

PRIVATE ATTORNEYS GENERAL ACT
SETTLEMENT AGREEMENT AND RELEASE

This Private Attorneys General Act Settlement Agreement and Release (“Agreement”) is made by and between Cross-Complainant Jennifer M. Fuller (“Fuller”), individually, and on behalf of all other aggrieved employees (the “Aggrieved Employees,” as described below), and as a private attorney general on behalf of the State of California pursuant to Labor Code section 2699, *et seq.*, the Private Attorneys General Act (“PAGA”) on the one hand, and Defendant Celebrity Foundation for Children (“Celebrity Foundation”), on the other hand. Fuller and Celebrity Foundation are collectively referred to herein as “the Parties.”

This Agreement, and the settlement embodied herein, shall be binding on Fuller, the State of California, and Celebrity Foundation, subject to the approval of the Court.

WHEREAS, on March 17, 2022, Celebrity Foundation filed a complaint against Fuller in the Superior Court of California, County of Riverside entitled *Celebrity Foundation for Children v. Jennifer M. Fuller*, Case No. CVRI2201097. Celebrity Foundation’s action alleged claims against Fuller for: (1) Breach of Contract; (2) Conversion; and (3) Unjust Enrichment. Celebrity Foundation amended its complaint on June 10, 2022, to add an additional cause of action for Fraud and Deceit.

WHEREAS, on June 9, 2022, Fuller filed a First Amended Cross-Complaint against Celebrity Foundation and Michael Farah, wherein she asserted causes of action for: (1) Unpaid Overtime Wages; (2) Unpaid Meal Break Premiums; (3) Unpaid Rest Break Premiums; (4) Failure to Reimburse for Necessary Expenses; (5) Waiting Time Penalties; (6) Harassment Based on Sex (Hostile Work Environment); (7) Failure to Prevent Harassment and Discrimination; (8) Retaliation in Violation of Govt. Code section 12940(h); (9) Retaliation in Violation of Labor Code section 1102.5; (10) Conversion; and (11) Unfair Competition. On June 6, 2022, Fuller amended her Cross-Complaint to add a cause of action for Civil Penalties Pursuant to the Private Attorneys General Act (the “PAGA Claim”). The PAGA Claim asserts representative claims for civil penalties payable to Fuller, other aggrieved employees, and the State of California pursuant to PAGA, based on allegations that Celebrity Foundation: (1) misclassified employees in violation of Labor Code section 226.8; (2) failed to pay overtime compensation; (3) failed to furnish accurate itemized wage statements; (4) failed to reimburse necessary business expenses; (5) required Fuller and other aggrieved employees to work hours in excess of those permitted under the Labor Code without the required pay; (6) failed to provide meal periods in accordance with law; (7) failed to authorize and permit rest breaks in accordance with law; (8) failed to timely pay final wages at termination; and (9) failed to keep proper records reflecting regular and overtime hours worked. Specifically, the Representative PAGA Claims are claims for civil penalties under PAGA for violations of Labor Code §§ 226.8, 1194, 2802, 1199, 226.7, 226.7(b), 512, 558, 201, 202, 203, 223, 226, 1174 and 1175. The applicable PAGA Notice related to the PAGA Claim is attached hereto as **Exhibit A**.

WHEREAS, Fuller timely sent notices to the LWDA of her intent to pursue representative actions pursuant to PAGA, on behalf of herself, in her respective action against Celebrity Foundation, and the State of California as well as on behalf of a group of aggrieved employees (the notice by Fuller to the LWDA is referred to as the “PAGA Notice” herein).

WHEREAS, on June 21, 2024 the Parties participated in mediation with experienced wage-and-hour mediator Michael Leb, Esq. As a result, the Parties agreed to settle all claims and disputes between them, including Fuller’s Representative PAGA claims, taking into account all known facts and circumstances – including the difficulty of proving some of Fuller’s claims, potential defenses asserted by Celebrity Foundation, the uncertainty associated with litigation, the risks of significant delay, and numerous potential appellate issues.

WHEREAS, the Parties have entered this PAGA Settlement Agreement to resolve Fuller’s Representative PAGA claims and have entered a separate Settlement Agreement to resolve Celebrity Foundation’s claims against Fuller and Fuller’s individual claims against Celebrity Foundation and Michael Farah.

WHEREAS, for purposes of this Settlement, the Aggrieved Employees are defined as: “All workers who are or were employed by Celebrity Foundation within the State of California at any time during the PAGA Period.”

WHEREAS, for purposes of this Settlement, PAGA Period is defined as: “The period from March 31, 2021, through the date the Court enters an order and judgment approving this settlement.”

WHEREAS, the Parties understand, acknowledge, and agree that this PAGA settlement constitutes a compromise of Fuller’s Representative PAGA Claims and that it is the desire and intention of the Parties to effect a final and complete resolution of the Representative PAGA Claims that Fuller and the Aggrieved Employees have against Celebrity Foundation and Celebrity Foundation and its officers, directors, employees and agents. (collectively, the “Released Parties”). The Parties further acknowledge that this Agreement is a compromise of disputed claims and that nothing in this Agreement shall be construed as an admission by Celebrity Foundation or the Released Parties of any wrongdoing or liability. Specifically, Celebrity Foundation and the Released Parties deny any liability or wrongdoing of any kind associated with the claims alleged in the Cross-Complaints and applicable PAGA Notices. Celebrity Foundation and the Released Parties, among other things, contend that they have complied at all times with the California Labor Code and all applicable California laws.

