

PAGA SETTLEMENT AGREEMENT

This PAGA Settlement Agreement (“Agreement”) is made by and between plaintiffs Ricardo Gonzales (“Gonzales”) and Oscar Hernandez (“Hernandez”) (collectively, “Plaintiffs”) and defendant Edgemine, Inc. (“Defendant”). The Agreement refers to Plaintiffs and Defendant collectively as “Parties,” or individually as “Party.”

1. DEFINITIONS.

- 1.1. “Action” means the Plaintiffs’ PAGA lawsuit alleging wage and hour violations against Defendant captioned *Ricardo Gonzales v. Edgemine, Inc.* initiated on February 16, 2021 and pending in Superior Court of the State of California, County of Los Angeles.
- 1.2. “Administrator” means Phoenix Settlement Administrators, the neutral entity the Parties have agreed to appoint to administer the Settlement.
- 1.3. “Administration Expenses Payment” means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator’s “not to exceed” bid submitted to the Court in connection with approval of this Settlement.
- 1.4. “Aggrieved Employee” means a person employed by Defendant in California as an hourly-paid, nonexempt employee at any time during the PAGA Period.
- 1.5. “Aggrieved Employee Data” means Aggrieved Employee identifying information in Defendant’s possession including the Aggrieved Employee’s name, last-known mailing address, Social Security number, and number of PAGA Pay Periods.
- 1.6. “Aggrieved Employee Address Search” means the Administrator’s investigation and search for current Aggrieved Employee mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Aggrieved Employees.
- 1.7. “Court” means the Superior Court of California, County of Los Angeles.
- 1.8. “Defense Counsel” means O’Hagan Meyer LLP.
- 1.9. “Effective Date” means the date by when both of the following have occurred: (a) the Court enters a Judgment on its Order Approving the PAGA Settlement and (b) the Judgment is final. The Judgment is final as of the day the Court enters Judgment.
- 1.10. “Gross Settlement Amount” means \$700,000.00 which is the total amount Defendant agrees to pay under the Settlement except as provided in Paragraph 8 below. The Gross Settlement Amount will be used to pay Individual PAGA Payments, the LWDA PAGA Payment, PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, and the Administrator’s Expenses Payment.

- 1.11. “Individual PAGA 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.
- 1.12. “Judgment” means the judgment entered by the Court based upon the Final Approval.
- 1.13. “LWDA” means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i).
- 1.14. “LWDA PAGA Payment” means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).
- 1.15. “Net Settlement Amount” means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: the PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, and the Administration Expenses Payment. The remainder is to be paid as PAGA Penalties, allocated 25% to Aggrieved Employees as Individual PAGA Payments and 75% to the LWDA as the LWDA PAGA Payment.
- 1.16. “PAGA Counsel” means Koul Law Firm, APC, Protection Law Group, LLP, and Law Offices of Sahag Majarian II, the attorneys representing the Plaintiffs in the Action.
- 1.17. “PAGA Counsel Fees Payment” and “PAGA Counsel Litigation Expenses Payment” mean the amounts allocated to PAGA Counsel for reimbursement of reasonable attorneys’ fees and expenses, respectively, incurred to prosecute the Action.
- 1.18. “PAGA Pay Period” means any Pay Period during which an Aggrieved Employee was employed by Defendant in California as an hourly-paid, nonexempt employee during the PAGA Period. PAGA Pay Periods may be based on either: (1) pay periods during at least one shift was worked; or (2) hire dates and, where applicable, last dates worked or separation dates, re-hire dates, dates of any periods of leave, and dates of any transition between non-exempt and exempt status.
- 1.19. “PAGA Period” means the period from September 11, 2019 through May 6, 2024.
- 1.20. “PAGA” means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).
- 1.21. “PAGA Notices” means, collectively, Plaintiff Hernandez’s September 11, 2020 letter to Defendant and the LWDA (LWDA case no. LWDA-CM-805950-20) (the “Hernandez PAGA Notice”), and Plaintiff Gonzales’ December 30, 2020 letter to Defendant and the LWDA (LWDA case no. LWDA-CM-817504-20) (the “Gonzales PAGA Notice”), providing notice pursuant to Labor Code section 2699.3, subd.(a).
- 1.22. “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 the 75% to LWDA in settlement of PAGA claims.

