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Attorneys for PLAINTIFFS

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
IN AND FOR THE COUNTY OF SAN BERNARDINO**

ADRIAN CASTRO and RODOLFO GARCIA,
individuals, on behalf of themselves, and on
behalf of all persons similarly situated,

Plaintiffs,

v.

CONVERGEONE, INC., a Minnesota
corporation; AAA NETWORK SOLUTIONS,
INC, a California corporation; and DOES 1-50,
Inclusive,

Defendants.

Case No. CIVSB2305464

**DECLARATION OF SYDNEY CASTILLO-
JOHNSON, ESQ. IN SUPPORT OF
PLAINTIFFS' MOTION FOR FINAL
APPROVAL OF CLASS AND PAGA ACTION
SETTLEMENT**

Date: May 12, 2025
Time: 8:30 a.m.

Judge: Hon. Charlie L. Hill, Jr.
Dept.: S-30

1 I, Sydney Castillo-Johnson, Esq., declare as follows:

2
3 1. I am over eighteen years of age and if called as a witness, I could and would competently
4 testify to the following facts from my own personal knowledge. I am an associate attorney at JCL Law
5 Firm, APC. I am co-counsel of record for Plaintiffs Adrian Castro and Rodolfo Garcia (hereafter
6 “Plaintiffs” or “Class Representatives”) in this wage and hour class action filed against Defendants
7 Convergeone, Inc. and AAA Network Solutions, Inc. (hereinafter “Defendants”).

8 2. This declaration is being submitted in support of Plaintiffs’ Motion for Final Approval of
9 Class Action and PAGA Settlement.

10 3. Attached hereto as **Exhibit #1** is a true and correct copy of the fully executed Stipulation
11 of Settlement of Class Action and PAGA Claims and Release of Claims (“Settlement Agreement” or
12 “Agreement”).

13 4. Attached hereto as **Exhibit #2** is a true and correct copy of the conformed February 10,
14 2025, Preliminary Approval Order.

15 5. Attached hereto as **Exhibit #3** is a true and correct copy of the January 16, 2025, proof
16 of filing the proposed Settlement with the LWDA.

17 6. Attached hereto as **Exhibit #4** is a true and correct copy of the April 17, 2025, proof of
18 filing this motion seeking final approval of this Settlement with the LWDA.

19 **I. INTRODUCTION**

20 7. An objective evaluation of the proposed settlement of Nine Hundred and Fifty Thousand
21 Dollars and Zero Cents (\$950,000.00) (“Gross Settlement Amount”) confirms that the relief negotiated
22 on behalf of the Settlement Class is fair, reasonable, and valuable. The Settlement is a product of
23 informed, adversarial, and non-collusive negotiations, between experienced counsel, and presided over
24 by Steve Rottman, Esq., a respected and experienced mediator of wage and hour class actions. After
25 deducting any Court-approved Class Counsel Award, Service Awards, Claims Administration
26 Expenses, and the PAGA Payment, the Net Settlement Amount shall be distributed to the Settlement
27 Class Members based on the number of Workweeks they worked while employed by Defendants during
28 the Class Period. *As of the filing of this motion, the Class greeted news of the Settlement with
unanimous approval as, at the time of the filing of this motion, 297 Class Members chose to*

1 *participate in the Settlement.* The unanimous approval by the Settlement Class evidences the clear
2 fairness and reasonableness of the Settlement.

3 8. The relief offered by the Settlement is immediate and is particularly impressive when
4 viewed against the difficulties encountered by plaintiffs pursuing similar wage-and-hour cases (*see*
5 *infra*). Indeed, by settling now rather than proceeding to trial, the Settlement Class will not have to wait
6 (possibly years) for relief, nor will they have to bear the risks associated with prolonged and uncertain
7 litigation.

8 9. As discussed below, the proposed Settlement satisfies all criteria for final settlement
9 approval under California law and falls well within the range of reasonableness. Accordingly, the Class
10 Representatives and Class Counsel respectfully request this Court grant final approval of the Agreement
11 and entry of the proposed Final Approval Order and Judgment.

12 **II. OVERVIEW OF THE LITIGATION**

13 10. Defendants provide IT services and technology solutions in the state of California,
14 including in San Bernardino County where Plaintiff Castro worked. This action asserts claims on behalf
15 of all non-exempt employees employed by Defendants in California at any time during the Class Period.
16 Plaintiff Castro worked for Defendants as a non-exempt employee in California from June 2019 to
17 August 2022. Plaintiff Garcia worked for Defendants as a non-exempt employee in California from
18 June 2017 to September 2022. At all times during their employment, Plaintiffs earned an hourly wage
19 and were entitled to legally compliant meal and/or rest periods, and minimum, regular and overtime
20 wages for all hours worked. Throughout their employment, Plaintiffs were subject to Defendants'
21 written policies and procedures contained in, among other documents, the "Team Member Handbook
22 – California Supplement."

23 11. Generally, Plaintiffs claim that Defendants failed to pay for all time worked, failed to
24 provide compliant meal and rest periods, failed to reimburse for required business expenses, failed to
25 furnish accurate itemized wage statements, and failed to pay all wages upon separation. Defendants
26 forcefully deny liability for each of Plaintiffs' claims. Further, Defendants assert that it fully complied
27 with all applicable employment laws and raised several other significant defenses to Plaintiffs' claims,
28 including but not limited to, asserting that it maintained compliant timekeeping policies and practices,

compliant meal and rest period policies, compliant reimbursement policies, maintained issued compliant wage statements, and timely paid all wages due upon separation of employment.

12. On October 13, 2022, Plaintiff Castro served the Labor and Workforce Development Agency (“LWDA”) with a Notice of Violations (“PAGA Notice”). Plaintiff Castro’s PAGA Notice set forth the facts and theories supporting Defendants’ alleged violations of various provisions of the California Labor Code and applicable Industrial Welfare Commissions (“IWC”) Wage Order and of his intent to pursue claims under California Labor Code Private Attorneys General Act, Cal. Lab. Code Sections 2698 *et seq.* (“PAGA”). On March 1, 2023, Plaintiff Castro filed a representative action for violations of PAGA in the San Bernardino Superior Court (“Action”).

13. On July 17, 2023, Plaintiff Garcia served Defendants and the LWDA with his PAGA Notice. On July 17, 2023, Plaintiff Garcia filed a class action complaint in the Orange Superior Court, Case Number 30-2023-01336727-CU-OE-CXC (“*Garcia Action*”). The *Garcia Action* alleged eight causes of action against Defendants for: (1) Unfair Competition in Violation of Cal. Bus. & Prof. Code §§ 17200, *et seq.*; (2) Failure to Pay Minimum Wages in Violation Of Cal. Lab. Code §§ 1194, 1197, & 1197.1; (3) Failure to Pay Overtime Wages in Violation Of Cal. Lab. Code §§ 510, *et seq.*; (4) Failure to Provide Required Meal Periods in Violation Of Cal. Lab. Code §§ 226.7 & 512 and the Applicable IWC Wage Order; (5) Failure to Provide Required Rest Periods in Violation Of Cal. Lab Code §§ 226.7 & 512 and the Applicable IWC Wage Order; (6) Failure to Pay Wages When Due in Violation Of Cal. Labor Code §§ 201, 202, and 203; (7) Failure to Provide Accurate Itemized Statements in Violation Of Cal. Lab. Code § 226; and (8) Failure to Reimburse Employees for Required Business Expenses in Violation Of Cal. Lab. Code § 2802.

14. On October 2, 2023, Plaintiff Garcia filed a First Amended Complaint in the *Garcia Action* alleging an additional cause of action for alleged violations of PAGA.

15. On October 5, 2023, Plaintiff Garcia propounded formal written discovery. Prior to responding to discovery, the Parties agreed to mediate the Action. To prepare for mediation, the Parties agreed to informally exchange additional documents and data points subject to the mediation privilege, including but not limited to, employee handbooks, the Class Members’ time data, and certain payroll

1 data points. As discussed *infra*, Plaintiffs’ counsel retained the forensic consultants at Berger Consulting
2 Group (“BCG”) to analyze Defendants’ time and payroll data.

3 16. On July 11, 2024, the Parties participated in a full day mediation with mediator Steve
4 Rottman, Esq. After arms-length negotiations and bargaining, the Parties reached an agreement to settle
5 and signed a Memorandum of Understanding. After reaching an agreement in principle, the Parties
6 drafted and negotiated a long-form settlement agreement, which is the subject of the instant motion.

7 17. On December 5, 2024, Plaintiff Castro filed a First Amended Complaint (“Operative
8 Complaint”) in the Action for purposes of adding Plaintiff Garcia as a named Plaintiff and incorporating
9 the claims from the *Garcia* Action into the instant Action. On January 21, 2025, Plaintiff Garcia
10 dismissed the *Garcia* Action from the Orange County Superior Court.

11 **III. THE SETTLEMENT BEFORE THE COURT**

12 18. The Court preliminarily approved a Gross Settlement Amount of Nine Hundred and Fifty
13 Thousand Dollars and Zero Cents (\$950,000.00) based on a total of an estimated 31,473 Workweeks
14 worked by the Class during the Class Period. The Gross Settlement Amount shall be used: (1) to satisfy
15 Individual Settlement Payments; (2) to satisfy the Service Awards; (3) to satisfy the Class Counsel
16 Award; (4) to satisfy the PAGA Payment; and (5) to satisfy the Claims Administration Expenses
17 incurred in this action.

18 19. As explained in further detail below, the Settlement is fair, adequate, and reasonable to
19 the class and should be granted final approval. This is evidenced by the unanimous approval by the
20 Settlement Class, the absence of any objections to the Settlement and the average Individual Settlement
21 Payment of **\$1,773.85**.

22 **IV. THE SETTLEMENT IS FAIR, REASONABLE, AND ADEQUATE**

23 **A. Class Counsel Conducted a Thorough Investigation**

24 20. Months before filing the Action, Class Counsel began their pre-filing investigation into
25 Plaintiffs’ complaints. Class Counsel’s investigation started with several lengthy interviews with
26 Plaintiffs. As part of the interview process, Plaintiffs produced documents related to their employment,
27 including copies of their wage statements. At the conclusion of the interviews, Class Counsel
28 determined that Plaintiffs’ complaints justified further inquiry.

1 21. Class Counsel subsequently requested Plaintiffs' employee files from Defendants. In
2 response, Defendants produced various documents, including but not limited to, copies of Plaintiffs'
3 employment agreements, payroll and time records, and separation documents. Class Counsel reviewed
4 and analyzed the documents and determined the documents appeared to substantiate Plaintiffs' claim
5 that Defendants failed to, among other things, pay for all time worked, reimburse for mandatory
6 business expenses, issue accurate itemized wage statements, and provide compliant meal and rest
7 periods.

8 22. Considering the many anticipated factual disputes, the Parties agreed that it would be in
9 the best interest of both Parties to mediate the matter. To prepare for mediation, Class Counsel
10 requested documents and data points to further evaluate Plaintiffs' claims and Defendants' liability
11 exposure to the Class Members. In response to Class Counsel's request, Defendants produced time
12 records for the Class Members, aggregate workweek and pay period data for the Class Members,
13 aggregate meal premiums paid to the Class Members, average hourly rate for the Class Members, and
14 copies of applicable handbooks, policies, and agreements containing, *inter alia*, compensation,
15 timekeeping, and meal and rest period policies. In total, Class Counsel reviewed approximately 3,987
16 pages and over 367,000 unique cells of time and payroll data for Class Counsel to analyze.

17 23. Class Counsel then retained the statisticians and economists at BCG to evaluate the Class
18 Members' payroll and time data. BCG provides data analysis and damage modeling consulting
19 services, specializing in wage and hour class actions. BCG's team of financial and data analysts are
20 credentialed and experienced experts in their fields and have provided their expertise on thousands of
21 cases. Stated differently, the BCG is well-qualified to analyze Defendants' time and payroll data.

22 24. BCG analyzed Defendants' time and payroll data to assist in the development of various
23 damage models. Among other things, BCG determined the approximate number of work shifts,
24 workweeks, pay periods, average length of shift and average number of hours worked per week and pay
25 periods during the Class Period. BCG also estimated the number of missed, late or truncated meal and
26 rest periods, the amount of missed meal period premiums paid during the Class Period, the amount of
27 unpaid wages due to rounding, the amount of unreimbursed business expenses, and the amount of off-
28 the-clock work performed by the Class Members during the Class Period.

1 25. In advance of mediation, Class Counsel created several damage models predicated on the
2 BCG analysis. Class Counsel's models calculated Defendants' potential liability exposure while
3 accounting for the uncertainties of continued litigation. These damage models informed and guided
4 Class Counsel during the mediated settlement discussions.

5 26. Overall, Class Counsel thoroughly investigated the claims at issue, including: (1)
6 determining Plaintiffs' suitability as a putative class representative through interviews, background
7 investigations, and analysis of their employment files; (2) evaluating all of Plaintiffs' potential claims;
8 (3) researching similar wage and hour class actions as to the claims brought, the nature of the positions,
9 and the type of employer; (4) analyzing the Settlement Class Members' time and payroll records; (5)
10 analyzing Defendants' labor policies and practices; (6) researching settlements in similar cases as well
11 as outstanding issues which could affect settlement approval; (7) evaluating Plaintiffs' claims and
12 estimating Defendants' liability for purposes of settlement; (8) drafting the mediation brief; and (9)
13 participating in the mediation. This investigation allowed Class Counsel to fully assess the nature and
14 magnitude of the claims being settled, as well as the impediments to recovery, such as to make an
15 independent assessment of the reasonableness of the terms to which the Parties have agreed.

16 27. Class Counsel only agreed to enter the Settlement following this thorough investigation
17 and evaluation of Plaintiffs' claims. Based on their investigation of the facts, applicable law, and
18 marketplace for similar settlements, and considering the risk of significant delay, uncertainty associated
19 with litigation, and the various defenses asserted by Defendants, Class Counsel firmly believe this
20 Agreement to be in the best interests of the Class Members. Because the Settlement's terms are fair,
21 reasonable, and adequate, the Court should preliminarily approve the Settlement.

22 **C. The Gross Settlement Amount is Fair and Reasonable**

23 28. Here, the Settlement is clearly within the "ballpark" of reasonableness because the
24 Settlement provides a sizeable recovery to the Settlement Class and need not necessarily obtain 100
25 percent of the damages sought to be fair, reasonable, and ultimately, meaningful. *Wershba*, 91
26 Cal.App.4th at 250. While the Gross Settlement Amount of Nine Hundred and Fifty Thousand Dollars
27 and Zero Cents (\$950,000.00) represents a discount on Defendants' potential exposure if Plaintiffs
28 established liability on all claims and was awarded the full amount of the estimated damages at trial,

1 this compromise is reasonable because (1) the formidable defenses raised by Defendants presented a
2 risk that could award significantly less in damages than Plaintiffs' estimate and (2) any theoretical post-
3 trial recovery may require many more years of litigation, resulting in added fees and costs without any
4 guarantee of recovery for the Class.

5 29. As detailed at the time of preliminary approval, the Gross Settlement Amount is fair and
6 reasonable considering the nature and magnitude of the claims being settled and the various potential
7 impediments to recovery. Class Counsel developed varied economic damages models measuring
8 Defendants' liability exposure while accounting for the uncertainties of continued litigation. The
9 various models were informed by Class Counsel's investigation, including the analysis of time and
10 payroll data. As detailed in greater depth during the preliminary approval process, Class Counsel
11 projected a range of Defendants' liability exposure for the claims asserted on behalf of the Settlement
12 Class. The Gross Settlement Amount represents between 24.21% and 87.17% of Defendants' *class-*
13 *wide* liability exposure as estimated by Class Counsel at the time of mediation.

14 30. Clearly the goal of this litigation to obtain redress for the class has been met by this
15 Settlement. Given the amount of the Settlement, the risks of litigation and the arm's length negotiations
16 between experienced counsel, the settlement is fair and reasonable, and is therefore entitled to final
17 approval.

18 **D. The Strength of Plaintiffs' Case and Risks of Continued Litigation**

19 31. Although Class Counsel believes strongly in Plaintiffs' claims, it would be misguided to
20 ignore the asserted defenses. If successful on any one of its defenses, Defendants could defend the
21 action or, at least, drastically undercut Plaintiffs' claims.

22 32. With respect to the most immediate challenge, i.e., class certification, the risks attendant
23 to the certification of similar wage and hour claims are demonstrated by *Ali v. U.S.A. Cab Ltd.* (2009)
24 176 Cal.App.4th 1333, 1341. There, the Court of Appeal affirmed the Trial Court's denial of class
25 certification because employees' declarations attesting to having taken meal and rest breaks
26 demonstrated that individualized inquiries were required to show harm. *See also Campbell v. Best Buy*
27 *Stores, L.P.*, (C.D. Cal. 2013) 2013 WL 5302217 at *11-13 (following *Brinker* and denying certification
28 of proposed off-the-clock and rest and meal break classes due to lack of uniform policy); *Brown v. Fed*

1 *Express Corp.* (C.D. Cal. 2008) 249 F.R.D. 580, 587-88 (denying certification of driver meal and rest
2 period claims based on the predominance of individual issues).

3 33. Further, even if a class is certified, liability remains uncertain. The risks attendant to the
4 issue of Defendants' liability in similar wage and hour actions are demonstrated by *Duran v. U.S. Bank*
5 *National Association* (2014) 59 Cal.4th 1, 31. There, the Court reversed a trial verdict in favor plaintiffs
6 in a wage and hour class action. *See also Tien v. Tenet Healthcare Corp.* (2012) 209 Cal.App.4th 1077,
7 1088 ("[T]he reason, if any, that employees might not take their breaks were predominantly
8 individualized questions of fact not susceptible to class treatment.

9 34. Finally, even if a class is certified and Defendants are found liable for the class claims
10 alleged, post-certification risks remain, including a reversal of a favorable judgment for Plaintiffs and
11 decertification of the class. These post-certification risks are demonstrated by *Magadia v. Wal-Mart*
12 *Associates, Inc.* (9th Cir. 2021) 999 F.3d 668. There, the Ninth Circuit vacated reversed and remanded
13 a \$110 million judgement against an employer for, *inter alia*, inaccurately paying overtime, and directed
14 the trial court to enter judgement in favor of the employer. *See also O'Conner v. Uber Technologies,*
15 *Inc.* (9th Cir. 2018) 904 F.3d 1087 (decertification of wage and hour misclassification action).

16 35. Collectively, the examples cited above illustrate the uncertain nature of class litigation.
17 Consequently, the uncertainty of obtaining certification through a contested motion is a significant risk
18 factor favoring settlement.

19 36. Although Plaintiffs are confident about the strength of their claims, Plaintiffs nevertheless
20 recognize that Defendants have factual and legal defenses that, if successful, would potentially defeat
21 or impair the value of the lawsuit. Legally, the fast-changing landscape of wage and hour litigation can
22 drastically affect the value of Plaintiffs' claims and, in fact, already has.

23 37. As demonstrated by the decisions in *Magadia, supra*, 999 F.3d 668, *O'Conner v. Uber*
24 *Technologies* (N.D. Cal. 2018) 82 F.Supp.3d 1133 and *Duran v. U.S. Bank National Assn.* (2014) 59
25 Cal.4th 1, the complexities and duration of further litigation cannot be overstated. There is little doubt
26 that if Defendants faced a large adverse judgement, Defendants undoubtedly have the resources to post
27 a bond and appeal. A post-judgment appeal by Defendants would have required many more years to
28 resolve, assuming the judgment was affirmed. If the judgment was not affirmed in total, then the case

1 could have dragged on for years after the appeal. The benefits of a guaranteed recovery today outweigh
2 an uncertain result for three or more years in the future.

3 38. The Class Representatives and Class Counsel recognize the expense and length of a trial
4 against Defendants through possible appeals, which could take another three years. In arriving at their
5 informed belief that the present settlement is fair and adequate, Class Counsel accounted for the
6 uncertain outcome and risk inherent in complex actions such as this one. Class Counsel is also mindful
7 of and recognizes the inherent problems of proof under, and alleged defenses to, the claims asserted in
8 the litigation. Moreover, post-trial motions and appeals would have been inevitable. Costs would have
9 mounted, and recovery would have been delayed if not denied, thereby reducing the benefits of an
10 ultimate victory. Class Representatives and Class Counsel believe that the Settlement confers
11 substantial monetary and non-monetary benefits upon the Class. Based upon their evaluation, Class
12 Representatives and Class Counsel have determined that the Settlement set forth in the Agreement is in
13 the best interest of the Class, is fair, reasonable, and adequate, and should be granted final approval.

14 **IV. THE PENALTIES UNDER PAGA ARE REASONABLE**

15 39. Here, Plaintiffs and Defendants negotiated a good-faith PAGA Payment in the amount of
16 \$50,000 which is approximately 5.26% of the Gross Settlement Amount. As illustrated above, this
17 amount falls well within the range of approved PAGA Settlements. Seventy-five percent (75%) of the
18 PAGA Payment (\$37,500) will be paid to the LWDA ("LWDA Payment") with the remaining twenty-
19 five percent (25%) of the PAGA Payment (\$12,500.00) to be distributed to the Aggrieved Employees
20 ("Aggrieved Employee Payment") which is within the range of PAGA penalties approved by courts
21 and should be approved.

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40. Class Counsel gave the LWDA notice of this Settlement and proposed allocation by filing a copy of the Settlement, the Motion for Preliminary Approval, and this motion seeking final approval with the LWDA.

I declare under the penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed this 17th day of April 2025, at San Diego, California.

JCL LAW FIRM, APC

By: Sydney Castillo-Johnson
Sydney Castillo-Johnson, Esq.
Attorney for Plaintiffs

EXHIBIT 1

JCL LAW FIRM, APC

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Attorneys for Plaintiff

SUPERIOR COURT OF THE STATE OF CALIFORNIA

IN AND FOR THE COUNTY OF SAN BERNARDINO

ADRIAN CASTRO and RODOLFO GARCIA,
individuals, on behalf of themselves, and on
behalf of all persons similarly situated,
Plaintiff,

v.

CONVERGEONE, INC., a Minnesota
corporation; AAA NETWORK SOLUTIONS,
INC, a California corporation; and DOES 1-50,
Inclusive,

Defendants.