WHEREAS, the Parties believe and agree that this Agreement provides for a fair, adequate, and reasonable resolution of the Representative PAGA Claims, and have arrived at the settlement in extensive, arms-length negotiations, taking into account all relevant factors, present and potential.

WHEREAS, California Labor Code § 2699(k)(2) requires Court review and approval of any settlement of a civil action filed pursuant to PAGA.

WHEREAS, based on their own independent investigations and evaluations, Celebrity Foundation and Fuller and their respective counsel are of the opinion that the amount and terms of the Settlement are fair, reasonable, and adequate and are in the best interests of Fuller, the Aggrieved Employees, and Celebrity Foundation in light of all known facts and circumstances and the risks inherent in litigation, including the potential appellate issues. Further, counsel for Fuller, Law Offices of Corbett H. Williams, and counsel for the Aggrieved Employees believe that the settlement amount entered into is in the best interests of the Aggrieved Employees and

that the settlement for each Aggrieved Employee is fair, reasonable, and adequate, given the inherent risk of litigation.

WHEREAS, the Parties: (1) believe and agree that this Agreement provides for a fair, adequate, and reasonable resolution of the Representative PAGA Claims, (2) have investigated the facts relevant to this settlement and this Agreement, and all matters pertaining thereto, and (3) have arrived at the settlement through extensive, arms-length negotiations, taking into account all relevant factors, present and potential.

WHEREAS, the Parties recognize that in accordance with Labor Code section 2699(l), Court approval is required in the event of a settlement of a PAGA action on a representative basis. However, as explained in *Arias v. Superior Court*, 46 Cal. 4th 969 (2009), the Parties are not obligated to follow the class action procedural rules in PAGA cases and therefore need not obtain approval of the PAGA settlement through a motion for preliminary or final approval. *See also Mendoza v. Nordstrom, Inc.*, 2 Cal. 5th 1074 (2017) (“PAGA authorizes a representative action without the need for class certification”); *Baumann v. Chase Inv. Servs. Corp.*, 747 F.3d 1117, 1123 (9th Cir. 2014) (“a PAGA suit is fundamentally different than a class action” in that PAGA has no notice requirements for unnamed aggrieved employees, nor may such employees opt out of a PAGA action); *Williams v. Sup. Ct.*, 3 Cal. 5th 531, 546-47 (2017) (“PAGA does not make other potentially aggrieved employees parties or clients of plaintiff’s counsel, does not impose on a plaintiff or counsel any express fiduciary obligations, and does not subject a plaintiff or counsel to scrutiny with respect to the ability to represent a large class”).

Therefore, in consideration of the promises and agreements contained herein, and to avoid the uncertainty, risks, costs, and delays associated with further litigation, the Parties agree and covenant as follows:

1. Effective Date. The effective date (“Effective Date”) of this Agreement shall mean the following: (a) the date of service of notice of entry of the order approving this Agreement and the PAGA Settlement if no objections are filed to this settlement or if all objections are withdrawn prior to the Court ruling on them; or (b) sixty-one (61) days after the date of service of notice of entry of the settlement approval order if objections are filed and overruled and no appeal is taken from the order approving the settlement; or (c) if a timely appeal is made, ten (10) business days after the final resolution of that appeal if the appeal is rejected, the settlement is upheld, and the settlement approval order is no longer subject to further judicial review.

2. PAGA Released Claims/Effect of Judgment on Aggrieved Employees and LWDA. The Parties agree and acknowledge that, to the maximum extent permitted by law, the final judgment entered pursuant to this settlement will bind Fuller and the State of California, with respect to the recovery of civil penalties under the California Private Attorneys General Act, California Labor Code § 2698, *et. seq.* only, against the “Released Parties.” It is expressly understood and agreed that this settlement only includes a full release of the PAGA claims for all statutory penalties that could have been sought on behalf of the State of California for the violations identified in Fuller’s pre-filing letter to the LWDA, which was appended to and incorporated into the First Amended Cross-Complaint filed on June 9, 2022, and which is attached to this agreement as **Exhibit A**.

