

AMENDED JOINT STIPULATION AND SETTLEMENT AGREEMENT

This Settlement Agreement is made and entered between Defendant Animal Supply Company LLC (“Defendant”) and Plaintiff Steven Aguilar (“Plaintiff”), on his own behalf and on behalf of a putative class and each of its Class Members (as defined herein) in *Aguilar v. Animal Supply Company LLC, et al.*, Case No. 19STCV31413 pending in Los Angeles County Superior Court (“the Litigation” or “the Action”). Plaintiff and Defendant collectively are referred to in this Agreement as the “Parties.” The Parties agree that the Litigation, the PAGA Released Claims and the Released Claims (as defined herein) shall be fully and finally compromised, settled, and released, and dismissed with prejudice and/or final judgment entered upon the terms and conditions as set forth herein.

I. DEFINITIONS

In addition to the other terms defined in this Agreement, the terms below have the following meaning:

- 1. Administration Costs:** The costs incurred by the Settlement Administrator (as defined herein) to administer this Settlement. All Administration Costs shall be paid from the Qualified Settlement Fund (as defined herein).
- 2. Agreement, Settlement Agreement, or Settlement:** The settlement agreement reflected in this document, titled “Joint Stipulation and Settlement Agreement.”
- 3. Attorneys’ Fee Award:** The amount, not to exceed one-third of the Gross Settlement Amount of One Million Fifty Thousand Dollars and Zero Cents (\$1,050,000.00), which is a total of Three Hundred Forty-Six Thousand Five Hundred Dollars and Zero Cents (\$346,500.00). Plaintiff’s attorneys will request the Court to approve the amount. The Attorneys’ Fee Award shall be finally approved by the Court. The Attorneys’ Fee Award shall be paid from the Qualified Settlement Fund (as defined herein). Defendant will not oppose Class Counsel’s application for an Attorneys’ Fee Award. If the Court awards less than the amounts requested, any amounts not awarded

will be part of the distribution to Participating Class Members (as defined herein) and shall not be a reason to invalidate/terminate this Agreement.

4. **Class:** All non-exempt employees who worked at Animal Supply Company, LLC in California, excluding drivers, at any time during the period between September 5, 2015 and the date when the Court grants Preliminary Approval (as defined herein). For the avoidance of doubt, drivers are only excluded for the period of time that they were in the driver position. Thus, if an individual worked time as a driver but also was a non-exempt employee during the applicable period, the individual would be included for the time period that the individual was in the non-driver, non-exempt position.

5. **Class Counsel:** PC Lawyers for Justice, PC, including Edwin Aiwazian, Arby Aiwazian, and Tiffany Hyun and Protection Law Group, LLP.

6. **Class Data:** The information Defendant will provide to the Settlement Administrator (as defined herein) as defined in Section III.11.b.i.

7. **Class Member:** Each person eligible to participate in this Settlement (as defined herein) who is a member of the Class as defined above.

8. **Class Notice or Notice:** The Notice of Class Action Settlement, substantially similar to the form attached hereto as **Exhibit A**, subject to Court approval.

9. **Class Representative or Plaintiff:** Steven Aguilar will ask the Court to be approved as the Class Representative. Defendant will not oppose this request.

10. **Class Representative Enhancement Payment:** The amount the Court awards to Plaintiff Steven Aguilar for his service as Class Representative, which will not exceed Ten Thousand Dollars and Zero Cents (\$10,000.00). This payment shall be paid from the Qualified Settlement Fund (as defined herein). Defendant will not oppose Plaintiff's request for a Class Representative Enhancement Payment in an amount not to exceed Ten Thousand Dollars and Zero Cents (\$10,000.00). The enhancement is subject to approval of the Court. If the Court awards less than the amounts requested, any

amounts not awarded will be part of the distribution to Participating Class Members and shall not be a reason to invalidate/terminate this Agreement.

11. Cost Award: The amount that the Court orders to be paid to Class Counsel for payment of recoverable litigation costs, which shall not exceed Thirty-Five Thousand Dollars and Zero Cents (\$35,000.00). The Cost Award will be paid from the Qualified Settlement Fund (as defined herein) and Defendant will not oppose Class Counsel's Cost Award request for costs not to exceed Thirty-Five Thousand Dollars and Zero Cents (\$35,000.00). The Cost Award is subject to Court approval. If the Court awards less than the amount requested, any amount not awarded will be part of the distribution to Participating Class Members (as defined herein) and shall not be a reason to invalidate/terminate this Agreement.

12. Counsel for Defendant: Attorneys Jon G. Daryanani, Jill L. Ripke, and Lauren Kulpa of Perkins Coie LLP.

13. Defendant: Animal Supply Company LLC.

14. Effective Final Settlement Date: The effective date of this Settlement means the later of: (a) if no timely objections are filed or if all objections are withdrawn, the date upon which the Court enters Final Approval and Final Judgment (specifically, the date that there is a Notice of Entry of Final Judgment will be the effective date); (b) if an objection is filed and not withdrawn, the date for filing an appeal and no such appeal being filed, meaning that the Settlement can no longer be appealed in any fashion; (c) if any timely appeals are filed, the date of the resolution (or withdrawal) of any such appeal in a way that does not alter the terms of the settlement. The Parties agree to communicate about the calculation of the Effective Final Settlement Date.

15. Request for Exclusion: Election not to participate or opt-out statement by a Class Member, as described further in Section III.11.d.

16. Final Judgment or Final Approval: The final order entered by the Court finally approving this Agreement and entering judgment.

17. **Gross Settlement Amount or GSA:** The total value of the Settlement is a non-reversionary One Million Fifty Thousand Dollars and Zero Cents (\$1,050,000.00) *plus* the employer's share of applicable payroll taxes with respect to the Net Settlement Amount. This is the gross amount Defendant can be required to pay under this Settlement Agreement, subject to the escalation clause set forth below, and includes, without limitation: (1) the Net Settlement Amount (as defined herein) to be paid to Participating Class Members (as defined herein)); (2) the Attorneys' Fee Award and Cost Award to Class Counsel for attorneys' fees and costs, as approved by the Court; (3) the Class Representative Enhancement Payment to the Class Representative, as approved by the Court; (4) Administration Costs, as approved by the Court; and (5) the California Labor Code Private Attorneys General Act of 2004 ("PAGA") (Cal. Labor Code §§ 2698 *et seq.*) PAGA Payment (as defined herein), as approved by the Court. No portion of the Gross Settlement Amount will revert to Defendant for any reason. The employer's share of applicable payroll taxes on the wage portion of Individual Settlement Shares paid from the Net Settlement Amount shall be funded and paid separately from and in addition to the Gross Settlement Amount.

18. **Individual Settlement Share(s):** The amount payable to each Participating Class Member under the terms of this Settlement Agreement. Class Members are not required to submit a claim form to receive their Individual Settlement Shares pursuant to this Agreement.

19. **LWDA:** The California Labor and Workforce Development Agency. Class Counsel shall be responsible for timely submitting any copies of all relevant documents, judgments, or orders that are required to be submitted to the LWDA.

20. **Net Settlement Amount or NSA:** The total amount of money available for payout to Participating Class Members (as defined herein), which is the GSA less the Attorneys' Fee Award, Cost Award, Class Representative Enhancement Payment, the PAGA Payment, and Administration Costs. For avoidance of doubt, the NSA does not

include the employer's share of applicable payroll taxes with respect to the NSA. In other words, the NSA is the portion of the GSA that will be distributed to Class Members, net of applicable withholding taxes, who do not validly and timely complete a Request for Exclusion (i.e., Participating Class Members (as defined herein)).

