

**PRIVATE ATTORNEYS GENERAL ACT SETTLEMENT AGREEMENT AND  
RELEASE**

This Private Attorneys General Act Settlement Agreement and Release (Settlement Agreement” or “Settlement”) is entered into by and between Jose Manuel Amaro Bernal (“Plaintiff”), individually and as a representative of the State of California and the Aggrieved Employees (as defined in Section 3(a)(5) below) and Joseph Holt Plastering, Inc. (“Defendant”), subject to approval by the Court. The term “Party” or “Parties” as used herein shall refer to Plaintiff, Defendant, or both, as may be appropriate.

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

(a)     On April 15, 2024, Blackstone Law, APC (“Plaintiff’s Counsel”), submitted a letter on behalf of Plaintiff to the California Labor and Workforce Development Agency (“LWDA”) and Defendant to notify the LWDA and Defendant pursuant to the Private Attorneys General Act of 2004, Labor Code section 2698, *et seq.* (“PAGA”), of Plaintiff’s intent to seek civil penalties under PAGA for Defendant’s alleged violations of California Labor Code sections 201, 202, 203, 204, 226(a), 226.7, 510, 512(a), 1174(d), 1194, 1197, 1197.1, 1198, 2800, and 2802, and the applicable Industrial Welfare Commission Wage Orders, thereby initiating LWDA Case Number LWDA-CM-1022374-24 (“PAGA Notice”);

(b)     On June 21, 2024, Plaintiff filed a Complaint for Enforcement Action Under the Private Attorneys General Act, Cal. Labor Code §§ 2698 *Et Seq.* (“Operative Complaint”), commencing a representative action under PAGA against Defendant, entitled *Jose Manuel Amaro Bernal v. Joseph Holt Plastering, Inc.*, Los Angeles County Superior Court Case No. 24STCV15637 (“Action”). The Operative Complaint asserts a single cause of action for civil penalties under PAGA for violations of multiple provisions of the California Labor Code and the applicable Industrial Welfare Commission Wage Orders;

(c)     On September 23, 2024, the Parties mediated the Action with Tagore Subramaniam, Esq., and, with the aid of the mediator’s evaluation, the Parties ultimately reached the Settlement described herein to resolve the Action in its entirety;

(d)     There has been no determination on the merits of the Action or the PAGA Notice but, in order to avoid additional cost and the uncertainty of litigation, the Parties desire to resolve the Action and Released Claims (as defined in Section 6(a) below).

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

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3. **Consideration.**

(a) Defendant shall pay the maximum gross sum of Four Hundred Thousand Dollars and Zero Cents (\$400,000.00) (the “Gross Settlement Amount”) to resolve the Action and Released Claims (as defined in Section 6(a) below), which will be paid as follows:

(1) Attorneys’ fees in the amount of forty percent (40%) of the Gross Settlement Amount (i.e., \$160,000.00 if the Gross Settlement Amount is \$400,000.00), and reimbursement of litigation costs and expenses in the amount of up to Twenty-Five Thousand Dollars and Zero Cents (\$25,000.00) (collectively, “Attorneys’ Fees and Costs”) to Plaintiff’s Counsel, which Defendant will not contest. Any portion of the requested Attorneys’ Fees and Costs that is not awarded by the Court to Plaintiff’s Counsel shall be reallocated to the Net Settlement Amount.

(2) A general release fee of up to the amount of Ten Thousand Dollars and Zero Cents (\$10,000.00) (“General Release Fee”) to Plaintiff, which Defendant will not contest. Any portion of the General Release Fee that is not awarded by the Court to Plaintiff shall be reallocated to the Net Settlement Amount.

(3) Costs and expenses of administration of the Settlement up to the amount of Four Thousand Seven Hundred Dollars and Zero Cents (\$4,700.00) (“Settlement Administration Costs”) to ILYM Group, Inc. (“Settlement Administrator”). Any portion of the estimated, designated, and/or awarded Settlement Administration Costs which are not in fact required to fulfill payment to the Settlement Administrator to undertake the required settlement administration duties shall be reallocated to the Net Settlement Amount.

