

CONFIDENTIAL SETTLEMENT AGREEMENT
AND COMPLETE RELEASE OF ALL CLAIMS

This Confidential Settlement and Complete Release of All Claims (“Agreement”) is made and entered into by Plaintiff Adeline Hernandez (“Plaintiff”), on the one hand, and on the other hand Defendant Hydra-Electric Company (“Defendant”), (collectively referred to as the “Parties”), for the following purposes and with reference to the following facts.

A. The purpose of this Agreement is to settle and compromise all disputes and controversies existing between Plaintiff, on the one hand, and on the other hand Defendant and all of its current and former parent companies, subsidiaries, affiliated or related companies, predecessors, successors, partners, owners, board members, licensees, shareholders, investors, officers, managers, employees, directors, agents, insurers, attorneys and other legal representatives, assigns, and consultants (collectively referred to as “Defendant”), including, without limitation, those described in more detail hereinafter, except as otherwise provided in this Agreement.

B. On December 14, 2021, Plaintiff filed a complaint in the Superior Court of California, County of Los Angeles, entitled Adeline Hernandez v. Hydra Electric Company, Case Number 21STCV45462 (the “Complaint”). In the Complaint, Plaintiff alleged the following causes of action (1) Failure to Pay Minimum Wages [Cal. Lab. Code §§ 204, 1194, 1194.2, and 1197]; (2) Failure to Pay Overtime Compensation [Cal. Lab. Code §§ 1194 and 1198]; (3) Failure to Provide Meal Periods [Cal. Lab. Code §§ 226.7, 512]; (4) Failure to Authorize and Permit Rest Break [Cal. Lab. Code §§ 226.7]; (5) Failure to Indemnify Necessary Business Expenses [Cal. Lab. Code § 2802]; (6) Failure to Timely Pay Final Wages at Termination [Cal. Lab. Code §§ 201-203]; (7) Failure to Provide Accurate Itemized Wage Statements [Cal. Lab. Code § 226]; and (8) Unfair Business Practices [Cal. Bus. & Prof. Code §§ 17200, et seq.].

C. On December 14, 2021, Plaintiff gave timely written notice to Defendant and California Labor and Workforce Development Agency (“LWDA”) (the “PAGA Letter”).

D. On March 25, 2022, Defendant filed a Motion to Compel Arbitration, Dismiss Class Claims and Stay Action (the “Motion”).

E. On April 22, 2022, the court granted the Motion, dismissed the class claims and ordered the Parties to arbitration on Plaintiff’s individual claims.

F. On December 26, 2024, Plaintiff filed a First Amended Complaint to add a ninth cause of action for civil penalties pursuant to the Private Attorney General Act (Cal Labor Code § 2966, et seq.) (“First Amended Complaint”). The First Amended Complaint Plaintiff alleges the following causes of action (1) Failure to Pay Minimum Wages [Cal. Lab. Code §§ 204, 1194, 1194.2, and 1197]; (2) Failure to Pay Overtime Compensation [Cal. Lab. Code §§ 1194 and 1198];

(2) Failure to Provide Meal Periods [Cal. Lab. Code §§ 226.7, 512]; (4) Failure to Authorize and Permit Rest Break [Cal. Lab. Code §§ 226.7]; (5) Failure to Indemnify Necessary Business Expenses [Cal. Lab. Code § 2802]; (6) Failure to Timely Pay Final Wages at Termination [Cal. Lab. Code §§ 201-203]; (7) Failure to Provide Accurate Itemized Wage Statements [Cal. Lab. Code § 226]; (8) Unfair Business Practices [Cal. Bus. & Prof. Code §§ 17200, *et seq.*]; and (9) Civil Penalties Under PAGA [Cal. Lab. Code §§ 2687, *et seq.*]. Accordingly, the First Amended Complaint is now the operative complaint in Los Angeles Superior Court Case Number 21STCV45462 (the “Action”).