21. PAGA Employees: All non-exempt employees who worked at Animal Supply Company, LLC in California, excluding drivers, at any time during the PAGA Period (September 5, 2018, and the date the Court grants Preliminary Approval). For the avoidance of doubt, drivers are only excluded for the period of time that they were in the driver position. Thus, if an individual worked time as a driver but also was a non-exempt employee during the applicable period, the individual would be included for the time period that the individual was in the non-driver, non-exempt position.

22. PAGA Fund: The twenty-five percent (25%) of the PAGA Payment to be distributed to PAGA Employees. PAGA Employees shall receive their portion of the PAGA Fund even if they opt out from participating in the Released Class Claims.

23. PAGA Payment: The PAGA Payment consists of Eighty Thousand Dollars and Zero Cents (\$80,000.00) of the Gross Settlement Amount allocated to satisfy the PAGA penalties claim as alleged in the Complaint. Seventy-five percent (75%) of the PAGA Payment, Sixty Thousand Dollars and Zero Cents (\$60,000.00), shall be paid to the LWDA, and twenty-five percent (25%) of the PAGA Payment, Twenty Thousand Dollars and Zero Cents (\$20,000.00), shall be distributed to PAGA Employees.

24. Participating Class Members: All Class Members who do not submit a valid and timely Request for Exclusion.

25. Preliminary Approval or Preliminary Approval Order: The Court's order preliminarily approving the proposed Settlement.

26. Qualified Settlement Fund or QSF: A fund within the meaning of Section 468B of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations promulgated thereunder, that is established by the Settlement Administrator

for the benefit of Participating Class Members, PAGA Employees, Plaintiff, and Class Counsel. This amount shall be made up of the Gross Settlement Amount.

27. Released Class Claims: The claims that Plaintiff and the other Participating Class Members are releasing in exchange for the consideration provided for by this Agreement. These claims are any and all claims arising out of or relating to the facts alleged in the operative complaint against the Released Parties during the Class Period. For the avoidance of doubt, the Released Class Claims include but are not limited to the following claims and any and all related damage or penalty claims as alleged in the operative Complaint: (1) Violation of California Labor Code Section 510 and 1198 for unpaid overtime including unpaid overtime pursuant to Section 1194; (2) Violation of California Labor Code Section 226.7 and 512(a) for unpaid meal period premiums; (3) violation of California Labor Code Section 226.7 for unpaid rest period premiums; (4) violation of California Labor Code Sections 1194, 1197, 1197.1 for unpaid minimum wages including liquidated damages pursuant to California Labor Code Section 1194.2; (5) violation of California Labor Code Sections 201 and 202 for final wages not timely paid, including penalties under California Labor Code Section 203; (6) violation of California Labor Code Section 204 for wages not timely paid during employment; (7) violation of California Labor Code Section 226 for non-compliant wage statements including penalties under 226 and 226.3; (8) violation of California Labor Code Section 1174 for failure to keep requisite payroll records; (9) violation of California labor Code Sections 2800 and 2802 for reimbursement business expenses; (10) violation of California Labor Code Section 227.3 for failure to pay for accrued vacation; and (11) violation of California Business and Professions Code Sections 17200, et. seq.

28. PAGA Released Claims: Plaintiff, on behalf of himself and as a representative of the State of California as a private attorney general, the LWDA, and the State of California and all PAGA Employees fully release and forever discharge the Released Parties (as defined herein) from any and all claims for PAGA penalties under

Labor Code §§ 2698, et seq., that were or could have been alleged based on the facts alleged in both the LWDA letter and pled in the operative Complaint for the PAGA Period (September 5, 2018, through the date of the order approving settlement). The PAGA Released Claims also include, without limitation, all claims for penalties (default penalties or penalties arising under the Labor Code) arising under the Private Attorneys General Act that were or could have been alleged based on the facts asserted in both the letter to the LWDA and operative complaint. It is the desire of the Parties to fully, finally, and forever settle, compromise, and discharge any and all known and unknown PAGA claims arising out of or relating to the facts alleged in the LWDA letter and those arising out of or relating to the facts asserted in the operative complaint. The fact that a PAGA Member has decided not to participate in the Class Settlement shall not affect the PAGA Release Claims arising under PAGA. A copy of this Agreement will be provided to the LWDA concurrently with submission of the Preliminary Approval Motion.

29. Released Parties: Defendant and its past, present, and future parent companies, subsidiaries, affiliates, divisions, joint obligors, and agents, and all of their respective partners, principals, managers, officers, directors, employees, shareholders, members, advisors, consultants, insurers, personal or legal representatives, accountants, attorneys, trustees, administrators, assigns, real or alleged alter egos/joint employers, predecessors, successors, transferees, managing agents, investors, and agents. For the avoidance of doubt, Released Parties also includes any entity (and its respective partners, principals, managers, officers, directors, employees, shareholders, members, advisors, consultants, insurers, personal or legal representatives, accountants, attorneys, trustees, administrators, assigns, real or alleged alter egos, predecessors, successors, transferees, managing agents, investors, and agents) contracted with Defendant with regard to Class Members who worked at Animal Supply Company during the time period the Class Member worked at Animal Supply Company during the Class Period for their Released Claims.

30. **Class Period**: The time period from September 5, 2015, through the date the Court grants Preliminary Approval.

31. **PAGA Period**: The time period from September 5, 2018, through the date the Court grants Preliminary Approval.

32. **Response Deadline**: Sixty (60) calendar days from the initial mailing of the Notice.

33. **Settlement Administration**: The Settlement Administrator will conduct all Settlement Administration duties as described in this Settlement Agreement and as ordered by the Court.

34. **Settlement Administrator**: The third-party administrator ILYM Group, Inc. to administer this Settlement. The Court will approve the appointment of a third-party administrator.

35. **Court**: The State of California, Los Angeles County Superior Court, acting in Case No. 19STCV31413.

36. **Workweek**: shall mean any calendar week (i.e. a week beginning on Sunday and ending on Saturday) in which a Class Member or PAGA Employee worked as a non-exempt employee (excluding any time as a driver) at least 1 day.

II. **RECITALS**

1. The Litigation was filed by Plaintiff on or around September 5, 2019, in Los Angeles County Superior Court, Case No. 19STCV31413. Defendant answered the Complaint, denying all allegations.

2. The Parties agreed to mediate the case, and a mediation took place with Steve Serratore on September 15, 2020.

3. Prior to the mediation, the Parties conducted investigation and discovery of the facts and law. Prior to mediation, Defendant produced documents relating to its policies, practices, and procedures regarding paying non-exempt employees for all hours

worked; meal and rest period policies; and general payroll policies and procedures. As part of Defendant's production and throughout the mediation process, Plaintiff also reviewed time records, pay records, and information relating to the size and scope of the Class, as well as data permitting Plaintiff to understand the number of workweeks in the Class Period. Following mediation the Parties continued additional settlement discussions and Defendant provided additional information regarding the estimated number of updated workweeks through February 2021. Plaintiff believes that the above-described investigation and evaluation, as well as the information exchanged during the settlement negotiations, are more than sufficient to assess the merits of the respective Parties' positions and to compromise the issues on a fair and equitable basis.