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

(5) Seventy-five percent (75%) of the Net Settlement Amount will be distributed to the LWDA (“LWDA Payment”); and the remaining twenty-five percent (25%) will be distributed to all current and former hourly-paid and/or non-exempt employees who worked for Defendant in the State of California at any time during the PAGA Period (“Aggrieved Employees”). The period April 15, 2023 to September 30, 2024 is the “PAGA Period.” The twenty-five percent (25%) portion of the Net Settlement Amount payable to the Aggrieved Employees is referred to as the “Employees’ Portion.”

(6) The Aggrieved Employees are estimated to consist of approximately 214 individuals who worked approximately 15,482 pay periods during the period April 15, 2023 to September 23, 2024. If the actual number of Pay Periods (as defined in Section 5(b) below) worked by the Aggrieved Employees during the PAGA Period is more than ten percent (10%) above 15,482, the Gross Settlement Amount will be increased by the percentage that the actual number exceeds 17,030 Pay Periods. For example, if the number of Pay Periods increases by eleven percent (11%) (i.e., 17,185 Pay Periods), the Gross Settlement Amount will increase by one percent (1%).

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

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

(a) The Parties are aware that some courts have approved a PAGA settlement and entered an order approving the settlement and judgment and thereafter closed the case, while others have approved a PAGA settlement and entered only an order approving the settlement with later instructions to file a request for dismissal of the action. The Parties agree to cooperate and take any and all steps required by the Court in the Action to implement the settlement and terminate the Action pursuant to settlement (i.e., to terminate the Action by way of judgment or dismissal).

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

(c) The Parties shall seek to obtain Court approval of this Settlement Agreement by way of an unopposed motion to be filed by Plaintiff's Counsel. Plaintiff's Counsel shall provide a draft of all documents to be submitted in connection with the motion to approve this Settlement Agreement to Boris Sorsher and Lisa L. Peterson of Fisher & Phillips LLP ("Defendant's Counsel") for review. Defendant's Counsel will be given an opportunity to comment on the papers prior to their being filed with the Court, and such comments will be implemented to the extent reasonable.

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

5. **Payment of the Gross Settlement Amount / Notice to Recipients.**

(a) Subject to Court approval of this Settlement Agreement, payment of the sums described in Section 3(a) above shall be made by Defendant by transmitting the Gross Settlement Amount to a qualified settlement account established by the Settlement Administrator for administration of this Settlement, according to Sections 5(f) and 5(g) below. If the date by which payment by Defendant is due falls on a Saturday, Sunday, or legal holiday in the State of California, then the due date shall be extended to the next following day which is not a Saturday, Sunday, or legal holiday in the State of California.

(b) Each Aggrieved Employee will be entitled to a *pro rata* share of 25% of the Net Settlement Agreement (i.e., the Employees' Portion) based upon the number of pay periods they each worked during the PAGA Period ("Pay Periods"), based on Defendant's payroll records. Specifically, to calculate each Aggrieved Employee's share of the Employees' Portion ("Individual PAGA Payment"), the Settlement Administrator shall: (i) for each Aggrieved Employee, divide the number of Pay Periods the Aggrieved Employee worked by the total aggregate number of Pay Periods worked by all Aggrieved Employees, and then (ii) multiply this amount by the Employees' Portion to arrive at each Aggrieved Employee's Individual PAGA Payment.

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

(c) The Settlement Administrator shall distribute each Individual PAGA Payment by way of check, along with a cover letter ("Cover Letter") agreed to by the Parties and approved by the Court, in substantially the form attached hereto as "Exhibit A," in English and Spanish (together, the Individual PAGA Payment and Cover Letter are referred to as the "PAGA Settlement Package") by First-Class United States mail. For each PAGA Settlement Package that is returned undeliverable within thirty (30) calendar days of the initial mailing, the Settlement Administrator shall promptly attempt to locate an alternative, updated address for the Aggrieved Employee at issue, by using a skip-trace search and shall attempt one (1) re-mailing of the PAGA Settlement Package.

(d) The Individual PAGA Payment checks issued to Aggrieved Employees shall remain valid for one hundred eighty (180) calendar days, and thereafter, shall be canceled. Funds associated with such canceled checks shall be transmitted to the State Controller's Office Unclaimed Property Division in the name of the Aggrieved Employee(s) at issue and in the amount of their respective Individual PAGA Payment(s).

