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8 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
9 **COUNTY OF SAN DIEGO, NORTH COUNTY DIVISION**
10

11 CARMEN SANDERS, on behalf of herself
and other current and former employees,

12 Plaintiff,

13 v.
14

15 XPONENTIAL FITNESS INC., a corporation;
XPONENTIAL FITNESS LLC, a limited
liability company; CLUB PILATES
16 FRANCHISE LLC, a limited liability
company; CB PILATES Inc., a corporation;
17 ANTHONY GEISLER, an individual;
CHRISTOPEHR CLEMENTS, an individual;
18 BRIANNA CLEMENTS, an individual; and
DOES 1 through 50, inclusive,

19 Defendants.
20

Case No. 37-2022-00005817-CU-OE-NC

**PLAINTIFF'S UNOPPOSED EX PARTE
APPLICATION FOR COURT
APPROVAL OF PAGA SETTLEMENT
UNDER LABOR CODE SECTION
2699(s)(2)**

DEPT.: N-27
JUDGE: Cynthia Freeland
DATE: May 6, 2025
TIME: 8:30 a.m.

COMPLAINT FILED: February 14, 2022
TRIAL DATE: August 15, 2025

1 I.

2 **OVERVIEW OF APPLICATION**

3 Plaintiff CARMEN SANDERS (“Representative Plaintiff”) on behalf of herself, the
4 “Aggrieved Employees” as defined herein, and the Representative Plaintiff as a proxy for the State of
5 California, hereby moves for Court approval of the Private Attorney General Act (PAGA) Settlement
6 pursuant to Labor Code section 2699(1)(2), that the settlement of this action shall be effectuated subject
7 to the terms and conditions discussed below.

8 II.

9 **STANDARD OF REVIEW**

10 Pursuant to Labor Code section 2699(1), “[t]he superior court shall review and approve any
11 penalties sought as part of a proposed settlement agreement.” Pursuant to Labor Code section
12 2699(e), the court has discretion as it pertains to the amount of the penalty and "may award a lesser
13 amount than the maximum civil penalty amount specified ... based on the facts and circumstances
14 of the particular case" because "to do otherwise would result in an award that is unjust, arbitrary and
15 oppressive, or confiscatory." (Lab. Code § 2699(e).)

16 III.

17 **SUMMARY OF SETTLEMENT TERMS**

18 Defendants CB PILATES, INC., CHRISTOPHER CLEMENTS and BRIANNA
19 CLEMENTS (collectively, “Defendants”) agree to pay the total Settlement Amount of \$5,000, a
20 non-reversionary sum, in exchange for the full and final settlement and release of any and all claims,
21 known or unknown, by the Representative Plaintiff individually (in tandem with settlement of her
22 individual tort claims), and on behalf of the Aggrieved Employees and the State of California that
23 were made, or that could have been made pursuant to the PAGA based on the same or similar facts
24 alleged in the operative Complaint filed in the Action, and subject to the terms and conditions
25 outlined in this Application.

26 Subject to Court approval, the Settlement Payment will be paid in full to the State of California
27 without deduction.

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1 IV.

2 **DEFINITIONS**

3 As used in this Motion, the following terms shall have the meanings specified below:

4 1. “Action” means this lawsuit and the operative Complaint in the matter entitled
5 *Carmen Sanders v. Xponential Fitness, Inc., et al.*, SDSC Case No.: 37-2022-00005817-CU-OE-
6 NC.

7 2. “Aggrieved Employees” means all nonexempt employees Defendants employed
8 (former and current) in the State of California during the “PAGA Period,” as defined below.

9 3. “Complaint” means the operative Complaint in the Action.

10 4. “Counsel for Franchisee” or “Franchisee Defense Counsel” means Sarah Brite Evans
11 and Jake Sesti, Higgs Fletcher & Mack LLP, 401 W “A” Street, Suite 2600, San Diego, CA 92101.

12 5. “Court” means the Superior Court of California, San Diego County in which the
13 Action is currently pending.

14 6. “Settlement Amount” means the amount that is distributable to the LWDA, if
15 approved by the Court, which sum totals \$5,000.

16 7. “Effective Date” means the date of entry of Order granting approval of this
17 Settlement Agreement.

18 8. 11. “Order” means the order entered by the Court pursuant to the terms set forth
19 in this Settlement Agreement finally and fully giving effect to the terms contained in this
20 Settlement Agreement and dismissing the Action with prejudice.

21 9. “PAGA Period” means from December 14, 2022 to the date of the approval of this
22 settlement.

23 10. “Plaintiffs’ Counsel” means Omid J. Shirazi of K&S Law Group, PC.

24 11. “Released Claims” means any and all claims, debts, liabilities, demands,
25 obligations, guarantees, costs, expenses, attorneys’ fees, damages or causes of action that could
26 have been asserted individually by the Representative Plaintiff, either pursuant to the PAGA or
27 otherwise, which were alleged or could have been alleged, based on the facts in the Complaint
28 filed by the Representative Plaintiff, on behalf of herself for all claims within the applicable

1 statutes of limitations and, as to the Aggrieved Employees in this Action, during the PAGA Period,
2 and shall specifically include all civil penalties that are recoverable under the PAGA based on the
3 facts alleged in the operative Complaint, including any of the penalties which are or may be
4 available under the California Labor Code for failure to pay overtime wages, failure to pay
5 minimum wages, failure to make payments within the required time, failure to provide accurate
6 wage statements, failure to provide meal breaks, failure to provide rest breaks, failure to pay
7 waiting time penalties, failure to reimburse business expenses, violations of California Labor Code
8 §§ 558, 558.1, or similar statutes, violations of the Industrial Welfare Commission Wage Orders,
9 and any other claims pertaining to the Aggrieved Employees which were alleged, or could have
10 been alleged based on the facts in the operative Complaint, and is inclusive of all Representative
11 Plaintiff's and the Aggrieved Employees' attorneys' fees and costs.

