

PAGA ACTION SETTLEMENT AGREEMENT

This PAGA Settlement Agreement ("Agreement") is made by and between Plaintiff Tiffany Newby ("Newby") and Danielle McGuire ("McGuire") (collectively "Plaintiffs") and Defendant Community Research Foundation, Inc. ("CRF" or "Defendant"). The Agreement refers to Plaintiffs and CRF collectively as "Parties," or individually as "Party."

1. DEFINITIONS.

- 1.1. "Actions" means collectively the Plaintiffs Newby's and McGuire's representative PAGA lawsuits alleging Labor Code violations against CRF captioned: *Tiffany Newby v. Community Research Foundation, Inc.* (Superior Court of California, County of San Diego, Case No. 37-2020-00045600-CU-OE-CTL), and *Danielle McGuire v. Community Research Foundation, Inc.*, Case No. 37-2022-00029009-CU-OE-CTL.
- 1.2. "Settlement Group" shall consist of all current and former non-exempt, hourly paid employees, who were employed by Defendant in California during the PAGA period for the representative Actions, also referred to herein as "Aggrieved Employees."
- 1.3. "Administrator" means APEX the neutral entity the Parties have agreed to appoint to administer the Settlement.
- 1.4. "Administration Expenses Payment" means the amount the Administrator will be paid from the LWDA PAGA Payment to reimburse its reasonable fees and expenses in accordance with the Administrator's quote submitted to the Court in connection with approval of this Settlement.
- 1.5. "Court" means the Superior Court of California, County of San Diego.
- 1.6. "Defense Counsel" means the law firm of Klinedinst P.C, including Teresa M. Beck, Grace P. Gower, and Imbar Sagi-Lebowitz.
- 1.7. "Effective Date" shall mean the date by which this Agreement is approved by the Court and that approval becomes final. The approval becomes final when the later of the following events occurs: (a) the period for filing any appeal, writ, or other appellate proceeding opposing the settlement approval has elapsed without any appeal, writ, or other appellate proceeding having been filed; (b) any appeal, writ, or other appellate proceeding opposing the settlement approval has been dismissed finally and conclusively with no right by any appellant or objector to pursue further remedies or relief; or (c) any appeal, writ, or other appellate proceeding has upheld the settlement approval with no right by any appellant or objector to pursue further remedies or relief. In this regard, it is the intention of the Parties that the settlement shall not become effective until the Court's approval of the settlement is completely final, and no further recourse exists by an appellant or objector who seeks to contest the settlement. The occurrence of the Effective Date is a prerequisite to any obligation of Defendant to pay the Gross Settlement Amount.
- 1.8. "Individual Settlement Payment" means the Aggrieved Employee's pro rata share of 25% of the PAGA Penalties calculated according to the number of Pay Periods the Aggrieved Employee worked during the PAGA Period.

- 1.9. “Judgment” means the judgment entered by the Court based upon the Approval of this PAGA Settlement.
- 1.10. “LWDA” means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i).
- 1.11. “LWDA PAGA Payment” means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i) less PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, and Administration Expenses Payment.
- 1.12. “PAGA Counsel” means Graham Hollis, APC, including Graham S.P. Hollis, Vilmarie Cordero, and Ommar Chavez—the attorneys representing the Plaintiffs in the Actions.
- 1.13. “PAGA Counsel Fees” and “PAGA Counsel Costs” mean the amounts allocated to PAGA Counsel for reimbursement of reasonable attorneys’ fees and expenses, respectively, incurred in prosecution of the Actions.
- 1.14. “PAGA Employee” means all of CRF’s current and former non-exempt employees who worked for CRF in California during the PAGA Period.
- 1.15. “PAGA Employee Data” means Aggrieved Employee identifying information in CRF’s possession including the Aggrieved Employee’s name, last-known mailing address, Social Security number, and number of Qualifying PAGA Pay Periods.
- 1.16. “PAGA Pay Period” means any Pay Period during which an Aggrieved Employee worked for CRF for at least one day during the PAGA Period.
- 1.17. “PAGA Period” means the period from October 7, 2019, to December 31, 2024.
- 1.18. “PAGA” means the Private Attorneys General Act (Labor Code § 2698. et seq.).
- 1.19. “PAGA Notice” means Plaintiff Newby’s July 24, 2020 letter to CRF and the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a).
- 1.20. “PAGA Penalties” means the total amount of PAGA civil penalties to be paid from the Net Settlement Amount, allocated 25% to the Aggrieved Employees and 75% to LWDA.
- 1.21. “Plaintiffs” means Tiffany Newby and Danielle McGuire, the named representative PAGA plaintiffs in the Actions.
- 1.22. “Qualifying Pay Period” means any pay period in which a PAGA Employee worked at least 1 day of the pay period, i.e. was not on vacation or a leave of absence. Pay periods worked shall be calculated using PAGA Employee hire dates, dates of termination, rehire dates with respect to relevant roles, as applicable.

