

BIBIYAN LAW GROUP, P.C.

Vedang J. Patel (SBN 328647)

vedang@tomorrowlaw.com

Brandon Chang (SBN 316197)

brandon@tomorrowlaw.com

Shereen Basi (SBN 339539)

shereen@tomorrowlaw.com

1460 Westwood Boulevard

Los Angeles, California 90024

Tel: (310) 438-5555; Fax: (310) 300-1705

Attorneys for Plaintiff, Rene Odir Gonzalez Abarca, on behalf of himself
and all others similarly situated and aggrieved

KAUFMAN McANDREW LLP

Stephen McAndrew (SBN 149063)

steve@kmcllp.com

Mitchell Kaufman (SBN 157504)

mitch@kmcllp.com

16633 Ventura Boulevard, Suite 1240

Encino, California 91436

Telephone: (818) 788-5767

Facsimile: (818) 788-2992

Attorneys for Defendant,

R. Scott Tucker & Associates

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES

RENE ODIR GONZALEZ ABARCA, an
individual and on behalf of all others
similarly situated and aggrieved,

Plaintiff,

v.

R. SCOTT TUCKER & ASSOCIATES, a
California Corporation; and DOES 1 through
100, inclusive,

Defendants.

CASE NO.: 24STCV21608

[Assigned for all purposes to Honorable
Laura A. Seigle in Dept. 17]

**CLASS AND PAGA SETTLEMENT
AGREEMENT**

Action Filed: August 23, 2024

Trial Date: None Set

1 This Class Action and PAGA Settlement Agreement (“Settlement Agreement,”
2 “Settlement,” or “Agreement”) is made by and between plaintiff Rene Odir Gonzalez Abarca
3 (“Plaintiff”), on behalf of himself and all others similarly situated and aggrieved, and defendant
4 R. Scott Tucker & Associates (“Defendant”). The Agreement refers to Plaintiff and Defendant
5 collectively as “Parties,” or individually as “Party.”

6 **1. DEFINITIONS**

7 1.1. “Action” means the Plaintiff’s lawsuit alleging wage and hour violations against
8 Defendant, captioned *Rene Odir Gonzalez Abarca v. R. Scott Tucker & Associates, et al.*, Case
9 No. 24STCV21608, initiated on August 23, 2024, and pending in Superior Court of the State of
10 California, County of Los Angeles.

11 1.2. “Administrator” means Apex Class Action LLC (“Apex”), the neutral entity the Parties
12 have agreed to appoint to administer the Settlement.

13 1.3. “Administration Expenses Payment” means the amount the Administrator will be paid
14 from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance
15 with the Administrator’s “not to exceed” bid submitted to the Court in connection with
16 Preliminary Approval of the Settlement.

17 1.4. “Aggrieved Employees” means all persons currently or formerly employed by
18 Defendant, either directly or through any subsidiary, staffing agency, or professional employer
19 organization, as non-exempt, hourly-paid employees during the PAGA Period in the State of
20 California.

21 1.5. “Class” means all persons currently or formerly employed by Defendant, either directly
22 or through any subsidiary, staffing agency, or professional employer organization, as non-
23 exempt, hourly-paid employees during the Class Period in the State of California.

24 1.6. “Class Counsel” means David D. Bibiyan, Vedang J. Patel, and Brandon M. Chang, of
25 Bibiyan Law Group, P.C.

26 1.7. “Class Counsel Fees Payment” and “Class Counsel Litigation Expenses Payment” mean
27 the amounts allocated to Class Counsel for reimbursement of reasonable attorneys’ fees and
28 expenses, respectively, incurred to prosecute the Action.

1.8. “Class Data” means Class Member identifying information in Defendant’s custody, possession, or control, including the Class Member’s (1) name; (2) last known address(es); (3) last known telephone number(s); (4) last known Social Security Number(s); and (5) the dates of employment (i.e., hire dates, and, if applicable, re-hire date(s) and/or separation date(s)).

1.9. “Class Member” or “Settlement Class Member” means a member of the Class, as either a Participating Class Member or Non-Participating Class Member (including a Non-Participating Class Member who qualifies as an Aggrieved Employee).

1.10. “Class Member Address Search” means the Administrator’s investigation and search for current Class Member mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Class Members.

1.11. “Class Notice” means the NOTICE OF PROPOSED CLASS ACTION SETTLEMENT AND DATE FOR FINAL APPROVAL HEARING, to be mailed to Class Members in English and Spanish in the form, without material variation, attached as Exhibit A and incorporated by reference into this Agreement.

1.12. “Class Period” means the period from August 23, 2020, through February 16, 2026.

1.13. “Class Representative” means the named Plaintiff in the operative complaint in the Action seeking Court approval to serve as a Class Representative.

1.14. “Class Representative Service Payment” means the payment to the Class Representative for initiating the Action and providing services in support of the Action.

1.15. “Court” means the Superior Court of California, County of Los Angeles.

1.16. “Defendant” means named defendant R. Scott Tucker & Associates.

1.17. “Defense Counsel” means Stephen McAndrew and Mitchell Kaufman of Kaufman McAndrew LLP.

1.18. “Effective Date” means the later of: (a) the Court enters a Judgment on its Order Granting Final Approval of the Settlement; and (b) the Judgment is final. The Judgment is final as of the latest of the following occurrences: (a) if no Participating Class Member objects to the Settlement, the day the Court enters Judgment; (b) if one or more Participating Class

Members objects to the Settlement, the day after the deadline for filing a notice of appeal from the Judgment; or if a timely appeal from the Judgment is filed, the day after the appellate court affirms the Judgment and issues a remittitur.

1.19. “Final Approval” means the Court’s order granting final approval of the Settlement.

1.20. “Final Approval Hearing” means the Court’s hearing on the Motion for Final Approval of the Settlement.

1.21. “Final Judgment” means the Judgment entered by the Court based upon the Final Approval.

1.22. “Gross Settlement Amount” means \$550,000.00 (Five-Hundred Fifty Thousand Dollars and Zero Cents) which is the total amount Defendant agrees to pay under the Settlement, except as provided in Paragraph 8.1 below and any and all employer payroll taxes owed on the Wage Portions of the Individual Class Payments. The Gross Settlement Amount will be used to pay Individual Class Payments, Individual PAGA Payments, the LWDA PAGA Payment, Class Counsel Fees, Class Counsel Expenses, Class Representative Service Payment, and Administrator’s Expenses Payment.

1.23. “Individual Class Payment” means the Participating Class Member’s pro rata share of the Net Settlement Amount calculated according to the number of Workweeks worked during the Class Period.

1.24. “Individual PAGA Payment” means the Aggrieved Employee’s pro rata share of 35% of the PAGA Penalties calculated according to the number of PAGA Pay Periods worked during the PAGA Period.

1.25. “Judgment” means the judgment entered by the Court based upon Final Approval.

1.26. “LWDA” means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i).

1.27. “LWDA PAGA Payment” means the 65% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).

1.28. “Net Settlement Amount” means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: Individual PAGA Payments, the LWDA

PAGA Payment, Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and Administration Expenses Payment. The remainder is to be paid to Participating Class Members as Individual Class Payments.

1.29. “Non-Participating Class Member” means any Class Member who opts out of the Settlement by sending the Administrator a valid and timely Request for Exclusion.

1.30. “PAGA Pay Period” means any Pay Period during which an Aggrieved Employee worked for Defendant for at least one day during the PAGA Period, based on hire dates, re-hire dates (as applicable), and termination dates (as applicable).

1.31. “Operative Complaint” means the First Amended Complaint to be filed in the Class Action.

1.32. “PAGA Period” means the period from June 21, 2023, through February 16, 2026.

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

1.34. “PAGA Notice” means Plaintiff’s August 23, 2024, letter to defendant and the LWDA, providing notice pursuant to Labor Code section 2699.3 subd. (a).

1.35. “PAGA Penalties” means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 35% to the Aggrieved Employees (\$8,750.00) and the 65% to the LWDA (\$16,250.00) in settlement of PAGA claims.

1.36. “Participating Class Member” means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.