4. **Benefits of Settlement to Class Members.** Plaintiff and Class Counsel recognize the expense and length of continued proceedings necessary to continue the Litigation against Defendant through trial and through any possible appeals. Plaintiff and Class Counsel also have taken into account the uncertainty and risk of further litigation, the potential outcome, and the difficulties and delays inherent in such litigation. Plaintiff and Class Counsel have conducted extensive settlement negotiations, including formal conversations and written correspondence before and after the September 15, 2020 mediation and ongoing discussions with the mediator who ultimately made a proposal accepted by both Parties in February 2021. Based on the foregoing, Plaintiff and Class Counsel believe the Settlement set forth in this Agreement is a fair, adequate, and reasonable settlement, and is in the best interests of the Class Members.

5. **Defendant's Reasons for Settlement.** Defendant recognizes that the defense of the Litigation will be protracted and expensive. Substantial amounts of time, energy, and resources of Defendant has been and, unless this Settlement is made, will continue to be devoted to the defense of the claims asserted by Plaintiff. Defendant, therefore, has agreed to settle in the manner and upon the terms set forth in this Agreement to put to rest the Released Claims.

6. **Defendant's Denial of Wrongdoing.** Defendant generally and specifically denies any and all liability or wrongdoing of any sort with regard to any of the claims alleged, makes no concessions or admissions of liability of any sort, and contends that for any purpose other than settlement, the Action is not appropriate for class treatment. Defendant asserts a number of defenses to the claims and has denied any wrongdoing or liability arising out of any of the alleged facts or conduct in the Action. Neither this Agreement, nor any document referred to or contemplated herein, nor any action taken to carry out this Agreement, is or may be construed as, or may be used as an admission, concession, or indication by or against Defendant or any of the Released Parties of any fault, wrongdoing, or liability whatsoever. Nor should the Agreement be construed as an admission, other than for settlement purposes only, that Plaintiff can serve as an adequate Class Representative. There has been no final determination by any court as to the merits of the claims asserted by Plaintiff against Defendant or as to whether a class or classes should be certified, other than for settlement purposes only.

7. **Plaintiff's Claims.** Plaintiff asserts that his claims are substantiated by the weight of the evidence and that Defendant's defenses are without merit. However, in the event that this Settlement is finally approved by the Court, Plaintiff, Class Members, and Class Counsel will not oppose Defendant's efforts to use this Agreement to prove that Plaintiff and Class Members have resolved and are forever barred from re-litigating the Released Claims.

III. SETTLEMENT TERMS AND CONDITIONS

1. **Gross Settlement Amount.** Subject to the terms and conditions of this Agreement, the maximum Gross Settlement Amount that Defendant is obligated to pay under this Settlement Agreement is One Million Fifty Thousand Dollars and Zero Cents (\$1,050,000.00) plus the employer's share of applicable payroll taxes with respect to the Net Settlement Amount. The Settlement is intended to fully, finally, and forever resolve,

discharge, and settle the Released Claims, including PAGA Released Claims, based on and subject to the terms and conditions set forth in this Settlement Agreement.

2. **Notice to the LWDA.** Plaintiff will file and serve a Notice of Labor Code Violations Pursuant to Labor Code § 2699.3 and will wait the statutory time period needed without response from the LWDA to file the amended complaint. Thus, Plaintiff maintains that he will satisfy his notice obligations under PAGA. This letter is attached as **Exhibit B.**

3. **Amended Complaint.** This Agreement is intended to resolve all claims that were asserted in mediation. Upon the signing of the Agreement, Plaintiff will file an amended complaint, subject to Court approval, to add claims alleged in mediation. This includes, without limitation, claims pursuant to PAGA, Cal. Labor Code § 2698, et seq., modifying the putative class definition to match the settlement class definition, and including allegations regarding the regular rate calculations (i.e., shift differentials and non-discretionary bonuses), time shaving, off-the-clock work, tardies and the tardy policy, failure to keep time records, cell phone reimbursement, vacation pay, rounding, pay stub calculations, and incentive pay. Plaintiff will provide a copy of the amended complaint for Defendant to review and provide comment to prior to the filing of the amended complaint. The amended complaint is attached as **Exhibit C.**

4. **Settlement Class Certification.** Solely for the purposes of this Settlement, the Parties stipulate and agree to certification of the claims asserted on behalf of Class Members. As such, the Parties stipulate and agree that in order for this Settlement to occur, the Court must certify the Class for the purpose of settlement as defined in this Agreement.

5. **Conditional Nature of Stipulation for Certification.** The Parties stipulate and agree to the certification of the claims asserted on behalf of Plaintiff and Class Members for purposes of this Settlement only. If the Settlement does not become effective, the fact that the Parties were willing to stipulate to certification as part of the

Settlement shall not be admissible or used in any way in connection with the question of whether the Court should certify any claims in a non-settlement context in this Action or in any other lawsuit. If the Settlement does not become effective, Defendant reserves the right to contest any issues relating to class certification and liability.

6. **Appointment of Class Representative.** Solely for the purposes of this Settlement, the Parties stipulate and agree Plaintiff shall be appointed as the representative for the Class.

7. **Appointment of Class Counsel.** Solely for the purpose of this Settlement, the Parties stipulate and agree that the Court appoint Class Counsel to represent the Class.

8. **Individual Settlement Share.** Subject to the terms and conditions of this Agreement, the Settlement Administrator will pay an Individual Settlement Share from the Net Settlement Amount to each Participating Class Member.

a. **Individual Settlement Share Calculation.** Each Participating Class Member will receive (net of such Participating Class Member's share of any payroll and income tax withholding attributable to the Wage Portion of the Individual Settlement Share, as further described in Section III.8.c. below) a proportionate share of the Net Settlement Amount. To calculate a Participating Class Members Individual Settlement Share, the Settlement Administrator shall, based on the data available, (i) calculate the number of weeks he or she worked based on the Class Data provided by Defendant, which is then divided by (ii) the total number of weeks worked by all Participating Class Members based on the same Class Data, which is then (iii) multiplied by the Net Settlement Amount. The value of each Class Member's Individual Settlement Share ties directly to the amount of weeks that he or she worked. If there is data that is not available or reasonably accessible, the Parties will work with the Settlement Administrator to identify the best method possible to provide a pro-rata distribution.

b. **Payment to PAGA Employees.** The PAGA Fund that is paid to each PAGA Employee shall be determined based on agreement between the Parties given

the Class Data that is available, and agree that one method for allocation would be based on the following formula: the payment to PAGA Employees will be based on the number of weeks worked by each PAGA Employee during the PAGA Period (September 5, 2018, to the date Preliminary Approval is granted). The payment to the PAGA Employees is on account of a claim for penalties. As such, it shall not be treated as wages, and the Settlement Administrator shall issue a Form 1099 to PAGA Employees for this payment. For the avoidance of doubt, an individual who is both a Participating Class Member and a PAGA Employee will receive: (1) a payment based on its allocated share of the PAGA Fund; and (2) an Individual Settlement Share. If there is data that is not available or reasonably accessible, the Parties will work with the Settlement Administrator to identify the best method possible to provide a pro-rata distribution. PAGA Employees shall receive their portion of the PAGA Fund even if they opt out of participating in the Released Class Claims.

c. Tax Withholdings. Each Participating Class Member's gross Individual Settlement Share will be apportioned as follows: 10% wages (the "Wage Portion of the Individual Settlement Share") and 90% interest and penalties. The Wage Portion of the Individual Settlement Share paid by the Settlement Administrator shall be subject to all tax withholdings customarily made from an employee's wages and all other authorized and required withholdings and shall be reported on W-2 forms. Payment of all amounts treated as penalties and interest will be made subject to backup withholding unless a duly executed W-9 form is received from the payee(s) (but, for the avoidance of doubt, such amounts will not be subject to tax withholdings customarily made from employees' wages) and shall be reported on IRS 1099 forms. The Settlement Administrator will withhold the employees' share of payroll tax and required income tax attributable to the Wage Portion of the Individual Settlement Share from each Participating Class Members' Individual Settlement Share. For the avoidance of doubt, the employee's share of payroll taxes is included in the Gross Settlement Amount.