- 1.23. “Plaintiffs” means, collectively, Ricardo Gonzales and Oscar Hernandez, the named plaintiffs in the Action.
- 1.24. “Approval Order” means the Court Order Granting Approval of PAGA Settlement.
- 1.25. “Released PAGA Claims” means the claims being released by the Plaintiffs and PAGA Counsel and as described in Paragraph 5 below.
- 1.26. “Released Parties” means: Defendant and its former, present, and future owners, parents, and subsidiaries, and all of their current, former, and future officers, directors, members, managers, employees, consultants, partners, shareholders, joint venturers, agents, predecessors, successors, assigns, accountants, insurers, reinsurers, and/or legal representatives.
- 1.27. “Settlement” means the disposition of the Action effected by this Agreement and the Judgment.
- 1.28. “Defendant” means named Defendant Edgemine, Inc.

2. RECITALS.

- 2.1. On November 16, 2020, Hernandez commenced an initial PAGA lawsuit against Defendant, styled *Oscar Hernandez v. Edgemine, Inc.*, in the Superior Court of California, County of Los Angeles (Stanley Mosk Courthouse) (case no. 20STCV43983), by filing a Complaint alleging a single cause of action for PAGA civil penalties—on behalf of himself and all other current and former hourly-paid, nonexempt aggrieved employees of Defendant in California—predicated on underlying allegations that Defendant failed to pay overtime wages; failed to provide meal periods; failed to provide rest periods; failed to pay minimum wages; failed to timely pay final wages upon separation of employment; failed to timely pay wages during employment; failed to provide complete and accurate itemized wage statements; failed to maintain complete and accurate payroll records; and failed to reimburse necessary business-related expenses and costs (the “Hernandez PAGA Action”). The Hernandez PAGA Action was initially assigned to Hon. Rafael A. Ongkeko (Ret.), then reassigned Hon. Timothy P. Dillon effective April 5, 2021.
- 2.2. Pursuant to Labor Code section 2699.3, subd.(a), Hernandez gave timely written notice to Defendant and the LWDA by sending the Hernandez PAGA Notice.
- 2.3. On June 21, 2022, Defendant filed a motion to compel arbitration of Hernandez’s PAGA claim and dismiss or stay the Hernandez PAGA Action. On September 1, 2022, Judge Dillon ordered Hernandez’s individual PAGA claim to arbitration and stayed the representative PAGA claim pending arbitration of Hernandez’s individual PAGA claim.
- 2.4. On August 18, 2020, Hernandez filed an initial demand for arbitration with AAA (AAA case no. 01-20-0014-8707), asserting claims against Defendant—individually and on behalf of a putative class of all other current and former hourly-paid, nonexempt