- 1.23. "Approval Order" means the proposed Court Order Granting Approval of PAGA Settlement.
- 1.24. "Released PAGA Claims" means the claims being released by Plaintiff and PAGA Counsel and as described in Section 5 below.
- 1.25. "Released Parties" means: CRF and each of its parents, predecessors, successors, subsidiaries, affiliates, partners, and trusts, employment agencies and professional employer organizations, and their owners, employees, officers, agents, attorneys, insurers, stockholders, fiduciaries, other service providers, and assigns.
- 1.26. "Settlement" means the disposition of the Actions effected by this Agreement and the Judgment.

2. RECITALS.

- 2.1. On December 11, 2020, Plaintiff Newby commenced her Private Attorney General Act Action by filing a PAGA Complaint alleging causes of action against CRF for representative claims under the Labor Code and PAGA, on behalf of the State of California for violations suffered by all non-exempt employees of CRF.
- 2.2. McGuire filed a Private Attorney General Act Complaint on July 22, 2022 in San Diego County Superior Court, Case No. 37-2022-00029009-CU-OE-CTL, alleging PAGA representative causes of action against CRF on behalf of the State of California for violations suffered by all non-exempt employees of CRF.
- 2.3. McGuire's PAGA Action alleges, among others, that CRF violated the Private Attorneys General Act by: (1) failing to provide legally complaint meal periods and/or timely pay premium wages in lieu thereof; (2) failing to provide legally compliant rest periods and/or timely pay premium wages in lieu thereof; (3) failing to timely pay minimum, regular, and overtime wages; (4) failing to timely pay wages earned and due during employment; (5) failing to pay all wages due and owing on separation of employment and/or the required waiting time penalties; (6) failing to reimburse necessary business expenses; (7) failing to maintain accurate records; and (8) failing to furnish accurate itemized wage statements. ("McGuire's PAGA Action")
- 2.4. McGuire's PAGA Action was deemed related to the previously filed Newby PAGA Action titled *Tiffany Newby v. Community Research Foundation, Inc.* (Superior Court of California, County of San Diego, Case No. 37-2020-00045600-CU-OE-CTL) (Newby's PAGA Action).
- 2.5. On October 12, 2022, CRF moved to compel McGuire's individual, non-representative PAGA claims to arbitration pursuant to the *Viking River Cruises* decision.
- 2.6. On February 17, 2023, the San Diego Superior Court issued an order compelling McGuire's individual PAGA claims to private arbitration pursuant to the Parties' arbitration agreement. McGuire's individual non-representative PAGA claim arises out of alleged Labor Code violations from McGuire's employment at CRF. On February 17, 2023, the San Diego Superior Court also ordered a stay of McGuire's representative PAGA Action pending arbitration of McGuire's

individual PAGA claim. In lieu of arbitration, at a mediation on October 31, 2024, CRF and McGuire reached a resolution of McGuire's individual PAGA claim separate from this Agreement.

