Vinesign Document ID: A73DE3A8-09E0-40FE-A2F9-D25AE6F9E720

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STEPAN COMPANY

SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF ORANGE

SIMON RIVERA, on behalf of himself and others similarly situated,

Plaintiff,

vs.

STEPAN COMPANY; and DOES 1 through 100, inclusive,

Defendants.

Case No. 30-2025-01470277-CU-OE-CXC

STIPULATION OF CLASS ACTION AND PAGA SETTLEMENT

The signed document can be validated at https://app.vinesign.com/Verify

This Stipulation of Settlement ("Stipulation" or "Settlement") is made and entered into, as of the date set forth below, between Plaintiff Simon Rivera, as an individual, as a representative of the proposed Class described herein and as representative of the State of California ("Plaintiff"), and Defendant Stepan Company, ("Defendant"), who are parties to the above-captioned litigation (together, the "Parties").

1. **DEFINITIONS**

1.1 "Actions" means, collectively, the civil lawsuits entitled *Simon Rivera vs. Stepan Company*, Orange County Superior Court Case No. 30-2025-01470277-CU-OE-CXC (the "Class Action") and *Simon Rivera vs. Stepan Company*, Orange County Superior Court Case No. 30-2025-01487296-CU-OE-CXC (the "PAGA Action").

1.2 "Aggrieved Employees" or "PAGA Members" means and refers to all current and former non-exempt employees employed by Defendant in California during the PAGA Period.

1.3 "Class Counsel" means Lavi & Ebrahimian, LLP.

1.4 "Class Data" means a confidential spreadsheet that includes, for each Settlement Class Member, their name, last known address, social security number, and number of Eligible Workweeks and Eligible Pay Periods or data sufficient for the Settlement Administrator to determine Eligible Workweeks and Eligible Pay Periods. The Class Data shall be based on Defendant's personnel and payroll records and provided in a format acceptable to the Settlement Administrator.

1.5 "Class Members," "Settlement Class Members," or "Settlement Class" means and refers to all current and former non-exempt employees employed by Defendant in California during the Class Period.

1.6 "Class Period" means the time period from March 24, 2021, through May 4, 2026, subject to section 3.2.2 below.

1.7 "Class Representative" or "Plaintiff" means Plaintiff Simon Rivera.

1.8 "Class Representative's Released Claims" means any and all claims, obligations, demands, actions, rights, causes of action, and liabilities against the Released Parties, of whatever

kind and nature, character, and description, whether in law or equity, whether sounding in tort, contract, federal, state and/or local law, statute, ordinance, regulation, common law, or other source of law or contract, whether known or unknown, and whether anticipated or unanticipated, including all unknown claims covered by California Civil Code Section 1542, by the Class Representative, arising at any time up to and including the date on which the Court enters the Order of Final Approval, for any type of relief, including without limitation claims for wages, premium and other forms of pay, unpaid/unreimbursed costs, penalties (including waiting time penalties), general damages, compensatory damages, liquidated damages, punitive damages, interest, attorneys' fees, litigation and other costs, expenses, restitution, and equitable and declaratory relief. The Class Representative's Released Claims also include, but are not limited to, the Released Claims as well as any other claims under any provision of the Fair Labor Standards Act ("FLSA"), the California Labor Code, any applicable California Industrial Welfare Commission Wage Orders, any city or county Living Wage Ordinances, and claims under state or federal discrimination statutes, including, without limitation, the California Government Code; the Unruh Civil Rights Act, California Civil Code; the California Constitution; the California Business and Professions Code, including but not limited to Sections 17200 *et seq.*; the United States Constitution; the Age Discrimination in Employment Act ("ADEA") and the Older Workers Benefit Protection Act; the Uniformed Services Employment and Reemployment Rights Act, Title VII of the Civil Rights Act of 1964, 42 U.S.C. § 2000 *et seq.*; the Civil Rights Act of 1991; the Family and Medical Leave Act, to the extent not prohibited by law; the Americans with Disabilities Act, 42 U.S.C. § 12101 *et seq.*; the Employee Retirement Income Security Act of 1974, 29 U.S.C. § 1001 *et seq.*; the Equal Pay Act; the Fair Credit Reporting Act; the Employee Retirement Income Security Act of 1974; the Worker Adjustment and Retraining Notification Act; the Sarbanes-Oxley Act of 2002; the California Family Rights Act; and all of their implementing regulations and interpretive guidelines; any and all claims for monetary recovery and personal or individual relief, except as prohibited by law; and any premiums, penalties, interest, punitive damages, costs, attorneys' fees, injunctive relief, declaratory relief, or

accounting based on any of the foregoing claims. For the avoidance of doubt, this is a complete and general release to the maximum extent by law. Notwithstanding the foregoing, the release of the Class Representative's Released Claims do not include any claim or right that is not waivable as a matter of law.

1.9 "Court" means the Orange County Superior Court.

1.10 "Defendant's Counsel" means Max Fischer and Sheryl Horwitz of Morgan, Lewis & Bockius LLP.

1.11 "Effective Date" means the latest of: (i) sixty-five (65) days after the Court issues the "Final Approval Order" granting approval of the settlement if no objections to the settlement are filed; (ii) if an appeal is filed and is finally disposed of by ruling, dismissal, denial, or otherwise, the day after the last date for filing a request for further review of the Court of Appeal's decision passes and no further review is requested; (iii) if an appeal is filed and there is a final disposition by ruling, dismissal, denial, or otherwise by the Court of Appeal, and further review of the Court of Appeal's decision is requested, the day after the request for review is denied with prejudice and/or no further review of the order can be requested; or (iv) if review is accepted, the day after the California Supreme Court affirms the judgment or order approving the settlement.

1.12 "Eligible Workweeks" shall mean any week during which a Class Member worked for Defendant for at least one day, during the Class Period.

1.13 "Eligible Pay Periods" shall any pay period during which an Aggrieved Employee worked for Defendant for at least one day during the PAGA Period.

1.14 "Class Representative Service Payment" means the amount approved by the Court to be paid to the Class Representative, in recognition of his efforts in coming forward as Class Representative and as consideration for a full, general, and comprehensive release of the Class Representative's Released Claims, which shall be in addition to his portion of the Net Settlement Amount.

