

SETTLEMENT AND GENERAL RELEASE AGREEMENT

This Settlement and General Release Agreement ("Agreement") is entered into by and between Jesse Johnson ("**Employee**") and MAJCO, LLC ("**Employer**") (collectively referred to as the "**Parties**"), effective as of the Effective Date set forth in Paragraph 2 (c) below.

RECITALS

A. Whereas, Employee was previously employed with Employer and has asserted various claims against Employer arising out of Employee's employment or separation from employment with Employer.

B. Whereas, on April 10, 2025, Employee filed a lawsuit entitled *Jesse Johnson v. MAJCO, LLC*, Los Angeles County Superior Court Case No. 25STCV10825, wherein Employee asserted the following alleged wage and hour actions on an individual and class/representative basis: 1) failure to pay overtime; 2) failure to pay minimum wage; 3) failure to provide meal periods; 4) failure to provide rest periods; 5) improper wage statements; 6) waiting time penalties; 7) failure to pay business expenses; 8) improper deduction from wages; 9) unfair competition; 10) PAGA Action; 11) failure to maintain records; and 12) misclassification. Employee also asserted individual tort claims of wrongful termination and retaliation. Plaintiff's lawsuit, known as Case No. 25STCV10825, is referred herein as the "**Action**."

C. Whereas, Employer and its Released Parties (defined below) have disputed and denied, and continue to dispute and deny, any and all liability, wrongdoing, or other illegal or improper conduct in connection with Employee's claims, contentions, the Action, and Employee's employment, and maintain that they have at all times complied with all relevant laws and obligations and have not engaged in any illegal or otherwise actionable conduct with respect to Employee or otherwise, Employer enter into this Agreement to resolve all litigation and disputes with Employee and to avoid the burden and expense of continued litigation and disputes with Employee.

D. Whereas, during his employment with Employer, Employee signed a valid and enforceable arbitration agreement regarding claims arising from his employment and that contained a class action waiver.

E. Whereas, there are three previously filed class action and PAGA actions pending against Employer: *Justin Poor v. MAJCO LLC* (Ventura County Superior Court Case No. 2024CUOE032522), *Matthew Heintze v. MAJCO LLC* (Ventura County Superior Case No. 2024CUOE021584); and *Ernesto Sanchez, et al. v. MAJCO LLC* (Santa Clara County Superior Court Case No. 24CV446837). These third previously filed actions are collectively referred herein as the "**Class/PAGA Actions**."

F. Whereas in light of the arbitration agreement and Class/PAGA Actions, Employee wishes to settle and resolve his Action in its entirety solely on an individual basis, and not proceed with Employee's case as a class action or representative PAGA

action.

G. Whereas, Employee and Employer wish to resolve any and all claims, disputes, or controversies that have arisen or that could arise relating to Employee's employment or separation from employment with Employer, or from any of Employee's prior interactions or relationships with the Employer or the Released Parties.

NOW, THEREFORE, in consideration of the terms, conditions and covenants contained herein, the Parties agree as follows:

1. **Conditional Settlement.** This settlement and the terms and conditions provided for in this Agreement – including, without limitation, the settlement payment obligation referenced below – are conditioned on Court-approved dismissal of the putative class action and PAGA action in the Action without prejudice as to putative class members and other allegedly aggrieved employees, and dismissal with prejudice of all of Employee's individual claims, including, without limitation, Employee's individual PAGA claim. If Court approval of and effectuation of such dismissals does not occur or become effective for any reason, then this Agreement shall be null and void, of no force and effect, and will not be utilized for any purpose whatsoever, including as an admission of anything, or as a waiver of any objections, arguments, or positions in connection Employee's Action or otherwise.

2. **Settlement Payment.**

(a) Following the Parties' execution of this Agreement, Employer or its designee shall pay to Employee a total settlement payment in the amount of Twenty-Nine Thousand, Five Hundred Dollars and Zero Cents (\$29,500.00) (the "**Settlement Payment**") made payable to "Harris & Ruble Trust Account" as compensation for general damages and attorney's fee for which a Form 1099 will be issued.

(b) Employer shall deliver the Settlement Payment within thirty (30) calendar days of the Effective Date to the following address:

Harris & Ruble
655 North Central Avenue, 17th Floor
Glendale, California 91203

(c) The "**Effective Date**" is the date when the last of the following has been delivered to Employer's counsel: (i) this Agreement executed by Employee and legal counsel to Employee; (ii) relevant tax documents by Employee and his legal counsel; and (iii) the Court has issued an order approving and authorizing dismissal of the Action without prejudice as to putative class members and other allegedly aggrieved employees, and dismissal with prejudice of Employee's individual claims as provided in paragraph 1 above.

3. **Tax Payments and Indemnification.** Employee understands that a Form 1099 reflecting the Settlement Payment shall be provided to Employee by Employer for

the calendar year 2025. Employee agrees that he has the responsibility to consult with his legal counsel regarding the taxes due as a result of the Settlement Payment, and that Employee and/or Employee's counsel shall be solely responsible for any taxes. Employee further agrees to indemnify and hold harmless Employer and the Released Parties for any tax penalties or other charges incurred as a result of any failure on the part of Employee or Employee's counsel to pay the required taxes for the Settlement Payment, if any.

