

CONFIDENTIAL SETTLEMENT AND GENERAL RELEASE AGREEMENT

This Confidential Settlement and General Release Agreement (the “Agreement”) is made by any between JUAN ALVAREZ-SALGADO (“Plaintiff” or “Alvarez-Salgado”) on the one hand, and FESTO CORPORATION (“Defendant” or “Festo”) on the other hand. Plaintiff and Defendant are referred to collectively herein as the “Parties.”

RECITALS

WHEREAS, on September 28, 2022, Plaintiff filed a representative action seeking civil penalties under PAGA against Defendant styled as *Juan Alvarez-Salgado v. Festo Corporation*, Alameda Superior Court Case No. 22CV010098. (“PAGA Action”). In the PAGA Action, Plaintiff alleges causes of action for: (1) failure to provide meal periods in violation of Labor Code section 512; (2) failure to provide rest breaks in violation of Labor Code section 226.7; (3) failure to provide complete and accurate wage statements in violation of Labor Code section 226; (4) failure to pay overtime wages; (5) failure to pay minimum wages; (6) failure to timely pay wages during employment; (7) failure to pay all wages due to discharged and quitting employees; and (8) failure to reimburse business expenses;

WHEREAS, Defendant denies and disputes any and all of the alleged claims in the PAGA Action, or those that could have been individually asserted by Plaintiff as a result of Plaintiff’s employment;

WHEREAS, on March 28, 2023, the Parties participated in mediation with Tripper Ortman. With the assistance of Mr. Ortman, the Parties agreed to fully and finally resolve the PAGA and Class Action and any individual claims that Plaintiff could have individually brought;

WHEREAS, the Parties have entered into a separate agreement regarding the PAGA and Class Action claims asserted (“Class and PAGA Settlement”);

WHEREAS, the Class and PAGA Settlement does not encompass all claims which Plaintiff could have individually brought as a result of Plaintiff’s employment, any relationship between Plaintiff and Defendant, and/or generally arising out of or in connection with Plaintiff’s employment and the cessation thereof (“Individual Action”);

WHEREAS, the Parties through this Agreement desire to resolve the Individual Action and all remaining possible claims Plaintiff could have individually asserted as a result of Plaintiff’s employment, and/or generally arising out of or in connection with Plaintiff’s employment and the cessation thereof;

AGREEMENT

NOW, THEREFORE, in consideration of the promises, covenants, and agreements contained in this Agreement and the other valuable consideration described herein, the sufficiency of which is hereby acknowledged by all Parties, the Parties agree as follows:

1. Effective Date. Employee has five (5) days to consider this Agreement, during which time the offer will remain open to Plaintiff. This Agreement shall become effective on the

date upon which both of the following have occurred: (I) at least ten days have passed after the Superior Court of California for the County of Alameda, or other court of appropriate jurisdiction (the “Court”), grants final approval of the Class and Representative Action Settlement (“Representative Settlement”) in the lawsuit entitled *Juan Alvarez-Salgado v. Festo Corporation*, Alameda Superior Court Case No. 22CV010098 (“Representative Action”), and (II) the Court’s judgment approving the Representative Settlement becomes Final. “Final” shall mean the latest of: (i) if there is an appeal of the Court’s judgment, thirty (30) business days after the date the judgment is affirmed on appeal, the date of dismissal of such appeal, or the expiration of the time to file a petition for writ of certiorari to the California Supreme Court, or, (ii) if a petition for writ of certiorari is filed, the date of denial of the petition for writ of certiorari, or thirty (30) business days after the date the judgment is affirmed pursuant to such petition; or (iii) if no appeal is filed, the expiration date of the time for filing or noticing any appeal of the judgment; or (iv) if a timely Objection to the Representative Settlement is filed (including an objection from the LWDA), the later of: (a) the date on which the time for all appeals relating to the Objections to the Settlement and the Final Approval Order has expired; or (b) if an appeal, review or writ is sought, thirty (30) business days after the date on which the highest reviewing court renders its decision denying any petition (where the immediately lower court affirmed the judgment) or affirming the judgment. Provided, however, if the California Labor & Workforce Development Agency has commenced an investigation or issued a Citation prior to the Effective Date, as determined under the foregoing definition, the Effective Date will be extended to thirty (30) business days after the date that the LWDA concludes its investigation or resolves the Citation (whichever is later), or if the LWDA objects to the Settlement, the date when the LWDA’s objection to the Settlement is resolved and no longer appealable. This Agreement will not become effective if the Court denies approval of the Representative Settlement or if an appeal or Objection results in the Representative Settlement being not approved.

