

1 **STIPULATION OF SETTLEMENT AND RELEASE OF PAGA ACTION**

2 This Stipulation of Settlement and Release of PAGA Action (“Agreement”) is made and
3 entered into between Plaintiffs Luis Escobedo and Miguel Arias (“Plaintiffs”), individually and on
4 behalf of the proposed PAGA Group (defined below), and Defendant Milgard Manufacturing, LLC
5 (“Defendant”), collectively the “Parties”. This Agreement is subject to approval of the Court and is
6 made for the sole purpose of attempting to consummate settlement of the Action (as defined below)
7 on a PAGA basis subject to the following terms and conditions. As detailed below, in the event the
8 Court does not enter an order granting approval of the PAGA Settlement (as defined below) and enter
9 judgment, or the conditions precedent are not met for any reason, this Agreement is void and of no
10 force or effect whatsoever.

11 1. **DEFINITIONS**

12 As used in this Agreement, the following terms shall have the meanings specified below. To
13 the extent terms or phrases used in this Agreement are not specifically defined below, but are defined
14 elsewhere in this Agreement, they are incorporated by reference into this definition section.

15 1.1 **Action.** “Action” shall mean this civil action entitled *Luis Escobedo v. Milgard*
16 *Manufacturing, LLC*, Case No. 2023CUOE016619, Superior Court of the State of California, County
17 of Ventura, filed on or about November 13, 2023, and as amended on August 16, 2024 (First
18 Amended Complaint), and the underlying PAGA Notices sent to the Labor and Workforce
19 Development Agency (“LWDA”) by Plaintiff Escobedo on May 30, 2023 and as amended on August
20 9, 2024, and the PAGA Notice sent to the LWD by Miguel Arias on June 25, 2024.

21 1.2 **Approval and Fairness Hearing.** “Approval and Fairness Hearing” shall mean
22 the hearing held to ascertain the fairness, reasonableness, and adequacy of the PAGA Settlement. At
23 this hearing, the Court will consider PAGA Counsel’s application for Attorneys’ Fees and Expenses,
24 the PAGA Representatives Enhancement Awards, the Administration Expenses, and approval of the
25 PAGA Payment. The proposed Order Granting Approval and Entering Judgment is attached, in
26 substantial form, as **Exhibit B**.

27 1.3 **Approval Date.** “Approval Date” shall mean the date upon which the Court
28 enters an order granting approval of the PAGA Settlement and enters Judgment.

1.4 **Claims.** “Claims” shall mean the claims and theories asserted and causes of action alleged in the Action, or that could have been alleged in the Action based on the facts, including the PAGA penalties alleged in the Action.

1.5 **Court.** “Court” shall mean the Superior Court of California, County of Ventura.

1.6 **Defendant.** “Defendant” shall mean Milgard Manufacturing, LLC.

1.7 **Defense Counsel.** “Defense Counsel” shall mean P. Dustin Bodaghi and Jackson Zimmerman of Littler Mendelson, P.C.

1.8 **Effective Date.** “Effective Date” shall be the date this Settlement is approved and the Court’s order granting Settlement Approval and entry of Final Judgment becomes final and is no longer appealable. For purposes of this Settlement, “becomes final and is no longer appealable” shall mean the later of: (a) the day after the last date by which a notice of appeal to the applicable Court of Appeal of the order and judgment approving this Settlement may be timely filed and none is filed (i.e., 61 days from notice of entry of judgment); (b) if an appeal is filed, and the appeal is finally disposed of by ruling, dismissal, denial, or in any other manner that confirms the validity of the order and judgment, the day after the last date for filing a request for further review of the order and judgment approving this Settlement passes, and no further review is requested; or (c) if an appeal is filed and the order approving this Settlement is affirmed and further review of the order is requested, the day after the review is finally resolved and the order and judgment approving this Settlement is affirmed. In the event that: (i) the Court does not approve the Settlement; or (ii) the Effective Date does not occur for any other reason, then this Settlement Agreement, and any documents generated to bring it into effect, will be null and void, and the Parties will be returned to their respective positions. In the event that the court rejects the Settlement without prejudice, Plaintiffs’ counsel shall take all reasonable steps to obtain approval.

1.9 **Enhancement Payment or Enhancement Award** means a monetary award subject to Court approval of up to Ten Thousand Dollars (\$10,000) per Plaintiff, for a total of no more than Twenty Thousand Dollars (\$20,000) for both Plaintiffs, that will be paid to Plaintiffs pursuant to Section 5.6 of this Agreement.

1.10 **Gross Settlement Amount.** “Gross Settlement Amount” means the agreed upon settlement amount totaling \$994,188.00, to be paid by Defendant in full settlement of the Released Claims asserted in this case. This includes a \$13,000 reimbursement of Plaintiff’s share of the mediator’s fees for the mediation of this case. The Net Settlement Amount available to Settlement Group Members in Individual Settlement Payments is Three Hundred Forty-Seven Thousand Nine Hundred Sixty-Five Dollars and Eighty cents (\$347,965.80), or 35% of the Gross Settlement Amount. The remaining 65% of the Gross Settlement Amount, which shall represent the LWDA’s 65% share of the civil penalties recovered, shall be split as follows: (a) Settlement Administration Fees; (b) Attorneys’ Fees and Costs (including reimbursements of Plaintiff’s share of the mediator’s fees); (c) Enhancement Awards to Plaintiffs, with the remainder of the 65% of the Gross Settlement Amount to be paid to the LWDA. In no event shall Defendant be required to pay more than the Gross Settlement Amount.

1.11 **Individual Settlement Payment.** “Individual Settlement Payment(s)” shall mean the proportionate share of the Net Settlement Amount to be distributed to each PAGA Member based on the formula set forth in Paragraph 5.2 herein.

1.12 **LWDA Payment.** “LWDA Payment” shall mean 65% of the Gross Settlement Amount less (a) Settlement Administration Fees; (b) Attorneys’ Fees and Costs; and (c) Enhancement Awards to Plaintiffs.

1.13 **Net Settlement Amount.** “Net Settlement Amount” or “NSA” shall mean 35% of the Gross Settlement Amount or Three Hundred Forty-Seven Thousand Nine Hundred Sixty-Five Dollars and Eighty cents (\$347,965.80). The Parties intend that the NSA shall be sufficient to pay all valid claims of Settlement Group Members. Accordingly, if for any reason the total value of Individual Settlement Payments to Settlement Group Members exceeds this amount, then payment to each Settlement Group Member will be adjusted on a pro-rated basis so that the total payout to Settlement Group Members does not exceed the NSA.