- employees of Defendant in California—for failure to pay overtime compensation; failure to provide meal periods; failure to authorize and permit rest periods; failure to pay minimum wage; failure to timely pay wages during employment; failure to provide accurate itemized wage statements; failure to reimburse necessary business-related expenses; and failure to timely pay final wages upon separation of employment (the “Initial Hernandez Arbitration”). The Initial Hernandez Arbitration was assigned to Arbitrator Edith Dinneen, Esq. On February 11, 2022, Arbitrator Dinneen issued a partial final clause construction award, ruling that the Arbitration Agreement Hernandez signed does not permit Hernandez to pursue class claims in arbitration. On December 11, 2022, Arbitrator Dinneen dismissed the Initial Hernandez Arbitration due to Hernandez’s failure to move forward to activate an individual arbitration.
- 2.5. On February 21, 2023, Hernandez filed a separate second demand for arbitration with AAA (AAA case no. 01-23-0000-7474) for his individual PAGA claim against Defendant—as ordered by Judge Dillon in the Hernandez PAGA Action on September 1, 2022 (the “Hernandez Individual PAGA Arbitration”). The Hernandez Individual PAGA Arbitration was assigned to Arbitrator Hon. Frank Joseph Ochoa (Ret.)
 - 2.6. On March 31, 2023, Hernandez filed a separate third and final demand for arbitration with AAA (AAA case no. 01-23-0001-3468), asserting individual claims against Defendant for wage and hour violations pursuant to California law (the “Hernandez Individual Wage and Hour Arbitration”). The Hernandez Individual Wage and Hour Arbitration was assigned to Arbitrator Gayle Lenore Eskridge, Esq.
 - 2.7. On July 24, 2023, Defendant filed a motion to consolidate the two open Hernandez arbitrations (the Hernandez Individual PAGA Arbitration and Hernandez Individual Wage and Hour Arbitration), which was filed in the Hernandez Individual PAGA Arbitration. On August 25, 2023, Arbitrator Ochoa granted Defendant’s motion to consolidate. Accordingly, both pending Hernandez arbitration matters—covering Hernandez’s individual PAGA claim and individual wage and hour claims—were consolidated to proceed as a single arbitration under the reference number of the earlier-filed arbitration (AAA case no. 01-23-0000-7474) (the “Hernandez Consolidated Individual Arbitration”). On August 29, 2023, Arbitrator Eskridge issued an order acknowledging Arbitrator Ochoa’s consolidation order, and AAA subsequently closed the Hernandez Individual Wage and Hour Arbitration file accordingly. On March 22, 2024, Arbitrator Ochoa placed the Hernandez Consolidated Individual Arbitration in abeyance, in light of tentative global settlement.
 - 2.8. On February 16, 2021, Gonzales commenced this Action by filing a Complaint alleging causes of action against Defendant—individually and on behalf of a putative class of all other current and former nonexempt employees of Defendant in California—for: (1) failure to pay wages, including overtime wages; (2) failure to pay minimum wage; (3) failure to provide and/or authorize rest breaks; (4) failure to provide and/or authorize cool down recovery periods; (5) failure to provide safe working conditions; (6) failure to pay earned wages upon discharge; (7) failure to provide accurate itemized wage

statements; and (8) unlawful/unfair business practices. This Action was initially assigned to Hon. Amy D. Hogue (Ret.).

- 2.9. On March 11, 2021, Gonzales filed a First Amended Complaint in this Action, which asserted the same eight individual/class causes of action as those pled in Gonzales' initial Complaint, plus an additional ninth cause of action for PAGA civil penalties—on behalf of himself and all other current and former hourly-paid, nonexempt aggrieved employees of Defendant in California.
- 2.10. On July 2, 2021, Defendant filed a motion to compel individual arbitration of Gonzales' (non-PAGA) individual and class claims, dismiss these claims, and stay the Action. On July 29, 2021, Judge Hogue ordered Gonzales' individual and class claims to arbitration, stayed these claims pending completion of arbitration (rather than dismissing them), and deferred the question of class arbitrability to the arbitrator. This Action was reassigned to Hon. Lawrence P. Riff effective July 11, 2022.
- 2.11. On July 11, 2022, Defendant filed a motion to compel arbitration of Gonzales' PAGA claim and dismiss or stay the Action. On October 13, 2022, Judge Riff denied Defendant's motion to compel arbitration, since the Arbitration Agreement Gonzales signed delegated to the arbitrator the threshold question of whether Gonzales is required to arbitrate his individual PAGA claim. Judge Riff stayed all further proceedings in the Action pending a ruling from the arbitrator on this threshold issue.
- 2.12. On August 30, 2021, Gonzales submitted his individual and class wage and hour claims against Defendant to arbitration—as ordered by Judge Hogue in this Action on July 29, 2021—by filing a demand for arbitration with AAA (AAA case no. 01-21-0016-1357) (the "Gonzales Individual Arbitration"). The Gonzales Individual Arbitration was assigned to Arbitrator Yaroslav Sochynsky, Esq. On June 21, 2022, Arbitrator Sochynsky issued a partial final clause construction award, ruling that the Arbitration Agreement does not permit Gonzales to pursue class claims in arbitration. On May 2, 2024, Arbitrator Sochynsky placed the Gonzales Individual Arbitration in abeyance, in light of tentative global settlement.
- 2.13. On June 26, 2024, Gonzales filed a Second Amended Complaint in the Action, adding Hernandez as an additional named plaintiff and alleging a single cause of action against Defendant for PAGA civil penalties—on behalf of Plaintiffs and all other current and former hourly-paid, nonexempt aggrieved employees of Defendant in California—predicated on all wage and hour theories that form the bases of both Plaintiffs' PAGA claims, as set forth in Plaintiffs' PAGA Notices, including allegations that Defendant failed to pay overtime wages; failed to pay minimum wage; failed to provide meal periods; failed to provide rest periods; failed to provide cool down recovery periods; failed to timely pay wages during employment; failed to timely pay final wages upon separation of employment; failed to provide complete and accurate itemized wage statements; failed to maintain complete and accurate timekeeping/payroll records; failed to reimburse necessary business-related expenses and costs; and failed to provide safe working conditions. The Second Amended Complaint is the operative complaint in