12 12. "Released Parties" include Defendants, and their past, present, and future parents,
13 affiliates, subsidiaries, successors in interest, merged parties, divisions, predecessors, successors,
14 partners, joint venturers, affiliated organizations, shareholders, insurers, reinsurers and assigns,
15 and each of their past, present and future officers, directors, trustees, agents, employees, attorneys,
16 contractors, representatives, benefits plans sponsored or administered by Defendants, divisions,
17 units, and branches, and any other persons or entities acting on behalf of or in concert with any of
18 the foregoing.

19 13. "Representative Plaintiff" means Carmen Sanders and her representative(s), heir(s),
20 assign(s), attorney(s), and/or insurer(s).

21 14. "Settlement" means the settlement reached by the Parties, as memorialized by the
22 *Settlement Agreement and Release* signed on or about April 2, 2025.

23 15. "Settlement Payment(s)" refers to the payment(s) to the LWDA pursuant to the
24 terms of the Settlement.

25 V.

26 **BACKGROUND AND REASONS FOR SETTLEMENT**

27 On December 28, 2021, Plaintiff filed a "PAGA notice" (notice alleging violations of the
28 California Labor Code subject to civil penalties) with the LWDA concerning the Defendants. On

1 February 14, 2022, following the expiration of the statutory waiting period under the PAGA,
2 Representative Plaintiff via counsel filed a Complaint asserting individual tort and wage and hour
3 claims, as well as a representative claim under the PAGA seeking civil penalties and other remedies.
4 Representative Plaintiff alleges, generally, that Defendants failed to reimburse Aggrieved
5 Employees for business expenses, failed to pay wages owed, failure to provide rest breaks, failed to
6 pay wages on separation of employment, and failed to provide copies of personnel records. (Compl.,
7 ¶¶ 471-484.)

8 During all times relevant, Representative Plaintiff maintains that Representative Plaintiff has
9 kept the LWDA informed and has exhausted all her administrative remedies. The LWDA has given
10 no notice to the parties of their intent to take this case over and prosecute the claims alleged herein.
11 (Shirazi Decl., ¶¶ 9.)

12 From the outset of this litigation, this case has been litigated aggressively, to say the least.
13 (See, Register of Actions – Generally.) Representative Plaintiff actively sought discovery and
14 documents from Defendants and third-parties Defense Counsel moved in lockstep with every stage
15 of Plaintiff’s prosecution of the claims. After meeting and conferring, the parties entered a stipulated
16 protective order and agreed to exchange information related to the Aggrieved Employees. Despite
17 Plaintiffs’ diligent efforts, few, if any, of the Aggrieved Employees expressed interest in cooperating
18 with the investigation of the representative claims. (Shirazi Decl., ¶¶ 4-5.) Relatedly, Defendants
19 rebuffed Plaintiff’s discovery requests contending that Plaintiff was overstepping. The parties met
20 and conferred over their discovery disputes but with limited success—and despite multiple informal
21 discovery conferences or Motions to Compel with the Court. (Shirazi Decl., ¶¶ 6.) Ultimately,
22 based on the facts and the evidence elicited, Representative Plaintiff determined that Defendants did
23 not have a systemic wage and hour practice that impaired the interests of the Aggrieved Employees.
24 Considering all this information, and the risk of not prevailing on franchisor liability, Plaintiff’s
25 Counsel maintains they were able to determine the value of the case despite Defendants’ vehement
26 claims they did nothing wrong. (Shirazi Decl., ¶¶ 8, 10.)

27 Thereafter, the parties agreed to mediate with Christopher Barnes in April 2025. (Shirazi
28 Decl., ¶ 7.) However, before the mediation, the parties engaged in meaningful settlement discussions

1 in an effort to resolve the outstanding claims—both as to the franchisor (the Xponential Defendants)
2 and the franchisee (the CB Pilates Defendants).

3 During the informal settlement discussions, the parties engaged in extensive and
4 meaningful discussions about the factual and legal strengths and weaknesses of the claims and
5 defenses—including, in particular, the PAGA claim. Before the mediation, the parties entered into
6 an agreement to settle. This agreement was reduced to writing (the Settlement). ((Shirazi Decl. ¶
7 7, Ex. 1.)

8 Plaintiff's Counsel's review of the evidence demonstrates the presence of many obstacles
9 to obtaining favorable adjudication on the PAGA theory. The prevailing wage/overtime claims,
10 for example, lacked evidence because Defendants are in the Pilates industry such that most, if not
11 all of, the Aggrieved Employees work shifts that are four hours or less (thus not triggering many
12 of the thresholds for claims such as overtime violations and meal / rest breaks). Defendants further
13 opposed Representative Plaintiff's PAGA claims on grounds that the theories were inherently
14 unique to her individual experiences working for CB Pilates, Inc. that make trial unmanageable
15 and that regardless Defendants maintain all Aggrieved Employees received compliant meal and
16 rest breaks. There is virtually no evidence demonstrating that Defendants failed to maintain
17 records because Representative Plaintiff later learned that Defendants kept careful records of
18 Aggrieved Employees' working hours. Defendants further maintain that Representative Plaintiff's
19 reimbursement claim is not valid because of Defendants' alleged reimbursement policy allowed
20 its employees to obtain expense reimbursements. (Shirazi Decl., ¶¶ 10-11)

21 Indeed, as noted, there may not be systemic wage and hour practice on the part of
22 Defendants that is unlawful that Representative Plaintiff and Plaintiffs' Counsel could identify as
23 viable due to high burden to substantiate franchisor liability. (Shirazi Decl., ¶¶ 10-12.)