Case No.: CIVSB2305464

[Action Filed March 1, 2023]

**STIPULATION OF SETTLEMENT OF
CLASS AND PAGA ACTION CLAIMS
AND RELEASE OF CLAIMS**

This Stipulation of Settlement of Class Action and PAGA Claims and Release of Claims is entered into by and between Plaintiff RODOLFO GARCIA (“Plaintiff Garcia”) and Plaintiff ADRIAN CASTRO (“Plaintiff Castro”) (hereinafter, collectively, “Plaintiffs”), individually, on behalf of themselves and on behalf of all persons similarly situated, and Defendants CONVERGEONE, INC., and AAA NETWORK SOLUTIONS, INC. (hereinafter “Defendants”) (together the “Parties”):

I. DEFINITIONS

- A. “Action” shall mean all causes of action, claims, and allegations in the putative class action lawsuits *Garcia v. ConvergeOne, Inc. et al.*, that was filed in Orange County Superior Court with the Case No. 30-2023-01336727-CU-OE-CXC (“the *Garcia* Action”), and *Adrian Castro v. ConvergeOne, Inc.*, which was filed in San Bernardino County Superior Court Case No. CIVSB2305464 (“the *Castro* Action). The *Garcia* Action collectively with the *Castro* Action shall be referred to as the “Actions.”
- B. “Agreement” or “Settlement Agreement” means this Stipulation of Settlement of Class Action and PAGA Claims and Release of Claims.
- C. “Aggrieved Employees” means all non-exempt employees employed by Defendant ConvergeOne, Inc, and Defendant AAA Network Solutions, Inc. in California at any time during the period July 17, 2022, to July 11, 2024.
- D. “Aggrieved Employee Payment” shall mean the Aggrieved Employees’ pro-rata share of the twenty-five percent (25%) portion of the PAGA Payment (\$12,500) allocated and distributed to the Aggrieved Employees.
- E. “Claims Administration Expenses” shall mean the amount that the Court authorizes to be paid to the Settlement Administrator for administering the Settlement pursuant to this Agreement currently estimated not to exceed \$6,500.00.
- F. “Class” or the “Class Members” means all non-exempt employees employed by defendants ConvergeOne, Inc and defendant AAA Network Solutions, Inc. in California at any time during the period beginning July 17, 2019, to July 11, 2024.

- 1 G. “Class Counsel” shall mean Jean-Claude Lapuyade, Esq. of JCL Law Firm, APC,
2 Shani Zakay, Esq. of Zakay Law Group, APLC, and Michael Gould of Gould Law
3 Firm.
- 4 H. “Class Counsel Award” means the award of fees and expenses that the Court
5 authorizes to be paid to Class Counsel for the services they have rendered to Plaintiffs
6 and the Class in the Action, consisting of attorneys’ fees currently not to exceed one-
7 third of the Gross Settlement Amount currently estimated to be \$316,666.66 out of
8 \$950,000.00, plus costs and expenses in the amount up to \$30,000.00. Class
9 Counsel’s award for attorneys’ fees will be divided equally between Class Counsel
10 (45% to JCL Law Firm, APC; 45% to Zakay Law Group, APLC; and 10% to The
11 Gould Law Firm).
- 12 I. “Class Data” means information regarding Class Members that Defendants will in
13 good faith compile from their records and provide to the Settlement Administrator. It
14 shall be formatted as a Microsoft Excel spreadsheet and shall include: each Class
15 Member’s full name; last known address; Social Security Number; start dates and end
16 dates of employment.
- 17 J. “Class Period” means the period from July 17, 2019, to July 11, 2024.
- 18 K. “Class Representatives” shall mean Rodolfo Garcia and Adrian Castro.
- 19 L. “Court” means the Superior Court for the State of California, County of San
20 Bernardino.
- 21 M. “Defendants” shall mean defendant ConvergeOne, Inc, and defendant AAA Network
22 Solutions, Inc.
- 23 N. “Effective Date” means the date upon which all of the following have occurred: (i)
24 the Court grants final approval of the settlement and; (ii) the Court’s judgment
25 approving the Settlement becomes Final. Final shall mean the latest of: (i) if there is
26 an appeal of the Court’s judgment, the date the judgment is affirmed on appeal, the
27 date of dismissal of such appeal, or the expiration of the time to file a petition for

1 review with any appellate court that has jurisdiction; or (ii) if a petition for review is
2 filed, the date of denial of the petition or the date the Court's judgment is entered,
3 pursuant to such petition; or (iii) if no appeal is filed, the expiration date of the time
4 for filing or noticing any appeal of the Court's judgment. If a timely objection to the
5 Settlement is filed (including an objection from the LWDA), the Effective Date shall
6 be the later of: (a) the date on which the time for all appeals relating to objections to
7 the Settlement and the Final Approval Order has expired; or (b) if an appeal, review,
8 or writ is sought, the date on which the highest reviewing court renders its decision
9 denying any petition (were the immediately lower court affirmed the judgment) or
10 affirming the judgment.

11 O. "Funding Date" shall be ninety (90) days after the Court enters an order of final
12 approval of the settlement, or October 15, 2025, whichever is later, and is the date by
13 which Defendants have fully funded the Gross Settlement Amount to the Claims
14 Administrator in accord with the terms of this Agreement.

15 P. "Gross Settlement Amount" means Nine Hundred Fifty Thousand Dollars and Zero
16 Cents (\$950,000.00) that Defendants must pay into the QSF in connection with this
17 Settlement, inclusive of the sum of Individual Settlement Payments, Claims
18 Administration Expenses, Class Counsel Award, Service Awards, and the PAGA
19 Payment and *exclusive* of the employer's share of payroll tax, if any, triggered by any
20 payment under this Settlement.

21 Q. "Individual Settlement Payments" means the amount payable from the Net Settlement
22 Amount to each Settlement Class Member and excludes any amounts distributed to
23 Aggrieved Employees pursuant to PAGA.

24 R. "LWDA Payment" shall mean the seventy-five percent (75%) of the PAGA Payment
25 (\$37,500) allocated to the California Labor and Workforce Development Agency.

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- 1 S. “Net Settlement Amount” or “NSA” means the Gross Settlement Amount, less Class
2 Counsel Award, Service Awards, PAGA Payment, and Claims Administration
3 Expenses.
- 4 T. “Notice Packet” means the Class Notice to be provided to the Class Members by the
5 Settlement Administrator in the form set forth as **Exhibit A** to this Agreement (other
6 than formatting changes to facilitate printing by the Settlement Administrator).
- 7 U. “Operative Complaint” shall mean the First Amended Complaint to be filed in the
8 *Castro* Action, which adds Plaintiff Garcia and his related claims to the *Castro*
9 Action.
- 10 V. “PAGA” means the California Labor Code Private Attorneys General Act of 2004,
11 Labor Code § 2698 *et seq.*
- 12 W. “PAGA Payment Ratio” means the respective Pay Periods during the PAGA Period
13 that each Aggrieved Employee worked for Defendants divided by the sum total of the
14 Pay Periods that all Aggrieved Employees worked for Defendants during the PAGA
15 Period.
- 16 X. “PAGA Payment” shall mean Fifty Thousand Dollars and Zero Cents (\$50,000.00)
17 to be allocated from the Gross Settlement Amount, with 25% of the payment
18 (\$12,500.00) going to the Aggrieved Employees (“Aggrieved Employee Payment”)
19 and 75% of the payment (\$37,500.00) going to the LWDA (“LWDA Payment”). The
20 amount of the PAGA Payment is subject to Court approval pursuant to California
21 Labor Code section 2699(l). Any reallocation of the Gross Settlement Amount to
22 increase the PAGA Payment will not constitute grounds by either party to void this
23 Agreement, so long as the Gross Settlement Amount remains the same.
- 24 Y. “PAGA Pay Periods,” for purposes of calculating the distribution of the Aggrieved
25 Employee Payment, as defined herein, means the number of pay periods of
26 employment during the PAGA Period that each Aggrieved Employee worked for
27 Defendants in California.

- 1 Z. “PAGA Period” means the period from July 17, 2022 to July 11, 2024.
- 2 AA. “Parties” means Plaintiffs and Defendants, collectively, and “Party” shall mean either
- 3 Plaintiffs or Defendants, individually.
- 4 BB. “Payment Ratio” means the respective Workweeks for each Class Member divided
- 5 by the sum total of Workweeks for all Class Members.
- 6 CC. “Plaintiffs” shall mean Rodolfo Garcia and Adrian Castro.
- 7 DD. “QSF” means the Qualified Settlement Fund established, designated, and maintained
- 8 by the Settlement Administrator to fund the Gross Settlement Amount.
- 9 EE. “Released Class Claims” shall mean all claims alleged or that could have reasonably
- 10 been alleged based upon the facts alleged in the Operative Complaint in the Action
- 11 which arose during the Class Period. Class Members do not release any claims that
- 12 cannot be released by law, including, without limitation, claims for vested benefits,
- 13 wrongful termination, violation of the Fair Employment and Housing Act,
- 14 unemployment insurance, disability, social security, workers’ compensation, or
- 15 claims based on facts occurring outside the Class Period.
- 16 FF. “Released PAGA Claims” shall mean all claims for PAGA penalties alleged or could
- 17 have reasonably been alleged based on the facts alleged in the Operative Complaint
- 18 and Plaintiffs’ notice to the LWDA, which arose during the PAGA Period.
- 19 GG. “Released Parties” shall mean Defendants and any of their past, present, and future
- 20 direct or indirect parents, subsidiaries, predecessors, successors, and affiliates, as well
- 21 as each of their past, present, and future officers, directors, employees, partners,
- 22 members, shareholders and agents, attorneys, insurers, reinsurers, and any individual
- 23 or entity which could be jointly liable with Defendants.
- 24 HH. “Response Deadline” means the date forty-five (45) calendar days after the Settlement
- 25 Administrator first mails Notice Packets to Class Members and the last date on which
- 26 Class Members may submit requests for exclusion or objections to the Settlement.

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1 II. "Service Awards" mean an awards in the amount of \$10,000.00 to each Plaintiff, or
2 in an amount that the Court authorizes to be paid to the Class Representatives, in
3 addition to their Individual Settlement Payment and their individual Aggrieved
4 Employee Payment, in recognition of their efforts and risks in assisting with the
5 prosecution of the Action.

6 JJ. "Settlement" means the disposition of the Action pursuant to this Agreement.

7 KK. "Settlement Administrator" means Apex Class Action LLC, 18 Technology Drive,
8 Suite 164 Irvine, CA 92618; Tel: 1-800-355-0700. The Settlement Administrator
9 establishes, designates and maintains, as a QSF under Internal Revenue Code section
10 468B and Treasury Regulation section 1.468B-1, into which the amount of the Gross
11 Settlement Amount is deposited for the purpose of resolving the claims of Settlement
12 Class Members. The Settlement Administrator shall maintain the funds until
13 distribution in an account(s) segregated from the assets of Defendants and any person
14 related to Defendants. *All accrued interest shall be paid and distributed to the*
15 *Settlement Class Members as part of their respective Individual Settlement*
16 *Payment.*

17 LL. "Settlement Class Members" or "Settlement Class" means all Class Members who
18 have not submitted a timely and valid request for exclusion as provided in this
19 Agreement.

20 MM. "Workweeks," or "Workweek" as used herein shall, mean a period of seven (7)
21 consecutive days beginning on Sunday and ending on Saturday, in which a Class
22 Member or Aggrieved Employee was employed by Defendants in California.

23 **II. RECITALS**

24 A. On October 13, 2022, Plaintiff Castro filed a Notice of Violations with the Labor and
25 Workforce Development Agency (LWDA) and served the same on Defendants.

26 B. On March 1, 2023, Plaintiff Castro filed the *Castro* Action, alleging a single cause of
27 action for violations of PAGA.

- 1 C. On July 17, 2023, Plaintiff Garcia filed the *Garcia* Action, alleging claims for:
- 2 1. Unfair competition in violation of Cal. Bus. & Prof. Code § 17200 *et seq*;
- 3 2. Failure to pay minimum wages in violation of Cal. Lab. Code §§ 1194, 1197
- 4 & 1197.1;
- 5 3. Failure to pay overtime wages in violation of Cal. Lab. Code §§ 510 *et seq*;
- 6 4. Failure to provide required meal periods in violation of Cal. Lab. Code §§
- 7 226.7 & 512 and the applicable IWC Wage Order;
- 8 5. Failure to provide required rest periods in violation of Cal. Lab. Code §§ 226.7
- 9 & 512 and the applicable IWC Wage Order;
- 10 6. Failure to provide wages when due in violation of Cal. Lab. Code §§ 201, 202
- 11 and 203;
- 12 7. Failure to provide accurate itemized statements in violation of Cal. Lab. Code
- 13 § 226; and
- 14 8. Failure to reimburse employees for required expenses in violation of Cal. Lab.
- 15 Code § 2802;
- 16 D. On July 17, 2023, Plaintiff Garcia filed a Notice of Violations with the Labor and
- 17 Workforce Development Agency (LWDA) and served the same on Defendants.
- 18 E. On October 2, 2023, Plaintiff Garcia filed a First Amended Complaint (“FAC”)
- 19 alleging an additional cause of action for violations of the Private Attorneys General
- 20 Act.
- 21 F. On November 14, 2023, Defendant filed a Notice of Related Case, connecting the
- 22 *Castro* Action and to *Garcia* Action.
- 23 G. On October 24, 2024, the Parties stipulated to the filing of a First Amended Complaint
- 24 in the *Castro* Action for purposes of addition Plaintiff Garcia as a named plaintiff.
- 25 H. The Class Representatives believe they have meritorious claims based on alleged
- 26 violations of the California Labor Code, and the Industrial Welfare Commission
- 27 Wage Orders, and that class certification is appropriate because the prerequisites for
- 28

1 class certification can be satisfied in the Action, and this action is manageable as a
2 PAGA representative action.

3 I. Defendants deny any liability or wrongdoing of any kind associated with the claims
4 alleged in the Action, dispute any wages, damages and penalties claimed by the Class
5 Representatives are owed, and further contend that, for any purpose other than
6 settlement, the Action is not appropriate for class or representative action treatment.
7 Defendants contend, among other things, that at all times they complied with the
8 California Labor Code and the Industrial Welfare Commission Wage Orders.

9 J. The Class Representatives are represented by Class Counsel. Class Counsel
10 investigated the facts relevant to the Action, including conducting an independent
11 investigation as to the allegations, reviewing documents and information exchanged
12 through informal discovery, and reviewing documents and information provided by
13 Defendants pursuant to informal requests for information to prepare for mediation.
14 Defendants produced for the purpose of settlement negotiations certain employment
15 data concerning the Settlement Class, which Class Counsel reviewed and analyzed
16 with the assistance of an expert. Based on their own independent investigation and
17 evaluation, Class Counsel are of the opinion that the Settlement with Defendants is
18 fair, reasonable, and adequate, and is in the best interest of the Settlement Class
19 considering all known facts and circumstances, including the risks of significant
20 delay, defenses asserted by Defendants, uncertainties regarding class certification,
21 and numerous potential appellate issues.

22 K. On July 11, 2024, the Parties participated in mediation presided over by Steve
23 Rottman, Esq., an experienced mediator of wage and hour class and PAGA actions.
24 The mediation concluded with a settlement, which was subsequently memorialized in
25 the form of a Memorandum of Understanding.

26 ///

1 L. This Agreement replaces and supersedes the Memorandum of Understanding and any
2 other agreements, understandings, or representations between the Parties. This
3 Agreement represents a compromise and settlement of highly disputed claims.
4 Nothing in this Agreement is intended or will be construed as an admission by
5 Defendants that the claims in the Action of Plaintiffs or the Class Members have merit
6 or that Defendants bear any liability to Plaintiffs or the Class on those claims or any
7 other claims, or as an admission by Plaintiffs that Defendants' defenses in the Action
8 have merit.

9 M. The Parties believe that the Settlement is fair, reasonable and adequate. The
10 Settlement was arrived at through arm's-length negotiations, taking into account all
11 relevant factors. The Parties recognize the uncertainty, risk, expense and delay
12 attendant to continuing the Action through trial and any appeal. Accordingly, the
13 Parties desire to settle, compromise and discharge all disputes and claims arising from
14 or relating to the Action fully, finally, and forever.

15 N. The Parties agree to certification of the Class for purposes of this Settlement only. If
16 for any reason the settlement does not become effective, Defendants reserve the right
17 to contest certification of any class for any reason and reserve all available defenses
18 to the claims in the Action.

19 Based on these Recitals that are a part of this Agreement, the Parties agree as follows:

20 **III. TERMS OF AGREEMENT**

21 A. Consideration.

- 22 1. Payment by Defendants. The Parties agree that, in consideration for a full and
23 complete settlement of the Actions and the releases set forth in this Settlement,
24 Defendants will pay Nine Hundred Fifty Thousand Dollars and Zero Cents
25 (\$950,000.00) (the "Gross Settlement Amount"). The Gross Settlement
26 Amount is the maximum amount that will be paid by Defendants (except as
27 provided in this section III.A.5) and includes the Individual Settlement

1 Payments, the Service Awards, the Class Counsel Award, PAGA Payment
2 and the Claims Administration Expenses. Defendants shall separately pay the
3 employer's share of applicable payroll taxes. The Parties agree that this is a
4 non-reversionary Settlement and that no portion of the Gross Settlement
5 Amount shall revert to Defendants.

6 2. Release by the Settlement Class Members. Upon entry of final judgment and
7 funding of the Gross Settlement Amount, in exchange for the consideration
8 set forth in this Agreement, Plaintiffs and the Settlement Class Members, for
9 themselves and their estates, trusts, attorneys, heirs, successors, beneficiaries,
10 devisees, legatees, executors, administrators, trustees, conservators,
11 guardians, assigns, and representatives, will forever completely release and
12 discharge the release the Released Parties from the Released Class Claims for
13 the Class Period.

14 a) Each Settlement Class Member will be deemed to have made the
15 foregoing Release as if they had manually signed it.

16 b) The Parties intend that the releases described in this Agreement will
17 release and preclude any claim, whether by lawsuit, administrative
18 claim or action (except for administrative claims that cannot be
19 released as a matter of law), arbitration, demand, or other action of any
20 kind, by each and all of the Settlement Class Member to obtain a
21 recovery based on, and/or arising out of any and all of the Released
22 Class Claims including, without limitation, claims that were alleged,
23 or reasonably could have been alleged, based on the facts of the
24 operative complaint. The Settlement Class Members shall be notified
25 of the scope of this release in the Notice. This paragraph does not apply
26 to any Settlement Class Member who timely and validly opts out of
27 the Settlement.

1 c) The Settlement Class Members acknowledge and agree that the claims
2 for unpaid wages and unreimbursed expenses in the Action, inaccurate
3 wage statements, and untimely payment of wages in the Action, are
4 disputed and that the payments set forth herein constitute payment of
5 all sums allegedly due to them. Class Representatives, on behalf of
6 themselves and the Participating Settlement Class Members,
7 acknowledge and agree that California Labor Code Section 206.5 does
8 not apply. Section 206.5 provides in pertinent part as follows:
9 An employer shall not require the execution of any release of any
10 claim or right on account of wages due, or to become due, or made as
11 an advance on wages to be earned unless payment of those wages has
12 been made.

13 3. Release by the Aggrieved Employees. Upon entry of final judgment and
14 funding of the Gross Settlement Amount, in exchange for the consideration
15 set forth in this Agreement, the LWDA, the State of California, the Plaintiffs
16 and the Aggrieved Employees, for themselves and their estates, trusts,
17 attorneys, heirs, successors, beneficiaries, devisees, legatees, executors,
18 administrators, trustees, conservators, guardians, assigns, and representatives,
19 will release the Released Parties from the Released PAGA Claims for the
20 PAGA Period. As a result of this release, the Aggrieved Employees shall be
21 precluded from bringing claims against Defendants for the Released PAGA
22 Claims.

23 a) Each Aggrieved Employee will be deemed to have made the foregoing
24 Release as if they had manually signed it.

25 b) The Parties intend that the releases described in this Agreement will
26 release and preclude any claim, whether by lawsuit, administrative
27 claim or action, arbitration, demand, or other action of any kind, by
28

1 each and all of the Aggrieved Employee to obtain a recovery based on,
2 and/or arising out of any and all of the Released PAGA Claims
3 including, without limitation, claims that were alleged, or reasonably
4 could have been alleged, based on the facts of the operative complaint.
5 The Aggrieved Employee shall be notified of the scope of this release
6 in the Notice.

- 7 4. General Release by Class Representatives. As of the Funding Date, for the
8 consideration set forth in this Agreement, Class Representatives, for
9 themselves and their estates, trusts, attorneys, heirs, successors, beneficiaries,
10 devisees, legatees, executors, administrators, trustees, conservators,
11 guardians, assigns, and representatives, will waive, release, acquit and forever
12 discharge the Released Parties from any and all claims, known or unknown.
13 Class Representatives waive all rights and benefits afforded by section 1542
14 of the Civil Code. Section 1542 provides:

15
16 ***A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS***
17 ***THAT THE CREDITOR OR RELEASING PARTY DOES NOT***
18 ***KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT***
19 ***THE TIME OF EXECUTING THE RELEASE AND THAT, IF***
20 ***KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY***
21 ***AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR***
22 ***OR RELEASED PARTY.***

23
24 Thus, notwithstanding the provisions of section 1542, and to implement a full
25 and complete release and discharge of the Released Parties, Class
26 Representatives expressly acknowledge this Settlement Agreement is
27 intended to include in its effect, without limitation, all claims Class

Representatives do not know or suspect to exist in Class Representatives' favor at the time of signing this Settlement Agreement, and that this Settlement Agreement contemplates the extinguishment of any such claims. Class Representatives warrant that Class Representatives have read this Settlement Agreement, including this waiver of California Civil Code section 1542, and that Class Representatives have consulted with or had the opportunity to consult with counsel of Class Representatives' choosing about this Settlement Agreement and specifically about the waiver of section 1542, and that Plaintiffs understand this Settlement Agreement and the section 1542 waiver, and so Class Representatives freely and knowingly enter into this Settlement Agreement. Class Representatives further acknowledge that Class Representatives later may discover facts different from or in addition to those Class Representatives now know or believe to be true regarding the matters released or described in this Settlement Agreement, and even so Class Representatives agree that the releases and agreements contained in this Settlement Agreement shall remain effective in all respects notwithstanding any later discovery of any different or additional facts. Class Representatives expressly assume any and all risk of any mistake in connection with the true facts involved in the matters, disputes, or controversies released or described in this Settlement Agreement or with regard to any facts now unknown to Class Representatives relating thereto.

5. Class Size. Defendants estimate that the Settlement Class was comprised of 250 individuals who collectively worked approximately 31,473 workweeks ("Projected Workweeks") during the Class Period. One week prior to Class Representatives' deadline to file his Motion for Preliminary Approval of the Settlement, Defendants shall confirm the number of Class Members and the number of Workweeks. If the actual number of Workweeks worked during

1 the Class Period exceeds the above number by more than 10%, then
2 Defendants shall, at their option, either (a) increase the GSA proportionally
3 by the workweeks in excess of 31,473 multiplied by the workweek value; or
4 (b) cap the Class Period as of the date that the 10% of workweeks is exceeded.
5 In the event Defendants choose option (a) to increase the GSA, the workweek
6 value shall be calculated by dividing the GSA by 31,473. The Parties agree
7 that the workweek value amounts to and the settlement amounts to \$30.18 per
8 workweek (\$950,000.00 / 31,473 workweeks). Thus, for example, should
9 there be 35,473 workweeks in the Class Period, then the GSA shall be
10 increased by \$120,720.00. (35,473 workweeks – 31,473 workweeks) x
11 \$30.18/workweek.

12 6. Settlement Payment. Defendants shall deposit the Gross Settlement Amount
13 into the QSF by the Funding Date. Any interest that accrues will be added to
14 the NSA and will be distributed pro rata to the Settlement Class Members and
15 Aggrieved Employees. If no funds are distributed (e.g., because final approval
16 is reversed on appeal) then Defendants are entitled to prompt return of the
17 principal and all interest accrued.