the Action (the “Operative Complaint”). Defendant denies the allegations in the Operative Complaint, denies any failure to comply with the laws identified in the Operative Complaint, and denies any and all liability for the causes of action alleged.

- 2.14. Pursuant to Labor Code section 2699.3, subd.(a), Plaintiffs gave timely written notice to Defendant and the LWDA by sending their PAGA Notices.
- 2.15. On March 7, 2024, the Parties participated in an all-day global mediation presided over by mediator Tagore Subramaniam, Esq., which led to this Agreement to settle the Action.
- 2.16. Prior to mediation, Plaintiffs obtained, through informal discovery, relevant information and documents, including, *inter alia*: (1) Plaintiffs’ personnel files, timekeeping records, and payroll records; (2) Defendant’s employee handbooks and written employment policies in effect during the PAGA Period; (3) a representative randomized sampling of corresponding time and pay records for 20% of Aggrieved Employees; and (4) PAGA group composition data points, including, for both current and formerly-employed Aggrieved Employees between the start of the PAGA Period (September 11, 2019) and the date of mediation (March 7, 2024), total numbers of Aggrieved Employees, workweeks, and pay periods.
- 2.17. 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 the Settlement, except for the Hernandez Consolidated Individual Arbitration and Gonzales Individual Arbitration with respect specifically to Plaintiffs’ individual non-representative PAGA claims. Plaintiffs’ individual PAGA claims (but not any non-PAGA claims) shall be released and extinguished as part of this Settlement.

3. MONETARY TERMS.

- 3.1. Gross Settlement Amount. Except as otherwise provided by Paragraph 8 below, Defendant promises to pay \$700,000.00 and no more as the Gross Settlement Amount. Defendant has no obligation to pay the Gross Settlement Amount prior to the deadline stated 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 Defendant.
- 3.2. Payments from the Gross Settlement Amount. The Administrator will make and deduct the following payments from the Gross Settlement Amount, in the amounts specified by the Court in the Final Approval:
 - 3.2.1. To PAGA Counsel: A PAGA Counsel Fees Payment of not more than 35% of the Gross Settlement Amount, which is currently estimated to be \$245,000.00 and PAGA Counsel Litigation Expenses Payment of not more than \$35,000.00. Defendant will not oppose requests for Court approval of these payments provided that they do not exceed these amounts. Plaintiffs and/or PAGA

Counsel will file an application or motion for PAGA Counsel Fees Payment and PAGA Counsel Litigation Expenses Payment. If the Court approves a PAGA Counsel Fees Payment and/or a PAGA Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. Released Parties shall have no liability to PAGA Counsel or any other Plaintiffs' Counsel arising from any claim to any portion any PAGA Counsel Fee Payment and/or PAGA Counsel Litigation Expenses Payment. The Administrator will pay the PAGA Counsel Fees Payment and PAGA Counsel Litigation Expenses Payment using one or more IRS 1099 Forms. PAGA Counsel assumes full responsibility and liability for taxes owed on the PAGA Counsel Fees Payment and the PAGA Counsel Litigation Expenses Payment and holds Defendant harmless, and indemnifies Defendant, from any dispute or controversy regarding any division or sharing of any of these Payments.