9. **Settlement Disbursement.** Subject to the terms and conditions of this Agreement, the Settlement Administrator will make the following payments from the Gross Settlement Amount:

a. **To the Plaintiff Steven Aguilar:** In addition to his respective Individual Settlement Share, and subject to the Court's approval, Plaintiff will receive up to Ten Thousand Dollars and Zero Cents (\$10,000.00) as a Class Representative Enhancement Payment. The Settlement Administrator will pay the Class Representative Enhancement Payment out of the Qualified Settlement Fund. Payroll and income taxes will not be withheld from the Class Representative Enhancement Payment. An IRS Form 1099 will be issued to Plaintiff with respect to his Class Representative Enhancement Payment. In the event the Court does not approve the entirety of the application for the Class Representative Enhancement Payment, the Settlement Administrator shall pay from the Qualified Settlement Fund whatever amount the Court awards, and neither Defendant nor the Settlement Administrator shall be responsible to Plaintiff for paying the difference between the amount requested and the amount awarded. If the amount awarded is less than the amount requested by Plaintiff, the difference shall become part of the NSA and be available for distribution to Participating Class Members. The approval by the Court of any such lesser sum(s) shall not be grounds for Plaintiff and/or Class Counsel to invalidate/terminate the Settlement.

b. **To Class Counsel.** Class Counsel will apply to the Court for, and Defendant agrees not to oppose, a total Attorneys' Fee Award not to exceed one third of the Gross Settlement Amount, or Three Hundred Forty-Six Thousand Five Hundred Dollars and Zero Cents (\$346,500.00), of the Gross Settlement Amount and a Cost Award not to exceed Thirty-Five Thousand Dollars and Zero Cents (\$35,000.00). The Settlement Administrator will pay the court-approved amounts for the Attorneys' Fee Award and Cost Award out of the Gross Settlement Fund. Payroll taxes will not be withheld from the Attorneys' Fee Award or the Cost Award. IRS Forms 1099 will be

issued to Class Counsel by the Settlement Administrator for these payments. In the event the Court does not approve the entirety of the application for the Attorneys' Fee Award and/or Cost Award, the Settlement Administrator shall pay whatever amount the Court awards, and neither Defendant nor the Settlement Administrator shall be responsible for paying the difference to Class Counsel between the amount requested and the amount awarded. If the amount awarded is less than the amount requested by Class Counsel for the Attorneys' Fee Award and/or Cost Award, the difference shall become part of the NSA and be available for distribution to Participating Class Members. The approval by the Court of any such lesser sum(s) shall not be grounds for Plaintiff and/or Class Counsel to terminate the Settlement.

c. To the Appropriate Tax Authorities. The Settlement Administrator will timely pay over the employer's share of payroll taxes and amounts withheld in accordance with this Agreement (including each Participating Class Member's share of any payroll and income tax withholding attributable to the Wage Portion of the Individual Settlement Share, as described in Section III.8.c.) to the appropriate taxing authorities.

d. To the Settlement Administrator. The Settlement Administrator will pay to itself Administration Costs (reasonable fees and expenses) approved by the Court not to exceed Ten Thousand Dollars and Zero Cents (\$10,000.00). This will be paid out of the Qualified Settlement Fund. If the actual amount of Administration Costs is less than the amount estimated and/or requested, the difference shall become part of the NSA and be available for distribution to Participating Class Members.

e. To Class Members. The Settlement Administrator will pay Participating Class Members according to the Individual Settlement Share calculations set forth above. All payments to Participating Class Members shall be made from the Qualified Settlement Fund.

f. PAGA Payment. The Parties allocate Eighty Thousand Dollars and Zero Cents (\$80,000.00) to the PAGA claims. Of that amount, the Settlement Administrator will pay seventy-five percent (75%), or Sixty Thousand Dollars and Zero Cents (\$60,000.00), to the LWDA, and twenty-five percent (25%), or Twenty Thousand Dollars and Zero Cents (\$20,000.00), will be held in the PAGA Fund for distribution to PAGA Employees.

10. Appointment of Settlement Administrator. Solely for the purposes of this Settlement, the Parties stipulate that a Settlement Administrator will be appointed based on mutual agreement of the Parties. The Parties have selected ILYM Group, Inc. as the Settlement Administrator. The Settlement Administrator shall be responsible for preparing, printing, and mailing the Class Notice; keeping track of any objections or Requests for Exclusion from Class Members; performing skip traces and remailing Class Notices and Individual Settlement Shares to Class Members; calculating any and all payroll and income tax amounts to be withheld as required by law (which calculations will be subject to the reasonable review, comment and approval of the Parties); calculating each Class Member's Individual Settlement Share; calculating each PAGA Employee's PAGA Payment; providing weekly status reports to Defendant's Counsel and Class Counsel, which is to include updates on any objections or requests for exclusion that have been received; sending reminder postcards to Class Members regarding uncashed checks; sending reminder postcards to Class Members regarding any changes to the date or location of the Final Approval hearing; mailing notice of the Final Approval Order and Judgment to all Class Members (which is to be provided along with the checks); providing a due diligence declaration for submission to the Court prior to the Final Approval hearing; mailing Individual Settlement Shares to Participating Class Members; mailing the PAGA Fund to individual PAGA Employees based on the allocation formula in Section III.8.b; mailing seventy-five percent (75%) of the PAGA Payment to the LWDA as ordered by the Court; distributing the Attorneys' Fee Award

and Cost Award to Class Counsel; printing and providing Class Members and Plaintiff with IRS Forms W-2 and 1099 as required under this Agreement and applicable law; providing a due diligence declaration for submission to the Court upon the completion of the Settlement; transmitting any funds remaining in the QSF as a result of uncashed checks as ordered by the Court, including the administration of related tax items; and for such other tasks as the Parties mutually agree. The Settlement Administrator will carry out any additional duties as set forth in this Agreement or as ordered by the Court.

11. Procedure for Approving Settlement.

a. Motion for Preliminary Approval and Conditional Certification.

(i) Plaintiff will move for an order conditionally certifying the Class for settlement purposes only, giving Preliminary Approval of the Settlement, setting a date for the Final Approval hearing, and approving the Class Notice and Request for Exclusion. Plaintiff will provide a draft of the Preliminary Approval motion to Defendant for review prior to filing.

(ii) At the Preliminary Approval hearing, the Plaintiff will appear, support the granting of the motion, and submit a proposed order that grants conditional certification of the Class and Preliminary Approval of the Settlement; appoints the Class Representative, Class Counsel, and Settlement Administrator; approves the Class Notice; and sets the Final Approval hearing.