1.14 **PAGA:** “PAGA” refers to the Labor Code Private Attorneys General Act of 2004, Labor Code sections 2698, *et seq.*

1.15 **PAGA List:** “PAGA List” shall mean the information for each PAGA Member

1 which Defendant shall compile from their business records and provide to the Administrator for
2 purposes of providing notice of the Settlement to the PAGA Group. The PAGA List shall be in a
3 single readable, ready to use, MS Excel spreadsheet, which will provide for each Settlement Group
4 Member, the following information: (a) full name; (b) last-known mailing address; (c) telephone
5 numbers; (d) Social Security number; and (e) pay period numbers from May 30, 2022 through the
6 date of approval of the settlement where feasible, and hire and termination dates to calculate pay
7 periods where pay period numbers are not provided. The PAGA List will be provided to the
8 Settlement Administrator within 30 days of Defendant receiving written notification that the Court
9 granted approval of the Settlement.

10 1.16 **PAGA Counsel:** “PAGA Counsel” collectively refers to Dennis F. Moss, Ari E.
11 Moss and Jeremy F. Bollinger, Moss Bollinger LLP, 15300 Ventura Blvd., Suite 207, Sherman Oaks,
12 CA 91403, Nazo Koulloukian, Koul Law Firm, APC, 3435 Wilshire Blvd #1710, Los Angeles, CA
13 90010, and Sahag Majarian II, Majarian Law Group, APC, 18250 Ventura Blvd, Tarzana, CA 91356.

14 1.17 **PAGA Counsel’s Attorneys’ Fees and Expenses:** “PAGA Counsel’s Attorneys’
15 Fees and Expenses” shall mean PAGA Counsel’s attorneys’ fees and expenses to be requested and
16 subject to approval by the Court at the time of the Approval Hearing in an amount not to exceed
17 \$347,965.80 (35% of the Gross Settlement Amount) for attorneys’ fees and in an amount not to
18 exceed \$25,000.00 for expenses.

19 1.18 **PAGA Member(s):** “PAGA Member(s)” and “Settlement Group Members” shall
20 mean all current and former non-exempt employees of Defendant in California during the PAGA
21 Period.

22 1.19 **PAGA Period.** “PAGA Period” means the period from May 30, 2022 through
23 the date of approval of the settlement.

24 1.20 **PAGA Release.** See Released Claims.

25 1.21 **Parties.** “Parties” shall mean Plaintiffs (as defined below) and Defendant.

26 1.22 **Plaintiffs.** “Plaintiffs” and “PAGA Representatives” shall mean Plaintiffs Luis
27 Escobedo and Miguel Arias.

28 1.23 **Released Claims.** “Released Claims” shall mean all claims for PAGA penalties

1 that were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in
2 the First Amended Complaint, Plaintiffs' PAGA notices, and Plaintiff Escobedo's recently filed
3 amended PAGA notice including, but not limited to, any and all claims for PAGA penalties involving
4 any allegations that Defendant failed to pay all wages due (including minimum wages and overtime
5 wages); failed to provide legally-compliant meal and rest breaks and failed to pay premium pay for
6 missed, late, interrupted or short meal and rest breaks; failed to timely pay all earned wages and
7 compensation; failed to provide safe working conditions; failed to timely pay wages during
8 employment; failed to reimburse necessary business expenses; failed to provide timely final pay;
9 failed to maintain accurate records; failed to pay reporting time pay; failed to provide one day's rest
10 in a seven day workweek; failed to provide compliant wage statements; violations of Labor code
11 sections 212-213; failed to properly pay and accrue sick pay; failed to provide accurate itemized
12 wage statement; and violations of California Labor Code sections 200, 201-203, 204, 206, 206.5,
13 210, 212, 213, 216, 218, 218.5, 218.6, 221, 223, 226, 226.7, 245-248.5, 500, 510, 511, 512, 551,
14 552, 558, 1174, 1194, 1194.2, 1197, 1197.1, 1197.2, 1198, 1199, 2800, 2802, and applicable IWC
15 Wage Orders, and California Code of Regulations, Title 8, section 11000 et seq.

16 1.24 **Released Parties.** "Released Parties" shall Milgard Manufacturing, LLC and its
17 past, present, and future parents, affiliates, subsidiaries, divisions, predecessors, successors, partners,
18 joint venturers, affiliated organizations, shareholders, insurers, reinsurers and assigns, and each of
19 their past, present and future officers, directors, trustees, agents, employees, attorneys, contractors,
20 representatives, benefits plans sponsored or administered by the Released Parties, divisions, units,
21 and branches, and any other persons or entities acting on behalf of or in concert with any of the
22 foregoing.

23 1.25 **Settlement.** "Settlement" shall mean the settlement between Parties, which is
24 memorialized in this Agreement, including any attached exhibits, and subject to Court approval.

25 1.26 **Settlement Administrator.** "Settlement Administrator" or "Administrator" shall
26 mean the third-party settlement administrator selected by the Parties and to be approved by the Court,
27 which the Parties have agreed will be responsible for administration of the Settlement and related
28 matters.

1.27 **Settlement Group.** “Settlement Group” or “Settlement Group Members” shall mean all PAGA Members.

1.28 **Settlement Letter.** “Settlement Letter” shall mean the letter accompanying the Individual Settlement Payments attached, in substantial form, as **Exhibit A.**

2. **FACTUAL AND PROCEDURAL BACKGROUND OF ACTION**

2.1 On November 13, 2023, Plaintiff Escobedo filed this PAGA action entitled *Luis Escobedo v. Milgard Manufacturing, LLC*, Case No. 2023CUOE016619, Superior Court of the State of California, County of Ventura. On June 25, 2024, Plaintiff Arias sent a PAGA Notice to the LWDA. To facilitate the Settlement, on August 16, 2024, Escobedo filed his First Amended Complaint adding Plaintiff Miguel Arias and his claims as a named Plaintiff.

2.2 On August 12, 2024, Plaintiffs and Defendant attended a mediation with Tripper Ortman, Esq. Prior to the mediation, Plaintiffs requested and received informal discovery to evaluate the claims and theories alleged. The mediation resulted in a settlement, the terms of which are memorialized herein.

2.3 The Parties and their respective counsel believe this Agreement reflects a fair, adequate, and reasonable settlement of the Action and have arrived at this Agreement as a result of arms’-length negotiations, facilitated by an experienced and neutral mediator, taking into account all relevant factors, present and potential.

3. **ALLEGATIONS OF THE PAGA REPRESENTATIVES AND BENEFITS OF THE SETTLEMENT**

3.1 The investigation and extensive exchange of information and informal discovery conducted in this matter, as well as discussions between counsel have been adequate to give PAGA Counsel an understanding of the merits of the Parties’ respective positions and to evaluate the worth of the claims of the Settlement Group. The information and data exchanged by the Parties prior to and during mediation and settlement negotiations are sufficient to reliably assess the merits of the Parties’ respective positions and to compromise the issues on a fair and equitable basis.

3.2 The Parties recognize and acknowledge the expense and delay of continued lengthy proceedings necessary to prosecute the Action against Defendant through trial and through

1 appeals. PAGA Counsel has considered the uncertain outcome of the litigation, the risk of continued
2 litigation in complex actions such as this, as well as difficulties and delays inherent in such litigation,
3 as well as trying the claims of the Settlement Group. PAGA Counsel believes that the Settlement set
4 forth in this Agreement confers substantial benefits upon Plaintiffs and the Settlement Group
5 Members and that an independent review of this Agreement by the Court in the approval process will
6 confirm this conclusion. Based on their own independent investigation and evaluation, PAGA
7 Counsel has determined that the Settlement set forth in the Agreement is in the best interests of
8 Plaintiffs and the Settlement Class Members.