- 3.2.2. To the Administrator: An Administrator Expenses Payment not to exceed \$4,500.00 except for a showing of good cause and as approved by the Court. To the extent the Administration Expenses are less or the Court approves payment less than \$4,500.00, the Administrator will retain the remainder in the Net Settlement Amount.
- 3.2.3. To the LWDA and Aggrieved Employees: After making the above deductions from the Gross Settlement Amount in amounts approved by the Court for the PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, and Administration Expenses Payment, the remainder ("Net Settlement Amount") shall be paid as PAGA Penalties, which is currently estimated to be \$425,000.00, with 75% allocated to the LWDA PAGA Payment and 25% allocated to the Individual PAGA Payments.
 - 3.2.3.1. The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties by the total number of PAGA Period Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA Period Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.
 - 3.2.3.2. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

4. SETTLEMENT FUNDING AND PAYMENTS.

- 4.1. Aggrieved Employee Pay Periods. Based on a review of its records to date, Defendant estimates there are 232 Aggrieved Employees who worked a total of approximately 8,802 PAGA Pay Periods (between the start of the PAGA Period on September 11, 2019 and the date of mediation on March 7, 2024).

- 4.2. Aggrieved Employee Data. Not later than 14 days after the Court grants Approval of the Settlement, Defendant will simultaneously deliver the Aggrieved Employee Data to the Administrator in the form of a Microsoft Excel spreadsheet. To protect Aggrieved Employee' privacy rights, the Administrator must maintain the Aggrieved Employee Data in confidence, use the Aggrieved Employee Data only for purposes of this Settlement and for no other purpose, and restrict access to the Aggrieved Employee Data to Administrator employees who need access to the Aggrieved Employee Data to effect and perform under this Agreement. Defendant has a continuing duty to immediately notify PAGA Counsel if it discovers that the Aggrieved Employee Data omitted employee identifying information and to provide corrected or updated Aggrieved Employee Data as soon as reasonably feasible. Without any extension of the deadline by which Defendant 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 Aggrieved Employee Data.
- 4.3. Funding of Gross Settlement Amount. Defendant shall fully fund the Gross Settlement Amount by transmitting the funds to the Administrator no later than 14 days after the Effective Date.
- 4.4. Payments from the Gross Settlement Amount. Within 14 days after Defendant funds the Gross Settlement Amount, the Administrator will mail checks for all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the PAGA Counsel Fees Payment, and the PAGA Counsel Litigation Expenses Payment. Disbursement of the PAGA Counsel Fees Payment and PAGA Counsel Litigation Expenses Payment shall not precede disbursement of Individual PAGA Payments.
- 4.4.1. The Administrator will issue checks for the Individual PAGA Payments and send them to the Aggrieved Employees via First Class U.S. Mail, postage prepaid. The face of each 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. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database.
- 4.4.2. The Administrator must conduct an Aggrieved Employee Address Search for all Aggrieved Employees whose checks are returned undelivered without USPS forwarding address. Within 7 days of receiving a returned check the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Aggrieved Employee Address Search. The Administrator need not take further steps to deliver checks to Aggrieved Employees whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Aggrieved Employee whose original check was lost or misplaced, requested by the Aggrieved Employee prior to the void date.