WHEREAS, the Parties desire to settle fully and finally now all actual and potential differences between them, including but not limited to those regarding Plaintiff’s employment with the Defendant, all conduct occurring during the course of Plaintiff’s employment with Defendant as well any and all other claims, whether known or unknown, arising out of or based on any fact, matter or event which occurred prior to the date of this Agreement;

NOW THEREFORE, in consideration of the mutual promises and covenants set forth herein and other good and valuable consideration, receipt of which is acknowledged herein, it is hereby agreed by and between the Parties as follows:

1. DISPOSITION OF ACTION AGAINST DEFENDANT

(a) Denial of Liability

Plaintiff acknowledges that Defendant has denied and continues to deny any and all liability, damages, penalties, interest, fees, restitution, injunctive relief and all other forms of relief as well as any allegations asserted in the Complaint, First Amended Complaint, and Action as to Plaintiff. Each Party expressly recognizes that this Agreement shall not in any way be construed as an admission by Defendant or any other person or entity of any unlawful or wrongful acts whatsoever against Plaintiff or any other person. Defendant specifically denies any liability to Plaintiff or any other person for any alleged violation of the rights of Plaintiff or any person, or for any alleged violation of any order, law, statute, duty, or contract on the part of Defendant or Defendant’s employees or agents or affiliated entities or their employees or agents, including claims for discrimination, harassment, retaliation, infliction of emotional distress, wrongful termination, negligent supervision, negligence, nonpayment or underpayment of wages, penalties or interest, or violation of any state or federal law.

(b) Representation and Warranty

Plaintiff represents that she has no other pending complaints, charges or grievances against Defendant with any state or federal court or any local, state or federal agency based on any event(s) occurring prior to the date of execution of this Agreement. Plaintiff specifically represents and agrees that she will not in the future file, participate in, unless required by law, encourage or

instigate the filing of any lawsuit by any party in any state or federal court based upon events occurring prior to the date of execution of this Agreement, claiming that Defendant or any of Defendant's employees or agents have violated any local, state or federal laws, statutes, ordinances or regulations, or concerning any allegations of tortious conduct and/or violations of contractual relationships of any kind, including, but not limited to: breach of express oral contract; breach of implied-in-fact contract; wrongful or unlawful discharge or demotion; constructive discharge; violation of public policy; retaliation; intentional or negligent infliction of emotional distress or negligent misrepresentation; failure to pay compensation, bonuses, benefits, vacation pay, severance pay or other compensation of any sort; negligence; negligent supervision and/or retention; assault; defamation; unlawful effort to prevent employment; violation of constitutional rights; violation of Cal. Labor Code § 1102.5; discrimination on the basis of race, color, sex, sexual orientation, national origin, religion, age, marital status, disability or medical condition; harassment, retaliation, demotion, or other wrongful conduct; failure to accommodate; failure to provide the required leaves under the California Family Rights Act; or failure to engage in the interactive process, based upon events occurring prior to the date of the execution of this Agreement.

Notwithstanding the foregoing, nothing in this Agreement shall prevent Plaintiff from filing a charge with any federal, state or administrative agency, but Plaintiff agrees not to participate in, and waives her rights with respect to, any monetary or financial relief arising from any such proceeding that relates to the matters released by this Agreement.

(c) Settlement Sum

(1) In consideration for the covenants and undertakings set forth in this Agreement, Defendant will pay to Plaintiff \$10,000 (Ten Thousand Dollars and Zero Cents) ("Settlement Sum" also referred to as the "Plaintiff Enhancement Payment" in the concurrently executed PAGA Settlement Agreement filed in settlement of the Action). The Settlement Sum will be distributed to Plaintiff by Phoenix Class Action Administration Solutions (the "Administrator") from the gross settlement amount paid by Defendant in the Action no later than 30 days after the Effective Date of the settlement of the Action (as that term is defined in the PAGA Settlement Agreement entered into by the parties in the Action). The Administrator will distribute the Settlement Sum to Plaintiff in two checks as follow:

- One payroll check made payable to Plaintiff, representing payment for alleged lost wages, in the amount of \$2,000 (Two Thousand Dollars and Zero Cents), less applicable employment tax withholdings.
- One check made payable to Moon Law Group, P.C. Client Trust Account, for non-wage damages, penalties, attorney's fees, and costs in the amount of \$8,000 (Eight Thousand Dollars and Zero Cents).

