

SETTLEMENT AGREEMENT AND GENERAL RELEASE

THIS SETTLEMENT AGREEMENT AND GENERAL RELEASE ("Agreement") is made and entered into as of August 12, 2020 by and between VIGEN ZADOURIAN (ZADOURIAN" or "Defendant") on one part, and FORREST MACHINING, INC. ("FMI" or "Defendant"), on the other part (collectively "the Parties"), with reference to the following facts:

A. ZADOURIAN was employed by FMI.

B. ZADOURIAN contends that he was not properly compensated for all hours worked, including overtime payments, that he was not properly provided meal and rest periods, that he was not provided accurate wage statements, and that he was not fully paid all wages due at the end of his employment, among other wage and hour claims.

C. ZADOURIAN further contends that during his employment with FMI, he was subjected to acts of discrimination and harassment arising from his national origin, resulting in the wrongful termination of his employment.

D. ZADOURIAN and FMI have, in the interest of resolving the dispute and issues raised by the written demand letter and Notice of Intent to Sue under the Private Attorneys' General Act (PAGA) dated April 12, 2020, agreed to settle this matter. FMI entered into this Agreement without acknowledging any wrongful conduct or liability on its part, and in fact, does deny the same.

NOW, THEREFORE, on the basis of the foregoing facts and in consideration of the mutual covenants and agreements of the Parties hereinafter set forth, the Parties hereby covenant and agree as follows:

1. AGREEMENT OF SETTLEMENT

1.1 Subject to the terms and conditions set forth herein, for the valuable consideration specified herein, the Parties hereto hereby covenant and agree to, and shall, compromise and settle all of their respective rights, claims, obligations and liabilities *inter se*, including without limitation, all of their respective rights, claims, obligations and liabilities with respect to the facts described above.

1.2 For the sole and express purpose of securing the payments set forth below, ZADOURIAN agrees to a settlement of TWO HUNDRED FIFTY THOUSAND DOLLARS (\$-250,000.00) payable as follows:

(a) Within thirty (30) days of court approval of this settlement agreement, FMI will remit payment of \$190,000.00 payable to "M Law Attorneys APC Client Trust Account" ("the Firm"). This sum will be designated as settlement of any and all claims associated with statutory violations arising from claims of discrimination, harassment, retaliation and/or wrongful termination, as well as any and all attorneys' fees associated with the settlement. The Firm shall provide FMI with a current Form W-9 as a

condition of this Agreement.

(b) Within thirty (30) days of court approval of this settlement agreement, FMI will remit payment of \$10,000.00 payable to ZADOURIAN through FMI's regular payroll processes, and subject to a Form W-2, with all withholdings and deductions, as required by law. This sum will be designated as settlement of any and all individual wage and hour claims, inclusive of ZADOURIAN's individual penalties.

(c) Within thirty (30) days of court approval of this settlement agreement, FMI will remit payment of \$37,500.00 payable as PAGA penalties directly to the California Labor and Workforce Development Agency ("LWDA"), subject to court approval. An additional \$12,500.00 will be distributed to any and all aggrieved employees, subject to review and administration by FMI.

THE TOTAL PAGA PAYMENT UNDER THIS AGREEMENT SHALL NOT EXCEED \$50,000.00.

If for any reason the PAGA settlement is not approved by the court or the LWDA, ZADOURIAN agrees that such claim shall nonetheless be waived and that disapproval shall not invalidate any portion of this release. ZADOURIAN further agrees that he is not entitled to any "enhancement" or further payment from this sum.