4. **Consideration.** Employee understands and acknowledges that the Settlement Payment above is provided solely in exchange for Employee's execution of this Agreement and the releases and terms contained herein, and that Employee would not be entitled to the Settlement Payment without executing this Agreement. With this payment, Employee agrees that Employer and the Released Parties have no further liability or debt owing to Employee.

5. **Neutral Reference.** Employer shall make a single person available to respond to inquiries from prospective employers and that person shall be Sara Presutto, HR Director, who can be reached at 14401 Princeton Ave., Moorpark, CA 93021, 805-388-0223 x 8816, sara.p@bigbrandtire.com. Employer shall respond only to written inquiries regarding Employee's employment with Employer, and shall provide no information regarding Employee's employment other than dates of active employment and position(s) held, and shall state that Employer's policy precludes it from providing any further information.

6. **No Disparaging or Defamatory Comments.** Employee shall not make any defamatory or disparaging comments about Employer or its senior management personnel, or Employer's business or business practices to any person or entity, at any time, except in connection with Employee's rights pursuant to Section 7 of the National Labor Relations Act. Employer's management shall not make any defamatory or disparaging comments about Employee to any person or entity, at any time.

7. **Prohibition Against Social Media or Internet Posts and Comments.** Employee shall not create, approve, agree with, respond or react to or comment upon any negative, defamatory or disparaging comment, post, review or other content to or on any Internet website or social media forum concerning, discussing, or relating to Employer or anyone associated with Employer, nor shall Employee suggest, encourage or solicit any third party to do so, except in connection with Employee's rights pursuant to Section 7 of the National Labor Relations Act.

8. **General Release of Claims.** In consideration of Settlement Payment and the other provisions of this Agreement, Employee fully releases and discharges Employer, including its owners, shareholders, partners, officers, directors, agents, assigns, attorneys, insurers, independent contractors, employees, predecessors, successors, subsidiaries, affiliates or other representatives of any kind and including ATV Canter, LLC (collectively referred herein as the "**Released Parties**"), from any and all rights, claims, interest, liabilities, obligations, demands, and other actions related in any way to Employee's employment or separation from employment with Employer to the

greatest extent permitted by state or federal law, including without limitation and without limiting the generality of the foregoing:

- (1) any claims (whether state, federal, or administrative) for compensation, salaries, wages, bonuses, commissions, overtime, benefits, sick pay, holiday pay, vacation, paid time off, severance pay, paid leave benefits, penalties, interest, damages, back or front pay, costs, expenses, attorneys' fees, employee benefits, promises on any and all of the above;
- (2) remedies of any other type, breach of contract or duty, fraud, misrepresentation, defamation, discrimination or harassment in any form, retaliation, breach of the implied covenant of good faith and fair dealing, wrongful or tortious discharge in violation of statute or public policy, negligent or intentional interference with contract or prospective economic advantage, assault, battery, invasion of privacy, intentional or negligent infliction of emotional distress;
- (3) any other claims arising under any federal, state, local or other governmental statute or ordinance, including without limitation, the National Labor Relations Act; Title VII of the Civil Rights Act of 1964; the Civil Rights Act of 1991; the Americans with Disabilities Act of 1990; the Fair Labor Standards Act; the Occupational Safety and Health Act; the Consolidated Omnibus Budget Reconciliation Act of 1985; the Worker Adjustment and Retraining Notification Act ("WARN"); the Employee Retirement Income Security Act of 1974; the Family and Medical Leave Act of 1993; the Rehabilitation Act of 1973; the Internal Revenue Code of 1986, as amended; the California Fair Employment and Housing Act; the California Family Rights Act; the California Labor Code; the California Civil Code; the California Government Code; the California Constitution; and
- (4) all claims for punitive damages, exemplary damages, attorneys' fees and costs, as well as any other statutes, laws regulations or damages of similar effect.

Employee agrees not to file any civil action based on any claim released in this Agreement against Employer or the Released Parties, and agrees that filing such an action would be a material breach of this Agreement. Nothing in this Agreement is intended to prevent Employee from pursuing an administrative claim with any government agency except that Employee shall not be entitled to recover damages as part of any such claim.

9. **Waiver of Section 1542.** Employee acknowledges that Employee has been made aware of and understands Section 1542 of the California Civil Code, which states:

"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 Section 1542, Employee understands and agrees that this Agreement shall act as a release of all future claims that may arise from Employee's employment or separation from employment with Employer, or any other claims that Employee may have against Employer and the Released Parties up to the date of this Agreement, whether such claims are currently known or unknown, and that Employee intentionally waives any rights Employee may have under the provisions of Section 1542, as well as under any other statutes or common law principles of similar effect in the State of California or in any other state.