3. General Release. General release means Fuller's irrevocable and unconditional release, acquittal, and discharge of the Released Parties and all persons and/or corporate entities acting through, under, on behalf of, or in concert with any of them, or any of them, from any and all PAGA Released Claims defined in Paragraph 2 and any and all existing claims, demands, suits, actions, causes of action, obligations, agreements, contracts, promises, liabilities, debts, compensation, damages, losses, costs, expenses, and attorneys' fees, of any and every kind, nature or character, known or unknown, suspected or unsuspected, actual or potential, absolute or contingent, pending or anticipated, including but not limited to those arising under any federal, state, or local law, regulation or ordinance, contract, quasi-contract, the common law, public policy, or any constitution, such as, without limitation, the California Constitution; the California Labor Code, including Labor Code section 132a; Family and Medical Leave Act; California Family Rights Act; Title VII of the Civil Rights Act of 1964; the Civil Rights Act of 1991; the California Fair Employment and Housing Act; the Private Attorneys General Act of 2004; Americans with Disabilities Act; Older Workers Benefit Protection Act; Age Discrimination in Employment Act; Consolidated Omnibus Budget Reconciliation Act of 1985; Employee Retirement Income Security Act of 1974; Immigration Reform and Control Act; the Workers Adjustment and Retraining Notification Act; The Occupational Safety and Health Act; The Sarbanes-Oxley Act of 2002; The Fair Credit Reporting Act; the Equal Pay Act; The Genetic Information Nondiscrimination Act of 2008; Statutory Provision Regarding the Confidentiality of AIDS Information – Cal. Health & Safety Code § 120775; California Confidentiality of Medical Information Act; California Civil Code section 51 et seq.; Wage Orders of the California Industrial Welfare Commission; the California Code of Regulations; the California Business and Professions Code; Fair Labor Standards Act; and claims of intentional infliction of emotional distress; defamation and/or libel, or any other damage to reputation claims; breach of implied contract; breach of the covenant of good faith and fair dealing, as well as any other express or implied covenant; or any other statute or common law principle of similar effect, known or unknown, which Fuller now has, owns, or holds, or claims to have, own or hold, or which Fuller at any time heretofore had, owned, or held, or claimed to have, own, or hold or which Fuller at any time hereinafter may have, own, or hold, or claim to have, own, or hold, against each or any of the Released Parties, arising from acts, events, or circumstances occurring on or before the effective date of this Agreement. This shall not affect Fuller's workers' compensation claims and unemployment benefits, if any. Fuller's worker's compensation claims and any other claims which cannot be released by law are not released by this Agreement. With respect to claims released in this Section, Fuller expressly waives the benefits of California Civil Code section 1542. Civil Code section 1542 provides:

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.

Notwithstanding the provisions of section 1542, and for the purpose of implementing a complete release and discharge of the claims in the General Release, Fuller expressly acknowledges that this Agreement is intended to include in its effect all claims she does not know of or suspects to exist in her favor at the time of execution hereof and that this Agreement contemplates the extinguishment of all such claims.

4. **Notice to LWDA.** Pursuant to California Labor Code § 2699(k)(2), the Parties shall submit to the LWDA a copy of this Agreement at the same time that the Parties submit it to the Court for approval.

5. **Gross Settlement Amount.** Celebrity Foundation agrees to pay, in accordance with the terms set forth herein, the total sum of \$50,000 (the “Gross Settlement Amount”) in full settlement of the Lawsuits. The Gross Settlement Amount will be allocated as follows:

- a. PAGA Counsel’s attorneys’ fees and costs request of up to 33% of the Gross Settlement Amount (\$16,500) (“PAGA Counsel’s Fees”) and PAGA Counsel’s separate request for reasonable litigation costs incurred in this matter (“PAGA Counsel’s Costs”) not to exceed \$5,500. Celebrity Foundation will not oppose these requests. To the extent that the Court approves less than the amount of attorney’s fees and costs that PAGA Counsel requests, any reduced amount shall be allocated to the settlement fund for the Aggrieved Employees;
- b. Administration costs estimated not to exceed \$1,750 to be paid to the Settlement Administrator (“Administration Costs”);
- c. The remainder of the Gross Settlement Amount (the “PAGA Fund”) after deducting items (a) and (b) is approximately \$23,000, and shall be designated as PAGA Penalties to be allocated between the LWDA and the Aggrieved Employees pursuant to Labor Code section 2699(i), with 75% paid to the LWDA (the “LWDA PAGA Portion”) and 25% paid to the Aggrieved Employees (the “Aggrieved Employees’ PAGA Portion”) on a pro-rata basis as set forth in Paragraph 6 below.

6. **Allocation and Calculation of the PAGA Penalties.** Each Aggrieved Employee shall receive a portion of the PAGA Penalties on a pro-rata basis. Celebrity Foundation will calculate: (i) the total number of pay periods worked by each Aggrieved Employee during the PAGA Period, and (ii) the total number of pay periods worked by all Aggrieved Employees during the PAGA Period. To determine each Aggrieved Employee’s payment from the Aggrieved Employees’ PAGA Portion, Celebrity Foundation will use the following formula: Settlement Payment = Aggrieved Employees’ PAGA Portion ($\approx \$5,937.5$) $\times$ [Pay Periods Worked by Individual Aggrieved Employee during the PAGA Period $\div$ Total Pay Periods Worked by All Aggrieved Employees during the PAGA Period].

7. **Tax Treatment of Settlement Amounts.** With regard to settlement payments to Aggrieved Employees, IRS Form 1099s will be issued by the Settlement Administrator, if applicable. IRS Form 1099s are used for payments of miscellaneous income that is not considered wages, such as the penalty payments at issue in this Settlement. Nothing in this Settlement is intended to constitute legal advice regarding federal, state, and/or local tax obligations. Fuller acknowledges that she has obtained no tax advice from Celebrity Foundation and that neither Celebrity Foundation nor its attorneys have made any representation concerning the tax consequences, if any, of the Settlement Amount in this Agreement or any payment to be made pursuant to this Agreement. To the extent that this Settlement or any of its attachments are interpreted to contain or constitute advice regarding any

state or federal tax issue, such advice is not intended or written to be used, and cannot be used, by any person for the purpose of avoiding penalties under the Internal Revenue Code. Celebrity Foundation, its counsel and Fuller's and the Aggrieved Employees' counsel are not responsible for any employee tax obligations regarding the allocation of the settlement payments. Payment of the portion allocated to PAGA Counsel's fees and costs will be reflected in a Form 1099 to PAGA Counsel, who shall assume full responsibility and liability for the payment of taxes due on such payments.

