

- 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. Plaintiffs' Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiffs and Defendants, 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 Plaintiffs, Plaintiffs' Counsel, Defendants, 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 Publicity. The Parties agree that Plaintiffs and Plaintiffs' Counsel will not communicate the fact of, or the terms of, this Agreement to members of the press, including to Verdicts and Settlements. Plaintiffs and Plaintiffs' Counsel will not publish the fact of, or terms of, this Settlement or any related information on their website, for advertising purposes and/or in publication materials generally available to the public. Nothing herein shall

preclude the Parties or their Counsel from disclosing the terms of this Agreement to the Court for purposes of settlement approval.

10.12 Disputes. Any dispute between the Parties as to the remaining terms of the Agreement shall be presented to Dan Downey, Esq., the mediator, for resolution. All Parties agree to negotiate in good faith and take all reasonable steps to finalize this Agreement.

10.13 Tolling. The claims set forth in the Consolidated Complaint shall remain tolled until Defendants have fully satisfied their obligations under this Agreement, including payment in full of the Gross Settlement Amount. Should any Aggrieved Employee pursue claims against the Released Parties that are covered by the release while Defendants are timely making payments pursuant to this Agreement, the Parties agree that pursuit of such claims should be stayed and a court of competent jurisdiction shall be authorized to stay such claims through Defendants' satisfaction of their obligation to pay the Gross Settlement Amount in full in accordance with the timing requirements set forth in this Agreement.

10.14 Security and Disclosures. While any balance of the Gross Settlement Amount remains outstanding, Defendants: (1) Will not pay management fees in excess of \$102,750.00 per month, or in amount that would reduce available cash, after the Monthly Settlement Payment, to less than zero, whichever is less; (2) will defer any distributions to Larry Browne and/or to other Diligent officers or companies; and (3) will not change accounting practices.

Defendants will provide Plaintiffs' Counsel with reasonably detailed profit and loss statements and balance sheets on a quarterly basis beginning in the first quarter following execution of this Agreement and on a quarterly basis thereafter; as well as annual state and federal tax filings during the period in which any balance of the Gross Settlement Amount is owed.

Plaintiffs' Counsel and/or their expert(s) or consultant(s) will have a right to conduct a commercially reasonable audit of financial statements of Defendants on a quarterly basis beginning in the first quarter following execution of this Agreement at Plaintiffs' Counsel's expense. Such audits shall be conducted at a mutually agreed upon data and time, and such audits shall not unreasonably interfere with Defendants' regular business operations.

10.15 Default; Notice; Cure; Acceleration; Time is of the Essence; Final Order and Judgment.

Time is of the essence with respect to all provisions of this Agreement. Defendants agree to the Final Order and Judgment, attached to this Agreement as Exhibit B, that, among other things, sets forth their obligations to pay the Gross Settlement Amount and the timing required for such payment, and that accelerates Defendants' obligation to pay the outstanding portion of the payment plus a penalty of ten (10%) interest per year beginning from the date of the violation. Defendants agree that, after notice and a reasonable cure period of 10 business days, their failure to adhere to payment deadlines as set forth herein and/or their violation of the above security provisions will upon application to the Court

in the form attached to this Agreement as Exhibit C, authorize the Court to lift the stay on enforcement specified in the Final Order and Judgment, allowing for acceleration of all amounts due hereunder.

- 10.16 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.

[SIGNATURES ON FOLLOWING PAGE]

Dated: November 9, 2022

CALIFORNIA LOGISTICS, INC.

By Lh
Its LARRY BROWN

Dated: November 9, 2022

WESTERN DELIVERY & LOGISTICS, LLC

By Lh
Its LARRY BROWN

11 / 23 / 2022

Dated: November __, 2022

By HH
DARRYL HADLEY

Dated: November __, 2022

By _____
CLAUDIA FARIAS

Dated: November __, 2022

By _____
ARIES SIMMONS

Dated: November __, 2022

By _____
ALDEN ORTEGA

4888-5270-2014.1 / 093223-1003

Dated: November 9, 2022

CALIFORNIA LOGISTICS, INC.

By Lh
Its LARRY BROWN

Dated: November 9, 2022

WESTERN DELIVERY & LOGISTICS, LLC

By Lh
Its LARRY BROWN

Dated: November __, 2022

By _____
DARRYL HADLEY

Dated: November __, 2022

By _____
CLAUDIA FARIAS

Dec 12, 2022

Dated: November __, 2022

By aries
Aries Simmons (Dec 12, 2022 13:09 PST)
ARIES SIMMONS

Dated: November __, 2022

By _____
ALDEN ORTEGA

4888-5270-2014.1 / 093223-1003

Dated: November 9, 2022

CALIFORNIA LOGISTICS, INC.

By 
Its LARRY BROWNE

Dated: November 9, 2022

WESTERN DELIVERY & LOGISTICS, LLC

By 
Its LARRY BROWNE

Dated: November __, 2022

By _____
DARRYL HADLEY

12/13/2022
Dated: November __, 2022

By *Claudia Farias*
CLAUDIA FARIAS

Dated: November __, 2022

By _____
ARIES SIMMONS

Dated: November 28, 2022

By *Alden Ortega*
ALDEN ORTEGA