

PRIVATE ATTORNEYS GENERAL ACT SETTLEMENT AGREEMENT

This Private Attorneys General Act of 2004 (“PAGA”) Settlement Agreement (“Agreement”) is made by and between Plaintiff Blanca Melendrez (“Plaintiff”) and Defendant DNA Specialty, Inc. (“Defendant”). The Agreement refers to Plaintiff and Defendant collectively as “Parties,” or individually as “Party.”

1. DEFINITIONS.

- 1.1. “Action” means the Plaintiff’s PAGA lawsuit alleging wage and hour violations against Defendant captioned *Blanca Melendrez v. DNA Specialty, Inc., et al.* initiated on January 28, 2022 and pending in Superior Court of the State of California, County of Los Angeles.
- 1.2. “Administrator” means ILYM Group, Inc., 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 Defendant in California and classified as a non-exempt employee who worked for Defendant during the PAGA Period.
- 1.5. “Aggrieved Employee Data” means Aggrieved Employee identifying information in Defendant’s possession including the Aggrieved Employee’s name, last-known mailing address, Social Security number, and number of PAGA Pay Periods.
- 1.6. “Aggrieved Employee Address Search” means the Administrator’s investigation and search for current Aggrieved Employee mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Aggrieved Employees.
- 1.7. “Approval Order” means the proposed Court Order Granting Approval of PAGA Settlement.
- 1.8. “Court” means the Superior Court of California, County of Los Angeles.
- 1.9. “Defense Counsel” means David Fishman, Esq. and Teri A. Gibbs, Esq. of Ballard Rosenberg Golper & Savitt, LLP.
- 1.10. “Defendant” means named Defendant DNA Specialty, Inc., a California corporation.
- 1.11. “Effective Date” means the date when the Court enters a Judgment on its Order

Approving the PAGA Settlement.

- 1.12. "Gross Settlement Amount" means \$72,500 which is the total amount Defendant agrees to pay under the Settlement except as provided in Paragraph 8 below. The Gross Settlement Amount will be used to pay Individual PAGA Payments, the LWDA PAGA Payment, the General Release Payment to Plaintiff, PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, and the Administrator's Expenses Payment.
- 1.13. "Individual PAGA Payment" means the Aggrieved Employee's pro rata share of 25% of the PAGA Penalties (the Net Settlement Amount) calculated according to the number of Pay Periods the Aggrieved Employee worked during the PAGA Period.
- 1.14. "Judgment" means the judgment entered by the Court based upon the Approval Order.
- 1.15. "LWDA" means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i).
- 1.16. "LWDA PAGA Payment" means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).
- 1.17. "Net Settlement Amount" means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: Individual PAGA Payments, the LWDA PAGA Payment, PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, and the Administration Expenses Payment. The balance is to be paid to Aggrieved Employees as Individual PAGA Payments.
- 1.18. "PAGA Counsel" means Daniel F. Gaines, Esq. and Alex P. Katofsky, Esq. of Gaines & Gaines, APLC, the attorneys representing the Plaintiff in the Action.
- 1.19. "PAGA Counsel Fees Payment" and "PAGA Counsel Litigation Expenses Payment" mean the amounts allocated to PAGA Counsel for reimbursement of reasonable attorneys' fees and expenses, respectively, incurred to prosecute the Action.
- 1.20. "PAGA Pay Period" means any Pay Period during which an Aggrieved Employee worked for Defendant for at least one day during the PAGA Period.
- 1.21. "PAGA Period" means the period from November 24, 2020 to the Effective Date.
- 1.22. "PAGA" means the Private Attorneys General Act (Labor Code §§ 2698. *et seq.*).
- 1.23. "PAGA Notice" means Plaintiff's November 24, 2021 letter to Defendant and the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a).
- 1.24. "PAGA Penalties" means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 25% to the Aggrieved Employees (approximately \$8,156.25) and the 75% to LWDA (approximately \$24,468.75) in settlement of PAGA

claims.