1.37. “Plaintiff” means Rene Odir Gonzalez Abarca, the named plaintiff in the Action.

1.38. “Preliminary Approval” means the Court’s Order Granting Preliminary Approval of the Settlement.

1.39. “Preliminary Approval Order” means the proposed Order granting Preliminary Approval and Approval of PAGA Settlement.

1.40. “Released Class Claims” means the claims being released as described in Paragraph 5.2 below.

1.41. “Released PAGA Claims” means the claims being released as described in Paragraph 5.3 below.

1.42. “Released Parties” means: Defendant, and each of their owners, parents, and subsidiaries, and all of their current, former, and future officers, directors, members, managers, employees, consultants, partners, shareholders, joint venturers, agents, predecessors, successors, and assigns.

1.43. “Request for Exclusion” means a Class Member’s submission of a written request to be excluded from the Class Settlement signed by the Class Member.

1.44. “Response Deadline” means forty-five (45) days after the Administrator mails Notice to Class Members and Aggrieved Employees and shall be the last date on which Class Members may: (a) mail Requests for Exclusion from the Settlement, or (b) mail his or her Objection to the Settlement. Class Members to whom Notice Packets are sent after having been returned undeliverable to the Administrator shall have an additional 15 days beyond the Response Deadline has expired.

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

1.46. “Workweek” means any week during which a Class Member worked for Defendant based on hire dates, re-hire dates (as applicable), and termination dates (as applicable).

2. RECITALS

2.1. On June 21, 2024, Plaintiff filed with the LWDA and served on Defendant a notice under Labor Code section 2699.3 stating Plaintiff intended to serve as a proxy of the LWDA to recover civil penalties on behalf of Aggrieved Employees for various Labor Code violations.

2.2. On August 23, 2024, Plaintiff commenced this Action by filing a class action complaint against Defendant for: (1) Failure to Pay Overtime; (2) Failure to Pay Minimum Wages; (3) Failure to Provide Meal Periods; (4) Failure to Provide Rest Periods; (5) Waiting Time Penalties; (6) Wage Statement Violations; (7) Failure to Timely Pay Wages; (8) Failure to Indemnify; (9) Violation of Labor Code section 227.3; and (10) Unfair Competition (“Class Action”).

2.3. On August 23, 2024, Plaintiff filed with the LWDA and served on Defendant an amended notice (the “PAGA Notice”) under Labor Code section 2699.3 stating Plaintiff

intended to serve as a proxy of the LWDA to recover civil penalties on behalf of Aggrieved Employees for various Labor Code violations.

2.4. On July 31, 2025, Plaintiff filed a separate representative action in Los Angeles County Superior Court, Case Number 25SMCV03929, under the Labor Code Private Attorneys' General Act of 2004 seeking civil penalties against Defendant for the Labor Code violations alleged in the PAGA Notice (the "PAGA Action").

2.5. Thereafter, the Parties agreed to exchange informal discovery and attend mediation.

2.6. Prior to mediation, Plaintiff obtained, through informal discovery: (a) time and payroll records for 20% of Class Members from August 23, 2020, through December 2025; (b) Employees Handbooks and Policy documents applicable to Class Members; and (c) Plaintiff's personnel files maintained by Defendant.

2.7. Plaintiff's investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.* (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 129-130 ("*Dunk/Kullar*").

2.8. On December 17, 2025, the Parties participated in an all-day mediation presided over by Hon. Carl West (ret.). The mediation was successful, and the Parties agreed to globally resolve all class and PAGA claims in the Action.

2.9. As part of the Settlement Agreement, the Parties agree to stipulate to the filing of a First Amended Complaint adding Plaintiff's claims in the PAGA Action to the Class Action (hereinafter, the "Action") for the purpose of settlement approval. The First Amended Complaint shall be the Operative Complaint in the Action ("Operative Complaint").

2.10. The Court has not granted class certification.

2.11. The Parties, Class Counsel, and Defense Counsel represent that they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement.

3. MONETARY TERMS

3.1. Gross Settlement Amount. Except as otherwise provided by Paragraph 8.1 below, Defendant promises to pay \$550,000.00 (Five Hundred Fifty Thousand Dollars and Zero Cents)

1 as the Gross Settlement Amount, unless increased pursuant to Paragraph 8.1 of this Agreement,
2 and to separately pay any and all employer payroll taxes owed on the Wage Portions of the
3 Individual Class Payments. Defendant has no obligation to pay the Gross Settlement Amount
4 (or any payroll taxes) prior to the deadline stated in Paragraph 4.3 of this Agreement. The
5 Administrator will disburse the entire Gross Settlement Amount without asking or requiring
6 Participating Class Members or Aggrieved Employees to submit any claim as a condition of
7 payment. None of the Gross Settlement Amount will revert to Defendant.

8 3.2. Payments from the Gross Settlement Amount. The Administrator will make and deduct
9 the following payments from the Gross Settlement Amount, in the amounts specified by the
10 Court in the Final Approval:

11 3.2.1. To Plaintiff: Class Representative Service Payment to Plaintiff of not more than
12 \$10,000.00 in addition to any Individual Class Payment and any Individual PAGA
13 Payment Plaintiff is entitled to receive as a Participating Class Member. Defendant
14 will not oppose Plaintiff's request for a Class Representative Service Payment that
15 does not exceed this amount. As part of the motion for Class Counsel Fees Payment
16 and Class Litigation Expenses Payment, Plaintiff will seek Court approval for any
17 Class Representative Service Payments prior to the Final Approval Hearing. If the
18 Court approves a Class Representative Service Payment less than the amount
19 requested, the Administrator will retain the remainder in the Net Settlement Amount.
20 The Administrator will pay the Class Representative Service Payment using IRS Form
21 1099. Plaintiff assumes full responsibility and liability for employee taxes owed on
22 the Class Representative Service Payment.

23 3.2.2. To Class Counsel: A Class Counsel Fees Payment of not more than 33% of the
24 Gross Settlement Amount, which, unless escalated pursuant to Paragraph 8.1 of this
25 Agreement, is currently estimated to be \$181,500.00 and a Class Counsel Litigation
26 Expenses Payment of not more than \$25,000.00. Defendant will not oppose requests
27 for these payments provided that do not exceed these amounts. Plaintiff and/or Class
28 Counsel will endeavor to file a motion for Class Counsel Fees Payment and Class

1 Litigation Expenses Payment prior to the Final Approval Hearing. If the Court
2 approves a Class Counsel Fees Payment and/or a Class Counsel Litigation Expenses
3 Payment less than the amounts requested, the Administrator will allocate the
4 remainder to the Net Settlement Amount. Released Parties shall have no liability to
5 Class Counsel or any other Plaintiff's Counsel arising from any claim to any portion
6 any Class Counsel Fee Payment and/or Class Counsel Litigation Expenses Payment.
7 The Administrator will pay the Class Counsel Fees Payment and Class Counsel
8 Expenses Payment using one or more IRS 1099 Forms. Class Counsel assume full
9 responsibility and liability for taxes owed on the Class Counsel Fees Payment and the
10 Class Counsel Litigation Expenses Payment and holds Defendant harmless, and
11 indemnifies Defendant, from any dispute or controversy regarding any division or
12 sharing of any of these Payments. There will be no additional charge of any kind to
13 either the Settlement Class Members or request for additional consideration from
14 Defendant for such work unless, Defendant materially breaches this Agreement,
15 including any term regarding funding, and further efforts are necessary from Class
16 Counsel to remedy said breach, including, without limitation, moving the Court to
17 enforce the Agreement.

18 3.2.3. To the Administrator: An Administrator Expenses Payment not to exceed
19 \$6,500.00 except for a showing of good cause and as approved by the Court. To the
20 extent the Administration Expenses are less or the Court approves payment less than
21 \$6,500.00 the Administrator will retain the remainder in the Net Settlement Amount.

22 3.2.4. To Each Participating Class Member: An Individual Class Payment calculated
23 by (a) dividing the Net Settlement Amount by the total number of Workweeks worked
24 by all Participating Class Members during the Class Period and (b) multiplying the
25 result by each Participating Class Member's Workweeks.