- 2.7. Pursuant to Labor Code section 2699.3, subd.(a), Plaintiffs gave written notice to CRF and the LWDA by sending the PAGA Notice.
- 2.8. CRF denies the allegations in the Newby PAGA Action and McGuire PAGA Action, denies any failure to comply with the laws identified in the Newby PAGA Action and McGuire PAGA Action and denies any and all liability for the causes of action alleged therein.
- 2.9. On October 31, 2024, the Parties resolved the entirety of the claims alleged against CRF brought by Newby (representative) and McGuire (representative and individual) pursuant to PAGA at a full day mediation conducted by experienced mediator Lynn Frank of Frank and Feder. The agreement was memorialized in a Memorandum of Understanding ("MOU") signed by the parties on November 6, 2024. During mediation held on October 31, 2024, the Parties engaged in good-faith, arm's length negotiations. At the conclusion of the mediation, the Parties resolved the Actions, subject to the execution of this comprehensive PAGA Settlement and Approval by the Court.
- 2.10. Plaintiffs, through their counsel, conducted a significant investigation of the PAGA claims prior to attending the mediation. Prior to the mediation held on October 31, 2024, Plaintiffs obtained, through formal and informal discovery, Plaintiffs' wage statements, Plaintiffs' personnel files, Defendant's written policies, time and payroll records for a sampling of all Aggrieved Employees, and contact information for a sampling of all Aggrieved Employees. Plaintiffs also received aggregate data including the total number of current and former Aggrieved Employees.
- 2.11. The Parties, PAGA Counsel, and Defense Counsel represent that they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by this Settlement.

3. MONETARY TERMS.

- 3.1. Gross Settlement Amount. Defendant shall pay a non-reversionary settlement payment of **\$1,276,674**, which will create a non-reversionary common fund (hereinafter "Gross Settlement Sum" or "GSA") inclusive of all attorneys' fees, costs of litigation, cost of Settlement Administration, employee side employment taxes, all civil penalties due under PAGA, PAGA representative enhancements and general releases, and interest. The GSA herein includes the settlement payments to Aggrieved Employees, payment to the state of California of its share of penalties under the Labor Code Private Attorneys' General Act of 2004 ("PAGA") codified as Labor Code section 2698, *et seq.*, attorneys' fees and costs, and settlement administration fees and costs, all deducted from the GSA. The remaining amount shall be known as the "Net Settlement Amount" or "NSA."

- 3.1.1. CRF has no obligation to pay the Gross Settlement Amount prior to the funding deadline established herein in Paragraph 4.3 of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Aggrieved Employees to

submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to CRF.

- 3.1.2. Escalator Clause. Defendant represents based on a good faith and informed estimate, and available documentation as of 10/31/24 (the date of the mediation), that there were no more than 118,334 Pay Periods worked during the PAGA Period. In the event the number of Pay Periods during the PAGA Period increases by more than 10%, or 11,833.40 pay periods, the GSA shall be increased by the number of Pay Periods greater than 118,334 multiplied by the Pay Period Value (approximately \$11.00 a pay period). Alternatively, Defendant, at its sole discretion can cap the settlement pay periods at 121,614 without any additional payments and may not extend the release period beyond the point at which 121,614 pay periods (through December 31, 2024) is reached.
- 3.2. Net Settlement Amount. The amount remaining after deducting the Court approved PAGA Counsel attorney's fees and PAGA Counsel Costs, the Settlement Administration costs, and any PAGA Representative Enhancement Award, shall be known as the "Net Settlement Amount" or "NSA." One Hundred Percent (100%) of the Net Settlement Amount shall be paid as a Labor Code Section 2699 penalty payment and shall be distributed and paid as follows: (i) 75% to the Labor and Workforce Development Agency ("LWDA") and (ii) 25% to the PAGA Employees, pursuant to Labor Code section 2699(i). The 25% to be paid to the PAGA Employees shall be divided among all PAGA Employees based on each PAGA Employees' respective number of qualified pay periods worked for Defendants in California during the PAGA Period.
- 3.3. Settlement Administration Costs. The reasonable costs incurred by the Settlement Administrator in administering the settlement, as approved by the Court, shall be deducted from the GSA and are currently estimated not to exceed Thirty-Five Thousand Dollars (\$35,000).
- 3.4. PAGA Counsel Attorney's Fees. Defendant will not oppose PAGA Counsel's request for attorneys' fees for up to one third (1/3) of the Gross Settlement Sum or \$425,558.00. Any reduction by the Court of these requests will revert to the Net Settlement Amount.
- 3.5. PAGA Counsel Costs. Defendant will not oppose PAGA Counsel's requests for reimbursement of actually incurred litigation costs. Any reduction by the Court of these requests will revert to the Net Settlement Amount. Released Parties shall have no liability to PAGA Counsel or any other Plaintiff's Counsel arising from any claim to any portion of any PAGA Counsel Fee Payment and/or PAGA Counsel Litigation Expenses Payment.
- 3.6. PAGA Representatives Enhancement Payment. Subject to Court Approval, Plaintiffs will seek a Service Award in an amount not to exceed \$5,000 from the GSA, in addition to their Individual Settlement Payment in recognition for the work performed as the PAGA Representatives. Any reduction by the Court of these requests will revert to the Net Settlement Amount.
- 3.7. The LWDA PAGA Payment. The LWDA shall be 75% of the NSA, currently estimated at \$592,850.23.

