or
25 admission, and shall not be used against Defendant as an admission or indication with respect to any
26 claim of any fault, concession, or omission by any Defendant. The Parties agree that class
27 certification and representative treatment is for purposes of this Settlement only. If, for any reason
28 the Court does grant preliminary approval, final approval or enter judgment, Defendant reserves the

1 right to contest certification of any class for any reasons, and Defendant reserves all available
2 defenses to the claims in the Action, and Plaintiff reserves the right to move for class certification on
3 any grounds available and to contest Defendant's defenses. The Settlement, this Agreement and
4 Parties' willingness to settle the Action will have no bearing on, and will not be admissible in
5 connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and
6 this Agreement).

7 61. Exhibits and Headings. The terms of this Settlement Agreement include the terms set
8 forth in any attached Exhibits, which are incorporated by this reference as though fully set forth
9 herein. Any Exhibits to this Agreement are an integral part of the Settlement. The descriptive
10 headings of any paragraphs or sections of this Agreement are inserted for convenience of reference
11 only and do not constitute a part of this Agreement.

12 62. Interim Stay of Proceedings. The Parties agree to stay all proceedings in the Action,
13 except such proceedings necessary to implement and complete the Settlement, holding the Action in
14 abeyance pending the final approval hearing to be conducted by the Court.

15 63. Dispute Resolution. Should any dispute arise among the Parties or their respective
16 counsel regarding the implementation or interpretation of this Settlement Agreement, the Parties shall
17 meet and confer and/or seek the assistance of a mediator in an attempt to resolve such disputes prior
18 to submitting such disputes to the Court.

19 64. Defendant's Right to Withdraw. If the number of valid Requests for Exclusion
20 exceeds 15% of the total of all Class Members, Defendant may, but is not obligated, elect to withdraw
21 from the Settlement. The Parties agree that, if Defendant withdraws, the Settlement shall be void ab
22 initio, have no force or effect whatsoever, and that neither Party will have any further obligation to
23 perform under this Agreement; provided, however, Defendant will remain responsible for paying all
24 Settlement Administration Costs incurred to that point. Defendant must notify Class Counsel and the
25 Court of its election to withdraw not later than seven (7) days after the Administrator sends the final
26 report of Requests for Exclusions to Defendant's counsel; late elections will have no effect.

27 65. Confidentiality Prior to Preliminary Approval. Plaintiff, Class Counsel, Defendant
28 and Defendant's counsel separately agree that, until the motion for preliminary approval of settlement

1 is filed, they and each of them will not disclose, disseminate and/or publicize, or cause or permit
2 another person to disclose, disseminate or publicize, any of the terms of the Agreement directly or
3 indirectly, specifically or generally, to any person, corporation, association, government agency or
4 other entity except: (1) to the Parties' attorneys, accountants or spouses, all of whom will be
5 instructed to keep this Agreement confidential; (2) counsel in a related matter; (3) to the extent
6 necessary to report income to appropriate taxing authorities; (4) in response to a court order or
7 subpoena; or (5) in response to an inquiry or subpoena issued by a state or federal government
8 agency. Each Party agrees to immediately notify each other Party of any judicial or agency order,
9 inquiry, or subpoena seeking such information. Plaintiff, Class Counsel, Defendant and Defendant's
10 counsel separately agree not to, directly or indirectly, initiate any conversation or other
11 communication, before the filing of the motion for preliminary, with any third party regarding this
12 Agreement or the matters giving rise to this Agreement except to respond only that "the matter was
13 resolved," or words to that effect. This paragraph does not restrict Class Counsel's communications
14 with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.

15 66. No Solicitation. The Parties separately agree that they and their respective counsel
16 and employees will not solicit any Class Member to opt out of or object to the Settlement, or appeal
17 from the judgment. Nothing in this paragraph shall be construed to restrict Class Counsel's ability
18 to communicate with Class Members in accordance with Class Counsel's ethical obligations owed
19 to Class Members.