1.15 "Final Approval Date" means the date on which the Court enters the Order of Final Approval.

1.16 "Final Approval Hearing" means a hearing set by the Court, to take place on a date established by the Court, for the purpose of (i) determining the fairness, adequacy, and reasonableness of the Stipulation terms and associated Settlement pursuant to class action procedures and requirements; (ii) determining the amount of the award of attorneys' fees and costs to Class Counsel; (iii) determining the amounts of the Class Representative Service Payment to the Class Representative; and (iv) entering the Judgment.

1.17 "Gross Settlement Amount" shall mean the amount that Defendant will pay in settlement of this matter, subject to section 3.2.2 below. The Gross Settlement Amount includes all awards of attorneys' fees and costs to Class Counsel, Settlement Administration Costs, the Class Representative Service Payment, the PAGA Settlement Payment (paid to the PAGA Members and the LWDA), and payments to the Participating Class Members.

1.18 "Individual PAGA Payment" means the individual amounts paid from the PAGA Payment to the individual PAGA Members for settlement of claims for civil penalties under PAGA.

1.19 "Individual Class Payment" means the settlement amount due each Participating Class Member from the Net Settlement Amount.

1.20 "LWDA" means the California Labor and Workforce Development Agency.

1.21 "LWDA PAGA Payment" means the payment to the LWDA from the PAGA Payment for settlement of claims for civil penalties under PAGA.

1.22 "Net Settlement Amount" means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: Individual PAGA Payments, the LWDA PAGA Payment, Class Counsel's attorneys' fees and costs, Class Representative Service Payment, and Settlement Administration Costs. The remainder is to be paid to Participating Class Members as Individual Class Payments. Fees and amounts not approved by the Court will become part of the Net Settlement Amount and will not affect settlement approval.

1.23 "Notice of Settlement" means the document provided to Settlement Class Members to notify them of the settlement, a copy of which is attached hereto as **Exhibit 1**.

1.24 "Operative Complaint" means the First Amended Complaint that will be filed in the Action consolidating the Class Action and PAGA Action, including all predicate violations to the PAGA claims. The Parties will stipulate to the filing of the First Amended Complaint for settlement purposes only after review and reasonable comment by Defendant.

1.25 "PAGA Payment" means the payment in settlement of all claims for PAGA penalties, 65% of which will be distributed as the LWDA PAGA Payment and 35% of which will be distributed as Individual PAGA Payments to the PAGA Members.

1.26 "PAGA Pay Period" means any pay period during which an Aggrieved Employee worked for Defendant for at least one day during the PAGA Period.

1.27 "PAGA Period" means the period from March 29, 2024, through May 4, 2026.

1.28 "Participating Class Members" or "Participating Settlement Class Member" means the Settlement Class Members who do not timely request to be excluded from the class portion of the settlement. No claim form is required for a Settlement Class Member to become a Participating Class Member.

1.29 "Preliminary Approval Date" means the date the Court enters the Order preliminary approving the Stipulation of Settlement and setting the Final Approval Hearing.

1.30 "Qualified Settlement Fund" means the Qualified Settlement Fund ("QSF") created under Internal Revenue Code Section 468B, to be overseen by the Settlement Administrator.

1.31 "Released Class Claims" means all claims that were alleged in the Operative Complaint, or that reasonably could have been alleged based upon the facts and claims stated in the Operative Complaint, including claims for: (1) failure to pay wages for all hours worked at minimum wage in violation of Labor Code Sections 1194 and 1197, (2) failure to pay overtime wages and/or failure to pay overtime wages at the proper overtime rate of pay in violation of Labor Code Sections 510 and 1194, (3) failure to authorize or permit meal periods in violation of

Labor Code Sections 512 and 226.7, (4) failure to authorize or permit rest periods in violation of Labor Code Section 226.7, (5) failure to pay wages for accrued paid sick days at the regular rate of pay in violation of Labor Code Section 246; (6) failure to indemnify employees for employment-related losses and expenditures in violation of Labor Code Section 2802, (7) secret payment of lower wages in violation of Labor Code Section 223, (8) failure to provide complete and accurate wage statements in violation of Labor Code Section 226, (9) failure to timely pay earned wages during employment in violation of Labor Code Section 204, (10) failure to timely pay all earned wages and final paychecks due at the time of separation of employment in violation of Labor Code Sections 201, 202, and 203, (11) unfair business practices in violation of Business and Professional Code Sections 17200, et seq, and (12) any claims under and/or predicated on violations of California Labor Code §§ 1194, 1197, 512, 226.7, 2802, 226, 201, 202, and 203, 204, 223, 225.5, 226, 226.3, 226.7, 246, 510, 512, 558, 1194, 1197, 1198, 2802, the applicable Wage Orders, the Fair Labor Standards Act, the Fair Labor Standards Act, and Business and Professions Code Sections 172900, et seq. The time period governing the Released Class Claims shall be the Class Period.

1.32 "Released PAGA Claims" means the PAGA claims alleged in the Operative Complaint, or that reasonably could have been alleged based on the facts and claims stated in the Operative Complaint and in the relevant LWDA notice letters, including all PAGA claims seeking civil penalties premised upon: (1) failure to pay wages for all hours worked at minimum wage in violation of Labor Code Sections 1194 and 1197, (2) failure to pay overtime wages and/or failure to pay overtime wages at the proper overtime rate of pay in violation of Labor Code Sections 510 and 1194, (3) failure to authorize or permit meal periods in violation of Labor Code Sections 512 and 226.7, (4) failure to authorize or permit rest periods in violation of Labor Code Section 226.7, (5) failure to pay wages for accrued paid sick days at the regular rate of pay in violation of Labor Code Section 246; (6) failure to indemnify employees for employment-related losses and expenditures in violation of Labor Code Section 2802, (7) secret payment of lower wages in violation of Labor Code Section 223, (8) failure to provide complete and accurate wage

statements in violation of Labor Code Section 226, (9) failure to timely pay earned wages during employment in violation of Labor Code Section 204, (10) failure to timely pay all earned wages and final paychecks due at the time of separation of employment in violation of Labor Code Sections 201, 202, and 203, (11) all other claims for civil penalties recoverable under the Private Attorneys General Act, Labor Code §§ 2698 et seq. based on the facts or claims alleged in the LWDA notice letters and Operative Complaint, and (12) any claims under and/or predicated on violations of California Labor Code §§ 1194, 1197, 512, 226.7, 2802, 226, 201, 202, and 203, 204, 223, 225.5, 226, 226.3, 226.7, 246, 510, 512, 558, 1194, 1197, 1198, 2698, et seq., 2802, and the applicable Wage Orders including, but not limited to, the applicable Wage Orders, the Fair Labor Standards Act, or Business and Professions Code Sections 172900, et seq. The time period governing the PAGA Released Claims shall be the PAGA Period. The PAGA Released Claims do not release any Aggrieved Employees' claims for wages or statutory penalties.

