

PAGA SETTLEMENT AGREEMENT

This PAGA Settlement Agreement (“Agreement”) is made by and between plaintiff Emily Rios (“Plaintiff”) and defendant Guaranteed Rate Affinity, LLC (“Defendant”). The Agreement refers to Plaintiff and Defendant collectively as the “Parties,” or individually as “Party.”

1. DEFINITIONS.

- 1.1. “Action” means the Plaintiff’s PAGA lawsuit alleging wage and hour violations against Defendant captioned *Emily Rios v. Guaranteed Rate Affinity, LLC* initiated on July 19, 2021 and pending in the Superior Court of the State of California, County of Los Angeles.
- 1.2. “Administrator” means Phoenix Class Action Administration Solutions, 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 persons employed by Defendant as non-exempt employees in California 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. “Claims” means all claims for PAGA civil penalties that were alleged or reasonably could have been alleged based on the facts set forth in Plaintiff’s Operative Complaint in the Litigation and Plaintiff’s PAGA Notices.
- 1.9. “Defense Counsel” means:

Spencer C. Skeen
Tim L. Johnson
Andrew J. Deddeh
OGLETREE, DEAKINS, NASH, SMOAK & STEWART, P.C.
4660 La Jolla Village Drive, Suite 900
San Diego, California 92122
- 1.10. “Effective Date” means the date the Court enters a Final Approval Order and judgment approving and incorporating by reference the terms and conditions of this Agreement.
- 1.11. “Gross Settlement Amount” means \$349,000.00 which is the total amount Defendant agrees to pay under the Settlement except as provided herein. 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, the Administrator's Expenses Payment and the Individual Settlement for Plaintiff.

- 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. "Individual Settlement for Plaintiff" means payment to Plaintiff in the amount of \$10,000.00.
- 1.14. "Judgment" means the judgment entered by the Court based upon the Final Approval.
- 1.15. "LWDA" means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i).
- 1.16. "LWDA PAGA Payment" means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).
- 1.17. "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 and the Individual Settlement for Plaintiff. The remainder (if any) is to be paid to Aggrieved Employees as Individual PAGA Payments.
- 1.18. "PAGA Counsel" means Kashif Haque, Jessica Campbell, and Carolyn Bell of Aegis Law Firm, PC, the attorneys representing the Plaintiff in the Action.
- 1.19. "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.
- 1.20. "PAGA Pay Period" means any Pay Period during which an Aggrieved Employee worked for Defendant for at least one day during the PAGA Period.
- 1.21. "PAGA Period" means the period from April 27, 2020 to September 13, 2024.
- 1.22. "PAGA" means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).
- 1.23. "PAGA Notice" means Plaintiff's April 27, 2021 letter to Defendant and the LWDA and Plaintiff's August 16, 2024 letter to Defendant and the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a).
- 1.24. "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 the LWDA in settlement of PAGA claims.
- 1.25. "Plaintiff" means Emily Rios, the named plaintiff in the Action.
- 1.26. "Approval Order" means the proposed Court Order Granting Approval of PAGA Settlement.
- 1.27. "Released PAGA Claims" means the claims being released by the Plaintiff as described herein as a proxy for and on behalf of the State of California.

- 1.28. “Released Parties” means: Defendant and each of its former and present directors, officers, shareholders, owners, members, attorneys, insurers, predecessors, successors, assigns, subsidiaries, affiliates, and parents.
- 1.29. “Settlement” means the disposition of the Action effected by this Agreement and the Judgment.
- 1.30. “Defendant” means named Defendant Guaranteed Rate Affinity, LLC.

2. RECITALS.

- 2.1. On July 19, 2021, Plaintiff commenced this Action by filing a Complaint alleging a cause of action against Defendant for violation of the California Labor Code Private Attorneys General Act of 2004 (Cal. Lab. Code §§ 2698, *et. seq.*). The 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.
- 2.2. Pursuant to Labor Code section 2699.3, subd.(a), Plaintiff gave timely written notice to Defendant and the LWDA by sending the PAGA Notices.
- 2.3. On July 15, 2024, the Parties participated in an all-day mediation presided over by mediator Kevin Barnes, which led to this Agreement to settle the Action.
- 2.4. Prior to mediation Plaintiff obtained, through informal discovery, policies documents, time records, pay records, and Plaintiff’s personnel file.
- 2.5. The Parties, PAGA Counsel and Defense Counsel represent that they are aware of a pending matter or action asserting claims that will be extinguished or affected by the Settlement, *Jasmine Pollard v. Guaranteed Rate Affinity* Solano Superior Court Case No. FCS058845.