(d) The portions of the settlement payment identified in Section 1.2(a) and (c) hereinabove will not be subject to all federal and/or state withholdings and deductions, rather shall be classified as payment for statutory penalties and/or attorneys' fees and costs. FMI makes no representations or warranties concerning the tax status of the payments referenced hereinabove beyond providing the Firm with an IRS 1099 at the end of the calendar year in which any settlement payment under this Agreement is made. Any characterization for tax purposes of such payment thereafter is solely the responsibility of ZADOURIAN,

(e) Furthermore, ZADOURIAN agrees that, to the extent that the payment set forth in Paragraph 1.2(a) hereinabove, or any part thereof, is construed by a federal, state or local taxing authority as wage payments for which applicable employment taxes and withholdings should have been withheld by FMI, ZADOURIAN shall indemnify, defend and hold FMI harmless from any claims, demands, penalties, interest, deficiencies, levies, assessments, executions, judgments or recoveries under any federal, state or local tax laws, and any costs, attorney's fees, expenses, damages, or other amounts incurred which are associated therewith, which are in any way related to or arise from any such actual or potential tax obligations imposed by law, and/or any share of any such tax, and/or any withholding or contribution obligations, including but not limited to FICA, state unemployment insurance, state disability insurance contributions, and the like. In the event that any governmental entity makes any inquiry regarding this Agreement, the party receiving such inquiry shall immediately notify in writing the other party of such inquiry.

1.3 The Parties and their respective counsel of record agree that the terms of this settlement agreement among them is and will be confidential, except to the extent that court approval is required. The Parties agree that in response to any inquiry, each Party shall state only that "*the dispute*

has been resolved and decline to provide the terms of the settlement, and that the Parties will not provide a copy of the settlement, or any description of its terms, to anyone except in compliance with a court order or as required pursuant to any pending judicial proceeding to which a Party may be a party, or to accountants, attorneys, certified financial planners or other individuals or entities to whom disclosure is necessary to obtain professional tax or financial planning advice or otherwise to satisfy or assist in satisfying the performance obligations of this Agreement. Any such individual or entity to whom such a disclosure is made must be advised that the information is confidential and cannot be disclosed to any other individual or entity. The Parties further agree that the breach of the confidentiality provision will be considered a material breach of this Agreement and that such will give the non-breaching party the right to obtain liquidated damages in the amount of TEN THOUSAND DOLLARS (\$10,000.00) *per incident*, plus all attorneys' fees and costs incurred in seeking to enforce the terms of this paragraph and recover said liquidated damages.

1.4 The Parties shall not (and shall not permit any of their respective agents to), directly or indirectly, disparage, denigrate or make any inaccurate, untruthful or incorrect statement about (whether verbally, in writing, electronically, through social media, or through any other means of communication) the other party or any of their respective officers, directors, shareholders, managers, members, partners, employees, agents or business affiliates. For purposes of this paragraph, a disparaging statement includes, without limitation, any communication which, if publicized to another, would cause or tend to cause the recipient of the communication to question the business condition, integrity, competence, good character or product quality of the person or entity to whom the communication relates.

1.5 ZADOURIAN shall release FMI as set forth below.

2. RELEASE OF CLAIMS

2.1 Except for the right to enforce this Agreement, ZADOURIAN, as well as for his agents, servants, employees, dependents, heirs, executors, administrators, assigns, and successors, past and present, and each of them, does hereby irrevocably and forever release and discharge, waive, relinquish, quitclaim, settle, and forgive all rights, interests, claims, demands, causes of action, or choses in action of whatever kind or nature, whether absolute, contingent, known, unknown, suspected or otherwise, and whether now existing or arising in the future, which he may now or hereafter have against the Defendant, or any of their affiliated or related business entities, and their officers, directors, franchisees, shareholder, employees, agents, servants, representatives, attorneys, insurers, owners, assigns, and successors, past and present, directly or indirectly arising out of or otherwise relating to the facts, set forth above, and any other acts, omissions, or events occurring on or before the date of this Agreement.

