

**PRIVATE ATTORNEYS GENERAL ACT (LABOR CODE § 2698 ET SEQ.) SETTLEMENT
AGREEMENT AND RELEASE**

This Private Attorneys General Act (“PAGA”) Settlement Agreement and Release (“Agreement”) is made by and between Plaintiff Alan Pena (“Plaintiff”), acting in a private attorney general capacity, and Defendant American National Insulation Inc. (formerly Superior Contracting Corporation and hereinafter “Defendant”). Plaintiff and Defendant are collectively referred to as the “Parties”.

This Agreement, and the settlement embodied herein shall be binding on Plaintiff and the PAGA Settlement Members he represents and, on Defendant, subject to the approval of the Court.

I. DEFINITIONS

The following terms, when used in this Settlement, shall have the following meanings:

1. “Action” means the matter entitled *Alan Pena v. Superior Contracting Corp. et al.*, Alameda County Superior Court Case No. RG20072862, and as set forth in Plaintiff’s correspondence to the California Labor and Workforce Development Agency (“LWDA Letter”) dated June 25, 2020.
2. “Defendant” means American National Insulation Inc. (formerly Superior Contracting Corporation).
3. “Complaint” means the Representative Action Complaint entitled *Alan Pena v. Superior Contracting Corp. et al.*, Alameda County Superior Court Case No. RG20072862, filed on August 31, 2020.
4. “Court” means the Superior Court of California for the County of Alameda.
5. “Effective Date” means the date upon entry of an Order by the Court approving the Settlement.
6. “Individual PAGA Payment” means the amount to be paid to each PAGA Settlement Member based on the formula described herein.
7. “LWDA” means the California Labor and Workforce Development Agency.
8. “Gross Settlement Amount” is the non-reversionary sum of \$800,000.00, which represents the total amount payable under this Settlement by Defendant including, without limitation, payments to all PAGA Settlement Members, payment to the LWDA, payment of Plaintiff’s attorneys’ fees and costs, Plaintiff’s Service Award, and payment of settlement administration costs.
9. “Net Settlement Amount” is the amount remaining to distribute to the LWDA and PAGA Settlement Members after the following amounts (if approved by the Court) are subtracted from the Gross Settlement Amount: (a) Plaintiff’s attorneys’ fees up to one-third (1/3) of the Gross Settlement Amount (\$266,666.67); (b) Plaintiff’s attorneys’ costs up to \$15,000.00; (c) settlement administration costs up to \$8,500; and (d) Plaintiff’s Service Award up to \$7,500.00.

10. “PAGA” means the California Labor Code Private Attorneys General Act, California Labor Code § 2698, *et seq.*

11. “PAGA Period” means the time period from April 16, 2019, through the earlier date of February 14, 2022 or date upon which the Court approves the Settlement.

12. “PAGA Released Claims” mean any and all claims for penalties recoverable pursuant to PAGA for the violations that are pled in Plaintiff’s Complaint, or which could have been pled under the Labor Code and Industrial Welfare Commission Wage Orders by PAGA Settlement Members, based on the factual allegations in Plaintiff’s Complaint during the PAGA Period.

13. “PAGA Settlement Members” consist of all current and former employees of Defendant who were employed by Defendant in the State of California from April 16, 2019, and continue through the earlier date of February 14, 2022 or date upon which the Court approves this Settlement. The number of PAGA Settlement Members, including Plaintiff, as of December 17, 2021 is 678 individuals.

14. “Plaintiff” means Alan Pena.

15. “Parties” mean Plaintiff and Defendant.

16. “Plaintiff’s Counsel” means Graham Hollis, Nathan Reese, and Nora Steinhagen of GrahamHollis APC.

17. “Defendant’s Counsel” means Kevin Rising, Mark Wallin, and Caroline Dickey of Barnes & Thornburg LLP.

18. “Service Award” refers to an amount, which shall not exceed \$7,500.00, for which Plaintiff shall apply to the Court as an award for his services to the LWDA and PAGA Settlement Members in bringing this Action.