24 Despite the foregoing, the parties agreed to allocate a portion of the total settlement to the
25 PAGA claim—and believe the same to be fair and reasonable under the circumstances (including,
26 importantly, the costs of prosecuting / defending a representative claim under the PAGA). This
27 belief is based on a variety of factors, such as the disputed factual and legal issues involved in the
28 Action, the risks and substantial expenses involved in the further prosecution of this case, and the

benefit the LWDA will receive via the Settlement. (Shirazi Decl., ¶¶ 12)

Defendants deny each and every allegations asserted in the operative Complaint and assert they have no liability. Nonetheless, Defendants similarly believe there are benefits associated with settling the Action. After taking into account the disputed factual and legal issues involved in the Action, the expense and burden of protracted litigation, and their desire to put the controversy to rest, Defendants believe the Settlement is in Defendants' best interests and is fair and reasonable. (Shirazi Decl., ¶¶ 12.)

VI.

SETTLEMENT APPROVAL AND IMPLEMENTATION PROCEDURE

A. Approval of the PAGA Settlement.

By this Application, Plaintiff's Counsel respectfully requests Court approval of the Settlement. The Settlement contemplates (1) entry of an Order granting approval of the Settlement and dismissing the Action with Prejudice and (2) the payment to the LWDA.

B. Payment to the LWDA.

Given the absence of an unlawful systemic wage and hour practice as applicable to the Aggrieved Employees, the parties agreed that the Settlement Payment of \$5,000 be paid in full, without deduction, to the LWDA.

VII.

LIMITATIONS ON USE OF THIS SETTLEMENT AGREEMENT

A. No Admission.

Neither the acceptance nor the performance by Defendants of the terms contained in the Settlement or any of the related negotiations or proceedings is or shall be claimed to be, construed as, or deemed a precedent or an admission by Defendants of the truth of any allegations in the Complaint or any amended complaint, which are explicitly denied.

B. Non-Evidentiary Use.

Neither this Application, nor the Settlement, shall be offered or used as evidence by the Representative Plaintiff, any Aggrieved Employees, Defendants, or its or their respective counsel, in the Action, except as is reasonably necessary to effectuate its purpose and terms, including

1 enforcement of the Settlement in the event of breach by any party as provided herein. The Court's
2 Order granting this Application, and the Settlement, may be used by Defendants and/or the
3 Released Persons to prove or defend against any claim released herein by any Aggrieved Employee
4 in any judicial, quasi-judicial, administrative or governmental proceeding.

5 **VIII.**

6 **RELEASES**

7 **A. Aggrieved Employees.**

8 Upon the approval by the Court of this Application and by operation of the Settlement, and
9 except as to such rights or claims as may be created by this Application, all Aggrieved Employees,
10 fully release and discharge the Released Persons from all Released Claims, whether known or
11 unknown during the PAGA Period.

12 **B. Representative Plaintiff.**

13 For the purpose of implementing a full and complete release of his claims against Released
14 Parties, Representative Plaintiff expressly acknowledges that the releases given in the Settlement
15 and this Application are intended to include, without limitation, any and all claims the
16 Representative Plaintiff may have against Released Parties, including but not limited to those
17 claims Plaintiff did not know or suspect to exist in his favor at the time of the effective date of the
18 Settlement, regardless of whether the knowledge of such claims, or the facts upon which they
19 might be based, would materially have affected the settlement of this matter. Representative
20 Plaintiff further acknowledges that the consideration given under the Settlement and this
21 Application is also for the release of those claims and contemplates the extinguishment of all
22 known, and any unknown, claims. Representative Plaintiff makes this complete release of claims,
23 waiving any rights provided to the Representative Plaintiff under California Code of Civil
24 Procedure § 1542, which provides as follows:

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

1 This release of unknown claims is not made on behalf of the LWDA and applies only to
2 the Representative Plaintiff.

3 **IX.**

4 **MISCELLANEOUS PROVISIONS**

5 **A. Amendments.**

6 Material terms (i.e., terms affecting payment amounts) of the Settlement may be amended
7 only by a written agreement signed by the parties and approved by the Court. Nonmaterial
8 amendments or modifications to the Settlement, however, may be made in writing between
9 Plaintiffs' Counsel and Defendants' Counsel without the need to obtain signatures from the
10 represented parties.

11 **B. Jurisdiction of the Court to Enforce Terms of Agreement.**

12 The Court will retain jurisdiction to enforce the terms of the Settlement following approval
13 of the Application pursuant to Code of Civil Procedure section 664.6. The Court shall have exclusive
14 jurisdiction to enforce the terms and conditions contained herein.

15 **X.**

16 **CONCLUSION**

17 For the foregoing reasons, Representative Plaintiff respectfully request this Court to approve
18 the PAGA Settlement pursuant to Labor Code §§ 2699, et seq.

19
20 Dated: April 24, 2025

K&S LAW GROUP, PC

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22 By:



23 OMID J. SHIRAZI

24 Attorneys for CARMEN SANDERS
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8. After weighing Plaintiff's allegations against the evidence received and considering the legal and factual defenses asserted by Defendants, such as prevailing on franchisor liability, I determined that the amount offered in settlement of the PAGA claim was fair, reasonable, and equitable under the circumstances.