9 4. **NO ADMISSION OF ANY LIABILITY**

10 4.1 This Agreement represents a compromise and settlement of highly disputed
11 claims. This Agreement does not constitute, is not intended to constitute, and will not be deemed to
12 constitute, an admission of liability by Defendant as to the merits, validity, or accuracy of any of the
13 allegations or claims made against Defendant in the Action. Defendant denies each and all of
14 Plaintiffs' allegations in their entirety.

15 4.2 Nothing in this Agreement nor any action taken or made in implementation
16 thereof, nor any statements, discussions, or communications, nor any materials prepared, exchanged,
17 issued, or used during the course of the negotiations leading to the Agreement, is intended by the
18 Parties to, nor will any of the foregoing constitute, be introduced, be used, or be admissible in any
19 way in this case or any other judicial, arbitral, administrative, investigative or other forum or
20 proceeding as evidence of any violation of any federal, state, or local law, statute, ordinance,
21 regulation, rule, or executive order, or any obligation or duty at law or in equity. Notwithstanding
22 the foregoing, the Agreement may be used in any proceeding in the Court that has as its purpose the
23 interpretation, implementation, or enforcement of the Agreement or any orders or judgments of the
24 Court entered into in connection therewith.

25 4.3 The Parties agree that Plaintiffs' motion for approval of the Settlement and
26 Defendant's agreement thereto is for purposes of the Settlement only. If, for any reason, the
27 Settlement is not approved, this Agreement will not be admissible in this or any other proceeding as
28 evidence that (i) the Action should proceed forward, or (ii) Defendant is liable to Plaintiff or the

1 Settlement Group Members as Plaintiffs alleged. In the event that this Agreement is not approved
2 by the Court or any appellate court, is terminated, or otherwise fails to be enforceable, Defendant
3 will not be deemed to have waived, limited, or affected in any way any of their objections or defenses
4 in the Action, including, but not limited to, their ability to move to compel arbitration, raise defenses
5 in opposition to the Action, contest the merits of the claims and theories alleged, etc.

6 5. **SETTLEMENT CONSIDERATION**

7 5.1 **Gross Settlement and Net Settlement Amounts and Distribution.** The Gross
8 Settlement Amount and other actions and forbearances taken by Defendant shall constitute adequate
9 consideration for the Settlement and will be made in full and final settlement of: (a) the Released
10 Claims, (b) PAGA Counsel's Attorneys' Fees and Expenses, (c) Administration Expenses,
11 (d) LWDA Payment, (e) Enhancement Awards to Plaintiffs (if any) and (d) the Individual Settlement
12 Payments to Settlement Group Members, and any other obligation of Defendant under this
13 Agreement.

14 5.2 **Payments to Settlement Group Members.** Each Settlement Group Member
15 shall be eligible to receive an Individual Settlement Payment according to the following formula:

- 16 • By dividing the amount of the Aggrieved Employees' Thirty-five percent (35%) share
17 of PAGA Penalties (\$347,965.80) by the total number of pay periods worked by all
18 Aggrieved Employees during the PAGA Period; and
19 • Multiplying the result by the number of each Aggrieved Employee's PAGA Period
20 pay periods.

21 The Parties understand that Settlement Group Members who receive an Individual
22 Settlement Payment pursuant to this Agreement shall be solely responsible for any and all other
23 individual tax obligations associated with the payment.

24 5.3 **No Effect on Employee Benefits.** Neither the Settlement nor any amounts paid
25 under the Settlement will modify any previously credited hours, days, or weeks or service under any
26 employee benefit plan, policy or bonus program sponsored by Defendant (or their affiliates, parents
27 or successors). Such amounts will not form the basis for additional contributions to, benefit under,
28 or any other monetary entitlement under Defendant's sponsored benefit plans, policies or bonus
programs, if any. The payments made under the terms of this Settlement shall not be applied

1 retroactively, currently, or on a going forward basis, as salary, earnings, wages, or any other form of
2 compensation for the purposes of any of Defendant's benefit plans, policies or bonus programs, if
3 any. Defendant retains the right to modify the language of their benefits plans, policies and bonus
4 programs to effect this intent and to make clear that any amounts paid pursuant to this Agreement
5 are not for "weeks worked," "weeks paid," "weeks of service," or any similar measuring term as
6 defined by applicable plans, policies and bonus programs for purpose of eligibility, vesting, benefit
7 accrual, or any other purpose, and that additional contributions or benefits are not required by this
8 Agreement. Defendant does not consider the Individual Settlement Payments "compensation" for
9 purposes of determining eligibility for, or benefit accrual within, any benefits plan, policy, or bonus
10 program, or any other plan or program sponsored by Defendant (or their affiliates, parents or
11 successors), if any.

12 5.4 **PAGA Counsel Attorneys' Fees and Expenses.** As part of the motion for
13 approval of the Settlement, PAGA Counsel may submit an application for an award of Attorneys'
14 Fees and Expenses. Defendant agrees not to object to any such fee, cost or expense application in
15 line with this Agreement and in an amount not to exceed 35% (meaning, \$347,965.80) of the Gross
16 Settlement Amount for attorneys' fees and up to \$25,000 for litigation costs. As a condition of this
17 Settlement, PAGA Counsel has agreed to pursue fees and costs only in the manner reflected by this
18 Agreement. Any PAGA Counsel Attorneys' Fee and Expenses awarded by the Court shall be paid
19 from the 65% of the Gross Settlement Amount allocated as penalties to the LWDA. If the PAGA
20 Counsel voluntarily reduces the request for Attorneys' Fees and Expenses or the Court's award is
21 less than set forth above, the difference shall be re-allocated to the LWDA Payment.

22 The Attorneys' Fees and Expenses approved by the Court shall encompass: (a) all work
23 performed and costs and expenses incurred by, or at the direction of, any attorney purporting to
24 represent the Settlement Group through the date of this Agreement; (b) all work to be performed and
25 costs to be incurred in connection with approval by the Court of the Settlement set forth in this
26 Agreement; (c) all work to be performed and costs and expenses, if any, incurred in connection with
27 administering the Class Settlement through the Effective Date; and (d) may be based on the Catalyst
28 Theory and/or Common Fund Doctrine.

1 5.5 **Payment of PAGA Counsel Attorneys' Fees and Expenses.** PAGA Counsel
2 Attorneys' Fees and Expenses as awarded by the Court shall be paid by the Settlement Administrator
3 no later than fourteen (14) calendar days after Defendant provides the Settlement Administrator with
4 the Gross Settlement Amount.