- 1.25. "Plaintiff" means Blanca Melendrez, the named plaintiff in the Action.
- 1.26. "Released PAGA Claims" means the claims being released by the Plaintiff and Aggrieved Employees and as described in Paragraph 5 below.
- 1.27. "Released Parties" means: Defendant and its former, present and future owners, parents, and subsidiaries, and all of their current, former and future spouse(s), children, officers, directors, members, managers, employees, consultants, partners, shareholders, joint venturers, agents, successors, assigns, accountants, insurers, or legal representatives.
- 1.28. "Settlement" means the disposition of the Action effected by this Agreement and the Judgment.

2. RECITALS.

- 2.1. On January 28, 2022, Plaintiff commenced this Action by filing a Complaint alleging a single PAGA cause of action premised on the following Labor Code violations: (i) failing to pay all minimum and overtime wages earned by rounding down the hours reflected on Plaintiff and Aggrieved Employees' time records, in violation of Labor Code §§ 510, 558, and 1194; (ii) failing pay all minimum and overtime wages earned by requiring Plaintiff and Aggrieved Employees to work off-the-clock, in violation of Labor Code §§ 510, 558, and 1194; (iii) failing to properly compute bonus wages and other non-base hourly wages earned by Plaintiff and Aggrieved Employees into their regular rate of pay for purposes of paying overtime, meal period premiums, and sick pay wages at the correct rate, in violation of Labor Code §§ 510, 558, and 1194; (iv) failing to provide rest periods or compensation in lieu thereof, in violation of Labor Code § 226.7; (v) failing to provide meal periods or compensation at the correct rate in lieu thereof, in violation of Labor Code §§ 226.7, 510, 512, 558, and 1194; (vi) failing to reimburse all business-related expenses, in violation of Labor Code § 2802; (vii) failing to provide complete and accurate wage statements, in violation of Labor Code §§ 226(a) and 226.3; and (viii) failing to pay all wages due at the separation of employment, in violation of Labor Code §§ 201-202. (the "Operative Complaint.") Defendant denies the allegations in the Operative Complaint, denies any failure to comply with the laws identified in the Operative Complaint and denies any and all liability for the cause of action alleged.
- 2.2. Pursuant to Labor Code section 2699.3, subd.(a), Plaintiff gave timely written notice to Defendant and the LWDA by sending the PAGA Notice.
- 2.3. The Parties directly negotiated the settlement without the assistance of a mediator in the interest of avoiding unnecessary costs that would have inevitably been borne from the Gross Settlement Amount and the Aggrieved Employees.
- 2.4. The Parties, PAGA Counsel and Defense Counsel represent that they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement.

3. MONETARY TERMS.

- 3.1. Gross Settlement Amount. Except as otherwise provided by Paragraph 8 below, Defendant promises to pay \$72,500 and no more as the Gross Settlement Amount. Defendant has no obligation to pay the Gross Settlement Amount prior to the deadline stated in Paragraph 6.1 of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendant.
- 3.2. Payments from the Gross Settlement Amount. The Administrator will make and deduct the following payments from the Gross Settlement Amount, in the amounts specified by the Court in the Final Approval:
- 3.2.1. To PAGA Counsel: A PAGA Counsel Fees Payment of not more than 35% of the Gross Settlement Amount (which is currently estimated to be \$25,375) and PAGA Counsel Litigation Expenses Payment of not more than \$2,000. Defendant will not oppose requests for Court approval of these payments provided that they do not exceed these amounts. If the Court approves a PAGA Counsel Fees Payment and/or a PAGA Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. Released Parties shall have no liability to PAGA Counsel or any other Plaintiff's Counsel arising from any claim to any portion of any PAGA Counsel Fee Payment and/or PAGA Counsel Litigation Expenses Payment. The Administrator will pay the PAGA Counsel Fees Payment and PAGA Counsel Expenses Payment using one or more IRS 1099 Forms. PAGA Counsel assumes full responsibility and liability for taxes owed on the PAGA Counsel Fees Payment and the PAGA Counsel Litigation Expenses Payment and holds Defendant harmless, and indemnifies Defendant, from any dispute or controversy regarding any division or sharing of any of these Payments.
- 3.2.2. General Release Payment to Plaintiff: The amount awarded to Plaintiff as a "General Release Payment" will be set by the Court in its discretion, not to exceed \$7,500. This amount will be deducted from the Gross Settlement Amount. An IRS Form 1099 will be issued to Plaintiff for her General Release Payment. Defendant agrees not to dispute or otherwise object to the General Release Payment if Plaintiff requests \$7,500 or less. If the Court approves Plaintiff's General Release Payment in less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount.
- 3.2.3. To the Administrator: An Administrator Expenses Payment not to exceed \$5,000 except for a showing of good cause and as approved by the Court. To the extent the Administration Expenses are less or the Court approves payment less than \$5,000, the Administrator will retain the remainder in the Net Settlement Amount.
- 3.2.4. To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of approximately \$32,625 to be paid from the Gross Settlement Amount, with 75%