9. At all times during this action, Plaintiff has complied with the procedural requirements of PAGA, including timely notice to the LWDA. The LWDA did not intervene or indicate an intent to investigate or prosecute the alleged violations.

10. During discovery and investigation, my office found minimal evidence of a systemic or uniform policy by Defendants that would support broad, representative liability under PAGA.

11. Continuing to litigate the PAGA claim would have required extensive additional discovery, motion practice, and potentially a lengthy jury trial on representative issues. The costs of continued litigation, combined with the evidentiary and legal obstacles—including the high burden of proving franchisor liability—further supported the fairness of the settlement.

12. Based on my review of the claims, defenses, and available evidence, I believe that the payment of \$5,000 allocated entirely to the LWDA reasonably reflects the value of the representative claims and ensures that the State's interest in enforcement and deterrence is served.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed this 24th day of April 2025, at Newport Beach, California.

/s/ Omid J. Shirazi

Omid J. Shirazi

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EXHIBIT “1”

SETTLEMENT AGREEMENT AND GENERAL RELEASE

This Settlement Agreement and General Release (the “Agreement”) is entered into by and between **Xponential Fitness Inc., Xponential Fitness LLC, Club Pilates Franchise, LLC, (collectively referred to as “Xpo Defendants”), CB Pilates, Inc. (“CB Pilates”), Christopher Clements, and Brianna Clements** (referred to throughout this Agreement as “Defendants”) and **Carmen Alyse Sanders** (“Plaintiff”). The term “Party” or as used herein shall refer to Defendants, Plaintiff, or both, as may be appropriate, the term “Parties” refers collectively to Plaintiff and Defendants.

1. Recitals.

This Agreement is made with reference to the following facts:

(a) On or about December 28, 2021, and pursuant to Labor Code section 2699.3, subd.(a), Plaintiff sent to Defendants and the Labor and Workforce Development Agency a PAGA claim notice.

(b) On or about February 14, 2022, Plaintiff brought an action against multiple parties, including Defendants, which is pending as *Carmen Sanders v. Xponential Fitness, Inc., a Delaware corporation; Xponential Fitness LLC, a Delaware limited liability company; Club Pilates Franchise, LLC, a Delaware limited liability company; CB Pilates, Inc. doing business as CB Pilates a California corporation; Christopher Clements, an individual; Brianna Clements, an individual; and DOES 1 through 50*, Superior Court of the State of California, County of San Diego, Case No.: 37-2022-00005817-CU-OE-NC (the “Lawsuit”). In the Lawsuit, Plaintiff asserts claims for Discrimination on the basis of a Medical Condition [Govt. Code section 12940], Retaliation in violation of FEHA, Failure to Prevent Discrimination and Retaliation [Govt. Code section 12940(k)], Failure to engage in the good faith interactive process and provide reasonable accommodation [Govt. Code section 12940(m)], Failure to provide paid sick days [Labor Code section 246], Failure to reimburse employee for business expenses [Labor code section 2802], Failure to pay wages owed [Labor Code sections 222, 1194 and 1197], Failure to provide rest breaks [Labor Code sections 226.7 and 512], Failure to provide accurate wage statements [Labor Code section 226], Failure to pay wages on separation of employment [Labor Code sections 201, 203, and 2926], Failure to provide copies of personnel records [Labor Code section 1198.5], Wrongful termination in violation of public policy, Unfair business practices [Bus. & Prof. Code sections 17200, et seq.], and Civil penalties under the Private Attorney General Act [Labor Code section 2698]; and

(c) There has been no determination on the merits of the Lawsuit but, in order to avoid additional cost and the uncertainty of litigation, Plaintiff and Defendants have chosen to enter into this Agreement.

2. Consideration/Indemnification for Tax Consequences and Liens.

(a) In consideration for Plaintiff signing this Agreement, and complying with its terms and subject to the revocation language below, if any, Defendants agree to pay the total

gross sum of TWO HUNDRED AND TWENTY-FIVE THOUSAND DOLLARS AND ZERO CENTS (\$225,000) (the “Settlement Payment”), to be paid as follows:

(1) One payment via ACH or wire transfer for all alleged damages made payable to K&S Law Group, PC’s Client Trust Account, in the amount of ONE HUNDRED AND TWENTY-FIVE THOUSAND DOLLARS AND ZERO CENTS to be paid by Xpo Defendants.

(2) One payment for alleged lost back pay or front pay by check made payable to “Carmen Alyse Sanders” in the amount of TEN THOUSAND DOLLARS AND ZERO CENTS (\$10,00.00), less applicable payroll/tax withholdings, for which Employer, here CB Pilates, shall issue an IRS Form W-2 to Employee;

(3) CB Pilates agrees to pay compensation for alleged emotional distress, liquated, or other non-wage damages, attorneys’ fees, costs, penalties, and expenses, to “Carmen Alyse Sanders” for the total gross sum of EIGHTY FIVE THOUSAND DOLLARS AND ZERO CENTS (\$85,000.00) to be paid in installments as follow:

- a. Initial payment due within thirty (30) days after entry of the Court’s approval of the PAGA settlement of THIRTY THOUSAND DOLLARS AND ZERO CENTS (\$30,000.00);
- b. Second payment due sixty (60) days after entry of the Court’s approval of the PAGA settlement of THIRTY THOUSAND DOLLARS AND ZERO CENTS (\$30,000.00); and
- c. Third payment due ninety (90) days after entry of the Court’s approval of the PAGA settlement of TWENTY FIVE THOUSAND DOLLARS AND ZERO CENTS (\$25,000.00)

For the payments listed in this subparagraph (3) CB Pilates shall issue an IRS Form W-1099 to Employee.

