

SETTLEMENT AGREEMENT AND MUTUAL RELEASE

This Settlement Agreement and Mutual Release (“Agreement”) is made by and between LAUREN MCCOY (“Plaintiff”), GREEN STREET FITNESS, LLC, a California limited liability company (“GSF”), and CLUB PILATES FRANCHISE, LLC, a Delaware limited liability company (“CPF”). Plaintiff, GSF and CPF are individually referred to herein as a “Party” and collectively as the “Parties.”

RECITALS

WHEREAS, Plaintiff resides in California and was employed by GSF in California;

WHEREAS, Plaintiff filed a Class & Representative Action Complaint (the “Action”), titled **Lauren McCoy v. Club Pilates Franchise, LLC, et al., Case No. 30-2020-01136075-CU-OE-CXE**, filed in Superior Court of the State of California, County of Orange, alleging causes of action against GSF and CPF for (1) Failure to Pay Minimum Wages, (2) Failure to Pay Overtime Wages, (3) Failure to Provide Required Meal Periods, (4) Failure to Provide Required Rest Periods, (5) Failure to Indemnify Employees for Necessary Expenditures Incurred in Discharge of Duties, (6) Failure to Furnish Accurate Itemized Wage Statements, (7) Failure to Pay Timely and All Wages Due to Discharged and Quitting Employees, (8) Unfair and Unlawful Business Practices, and (9) Civil Penalties Pursuant to PAGA;

WHEREAS, GSF is a franchisee of CPF, and CPF claims that GSF is required to indemnify CPF for any and all attorneys’ fees, costs, and other amounts paid or owed by GFP in relation to the Action;

WHEREAS, GSF and CPF have denied and continues to deny any and all liability to Plaintiff;

WHEREAS, Plaintiff, GSF, and CPF wish to permanently resolve all individual disputes that exist or may exist between them in the future, arising out of or relating to Plaintiff’s employment with GSF and/or CPF and the termination thereof, including but not limited to the Action;

WHEREAS, Plaintiff, GSF, and CPF understand and agree that neither the making of this Agreement nor anything contained herein, shall, in any way, be construed or considered to be an admission by any Party of wrongdoing, guilt, or noncompliance with any federal, state, or local statutes, public policy, common law, or any other wrongdoing whatsoever; and

NOW, THEREFORE, each intending to be legally bound, Plaintiff, GSF, and CPF agree as follows:

1. Recitals Incorporated. All Recitals contained above are herein incorporated into this Agreement by reference.

2. Settlement Amount. Subject and contingent on the Court’s approval of the dismissal of the Action as discussed in Section 3(a) below, in consideration for the execution of this Agreement by Plaintiff, GSF agrees to pay Plaintiff and her counsel as follows:

(a) a check made payable to Plaintiff in the gross amount of Five Thousand Dollars (\$5,000.00). Plaintiff shall receive an IRS Form 1099 for such payment and any other payments as required by applicable tax rules or regulations.

(b) a check made payable to Plaintiff's Counsel in the gross amount of Ninety-Five Thousand Dollars (\$95,000.00) representing partial payment for attorneys' fees and costs incurred, with no withholdings. Plaintiff's Counsel shall receive an IRS Form 1099 for such payment.

Such payment described above (hereinafter referred to as "Settlement Funds") will be delivered to Plaintiff's Counsel within ten (10) business days of the Court's granting of Plaintiff's Motion to Dismiss the Action, along with any necessary tax forms.

"Plaintiff's Counsel" means The Kick Law Firm, APC, whose address is 815 Moraga Dr., Los Angeles, CA 90049. The necessary tax forms are W-9 forms completed by Plaintiff and Plaintiff's Counsel.

3. Motion for Dismissal and Dismissal of Action.

(a) Within ten (10) days following the mutual execution of this Agreement, Plaintiff shall cause to be filed, in accordance with Rule 3.770 of the California Rules of Court and Cal. Labor Code § 2699(1)(2), with the Court in which the Action is pending, a Motion for Dismissal of the entire Action, seeking dismissal of the Action in accordance with the terms and conditions set forth in Section 3(b) below.