(approximately \$24,468.75) allocated to the LWDA PAGA Payment and 25% (approximately \$8,156.25) allocated to the Individual PAGA Payments.

3.2.4.1. The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of the Net Settlement Amount (approximately \$8,156.25) 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.

3.2.4.2. If the Court approves PAGA Penalties to the LWDA of less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

4. SETTLEMENT FUNDING AND PAYMENTS.

4.1. Aggrieved Employee Pay Periods. Based on a review of its records to date, Defendant estimates there are 31 Aggrieved Employees who worked a total 932 of PAGA Pay Periods as of July 26, 2022.

4.2. Aggrieved Employee Data. Within 15 calendar days after the Effective Date, Defendant will deliver the Aggrieved Employee Data to the Administrator in the form of a Microsoft Excel spreadsheet. To protect the Aggrieved Employees' privacy rights, the Administrator must maintain the Aggrieved Employee Data in confidence, use the Aggrieved Employee Data only for purposes of this Settlement and for no other purpose, and restrict access to the Aggrieved Employee Data to Administrator employees who need access to the Aggrieved Employee Data to effect and perform under this Agreement. Defendant has a continuing duty to immediately notify PAGA Counsel if it discovers that the Aggrieved Employee Data omitted employee identifying information and to provide corrected or updated Aggrieved Employee Data as soon as reasonably feasible. Without any extension of the deadline by which Defendant must send the Aggrieved Employee Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Aggrieved Employee Data.

4.3. Funding of Gross Settlement Amount. Defendant shall deposit the Gross Settlement Amount with the Administrator in 3 equal payments as follows: (1) first payment of \$24,166.67 due no later than September 5, 2022; (2) second payment of \$24,166.67 due no later than November 4, 2022; and (3) third payment of 24,166.66 due no later than January 3, 2023.

4.4. Payments from the Gross Settlement Amount. Within 14 calendar days after Defendant funds the first deposit of the Gross Settlement Amount, and subject to the prior occurrence of the Effective Date, the Administrator shall transmit the Notice of PAGA Settlement (attached hereto as Exhibit "A"), together with settlement checks containing their

Individual PAGA Payments, with no claims process required, to all Aggrieved Employees by first-class United States mail, postage prepaid, to the last known address of each recipient with directions to the Postmaster to forward the Notice of PAGA Settlement and return all undeliverable Notices. Concurrently, Plaintiff shall be issued her full General Release Payment. Any remaining balance from the first deposit of the Gross Settlement Amount shall be paid to PAGA Counsel for its PAGA Counsel Litigation Expenses Payment and PAGA Counsel Expenses Payment. No later than 15 calendar days after Defendant's deposit of the second and third installments of the Gross Settlement Amount, and subject to the prior occurrence of the Effective Date, the Administrator shall issue pro rata shares to PAGA Counsel for its PAGA Counsel Litigation Expenses Payment and PAGA Counsel Expenses Payment, the Administrator, and the LWDA to satisfy their payment obligations herein. No funds shall be disbursed by the Administrator until the Effective Date first occurs.

