

SETTLEMENT AGREEMENT AND GENERAL RELEASE OF ALL CLAIMS

This Settlement Agreement and General Release of All Claims ("Agreement") is made by and between S.A.S. Services Group, Inc. ("Defendant") and Hector Aroche ("Mr. Aroche" or "Plaintiff") (collectively sometimes hereinafter referred to as the "Parties") with respect to the following facts:

- A. Mr. Aroche is a former employee of S.A.S. Services Group, Inc.
- B. On or about November 2, 2020, Mr. Aroche filed a Representative Action Complaint for Penalties pursuant to Labor Code Section 2699 et. seq. ("PAGA") for violations of Labor Code including (1) unpaid minimum wage and overtime, (2) failure to provide meal periods, (3) failure to provide rest periods, (4) failure to provide accurate itemized wage statements, (5) failure to pay wages due upon termination of employment, (6) failure to indemnify for expenditures or losses in discharge of duties, and (7) unfair business practices, entitled *Hector Aroche v. S.A.S. Services Group, Inc.*, Los Angeles County Superior Court Case No. 20STCV41986 (the "Action").
- C. Defendant denies any wrongdoing and disputes Mr. Aroche's allegations.
- D. Mr. Aroche has been advised that S.A.S. Services Group, Inc. is in extreme financial distress, and there is no practical way to settle this case as to a representative PAGA group. As such, Mr. Aroche will request permission from the Court to dismiss the representative PAGA claims without prejudice, and to settle his individual claims, including his standing to bring PAGA claims.
- E. Defendant and Mr. Aroche now desire to settle all claims asserted, or that could have been asserted, including but not limited to any claims that may have arisen before, during or after Mr. Aroche's employment with Defendant.

THEREFORE, in consideration of the promises and mutual agreements hereinafter set forth, it is agreed by and between the undersigned as follows:

1. Settlement Payment.

1.1 Subject to Mr. Aroche obtaining approval of this settlement as set forth in Section 2 below, Defendant agrees to pay Mr. Aroche a Total Settlement Sum in the amount of Seventeen Thousand Five Hundred Dollars (\$17,500). Payment of the Total Settlement Sum will be made to "MAHONEY LAW GROUP, APC Client Trust Account." The parties agree the payment is for Mr. Aroche's individual California Labor Code penalties and interest, and his attorneys' fees and costs, and will be reported on an IRS Form 1099. The check will be mailed to "Mahoney Law Group, APC, 249 E. Ocean Boulevard, Suite 814 Long Beach, California 90802," within fourteen (14) business days after the Superior Court enters an order dismissing the Action as set forth in Section 5 below.

1.2 Mr. Aroche acknowledges and agrees that the payment of the Total Settlement Sum and the other agreements made herein by Defendant constitute adequate legal consideration for the promises and representations made by him in this Agreement.

1.3 Neither party has provided any advice to the other regarding the tax consequences of this settlement. Mr. Aroche understands and agrees that he shall be solely responsible for the employee share of any taxes or penalties assessed in regard to the settlement. Mr. Aroche agrees to fully indemnify and hold harmless Released Parties (as defined in paragraph 3.1) from any and all employee share of taxes, interest or penalties that may be required by any government agency at any time as a result of Mr. Aroche's failure to pay the employee's share of taxes due on the Total Settlement Sum.

1.4 Mr. Aroche agrees that irrespective of the payment of the amount referenced in Section 1.1, Defendant has paid all wages and other compensation owed to him by Defendant, including, but not limited to, all wages, salary, bonuses, commissions, business expenses, allowances, vacation pay and other benefits as a result of his employment and/or the termination of that employment.

2. Dismissal of Action Without Prejudice.

California Labor Code section 2699(1)(2) provides: "The superior court shall review and approve any settlement of any civil action filed pursuant to this part. The proposed settlement shall be submitted to the agency at the same time that it is submitted to the court." As such, Mr. Aroche shall submit this Agreement to the LWDA and the Court for approval of the settlement of the Action and dismissal of the Action pursuant to Paragraph 6 of this Agreement. Defendant shall cooperate in the filing of the stipulation. This Agreement is contingent upon the Superior Court entering an order approving the settlement of the Action as set forth in this Agreement. Mr. Aroche shall dismiss his individual claims with prejudice.