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

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

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

1 70. Amendment or Modification. This Agreement may be amended or modified only by
2 a written instrument signed by counsel for all Parties.

3 71. Entire Agreement. This Settlement Agreement and any attached Exhibits constitute
4 the entire Agreement among these Parties, and no oral or written representations, warranties, or
5 inducements have been made to any Party concerning this Agreement or its Exhibits other than the
6 representations, warranties, and covenants contained and memorialized in the Agreement and its
7 Exhibits.

8 72. Authorization to Enter Into Settlement Agreement. Counsel for all Parties warrant
9 and represent they are expressly authorized by the Parties whom they represent to negotiate this
10 Agreement and to take all appropriate actions required or permitted to be taken by such Parties
11 pursuant to this Agreement to effectuate its terms, and to execute any other documents required to
12 effectuate the terms of this Agreement. The Parties and their counsel will cooperate with each other
13 and use their best efforts to effect the implementation of the Settlement. In the event the Parties are
14 unable to reach agreement on the form or content of any document needed to implement the
15 Settlement, or on any supplemental provisions that may become necessary to effectuate the terms of
16 this Settlement, the Parties may seek the assistance of the Court or the mediator to resolve such
17 disagreement. The persons signing this Agreement on behalf of Defendant represent and warrant that
18 they are authorized to sign this Agreement on behalf of Defendant. Plaintiff represents and warrants
19 that he is authorized to sign this Agreement and that he has not assigned any claim, or part of a claim,
20 covered by this Settlement to a third-party.

21 73. Binding on Successors and Assigns. This Agreement shall be binding upon, and inure
22 to the benefit of, the successors or assigns of the Parties hereto, as previously defined.

23 74. California Law Governs. All terms of this Settlement Agreement and the Exhibits
24 hereto shall be governed by and interpreted according to the laws of the State of California.

25 75. Counterparts. This Settlement Agreement may be executed in one or more
26 counterparts. All executed counterparts and each of them shall be deemed to be one and the same
27 instrument.

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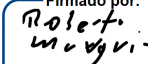
1 76. This Settlement is Fair, Adequate and Reasonable. The Parties believe this Settlement
2 is a fair, adequate, and reasonable settlement of this Action and have arrived at this Settlement after
3 extensive arms-length negotiations, taking into account all relevant factors, present and potential.

4 77. Jurisdiction of the Court. Pursuant to California Code of Civil Procedure section
5 664.6, the Court shall retain jurisdiction with respect to the interpretation, implementation, and
6 enforcement of the terms of this Settlement Agreement and all orders and judgments entered in
7 connection therewith, and the Parties and their counsel hereto submit to the jurisdiction of the Court
8 for purposes of interpreting, implementing, and enforcing the settlement embodied in this Agreement
9 and all orders and judgments entered in connection therewith. All terms of this Settlement Agreement
10 are subject to approval by the Court.

11 78. Invalidity of Any Provision. Before declaring any provision of this Settlement
12 Agreement invalid, the Court shall first attempt to construe the provisions valid to the fullest extent
13 possible consistent with applicable precedents so as to define all provisions of this Agreement valid
14 and enforceable.

15 Dated: 4/7/2025
16 _____

By: _____
Roberto Murguia

Firmado por:

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18 Dated: 3/28/2025
19 _____

By: _____
Saris European Painting, Inc.

DocuSigned by:

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Name: Patricia Saris

Title: President

23 **APPROVED AS TO FORM:**

25 Dated: _____
26 _____

By: _____
Scott E. Wheeler
Justin A. Wheeler
THE WHEELER LAW FIRM, APC

Counsel for Plaintiff and the Putative Class

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Dated: 04/04/25

By: Ryan W. Streckfus, Esq.
Ryan W. Streckus, Esq.
Chief Executive Officer/Founder
ABSOLUTE LAW GROUP, P.C.
Counsel for Defendant

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