4.4.1. The Administrator will issue checks for the Individual PAGA Payments and send them to the Aggrieved Employees via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (not less than 180 days after the date of mailing) when the check will be voided. The Administrator will cancel all checks not cashed by the void date. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database.

4.4.2. The Administrator must conduct an Aggrieved Employee Address Search for all Aggrieved Employees whose checks are returned undelivered without USPS forwarding address. Within 7 calendar days of receiving a returned check the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Aggrieved Employee Address Search. The Administrator need not take further steps to deliver checks to Aggrieved Employees whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Aggrieved Employee whose original check was lost or misplaced, requested by the Aggrieved Employee prior to the void date.

4.4.3. For any Aggrieved Employee whose Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the California Controller's Unclaimed Property Fund in the name of the Aggrieved Employee.

4.4.4. The payment of Individual PAGA Payments shall not obligate Defendant to confer any additional benefits or make any additional payments to the Aggrieved Employees (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

5. **RELEASES OF CLAIMS.** Effective on the date when Defendant fully funds the entire Gross Settlement Amount, Plaintiff Aggrieved Employees will release claims against all Released Parties as follows:

5.1 Limited Release by Aggrieved Employees. Upon the Effective Date, and subject to the full payment of the Gross Settlement Amount, 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 facts stated in the Operative Complaint and the PAGA Notice which arose during employment in a non-exempt position in California during the PAGA Period.

5.2 Plaintiff's General Release: Plaintiff Melendrez, on behalf of herself and her former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, shall be deemed to have fully, finally, and forever released the Released Parties from any and all claims, obligations, demands, actions, rights, causes of action, and liabilities against the Released Parties, of whatever kind and nature, character, and description, whether in law or equity, whether sounding in tort, contract, federal, state and/or local law, statute, ordinance, regulation, common law, or other source of law, whether known or unknown, and whether anticipated or unanticipated, including unknown claims covered by Civil Code Section 1542, arising through the date of her signature hereon, for any type of relief, including, without limitation, claims for wages, damages, unpaid costs, penalties, liquidated damages, punitive damages, interest, attorneys' fees, litigation costs, restitution, or equitable relief. These claims include, but are not limited to, the PAGA Released Claims, as well as any other claims under any provision of the California Labor Code or any applicable California Industrial Welfare Commission Wage Orders, and claims under local, state, or federal discrimination statutes, including, without limitation, the California Fair Employment and Housing Act, California Government Code §§ 12940 et seq.; the Unruh Civil Rights Act, California Civil Code §§ 51 et seq.; the California Constitution; Title VII of the Civil Rights Act of 1964, 42 U.S.C. §§ 2000 et seq.; the Americans with Disabilities Act, 42 U.S.C. §§ 12101 et seq.; the Employee Retirement Income Security Act of 1974, 29 U.S.C. §§ 1001 et seq.; and all of their implementing regulations and interpretive guidelines. With respect to these Released Claims as described in this Section, Plaintiff Melendrez shall be deemed to have expressly waived and relinquished, to the fullest extent permitted by law, the provisions, rights, and benefits he may otherwise have had pursuant to Section 1542 of the California Civil Code, which provides as follows:

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

6. **MOTION OR STIPULATION FOR APPROVAL OF SETTLEMENT.** The Parties agree to jointly prepare and file a stipulation and order, or an unopposed motion, if required, for approval of this Settlement and entry of Judgment consistent therewith.

6.1 Cooperation. The Parties will cooperate in obtaining, through a stipulation and order, or an unopposed motion, if required, an Order from the Court approving the payment of the Gross Settlement Amount as described in this Agreement at the earliest possible date. Concurrently with the submission of this Agreement to the Court, Plaintiff shall submit it to the LWDA as required by PAGA. The Parties agree to use their best efforts to

expedite the preparation and submission of the settlement documents. The Parties further agree to fully cooperate in the drafting and/or filing of any further documents or filings reasonably necessary to be prepared or filed, shall take all steps that may be requested by the Court relating to, or that are otherwise necessary to, the approval and implementation of the payment of the Gross Settlement Amount as described in this Agreement. The Court's approval of the payment of the Gross Settlement Amount as described in this Agreement shall be embodied in a written Order, which shall be transmitted to the LWDA promptly upon entry, as required by PAGA. Should the Court not grant approval of the payment of the Gross Settlement Amount as described in this Agreement or decline to enter Judgment in the Action, this Agreement shall be null and void and have no further effect, and all sums paid by Defendant, if any, shall be promptly returned to it.