18 B. Nullification of Settlement Agreement. If a) Defendants fail to fully fund the Gross
19 Settlement Amount, b) the number of putative class members opting out of the
20 settlement represents a figure of 10% or more workweeks (i.e., the workweeks opting
21 out of the settlement meets or exceeds 3,147 workweeks), or c) Defendants are unable
22 to obtain the releases set forth above because, *inter alia*, the Court denies the motion
23 for preliminary or final approval of the Settlement Agreement, or if the Court's order
24 granting approval is reversed, withdrawn or modified, then:

25 1. This Settlement Agreement shall be void *ab initio* and of no force or effect,
26 and shall not be admissible in any judicial, administrative or arbitral
27

proceeding for any purpose or with respect to any issue, substantive or procedural;

2. The conditional class certification (obtained for any purpose) shall be void *ab initio* and of no force or effect, and shall not be admissible in any judicial, administrative or arbitral proceeding for any purpose or with respect to any issue, substantive or procedural; and

3. None of the Parties to this Settlement will be deemed to have waived any claims, objections, defenses or arguments in the Action, including with respect to the issue of class certification.

4. If the Agreement is nullified due to Defendants' failure to fully fund the Gross Settlement Amount, then Defendants shall bear the sole responsibility for any cost to issue or reissue any curative notice to the Settlement Class Members and all Claims Administration Expenses incurred to the date of nullification. If the Agreement is nullified for any other reason, both Parties shall equally bear the responsibility for any cost to issue or reissue any curative notice to the Settlement Class Members and all Claims Administration Expenses incurred to the date of nullification.

C. Certification of the Settlement Class. The Parties stipulate to conditional class certification of the Settlement Class for purposes of settlement only.

D. Tax Liability. The Parties make no representations as to the tax treatment or legal effect of the payments called for, and Class Members and/or Aggrieved Employees are not relying on any statement or representation by the Parties in this regard. Defendants' share of payroll taxes will be paid by Defendants separate from and in addition to the GSA.

E. Circular 230 Disclaimer. Each Party to this Agreement (for purposes of this section, the "acknowledging party" and each Party to this Agreement other than the acknowledging party, an "other party") acknowledges and agrees that: (1) no provision

1 of this Agreement, and no written communication or disclosure between or among the
2 Parties or their attorneys and other advisers, is or was intended to be, nor shall any
3 such communication or disclosure constitute or be construed or be relied upon as, tax
4 advice within the meaning of United States Treasury Department circular 230 (31 CFR
5 part 10, as amended); (2) the acknowledging party (a) has relied exclusively upon his,
6 her or its own, independent legal and tax counsel for advice (including tax advice) in
7 connection with this Agreement, (b) has not entered into this Agreement based upon
8 the recommendation of any other Party or any attorney or advisor to any other Party,
9 and (c) is not entitled to rely upon any communication or disclosure by any attorney
10 or adviser to any other party to avoid any tax penalty that may be imposed on the
11 acknowledging party, and (3) no attorney or adviser to any other Party has imposed
12 any limitation that protects the confidentiality of any such attorney's or adviser's tax
13 strategies (regardless of whether such limitation is legally binding) upon disclosure by
14 the acknowledging party of the tax treatment or tax structure of any transaction,
15 including any transaction contemplated by this Agreement.

16 F. Preliminary Approval Motion. No later than 45 days after this Settlement Agreement
17 is fully executed, Plaintiffs shall file with the Court a Motion for Order Granting
18 Preliminary Approval and supporting papers, which shall include this Settlement
19 Agreement. Plaintiffs will provide Defendants with a draft of the Motion at least three
20 (3) business days prior to the filing of the Motion to give Defendants an opportunity
21 to propose changes or additions to the Motion.

22 G. Settlement Administrator. The Settlement Administrator shall perform all duties
23 related to the administration of the Settlement as described in this Agreement
24 including, without limitation, establishing and administering the QSF; calculating,
25 processing and mailing payments to the Class Representatives, Class Counsel, LWDA
26 Aggrieved Employees and Class Members; printing and mailing the Notice Packets to
27 the Class Members and Aggrieved Employees as directed by the Court; receiving and

1 reporting the objections and requests for exclusion; calculating, deducting and
2 remitting all legally required taxes from Individual Settlement Payments and
3 distributing tax forms for the Wage Portion, the Penalties Portion and the Interest
4 Portion of the Individual Settlement Payments and/or Aggrieved Employees'
5 individual shares of the Aggrieved Employee Payment; processing and mailing tax
6 payments to the appropriate state and federal taxing authorities; providing
7 declaration(s) as necessary in support of preliminary and/or final approval of this
8 Settlement; and other tasks as the Parties mutually agree or the Court orders the
9 Settlement Administrator to perform. The Settlement Administrator shall keep the
10 Parties timely apprised of the performance of all Settlement Administrator
11 responsibilities by among other things, sending a weekly status report to the Parties'
12 counsel stating the date of the mailing, the of number of Elections Not to Participate
13 in Settlement it receives (including the numbers of valid and deficient), and number of
14 objections received.

15 H. Notice Procedure.

- 16 1. Class Data. No later than ten (10) business days after Defendant receives
17 notice of an order granting preliminary approval of this Settlement,
18 Defendants shall provide the Settlement Administrator with the Class Data for
19 purposes of preparing and mailing Notice Packets to the Class Members. The
20 Class Data will be presumed to be correct unless a particular Class Member
21 proves otherwise to the Settlement Administrator by credible written
22 evidence. All Workweek disputes will be resolved and decided by the
23 Settlement Administrator, and the Settlement Administrator's decision on all
24 Workweek disputes is final and non-appealable. The Class Data provided to
25 the Settlement Administrator will not be provided to Class Counsel, and it will
26 remain confidential; it shall be used solely to administer the Settlement, and
27 it will not be used or disclosed to anyone except as required by applicable tax

1 authorities, pursuant to Defendant's express written consent, or by order of
2 the Court.

3 2. Notice Packets.

4 a) The Notice Packet shall contain the Notice of Class Action Settlement
5 in a form substantially similar to **Exhibit A**. The Notice of Class
6 Action Settlement shall inform Class Members and Aggrieved
7 Employees that they need not do anything in order to receive their
8 payment and to keep the Settlement Administrator apprised of any
9 changes to their mailing address. The Notice of Class Action
10 Settlement shall set forth the scope of the release. Each Notice shall
11 state the number of Workweeks and PAGA Pay Periods, if any, and
12 the estimated amount of their Individual Settlement Payment and each
13 Aggrieved Employee's individual share of the Aggrieved Employee
14 Payment, if any. The Settlement Administrator shall use the Class
15 Data to determine the number of Workweeks and PAGA Pay Periods.
16 The Notice will also advise the Aggrieved Employees that they will
17 release the Released PAGA Claims and will receive their share of the
18 Aggrieved Employee Payment regardless of whether they request to
19 be excluded from the Settlement.

20 b) The Notice Packet's mailing envelope shall include the following
21 language: "IMPORTANT LEGAL DOCUMENT- YOU MAY BE
22 ENTITLED TO PARTICIPATE IN A CLASS ACTION
23 SETTLEMENT; A PROMPT REPLY TO CORRECT YOUR
24 ADDRESS IS REQUIRED AS EXPLAINED IN THE ENCLOSED
25 NOTICE."
26

27 ///

- 1 3. Notice by First Class U.S. Mail. Upon receipt of the Class Data, the
2 Settlement Administrator will perform a search based on the National Change
3 of Address Database to update and correct any known or identifiable address
4 changes. No later than twenty-one (21) calendar days after preliminary
5 approval of the Settlement, the Settlement Administrator shall mail copies of
6 the Notice Packet to all Class Members via regular First-Class U.S. Mail. The
7 Settlement Administrator shall exercise its best judgment to determine the
8 current mailing address for each Class Member. The address identified by the
9 Settlement Administrator as the current mailing address shall be presumed to
10 be the best mailing address for each Class Member.
- 11 4. Undeliverable Notices. Any Notice Packets returned to the Settlement
12 Administrator as non-delivered on or before the Response Deadline shall be
13 re-mailed to any forwarding address provided. If no forwarding address is
14 provided, the Settlement Administrator shall promptly attempt to determine a
15 correct address by lawful use of skip-tracing, or other search using the name,
16 address and/or Social Security number of the Class Member involved, and
17 shall then perform a re-mailing, if another mailing address is identified by the
18 Settlement Administrator. In addition, if any Notice Packets, which are
19 addressed to Class Members who are currently employed by Defendants, are
20 returned to the Settlement Administrator as non-delivered and no forwarding
21 address is provided, the Settlement Administrator shall notify Defendants.
22 Defendants will request that the currently employed Class Member provide a
23 corrected address and transmit to the Administrator any corrected address
24 provided by the Class Member. Class Members who received a re-mailed
25 Notice Packet shall have their Response Deadline extended fifteen (15) days
26 from the original Response Deadline.

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1 5. Disputes Regarding Individual Settlement Payments. Class Members will
2 have the opportunity to dispute the Class Data by providing documentation
3 and/or an explanation regarding the dispute. If there is a dispute, the
4 Settlement Administrator will consult with the Parties to determine whether
5 an adjustment is warranted. The Settlement Administrator shall determine the
6 eligibility for, and the amounts of, any Individual Settlement Payments under
7 the terms of this Agreement. The Settlement Administrator's determination
8 of the eligibility for and amount of any Individual Settlement Payment shall
9 be binding upon the Class Member and the Parties.

10 6. Disputes Regarding Administration of Settlement. Any disputes not resolved
11 by the Settlement Administrator concerning the administration of the
12 Settlement will be resolved by the Court under the laws of the State of
13 California. Before any such involvement of the Court, counsel for the Parties
14 will confer in good faith to resolve the disputes without the necessity of
15 involving the Court.

16 7. Exclusions. The Notice of Class Action Settlement contained in the Notice
17 Packet shall state that Class Members who wish to exclude themselves from
18 the Settlement must submit a written request for exclusion by the Response
19 Deadline. The written request for exclusion must state that the Class Member
20 wishes to exclude himself or herself from the Settlement and (1) must contain
21 the name, address, and the last four digits of the Social Security number of the
22 person requesting exclusion; (2) must be signed by the Class Member; (3)
23 must be postmarked or fax stamped by the Response Deadline and returned to
24 the Settlement Administrator at the specified address or fax telephone number;
25 and (4) contain a typewritten or handwritten notice stating in substance: "I
26 wish to opt out of the settlement of the class action lawsuit entitled *Castro v.*
27 *ConvergeOne, Inc. et al.*, current pending in San Bernardino County Superior

1 Court, Case No. CIVSB2305464. I understand that by requesting to be
2 excluded from the settlement, I will receive no money from the Settlement
3 described in this Notice.” The request for exclusion will not be valid if it is
4 not timely submitted, if it is not signed by the Class Member, or if it does not
5 contain the name and address and last four digits of the Social Security number
6 of the Class Member. The date of the postmark on the mailing envelope or
7 fax stamp on the request for exclusion shall be the exclusive means used to
8 determine whether the request for exclusion was timely submitted. Any Class
9 Member who requests to be excluded from the Settlement Class will not be
10 entitled to an Individual Settlement Payment and will not be otherwise bound
11 by the terms of the Settlement or have any right to object, appeal or comment
12 thereon. However, any Class Member that submits a timely request for
13 exclusion that is also a member of the Aggrieved Employees will still receive
14 his/her pro rata share of the PAGA Settlement, as specified below, and in
15 consideration, will be bound by the Release by the Aggrieved Employees as
16 set forth herein. Settlement Class Members who fail to submit a valid and
17 timely written request for exclusion on or before the Response Deadline shall
18 be bound by all terms of the Settlement and any final judgment entered in this
19 Action if the Settlement is approved by the Court. No later than fourteen (14)
20 calendar days after the Response Deadline, the Settlement Administrator shall
21 provide counsel for the Parties with a final list of the Class Members who have
22 timely submitted written requests for exclusion. At no time shall any of the
23 Parties or their counsel seek to solicit or otherwise encourage members of the
24 Class to submit requests for exclusion from the Settlement.

- 25 8. Objections. The Notice of Class Action Settlement contained in the Notice
26 Packet shall state that Class Members who wish to object to the Settlement
27 may submit to the Settlement Administrator a written statement of objection

(“Notice of Objection”) by the Response Deadline. The postmark date of mailing shall be deemed the exclusive means for determining that a Notice of Objection was served timely. The Notice of Objection, if in writing, must be signed by the Settlement Class Member and state: (1) the case name and number; (2) the name of the Settlement Class Member; (3) the address of the Settlement Class Member; (4) the last four digits of the Settlement Class Member’s Social Security number; (5) the basis for the objection; and (6) if the Settlement Class Member intends to appear at the Final Approval/Settlement Fairness Hearing. Class Members who fail to make objections in writing in the manner specified above may still make their objections orally at the Final Approval/Settlement Fairness Hearing with the Court’s permission. Settlement Class Members will have a right to appear at the Final Approval/Settlement Fairness Hearing to have their objections heard by the Court regardless of whether they submitted a written objection. At no time shall any of the Parties or their counsel seek to solicit or otherwise encourage Class Members to file or serve written objections to the Settlement or appeal from the Order and Final Judgment. Class Members who submit a written request for exclusion may not object to the Settlement. Class Members may not object to the PAGA Payment. The Parties may file a response to any objections at least five (5) court days before the date of the Final Approval Hearing.

I. Funding and Allocation of the Gross Settlement Amount. Defendants are required to pay the Gross Settlement Amount, plus any employer’s share of payroll taxes either ninety (90) days after the Court enters an order of final approval of the settlement, or October 15, 2025, which ever date is later.

1. Calculation of Individual Settlement Payments. Individual Settlement Payments shall be paid from the Net Settlement Amount and shall be paid

pursuant to the formula set forth herein. Using the Class Data, the Settlement Administrator shall add up the total number of Workweeks for all Class Members. The respective Workweeks for each Class Member will be divided by the total Workweeks for all Class Members, resulting in the Payment Ratio for each Class Member. Each Class Member's Payment Ratio will then be multiplied by the Net Settlement Amount to calculate each Class Member's estimated Individual Settlement Payments. Each Individual Settlement Payment will be reduced by any legally mandated employee tax withholdings (e.g., employee payroll taxes, etc.). Individual Settlement Payments for Class Members who submit valid and timely requests for exclusion will be redistributed to Settlement Class Members who do not submit valid and timely requests for exclusion on a pro rata basis based on their respective Payment Ratios.

2. Calculation of Individual Payments to the Aggrieved Employees. Using the Class Data, the Settlement Administrator shall add up the total number of PAGA Pay Periods for all Aggrieved Employees during the PAGA Period. The respective PAGA Pay Periods for each Aggrieved Employee will be divided by the total PAGA Pay Periods for all Aggrieved Employees, resulting in the "PAGA Payment Ratio" for each Aggrieved Employee. Each Aggrieved Employee's PAGA Payment Ratio will then be multiplied by the Aggrieved Employee's Portion of the PAGA Payment, \$12,500.00 (25% of \$50,000.00), to calculate each Aggrieved Employee's estimated share of the PAGA Payment.

3. Allocation of Individual Settlement Payments. For tax purposes, Individual Settlement Payments shall be allocated and treated as 20% wages ("Wage Portion") and 80% penalties pre-judgment interest ("Penalties and Interest Portion"). The Wage Portion of the Individual Settlement Payments shall be

1 reported on IRS Form W-2 and the Penalty and Interest Portions of the
2 Individual Settlement Payments shall be reported on IRS Form 1099 issued
3 by the Settlement Agreement.

4 4. Allocation of Aggrieved Employee Payments. For tax purposes, Aggrieved
5 Employee Payments shall be allocated and treated as 100% penalties and shall
6 be reported on IRS Form 1099.

7 5. No Credit Toward Benefit Plans. The Individual Settlement Payments and
8 individual shares of the PAGA Payment made to Settlement Class Members
9 and/or Aggrieved Employees under this Settlement Agreement, as well as any
10 other payments made pursuant to this Settlement Agreement, will not be
11 utilized to calculate any additional benefits under any benefit plans to which
12 any Class Members may be eligible, including, but not limited to profit-
13 sharing plans, bonus plans, 401(k) plans, stock purchase plans, vacation plans,
14 sick leave plans, PTO plans, and any other benefit plan. Rather, it is the
15 Parties' intention that this Settlement Agreement will not affect any rights,
16 contributions, or amounts to which any Class Members may be entitled under
17 any benefit plans.

18 6. All monies received by Settlement Class Members under the Settlement which
19 are attributable to wages shall constitute income to such Settlement Class
20 Members solely in the year in which such monies actually are received by the
21 Settlement Class Members. It is the intent of the Parties that Individual
22 Settlement Payments and Aggrieved Employee Payments provided for in this
23 Settlement Agreement are the sole payments to be made by Defendants to
24 Settlement Class Members and/or Aggrieved Employees in connection with this
25 Settlement Agreement, with the exception of Plaintiffs, and that the Settlement
26 Class Members and/or Aggrieved Employees are not entitled to any new or
27

1 additional compensation or benefits as a result of having received the Individual
2 Settlement Payments and/or their shares of the Aggrieved Employee Payment.

3 7. Mailing. Individual Settlement Payments and Aggrieved Employee Payments
4 shall be mailed by regular First-Class U.S. Mail to Settlement Class Members'
5 and/or Aggrieved Employees' last known mailing address no later than
6 fourteen (14) calendar days after the Funding Date.

7 8. Expiration. Any checks issued to Settlement Class Members and Aggrieved
8 Employees shall remain valid and negotiable for one hundred and eighty (180)
9 days from the date of their issuance. If a Settlement Class Member and/or
10 Aggrieved Employee does not cash his or her settlement check within ninety
11 (90) days, the Settlement Administrator will send a letter to such persons,
12 advising that the check will expire after the 180th day, and invite that
13 Settlement Class Member and/or Aggrieved Employee to request reissuance
14 in the event the check was destroyed, lost or misplaced. In the event an
15 Individual Settlement Payment and/or Aggrieved Employee's individual
16 share of the PAGA Payment check has not been cashed within one hundred
17 and eighty (180) days, all funds represented by such uncashed checks, plus
18 any interest accrued thereon, shall be paid to State Controller's Unclaimed
19 Property Fund in the name of the Class Member who did not claim the funds.

20 9. Service Awards. In addition to the Individual Settlement Payment as a
21 Settlement Class Member and their individual shares of the Aggrieved
22 Employee Payment, the Class Representatives will apply to the Court for
23 awards of not more than \$10,000.00 to each Class Representative as the
24 Service Awards. Defendants will not oppose a Service Awards of not more
25 than \$10,000.00 for each Class Representative. The Settlement Administrator
26 shall pay the Service Awards, either in the amount stated herein if approved
27 by the Court or some other amount as approved by the Court, to Class

Representatives from the Gross Settlement Amount no later than fourteen (14) calendar days after the Funding Date. Any portion of the requested Service Awards that is not awarded to the Class Representatives shall be part of the Net Settlement Amount and shall be distributed to Settlement Class Members as provided in this Agreement. The Settlement Administrator shall issue an IRS Form 1099 — MISC to Class Representatives for his Service Awards. Class Representatives shall be solely and legally responsible to pay any and all applicable taxes on his Service Awards and shall hold harmless the Released Parties from any claim or liability for taxes, penalties, or interest arising as a result of the Service Awards. Approval of this Settlement shall not be conditioned on Court approval of the requested amount of the Service Awards. If the Court reduces or does not approve the requested Service Awards, Class Representatives shall not have the right to revoke the Settlement, and it will remain binding.

10. Class Counsel Award. Defendants will not object to Class Counsel filing a motion for Class Counsel Award not to exceed one-third of the Gross Settlement Amount (currently estimated to be \$316,666.66) and attorneys' expenses supported by declaration not to exceed Thirty Thousand Dollars (\$30,000.00). Any awarded Class Counsel Award shall be paid from the Gross Settlement Amount. Any portion of the requested Class Counsel Award that are not awarded to Class Counsel shall be added to the Net Settlement Amount and shall be distributed to Settlement Class Members as provided in this Agreement. The Settlement Administrator shall allocate and pay the Class Counsel Award to Class Counsel from the Gross Settlement Amount no later than fourteen (14) calendar days after the Funding Date. Class Counsel shall be solely and legally responsible to pay all applicable taxes on the payment made pursuant to this paragraph. The Settlement Administrator shall issue an

1 IRS Form 1099 — MISC to Class Counsel for the payments made pursuant to
2 this paragraph. In the event that the Court reduces or does not approve the
3 requested Class Counsel Award, Plaintiffs and Class Counsel shall not have
4 the right to revoke the Settlement, or to appeal such order, and the Settlement
5 will remain binding.

6 11. PAGA Payment. Fifty Thousand Dollars (\$50,000.00) shall be allocated from
7 the Gross Settlement Amount for settlement of claims for civil penalties under
8 the Private Attorneys General Act of 2004. The Settlement Administrator shall
9 pay seventy-five percent (75%) of the PAGA Payment (\$37,500.00) to the
10 California Labor and Workforce Development Agency no later than fourteen
11 (14) calendar days after the Funding Date. Twenty-five percent (25%) of the
12 PAGA Payment (\$12,500.00) will be distributed to the Aggrieved Employees
13 as described in this Agreement. For purposes of distributing the PAGA
14 Payment to the Aggrieved Employees, each Aggrieved Employee shall
15 receive their pro-rata share of the Aggrieved Employee Payment using the
16 PAGA Payment Ratio as defined above.

17 12. Claims Administration Expenses. The Settlement Administrator shall be paid
18 for the actual costs of administration of the Settlement from the Gross
19 Settlement Amount. The estimate of the Administration Costs is \$6,500.00.
20 The Settlement Administrator shall be paid the Claims Administration
21 Expenses no later than fourteen (14) calendar days after the Funding Date.

22 B. Final Approval Motion. Class Counsel and Plaintiffs shall use best efforts to file with
23 the Court a Motion for Order Granting Final Approval and Entering Judgment, within
24 twenty-eight (28) days following the expiration of the Response Deadline, which
25 motion shall request final approval of the Settlement and a determination of the
26 amounts payable for the Service Awards, the Class Counsel Award, the PAGA
27 Payment, and the Claims Administration Expenses. Plaintiffs will provide Defendants

1 with a draft of the Motion at least three (3) business days prior to the filing of the
2 Motion to give Defendants an opportunity to propose changes or additions to the
3 Motion.

4 1. Declaration by Settlement Administrator. No later than seven (7) days after
5 the Response Deadline, the Settlement Administrator shall submit a
6 declaration in support of Plaintiffs' motion for final approval of this
7 Settlement detailing the number of Notice Packets mailed and re-mailed to
8 Class Members, the number of undeliverable Notice Packets, the number of
9 timely requests for exclusion, the number of objections received, the amount
10 of the average Individual Settlement Payment and highest Individual
11 Settlement Payment, the Claims Administration Expenses, and any other
12 information as the Parties mutually agree or the Court orders the Settlement
13 Administrator to provide.