19. “Settlement Administrator” means ILYM Group Inc. The Settlement Administrator shall be responsible for sending notices and for calculating settlement payments specified in the Agreement and preparing all checks and mailings.

20. “Settlement” means this Private Attorneys General Act (“PAGA”) Settlement Agreement and Release, (alternatively referred to herein as the “Agreement”).

II. RECITALS

1. Plaintiff was employed by Defendant as a non-exempt employee in the position of warehouse worker and field installer during the PAGA Period.

2. On June 25, 2020, Plaintiff provided written notice to the LWDA and Defendant asserting claims for civil penalties pursuant to PAGA stemming from alleged violations of the California Labor Code.

3. On August 31, 2020, Plaintiff filed a Complaint entitled *Alan Pena v. Superior Contracting Corp. et al.*, Alameda County Superior Court Case No. RG20072862.

4. In response to Plaintiff's Counsel's discovery requests as well as the informal exchange of information for mediation, Defendant provided Plaintiff's Counsel with information and documents pertaining to Plaintiff and other PAGA Settlement Members, which allowed Plaintiff's Counsel to investigate Plaintiff's allegations and the potential recovery of the PAGA Released Claims. The exchange of information and documents included the timekeeping and payroll records of Plaintiff and a sample of the PAGA Settlement Members; information and documentation concerning the claims set forth in the Complaint, such as Defendant's employee handbook, applicable collective bargaining agreements, policies and procedures regarding the payment of wages, meal and rest breaks, and time keeping; information regarding the number of PAGA Settlement Members and the number of current versus former employees; and PAGA Settlement Members' dates of employment, which permitted Plaintiff's Counsel to determine the total pay periods worked by the PAGA Settlement Members.

5. On November 24, 2021, the Parties participated in a full-day mediation with Steven Rottman, Esq. With the assistance of Mr. Rottman, the Parties agreed to fully and finally resolve the PAGA Released Claims as to Plaintiff and PAGA Settlement Members.

6. The Parties have arrived at the settlement after extensive, arms-length negotiations, taking into account all relevant factors, present and potential.

7. Based on their own independent investigations and evaluations, Plaintiff and Plaintiff's Counsel are of the opinion that the settlement for the consideration and on the terms set forth in this Agreement is genuine and meaningful, consistent with the underlying purpose of the PAGA, and is in the best interests of the Plaintiff and the PAGA Settlement Members in light of all known facts and circumstances and the risks inherent in litigation. Although Defendant maintains and believes that Plaintiff and the PAGA Settlement Members were treated lawfully in all respects, and denies all wrongdoing, Defendant wishes to resolve this matter amicably and without further litigation.

III. OPERATIVE TERMS OF SETTLEMENT AGREEMENT

THEREFORE, in consideration of the promises and agreements contained herein, and to avoid the uncertainty, risks, costs, and delays associated with further litigation, the Parties agree and covenant as follows:

1. **Non-Admission**. Nothing in this Settlement shall be construed to be an admission by Plaintiff that his claims do not have merit or by Defendant of any liability or wrongdoing as to Plaintiff, the PAGA Settlement Members, or any other person, and Defendant specifically disclaims any such liability or wrongdoing. The Parties have entered into this Settlement with the intention to avoid further disputes and litigation with the attendant inconvenience, expenses and risks. This Settlement and any related court documents or orders are not and may not be cited or admitted as evidence of liability.

2. **Gross Settlement Amount**. Defendant shall pay \$800,000.00 as the Gross Settlement Amount ("GSA") in full satisfaction of the PAGA Released Claims by Plaintiff and PAGA Settlement Members.

- a) This Settlement is based on the number of pay periods in the PAGA Period, which was estimated at the time of mediation to be approximately 40,000. Should the total number of pay periods encompassed by this settlement exceed 44,000 (10% above the number of pay periods estimated) Defendant shall have the option to either: (i) increase the GSA on a pro rata basis

in accordance with the increased number of pay periods over 44,000, or (ii) end the PAGA Period, as defined above, on an earlier date in accordance with the date on which the number of pay periods reached 44,000.