5 5.6 **Payment of the Enhancement Payments to Plaintiffs.** Subject to Court approval,
6 Plaintiffs shall receive the Enhancement Payments for their services as PAGA representative and in
7 exchange for a general release of Plaintiffs' claims. Defendant will not oppose this request. The
8 Enhancement Payments will be paid from the 65% of the Gross Settlement Amount allocated as
9 penalties to the LWDA and is not allocated as payment to any PAGA Group Member. Plaintiffs shall
10 be paid the Court-awarded Enhancement Payments no later than fourteen (14) calendar days after
11 Defendant provides the Settlement Administrator with the Gross Settlement Amount. To the extent
12 that the Court approves less than the amount of the Enhancement Payments that Plaintiffs request,
13 the difference between the requested and awarded amount will be reallocated to the LWDA Payment.

14 Because it is the intent of the Parties that the Enhancement Payments represent payment
15 to Plaintiffs for services performed on behalf of the PAGA Group Members and not to be considered
16 wages, the Settlement Administrator will not withhold any taxes from the Enhancement Payments.
17 The Enhancement Payments will be reported on an IRS Form 1099, which the Settlement
18 Administrator will provide to Plaintiffs and to the pertinent taxing authorities as required by law.

19 5.7 **Payment of LWDA Payment.** The LWDA Payment shall be paid by the Settlement
20 Administrator within no later than fourteen (14) calendar days after Defendant provides the
21 Settlement Administrator with the Gross Settlement Amount.

22 5.8 **Escalator:** The Gross Settlement Amount is based on Defendant's estimate that the
23 PAGA Members worked approximately 75,476 pay periods from May 30, 2022 through August 12,
24 2024. Should the qualifying pay periods worked by the PAGA Members ultimately increase as of
25 the date of approval of this Settlement by more than 10% (i.e. if the pay periods exceed 83,024)
26 Defendant, at its option, can either choose to: (1) cut off the end date for the PAGA Period as of the
27 date on which the number of workweeks reaches 83,024, or (2) increase the Gross Settlement
28 Amount on a proportional basis equal to the percentage increase in number of workweeks worked

by the PAGA Members above the 10% (i.e., if there was an 11% increase in the number workweeks during the PAGA Period, Defendant would agree to increase the Gross Settlement Amount by 1%).

6. **ADMINISTRATION COSTS AND EXPENSES**

6.1 **The Settlement Administrator's Costs and Expenses.** All costs and expenses due to the Settlement Administrator in connection with its administration of the Settlement described in the Agreement, including, but not limited to, formatting and mailing the Settlement Letter and Individual Settlement Payments, performing a National Change of Address database search to update Settlement Group Members addresses prior to the mailing, performing skip-traces to locate and update Settlement Group Members' addresses, calculating, and distributing Individual Settlement Payments, and any other tasks requested by the Parties or by the Court, among other tasks as reflected within this Agreement, will be paid through the 65% of the Gross Settlement Amount allocated to penalties to the LWDA.

7. **FUNDING AND DISTRIBUTION**

7.1 **Funding of the Gross Settlement Amount.** The Settlement Administrator will provide Defendant with its bank wire instructions to establish the Qualified Settlement Fund (QSF).

Within thirty (30) days of the Effective Date, Defendant shall transmit the Gross Settlement Amount to the Settlement Administrator.

7.2 **Distribution of the Gross Settlement Amount.** No later than 21 calendar days after Defendant provides the Settlement Administrator with the Gross Settlement Amount, the Administrator will pay to Settlement Group Members, their Individual Settlement Payments via first-class regular U.S. Mail; to PAGA Counsel, the Court-awarded Attorneys' Fees and Litigation Expenses Payment; to the LWDA, the Court-approved LWDA Payment; Enhancement Awards to Plaintiffs; and to the Administrator, the Court-awarded Administration Fees and Expenses.

7.3 **Non-Cashed Settlement Checks.** Settlement Group Members shall have one hundred eighty days (180) to cash their checks. Any funds associated with uncashed checks after one hundred eighty (180) days will be distributed pursuant to California Code of Civil Procedure section 384 to the California State Controller for deposit in the Unclaimed Property Fund in the name of the individual whose check was uncashed.

1 8. **NULLIFICATION OF THIS AGREEMENT**

2 8.1 **Non-Approval of the Agreement.** If (a) the Court should for any reason fail to
3 approve this Agreement in the form agreed to by the Parties, or (b) the Court should for any reason
4 fail to enter a judgment on this Action, or (c) the approval of the Settlement and judgment is reversed,
5 modified or declared or rendered void, then the Settlement shall be considered null and void, and
6 neither the Settlement nor any of the related negotiations or proceedings shall be of any force or
7 effect, and all Parties to the Settlement shall stand in the same position, without prejudice, as if the
8 Settlement has been neither entered into nor filed with the Court. Notwithstanding the foregoing, the
9 Parties may attempt in good faith to cure any perceived defects in the Agreement to facilitate
10 approval. In the event the Court awards less than the requested amounts for Administration Fees,
11 PAGA Counsel's Attorneys' Fees and Expenses, Enhancement Awards to Plaintiffs (if any), or the
12 PAGA Payment, the difference shall become part of the Net Settlement Amount.

13 8.2 **Invalidation.** Invalidation of any material portion of the Settlement shall
14 invalidate the Settlement in its entirety, unless the Parties shall subsequently agree in writing that the
15 remaining provisions of the Settlement are to remain in full force and effect.

16 8.3 **Stay Upon Appeal.** In the event of a timely appeal from the approval of the
17 Settlement and Judgment, the Judgment shall be stayed, and Defendant shall not be obligated to fund
18 the Gross Settlement Amount or take any other actions required by this Agreement until all appeal
19 rights have been exhausted by operation of law.

20 9. **MOTION OR STIPULATION FOR COURT APPROVAL**

21 9.1 **Approval.** PAGA Counsel will submit this Agreement to the Court along with a
22 Motion for an Order Granting Approval of the Settlement.

23 10. **RELEASES AND WAIVERS**

24 10.1 **Settlement Group Members' Release.** Upon the Effective Date, Plaintiffs, the
25 Settlement Group Members, the State of California, and the LWDA, shall hereby release the
26 Released Parties for the Released Claims for the PAGA Period.