3. General Release by Mr. Aroche.

3.1 Subject to Defendant's full payment of the Total Settlement Sum, Mr. Aroche unconditionally, irrevocably and absolutely releases and discharges the Defendant, and affiliated entities of the Defendant (including but not limited to all of S.A.S. Services Group, Inc.'s affiliated S.A.S. entities), past and present, as well as its/their past and present employees, officers, directors, members, agents, attorneys, business partners, customers, successors, and assigns (collectively, "Released Parties"), from all claims related in any way to the transactions or occurrences between Mr. Aroche and the Released Parties to date, to the fullest extent permitted by law, including, but not limited to, any losses, liabilities, claims, demands, and causes of action, known or unknown, suspected or unsuspected, arising directly or indirectly out of, or in any way connected with, Mr. Aroche's employment with Defendant, the termination of Mr. Aroche's employment and any claims that were made or could have been made in the Action. This release of his individual non-PAGA claims is intended to have the broadest possible application and includes, but is not limited to, any tort, contract, common law, constitutional, or other statutory claims, as well as alleged violations of the California Labor Code, any applicable California Industrial Welfare Commission order, the California Business and Professions Code, Title VII of the Civil Rights Act of 1964, the California Fair Employment and Housing Act, the Americans with Disabilities Act, the Family and Medical Leave Act, all as amended, any common law, unfair competition law, claims for breach of contract, wrongful termination, constructive termination, retaliation, defamation, infliction of emotional distress (intentional and negligent), and all claims for attorneys' fees, costs, and expenses. However, this release shall not

apply to claims for workers' compensation benefits or unemployment insurance benefits or any other claims of Mr. Aroche that cannot, by statute, lawfully be waived by this Agreement. Mr. Aroche acknowledges that he had no work-related injuries as of the date of his termination. Plaintiff releases his standing to bring a PAGA claim. Notwithstanding the foregoing, this release does not release the PAGA claim on behalf of the State of California or any alleged aggrieved employees.

3.2 Mr. Aroche acknowledges that he may discover facts or law different from, or in addition to, the facts or law that Mr. Aroche knows or believes to be true with respect to the claims released in this Agreement and agrees, nonetheless, that this Agreement and the release contained in it shall be and remain effective in all respects notwithstanding such different or additional facts or the discovery of them.

3.3 Mr. Aroche declares and represents that he intends this Agreement to be final and complete and not subject to any claim of mistake. Mr. Aroche executes this release with the full knowledge that this release covers all possible claims against the Released Parties, to the fullest extent permitted by law.

3.4 Mr. Aroche expressly waives any right to recover any type of personal relief from the Defendant, including monetary damages or reinstatement, in any administrative action or proceeding, whether state or federal, and whether brought by Mr. Aroche or on Mr. Aroche's behalf by an administrative agency, related in any way to the matters released herein.

4. California Civil Code Section 1542 Waiver. Mr. Aroche expressly acknowledges and agrees that all rights under Section 1542 of the California Civil Code are expressly waived. That section provides:

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.

5. Release by Company. Defendant also irrevocably and unconditionally releases and forever discharges Plaintiff from any and all charges, complaints, claims, liabilities, obligations, promises, agreements, controversies, damages, actions, causes of action, suits, rights, demands, costs, attorneys' fees, losses, debts, penalties, fines, and expenses of any nature whatsoever, known or unknown, suspected or unsuspected, that were asserted in the Action, that could have been asserted based on the facts alleged in the Action, or that could have been asserted based on Plaintiff's employment with Defendant or the termination thereof, which it now has, owns or holds, or claims to have, own or hold, or which it at any time heretofore had, owned or held, or claimed to have, owned or held against Plaintiff.

6. Dismissal of Action. Mr. Aroche agrees to obtain the dismissal of the Action as follows:

6.1 Signing, through his attorney, the attached Joint Stipulation and [Proposed] Order Dismissing PAGA Claim Without Prejudice;

6.2 Within ten (10) calendar days after the Court dismisses the PAGA claim without prejudice, Plaintiff shall take all necessary steps to secure a dismissal of the remainder of his claims with prejudice, including authorizing his attorney to execute a stipulation for or request for dismissal, which shall be filed with the Court.

6.3 The Court's dismissal of the Action is a material term of this Agreement. If the Court should for any reason not approve this Agreement or fail to enter an order approving the PAGA dismissal without prejudice, then this Agreement shall be considered null and void, and neither this Agreement, nor any of the related negotiations or proceedings, shall be of any force or effect and shall be inadmissible for any purpose in any proceeding, and all Parties to this Agreement shall stand in the same position, without prejudice, as if the Agreement had been neither entered into nor filed with the Court.

7. No Admissions. By entering into this Agreement, the Released Parties make no admission that they have engaged, or are now engaging, in any unlawful conduct. The Parties understand and acknowledge that this Agreement is not an admission of liability and shall not be used or construed as such in any legal or administrative proceeding.

8. Voluntary Agreement. This Agreement is intended by the parties to effectuate the knowing and voluntary release of all known and unknown claims. As such, the parties agree as follows:

8.1 Mr. Aroche acknowledges that he has read and understands this Agreement, that he has been advised to consult with an attorney regarding this Agreement, and that he has received all advice he deems necessary prior to executing this Agreement.

8.2 Mr. Aroche acknowledges he has been given sufficient time to consider whether to enter into this Agreement, and has taken as much of this time as he deems necessary to consider whether to enter into this Agreement.

8.3 Mr. Aroche acknowledges that he is entering into this Agreement freely and voluntarily and without coercion, duress, fraud or undue influence of any kind whatever.