3. MONETARY TERMS.

- 3.1. Gross Settlement Amount. Defendant promises to pay \$349,000.00 and no more as the Gross Settlement Amount. Defendant agrees to pay the Gross Settlement Amount to settle, resolve, and fully discharge the Claims and Plaintiff’s individual release. The Gross Settlement Amount is all-inclusive, meaning it shall cover, resolve, and fully satisfy any and all amounts owed to Plaintiff, the Aggrieved Employees for the release of the Claims, the State of California for the release of the Claims, the Settlement Administrator, and Plaintiff’s Counsel, including all amounts allocated to attorneys’ fees and costs. 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. The Parties agree there are no circumstances that would require Defendant to pay any amount greater than the Gross Settlement Amount in connection with this Agreement. In the event this Agreement is canceled, rescinded, terminated, voided or nullified, however that may occur as permitted herein, or the settlement is barred by operation of law, invalidated, or ordered not to be carried out by a court of competent jurisdiction, Defendant shall have no obligation to pay any of the Gross Settlement Amount and the Parties’ respective positions shall be restored to their respective positions prior to mediation. Further, in that event, nothing in this Agreement, the negotiations leading to

this settlement, nor any papers prepared in connection with this Agreement shall be admissible in any proceeding for any purpose whatsoever.

- 3.3. 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:

3.3.1. To Plaintiff: An Individual Settlement for Plaintiff of not more than \$10,000.00. Defendant will not oppose a request for Court approval of this payment provided that it does not exceed this amount. If the Court approves an Individual Settlement for Plaintiff less than the amount request, the Administrator will allocate the remainder to the Net Settlement Amount. The Administrator will pay the Individual Settlement for Plaintiff using one or more IRS 1099 Forms. Plaintiff assumes full responsibility and liability for taxes owed on the Individual Settlement for Plaintiff and holds Defendant harmless, and indemnifies Defendant, from any dispute or controversy regarding any division or sharing of any of this payment.

3.3.2. To PAGA Counsel: A PAGA Counsel Fees Payment of not more than one-third of the Gross Settlement Amount which is currently estimated to be \$116,333.33 and PAGA Counsel Litigation Expenses Payment of not more than \$25,000.00. Defendant will not oppose requests for Court approval of these payments provided that they do not exceed these amounts. 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. 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 Defendant harmless, and indemnifies Defendant, from any dispute or controversy regarding any division or sharing of any of these payments.

3.3.3. To the Administrator: An Administrator Expenses Payment not to exceed \$5,750.00 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 \$5,750, the Administrator will allocate the remainder to the Net Settlement Amount.

3.3.4. To the LWDA and Aggrieved Employees: PAGA Penalties in the estimated amount of \$191,916.67 to be paid from the Gross Settlement Amount, with 75% allocated to the LWDA PAGA Payment and 25% allocated to the Individual PAGA Payments. The Administrator shall transmit the "Notice of PAGA Settlement" (in substantially the same form as **Exhibit "A"** attached hereto), together with settlement checks containing their individual settlement amounts, with no claims process required, to all Aggrieved Employees by first-class United States mail, postage prepaid, to the last known address of each recipient with directions to the Postmaster to forward the Notice of PAGA Settlement and return those that are undeliverable.

3.3.4.1. 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.

- 3.3.4.2. 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 its records to date, Defendant estimates that the Aggrieved Employees worked a total of 18,992 PAGA Pay Periods.
- 4.2. Aggrieved Employee Data. Within 30 days of the Effective Date, Defendant will deliver the Aggrieved Employee Data to the Administrator in the form of a Microsoft Excel spreadsheet. 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. 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 60 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 Litigation Expenses Payment, and the Individual Settlement for Plaintiff. 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 a 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 shall promptly send a replacement check to any Aggrieved Employee whose original

check was lost or misplaced, if it is 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, Plaintiff and PAGA Counsel will release claims against all Released Parties as follows:

5.1 Plaintiff's Release. Plaintiff and his or her 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, transactions, or occurrences that occurred during Plaintiff's employment, including, but not limited to:

5.1.1 all claims that were, or reasonably could have been, alleged, based on the facts contained in the Operative Complaint and the PAGA Notice ("Plaintiff's Release")