27 10.2 **Release of Claims by Plaintiffs.** Plaintiffs, each of them on behalf of himself or
28 herself and each of his or her past, present, or future aliases, agents, representatives, heirs, executors,

1 administrators, successors, beneficiaries, grantees, transferees, and assigns shall and do forever
2 release, discharge and agree to hold harmless the Released Parties from any and all charges,
3 complaints, claims, liabilities, obligations, promises, agreements, controversies, damages, actions,
4 causes of action of every nature and description whatsoever, suits, rights, demands, rights, costs,
5 losses, debt and expenses (including attorney fees and costs), known or unknown, asserted or that
6 might have been asserted, at law or in equity, which he or she may now have or may have after the
7 entering of this Agreement, arising out of or in any way connected with his or her employment with
8 or assignment(s) with Defendant and any act or omission by or on the part of any of the Released
9 Parties committed or omitted prior to the execution hereof, including, but not limited to, the Released
10 Claims, claims that were asserted or could have been asserted in the Complaint(s), Action, and any
11 and all transactions, occurrences, or matters between the Parties. Without limiting the generality of
12 the foregoing, this release shall include, but not be limited to, any and all claims under the
13 (a) Americans with Disabilities Act, as amended; (b) Title VII of the Civil Rights Act of 1964, as
14 amended; (c) the Civil Rights Act of 1991; (d) 42 U.S.C. § 1981, as amended; (e) the Age
15 Discrimination in Employment Act, as amended; (f) the Fair Standards Act, as amended; (g) the
16 Equal Pay Act; (h) the Employee Retirement Income Security Act, as amended; (i) the Consolidated
17 Omnibus Budget Reconciliation Act; (j) the Rehabilitation Act of 1973; (k) the Family and Medical
18 Leave Act; (l) the Civil Rights Act of 1966; (m) the California Fair Employment and Housing Act;
19 (n) the California Constitution; (o) the California Labor Code; (p) the California Government Code;
20 (q) the California Civil Code; and (r) any and all other federal, state and local statutes, ordinances,
21 regulations, rules and other laws, and any and all claims based on constitutional, statutory, common
22 law or regulatory grounds as well as any other claims based on the theories of wrongful or
23 constructive discharge, breach of contract or implied contract, fraud, misrepresentation, promissory
24 estoppel or intentional and/or negligent infliction of emotional distress, or damages under any other
25 federal, state or local statutes, ordinances, regulations, rules or laws. This release is for any and all
26 relief, no matter how denominated, including, but not limited to, overtime, wages, back pay, front
27 pay, vacation pay, bonuses, compensatory damages, tortious damages, liquidated damages, punitive
28 damages, damages for pain and suffering, and attorneys' fees and costs, and Plaintiffs hereby forever

1 release, discharge and agree to hold harmless Defendant and the Released Parties from any and all
2 claims for attorney fees and costs arising out of the matters released in this Agreement. Plaintiffs
3 specifically acknowledge that he or she is aware and familiar with the provisions of Section 1542 of
4 the California Civil Code, or any other similar provision under federal or state law, which provides:

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

9 Plaintiffs, being aware of Section 1542, hereby expressly waive and relinquish all rights and
10 benefits he or she may have under Section 1542 as well as any other statutes or common law
11 principles of a similar effect. Plaintiffs may hereafter discover facts in addition to or different from
12 those which he or she now knows or believes to be true with respect to the subject matter of all the
13 claims referenced herein, but stipulates and agrees that, upon the Effective Date, Plaintiffs shall and
14 hereby do fully, and forever settle and release any and all claims against the Released Parties, known
15 or unknown, suspected or unsuspected, contingent or non-contingent, that were asserted or could
16 have been asserted upon any theory of law or equity without regard to the subsequent discovery
17 existence of such different or additional facts.

18 **11. DUTIES OF THE PARTIES**

19 **11.1 Mutual Full Cooperation.** The Parties agree to cooperate fully with one another
20 to accomplish and implement the terms of this Agreement. Such cooperation shall include, but not
21 be limited to, execution of such other documents and the taking of such other actions as may
22 reasonably be necessary to fulfill the terms of this Settlement. The Parties shall use their best efforts,
23 including all effects contemplated by this Agreement and any other efforts that may become
24 necessary by Court order or otherwise, to effectuate the terms of this Agreement. As soon as
25 practicable after execution of this Agreement, PAGA Counsel, with the cooperation of Defendant
26 and Defense Counsel, shall take all necessary and reasonable steps to secure the Court's final
27 approval of this Agreement.

28 **11.2 Duty to Support and Defend the Settlement.** The Parties agree to abide by all
of the terms of the Settlement in good faith and to support the Settlement fully and to use their best

1 efforts to defend this Settlement from any legal challenge, whether by appeal or collateral attack.

2 12. **MISCELLANEOUS PROVISIONS**

3 12.1 **Different Facts.** The Parties hereto, and each of them, acknowledge that, except
4 for matters expressly represented herein, the facts in relation to the dispute and all claims released
5 by the terms of this Agreement may turn out to be other than or different from the facts now known
6 by each party and/or their counsel, or believed by such Party or counsel to be true, and each Party
7 therefore expressly assumes the risk of the existence of different or presently unknown facts, and
8 agrees that this Agreement shall be in all respects effective and binding despite such difference.

9 12.2 **No Prior Assignments.** The Parties represent, covenant, and warrant that they
10 have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or
11 encumber to any person or entity any portion of any liability, claim, demand, action, cause of action,
12 or right herein released and discharged except as set forth herein.

13 12.3 **Non-Admission.** Nothing in this Agreement shall be construed as or deemed to
14 be an admission by any Party of any liability, culpability, negligence, or wrongdoing toward any
15 other Party, or any other person, and the Parties specifically disclaim any culpability, negligence, or
16 wrongdoing toward each other or any other person. Each of the Parties has entered into this
17 Agreement with the intention to avoid further disputes and litigation with the attendant
18 inconvenience, expenses, and contingencies. Nothing herein shall constitute any admissions by
19 Defendant of wrongdoing or liability, or of the truth of any factual allegations in the Action. Nothing
20 herein shall constitute any admission by Defendant regarding the merits of the Claims in this Action.
21 Nothing herein shall constitute an admission by Defendant that the Action was properly brought as
22 a representative action other than for settlement purposes. To the contrary, Defendant has denied
23 and continue to deny each and every material factual allegation and all Claims. To this end, the
24 Settlement of the Action, the negotiation and execution of this Agreement, and all acts performed or
25 documents executed pursuant to or in furtherance of this Agreement or the Settlement are not, shall
26 not be deemed to be, and may not be used as, an admission or evidence of any wrongdoing or liability
27 on the part of Defendant or of the truth of any of the factual allegations in the Action; and are not,
28 shall not be deemed to be, and may not be used as, an admission or evidence of any fault or omission

1 on the part of Defendant in any civil, criminal or administrative proceeding in any court,
2 administrative agency or other tribunal.

3 12.4 **Media or Press.** Plaintiffs and Defendant, and their respective counsel, agree to
4 limit public comment on this Settlement, the Action, and claims in the Action, stating that the matter
5 has been resolved to the satisfaction of the Parties. Plaintiffs and Defendant, and their respective
6 counsel shall not initiate public comment and/or discuss with or present to the media or press or
7 otherwise publish any information about this settlement on any website or social media account.

8 12.5 **Construction.** The Parties hereto agree that the terms and conditions of this
9 Agreement are the result of lengthy, intensive, arms-length non-collusive negotiations between the
10 Parties and that this Agreement is not to be construed in favor of or against any party by reason of
11 the extent to which any Party or their counsel participated in the drafting of this Agreement. If any
12 of the dates in the Agreement fall on a weekend, bank or court holiday, the time to act shall be
13 extended to the next business day.