2. Settlement Payment. In consideration for Plaintiff’s execution of this Agreement and the undertakings set forth herein and for no other reason, Defendant shall pay the gross total sum of Seven Thousand Five Hundred Dollars and Zero Cents (\$7,500.00) (hereinafter the “Settlement Payment”) as follows:

- a. A payroll check payable to “Juan Alvarez-Salgado” in the gross amount of Seven Thousand Five Hundred Dollars (\$7,500), less applicable withholdings, which shall be sent within twenty (20) days of the Effective Date, as defined above. Defendant shall issue an IRS Form W-2 to Plaintiff with respect to this payment;
- b. The checks with respect to the Settlement Payment shall be delivered to Plaintiff’s counsel at Work Lawyers, PC, 22939 Hawthorne Blvd. Suite 202, Torrance, CA 90505.

3. Specific Mutual Waivers and Releases. In exchange for the consideration described in Paragraph 1, Plaintiff irrevocably and unconditionally waives, releases, and forever discharges Defendant and its owners, predecessors, successors, all former, current, and future related organizations, companies, divisions, subsidiaries, affiliates, and parents, and collectively, their respective former, current and future members, directors, officers, insurers, employees, agents,

representatives, attorneys, fiduciaries, assigns, heirs, executors, administrators, beneficiaries, and trustees (collectively, "Defendant Releasees") from any and all claims, charges, complaints, actions, causes of action, grievances, controversies, disputes, demands, agreements, contracts, covenants, promises, liabilities, judgments, obligations, debts, damages (including, but not limited to, actual, compensatory, punitive, and liquidated damages), attorneys' fees, costs, and/or any other liabilities of any kind, nature, description, or character whatsoever, asserted in or that could have been asserted against any of Defendant Releasees in the Individual Action. Likewise, Defendant irrevocably and unconditionally waives, releases, and forever discharges Plaintiff and his agents, representatives, attorneys, fiduciaries, assigns, heirs, executors, administrators, beneficiaries, and trustees (collectively, "Plaintiff Releasees") from any and all claims, charges, complaints, actions, causes of action, grievances, controversies, disputes, demands, agreements, contracts, covenants, promises, liabilities, judgments, obligations, debts, damages (including, but not limited to, actual, compensatory, punitive, and liquidated damages), attorneys' fees, costs, and/or any other liabilities of any kind, nature, description, or character whatsoever, asserted in or that could have been asserted against any of the Plaintiff Releasees in the Individual Action.

4. Release of Claims. In consideration for the Settlement Payment referenced in this Agreement, and other good and valuable consideration, receipt of which is hereby acknowledged, Plaintiff hereby irrevocably and unconditionally releases, acquits and forever discharges Defendant Releasees or any of them, from any and all charges, complaints, claims, liabilities, obligations, promises, agreements, controversies, damages, actions, causes of action, suits, rights, demands, costs, losses, debts and expenses (including attorney's fees and costs actually incurred) of any nature whatsoever, known or unknown, suspected or unsuspected, including, but not limited to, all claims arising from or relating to Plaintiff's employment with Defendant, rights arising out of alleged violations of any contracts, express or implied, any covenant of good faith and fair dealing, express or implied, or any tort including defamation, or any legal restrictions on Defendant's right to hire, refuse to hire or terminate its employees, or any federal, state or local court of law or equity or other governmental statute, regulation or ordinance which Plaintiff now has, owns or holds, or claims to have, own or hold, or which Plaintiff at any time heretofore had, owned or held, or claimed to have, own or hold against any of the Defendant Releasees arising at any time up to and including, the date that Plaintiff signs this Agreement (collective "Claims"). The Claims covered by this release include, without limitation, all Claims for discrimination based upon race, religion, sex, sexual orientation, age, color, national origin, disability, medical condition, marital status and any other protected characteristic, including all Claims arising under: (1) Title VII of the Civil Rights Act of 1964, as amended; (2) 42 U.S.C. § 1981; (3) the Age Discrimination in Employment Act, as amended by the Older Workers Benefit Protection Act ("ADEA"); (4) the California Fair Employment and Housing Act; (5) Section 503 of the Rehabilitation Act of 1973; (6) the Americans with Disabilities Act; (7) the Fair Labor Standards Act (including the Equal Pay Act); (8) the California Labor Code; (9) the Family and Medical Leave Act; (10) the California Family Rights Act; and; (11) the California Wage Orders.

