

CONFIDENTIAL MUTUAL SETTLEMENT AGREEMENT AND RELEASE

This Confidential Settlement Agreement (“Agreement”) is made by and between plaintiffs Kael Liu, Leo Wang, and Huanyu Zhang (“Plaintiffs”) and Defendants China Eastern Airlines Co. Ltd. (“CEA”) and Yonghong Liu (collectively “Defendants”). The Agreement refers to Plaintiffs and Defendants collectively as “Parties,” or individually as “Party.”

1. DEFINITIONS.

- 1.1 “Action” means the Plaintiffs’ PAGA lawsuit alleging wage and hour violations against Defendants captioned *Leo Wang et al. v. China Eastern Airlines Co. Ltd. et al.*, 21STCV41141, initiated on November 8, 2021 and pending in Superior Court of the State of California, County of Los Angeles.
- 1.2 “Settlement Administrator” means the neutral entity the Parties have agreed to appoint to administer the Settlement.
- 1.3 “Administration Expenses Payment” means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator’s “not to exceed” bid submitted to the Court in connection with approval of this Settlement.
- 1.4 “Aggrieved Employee” means a person employed by China Eastern Airlines Co. Ltd. in its San Francisco, California or Los Angeles, California airport stations and classified as non-exempt who worked for CEA during the PAGA Period. This includes the Plaintiffs in this action.
- 1.5 “Aggrieved Employee Data” means Aggrieved Employee identifying information in Defendants’ possession including the Aggrieved Employee’s name, last-known mailing address, Social Security number and number of PAGA Pay Periods.
- 1.6 “Court” means the Superior Court of California, County of Los Angeles.
- 1.7 “Defense Counsel” means Hughes Hubbard & Reed LLP.
- 1.8 “Effective Date” means the date by when the Court enters a Judgment on its Order Approving the PAGA Settlement.
- 1.9 “Gross Settlement Amount” means \$420,000.00, which is the total amount Defendants agree to pay under the Settlement, inclusive of all alleged damages, penalties, interest, costs, and attorneys’ fees, except as provided in Paragraph 9 below. The Gross Settlement Amount will be used to pay (a) Plaintiffs’ Unpaid Wages, Penalties, Interest, and Attorney’s Fees (b), PAGA Payments to the Aggrieved Employees, the (c) LWDA PAGA Payment, and (d) Plaintiffs’ Counsel Fees Payment.

- 1.10 “PAGA Settlement Amount” means the portion of the Gross Settlement Amount to be allocated to the PAGA penalties claims, costs, and attorney’s fees.
- 1.11 “Plaintiffs’ Settlement Amount”: means the portion of the Gross Settlement Amount allocated to the three named individual Plaintiffs in the action, for service as representative Plaintiffs, and for a general release of all individual claims Plaintiffs have against Defendant.
- 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 “Judgment” means the judgment entered by the Court based upon the Final Approval.
- 1.14 “LWDA” means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subdivision (i).
- 1.15 “LWDA PAGA Payment” means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subdivision (i).
- 1.16 “Net Settlement Amount” means the PAGA Settlement Amount, less the following payments, the LWDA PAGA Payment, Plaintiffs Counsel’s Fee Payment, and Settlement Administrative Costs.
- 1.17 “Plaintiffs’ Counsel” means the Law Offices of Ray Hsu and Associates.
- 1.18 “Plaintiffs’ Counsel Fees Payment” means the amounts allocated to Plaintiffs’ Counsel for reimbursement of reasonable attorneys’ fees and expenses, respectively, incurred to prosecute the Action.
- 1.19 “PAGA Pay Period” means any Pay Period during which an Aggrieved Employee worked for Defendants for at least one day during the PAGA Period.
- 1.20 “PAGA Period” means the period from August 24, 2020 to present.
- 1.21 “PAGA” means the Private Attorneys General Act (Lab. Code, § 2698. et seq.).
- 1.22 “PAGA Notice” means Plaintiffs’ August 24, 2021 letter to Defendants and the LWDA providing notice pursuant to Labor Code section 2699.3, subdivision (a).
- 1.23 “Net PAGA Penalties” means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 25% to the Aggrieved Employees (\$ 18,975.00) and the 75% to LWDA (\$ 56,925.00) in settlement of PAGA claims.
- 1.24 “Plaintiffs” mean Kael Liu, Leo Wang, and Huanyu Zhang, the named plaintiffs in the Action.