The Settlement Sum includes all attorneys' fees and costs incurred by Plaintiff in the Action. Such checks shall be sent to counsel for Plaintiff within fifteen (15) business days after the receipt by the Administrator of the categories of items described above and after Defendant funds the Settlement Sum which will occur no later than thirty (30) days after both the following have occurred: (a) the Court enters a Judgment on its Order approving the PAGA Settlement; and (b) the Judgment is final, which is the day the Court enters Judgment.

(2) The Settlement Sum represents a compromise of Plaintiff's claims against Defendant. Plaintiff agrees that any liability for local, state or federal income or other tax payments or penalties arising from the Settlement Sum (as it relates to Plaintiff's share of taxes) shall be Plaintiff's sole responsibility. Plaintiff agrees to indemnify and to hold Defendant harmless from any and all actions, claims, or demands brought by any tax or other authority based upon Plaintiff's tax obligations arising from the payments to be made pursuant to this Agreement, and agrees specifically to reimburse Defendant for any taxes, interest and penalties paid by Defendant due to Plaintiff's failure to pay the taxes legally required.

(d) Release of Claims

(1) It is understood and agreed by and between each of the Parties to this Agreement that, in consideration for the mutual promises and covenants undertaken herein, and after consultation with counsel, Plaintiff does hereby, for herself and for her heirs, legal representatives, agents, successors-in-interest and assigns, irrevocably and unconditionally release and forever discharge Defendant (as defined above, hereinafter, "the Released Parties") from any and all causes of action, claims, actions, rights, judgments, obligations, damages, demands, accountings or liabilities of whatever kind and character, which Plaintiff has or may have against the Released Parties, or any of them, by reason of or arising out of, related to, touching upon, or concerning Plaintiff's employment with, remuneration by, or separation of her employment with Defendant, including but not limited to any of the matters, acts or omissions described or referenced in Paragraphs B, C and F above, any statutory claims, or any and all other matters of whatever kind, nature or description, whether known or unknown, occurring prior to the date of this Agreement (hereinafter, "Released Claims"). The Released Claims include but are not limited to any and all Claims arising out of or in connection with: (i) Employee's employment, change in employment status, and/or separation of employment with the Company; (ii) Employee's compensation or benefits from Company including salary, hourly pay, bonuses, commissions, vacation pay, expense reimbursements, severance pay, fringe benefits, stock, stock options, or any other ownership interests in Company; (iii) any federal, state or local law, statute, constitution or regulation regarding employment, compensation, wages, employment benefits, or employment discrimination, harassment and/or retaliation; (iv) breach of contract (express or implied) or breach of the implied covenant of good faith and fair dealing; (v) wrongful termination, intentional or negligent infliction of emotional distress, negligent misrepresentation, intentional misrepresentation, fraud, defamation, promissory estoppel, false light invasion of privacy,

conspiracy, violation of public policy; (vi) any other tort, statutory or common law cause of action under federal, state or local law, whether or not related to or arising out of the employment relationship; and/or (vii) any claim for costs, fees, or other expenses including attorneys' fees.

This Agreement does not waive or affect any pending workers' compensation claims that Plaintiff may have. However, Plaintiff acknowledges and affirms that she does not currently have any pending workers' compensation claims against Defendant nor did she suffer any workplace injuries during her employment with Defendant.

(2) Plaintiff represents and warrants that she has not assigned or subrogated any of said rights, claims and causes of action, including any of the Released Claims or any claims referenced in Paragraphs B, C and F above, or authorized any other person or entity to assert such a claim or claims on her behalf, and agrees to indemnify and hold the Released Parties harmless against any assignment of said rights, claims and/or causes of action.

(3) The Parties agree that the Released Claims include but are not limited to Plaintiff's individual and individual PAGA claims, as currently pled in the First Amended Complaint and outlined in Plaintiff's December 14, 2021 PAGA letter to the LWDA. The Parties agree and understand that this Agreement specifically excludes any and all **representative** PAGA claims asserted by Plaintiff in the First Amended Complaint, which are included and intended to be released in a separate PAGA Settlement Agreement entered into concurrently herewith and shall not affect the PAGA Lawsuit and Plaintiff's involvement as a PAGA representative in the Action, which remain subject to the Court's approval of the settlement of the Action.

