PAGA SETTLEMENT AGREEMENT

This PAGA Settlement Agreement ("Agreement") is made by and between plaintiffs Oscar Morales ("Morales") and Brenda Karina Sandoval ("Sandoval," together with Morales, "Plaintiffs") on the one hand, and defendants Fairway Staffing Services, Inc. ("Fairway Staffing") and Fisherman's Pride Processors, Inc., dba Neptune Foods ("Fisherman's Pride," together with Fairway Staffing, "Defendants") on the other hand. The Agreement refers to Plaintiffs and Defendants collectively as "Parties," or individually as "Party."

1. <u>DEFINITIONS</u>.

1.1 "Action" means Plaintiff Morales's lawsuit filed against Defendants, captioned *Oscar Morales v. Fairway Staffing Services, Inc. et al.,* Case Number 21STCV11632, initiated on March 25, 2021 and amended on June 16, 2021 in Superior Court of the State of California, County of Los Angeles; and Plaintiff Sandoval's lawsuit filed against Defendants, captioned *Brenda Karina Sandoval v. Fisherman's Pride Processors, Inc., et al.*, Case Number 21STCV14436, initiated on April 15, 2021 in Superior Court of the State of California, County of Los Angeles. As of December 7, 2021, via the filing of a Second Amended Complaint, both lawsuits were consolidated for all purposes, with Plaintiff Sandoval joining Plaintiff Morales' lawsuit (Case Number 21STCV11632).

1.2 "Administrator" means Phoenix Settlement Administrators ("Phoenix"), 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 all non-exempt employees who were employed directly by Fisherman's Pride or employed and placed by Fairway Staffing to work at Fisherman's Pride, in the state of California during the PAGA Period.

1.5 "Aggrieved Employee Data" means Aggrieved Employee identifying information in Defendants' possession including the Aggrieved Employee's name, last-known mailing address, Social Security number, hire date and termination date.

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 "Aggrieved Employees' Notice" shall mean the Notice of Settlement and Approval, a sample of which is attached hereto as Exhibit A. The Aggrieved Employees' Notice shall further contain (i) an Aggrieved Employee's first and last name, (ii) last known address,

(iii) employee identification number, if applicable, (iv) the Aggrieved Employee's individual pay periods, and (v) the Aggrieved Employee's individual share of the Aggrieved Employees' payment.

1.8 "Court" means the Superior Court of California, County of Los Angeles.

1.9 "Defense Counsel" means Buchalter APC, and Prince, Attorneys at Law, P.C.

1.10 "Effective Date" means the date by when of the following have occurred: (a) the Court enters a Judgment on its Order Approving the PAGA Settlement and (b) the Judgment is final.

1.11 "Gross Settlement Amount" means $220,000.00 which is the total amount Defendants agree 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.

1.12 "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.

1.13 "LWDA" means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subdivision (i).

1.14 "LWDA PAGA Payment" means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subdivision (i).

1.15 "Net Settlement Amount" means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: the LWDA PAGA Payment, PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment and the Administration Expenses Payment. The remainder is to be paid to Aggrieved Employees as Individual PAGA Payments.

1.16 "PAGA Counsel" means David Yeremian & Associates, Inc., D.Law, Inc., and Moon Law Group, PC, 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 worked for Defendant for at least one day during the PAGA Period.

1.19 "PAGA Period" means the period from March 24, 2020, through July 29, 2024.

1.20 "PAGA" means the Private Attorneys General Act (Lab. Code, § 2698. *et seq*.).

1.21 "PAGA Notice" means Morales's March 24, 2021 letter to Defendants and the LWDA providing notice pursuant to Labor Code section 2699.3, subdivision (a) and Sandoval's April 14, 2021 letter to Defendants and the LWDA providing notice pursuant to Labor Code section 2699.3, subdivision (a).

1.22 "PAGA Penalties" means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 25% to the Aggrieved Employees and the 75% to LWDA in settlement of PAGA claims.

1.23 "Plaintiffs" mean Oscar Morales and Brenda Karina Sandoval, the named plaintiffs in the Actions.