14 2. Final Approval Order and Judgment. Class Counsel shall present an Order
15 Granting Final Approval of Class Action Settlement to the Court for its
16 approval, and Judgment thereon, at the time Class Counsel files the Motion
17 for Final Approval.

18 N. Cooperation. The Parties and their counsel will cooperate with each other and use
19 their best efforts to implement the Settlement.

20 O. Interim Stay of Proceedings. The Parties agree to stay all proceedings in the Action,
21 except such proceedings necessary to implement and complete the Settlement, pending
22 the Final Approval/Settlement Fairness Hearing to be conducted by the Court.

23 11.2. Confidentiality Prior to Preliminary Approval. Plaintiff, Class Counsel, Defendant
24 and Defense Counsel separately agree that, until the Motion for Preliminary Approval of Settlement
25 is filed, they and each of them will not disclose, disseminate and/or publicize, or cause or permit
26 another person to disclose, disseminate or publicize, any of the terms of the Agreement directly or
27 indirectly, specifically or generally, to any person, corporation, association, government agency, or

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

16 P. Continuing Jurisdiction. The Court shall retain continuing jurisdiction over this Action
17 under California Code of Civil Procedure section 664.6 to ensure the continuing
18 implementation of the provisions of this Settlement and that the time within which to
19 bring this Action to trial under California Code of Civil Procedure section 583.310
20 shall be extended from the date of signing of this Agreement by all Parties until the
21 entry of the Final Approval Order and Judgment or if not entered, the date this
22 Agreement shall not longer be of any force or effect.

23 Q. Amendment or Modification. This Agreement may be amended or modified only by
24 a written instrument signed by counsel for all Parties or their successors-in-interest.

25 R. Entire Agreement. This Agreement and any attached Exhibit constitute the entire
26 Agreement among these Parties, and no oral or written representations, warranties or
27 inducements have been made to any Party concerning this Agreement or its Exhibit

other than the representations, warranties and covenants contained and memorialized in this Agreement and its Exhibit.

S. Authorization to Enter into Settlement Agreement. Counsel for all Parties warrant and represent they are expressly authorized by the Parties whom they represent to negotiate this Agreement and to take all appropriate Action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents required to effectuate the terms of this Agreement. The persons signing this Agreement on behalf of Defendants represents and warrants that he/she is authorized to sign this Agreement on behalf of Defendants. Plaintiffs represents and warrants that he is authorized to sign this Agreement and that he has not assigned any claim, or part of a claim, covered by this Settlement to a third-party.

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

U. California Law Governs. All terms of this Agreement and the Exhibit and any disputes shall be governed by and interpreted according to the laws of the State of California.

V. Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronic signature, or e-mail, for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them shall be deemed to be one and the same instrument provided that counsel for the Parties to this Agreement shall exchange among themselves copies or originals of the signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

W. Court Filings. The Parties shall not object to any Court filings consistent with this Agreement.

X. Disputes. Any disputes between the Parties as to the remaining terms of the Settlement Agreement shall be presented to the mediator Steven Rottman, Esq. for resolution.

///

- 1 Y. This Settlement Is Fair, Adequate and Reasonable. The Parties believe this Settlement
2 is a fair, adequate and reasonable settlement of this Action and have arrived at this
3 Settlement after extensive arms-length negotiations, taking into account all relevant
4 factors, present and potential.
- 5 Z. Notice of Settlement to LWDA. Class Counsel shall provide notice of this Settlement
6 Agreement to the Labor Workforce Development Agency (“LWDA”) as required by
7 Labor Code Section 2699(l)(2).
- 8 AA. Jurisdiction of the Court. The Parties agree that the Court shall retain jurisdiction with
9 respect to the interpretation, implementation and enforcement of the terms of this
10 Agreement and all orders and judgments entered in connection therewith, and the
11 Parties and their counsel submit to the jurisdiction of the Court for purposes of
12 interpreting, implementing and enforcing the settlement and all orders and judgments
13 entered in connection with this Agreement.
- 14 BB. Invalidity of Any Provision. Before declaring any provision of this Agreement invalid,
15 the Court shall first attempt to construe the provisions valid to the fullest extent
16 possible consistent with applicable precedents so as to define all provisions of this
17 Agreement valid and enforceable.
- 18 CC. No Unalleged Claims. Plaintiffs and Class Counsel represent that they do not currently
19 intend to pursue any claims against the Released Parties, including, but not limited to,
20 any and all claims relating to or arising from Plaintiffs’ employment with Defendants,
21 regardless of whether Class Counsel is currently aware of any facts or legal theories
22 upon which any claims or causes of action could be brought against Released Parties,
23 including those facts or legal theories alleged in the operative complaint in this Action.
24 The Parties further acknowledge, understand and agree that this representation is
25 essential to the Agreement and that this Agreement would not have been entered into
26 were it not for this representation.

27 ///

DD. Waiver of Certain Appeals. The Parties agree to waive appeals and to stipulate to class certification for purposes of this settlement only.

EE. No Admissions by the Parties. Plaintiffs have claimed and continue to claim that the Released Claims have merit and give rise to liability on the part of Defendants. Defendants claim that the Released Claims have no merit and do not give rise to liability. This Agreement is a compromise of disputed claims. Nothing contained in this Agreement and no documents referred to and no action taken to carry out this Agreement may be construed or used as an admission by or against the Defendants or Plaintiffs or Class Counsel as to the merits or lack thereof of the claims asserted. Other than as may be specifically set forth herein, each Party shall be responsible for and shall bear their own attorney's fees and costs.

IT IS SO AGREED, FORM AND CONTENT, BY PLAINTIFFS:

DATED: 10/28/2024

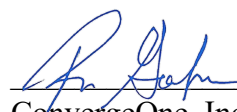

Rodolfo Garcia

DATED: _____

Adrian Castro

IS SO AGREED, FORM AND CONTENT, BY DEFENDANTS:

DATED: November 4, 2024


ConvergeOne, Inc.

Rui Goncalves

Printed Name

Chief Legal Officer

Title

1 DD. Waiver of Certain Appeals. The Parties agree to waive appeals and to stipulate to class
2 certification for purposes of this settlement only.

3 EE. No Admissions by the Parties. Plaintiffs have claimed and continue to claim that the
4 Released Claims have merit and give rise to liability on the part of Defendants.
5 Defendants claim that the Released Claims have no merit and do not give rise to
6 liability. This Agreement is a compromise of disputed claims. Nothing contained in
7 this Agreement and no documents referred to and no action taken to carry out this
8 Agreement may be construed or used as an admission by or against the Defendants or
9 Plaintiffs or Class Counsel as to the merits or lack thereof of the claims asserted. Other
10 than as may be specifically set forth herein, each Party shall be responsible for and
11 shall bear their own attorney's fees and costs.

12 IT IS SO AGREED, FORM AND CONTENT, BY PLAINTIFFS:

13
14 DATED: 10/28/2024


Rodolfo Garcia (SCT 28, 2024 1:00:38 PM)

Rodolfo Garcia

15
16 DATED: 11/1/24



Adrian Castro

17
18 IS SO AGREED, FORM AND CONTENT, BY DEFENDANTS:

19
20 DATED: _____

ConvergeOne, Inc.

21
22
23
24 Printed Name

25
26 Title

1
2 DATED: November 4, 2024



AAA Network Solutions, Inc.

3
4
5 Rui Goncalves

6 Printed Name

7 Chief Legal Officer

8 Title

9
10 IT IS SO AGREED AS TO FORM BY COUNSEL:

11
12 DATED: October 28, 2024

JCL LAW FIRM, A.P.C.

13 By: 

Jean-Claude Lapuyade, Esq.

14 Attorneys for Plaintiffs and the Settlement Class
15 Members

16
17 DATED: October 28, 2024

ZAKAY LAW GROUP, APLC

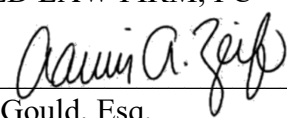
18 By: 

Shani O. Zakay, Esq.

19 Attorneys for Plaintiffs and the Settlement Class
20 Members

21
22 DATED: 11/4/24

THE GOULD LAW FIRM, PC

23 By: 

Michael A. Gould, Esq.

24 Aarin A. Zeif

25 Attorneys for Plaintiffs and the Settlement Class
26 Members

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DATED: November 4, 2024

FISHER & PHILLIPS LLP

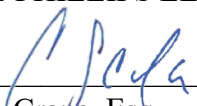
By: 
Andrew C. Crane, Esq.
Caroline Scala, Esq.
Attorneys for Defendants

EXHIBIT A

**NOTICE OF PENDENCY OF CLASS AND REPRESENTATIVE ACTION SETTLEMENT
AND FINAL HEARING DATE**

(Adrian Castro v. Convergeone, Inc., et al., San Bernardino Superior Court Case No. CIVSB2305464)

**YOUR LEGAL RIGHTS MAY BE AFFECTED WHETHER YOU ACT OR DO NOT ACT. PLEASE
READ THIS NOTICE CAREFULLY.**

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:	
Do Nothing and Receive a Payment	To receive a cash payment from the Settlement, you do not have to do anything. Your estimated Individual Settlement Payment is: \$<[REDACTED]>. See the explanation below. After final approval by the Court, the payment will be mailed to you at the same address as this notice. If your address has changed, please notify the Settlement Administrator as explained below. In exchange for the settlement payment, you will release claims against the Defendants as detailed below.
Exclude Yourself	If you wish to exclude yourself from the Settlement, you must send a written request for exclusion to the Settlement Administrator as provided below. If you request exclusion, you will receive no money from the Settlement . Instructions are set forth below.
Object	You may write to the Court about why you believe the settlement should not be approved. Directions are provided below.

1. Why did I get this Notice?

A proposed class action settlement (the “Settlement”) of this lawsuit pending in the Superior Court for the State of California, County of San Bernardino (the “Court”) has been reached between Plaintiff Rodolfo Garcia and Plaintiff Adrian Castro (“Plaintiffs”) and Defendants ConvergeOne, Inc., and AAA Network Solutions, Inc. (“Defendants”). The Court has granted preliminary approval of the Settlement. **You may be entitled to receive money from this Settlement.**

You have received this Class Notice because you have been identified as a member of the Class.

The Class is defined as:

All non-exempt employees employed by Defendant ConvergeOne, Inc., and AAA Network Solutions, Inc. in California at any time between July 17, 2019 through July 2024 (“Class Period”).

This Class Notice explains the lawsuit, the Settlement, and your legal rights. It is important that you read this Notice carefully as your rights may be affected by the Settlement.

2. What is this class action lawsuit about?

On October 13, 2022, Plaintiff Adrian Castro filed a Notice of Violations with the Labor and Workforce Development Agency (LWDA) and served the same on Defendants. On March 1, 2023, Plaintiff Castro filed a representative action for violations of PAGA in the San Bernardino Superior Court (Labor Code §§ 2698 *et seq.*) (“*Castro Action*”).

On July 17, 2023, Plaintiff Garcia filed a Complaint against Defendants in the Superior Court of the State of California, County of Orange, asserting causes of action for: (1) Unfair Competition (Bus. & Prof. Code §§ 17200 *et seq.*); (2) Failure to Pay Minimum Wages (Labor Code §§ 1194, 1197 and 1197.1); (3) Failure to Pay Overtime Wages (Labor Code §§ 510 *et seq.*); (4) Failure to Provide Required Meal Periods (Labor Code §§ 226.7, 512 and the applicable Wage Order); (5) Failure to Provide Required Rest Periods (Labor Code §§ 226.7, 516 and the applicable wage order); (6) Failure to Provide Wages When Due (Labor Code §§ 201, 202, 203); (7) Failure to Provide Accurate Itemized Statements (Labor Code § 226 and 226.2 *et seq.*); and (8) Failure to Reimburse Employees for Required Expenses (Labor Code § 2802) (“*Garcia Action*”). On July 17, 2023, Plaintiff Garcia filed a Notice of Violations with the Labor and Workforce Development Agency (LWDA) and served the same on Defendants. On October 2, 2023, Plaintiff Garcia filed a First Amended Complaint adding an additional cause of action for: Violations of the Private Attorneys General Act (Labor Code §§ 2698 *et seq.*) (“PAGA”). On MONTH XX, 2024, the Parties stipulated to the filing of a First Amended Complaint for purposes of adding Plaintiff Garcia as a named plaintiff to the *Castro Action*.

Defendants expressly deny any liability or wrongdoing of any kind associated with the claims alleged in the Action, dispute any wages, damages and penalties claimed by the Class Representatives are owed, and further contend that, for any purpose other than settlement, the Action is not appropriate for class or representative action treatment. Defendants contend, among other things, that at all times they complied with the California Labor Code and the Industrial Welfare Commission Wage Orders.

On July 11, 2024, the Parties participated in an all-day mediation with Steven Rottman, Esq., a mediator of wage and hour class actions. The mediation concluded with a settlement. The Court granted preliminary approval of the Settlement on <<INSERT PRELIMINARY APPROVAL DATE>>. At that time, the Court also preliminarily approved the Plaintiffs to serve as the Class Representatives, and the law firms of JCL Law Firm, APC, Zakay Law Group, APLC, and The Gould Law Firm to serve as Class Counsel.

3. What are the terms of the Settlement?

Gross Settlement Amount. Defendants have agreed to pay an “all in” amount of Nine Hundred Fifty Thousand Dollars and Zero Cents (\$950,000.00) (the “Gross Settlement Amount”) to fund the settlement. The Gross Settlement Amount includes the payment of all Settlement Shares to Settlement Class Members, Class Counsel’s attorneys’ fees and costs, Claims Administration Expenses, the PAGA Payment, and the Service Awards to each Plaintiff.

After the Judgment becomes Final, Defendants will pay the Gross Settlement Amount by depositing the money with the Settlement Administrator. “Final” means the date the Judgment is no longer subject to appeal, or if an appeal is filed, the date the appeal process is completed, and the Judgment is affirmed.

Amounts to be Paid from the Gross Settlement Amount. The Settlement provides for certain payments to be made from the Gross Settlement Amount, which will be subject to final Court approval, and which will be deducted from the Gross Settlement Amount before settlement payments are made to Class Members, as follows:

- Claims Administration Expenses. Payment to the Settlement Administrator, estimated not to exceed \$6,500.00 for expenses, including expenses of sending this Notice, processing opt-outs, and distributing settlement payments.
- Class Counsel Award. Payment to Class Counsel of attorneys' fees of no more than 1/3 of the Gross Settlement Amount (currently \$316,666.66) and attorneys' expenses of not more than \$30,000.00 for all expenses incurred as documented in Class Counsel's billing records, both subject to Court approval. Class Counsel have been prosecuting the Actions on behalf of Plaintiffs and the Class on a contingency fee basis (that is, without being paid any money to date) and have been paying all litigation costs and expenses.
- Service Awards. Service Awards of up to Ten Thousand Dollars (\$10,000.00) to each Plaintiff or such lesser amount as may be approved by the Court, to compensate them for services on behalf of the Class in initiating and prosecuting the Action, and for the risks they undertook.
- PAGA Payment. A payment of \$50,000.00 relating to Plaintiffs' claim under the Private Attorneys General Act ("PAGA"), \$37,500.00 of which will be paid to the State of California's Labor and Workforce Development Agency ("LWDA") and the remaining \$12,500.00 will be distributed to Aggrieved Employees as part of the Net PAGA Amount.
- Calculation of Payments to Settlement Class Members. After all the above payments of the court-approved Attorneys' Fees, Attorneys' Expenses, the Service Awards, the PAGA Payment, and the Claims Administration Expenses are deducted from the Gross Settlement Amount, the remaining portion, called the "Net Settlement Amount," shall be distributed to class members who do **not** request exclusion ("Settlement Class Members"). Settlement Class Members will be paid based on the number of workweeks worked during the Class Period. A "workweek" is defined as any seven (7) consecutive days beginning on Sunday and ending on Saturday, in which a Class Member is employed by Defendants during the Class Period in California.
- Calculation of Aggrieved Employees Payments to Aggrieved Employees. The PAGA Payment shall be distributed to Aggrieved Employees irrespective of whether they exclude themselves or opt-out. The PAGA Payment will be divided by the total number of pay periods worked by all Aggrieved Employees during the PAGA Period, and then taking that number and multiplying it by the number of pay periods worked by each respective Aggrieved Employee during the PAGA Period. "Aggrieved Employee" means all non-exempt employees employed by Defendants ConvergeOne, Inc. and AAA Network Solutions, Inc. in California at any time between July 17, 2022 through July 11, 2024 ("PAGA Period").

If the Settlement is approved by the Court, you will automatically be mailed a check for your Individual Settlement Payment to the same address as this Class Notice. You do not have to do anything to receive a payment. If your address has changed, you must contact the Settlement Administrator to inform them of your correct address to ensure you receive your payment.

Tax Matters. Twenty percent (20%) of each Individual Settlement Payment is allocated to wages. Taxes are withheld from this amount, and each Settlement Class Member will be issued an Internal Revenue Service Form W-2 for such payment. Eighty percent (80%) of each Individual Settlement Payment is allocated to penalties, and other non-wage payments, and no taxes will be withheld from the PAGA Payment paid to Aggrieved Employees. Each Settlement Class Member will be issued an Internal Revenue Service Form 1099 for Penalty Portion and Interest Portion of the Individual Settlement Payments. In addition, no taxes will be withheld from the PAGA Payment paid to Aggrieved Employees, and each Aggrieved Employee will be issued an Internal

Revenue Service Form 1099 for such payment. Neither Class Counsel nor Defendants' counsel intend anything contained in this Settlement to constitute advice regarding taxes or taxability. You may wish to consult a tax advisor concerning the tax consequences of the payments received under the Settlement.

No Credit Toward Benefit Plans. The Individual Settlement Payments and Aggrieved Employee Payments made to Settlement Class Members and/or Aggrieved Employees under this Settlement Agreement, as well as any other payments made pursuant to this Settlement Agreement, will not be utilized to calculate any additional benefits under any benefit plans to which any Class Members may be eligible, including, but not limited to profit-sharing plans, bonus plans, 401(k) plans, stock purchase plans, vacation plans, sick leave plans, PTO plans, and any other benefit plan. Rather, it is the Parties' intention that this Settlement Agreement will not affect any rights, contributions, or amounts to which any Class Members may be entitled under any benefit plans.

Conditions of Settlement. This Settlement is conditioned upon the Court entering an order granting final approval of the Settlement and entering judgment.

4. What Do I Release Under the Settlement?

Released Claims. Upon entry of final judgment and funding in full of the Gross Settlement Amount by Defendants, Plaintiffs and the Settlement Class Members shall release all Released Class Claims that occurred during the Class Period as to the Released Parties. Released Class Claims means all claims alleged or that could have reasonably been alleged based upon the facts alleged in the Operative Complaint in the Action which arose during the Class Period. Class Members do not release any claims that cannot be released by law, including, without limitation, 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.

The Released PAGA Claims shall be released as follows. As of the Settlement Effective Date and upon funding in full of the Gross Settlement Amount by Defendants, all Aggrieved Employees shall release all Released PAGA Claims, irrespective of whether they opted-out of the class settlement and will be bound by this PAGA Release (the "PAGA Release"). "Released PAGA Claims" means all claims for PAGA penalties alleged or reasonably could have been alleged based on the facts alleged in the Operative Complaint and Plaintiffs' notice to the LWDA, which arose during the PAGA Period.

This means that, if you do not timely and formally exclude yourself from the settlement, you cannot sue, continue to sue, or be part of any other lawsuit against Defendants about the legal issues resolved by this Settlement. It also means that all of the Court's orders in this Action will apply to you and legally bind you.

5. How much will my payment be?

Defendants' records reflect that you have << ____ >> Workweeks worked during the Class Period (July 17, 2019 to July 11, 2024).

Based on this information, your estimated Individual Settlement Payment is << ____ >>.

Defendants' records reflect that you have << ____ >> pay periods worked during the PAGA Period (July 17, 2022 to July 11, 2024).

Based on this information, your estimated Aggrieved Employee Payment is << ____ >>.

If you wish to challenge the information set forth above, then you must submit a written, signed dispute challenging the information along with supporting documents, to the Settlement Administrator at the address provided in this Notice no later than [redacted] [forty-five (45) days after the Notice or fifteen (15) days after the re-mailed Notice].

6. How can I get a payment?

To get money from the settlement, you do not have to do anything. A check for your settlement payment will be mailed automatically to the same address as this Notice. If your address is incorrect or has changed, you must notify the Settlement Administrator. The Settlement Administrator is: Apex Class Action LLC.

The Court will hold a hearing on [redacted] to decide whether to finally approve the Settlement. If the Court approves the Settlement and there are no objections or appeals, payments will be mailed within a few months after this hearing. If there are objections or appeals, resolving them can take time, perhaps more than a year. Please be patient. After entry of the Judgment, the Settlement Administrator will provide notice of the final judgment to the Class Members by posting a copy of the Judgment on the administrator's website at www.apexclassaction.com.

7. What if I don't want to be a part of the Settlement?

If you do not wish to participate in the Settlement, you may exclude yourself from the Settlement or "opt out." **If you opt out, you will receive NO money from the Settlement, and you will not be bound by its terms, except as provided as follows.** Irrespective of whether you exclude yourself from the Settlement or "opt out," if you are an Aggrieved Employee, you will be bound by the PAGA Release, you will be deemed to have released the Released PAGA Claims, and you will receive a share of the PAGA Payment.

To opt out, you must submit to the Settlement Administrator, by First Class Mail, a written, signed and dated request for exclusion postmarked no later than _____. The address for the Settlement Administrator is 18 Technology Drive, Suite 164, Irvine, CA 92618; Tel. (800) 355-0700. The request for exclusion must state in substance that the Class Member has read the Class Notice and that he or she wishes to be excluded from the settlement of the class action lawsuit entitled *Adrian Castro v. Convergeone, Inc., et al.*, San Bernardino Superior Court Case No. CIVSB2305464. The request for exclusion must contain your name, address, signature and the last four digits of your Social Security Number for verification purposes. The request for exclusion must be signed by you. No other person may opt out for a member of the Class.

Written requests for exclusion that are postmarked after _____, or are incomplete or unsigned will be rejected, and those Class Members will remain bound by the Settlement and the release described above.

8. How do I tell the Court that I would like to challenge the Settlement?

Any Class Member who has not opted out and believes that the Settlement should not be finally approved by the Court for any reason, may object to the proposed Settlement. Objections may be in writing and state the Class Member's name, current address, telephone number, and describe why you believe the Settlement is unfair and whether you intend to appear at the final approval hearing. All written objections or other correspondence must also state the name and number of the case, which is *Adrian Castro v. Convergeone, Inc., et al., San Bernardino Superior Court Case No. CIVSB2305464*. You may also object without submitting a written objection by appearing at the final approval hearing scheduled as described in Section 9 below.

To object to the Settlement, you cannot opt out. If the Court approves the Settlement, you will be bound by the terms of the Settlement in the same way as Class Members who do not object. Any Class Member who does not object in the manner provided in this Class Notice shall have waived any objection to the Settlement, whether by appeal or otherwise.

Written objections must be delivered or mailed to the Settlement Administrator no later than [REDACTED]. The address for the Settlement Administrator is 18 Technology Drive, Suite 164, Irvine, CA 92618; Tel: (800) 355-0700.