(iii) Should the Court decline to preliminarily approve all material aspects of the Settlement, the Settlement will be null and void, and the Parties will have no further obligations under it. The Parties agree that if the Court declines to preliminarily approve non-material aspects of the Settlement, that the Parties will work cooperatively to make such changes required by the Court.

b. Notice to Class Members. After the Court enters its Preliminary Approval Order, every Class Member will be provided with the Class Notice in accordance with the following procedure:

(i) Within thirty (30) days after entry of the Preliminary Approval Order, Defendant shall deliver to the Settlement Administrator the following information about each Class Member in an Excel spreadsheet or other electronic database to the extent available: (1) first and last name; (2) last known mailing address; (3) social security number; (4) hire and termination dates; (5) the total number of weeks during which the Class Member performed work during the Class Period as a member of the Class; and (6) the total number of weeks during which the Class Member performed work during the PAGA Period as member of the Class (“Class Data”). If any or all of this information is unavailable to Defendant or is in non-searchable format, Defendant will so inform Class Counsel and Defendant will make a reasonable effort to provide extrapolated workweek counts for Class Members based on available data and information. The Parties will make reasonable efforts to deal with the unavailable information. The Settlement Administrator will conduct a search on the National Change of Address database for the address of all former Defendant employee Class Members prior to mailing. The Class Data shall be based on Defendant’s payroll, personnel files, and other business records. The Settlement Administrator shall maintain the Class Data and all data contained within the Class Data as private and confidential. The Settlement Administrator shall use commercially reasonable efforts to avoid inadvertent or unauthorized disclosure or use of such data other than as permitted by this Settlement Agreement and shall destroy the data (and all copies) in a complete and secure manner when such data is no longer required for purposes of this Settlement Agreement. Nothing in this section will limit or impede Class Counsel’s ability to discharge their fiduciary duties to the Class Members. If additional disclosures of the Class Data are necessary,

Class Counsel will obtain written authorization of Defendant and/or an order from the Court.

(ii) Within fourteen (14) days after receipt of the Class Data, the Settlement Administrator will mail the Class Notice to all identified Class Members via first-class regular U.S. Mail, using the mailing address information provided by Defendant and the results of the search on the National Change of Address database performed on all former Defendant employee Class Members.

(iii) If a Class Notice is returned because of an incorrect address, within seven (7) days from receipt of the returned Class Notice, the Settlement Administrator will conduct a search for a more current address for the Class Member and re-mail the Class Notice to the Class Member. The Settlement Administrator will use the National Change of Address database and skip traces to attempt to find the current address. The Settlement Administrator will be responsible for taking reasonable steps to trace the mailing address of any Class Member for whom a Class Notice is returned by the U.S. Postal Service as undeliverable. These reasonable steps shall include, at a minimum, the tracking of all undelivered mail; performing address searches for all mail returned without a forwarding address; and promptly re-mailing to Class Members for whom new addresses are found. If the Settlement Administrator is unable to locate a better address, the Class Notice shall be re-mailed to the original address. If the Class Notice is re-mailed, the Settlement Administrator will note for its own records the date and address of each re-mailing.

(iv) If any Request for Exclusion received is incomplete or deficient, the Settlement Administrator shall send a letter informing the Class Member of the deficiency and allow fourteen (14) days to cure the deficiency. If after the cure period the Request for Exclusion is not cured, it will be determined that the Class Member did not exclude himself from the Settlement and will be bound by the Settlement.

(v) The Settlement Administrator shall provide a weekly status report to the Parties. As part of its weekly status report, the Settlement Administrator will inform Class Counsel and Defendant's Counsel of the number of Class Notices mailed, the number of Class Notices returned as undeliverable, the number of Notices re-mailed, and the number of Request for Exclusions received.

(vi) No later than fourteen (14) days after the Response Deadline, the Settlement Administrator will serve on the Parties a declaration of due diligence setting forth its compliance with its obligations under this Agreement and indicating the individuals who submitted timely and complete Requests for Exclusion. The declaration from the Settlement Administrator shall also be filed with the Court by Class Counsel no later than ten (10) days before the Final Approval hearing. Before the Final Approval hearing, the Settlement Administrator will supplement its declaration of due diligence if any material changes occur from the date of the filing of its prior declaration.

c. Objections to Settlement. The Class Notice will provide that the Class Members who wish to object to the Settlement must do so in writing, signed, dated, and mailed to the Settlement Administrator postmarked no later than the Response Deadline. The timeframe to submit an objection will not be increased for returned mailings. Class Members may appear and have their objections heard at the Final Approval Hearing regardless of whether they have submitted a written objection.

(i) **Format.** Any Objections shall: (a) state the objecting person's full name, address, and telephone number; (b) state the words "Notice of Objection" or "Formal Objection"; (c) describe, in clear and concise terms, the grounds for objection; (d) indicate whether the Class Member is represented by counsel; (e) indicate whether the Class Member would like to appear at the Final Approval hearing; and (f) identify the name of the case.

(ii) **Option to Appear.** Class Members who do not request to be excluded from the settlement may (though are not required to) appear at the Final Approval hearing, either in person or through the objector's own counsel. Timely filed valid written objections will still be considered even if an objecting Class Member does not appear at the Final Approval hearing, either in person or through the objector's own counsel.

d. Request for Exclusion from the Settlement ("Opt-Out"). Members of the Settlement Class shall have sixty (60) days from the distribution of the Class Notice (and in the case of a re-mailed Class Notice, sixty (60) days from the original distribution or fourteen (14) days from the date of re-mailing, whichever is greater) to request to opt out. The Class Notice will provide that Class Members who wish to exclude themselves from the Settlement must mail to the Settlement Administrator a Request for Exclusion. To be valid, a written request to opt out must: (1) state the Class Member's name, last four digits of his or her social security number, address, and telephone number; (2) state that the Class Member wishes to opt out from the Settlement; (3) be signed by the Class Member or his or her lawful representative; and (4) be postmarked no later than the Response Deadline. Members of the Settlement Class who opt-out shall still be entitled to a payment from the PAGA Fund, if eligible, and still are subject to the release of the PAGA Release Claims.

(i) **Confirmation of Authenticity.** If there is a question about the authenticity of a signed request for exclusion, the Settlement Administrator may demand additional proof of the Class Member's identity. Any Class Member who returns a timely, valid, and executed Request for Exclusion will not participate in or be bound by the Settlement and subsequent judgment and will not receive an Individual Settlement Share. A Class Member who does not complete and mail a timely Request for Exclusion will automatically be included in the Settlement, will receive an Individual Settlement Share, and will be bound by all terms and conditions of the Settlement, if the Settlement

is approved by the Court, and by the subsequent judgment, regardless of whether he or she has objected to the Settlement.

(ii) **Report.** No later than seven (7) days after the Response Deadline, the Settlement Administrator will provide the Parties with a complete and accurate accounting of the number of Class Notices mailed to Class Members, the number of Class Notices returned as undeliverable, the number of Class Notices re-mailed to Class Members, the number of re-mailed Class Notices returned as undeliverable, the number of Class Members who objected to the Settlement and copies of their submitted objections, the number of Class Members who returned valid Request for Exclusions and copies of those Requests for Exclusion, and the number of Class Members who returned invalid Requests for Exclusion.