- 3.8. The Individual Settlement Payments. The Parties agree that the Individual Settlement Payments to the PAGA Aggrieved Employees will be calculated based on the respective number of Qualifying Pay Periods each PAGA Aggrieved Employee worked during the PAGA Period. It shall be the duty of the Settlement Administrator to calculate the respective number of Qualifying Pay Periods for each PAGA Aggrieved Employee. The Administrator will report the Individual Settlement Payments on IRS 1099 Forms, if applicable. The payments to Aggrieved employees are entirely civil penalties.

- 3.8.1. The Administrator will calculate each Individual PAGA Payment by (a) dividing the Net Settlement Amount by the total number of Qualifying PAGA Periods worked by all PAGA Employees during the PAGA Period and (b) multiplying the result by each PAGA Employee's Qualifying PAGA Periods.

4. SETTLEMENT ADMINISTRATION.

- 4.1. Settlement Administrator. The Parties agree that APEX will manage the administration of this Settlement. The Parties have verified that APEX as a condition of appointment, agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Settlement Administration Costs. The Parties and their Counsels represent that they have no interest or relationship, financial or otherwise, with the Settlement Administrator other than a professional relationship arising out of prior experiences administering settlements. The Parties agree that the Settlement Administrator will administer this settlement and will issue to PAGA Aggrieved Employees a Form 1099 for all amounts paid as penalties. The Parties agree that Plaintiffs are solely responsible for selecting the Settlement Administrator to administer the settlement
- 4.2. Settlement Administrator Duties. The Settlement Administrator has a duty to perform or observe all tasks to be performed or observed by the Settlement Administrator contained in this Agreement or otherwise. The Settlement Administrator is responsible for establishing the Qualified Settlement Fund ("QSF"). The QSF shall be an interest-bearing account within the meaning of Section 468B of the Internal Revenue Code of 1986, as amended, and Treas. Reg. Section 1.468B-1, et seq., at a federally insured bank that is mutually acceptable to the Parties and the Settlement Administrator. The Settlement Administrator shall serve as a Trustee of the QSF and shall act as a fiduciary with handling of all tax-related issues, reporting, and payments. The Settlement Administrator shall act in a manner necessary to qualify and maintain the QSF as a Qualified Settlement Fund and the Parties shall cooperate to ensure such treatment and shall not take a position in any filing or before any tax authority inconsistent with such treatment. The Parties agree that the QSF shall be a non-reversionary fund and that under no circumstance will there be any reversion to Defendant of any of the funds from the QSF or the GSA. The Settlement Administrator will, as necessary, print, copy, format, and translate materials, mail notices to PAGA Employees, perform a skip trace before mailing and another skip trace for undeliverable addresses, establish and maintain a QSF, obtain appropriate tax identification numbers, calculate Individual PAGA Payments, calculate taxes, prepare and file all required IRS Forms, mail Individual PAGA Payments and tax forms, establish a hotline telephone number for PAGA Employee communications, post notices regarding settlement on the Settlement Administrator's website, remit all tax payments and required documentation to federal and state taxing authorities, implement the process for any uncashed