- b) Defendant shall disburse the Gross Settlement Amount in accordance with the terms of the Settlement, to the Settlement Administrator, within thirty (30) calendar days after the Effective Date.

4. **Net Settlement Amount.** The Parties agree that the following amounts should be subtracted from the Gross Settlement Amount, if approved by the Court, resulting in a Net Settlement Amount to distribute to the LWDA and PAGA Settlement Members:

- a. **Plaintiff's Attorneys' Fees and Costs.** Defendant will not oppose Plaintiff's request for attorneys' fees in the amount up to one-third (1/3) of the Gross Settlement Amount or Two Hundred Sixty-Six Thousand Six Hundred Sixty-Six Dollars and Sixty-Seven Cents (\$266,666.67) and costs incurred in prosecuting this Action, up to \$15,000. In the event the Court approves a payment of less than these amounts, the difference will be added to the Net Settlement Amount. Defendant, via the Settlement Administrator, will report these payments on IRS Form 1099 issued to Plaintiff's Counsel.

- b. **Settlement Administration Costs.** Defendant will not oppose the Settlement Administrator's costs of up to \$8,500 for administering the Settlement. In the event the Court approves a payment of less than this amount, the difference will be added to the Net Settlement Amount. Defendant, via the Settlement Administrator, will report this payment on IRS Form 1099 issued to the Settlement Administrator.

- c. **Service Award.** Defendant will not oppose Plaintiff's request for a service award in recognition of his effort in obtaining the benefits of the Settlement. The Service Payment shall not exceed \$7,500.00. Defendant, via the Settlement Administrator, will report this payment on IRS Form 1099 issued to Plaintiff.

5. **Allocation of Net Settlement Amount.** The Net Settlement Amount ("NSA") is approximately \$502,333.33 and shall be allocated between the LWDA and the PAGA Settlement Members pursuant to Labor Code Sections 2699 and 2699.6, as determined by Plaintiff. Defendant will work Plaintiff and the Settlement Administrator in good faith, as necessary, to ensure the accuracy of the allocation determined by Plaintiff and approved by the Court, as between the union PAGA Settlement Members, non-union PAGA Settlement Members, and the LWDA, respectively.

- a) Using the information provided by Defendant, the Settlement Administrator shall determine:
 - i. the total number of pay periods worked by all PAGA Settlement Members ("Total Pay Periods");
 - ii. the total number of pay periods worked by PAGA Settlement Members whose employment is governed by a collective bargaining agreement meeting the criteria set forth in Labor Code Sec. 2699.6, subd. (a) ("CBA Pay Periods"); and

iii. the total number of pay periods worked by PAGA Settlement Members whose employment is not governed by a CBA meeting the criteria set forth in Labor Code Sec. 2699.6, subd. (a) (“Non-CBA Pay Periods”).