26 3.2.4.1. Tax Allocation of Individual Class Payments. 20% of each Participating
27 Class Member's Individual Class Payment will be allocated to settlement of
28 wage claims (the "Wage Portion"). The Wage Portions are subject to tax

1 withholding and will be reported on an IRS W-2 Form. The 80% of each
2 Participating Class Member's Individual Class Payment will be allocated to
3 settlement of claims for interest and penalties (the "Non-Wage Portion"). The
4 Non-Wage Portions are not subject to wage withholdings and will be reported
5 on IRS 1099 Forms. Participating Class Members assume full responsibility
6 and liability for any employee taxes owed on their Individual Class Payment.

7 3.2.4.2. Effect of Non-Participating Class Members on Calculation of Individual
8 Class Payments. Non-Participating Class Members will not receive any
9 Individual Class Payments. The Administrator will retain amounts equal to
10 their Individual Class Payments in the Net Settlement Amount for distribution
11 to Participating Class Members on a pro rata basis.

12 3.2.5. To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of
13 \$25,000.00 to be paid from the Gross Settlement Amount, with 65% (\$16,250.00)
14 allocated to the LWDA PAGA Payment and 35% (\$8,750.00) allocated to the
15 Individual PAGA Payments.

16 3.2.5.1. The Administrator will calculate each Individual PAGA
17 Payment by (a) dividing the amount of the Aggrieved Employees' 35% share
18 of PAGA Penalties \$8,750.00 by the total number of PAGA Period Pay
19 Periods worked by all Aggrieved Employees during the PAGA Period and (b)
20 multiplying the result by each Aggrieved Employee's PAGA Period Pay
21 Periods. Aggrieved Employees assume full responsibility and liability for any
22 taxes owed on their Individual PAGA Payment.

23 3.2.5.2. If the Court approves PAGA Penalties of less than the
24 amount requested, the Administrator will allocate the remainder to the Net
25 Settlement Amount. The Administrator will report the Individual PAGA
26 Payments on IRS 1099 Forms.

1 **4. SETTLEMENT FUNDING AND PAYMENTS**

2 4.1. Class Workweeks and Aggrieved Employee Pay Periods. Based on a review of its
3 records to date, Defendant estimates there are 126 Class Members who collectively worked a
4 total of 20,340 Workweeks, and 96 Aggrieved Employees who worked a total of 4,333 PAGA
5 Pay Periods.

6 4.2. Class Data. Not later than 14 days after the Court grants Preliminary Approval of the
7 Settlement, Defendant will deliver the Class Data to the Administrator, in the form of a
8 Microsoft Excel spreadsheet. To protect Class Members' privacy rights, the Administrator
9 must maintain the Class Data in confidence, use the Class Data only for purposes of this
10 Settlement and for no other purpose, and restrict access to the Class Data to Administrator
11 employees who need access to the Class Data to effect and perform under this Agreement.
12 Defendant has a continuing duty to immediately notify Class Counsel if it discovers that the
13 Class Data omitted class member identifying information and to provide corrected or updated
14 Class Data as soon as reasonably feasible. Without any extension of the deadline by which
15 Defendant must send the Class Data to the Administrator, the Parties and their counsel will
16 expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues
17 related to missing or omitted Class Data.

18 4.3. Funding of Gross Settlement Amount. Defendant shall fully fund the Gross Settlement
19 Amount, and also fund the amounts necessary to fully pay Defendant's share of payroll taxes
20 by transmitting the funds to the Administrator no later than December 17, 2026, or thirty (30)
21 calendar days after Effective Date, whichever date is later.

22 4.4. Payments from the Gross Settlement Amount. Within 14 days after Defendant funds
23 the Gross Settlement Amount and employer payroll taxes owed on the Wage Portion of the
24 Individual Class Payments, the Administrator will mail checks for all Individual Class
25 Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the Administration
26 Expenses Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses
27 Payment, and the Class Representative Service Payment. Disbursement of the Class Counsel
28 Fees Payment, the Class Counsel Litigation Expenses Payment and the Class Representative

1 Service Payment shall not precede disbursement of Individual Class Payments, and the
2 Individual PAGA Payments.

3 4.4.1. The Administrator will issue checks for the Individual Class Payments and/or
4 Individual PAGA Payments and send them to the Class Members via First Class U.S.
5 Mail, postage prepaid. The face of each check shall prominently state the date (not
6 less than 180 days after the date of mailing) when the check will be voided. The
7 Administrator will cancel all checks not cashed by the void date. The Administrator
8 will send checks for Individual Settlement Payments to all Participating Class
9 Members (including those for whom Class Notice was returned undelivered). The
10 Administrator will send checks for Individual PAGA Payments to all Aggrieved
11 Employees including Non-Participating Class Members who qualify as Aggrieved
12 Employees (including those for whom Class Notice was returned undelivered). The
13 Administrator may send Participating Class Members a single check combining the
14 Individual Class Payment and the Individual PAGA Payment. Before mailing any
15 checks, the Settlement Administrator must update the recipients' mailing addresses
16 using the National Change of Address Database.

17 4.4.2. The Administrator must conduct a Class Member Address Search for all other
18 Class Members whose checks are returned undelivered without USPS forwarding
19 address. Within 7 days of receiving a returned check the Administrator must re-mail
20 checks to the USPS forwarding address provided or to an address ascertained through
21 the Class Member Address Search. The Administrator need not take further steps to
22 deliver checks to Class Members whose re-mailed checks are returned as undelivered.
23 The Administrator shall promptly send a replacement check to any Class Member
24 whose original check was lost or misplaced, requested by the Class Member prior to
25 the void date.

26 4.4.3. For any Class Member whose Individual Class Payment check or Individual
27 PAGA Payment check is uncashed and cancelled after the void date, the Administrator
28

1 shall transmit the funds represented by such checks to the *cy pres* recipient, Legal Aid
2 at Work, located at 180 Montgomery Suite #600, San Francisco, CA 94104.

3 4.4.4. The payment of Individual Class Payments and Individual PAGA Payments
4 shall not obligate Defendant to confer any additional benefits or make any additional
5 payments to Class Members (such as 401(k) contributions or bonuses) beyond those
6 specified in this Agreement.

7 **5. RELEASE OF CLAIMS**

8 Effective upon entry of Judgment, the Order granting Final Approval of this Settlement,
9 and on the date when Defendant fully funds the entire Gross Settlement Amount and funds all
10 employer payroll taxes owed on the Wage Portion of the Individual Class Payments, Plaintiff,
11 Participating Class Members, Aggrieved Employees, and Class Counsel will release claims
12 against all Released Parties as follows:

13 5.1. Plaintiff's Release. Plaintiff and his or her respective former and present spouses,
14 representatives, agents, attorneys, heirs, administrators, successors, and assigns generally,
15 release and discharge Released Parties from all claims, transactions, or occurrences, including,
16 but not limited to: (a) all claims that were, or reasonably could have been, alleged, based on the
17 facts contained, in the Operative Complaint and (b) all PAGA claims that were, or reasonably
18 could have been, alleged based on facts contained in the Operative Complaint and Plaintiff's
19 PAGA Notice. ("Plaintiff's Release.") Plaintiff's Release does not extend to any claims or
20 actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits,
21 disability benefits, social security benefits, workers' compensation benefits that arose at any
22 time, or based on occurrences outside the Class Period. Plaintiff acknowledges that Plaintiff
23 may discover facts or law different from, or in addition to, the facts or law that Plaintiff now
24 knows or believes to be true but agrees, nonetheless, that Plaintiff's Release shall be and
25 remain effective in all respects, notwithstanding such different or additional facts or Plaintiff's
26 discovery of them.

27 5.1.1. Plaintiff's Waiver of Rights Under California Civil Code Section 1542. For
28 purposes of Plaintiff's Release only, Plaintiff expressly waives and relinquish the

provisions, rights, and benefits, if any, of section 1542 of the California Civil Code, which reads:

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

5.2. Release by Participating Class Members: For the duration of the Class Period, all Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release and waive the Released Parties from all claims, rights, demands, damages, liabilities, and causes of action, in law or in equity, that were alleged in the Operative Complaint, or that reasonably could have been alleged, based on the facts stated in the Operative Complaint. Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Period.