8. Circular 230 Disclaimer. EACH PARTY TO THIS AGREEMENT (FOR PURPOSES OF THIS SECTION, THE "ACKNOWLEDGING PARTY" AND EACH PARTY TO THIS AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN "OTHER PARTY") ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS AGREEMENT, AND NO WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN OR AMONG THE PARTIES OR THEIR ATTORNEYS AND OTHER ADVISERS, IS OR WAS INTENDED TO BE, NOR SHALL ANY SUCH COMMUNICATION OR DISCLOSURE CONSTITUTE OR BE CONSTRUED OR BE RELIED UPON AS, TAX ADVICE WITHIN THE MEANING OF UNITED STATES TREASURY DEPARTMENT CIRCULAR 230 (31 CFR PART 10, AS AMENDED); (2) THE ACKNOWLEDGING PARTY (A) HAS RELIED EXCLUSIVELY UPON HIS OR ITS OWN, INDEPENDENT LEGAL AND TAX ADVISERS FOR ADVICE (INCLUDING TAX ADVICE) IN CONNECTION WITH THIS AGREEMENT, (B) HAS NOT ENTERED INTO THIS AGREEMENT BASED UPON THE RECOMMENDATION OF ANY OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO ANY OTHER PARTY, AND (C) IS NOT ENTITLED TO RELY UPON ANY COMMUNICATION OR DISCLOSURE BY ANY ATTORNEY OR ADVISER TO ANY OTHER PARTY TO AVOID ANY TAX PENALTY THAT MAY BE IMPOSED ON THE ACKNOWLEDGING PARTY; AND (3) NO ATTORNEY OR ADVISER TO ANY OTHER PARTY HAS IMPOSED ANY LIMITATION THAT PROTECTS THE CONFIDENTIALITY OF ANY SUCH ATTORNEY'S OR ADVISER'S TAX STRATEGIES (REGARDLESS OF WHETHER SUCH LIMITATION IS LEGALLY BINDING) UPON DISCLOSURE BY THE ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX STRUCTURE OF ANY TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED BY THIS AGREEMENT.

9. PAGA Settlement Payment Procedures.

- a. Within 10 business days of the Effective Date, Celebrity Foundation shall deposit the Gross Settlement Amount or \$50,000 with the Settlement Administrator. Within 10 business days of the Effective Date, Celebrity Foundation shall also provide the Settlement Administrator with a list of all Aggrieved Employees with each listed employee's full name, last known mailing address, social security number, the actual number of pay periods in the PAGA period. The Settlement Administrator shall run all the addresses of Aggrieved Employees through the United States Postal Service NCOA database to obtain current address information.

Within 20 calendar days from the date the Gross Settlement Amount has been deposited with the Settlement Administrator, the Settlement Administrator shall:

- i. Remit a total of Twenty-Five percent (25%) of the PAGA Fund to the Aggrieved Employees, along with the employee letter (attached hereto as **Exhibit B**). Aggrieved Employees shall not be required to make claims, but shall simply be delivered a check for their share of the PAGA settlement. The payment checks shall be sent to each Aggrieved Employee by U.S. First Class mail to the Aggrieved Employee's address with directions to the Postmaster to forward the payment checks and return all undeliverable payment checks to the Settlement Administrator. It will be conclusively presumed that an Aggrieved Employee's Individual Settlement Payment check was received if the payment check has not been returned within thirty (30) days of the original mailing of the payment check. All uncashed settlement checks shall be sent to the California State Controller's Unclaimed Property division.
 - ii. Remit a total of Seventy-Five percent (75%) of the PAGA Fund to the LWDA.
 - iii. Remit PAGA Counsel's fees and costs, as approved by the Court.
 - iv. Remit payment to itself for services as Settlement Administrator, as approved by the Court.
- b. Settlement Checks issued to Aggrieved Employees pursuant to this Agreement will expire one hundred and eighty (180) days from the date they are mailed by the Settlement Administrator. All money represented by uncashed settlement checks shall be sent to the California State Controller's Unclaimed Property division in the name of the individual(s) who did not negotiate a settlement check during the negotiation period.
 - c. Neither Celebrity Foundation nor Fullers shall bear any liability for lost or stolen checks, forged signatures on checks, or unauthorized negotiation of checks. Unless responsible by its own acts of omission or commission, the same is true for the Settlement Administrator.

10. Settlement Administrator. As set forth in Paragraph 9, the Settlement Administrator shall be responsible for sending notices, calculating settlement payments, preparing all checks and mailings, and complying with all requirements set forth in Paragraph 9. As noted above, the costs of the Settlement Administrator shall be paid out of the Gross Settlement Amount, and the Parties agree to use Phoenix Class Action Administration Services as Settlement Administrator.

11. Duties of the Parties Related to Approval. Promptly upon execution of this Settlement, Fuller shall apply to the Riverside County Superior Court, by way of motion or joint stipulation by the Parties, for approval of the proposed Settlement and global resolution of her PAGA Claims and for the entry of an order approving this Settlement as required by Labor Code section 2699(1). The Motion or Approval Stipulation will request Court approval of the following: (1) the terms of this Agreement, (2) the amount of fees and costs to counsel for Fuller

and the Aggrieved Employees, and (3) Final Judgment. In conjunction with the Approval Stipulation or Motion for Approval, Fuller shall submit a proposed Final Judgment requesting the entry of judgment.