10. **Dismissal of Claims.** Within ten (10) days after the Parties execution of this Agreement, Employee through his counsel will file necessary materials seeking Court approval of the resolution and dismissal of the Action (including dismissal of the putative class action and PAGA action without prejudice as to putative class members and other allegedly aggrieved employees, and dismissal with prejudice of Employee's individual claims) in accordance with the settlement provided herein. In connection with obtaining the dismissals provided for herein, Employee through his counsel shall also notify and inform the Labor & Workforce Development Agency of this settlement as required by law.

11. **No Filing or Assignment of Claims.** Employee warrants that there has been no filing, assignment or other transfer of any interest in any claim that Employee may have against Employer and the Released Parties. Employee agrees to indemnify and hold Employer harmless from any liabilities, claims, demands, damages, costs, expenses, and attorneys' fees incurred by Employer or the Released Parties as a result of any such assignment or transfer.

12. **No Admission of Liability.** Employee understands that Employer wholly denies the allegations raised by Employee against Employer in this matter, and that nothing contained herein shall be deemed to be an admission by Employer of any obligation or liability concerning the subject matter of this Agreement.

13. **Employee Agrees Not to Participate in a Class Action, Representative Action, or PAGA Action.** Employee warrants that Employee will not participate in any Class Action, Representative Action, or PAGA action, including the pending Class/PAGA Actions, against Employer or the Released Parties, and in the event another party should pursue any such action, Employee will specifically and intentionally withdraw from that action.

14. **Confidentiality.**

a. **Confidentiality of Employer Information.** Employee agrees to maintain the confidentiality of all information learned in the course of Employee's employment with Employer, including without limitation information regarding Employer's business operations, employee relations, policies and procedures, financial information, marketing information, or any other information related to the business of Employer. This

paragraph shall not prohibit Employee from responding to a lawful subpoena, court order, or other law compelling the disclosure of such information, except that Employee shall first provide reasonable notice of such subpoena to Employer to give Employer reasonable opportunity to object to such disclosure.

b. Confidentiality of Agreement and Terms of Employment.

Employee agrees not to reveal any information regarding (i) Employee's employment with Employer, (ii) Employee's allegations except as provided by Code of Civil Procedure Section 1001 or Section 7 of the National Labor Relations Act, (iii) the existence of this Agreement, (iv) the existence and amount of any monies paid by Employer to Employee under this Agreement, or (v) any other matter relating to the matters addressed herein, to any third party other than Employee's immediate family, attorney and tax advisors with a need to know ("**Excepted Parties**"). If asked about the dispute by anyone other than Excepted Parties, including but not limited to any person with whom Employee has discussed his allegations or claims prior to the Effective Date, Employee may say only that "the matter has been resolved." This paragraph shall not preclude Employee from disclosing the basic facts of Employee's former employment with Employer for the purpose of seeking alternative employment in the future.

15. Claims Specific to Section 111 MMSEA Compliance. In compliance with Medicare mandatory reporting requirements for settlements, Employee confirms that his full name is Jesse Johnson, that he is male, his date of birth is January 20, 1997 and the last four digits of his Social Security number are 9456.

16. Attorneys' Fees and Costs. Employee and Employer each shall bear their respective costs and attorneys' fees in connection with this matter.

17. Enforceability. If any provision of this Agreement is held to be unenforceable, it shall be stricken from the Agreement and the remainder of the Agreement shall be fully enforceable.

18. Execution in Counterpart and Email, Electronic, and Facsimile Signatures. This Agreement may be executed in one or more counterparts, which shall constitute one binding agreement. Transmittal and receipt of an email, electronic (e.g., DocuSign) or facsimile copy of this Agreement with the email, electronic (e.g., DocuSign) or facsimile signatures shall be binding on the Parties hereto.

19. Successors in Interest. This Agreement shall be binding upon and inure to the benefit of all agents, employees, officers, directors, shareholders, predecessors, successors, affiliates, assigns, executors, administrators, personal representatives, heirs and other successors in interest of the Parties hereto.

20. California Law to Govern; Venue in California. This Agreement shall be governed by California law. Any dispute arising under this Agreement shall be brought in Ventura County, California.

21. **No Modification.** This Agreement contains the entire agreement between the Parties and may not be altered, amended, or modified in any respect, except by a writing duly executed by all Parties. All other prior agreements and understandings, oral agreements, and writings are expressly superseded hereby and are of no further force or effect.

22. **Opportunity to Consult Counsel.** Employee agrees that prior to entering into this Agreement, Employee has been given the opportunity to consult counsel regarding the contents of this Agreement, and that Employee has sought the advice of counsel regarding the claims asserted in this matter and regarding the terms of this Agreement.

23. **Voluntary and Knowing Execution.** The Parties acknowledge that they each have the right to enter into this Agreement, and that they each enter into this Agreement knowingly and voluntarily, with full understanding of its terms.

Signature page follows

Employee:

DATED: _____

By: _____
Jesse Johnson

DATED: _____

Employer:

MAJCO, LLC

By: _____

Its: _____

Approved as to Form:

LightGabler LLP

Harris & Ruble

By: _____
Brier Miron Setlur
Attorneys for Employer

By: _____
David Garrett
Attorneys for Employee

Dated: _____

Dated: _____