9. Confidentiality.

9.1 Defendant consents to this Agreement being provided to the LWDA and to the Court. Defendant understands that this Agreement will become a public record. Disclosing this Agreement to the LWDA and the Court will not be construed as breaching any confidentiality.

9.2 Mr. Aroche agrees that confidentiality is an important term of this Agreement. The settlement sums of this Agreement shall remain confidential, and neither Mr. Aroche nor any agent of Mr. Aroche shall disclose, directly or indirectly, the settlement sums of this Agreement to any other person or entity, except that this Agreement, together with a stipulation and order seeking approval of the settlement and dismissal of the Action and any

related pleadings, shall be filed with the Superior Court, the Labor and Workforce Development Agency as required under PAGA, and as otherwise allowed in this Agreement. Mr. Aroche specifically agrees that he will not disclose that he has received the Total Settlement Sum described above, or that Mr. Aroche has received any money or benefits relating to his separation from employment, except in confidence to Mr. Aroche's spouse/domestic partner, attorneys or financial advisors, unless required to do so by law. Mr. Aroche agrees that disclosure of any of the terms or conditions of this Agreement, except as expressly authorized herein, shall constitute and be treated as a material breach of this Agreement. Nothing in this Agreement shall be construed to prevent Mr. Aroche from responding truthfully and completely to any lawfully issued court order or subpoena or from communicating with a government agency.

10. Reference Check Requests. If Mr. Aroche directs a potential employer to Defendant for a reference check request, it shall provide a neutral reference and disclose only Mr. Aroche's dates of employment and last position held.

11. Severability. In the event any provision of this Agreement shall be found unenforceable by a court of competent jurisdiction, the provision shall be deemed modified to the extent necessary to allow enforceability of the provision as so limited, it being intended that the Released Parties shall receive the benefits contemplated herein to the fullest extent permitted by law. If a deemed modification is not satisfactory in the judgment of such court, the unenforceable provision shall be deemed deleted, and the validity and enforceability of the remaining provisions shall not be affected thereby.

12. Integration. This Agreement contains the entire agreement between the Defendant and Mr. Aroche on the subjects addressed in this Agreement and replaces any other prior agreements or representations, whether oral or written, between them.

13. Applicable Law. The validity, interpretation, and performance of this Agreement shall be construed and interpreted according to the laws of the United States of America and the State of California.

14. Binding on Successors. The Parties agree that this Agreement shall be binding on, and inure to the benefit of Mr. Aroche's or the Defendant's successors, heirs, and/or assigns.

15. Full Defense. This Agreement may be pled as a full and complete defense to, and may be used as a basis for an injunction against, any action, suit or other proceeding that may be prosecuted, instituted, or attempted by the Parties in breach hereof. In the event an action or proceeding is instituted by the Parties in order to enforce the terms or provisions of this Agreement, the prevailing party shall be entitled to an award of reasonable costs and attorneys' fees incurred in connection with enforcing this Agreement.

16. Good Faith. The Parties agree to do all things necessary and to execute all further documents necessary and appropriate to carry out and effectuate the terms and purposes of this Agreement.

17. Modification. This Agreement may be amended only by a written instrument executed by all Parties hereto.

18. Counterparts. This Agreement may be executed in counterparts and shall be binding on all Parties when each has signed either an original or copy of this Agreement.

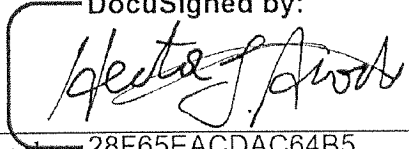
19. Effective Date. This Agreement shall become effective immediately once it has been executed by both parties.

20. Retention of Jurisdiction. Pursuant to Code of Civil Procedure § 664.6, the Parties agree that the Court may retain jurisdiction for the purpose of enforcing full performance of the terms of this Agreement. In the event that one or more of the Parties institutes any motion, legal action, or other proceeding against any other Party or Parties to enforce the provisions of this Agreement or to declare rights and/or obligations under this Agreement, the successful Party or Parties shall be entitled to recover from the unsuccessful Party or Parties reasonable attorneys' fees and costs incurred in connection with any enforcement actions.

THE PARTIES TO THIS AGREEMENT HAVE READ THE FOREGOING AGREEMENT AND FULLY UNDERSTAND EACH AND EVERY PROVISION CONTAINED HEREIN. WHEREFORE, THE PARTIES HAVE EXECUTED THIS AGREEMENT ON THE DATES SHOWN BELOW.

2/23/2022

Dated: February __, 2022

By:  DocuSigned by:
Hector Aroche 28F65EACDAC64B5...

Dated: February __, 2022

By: _____
Mark Marudas
Chief Executive Officer
S.A.S. Services Group, Inc.

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2/23/2022

Dated: February ___, 2022

By: _____
Hector Aroche

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Dated: ~~February~~ ___, 2022

By: Mark S. Marudas
Mark Marudas
Chief Executive Officer
S.A.S. Services Group, Inc.