5.3. Release by Aggrieved Employees: For the duration of the PAGA Period, all Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims for PAGA civil penalties that were alleged in the PAGA Notice and Operative Complaint, or that reasonably could have been alleged, based on the facts stated in the PAGA Notice and the Operative Complaint.

6. MOTION FOR PRELIMINARY APPROVAL

The Parties agree to jointly prepare and file a motion for preliminary approval ("Motion for Preliminary Approval") that complies with the Court's current checklist for Preliminary Approvals.

6.1. Defendant's Declaration in Support of Preliminary Approval. Within 7 days of full execution of this Agreement, Defendant will prepare and deliver to Class Counsel a signed

1 declaration from Defendant and Defense Counsel disclosing all facts relevant to any actual or
2 potential conflicts of interest with the Administrator and *cy pres* recipient, Legal Aid at Work.

3 6.2. Plaintiff's Responsibilities. Plaintiff will prepare and to deliver to Defense Counsel all
4 documents necessary for obtaining Preliminary Approval, including: (i) a draft of the notice,
5 and memorandum in support, of the Motion for Preliminary Approval that includes an analysis
6 of the Settlement under *Dunk/Kullar* and a request for approval of the PAGA Settlement under
7 Labor Code Section 2699, subd.(f)(2)); (ii) a draft proposed Order Granting Preliminary
8 Approval and Approval of PAGA Settlement; (iii) a draft proposed Class Notice; (iv) a signed
9 declaration from the Administrator attaching its "not to exceed" bid for administering the
10 Settlement and attesting to its willingness to serve; competency; operative procedures for
11 protecting the security of Class Data; amounts of insurance coverage for any data breach,
12 defalcation of funds or other misfeasance; all facts relevant to any actual or potential conflicts
13 of interest with Class Members; and the nature and extent of any financial relationship with
14 Plaintiff, Class Counsel or Defense Counsel; (v) a signed declaration from Plaintiff confirming
15 willingness and competency to serve and disclosing all facts relevant to any actual or potential
16 conflicts of interest with Class Members; (v) a signed declaration from each Class Counsel firm
17 attesting to its competency to represent the Class Members; its timely transmission to the
18 LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section
19 2699.3, subd. (a)), Operative Complaint (Labor Code section 2699, subd. (l)(1)), this
20 Agreement (Labor Code section 2699, subd. (l)(2)); and (vi) all facts relevant to any actual or
21 potential conflict of interest with Class Members and the Administrator.

22 6.3. Responsibilities of Counsel. Class Counsel and Defense Counsel are jointly responsible
23 for expeditiously finalizing and filing the Motion for Preliminary Approval after the full
24 execution of this Agreement; obtaining a prompt hearing date for the Motion for Preliminary
25 Approval; and for appearing in Court to advocate in favor of the Motion for Preliminary
26 Approval. Class Counsel is responsible for delivering the Court's Preliminary Approval to the
27 Administrator.

6.4. Duty to Cooperate. If the Parties disagree on any aspect of the proposed Motion for Preliminary Approval and/or the supporting declarations and documents, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting and conferring, and in good faith, to resolve the disagreement. If the Court does not grant Preliminary Approval or conditions Preliminary Approval on any material change to this Agreement, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting and conferring, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns.

7. SETTLEMENT ADMINISTRATION

7.1. Selection of Administrator. The Parties have jointly selected Apex Class Action Administration to serve as the Administrator and verified that, as a condition of appointment, Apex Class Action Administration agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Expenses. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.

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

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

7.4. Notice to Class Members

7.4.1. No later than three (3) business days after receipt of the Class Data, the Administrator shall notify Class Counsel that the list has been received and state the number of Class Members, Aggrieved Employees, Workweeks, and Pay Periods in the Class Data.

1 7.4.2. Using best efforts to perform as soon as possible, and in no event later than 14
2 days after receiving the Class Data, the Administrator will send to all Class Members
3 identified in the Class Data, via first-class United States Postal Service (“USPS”) mail,
4 the Class Notice with Spanish translation, substantially in the form attached to this
5 Agreement as Exhibit A. The first page of the Class Notice shall prominently estimate
6 the dollar amounts of any Individual Class Payment and/or Individual PAGA Payment
7 payable to the Class Member, and the number of Workweeks and PAGA Pay Periods (if
8 applicable) used to calculate these amounts. Before mailing Class Notices, the
9 Administrator shall update Class Member addresses using the National Change of
10 Address database.

11 7.4.3. Not later than 3 business days after the Administrator’s receipt of any Class
12 Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class
13 Notice using any forwarding address provided by the USPS. If the USPS does not
14 provide a forwarding address, the Administrator shall conduct a Class Member
15 Address Search, and re-mail the Class Notice to the most current address obtained.
16 The Administrator has no obligation to make further attempts to locate or send Class
17 Notice to Class Members whose Class Notice is returned by the USPS a second time.

18 7.4.4. The deadlines for Class Members’ written objections, Challenges to Workweeks
19 and/or Pay Periods, and Requests for Exclusion will be extended an additional 15 days
20 beyond the 45 days otherwise provided in the Class Notice for all Class Members
21 whose notice is re-mailed. The Administrator will inform the Class Member of the
22 extended deadline with the re-mailed Class Notice.

23 7.4.5. If the Administrator, Defendant or Class Counsel is contacted by or otherwise
24 discovers any persons who believe they should have been included in the Class Data
25 and should have received Class Notice, the Parties will expeditiously meet and confer,
26 and in good faith, in an effort to agree on whether to include them as Class Members.
27 If the Parties agree, such persons will be Class Members entitled to the same rights as
28 other Class Members, and the Administrator will send, via email or overnight delivery,

a Class Notice requiring them to exercise options under this Agreement not later than 15 days after receipt of Class Notice, or the deadline dates in the Class Notice, whichever are later.

7.5. Requests for Exclusion (Opt-Outs).

7.5.1. Class Members who wish to exclude themselves (opt-out of) the Class Settlement must send the Administrator, by mail, a signed written Request for Exclusion not later than 45 days after the Administrator mails the Class Notice (plus an additional 15 days for Class Members whose Class Notice is re-mailed). A Request for Exclusion is a letter from a Class Member or his/her representative that reasonably communicates the Class Member's election to be excluded from the Settlement and includes the Class Member's name, address and email address or telephone number. To be valid, a Request for Exclusion must be timely postmarked by the Response Deadline.

7.5.2. The Administrator may not reject a Request for Exclusion as invalid because it fails to contain all the information specified in the Class Notice. The Administrator shall accept any Request for Exclusion as valid if the Administrator can reasonably ascertain the identity of the person as a Class Member and the Class Member's desire to be excluded. The Administrator's determination shall be final and not appealable or otherwise susceptible to challenge. If the Administrator has reason to question the authenticity of a Request for Exclusion, the Administrator may demand additional proof of the Class Member's identity. The Administrator's determination of authenticity shall be final and not appealable or otherwise susceptible to challenge.

7.5.3. Every Class Member who does not submit a timely and valid Request for Exclusion is deemed to be a Participating Class Member under this Agreement, entitled to all benefits and bound by all terms and conditions of the Settlement, including the Participating Class Members' Releases under Paragraphs 5.2 and 5.3 of this Agreement, regardless whether the Participating Class Member actually receives the Class Notice or objects to the Settlement.

1 7.5.4. Every Class Member who submits a valid and timely Request for Exclusion is a
2 Non-Participating Class Member and shall not receive an Individual Class Payment or
3 have the right to object to the class action components of the Settlement. Because
4 future PAGA claims are subject to claim preclusion upon entry of the Judgment, Non-
5 Participating Class Members who are Aggrieved Employees are deemed to release the
6 claims identified in Paragraph 5.4 of this Agreement and are eligible for an Individual
7 PAGA Payment.