The addresses for the Parties' counsel are as follows:

Class Counsel:

Jean-Claude Lapuyade, Esq.
JCL Law Firm, APC
5440 Morehouse Drive, Suite 3600
San Diego, CA 92121
Tel.: (619) 599-8292
E-Mail: jlapuyade@jcl-lawfirm.com

Counsel for Defendants:

Andrew C. Crane, Esq.
Caroline Scala, Esq.
Fisher & Phillips LLP
2050 Main Street, Suite 1000
Irvine, CA 92614
Tel: (949) 851-2424
Fax: (949) 851-2424
E-Mail: acrane@fisherphillips.com
E-Mail: cscala@fisherphillips.com

Class Counsel:

Shani O. Zakay, Esq.
Zakay Law Group, APLC
5440 Morehouse Drive, Suite 3600
San Diego, CA 92121
Tel: (619) 599-8292
Email: shani@zakaylaw.com

Class Counsel:

Michael A. Gould, Esq.
The Gould Law Firm, PC
161 Fashion Lane, Suite 207
Tustin, CA 92780
Tel: (714) 669-2850
Fax: (714) 544-0800
Email: michael@wageandhourlaw.com

9. When and where will the Court decide whether to approve the Settlement?

The Court will hold a Final Approval Hearing at 00:00 AM/PM on [REDACTED], at the San Bernardino County Superior Court, Department SB30, located at 247 West Third Street, San Bernardino, CA 92415, before Judge Charlie L Hill, Jr. At this hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate. The purpose of this hearing is for the Court to determine whether to grant final approval to the Settlement. If there are objections, the Court will consider them. The Court will listen to people who have made a timely written request to speak at the hearing or who appear at the hearing to object. This hearing may be rescheduled by the Court without further notice to you. **You are not required to attend** the Final Approval Hearing, although any Class Member is welcome to attend the hearing.

10. How do I get more information about the Settlement?

You may call the Settlement Administrator at 1-800-355-0700 or write to *Adrian Castro v. Convergeone, Inc., et al.*, San Bernardino Superior Court Case No. CIVSB2305464, Settlement Administrator, 18 Technology Drive, Suite 164, Irvine, CA 92618 c/o Apex Class Action, LLC.

This notice summarizes the proposed settlement. More details are in the Settlement Agreement. You may receive a copy of the Settlement Agreement, the Final Judgment or other Settlement documents by writing to JCL Law firm, APC, 5440 Morehouse Drive, Suite 3600, San Diego, CA 92121, or by visiting the administrator's website at <http://www.apexclassaction.com>.

PLEASE DO NOT CALL THE COURT ABOUT THIS NOTICE.

IMPORTANT:

- You must inform the Settlement Administrator of any change of address to ensure receipt of your settlement payment.
- Settlement checks will be null and void 180 days after issuance if not deposited or cashed. In such event, the Settlement Administrator shall pay all funds from such uncashed checks to the State Controller's Unclaimed Property Fund . If your check is lost or misplaced, you should contact the Settlement Administrator immediately to request a replacement.

EXHIBIT 2

JCL LAW FIRM, APC

Jean-Claude Lapuyade (State Bar #248676)
Sydney Castillo-Johnson (State Bar #343881)
John L. Nitti (State Bar #330752)
5440 Morehouse Drive, Suite 3600
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jnitti@jcl-lawfirm.com

FILED
SUPERIOR COURT OF CALIFORNIA
COUNTY OF SAN BERNARDINO
SAN BERNARDINO DISTRICT

FEB 10 2025

BY 
JESSICA JOANIS, DEPUTY

ZAKAY LAW GROUP, APLC

Shani O. Zakay (State Bar #277924)
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nicole@zakaylaw.com

Attorneys for PLAINTIFFS

SUPERIOR COURT OF THE STATE OF CALIFORNIA

IN AND FOR THE COUNTY OF SAN BERNARDINO

ADRIAN CASTRO and RODOLFO GARCIA,
individuals, on behalf of themselves, and on
behalf of all persons similarly situated,

Plaintiffs,

vs.

CONVERGEONE, INC., a Minnesota
corporation; AAA NETWORK SOLUTIONS,
INC, a California corporation; and DOES 1-50,
Inclusive,

Defendants.

Case No. CIVSB2305464

**~~PROPOSED~~ ORDER GRANTING
PLAINTIFFS' MOTION FOR
PRELIMINARY APPROVAL OF CLASS
AND PAGA ACTION SETTLEMENT**

Date: February 10, 2025

Time: 8:30 a.m.

Judge: Hon. Charlie L. Hill, Jr.

Dept.: S-30

1 This matter having come before the Honorable Judge Charlie L. Hill, Jr. of the Superior Court
2 of the State of California, in and for the County of San Bernardino, at 8:30 a.m. on February 10, 2025,
3 with Jean-Claude Lapuyade, Esq. of the JCL Law Firm, APC, Shani O. Zakay, Esq. of the Zakay Law
4 Group, APLC, Michael Gould, Esq. of The Gould Law Firm, P.C. as counsel for plaintiff ADRIAN
5 CASTRO and RODOLFO GARCIA (hereinafter collectively "Plaintiffs"), and Andrew Crane and
6 Caroline Scala of Fisher & Phillips LLP appearing for defendant CONVERGEONE, INC. and AAA
7 NETWORK SOLUTIONS, INC., (hereinafter collectively "Defendants"). The Court, having carefully
8 considered the briefs, argument of counsel and all the matters presented to the Court, and good cause
9 appearing, hereby GRANTS Plaintiffs' Motion for Preliminary Approval of Class Action and PAGA
10 Action Settlement.

11 **IT IS HEREBY ORDERED:**

12 1. The Court preliminarily approves the Stipulation of Settlement of Class Action and
13 PAGA Claims and Release of Claims ("Settlement Agreement" or "Agreement"), a true and correct
14 copy of which is attached hereto as **Exhibit "1"**. This is based on the Court's determination that the
15 Settlement Agreement is within the range of possible final approval, pursuant to the provisions of
16 Section 382 of the California Code of Civil Procedure and California Rules of Court, rule 3.769.

17 2. This Order incorporates by reference the definitions in the Agreement, and all terms
18 defined therein shall have the same meaning in this Order as set forth in the Agreement.

19 3. Subject to the terms of the Settlement Agreement, the Gross Settlement Amount that
20 Defendants shall pay is Nine Hundred, Fifty Thousand Dollars and Zero Cents (\$950,000.00). It
21 appears to the Court on a preliminary basis that the settlement amount and terms are fair, adequate, and
22 reasonable as to all Class Members when balanced against the probable outcome of further litigation
23 relating to certification, liability, and damages issues. It further appears that investigation and research
24 have been conducted such that counsel for the Parties are able to reasonably evaluate their respective
25 positions. It further appears to the Court that settlement at this time will avoid substantial additional
26 costs by all Parties, as well as avoid the delay and risks that would be presented by the further
27 prosecution of the litigation. It further appears that the Settlement has been reached as the result of
28 intensive, serious, and non-collusive arms-length negotiations.

1 4. The Court preliminarily finds that the Settlement appears to be within the range of
2 reasonableness of a settlement that could ultimately be given final approval by this Court. The Court
3 has reviewed the monetary recovery that is being granted as part of the Settlement and preliminarily
4 finds that the monetary settlement awards made available to the Class Members are fair, adequate, and
5 reasonable when balanced against the probable outcome of further litigation relating to certification,
6 liability, and damages issues.

7 5. Plaintiffs seek a Class Counsel Award comprised of up-to one-third of the Gross
8 Settlement Amount for attorneys' fees, currently estimated at Three Hundred Sixteen Thousand, Six
9 Hundred Sixty-Six Dollars and Sixty-Six Cents (\$316,666.66), an award of litigation expenses incurred
10 not to exceed Thirty Thousand Dollars and Zero Cents (\$30,000.00), and proposed Service Award to
11 the Class Representatives, Adrian Castro and Rodolfo Garcia, in an amount not to exceed Ten Thousand
12 Dollars and Zero Cents (\$10,000.00) to each Class Representative. While these awards appear to be
13 within the range of reasonableness, the Court will not approve the Class Counsel Award or Service
14 Award until the Final Approval Hearing.

15 6. The Court recognizes that Plaintiffs and Defendants stipulate and agree to certification
16 of a class for settlement purposes only. This stipulation will not be deemed admissible in this, or any
17 other proceeding should this Settlement not become final. For settlement purposes only, the Court
18 conditionally certifies the following Class:

19 "all non-exempt employees employed by defendants ConvergeOne, Inc and
20 defendant AAA Network Solutions, Inc. ("Defendants") in California at any
21 time during the period beginning July 17, 2019, to July 11, 2024 ("Class
22 Period")."

23 7. The Court concludes that, for settlement purposes only, the Class meets the requirements
24 for certification under section 382 of the California Code of Civil Procedure in that: (a) the Class is
25 ascertainable and so numerous that joinder of all members of the Class Members is impracticable; (b)
26 common questions of law and fact predominate, and there is a well-defined community of interest
27 amongst the Class Members with respect to the subject matter of the litigation; (c) the claims of the
28 Class Representatives are typical of the claims of the Class Members; (d) the Class Representatives

1 will fairly and adequately protect the interests of the Class Members; (e) a class action is superior to
2 other available methods for the efficient adjudication of this controversy; and (f) Class Counsel are
3 qualified to act as counsel for the Class Representatives in their individual capacities and as the
4 representative of the Class Members.

5 8. The Court provisionally appoints plaintiff Adrian Castro and Rodolfo Garcia as the
6 representatives of the Class.

7 9. The Court provisionally appoints Jean-Claude Lapuyade, Esq., of the JCL Law Firm,
8 A.P.C., Shani Zakay, Esq. of the Zakay Law Group, APLC, and Michael Gould, Esq. of The Gould
9 Law Firm, P.C., as Class Counsel for the Class Members.

10 10. The Court hereby approves, as to form and content, the Proposed Notice of Class Action
11 Settlement ("Class Notice") attached to the Agreement as Exhibit "A". The Court finds that both
12 notices appear to fully and accurately inform the Class Members and Aggrieved Employees of all
13 material elements of the proposed Settlement, including the right of any Class Member to be excluded
14 from the Class by submitting a written request for exclusion, and of each Class Member's right and
15 opportunity to object to the Settlement. The Court further finds that the distribution of the notices
16 substantially in the manner and form set forth in the Agreement and this Order meets the requirements
17 of due process, is the most reasonable notice under the circumstances, and shall constitute due and
18 sufficient notice to all persons entitled thereto. The Court orders the mailing of the notices by first class
19 mail, pursuant to the terms set forth in the Agreement.

20 11. The Court hereby appoints Apex Class Action LLC as Settlement Administrator. Within
21 ten (10) business days of the later of preliminary approval or court approval of Settlement notice to the
22 class, Defendants shall provide to the Settlement Administrator the Class Data, including information
23 regarding Class Members that Defendants will in good faith compile from its records, including each
24 Class Member's full name; last known address; Social Security Number; start dates and end dates of
25 employment. Within twenty-one (21) calendar days after receiving the Class Data from Defendants,
26 the Settlement Administrator shall mail the Class Notice to all Class Members via first class U.S. Mail
27 using the most current mailing address information available.

28 12. The Court hereby preliminarily approves the proposed procedure for exclusion from the

1 Settlement. Any Class Member may individually choose to opt out of and be excluded from the
2 Settlement as provided in the Notice by following the instructions for requesting exclusion from the
3 Settlement of the Released Class Claims that are set forth in the Notice. All requests for exclusion must
4 be postmarked or received by the Response Deadline which is forty-five (45) calendar days after the
5 date the Class Notice is mailed to the Class Members or, in the case of a re-mailed Notice, not more
6 than fifteen (15) calendar days from the date of re-mailing of the Notices. Any such person who chooses
7 to opt out of and be excluded from the Settlement will not be entitled to an Individual Settlement
8 Payment under the Settlement and will not be bound by the Settlement, or have any right to object,
9 appeal or comment thereon. Class Members who have not requested exclusion shall be bound by all
10 determinations of the Court, the Agreement and Judgment. A request for exclusion may only opt out
11 that particular individual, and any attempt to affect an opt-out of a group, class, or subclass of
12 individuals is not permitted and will be deemed invalid.

13 13. Any Class Member who has not opted out may appear at the final approval hearing and
14 may object or express the Class Member's views regarding the Settlement and may present evidence
15 and file briefs or other papers that may be proper and relevant to the issues to be heard and determined
16 by the Court as provided in the Notice. Class Members will have forty-five (45) calendar days from the
17 date the Settlement Administrator mails the Class Notice to postmark their written objections to the
18 Settlement Administrator.

19 14. A hearing on Plaintiff's Motion for Final Approval of Class Action and PAGA
20 Settlement and Plaintiff's Motion for Class Counsel Award and Service Award shall be held before this
21 Court on _____ at ____ AM in Department S-30 of the San Bernardino County
22 Superior Court to determine all necessary matters concerning the Settlement, including: whether the
23 proposed settlement of the Action on the terms and conditions provided for in the Agreement is fair,
24 adequate and reasonable and should be finally approved by the Court; whether an Order Granting Final
25 Approval should be entered herein; whether the plan of allocation contained in the Agreement should
26 be approved as fair, adequate and reasonable to the Class; and to finally approve the Class Counsel
27 Award, Service Awards, and the Claims Administration Expenses. All papers in support of both the
28 Motion for Final Approval and the Motion for Class Counsel Award and Service Award shall be filed

1 with the Court and served on all counsel no later than sixteen (16) court days before the hearing.

2 15. Neither the Settlement nor any exhibit, document, or instrument delivered thereunder
3 shall be construed as a concession or admission by Defendants in any way, and shall not be used as
4 evidence of, or used against Defendants as an admission or indication in any way, including with
5 respect to any claim of any liability, wrongdoing, fault, or omission by Defendants or with respect to
6 the truth of any allegation asserted by any person. Whether or not the Settlement is finally approved,
7 neither the Settlement, nor any exhibit, document, statement, proceeding or conduct related to the
8 Settlement, nor any reports or accounts thereof, shall in any event be construed as, offered or admitted
9 in evidence as received as or deemed to be evidence for any purpose adverse to the Defendants,
10 including, but not limited to, evidence of a presumption, concession, indication or admission by
11 Defendants of any liability, fault, wrongdoing, omission, concession or damage.

12 16. In the event the Settlement does not become effective in accordance with the terms of the
13 Agreement, or the Settlement is not finally approved, or is terminated, canceled, or fails to become
14 effective for any reason, this Order shall be rendered null and void and shall be vacated, and the Parties
15 shall revert to their respective positions as of before entering into the Agreement. In such an event, the
16 Court's orders regarding the Settlement, including this Preliminary Approval Order, shall not be used
17 or referred to in litigation for any purpose. Nothing in this paragraph is intended to alter the terms of
18 the Settlement Agreement with respect to the effect of the Settlement Agreement if it is not approved.

19 17. Pending final determination of whether the Settlement should be approved, Class
20 Representatives and all Class Members are barred and enjoined from filing, commencing, prosecuting,
21 intervening in, instigating or in any way participating in the commencement or prosecution of any
22 lawsuit, action or administrative, regulatory, arbitration or other proceeding, in any forum, asserting
23 any claims that are, or relate in any way to, the Released Class Claims, unless and until they submit a
24 timely request for exclusion pursuant to the Agreement.

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18. The Court reserves the right to adjourn or continue the date of the final approval hearing and all dates provided for in the Agreement without further notice to Class Members and retains jurisdiction to consider all further applications arising out of or connected with the proposed Settlement.

Dated: FEB 10 2025

JUDGE OF THE SUPERIOR COURT

Charlie Lee Hill, Jr.

EXHIBIT 1

JCL LAW FIRM, APC

Jean-Claude Lapuyade (State Bar #248676)
Sydney Castillo Johnson (State Bar #343881)
Perssia Razma (State Bar #351398)
5440 Morehouse Drive, Suite 3600
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ZAKAY LAW GROUP, APLC

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Telephone: (619) 255-9047
shani@zakaylaw.com

Attorneys for Plaintiff

SUPERIOR COURT OF THE STATE OF CALIFORNIA

IN AND FOR THE COUNTY OF SAN BERNARDINO

ADRIAN CASTRO and RODOLFO GARCIA,
individuals, on behalf of themselves, and on
behalf of all persons similarly situated,
Plaintiff,

v.

CONVERGEONE, INC., a Minnesota
corporation; AAA NETWORK SOLUTIONS,
INC, a California corporation; and DOES 1-50,
Inclusive,

Defendants.

Case No.: CIVSB2305464

[Action Filed March 1, 2023]

**STIPULATION OF SETTLEMENT OF
CLASS AND PAGA ACTION CLAIMS
AND RELEASE OF CLAIMS**

STIPULATION OF SETTLEMENT OF CLASS & PAGA ACTION CLAIMS & RELEASE OF CLAIMS

1 This Stipulation of Settlement of Class Action and PAGA Claims and Release of Claims is
2 entered into by and between Plaintiff RODOLFO GARCIA (“Plaintiff Garcia”) and Plaintiff
3 ADRIAN CASTRO (“Plaintiff Castro”) (hereinafter, collectively, “Plaintiffs”), individually, on
4 behalf of themselves and on behalf of all persons similarly situated, and Defendants
5 CONVERGEONE, INC., and AAA NETWORK SOLUTIONS, INC. (hereinafter “Defendants”)
6 (together the “Parties”):

7 **I. DEFINITIONS**

- 8 A. “Action” shall mean all causes of action, claims, and allegations in the putative class
9 action lawsuits *Garcia v. ConvergeOne, Inc. et al.*, that was filed in Orange County
10 Superior Court with the Case No. 30-2023-01336727-CU-OE-CXC (“the *Garcia*
11 *Action*”), and *Adrian Castro v. ConvergeOne, Inc.*, which was filed in San Bernardino
12 County Superior Court Case No. CIVSB2305464 (“the *Castro Action*). The *Garcia*
13 *Action* collectively with the *Castro Action* shall be referred to as the “Actions.”
- 14 B. “Agreement” or “Settlement Agreement” means this Stipulation of Settlement of
15 Class Action and PAGA Claims and Release of Claims.
- 16 C. “Aggrieved Employees” means all non-exempt employees employed by Defendant
17 ConvergeOne, Inc, and Defendant AAA Network Solutions, Inc. in California at any
18 time during the period July 17, 2022, to July 11, 2024.
- 19 D. “Aggrieved Employee Payment” shall mean the Aggrieved Employees’ pro-rata share
20 of the twenty-five percent (25%) portion of the PAGA Payment (\$12,500) allocated
21 and distributed to the Aggrieved Employees.
- 22 E. “Claims Administration Expenses” shall mean the amount that the Court authorizes
23 to be paid to the Settlement Administrator for administering the Settlement pursuant
24 to this Agreement currently estimated not to exceed \$6,500.00.
- 25 F. “Class” or the “Class Members” means all non-exempt employees employed by
26 defendants ConvergeOne, Inc and defendant AAA Network Solutions, Inc. in
27 California at any time during the period beginning July 17, 2019, to July 11, 2024.

- 1 G. "Class Counsel" shall mean Jean-Claude Lapuyade, Esq. of JCL Law Firm, APC,
2 Shani Zakay, Esq. of Zakay Law Group, APLC, and Michael Gould of Gould Law
3 Firm.
- 4 H. "Class Counsel Award" means the award of fees and expenses that the Court
5 authorizes to be paid to Class Counsel for the services they have rendered to Plaintiffs
6 and the Class in the Action, consisting of attorneys' fees currently not to exceed one-
7 third of the Gross Settlement Amount currently estimated to be \$316,666.66 out of
8 \$950,000.00, plus costs and expenses in the amount up to \$30,000.00. Class
9 Counsel's award for attorneys' fees will be divided equally between Class Counsel
10 (45% to JCL Law Firm, APC; 45% to Zakay Law Group, APLC; and 10% to The
11 Gould Law Firm).
- 12 I. "Class Data" means information regarding Class Members that Defendants will in
13 good faith compile from their records and provide to the Settlement Administrator. It
14 shall be formatted as a Microsoft Excel spreadsheet and shall include: each Class
15 Member's full name; last known address; Social Security Number; start dates and end
16 dates of employment.
- 17 J. "Class Period" means the period from July 17, 2019, to July 11, 2024.
- 18 K. "Class Representatives" shall mean Rodolfo Garcia and Adrian Castro.
- 19 L. "Court" means the Superior Court for the State of California, County of San
20 Bernardino.
- 21 M. "Defendants" shall mean defendant ConvergeOne, Inc, and defendant AAA Network
22 Solutions, Inc.
- 23 N. "Effective Date" means the date upon which all of the following have occurred: (i)
24 the Court grants final approval of the settlement and; (ii) the Court's judgment
25 approving the Settlement becomes Final. Final shall mean the latest of: (i) if there is
26 an appeal of the Court's judgment, the date the judgment is affirmed on appeal, the
27 date of dismissal of such appeal, or the expiration of the time to file a petition for

1 review with any appellate court that has jurisdiction; or (ii) if a petition for review is
2 filed, the date of denial of the petition or the date the Court's judgment is entered,
3 pursuant to such petition; or (iii) if no appeal is filed, the expiration date of the time
4 for filing or noticing any appeal of the Court's judgment. If a timely objection to the
5 Settlement is filed (including an objection from the LWDA), the Effective Date shall
6 be the later of: (a) the date on which the time for all appeals relating to objections to
7 the Settlement and the Final Approval Order has expired; or (b) if an appeal, review,
8 or writ is sought, the date on which the highest reviewing court renders its decision
9 denying any petition (were the immediately lower court affirmed the judgment) or
10 affirming the judgment.

11 O. "Funding Date" shall be ninety (90) days after the Court enters an order of final
12 approval of the settlement, or October 15, 2025, whichever is later, and is the date by
13 which Defendants have fully funded the Gross Settlement Amount to the Claims
14 Administrator in accord with the terms of this Agreement.

15 P. "Gross Settlement Amount" means Nine Hundred Fifty Thousand Dollars and Zero
16 Cents (\$950,000.00) that Defendants must pay into the QSF in connection with this
17 Settlement, inclusive of the sum of Individual Settlement Payments, Claims
18 Administration Expenses, Class Counsel Award, Service Awards, and the PAGA
19 Payment and *exclusive* of the employer's share of payroll tax, if any, triggered by any
20 payment under this Settlement.

21 Q. "Individual Settlement Payments" means the amount payable from the Net Settlement
22 Amount to each Settlement Class Member and excludes any amounts distributed to
23 Aggrieved Employees pursuant to PAGA.

24 R. "LWDA Payment" shall mean the seventy-five percent (75%) of the PAGA Payment
25 (\$37,500) allocated to the California Labor and Workforce Development Agency.