settlement checks, and perform all other duties associated with settlement administration, including, but not limited to, all those specified in this Agreement. Any dispute relating to settlement administration shall, after good-faith efforts by the Parties to resolve the dispute, be referred to the Court.

- 4.3. CRF's Funding Obligation. CRF shall have 75 days from the approval date, or 15 days from the Effective Date, whichever is later, to pay the QSF the \$1,276,674.
- 4.4. PAGA Employee Data. Within the later of 75 days from the approval date, or 15 days from the Effective Date, CRF will deliver the PAGA Employee Data to the Settlement Administrator in the form of a Microsoft Excel spreadsheet or substantially similar format. The Administrator must maintain the PAGA Employee Data secured and in strict confidence and use the PAGA Employee Data only for purposes of this Settlement and for no other purpose and restrict access to the PAGA Employee Data to the Administrator's employees who need access to the PAGA Employee Data to effect and perform the terms under this Agreement. CRF has a continuing duty to immediately notify PAGA Counsel if it discovers that the PAGA Employee Data omitted employee identifying information and to provide corrected or updated PAGA Employee Data as soon as reasonably feasible. Without any extension of the deadline by which CRF must send the Aggrieved Employee Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted PAGA Employee Data.
- 4.5. PAGA Employees Totals. Based on its records, CRF estimates that, as of October 31, 2024, there were 2,487 Aggrieved Employees who had worked a total of 118,334 PAGA Pay Periods. The Settlement Administrator shall have the final authority in calculating the total of the Qualified Pay Periods worked by the PAGA Employees during the PAGA Period, calculated pursuant to the terms of this Agreement. If the total of Qualified Pay Periods exceeds by 10% the estimated amounts, the Settlement Administrator shall notify the Parties within 5 calendar days of receipt of the PAGA Employee Data. CRF shall have seven (7) business days to decide whether to cap the PAGA Period or to make any additional settlement payments in accordance with the Escalator Clause in this Settlement.
- 4.6. Within 5 calendar days of receipt of the PAGA Employee Data, the Settlement Administrator will circulate to PAGA Counsel and CRF a spreadsheet containing the Individual PAGA Payments to each PAGA Employee and the data used to calculate said payments. The PAGA Employees, except for the Plaintiffs, shall be identified by their employee identification number or the last four of their social security number. The Settlement Administrator shall obtain written approval of the calculations from the Parties.
- 4.7. Within 14 calendar days after CRF funds the Gross Settlement Amount, the Administrator will distribute the Administration Expenses Payment, the PAGA Counsel's Fees, PAGA Counsel Costs, and PAGA Representatives Enhancement Payment.
- 4.8. Mailing of Individual PAGA Payments. Within 14 calendar days after receipt of the PAGA Employee Data from Defendant, or five (5) business days from approval of the calculations from the Parties, whichever is later, the Settlement Administrator shall mail the PAGA Explanatory Letter (attached hereto as **Exhibit A**) along with the Individual PAGA Payments to all PAGA

Employees by first-class U.S. mail. Prior to mailing, the Settlement Administrator shall perform a National Change of Address (NCOA) search and an Accurant®, (or substantially similar) in-depth skip trace to obtain the best possible address for the PAGA Employee.

4.8.1. The face of each Individual Settlement Payment check shall prominently state the date (not less than 180 days after the date of mailing) when the check will be voided. The Administrator will cancel all checks not cashed by the void date. Thereafter, any settlement check to an Aggrieved Employee that is not collected within one hundred eighty (180) days of mailing to the Aggrieved Employees shall be cancelled, and funds associated with the check shall be transmitted to the California State Controller's Office, Unclaimed Property Fund in the name of the PAGA Employee.