8 7.6. Challenges to Calculation of Workweeks. Each Class Member shall have 45 days after
9 the Administrator mails the Class Notice (plus an additional 15 days for Class Members whose
10 Class Notice is re-mailed) to challenge the number of Class Workweeks and PAGA Pay
11 Periods (if any) allocated to the Class Member in the Class Notice. The Class Member may
12 challenge the allocation by communicating with the Administrator via mail. The Administrator
13 must encourage the challenging Class Member to submit supporting documentation. In the
14 absence of any contrary documentation, the Administrator is entitled to presume that the
15 Workweeks contained in the Class Notice are correct so long as they are consistent with the
16 Class Data. The Administrator's determination of each Class Member's allocation of
17 Workweeks and/or Pay Periods shall be final and not appealable or otherwise susceptible to
18 challenge. The Administrator shall promptly provide copies of all challenges to calculation of
19 Workweeks and/or Pay Periods to Defense Counsel and Class Counsel and the Administrator's
20 determination the challenges.

21 7.7. Objections to Settlement

22 7.7.1. Only Participating Class Members may object to the class action components of
23 the Settlement and/or this Agreement, including contesting the fairness of the
24 Settlement, and/or amounts requested for the Class Counsel Fees Payment, Class
25 Counsel Litigation Expenses Payment and/or Class Representative Service Payment.

26 7.7.2. Participating Class Members may send written objections to the Administrator,
27 by mail. In the alternative, Participating Class Members may appear in Court (or hire
28 an attorney to appear in Court) to present verbal objections at the Final Approval

Hearing. A Participating Class Member who elects to send a written objection to the Administrator must do so not later than 45 days after the Administrator's mailing of the Class Notice (plus an additional 15 days for Class Members whose Class Notice was re-mailed).

7.7.3. Non-Participating Class Members have no right to object to any of the class action components of the Settlement.

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

7.8.1. Website, Email Address and Toll-Free Number. The Administrator will maintain and use an internet website to post information of interest to Class Members including the date, time and location for the Final Approval Hearing and copies of the Settlement Agreement, Motion for Preliminary Approval, the Preliminary Approval, the Class Notice, the Motion for Final Approval, the Motion for Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and Class Representative Service Payment, the Final Approval and the Judgment. The Administrator will also maintain and monitor an email address and a toll-free telephone number to receive Class Member calls and emails.

7.8.2. Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will promptly review on a rolling basis Requests for Exclusion to ascertain their validity. Not later than 5 days after the expiration of the deadline for submitting Requests for Exclusion, the Administrator shall email a list to Class Counsel and Defense Counsel containing (a) the names and other identifying information of Class Members who have timely submitted valid Requests for Exclusion ("Exclusion List"); (b) the names and other identifying information of Class Members who have submitted invalid Requests for Exclusion; (c) copies of all Requests for Exclusion from Settlement submitted (whether valid or invalid).

7.8.3. Weekly Reports. The Administrator must, on a weekly basis, provide written reports to Class Counsel and Defense Counsel that, among other things, tally the

1 number of: Class Notices mailed or re-mailed, Class Notices returned undelivered,
2 Requests for Exclusion (whether valid or invalid) received, objections received,
3 challenges to Workweeks and/or Pay Periods received and/or resolved, and checks
4 mailed for Individual Class Payments and Individual PAGA Payments (“Weekly
5 Report”). The Weekly Reports must include provide the Administrator’s assessment
6 of the validity of Requests for Exclusion and attach copies of all Requests for
7 Exclusion and objections received.

8 7.8.4. Workweek and/or Pay Period Challenges. The Administrator has the authority
9 to address and make final decisions consistent with the terms of this Agreement on all
10 Class Member challenges over the calculation of Workweeks and/or Pay Periods. The
11 Administrator’s decision shall be final and not appealable or otherwise susceptible to
12 challenge.

13 7.8.5. Administrator’s Declaration. Before the date by which Plaintiff is required to
14 file the Motion for Final Approval of the Settlement, the Administrator will provide to
15 Class Counsel and Defense Counsel, a declaration suitable for filing in Court attesting
16 to its due diligence and compliance with all of its obligations under this Agreement,
17 including, but not limited to, its mailing of Class Notice, the Class Notices returned as
18 undelivered, the re-mailing of Class Notices, attempts to locate Class Members, the
19 total number of Requests for Exclusion from Settlement it received (both valid or
20 invalid), the number of written objections and attach the Exclusion List. The
21 Administrator will supplement its declaration as needed or requested by the Parties
22 and/or the Court. Class Counsel is responsible for filing the Administrator’s
23 declaration(s) in Court.

24 7.8.6. Final Report by Settlement Administrator. Within 10 days after the
25 Administrator disburses all funds in the Gross Settlement Amount, the Administrator
26 will provide Class Counsel and Defense Counsel with a final report detailing its
27 disbursements by employee identification number only of all payments made under
28 this Agreement. At least 7 days before any deadline set by the Court, the

1 Administrator will prepare, and submit to Class Counsel and Defense Counsel, a
2 signed declaration suitable for filing in Court attesting to its disbursement of all
3 payments required under this Agreement. Class Counsel is responsible for filing the
4 Administrator's declaration in Court.

5 **8. CLASS SIZE ESTIMATES AND ESCALATOR CLAUSE**

6 Based on its records, Defendant estimates that, as of the date of this Settlement
7 Agreement, (1) there are 126 Class Members and 20,340 Total Workweeks during the Class
8 Period and (2) there are 96 Aggrieved Employees who worked 4,333 Pay Periods during the
9 PAGA Period.

10 8.1. Increase in Workweeks. Defendant represents that there are no more than 20,340
11 Workweeks during the Class Period. In the event the number of Workweeks during the Class
12 Period increases by more than 10%, or 2,034 Workweeks, then the Gross Settlement Amount
13 shall be increased proportionally by the Workweeks in excess of 22,374. The Workweek Value
14 shall be calculated by dividing the Gross Settlement Amount by 20,340 workweeks. The
15 Parties agree that the Workweek Value amounts to \$27.04 per Workweek (\$550,000.00/20,340
16 Workweeks). Thus, for example, should there be 25,000 Workweeks in the Class Period, then
17 the Gross Settlement Amount shall be increased by \$71,007.04 ([25,000 Workweeks — 22,374
18 Workweeks] x \$27.04 Workweek).

19 **9. MOTION FOR FINAL APPROVAL**

20 Prior to the calendared Final Approval Hearing, Plaintiff will file in Court, a motion for
21 final approval of the Settlement that includes a request for approval of the PAGA settlement
22 under Labor Code section 2699, subd. (l), a Proposed Final Approval Order and a proposed
23 Judgment (collectively “Motion for Final Approval”). Class Counsel and Defense Counsel will
24 expeditiously meet and confer, and in good faith, to resolve any disagreements concerning the
25 Motion for Final Approval.

26 9.1. Response to Objections. Each Party retains the right to respond to any objection raised
27 by a Participating Class Member, including the right to file responsive documents in Court no
28 later than 5 court days prior to the Final Approval Hearing, or as otherwise ordered or accepted

1 by the Court.

2 9.2. Duty to Cooperate. If the Court does not grant Final Approval or conditions Final
3 Approval on any material change to the Settlement (including, but not limited to, the scope of
4 release to be granted by Class Members), the Parties will expeditiously work together in good
5 faith to address the Court's concerns by revising the Agreement as necessary to obtain Final
6 Approval. The Court's decision to award less than the amounts requested for the Class
7 Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation
8 Expenses Payment, and/or Administrator Expenses Payment, shall not constitute a material
9 modification to the Agreement within the meaning of this paragraph.

10 9.3. Continuing Jurisdiction of the Court. The Parties agree that, after entry of Judgment, the
11 Court will retain jurisdiction over the Parties, Action, and the Settlement solely for purposes of
12 (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration
13 matters, and (iii) addressing such post-Judgment matters as are permitted by law.

14 9.4. Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and
15 conditions of this Agreement, specifically including the Class Counsel Fees Payment and Class
16 Counsel Litigation Expenses Payment reflected set forth in this Settlement, the Parties, their
17 respective counsel, and all Participating Class Members who did not object to the Settlement as
18 provided in this Agreement, waive all rights to appeal from the Judgment, including all rights
19 to post-judgment and appellate proceedings, the right to file motions to vacate judgment,
20 motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include
21 any waiver of the right to oppose such motions, writs or appeals. If an objector appeals the
22 Judgment, the Parties' obligations to perform under this Agreement will be suspended until
23 such time as the appeal is finally resolved and the Judgment becomes final, except as to matters
24 that do not affect the amount of the Net Settlement Amount.