(b) In consideration for payment of the Settlement Funds, within five (5) days of Plaintiff's Counsel's receipt of the Settlement Funds, Plaintiff shall: (i) on behalf of herself individually, file and/or submit to the Court in which the Action is pending, a Request for Dismissal, with prejudice, as to all defendants and all causes of action, and send a confirmation of the filing and/or submission thereof to counsel for GSF and CPF; and (ii) on behalf of the un-certified putative class, file and/or submit to the Court in which the Action is pending, a Request for Dismissal, without prejudice, as to all defendants and all causes of action, and send a confirmation of the filing and/or submission thereof to counsel for GSF and CPF. Plaintiff represents that Plaintiff has not filed any lawsuit or initiated any proceedings against GSF or CPF other than the Action.

4. Released Parties. As used herein, the term "Released Parties" means GSF and CPF, along with their corporate parents, including without limitation Xponential Fitness, LLC, subsidiaries and affiliates, as well as any of their current or former officers, agents, directors, shareholders, members, principals, partners, owners, trustees, supervisors, employees, representatives, benefit plan fiduciaries, attorneys, clients, sureties or bonding companies, insurers, and legal predecessors, successors, heirs, executors, administrators, assigns, and all persons acting by, through, under, or in concert with any of them, as well as Plaintiff, and her heirs, assigns, successors, agents, employees, attorneys, insurers, sureties, executors, administrators and all persons acting by, through, under, or in concert with any of them.

5. Mutual General Release.

- a. General Release of Claims by Plaintiff. Except for the "Claims Not Released" as defined below, Plaintiff hereby fully and forever releases, waives, discharges, and promises not to sue or otherwise institute or cause to be instituted any charges, complaints, claims, or legal proceedings against the Released Parties with respect to any and all liabilities, claims, demands, contracts, debts, obligations, and causes of action of any nature, kind, and description, whether in law, equity or otherwise, whether or not now known or ascertained, which currently do or may exist, including without limitation any matter, cause, or claim arising out of or related to facts or events occurring prior to the execution of this Agreement, and/or arising from and relating to Plaintiff's alleged employment with GSF and/or CPF, Plaintiff's recruitment therefor, or the termination therefrom, including, but not limited to all

claims and causes of action set forth in the Action, and all claims arising under any federal, state, or local law or statute, including without limitation those arising under the Fair Labor Standards Act, Americans with Disabilities Act, Title VII of the Civil Rights Act of 1964, Employee Retirement Income Security Act, National Labor Relations Act, Family and Medical Leave Act, Fair Credit Reporting Act, Worker Adjustment and Retraining Notification Act, federal and state wage and hour laws, leave laws, laws of contract, interference, and tort; all claims for discrimination, harassment, retaliation, wrongful termination, emotional distress, defamation, libel, slander, invasion of privacy, unfair business practices, misrepresentation, fraud; any claim for recovery of lost wages, meal/rest periods, vacation, benefits, other employment compensation, medical expenses, other economic and non-economic damages, penalties, liquidated damages, compensatory damages, punitive damages, injunctive relief, reinstatement, attorneys' fees, costs, expenses, and any other statutory or common law claims relating to employment or the recruitment therefor or the termination thereof, as well as recovery of any other type arising under federal, state, or local law.

The releases provided herein shall not be applicable to any putative class member.

- b. General Release of Claims by GSF and CPF. GSF and CPF, themselves and on behalf of their respective parent corporations, affiliates, subsidiaries, divisions, predecessors, professional employer organizations, insurers, reinsurers, successors and assigns, knowingly and voluntarily release and forever discharge Plaintiff to the full extent permitted by law, of and from any and all claims, known and unknown, asserted and unasserted, which either GSF or CPF has or may have against Plaintiff as of the date of execution of this Agreement.