(4) Plaintiff agrees to waive and release any claim for liabilities, penalties, and damages occurring at any time after the date of this Agreement because of alleged continuing effects of any alleged acts or omissions involving the parties which occurred on or before the date of this Agreement.

2. WAIVER OF CALIFORNIA CIVIL CODE SECTION 1542

Plaintiff does hereby, for herself and her heirs, legal representatives, agents, successors-in-interest and assigns, expressly waive and relinquish all rights and benefits afforded by Section 1542 of the Civil Code of California or any other state laws, and do so understanding and acknowledging the significance and consequences of such specific waiver of Section 1542.

The Plaintiff acknowledges that she is being represented in this matter by counsel, and acknowledge that she is familiar with the provisions of California Civil Code Section 1542, 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.

Thus, notwithstanding the provisions of Section 1542, and for the purpose of implementing a full and complete release and discharge of all claims, Plaintiff expressly acknowledges that this Agreement is also intended to include in its effect, without limitation, all claims which she does not know or expect to exist in her favor at the time of execution hereof, and that this Agreement contemplates the extinguishment of any such claim or claims.

It is also understood and agreed by the Parties that this Release expressly includes settlement of Plaintiff's claims, if any, for employment termination and/or retaliation and/or willful misconduct, and therefore, expressly precludes her from filing any additional petitions for supplemental benefits under California Labor Code, sections 132, subdivision (a), and 4553.

The Parties understand that this Agreement does not release any claims that Plaintiff cannot lawfully release. This Agreement does not prohibit Plaintiff from filing a charge with any governmental administrative agency, such as the EEOC or DFEH, as long as Plaintiff does not seek, accept or receive reinstatement, damages, remedies, or other relief as to any claims that Plaintiff has released, any right to which Plaintiff hereby waives.

3. CONFIDENTIALITY OF AGREEMENT

a. The terms and conditions of this Agreement, and each and every document and communication regarding this Agreement, including, but not limited to, the fact of and the amounts of the payments required herein, and all matters concerning the allegations referenced in Paragraphs B, C and F or negotiations (including any offers, demands, and settlements proposed or reached) relating to the Action or this Agreement (collectively, "Confidential Information"), are strictly confidential. Except as provided in this Agreement, Plaintiff may not disclose Confidential Information to any person for any purpose. Without limiting the foregoing, and for the avoidance of doubt, Plaintiff shall not seek nor promote publicly, nor cooperate in any efforts to promote or publicize, any of the terms or conditions of this Agreement, or relating in any way to amounts offered, demanded, or agreed to relative to the allegations referenced in Paragraphs B, C and F above, including, but not limited to, the fact of and the amount of any of the payments required herein.

b. Without limiting subparagraph 3(a), Plaintiff further agrees that, except as provided in this paragraph 3, she will not communicate, discuss, disclose, disseminate, or publish (i) the amount of the payments made by Defendant, or (ii) the fact that Plaintiff has received payment in any amount from Defendant as a result of this Agreement. Upon inquiry, Plaintiff shall respond in substance by stating only that "the matter has been resolved."

c. Notwithstanding paragraph 3(a) and 3(b), Plaintiff may communicate the terms of this Agreement to her legal counsel, tax advisors, spouse, and accountants, provided that Plaintiff first advises them of the confidentiality provisions of this Agreement and secures their agreement to comply with those confidentiality provisions.

d. Notwithstanding anything else in this paragraph 3, Plaintiff may communicate Confidential Information to the extent compelled by a court of competent jurisdiction or as otherwise required by law. The Party receiving a subpoena or subject to such a legal obligation shall (unless prohibited by law) promptly provide notice to counsel for the other Party so that such other Party, may, at its expense, seek a protective order or other protection for the Confidential Information.

e. Plaintiff expressly agrees that she has received full and fair consideration for the promises made in this Agreement.