4.8.2. The envelope containing the Individual PAGA Payment shall bear the following phrase in bold type, in the bottom left-hand corner: **IMPORTANT- CRF SETTLEMENT INFORMATION. PLEASE OPEN IMMEDIATELY.**

4.9. Undeliverable Checks. The Administrator shall promptly send a replacement check to any PAGA Employee whose original check was lost or misplaced, or as requested by the PAGA Employee prior to the void date.

4.9.1. If an Individual PAGA Payment is returned as undeliverable with a forwarding address provided by the United States Postal Service before the void date, the Settlement Administrator will promptly resend the Explanatory Letter and Individual PAGA Payment to that forwarding address. If any Individual PAGA Payment is returned from any mailing and/or re-mailed, the Settlement Administrator will note for its own records and notify the Parties' Counsel of the date of such re-mailings as part of a weekly status report provided to the Parties.

4.9.2. If an Individual PAGA Payment is returned as undeliverable without a forwarding address from its first mailing, the Settlement Administrator shall undertake all reasonable efforts to locate a current address, including performing an Experian (or substantially similar) in-depth skip trace or mass search on LexisNexis databases based on set criteria. If the Settlement Administrator obtains a more current address, the Settlement Administrator shall resend the Explanatory Letter and the Individual PAGA Payment to that address. No further action by the Settlement Administrator shall be required regarding undeliverable Class Notices.

4.10. Uncashed Funds. Any residual amount of the Net Settlement Amount remaining after all Individual PAGA Payments are made resulting from any returned or uncashed checks shall be sent to the California State Controller's Office in the name of the PAGA Employee.

4.11. Accounting. The Settlement Administrator will provide an accounting under oath to PAGA Counsel and Defense 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 nine (9) months after the Individual PAGA Payments have been disbursed, or 60 (days) from the settlement checks' void date, whichever is later.

5. RELEASE OF CLAIMS.

- 5.1. Release by PAGA Employees. The settlement is conditioned upon the following release. Upon deposit of the GSA in the Qualified Settlement Fund, all Plaintiffs on behalf of themselves and the Settlement Group, and PAGA Employees, are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all civil penalties claims alleged in the operative Complaints of McGuire and Newby for PAGA penalties to the fullest extent allowed by law arising from any of the facts alleged in the Actions or that could have been alleged, based on the facts stated in the Operative Complaint, any amended Complaints, and the PAGA Notice, including any claims for civil penalties arising out of Defendant's alleged violations of the California Labor Code, *et seq.* for, *inter alia*, failure to provide compliant meal periods and/or timely pay premiums; failure to provide rest periods and/or timely pay premiums; failure to timely pay all minimum, regular, and overtime wages; failure to provide separate rest period compensation for nonproductive work; failure to provide accurate itemized wage statements; failure to reimburse for business expenses; and failure to pay all wages due during and upon separation of employment from (1) October 7, 2019 through December 31, 2024 (approximately two months after mediation); or (2) the date upon which the total of workweeks from October 31, 2024 totals 121,614; whichever is earlier.