- 4.4.3. For any Aggrieved Employee whose Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the California Controller's Unclaimed Property Fund in the name of the Aggrieved Employee.
- 4.4.4. The payment of Individual PAGA Payments shall not obligate Defendant to confer any additional benefits or make any additional payments to the Aggrieved Employees (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.
- 5. RELEASES OF CLAIMS.** Effective on the date when Defendant fully funds the entire Gross Settlement Amount Plaintiffs and PAGA Counsel will release claims against all Released Parties as follows:
- 5.1. Plaintiffs' Release. Plaintiffs and their respective former and present spouses, representatives, agents, attorneys (including PAGA Counsel), heirs, administrators, successors, and assigns generally, release and discharge Released Parties from all claims for PAGA penalties, including, but not limited to, all PAGA claims that were, or reasonably could have been, alleged, based on the facts contained in the Operative Complaint and the PAGA Notices ("Plaintiffs' Release"). Plaintiffs' Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, workers' compensation benefits that arose at any time, or based on occurrences outside the PAGA Period. Plaintiffs acknowledge that Plaintiffs may discover facts or law different from, or in addition to, the facts or law that Plaintiffs now know or believe to be true but agree, nonetheless, that Plaintiffs' Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiffs' discovery of them. This Agreement does not impact or affect Plaintiffs' non-PAGA claims, which are subject to separate settlement agreements that are contingent upon court approval of the instant PAGA Settlement.
- 5.1.1. Plaintiffs' Waiver of Rights Under California Civil Code Section 1542. For purposes of Plaintiffs' Release, Plaintiffs expressly waive and relinquish the provisions, rights, and benefits, if any, of section 1542 of the California Civil Code, which reads:
- 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.
- 5.2. Release by Aggrieved Employees:
- All Aggrieved 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 claims for PAGA penalties that

were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the Operative Complaint and the PAGA Notices.

5.3. Release by PAGA Counsel:

PAGA Counsel release, on behalf of their present and former attorneys, employees, agents, successors and assigns, the Released Parties from all claims for PAGA Fees incurred in connection with the Operative Complaint and the PAGA Period facts stated in the Operative Complaint and the PAGA Notices.

6. MOTION OR APPLICATION FOR APPROVAL OF SETTLEMENT. The Parties agree to jointly prepare and file an application or motion for approval of this Settlement.

6.1. Plaintiffs' Responsibilities. 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 "not to exceed" bid for administering the Settlement and attesting to its willingness to serve; 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 Plaintiff, PAGA Counsel, or Defense Counsel; (iii) a signed declaration from PAGA Counsel firm(s) 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)), and 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, except for the Hernandez Consolidated Individual Arbitration and Gonzales Individual Arbitration with respect specifically to Plaintiffs' individual non-representative PAGA claims (Plaintiffs' individual PAGA claims shall be released and extinguished as part of this Settlement).

6.2. Responsibilities of PAGA Counsel. PAGA Counsel and Defense Counsel are jointly responsible for expeditiously finalizing and filing the application or motion for approval of this Settlement 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 to the Administrator.

6.3. 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 and conferring, 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 and conferring, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns.

7. SETTLEMENT ADMINISTRATION.

- 7.1. Selection of Administrator. The Parties have jointly selected Phoenix Settlement Administrators to serve as the Administrator and verified that, as a condition of appointment, Phoenix Settlement Administrators agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Expenses. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.
- 7.2. Employer Identification Number. The Administrator shall have and use its own Employer Identification Number for purposes of calculating payroll tax withholdings and providing reports state and federal tax authorities.
- 7.3. Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation section 468B-1.
- 7.4. Administrator Duties. The Administrator has a duty to perform or observe all tasks to be performed or observed by the Administrator contained in this Agreement or otherwise.

8. AGGRIEVED EMPLOYEE SIZE ESTIMATES AND ESCALATOR CLAUSE

Based on its records, Defendant estimates that, as of the date of this Settlement Agreement, there are 232 Aggrieved Employees who worked a total of approximately 8,802 Pay Periods (between the start of the PAGA Period on September 11, 2019 and the date of mediation on March 7, 2024). If the number of Pay Periods worked by the Aggrieved Employees is greater than 10% above that estimated by Defendant, or 9,683 Pay Periods worked, then Plaintiffs shall have the right to request a pro-rata increase in the Gross Settlement Amount equal to the percentage increase in Pay Periods above 9,683 (i.e., if the total Pay Periods increases by 12%, then a 2% increase to the Gross Settlement Amount).

