

SETTLEMENT AGREEMENT AND RELEASE

This Settlement Agreement and Release is made and entered into between Mario A. Moraga, an individual, and Roman Zhou, Inc., a corporation.

RECITALS

WHEREAS, Mario A. Moraga commenced an action in the Superior Court of California for the County of Imperial on January 10, 2022, Case No. ECU002215 as Plaintiff against Roman Zhou, Inc. as defendant (herein referred to as the “Lawsuit”) and made various allegations against Roman Zhou, Inc. in six separate causes of action and sought damages and attorney’s fees, costs and expenses against Roman Zhou, Inc.;

WHEREAS, Roman Zhou, Inc. answered the complaint in the Lawsuit and denied the allegations therein and raised affirmative defenses and denied responsibility for any and all of Mario A. Moraga’s claimed damages and for his claimed attorney’s fees, costs, and expenses;

WHEREAS, Mario A. Moraga and Roman Zhou, Inc. wish now to settle the dispute between them represented by the Lawsuit with no admissions of liability or fault of any kind; and

WHEREAS, Mario A. Moraga and Roman Zhou, Inc. have agreed to settle the lawsuit pursuant to the terms set forth herein;

NOW, THEREFORE, in consideration of the promises made and the actions taken pursuant to this Settlement Agreement and Release the sufficiency of which is acknowledged, Mario A. Moraga and Roman Zhou, Inc. agree as follows.

AGREEMENT

1. **Incorporation of Recitals.** The recitals set forth above are incorporated herein.
2. **Scope of the Settlement.** This settlement is intended to encompass all existing disputes between Mario A. Moraga and Roman Zhou, Inc. including unknown disputes as set forth in this Settlement Agreement and Release except for claims made by Mario A Moraga with the California Department of Fair Employment and Housing (DFEH) which claims the parties acknowledge are being settled contemporaneously by way of a separate settlement agreement relating to those claims with the DFEH.
3. **Consideration.**

In consideration for the releases of claims made by Mario A. Moraga and for other promises set forth in this Settlement Agreement and Release, Roman Zhou, Inc. will pay to Mario A. Moraga by way of payment of a check in that amount issued to the Client Trust Account of his attorneys, Sullivan and Yaeckel Law Group, APC in the total amount of Fifteen Thousand Dollars (\$15,000.00) which check will be provided to those attorneys forthwith and in

no event later than two weeks after the Superior Court of California for the County of Imperial approves the settlement and dismissal of the Lawsuit. Sullivan and Yaeckel Law Group, APC will provide counsel for Roman Zhou, Inc. a W-9 form for purposes of reporting the payment made by Roman Zhou, Inc. to the Client Trust Account of Sullivan & Yaeckel Law Group, APC. Mario A. Moraga and Roman Zhou, Inc. will bear their own attorney's fees, costs and expenses to date and through the time of the dismissal of the Lawsuit.

In further consideration for the agreements and promises set forth in this Settlement Agreement and Release, Mario A. Moraga and Roman Zhou, Inc. agree to have their respective attorney's submit a joint motion for approval of this settlement which joint motion will be made pursuant to California Rule of Court 3.770 and have as part of it a proposed order to be entered by the Court which states that all of Mario A. Moraga's individual claims in the Lawsuit are dismissed with prejudice and that his sixth claim based on California Labor Code 2698 (commonly referred to as "PAGA") is dismissed without prejudice to persons other than Mario A. Moraga and which joint motion and proposed order will further provide that as of the time of the dismissal being ordered by the Court, no class action had been certified by the Court and that the Court finds that the dismissal of the Lawsuit will not prejudice potential class members.

4. **Releases.** As further consideration for this Settlement Agreement and Release Mario A. Moraga agrees to the following releases.

a. Mario A. Moraga hereby covenants not to sue and irrevocably and unconditionally releases, waives, acquits, and forever discharges Roman Zhou, Inc. and its employees from any and all claims made by Mario A. Moraga in the Lawsuit.

b. It is the intention of Mario A. Moraga in executing this Agreement that it shall be effective as a bar to any and all of the Mario A. Moraga's claims against Roman Zhou, Inc. except as are specifically limited or excluded in this Agreement. Subject to such limitation or exclusion, Mario A. Moraga hereby expressly waives any and all rights and benefits conferred upon him by the provisions of California Civil Code §1542, and expressly consents that this Settlement Agreement and Release shall be given full force and effect according to each and all of its express terms and provisions, including those relating to known and unsuspected claims prior to January 10, 2022, if any, as well as those relating to other claims specified above. Section 1542 provides:

"A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor."

Having been so apprised, Mario A. Moraga nevertheless hereby voluntarily elects to and does waive the rights described in Civil Code §1542, and elects to assume all risks for claims that existed in Mario A. Moraga's favor as of January 10, 2022, known or unknown.

5. **Effective Date.** This Settlement Agreement and Release shall be effective on the date it is signed by Mario A. Moraga.

6. **Choice of Law.** This Agreement shall be construed in accordance with, and be deemed governed by, the laws of the State of California.

7. **No Admission of Liability.** This Settlement Agreement and Release and compliance with it shall not be construed as an admission by anyone of any liability whatsoever, and Roman Zhou, Inc. specifically disclaims liability as to Mario A. Moraga for any and all allegations of the Lawsuit, and this Settlement Agreement and Release may not be used or construed as an admission in any legal proceeding involving Roman Zhou, Inc.. or its employees, or both.

8. **Good Faith and Competency.** All Parties agree to act in good faith to create, complete, and execute any and all documents necessary to effectuate this Settlement Agreement and Release. Mario A. Moraga agrees he is competent to enter into this Settlement Agreement and Release and that he has had the opportunity to consult with his attorneys concerning this Settlement Agreement and Release before signing it.

9. **The Use of Copies.** A copy of this document can be used for all purposes for which an original would otherwise be available.

DATED: 05/24/22

Mario Moraga
MARIO A. MORAGA