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- 1 S. "Net Settlement Amount" or "NSA" means the Gross Settlement Amount, less Class
2 Counsel Award, Service Awards, PAGA Payment, and Claims Administration
3 Expenses.
- 4 T. "Notice Packet" means the Class Notice to be provided to the Class Members by the
5 Settlement Administrator in the form set forth as **Exhibit A** to this Agreement (other
6 than formatting changes to facilitate printing by the Settlement Administrator).
- 7 U. "Operative Complaint" shall mean the First Amended Complaint to be filed in the
8 *Castro* Action, which adds Plaintiff Garcia and his related claims to the *Castro*
9 Action.
- 10 V. "PAGA" means the California Labor Code Private Attorneys General Act of 2004,
11 Labor Code § 2698 *et seq.*
- 12 W. "PAGA Payment Ratio" means the respective Pay Periods during the PAGA Period
13 that each Aggrieved Employee worked for Defendants divided by the sum total of the
14 Pay Periods that all Aggrieved Employees worked for Defendants during the PAGA
15 Period.
- 16 X. "PAGA Payment" shall mean Fifty Thousand Dollars and Zero Cents (\$50,000.00)
17 to be allocated from the Gross Settlement Amount, with 25% of the payment
18 (\$12,500.00) going to the Aggrieved Employees ("Aggrieved Employee Payment")
19 and 75% of the payment (\$37,500.00) going to the LWDA ("LWDA Payment"). The
20 amount of the PAGA Payment is subject to Court approval pursuant to California
21 Labor Code section 2699(l). Any reallocation of the Gross Settlement Amount to
22 increase the PAGA Payment will not constitute grounds by either party to void this
23 Agreement, so long as the Gross Settlement Amount remains the same.
- 24 Y. "PAGA Pay Periods," for purposes of calculating the distribution of the Aggrieved
25 Employee Payment, as defined herein, means the number of pay periods of
26 employment during the PAGA Period that each Aggrieved Employee worked for
27 Defendants in California.

- 1 Z. "PAGA Period" means the period from July 17, 2022 to July 11, 2024.
- 2 AA. "Parties" means Plaintiffs and Defendants, collectively, and "Party" shall mean either
- 3 Plaintiffs or Defendants, individually.
- 4 BB. "Payment Ratio" means the respective Workweeks for each Class Member divided
- 5 by the sum total of Workweeks for all Class Members.
- 6 CC. "Plaintiffs" shall mean Rodolfo Garcia and Adrian Castro.
- 7 DD. "QSF" means the Qualified Settlement Fund established, designated, and maintained
- 8 by the Settlement Administrator to fund the Gross Settlement Amount.
- 9 EE. "Released Class Claims" shall mean all claims alleged or that could have reasonably
- 10 been alleged based upon the facts alleged in the Operative Complaint in the Action
- 11 which arose during the Class Period. Class Members do not release any claims that
- 12 cannot be released by law, including, without limitation, claims for vested benefits,
- 13 wrongful termination, violation of the Fair Employment and Housing Act,
- 14 unemployment insurance, disability, social security, workers' compensation, or
- 15 claims based on facts occurring outside the Class Period.
- 16 FF. "Released PAGA Claims" shall mean all claims for PAGA penalties alleged or could
- 17 have reasonably been alleged based on the facts alleged in the Operative Complaint
- 18 and Plaintiffs' notice to the LWDA, which arose during the PAGA Period.
- 19 GG. "Released Parties" shall mean Defendants and any of their past, present, and future
- 20 direct or indirect parents, subsidiaries, predecessors, successors, and affiliates, as well
- 21 as each of their past, present, and future officers, directors, employees, partners,
- 22 members, shareholders and agents, attorneys, insurers, reinsurers, and any individual
- 23 or entity which could be jointly liable with Defendants.
- 24 HH. "Response Deadline" means the date forty-five (45) calendar days after the Settlement
- 25 Administrator first mails Notice Packets to Class Members and the last date on which
- 26 Class Members may submit requests for exclusion or objections to the Settlement.

27 ///

1 II. "Service Awards" mean an awards in the amount of \$10,000.00 to each Plaintiff, or
2 in an amount that the Court authorizes to be paid to the Class Representatives, in
3 addition to their Individual Settlement Payment and their individual Aggrieved
4 Employee Payment, in recognition of their efforts and risks in assisting with the
5 prosecution of the Action.

6 JJ. "Settlement" means the disposition of the Action pursuant to this Agreement.

7 KK. "Settlement Administrator" means Apex Class Action LLC, 18 Technology Drive,
8 Suite 164 Irvine, CA 92618; Tel: 1-800-355-0700. The Settlement Administrator
9 establishes, designates and maintains, as a QSF under Internal Revenue Code section
10 468B and Treasury Regulation section 1.468B-1, into which the amount of the Gross
11 Settlement Amount is deposited for the purpose of resolving the claims of Settlement
12 Class Members. The Settlement Administrator shall maintain the funds until
13 distribution in an account(s) segregated from the assets of Defendants and any person
14 related to Defendants. *All accrued interest shall be paid and distributed to the*
15 *Settlement Class Members as part of their respective Individual Settlement*
16 *Payment.*

17 LL. "Settlement Class Members" or "Settlement Class" means all Class Members who
18 have not submitted a timely and valid request for exclusion as provided in this
19 Agreement.

20 MM. "Workweeks," or "Workweek" as used herein shall, mean a period of seven (7)
21 consecutive days beginning on Sunday and ending on Saturday, in which a Class
22 Member or Aggrieved Employee was employed by Defendants in California.

23 **II. RECITALS**

24 A. On October 13, 2022, Plaintiff Castro filed a Notice of Violations with the Labor and
25 Workforce Development Agency (LWDA) and served the same on Defendants.

26 B. On March 1, 2023, Plaintiff Castro filed the *Castro* Action, alleging a single cause of
27 action for violations of PAGA.

- 1 C. On July 17, 2023, Plaintiff Garcia filed the *Garcia* Action, alleging claims for:
- 2 1. Unfair competition in violation of Cal. Bus. & Prof. Code § 17200 *et seq*;
- 3 2. Failure to pay minimum wages in violation of Cal. Lab. Code §§ 1194, 1197
- 4 & 1197.1;
- 5 3. Failure to pay overtime wages in violation of Cal. Lab. Code §§ 510 *et seq*;
- 6 4. Failure to provide required meal periods in violation of Cal. Lab. Code §§
- 7 226.7 & 512 and the applicable IWC Wage Order;
- 8 5. Failure to provide required rest periods in violation of Cal. Lab. Code §§ 226.7
- 9 & 512 and the applicable IWC Wage Order;
- 10 6. Failure to provide wages when due in violation of Cal. Lab. Code §§ 201, 202
- 11 and 203;
- 12 7. Failure to provide accurate itemized statements in violation of Cal. Lab. Code
- 13 § 226; and
- 14 8. Failure to reimburse employees for required expenses in violation of Cal. Lab.
- 15 Code § 2802;
- 16 D. On July 17, 2023, Plaintiff Garcia filed a Notice of Violations with the Labor and
- 17 Workforce Development Agency (LWDA) and served the same on Defendants.
- 18 E. On October 2, 2023, Plaintiff Garcia filed a First Amended Complaint (“FAC”)
- 19 alleging an additional cause of action for violations of the Private Attorneys General
- 20 Act.
- 21 F. On November 14, 2023, Defendant filed a Notice of Related Case, connecting the
- 22 *Castro* Action and to *Garcia* Action.
- 23 G. On October 24, 2024, the Parties stipulated to the filing of a First Amended Complaint
- 24 in the *Castro* Action for purposes of addition Plaintiff Garcia as a named plaintiff.
- 25 H. The Class Representatives believe they have meritorious claims based on alleged
- 26 violations of the California Labor Code, and the Industrial Welfare Commission
- 27 Wage Orders, and that class certification is appropriate because the prerequisites for

1 class certification can be satisfied in the Action, and this action is manageable as a
2 PAGA representative action.

3 I. Defendants deny any liability or wrongdoing of any kind associated with the claims
4 alleged in the Action, dispute any wages, damages and penalties claimed by the Class
5 Representatives are owed, and further contend that, for any purpose other than
6 settlement, the Action is not appropriate for class or representative action treatment.
7 Defendants contend, among other things, that at all times they complied with the
8 California Labor Code and the Industrial Welfare Commission Wage Orders.

9 J. The Class Representatives are represented by Class Counsel. Class Counsel
10 investigated the facts relevant to the Action, including conducting an independent
11 investigation as to the allegations, reviewing documents and information exchanged
12 through informal discovery, and reviewing documents and information provided by
13 Defendants pursuant to informal requests for information to prepare for mediation.
14 Defendants produced for the purpose of settlement negotiations certain employment
15 data concerning the Settlement Class, which Class Counsel reviewed and analyzed
16 with the assistance of an expert. Based on their own independent investigation and
17 evaluation, Class Counsel are of the opinion that the Settlement with Defendants is
18 fair, reasonable, and adequate, and is in the best interest of the Settlement Class
19 considering all known facts and circumstances, including the risks of significant
20 delay, defenses asserted by Defendants, uncertainties regarding class certification,
21 and numerous potential appellate issues.

22 K. On July 11, 2024, the Parties participated in mediation presided over by Steve
23 Rottman, Esq., an experienced mediator of wage and hour class and PAGA actions.
24 The mediation concluded with a settlement, which was subsequently memorialized in
25 the form of a Memorandum of Understanding.

26 ///

1 L. This Agreement replaces and supersedes the Memorandum of Understanding and any
2 other agreements, understandings, or representations between the Parties. This
3 Agreement represents a compromise and settlement of highly disputed claims.
4 Nothing in this Agreement is intended or will be construed as an admission by
5 Defendants that the claims in the Action of Plaintiffs or the Class Members have merit
6 or that Defendants bear any liability to Plaintiffs or the Class on those claims or any
7 other claims, or as an admission by Plaintiffs that Defendants' defenses in the Action
8 have merit.

9 M. The Parties believe that the Settlement is fair, reasonable and adequate. The
10 Settlement was arrived at through arm's-length negotiations, taking into account all
11 relevant factors. The Parties recognize the uncertainty, risk, expense and delay
12 attendant to continuing the Action through trial and any appeal. Accordingly, the
13 Parties desire to settle, compromise and discharge all disputes and claims arising from
14 or relating to the Action fully, finally, and forever.

15 N. The Parties agree to certification of the Class for purposes of this Settlement only. If
16 for any reason the settlement does not become effective, Defendants reserve the right
17 to contest certification of any class for any reason and reserve all available defenses
18 to the claims in the Action.

19 Based on these Recitals that are a part of this Agreement, the Parties agree as follows:

20 **III. TERMS OF AGREEMENT**

21 A. Consideration.

- 22 1. Payment by Defendants. The Parties agree that, in consideration for a full and
23 complete settlement of the Actions and the releases set forth in this Settlement,
24 Defendants will pay Nine Hundred Fifty Thousand Dollars and Zero Cents
25 (\$950,000.00) (the "Gross Settlement Amount"). The Gross Settlement
26 Amount is the maximum amount that will be paid by Defendants (except as
27 provided in this section III.A.5) and includes the Individual Settlement

1 Payments, the Service Awards, the Class Counsel Award, PAGA Payment
2 and the Claims Administration Expenses. Defendants shall separately pay the
3 employer's share of applicable payroll taxes. The Parties agree that this is a
4 non-reversionary Settlement and that no portion of the Gross Settlement
5 Amount shall revert to Defendants.

6 2. Release by the Settlement Class Members. Upon entry of final judgment and
7 funding of the Gross Settlement Amount, in exchange for the consideration
8 set forth in this Agreement, Plaintiffs and the Settlement Class Members, for
9 themselves and their estates, trusts, attorneys, heirs, successors, beneficiaries,
10 devisees, legatees, executors, administrators, trustees, conservators,
11 guardians, assigns, and representatives, will forever completely release and
12 discharge the release the Released Parties from the Released Class Claims for
13 the Class Period.

14 a) Each Settlement Class Member will be deemed to have made the
15 foregoing Release as if they had manually signed it.

16 b) The Parties intend that the releases described in this Agreement will
17 release and preclude any claim, whether by lawsuit, administrative
18 claim or action (except for administrative claims that cannot be
19 released as a matter of law), arbitration, demand, or other action of any
20 kind, by each and all of the Settlement Class Member to obtain a
21 recovery based on, and/or arising out of any and all of the Released
22 Class Claims including, without limitation, claims that were alleged,
23 or reasonably could have been alleged, based on the facts of the
24 operative complaint. The Settlement Class Members shall be notified
25 of the scope of this release in the Notice. This paragraph does not apply
26 to any Settlement Class Member who timely and validly opts out of
27 the Settlement.

1 c) The Settlement Class Members acknowledge and agree that the claims
2 for unpaid wages and unreimbursed expenses in the Action, inaccurate
3 wage statements, and untimely payment of wages in the Action, are
4 disputed and that the payments set forth herein constitute payment of
5 all sums allegedly due to them. Class Representatives, on behalf of
6 themselves and the Participating Settlement Class Members,
7 acknowledge and agree that California Labor Code Section 206.5 does
8 not apply. Section 206.5 provides in pertinent part as follows:

9 An employer shall not require the execution of any release of any
10 claim or right on account of wages due, or to become due, or made as
11 an advance on wages to be earned unless payment of those wages has
12 been made.

13 3. Release by the Aggrieved Employees. Upon entry of final judgment and
14 funding of the Gross Settlement Amount, in exchange for the consideration
15 set forth in this Agreement, the LWDA, the State of California, the Plaintiffs
16 and the Aggrieved Employees, for themselves and their estates, trusts,
17 attorneys, heirs, successors, beneficiaries, devisees, legatees, executors,
18 administrators, trustees, conservators, guardians, assigns, and representatives,
19 will release the Released Parties from the Released PAGA Claims for the
20 PAGA Period. As a result of this release, the Aggrieved Employees shall be
21 precluded from bringing claims against Defendants for the Released PAGA
22 Claims.

23 a) Each Aggrieved Employee will be deemed to have made the foregoing
24 Release as if they had manually signed it.

25 b) The Parties intend that the releases described in this Agreement will
26 release and preclude any claim, whether by lawsuit, administrative
27 claim or action, arbitration, demand, or other action of any kind, by

1 each and all of the Aggrieved Employee to obtain a recovery based on,
2 and/or arising out of any and all of the Released PAGA Claims
3 including, without limitation, claims that were alleged, or reasonably
4 could have been alleged, based on the facts of the operative complaint.

5 The Aggrieved Employee shall be notified of the scope of this release
6 in the Notice.

- 7 4. General Release by Class Representatives. As of the Funding Date, for the
8 consideration set forth in this Agreement, Class Representatives, for
9 themselves and their estates, trusts, attorneys, heirs, successors, beneficiaries,
10 devisees, legatees, executors, administrators, trustees, conservators,
11 guardians, assigns, and representatives, will waive, release, acquit and forever
12 discharge the Released Parties from any and all claims, known or unknown.
13 Class Representatives waive all rights and benefits afforded by section 1542
14 of the Civil Code. Section 1542 provides:

15
16 ***A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS***
17 ***THAT THE CREDITOR OR RELEASING PARTY DOES NOT***
18 ***KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT***
19 ***THE TIME OF EXECUTING THE RELEASE AND THAT, IF***
20 ***KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY***
21 ***AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR***
22 ***OR RELEASED PARTY.***

23
24 Thus, notwithstanding the provisions of section 1542, and to implement a full
25 and complete release and discharge of the Released Parties, Class
26 Representatives expressly acknowledge this Settlement Agreement is
27 intended to include in its effect, without limitation, all claims Class

1 Representatives do not know or suspect to exist in Class Representatives'
2 favor at the time of signing this Settlement Agreement, and that this
3 Settlement Agreement contemplates the extinguishment of any such claims.
4 Class Representatives warrant that Class Representatives have read this
5 Settlement Agreement, including this waiver of California Civil Code section
6 1542, and that Class Representatives have consulted with or had the
7 opportunity to consult with counsel of Class Representatives' choosing about
8 this Settlement Agreement and specifically about the waiver of section 1542,
9 and that Plaintiffs understand this Settlement Agreement and the section 1542
10 waiver, and so Class Representatives freely and knowingly enter into this
11 Settlement Agreement. Class Representatives further acknowledge that Class
12 Representatives later may discover facts different from or in addition to those
13 Class Representatives now know or believe to be true regarding the matters
14 released or described in this Settlement Agreement, and even so Class
15 Representatives agree that the releases and agreements contained in this
16 Settlement Agreement shall remain effective in all respects notwithstanding
17 any later discovery of any different or additional facts. Class Representatives
18 expressly assume any and all risk of any mistake in connection with the true
19 facts involved in the matters, disputes, or controversies released or described
20 in this Settlement Agreement or with regard to any facts now unknown to
21 Class Representatives relating thereto.

- 22 5. Class Size. Defendants estimate that the Settlement Class was comprised of
23 250 individuals who collectively worked approximately 31,473 workweeks
24 ("Projected Workweeks") during the Class Period. One week prior to Class
25 Representatives' deadline to file his Motion for Preliminary Approval of the
26 Settlement, Defendants shall confirm the number of Class Members and the
27 number of Workweeks. If the actual number of Workweeks worked during

1 the Class Period exceeds the above number by more than 10%, then
2 Defendants shall, at their option, either (a) increase the GSA proportionally
3 by the workweeks in excess of 31,473 multiplied by the workweek value; or
4 (b) cap the Class Period as of the date that the 10% of workweeks is exceeded.
5 In the event Defendants choose option (a) to increase the GSA, the workweek
6 value shall be calculated by dividing the GSA by 31,473. The Parties agree
7 that the workweek value amounts to and the settlement amounts to \$30.18 per
8 workweek (\$950,000.00 / 31,473 workweeks). Thus, for example, should
9 there be 35,473 workweeks in the Class Period, then the GSA shall be
10 increased by \$120,720.00. (35,473 workweeks – 31,473 workweeks) x
11 \$30.18/workweek.

12 6. Settlement Payment. Defendants shall deposit the Gross Settlement Amount
13 into the QSF by the Funding Date. Any interest that accrues will be added to
14 the NSA and will be distributed pro rata to the Settlement Class Members and
15 Aggrieved Employees. If no funds are distributed (*e.g.*, because final approval
16 is reversed on appeal) then Defendants are entitled to prompt return of the
17 principal and all interest accrued.

18 B. Nullification of Settlement Agreement. If a) Defendants fail to fully fund the Gross
19 Settlement Amount, b) the number of putative class members opting out of the
20 settlement represents a figure of 10% or more workweeks (*i.e.*, the workweeks opting
21 out of the settlement meets or exceeds 3,147 workweeks), or c) Defendants are unable
22 to obtain the releases set forth above because, *inter alia*, the Court denies the motion
23 for preliminary or final approval of the Settlement Agreement, or if the Court's order
24 granting approval is reversed, withdrawn or modified, then:

25 1. This Settlement Agreement shall be void *ab initio* and of no force or effect,
26 and shall not be admissible in any judicial, administrative or arbitral
27

proceeding for any purpose or with respect to any issue, substantive or procedural;

2. The conditional class certification (obtained for any purpose) shall be void *ab initio* and of no force or effect, and shall not be admissible in any judicial, administrative or arbitral proceeding for any purpose or with respect to any issue, substantive or procedural; and

3. None of the Parties to this Settlement will be deemed to have waived any claims, objections, defenses or arguments in the Action, including with respect to the issue of class certification.

4. If the Agreement is nullified due to Defendants' failure to fully fund the Gross Settlement Amount, then Defendants shall bear the sole responsibility for any cost to issue or reissue any curative notice to the Settlement Class Members and all Claims Administration Expenses incurred to the date of nullification. If the Agreement is nullified for any other reason, both Parties shall equally bear the responsibility for any cost to issue or reissue any curative notice to the Settlement Class Members and all Claims Administration Expenses incurred to the date of nullification.

C. Certification of the Settlement Class. The Parties stipulate to conditional class certification of the Settlement Class for purposes of settlement only.

D. Tax Liability. The Parties make no representations as to the tax treatment or legal effect of the payments called for, and Class Members and/or Aggrieved Employees are not relying on any statement or representation by the Parties in this regard. Defendants' share of payroll taxes will be paid by Defendants separate from and in addition to the GSA.

E. Circular 230 Disclaimer. Each Party to this Agreement (for purposes of this section, the "acknowledging party" and each Party to this Agreement other than the acknowledging party, an "other party") acknowledges and agrees that: (1) no provision

1 of this Agreement, and no written communication or disclosure between or among the
2 Parties or their attorneys and other advisers, is or was intended to be, nor shall any
3 such communication or disclosure constitute or be construed or be relied upon as, tax
4 advice within the meaning of United States Treasury Department circular 230 (31 CFR
5 part 10, as amended); (2) the acknowledging party (a) has relied exclusively upon his,
6 her or its own, independent legal and tax counsel for advice (including tax advice) in
7 connection with this Agreement, (b) has not entered into this Agreement based upon
8 the recommendation of any other Party or any attorney or advisor to any other Party,
9 and (c) is not entitled to rely upon any communication or disclosure by any attorney
10 or adviser to any other party to avoid any tax penalty that may be imposed on the
11 acknowledging party, and (3) no attorney or adviser to any other Party has imposed
12 any limitation that protects the confidentiality of any such attorney's or adviser's tax
13 strategies (regardless of whether such limitation is legally binding) upon disclosure by
14 the acknowledging party of the tax treatment or tax structure of any transaction,
15 including any transaction contemplated by this Agreement.

16 F. Preliminary Approval Motion. No later than 45 days after this Settlement Agreement
17 is fully executed, Plaintiffs shall file with the Court a Motion for Order Granting
18 Preliminary Approval and supporting papers, which shall include this Settlement
19 Agreement. Plaintiffs will provide Defendants with a draft of the Motion at least three
20 (3) business days prior to the filing of the Motion to give Defendants an opportunity
21 to propose changes or additions to the Motion.

22 G. Settlement Administrator. The Settlement Administrator shall perform all duties
23 related to the administration of the Settlement as described in this Agreement
24 including, without limitation, establishing and administering the QSF; calculating,
25 processing and mailing payments to the Class Representatives, Class Counsel, LWDA
26 Aggrieved Employees and Class Members; printing and mailing the Notice Packets to
27 the Class Members and Aggrieved Employees as directed by the Court; receiving and

1 reporting the objections and requests for exclusion; calculating, deducting and
2 remitting all legally required taxes from Individual Settlement Payments and
3 distributing tax forms for the Wage Portion, the Penalties Portion and the Interest
4 Portion of the Individual Settlement Payments and/or Aggrieved Employees'
5 individual shares of the Aggrieved Employee Payment; processing and mailing tax
6 payments to the appropriate state and federal taxing authorities; providing
7 declaration(s) as necessary in support of preliminary and/or final approval of this
8 Settlement; and other tasks as the Parties mutually agree or the Court orders the
9 Settlement Administrator to perform. The Settlement Administrator shall keep the
10 Parties timely apprised of the performance of all Settlement Administrator
11 responsibilities by among other things, sending a weekly status report to the Parties'
12 counsel stating the date of the mailing, the of number of Elections Not to Participate
13 in Settlement it receives (including the numbers of valid and deficient), and number of
14 objections received.