6. MOTION OR APPLICATION FOR APPROVAL OF SETTLEMENT.

- 6.1. At least five (5) calendar days prior to filing, Plaintiffs will prepare and deliver to Defense Counsel all documents necessary for obtaining approval of this Settlement under Labor Code Section 2699, subd. (f)(2) including: (i) a draft proposed Order Granting Approval of PAGA Settlement; (ii) a signed declaration from the Administrator attaching its quote for administering the Settlement and attesting to its willingness to serve; its competency; operative procedures for protecting the security of Aggrieved Employee Data; amounts of insurance coverage for any data breach, defalcation of funds or other misfeasance; all facts relevant to any actual or potential conflicts of interest with Aggrieved Employees or the LWDA; and the nature and extent of any financial relationship with Plaintiffs, PAGA Counsel, or Defense Counsel; (iii) a signed declaration from PAGA Counsel firm attesting to its timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), Operative Complaint (Labor Code section 2699, subd. (l)(1)), this Agreement (Labor Code section 2699, subd. (l)(2)); and (iv) all facts relevant to any actual or potential conflict of interest with Aggrieved Employees and/or the Administrator. In their Declarations, Plaintiffs and PAGA Counsel shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.
- 6.2. Responsibilities of PAGA Counsel. PAGA Counsel are responsible for expeditiously finalizing and filing the application or motion for approval of this Settlement no later than 60 days after the full execution of this Agreement and, if necessary, obtaining a prompt hearing date for the motion and appearing in Court to advocate in favor of the motion. PAGA Counsel is responsible for delivering the Court's Approval Order and Judgment to the Administrator.
- 6.3. Entry of Judgment. Plaintiffs shall submit a [Proposed] Order and Judgment on the Actions which will seek the Court's approval of the Settlement and entry of judgments thereon, in accordance

with the terms of the PAGA Settlement. The judgment will not release or bar any claims other than the PAGA Released Claims as to the PAGA Employees. The Proposed Judgments on the Actions shall state that the Court will retain jurisdiction pursuant to Code of Civil Procedure Section 664.6 over the Parties, the Actions, and the Settlement solely for purposes of enforcing the Agreement or judgment, addressing settlement administration matters, addressing post-judgment matters related to the Settlement as permitted by law.

- 6.4. Duty to Cooperate. If the Parties disagree on any aspect of the proposed application or motion for approval of this Settlement and/or the supporting declarations and documents, PAGA Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant the motion for approval of this Settlement or conditions its approval on any material change to this Agreement, PAGA Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns.

7. CONTINUING JURISDICTION OF THE COURT.

- 7.1. The Parties agree that, after entry of Judgment, the Court will retain jurisdiction pursuant to Code of Civil Procedure Section 664.6 over the Parties, Actions, and the Settlement solely for purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters, and (iii) addressing such post-Judgment matters as are permitted by law.

8. ADDITIONAL PROVISIONS.

- 8.1. No Admission of Liability or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by CRF that any of the allegations in the Operative Complaint have merit or that CRF has any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiffs that CRF's defenses in the Actions have merit. The Parties agree that representative treatment is for purposes of this Settlement only. If, for any reason the Court does not approve this Settlement, CRF reserves all available defenses to the claims in the Actions, and Plaintiff reserves the right to contest CRF's defenses. The Settlement, this Agreement, and Parties' willingness to settle the Actions will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).
- 8.2. Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party.
- 8.3. Attorney Authorization. PAGA Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiffs and CRF, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to

execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.

- 8.4. Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying the Settlement Agreement where necessary, submitting supplemental evidence and supplementing points and authorities as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of a mediator and/or the Court for resolution.
- 8.5. No Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.
- 8.6. No Tax Advice. Neither Plaintiffs, PAGA Counsel, CRF, nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CRF Part 10, as amended) or otherwise.
- 8.7. Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their representatives, and approved by the Court.
- 8.8. Agreement Binding on Successors and Assigns. This Agreement will be binding upon, and inure to the benefit of, the successors and assigns of each of the Parties.
- 8.9. Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the state of California, without regard to conflict of law principles.
- 8.10. Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.
- 8.11. Confidentiality. To the extent permitted by law, all agreements made, and orders entered during the Actions and in this Agreement relating to the confidentiality of information, shall survive the execution of this Agreement. The Parties and their counsel agree to keep the settlement confidential, to the maximum extent permitted by law.
- 8.12. Use and Return of Aggrieved Employee Data. Information provided to PAGA Counsel pursuant to Cal. Evid. Code §1152, and all copies and summaries of the PAGA Data provided to PAGA Counsel by CRF in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of

court. Not later than 90 days after the Administrator discharges its obligation to pay out of all Settlement funds, Plaintiff shall destroy all paper and electronic versions of Aggrieved Employee Data received from CRF unless, prior to the Administrator's payment of all Settlement Funds, CRF makes a written request to PAGA Counsel for the return, rather than the destructions, of Aggrieved Employee Data.