1.33 "Released Parties" means Defendant and all affiliated parties and entities (including their past and present affiliates, parents, subsidiaries, predecessors, owners, successors, shareholders, divisions, and each of these entities' past and present directors, officers, managing agents, employees, partners, benefit plans, shareholders, and representatives.

1.34 "Response Deadline" means sixty (60) days after the Settlement Administrator mails the Notice of Settlement to Settlement Class Members. It shall be the last date on which Settlement Class Members may: (a) postmark any Opt-Out Request from the class portion of the Settlement, (b) postmark any written objection to the Settlement, and (c) postmark any Eligible Workweek or Eligible Pay Period Dispute. Class Members to whom Notice Packets are resent after having been returned undeliverable to the Administrator will have an additional 14 calendar days beyond the Response Deadline.

1.35 "Settlement Administration Costs" means the costs payable from the Gross Settlement Amount to the Settlement Administrator for administering this Settlement in accordance with the Settlement Administrator's responsibilities outlined in this Stipulation.

1.36 "Settlement Administrator" means Phoenix Class Action Administration Solutions ("Phoenix"), who shall be responsible for the administration of the Settlement, distribution of any amounts owed under this Settlement, and matters necessarily related thereto, pursuant to the terms of this Settlement, and subject to appointment by the Court.

2. RECITALS

2.1 Background and Procedural History

2.1.1 Plaintiff Simon Rivera filed the Class Action in Superior Court in Orange County on March 24, 2025. In his operative Complaint, he alleged causes of action for (1) failure to pay wages for all hours worked at minimum wage in violation of Labor Code Sections 1194 and 1197; (2) failure to authorize or permit meal periods in violation of Labor Code Sections 512 and 226.7; (3) Failure to Authorize or Permit Rest Periods in Violation of Labor Code Section 226.7; (4) Failure to Indemnify Employees for Employment-Related Losses/Expenditures in Violation of Labor Code Section 2802; (5) Failure to Provide Complete and Accurate Wage Statements in Violation of Labor Code Section 226; (6) Failure to Timely Pay All Earned Wages and Final Paychecks Due at Time of Separation of Employment in Violation of Labor Code Sections 201, 202, and 203; (7) Unfair Business Practices in Violation of Business and Professions Code Sections 17200, Et Seq. Plaintiff sought to represent a class composed of several subclasses of current and former hourly non-exempt California employees.

2.1.2 Pursuant to Labor Code section 2699.3, subd.(a), Plaintiff gave timely written notice to Defendant and the LWDA by sending the PAGA Notice. Plaintiff will provide the LWDA with timely notice of this settlement.

2.1.3 On June 2, 2025, Plaintiff filed the PAGA Action, asserting claims for civil penalties under PAGA based on the same underlying allegations as the Class Action.

2.1.4 After exchanging documents, the Parties entered arms-length negotiations to reach a settlement in principle. On January 13, 2026, the Parties attended a confidential

mediation. Following mediation, the Parties entered into a Memorandum of Understanding to memorialize this settlement, which was fully executed on April 10, 2026.

2.1.5 Pursuant to the Settlement Plaintiff shall file a First Amended Complaint in the incorporating the stand-alone PAGA claim in the PAGA Action. The First Amended Complaint is the operative complaint in the Action (the "Operative Complaint"). Defendant denies the allegations in the Operative Complaint, denies any failure to comply with the laws identified in the Operative Complaint, and denies any and all liability for the causes of action alleged.

2.2 **Benefits of Settlement**

2.2.1 Based on their own independent investigations and evaluations, Class Counsel is of the opinion that the Settlement with Defendant for the consideration and terms set forth herein, considering the representative and class claims, and the risk of loss, is fair, reasonable, and adequate in light of all known facts and circumstances, and is in the best interests of the Settlement Class. Class Counsel is also of the opinion that the total consideration and payment set forth in this Stipulation of Settlement is adequate in light of the uncertainties surrounding the risk of further litigation, the possibility of losing class certification, that the PAGA claim could be deemed unmanageable, and the defenses that Defendant has asserted and/or could assert as to the substantive merit of the claims.

2.2.2 Class Counsel has weighed the monetary benefit under the Settlement to the Settlement Class against the expenses and length of continued proceedings that would be necessary to prosecute the Action against Defendant through class certification, through manageability motions, summary judgment, trial and possible appeals. Class Counsel has also taken into account the uncertain outcome and risk of any litigation, especially in complex actions such as class and representative actions, as well as the difficulties and delay inherent in such litigation. As a result, Class Counsel has determined that the settlement set forth in this Stipulation of Settlement is in the best interests of the Settlement Class.

2.2.3 Defendant and the Released Parties specifically and generally deny any and all liability or wrongdoing of any sort with regard to the claims alleged, make no concessions or admissions of liability of any sort, and contend that for any purpose other than Settlement, the Action is not appropriate for class or representative action treatment. Nonetheless, Defendant has concluded that further conduct of the Action would be protracted, distracting, and expensive, and that it is desirable that the Action be fully and finally settled in the manner and upon the terms and conditions set forth in this Stipulation. Defendant has also taken into account the uncertainty and risks inherent in any litigation. Defendant has therefore determined that it is desirable and beneficial to it to settle the Action in the manner and upon the terms and conditions set forth in this Stipulation.