- 1.25 “Approval Order” means the proposed Court Order Granting Approval of PAGA Settlement.
- 1.26 “Released PAGA Claims” means the claims being released by the Plaintiffs and Plaintiffs’ Counsel and as described in Paragraph 6 below.
- 1.27 “Plaintiff Releasors” means Plaintiffs and their respective former and present spouses, representatives, agents, attorneys (including Plaintiffs’ Counsel), heirs, administrators, successors and assigns generally.
- 1.28 “Released Parties” means Defendants and each of its former and present directors, officers, shareholders, owners, members, attorneys, insurers, predecessors, successors, assigns, subsidiaries, and affiliates.
- 1.29 “Settlement” means the disposition of the Action effected by this Agreement and the Judgment.
- 1.30 “Time Period” means the period ranging from each Plaintiff’s respective employment start date through the date of their resignation from CEA, or, if still employed by CEA, to present.

2. RECITALS.

- 2.1 On November 8, 2021, Plaintiffs commenced this Action by filing a Complaint alleging causes of action against Defendants for alleged failure to pay Plaintiffs the wages they were owed, alleged failure to provide meal and rest breaks, alleged failure to pay Plaintiffs overtime wages, alleged failure to reimburse Plaintiffs for business expenses, alleged failure to maintain accurate wage statements, and alleged violation of PAGA. The Complaint is the operative complaint in the Action (the “Operative Complaint”). Defendants deny the allegations in the Operative Complaint, deny any failure to comply with the laws identified in in the Operative Complaint and deny any and all liability for the causes of action alleged.
- 2.2 Pursuant to Labor Code section 2699.3, subdivision (a), Plaintiffs gave timely written notice to Defendants and the LWDA by sending the PAGA Notice.
- 2.3 On May 10, 2023, the Parties participated in an all-day mediation presided over by Steven Mehta, which led to this Agreement to settle the Action.
- 2.4 The Parties, Plaintiffs’ Counsel and Defense Counsel represent that they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement.

3. MONETARY TERMS.

- 3.1 Gross Settlement Amount. Except as otherwise provided in Paragraph 9 below, Defendants promise to pay \$420,000.00 and no more as the Gross Settlement

Amount. Defendants have no obligation to pay the Gross Settlement Amount prior to the deadline stated in Paragraph 4 of this Agreement. Settlement Administrator will disburse the entire Gross Settlement Amount without asking or requiring Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendants.

- 3.2 Plaintiffs' Settlement Amount: \$300,000 of the Gross Settlement Amount will be allocated to Plaintiffs' unpaid wages, penalties, interest, attorneys fees, and for Plaintiffs services as representative Plaintiffs.
- 3.3 PAGA Settlement Amount: \$120,000.00 of the Gross Settlement Amount will be allocated to the PAGA Penalties Fund, PAGA Attorney's Fees, and PAGA Settlement Administrative Costs as outlined below:
 - 3.3.1 PAGA Attorney's Fees: Plaintiffs' Counsel Fees Payment of 35%, (35% of PAGA Settlement Amount) or \$42,000.00, will be paid to Plaintiffs' counsel from the PAGA Settlement Amount. Defendants will not oppose requests for Court approval of these payments provided that they do not exceed these amounts. Plaintiffs and/or Plaintiffs' Counsel will file an application or motion for Plaintiffs' Counsel Fees Payment. If the Court approves Plaintiffs' Counsel Fees Payment less than the amounts requested, Plaintiffs' Counsel will allocate the remainder to the PAGA Penalties Fund. Released Parties shall have no liability to Plaintiffs' Counsel or any other Plaintiffs' Counsel arising from any claim to any portion any Plaintiffs' Counsel Fee Payment. Plaintiffs' Counsel will pay the Plaintiffs' Counsel Fees Payment using one or more IRS 1099 Forms. Plaintiffs' Counsel assumes full responsibility and liability for taxes owed on the Plaintiffs' Counsel Fees Payment and holds Defendants harmless, and indemnifies Defendants, from any dispute or controversy regarding any division or sharing of any of these Payments.
 - 3.3.2 Settlement Administrative Costs: Plaintiffs' counsel will retain ILYM Group Inc., as a third-party Settlement Administrator ("Settlement Administrator"), to administer this Settlement. A maximum payment of \$2,100.00 will be deducted from the PAGA Settlement Amount to pay for the costs of the third-party administration fees that are necessary to administrator and distribute PAGA Penalties Fund. If the actual cost of settlement administration is less than \$2,100.00, any savings will be added to the PAGA Penalties Fund and distributed in accordance with the Paragraph Below.
 - 3.3.3 PAGA Penalties Fund or Net PAGA Penalties: LWDA and Aggrieved Employees: PAGA Penalties in the amount of \$75,900.00 to be paid from the PAGA Settlement Amount, with 75% (\$56,925.00) allocated to the LWDA PAGA Payment and 25% (\$18,975.00) allocated to the Individual PAGA Payments.