12. Interim Stay of Proceedings. The Parties agree to refrain from further litigation of this matter, except such proceedings necessary to implement and obtain entry of the Final Order granting final approval of the terms of the Agreement.

13. Invalid without Court Approval. In the event this Settlement Agreement is not approved by the Court, it shall be deemed null and void, of no force and effect, and of no probative or evidentiary value, and the Parties hereto represent, warrant, and covenant that it will not be used or referred to for any purpose whatsoever. In the event that the Agreement does not become final for any reason, this Agreement shall be null and void and any order entered by the Court in furtherance thereof shall be treated as void ab initio. In such a case, the Parties shall return to the status quo as if they had not entered into this Settlement Agreement. The Settlement Administrator will be paid by Celebrity Foundation for its costs through the date it is notified that the Settlement will not proceed.

14. Non-Admission of Wrongdoing. The Parties agree that this Agreement does not constitute an admission by Celebrity Foundation or any Released Party, of any of the matters alleged in the Cross-Complaints or of any violation by any of them of any federal, state or local law, ordinance or regulation, or of any violation of any policy or procedure, or of any liability or wrongdoing whatsoever. Neither this Agreement nor anything in this Agreement shall be construed to be or shall be admissible in any proceeding as evidence of liability or wrongdoing by Fuller, Celebrity Foundation or the Released Parties, or the Released Parties' parents, subsidiaries, divisions, affiliated corporations, trustees, directors, officers, shareholders, agents, attorneys, insurers, or employees.

15. Nondisclosure and Nonpublication. Fuller agrees not to publicize the Agreement, the fact of the Agreement, its terms or contents, or the negotiations underlying the Agreement, in any manner or form, directly or indirectly, to any person or entity, beyond filing the Agreement with the Court and submitting a copy to the LWDA. In response to any inquiries Fuller will state that "the case was resolved and it was resolved confidentially." Fuller's counsel shall not report the Agreement in any medium or in any publication, shall not post or report anything regarding the claims of Fuller or Aggrieved Employees on their website, and shall not contact any reporters or media regarding the Agreement. However, Fuller's counsel is authorized to make a limited disclosure to the Court and the LWDA for the purposes of obtaining the approval of the settlement. Fuller's counsel may list the case name and number and a description of the allegations in their qualifications as counsel in other cases.

16. Waiver and Amendment. The Parties may not waive, amend, or modify any provision of this Agreement except by a written agreement signed by all of the Parties, and subject to any necessary Court approval. A waiver or amendment of any provision of this Settlement Agreement will not constitute a waiver of any other provision.

17. Enforcement. The Parties agree that following entry of the Final Judgment, this Settlement Agreement shall be enforceable by the Court and the Court shall retain exclusive and continuing jurisdiction of the PAGA Claims over all parties and the Aggrieved Employees to

interpret and enforce the terms, conditions, and obligations of the Settlement Agreement. In the event that one or more of the Parties to this Settlement institutes any legal action or other proceeding against any other party or parties to enforce the provisions of this Settlement or to declare rights and/or obligations under this Settlement, the successful party or parties shall be entitled to recover from the unsuccessful party or parties reasonable attorney's fees and costs, including expert witness fees incurred in connection with any enforcement actions.

18. Entire Agreement. This Settlement Agreement contains the entire agreement between the Parties with respect to the transactions contemplated hereby, and supersedes all negotiations, presentations, warranties, commitments, offers, contracts and writings prior to the date hereof relating to the subject matters hereof. Any representation, promise or agreement not specifically included in this Agreement shall not be binding upon or enforceable against either Party. This is a fully integrated agreement. No other promises or agreements shall be binding or shall modify this Agreement unless in writing and signed by the Parties.

19. Severability. If any provision of this Agreement or the application thereof is held invalid, the invalidity shall not affect other provisions or applications of the Settlement Agreement that can be given effect without the invalid provisions or application, and to this end, the provisions of this Agreement are declared to be severable. Notwithstanding the foregoing, no portion of any release contained herein may be deemed severed or deleted from this Agreement, except upon waiver in writing by the applicable Released Party.

20. No Construction Against the Drafter. Each Party has cooperated in the drafting and preparation of this Agreement. Hence, in any construction to be made of this Agreement, the same shall not be construed against any Party on the basis that the Party was the drafter.

21. Choice of Law. This Agreement shall be deemed to have been executed and delivered within the State of California, and the rights and obligations of the parties hereunder shall be construed and enforced in accordance with, and governed by, the laws of the State of California without regard to principles of conflict of laws.

22. Counterparts. This Agreement may be executed by one or more of the Parties on any number of separate counterparts and delivered electronically, and all of said counterparts taken together shall be deemed to constitute one and the same instrument.

23. Cooperation. Each Party, on behalf of themselves, and their respective business entities, heirs, executors, and assigns, agrees that they will abide by this Agreement and will do all such acts, and prepare, execute, and deliver all such documents, as may be reasonably required to carry out the stated objectives of this Agreement.