(4) CB Pilates also agrees to pay \$5,000 to the LWDA, which will be allocated as the PAGA Settlement (“PAGA Settlement”. CB Pilates agrees to pay the PAGA Settlement within 30 days of the Court’s approval of the PAGA Settlement. Plaintiff agrees that Plaintiff is responsible for all applicable taxes, if any, as a result of the receipt of these monies in Paragraph 2(a)((1)-(3). Plaintiff understands and agrees Defendants are providing Plaintiff with no representations regarding tax obligations or consequences that may arise from this Agreement. Plaintiff, for Plaintiff and Plaintiff’s dependents, successors, assigns, heirs, executors, and administrators (and Plaintiff’s legal representatives of every kind), agrees to indemnify and hold the Releasees (as defined herein) harmless for the amount of any taxes, penalties, or interest that may be assessed by any governmental tax authority against any of the Releasees in connection with such governmental authority’s determination that Defendants or any of the other Releasees was required to, but failed to, withhold or report the correct amount of income or employment taxes from the payments made to Plaintiff or Plaintiff’s Counsel pursuant to Paragraph 2(a) of this Agreement. Plaintiff agrees that Plaintiff shall indemnify the Releasees for the full amount of such liability within thirty (30) days after receipt of notice from Defendants or any of the other Releasees of the assessment of such taxes, penalties, or interest.

(b) Plaintiff does not and will not dispute that the payment made by the Defendants under this Agreement is intended to constitute a deductible business expense to the Defendants to the extent permitted by applicable law and is not intended to be a non-deductible penalty under Section 162(f) of the Internal Revenue Code or any similar provision of law. Plaintiff further does not and will not dispute that the characterization of the payment for tax purposes shall be governed by this intent, but neither Party makes any representation or guarantee as to the ultimate tax treatment by any taxing authority.

(c) Any settlement payments made by check set forth in this paragraph will be delivered to K&S Law Group, PC ("Plaintiff's Counsel") at 1301 Dove Street, Suite 960, Newport Beach, CA 92660.

3. No Consideration Absent Execution of this Agreement.

Plaintiff understands and agrees that Plaintiff would not receive the monies and/or benefits specified in Paragraph 2(a) above, except for Plaintiff's timely execution of this Agreement and the fulfillment of the promises contained herein.

4. Disbursal of Settlement Funds/Dismissal of Action.

(a) The settlement payments described in Paragraph 2(a) will be sent, as identified above, the first payment to trigger twenty-one (21) calendar days after the latest of all of the following have occurred, with the exception of the settlement payments described in Paragraph 2(a)(3) and (4):

(1) counsel for Defendants receives a copy of the Agreement signed by Defendants and Plaintiff;

(2) counsel for Defendants receives an executed W-9 Form from Plaintiff;

(3) counsel for Defendants receives an executed W-9 Form from Plaintiff's Counsel;

(4) counsel for Defendants receives Plaintiff's counsel's wire instructions; and

(5) counsel for Defendants receives (i) an original fully-executed Request for Dismissal with prejudice of the Lawsuit against all Defendants, and (ii) an original fully-executed Notice of Settlement of Entire Case (Judicial Counsel form CM-200) as to CB Pilates.

(6) The Court approves the PAGA Settlement.

(b) If the date by which the payment described herein is to be made available to Plaintiff's Counsel falls on a Saturday, Sunday, or legal holiday in the State of California, then the date said payment shall be made available to Plaintiff's Counsel shall be the next following day which is not a Saturday, Sunday, or legal holiday in the State of California.

(c) Defendants' Counsel shall maintain custody of the original fully-executed Request for Dismissal of the Lawsuit. Defendants' Counsel shall agree not to file the Request for Dismissal until confirmation of Plaintiff's Counsel's receipt of the settlement sums set forth in Section 2(a)(1) and (2) above. Thereafter, Defendants' Counsel shall have the authority to immediately file the Request for Dismissal with the Court. No Party shall claim to be the prevailing party in the Lawsuit.

5. General Release, Claims Not Released and Related Provisions.

(a) General Release of All Claims.

Plaintiff and Plaintiff's heirs, executors, administrators, successors, and assigns knowingly and voluntarily release and forever discharge Defendants, Defendants' past, present and future direct or indirect parent organizations, subsidiaries, divisions, affiliated entities, and its and their partners, officers, members, shareholders, owners, directors, trustees, administrators, fiduciaries, employment benefit plans and/or pension plans or funds, executors, attorneys, employees, insurers, reinsurers and/or agents and their successors and assigns individually and in their official capacities, including but not limited to Anthony Geisler and Club Pilates Franchise SPV, LLC (collectively referred to herein as "Defendants' Releasees"), jointly and severally, of and from any and all claims, known and unknown, asserted or unasserted, which Plaintiff has or may have against Releasees as of the date of execution of this Agreement, including, but not limited to, any alleged violation of the following, as amended:

- Title VII of the Civil Rights Act of 1964;
- Sections 1981 through 1988 of Title 42 of the United States Code;
- The Employee Retirement Income Security Act of 1974 ("ERISA");
- The Internal Revenue Code of 1986;
- The Immigration Reform and Control Act;
- The Americans with Disabilities Act of 1990;
- The Worker Adjustment and Retraining Notification Act;
- The Fair Credit Reporting Act;
- The Family and Medical Leave Act;
- The Equal Pay Act;
- The Genetic Information Nondiscrimination Act of 2008;
- The Uniformed Services Employment and Reemployment Rights Act of 1994 ("USERRA");
- Families First Coronavirus Response Act;
- The Pregnant Worker's Fairness Act ("PWFA")
- California Family Rights Act – Cal. Gov't Code § 12945.2;
- California Fair Employment and Housing Act – Cal. Gov't Code § 12900 et seq.;
- California Unruh Civil Rights Act – Cal. Civ. Code § 51 et seq.;
- Statutory Provisions Regarding the Confidentiality of AIDS Information – Cal. Health & Safety Code § 120775 et seq.;
- California Confidentiality of Medical Information Act – Cal. Civ. Code § 56 et seq.;
- California Parental Leave Law – Cal. Lab. Code § 230.7 et seq.;
- California Military Personnel Bias Law – Cal. Mil. & Vet. Code § 394;
- The California Occupational Safety and Health Act, as amended, and any applicable regulations thereunder;

- The California Consumer Credit Reporting Agencies Act – Cal. Civ. Code § 1785 et seq.
- California Investigative Consumer Reporting Agencies Act – Cal. Civ. Code § 1786 et seq.;
- Those provisions of the California Labor Code that lawfully may be released;
- any other federal, state or local law, rule, regulation, or ordinance;
- any public policy, contract, tort, or common law; or
- any basis for recovering costs, fees, or other expenses including attorneys' fees incurred in these matters.

(b) **Release by Aggrieved Employees:**

Upon court approval of this settlement, 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 Lawsuit and the PAGA Notice. Aggrieved Employees are defined as all current and former nonexempt employees of Defendant CB Pilates who work or worked within the state of California from December 28, 2020, through the date of court approval of this settlement.

(c) **Claims Not Released.** Plaintiff is not waiving any rights Plaintiff may have to: (i) pursue claims which by law cannot be waived by signing this Agreement; (ii) enforce this Agreement.

(d) **Governmental Agencies.** Nothing in this Agreement restricts or prohibits any person from initiating communications directly with, responding to any inquiries from, providing testimony before, providing confidential information to, reporting possible violations of law or regulation to, or from filing a claim or assisting with an investigation directly with a self-regulatory authority or a government agency or entity, including the U.S. Securities and Exchange Commission, or from making other disclosures that are protected under the whistleblower provisions of state or federal law or regulation. No person or entity bound by this Agreement needs the prior authorization of any person or entity to engage in conduct protected by the preceding sentence, nor are they obligated to notify any person or entity that they have engaged in such conduct.

(e) **Collective/Class Action Waiver and Jury Waiver.** If any claim is not subject to release, to the extent permitted by law, Plaintiff waives: (1) the right to a jury trial, and (2) any right or ability to be a class or collective action representative or to otherwise participate in any putative or certified class, collective or multi-party action or proceeding based on such a claim in which Defendants or any other Releasee identified in this Agreement is a party.

(f) **Waiver of California Civil Code Section 1542.** To effect a full and complete general release as described above, Plaintiff expressly waives and relinquishes all rights and benefits of Section 1542 of the Civil Code of the State of California, and does so understanding and acknowledging the significance and consequence of specifically waiving Section 1542. Section 1542 of the Civil Code of the State of California states as follows:

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

Thus, notwithstanding the provisions of Section 1542, and to implement a full and complete release and discharge of the Releasees, Plaintiff expressly acknowledges this Agreement is intended to include in its effect, without limitation, all claims Plaintiff does not know or suspect to exist in Plaintiff's favor at the time of signing this Agreement, and that this Agreement contemplates the extinguishment of any such claims. Plaintiff warrants Plaintiff has read this Agreement, including this waiver of California Civil Code Section 1542, and that Plaintiff has consulted with or had the opportunity to consult with counsel of Plaintiff's choosing about this Agreement and specifically about the waiver of Section 1542, and that Plaintiff understands this Agreement and the Section 1542 waiver, and so Plaintiff freely and knowingly enters into this Agreement. Plaintiff further acknowledges that Plaintiff later may discover facts different from or in addition to those Plaintiff now knows or believes to be true regarding the matters released or described in this Agreement, and even so Plaintiff agrees that the releases and agreements contained in this Agreement shall remain effective in all respects notwithstanding any later discovery of any different or additional facts. Plaintiff expressly assumes any and all risk of any mistake in connection with the true facts involved in the matters, disputes, or controversies released or described in this Agreement or with regard to any facts now unknown to Plaintiff relating thereto.

6. Defendants' Releases.

(a) Defendants' Release of Plaintiff. Defendants knowingly and voluntarily release and forever discharge Plaintiff, her heirs, successors and assigns, of and from any and all claims arising from her employment with CB Pilates, known and unknown, asserted or unasserted, which they have or may have against Plaintiff as of the date of execution of this Agreement.

(b) Defendants' Release of Each other. Xpo Defendants and Xpo Defendants' Releasees and CB Pilates Defendants and CB Pilates Defendants' Releasees hereby absolutely and irrevocably release and discharge each other of and from any and all claims, obligations, debts, proceedings, demands, causes of actions, rights to terminate and rescind, liabilities, losses, damages, and rights of every kind and nature whatsoever arising out the Lawsuit, including any claim for indemnity (contractual, equitable, implied or otherwise). Defendants, on behalf of themselves and all related parties identified herein, covenant not to initiate, prosecute, encourage, assist, or (except as required by law) participate in any civil, criminal, or administrative proceeding or investigation in any court, agency, or other forum, either affirmatively or by way of cross-claim, defense, or counterclaim, against any other Defendants or Releasees with respect to any claim for indemnity, contribution and/or apportionment released under this Section.