- 3.3.3.1 Settlement 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
- 3.3.3.2 Aggrieved employees will be mailed a check for their Individual PAGA Payments by the Settlement Administrator

4. SETTLEMENT FUNDING AND PAYMENTS.

- 4.1 Aggrieved Employee Pay Periods. Based on a review of its records to date, Defendants estimate there are 17 Aggrieved Employees who worked a total 1044 PAGA Pay Periods.
- 4.2 Aggrieved Employee Data. Within 15 days, Defendants will simultaneously deliver the Aggrieved Employee Data to the Settlement Administrator in the form of a Microsoft Excel spreadsheet. To protect Aggrieved Employees' privacy rights, Settlement 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 Settlement Administrator employees who need access to the Aggrieved Employee Data to effect and perform under this Agreement. Defendants have a continuing duty to immediately notify Settlement Administrator 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 Defendants must send the Aggrieved Employee Data to Settlement 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 Plaintiffs' Settlement Amount: Defendants shall fully fund the Plaintiffs' Settlement Amount (\$300,000.00) by transmitting the funds to Plaintiffs' Counsel, and Plaintiffs no later than 21 days after the Effective Date. Funding shall be done in accordance with the below:
 - 4.3.1 \$115,713.00 to Plaintiffs' Counsel as attorney's fees and costs to be paid to his JPMorgan Chase Bank, North America account (Account Name: Law Offices of Ray Hsu; Account Number: 106333153; ABA Routing Number: 322271627; Swift Code: CHASUS33XXX; Branch Address: 120 W. Las Tunas Drive, San Gabriel, CA 91776).

- 4.3.2 \$61,429.00 to Plaintiff Kael Liu as unpaid wages to be paid on a W-2 basis subject to applicable withholdings through CEA's payroll system.
- 4.3.3 \$61,429.00 to Plaintiff Leo Wang as unpaid wages to be paid on a W-2 basis subject to applicable withholdings through CEA's payroll system.
- 4.3.4 \$61,429.00 to Plaintiff Huanyu Zhang as unpaid wages to be paid on a W-2 basis subject to applicable withholdings through CEA's payroll system.
- 4.4 Funding of PAGA Settlement Amount. Defendants shall fully fund the PAGA Settlement Amount in the amount of \$120,000.00 by wiring said amount to the Settlement Administrator's bank account with Enterprise Bank & Trust (Account Name: ILYM Group, Inc. Escrow; Account Number: 1721985; ABA Routing Number: 081006162; Swift Code: ENTRUS44; Branch Address: 150 N Meramec Avenue, Clayton, Missouri, 63105) no later than 21 days after the Effective Date. Funding shall be allocated in accordance with the below:
 - 4.4.1 \$75,900.00 to the Settlement Administrator for distribution to Aggrieved Employees and the LWDA.
 - 4.4.2 \$42,000.00 to the Settlement Administrator to be paid to Plaintiffs' Counsel by the Settlement Administrator as attorneys' fees and costs as described in Section 3.3.1.
 - 4.4.3 \$2,100.00 to the Settlement Administrator for administration fees and costs as described in Section 3.3.2.
- 4.5 Individual PAGA Payments. Within 60 days after Defendants fund the Gross Settlement Amount and provide Settlement Administrator with the Aggrieved Employee information, Settlement Administrator will mail checks for all Individual PAGA Payments and the LWDA PAGA Payment.
 - 4.5.1 Settlement 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. Settlement Administrator will cancel all checks not cashed by the void date. Before mailing any checks, Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database.
 - 4.5.2 Settlement Administrator must conduct an Aggrieved Employee Address Search for all Aggrieved Employees whose checks are returned undelivered without USPS forwarding address. Within 7 days of receiving a returned check, Settlement Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Aggrieved Employee Address Search. Settlement Administrator need not take further steps to deliver checks to Aggrieved

Employees whose re-mailed checks are returned as undelivered. Settlement Administrator shall promptly send a replacement check to any Aggrieved Employee whose original check was lost or misplaced, requested by the Aggrieved Employee prior to the void date.