5.1.2 All claims that relate in any way to Plaintiff's employment with Defendant, the terms and conditions of Plaintiff's employment with Defendant, the cessation of Plaintiff's employment with Defendant, and any actions and/or omissions after the cessation of Plaintiff's employment with Defendant prior to the Effective Date of this Agreement;

5.1.3 All claims asserted by any other employee of Defendant in which Plaintiff has claimed or could claim any interest;

5.1.4 All claims arising as of the date Plaintiff signs this Agreement, whether in tort, contract, by statute, or on any other basis, whether in law or in equity, whether civil, criminal, or administrative, whether known or unknown, for damages or monies owed by Defendant or Released Parties, including compensatory damages, emotional distress damages, pain and suffering, physical injury damages, punitive damages, liquidated damages, attorneys' fees, costs, and interest, including all claims for back pay, front pay, overtime pay, severance pay, notice pay, health benefits, disability benefits, retirement benefits, all other benefits, vacation pay, holiday pay, sick pay, commissions, bonuses, relocation expenses, loans, expense reimbursements, or benefits due under any collective bargaining agreement;

5.1.5 All claims arising as of the date Plaintiff signs this Agreement under the following laws, as amended, to the maximum extent permitted by law: the Age Discrimination in Employment Act; Section 1981 of the Civil Rights Act of 1866; Title VII of the Civil Rights Act; the Americans with Disabilities Act; the Federal Family and Medical Leave Act; the Worker Adjustment and Retraining Notification Act; the National Labor Relations Act; the Labor Management

Relations Act; the Fair Credit Reporting Act; the Employee Retirement Income Security Act of 1974; the Age Discrimination and Employment Act; the Genetic Information Nondiscrimination Act of 2008; the Health Insurance Portability and Accountability Act; the Occupational and Safety Health Act; the Equal Pay Act; the Uniformed Services Employment and Re-employment Act; Executive Orders 11246 and 11141; except as otherwise excluded below, the False Claims Act; the Consolidated Omnibus Budget Reconciliation Act of 1986; the Rehabilitation Act of 1973; the Electronic Communications Privacy Act of 1986 (including the Stored Communications Act);

- 5.1.6 All claims arising as of the date Plaintiff signs this Agreement under the following state and local laws, as amended, to the maximum extent permitted by law: the California Fair Employment and Housing Act, Cal. Gov. Code § 12940 et seq., or any other applicable local law; the California Constitution; the California Labor Code; the California Family Rights Act and Family Medical Leave Act; the California Whistleblower Protection Act; the California Wage Theft Prevention Act; the California Wage Payment Act; the California Business & Professions Code § 17200 et seq.; and California False Claims Act;
- 5.1.7 To the maximum extent permitted by law, all claims arising as of the date Plaintiff signs this Agreement under any other federal, state or local law, regulation or ordinance, including for employment discrimination on any basis, hostile working environment, retaliation, workplace safety, wrongful discharge, retaliatory discharge, constructive discharge, unsafe working conditions, breach of express or implied contract, breach of collective bargaining agreement, breach of implied covenant of good faith and fair dealing, detrimental reliance, promissory estoppel, defamation, false light negligence, negligent or intentional misrepresentation, invasion of privacy, interference with economic gain or contractual relations, and intentional and negligent infliction of emotional distress;
- 5.1.8 Plaintiff's 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 of Plaintiff's employment.
- 5.1.9 Plaintiff acknowledges that Plaintiff may discover facts or law different from, or in addition to, the facts or law that Plaintiff now knows or believes to be true but agrees, nonetheless, that Plaintiff's Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiff's discovery of them.
- 5.1.10 Except as may be necessary to enforce this Agreement, or to seek a judicial determination of the validity of the waiver of claims, and to the fullest extent permitted by law, Plaintiff agrees not to authorize, initiate, encourage, support, join or continue any lawsuit, administrative charges or complaints (including charges of discrimination), arbitrations or proceedings against Defendant or any of the Released Parties based in whole or in part on any claim released by this Agreement. Plaintiff acknowledges and agrees that, included among the claims released are any and all claims that have been, or may be, asserted by her or by any other person or entity on her behalf in any class, collective, or representative action relating to the Released Parties including, but not limited to, the Defendant.