25 9.5. Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the
26 reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a
27 material modification of this Agreement (including, but not limited to, the scope of release to
28 be granted by Class Members), this Agreement shall be null and void. The Parties shall

nevertheless expeditiously work together in good faith to address the appellate court's concerns and to obtain Final Approval and entry of Judgment, sharing, on a 50-50 basis, any additional Administration Expenses reasonably incurred after remittitur. An appellate decision to vacate, reverse, or modify the Court's award of the Class Representative Service Payment or any payments to Class Counsel shall not constitute a material modification of the Judgment within the meaning of this paragraph, as long as the Gross Settlement Amount remains unchanged.

10. AMENDED JUDGMENT

If any amended judgment is required under Code of Civil Procedure section 384, the Parties will work together in good faith to jointly submit and a proposed amended judgment.

11. ADDITIONAL PROVISIONS

11.1. No Admission of Liability, Class Certification or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendant that any of the allegations in the Operative Complaint have merit or that Defendant has any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that Defendant's defenses in the Action have merit. The Parties agree that class certification and representative treatment is for purposes of this Settlement only. If, for any reason the Court does grant Preliminary Approval, Final Approval or enter Judgment, Defendant reserves the right to contest certification of any class for any reasons, and Defendant reserves all available defenses to the claims in the Action, and Plaintiff reserves the right to move for class certification on any grounds available and to contest Defendant's defenses. The Settlement, this Agreement and Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).

11.2. Confidentiality Prior to Preliminary Approval. Plaintiff, Class Counsel, Defendant and Defense Counsel separately agree that, until the Motion for Preliminary Approval of Settlement is filed, they and each of them will not disclose, disseminate and/or publicize, or cause or permit another person to disclose, disseminate or publicize, any of the terms of the Agreement

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

14 11.3. No Solicitation. The Parties separately agree that they and their respective counsel and
15 employees will not solicit any Class Member to opt out of or object to the Settlement, or appeal
16 from the Judgment. Nothing in this paragraph shall be construed to restrict Class Counsel's
17 ability to communicate with Class Members in accordance with Class Counsel's ethical
18 obligations owed to Class Members.

19 11.4. Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement
20 together with its attached exhibits shall constitute the entire agreement between the Parties
21 relating to the Settlement, superseding any and all oral representations, warranties, covenants,
22 or inducements made to or by any Party.

23 11.5. Advice of Counsel. The Parties to this Agreement are represented by competent
24 counsel, and they have had an opportunity to consult with counsel prior to its execution. The
25 Parties to this Agreement agree that it reflects their good faith compromise of the claims raised
26 in the Action, based upon their assessment of the mutual risks and costs of further litigation and
27 the assessments of their respective counsel.

28 11.6. Attorney Authorization. Class Counsel and Defense Counsel separately warrant and

1 represent that they are authorized by Plaintiff and Defendant, respectively, to take all
2 appropriate action required or permitted to be taken by such Parties pursuant to this Agreement
3 to effectuate its terms, and to execute any other documents reasonably required to effectuate the
4 terms of this Agreement including any amendments to this Agreement.

5 11.7. Cooperation. The Parties and their counsel will cooperate with each other and use their
6 best efforts, in good faith, to implement the Settlement by, among other things, modifying the
7 Settlement Agreement, submitting supplemental evidence and supplementing points and
8 authorities as requested by the Court. In the event the Parties are unable to agree upon the form
9 or content of any document necessary to implement the Settlement, or on any modification of
10 the Agreement that may become necessary to implement the Settlement, the Parties will seek
11 the assistance of a mediator and/or the Court for resolution.

12 11.8. No Prior Assignments. The Parties separately represent and warrant that they have not
13 directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or
14 encumber to any person or entity and portion of any liability, claim, demand, action, cause of
15 action, or right released and discharged by the Party in this Settlement.

16 11.9. No Tax Advice. Neither Plaintiff, Class Counsel, Defendant nor Defense Counsel are
17 providing any advice regarding taxes or taxability, nor shall anything in this Settlement be
18 relied upon as such within the meaning of United States Treasury Department Circular 230 (31
19 CFR Part 10, as amended) or otherwise.

20 11.10. Modification of Agreement. This Agreement, and all parts of it, may be amended,
21 modified, changed, or waived only by an express written instrument signed or agreed to by all
22 Parties or their representatives, and approved by the Court. Plaintiff and Defendant expressly
23 agree that should the Parties agree to amend, modify, change, or waive this Agreement, or any
24 part of it, Class Counsel and Defense Counsel are authorized to submit to the Court any
25 amendments of this Agreement, amended Agreements, or amendments to the Agreement, on
26 behalf of the Parties once fully executed, which includes, but is not limited to, authorization of
27 the use of signatures previously provided by the Parties.

28 11.11. Agreement Binding on Successors. This Agreement will be binding upon, and inure to

1 the benefit of, the successors of each of the Parties.

2 11.12. Applicable Law. All terms and conditions of this Agreement and its exhibits will be
3 governed by and interpreted according to the internal laws of the state of California, without
4 regard to conflict of law principles.

5 11.13. Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of
6 this Agreement. This Agreement will not be construed against any Party on the basis that the
7 Party was the drafter or participated in the drafting.

8 11.14. Confidentiality. To the extent permitted by law, all agreements made, and orders
9 entered during Action and in this Agreement relating to the confidentiality of information shall
10 survive the execution of this Agreement.

11 11.15. Use of Class Data. Information provided to Class Counsel pursuant to Cal. Evid. Code
12 §1152, and all copies and summaries of the Class Data provided to Class Counsel by Defendant
13 in connection with the mediation, other settlement negotiations, or in connection with the
14 Settlement, may be used only with respect to this Settlement, and no other purpose, and may
15 not be used in any way that violates any existing contractual agreement, statute, or rule of
16 court.

17 11.16. Headings. The descriptive heading of any section or paragraph of this Agreement is
18 inserted for convenience of reference only and does not constitute a part of this Agreement.

19 11.17. Calendar Days. Unless otherwise noted, all reference to “days” in this Agreement shall
20 be to calendar days. In the event any date or deadline set forth in this Agreement falls on a
21 weekend or federal legal holiday, such date or deadline shall be on the first business day
22 thereafter.

23 11.18. Execution in Counterparts. This Agreement may be executed in one or more
24 counterparts by facsimile, electronically (i.e., DocuSign), or email which for purposes of this
25 Agreement shall be accepted as an original. All executed counterparts and each of them will be
26 deemed to be one and the same instrument if counsel for the Parties will exchange between
27 themselves signed counterparts. Any executed counterpart will be admissible in evidence to
28 prove the existence and contents of this Agreement.

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

11.20. Severability. In the event that one or more of the provisions contained in this Agreement shall for any reason be held invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall in no way affect any other provision if Defendant's Counsel and Class Counsel, on behalf of the Parties and the Settlement Class, mutually elect in writing to proceed as if such invalid, illegal, or unenforceable provision had never been included in this Agreement.

IT IS SO AGREED:

Rene Gonzalez Abarca

09/22/2026

Plaintiff, Rene Odir Gonzalez Abarca

Date

For Defendant, R. Scott Tucker &
Associates

Date

AGREED AS TO FORM ONLY:

David D. Bibiyan

09/23/2026

David D. Bibiyan
Brandon M. Chang
Vedang J. Patel
Counsel for Plaintiff

Date

Stephen McAndrew
Mitchell Kaufman
Counsel for Defendant

Date

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

11.20. Severability. In the event that one or more of the provisions contained in this Agreement shall for any reason be held invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall in no way affect any other provision if Defendant's Counsel and Class Counsel, on behalf of the Parties and the Settlement Class, mutually elect in writing to proceed as if such invalid, illegal, or unenforceable provision had never been included in this Agreement.