(iii) **Defendant's Option to Terminate.** If more than ten percent (10%) of the Class Members submit Requests for Exclusion, Defendant, at its sole option, may withdraw from the Settlement and this Agreement is null and void. If Defendant exercises this right Defendant shall be responsible for all costs of settlement administration incurred to date.

(iv) If a Class Member submits both a timely and valid Request for Exclusion and timely and valid objection, the objection will be rejected and the Class Member's Request for Exclusion will be accepted.

e. **No Solicitation of Objection or Requests for Exclusion.** Neither the Parties nor their respective counsel will solicit or otherwise encourage, directly or indirectly, any Class Member to object to the Settlement, request exclusion from the Settlement, or appeal from the Judgment.

f. **Dispute Regarding Workweeks.** Each Class Member will have an opportunity to dispute the number of workweeks credited to him or her based on Defendant's records, as stated in the Class Notice. Such a dispute must be submitted in writing, postmarked on or before the Response Deadline, to the Settlement Administrator,

and must include: the Class Member's name, address, signature, and the last four (4) digits of his or her Social Security number; the case name and number of the Action; a statement clearly indicating that he or she wishes to dispute the number of workweeks credited to him or her; and any and all supporting documents. Absent evidence rebutting Defendant's records, Defendant's records will be presumed determinative. However, if a Class Member produces evidence to the contrary, the Settlement Administrator will evaluate the evidence submitted by the Class Member and will make the final decision as to the number of Workweeks that should be applied. Upon receipt of a dispute, the Settlement Administrator will promptly inform Class Counsel and Counsel for Defendant.

g. Motion for Final Approval.

(i) Class Counsel will file unopposed motions and memoranda in support of Final Approval of the Settlement and the following payments in accordance with the terms of the Settlement: (1) the Attorneys' Fee Award; (2) the Cost Award; (3) the Administrative Costs; (4) the Class Representative Enhancement; and (5) the PAGA Payment. Class Counsel will also move the Court for an order of Final Approval (and associated entry of Judgment) releasing and barring any Released Claims of the Class Members who do not opt out of the Settlement. The Settlement Administrator will provide a postcard reminder to Class Members if the date of the Final Approval Motion changes.

(ii) If the Court does not grant Final Approval of the Settlement, or if the Court's Final Approval of the Settlement is reversed or materially modified on appellate review, then this Settlement will become null and void. If that occurs, the Parties will have no further obligations under the Settlement, including any obligation by Defendant to pay the Gross Settlement Amount or any amounts that otherwise would have been owed under this Agreement. Further, should this occur, the Parties agree they shall be equally responsible for the Settlement Administrator's Administration Costs incurred through that date. An award by the Court of a lesser amount than sought by

Plaintiff and Class Counsel for the Class Representative Enhancement, Attorneys' Fee Award, or Cost Award will not constitute a material modification to the Settlement within the meaning of this paragraph.

(iii) Upon Final Approval of the Settlement, the Parties shall present to the Court a proposed Final Approval Order, approving of the Settlement and entering Judgment in accordance therewith. After entry of Judgment, the Court shall have continuing jurisdiction over the Action for purposes of: (1) enforcing this Settlement Agreement; (2) addressing settlement administration matters, and (3) addressing such post-Judgment matters as may be appropriate under Court rules and applicable law. The Settlement Administrator will provide notice of the Final Judgment to Class Members by mail along with the Individual Settlement Award, if any. The Settlement Administrator shall include a short notice to the class members that shall include the following (or substantially similar) language: "This notice is being mailed to all Settlement Class Members who did not opt out of the *Aguilar v. Animal Supply Company LLC*, class action settlement (Los Angeles County Superior Court Case No. 19STCV31413) including you, pursuant to California Rule of Court 3.771. This notice is to advise you that the Court has approved the settlement of this matter and entered judgment accordingly. Your Individual Settlement Award, if any, is enclosed."

h. Waiver of Right to Appeal. Provided that the Judgment is consistent with the terms and conditions of this Agreement, if Class Members do not timely object to the Settlement, then the Parties and their respective counsel waive any and all rights to appeal from the Judgment, including, but not limited to, all rights to any post-Judgment proceeding and appellate proceeding, such as a motion to vacate or set aside judgment, and any extraordinary writ, and the Judgment will become non-appealable at the time it is entered. The waiver of appeal does not include any waiver of the right to oppose any appeal, appellate proceeding, or post-Judgment proceeding.

Defendant, through its attorneys, shall cooperate with Class Counsel in opposing any appeal, appellate proceeding, or post-Judgment proceeding.

i. Vacating, Reversing, or Modifying Judgment on Appeal. If, after a notice of appeal, the reviewing court vacates, reverses, or modifies the Judgment such that there is a material modification to the Settlement, and that court's decision is not completely reversed and the Judgment is not fully affirmed on review by a higher court, then this Settlement will become null and void and the Parties will have no further obligations under it. A material modification would include, but not necessarily be limited to, any alteration of the Gross Settlement Amount and an alteration in the calculation of the Net Settlement Amount or PAGA Fund.

j. Disbursement of Settlement Shares and Payments. Subject to the Court finally approving the Settlement, the Settlement Administrator shall distribute funds pursuant to the terms of this Agreement and the Court's Final Approval Order and Judgment. Subject to the Escalator Clause set forth below, the maximum amount Defendant can be required to pay under this Settlement for any purpose is the Gross Settlement Amount plus all applicable employer-side payroll taxes on the wage portion of the Individual Settlement Shares. The Settlement Administrator shall keep Defendant's Counsel and Class Counsel apprised of all distributions from the Gross Settlement Amount. The Settlement Administrator shall respond to questions from Defendant's Counsel and Class Counsel. No person shall have any claim against Defendant, Defendant's Counsel, Plaintiff, Class Counsel, or the Settlement Administrator based on the distributions and payments made in accordance with this Agreement.

(i) Funding the Settlement: No later than thirty (30) calendar days after the Effective Final Settlement Date, Defendant shall transfer the Gross Settlement Amount of One Million Fifty Thousand Dollars and Zero Cents (\$1,050,000.00) needed to pay the entire GSA by wiring the funds into a QSF set up and controlled by the Settlement Administrator. In addition, no later than thirty (30)

calendar days after the Effective Final Settlement Date, the Settlement Administrator shall provide to Defendant the amount of the employer's share of applicable payroll taxes with respect to the Net Settlement Amount, with the calculation of such amount being subject to the Defendant's reasonable review, comment, and approval. Defendant shall transfer this amount into a QSF set up and controlled by the Settlement Administrator within ten (10) business days after receiving the amount.

(ii) **Disbursement:** Within fourteen (14) calendar days after the Effective Final Settlement Date, the Settlement Administrator shall calculate and pay all payments due under the Settlement Agreement, including all Individual Settlement Shares, the payments to PAGA Employees, the Attorneys' Fee Award, the Cost Award, the Class Representative Enhancements, the PAGA Payment, and the Administration Costs. The Settlement Administrator will forward a check for seventy-five percent (75%) of the PAGA Payment to the LWDA for settlement of the PAGA claim.