2.2.4 Neither this Stipulation of Settlement, nor any document referred to in it, nor any actions taken pursuant to this Stipulation of Settlement, is or should be construed as an admission by Defendant of any fault, wrongdoing, or liability whatsoever. Nor should the Stipulation of Settlement be construed as an admission that Plaintiff could meet any of the class action requirements or that any PAGA claim would be manageable. There has been no final determination by any court as to the merits of the claims asserted by Plaintiff against Defendant, as to whether a class action should be certified, or that any PAGA claim is manageable.

3. SETTLEMENT TERMS

3.1 **Conditional Class Certification.** The Parties stipulate, for settlement purposes only, to the certification by the Court of the Settlement Class. If, for any reason, the Court does not approve this Stipulation, fails to enter the Judgment, or if this Stipulation is terminated for any other reason, the Settlement Class will be decertified and Defendant shall, and hereby does, retain the right to dispute the appropriateness of class certification.

3.2 **Gross Settlement Amount**

3.2.1 Gross Settlement Amount: Defendant shall pay a non-reversionary amount not to exceed Two Hundred and Fifty Thousand Dollars and Zero Cents ($250,000) as the Gross Settlement Amount to resolve the Action on a class and representative basis, subject to section

3.2.2. The Gross Settlement Amount shall be used to pay, as approved by the Court, Class Counsel's attorneys' fees and costs, Class Representative Service Payment, Settlement Administration Costs; the PAGA Payment to the LWDA and the PAGA Members, and the Individual Class Payments to the Participating Class Members. Notwithstanding the foregoing, in addition to the Gross Settlement Amount, Defendant will pay the employer's portion of payroll taxes, including FICA and FUTA, on the portion of each Individual Class Payment allocated as unpaid wages.

3.2.2 Escalation of Gross Settlement Amount: Defendant identified approximately 35 Class Members and 5,000 total Workweeks during the Class Period, and 29 Aggrieved Employees who worked 976 PAGA Pay Periods during the PAGA Period. In the event that the actual number of workweeks in the Class Period exceeds 5,000 by more than 10% (*i.e.*, more than 5500 total workweeks), then at Defendant's option in its sole discretion, either (a) the Gross Settlement Amount shall increase by the same number of percentage points above 10% the actual number of workweeks exceeds the 5,500 estimate (*e.g.*, if the actual workweeks during the Class Period are 11% greater than the estimated number of workweeks, then the Gross Settlement Amount increases by 1%); or (b) the Class Period shall end one day before the ten percent (10%) cushion is exhausted, provided it cannot be earlier than the mediation date. If the escalator provision is triggered and elected, the Parties agree that the portion of the Gross Settlement Amount allocated to attorneys' fees will increase proportionally such that the total amount of attorneys' fees remains one-third of the Gross Settlement Amount after the upward adjustment required by this provision is implemented.

3.2.2.1 No later than five court days prior to Plaintiff's hearing date for the Motion for Preliminary Approval, Defendant shall, by and through its counsel, file a declaration informing the Court (1) whether or not the Escalator Clause has been triggered; (2) the option Defendant will select; and (3) in the event that the cut-short option is selected, the class and PAGA periods, as adjusted.

3.3 **Allocation of Gross Settlement Amount**

3.3.1 Class Representative Class Representative Service Payment: The Class Representative Service Payment, which is in addition to the Class Representative's Individual Class Payment from the Net Settlement Amount and Individual PAGA Payment, will, subject to Court approval, be paid out of the Gross Settlement Amount and will not exceed $7,500 for his service and assistance to the Class. Defendant will not oppose Plaintiff's request for a service award up to $7,500.00. Any amount of the Class Representative Service Payment that is not awarded by the Court shall be added to the Net Settlement Amount.

3.3.2 Attorneys' Fees and Costs: Class Counsel may apply to the Court for an award of reasonable attorneys' fees not to exceed one third of the Gross Settlement Amount, $83,333.33 and will seek an award of costs for reimbursement of Class Counsel's reasonable out-of-pocket costs incurred in the Action not to exceed $20,000.00, to be paid out of the Gross Settlement Amount. Defendant reserves the right to challenge Class Counsel's request for fees and costs if the requests exceed the parameters established by this Stipulation. The Settlement Administrator shall issue IRS Forms 1099 to Class Counsel for the payments made pursuant to this section. Class Counsel shall be solely and legally responsible for paying any and all applicable taxes on the fees and costs award. Any amount of Class Counsel's requested fees and costs that is not awarded by the Court shall be added to the Net Settlement Amount. Neither Class Counsel nor any other attorneys acting for, or purporting to act for, the Settlement Class, Settlement Class Members, or Plaintiff, may recover or seek to recover any amounts for fees, costs, or disbursements from the Defendant or the Released Parties except as expressly provided herein.

3.3.3 Settlement Administrator Costs: The Settlement Administration Costs incurred by the Settlement Administrator as a result of the procedures and processes expressly required by this Stipulation shall be paid out of the Gross Settlement Amount and are estimated not to exceed $6,000.00. Under no circumstances will Defendant be required to contribute additional funds, above and in addition to the Gross Settlement Amount, to cover any unexpected

Settlement Administration Costs. The Settlement Administration Costs shall include: all costs of administering the Settlement, including all tax document preparation, custodial fees, and accounting fees incurred by the Settlement Administrator; all costs and fees associated with establishing and maintaining a Qualified Settlement Fund; all costs and fees associated with preparing, issuing and mailing the Notice of Settlement and other correspondence to Settlement Class Members; all costs and fees associated with communicating with Settlement Class Members, Class Counsel, and Defendant's Counsel; all costs and fees associated with computing, processing, reviewing, and paying the payments due under this Stipulation, and resolving disputed claims; all costs and fees associated with calculating tax withholdings and payroll taxes, making related payment to federal and state tax authorities, and issuing tax forms relating to payments made under the Settlement; all costs and fees associated with preparing any tax returns and any other filings required by any governmental taxing authority or agency; all costs and fees associated with preparing any other notices, reports, or filings to be prepared in the course of administering payments due under this Stipulation; and any other costs and fees incurred and/or charged by the Settlement Administrator in connection with the execution of its duties under this Stipulation. Any amount of Settlement Administration Costs that is not awarded by the Court shall be added to the Net Settlement Amount.