7/22/2024

Dated: July ___, 2024

DocuSigned by:

764B30975B260414
Jennifer M. Fuller

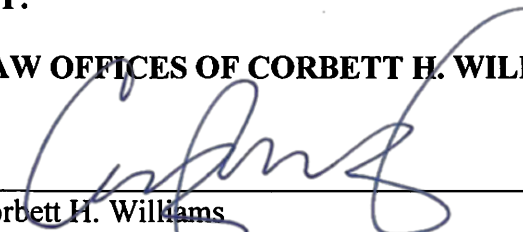
Dated: July ___, 2024

Celebrity Foundation for Children
By: Michael Farah
Its: Executive Director

APPROVED AS TO FORM AND CONTENT:

Dated: July 25, 2024

LAW OFFICES OF CORBETT H. WILLIAMS


Corbett H. Williams
Attorneys for Jennifer M. Fuller, and Aggrieved
Employees

Dated: July ___, 2024

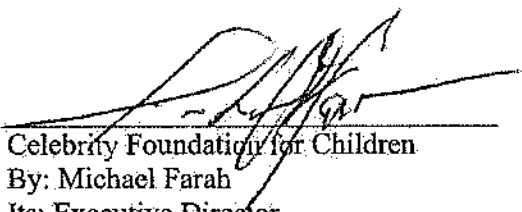
CALLAHAN & BLAINE, APLC

Edward Susolik
David C. Palmer
Bryan C. Oberle
Attorneys for Celebrity Foundation for Children and
Michael Farah

Dated: July __, 2024

Jennifer M. Fuller

Dated: July 1st, 2024



Celebrity Foundation for Children
By: Michael Farah
Its: Executive Director

APPROVED AS TO FORM AND CONTENT:

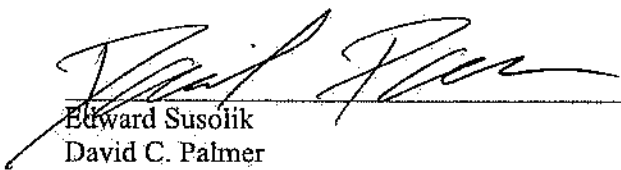
Dated: July __, 2024

LAW OFFICES OF CORBETT H. WILLIAMS

Corbett H. Williams
Attorneys for Jennifer M. Fuller, and Aggrieved
Employees

Dated: July 2nd, 2024

CALLAHAN & BLAINE, APLC



Edward Susolik
David C. Palmer
Bryan C. Oberle
Attorneys for Celebrity Foundation for Children and
Michael Farah

EXHIBIT A

March 31, 2022

Via Electronic Submission

California Labor & Workforce
Development Agency
PAGAfilings@dir.ca.gov

Re: PAGA Notice Pursuant to California Labor Code § 2699: Michael Farah &
The Celebrity Foundation for Children

Dear Sir or Madam:

Please be advised that Jennifer Fuller (“Plaintiff”) has retained the Law Offices of Corbett H. Williams to represent her and other aggrieved employees for wage and hour claims against her former employer, Michael Farah & The Celebrity Ranch Foundation for Children (“Employer”). This notice is being provided via electronic submission to the California Labor and Workforce Development Agency (“LWDA”) and Employer both directly, thorough the registered agent on file with the California Secretary of State and through Employer’s counsel.

Plaintiff requests that the LWDA regard this Notice as written notice of her intent to seek civil penalties against Employer. The specific provisions of the California Labor Code that Employer has violated requiring this notice include, but are not limited to, California Labor Code Sections 226.8, 1194, 2802, 1199, 226.7, 226.7(b), 512, 558, 201, 202, 203, 223, 226, 1174 and 1175.

Employer

Employer and its managing agents operate or otherwise manage a purported non-profit ranch to benefit children. In reality, the ranch property is leveraged as a tax shelter for Michael Farah and enables him to entertain personal friends and market his money management practice, host polo teams and engage in other recreational activities while enjoying the protections of tax-exempt status.

As part of this tax evasion scheme, Employer maintains a cadre of at least 10 supposed “independent contractors” who manage and operate the ranch, organize events to take place there, care for animals, facilities, etc. All such individuals are plainly employees under California law and Employer’s classification of such employees as independent contractors is willful and part of an ongoing pattern and practice. Employer exercises a high level of control over these employees, none of whom meet the “ABC” test for independent contractor. Employer also tracks hours worked by these employees, but fails to pay overtime wages for hours worked in excess of 8 hours per day and 40 hours per week. Employer also fails to furnish wage statements, provide meal or rest breaks or pay premiums for missed meal and rest breaks. Employer also fails to withhold any amount from employees, pays no employer-side taxes, fails to provide workers compensation insurance and fails to pay unemployment insurance premiums.

Employer has violated or caused to be violated several Labor Code provisions and is therefore liable for civil penalties under California Labor Code § 2698, *et seq.* We respectfully request that your agency investigate the claims alleged against them herein. This letter will serve as notice of these allegations pursuant to the Private Attorneys General Act of 2004 (“PAGA”), California Labor Code § 2699.3.

Plaintiff and Aggrieved Employees

Employer employed Plaintiff as “ranch manager” and treated Plaintiff as an employee as part of its pattern and practice of misclassification and tax evasion. Employer terminated Plaintiff after she complained that another female employee had been the subject of sexual harassment at private party that occurred at the ranch property. Plaintiff herself was the victim of sexual harassment at the hands of Mr. Farah. Employer uses an array of similarly misclassified employees to carry out the same or similar functions as Plaintiff (collectively, “Aggrieved Employees”).