6. Unknown Claims. To effect a full and complete general release as described above, Plaintiff expressly waives and relinquishes as to Released Parties, and GSF and CPF expressly waive and relinquish as to Plaintiff, all claims that Plaintiff may not know about as of the date of the execution of this Agreement that Plaintiff may have against GSF and/or CPF and that GSF and/or CPF may not know about as of the date of execution of this agreement as to Plaintiff, including but not limited to any and all claims based in whole or in part on the breach, negligence, fraud, fraudulent inducement or strict liability of the Released Parties. It is Plaintiff's knowing and voluntary intent as to GSF and CPF, and GSF and CPF's knowing and voluntary intent as to Plaintiff, to release these unknown claims even though each Party recognizes that someday they might learn that some or all of the facts they each currently believe to be true are untrue and even though they might then regret having signed this Agreement. Nevertheless, Plaintiff is expressly assuming that risk as to GSF and CPF, and GSF and CPF are assuming that risk as to Plaintiff, and agree that this Agreement shall remain effective in all respects in any such case. Plaintiff expressly waives all rights she/it might have under any law as to GSF and CPF, and GSF and CPF expressly waive all rights she/it might have under any law as to Plaintiff, that is intended to protect her/it from waiving unknown claims, and understands the significance of doing so. Plaintiff hereby expressly waives the provisions of California Civil Code Section 1542 as to GSF and CPF, and GSF and CPF hereby expressly waive the provisions of California Civil Code Section 1542 as to Plaintiff, which provides as follows:

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

The releases provided herein shall not be applicable to any putative class member.

7. Specific Release of Indemnity Claims. In further consideration of the payments and benefits provided in this Agreement, GSF and CPF further, themselves and on behalf of their respective parent corporations, affiliates, subsidiaries, divisions, predecessors, professional employer organizations, insurers, reinsurers, successors and assigns, knowingly and voluntarily release and forever discharge each other to the full extent permitted by law, of and from any and all indemnification claims stemming from Plaintiff's Action, known and unknown, asserted and unasserted, which GSF or CPF has or may have against each other as of the date of execution of this Agreement, including without limitation payment of attorneys' fees, costs, settlement sums, or other incidents of litigation, between GSF and CPF concerning the Action. This release does not extend to any other obligations between GSF and CPF arising from or relating to issues outside of Plaintiff's Action.

8. Claims Not Released. Claims not covered by this general release are claims for: (a) state disability insurance benefits pursuant to applicable state law; (b) workers' compensation insurance benefits pursuant to California law, under the terms of any workers' compensation insurance policy or fund of Released Parties; (c) benefit entitlements vested as of the date of Plaintiff's termination, pursuant to written terms of any GSF employee benefit plan; and (d) any other claims which, by applicable law, cannot be released (collectively, "Claims Not Released").

9. References. In response to written employment verification and/or written reference inquiries on behalf of Plaintiff to GSF, GSF will provide a "neutral" reference by confirming Plaintiff's employment with GSF and providing only Plaintiff's job title, dates of employment, and rate of pay.

10. Confidentiality & Non-Disclosure.

(a) Agreement Confidentiality. Plaintiff shall make no disclosure of any kind concerning the sums paid as consideration under this Agreement to any person, persons, or organization(s), except that Plaintiff may disclose such information to Plaintiff's spouse and to Plaintiff's attorneys, accountants or other professional advisors to whom disclosure is necessary to perform the purposes for which Plaintiff has consulted such professional advisor(s).

(b) Breach of This Confidentiality Section. Any breach by Plaintiff of this section (including any applicable subsections) shall be considered a material breach of this Agreement, and Plaintiff acknowledges that GSF deems the applicable confidentiality provisions herein a material condition of this Agreement, absent which GSF would not have agreed to the terms set forth herein, specifically including the payment of any Settlement Funds. Plaintiff hereby acknowledges that the breach of the terms of this Agreement would cause irreparable harm for which monetary damages would be inadequate and difficult to ascertain. Therefore, Plaintiff hereby agrees that, in the event of a breach or threatened breach of this Agreement, in addition to all other remedies available to GSF, including without limitation, any reasonable attorneys' fees and costs available under the Agreement for enforcing this provision, GSF may seek an injunction, restraining order, specific performance, and such other remedies and relief, in law or at equity, or any combination thereof. Nothing in this section or in any other provision of the Agreement shall, or is intended to, limit any other rights or remedies GSF may have by virtue of the Agreement or otherwise, including the provisions contained in the Agreement relating to injunctive relief and attorneys' fees and costs.