Further, without limiting the general scope of this Release, ZADOURIAN acknowledges that it is his intention to release the Defendant, as well as their affiliated and related business entities, predecessors-in-interest, successors-in-interest, officers, directors, shareholders, employees, agents, servants, representatives, attorneys, insurers, owners, assigns, and successors, past and present, directly or indirectly arising out of or otherwise relating to his claims, and to waive any and all claims against them, including, but not limited to, potential claims that ZADOURIAN may now have or that may hereafter

accrue for: wrongful termination; work-related injury or illness; breach of any claimed employment contracts with FMI, including, but not limited to, breach of the implied covenant of good faith and fair dealing and any and all other express and implied provisions of such contract; for any and all violations of: the Civil Rights Act of 1964; the Equal Pay Act; the Employee Retirement Income and Security Act (ERISA); the Fair Labor Standards Act; the Immigration Reform and Control Act of 1986; the Americans With Disabilities Act of 1990; the Age Discrimination in Employment Act (ADEA); the Genetic Information Non-Discrimination Act of 2008 (GINA); all other federal civil rights laws; the California Fair Employment and Housing Act; the California Labor Code; and any and all other provisions of the statutory and common law of the State of California, all other states in the United States of America, the United States of America, and all other countries of the world, that in any manner whatsoever apply to, affected or regulated the employment of ZADOURIAN, or the ending of that employment.

2.2 This Agreement is intended to release and discharge any claims or potential claims of ZADOURIAN under the federal Age Discrimination in Employment Act ("ADEA"). To satisfy the requirements of the Older Workers Benefit Protection Act, 29 U.S.C. section 626(f), the Parties agree as follows:

(a) ZADOURIAN acknowledges that he understands the terms of this Agreement.

(b) ZADOURIAN acknowledges that this Agreement advises him in writing that he should consult with an attorney before executing this Agreement. ZADOURIAN is represented by counsel in connection with this Agreement, and by executing this Agreement, ZADOURIAN represents and warrants that he has obtained and considered all such legal advice he deems necessary concerning this Agreement.

(c) ZADOURIAN acknowledges that he is entering into this Agreement freely and voluntarily and without coercion, duress, fraud or undue influence of any kind whatever.

(d) ZADOURIAN acknowledges that he has been given at least twenty-one (21) days in which to consider whether to enter into this Agreement. ZADOURIAN understands that, at his option, he may elect not to use the full 21-day period, and if he signs this Agreement before the expiration of the 21-day period, he has done so voluntarily.

(e) This Agreement shall not become effective or enforceable until the eighth day after ZADOURIAN signs this Agreement. In other words, ZADOURIAN may revoke his acceptance of this Agreement within seven (7) days after the date he signs it. To be effective, ZADOURIAN's revocation must be in writing and received by Brian Koegle (bkoegle@pooleshaffery.com), by 5:00 p.m. on the seventh day following his execution of this Agreement. If ZADOURIAN does not revoke acceptance within the seven (7) day period, ZADOURIAN's acceptance of this Agreement shall become binding and enforceable at 12:01 a.m. on the eighth day ("Effective Date"). Counsel for ZADOURIAN agrees to notify counsel for FMI in writing or by electronic mail on or shortly after the eighth day as to whether ZADOURIAN has revoked this Agreement.

(f) This Agreement does not waive or release any rights or claims that ZADOURIAN may have under the Age Discrimination in Employment Act that arise after the execution of this Agreement.

2.3 In providing the release described in Paragraphs 2.1 and 2.2, ZADOURIAN hereby expressly acknowledges that the release is a general release that applies to all claims for injuries, damages or losses to person and property, real or personal (whether those injuries, damages or losses are known or unknown, foreseen or unforeseen) and irrevocably waives the provisions of and all of the rights and benefits conferred by Section 1542 of the Civil Code of the State of California, 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."

ZADOURIAN understands and acknowledges the significance and consequence of such specific waiver of Section 1542 and he hereby assumes full responsibility for any injuries, damages, losses, or liability that may hereafter incur from the above-specified dispute.

3. CERTAIN REPRESENTATIONS AND WARRANTIES

3.1 The Defendant hereby makes the following representations and warranties to ZADOURIAN, each of which is material, is being relied upon by ZADOURIAN and is true as of the date hereof:

(a) This Agreement has been duly and validly executed and delivered by the Defendant, and no further action of any kind or nature will be or is necessary on the part of any other person whomsoever, to make this Agreement valid, binding and enforceable upon the Defendant in accordance with the terms hereof; and this Agreement constitutes a legal, valid and binding obligation of the Defendant, enforceable in accordance with the terms hereof.