- 4.5.3 For any Aggrieved Employee whose Individual PAGA Payment check is uncashed and cancelled after the void date, Settlement Administrator shall transmit the funds represented by such checks to the California Controller's Unclaimed Property Fund in the name of the Aggrieved Employee.
- 4.5.4 The payment of Individual PAGA Payments shall not obligate Defendants to confer any additional benefits or make any additional payments to the Aggrieved Employees (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.
- 4.5.5 The Notice to be provided to Aggrieved Employees shall be prepared by the Settlement Administrator in the form of **Exhibit A**.
- 4.5.6 All pending legal actions shall be dismissed with prejudice within 7 days after Defendant has made full payment of the Gross Settlement Amount.

5. PLAINTIFFS' REPRESENTATIONS.

- 5.1 Plaintiffs understand and acknowledge that this is a settlement of wage and hour and PAGA claims. Plaintiffs have not asserted a claim under the Age Discrimination in Employment Act, as amended by the Older Workers Benefit Protection Act; 42 U.S.C. § 1981 and agree and acknowledge that the waiting periods provided under those statutes are inapplicable to this Agreement.
- 5.2 Plaintiffs acknowledge that the portion of the Payment allocable to them exceeds any and all salary, wages, bonuses, vacation pay, personal time pay, holiday pay, floating holiday pay, sick pay and other compensation and benefits of any kind whatsoever to which Plaintiffs may be entitled from Defendants during the Time Period absent this Agreement. Plaintiffs further acknowledge and agree that other than the Payment, Defendants are under no further obligation to make any payments or provide any benefits of any kind to, or on behalf of, Plaintiffs for any reason whatsoever for allegedly unpaid wages during the Time Period covered by the Operative Complaint.
- 5.3 Plaintiffs agree and acknowledge that Plaintiffs have had the opportunity to consult with counsel and are knowingly and voluntarily entering into this Agreement.
- 5.4 Plaintiffs represent that they have not made any claims or allegations related to sexual harassment or sexual abuse, and that none of the payments set forth in this Agreement are related to sexual harassment or sexual abuse.

- 5.5 Plaintiffs acknowledge and agree that this Agreement will require approval by a court or arbitrator and agree to cooperate in obtaining such approval.
- 5.6 Plaintiffs represent that as of the date of Plaintiffs' signing of this Agreement, Plaintiffs have not commenced, maintained, filed or prosecuted (nor has any person or entity commenced, maintained, filed or prosecuted on Plaintiffs' behalf) any action, charge, claim, complaint or proceeding of any kind that is presently pending in any court, or before any administrative or investigative body or agency or other tribunal (whether public, quasi-public or private), against or involving Defendants and/or any of the other Released Parties.

6. RELEASES OF CLAIMS.

Effective on the date when Defendants fully fund the entire Gross Settlement Amount Plaintiffs and Plaintiffs' Counsel will release claims against all Released Parties as follows:

- 6.1 Plaintiffs' Release. Plaintiffs and their respective former and present spouses, representatives, agents, attorneys (including Plaintiffs' Counsel), heirs, administrators, successors and assigns, release and discharge Released Parties from all claims, transactions or occurrences, including, but not limited to: all claims that were, or reasonably could have been, alleged, based on the facts contained in the Operative Complaint and the PAGA Notice ("Plaintiffs' Release"). Plaintiffs' Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, or workers' compensation benefits that arose at any time or based on occurrences outside the Time Period. Plaintiffs acknowledge that Plaintiffs may discover facts or law different from, or in addition to, the facts or law that Plaintiffs now know or believe to be true but agree, nonetheless, that Plaintiffs' Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiffs' discovery of them.
- 6.1.1. Without in any way limiting the generality of the foregoing, the Plaintiff Releasors release and discharge the Released Parties from claims for allegedly unpaid wages accrued during the Time Period under (a) the Fair Labor Standards Act; the Equal Pay Act; the National Labor Relations Act; any and all similar applicable wage and hour laws of any state, district, city and/or other municipality in which Plaintiffs have rendered services to Defendants (and/or to any of the other Released Parties); and any amendments made to any of the above statutes; (b) any and all other claims for unpaid wages (whether based on a federal, state or local constitution, statute, ordinance, code, common law, court decision or otherwise); (c) any and all claims relating to, or arising out of, the making of this Agreement; and (d) any and all claims for attorneys' fees, costs, disbursements and the like.
- 6.1.2. Plaintiff Releasors further release and discharge any and all rights or claims to seek or recover money damages or other relief for Plaintiff Releasors personally if Plaintiffs file