IT IS SO AGREED:

Plaintiff, Rene Odir Gonzalez Abarca

Date

Irma Vargas
Irma Vargas (Sep 22, 2026 16:30:23 PDT)

22/09/2026

For Defendant, R. Scott Tucker &
Associates

Date

AGREED AS TO FORM ONLY:

David D. Bibiyan
Brandon M. Chang
Vedang J. Patel
Counsel for Plaintiff

Date

Stephen McAndrew
Stephen McAndrew
Mitchell Kaufman
Counsel for Defendant

September 14, 2026
Date

EXHIBIT A

**NOTICE OF PROPOSED CLASS ACTION SETTLEMENT AND DATE
FOR FINAL APPROVAL HEARING**

Rene Odir Gonzalez Abarca v. R. Scott Tucker & Associates, et al.
(County of Los Angeles, California Superior Court Case No. 24STCV21608)

As a current or former non-exempt, hourly-paid California employee of R. Scott Tucker & Associates, either directly or through any subsidiary, staffing agency, or professional employer organization, you are entitled to receive money from a class action settlement.

Please read this Notice carefully. This Notice relates to a proposed settlement of class action litigation. If you are a Class Member, it contains important information about your right to receive a payment from the Settlement fund.

You have received this Notice of Class Action Settlement because the records of defendant R. Scott Tucker & Associates, (“Defendant”), show that you are a “Class Member” and, therefore, entitled to a payment from this class action settlement. Class Members are all persons currently or formerly employed by Defendant, either directly or through any subsidiary, staffing agency, or professional employer organization, as non-exempt, hourly-paid employees during the period from August 23, 2020, through February 16, 2026 (“Class Period”) in the State of California.

- The settlement is to resolve a class action lawsuit, *Rene Odir Gonzalez Abarca v. R. Scott Tucker & Associates, et al.*, pending in the Superior Court of California for the County of Los Angeles, Case Number 24STCV21608 (the “Lawsuit”), alleging causes of action against Defendant for: (1) Failure to Pay Overtime; (2) Failure to Pay Minimum Wages; (3) Failure to Provide Meal Periods; (4) Failure to Provide Rest Periods; (5) Waiting Time Penalties; (6) Wage Statement Violations; (7) Failure to Timely Pay Wages; (8) Failure to Indemnify; (9) Violation of Labor Code section 227.3; and (10) Unfair Competition. Plaintiff also seeks civil penalties under the California Labor Code Private Attorney’s General Act of 2004 (“PAGA”) for violations of Labor Code.
- On [REDACTED], the Los Angeles County Superior Court granted preliminary approval of this class action settlement and ordered that all Class Members be notified of the Settlement. The Court has not made any determination of the validity of the claims in the Lawsuit. Defendant denies the claims in the Lawsuit and contends that it fully complied with all applicable laws.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
DO NOTHING AND RECEIVE PAYMENT	Get a payment and give up your legal rights to pursue claims released by the settlement of the Lawsuit.
OPT OUT OF THE SETTLEMENT	Exclude yourself from the Settlement, get no payment for settlement of the class claims, and retain your legal rights to individually pursue the class claims that would otherwise be released by the settlement of the Lawsuit. If you worked at any time during the period from June 21, 2023 through February 16, 2026 ("PAGA Period") as a

Questions? Contact the Settlement Administrator toll free at [1-800-355-0700]

	non- exempt, hourly-paid employee of Defendant, either directly or through any subsidiary, staffing agency, or professional employer organization in the State of California, as well, then you will be deemed a “Aggrieved Employee” and you will still receive your share of the proceeds available from the settlement of the Released PAGA Claims, defined below, (your “Individual PAGA Payment”) even if you opt out of the class settlement.
OBJECT TO THE SETTLEMENT	If you do not opt out, you may write to the Settlement Administrator, Apex Class Action LLC (“Apex” or “Administrator”), about why you object to the settlement, and they will forward your concerns to counsel which will then be provided to the Court. If the Court approves the Settlement despite your objection, you will still be bound by the Settlement. You or your attorney may also address the Court during the Final Approval Hearing scheduled for [REDACTED] in Department 17 of the Los Angeles County Superior Court Spring Street Courthouse, located at 312 N. Spring St., Los Angeles, CA 90012.

The Final Approval Hearing on the adequacy, reasonableness and fairness of the Settlement will be held at [REDACTED], in Department 17 of the Los Angeles County Superior Court Spring Street Courthouse, located at 312 N. Spring St., Los Angeles, CA 90012. You are not required to attend the Hearing, but you are welcome to do so.

Why Am I Receiving This Notice?

Defendant’s records show that you currently work, or previously worked, for Defendant, either directly or through any subsidiary, staffing agency, or professional employer organization, as an hourly-paid, non-exempt employee in the State of California at some point during the Class Period. You were sent this Class Notice because you have a right to know about a proposed settlement of a class action lawsuit, and about all your options before the Court decides whether to finally approve the settlement. If the Court approves the settlement and then any objections and appeals are resolved, a “Settlement Administrator” appointed by the Court will make the payments described in this Notice. This Notice explains the Lawsuit, the settlement, your legal rights, what benefits are available, who is eligible for them and how to get them.

What is This Case About?

Rene Odir Gonzalez Abarca was hourly-paid, non-exempt employees of Defendant. He is the “Plaintiff” in this case and are suing on behalf of himself and Class Members for Defendant’s (1) Failure to Pay Overtime; (2) Failure to Pay Minimum Wages; (3) Failure to Provide Meal Periods; (4) Failure to Provide Rest Periods; (5) Waiting Time Penalties; (6) Wage Statement Violations; (7) Failure to Timely Pay Wages; (8) Failure to Indemnify; (9) Violation of Labor Code section 227.3; and (10) Unfair Competition.

Questions? Contact the Settlement Administrator toll free at [1-800-355-0700]

Based on the alleged Labor Code violations above-mentioned and other alleged Labor Code violations, Plaintiff also seek penalties under California Labor Code Private Attorneys General Act (“PAGA”).

Defendant denies all the allegations made by Plaintiff and denies that they violated any law. The Court has made no ruling on the merits of Plaintiff’s claims. The Court has only preliminarily approved this class action settlement. The Court will decide whether to give final approval to this settlement at the Final Approval Hearing.

Summary of the Settlement Terms

Plaintiff and Defendant have agreed to settle this case on behalf of themselves and Class Members and Aggrieved Employees for the Gross Settlement Amount of \$550,000.00, unless increased pursuant to the Settlement Agreement. The Gross Settlement includes (1) Administration Costs up to \$6,500.00 (2) a service award to Plaintiff in the amount of \$10,000.00, for his time and effort in pursuing this case; (3) up to 33% of the Gross Settlement Amount in attorneys’ fees which, unless increased pursuant to the Settlement Agreement, amounting to \$181,500.00; (4) up to \$25,000.00 in litigation costs to Class Counsel, according to proof; and (5) payment allocated to PAGA penalties in the amount of \$25,000.00 of the Gross Settlement Amount toward PAGA penalties. Pursuant to the PAGA, sixty-five percent (65%) of the amount allocated toward PAGA, or \$16,250.00, will be paid to the LWDA and thirty-five percent (35%), or \$8,750.00, will be distributed to Aggrieved Employees. After deducting these sums, a total of approximately not less than \$ [REDACTED] will be available for distribution to Class Members (“Net Settlement Amount”).

Defendant represents that there are no more than 20,340 Workweeks during the Class Period. In the event the number of Workweeks during the Class Period increases by more than 10%, or 2,034 Workweeks, then the Gross Settlement Amount shall be increased proportionally by the Workweeks in excess of 22,374. The Workweek Value shall be calculated by dividing the Gross Settlement Amount by 20,340 workweeks. The Parties agree that the Workweek Value amounts to \$27.04 per Workweek (\$550,000.00/20,340 Workweeks). Thus, for example, should there be 25,000 Workweeks in the Class Period, then the Gross Settlement Amount shall be increased by \$71,007.04 [(25,000 Workweeks — 22,374 Workweeks) x \$27.04 Workweek].