- 8.13. Headings. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.
- 8.14. Calendar Days. Unless otherwise noted, all reference to "days" in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.
- 8.15. Notice. All notices, demands or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email or messenger, addressed as follows:

To Plaintiff:

GRAHAMHOLLIS, APC
Graham Hollis, Vilmarie Cordero, and Ommar Chavez
3555 Fifth Avenue, Suite 200
San Diego, CA 92103
619-692-0800

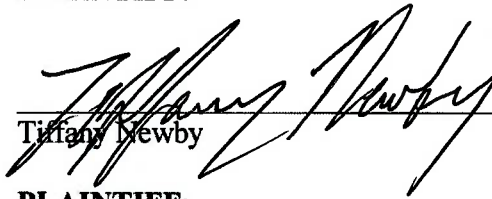
To CRF:

Klinedinst, P.C.
Teresa M. Beck, Grace P. Gower, and Imbar Sagi-Lebowitz
501 W Broadway, Suite 1100
San Diego, CA 92101
(619) 400-8000

- 8.16. Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e. DocuSign), or email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.
- 8.17. Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree pursuant to CCP section 583.330 to extend the date to bring the Representative Actions to trial under CCP section 583.310 for the period of this settlement process starting from the date of the October 31, 2024 mediation to the final determination of the Court on approval of the settlement of the Actions, and if settlement is approved by the Court, then the extension is throughout the remainder and finalization of the settlement fund disbursement process.

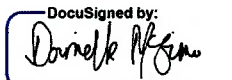
Dated: February 27, 2025

PLAINTIFF:


Tiffany Newby

Dated: 2/24/2025

PLAINTIFF:

DocuSigned by:

904476E6F43F4B4
Danielle McGuire

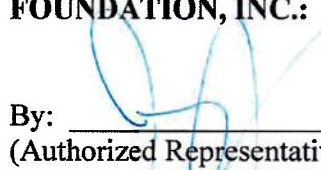
Dated: February 24, 2025

GRAHAMHOLLIS APC:


Vilmarie Cordero
Ommar Chavez
Attorneys for Plaintiffs and Aggrieved Employees

Dated: February 21, 2025

**DEFENDANT COMMUNITY RESEARCH
FOUNDATION, INC.:**

By: 
(Authorized Representative of Defendant)
Name: James Rogers
Title: CEO

Dated: February 24, 2025

KLINEDINST, P.C.:


Teresa M. Beck
Grace P. Gower
Imbar Sagi-Lebowitz
Attorneys for Defendant
Community Research Foundation, Inc.

EXHIBIT A

Dear [NAME]:

The enclosed check is your proportional share of the settlement payment in the California Private Attorneys General Act (“PAGA”) lawsuit titled *Tiffany Newby, on behalf of all other aggrieved employees of Defendant v. Community Research Foundation Inc.; and Does 1 through 50 inclusive, Case No. 37-2020-00045600-CU-OE-CTL*. You are receiving this check because you worked for Community Research Foundation, Inc. within the state of California at some point between October 7, 2019, and December 31, 2024.

It is important to note that Community Research Foundation, Inc. denies all claims and allegations in the lawsuit and that no court has found that the company did anything wrong or violated any laws. Rather, to avoid further costs and time in defending the lawsuit, Community Research Foundation, Inc. has settled the lawsuit, and the Court has approved the settlement and release of the PAGA claims.

This settlement releases claims for civil penalties under the PAGA, but does not release certain other claims. Enclosed you will also find an IRS Form 1099 for 100% of this payment, which represents civil penalties only. Please cash or deposit the check on or before its printed void date. Checks will not be re-issued after the void date.

If you have any questions about this payment, contact **Administrators**, the Settlement Administrator at **(000) 000-0000**. Please note that we cannot provide tax advice. If you have questions about the tax treatment of this payment, we suggest that you consult your tax advisor or accountant.

Regards,