5. No Admission of Liability. This Agreement and compliance with it shall not be construed as an admission by Defendant or the Releasees of any liability whatsoever or as an admission by Defendant of any wrongdoing including but not limited to any claim for personal injury, or any violation of Plaintiff's rights under any common law, statute, or contract. Defendant

specifically disclaims any wrongdoing and disclaims any liability to Plaintiff for any violation of her rights, including any violation of common law, statute, or contract.

6. Tax Consequences of Settlement Payment. Defendant's share of the payroll taxes shall not be paid from the Settlement Payment and shall remain the sole responsibility of Defendant. Plaintiff understands and agrees that Defendant will report the payment of the Settlement Payment to the appropriate taxing authorities. Plaintiff understands and agrees that he is responsible for payment of any taxes which are required to be paid to the State of California, the United States Government, or any other entity as a result of this settlement and the Settlement Payment above. Plaintiff acknowledges that no representations regarding the tax consequences of the Settlement Payment have been made by Defendant, its counsel or her counsel. Plaintiff understands and agrees that in the event that some federal, state, or local agency takes the position that taxes should have been withheld from the Settlement Payment pursuant to this Agreement, that Plaintiff shall be solely responsible for Plaintiff's personal tax liability, including any penalties, assessments or interest, related to Plaintiff's receipt of the Settlement Payment.

7. Waiver of Section 1542. In granting the release herein, the Parties understand that this Agreement includes a release of all claims known or unknown. In giving this release, which includes claims which may be unknown to the Parties at present, each Party acknowledges that they have read and understand Section 1542 of the California Civil Code which reads 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.

The Parties agree to waive her rights under Section 1542 of the California Civil Code. The Parties acknowledge that they are assuming the risk that the facts may turn out to be different from what they believe them to be and agree that the release in this Agreement shall be in all respects effective and not subject to termination or rescission because of such mistaken belief.

8. Good Faith Resolution of Claims. Plaintiff agrees that the Settlement Payment represents a good faith, negotiated settlement of all Plaintiff's claims, including any and all wage claims, among other claims, and providing that they are paid in full as set forth in this Agreement, shall constitute the entire amount of monetary consideration to be paid to him. Plaintiff further agrees that, providing that the Settlement Payment is paid in full as set forth in this Agreement, Plaintiff will not seek any further compensation of any kind, including, but not limited to, for any claimed lost wages, statutory penalties, damages, costs or attorney's fees of any kind, in connection with Plaintiff's employment with Defendant, the termination of said employment, and/or any other matters arising out of or relating to Plaintiff's employment at Defendant or the termination of Plaintiff's employment at Defendant, (except with regard to claims under California Labor Code section 2802 and any other claim that cannot as a matter of law be waived).

9. Payment of Salary and Receipt of All Benefits. Plaintiff acknowledges and represents that, other than the consideration and payments described in this Agreement, Defendant has already paid or provided all salary, wages, bonuses, accrued vacation/paid time off, leave,

housing allowances, relocation costs, interest, severance, outplacement costs, fees, reimbursable expenses, commissions, stock, stock options, other equity awards, vesting, and any and all other benefits and compensation due to Plaintiff. Plaintiff further acknowledges and represents that Plaintiff has received any leave to which Plaintiff was entitled or which Plaintiff requested, if any, under the California Family Rights Act and/or the Family Medical Leave Act, and that Plaintiff did not sustain any workplace physical injury, during Plaintiff's employment with Defendant.

10. Confidentiality of Agreement. The Parties represent and agree that they shall keep the terms and amount of this Agreement completely confidential, and that they will not hereafter disclose any such information other than the fact that an agreement has been reached concerning this Agreement to anyone, including, but not limited to, friends, colleagues, employees (current or former) of Defendant, acquaintances, or the media; provided, however, that the Parties may make such disclosure to their attorneys, accountants, auditors, spouses, and tax preparers all of whom will be informed of and agree to be bound by this confidentiality clause, or other such disclosures as may be required by law. Notwithstanding the preceding prohibitions of this paragraph, Defendant may disclose the terms of this Agreement to its employees and agents to the extent necessary or appropriate for the operation of its business.