7. Confidentiality.

(a) The Parties confirm that prior to the execution of this Agreement, the Parties have not revealed its substance or terms to any third parties. The Parties agree not to disclose any information regarding the substance or terms of this Agreement, except (1) as required to receive

court approval of this settlement under Lab. Code § 2699(s)(2) or (2) to Plaintiff's spouse, tax advisor, an attorney with whom Plaintiff chooses to consult regarding Plaintiff's consideration of this Agreement and/or to any federal, state or local government agency. Notwithstanding the foregoing, nothing in this Agreement restricts or prohibits any person from initiating communications directly with, responding to any inquiries from, providing testimony before, providing confidential information to, reporting possible violations of law or regulation to, or from filing a claim or assisting with an investigation directly with a self-regulatory authority or a government agency or entity, including the U.S. Securities and Exchange Commission, or from making other disclosures that are protected under the whistleblower provisions of state or federal law or regulation. No person or entity bound by this Agreement needs the prior authorization of any person or entity to engage in conduct protected by the preceding sentence, nor are they obligated to notify any person or entity that they have engaged in such conduct. This provision is not intended to, and does not in any way limit Plaintiff's rights pursuant to Code of Civil Procedure sections 1001 or 1002.

8. Motion Or Application for Approval Of PAGA Settlement.

The Parties agree to jointly prepare and file an application or motion for approval of the PAGA Settlement.

(a) CB Pilates' Responsibilities. CB Pilates will prepare and deliver to all other Counsel all documents necessary for obtaining approval of this Settlement under Labor Code Section 2699, subd. (s)(2) including (i) a draft application or motion for approval of this Settlement no later than 30 days after the full execution of this Agreement and (ii) a draft proposed Order Granting Approval of PAGA Settlement.

(b) Plaintiff's Responsibilities. Plaintiff will provide a signed declaration from Plaintiff's Counsel's firm attesting to its timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), Operative Complaint (Labor Code section 2699, subd. (l)(1)), this Agreement (Labor Code section 2699, subd. (l)(2))

(c) Joint Responsibilities of CB Pilates and Plaintiff. Plaintiff's Counsel and CB Pilates' Counsel are jointly responsible for expeditiously finalizing and filing the application or motion for approval of this Settlement no later than 45 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.

(d) 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, all 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, Plaintiff's Counsel and CB Pilates' 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. In no event will Defendants be financially responsible for any amount in exceed of the Settlement Payment.

9. Acknowledgements and Affirmations.

(a) The Parties affirm that neither Plaintiff nor Defendants has filed, caused to be filed, or presently is a party to any claim against each other, except the Lawsuit, which is being dismissed with prejudice. Nothing in this Agreement or these Affirmations is intended to impair Plaintiff's rights under whistleblower laws or cause Plaintiff to disclose Plaintiff's participation in any governmental whistleblower program or any whistleblowing statute(s) or regulation(s) allowing for anonymity.

(b) The Parties also affirm that they have not divulged any proprietary or confidential information of each other and will continue to maintain the confidentiality of such information consistent with Defendants' policies and Plaintiff's agreement(s) with Defendants and/or common law. Under the federal Defend Trade Secrets Act of 2016, Plaintiff shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that: (a) is made (i) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney; and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (b) is made to Plaintiff's attorney in relation to a lawsuit against Defendants for retaliation against Plaintiff for reporting a suspected violation of law; or (c) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal.

(c) Plaintiff further affirms that Plaintiff has not reported internally to Defendants any allegations of wrongdoing by Defendants or its officers, including any allegations of corporate fraud, and Plaintiff has not been retaliated against for reporting or objecting to any such allegations internally to Defendants.

(d) Plaintiff and Defendants acknowledge Plaintiff's rights to make truthful statements or disclosures required by law, regulation, or legal process and to request or receive confidential legal advice, and nothing in this Agreement shall be deemed to impair those rights.

10. Governing Law and Interpretation.

This Agreement shall be governed and conformed in accordance with the laws of California without regard to its conflict of laws provision; provided, however, that parole evidence shall not be admissible to alter, vary, or supplement the terms of this Agreement. In the event of a breach of any provision of this Agreement, either Party may institute an action specifically to enforce any term or terms of this Agreement and/or to seek any damages for breach. However, the Party instituting such an action must take steps to file this Agreement or any documents setting forth the terms of this Agreement with the court under seal. In an action to enforce any term or terms of this Agreement or to seek damages for breach of this Agreement, the prevailing Party in that action shall be entitled to recover reasonable attorneys' fees and costs. Should any provision of this Agreement be declared illegal or unenforceable by any court of competent jurisdiction and cannot be modified to be enforceable, excluding the general release language, such provision shall immediately become null and void, leaving the remainder of this Agreement in full force and effect. Should a court declare or find the general release in this Agreement to be unenforceable for any reason, Plaintiff agrees to sign a replacement release in a form provided by Defendants.

11. Nonadmission of Wrongdoing.

The Parties agree that neither this Agreement nor the furnishing of the consideration for this Agreement shall be deemed or construed at any time for any purpose as an admission by Releasees of wrongdoing or evidence of any liability or unlawful conduct of any kind.

12. Amendment.

This Agreement may not be modified, altered or changed except in writing and signed by both Parties wherein specific reference is made to this Agreement.