Except for this Litigation, Plaintiff agrees that, for any resolution of any currently pending or future class, collective, or representative action against Defendant under which remuneration may be distributed to members of the representative class, Defendant has express authorization, through this Agreement, to exclude Plaintiff from the list of eligible members of the representative class such that Plaintiff shall not receive any such distribution under the resolution of said currently pending or future class, collective, or representative action against Defendant. Except for this Litigation, Plaintiff also expressly authorizes Defendant to exclude Plaintiff from the list of those who will receive notice of currently pending or future class, collective, or representative action against Defendant. If, without prior knowledge and consent, Plaintiff is made a member of a class and/or representative group in any case in which claims are asserted against the Released Parties that involve events which have occurred as of the date Plaintiff signs this Agreement, she hereby agrees to opt out of the class and/or representative group at the first opportunity, to the extent permitted by law. Plaintiff further waives any right to pursue any additional representative PAGA claim on behalf of herself, the State of California, the LWDA and other allegedly aggrieved employees against Defendant. Except for this Litigation, Plaintiff understands and agrees that, if a claim or action is prosecuted in her name before any court or administrative agency against Defendant, she waives the right to, and agrees not to take, any award of money or other damages or relief from such action. Except this Litigation, Plaintiff also agrees that, if a claim or action against Defendant is prosecuted in her name, she will immediately request, in writing, that the claim or action on her behalf be withdrawn.

- 5.1.11 Plaintiff's Waiver of Rights Under California Civil Code Section 1542. Plaintiff acknowledges and agrees that it is her intention that this Agreement shall be effective as a full and final accord and satisfaction and settlement of, and as a bar to, each and every claim, demand, action, contract, covenant, cause of action, obligation, debt, controversy, promise, agreement, liability, cost, expense, and lien, as referred to and released above, that she has or may have against Defendant and Released Parties. In connection with such waiver and relinquishment, Plaintiff acknowledges that she is aware that she may, after the signing of this Agreement, discover facts different from or in addition to the facts that she knows or believes to be true with respect to the subject matter of the Claims and this Agreement, but that it is their intention to (as described above) fully, finally, absolutely and forever settle any and all such claims, disputes and differences that do now exist or previously have existed. In furtherance of this intention, Plaintiff expressly, knowingly and voluntarily waives and relinquishes any and all rights and benefits conferred upon her by California Civil Code section 1542, which provides as follows:

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.

Plaintiff knowingly abandons, releases, waives and relinquishes all rights and benefits that she may acquire under California Civil Code section 1542 pertaining to the subject matter of the Claims and this Agreement. She further acknowledges that this waiver of the provisions of section 1542 was separately bargained for and is an essential and material term of this Agreement.

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 arising during the PAGA Period that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint and the PAGA Notice. There is no ability for Aggrieved Employees to object to or opt-out of the Settlement, and all Aggrieved Employees will be bound by the terms of the Settlement, upon court approval of the Settlement.

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 Notice.

6. MOTION OR APPLICATION FOR APPROVAL OF SETTLEMENT.

Plaintiff will prepare and file an application or motion for approval of this Settlement.

6.1 Plaintiff's Responsibilities. Plaintiff 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's firm attesting to its timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), Operative Complaint (Labor Code section 2699, subd. (l)(1)), this Agreement (Labor Code section 2699, subd. (l)(2)); (iv) a redlined version of the parties' Agreement showing all modifications made to the Model Agreement ready for filing with the Court; and (v) all facts relevant to any actual or potential conflict of interest with Aggrieved Employees and/or the Administrator.

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 no later than 30 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 Order granting Preliminary Approval 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 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, 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 Class Action Administration Solutions ("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 Administration 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 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 its records, Defendant estimates that the Aggrieved Employees worked 18,992 PAGA Pay Periods during the PAGA Period. If the number of PAGA Pay Periods exceeds 18,992 by more than 10%, the Gross Settlement Amount will increase pro rata per additional PAGA Pay Period (i.e., if the PAGA Pay Periods increased by 12%, the Gross Settlement Amount would increase by 2%). In the alternative, Defendant may elect to shorten the PAGA Period to end on the date the number of PAGA Pay Periods exceeds 18,992.