3.3.4 Individual Class Payments to Participating Class Members: Each Participating Class Member will be entitled to receive an Individual Class Payment, which will be paid out of the Net Settlement Amount. The amount of each Individual Class Payment will be calculated on a pro rata basis, based on the Eligible Workweeks each Participating Class Member worked during the Class Period. There is no need for a Participating Class Member to submit a claim form in order to be eligible for and to receive an Individual Class Payment. To determine each Settlement Class Member's estimated "Individual Class Payment," the Settlement Administrator will use the following formula: Number of Eligible Workweeks attributed to a Class Member divided by total number of Settlement Class Member Eligible Workweeks, and the result multiplied by the estimated Net Settlement Amount. The Parties recognize that the

Individual Class Payments to be paid to Participating Class Members reflect settlement of a dispute over claimed wages, interest, penalties, and other alleged damages.

3.3.5 PAGA Payment: A total amount of $15,000 from the Gross Settlement Amount will be allocated as the PAGA Payment to be paid as penalties under PAGA. Sixty-five percent (65%) of this amount ($9,750) will be the LWDA PAGA Payment to be paid to the LWDA, and the remaining thirty-five percent (35%) of this amount ($5,250) shall be distributed to the PAGA Members as Individual PAGA Payments. Any portion of the PAGA Payment not approved by the Court shall be added to the Net Settlement Amount, and any additional amount ordered by the Court shall be paid from the Gross Settlement Amount. The 35% of the PAGA Payment is to be distributed to the PAGA Members as Individual PAGA Payments and shall be distributed based on a pro rata share based on the number of Eligible Pay Periods each PAGA Member worked during the PAGA Period.

3.4 **Taxation**

3.4.1 Tax Treatment of Individual Class Payments. All Individual Class Payments to Participating Class Members shall be allocated as follows for tax purposes: 20% of each Individual Class Payment reflects compromise of claims for alleged unpaid wages; 80% of each Individual Class Payment reflects compromise of a claim for interest, penalties and expense reimbursements. The portion of the Individual Class Payment attributable to unpaid wages will be subject to regular and/or applicable payroll and income tax withholdings (for the employee portion only), and will be reported on an IRS Form W-2. The Settlement Administrator shall make appropriate tax withholdings from the portion of each Individual Class Payment designated as unpaid wages, and shall pay the employer portion of payroll taxes with funds separate from the Gross Settlement Amount to be furnished by Defendant. Participating Class Members will be responsible for paying all other taxes due on their Individual Class Payments. Other than as set forth above, the Settlement Administrator will not make any deductions, withholdings, or additional payments, including without limitation, medical or other insurance payments or premiums, employee 401(k) contributions or matching employer contributions, wage

garnishments to the extent permitted by law, or charity withholdings, from or with respect to the Individual Class Payments, and entry of the Order of Final Approval by the Court shall be deemed authority not to make any such deductions, withholdings, or additional payments.

3.4.2 Tax Treatment of Individual PAGA Payments: All Individual PAGA Payments shall be allocated as 100% penalties, for which a 1099 will be issued if required. PAGA Members will be responsible for paying all taxes due on their Individual PAGA Payments. The Settlement Administrator will not make any deductions, withholdings, or additional payments, including without limitation, medical or other insurance payments or premiums, employee 401(k) contributions or matching employer contributions, wage garnishments to the extent permitted by law, or charity withholdings, from or with respect to the Individual PAGA Payments. Plaintiff will provide any required notices to the LWDA relating to the PAGA Payments.

3.4.3 Circular 230 Disclaimer: Each Party to this Stipulation (for purposes of this section, the "acknowledging party" and each Party to this Stipulation other than the acknowledging party, an "other party") acknowledges and agrees that (1) no provision of this Stipulation, 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, her, or its own, independent legal and tax counsel for advice (including tax advice) in connection with this Stipulation, (b) has not entered into this Stipulation 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 Stipulation.

3.5 **No Effect on Employee Benefits.** Neither the Settlement nor any amounts paid under the Settlement will modify any previously credited hours or service under any employee benefit plan, policy, or bonus program sponsored by the Released Parties. Such amounts will not form the basis for additional contributions to, benefits under, or any other monetary entitlement under the Released Parties' sponsored benefit plans, policies, or bonus programs. The payments made under the terms of this Stipulation shall not be applied retroactively, currently, or on a going forward basis, as salary, earnings, wages, or any other form of compensation for the purposes of the Released Parties' benefit plans, policies, or bonus programs. The Released Parties retain the right to modify the language of their benefit plans, policies and bonus programs to effectuate this intent, and to make clear that any amounts paid pursuant to this Settlement are not for "hours worked," "hours paid," "hours of service," or any similar measuring term as defined by applicable plans, policies and bonus programs for purposes of eligibility, vesting, benefit accrual, or any other purpose, and that additional contributions or benefits are not required by this Stipulation of Settlement.

3.6 **Releases**

3.6.1 Class Representative's Release. Upon Final Approval and effective on the date when Defendant fully funds the entire Gross Settlement Amount and funds all employer payroll taxes owed on the Wage Portion of the Individual Class Payments, the Class Representative shall be deemed to have fully, finally, and forever released the Released Parties from all Class Representative's Released Claims through the Final Approval Date. The Class Representative may hereafter discover claims or facts in addition to, or different from, those which he now knows or believes to exist, but Class Representative expressly agrees to fully, finally and forever settle and release any and all claims against the Released Parties, known or unknown, suspected or unsuspected, which exist or may exist on behalf of or against the other at the time of execution of this Stipulation. The Class Representative shall be deemed to have

expressly waived and relinquished, to the fullest extent permitted by law, the provisions, rights, and benefits he may otherwise have had relating to the Class Representative's Released Claims pursuant to Section 1542 of the California Civil Code, 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.