15 H. Notice Procedure.

- 16 1. Class Data. No later than ten (10) business days after Defendant receives
17 notice of an order granting preliminary approval of this Settlement,
18 Defendants shall provide the Settlement Administrator with the Class Data for
19 purposes of preparing and mailing Notice Packets to the Class Members. The
20 Class Data will be presumed to be correct unless a particular Class Member
21 proves otherwise to the Settlement Administrator by credible written
22 evidence. All Workweek disputes will be resolved and decided by the
23 Settlement Administrator, and the Settlement Administrator's decision on all
24 Workweek disputes is final and non-appealable. The Class Data provided to
25 the Settlement Administrator will not be provided to Class Counsel, and it will
26 remain confidential; it shall be used solely to administer the Settlement, and
27 it will not be used or disclosed to anyone except as required by applicable tax

1 authorities, pursuant to Defendant's express written consent, or by order of
2 the Court.

3 2. Notice Packets.

4 a) The Notice Packet shall contain the Notice of Class Action Settlement
5 in a form substantially similar to **Exhibit A**. The Notice of Class
6 Action Settlement shall inform Class Members and Aggrieved
7 Employees that they need not do anything in order to receive their
8 payment and to keep the Settlement Administrator apprised of any
9 changes to their mailing address. The Notice of Class Action
10 Settlement shall set forth the scope of the release. Each Notice shall
11 state the number of Workweeks and PAGA Pay Periods, if any, and
12 the estimated amount of their Individual Settlement Payment and each
13 Aggrieved Employee's individual share of the Aggrieved Employee
14 Payment, if any. The Settlement Administrator shall use the Class
15 Data to determine the number of Workweeks and PAGA Pay Periods.
16 The Notice will also advise the Aggrieved Employees that they will
17 release the Released PAGA Claims and will receive their share of the
18 Aggrieved Employee Payment regardless of whether they request to
19 be excluded from the Settlement.

20 b) The Notice Packet's mailing envelope shall include the following
21 language: "IMPORTANT LEGAL DOCUMENT- YOU MAY BE
22 ENTITLED TO PARTICIPATE IN A CLASS ACTION
23 SETTLEMENT; A PROMPT REPLY TO CORRECT YOUR
24 ADDRESS IS REQUIRED AS EXPLAINED IN THE ENCLOSED
25 NOTICE."
26

27 ///

1 3. Notice by First Class U.S. Mail. Upon receipt of the Class Data, the
2 Settlement Administrator will perform a search based on the National Change
3 of Address Database to update and correct any known or identifiable address
4 changes. No later than twenty-one (21) calendar days after preliminary
5 approval of the Settlement, the Settlement Administrator shall mail copies of
6 the Notice Packet to all Class Members via regular First-Class U.S. Mail. The
7 Settlement Administrator shall exercise its best judgment to determine the
8 current mailing address for each Class Member. The address identified by the
9 Settlement Administrator as the current mailing address shall be presumed to
10 be the best mailing address for each Class Member.

11 4. Undeliverable Notices. Any Notice Packets returned to the Settlement
12 Administrator as non-delivered on or before the Response Deadline shall be
13 re-mailed to any forwarding address provided. If no forwarding address is
14 provided, the Settlement Administrator shall promptly attempt to determine a
15 correct address by lawful use of skip-tracing, or other search using the name,
16 address and/or Social Security number of the Class Member involved, and
17 shall then perform a re-mailing, if another mailing address is identified by the
18 Settlement Administrator. In addition, if any Notice Packets, which are
19 addressed to Class Members who are currently employed by Defendants, are
20 returned to the Settlement Administrator as non-delivered and no forwarding
21 address is provided, the Settlement Administrator shall notify Defendants.
22 Defendants will request that the currently employed Class Member provide a
23 corrected address and transmit to the Administrator any corrected address
24 provided by the Class Member. Class Members who received a re-mailed
25 Notice Packet shall have their Response Deadline extended fifteen (15) days
26 from the original Response Deadline.

27 ///

5. Disputes Regarding Individual Settlement Payments. Class Members will have the opportunity to dispute the Class Data by providing documentation and/or an explanation regarding the dispute. If there is a dispute, the Settlement Administrator will consult with the Parties to determine whether an adjustment is warranted. The Settlement Administrator shall determine the eligibility for, and the amounts of, any Individual Settlement Payments under the terms of this Agreement. The Settlement Administrator's determination of the eligibility for and amount of any Individual Settlement Payment shall be binding upon the Class Member and the Parties.

6. Disputes Regarding Administration of Settlement. Any disputes not resolved by the Settlement Administrator concerning the administration of the Settlement will be resolved by the Court under the laws of the State of California. Before any such involvement of the Court, counsel for the Parties will confer in good faith to resolve the disputes without the necessity of involving the Court.

7. Exclusions. The Notice of Class Action Settlement contained in the Notice Packet shall state that Class Members who wish to exclude themselves from the Settlement must submit a written request for exclusion by the Response Deadline. The written request for exclusion must state that the Class Member wishes to exclude himself or herself from the Settlement and (1) must contain the name, address, and the last four digits of the Social Security number of the person requesting exclusion; (2) must be signed by the Class Member; (3) must be postmarked or fax stamped by the Response Deadline and returned to the Settlement Administrator at the specified address or fax telephone number; and (4) contain a typewritten or handwritten notice stating in substance: “I wish to opt out of the settlement of the class action lawsuit entitled *Castro v. ConvergeOne, Inc. et al.*, current pending in San Bernardino County Superior

1 Court, Case No. CIVSB2305464. I understand that by requesting to be
2 excluded from the settlement, I will receive no money from the Settlement
3 described in this Notice.” The request for exclusion will not be valid if it is
4 not timely submitted, if it is not signed by the Class Member, or if it does not
5 contain the name and address and last four digits of the Social Security number
6 of the Class Member. The date of the postmark on the mailing envelope or
7 fax stamp on the request for exclusion shall be the exclusive means used to
8 determine whether the request for exclusion was timely submitted. Any Class
9 Member who requests to be excluded from the Settlement Class will not be
10 entitled to an Individual Settlement Payment and will not be otherwise bound
11 by the terms of the Settlement or have any right to object, appeal or comment
12 thereon. However, any Class Member that submits a timely request for
13 exclusion that is also a member of the Aggrieved Employees will still receive
14 his/her pro rata share of the PAGA Settlement, as specified below, and in
15 consideration, will be bound by the Release by the Aggrieved Employees as
16 set forth herein. Settlement Class Members who fail to submit a valid and
17 timely written request for exclusion on or before the Response Deadline shall
18 be bound by all terms of the Settlement and any final judgment entered in this
19 Action if the Settlement is approved by the Court. No later than fourteen (14)
20 calendar days after the Response Deadline, the Settlement Administrator shall
21 provide counsel for the Parties with a final list of the Class Members who have
22 timely submitted written requests for exclusion. At no time shall any of the
23 Parties or their counsel seek to solicit or otherwise encourage members of the
24 Class to submit requests for exclusion from the Settlement.

- 25 8. Objections. The Notice of Class Action Settlement contained in the Notice
26 Packet shall state that Class Members who wish to object to the Settlement
27 may submit to the Settlement Administrator a written statement of objection

1 (“Notice of Objection”) by the Response Deadline. The postmark date of
2 mailing shall be deemed the exclusive means for determining that a Notice of
3 Objection was served timely. The Notice of Objection, if in writing, must be
4 signed by the Settlement Class Member and state: (1) the case name and
5 number; (2) the name of the Settlement Class Member; (3) the address of the
6 Settlement Class Member; (4) the last four digits of the Settlement Class
7 Member’s Social Security number; (5) the basis for the objection; and (6) if
8 the Settlement Class Member intends to appear at the Final
9 Approval/Settlement Fairness Hearing. Class Members who fail to make
10 objections in writing in the manner specified above may still make their
11 objections orally at the Final Approval/Settlement Fairness Hearing with the
12 Court’s permission. Settlement Class Members will have a right to appear at
13 the Final Approval/Settlement Fairness Hearing to have their objections heard
14 by the Court regardless of whether they submitted a written objection. At no
15 time shall any of the Parties or their counsel seek to solicit or otherwise
16 encourage Class Members to file or serve written objections to the Settlement
17 or appeal from the Order and Final Judgment. Class Members who submit a
18 written request for exclusion may not object to the Settlement. Class Members
19 may not object to the PAGA Payment. The Parties may file a response to any
20 objections at least five (5) court days before the date of the Final Approval
21 Hearing.

22 I. Funding and Allocation of the Gross Settlement Amount. Defendants are required to
23 pay the Gross Settlement Amount, plus any employer’s share of payroll taxes either
24 ninety (90) days after the Court enters an order of final approval of the settlement, or
25 October 15, 2025, whichever date is later.

26 1. Calculation of Individual Settlement Payments. Individual Settlement
27 Payments shall be paid from the Net Settlement Amount and shall be paid

1 pursuant to the formula set forth herein. Using the Class Data, the Settlement
2 Administrator shall add up the total number of Workweeks for all Class
3 Members. The respective Workweeks for each Class Member will be divided
4 by the total Workweeks for all Class Members, resulting in the Payment Ratio
5 for each Class Member. Each Class Member's Payment Ratio will then be
6 multiplied by the Net Settlement Amount to calculate each Class Member's
7 estimated Individual Settlement Payments. Each Individual Settlement
8 Payment will be reduced by any legally mandated employee tax withholdings
9 (e.g., employee payroll taxes, etc.). Individual Settlement Payments for Class
10 Members who submit valid and timely requests for exclusion will be
11 redistributed to Settlement Class Members who do not submit valid and timely
12 requests for exclusion on a pro rata basis based on their respective Payment
13 Ratios.

14 2. Calculation of Individual Payments to the Aggrieved Employees. Using the
15 Class Data, the Settlement Administrator shall add up the total number of
16 PAGA Pay Periods for all Aggrieved Employees during the PAGA Period.
17 The respective PAGA Pay Periods for each Aggrieved Employee will be
18 divided by the total PAGA Pay Periods for all Aggrieved Employees, resulting
19 in the "PAGA Payment Ratio" for each Aggrieved Employee. Each
20 Aggrieved Employee's PAGA Payment Ratio will then be multiplied by the
21 Aggrieved Employee's Portion of the PAGA Payment, \$12,500.00 (25% of
22 \$50,000.00), to calculate each Aggrieved Employee's estimated share of the
23 PAGA Payment.

24 3. Allocation of Individual Settlement Payments. For tax purposes, Individual
25 Settlement Payments shall be allocated and treated as 20% wages ("Wage
26 Portion") and 80% penalties pre-judgment interest ("Penalties and Interest
27 Portion"). The Wage Portion of the Individual Settlement Payments shall be

1 reported on IRS Form W-2 and the Penalty and Interest Portions of the
2 Individual Settlement Payments shall be reported on IRS Form 1099 issued
3 by the Settlement Agreement.

4 4. Allocation of Aggrieved Employee Payments. For tax purposes, Aggrieved
5 Employee Payments shall be allocated and treated as 100% penalties and shall
6 be reported on IRS Form 1099.

7 5. No Credit Toward Benefit Plans. The Individual Settlement Payments and
8 individual shares of the PAGA Payment made to Settlement Class Members
9 and/or Aggrieved Employees under this Settlement Agreement, as well as any
10 other payments made pursuant to this Settlement Agreement, will not be
11 utilized to calculate any additional benefits under any benefit plans to which
12 any Class Members may be eligible, including, but not limited to profit-
13 sharing plans, bonus plans, 401(k) plans, stock purchase plans, vacation plans,
14 sick leave plans, PTO plans, and any other benefit plan. Rather, it is the
15 Parties' intention that this Settlement Agreement will not affect any rights,
16 contributions, or amounts to which any Class Members may be entitled under
17 any benefit plans.

18 6. All monies received by Settlement Class Members under the Settlement which
19 are attributable to wages shall constitute income to such Settlement Class
20 Members solely in the year in which such monies actually are received by the
21 Settlement Class Members. It is the intent of the Parties that Individual
22 Settlement Payments and Aggrieved Employee Payments provided for in this
23 Settlement Agreement are the sole payments to be made by Defendants to
24 Settlement Class Members and/or Aggrieved Employees in connection with this
25 Settlement Agreement, with the exception of Plaintiffs, and that the Settlement
26 Class Members and/or Aggrieved Employees are not entitled to any new or
27

1 additional compensation or benefits as a result of having received the Individual
2 Settlement Payments and/or their shares of the Aggrieved Employee Payment.

3 7. Mailing. Individual Settlement Payments and Aggrieved Employee Payments
4 shall be mailed by regular First-Class U.S. Mail to Settlement Class Members'
5 and/or Aggrieved Employees' last known mailing address no later than
6 fourteen (14) calendar days after the Funding Date.

7 8. Expiration. Any checks issued to Settlement Class Members and Aggrieved
8 Employees shall remain valid and negotiable for one hundred and eighty (180)
9 days from the date of their issuance. If a Settlement Class Member and/or
10 Aggrieved Employee does not cash his or her settlement check within ninety
11 (90) days, the Settlement Administrator will send a letter to such persons,
12 advising that the check will expire after the 180th day, and invite that
13 Settlement Class Member and/or Aggrieved Employee to request reissuance
14 in the event the check was destroyed, lost or misplaced. In the event an
15 Individual Settlement Payment and/or Aggrieved Employee's individual
16 share of the PAGA Payment check has not been cashed within one hundred
17 and eighty (180) days, all funds represented by such uncashed checks, plus
18 any interest accrued thereon, shall be paid to State Controller's Unclaimed
19 Property Fund in the name of the Class Member who did not claim the funds.

20 9. Service Awards. In addition to the Individual Settlement Payment as a
21 Settlement Class Member and their individual shares of the Aggrieved
22 Employee Payment, the Class Representatives will apply to the Court for
23 awards of not more than \$10,000.00 to each Class Representative as the
24 Service Awards. Defendants will not oppose a Service Awards of not more
25 than \$10,000.00 for each Class Representative. The Settlement Administrator
26 shall pay the Service Awards, either in the amount stated herein if approved
27 by the Court or some other amount as approved by the Court, to Class

1 Representatives from the Gross Settlement Amount no later than fourteen (14)
2 calendar days after the Funding Date. Any portion of the requested Service
3 Awards that is not awarded to the Class Representatives shall be part of the
4 Net Settlement Amount and shall be distributed to Settlement Class Members
5 as provided in this Agreement. The Settlement Administrator shall issue an
6 IRS Form 1099 — MISC to Class Representatives for his Service Awards.
7 Class Representatives shall be solely and legally responsible to pay any and
8 all applicable taxes on his Service Awards and shall hold harmless the
9 Released Parties from any claim or liability for taxes, penalties, or interest
10 arising as a result of the Service Awards. Approval of this Settlement shall not
11 be conditioned on Court approval of the requested amount of the Service
12 Awards. If the Court reduces or does not approve the requested Service
13 Awards, Class Representatives shall not have the right to revoke the
14 Settlement, and it will remain binding.

- 15 10. Class Counsel Award. Defendants will not object to Class Counsel filing a
16 motion for Class Counsel Award not to exceed one-third of the Gross
17 Settlement Amount (currently estimated to be \$316,666.66) and attorneys'
18 expenses supported by declaration not to exceed Thirty Thousand Dollars
19 (\$30,000.00). Any awarded Class Counsel Award shall be paid from the Gross
20 Settlement Amount. Any portion of the requested Class Counsel Award that
21 are not awarded to Class Counsel shall be added to the Net Settlement Amount
22 and shall be distributed to Settlement Class Members as provided in this
23 Agreement. The Settlement Administrator shall allocate and pay the Class
24 Counsel Award to Class Counsel from the Gross Settlement Amount no later
25 than fourteen (14) calendar days after the Funding Date. Class Counsel shall
26 be solely and legally responsible to pay all applicable taxes on the payment
27 made pursuant to this paragraph. The Settlement Administrator shall issue an

1 IRS Form 1099 — MISC to Class Counsel for the payments made pursuant to
2 this paragraph. In the event that the Court reduces or does not approve the
3 requested Class Counsel Award, Plaintiffs and Class Counsel shall not have
4 the right to revoke the Settlement, or to appeal such order, and the Settlement
5 will remain binding.

6 11. PAGA Payment. Fifty Thousand Dollars (\$50,000.00) shall be allocated from
7 the Gross Settlement Amount for settlement of claims for civil penalties under
8 the Private Attorneys General Act of 2004. The Settlement Administrator shall
9 pay seventy-five percent (75%) of the PAGA Payment (\$37,500.00) to the
10 California Labor and Workforce Development Agency no later than fourteen
11 (14) calendar days after the Funding Date. Twenty-five percent (25%) of the
12 PAGA Payment (\$12,500.00) will be distributed to the Aggrieved Employees
13 as described in this Agreement. For purposes of distributing the PAGA
14 Payment to the Aggrieved Employees, each Aggrieved Employee shall
15 receive their pro-rata share of the Aggrieved Employee Payment using the
16 PAGA Payment Ratio as defined above.

17 12. Claims Administration Expenses. The Settlement Administrator shall be paid
18 for the actual costs of administration of the Settlement from the Gross
19 Settlement Amount. The estimate of the Administration Costs is \$6,500.00.
20 The Settlement Administrator shall be paid the Claims Administration
21 Expenses no later than fourteen (14) calendar days after the Funding Date.

22 B. Final Approval Motion. Class Counsel and Plaintiffs shall use best efforts to file with
23 the Court a Motion for Order Granting Final Approval and Entering Judgment, within
24 twenty-eight (28) days following the expiration of the Response Deadline, which
25 motion shall request final approval of the Settlement and a determination of the
26 amounts payable for the Service Awards, the Class Counsel Award, the PAGA
27 Payment, and the Claims Administration Expenses. Plaintiffs will provide Defendants

1 with a draft of the Motion at least three (3) business days prior to the filing of the
2 Motion to give Defendants an opportunity to propose changes or additions to the
3 Motion.

4 1. Declaration by Settlement Administrator. No later than seven (7) days after
5 the Response Deadline, the Settlement Administrator shall submit a
6 declaration in support of Plaintiffs' motion for final approval of this
7 Settlement detailing the number of Notice Packets mailed and re-mailed to
8 Class Members, the number of undeliverable Notice Packets, the number of
9 timely requests for exclusion, the number of objections received, the amount
10 of the average Individual Settlement Payment and highest Individual
11 Settlement Payment, the Claims Administration Expenses, and any other
12 information as the Parties mutually agree or the Court orders the Settlement
13 Administrator to provide.

14 2. Final Approval Order and Judgment. Class Counsel shall present an Order
15 Granting Final Approval of Class Action Settlement to the Court for its
16 approval, and Judgment thereon, at the time Class Counsel files the Motion
17 for Final Approval.

18 N. Cooperation. The Parties and their counsel will cooperate with each other and use
19 their best efforts to implement the Settlement.

20 O. Interim Stay of Proceedings. The Parties agree to stay all proceedings in the Action,
21 except such proceedings necessary to implement and complete the Settlement, pending
22 the Final Approval/Settlement Fairness Hearing to be conducted by the Court.

23 11.2. Confidentiality Prior to Preliminary Approval. Plaintiff, Class Counsel, Defendant
24 and Defense Counsel separately agree that, until the Motion for Preliminary Approval of Settlement
25 is filed, they and each of them will not disclose, disseminate and/or publicize, or cause or permit
26 another person to disclose, disseminate or publicize, any of the terms of the Agreement directly or
27 indirectly, specifically or generally, to any person, corporation, association, government agency, or

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

16 P. Continuing Jurisdiction. The Court shall retain continuing jurisdiction over this Action
17 under California Code of Civil Procedure section 664.6 to ensure the continuing
18 implementation of the provisions of this Settlement and that the time within which to
19 bring this Action to trial under California Code of Civil Procedure section 583.310
20 shall be extended from the date of signing of this Agreement by all Parties until the
21 entry of the Final Approval Order and Judgment or if not entered, the date this
22 Agreement shall not longer be of any force or effect.

23 Q. Amendment or Modification. This Agreement may be amended or modified only by
24 a written instrument signed by counsel for all Parties or their successors-in-interest.

25 R. Entire Agreement. This Agreement and any attached Exhibit constitute the entire
26 Agreement among these Parties, and no oral or written representations, warranties or
27 inducements have been made to any Party concerning this Agreement or its Exhibit

1 other than the representations, warranties and covenants contained and memorialized
2 in this Agreement and its Exhibit.

3 S. Authorization to Enter into Settlement Agreement. Counsel for all Parties warrant and
4 represent they are expressly authorized by the Parties whom they represent to negotiate
5 this Agreement and to take all appropriate Action required or permitted to be taken by
6 such Parties pursuant to this Agreement to effectuate its terms, and to execute any other
7 documents required to effectuate the terms of this Agreement. The persons signing
8 this Agreement on behalf of Defendants represents and warrants that he/she is
9 authorized to sign this Agreement on behalf of Defendants. Plaintiffs represents and
10 warrants that he is authorized to sign this Agreement and that he has not assigned any
11 claim, or part of a claim, covered by this Settlement to a third-party.

12 T. Binding on Successors and Assigns. This Agreement shall be binding upon, and inure
13 to the benefit of, the successors or assigns of the Parties, as previously defined.

14 U. California Law Governs. All terms of this Agreement and the Exhibit and any disputes
15 shall be governed by and interpreted according to the laws of the State of California.

16 V. Counterparts. This Agreement may be executed in one or more counterparts by
17 facsimile, electronic signature, or e-mail, for purposes of this Agreement shall be
18 accepted as an original. All executed counterparts and each of them shall be deemed
19 to be one and the same instrument provided that counsel for the Parties to this
20 Agreement shall exchange among themselves copies or originals of the signed
21 counterparts. Any executed counterpart will be admissible in evidence to prove the
22 existence and contents of this Agreement.

23 W. Court Filings. The Parties shall not object to any Court filings consistent with this
24 Agreement.

25 X. Disputes. Any disputes between the Parties as to the remaining terms of the Settlement
26 Agreement shall be presented to the mediator Steven Rottman, Esq. for resolution.

27 ///

- 1 Y. This Settlement Is Fair, Adequate and Reasonable. The Parties believe this Settlement
2 is a fair, adequate and reasonable settlement of this Action and have arrived at this
3 Settlement after extensive arms-length negotiations, taking into account all relevant
4 factors, present and potential.
- 5 Z. Notice of Settlement to LWDA. Class Counsel shall provide notice of this Settlement
6 Agreement to the Labor Workforce Development Agency ("LWDA") as required by
7 Labor Code Section 2699(1)(2).
- 8 AA. Jurisdiction of the Court. The Parties agree that the Court shall retain jurisdiction with
9 respect to the interpretation, implementation and enforcement of the terms of this
10 Agreement and all orders and judgments entered in connection therewith, and the
11 Parties and their counsel submit to the jurisdiction of the Court for purposes of
12 interpreting, implementing and enforcing the settlement and all orders and judgments
13 entered in connection with this Agreement.
- 14 BB. Invalidity of Any Provision. Before declaring any provision of this Agreement invalid,
15 the Court shall first attempt to construe the provisions valid to the fullest extent
16 possible consistent with applicable precedents so as to define all provisions of this
17 Agreement valid and enforceable.
- 18 CC. No Unalleged Claims. Plaintiffs and Class Counsel represent that they do not currently
19 intend to pursue any claims against the Released Parties, including, but not limited to,
20 any and all claims relating to or arising from Plaintiffs' employment with Defendants,
21 regardless of whether Class Counsel is currently aware of any facts or legal theories
22 upon which any claims or causes of action could be brought against Released Parties,
23 including those facts or legal theories alleged in the operative complaint in this Action.
24 The Parties further acknowledge, understand and agree that this representation is
25 essential to the Agreement and that this Agreement would not have been entered into
26 were it not for this representation.