14 12.6 **Governing Law.** This Agreement is intended to and shall be governed by the
15 laws of the State of California, without regard to conflict of law principles, in all respects, including
16 execution, interpretation, performance, and enforcement.

17 12.7 **Captions and Interpretations.** Section titles or captions contained herein are
18 inserted as a matter of convenience and for reference only and in no way define, limit, extend, or
19 describe the scope of this Agreement or any provision thereof.

20 12.8 **Modification.** This Agreement may not be changed, altered, or modified, except
21 in writing signed by the Parties, or their legal representatives, and approved by the Court. This
22 Agreement may not be discharged except by performance in accordance with its terms or by a writing
23 signed by the Parties.

24 12.9 **Integration Clause.** This Agreement contains the entire agreement between the
25 Parties relating to the Settlement of the Action and the transactions contemplated thereby, and all
26 prior or contemporaneous agreements, understandings, representations, and statements, whether oral
27 or written, and whether by a party or such party's legal counsel, are hereby superseded. No rights
28 under this Agreement may be waived except in writing as provided above.

1 12.10 **Successors and Assigns.** This Agreement shall be binding upon and inure to the
2 benefit of the Parties and Settlement Group Members and their respective present and former heirs,
3 trustees, executors, administrators, representatives, officers, directors, shareholders, agents,
4 employees, insurers, attorneys, accountants, auditors, advisors, consultants, pension and welfare
5 benefit plans, fiduciaries, parent companies, subsidiaries, affiliates, related companies, joint ventures,
6 predecessors, successors, and assigns.

7 12.11 **Corporate Signatories.** Any person executing this Agreement or any such
8 related document on behalf of a corporate signatory or on behalf of a partnership hereby warrants and
9 promises, for the benefit of all Parties hereto, that such person has been duly authorized by such
10 corporation or partnership to execute this Agreement or any such related document.

11 12.12 **Execution in Counterparts.** This Agreement shall become effective upon its
12 execution by all of the undersigned. The Parties may execute this Agreement in counterparts, and
13 execution of counterparts shall have the same force and effect as if all Parties had signed the same
14 instrument.

15 12.13 **Attorneys' Fees, Costs and Expenses.** Except as otherwise specifically provided
16 for herein, each Party shall bear their or its own attorneys' fees, costs and expenses, taxable or
17 otherwise, incurred by them in or arising out of the Action and shall not seek reimbursement thereof
18 from any other Party to this Agreement.

19
20 ALL SIGNATURES ON NEXT PAGE
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Plaintiff Luis Escobedo

28

On behalf Defendant Milgard Manufacturing, LLC

Plaintiff Luis Escobedo

8

Plaintiff Miguel Arias

DocuSigned by:
Miguel Arias
7930CA6CE54E46A...

By: _____
Miguel Arias

Defendant Milgard Manufacturing, LLC

On behalf Defendant Milgard Manufacturing, LLC

1 IN WITNESS WHEREOF, the Parties and their counsel have executed this Agreement on
2 the date below their signatures of their representatives. The date of the Agreement shall be the date
3 of the latest signature.

4
5 Dated: _____ Plaintiff Luis Escobedo

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7
8 By: _____
Luis Escobedo

9 Dated: _____ Plaintiff Miguel Arias

10
11
12 By: _____
Miguel Arias

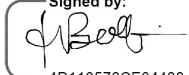
13
14 Dated: 9/19/2024 Defendant Milgard Manufacturing, LLC

15
16 By: Vince Prunty
17 Vince Prunty, Sr. Director of Human Resources
18 On behalf Defendant Milgard Manufacturing, LLC
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1 Approved as to form:

2
3 Dated: 9/19/2024

MOSS BOLLINGER LLP

4
5
6 By:  Signed by: 4D110576CE04438...

Dennis F. Moss
Jeremy F. Bollinger

7 Attorneys for Plaintiff
8 Luis Escobedo

9 Dated: _____

KOUL LAW FIRM, APC
MAJARIAN LAW GROUP, APC

10
11
12 By: _____

Sahag Majarian II
Nazo Koulloukian

13 Attorneys for Plaintiff
14 Miguel Arias

15 Dated: _____

LITTLER MENDLESON, P.C.

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17
18 By: _____

P. Dustin Bodaghi
Jackson Zimmerman

19 Attorneys for Defendant
20 Milgard Manufacturing, LLC

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Approved as to form:

Dated: _____

MOSS BOLLINGER LLP

By: _____

Dennis F. Moss
Jeremy F. Bollinger
Attorneys for Plaintiff
Luis Escobedo

Dated: _____

KOUL LAW FIRM, APC
MAJARIAN LAW GROUP, APC

By: _____

Sahag Majarian II
Nazo Koulloukian
Attorneys for Plaintiff
Miguel Arias

Dated: September 19, 2024

LITTLER MENDLESON, P.C.

By: _____

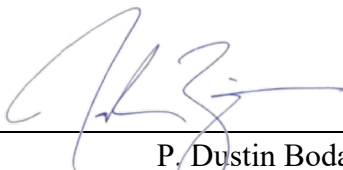

P. Dustin Bodaghi
Jackson Zimmerman
Attorneys for Defendant
Milgard Manufacturing, LLC

EXHIBIT A

<Mailing Date>

NOTICE OF SETTLEMENT

THIS IS A COURT-AUTHORIZED NOTICE. IT IS NOT A SOLICITATION FROM A LAWYER. PLEASE READ THIS NOTICE CAREFULLY. YOU ARE RECEIVING MONEY IN CONNECTION WITH A COURT-APPROVED SETTLEMENT. THIS NOTICE EXPLAINS WHY YOU ARE RECEIVING MONEY AND HOW IT AFFECTS YOUR RIGHTS.

Re: *The Enclosed Check Regarding Luis Escobedo v. Milgard Manufacturing, LLC,*
Ventura County Superior Court Case No. 2023CUOE016619

ADMINISTRATOR ID

<Name>

<Address>

<City, State Zip>

Dear <Name>,

1. What is this settlement about?

The enclosed payment is made to you because a Court has approved a settlement of claims for civil penalties brought by Plaintiffs Luis Escobedo and Miguel Arias (“Plaintiffs”) on behalf of themselves and the people of the State of California against Defendant Milgard Manufacturing, LLC (“Defendant”), pursuant to the Private Attorneys General Act of 2004 (“PAGA”) (the “Lawsuit”). Plaintiffs allege in the Lawsuit that Defendant: failed to pay all wages due (including minimum wages and overtime wages); failed to provide legally-compliant meal and rest breaks and failed to pay premium pay for missed, late, interrupted or short meal and rest breaks; failed to timely pay all earned wages and compensation; failed to provide safe working conditions; failed to timely pay wages during employment; failed to reimburse necessary business expenses; failed to provide timely final pay; failed to maintain accurate records; failed to pay reporting time pay; failed to provide one day’s rest in a seven day workweek; failed to provide compliant wage statements; failed to properly pay and accrue sick pay; failed to provide accurate itemized wage statement; and violated California Labor Code sections 200, 201-203, 204, 206, 206.5, 210, 212, 213, 216, 218, 218.5, 218.6, 221, 223, 226, 226.7, 245-248.5, 500, 510, 511, 512, 551, 552, 558, 1174, 1194, 1194.2, 1197, 1197.1, 1197.2, 1198, 1199, 2800, 2802, and applicable IWC Wage Orders, and California Code of Regulations, Title 8, section 11000 et seq. Defendant denies all of the alleged claims, and denies that it owes any penalties. The Court has not made a ruling on the merits of the case.