Notwithstanding the foregoing, Class Representative does not waive or release any claim which cannot be waived or released by private agreement or law. Further, nothing in this Stipulation shall prevent Class Representative from filing a charge or complaint with, or from participating in, an investigation or proceeding conducted by the SEC, OSHA, EEOC, DFEH, NLRB or any other federal, state or local agency charged with the enforcement of any employment or other applicable laws. Plaintiff's Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, workers' compensation benefits that arose at any time, or based on occurrences outside the Class Period

3.6.2 Participating Class Member Release. Upon the Effective Date occurring and Defendant fully funding the Gross Settlement Amount and separate amount of payroll taxes described herein, the Participating Class Members will fully release and discharge the Released Parties of the Released Class Claims. Class Members (other than Plaintiff) shall not waive section 1542 of the California Civil Code. Plaintiff agrees not to take any action to encourage any Class Members to opt out of and/or object to the settlement. Except as set forth in Section 3.6.3 of this Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Period.

3.6.3 PAGA Member Release. Upon the Effective Date occurring and Defendant fully funding the Gross Settlement Amount and separate amount of payroll taxes described herein, Plaintiff – in his individual capacity and on behalf of the State of California and the LWDA – shall completely release and discharge the Released Parties of the Released PAGA Claims. Aggrieved Employees may not opt-out of the PAGA portion of the settlement and Released PAGA Claims.

4. APPROVAL OF SETTLEMENT, NOTICE TO CLASS AND ADMINISTRATION

4.1 Preliminary Approval

4.1.1 Class Counsel shall submit to the Court this Stipulation of Settlement and exhibits thereto for preliminary approval by the Court. Class Counsel will prepare and file the motion for preliminary approval and supporting papers for the Court, subject to Defendant's prior review and approval. Plaintiff will provide the motion for preliminary approval and all related documents to Defendant for its review and approval at least seven (7) days before filing. The Parties will jointly prepare the Proposed Order for Preliminary Approval.

4.1.2 Pursuant to California Labor Code § 2699(l), concurrently with the filing of the motion for preliminary approval, Plaintiff will provide notice of the proposed Settlement to the LWDA.

4.1.3 The Court's preliminary approval of this Settlement shall be embodied in an order certifying the Class for settlement purposes only, preliminarily approving the Settlement and providing for Notice of Settlement to be mailed to the Class in materially the same format attached hereto as Exhibit 1, and which will also set the date for the Final Approval Hearing. The Notice of Settlement shall advise Settlement Class Members of their options, which include filing an Opt-Out Request to the class settlement; filing an objection to the Settlement and receiving an Individual Class Payment and an Individual PAGA Payment (if applicable); or taking no action and receiving an Individual Class Payment and an Individual PAGA Payment (if applicable).

4.2 Notice

4.2.1 Delivery of Class Data: No later than twenty-one (21) calendar days after the Preliminary Approval Date, Defendant shall provide the Class Data to the Settlement Administrator. The Settlement Administrator shall maintain the Class Data, and all data contained within the Class Data, as private and confidential and shall not disclose such data to any persons or entities, unless otherwise required by law. The information in the Class Data is being supplied solely for purposes of the administration of the settlement and cannot be used by the Settlement Administrator or any agent or representative of the Settlement Administrator for any other purpose. Upon receipt of the Class Data, the Settlement Administrator shall check with the U.S. Postal Service National Change of Address Database and update any addresses for the Settlement Class Members.

4.2.2 Notice By First-Class Mail. Within fourteen (14) calendar days of the receipt of the Class Data, the Settlement Administrator will send via United States first class mail the Notice of Settlement to the Settlement Class Members. If any Notice of Settlement is returned to the Settlement Administrator as undeliverable, the Settlement Administrator shall run a skip-trace using that Settlement Class Member's social security number in an effort to attempt to ascertain the current address of the Settlement Class Member. If such an address(es) is ascertained, the Settlement Administrator shall re-mail the Notice of Settlement within ten (10) calendar days. If alternative addresses are obtained for a Settlement Class Member, the Settlement Administrator shall send the Notice of Settlement to up to two (2) alternative addresses.

4.3 **Opt-Out Requests**

4.3.1 Settlement Class Members, except for the Class Representative, will have until the Response Deadline within which to opt out of the class portion of this Settlement; however, exercising this option has no effect on the PAGA portion of this settlement, PAGA Members will be mailed an Individual PAGA Payment and be bound by the release of the Released PAGA Claims regardless of whether they opt out of the class settlement. Settlement Class Members who want to opt out must timely submit a signed and dated written request to be

excluded from the class portion of the Settlement to the Settlement Administrator ("Opt-Out Request"). The Opt-Out Request must be postmarked on or before the Response Deadline, include the case name and number, the Settlement Class Member's name, address, and last four of their social security number, must be signed by the Settlement Class Member, and must reasonably communicate the Settlement Class Member's election to be excluded from the class Settlement.

4.3.2 Settlement Class Members who do not timely submit an executed Opt-Out Request shall be deemed a Participating Class Member and bound by this Settlement including the Participating Class Member Release. Settlement Class Members who timely submit an executed Opt-Out Request will not be bound by the Participating Class Member Release and will not receive an Individual Class Payment. The Notice of Settlement shall advise Settlement Class Members of their ability to opt-out of the class portion of the Settlement and of the consequences thereof, and further inform them that they cannot opt out of the PAGA settlement. Neither the Parties nor any of their counsel will solicit any Settlement Class Member to submit an Opt-Out Request.

4.3.3 If a Settlement Class Member submits both an Opt-Out Request and an Objection within the Response Deadline, then the Opt-Out Request will be deemed valid and the Objection invalid and the individual will not be deemed a Participating Class Member.

4.4 **Objections.** Participating Class Members, except for the Class Representative, may object to the Settlement in person at the Final Approval Hearing and/or in writing. Participating Class Members, except for the Class Representative, will have until the Response Deadline to file a written objection to the Court. Only Settlement Class Members who have not filed an Opt-Out Request (i.e., Participating Class Members) may object to the Settlement. The written objection should be mailed or filed with the Court, include the case number and name of this case, should state the Participating Class Member's name and address and describe the reason(s) why the Participating Class Member objects to the Settlement and include or attach any

documents upon which the objection is based. The Parties and their counsel agree that they will not solicit, encourage, counsel or advise any individual to object to the Settlement.