Distribution to Class Members

Class Members who do not opt out will receive a *pro rata* payment of the Net Settlement Amount based on the number of weeks worked by Participating Class Members in hourly-paid, non-exempt positions for Defendant in California during the Class Period (“Eligible Workweeks”). Specifically, Class Members’ payments will be calculated by dividing the Net Settlement Amount by the total number of Eligible Workweeks worked by all Participating Class Members during the Class Period, multiplied by the number of Eligible Workweeks attributed to the Class Member. Otherwise stated, the formula for a Class Member is: (Net Settlement Amount ÷ total Settlement Class Eligible Workweeks) × Individual’s Eligible Workweeks. In addition, Class Members who worked during the PAGA Period (*i.e.*, Aggrieved Employees) will receive a *pro rata* share of the \$8,750.00 allocated to Aggrieved Employee as PAGA penalties, whether or not they opt out, based on the number of workweeks worked by each Aggrieved Employee during the PAGA Period.

Defendant’s records indicates that you worked [REDACTED] Workweeks as a non-exempt, hourly-paid employee in California during the Class Period and [REDACTED] Pay Periods during the PAGA Period. Based on these records, your estimated payment as a Class Member would be [\$REDACTED] and your estimated payment as an Aggrieved Employee would be [\$REDACTED]. If you believe this information is incorrect and wish to dispute it, you must mail a dispute to the Settlement Administrator no later than [REDACTED]

Questions? Contact the Settlement Administrator toll free at [1-800-355-0700]

Deadline]. Please include any documentation you have that you contend supports your dispute. You should send copies rather than originals because the documents will not be returned to you.

Tax Reporting

100% of the payments for PAGA penalties to Aggrieved Employees will be allocated as penalties reported on IRS Form 1099. 20% of each Settlement Payment to Class Members who do not opt out will be allocated as wages and reported on an IRS Form W-2, and 80% will be allocated as penalties and interest reported on IRS Form 1099. This notice is not intended to provide legal or tax advice on your Settlement Share.

Your check will be valid for 180 days after issuance. After 180 days, uncashed checks will be cancelled and the funds associated will be transmitted to the *cy pres* recipient, Legal Aid at Work, located at 180 Montgomery Suite #600, San Francisco, CA 94104.

Your Options Under the Settlement

Option 1 – *Do Nothing and Receive Your Payment*

If you do not opt out, you are automatically entitled to your Individual Settlement Payment (*i.e.*, your share of the Net Settlement Amount) because you are a Class Member. If you do not dispute your settlement share calculation and do not opt out of the settlement, you will be bound by the entire release in the settlement and receive your Individual Settlement Payment, as well as your Individual PAGA Payment if you are also an Aggrieved Employee. **In other words, if you are a Class Member, you do not need to take any action to receive the settlement payment(s) set forth above.**

Class Members who do not submit a valid and timely opt out (pursuant to Option 2 below), will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties of all “Released Claims” he or she may have or had upon final approval of this Settlement and payment by Defendant to the Settlement Administrator.

Effective upon entry of Judgment, the Order granting Final Approval of this Settlement, and on the date when Defendant fully funds the entire Gross Settlement Amount and funds all employer payroll taxes owed on the Wage Portion of the Individual Class Payments, Plaintiff, Participating Class Members, Aggrieved Employees, and Class Counsel will release claims against all Released Parties as follows:

Release of Class Claims: For the duration of the Class Period, all Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release and waive the Released Parties from all claims, rights, demands, damages, liabilities, and causes of action, in law or in equity, that were alleged in the Operative Complaint, or that reasonably could have been alleged, based on the facts stated in the Operative Complaint. Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers’ compensation, or claims based on facts occurring outside the Class Period (“Class Released Claims”).

Release of PAGA Claims: For the duration of the PAGA Period, all Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims for PAGA civil penalties that

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were alleged in the PAGA Notice and Operative Complaint, or that reasonably could have been alleged, based on the facts stated in the PAGA Notice and the Operative Complaint.

“Released Parties” means Defendant, and each of their owners, parents, and subsidiaries, and all of their current, former, and future officers, directors, members, managers, employees, consultants, partners, shareholders, joint venturers, agents, predecessors, successors, and assigns.

Option 2 – Opt Out of the Settlement

If you do not wish to receive your Individual Settlement Payment or release the Class Released Claims, you may exclude yourself by submitting a written request to be excluded from the Class. Your written request must include your name, address, email address or telephone number, and any statement standing for the proposition that you do not wish to participate in the settlement. Sign, date, and mail your written request for exclusion to the address below.

Apex Class Action LLC
18 Technology Drive, Suite 154
Irvine, CA 92618

To be valid, your written request for exclusion must be mailed and postmarked to the Administrator not later than **[RESPONSE DEADLINE]**.

The proposed settlement includes the settlement of the PAGA Released Claims. An employee may not request exclusion from the settlement of a PAGA claim. Thus, if the court approves the settlement, then even if you request exclusion from the settlement, if you are an Aggrieved Employee, you will still receive your Individual PAGA Payment and will be deemed to have released the PAGA Released Claims. A request for exclusion will preserve your right, if any, to individually pursue only the Class Released Claims.

Option 3 – Submit an Objection to the Settlement

If you wish to object to the Settlement, you may submit an objection in writing by mail, stating why you object to the Settlement. Your written objection must provide your name, address, signature, a statement of whether you plan to appear at the Final Approval Hearing, and a statement of the reason(s), along with whatever legal authority, if any, why you believe that the Court should not approve the Settlement. Your written objection must be mailed to the Administrator no later than **[RESPONSE DEADLINE]**. Please note that you cannot both object to the Settlement and opt out of the Settlement. If you exclude yourself, then your objection will be overruled. If the Court overrules your objection, you will be bound by the Settlement and will receive your Settlement Share.

Even if you don’t submit a written objection, you may appear at the Final Approval Hearing and provide a verbal objection before the Court.

Final Approval Hearing

You may, if you wish, appear at the Final Approval Hearing set for [REDACTED] at [REDACTED] a.m. in Department 17 of the Los Angeles County Superior Court Spring Street Courthouse, located at 312 N. Spring St., Los Angeles, CA 90012 and orally object to the Settlement, discuss your written objections with the Court and the Parties, or otherwise comment on the Settlement at your own expense. You may attend this hearing virtually by audio or

Questions? Contact the Settlement Administrator toll free at [1-800-355-0700]

video at <https://lacc.lacourt.org/>. You may also retain an attorney to represent you at the Hearing at your own expense.

Additional Information

This Notice of Class Action Settlement is only a summary of this case and the Settlement. For a more detailed statement of the matters involved in this case and the Settlement, you may call the Settlement Administrator at 1-800-355-0700 or Class Counsel, whose information appears below:

BIBIYAN LAW GROUP, P.C.

Vedang J. Patel (SBN 328647)
vedang@tomorrowlaw.com
Brandon Chang (SBN 316197)
brandon@tomorrowlaw.com
Shereen Basi (SBN 339539)
sbasi@tomorrowlaw.com
1460 Westwood Boulevard
Los Angeles, California 90024
Tel: (310) 438-5555; Fax: (310) 300-1705

You may also visit the Settlement Administrator's website at <https://apexclassaction.com/> to gain access to key documents in this case, including the Settlement Agreement, the Order Granting Preliminary Approval of this Settlement, the Order Granting Final Approval of this Settlement, and the Final Judgment.

You may also refer to the pleadings, the Settlement Agreement, and other papers filed in this case, which may be inspected at Department 17 of the Los Angeles County Superior Court Spring Street Courthouse, located at 312 N. Spring St., Los Angeles, CA 90012 during regular business hours of each court day. You may also obtain these documents through the Court's website at <https://www.lacourt.ca.gov/pages/lp/access-a-case/tp/find-case-information/cp/os-civil-case-access/>.

All inquiries by Class Members regarding this Notice of Class Action Settlement and/or the Settlement should be directed to the Settlement Administrator.

**PLEASE DO NOT CONTACT THE CLERK OF THE COURT, THE JUDGE,
DEFENDANT, OR DEFENDANTS' ATTORNEYS WITH INQUIRIES.**

Questions? Contact the Settlement Administrator toll free at [1-800-355-0700]