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 Plaintiff that Defendant's defenses in the Action have merit. Defendant specifically disclaims any liability to Plaintiff or any other allegedly aggrieved employee for any alleged violation of their rights, or for any alleged violation of any order, law, statute, duty or contract. Defendant further denies that, for any purpose other than settling these matters, that this action is appropriate for representative treatment. 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 Plaintiff reserves the right to contest Defendant's defenses.
- 10.2 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). Neither this Agreement, nor any of its terms or provisions, nor any of the negotiations connected with it or proceedings relating to this Agreement, payouts or other events associated with it, shall be construed as an admission or concession by Defendant or any Released Parties or establishment of any such violation(s) or failure(s) to comply with any applicable law. Defendant specifically retains the right to defend, on the merits, against any non-settled claims brought by any Aggrieved Employees.
- 10.3 Nullification. In the event (i) the Court does not approve this Agreement, or (ii) the Court's order and judgment approving and incorporating this Agreement does not become final, the Parties will expeditiously work together in good faith to modify the Agreement and otherwise satisfy the Court's concerns. If, after exhausting all good faith efforts to resolve the Court's concerns, the Parties are unable to, then this Agreement, and any documents generated to bring it into effect, will be null and void in their entirety and the Parties will return to their original respective positions, unless otherwise agreed upon in writing between the Parties.
- 10.4 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.
- 10.5 Attorney Authorization. PAGA Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiff and Defendant, 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.

- 10.6 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.
- 10.7 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.
- 10.8 No Tax Advice. Neither Plaintiff, 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.
- 10.9 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.
- 10.10 Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.
- 10.11 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.
- 10.12 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.
- 10.13 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.
- 10.14 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, Plaintiff 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.

- 10.15 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.
- 10.16 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.
- 10.17 Notice. All notices, demands or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email or messenger, addressed as follows:

To Plaintiff:

Aegis Law Firm, PC
Samuel Wong
Kashif Haque
Jessica L. Campbell
Carolyn M. Bell
9811 Irvine Center Drive, Suite 100
Irvine, California 92618
Telephone: (949) 379-6250
Facsimile: (949) 379-6251
Email: cbell@aegislawfirm.com

To Defendant:

OGLETREE, DEAKINS, NASH, SMOAK & STEWART, P.C.
Spencer C. Skeen
Tim L. Johnson
Andrew J. Deddeh
4660 La Jolla Village Drive, Suite 900
San Diego, California 92122
Telephone: (858) 652-3100
Facsimile: (858) 652-3101
Email: Andrew.deddeh@ogletree.com

- 10.18 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.
- 10.19 Dispute(s). Should any dispute(s) arise among the Parties or their respective counsel regarding the implementation or interpretation of this Agreement, but excluding any dispute related to non-payment or late payment of the Gross Settlement Sum, the Parties agree to submit any such dispute(s) first to mediation and/or continued

negotiations before mediator Kevin Barnes, and then, if unsuccessful, to the Los Angeles County Superior Court. To the extent any Party seeks to enforce any of the terms of this Agreement in Court or before the Court, the prevailing party shall be entitled to recover his/her/its/their reasonable attorneys' fees and costs.

- 10.20 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 EMILY RIOS

Dated: 03/07/25

By: 
Emily Rios (Notarized: 2025 19:53 EST)
Emily Rios

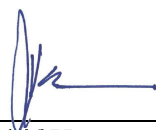
Dated: _____

By: _____
Guaranteed Rate Affinity, LLC
By: _____
Title: _____

As to Form Only:

AEGIS LAW FIRM, PC

Dated: 3/7/2025

By: 
Kashif Haque
Carolyn M. Bell
Attorneys for Plaintiff

OGLETREE, DEAKINS, NASH,
SMOAK & STEWART, P.C.

Dated: _____

By: _____
Tim L. Johnson
Andrew J. Deddeh
Attorneys for Defendant

negotiations before mediator Kevin Barnes, and then, if unsuccessful, to the Los Angeles County Superior Court. To the extent any Party seeks to enforce any of the terms of this Agreement in Court or before the Court, the prevailing party shall be entitled to recover his/her/its/their reasonable attorneys' fees and costs.

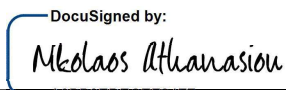
- 10.20 Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that pursuant to CCP section 583.330 to extend the date to bring a case to trial under CCP section 583.310 for the entire period of this settlement process.

PLAINTIFF EMILY RIOS

Dated: _____

By: _____
Emily Rios

Dated: 01-30-2025

By: 
Guaranteed Rate Affinity, LLC
By: Nikolaos Athanasios
Title: Chief operating officer

As to Form Only:

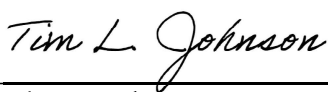
AEGIS LAW FIRM, PC

Dated: _____

By: _____
Kashif Haque
Carolyn M. Bell
Attorneys for Plaintiff

OGLETREE, DEAKINS, NASH,
SMOAK & STEWART, P.C.

Dated: 3/12/25

By: 
Tim L. Johnson

Andrew J. Deddeh
Attorneys for Defendant