- b) **CBA Pay Period Allocation.** The Settlement Administrator shall then determine the percentage of pay periods allocable to CBA Pay Periods by dividing the number of CBA Pay Periods by the Total Pay Periods. The Settlement Administrator shall then take the resulting percentage and multiply it by the amount of the NSA to determine the “CBA Pay Period Allocation.” [CBA Pay Period Allocation = (CBA Pay Periods / Total Pay Periods) x NSA]. The total amount of the CBA Pay Period Allocation shall remain as part of the NSA for distribution to PAGA Employees, consistent with Labor Code Sec. 2699.6, subd. (a)(3)..
- c) **Non-CBA Pay Period Allocation.** The Settlement Administrator shall determine the percentage of pay periods allocable to Non-CBA Pay Periods by dividing the number of Non-CBA Pay Periods by the Total Pay Periods. The Settlement Administrator shall then multiply the resulting percentage by the NSA to determine the “Non-CBA Pay Period Allocation.” [Non-CBA Pay Period Allocation = (Non-CBA Pay Periods / Total Pay Periods) x NSA]. Seventy-Five Percent (75%) of the Non-CBA Pay Period Allocation shall be paid as a Labor Code Section 2699 penalty payment to the LWDA. The remaining Twenty-Five Percent (25%) of the Non-CBA Pay Period Allocation shall remain as part of the NSA.
- d) **Calculation of Individual PAGA Payments.** Each PAGA Settlement Member shall be entitled to his or her share of the NSA based on the number of pay periods he or she worked during the PAGA Period. PAGA Settlement Member’s Individual Settlement Payment shall be calculated as follows: NSA x (PAGA Settlement Member’s pay periods worked during the PAGA Period / Total Pay Periods).
- e) Should the court require a different distribution structure of the NSA, the Parties shall work together in good faith to restructure NSA distribution structure only, in order to obtain court approval of the settlement. But in no event will Defendant pay any amounts in excess of the agreed upon GSA. This amount shall constitute resolution of all remedies available under Labor Code Section 2699, and preclude pursuit by the PAGA Settlement Members of any PAGA Released Claims, including claims for remedies available under Labor Code Section 2699. If, in the course of seeking the Court’s approval this settlement, the Court or the LWDA disagree with the distribution of the penalties under the settlement, the Parties will work together in good faith to determine a mutually agreeable allocation of the NSA in order to address the Court’s or the LWDA’s requests, but in no event will Defendant pay any amounts in excess of the agreed upon GSA. Further, after the settlement is approved by the Court, if the LWDA challenges or disputes the approved distribution, then Plaintiff will respond to the LWDA concerning the approved allocation. In the event of such post-approval challenge, Defendants will cooperate in good faith with Plaintiff, but in no event will it agree to pay any amounts in excess of the GSA.

6. **PAGA Release.** In his capacity as a private attorney general or “aggrieved employee,” and acting on behalf of himself, the State of California and the PAGA Settlement Members, Plaintiff

hereby releases Defendant and its successors, assignees, parents, subsidiaries, officers, directors, shareholders, owners, insurers, employees, agents, servants, representatives, members, and attorneys (collectively, the “Released Parties”), from the PAGA Released Claims that arose during the PAGA Period as to each PAGA Settlement Member.

7. **Judgment.** Plaintiff shall submit a proposed order and judgment which enters judgment in the Action in accordance with the terms of the PAGA Settlement, subject to the Court’s continued jurisdiction for the purpose of enforcing the terms of the Settlement following its approval. The judgment will not release or bar any claims other than the PAGA Released Claims as to the PAGA Settlement Members.

IV. ADMINISTRATION OF SETTLEMENT

1. **Settlement Administrator.** The Parties agree that ILYM Group Inc. will manage the administration of this Settlement.

2. **Funding Obligation.** Within thirty (30) calendar days after the Effective Date, Defendant shall fund the \$800,000.00 Gross Settlement Amount.

3. **Payment to the LWDA, Attorney’s Fees and Costs, and Administration Costs.** Within five (5) business days from receipt of the Settlement funds, the Settlement Administrator will distribute the following payments: (1) the agreed-upon share of the Net Settlement Amount to the LWDA; (2) Court-approved attorneys’ fees and costs to Plaintiff’s Counsel; (3) the Court-approved service award to Plaintiff; and (4) Court-approved administration costs to the Settlement Administrator.

4. **Provision of Information for PAGA Settlement Members.** Within thirty (30) business days after the Effective Date, and pursuant to an order by the Court specifically directing Defendant to do so (in light of the California Consumer Privacy Act and the California Privacy Rights Act), Defendant shall provide the Settlement Administrator with the information specified in this Section for PAGA Settlement Members. Defendant will in good faith compile from their records a list of PAGA Settlement Members that will be in a computer-readable format, such as a Microsoft Excel spreadsheet, and shall include each Aggrieved Employee’s full name, last known mailing address, start date(s) of employment, end date(s) of employment, and Social Security numbers (for purposes of issuance of IRS Forms 1099). Further, for all PAGA Settlement Members whose employment was governed by a collective bargaining agreement meeting the criteria set forth in Labor Code Sec. 2699.6, subd. (a) during the PAGA Period, Defendant shall also provide the start and end date(s) during which said PAGA Settlement Members’ employment was governed by said collective bargaining agreement. Because confidential information is included in the list, the information provided to the Settlement Administrator shall be subject to the Protective Order entered in this matter on July 16, 2021. Pursuant to the Protective Order and California privacy law, including the California Consumer Privacy Act and the California Privacy Rights Act, the Settlement Administrator will maintain the list in strict confidence, and access shall be limited to authorized representatives of the Settlement Administrator with a need to use the list as part of the administration of the Settlement. The Settlement Administrator will store such data securely in accordance with California law and best practices for companies engaged in the administration of settlements.