1.24 "Approval Order" means the proposed Court Order Granting Approval of PAGA Settlement.

1.25 "Released PAGA Claims" means the claims being released by the Plaintiffs, Aggrieved Employees, and PAGA Counsel and as described in Paragraph 5 below.

1.26 "Released Parties" means Defendants and each of its former and present directors, officers, shareholders, owners, members, attorneys, insurers, reinsurers predecessors, successors, parents, assigns, subsidiaries, joint employers, staffing agencies, and affiliates.

1.27 "Settlement" means the disposition of the Action effected by this Agreement and the Judgment.

1.28 "Defendants" means named Defendants Fairway Staffing Services, Inc. and Fisherman's Pride Processors, Inc. dba Neptune Foods.

2. <u>RECITALS.</u>

2.1 On March 24, 2021, Plaintiff Morales filed a notice of intent to bring a Private Attorneys General Act lawsuit with the Labor Workforce Development Agency. On March 24, 2021, Plaintiff Morales filed a class action complaint alleging causes of action against Defendants for (1) Failure to Pay Minimum Wages; (2) Failure to Pay Wages and Overtime under Labor Code § 510; (3) Meal-Period Liability under Labor Code § 226.7; (4) Rest-break Liability under Labor Code § 226.7; (5) Violation of Labor Code § 226(a); (6) Reimbursement of Necessary Expenditures under Labor Code § 2802; (7) Failure to Keep Payroll Records under Labor Code §§ 1174 and 1174.5; (8) Penalties Pursuant to Labor Code § 203; and (9) Violation of Business & Professions code § 17200 *et seq*. On June 16, 2021, Plaintiff Morales filed a First Amended Complaint alleging an additional cause of action against Defendants for penalties under PAGA. On April 14, 2021, Plaintiff Sandoval filed a notice of intent to bring a Private Attorneys General Act lawsuit with the Labor Workforce Development Agency. On April 15, 2021, Plaintiff Sandoval filed a class action complaint alleging causes of action against Defendants for (1) Failure to Pay Minimum Wages; (2) Failure to Pay Overtime Compensation; (3) Failure to Provide Meal Periods; (4) Failure to Authorize and Permit Rest Breaks; (5) Failure to Indemnify Necessary Business Expenses; (6) Failure to Timely Pay Final Wages at Termination; (7) Failure to Provide Accurate Itemized Wage Statements and (8) Unfair Business Practices. On August 5, 2021, a notice of related cases was filed in the Sandoval Action. On August 26, 2021, the Court issued a minute order relating the Sandoval and Morales Actions. On December 2, 2021, the Court granted Plaintiffs' stipulation to consolidate the Sandoval and Morales Actions. On December 7, 2021, Plaintiffs filed a Second Amended Consolidated Class Action Complaint ("the Operative Complaint") against Defendants alleging wage and hour violations on a class-wide and PAGA basis.

2.2 Defendants deny the allegations in the Operative Complaint, deny any failure to comply with the laws identified in in the Operative Complaint and deny any and all liability for the causes of action alleged.

2.3 Pursuant to Labor Code section 2699.3, subdivision (a), Plaintiffs contend they gave timely written notice to Defendants and the LWDA by sending the PAGA Notices.

2.4 On August 24, 2022, the Parties attended mediation with Marc Feder and were unable to settle the case despite engaging in post-mediation settlement discussions.

2.5 On February 2, 2023, Defendants filed their Motion to Compel Arbitration of Plaintiff Morales's claims after mediation efforts and post-mediation settlement discussions proved unsuccessful. On February 2, 2024, the Court ordered Plaintiff Morales's individual claims to arbitration. On March 1, 2024, Plaintiff Morales initiated arbitration proceedings by filing a Statement of Claims with JAMS.

2.6 Thereafter, the Parties again engaged in settlement discussions, which ultimately led to this Agreement to settle the Actions.

2.7 Prior to mediation, Plaintiff obtained, through informal discovery, a sampling of time and payroll data for the aggrieved employees, and figures and information regarding the total number of aggrieved employees and PAGA pay periods.