4.5 **Eligible Workweek and Eligible Pay Period Disputes.** For purposes of disputed estimated workweeks, Defendant's records will be presumed accurate. Participating Class Members and PAGA Members have the burden of proof to establish otherwise with documentary evidence. Participating Class Members and PAGA Members may dispute their Eligible Workweeks and Eligible Pay Periods if they believe they worked for more Eligible Workweeks or Eligible Pay Periods in the Class Period or PAGA Period than stated on their Notice of Settlement. Participating Class Members and PAGA Members may do this by submitting information to the Settlement Administrator in writing no later than the Response Deadline. The Settlement Administrator will jointly work with Class Counsel and Defendant's Counsel to resolve the dispute in good faith. If the Parties cannot agree on the Eligible Workweeks or Eligible Pay Periods to be credited to that Participating Class Member or PAGA Member, the Court shall make the final decision based on the information presented by the individual and the Parties.

4.6 **Certification Reports by the Settlement Administrator.** The Settlement Administrator will, on a weekly basis during and for a reasonable period following distribution of the Notice of Settlement, provide updates to Class Counsel and Defendant's Counsel as to the number of persons in the Settlement Class who submitted (i) valid Opt-Out Requests; (ii) written Objections, and (iii) Eligible Workweeks or Eligible Pay Period disputes. All written objections shall be provided to the Parties' counsel within two (2) days of receipt by the Settlement Administrator. To the extent practicable, the weekly updates shall also provide updated data on the extent of Notices of Settlement that are returned undeliverable and any re-mailing efforts.

4.7 **Defendant's Right to Withdraw.** Defendant shall have the sole right to void and withdraw from this Settlement if at any time prior to the Final Approval Date: (a) ten percent (10%) or more of all Settlement Class Members submit timely and valid Opt-Out Requests. The Parties agree that, if Defendant withdraws, the Settlement shall be void ab initio, have no force or

effect whatsoever, and that neither Party will have any further obligation to perform under this Agreement; provided, however, Defendant will remain responsible for paying all settlement administration expenses incurred to that point. Defendant must notify Class Counsel and the Court of its election to withdraw not later than 7 days after the Administrator sends the final Exclusion List to Defense Counsel; late elections will have no effect.

4.8 **Final Approval and Entry of Final Judgment**

4.8.1 Prior to the Final Approval Hearing, Plaintiff will move the Court for entry of an "Order of Final Approval" and associated entry of Judgment: (a) certifying the Settlement Class for Settlement purposes only, (b) finding the Settlement fair, reasonable, adequate, and in the best interests of the Participating Class Members, (c) approving the PAGA Payment to the LWDA and the PAGA Members; (d) approving Class Counsel's application for an award of attorneys' fees and costs, (e) approving the Class Representative's application for an Class Representative Service Payment , (f) approving the payment of reasonable Settlement Administration Costs, and (g) releasing and barring any further Released Class Claims by Participating Class Members and Released PAGA Claims by or on behalf of the PAGA Members. Plaintiff will provide the motion for final approval to Defendant for its review and approval at least seven days before filing. The Parties will jointly draft the Order of Final Approval. The Parties and their respective counsel shall make all reasonable efforts to secure entry of the Order of Final Approval. The proposed Order of Final Approval and the associated proposed Judgment shall be filed with the Court with the motion for final approval, or as otherwise directed by the Court.

4.8.2 Class Representative and Class Counsel shall be responsible for justifying the amount of the Class Representative Service Payment and attorneys' fees and costs to the Court, and they agree to submit, as appropriate, the necessary materials to justify these payments. If the Court (or any appellate court) awards less than the amount requested for attorneys' fees and/or costs, or less than the amount requested for the Class Representative Service Payment for

the Class Representative, only the awarded amounts shall be paid and shall constitute satisfaction of the obligations of Defendant under this Stipulation.

4.8.3 **Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment**. If the reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a material modification of this Agreement (including, but not limited to, the scope of release to be granted by Class Members), this Agreement shall be null and void. The Parties shall nevertheless expeditiously work together in good faith to address the appellate court's concerns and to obtain Final Approval and entry of Judgment, sharing, on a 50-50 basis, any additional administration expenses reasonably incurred after remittitur. An appellate decision to vacate, reverse, or modify the Court's award of the Class Representative Service Payment or any payments to Class Counsel shall not constitute a material modification of the Judgment within the meaning of this paragraph, as long as the Gross Settlement Amount remains unchanged.

4.9 **Funding and Distribution of the Settlement Proceeds**

4.9.1 Within fourteen (14) calendar days after the Effective Date or within seven (7) days of the Settlement Administrator providing all information necessary for Defendant to transfer funds to the Qualified Settlement Fund, whichever is later, Defendant shall pay the Gross Settlement Amount into the Qualified Settlement Fund set up, held, and controlled by the Settlement Administrator. Defendant will fund the amount necessary to pay Defendant's share of payroll taxes by transmitting the funds no later than fourteen (14) calendar days after the later of the (i) Effective Date and (ii) the date the Settlement Administrator provides Defendant will the wiring instructions and amount of employer payroll taxes due for the Individual Settlement Payments attributable to unpaid wages.

4.9.2 Within fifteen (15) calendar days after Defendant funds the Qualified Settlement Fund, the Settlement Administrator shall issue Individual Class Payments to Participating Class Members, Individual PAGA Payments to the PAGA Members, the LWDA PAGA Payment to the LWDA, the Court-approved attorneys' fees and costs to Class Counsel, and the court-approved Class Representative Service Payment to the Class Representative.

4.9.3 The Settlement Administrator shall keep counsel for the Parties apprised of all distributions from the Qualified Settlement Account and upon completion of administration of that portion of the Settlement, the Settlement Administrator shall provide written certification, under penalty of perjury, of such completion to the Court and counsel for all Parties.

4.9.4 Upon completion of administration of the Settlement, the Settlement Administrator shall provide written certification, under penalty of perjury, of such completion to the Court, Class Counsel and Defendant's Counsel.