or participate in a charge or complaint with the Equal Employment Opportunity Commission (EEOC) or any other federal, state, county or local government agency relating to allegedly unpaid wages accrued during the Time Period.

- 6.1.1 Plaintiffs' and Plaintiffs' Counsel's Waiver of Rights Under Civil Code Section 1542. For purposes of Plaintiffs' Release, Plaintiffs and Plaintiffs' Counsel expressly waive and relinquish the provisions, rights, and benefits, if any, of section 1542 of the California Civil Code, which reads:

A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release, and that if known by him or her would have materially affected his or her settlement with the debtor or Released Party.

- 6.2 Release by Aggrieved Employees:

All Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors and assigns, the Released Parties from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the Operative Complaint and the PAGA Notice.

- 6.3 Release by Plaintiffs' Counsel:

Plaintiffs' Counsel release on behalf of their present and former attorneys, employees, agents, successors and assigns the Released Parties from all claims for Plaintiffs' Counsel's Fees incurred during the Time Period and/or the PAGA Period in connection with the Operative Complaint and/or the PAGA Notice.

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

- 7.1 Plaintiffs' Responsibilities. Plaintiffs will prepare and deliver to Defense Counsel all documents necessary for obtaining approval of this Settlement under Labor Code section 2699, subdivision (f)(2)) including (i) a draft proposed Order Granting Approval of PAGA Settlement; (ii) a signed declaration from Plaintiffs' Counsel attaching 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, Plaintiffs' Counsel or Defense Counsel; (iii) a signed declaration from Plaintiffs' Counsel 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 (Lab. Code, §2699, subd. (l)(1)), this Agreement (Lab. Code, § 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 Plaintiffs' Counsel. In their Declarations, Plaintiffs and Plaintiffs' Counsel shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.

- 7.2 Responsibilities of Plaintiffs' Counsel. Plaintiffs' 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. Plaintiffs' Counsel is responsible for obtaining and confirming Court's Preliminary Approval.
- 7.3 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, Plaintiffs' Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant the motion for approval of this Settlement or conditions its approval on any material change to this Agreement, Plaintiffs' Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns.

8. AGGRIEVED EMPLOYEE SIZE ESTIMATES AND ESCALATOR CLAUSE.

Based on its records, Defendant estimates that, as of the date of this Settlement Agreement, there are 17 or fewer Aggrieved Employees who worked 1044 Pay Periods during the PAGA Period. To the extent Plaintiffs discover that between August 24, 2020 and May 10, 2023 there were additional Aggrieved Employees, Defendants will pay PAGA Penalties for each such additional non-exempt current or former employee based on the following formula:

Settlement amount $\div$ 17 $\times$.5 $\times$ the number of additional employees

9. CONTINUING JURISDICTION OF THE COURT.

The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties, the 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 Plaintiffs' Counsel Fees Payment, the Parties, their respective counsel waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs

and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals. If another party appeals the Judgment, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect the amount of the Net Settlement Amount.

10. ADDITIONAL PROVISIONS.

- 10.1 No Admission of Liability or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendants that any of the allegations in the Operative Complaint have merit or that Defendants have any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiffs that Defendants' defenses in the Action have merit. The Parties agree that representative treatment is for purposes of this Settlement only. If for any reason the Court does not approve this Settlement, Defendants reserve all available defenses to the claims in the Action, and Plaintiffs reserve the right to contest Defendants' defenses. The Settlement, this Agreement and Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).
- 10.2 Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants or inducements made to or by any Party.
- 10.3 Attorney Authorization. Plaintiffs' Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiffs and Defendants, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.
- 10.4 Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying the Settlement Agreement, submitting supplemental evidence and supplementing points and authorities as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of a mediator and/or the Court for resolution.
- 10.5 No Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered or purported to assign, transfer or encumber to any person or entity and portion of any liability,

claim, demand, action, cause of action or right released and discharged by the Party in this Settlement.

