

CONFIDENTIAL SETTLEMENT AGREEMENT

On June 26, 2020, Plaintiff Barbara Salcedo ("Plaintiff") filed Case No. 20STCV24194 (the "Lawsuit") in the Los Angeles County Superior Court – Spring Street Courthouse (the "Court") against Defendant JC USA, Inc. ("Defendant") (collectively, Plaintiff and Defendant will be referred to as the "Parties").

Plaintiff alleges the following causes of action against Defendant on behalf of herself and all others similarly situated in the Lawsuit: (1) failure to compensate all hours worked; (2) unlawful forfeiture of wages; (3) failure to pay all accrued and vested vacation/PTO wages; (4) failure to pay overtime compensation; (5) failure to provide proper wage statements; (6) failure to pay compensation upon termination of employment; (7) violation of Labor Code §§ 2698, *et seq.* ("PAGA"); and (8) violations of Cal. Business & Professions Code §§ 17200, *et seq.*

On November 18, 2020, the Court granted a Motion to Compel Arbitration filed by Defendant, which dismissed Plaintiff's class action claims, compelled Plaintiff to arbitrate her individual claims, and stayed Plaintiff's PAGA claims pending the resolution of Plaintiff's individual claims in arbitration.

On January 21, 2021, Plaintiff filed a demand for arbitration of her individual claims alleged in the Lawsuit (JAMS Case No. 1220067753).

Plaintiff and Defendant agree to resolve all disputes between them, including those alleged in the Lawsuit, as follows:

1. Settlement Payment Amount. In exchange for Plaintiff entering into this Agreement, Defendant agrees to pay Plaintiff \$45,000 plus Plaintiff's portion of the mediation fees in the amount of \$2,125 (the "Settlement Payment"). The Settlement Payment will be allocated as follows:

a. Payment for Alleged Unpaid Wages. Defendant agrees to pay Plaintiff \$4,500, less all applicable withholding taxes and payroll deductions, for all claims for alleged unpaid wages.

b. Payment for Non-Wage Claims. Defendant agrees to pay Plaintiff \$18,337.65 for all non-wage claims, including claims for penalties.

c. Payment for Attorneys' Fees and Costs. Defendant agrees to pay Plaintiff's counsel, LOYR, APC, \$24,287.35 for all attorneys' fees and cost, including Plaintiff's portion of the mediation fees.

2. Timing of Settlement Payment. The Settlement Payment is not due until 30 calendar days after all of the following have occurred: (a) Plaintiff signs this Agreement; (b) Plaintiff's counsel provides Defendant's counsel with IRS Form W-9s signed by Plaintiff and Plaintiff's counsel; (c) Plaintiff's counsel provides Defendant's counsel with IRS Form W-4 signed by Plaintiff; (d) Plaintiff's counsel provides notice to JAMS that the Lawsuit has settled; (e) Plaintiff's counsel provides Defendant's counsel with a signed Request for Dismissal (with prejudice) of Plaintiff's individual claims in the Lawsuit (*i.e.*, Causes of Action Nos. 1-6 & 8), which Defendant's counsel agrees not to file with the Court until the Settlement Payment is disbursed; (f) Plaintiff's

counsel files a Stipulation for Dismissal of Plaintiff's PAGA claims without prejudice; (g) the Court dismisses Plaintiff's PAGA claims per the Parties' Stipulation for Dismissal; (h) Plaintiff's counsel notifies the Labor and Workforce Development Agency that Plaintiff is withdrawing her PAGA claims against Defendant; and (i) Plaintiff returns all property of Defendant or Plaintiff or Plaintiff's counsel confirms same.

3. Payment of Applicable Taxes. Plaintiff and Plaintiff's counsel are solely responsible for all federal, state, and local taxes that either may owe for any payments they receive under this Agreement. Plaintiff agrees to indemnify and hold Defendant harmless from any liability for any tax obligations Plaintiff or Plaintiff's counsel may have for receiving payments under this Agreement, including any penalties, interest, or other costs that may be imposed by the Internal Revenue Service or other governmental agencies.

4. Release. Plaintiff releases Defendant from all claims, causes of action, and/or liabilities arising on or before the date Plaintiff signs this Agreement, whether known or unknown, including all claims, causes of action, and/or liabilities related to or arising under: (a) Plaintiff's employment with or work for Defendant and Plaintiff's separation of employment with Defendant; (b) Title VII of the Civil Rights Act of 1964; (c) the Civil Rights Act of 1866 (42 U.S.C. § 1981); (d) the Equal Pay Act; (e) the Americans With Disabilities Act; (f) the Age Discrimination in Employment Act (including the Older Workers' Benefit Protection Act); (g) Sections 503 and 504 of the Rehabilitation Act of 1973; (h) the Family Medical Leave Act; (i) Employee Retirement Income Security Act; (j) the Occupational Safety and Health Act; (k) the Workers' Adjustment and Retraining Notification Act; (l) the California Fair Employment and Housing Act; (m) the California Unruh Civil Rights Act; (n) the California Fair Pay Act; (o) the California Family Rights Act; (p) the California Healthy Workplaces, Healthy Families Act of 2014; (q) the California Whistleblower Protection Act; (r) the California Labor Code; (s) any applicable California Industrial Welfare Commission Wage Order; (t) California Business & Professions Code section 17200; (u) any other federal, state, or local laws, regulations, or ordinances (provided such claims may be released under applicable law); (v) common law; (w) contract law; (x) tort law; and (y) claims for attorneys' fees and/or costs.