2. Why is this a representative action?

The Lawsuit was filed a representative action pursuant to PAGA by Plaintiffs on behalf of themselves and all non-exempt employees who worked for Defendant in California from May 30, 2022 through the date of approval of the settlement by the court (the “PAGA Period”). In a representative action, one or more persons called a Representative Plaintiff (in this case Plaintiffs Luis Escobedo and Miguel Arias) sue on behalf of certain current or former employees who appear to have similar claims. All such individuals are referred to as the “Aggrieved Employees.” A court resolves the issues on behalf of all

Aggrieved Employees. You are an Aggrieved Employee and therefore are part of the settlement if you worked for Defendant as a non-exempt employee in the State of California during the PAGA period.

3. Why is there a settlement?

The Court hearing this case did not decide in favor of the Representative Plaintiffs or the Aggrieved Employees or Defendant. Instead, both sides agreed to a settlement. That way, they can avoid the cost of a trial and the Aggrieved Employees can receive compensation. The Representative Plaintiffs and their lawyers think that the settlement is in the best interests of the Aggrieved Employees. Defendant strongly denies any liability or wrongdoing of any kind associated with the claims alleged in the Lawsuit. **The Court did not find that anyone did anything wrong, and approved the settlement as a fair and reasonable resolution of disputed claims.**

4. What does the settlement provide and how was my payment calculated?

The settlement provides that Defendant will pay the total amount of \$994,188., which is the Gross Settlement Amount.

The settlement primarily consists of a payment to California's Labor and Workforce Development Agency ("LWDA"), as required under PAGA statute, in the amount of sixty-five percent (65%) of the net settlement fund, while the Aggrieved Employees (including you, if you meet the above definition) will receive thirty-five percent (35%) of the Net Settlement Amount, distributed pro rata based on number of pay periods worked as a non-exempt employee during the PAGA Period. That payment is currently estimated to be [Amount]. The Net Settlement Amount, out of which the payments to the LWDA and Aggrieved Employees will be paid, is what remains after the attorneys' fees and costs, service payment to the Representative Plaintiff, and settlement administrator fees, are paid. The settlement includes a payment to the Representative Plaintiffs' attorneys for the services they have rendered and will render to the Aggrieved Employees in the Action in an amount not to exceed 35% in fees and an amount not to exceed \$25,000 in costs. The settlement also includes a service payment in the amount of \$10,000 to each of the Representative Plaintiffs in recognition of their efforts in obtaining the benefits of the settlement for the Aggrieved Employees and for their release of any and all claims she has or may have against Defendant. The settlement includes a payment to the Settlement Administrator, Phoenix Settlement Administrators, in an amount not to exceed \$*** to issue this Notice and to administer the payment of the settlement funds.

Based on Defendant's records, it was determined that you worked [] pay periods during the PAGA Period as a non-exempt hourly employee (defined as any pay periods during which you worked at least one (1) shift), and you are therefore entitled to receive [\$] from this settlement. The enclosed check represents your portion of the settlement recovery. You are responsible for paying any federal, state, or local taxes owed as a result of this payment.

The enclosed check is valid for 180 days from the date of issuance. If you do not cash it within 180 days, the funds from uncashed checks will be distributed pursuant to California Code of Civil Procedure section 384 to the California State Controller for deposit in the Unclaimed Property Fund in the name of the individual whose check was uncashed.

6. What am I giving up to get a payment?

You are automatically part of the settlement, which means that you cannot sue, continue to sue, or be part of any other lawsuit against Defendant or the Released Parties ((a) Defendant; (b) each of Defendant's past, present and future direct and indirect parents; (c) the respective past, present and future direct and indirect subsidiaries and affiliates of any of the foregoing; (d) the past, present and future shareholders, directors, officers, agents, employees, attorneys, insurers, members, partners, managers, contractors, agents, consultants, representatives, administrators, fiduciaries, benefit plans, transferees, predecessors, successors and assigns of any of the foregoing; and (e) any individual or entity which could be jointly liable with any of the foregoing) regarding the legal issues in this case.

Specifically, it means that you are releasing all claims for civil penalties under PAGA arising from the same facts and/or claims alleged in the Action, or related to claims that were pled or that could have been pled based on the facts alleged in the Action, including but not limited to all claims that Defendant: failed to pay all wages due (including minimum wages and overtime wages); failed to provide legally-compliant meal and rest breaks and failed to pay premium pay for missed, late, interrupted or short meal and rest breaks; failed to timely pay all earned wages and compensation; failed to provide safe working conditions; failed to timely pay wages during employment; failed to reimburse necessary business expenses; failed to provide timely final pay; failed to maintain accurate records; failed to pay reporting time pay; failed to provide one day's rest in a seven day workweek; failed to provide compliant wage statements; failed to properly pay and accrue sick pay; failed to provide accurate itemized wage statement; and violated California Labor Code sections 200, 201-203, 204, 206, 206.5, 210, 212, 213, 216, 218, 218.5, 218.6, 221, 223, 226, 226.7, 245-248.5, 500, 510, 511, 512, 551, 552, 558, 1174, 1194, 1194.2, 1197, 1197.1, 1197.2, 1198, 1199, 2800, 2802, and applicable IWC Wage Orders, and California Code of Regulations, Title 8, section 11000 et seq. during the PAGA Period.

7. Can I exclude myself from this settlement?

No. According to settled California law, Aggrieved Employees do not have the right to opt-out or exclude themselves from PAGA settlements. Therefore, you do not have a statutory right to exclude yourself from the settlement.

8. How do I get more information?

If you have any questions concerning this Settlement, you can contact **ADMINISTRATOR** at: 1 (XXX) XXX-XXXX. *Please do not call the Court about this Notice.*

EXHIBIT B

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SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF VENTURA

LUIS ESCOBEDO, an individual, on behalf of
himself and other similarly aggrieved employees
and the State of California,

Plaintiff,

vs.

MILGARD MANUFACTURING, LLC.; a
Delaware limited liability company; and **DOES**
1-50,

Defendants.