11. No Encouragement of Claims Against Released Parties. Plaintiff agrees that Plaintiff will not encourage any other individual to pursue any litigation, grievance or administrative claim against GSF, CPF, and/or any Released Party. Nothing in this section is intended to preclude Plaintiff from disclosing information in response to a subpoena duly issued by a court of law, arbitrator, or a government agency having jurisdiction or power to compel such disclosure or from giving full, complete, truthful and cooperative answers in response to a duly issued

subpoena. Should Plaintiff be served with a subpoena relating to GSF, CPF, or any Released Party, Plaintiff agrees to promptly notify GSF and/or CPF, as applicable, in writing of the subpoena, and to provide GSF and/or CPF, as applicable, with a copy of the subpoena no later than seven (7) days prior to providing testimony or producing any documents in compliance with the subpoena.

12. No Additional Recovery. It is the intent of this Agreement that Plaintiff, lienholders, and any other individual or entity with an interest in Plaintiff's claims shall not recover, directly or indirectly, any sums for claims released under this Agreement from the Released Parties other than the funds received pursuant Section 2, above. If, despite the provisions of this section, any Released Parties receives any claims, including a claim for contribution, arising out of a claim brought directly by Plaintiff against another person, Plaintiff shall indemnify and hold harmless the Released Party for such amount. In the event a trier of fact determines (and all appeals are exhausted or the time for such appeals have expired) that any Released Party is or would be liable for indemnity under any theory of law or equity, this Agreement shall act as a General Release, releasing not only the Released Party but every other individual, trustee, firm, trust, corporation, or entity of any kind, who is or would be entitled to indemnity from the Released Party with respect to any liability that person, firm, or corporation may have to Plaintiff.

13. Attorneys' Fees and Expenses. The Parties agree to bear their own respective attorneys' fees and expenses related to the subject matter of this Agreement. In the event that any Party shall institute any action, proceeding, or litigation against another Party to enforce the provisions of this Agreement, the prevailing party shall be entitled to recover its expenses, including reasonable attorneys' fees, in addition to any other relief to which the Party is found entitled.

14. Tax Liabilities. Plaintiff hereby acknowledges Plaintiff has obtained no advice from GSF or CPF or any of the Released Parties, and that neither GSF, nor its attorneys, have made any representation regarding the tax consequences, if any, of Plaintiff's receipt of the Settlement Funds. Plaintiff hereby agrees Plaintiff is solely responsible for the payment of all taxes and other related contributions, if any, due as a result of Settlement Funds paid by GSF pursuant to this Agreement, and that Plaintiff agrees to indemnify and hold harmless GSF against any and all claims which may be asserted by any taxing or other government authority for taxes, withholding taxes, employer contributions, penalties, and any other assessment that may be asserted or levied by any tax or other government authority arising from or relating to Plaintiff's failure to report or pay any applicable taxes on the Settlement Funds.

15. No Prior Assignments or Liens. Plaintiff represents and warrants that Plaintiff has not assigned to any other person or entity any of the claims released by this Agreement. Plaintiff further represents and warrants that Plaintiff has not, directly or indirectly, caused any liens or claims to be placed on any of the amounts being paid by GSF as provided in this Agreement and further represents and warrants that Plaintiff is not aware of the existence of any such liens. Plaintiff agrees to indemnify and hold GSF harmless from any liability, losses, claims, damages, costs or expenses, including reasonable attorneys' fees, arising out of a breach of the representations and warranties contained in this section.

16. No Admission. The Parties hereby acknowledge, recognize, and understand that nothing contained in this Agreement shall constitute, be construed, or be treated as an admission of liability or wrongdoing by GSF, CPF, or by any current or former employees of GSF, CPF, or any Released Parties. GSF and CPF each deny that it acted in any way contrary to law, ordinance, or regulation with respect to Plaintiff. The Parties have entered into

this Agreement solely for the purpose of resolving the issues between them and avoiding the substantial expense and inconvenience of further litigation.