At all relevant times, Plaintiff was an aggrieved employee as defined in Labor Code section 2699(c) as: “any person who was employed by the alleged violator and against whom one or more violations was committed.” Plaintiff seeks recovery for the Labor Code violations set forth herein on behalf of themselves and other current and former employees, including, but not limited to: all employees who worked for Employer in the State of California within one year and who were subject to the same or similar Labor Code and/or Wage Order violations as Plaintiff. Plaintiff believes and thereon alleges that Employer employs scores of similarly situated employees in California at any given time.

Labor Code Violations

Willful Misclassification of Employees as Independent Contractors

Employer classified Plaintiff and numerous other individuals in California as independent contractors. Plaintiff the other Aggrieved Employees were clearly employees under California law and Employer’s misclassification was willful and part of a pattern and practice. Because Employer has engaged in a pattern or practice of willful misclassification,

Employer is liable for civil penalties under California Labor Code section 226.8 of between \$10,000 and \$25,000 for each such violation, plus attorney's fees.

Unlawful Failure to Pay Overtime Compensation

As described above, Employer has required Plaintiff and the Aggrieved Employees to work hours qualifying them for significant overtime compensation, but has not paid these employees overtime compensation. As a result, Plaintiff and the Aggrieved Employees have been denied “the unpaid balance of the full amount of this . . . overtime compensation” as required by California Labor Code section 1194, and Employer is liable for civil penalties pursuant to California Labor Code section 2698 *et seq.*

Unlawful Failure to Furnish Accurate Wage Statements

Employer failed to provide Plaintiff and the Aggrieved Employees with wage statements that complied with Labor Code Section 226 because, among other things, they failed to furnish wage statements containing the information required by Labor Code Section 226(a). In so doing, Employer has violated California Labor Code section 226 and is liable for civil penalties pursuant to California Labor Code sections 226.3 and 2698 *et seq.*

Unlawful Failure to Indemnify Necessary Expenditures

Employer failed to reimburse or indemnify Plaintiff and the Aggrieved Employees' necessary expenditures or losses incurred as a direct consequence of the discharge of their duties in service to Employer as required by California Labor Code section 2802(a). Such expenditures include the furnishing for work purposes of personal vehicles, cellular telephones and other communications devices.

Employer has violated California Labor Code section 2802(a) and is liable for civil penalties pursuant to California Labor Code sections 2698 *et seq.*

Unlawful Violation of California Labor Code § 1199

Under California Labor Code sections 1199(a) and (c) and 2699.5 *et seq.*, an employer who “requires or causes an employee to work for longer hours than those fixed” or “violates or refuses or neglects to comply with any provision of” the Labor Code regarding employees' wages, hours, and working conditions is subject to PAGA penalties. Employer has violated the Labor Code in various ways set forth herein.

Unlawful Failure to Provide Uninterrupted Off-Duty Meal Periods

Employer has, among other things, failed to: (1) maintain a policy that provides Plaintiff and the Aggrieved Employees with off-duty meal periods as required by California law; (2) provide Plaintiff and the Aggrieved Employees with a reasonable opportunity to take their meal periods at the appropriate times; and (3) failed to pay Plaintiff and the Aggrieved Employees an additional hour of pay at their regular rate of pay for each missed or late meal period. Among other things, Plaintiff and Aggrieved Employees were regularly

not provided required meal periods or required to take untimely, interrupted, or non-duty free meal periods without receiving an additional hour of pay at their regular rate of for each such meal period. As a result of Employer's violations of California Labor Code sections 226.7, 226.7(b), and 512, Employer is liable for civil penalties pursuant to California Labor Code sections 558 and 2698 *et seq.*

Unlawful Failure to Provide Uninterrupted Off-Duty Rest Periods

Employer has, among other things, failed to: (1) maintain a policy that provides Plaintiff and the Aggrieved Employees with off-duty rest periods as required by California law; (2) provide Plaintiff and the Aggrieved Employees with a reasonable opportunity to take their rest periods at the appropriate times; and (3) failed to pay Plaintiff and the Aggrieved Employees an additional hour of pay at their regular rate of pay for each missed or late rest period. Among other things, Plaintiff and the Aggrieved Employees were regularly not provided required meal periods or required to take untimely, interrupted, or non-duty free rest periods without receiving an additional hour of pay at their regular rate of for each such rest period. As a result of Employer's violations of California Labor Code sections 226.7, 226.7(b), and 512, Employer is liable for civil penalties pursuant to California Labor Code sections 558 and 2698 *et seq.*

Unlawful Failure to Pay Wages Due Upon Termination

Employer has violated California Labor Code sections 201 and 202 by willfully failing to pay all compensation due and owing to Plaintiff and other Aggrieved Employees at the time employment was terminated. Employer willfully failed to pay Aggrieved Employees no longer employed by them all compensation due upon termination of employment as required under California Labor Code sections 201 and 202. Pursuant to sections 203 and 256 of the Labor Code, affected Aggrieved Employees are now entitled to recover up to thirty (30) days of wages due to Employer's willful failure to comply with the statutory requirements of sections 201 and 202 of the Labor Code. In addition, because Employer violated California Labor Code sections 201, 202, and 203, Employer is liable for civil penalties pursuant to California Labor Code section 2698 *et seq.*

Failure to Maintain Proper Records

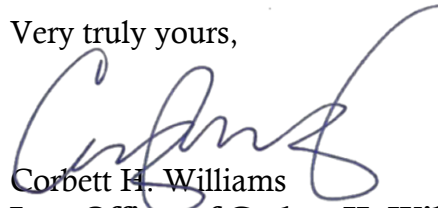
The California Labor Code mandates that Employer keep proper records reflecting the regular hours and overtime hours worked, among other records. Employer failed to keep proper records that reflected the regular and overtime hours worked, together with applicable piece rate amounts. These actions violated Labor Code sections 223, 226, 1174 and 1175.