(iii) **QSF:** The Parties agree that the QSF is intended to be a "Qualified Settlement Fund" under Section 468B of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations promulgated thereunder, and will be administered by the Settlement Administrator as such. The Parties shall cooperate in securing an order of the Court to establish the QSF in accordance with the terms hereof in conjunction with its Final Approval of the Settlement. The Court will retain jurisdiction over the administration of the QSF. The Parties and Settlement Administrator shall treat the QSF as coming into existence as a Qualified Settlement Fund on the earliest date permitted as set forth in Treasury Regulations Section 1.468B-1, and such election statement shall be attached to the appropriate returns as required by law. Any taxes due as a result of income earned by the QSF will be paid by the QSF.

k. Uncashed Checks. Participating Class Members and PAGA Employees must cash or deposit their Individual Settlement Share checks and/or their check from the PAGA Fund within one hundred and eighty (180) calendar days after the

checks are mailed to them. If any checks are not redeemed or deposited within ninety (90) days after mailing, the Settlement Administrator will send a reminder postcard indicating that unless the check is redeemed or deposited in the next ninety (90) days, it will expire and become non-negotiable, and offer to replace the check if it was lost or misplaced. If any checks remain uncashed or not deposited by the expiration of the ninety (90) day period after mailing the reminder notice, the Settlement Administrator will, within two hundred (200) calendar days after the checks are mailed, pay the amount of the uncashed checks to the State Controller's Office Unclaimed Property division as unclaimed property. If the Court does not approve of this procedure or desires another procedure, the Parties will meet and confer to address the Court's requirements. The Parties agree that this disposition results in no "unpaid residue" within the meaning of California Code of Civil Procedure Section 384, as the entire Net Settlement Amount will be paid out to Participating Class Members or PAGA Employees, whether or not they all cash their checks.

I. Final Report by Settlement Administrator. Within ten (10) days after the disbursement of all funds, the Settlement Administrator will serve a declaration providing a final report on the disbursements of all funds on the Parties. Class Counsel will be responsible for submitting such a final report to the Court pursuant to the Court's order or request.

12. Release of Claims. Class Members who do not submit a timely and valid Request for Exclusion, as of the date that the Gross Settlement Amount is fully funded by Defendant, shall release the Released Parties from the Released Claims. Participating Class Members agree not to sue or otherwise make a claim against any of the Released Parties for any of the Released Claims.

a. As of the date that the Gross Settlement Amount is fully funded by Defendant, Participating Class Members and the Named Plaintiff shall be forever barred from prosecuting any and all Released Claims against any Released Party. Judgment

shall have res judicata and preclusive effect on the Participating Class Members as to the Released Class Claims and shall therefore bar Participating Class Members from initiating or prosecuting any of the Released Class Claims. Thus, subject to and in accordance with this Agreement, even if the Named Plaintiff or any Participating Class Member may subsequently discover facts in addition to or different from those they now know or believe to be true with respect to the subject matter of the Released Claims, they shall be deemed to have, and by operation of the Final Judgment, shall have fully, finally, and forever settled and released any and all Released Claims, whether known or unknown, suspected or unsuspected, contingent or non-contingent, whether or not concealed or hidden, which now exist, or have existed upon any theory of law or equity, now existing or coming into existence in the future, including, but not limited to, conduct that is negligent, intentional, with or without malice, or a breach of any duty, law, or rule, without regard to the subsequent discovery or existence of such different or additional facts.

13. PAGA Released Claims. As of the date that the Gross Settlement Amount is fully funded by Defendant, PAGA Employees release the Released Parties from the PAGA Released Claims. It is further understood and agreed that Plaintiff, on behalf of himself, the LWDA, and the other aggrieved employees in the State of California, release Defendant and all Released Parties from any and all PAGA Released Claims. PAGA Employees and the State of California are deemed by operation of the Final Judgment to have agreed not to sue or otherwise make a claim against any of the Released Parties for PAGA Released Claims.

14. Plaintiff's Release of Claims and General Release. As of the date that the Gross Settlement Amount is fully funded by Defendant, and in exchange for the Class Representative Enhancement Payment to the Plaintiff in an amount ordered by the Court and not to exceed Ten Thousand Dollars and Zero Cents (\$10,000.00), Plaintiff agrees to a general release of Released Parties from all claims, demands, rights, liabilities,

grievances, demands for arbitration, and causes of action of every nature and description whatsoever, known or unknown, pending or threatened, asserted or that might have been asserted, whether brought in tort or in contract, whether under state, federal, or local law. This general release includes all employment-related and non-employment-related claims, whether known or unknown, arising during the Class Period. Plaintiff expressly waives and relinquishes all rights and benefits afforded by Section 1542 of the Civil Code of the State of California, which states:

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, THAT IF KNOWN BY HIM OR HER WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

This release excludes any release of any claims not permitted to be released by law.

15. Termination of Settlement. In the event that the Settlement Agreement is terminated, cancelled, declared void, or fails to become effective in accordance with its terms, or to the extent termination, cancellation, or voiding of the Settlement Agreement is otherwise provided, no payments shall be made or distributed to anyone in accordance with the terms of this Settlement Agreement. The Parties will bear their own costs and fees with regard to the efforts to obtain Court approval, and this Settlement Agreement shall be deemed null and void with no effect on the Litigation whatsoever. The Parties will be equally responsible to the Settlement Administrator for the costs of such Administration Costs actually incurred not to exceed Ten Thousand Dollars and Zero Cents (\$10,000.00) except if the settlement is terminated by Defendant as provided herein, in which case Defendant shall bear the full costs of settlement administration incurred to date. In such event, the terms and provisions of the Settlement Agreement shall have no further force and effect with respect to the Parties and shall not be used in this Litigation

or any other proceeding for any purpose, and any judgment or order entered by the Court in accordance with the terms of the Settlement Agreement shall be treated as vacated, *nunc pro tunc*. In the event of a termination of settlement, each party should bear its own costs and attorneys' fees.

16. Escalator Clause. In advance of mediation on September 15, 2020, Defendant represented on August 27, 2020, that the total number of workweeks for non-exempt employees (excluding drivers) for the time period of September 5, 2015 to July 28, 2020, was approximately 19,885 workweeks. Defendant noted that the data between September 5, 2015 and December 31, 2015 was in .pdf form and was extrapolated. The Parties continued negotiations through the end of February 2021. At the end of February 2021, Defendant conveyed to the mediator that the workweek count for non-exempt individuals who worked at Animal Supply Company in California, excluding drivers, was around 23,300 workweeks. If the aggregate number of workweeks for the period of time from September 5, 2015 to February 28, 2021 exceeds 23,300 by more than 10%, then Defendant shall have the option to either cut off the Class Period to the date on which the actual number of workweeks reaches 25,630 or to increase the Settlement Amount on a pro rata basis.