11. Liquidated Damages. The Parties acknowledge that a breach by them of any of the covenants set forth in Paragraph 7 of this Agreement will cause substantial harm to either Party, including but not limited to, the cost of prosecuting any claims and lawsuits against the breaching party. The Parties also acknowledge that it is impossible for such harm to be calculated with any degree of certainty. Therefore, the Parties agree that any proven breach by either Party of the obligations under Paragraph 7 of this Agreement shall entitle the non-breaching party to liquidated damages in the sum of One Thousand Dollars (\$1,000.00) plus recovery of their court costs and reasonable attorneys' fees for each proven breach. The Parties agree that this provision is fair and reasonable in light of the fact that the actual damages that would be suffered as the result of any such breach of Paragraph 7 of this Agreement would be difficult to ascertain.

12. Non-Disparagement/Neutral Reference. Plaintiff agrees not to, at any time in the future, in any way disparage one another or any of the Defendant Releasees, verbally or in writing, or make any statements to the press or to third parties that may be derogatory or detrimental to the Defendant Releasees' name or business reputation. Defendant agrees not to, at any time in the future, in any way disparage Plaintiff, verbally or in writing, in any official statements, releases, or social media posts of the Defendant, or make any statements to the press that may be derogatory or detrimental to Plaintiff. If any inquiries are made to Defendant's Human Resources department or any officer or director of Defendant as to Plaintiff's employment, Defendant agrees to provide only Plaintiff's dates of employment and job title, and to confirm that Defendant's policy is to limit disclosure in this manner. Nothing in this paragraph shall preclude either Party from responding truthfully to inquiries made in connection with any legal or governmental proceeding pursuant to subpoena or other legal process.

13. Permitted Disclosures. Nothing in this Agreement shall prevent Plaintiff from communicating any concern about Defendant to any federal, state or local government enforcement agency, or otherwise participating in any investigation or proceedings that may be conducted by any such agency. Likewise, nothing in this Agreement shall prevent any government

agency from separately enforcing any statute within its jurisdiction (e.g., Title VII, the ADEA, and/or any other employment discrimination or retaliation laws). Plaintiff understands that this Agreement does not limit Plaintiff's ability to communicate with any government agency or otherwise participate in any investigation or proceeding that may be conducted by any government agency, including concerning alleged criminal conduct or sexual harassment when Plaintiff has been required or requested to attend the proceeding pursuant to a court order, subpoena, or written request from an administrative agency or the legislature. Plaintiff understands that this Agreement is not intended to prevent Plaintiff from reporting any possible violations of federal law or regulation or potentially fraudulent or suspicious activity, or revealing the existence of this Agreement and its underlying facts and circumstances, to any government agency or entity including but not limited to the Department of Justice, the Securities and Exchange Commission, Congress and any Inspector General or equivalent state governmental entity, or making other disclosures that are protected under the whistleblower provisions of federal or state law or regulation or while responding to government inquiries. Neither Plaintiff nor Plaintiff's attorney need the prior authorization of the Defendant to make any such disclosures or reports and neither Plaintiff nor Plaintiff's attorney are required to notify the Defendant that such disclosures or reports have been made, notwithstanding any other provision in this Agreement. This Agreement does not limit Plaintiff's right to receive an award for information provided to any government agency. The Parties affirm, however, waiving all other rights to, and participation in, any award of monetary relief obtained in connection with any subsequent complaint, charge, or lawsuit filed against another Party by any person. Nothing in this agreement prevents Plaintiff from discussing or disclosing information about unlawful acts in the workplace, such as harassment or discrimination or any other conduct that Plaintiff has reason to believe is unlawful. All disclosures as described in this paragraph are protected by law and exempt from the restrictions set forth in this Agreement. In particular, federal law states that an individual will not be held criminally or civilly liable under any federal or state trade secret law for disclosing a trade secret under either of the following conditions: (A) the disclosure 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 the law; or (B) the disclosure is made in a complaint or other document filed in a lawsuit or other proceeding, if the filing is made under seal. Federal law also states that an individual who files a lawsuit alleging retaliation by an employer for reporting a suspected violation of law may disclose the trade secret to his or her attorney and use the trade secret information in the court proceeding, if the individual (i) files any document containing the trade secret under seal; and (ii) does not disclose the trade secret, except as required by a court order.