Within ten (10) business days of receipt of this information, the Settlement Administrator will circulate to counsel for Plaintiff and Defendant an anonymized spreadsheet containing the Individual

PAGA Payments to each Aggrieved Employee and the data used to calculate said payments. The Settlement Administrator shall obtain approval of the calculations from the Parties within five (5) business days after receipt of such information by counsel for the Parties. Within five (5) business days after such approval is received, the Settlement Administrator shall mail the Individual PAGA Payments.

5. **Explanatory Letter and Individual PAGA Payments.** The Settlement Administrator will include copies of the explanatory letter, which has been mutually approved by the Parties and is attached hereto as **Exhibit A**, in English and Spanish, along with Individual PAGA Payments to all PAGA Settlement Members via regular First Class U.S. Mail.

The amount to be received by each Aggrieved Employee, will be based on the formula set forth in Section III.5, *supra*. Checks will remain negotiable for 180 days. Each Individual PAGA Payment shall be deemed penalties and reported using IRS Form 1099.

6. **Undeliverable Payments.** The Settlement Administrator shall conduct both a National Change of Address Database (“NCOAD”) as well as an Accurant®, or substantially similar, skip trace prior to mailing the Individual PAGA Payments and explanatory letter. The Settlement Administrator shall exercise its best judgment to determine the current mailing address for each Aggrieved Employee.

Any checks returned as non-deliverable on or before the check cashing deadline will be sent promptly via regular First-Class U.S. Mail to the forwarding address affixed thereto. If no forwarding address is provided, the Settlement Administrator will promptly attempt to determine the correct address using another skip-trace or other search using the name, address or Social Security number of the Aggrieved Employee involved and will perform a single re-mailing.

Defendant fully discharges its obligations to the PAGA Settlement Members through the payment of the Gross Settlement Amount to the Settlement Administrator and clearance of the settlement funds, regardless of whether checks are actually received and/or negotiated by PAGA Settlement Members. Funds resulting from any checks returned as undeliverable after a re-mailing, and funds represented by checks remaining un-cashed for more than 180 days after issuance will be redistributed to the Parties’ chosen *cy pres* beneficiary, Legal Aid at Work, a nonprofit legal services organization that assists low-income individuals.

Neither Defendant nor Plaintiff shall bear any liability for lost or stolen checks, forged signatures on checks, or unauthorized negotiation of checks. Unless responsible by its own acts of omission or commission, the same is true for the Settlement Administrator.

7. **Accounting.** The Settlement Administrator will provide an accounting under oath to Plaintiff’s Counsel and Defendant’s Counsel of the amounts paid from the Settlement prior to any final accounting hearing set by the Court, or in case no such hearing is required, no later than seven (7) months after the Individual PAGA Payments have been disbursed.

8. **Tax Consequences.** Neither Plaintiff nor Defendant, nor counsel for either of the Parties, makes any representations or warranties with respect to tax consequences of any payment under this Settlement. PAGA Settlement Members, including Plaintiff, will assume any tax obligations or consequences which may arise from this Settlement. PAGA Settlement Members, including Plaintiff, release any and all claims that they have or may have against Defendant for any