3.2 ZADOURIAN hereby makes the following representations and warranties to the Defendant, each of which is material and is being relied on by the Defendant and is true as of the date hereof:

(a) This Agreement has been duly and validly executed and delivered by ZADOURIAN, and no further action of any kind or nature will be or is necessary on the part of any other person whomsoever, to make this Agreement valid, binding and enforceable upon ZADOURIAN in accordance with the terms hereof; and this Agreement constitutes a legal, valid and binding obligation of ZADOURIAN, enforceable in accordance with the terms hereof;

(b) ZADOURIAN is the sole and lawful owner of all rights, title and interest in and to all claims, demands, causes of action, choses in action, rights and interests covered by the provisions of Paragraph 2 hereof, and ZADOURIAN has not heretofore sold, assigned, transferred, hypothecated, or otherwise disposed of any interest in any such claim, demand, cause of action, chose in action, right and/or

interest.

4. ENFORCEABILITY AND BINDING AND CONCLUSIVE EFFECT

4.1 It is the mutual intent of all Parties hereto that this Agreement is, and shall be, final, conclusive, binding, enforceable and non-terminable as of, and from and after the date of execution hereof notwithstanding, and regardless of: (i) any change in the law (statutory, judicial, or otherwise) at any time after the date hereof; and/or (ii) except as set forth in Paragraphs 3.1 and 3.2, whether any of the facts with respect to, or otherwise on the basis of, upon which any of the Parties hereto has entered into and/or executed this Agreement is at any time after the date hereof found or proven to be different in any manner whatsoever from the facts now believed by any of the Parties to be true as of the date hereof; and/or (iii) except as set forth in Paragraphs 3.1 and 3.2, the discovery of the existence of any additional claims based upon facts existing as of the date of this Agreement which any of the Parties hereto may have against any of the other Parties hereto.

4.2 Without limiting the generality of any of the provisions hereof, including, without limitation, the provisions of Paragraphs 2.1, 2.2, 2.3, 3.1, and 3.2 hereof, and in furtherance thereof, each of the Parties hereto hereby recognizes, acknowledges, and agrees as follows:

(a) Each of the Parties has retained an attorney and has had the opportunity to review with such attorney the meaning, significance, and legal effect of each provision of this Agreement in its entirety;

(b) Each of the Parties has had adequate opportunity to make, and has made whatever investigation or inquiry that it has deemed necessary or desirable in connection with the subject matter of this Agreement prior to the execution and delivery hereof;

(c) None of the Parties has been induced to enter into or execute this Agreement on the basis of any statement, covenant, agreement, promise, representation, or warranty of any of the other Parties hereto not otherwise expressly set forth herein;

(d) If any fact with respect to, or otherwise on the basis of, which each of the Parties has entered into and executed this Agreement, is at any time hereafter found or proven to be other than, or different from, the facts now believed by each of the Parties to be true, each of the Parties nevertheless hereby expressly accepts and assumes the risk of such possible difference in facts and further covenants and agrees that this Agreement shall be and remain effective, binding and non-terminable, notwithstanding any such difference in facts;

(e) This Agreement, and the settlement covered and contemplated hereby, is intended by each of the Parties to be and shall be final, binding, and conclusive thereon pursuant to a full and final accord and satisfaction between all of the Parties hereto and is intended to, and shall, constitute a bar to each and every claim, demand and cause of action covered by Paragraphs 2.1, 2.2 and 2.3 hereof, notwithstanding, and regardless of, any claims of fraud, misrepresentation, concealment of fact, mistake of, or change in, law or fact, or any other circumstance whatsoever including, without limitation, the discovery as of the date hereof of the existence of any additional claims which the Parties may have against

each other specified herein;