(e) No later than twenty one (21) calendar days after the Court's order granting approval of the Settlement, Defendant shall provide the Settlement Administrator with a list of all Aggrieved Employees (the "Aggrieved Employees List"), containing the following information for each Aggrieved Employee: (i) first and last name; (ii) last known address; (iii) last known telephone number; (iv) Social Security number; (v) dates worked during the PAGA Period; and (vi) other such information as is necessary for the Settlement Administrator to calculate Pay Periods.

(1) The Settlement Administrator shall conduct one (1) National Change of Address ("NCOA") search for all individuals identified on the Aggrieved Employees List.

(f) If the Court approves the Settlement Agreement prior to June 23, 2025, Defendant shall pay the Gross Settlement Amount in two installments:

(1) First Installment: Defendant shall transmit the first half of the Gross Settlement Amount (i.e., \$200,000.00) within fourteen (14) calendar days of the Court's approval of the Settlement Agreement.

(2) Second Installment: Defendant shall transmit the second half of the Gross Settlement Amount (i.e. \$200,000.00) on June 23, 2025.

(g) If the Court approves the Settlement Agreement after June 23, 2025, Defendant shall transmit the full Gross Settlement Amount (i.e., \$400,000.00) within fourteen (14) calendar days of the Court's approval of the Settlement Agreement.

(h) No later than (7) seven calendar days after the full funding of the Gross Settlement Amount (i.e., \$400,000.00), the Settlement Administrator shall mail the Individual PAGA Payment checks to Aggrieved Employees, the LWDA Payment to the LWDA, the General Release Fee to Plaintiff, the Attorneys' Fees and Costs to Plaintiff's Counsel, and the Settlement Administration Costs to itself.

**6. Release of Claims by Plaintiff, the Aggrieved Employees, and the State of California with Respect to the Aggrieved Employees.**

(a) Upon the date of the Court's order granting approval of the Settlement Agreement and full funding of the Gross Settlement Amount, Plaintiff, the Aggrieved Employees, and the State of California with respect to Aggrieved Employees, will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged Defendant and its former and present directors, officers, shareholders, owners, members, attorneys, insurers, predecessors, successors, and assigns (collectively, the "Released Parties") from any and all claims arising from any of the factual allegations in the Operative Complaint and PAGA Notice, which were alleged or could have been alleged based on the facts and theories asserted in the Operative Complaint and PAGA Notice, arising during the PAGA Period, for civil penalties under the Private Attorneys General Act of 2004, California Labor Code sections 2698 *et seq.*, for Defendant's alleged failure to pay overtime and minimum wages, provide compliant meal and rest periods and associated premium payments at the regular rate of pay, timely pay wages during employment and upon termination, provide accurate wage statements, maintain complete and accurate payroll records, and reimburse necessary business-related expenses in violation of California Labor Code sections 201, 202, 203, 204, 226(a), 226.7, 510, 512(a), 1174(d), 1194, 1197, 1197.1, 1198, 2800, and 2802, and the applicable Industrial Welfare Commission Wage Orders (collectively, "Released Claims").

(b) Upon the date of the Court's order granting approval of the Settlement Agreement and full funding of the Gross Settlement Amount, Plaintiff, individually and on his own behalf, will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties from any and all claims, demands, obligations, actions, causes of action, liabilities, and losses of every kind and nature whatsoever and from any and all liability for claims known or unknown arising prior to the date of execution of this Settlement Agreement. This release includes, without limiting the generality of the foregoing: any and all claims, demands, causes of action, obligations, charges, damages, liabilities, attorneys' fees

and costs relating to, arising out of, or based upon claims of harassment, discrimination, and/or retaliation in violation of local, state, or federal law; all claims of violation of public policy, including a claim for wrongful and/or constructive termination of employment; all claims for unpaid compensation and any similar wage/hour claims, including but not limited to unpaid minimum wages, overtime, commissions, bonuses, vacation pay, premiums, and any alleged failure to provide meal periods or rest periods; all claims based on tort, including claims for assault, battery, and sexual battery, and/or breach of contract, whether written or oral, express, or implied, and any covenant of good faith and fair dealing; any claim for unlawful or unfair business practices; all claims for emotional distress; any all claims which were or could have been asserted by Plaintiff; and all claims generally relating to Plaintiff's employment with Defendant and the cessation thereof, including any alleged violation of any federal, state, or other governmental statute, regulation or ordinance, including without limitation:

- a. The Civil Rights Acts of 1866, 1964, and 1991, as amended;
- b. 42 U.S.C. § 1981;
- c. The California Fair Employment and Housing Act;
- d. Section 503 of the Rehabilitation Act of 1973;
- e. Fair Labor Standards Act (including the Equal Pay Act);
- f. The California and United States Constitutions;
- g. The California Labor Code and the Private Attorney General Act pursuant to Labor Code Section 2698, et seq. (including any and all provisions authorizing Plaintiff to seek civil penalties);
- h. The California Business and Professions Code;
- i. The Employment Retirement Security Act, as amended;
- j. The California Family Rights Act;
- k. The Age Discrimination in Employment Act of 1967, as amended;
- l. The Americans with Disabilities Act;
- m. The Family Medical Leave Act;
- n. The California Pregnancy Discrimination Act;
- o. The Worker Adjustment and Retraining Notification Act;
- p. The California Government Code;
- q. The California Wage Orders;
- r. The National Labor Relations Act;
- s. The Immigration Reform and Control Act;
- t. California Occupational Safety and Health Act, or the Federal equivalent;
- u. Families First Coronavirus Response Act, and any other COVID-19 related statute, order, or regulation; and/or
- v. The Genetic Information Nondiscrimination Act of 2008.

With respect to those claims released by Plaintiff in his individual capacity, Plaintiff acknowledges and waives any and all rights and benefits available under California Civil Code Section 1542, which provides:

**A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS  
THAT THE CREDITOR OR RELEASING PARTY DOES NOT**

**KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.**

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

**(7) Governing Law and Interpretation.**

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

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

**(8) Amendment.** This Settlement Agreement may not be modified, altered, or changed except in writing and signed by both Parties' counsel, subject to approval by the Court.

**(9) Miscellaneous.**

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

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

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

(d) This Settlement Agreement was the result of negotiations between the Parties and their respective counsel under the auspices of mediator Tagore Subramaniam, Esq. In the event of vagueness, ambiguity, or uncertainty, this Settlement Agreement shall not be construed against the Party preparing it but shall be construed as if both Parties prepared it jointly, and the Parties may present their disputes to the mediator to resolve any vagueness, ambiguity, or uncertainty.

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

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

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

**PLAINTIFF JOSE MANUEL AMARO  
BERNAL**



\_\_\_\_\_  
Plaintiff Jose Manuel Amaro Bernal

Dated: 12/13/2024

**DEFENDANT JOSEPH HOLT  
PLASTERING, INC.**

Dated: \_\_\_\_\_

\_\_\_\_\_  
Full Name: \_\_\_\_\_

Title: \_\_\_\_\_  
On behalf of Defendant Joseph Holt  
Plastering, Inc.

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

(d) This Settlement Agreement was the result of negotiations between the Parties and their respective counsel under the auspices of mediator Tagore Subramaniam, Esq. In the event of vagueness, ambiguity, or uncertainty, this Settlement Agreement shall not be construed against the Party preparing it but shall be construed as if both Parties prepared it jointly, and the Parties may present their disputes to the mediator to resolve any vagueness, ambiguity, or uncertainty.

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

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

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

**PLAINTIFF JOSE MANUEL AMARO  
BERNAL**

Dated: \_\_\_\_\_

\_\_\_\_\_  
Plaintiff Jose Manuel Amaro Bernal

**DEFENDANT JOSEPH HOLT  
PLASTERING, INC.**

Dated: 12/27/21

  
\_\_\_\_\_

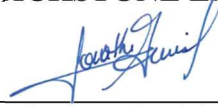
Full Name: SCOTT MCKERNAN, PRESIDENT

Title: \_\_\_\_\_  
On behalf of Defendant Joseph Holt  
Plastering, Inc.