Plaintiff also waives all rights under California Civil Code Section 1542, which states:

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.

Notwithstanding the provisions of Section 1542, Plaintiff releases all claims that Plaintiff does not know or suspect to exist in Plaintiff's favor when Plaintiff signed this Agreement.

5. Released Parties. The release described in Paragraph No. 4 of this Agreement applies to each of Defendant's past and present corporate parents, subsidiaries, affiliates, members, owners, partners, successors, assigns, officers, directors, agents, employees, clients, and their respective past and present corporate parents, subsidiaries, affiliates, members, owners, partners, successors, assigns, officers, directors, agents, or employees. Additionally, the release described in Paragraph No. 4 of this Agreement binds each of Plaintiff's descendants, dependents, heirs, executors, administrators, successors, assigns, and agents.

6. All Claims Resolved. This Agreement resolves all claims, disputes, or controversies between Plaintiff and Defendant. There are no other claims, disputes, or controversies between the Parties, including any other pending claims, charges, or lawsuits in any forum. If any other claims, charges, or lawsuits have been filed by or on behalf of Plaintiff against Defendant, Plaintiff agrees to withdraw all such claims, charges, or lawsuits.

7. Plaintiff's Acknowledgments. Plaintiff understands that certain claims may not be released as a matter of law. This Agreement does not release any claims that may not be released as a matter of law. However, Plaintiff affirms that as of the date Plaintiff signs this Agreement, Plaintiff: (a) has not suffered any industrial or work-related accident or illness in Plaintiff's employment with or work for Defendant for which Plaintiff is still entitled to compensation; (b) has received all wages owed to Plaintiff by Defendant; (c) acknowledges that Plaintiff has had sufficient time and opportunity to review this Agreement, including the opportunity to consult with and be advised by Plaintiff's attorney(s); (d) enters into this Agreement freely, voluntarily, and under no duress; and (e) affirms that Plaintiff is not, and has never been, a recipient of Medicare benefits, and has not sought medical treatment or incurred medical costs (either on Plaintiff's behalf or through Medicare) as a result of the claims asserted in this Lawsuit.

8. Confidential and/or Proprietary Information. Except as provided for in Paragraph 12 of this Agreement, Plaintiff agrees not to use or disclose any confidential or proprietary information that Plaintiff may have obtained in the course of Plaintiff's employment with or work for Defendant, including any data or information that is valuable to Defendant and not generally known to competitors of Defendant or the public, such as financial information, strategic information, operational information, customer lists, trade secrets, or other similar information. Except as provided for in Paragraph 12 of this Agreement, if Plaintiff is compelled by subpoena or other court order to disclose any confidential or proprietary information of Defendant, Plaintiff agrees to notify Defendant's counsel, Patty Matias of Ogletree, Deakins, Nash, Smoak & Stewart P.C., at 695 Town Center Drive, Suite 1500, Costa Mesa, CA 92626, by certified or overnight mail within two business days of receiving such subpoena or court order.

9. Non-Disparagement. Plaintiff agrees that Plaintiff will not disparage or damage the reputation of Defendant or any of its officers, directors, agents, or employees. The Parties acknowledge and agree that because proof of actual damages related to breach of this provision would be costly, inconvenient, and such damages are not readily foreseeable or calculable in advance, the non-breaching party will be entitled to liquidated damages in the amount of \$4,500 for each instance that this provision is breached. This provision does not prevent Plaintiff from making any truthful statement in connection with any legal proceeding or governmental investigation.

10. Non-Disclosure. Plaintiff agrees not to disclose this Agreement, any terms of this Agreement, any compensation received in connection with this Agreement, and any communications made between the Parties or their counsel in connection with entering into this Agreement, to anyone besides Plaintiff's spouse, attorney, or financial advisor, unless compelled to do so by subpoena or court order. Plaintiff further agrees not to disclose any information about this Lawsuit other than to say that the Lawsuit has been "dismissed." If Plaintiff is compelled by subpoena or other court order to disclose any of the above-referenced information, Plaintiff agrees to notify Defendant's counsel, Patty Matias of Ogletree, Deakins, Nash, Smoak & Stewart P.C., at 695 Town Center Drive, Suite 1500, Costa Mesa, CA 92626, by certified or overnight mail within two business days of receiving such subpoena or court order. Any breach of this provision will be considered a material breach of this Agreement. The Parties acknowledge and agree that because

proof of actual damages related to breach of this provision would be costly, inconvenient, and such damages are not readily foreseeable or calculable in advance, the non-breaching party will be entitled to liquidated damages in the amount of \$4,500 for each instance that this provision is breached.