2.8 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.

3. MONETARY TERMS.

3.1 Gross Settlement Amount. Except as otherwise provided by Paragraph 8 below, Defendant promises to pay $220,000.00 and no more as the Gross Settlement Amount. Defendants have 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 Defendants.

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 Approval Order:

3.2.1 To PAGA Counsel: A PAGA Counsel Fees Payment of not more than one-third, which is currently estimated to be $73,333.33, and PAGA Counsel Litigation Expenses Payment of not more than $20,000. Defendants 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 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 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 Released Parties harmless, and indemnifies Released Parties, 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 $6,500 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 $6,500, the Administrator will allocate the remainder to the Net Settlement Amount.

3.2.3 To the LWDA and Aggrieved Employees: After deducting the payments to PAGA Counsel and the Administrator pursuant to Sections 3.2.1 and 3.2.2 of this Agreement, the amount remaining in the Gross Settlement Amount shall be allocated as PAGA Penalties. PAGA Penalties (currently estimated $120,166.67) to be paid from the Gross Settlement Amount, with 75% ($90,125.00) allocated to the LWDA PAGA Payment and 25% ($30,041.67) 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 Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

3.2.3.2 If the Court approves PAGA Penalties of less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount. 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 their records as of July 29, 2024, Defendants estimated there are 413 Aggrieved Employees who worked a total 48,986 PAGA Pay Periods during the PAGA Period.

4.2 Aggrieved Employee Data. No later than the date on which the sixth monthly installment payment is due as described in Paragraph 4.3, Defendants will deliver the Aggrieved Employee Data to the Administrator in the form of a Microsoft Excel spreadsheet or Microsoft Word Document. To protect Aggrieved Employees' 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. Defendants have 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 to the Administrator as soon as reasonably feasible. Without any extension of the deadline by which Defendants 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. Defendants shall make the first of six monthly installments payments to the Settlement Administrator of $20,000 within thirty (30) calendar days of the Effective Date. Defendants shall make the second through sixth installment payments in equal $40,000 amounts for each successive thirty-day calendar period.

4.4 Payments from the Gross Settlement Amount. Within 14 calendar days of receiving the sixth installment payment and the Aggrieved Employee data, the Administrator will mail checks for all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the PAGA Counsel Expenses Payment. Disbursement of the 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 10 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 remailed 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 Defendants 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 Defendants fully fund the entire Gross Settlement Amount, Aggrieved Employees and PAGA Counsel will release claims against all Released Parties as follows:

5.1 Plaintiffs' Release: Plaintiffs and their former and present spouses, representatives, agents, attorneys (including PAGA Counsel), heirs, administrators, successors, and assigns generally, release and discharge Released Parties from all claims, transactions, or occurrences [that occurred during the PAGA Period], including, but not limited to: (a) all 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 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.

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, 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 Notice, including for violations of Labor Code 201, 202, 203, 204, 210, 226, 226(a), 226.3, 226.7, 510, 512, 558, 1174, 1174.5, 1194, 1198, 1199, 2698, 2699 *et seq*., and 2802.

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 Counsel Fees Payment(s) and PAGA Counsel Litigation Expenses Payment(s) incurred in connection with the Operative Complaint and the PAGA Notice, and the PAGA Period facts stated in the Operative Complaint and the PAGA Notice, including for violations of Labor Code 201, 202, 203, 204, 210, 226, 226(a), 226.3, 226.7, 510, 512, 558, 1174, 1174.5, 1194, 1198, 1199, 2698, 2699 *et seq*., and 2802.

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, subdivision (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 Plaintiffs, PAGA Counsel or Defense Counsel; (iii) a signed declaration from PAGA Counsel's firms attesting to their timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), Operative Complaint (Lab. Code, §2699, subd. (l)(1)), this Agreement (Lab. Code, § 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 and Defense Counsel. PAGA Counsel and Defense Counsel are jointly 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 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 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. SETTLEMENT ADMINISTRATION.