claims, demands, deficiencies, levies, assessments, executions, judgments, penalties, taxes, indemnification, and any other recoveries related to any payments made under this Agreement. If any state or federal taxing authority contacts, investigates, or pursues any action against any PAGA Settlement Member, including Plaintiff, for their individual share of taxes related to any payments made under this Agreement, each PAGA Settlement Member, including Plaintiff, shall be responsible for their own defense of and payment for any claim of unpaid taxes, interest, or penalties brought by any state or federal taxing authority for the PAGA Settlement Member's share of any state or federal tax obligation. If a PAGA Settlement Member has questions about any liability to any state or federal taxing authority, they shall contact the Settlement Administrator. The PAGA Settlement Members, including Plaintiff, shall not contact Defendant, any of the Released Parties, or Defense Counsel regarding this Settlement or its tax consequences. Nothing herein shall be deemed to constitute tax advice or guidance. The Settlement Administrator shall prepare and issue any tax forms required by law, including any IRS Form 1099s to PAGA Settlement Members, Plaintiff, and Plaintiff's Counsel.

V. MISCELLANEOUS PROVISIONS

1. **Drafting**. The Parties agree that the terms and conditions of this Settlement are the result of lengthy, intensive, arm's-length negotiations between the Parties and that neither Plaintiff nor Defendant shall be considered the "drafter" of this Settlement for purposes of having terms construed against that Party.

2. **Successors**. This Settlement shall be binding upon and inure to the benefit of the Parties hereto and their respective heirs, trustees, executors, administrators and successors.

3. **Governing Law**. This Settlement shall be construed under and governed by the laws of the State of California. All questions of validity, interpretation or performance of any of its terms or of any rights or obligations of the Parties to this Settlement shall be governed by California law. If any legal or equitable action is necessary to enforce the terms of this Settlement, it shall be brought in the State of California.

4. **Complete Agreement**. The Parties each acknowledge and represent that no promise or representation not contained in this Settlement has been made to them and acknowledge and represent that this Settlement contains the entire understanding between them and contains all terms and conditions pertaining to the compromise and settlement of the PAGA Released Claims. This Settlement cannot be amended or modified except by a writing signed by the Parties hereto.

5. **Nullification of Settlement**. In the event that the Court does not approve the Settlement in whole as provided herein or the Settlement does not become final for any other reason, then this Settlement and any documents generated to bring it into effect, will be null and void, and the Parties will be returned to their original respective positions. In this event, the Parties agree to cooperate in good faith to renegotiate a settlement agreement that will satisfy the Court's concerns, if possible, provided, however, Defendant will not increase the GSA unless specifically directed by the Court. In the event the Court declines to approve the Settlement on the basis that the Parties are required to submit a proposed judgment rather than a request to have the Action dismissed with prejudice, the Parties then agree to revise this Agreement to state that the Parties will submit a proposed judgment rather than a request for dismissal of the Action with prejudice. The Parties agree to cooperate regarding the preparation and execution of any documents necessary for effectuating this provision.

6. **Continued Jurisdiction.** After approval of this Settlement, the Court will have continuing jurisdiction solely for purposes of addressing: (i) the interpretation and enforcement of the terms of the Settlement, (ii) settlement administration matters, and (iii) such post-Judgment or post-dismissal matters as may be appropriate under court rules or as set forth in this Settlement.

7. **Amendment or Modification.** This Settlement may be amended or modified only by a written instrument, signed by either the Parties or their successors-in-interest or counsel for all Parties.

8. **Authorization to Enter into Settlement.** Counsel for all Parties warrant and represent that they are expressly authorized by the Parties whom they represent to negotiate this Settlement and to take all appropriate action required or permitted to be taken by such Parties pursuant to this Settlement to effectuate its terms, and to execute any other court documents required to effectuate the terms of this Settlement. The Parties and their counsel will cooperate with each other and use their best efforts to effect the implementation of the Settlement. If the Parties are unable to reach agreement on the form or content of any document needed to implement the Settlement, or on any supplemental provisions that may become necessary to effectuate the terms of this Settlement, the Parties may seek the assistance of the Court to resolve such disagreement.

9. **Execution and Counterparts.** This Settlement is subject only to the execution of all Parties. However, the Settlement may be executed in one or more counterparts. All executed counterparts, and each of them, including facsimile, electronic signature, and scanned copies of the signature page, will be deemed to be one and the same instrument provided that counsel for the Parties will exchange among themselves original signed counterparts.