9. CONTINUING JURISDICTION OF THE COURT. The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties, Action, 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.

- 9.1. Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the PAGA Counsel Fees Payment and PAGA Counsel Litigation Expenses Payment, the Parties and their respective

counsel waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs, or appeals. If another party appeals the Judgment, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect the amount of the Net Settlement Amount.

10. ADDITIONAL PROVISIONS.

- 10.1. 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 Defendant that any of the allegations in the Operative Complaint have merit or that Defendant has any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiffs that Defendant's defenses in the Action 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, Defendant reserves all available defenses to the claims in the Action, and Plaintiffs reserve the right to contest Defendant's defenses.
- 10.2. 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.
- 10.3. Attorney Authorization. PAGA Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiffs and Defendants, 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.
- 10.4. 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, 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.
- 10.5. 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(ies) in this Settlement.

- 10.6. No Tax Advice. Neither Plaintiffs, PAGA Counsel, Defendant, 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 CFR Part 10, as amended) or otherwise.
- 10.7. 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.
- 10.8. Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.
- 10.9. 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.
- 10.10. 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.
- 10.11. Confidentiality. To the extent permitted by law, all agreements made, and orders entered during the Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.
- 10.12. 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 Defendant 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, Plaintiffs shall destroy all paper and electronic versions of Aggrieved Employee Data received from Defendant unless, prior to the Administrator's payment of all Settlement Funds, Defendant makes a written request to PAGA Counsel for the return, rather than the destructions, of Aggrieved Employee Data.
- 10.13. 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.
- 10.14. 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.
- 10.15. 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

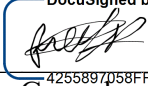
this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

- 10.16. 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 that upon the signing of this Agreement that pursuant to CCP section 583.330 to extend the date to bring a case to trial under CCP section 583.310 for the entire period of this settlement process.

PLAINTIFF:

Dated: 6/28/2024

RICARDO GONZALES

DocuSigned by:

4255897058FF40F...
 Ricardo Gonzales

PLAINTIFF:

Dated: _____

OSCAR HERNANDEZ

 Oscar Hernandez

DEFENDANT:

Dated: _____

EDGEMINE, INC.

By: _____

Title: _____

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PLAINTIFF:

RICARDO GONZALES

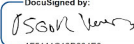
Dated: _____

Ricardo Gonzales

PLAINTIFF:

OSCAR HERNANDEZ

Dated: 7/1/2024

DocuSigned by:

1F51110105384E6

Oscar Hernandez

DEFENDANT:

EDGEMINE, INC.

Dated: _____

By: _____

Title: _____

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PLAINTIFF:

RICARDO GONZALES

Dated: _____

Ricardo Gonzales

PLAINTIFF:

OSCAR HERNANDEZ

Dated: _____

Oscar Hernandez

DEFENDANT:

EDGEMINE, INC.

Dated: 7/12/24


By: JANET KANG

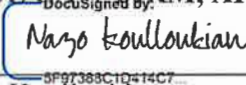
Title: CEO

APPROVED AS TO FORM BY COUNSEL

PAGA COUNSEL:

Dated: 6/28/2024

KOUL LAW FIRM, APC

DocuSigned by:

5F97383C1D414C7...
Nazo Koulloukian
Attorneys for Plaintiff Ricardo Gonzales

PAGA COUNSEL:

Dated: July 1, 2024

PROTECTION LAW GROUP, LLP


Amir Nayebedadesh
Attorneys for Plaintiff Oscar Hernandez

DEFENSE COUNSEL:

Dated: 7/12/2024

O'HAGAN MEYER LLP


Katherine C. Den Bleyker
Attorneys for Defendant Edgemine, Inc.