4. COVENANT NOT TO SUE

Plaintiff shall not file suit, demand arbitration, or otherwise assert a claim against any Released Party on account of any Released Claim. In the event of a breach of this covenant not to sue, this Agreement shall constitute a complete and absolute defense to such claim.

5. SEVERABILITY

If any term or provision of this Agreement, other than the Release of Claims set forth in Paragraph 1(e) above, is held to be invalid or unenforceable, the remaining portions of this Agreement will continue to be valid and will be performed, construed and enforced to the fullest extent permitted by law, and the invalid or unenforceable term will be deemed amended and limited in accordance with the intent of the Parties, as determined from the face of the Agreement, to the extent necessary to permit the maximum enforceability or validation of the term or provision.

6. INTEGRATION CLAUSE

This Agreement constitutes and contains the entire agreement and understanding between the Parties and supersedes and replaces all prior negotiations and agreements, proposed or otherwise, whether written or oral, between the Parties hereto concerning the subject matter of this Agreement. This is an integrated document.

7. BINDING EFFECT

This Agreement shall be binding upon and inure to the benefit of the respective Parties hereto, their respective legal successors, heirs, administrators, executors, assigns and each of them.

8. CAPTIONS

The captions utilized herein have been inserted solely for identification and reference purposes only, and shall not be used in the construction or interpretation of this Agreement.

9. ATTORNEYS' FEES AND COSTS

Nothing in this Agreement, nor the existence of this Agreement, shall be interpreted to render Plaintiff the prevailing Party for any purpose, including, but not limited to, an award of attorneys' fees and costs. Except for the payment set forth in paragraph 1(d), the Parties agree that each Party shall bear their own attorneys' fees and costs.

10. COUNTERPARTS

This Agreement may be signed in separate counterparts and each counterpart shall be deemed an original and all of which counterparts together shall constitute one binding instrument.

11. ELECTRONIC OR FACSIMILE SIGNATURES

A signed facsimile, Docusign or a similarly accredited secure signature service, or PDF version of this Agreement shall have the same force and effect as a signed original of this Agreement.

12. INTERPRETATION; CHOICE OF LAW

This Agreement shall be interpreted in accordance with the plain meaning of its terms and not strictly for or against any of the Parties. This Agreement shall be interpreted according to the laws of the State of California, both procedural and substantive, excluding California law with respect to choice of law.

13. WAIVER

No term or condition of this Agreement may be waived except in a writing signed by the Party to be bound thereby.

14. MODIFICATION

This Agreement may not be amended, except in writing signed by the Parties hereto.

15. JOINTLY DRAFTED AGREEMENT

The Parties shall be deemed to have participated equally in the drafting of this Agreement. The Agreement has been jointly negotiated and drafted.

16. ENFORCEABILITY

This Agreement shall be enforceable under Code of Civil Procedure § 664.6. If any action is brought to enforce the provisions of this Agreement hereto, the prevailing Party shall be entitled to recover reasonable attorneys' fees and costs incurred therein.

17. NO RELIANCE

Each of the Parties represents and warrants that, in executing this Agreement, she or it has relied solely on the statements expressly set forth herein, and has placed no reliance whatsoever on any statement, representation, or promise of any other Party, or any other person or entity, not expressly set forth herein, or upon the failure of any other Party or any other person or entity to make any statement, representation or disclosure of anything whatsoever. The discovery by any Party, subsequent to the execution of this Agreement, of any facts not heretofore known to that Party, or that the facts or law upon which any Party relied in executing this Agreement were not as that Party believed it to be, shall not constitute grounds for declaring this Agreement void, avoidable, or otherwise unenforceable. This paragraph is intended by the Parties to preclude any claim that any Party was fraudulently induced to enter this Agreement, or was induced to enter this Agreement by a mistake of fact or law.

18. TIME TO CONSIDER AND REVOKE FOR PLAINTIFF

Plaintiff is over forty (40) years old. By signing this Agreement, Plaintiff acknowledges and agrees that, among other rights or claims, she is waiving any and all rights or claims she might have under the Age Discrimination in Employment Act ("ADEA"), as amended by the Older Workers Benefit Protection Act ("OWBPA") and that she has received consideration beyond that to which she was previously entitled.