27 ///

1 DD. Waiver of Certain Appeals. The Parties agree to waive appeals and to stipulate to class
2 certification for purposes of this settlement only.

3 EE. No Admissions by the Parties. Plaintiffs have claimed and continue to claim that the
4 Released Claims have merit and give rise to liability on the part of Defendants.
5 Defendants claim that the Released Claims have no merit and do not give rise to
6 liability. This Agreement is a compromise of disputed claims. Nothing contained in
7 this Agreement and no documents referred to and no action taken to carry out this
8 Agreement may be construed or used as an admission by or against the Defendants or
9 Plaintiffs or Class Counsel as to the merits or lack thereof of the claims asserted. Other
10 than as may be specifically set forth herein, each Party shall be responsible for and
11 shall bear their own attorney's fees and costs.

12 IT IS SO AGREED, FORM AND CONTENT, BY PLAINTIFFS:

13
14 DATED: 10/28/2024



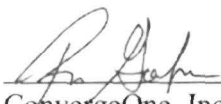
Rodolfo Garcia

15
16 DATED: _____

Adrian Castro

17
18 IS SO AGREED, FORM AND CONTENT, BY DEFENDANTS:

19
20 DATED: November 4, 2024



ConvergeOne, Inc.

21
22
23 Rui Goncalves

24 Printed Name

25 Chief Legal Officer

26 Title

1 DD. Waiver of Certain Appeals. The Parties agree to waive appeals and to stipulate to class
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4 Released Claims have merit and give rise to liability on the part of Defendants.
5 Defendants claim that the Released Claims have no merit and do not give rise to
6 liability. This Agreement is a compromise of disputed claims. Nothing contained in
7 this Agreement and no documents referred to and no action taken to carry out this
8 Agreement may be construed or used as an admission by or against the Defendants or
9 Plaintiffs or Class Counsel as to the merits or lack thereof of the claims asserted. Other
10 than as may be specifically set forth herein, each Party shall be responsible for and
11 shall bear their own attorney's fees and costs.

12 IT IS SO AGREED, FORM AND CONTENT, BY PLAINTIFFS:

13
14 DATED: 10/28/2024


Signature of Rodolfo Garcia

Rodolfo Garcia

15
16 DATED: 11/1/24



Adrian Castro

17
18 IS SO AGREED, FORM AND CONTENT, BY DEFENDANTS:

19
20 DATED: _____

ConvergeOne, Inc.

21
22
23
24 Printed Name

25
26 Title

1
2 DATED: November 4, 2024



AAA Network Solutions, Inc.

3
4
5 Rui Goncalves

6 Printed Name

7 Chief Legal Officer

8 Title

9
10 IT IS SO AGREED AS TO FORM BY COUNSEL:

11 DATED: October 28, 2024

JCL LAW FIRM, A.P.C.

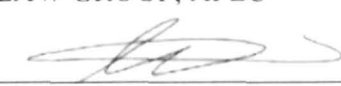
13 By: 

14 Jean-Claude Lapuyade, Esq.

15 Attorneys for Plaintiffs and the Settlement Class
Members

16 DATED: October 28, 2024

ZAKAY LAW GROUP, APLC

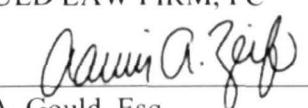
18 By: 

19 Shani O. Zakay, Esq.

20 Attorneys for Plaintiffs and the Settlement Class
Members

21 DATED: 11/4/24

THE GOULD LAW FIRM, PC

23 By: 

24 Michael A. Gould, Esq.

Aarin A. Zeif

25 Attorneys for Plaintiffs and the Settlement Class
Members

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DATED: November 4, 2024

FISHER & PHILLIPS LLP

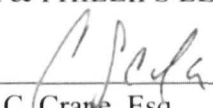
By: 
Andrew C. Crane, Esq.
Caroline Scala, Esq.
Attorneys for Defendants

EXHIBIT A

**NOTICE OF PENDENCY OF CLASS AND REPRESENTATIVE ACTION SETTLEMENT
AND FINAL HEARING DATE**

(Adrian Castro v. Convergeone, Inc., et al., San Bernardino Superior Court Case No. CIVSB2305464)

**YOUR LEGAL RIGHTS MAY BE AFFECTED WHETHER YOU ACT OR DO NOT ACT. PLEASE
READ THIS NOTICE CAREFULLY.**

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:	
Do Nothing and Receive a Payment	To receive a cash payment from the Settlement, you do not have to do anything. Your estimated Individual Settlement Payment is: \$<< __ >>. See the explanation below. After final approval by the Court, the payment will be mailed to you at the same address as this notice. If your address has changed, please notify the Settlement Administrator as explained below. In exchange for the settlement payment, you will release claims against the Defendants as detailed below.
Exclude Yourself	If you wish to exclude yourself from the Settlement, you must send a written request for exclusion to the Settlement Administrator as provided below. If you request exclusion, you will receive no money from the Settlement. Instructions are set forth below.
Object	You may write to the Court about why you believe the settlement should not be approved. Directions are provided below.

1. Why did I get this Notice?

A proposed class action settlement (the "Settlement") of this lawsuit pending in the Superior Court for the State of California, County of San Bernardino (the "Court") has been reached between Plaintiff Rodolfo Garcia and Plaintiff Adrian Castro ("Plaintiffs") and Defendants ConvergeOne, Inc., and AAA Network Solutions, Inc. ("Defendants"). The Court has granted preliminary approval of the Settlement. **You may be entitled to receive money from this Settlement.**

You have received this Class Notice because you have been identified as a member of the Class.

The Class is defined as:

All non-exempt employees employed by Defendant ConvergeOne, Inc., and AAA Network Solutions, Inc. in California at any time between July 17, 2019 through July 2024 ("Class Period").

This Class Notice explains the lawsuit, the Settlement, and your legal rights. It is important that you read this Notice carefully as your rights may be affected by the Settlement.

2. What is this class action lawsuit about?

On October 13, 2022, Plaintiff Adrian Castro filed a Notice of Violations with the Labor and Workforce Development Agency (LWDA) and served the same on Defendants. On March 1, 2023, Plaintiff Castro filed a representative action for violations of PAGA in the San Bernardino Superior Court (Labor Code §§ 2698 *et seq.*) (“*Castro Action*”).

On July 17, 2023, Plaintiff Garcia filed a Complaint against Defendants in the Superior Court of the State of California, County of Orange, asserting causes of action for: (1) Unfair Competition (Bus. & Prof. Code §§ 17200 *et seq.*); (2) Failure to Pay Minimum Wages (Labor Code §§ 1194, 1197 and 1197.1); (3) Failure to Pay Overtime Wages (Labor Code §§ 510 *et seq.*); (4) Failure to Provide Required Meal Periods (Labor Code §§ 226.7, 512 and the applicable Wage Order); (5) Failure to Provide Required Rest Periods (Labor Code §§ 226.7, 516 and the applicable wage order); (6) Failure to Provide Wages When Due (Labor Code §§ 201, 202, 203); (7) Failure to Provide Accurate Itemized Statements (Labor Code § 226 and 226.2 *et seq.*); and (8) Failure to Reimburse Employees for Required Expenses (Labor Code § 2802) (“*Garcia Action*”). On July 17, 2023, Plaintiff Garcia filed a Notice of Violations with the Labor and Workforce Development Agency (LWDA) and served the same on Defendants. On October 2, 2023, Plaintiff Garcia filed a First Amended Complaint adding an additional cause of action for: Violations of the Private Attorneys General Act (Labor Code §§ 2698 *et seq.*) (“PAGA”). On MONTH XX, 2024, the Parties stipulated to the filing of a First Amended Complaint for purposes of adding Plaintiff Garcia as a named plaintiff to the *Castro Action*.

Defendants expressly deny any liability or wrongdoing of any kind associated with the claims alleged in the Action, dispute any wages, damages and penalties claimed by the Class Representatives are owed, and further contend that, for any purpose other than settlement, the Action is not appropriate for class or representative action treatment. Defendants contend, among other things, that at all times they complied with the California Labor Code and the Industrial Welfare Commission Wage Orders.

On July 11, 2024, the Parties participated in an all-day mediation with Steven Rottman, Esq., a mediator of wage and hour class actions. The mediation concluded with a settlement. The Court granted preliminary approval of the Settlement on <<INSERT PRELIMINARY APPROVAL DATE>>. At that time, the Court also preliminarily approved the Plaintiffs to serve as the Class Representatives, and the law firms of JCL Law Firm, APC, Zakay Law Group, APLC, and The Gould Law Firm to serve as Class Counsel.

3. What are the terms of the Settlement?

Gross Settlement Amount. Defendants have agreed to pay an “all in” amount of Nine Hundred Fifty Thousand Dollars and Zero Cents (\$950,000.00) (the “Gross Settlement Amount”) to fund the settlement. The Gross Settlement Amount includes the payment of all Settlement Shares to Settlement Class Members, Class Counsel’s attorneys’ fees and costs, Claims Administration Expenses, the PAGA Payment, and the Service Awards to each Plaintiff.

After the Judgment becomes Final, Defendants will pay the Gross Settlement Amount by depositing the money with the Settlement Administrator. “Final” means the date the Judgment is no longer subject to appeal, or if an appeal is filed, the date the appeal process is completed, and the Judgment is affirmed.

Amounts to be Paid from the Gross Settlement Amount. The Settlement provides for certain payments to be made from the Gross Settlement Amount, which will be subject to final Court approval, and which will be deducted from the Gross Settlement Amount before settlement payments are made to Class Members, as follows:

- Claims Administration Expenses. Payment to the Settlement Administrator, estimated not to exceed \$6,500.00 for expenses, including expenses of sending this Notice, processing opt-outs, and distributing settlement payments.
- Class Counsel Award. Payment to Class Counsel of attorneys' fees of no more than 1/3 of the Gross Settlement Amount (currently \$316,666.66) and attorneys' expenses of not more than \$30,000.00 for all expenses incurred as documented in Class Counsel's billing records, both subject to Court approval. Class Counsel have been prosecuting the Actions on behalf of Plaintiffs and the Class on a contingency fee basis (that is, without being paid any money to date) and have been paying all litigation costs and expenses.
- Service Awards. Service Awards of up to Ten Thousand Dollars (\$10,000.00) to each Plaintiff or such lesser amount as may be approved by the Court, to compensate them for services on behalf of the Class in initiating and prosecuting the Action, and for the risks they undertook.
- PAGA Payment. A payment of \$50,000.00 relating to Plaintiffs' claim under the Private Attorneys General Act ("PAGA"), \$37,500.00 of which will be paid to the State of California's Labor and Workforce Development Agency ("LWDA") and the remaining \$12,500.00 will be distributed to Aggrieved Employees as part of the Net PAGA Amount.
- Calculation of Payments to Settlement Class Members. After all the above payments of the court-approved Attorneys' Fees, Attorneys' Expenses, the Service Awards, the PAGA Payment, and the Claims Administration Expenses are deducted from the Gross Settlement Amount, the remaining portion, called the "Net Settlement Amount," shall be distributed to class members who do **not** request exclusion ("Settlement Class Members"). Settlement Class Members will be paid based on the number of workweeks worked during the Class Period. A "workweek" is defined as any seven (7) consecutive days beginning on Sunday and ending on Saturday, in which a Class Member is employed by Defendants during the Class Period in California.
- Calculation of Aggrieved Employees Payments to Aggrieved Employees. The PAGA Payment shall be distributed to Aggrieved Employees irrespective of whether they exclude themselves or opt-out. The PAGA Payment will be divided by the total number of pay periods worked by all Aggrieved Employees during the PAGA Period, and then taking that number and multiplying it by the number of pay periods worked by each respective Aggrieved Employee during the PAGA Period. "Aggrieved Employee" means all non-exempt employees employed by Defendants ConvergeOne, Inc. and AAA Network Solutions, Inc. in California at any time between July 17, 2022 through July 11, 2024 ("PAGA Period").

If the Settlement is approved by the Court, you will automatically be mailed a check for your Individual Settlement Payment to the same address as this Class Notice. You do not have to do anything to receive a payment. If your address has changed, you must contact the Settlement Administrator to inform them of your correct address to ensure you receive your payment.

Tax Matters. Twenty percent (20%) of each Individual Settlement Payment is allocated to wages. Taxes are withheld from this amount, and each Settlement Class Member will be issued an Internal Revenue Service Form W-2 for such payment. Eighty percent (80%) of each Individual Settlement Payment is allocated to penalties, and other non-wage payments, and no taxes will be withheld from the PAGA Payment paid to Aggrieved Employees. Each Settlement Class Member will be issued an Internal Revenue Service Form 1099 for Penalty Portion and Interest Portion of the Individual Settlement Payments. In addition, no taxes will be withheld from the PAGA Payment paid to Aggrieved Employees, and each Aggrieved Employee will be issued an Internal

Revenue Service Form 1099 for such payment. Neither Class Counsel nor Defendants' counsel intend anything contained in this Settlement to constitute advice regarding taxes or taxability. You may wish to consult a tax advisor concerning the tax consequences of the payments received under the Settlement.

No Credit Toward Benefit Plans. The Individual Settlement Payments and Aggrieved Employee Payments made to Settlement Class Members and/or Aggrieved Employees under this Settlement Agreement, as well as any other payments made pursuant to this Settlement Agreement, will not be utilized to calculate any additional benefits under any benefit plans to which any Class Members may be eligible, including, but not limited to profit-sharing plans, bonus plans, 401(k) plans, stock purchase plans, vacation plans, sick leave plans, PTO plans, and any other benefit plan. Rather, it is the Parties' intention that this Settlement Agreement will not affect any rights, contributions, or amounts to which any Class Members may be entitled under any benefit plans.

Conditions of Settlement. This Settlement is conditioned upon the Court entering an order granting final approval of the Settlement and entering judgment.

4. What Do I Release Under the Settlement?

Released Claims. Upon entry of final judgment and funding in full of the Gross Settlement Amount by Defendants, Plaintiffs and the Settlement Class Members shall release all Released Class Claims that occurred during the Class Period as to the Released Parties. Released Class Claims means all claims alleged or that could have reasonably been alleged based upon the facts alleged in the Operative Complaint in the Action which arose during the Class Period. Class Members do not release any claims that cannot be released by law, including, without limitation, 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.

The Released PAGA Claims shall be released as follows. As of the Settlement Effective Date and upon funding in full of the Gross Settlement Amount by Defendants, all Aggrieved Employees shall release all Released PAGA Claims, irrespective of whether they opted-out of the class settlement and will be bound by this PAGA Release (the "PAGA Release"). "Released PAGA Claims" means all claims for PAGA penalties alleged or reasonably could have been alleged based on the facts alleged in the Operative Complaint and Plaintiffs' notice to the LWDA, which arose during the PAGA Period.

This means that, if you do not timely and formally exclude yourself from the settlement, you cannot sue, continue to sue, or be part of any other lawsuit against Defendants about the legal issues resolved by this Settlement. It also means that all of the Court's orders in this Action will apply to you and legally bind you.

5. How much will my payment be?

Defendants' records reflect that you have <<____>> Workweeks worked during the Class Period (July 17, 2019 to July 11, 2024).

Based on this information, your estimated Individual Settlement Payment is <<____>>.

Defendants' records reflect that you have <<____>> pay periods worked during the PAGA Period (July 17, 2022 to July 11, 2024).

Based on this information, your estimated Aggrieved Employee Payment is <<____>>.

If you wish to challenge the information set forth above, then you must submit a written, signed dispute challenging the information along with supporting documents, to the Settlement Administrator at the address provided in this Notice no later than _____ [forty-five (45) days after the Notice or fifteen (15) days after the re-mailed Notice].

6. How can I get a payment?

To get money from the settlement, you do not have to do anything. A check for your settlement payment will be mailed automatically to the same address as this Notice. If your address is incorrect or has changed, you must notify the Settlement Administrator. The Settlement Administrator is: Apex Class Action LLC.

The Court will hold a hearing on _____ to decide whether to finally approve the Settlement. If the Court approves the Settlement and there are no objections or appeals, payments will be mailed within a few months after this hearing. If there are objections or appeals, resolving them can take time, perhaps more than a year. Please be patient. After entry of the Judgment, the Settlement Administrator will provide notice of the final judgment to the Class Members by posting a copy of the Judgment on the administrator's website at www.apexclassaction.com.

7. What if I don't want to be a part of the Settlement?

If you do not wish to participate in the Settlement, you may exclude yourself from the Settlement or "opt out." **If you opt out, you will receive NO money from the Settlement, and you will not be bound by its terms, except as provided as follows.** Irrespective of whether you exclude yourself from the Settlement or "opt out," if you are an Aggrieved Employee, you will be bound by the PAGA Release, you will be deemed to have released the Released PAGA Claims, and you will receive a share of the PAGA Payment.

To opt out, you must submit to the Settlement Administrator, by First Class Mail, a written, signed and dated request for exclusion postmarked no later than _____. The address for the Settlement Administrator is 18 Technology Drive, Suite 164, Irvine, CA 92618; Tel. (800) 355-0700. The request for exclusion must state in substance that the Class Member has read the Class Notice and that he or she wishes to be excluded from the settlement of the class action lawsuit entitled *Adrian Castro v. Convergeone, Inc., et al.*, San Bernardino Superior Court Case No. CIVSB2305464. The request for exclusion must contain your name, address, signature and the last four digits of your Social Security Number for verification purposes. The request for exclusion must be signed by you. No other person may opt out for a member of the Class.

Written requests for exclusion that are postmarked after _____, or are incomplete or unsigned will be rejected, and those Class Members will remain bound by the Settlement and the release described above.

8. How do I tell the Court that I would like to challenge the Settlement?

Any Class Member who has not opted out and believes that the Settlement should not be finally approved by the Court for any reason, may object to the proposed Settlement. Objections may be in writing and state the Class Member's name, current address, telephone number, and describe why you believe the Settlement is unfair and whether you intend to appear at the final approval hearing. All written objections or other correspondence must also state the name and number of the case, which is *Adrian Castro v. Convergeone, Inc., et al., San Bernardino Superior Court Case No. CIVSB2305464*. You may also object without submitting a written objection by appearing at the final approval hearing scheduled as described in Section 9 below.

To object to the Settlement, you cannot opt out. If the Court approves the Settlement, you will be bound by the terms of the Settlement in the same way as Class Members who do not object. Any Class Member who does not object in the manner provided in this Class Notice shall have waived any objection to the Settlement, whether by appeal or otherwise.

Written objections must be delivered or mailed to the Settlement Administrator no later than _____. The address for the Settlement Administrator is 18 Technology Drive, Suite 164, Irvine, CA 92618; Tel: (800) 355-0700.

The addresses for the Parties' counsel are as follows:

Class Counsel:

Jean-Claude Lapuyade, Esq.
JCL Law Firm, APC
5440 Morehouse Drive, Suite 3600
San Diego, CA 92121
Tel.: (619) 599-8292
E-Mail: jlapuyade@jcl-lawfirm.com

Class Counsel:

Shani O. Zakay, Esq.
Zakay Law Group, APLC
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Tel: (619) 599-8292
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Class Counsel:

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The Gould Law Firm, PC
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Tustin, CA 92780
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Fax: (714) 544-0800
Email: michael@wageandhourlaw.com

Counsel for Defendants:

Andrew C. Crane, Esq.
Caroline Scala, Esq.
Fisher & Philips LLP
2050 Main Street, Suite 1000
Irvine, CA 92614
Tel: (949) 851-2424
Fax: (949) 851-2424
E-Mail: acrane@fisherphillips.com
E-Mail: cscala@fisherphillips.com

9. When and where will the Court decide whether to approve the Settlement?

The Court will hold a Final Approval Hearing at 00:00 AM/PM on _____, at the San Bernardino County Superior Court, Department SB30, located at 247 West Third Street, San Bernardino, CA 92415, before Judge Charlie L Hill, Jr. At this hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate. The purpose of this hearing is for the Court to determine whether to grant final approval to the Settlement. If there are objections, the Court will consider them. The Court will listen to people who have made a timely written request to speak at the hearing or who appear at the hearing to object. This hearing may be rescheduled by the Court without further notice to you. **You are not required to attend** the Final Approval Hearing, although any Class Member is welcome to attend the hearing.

10. How do I get more information about the Settlement?

You may call the Settlement Administrator at 1-800-355-0700 or write to *Adrian Castro v. Convergeone, Inc., et al.*, San Bernardino Superior Court Case No. CIVSB2305464, Settlement Administrator, 18 Technology Drive, Suite 164, Irvine, CA 92618 c/o Apex Class Action, LLC.

This notice summarizes the proposed settlement. More details are in the Settlement Agreement. You may receive a copy of the Settlement Agreement, the Final Judgment or other Settlement documents by writing to JCL Law firm, APC, 5440 Morehouse Drive, Suite 3600, San Diego, CA 92121, or by visiting the administrator's website at <http://www.apexclassaction.com>.

PLEASE DO NOT CALL THE COURT ABOUT THIS NOTICE.

IMPORTANT:

- You must inform the Settlement Administrator of any change of address to ensure receipt of your settlement payment.
- Settlement checks will be null and void 180 days after issuance if not deposited or cashed. In such event, the Settlement Administrator shall pay all funds from such uncashed checks to the State Controller's Unclaimed Property Fund . If your check is lost or misplaced, you should contact the Settlement Administrator immediately to request a replacement.

EXHIBIT 3

Esbeidy Campos

From: DIR PAGA Unit <no-reply@formassembly.com>
Sent: Thursday, January 16, 2025 4:09 PM
To: Esbeidy Campos
Subject: Thank you for your Proposed Settlement Submission

01/16/2025 04:07:38 PM

Thank you for your submission to the Labor and Workforce Development Agency.

Item submitted: Proposed Settlement

If you have questions or concerns regarding this submission or your case, please send an email to pagainfo@dir.ca.gov.

DIR PAGA Unit on behalf of
Labor and Workforce Development Agency

Website:

https://nam02.safelinks.protection.outlook.com/?url=http%3A%2F%2Flabor.ca.gov%2FPrivate_Attorneys_General_Act.htm&data=05%7C02%7Cecampos%40jcl-lawfirm.com%7C10d3d6f6bda2435db46408dd368b1927%7C1f72d94e1dff4b9e9f45bdb37d49a25e%7C0%7C0%7C638726693241742260%7CUnknown%7CTWFpbGZsb3d8eyJFbXB0eU1hcGkiOnRydWUsIlYiOiIwLjAuMDAwMCIsIlAiOiJXaW4zMlIsIkFOIjoiTWFpbCIsIldUIjoyfQ%3D%3D%7C0%7C%7C%7C&sdata=laOdppwaC%2BeTI6rI8lbPHLsE0nTUsny72pEFF0v8lO4%3D&reserved=0

EXHIBIT 4