(f) It is the intention of the Parties that this Agreement shall be given full force and effect in accordance with each and all of the terms and provisions hereof, with respect to all claims, demands and causes of action which are subject to the provisions of Paragraphs 2.1, 2.2 and 2.3 hereof, including, without limitation, all unknown or unsuspected claims, demands and causes of action, if any;

(g) This Agreement is intended to, and shall, effect a full, complete and final settlement of all of the Parties' claims, present and possible, each and all of which claims are denied and contested by the other party, and nothing contained herein shall be deemed or construed in any manner whatsoever as an admission by Defendant of any liability of any kind or nature to Plaintiffs, or vice versa, with respect to all or any such claims; and

(h) It is the intention of the Parties that this settlement is binding and enforceable in accordance with California Evidence Code Sections 1115-1128.

5. ACKNOWLEDGEMENTS AND AFFIRMATIONS

5.1 ZADOURIAN affirms that he has not filed, or caused to be filed, any claim, complaint, or action against the Defendant in any forum or form other than the present action and that ZADOURIAN is presently not a party to any claim, complaint, or action against the Defendant in any forum or form other than the present action.

5.2 ZADOURIAN affirms that he has reported all hours worked as of the date ZADOURIAN signs this Agreement and timely has been paid or has received all compensation, bonuses, commissions, and benefits which are due and payable as of the date of execution of this Agreement, except as alleged in this action.

5.3 ZADOURIAN affirms that he has no known workplace injuries or occupational diseases and that he has been granted or has not been denied any leave to which he was entitled under the Family and Medical Leave Act, the California Family Rights Act, or disability accommodation laws.

5.4 ZADOURIAN affirms that he has not been retaliated against for reporting any allegations of wrongdoing by FMI, or any of its officers, directors, or employees, including, but not limited to, allegations of corporate fraud, except as alleged in this action.

5.5 ZADOURIAN affirms that as of the date he signs this Agreement, he is not Medicare eligible (*i.e.*, is not 65 years of age or older; is not suffering from end-stage renal failure; has not received Social Security Disability Insurance benefits for 24 months or longer, etc.). Nonetheless, if the Center for Medicare & Medicaid Services ("CMS"), or any related agency representing Medicare's interests, determines that Medicare has an interest in the settlement payments to ZADOURIAN under this Agreement, ZADOURIAN agrees to indemnify, defend, and hold harmless the Defendant from any action by CMS relating to medical expenses of ZADOURIAN. ZADOURIAN agrees to reasonably cooperate with the Defendant upon request with respect to any information needed to satisfy the reporting requirements under Section 111 of the Medicare, Medicaid, and SCHIP Extension Act of 2007, if

applicable, and any claim the CMS may make and for which ZADOURIAN are required to indemnify the Defendant under this section. Further, ZADOURIAN agrees to waive any and all future actions against the Defendant for any private cause of action for damages pursuant to 42 U.S.C. §1395y(b)(3)(A).

6. FURTHER ASSURANCES.

6.1 Each of the Parties hereto hereby covenants and agrees to do such acts and things, and in connection therewith, to execute and deliver such documents and instruments as reasonably may be required for effecting and otherwise carrying out the purposes of the settlement covered and contemplated hereby.

7. GENERAL.

7.1 In the event that any provision of this Agreement is unenforceable, such shall not affect the validity of any other provision of this Agreement.

7.2 Except as otherwise expressly provided for herein, each of the Parties hereto shall pay its own costs, expenses, and attorney fees in connection with the claims and disputes which are herein settled, and the settlement covered and contemplated hereby, including, without limitation, all costs and expenses incurred in connection with the performance of all of his or its, covenants, agreements, duties, and obligations hereunder.

7.3 No remedy conferred by any of the specific provisions of this Agreement is intended to be exclusive of any other remedy which is otherwise available at law, in equity, by statute, or otherwise, and except as otherwise expressly provided for herein, each and every other remedy shall be cumulative and shall be in addition to every other remedy given hereunder, or now or hereafter existing at law, in equity, by statute, or otherwise. The election of any one or more of such remedies by any of the Parties hereto shall not constitute a waiver by the Parties of the right to pursue any other available remedies.