17. Miscellaneous Terms.

a. No Admission of Liability. Defendant makes no admission of liability or wrongdoing by virtue of entering into this Agreement. Defendant reserves the right to contest any issues relating to class certification and liability if the Settlement is not approved. Defendant denies that it has engaged in any unlawful activity, has failed to comply with the law in any respect, has any liability to anyone under the claims asserted in the Action, or that but for the Settlement, a Class should be certified in the Action. This Agreement is entered into solely for the purpose of compromising highly disputed claims. Nothing in this Agreement is intended or will be construed as an admission by Defendant of liability or wrongdoing. This Settlement and the Parties' willingness to

settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (other than solely in connection with this Settlement).

b. No Effect on Employee Benefits. The Class Representative Enhancement Payments and/or Individual Settlement Shares paid to Plaintiff and Participating Class Members shall not have any effect on the eligibility for, or calculation of, any of the employee benefits (*e.g.*, vacation, holiday pay, retirement plans, etc.) of Plaintiff or the Participating Class Members.

c. Publicity. Class Counsel agree to discuss the terms of this Settlement only in declarations submitted to a court to establish their adequacy to serve as Class Counsel; in declarations submitted to a court in support of motions for preliminary approval, final approval, for attorneys' fees/costs, and any other pleading filed with the Court in conjunction with the Settlement; and in discussions with Class Members or the Settlement Administrator in the context of administering this Settlement until the Preliminary Approval Order is issued. No Court filing will be circulated by Class Counsel nor will Class Counsel post such pleadings on any website. Plaintiff agrees that neither he, nor his spouse or agents, shall publicize the terms of settlement or the lawsuit beyond taking the steps necessary to reach a final resolution and judgment as described in this Settlement Agreement. The Parties acknowledge and agree that non-public information about the business practices and business records of Defendant disclosed solely during the scope of privileged mediation proceedings and settlement negotiations ("Confidential Information") will not be disclosed to any third parties and will be destroyed, with no copies retained upon request by Defendant after the Court issues Final Approval of the Settlement. The Parties further acknowledge and agree that such Confidential Information has not and will not be used for any purpose other than for evaluating claims for purposes of entering into this Settlement Agreement. The Parties, Class Counsel, and Defendant's Counsel further agree that none of them will post commentary about this Settlement or the terms of it on any social media website, or

through any online or print media outlet, or in any article or blog. Nothing in this section will limit or impede Class Counsel's ability to discharge their fiduciary duties to the Class Members.

d. Integrated Agreement. After this Agreement is signed and delivered by all Parties and their counsel, this Agreement and its exhibits will constitute the entire Agreement between the Parties relating to the Settlement, and it will then be deemed that no oral representations, warranties, covenants, or inducements have been made to any Party concerning this Agreement or its exhibits, other than the representations, warranties, covenants, and inducements expressly stated in this Agreement and its exhibits.

e. Authorization to Enter into Settlement Agreement. Class Counsel and Defendant's Counsel 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 under this Agreement to effectuate its terms, and to execute any other documents required to effectuate the terms of this Agreement. The Parties and their counsel will cooperate with each other and use their best efforts to effect the implementation of the Settlement. In the event the Parties are unable to reach agreement on the form or content of any document needed to implement this Agreement, or on any supplemental provisions that may become necessary to effectuate the terms of this Agreement, the Parties will seek the assistance of the Court, and in all cases, all such documents, supplemental provisions, and assistance of the Court will be consistent with this Agreement.

f. Exhibits and Headings. The terms of this Agreement include the terms set forth in the attached exhibits, which are incorporated by this reference as though fully set forth herein. Any exhibits to this Agreement are an integral part of the Settlement and must be approved substantially as written.

g. Interim Stay of Proceedings. The Parties agree to stay and hold all proceedings in the Action in abeyance, except such proceedings necessary to implement and complete the Settlement, pending the Final Approval hearing to be conducted by the Court.

h. Amendment or Modification of Agreement. This Agreement, and any and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by counsel for all Parties or their successors-in-interest.

i. Agreement Binding on Successors and Assigns. This Agreement will be binding upon, and inure to the benefit of, the successors and assigns of the Parties, as previously defined.

j. No Prior Assignment. Plaintiff hereby represents, covenants, and warrants that he has 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 rights herein released and discharged.

k. Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the laws of the State of California, without giving effect to any conflict of law principles or choice of law principles.

l. Fair, Adequate, and Reasonable Settlement. The Parties and their respective counsel believe and warrant that this Agreement reflects a fair, reasonable, and adequate settlement of the Action and have arrived at this Agreement through arm's-length negotiations, taking into account all relevant factors, current and potential.

m. No Tax or Legal Advice. The Parties understand and agree that the Parties are neither providing tax or legal advice nor making representations regarding tax obligations or consequences, if any, related to this Agreement; that Class Members will assume any such tax obligations or consequences that may arise from this Agreement;

and that Class Members shall not seek any indemnification from the Parties or any of the Released Parties in this regard. The Parties agree that, in the event that any taxing body determines that additional taxes are due from any Class Member, such Class Member assumes all responsibility for the payment of such taxes. Other than the employers' share of payroll taxes as described in this Agreement, the Parties further agree that Defendants shall have no legal obligation to pay, on behalf of the Settlement Class Members, any taxes, deficiencies, levies, assessments, fines, penalties, interests, or costs, which may be required to be paid with respect to settlement payments.

n. Jurisdiction of the Court. The Court shall retain jurisdiction with respect to the interpretation, implementation, and enforcement of the terms of this Agreement and all orders and judgment entered in connection therewith, and the Parties and their counsel hereto submit to the jurisdiction of the Court for purposes of interpreting, implementing, and enforcing the Settlement embodied in this Agreement and all orders and judgments in connection therewith.

o. Invalidity of Any Provision; Severability. Before declaring any provision of this Agreement invalid, the Parties request that the Court first attempt to construe the provisions valid to the fullest extent possible consistent with applicable precedents, so as to define all provisions of this Agreement valid and enforceable. In the event any provision of this Agreement shall be found unenforceable, the unenforceable provision shall be deemed deleted, and the validity and enforceability of the remaining provisions shall not be affected thereby.

p. 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.

q. Execution in Counterpart. This Agreement may be executed in one or more counterparts. All executed counterparts, and each of them, will be deemed to be one and the same instrument provided that counsel for the Parties will exchange

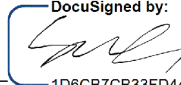
between themselves original signed counterparts. Facsimile or PDF signatures will be accepted. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

IV. EXECUTION BY PARTIES

The Parties hereby execute this Agreement.

Dated: 4/14/2022

Steven Aguilar

DocuSigned by:

1D6CB7CB33FD442...

Dated: _____

Animal Supply Company LLC

Name:
Title:

Approved as to Form:

Dated: April 15, 2022

Lawyers for Justice, PC



Edwin Aiwanian
*Attorneys for Plaintiff Steven Aguilar, on
behalf of himself and all others similarly
situated*

Dated: April 14, 2022

Protection Law Group, LLP



Heather Davis
*Attorneys for Plaintiff Steven Aguilar, on
behalf of himself and all others similarly
situated*

between themselves original signed counterparts. Facsimile or PDF signatures will be accepted. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

IV. EXECUTION BY PARTIES

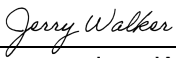
The Parties hereby execute this Agreement.

Dated: _____

Steven Aguilar

Dated: 4/8/2022

Animal Supply Company LLC



Name: Jerry Walker
Title: CFO

Approved as to Form:

Dated: _____

Lawyers for Justice, PC

Edwin Aiwazian
*Attorneys for Plaintiff Steven Aguilar, on
behalf of himself and all others similarly
situated*

Dated: _____

Protection Law Group, LLP

Heather Davis
*Attorneys for Plaintiff Steven Aguilar, on
behalf of himself and all others similarly
situated*

Dated: April 12, 2022

PERKINS COIE LLP



Jon G. Daryanani

Jill L. Ripke

Lauren Kulpa

*Attorneys for Defendant Animal Supply
Company LLC*