14. No Assignment of Claims. Plaintiff represents and warrants that no person other than Plaintiff is authorized or entitled to assert any claim based on or arising out of or in relation to Plaintiff's employment with Defendant, including but not limited to, any and all claims for attorneys' fees or damages, resulting from or based upon, or seeking relief on account of, any act or omission by Defendant that may have occurred or failed to occur prior to the Effective Date of this Agreement. Plaintiff warrants and agrees that Plaintiff has not assigned and shall never assign any such claims to any other person or entity.

15. Effective Date. The Effective Date of this Agreement is 20 days upon the Plaintiffs tendering of this executed agreement and requisite tax documents to Defendant.

16. Entire Agreement. This Agreement embodies the entire agreement of all the Parties hereto who have executed it and supersedes any and all other agreements, understandings, negotiations, or discussions, either oral or in writing, express or implied, between the parties to this Agreement except for any agreements Plaintiff may have signed during her employment regarding maintaining the confidentiality of proprietary or confidential information of Defendant. The Parties to this Agreement each acknowledge that no representations, inducements, promises, agreements or warranties, oral or otherwise, have been made by them, or anyone acting on their behalf, which are not embodied in this Agreement; that they have not executed this Agreement in reliance on any representation, inducement, promise, agreements, warranty, fact or circumstances, not expressly set forth in this Agreement; and that no representation, inducement, promise, agreement or warranty not contained in this Agreement including, but not limited to, any purported settlements, modifications, waivers, or terminations of this Agreement, shall be valid or binding, unless executed in writing by all of the parties to this Agreement. This Agreement may be amended, and any provision herein waived, but only in writing, signed by the party against whom such an amendment or waiver is sought to be enforced.

17. Severability. Should any part, term, or provision of this Agreement be declared or determined by any Court of competent jurisdiction to be wholly or partially illegal, invalid, or unenforceable, the legality, validity, and enforceability of the remaining parts, terms, or provisions of this Agreement shall not be affected thereby. Said illegal, invalid, or unenforceable part, term, or provision shall be deemed not to be a part of this Agreement.

18. Interpretation of Agreement. Plaintiff agrees that any legal rule to the effect that ambiguities shall be resolved against the drafting party shall not apply in any interpretation of this Agreement.

19. Governing Law and Jurisdiction. This Agreement shall be interpreted under the law of the State of California, both as to interpretation and performance.

20. Enforceability. The Parties agree that the Alameda Superior Court shall retain jurisdiction to enforce the terms of this Agreement pursuant to California Code of Civil Procedure section 664.6.

21. Consultation with Counsel. The Parties acknowledge that they have had the opportunity to consult with legal counsel of their choice prior to the execution and delivery of this Agreement, and that they have in fact done so. Plaintiff acknowledges that Plaintiff has been advised by Plaintiff's counsel of the consequences of the Release Plaintiff has signed.

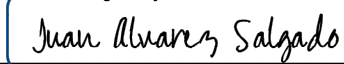
22. Voluntary Agreement. Plaintiff understands and agrees that Plaintiff may be waiving significant legal rights by signing this Agreement, and represents that Plaintiff has entered into this Agreement voluntarily and of Plaintiff's own free will. Plaintiff represents and warrants that Plaintiff is entering this Agreement without any duress or undue influence on the part or behalf of Defendant or any third party, and, subject to the limitations set forth in this Agreement, with the full intent of releasing all of Plaintiff's claims against Defendant and any of the other released parties. Plaintiff acknowledges that: (a) Plaintiff has read this Agreement; (b) Plaintiff has been represented in the preparation, negotiation, and execution of this Agreement by legal counsel of

Plaintiff's own choice; (c) Plaintiff understands the terms and consequences of this Agreement and of the releases it contains; and (d) Plaintiff is fully aware of the legal and binding effect of this Agreement.

23. Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronic signature, 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. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

WHEREBY, the Parties have duly executed this Agreement as of the dates below:'

Dated: August __, 2023
9/14/2023

DocuSigned by:

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Juan Alvarez-Salgado

Dated: September 8, 2023

FESTO CORPORATION



By: Carlos Miranda
Chief Executive Officer

Dated: September 8, 2023


By: Marcel Zeitler
Chief Financial Officer