17. Successors. This Agreement shall be binding upon the Parties, and their heirs, representatives, executors, administrators, successors, insurers, and assigns, and shall inure to the benefit of each and all of the Released Parties, and to their heirs, representatives, executors, administrators, successors, and assignees.

18. Medicare Warranty. Plaintiff warrants that Plaintiff is not a Medicare beneficiary as of the date of this Agreement. Because Plaintiff is not a Medicare recipient as of the date of this Agreement, no conditional payments have been made by Medicare.

19. Governing Law and Jurisdiction and Venue. The Parties hereby agree that California law shall govern the construction, interpretation, and enforcement of this Agreement. The Parties agree that any action brought regarding this Agreement shall be maintained in the court where the Action was initiated.

20. Severability. The Parties hereby agree that if any provision, or portion thereof, of this Agreement shall for any reason be held to be invalid or unenforceable or to be contrary to public policy or any law, then the remainder of the Agreement shall not be affected thereby and shall be enforced as if the invalid provision or portion thereof were not a part of this Agreement. Should any provision or portion thereof be held unenforceable for any reason, then such provision or portion thereof shall be enforced to the maximum extent permitted by law. Nothing in this section or in any other provision of this Agreement shall, or is intended to, limit any other rights or remedies any Party may have by virtue of this Agreement or otherwise.

21. Facsimile, Scanned, and Counterpart Signatures. The Parties agree that facsimile and scanned signatures are deemed to be originals and that this Agreement may be executed in counterpart originals with like effect as if executed in a single original document.

22. Results of Negotiation; Knowing and Voluntary Execution. The Parties hereby acknowledge that this Agreement is the result of negotiation between them and that each has read and understands the foregoing Agreement and that each affixes their respective signature to this Agreement knowingly, voluntarily and without coercion.

23. Entire Agreement. The Parties hereby acknowledge and agree that no promises or representations were or are made which do not appear written in this Agreement, that this Agreement contains the entire agreement between Plaintiff and Released Parties, and that no Party is relying on any representation or promise that does not appear in this Agreement. This Agreement constitutes the entire agreement between the Parties pertaining to the subjects contained herein and supersedes any and all prior and/or contemporaneous agreements, representations, or understandings, written or oral, with the exception of any binding arbitration agreement signed by Plaintiff, which remains in full force and effect. It is expressly understood and agreed that this Agreement may not be altered, amended, modified, or otherwise changed in any respect or particular whatsoever except in writing duly executed by the Parties.

24. Drafting. The Parties acknowledge they each had input into the drafting of this Agreement. The Parties agree that the rule of construction to the effect that any ambiguities are to be construed against the drafting party shall not be employed in any interpretation of this Agreement.

25. Representation of Counsel. The Parties state that they have been represented in negotiations for the preparation of this Agreement by counsel of their own choosing, or have had the opportunity to seek representation in negotiations for the preparation of this Agreement, and that they have entered into this Agreement voluntarily,

without coercion, and based upon their own judgment and not in reliance upon any representations or promises made by the other party or parties, other than those contained within this Agreement. The Parties further agree that if any of the facts or matters upon which they now rely in making this Agreement hereafter prove to be otherwise, this Agreement will nonetheless remain in full force and effect.

26. Admissibility of Agreement. The Parties agree this Agreement is admissible for the purposes of proving up and/or enforcing the terms of the Parties' Agreement.

27. Further Assurances. The Parties agree to cooperate fully with one another, and to take any and all reasonable action, including the execution and/or filing of any and all supplementary documents necessary to give full force and effect to the terms of this Agreement.

***** End of Agreement. Signatures on Following Page *****

Dated: 5/7/2024, 2024

DocuSigned by:
Lauren McCoy
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Lauren McCoy

Green Street Fitness, LLC,
a California limited liability company

Date: 4/19/24, 2024

By: 

Name: Adrian Holmes

Title: Owner

Club Pilates Franchise, LLC,
a Delaware limited liability company

Date: 4/17/24, 2024

By: Mike Gray

Name: Mike Gray

Title: President