7.4 All notices, demands or other communications hereunder shall be in writing and shall be deemed to have been duly given if and when delivered in person or by any means whereby a signature confirming delivery is obtained:

- a. If on FMI:
Brian E. Koegle, Esq.
POOLE SHAFFERY & KOEGLE, LLP
25350 Magic Mountain Parkway, Second Floor
Santa Clarita, CA 91355
- b. If on ZADOURIAN:
Narak Mirzaie, Esq.
M Law Attorneys, APC
7820 Hillrose St
Sunland, CA 91040-2506

or to such other persons or addresses as the Parties may furnish to each other from time to time. Any such notice, demand or other communication made pursuant to the provisions of this Paragraph 7.4 shall be deemed to have been given on the date actually delivered to the addressee to whom it is directed.

7.5 None of Parties hereto may assign any of its rights, or delegate any of its duties hereunder without the prior written consent of the other Parties hereto, and any such assignment or delegation without the prior written consent of such other Parties shall be void *ab initio*, and said consent shall not be unreasonably withheld.

7.6 All terms and provisions of this Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective transferees, successors, and permitted assigns.

7.7 This Agreement may be executed in one or more counterparts, all of which taken together shall constitute one instrument. Facsimile signatures or photocopied signatures will be deemed as if original.

7.8 This Agreement is made and entered into in the State of California and the laws of said state shall govern the validity and interpretation hereof, and the performance of the Parties hereto of their respective duties and obligations hereunder.

7.9 Paragraphs or other headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement; and, no provision of this Agreement shall be interpreted for or against any of the Parties because one or more of the Parties or its or their legal representative drafted the provision.

7.10 No breach of any provision hereof may be waived unless in writing and the waiver of any one breach shall not be deemed to be a waiver of any other breach of the same or any other provision hereof.

7.11 This Agreement may be amended only by a written agreement executed by all of the Parties hereto.

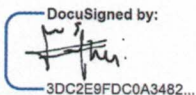
7.12 All pronouns and any variations thereof shall be deemed to refer to the masculine, feminine or neuter, singular or plural as the identity of the person may require.

7.13 Should one of the Parties hereto retain counsel for the purpose of enforcing, restraining, enjoining or otherwise preventing the breach of, any provision hereof, including, without limitation, the commencement or institution of any action or proceeding (including arbitration) to enforce any provision hereof, for damages by reason of any alleged breach of any provision hereof, for a declaration of one of the respective Parties' rights or obligations hereunder, or for any other judicial remedy in connection therewith, the prevailing Party(ies) shall be entitled, in addition to such other relief as may be granted in such action or proceeding, to be reimbursed by the other Party(ies,) for all costs and expenses incurred thereby, including, without limitation, the reasonable attorneys' fees and costs for services rendered to such prevailing Party(ies) in connection therewith. If there is any dispute arising under the terms and/or conditions of this agreement, including breach of this agreement, the parties agree that the venue shall be in Los Angeles County.

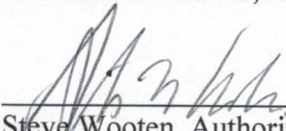
7.14 This Agreement is entered into for the express benefit of the Parties hereto, their successors and assigns, and is not intended, and shall not be deemed, to create in any other person any rights or interest whatsoever, including without limitation, any right to enforce the terms hereof.

7.15 This Agreement embodies the entire understanding of the Parties, and there are no further or other agreements or understandings, written or oral, in effect between the Parties hereto relating to the subject matter hereof, unless expressly referred to by reference herein or executed concurrently herewith.

IN WITNESS WHEREOF, the Parties hereto have entered into and executed this Agreement as of the date first above-mentioned.

By:  3DC2E9FDC0A3482...
VIGEN ZADOURIAN, Plaintiff

FORREST MACHINING, INC.

By: 
Steve Wooten, Authorized Representative