6.2 Responsibilities of PAGA Counsel. PAGA Counsel and Defense Counsel are jointly responsible for expeditiously finalizing and filing the stipulation or motion for approval of this Settlement no later than 30 days after the full execution of this Agreement and, if necessary, obtaining a prompt hearing date for the motion and appearing in Court to advocate in favor of the motion. PAGA Counsel is responsible for delivering the Court's Order and Judgment approving the Settlement to the Administrator.

6.3 Duty to Cooperate. If the Parties disagree on any aspect of the proposed stipulation or motion for approval of this Settlement and/or the supporting declarations and documents, PAGA Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant the stipulation or motion for approval of this Settlement or conditions its approval on any material change to this Agreement, PAGA Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns.

7. SETTLEMENT ADMINISTRATION.

7.1 Selection of Administrator. The Parties have jointly selected ILYM Group, Inc. to serve as the Administrator and verified that, as a condition of appointment, ILYM Group, Inc. agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Expenses. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.

7.2 Employer Identification Number. The Administrator shall have and use its own Employer Identification Number for purposes of calculating payroll tax withholdings and providing reports state and federal tax authorities.

7.3 Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation section 468B-1.

7.4 Administrator Duties. The Administrator has a duty to perform or observe all tasks to be performed or observed by the Administrator contained in this Agreement or otherwise.

8. AGGRIEVED EMPLOYEE SIZE ESTIMATES AND ESCALATOR CLAUSE

Based on its records, Defendant estimates that, as of July 26, 2022, (1) there are 31 Aggrieved Employees who worked 932 Pay Periods during the PAGA Period. If the number of Pay Periods or Aggrieved Employees as of July 26, 2022 exceed these amounts by 10% or more, Defendant shall pay an increased Gross Settlement Amount proportionate to the increase over the 10% threshold, with the larger increase controlling. For example, if the final number of Pay Periods as of July 26, 2022 is 15% greater than 932, the Gross Settlement Amount will increase by 5%, assuming the number of Aggrieved Employees as of July 26, 2022 increases by no more than 15%.

9. CONTINUING JURISDICTION OF THE COURT. The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties, Action, and the Settlement solely for purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters, and (iii) addressing such post-Judgment matters as are permitted by law.

9.1 Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the PAGA Counsel Fees Payment and PAGA Counsel Litigation Expenses Payment, the Parties, their respective counsel waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals. If another party appeals the Judgment, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect the amount of the Net Settlement Amount.

10. ADDITIONAL PROVISIONS.

10.1 No Admission of Liability or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendant that any of the allegations in the Operative Complaint have merit or that Defendant has any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that Defendant's defenses in the Action have merit. The Parties agree that representative treatment is for purposes of this Settlement only. If, for any reason the Court does not approve this Settlement, Defendant reserves all available defenses to the claims in the Action, and Plaintiff reserves the right to contest Defendant's defenses. 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).

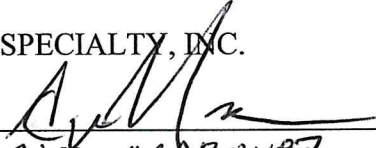
10.2 Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement

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. PAGA Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiff and Defendant, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.
- 10.4 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.
- 10.5 No Tax Advice. Neither Plaintiff, PAGA Counsel, Defendant nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.
- 10.6 Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their representatives, and approved by the Court.
- 10.7 Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.
- 10.8 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.
- 10.9 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.
- 10.10 Confidentiality. To the extent permitted by law, all agreements made, and orders entered during Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.
- 10.11 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.
- 10.12 Stay of Litigation. The Parties agree that upon the execution of this Agreement the

Dated: August 26, 2022

DNA SPECIALTY, INC.