13. Entire Agreement.

This Agreement sets forth the entire agreement between the Parties hereto, and fully supersedes any prior agreements or understandings between the Parties, except for any arbitration, intellectual property, noncompete, restrictive covenant, non-solicitation, nondisclosure, or confidentiality agreements between Defendants and Plaintiff, which shall remain in full force and effect according to their terms. Plaintiff acknowledges that Plaintiff has not relied on any representations, promises, or agreements of any kind made to Plaintiff in connection with Plaintiff's decision to accept this Agreement, except for those set forth in this Agreement.

14. Counterparts and Signatures.

This Agreement may be signed in counterparts, each of which shall be deemed an original, but all of which, taken together shall constitute the same instrument. A signature made on a faxed or electronically mailed copy of the Agreement or a signature transmitted by facsimile or electronic mail, or which is made electronically, will have the same effect as the original signature.

15. Mutual Negotiation.

This Agreement was the result of negotiations between the Parties and their respective counsel. In the event of vagueness, ambiguity, or uncertainty, this Agreement shall not be construed against the Party preparing it. Instead, it shall be construed as if both Parties prepared it jointly.

16. Third Party Beneficiaries.

All Releasees are third party beneficiaries of this Agreement for purposes of the protections offered by this Agreement, and they shall be entitled to enforce the provisions of this Agreement applicable to any such Releasee as against Plaintiff or any party acting on Plaintiff's behalf.

17. No Transfer/Assignment of Claims.

Plaintiff warrants and represents that Plaintiff has not assigned or transferred or purported to assign or transfer to any person or entity all or any part of or any interest in any claim released under this Agreement. Plaintiff and Plaintiff's Counsel agree that they solely are responsible for the satisfaction of any assignment or lien to any lien holder and will indemnify and hold the Releasees harmless against any liens, damages, penalties, fines, fees, assessments, taxes, or

attorneys' fees that may be imposed against or incurred by any of the Releasees as a result of the actions of any lien holder or any lien claimant or any taxing authority or any court in relation to any interest which any third-party may have in any claim which Plaintiff is releasing under this Agreement or any interest in any of the proceeds paid to Plaintiff or Plaintiff's Counsel under this Agreement.

18. Attorneys' Fees and Costs.

Except as otherwise set forth herein, the Parties shall bear their own respective attorneys' fees and costs related to the Lawsuit, this Agreement, and the alleged claims resolved herein, and agree they shall not pursue any other Party for any attorneys' fees or costs relating to the matters released herein.

19. No Prevailing Party.

Neither Defendants, nor Plaintiff, shall be considered a prevailing party in the Lawsuit.

PLAINTIFF ACKNOWLEDGES THAT PLAINTIFF HAS HAD A REASONABLE PERIOD OF TIME OF NOT LESS THAN FIVE (5) DAYS TO CONSIDER THIS AGREEMENT. PLAINTIFF FURTHER ACKNOWLEDGES THAT PLAINTIFF HAS BEEN ADVISED TO CONSULT WITH AN ATTORNEY PRIOR TO SIGNING THIS AGREEMENT AND HAS IN FACT OBTAINED LEGAL REPRESENTATION ABOUT THE DECISION TO ENTER INTO THIS AGREEMENT BY PLAINTIFF'S COUNSEL OMID J. SHIRAZI, AND SO DOING, ENTERS INTO THIS AGREEMENT.

PLAINTIFF FREELY AND KNOWINGLY, AND AFTER DUE CONSIDERATION, ENTERS INTO THIS AGREEMENT INTENDING TO WAIVE, SETTLE AND RELEASE ALL CLAIMS PLAINTIFF HAS OR MIGHT HAVE AGAINST RELEASEES.

The Parties knowingly and voluntarily sign this Agreement as of the date(s) set forth below:

CARMEN ALYSE SANDERS

XPONENTIAL FITNESS, INC.

By: 

By: _____

Date: March 31, 2025

Print Name:

Title:

Date: _____

attorneys' fees that may be imposed against or incurred by any of the Releasees as a result of the actions of any lien holder or any lien claimant or any taxing authority or any court in relation to any interest which any third-party may have in any claim which Plaintiff is releasing under this Agreement or any interest in any of the proceeds paid to Plaintiff or Plaintiff's Counsel under this Agreement.

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The Parties knowingly and voluntarily sign this Agreement as of the date(s) set forth below:

CARMEN ALYSE SANDERS

By: 

Date: March 31, 2025

XPONENTIAL FITNESS, INC.

By: 

Print Name: John Meloun

Title: CFO

Date: 4/9/2025

XPONENTIAL FITNESS LLC

John Meloun

By: _____.

Print Name: John Meloun

Title: CFO

Date: 4/9/2025_____.

CLUB PILATES FRANCHISE, LLC

John Meloun

By: _____.

Print Name: John Meloun

Title: CFO

Date: 4/9/2025_____.

CB PILATES, INC.

By: _____.

Print Name:

Title:

Date: _____.

BRIANNA CLEMENTS

By: _____.

Print Name:

Title:

Date: _____.

CHRISTOPHER CLEMENTS

By: _____.

Print Name:

Title:

Date: _____.

XPONENTIAL FITNESS LLC

By: _____.

Print Name:

Title:

Date: _____.

CLUB PILATES FRANCHISE, LLC

By: _____.

Print Name:

Title:

Date: _____.

CB PILATES, INC

Signed by:

By: _____.

Print Name: Chris Clements

Title: President

Date: 4/2/2025 _____.

BRIANNA CLEMENTS

Signed by:

By: _____.

Print Name:

Title:

Date: 4/2/2025 _____.

CHRISTOPHER CLEMENTS

Signed by:

By: _____.

Print Name:

Title:

Date: 4/2/2025 _____.