**APPROVED AS TO FORM ONLY:**

Dated: December 16, 2024

**BLACKSTONE LAW, APC**

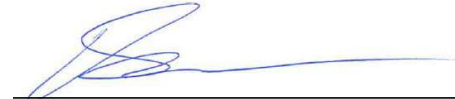


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Jonathan M. Genish  
*Attorneys for Plaintiff Jose Manuel Amaro Bernal*

Dated: December 27, 2024

**FISHER & PHILLIPS LLP**



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Boris Sorsher  
Lisa L. Peterson  
*Attorneys for Defendant Joseph Holt Plastering, Inc.*

## Exhibit A

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

Re: Settlement Payment from *Jose Manuel Amaro Bernal v. Joseph Holt Plastering, Inc.*, Los Angeles County Superior Court Case No. 24STCV15637

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

Please find enclosed a check in the amount of <<amount of payment>> (“Individual PAGA Payment”). This check is your payment from the settlement in the lawsuit entitled *Jose Manuel Amaro Bernal v. Joseph Holt Plastering, Inc.*, Los Angeles County Superior Court Case No. 24STCV15637 (“Action”).

The lawsuit was filed on June 21, 2024 by Jose Manuel Amaro (“Plaintiff”) against his former employer Joseph Holt Plastering, Inc. (“Defendant”), on behalf of the State of California, with respect to himself and other alleged aggrieved employees, to seek recovery of civil penalties pursuant to the Private Attorneys General Act of 2004, California Labor Code § 2698, *et seq.* (“PAGA”), for multiple alleged violations of the California Labor Code and Industrial Welfare Commission Wage Orders, including, *inter alia*, for failure to properly pay minimum and overtime wages, failure to provide compliant meal and rest periods and associated premiums, failure to pay wages during employment and upon termination, failure to provide accurate wage statements, failure to maintain requisite payroll records, and failure to reimburse business expenses. Prior to initiating the lawsuit, on April 15, 2024, Plaintiff submitted a letter to the California Labor and Workforce Development Agency (“LWDA”), pursuant to PAGA, to provide notice of his intent to seek civil penalties under PAGA for Defendant’s alleged violations of California Labor Code sections 201, 202, 203, 204, 226(a), 226.7, 510, 512(a), 1174(d), 1194, 1197, 1197.1, 1198, 2800, and 2802, and the applicable Industrial Welfare Commission Wage Orders, thereby initiating LWDA Case Number LWDA-CM-1022374-24 (“PAGA Notice”).

Defendant denies all of Plaintiff’s allegations and denies any wrongdoing of any kind associated with Plaintiff’s allegations. A settlement was reached between Plaintiff and Defendant.

On <<Date>>, the settlement was approved by the Court, with a portion to be paid to the LWDA and a portion to be paid to all current and former hourly-paid and/or non-exempt employees who worked for Defendant in the State of California at any time during the PAGA Period (“Aggrieved Employees”). The period April 15, 2023 to September 30, 2024 is the “PAGA Period.”

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

Under the settlement, as of <<date of Court’s order granting approval of the Settlement Agreement and full funding of the Gross Settlement Amount>>, the Released Parties were fully, finally, and forever released, settled, compromised, relinquished, and discharged from the Released Claims.

“Released Parties” means Defendant and its former and present directors, officers, shareholders, owners, members, attorneys, insurers, predecessors, successors, and assigns.

“Released Claims” means any and all claims arising from any of the factual allegations in the Operative Complaint and PAGA Notice, which were alleged or could have been alleged based on the facts and theories asserted in the Operative Complaint and PAGA Notice, arising during the PAGA Period, for civil penalties under the Private Attorneys General Act of 2004, California Labor Code sections 2698 *et seq.*, for Defendant’s alleged failure to pay overtime and minimum wages, provide compliant meal and rest periods and associated premium payments at the regular rate of pay, timely pay wages during employment and upon termination, provide accurate wage statements, maintain complete and accurate payroll records, and reimburse necessary business-related expenses in violation of California Labor Code sections 201, 202, 203, 204, 226(a), 226.7, 510, 512(a), 1174(d), 1194, 1197, 1197.1, 1198, 2800, and 2802, and the applicable Industrial Welfare Commission Wage Orders.

The enclosed check is valid for 180 calendar days from the original date of issuance and mailing, and if it is not cashed, deposited, or otherwise negotiated within the 180-day timeframe, it will be canceled, and the funds associated with the canceled check will be transmitted to the State Controller’s Office Unclaimed Property Division in your name and in the amount of your Individual PAGA Payment.

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