11. Assistance to Defendant. Plaintiff agrees to provide any information Defendant may reasonably request regarding Plaintiff's employment with or work for Defendant or events or persons Plaintiff may have knowledge of through same, including cooperating with any internal or litigation-related investigation(s), so long as such requests do not unreasonably interfere with any other job in which Plaintiff is engaged. Defendant agrees to reimburse Plaintiff for all reasonable and documented out-of-pocket costs Plaintiff incurs in complying with any such request.

12. Non-Interference and Right to Participate in Agency Proceedings. Nothing in this Agreement will interfere with Plaintiff's right to file a charge, cooperate, or participate in an investigation or proceeding conducted by the U.S. Equal Employment Opportunity Commission, California Department of Fair Employment and Housing, the National Labor Relations Board, the Occupational Safety and Health Administration, the Securities and Exchange Commission, or any other federal, state, or local regulatory or law enforcement agency, commission, or department. Such cooperation or participation may include providing documents or information in connection with a government agency investigation without notice to Defendant. This Agreement also does not limit Plaintiff's right to receive an award from any government agency for providing information in connection with an agency investigation, but Plaintiff agrees that the consideration provided to Plaintiff in this Agreement will be the sole relief provided by Defendant to Plaintiff for the claims Plaintiff releases in this Agreement.

13. No Admission of Liability. This Agreement is not an admission of liability or wrongdoing by Defendant or any of its employees. This Agreement, the fact of entering into this Agreement, and/or providing any consideration pursuant to this Agreement may not be used as evidence of liability or wrongdoing by Defendant or any of its employees in any proceeding.

14. No Prevailing Party. Plaintiff and Defendant agree that neither will be considered a prevailing party for any purpose.

15. Entire Agreement. This Agreement: (a) is the entire agreement between the Parties concerning all disputes or claims that Plaintiff has, or could have had, against Defendant as of the date Plaintiff signs this Agreement; (b) supersedes all other agreements between the Parties concerning all such disputes or claims; and (c) may not be changed unless in writing and signed by the Parties.

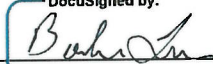
16. Severability. If any provision of this Agreement is held to be unenforceable by any court of competent jurisdiction, it will be severed from this Agreement without invalidating or impairing the remainder of the Agreement.

17. Governing Law. California law governs this Agreement and any action(s) to enforce this Agreement without regard to choice of law principles. The prevailing party in any action to enforce this Agreement is entitled to reasonable attorneys' fees and costs in connection with such action. The Parties agree that the Court retains jurisdiction to enforce this Agreement pursuant to California Code of Civil Procedure section 664.6.

18. Representations by Plaintiff and Plaintiff's Counsel. Plaintiff and Plaintiff's counsel represent and warrant that, other than the Lawsuit, Plaintiff and Plaintiff's counsel have no current intention of asserting any other claims against Defendant in any judicial or administrative forum. Plaintiff's counsel further represent that they do not represent any persons who have expressed any interest in pursuing litigation or seeking any recovery against Defendant, other than through the Lawsuit.

19. 21-Day Consideration Period and 7-Day Revocation Period for OWBPA/ADEA Claims. Plaintiff acknowledges that Plaintiff has been advised by this writing, as required by the Age Discrimination in Employment Act ("ADEA") and Older Workers Benefits Protection Act ("OWBPA"), that: (a) Plaintiff has been given 21 days to consider the terms of this Agreement and, if Plaintiff signs this Agreement before the 21-day period expires, Plaintiff knowingly waives Plaintiff's right to consider this Agreement for 21 days; (b) Plaintiff has seven days after signing this Agreement to revoke this Agreement and that Plaintiff's waiver of OWBPA/ADEA claims is not effective until this seven-day period expires; (c) Plaintiff's waiver and release does not apply to any rights or claims that may arise after Plaintiff signs this Agreement; and (d) Plaintiff should consult with any attorney before signing this Agreement. If Plaintiff revokes Plaintiff's waiver of OWBPA/ADEA claims, Plaintiff must do so in writing by certified or overnight mail to Defendant's counsel, Patty Matias of Ogletree, Deakins, Nash, Smoak & Stewart P.C., at 695 Town Center Drive, Suite 1500, Costa Mesa, CA 92626. All other waivers, releases, and terms of this Agreement are permanently and immediately effective once Plaintiff signs this Agreement.

BARBARA SALCEDO

DocuSigned by:
Signature: 
21D792C01D7B479...
Date: 11/1/2021

JC USA, INC.

By: Erin Parashkevov
Title: V.P. Human Resources
Signature: 
Date: 11/01/2021

LOYR APC*

By: Young W. Ryu
Signature: 
Date: 11/1/2021

Digitally signed by Young W. Ryu
DN: cn=Young W. Ryu, o=LOYR APC,
ou=email-young.ryu@loyr.com,
c=US
Date: 2021.11.01 16:01:43 -0700

*As to Paragraphs 3 and 18 only