Case No. 2023CUOE016619

**[PROPOSED] FINAL JUDGMENT AND ORDER
OF DISMISSAL**

Hearing Date:
Time:
Dept.:

1 On [REDACTED], 2024, Plaintiffs Luis Escobedo's and Miguel Arias's ("Plaintiffs") motion for
2 approval of the Settlement Agreement between the above-captioned parties came on regularly for hearing
3 pursuant to the California Private Attorneys General Act, Labor Code section 2699, *et seq.* ("PAGA").
4 Appearances were as stated in the record. Having considered the motion, the Settlement Agreement, all
5 supporting documents, and the arguments of counsel, and GOOD CAUSE having been shown, Plaintiffs'
6 motion is GRANTED.

7 **NOW THEREFORE, IT IS ORDERED, ADJUDGED, AND DECREED:**

8 The Court hereby approves the parties' proposed Stipulation of Settlement and Release of PAGA
9 Action ("Settlement Agreement"), attached as Exhibit 1 to the Declaration of Jeremy F. Bollinger,
10 entered into between Plaintiffs as individuals and on behalf of the State of California and as "aggrieved
11 employees" acting as private attorneys general under PAGA, on the one hand, and Defendant Milgard
12 Manufacturing, LLC ("Defendant") on the other, as follows:

13 1. All capitalized terms used here and not otherwise defined shall have the same meaning as
14 given in the Settlement Agreement.

15 2. The Court has jurisdiction over the subject matter of this action, all PAGA Members, the
16 State of California, and Defendants.

17 3. The PAGA Period is defined as the period from May 30, 2022 through
18 _____(the date of approval of the settlement).

19 4. The PAGA Members are defined as all current and former non-exempt employees of
20 Defendant in California during the PAGA Period.

21 5. The Court finds and determines that the parties have satisfied the requirements of Section
22 2699(l)(2) of PAGA, by submitting the Settlement Agreement to the Labor Workforce and Development
23 Agency ("LWDA").

24 6. The Court APPROVES the parties' Settlement Agreement adjudging the terms thereof to
25 be fair, reasonable, and adequate and directing consummation of its terms and provisions.

26 7. The Court APPROVES the Notice of Settlement (referred to as "Settlement Letter"),
27 attached as Exhibit A to the Settlement Agreement, as to form and content, and directs the Settlement
28

1 Administrator to distribute it along with the Settlement shares to the PAGA Members pursuant to the
2 terms of the Settlement Agreement.

3 8. The Court APPROVES the parties' Settlement Agreement in favor of Plaintiffs and the
4 PAGA Members in the Gross Settlement Amount of \$994,188.00.

5 9. The Court APPROVES and APPOINTS Phoenix Settlement Administrators to administer
6 the Settlement.

7 10. The Court APPROVES and ORDERS that, of the Gross Settlement Amount, thirty-five
8 percent (or \$347,965.80) is to be distributed to the PAGA Members and sixty-five percent shall be
9 allocated to the LWDA pursuant to Section 2699(i) of PAGA. The Court further APPROVES and
10 ORDERS that from the sixty-five percent allocated to the LWDA, \$347,965.80 is awarded as attorneys'
11 fees paid to Plaintiffs' Counsel Moss Bollinger, LLP, Koul Law Firm, APC, and Majarian Law Group,
12 APC, \$[REDACTED] is awarded as litigation costs paid to Plaintiffs' Counsel, \$10,000 is awarded to the PAGA
13 Representative/Plaintiff Luis Escobedo and \$10,000 is awarded to the PAGA Representative/Plaintiff
14 Miguel Arias as Enhancement Payments, and \$[REDACTED] is awarded as administrative costs paid to the
15 Settlement Administrator. The remaining amount of \$[REDACTED] is to be distributed to the LWDA.

16 11. Pursuant to section 7.3 of the Settlement Agreement, any funds associated with
17 uncashed checks after one hundred eighty (180) calendar days will be distributed to the California State
18 Controller for deposit in the Unclaimed Property Fund in the name of the individual whose check was
19 uncashed. Accordingly, California to Code of Civil Procedure section 384 does not apply.

20 12. The Lawsuit is hereby DISMISSED WITH PREJUDICE and without costs to any party,
21 other than as specified in the Settlement Agreement and this Order. In consideration of the Gross
22 Settlement Amount provided under the Settlement Agreement, and for other good and valuable
23 consideration, each PAGA Member and the State of California shall, by operation of this Judgment,
24 irrevocably release, acquit, and forever discharge Defendants and the Released Parties, as defined in the
25 Settlement Agreement, of all claims for PAGA penalties that were alleged, or reasonably could have been
26 alleged, based on the PAGA Period facts stated in the First Amended Complaint, Plaintiffs' PAGA
27 notices, and Plaintiff Escobedo's recently filed amended PAGA notice including, but not limited to, any
28

1 and all claims for PAGA penalties involving any allegations that Defendant failed to pay all wages due
2 (including minimum wages and overtime wages); failed to provide legally-compliant meal and rest
3 breaks and failed to pay premium pay for missed, late, interrupted or short meal and rest breaks; failed to
4 timely pay all earned wages and compensation; failed to provide safe working conditions; failed to timely
5 pay wages during employment; failed to reimburse necessary business expenses; failed to provide timely
6 final pay; failed to maintain accurate records; failed to pay reporting time pay; failed to provide one day's
7 rest in a seven day workweek; failed to provide compliant wage statements; violations of Labor code
8 sections 212-213; failed to properly pay and accrue sick pay; failed to provide accurate itemized wage
9 statement; and violations of California Labor Code sections 200, 201-203, 204, 206, 206.5, 210, 212,
10 213, 216, 218, 218.5, 218.6, 221, 223, 226, 226.7, 245-248.5, 500, 510, 511, 512, 551, 552, 558, 1174,
11 1194, 1194.2, 1197, 1197.1, 1197.2, 1198, 1199, 2800, 2802, and applicable IWC Wage Orders, and
12 California Code of Regulations, Title 8, section 11000 et seq.

13 (collectively "Released Claims").

14 13. As a result of this Judgment, the PAGA Representatives/Plaintiffs, the State of California,
15 and all PAGA Members are barred from prosecuting any claims covered by the release set forth in the
16 Settlement Agreement against Defendants and the Released Parties.

17 14. This Judgment is the Final Judgment in the suit as to all Released Claims.

18 15. The Settlement Agreement is not an admission by Defendant, nor is this order a finding of
19 the validity of any allegations or of any wrongdoing by Defendant. Neither this order, the Settlement
20 Agreement, nor any document referred to herein, nor any action taken to carry out the Settlement
21 Agreement, may be construed as, or may be used as, an admission of any fault, wrongdoing, omission,
22 concession, or liability whatsoever by or against Defendant.

23 16. In the event that the Settlement Effective Date does not occur, this Judgment shall be
24 rendered null and void and shall be vacated, *nunc pro tunc*, except insofar as expressly provided to the
25 contrary in the Agreement, and without prejudice to the *status quo ante* rights of Plaintiffs, PAGA
26 Members, the State of California, and Defendant.

1 17. Plaintiff is directed to submit a copy of this judgment to the LWDA within 10 days of the
2 date of this Order.

3
4 **IT IS SO ORDERED.**

5
6 Dated: _____, 2024

Judge of the Superior Court