- 10.6 No Tax Advice. Neither Plaintiffs, Plaintiffs' Counsel, Defendants, nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.
- 10.7 Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed or waived only by an express written instrument signed by all Parties or their representatives, and as to the PAGA portion of this Agreement, approved by the Court.
- 10.8 Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.
- 10.9 Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the state of California, without regard to conflict of law principles.
- 10.10 Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.
- 10.11 Confidentiality. Plaintiffs agree not to disclose or cause to be disclosed, either directly or indirectly, to any person or entity (with the exception of Plaintiffs' attorneys, financial advisors, immediate family members, taxing authorities, other governmental agencies or as otherwise required by law), any information regarding the negotiation, existence, terms and conditions of this Agreement. All terms of Plaintiffs' individual settlements, not including PAGA Penalties, shall be confidential except as otherwise provided under California Law. This Agreement may be introduced as evidence in any proceeding for purposes of enforcing its terms.
- 10.12 To the extent permitted by law, all agreements made and orders entered during Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.
- 10.13 Use and Return of Aggrieved Employee Data. Information provided to Plaintiffs' Counsel pursuant to Evidence Code section 1152, and all copies and summaries of the PAGA Data provided to Plaintiffs' Counsel by Defendants in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute or California Rules of Court rule. Not later than 90 days after Plaintiffs' Counsel discharges his obligation to pay out of all Settlement funds, Plaintiffs shall destroy all paper and electronic versions of Aggrieved Employee Data received from Defendants unless, prior to Plaintiffs' Counsel's payment of

all Settlement Funds, Defendants make a written request to Plaintiffs' Counsel for the return, rather than the destruction, of Aggrieved Employee Data.

- 10.14 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.
- 10.15 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.
- 10.16 Notice. All notices, demands or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email or messenger, addressed as follows:

To Plaintiffs:

Care Of Mark Said and Ray Hsu
Law Offices of Ray Hsu & Associates
801 S. Garfield Ave., Suite 101
Alhambra, CA 91801
Telephone: (626) 600-1086
Facsimile: (888) 552-8211
E-mail: labor@rayhsulaw.com; attorney.mark.said@gmail.com
Attorneys for Plaintiffs LEO WANG; Kael Liu, and HUANYU ZHANG

To Defendants:

Care Of Rita M. Haeusler and Hannah A. Bogen
Hughes Hubbard and Reed LLP
1999 Avenue of the Stars, 9th Floor
Los Angeles, CA 90067
Telephone: (213) 613-2800
Facsimile: (213) 613-2950
Email: rita.haeusler@hugheshubbard.com; hannah.bogen@hugheshubbard.com

- 10.17 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.
- 10.18 Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement.

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

11. KNOWING AND VOLUNTARY EXECUTION.

Knowing and Voluntary Execution. Plaintiffs acknowledge and agree that:

- 11.1 Plaintiffs have carefully read and fully understands all of the provisions of this Agreement, specifically including but not limited to the Release contained in Section 4 of this Agreement;
- 11.2 Plaintiffs have not relied upon any representations or statements, written or oral, not set forth in this Agreement;
- 11.3 Plaintiffs have thoroughly reviewed the releases and waivers contained herein, and understood the effect of said releases and waivers before executing this Agreement;
- 11.4 The only consideration for Plaintiffs signing this Agreement is as set forth herein;
- 11.5 The consideration provided to Plaintiffs under this Agreement is in addition to anything of value to which Plaintiffs may otherwise be entitled;
- 11.6 Plaintiffs execute this Agreement freely, voluntarily and with full knowledge of its terms and consequences; and
- 11.7 Plaintiffs have been afforded sufficient time and opportunity to consult with an attorney and is hereby advised to consult with an attorney prior to signing this Agreement.

Defendants hereby advise Plaintiffs to consult with an attorney prior to signing this Agreement.

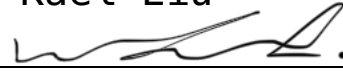
IN WITNESS WHEREOF, the Parties agree to the terms of this Agreement and evidence their agreement by their signatures below.

Date: June 21, 2023

Plaintiffs


Printed Name: HUANYU ZHANG


Printed Name: Kael Liu


Printed Name: Leo Wang

Date: June 21, 2023

Defendants

By: _____
Printed Name: _____
Title: _____

By: _____
Printed Name: _____
Title: _____