Plaintiff acknowledges and agrees she has been informed that she may:

- (a) take up to a maximum of 21 calendar days to review and consider this Agreement;
- (b) consult with an attorney of her choosing before executing it; and
- (c) revoke her acceptance of this Agreement at any time up to seven (7) days after she signs this Agreement.

By executing this Agreement prior to the expiration of 21 days, Plaintiff acknowledges she is waiving the balance of this 21-day period, if any. If Plaintiff revokes this Agreement, the entire Agreement becomes null and void and otherwise unenforceable and no payments contemplated by Paragraph 1(d) of this Agreement will be made to Plaintiff by Defendant or the Administrator.

Any revocation within the applicable seven-day period must be submitted in writing and timely received by Robin D. Dal Soglio, legal counsel for Defendant via email to robin@dalsogliolaw.com and must state, "I hereby revoke my acceptance of this Confidential Settlement Agreement and Complete Release of All Claims."

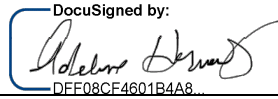
Plaintiff further acknowledges that she understands this Agreement shall not become effective or enforceable until the seven-day revocation period has expired and the Agreement has not been revoked, i.e., on the eighth day following Plaintiff's execution of this Agreement ("Agreement Effective Date"). If the last day of the revocation period is a Saturday, Sunday or legal holiday then the revocation period shall not expire until the following day which is not a Saturday, Sunday or legal holiday.

THE SIGNATORIES HAVE CAREFULLY READ THIS ENTIRE AGREEMENT. ITS CONTENTS HAVE BEEN FULLY EXPLAINED TO THEM BY THEIR ATTORNEYS. THE SIGNATORIES FULLY UNDERSTAND THE FINAL AND BINDING EFFECT OF THIS AGREEMENT. THE ONLY PROMISES MADE TO ANY SIGNATORY ABOUT THIS AGREEMENT, AND TO SIGN THIS AGREEMENT, ARE CONTAINED IN THIS AGREEMENT. THE SIGNATORIES ARE SIGNING THE AGREEMENT VOLUNTARILY.

PLEASE READ CAREFULLY. THIS SETTLEMENT AGREEMENT AND GENERAL RELEASE INCLUDES A RELEASE OF ALL KNOWN AND UNKNOWN CLAIMS.

IN WITNESS WHEREOF, the Parties hereto have executed this Settlement Agreement and General Release.

DATED: 1/24/2025

By 
Plaintiff Adeline Hernandez

DATED: _____

By _____
Authorized Representative for
Defendant

APPROVED AS TO FORM AND CONTENT:

DATED: 01/31/2025

MOON LAW GROUP, PC

By 
Attorneys for Plaintiff

DATED: _____

DAL SOGLIO LAW GROUP, APC

By _____
Attorneys for Defendant Hydra-Electric Company

Plaintiff further acknowledges that she understands this Agreement shall not become effective or enforceable until the seven-day revocation period has expired and the Agreement has not been revoked, i.e., on the eighth day following Plaintiff's execution of this Agreement ("Agreement Effective Date"). If the last day of the revocation period is a Saturday, Sunday or legal holiday then the revocation period shall not expire until the following day which is not a Saturday, Sunday or legal holiday.

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PLEASE READ CAREFULLY. THIS SETTLEMENT AGREEMENT AND GENERAL RELEASE INCLUDES A RELEASE OF ALL KNOWN AND UNKNOWN CLAIMS.

IN WITNESS WHEREOF, the Parties hereto have executed this Settlement Agreement and General Release.

DATED: _____

By _____
Plaintiff Adeline Hernandez

DATED: 01/28/2025

By Michael J. Manella
Michael J. Manella (Jan 28, 2025 21:01 EST)
Authorized Representative for Defendant

APPROVED AS TO FORM AND CONTENT:

DATED: _____

MOON LAW GROUP, PC

By _____
Attorneys for Plaintiff

DATED: 01/28/2025

DAL SOGLIO LAW GROUP, APC

By Robin D. Dal Soglio
Attorneys for Defendant Hydra-Electric Company