7.1 Selection of Administrator. The Parties have jointly selected Phoenix to serve as the Administrator and verified that, as a condition of appointment, Phoenix 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 providing reports to 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 a review of their records as of July 29, 2024, Defendants estimated there are 413 Aggrieved Employees who worked a total 48,986 PAGA Pay Periods during the PAGA Period. If the total number of PAGA Pay Periods encompassed within the PAGA Period exceeds 48,986 by more than 10% (i.e., if the total PAGA Pay Periods exceeds 53,885 pay periods), then the Gross Settlement Amount shall be increased in proportion to the percentage increase in the number of PAGA Pay Periods encompassed in the PAGA Period in excess of 10% (e.g., if there was a 12% increase in PAGA Pay Periods, then Defendants would agree to increase the Gross Settlement Amount by 2%).

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 Defendants that any of the allegations in the Operative Complaint have merit or that Defendants have any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiffs that Defendants' 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, Defendants reserve all available defenses to the claims in the Action, and Plaintiffs reserve the right to contest Defendants' defenses. The Settlement, this Agreement and the Parties' willingness to settle the Action 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).

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 of the PAGA Claims in the Actions, 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 and portion of any liability, claim, demand, action, cause of action or right released and discharged by the Party in this Settlement.

10.6 No Tax Advice. Neither Plaintiffs, PAGA Counsel, Defendants 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 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 Evidence Code section 1152, and all copies and summaries of the PAGA Data provided to PAGA Counsel by Defendants 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 California Rules of Court rule. 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 Defendants unless, prior to the Administrator's payment of all Settlement Funds, Defendants make a written request to PAGA Counsel for the return, rather than the destruction, 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 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 Plaintiffs:

D.Law, Inc.
Emil Davtyan
Emil@d.law
Roman Shkodnik
r.shkodnik@d.law

Emma Geesaman
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450 N. Brand Blvd., Suite 840
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Fax: (818) 962-6469

Moon Law Group, PC
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To Defendants:

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Miles Prince
mlp@redchamber.com
1912 E. Vernon Ave., Suite 100
Los Angeles, CA 90058
Telephone: (323) 234-2989
Fax: (323) 234-2619

10.16 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.

10.17 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 that upon the signing of this Agreement that pursuant to Code of Civil Procedure section 583.330 to extend the date to bring a case to trial under Code of Civil Procedure section 583.310 for the entire period of this settlement process.

Dated: 3/11/2025, 2025

DocuSigned by:

By Oscar Morales

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Plaintiff Oscar Morales

Dated: ______, 2025

By ______________________

Plaintiff Brenda Karina Sandoval

Dated: ______, 2025

By: ______________________

Fairway Staffing Services, Inc.

By: ______________________

Its: ______________________

Dated: 3/24, 2025

[signature]

Fisherman's Pride Processors, Inc.

By: HECTOR POON

Its: Chief Operating Officer

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Dated: _______, 2025

By ______________________________
Plaintiff Oscar Morales

Dated: 3/6/2025, 2025

Firmado por:
Brerdol Sandoval
63B6603B20A5408...

By ______________________________
Plaintiff Brenda Karina Sandoval

Dated: ______, 2025

By: ______________________________
Fairway Staffing Services, Inc.

By: ______________________

Its: ______________________

Dated: _____, 2025

____
Fisherman's Pride Processors, Inc.

By: ______________________

Its: ______________________

10.17 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 that upon the signing of this Agreement that pursuant to Code of Civil Procedure section 583.330 to extend the date to bring a case to trial under Code of Civil Procedure section 583.310 for the entire period of this settlement process.

Dated: _______, 2025

By ____________________
Plaintiff Oscar Morales

Dated: ______, 2025

By ____________________
Plaintiff Brenda Karina Sandoval

Dated: 2, 28, 2025

By: Ramon Gonzalez
Fairway Staffing Services, Inc.

By: [signature]

Its: Risk Manager

Dated: _____, 2025

____
Fisherman's Pride Processors, Inc.

By: ____________________

Its: ____________________