Conclusion

Employer has violated or caused to be violated a number of California wage and hour laws. Plaintiff requests that the agency investigate the above allegations and provide notice of the allegations pursuant to PAGA's notice provision.

Alternatively, Plaintiff requests the agency inform her if it does not intend to investigate these violations so that he may include claims in her lawsuit for the violations discussed in this letter.

Very truly yours,



Corbett H. Williams
Law Offices of Corbett H. Williams

cc via U.S. Certified Mail:

Michael Farah
511 E Balboa Blvd.
Newport Beach, CA 92661

Michael Farah as Registered Agent for
The Celebrity Ranch Foundation for Children
511 E. Balboa Blvd.
Newport Beach, CA 92661

Edward Susolik
Scott Nelson
Callahan & Blaine
3 Hutton Centre Drive, Ninth Fl.
Santa Ana, CA 92707

David N. Sharifi
11620 Wilshire Blvd., 9th Fl.
Los Angeles, CA 90025

EXHIBIT B

NOTICE OF PAGA ACTION SETTLEMENT

Celebrity Foundation for Children v. Jennifer M. Fuller, and related cross-complaints, Case No. CVRI2201097

This is not a solicitation by a lawyer. You are not being sued.

IF YOU ARE OR WERE EMPLOYED by Celebrity Foundation for Children (“Celebrity Foundation”) DURING THE PAGA PERIOD (March 31, 2021 THROUGH _____, 2024), THIS PAGA SETTLEMENT AFFECTS YOUR RIGHTS.

A settlement (the “Settlement”) has been reached in the lawsuit entitled *Celebrity Foundation for Children v. Jennifer M. Fuller, and related cross-complaints, Case No. CVRI2201097* (the “Action”), asserting claims under the Labor Code Private Attorneys General Act of 2004, Labor Code § 2698, *et seq.* (“PAGA”). The purpose of this Notice is to advise you as to why you have received a portion of the Settlement proceeds. The Settlement resolves the Action.

Who is affected by this proposed Settlement?

The Court has designated, for settlement purposes only, the following persons as “Aggrieved Employees”:

“All workers who are or were employed by Celebrity Foundation within the State of California at any time during the PAGA Period.” (the “PAGA Period” refers to the period of March 31, 2021 through _____, 2024).

According to Celebrity Foundation’s records, you are one of the Aggrieved Employees.

What is this case about?

In the Action, Jennifer M. Fuller (“Fuller”) asserted claims that Celebrity Foundation violated provisions of the Labor Code giving rise to civil penalty liability under the Labor Code Private Attorneys General Act of 2004 (“PAGA”) [Lab. Code § 2699, *et seq.*].

Celebrity Foundation denied all liability and was confident that it had strong legal and factual defenses to these claims, but Celebrity Foundation recognized the risks, distractions, and costs associated with continued litigation.

This Settlement is a compromise reached after good faith, arm’s length negotiations between Fuller and Celebrity Foundation (the “Parties”), through their attorneys and is not an admission of liability on the part of Celebrity Foundation.

The Court has not ruled on the merits of Fuller’s claims or Celebrity Foundation’s defenses, but did approve the Settlement.

What are the Settlement terms?

Celebrity Foundation will pay \$_____ (the “Gross Settlement Amount”) for: (a) payment of \$_____ to the Labor and Workforce Development Agency (“LWDA”) as its 75% share of PAGA penalties; (b) payment of \$_____ to Aggrieved Employees as their 25% share of PAGA penalties, (c) payment of attorney’s fees of \$_____ and litigation costs of \$_____; and, (d) payment of administration costs of \$_____ to the Settlement Administrator.

By operation of the Settlement’s terms, all Aggrieved Employees will release Celebrity Foundation and its shareholders, members, parent corporations or entities, related and/or affiliated entities, subsidiaries, divisions, investors, partners, general partners, limited partners, directors, officers, employees, managers, supervisors, assigns, heirs, beneficiaries, predecessors, successors, attorneys, agents, and representatives, and all others related to them, and each of them (collectively, the “Released Parties”), and/or any other individual or entity that could be liable for the acts of omissions of Celebrity Foundation from the PAGA claims for civil penalties based on alleged violations of California Labor Code sections 201-204, 218.5, 226, 226.3, 226.6, 510, 512, 558, 558.1, 1174, 1174.5, 1194, 1198, 2802, 2698, *et seq.*, 3700.5 and the California Industrial Welfare Commission Wage Orders (the “Released Claims”).

The Settlement Payments to Aggrieved Employees are classified as other miscellaneous income and will be reported on IRS Form 1099-MISC, if required. Your share was calculated based on the number of pay periods you worked during the PAGA Period.

All checks will remain valid and negotiable for one hundred eighty (180) days from the date of the checks’ issuance and shall thereafter automatically be void if not cashed within that time. Uncashed checks will be sent to the California State Controller’s Unclaimed Property division, in the name of the PAGA Settlement Member.

The Settlement includes a release of PAGA claims asserted in the Action.

PLEASE DO NOT CONTACT THE COURT FOR INFORMATION REGARDING THIS SETTLEMENT.