By 
Its ALEX MARQUEZ

Dated: August __, 2022

By _____
BLANCA MELENDREZ

**APPROVED AS TO FORM AND
ATTORNEY OBLIGATIONS ONLY**

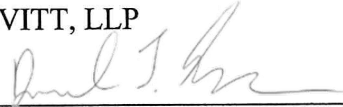
Dated: August __, 2022

GAINES & GAINES, ALPC

By _____
Daniel F. Gaines, Esq.
Alex P. Katofsky, Esq.
Attorneys for Plaintiff

Dated: August 26, 2022

BALLARD ROSENBERG GOLPER &
SAVITT, LLP

By 
David Fishman, Esq.
Attorneys for Defendant

Dated: August __, 2022

DNA SPECIALTY, INC.

By _____
Its _____

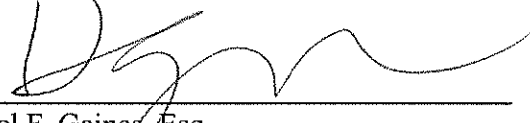
08 / 22 / 2022
Dated: August __, 2022

Blanca Melendrez
By _____
BLANCA MELENDREZ

**APPROVED AS TO FORM AND
ATTORNEY OBLIGATIONS ONLY**

Dated: August ²³__, 2022

GAINES & GAINES, ALPC

By  _____
Daniel F. Gaines, Esq.
Alex P. Katofsky, Esq.
Attorneys for Plaintiff

Dated: August __, 2022

BALLARD ROSENBERG GOLPER &
SAVITT, LLP

By _____
David Fishman, Esq.
Attorneys for Defendant

EXHIBIT A

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES**

BLANCA MELENDREZ, on behalf of
herself and all "aggrieved employees"
pursuant to Labor Code § 2698 *et seq.*,

Plaintiff,

v.

DNA SPECIALTY, INC., a California
corporation, and DOES 1 through 10,
inclusive,

Defendants.

Case No. 22CMCV00027

**NOTICE OF SETTLEMENT OF PRIVATE
ATTORNEYS GENERAL ACT CLAIM
(CAL. LABOR CODE § 2698 *ET SEQ.*)**

You have been identified as an individual who worked for Defendant DNA Specialty Inc. ("Defendant") in California, as a non-exempt employee at any time between November 24, 2020 and [Effective Date] ("Aggrieved Employee").

On January 28, 2022, Plaintiff Blanca Melendrez (the "Plaintiff") commenced a lawsuit in Los Angeles Superior Court, case number 22CMCV00027 (the "Lawsuit") to recover civil penalties. Plaintiff alleges in the lawsuit that Defendant failed to pay all minimum and overtime wages due, provide all meal and rest periods, or premium compensation in lieu thereof, reimburse all necessary business expenses, timely pay wages due at separation of employment, and issue complete and accurate wage statements. For these alleged violations, Plaintiff seeks penalties pursuant to the California Labor Code's Private Attorneys General Act of 2004, codified at Labor Code § 2698 *et seq.* ("PAGA").

Defendant denies Plaintiff's allegations and disputes all of Plaintiff's claims. Following an investigation, the Parties reached a settlement which takes into account the uncertainties and risks of proceeding with litigation.

The Court approved the settlement on [REDACTED] and has determined that the settlement is fair and reasonable. The payment which accompanies this notice is made to you pursuant to the terms of the Settlement.

The Court-approved settlement contains the following release of claims, to which you are bound:

Upon the Effective Date, and subject to the full payment of the Gross Settlement Amount, 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 facts stated in the Operative Complaint and the PAGA Notice which arose during employment in a non-exempt position in California during the PAGA Period (November 24, 2020 to [Effective Date]).

If you have any questions, please contact Gaines & Gaines, APLC, counsel for Plaintiff, at (866) 550-0855.