11. **Invalidity of Any Provision.** Before declaring any provision of this Settlement invalid, the Court will first attempt to construe the provision as valid to the fullest extent possible consistent with applicable precedents, so as to define all provisions of this Settlement valid and enforceable.

12. **Severability.** If any term or provision of this Settlement is held to be invalid or unenforceable, the remaining portions of this Settlement will continue to be valid and will be performed, construed and enforced to the fullest extent permitted by law, and the invalid or unenforceable term will be deemed amended and limited in accordance with the intent of the Parties, as determined from the face of the Settlement, to the extent necessary to permit the maximum enforceability or validation of the term or provision.

13. **Waiver.** No waiver of any condition or covenant contained in this Settlement or failure to exercise a right or remedy by any of the Parties hereto will be considered to imply or constitute a further waiver by such Party of the same or any other condition, covenant, right or remedy.

14. **Enforcement Action.** In the event that one or more of the Parties institutes any legal action or other proceeding against any other Party or Parties to enforce the provisions of this Settlement or to declare rights and/or obligations under this Settlement, the successful Party or Parties will be entitled to recover from the unsuccessful Party or Parties reasonable attorneys' fees and costs, including expert witness fees incurred in connection with any enforcement actions.

15. **Representation by Counsel.** The Parties acknowledge that they have been represented by counsel throughout all negotiations that preceded the execution of this Settlement, and this Settlement has been reviewed in full and is executed knowingly and voluntarily.

16. **Cooperation and Execution of Necessary Documents.** All Parties will cooperate in good faith and execute all documents to the extent reasonably necessary to effectuate the terms of this Settlement.

17. **Binding Agreement.** The Parties warrant that they understand and have full authority to enter into this Settlement, and further intend that this Settlement will be fully enforceable and binding on all Parties and agree that it will be admissible and subject to disclosure to the extent necessary in a proceeding to enforce its terms, notwithstanding any mediation confidentiality provisions that otherwise might apply under federal or state law.

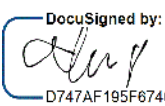
18. **Denial of Liability.** The Parties expressly recognize that the making of this Settlement does not in any way constitute an admission or concession of wrongdoing on the part of Defendant. Nothing in this Settlement, nor any action taken in implementation thereof, nor any statements, discussions or communications, nor any materials prepared, exchanged, issued or used during the course of this Action, is intended by the Parties to, nor will any of the foregoing constitute, be introduced, be used or be admissible in any way in any other judicial, arbitral, administrative, investigative or other forum or proceeding, as evidence of any violation of any federal, state or local law, statute, ordinance, regulation, rule or executive order, or any obligation or duty at law or in equity. Notwithstanding the foregoing, this Settlement may be used in any Court proceeding that has as its purpose the interpretation, implementation or enforcement of the Settlement or any orders or judgments of the Court entered into in connection therewith.

19. **Confidentiality.** Plaintiff and Plaintiff's Counsel will not make any public disclosure of the Settlement, except through Court filings for approval of the Settlement. Following Court approval of the Settlement, Plaintiff and Plaintiff's Counsel will not initiate or engage in any communications (directly or indirectly) with the media regarding the Action or Settlement. Plaintiff's counsel shall not report the Settlement in any medium or in any publication, shall not post or report anything regarding the Action, the claims of Plaintiff or the PAGA Settlement Members, and/or the Settlement on their website, and shall not contact any reporters or media regarding the settlement. However, Plaintiff's Counsel shall not be prohibited from disclosing publicly available information about this settlement in court filings, including those addressing the adequacy of Plaintiff's Counsel or fee motions.

IN WITNESS THEREOF, the Parties each acknowledge that they have read the foregoing Settlement, accept and agree to the provisions contained in this Settlement and hereby execute it voluntarily and with full understanding of its consequences.

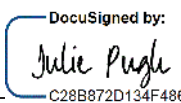
Dated: 1/21/2022

PLAINTIFF

By:  _____
Alan Pena

AMERICAN NATIONAL INSULATION, INC.

Dated: 1/24/2022

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By: Julie Pugh

Its: Secretary