4.10 **Uncashed Checks.** After one hundred and eighty (180) calendar days of issuance, funds from undeposited Individual Class Payment and Individual PAGA Payment checks will be held by the Settlement Administrator. Even if a Participating Class Member or PAGA Member does not cash or deposit his or her settlement payment check(s) within one-hundred eighty (180) calendar days of issuance, the Stipulation of Settlement, including its release, will be binding on that Participating Class Member or PAGA Member. After 180 days, any uncashed checks for the PAGA Settlement shall be tendered to the State Controller's Office, Unclaimed Property Division in the name of the recipient.

5. **MISCELLANEOUS PROVISIONS**

5.1 **This Settlement is Fair, Adequate and Reasonable**. The Parties believe this Settlement is a fair, adequate and reasonable settlement of the Action and have arrived at this Settlement in arms-length negotiations, taking into account all relevant factors, present and potential.

5.2 **Invalidity of Any Provision**. Before declaring any provision of this Stipulation invalid, the Court shall first attempt to construe the provisions valid to the fullest extent possible consistent with applicable precedents so as to define all provisions of this Stipulation valid and enforceable. Should the Court deem any clause or provision of this Stipulation be invalid, illegal, or unenforceable, it shall first attempt to modify or reform it as minimally necessary to be valid, lawful, and enforceable.

5.3 **No Admission.** Neither the acceptance nor the performance by Defendant of the terms of this Stipulation, nor any of the related negotiations or proceedings, is or shall be claimed to be, construed as, or deemed to be, an admission by Defendant of the truth of any of the allegations in the Operative Complaint, the representative character of the Action, the validity of any of the claims that were or could have been asserted by Plaintiff, Settlement Class Members and/or PAGA Members in the Action, or of any liability or guilt of Defendant or the Released Parties in the Action. Nothing in this Stipulation shall be construed to be or deemed an admission by Defendant of any liability, culpability, negligence, or wrongdoing toward Plaintiff, the Settlement Class Members, or any other person, and Defendant specifically disclaims any liability, culpability, negligence, or wrongdoing toward Plaintiff, the Settlement Class Members, PAGA Members and any other person. Each of the Parties has entered into this Stipulation with the intention to avoid further disputes and litigation with the attendant inconvenience, expenses, and contingencies.

5.4 **Cooperation.** The Parties agree to cooperate fully with one another to accomplish and implement the terms of this Settlement. Such cooperation shall include, but not be limited to, execution of such other documents and the taking of such other action as may reasonably be necessary to fulfill the terms of this Settlement. The Parties to this Settlement shall exercise reasonable efforts, including all efforts contemplated by this Settlement and any other efforts that may become necessary by Court order, or otherwise, to effectuate this Settlement and the terms set forth herein.

5.5 **Privacy of Documents and Information.** Plaintiff and Class Counsel agree that none of the documents and information provided to them by Defendant in connection with the Action and this Settlement shall be used for any purpose (including in any other litigation) other than this Settlement of the Action.

5.6 **Notices.** Unless otherwise specifically provided herein, all notices, demands, or other communications given hereunder shall be in writing and shall be deemed to have been duly

given as of the third business day after mailing by United States certified mail, return receipt requested, addressed as follows:

To the Class Counsel:

Joseph Lavi
Vincent C. Granberry
Lavi & Ebrahimian, LLP
8889 W. Olympic Blvd, Suite #200
Beverly Hills, California 90211

To Defendant:

Max Fischer
Sheryl Horwitz
Morgan, Lewis & Bockius LLP
300 S. Grand Avenue, 22nd Floor
Los Angeles, California 90071

5.7 **Drafting**. The Parties hereto agree that the terms and conditions of this Stipulation of Settlement are the result of lengthy, intensive, arm's-length negotiations between the Parties and that this Stipulation shall not be construed in favor of or against any party by reason of the extent to which any party or its counsel participated in the drafting of this Stipulation.

5.8 **Publicity.** Neither Plaintiff nor Plaintiff's counsel shall issue any press release, hold a press conference, publish information about the settlement on any website, over social media, or otherwise publicize the Settlement. Plaintiff and his counsel agree not to respond to any press inquiries except to refer reporters to the papers filed with the Court. Plaintiff and his counsel agree not to publicize the Net Settlement Amount, except as otherwise required by the Administrator to post the judgment and order on its website. Plaintiff and Plaintiff's counsel agree that, prior to filing a motion for preliminary approval of the settlement, they will keep the terms of the settlement confidential except for purposes of communicating with Plaintiff only. Plaintiff understands that prior to the filing of a motion for preliminary approval, the Settlement is confidential and agrees to keep it confidential. From and after preliminary approval of the settlement, Plaintiff and Plaintiff's counsel may: (1) as required by law; (2) as required under the terms of the settlement; or (3) as required under counsel's duties and responsibilities as class

counsel, communicate regarding the specific terms of the settlement. In all other cases, Plaintiff and Plaintiff's counsel agrees to limit their statements regarding the terms of the settlement, whether oral, written or electronic (including the world wide web), to say the Class Action has been resolved and that Plaintiff and Plaintiff's counsel are satisfied with the settlement terms. Nothing in this Paragraph is intended to interfere with Plaintiff's counsel's duties and obligations to faithfully discharge their duties as class counsel, including but not limited to communicating with Settlement Class Members regarding the settlement, and nothing shall prohibit Plaintiff's counsel from referring to the settlement in adequacy of counsel declarations or related court filings.

5.9 **No Exclusion by Class Representative.** The Class Representative, by signing this Stipulation, is bound by the terms herein and further agrees not to request to be excluded from the Settlement and not to object to any terms of this Stipulation. Any such request for exclusion or objection shall therefore be void and of no force or effect.

5.10 **Waiver of Right to Appeal**. Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment reflected set forth in this Settlement, the Parties, their respective counsel, and all Participating Class Members who did not object to the Settlement as provided in this Agreement, waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals. If an objector appeals the Judgment, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect the amount of the Net Settlement Amount.

5.11 **Computation of Time.** If the prescribed time period in which to complete the required or permitted action expires on a Saturday, Sunday or legal holiday, such time period shall be continued to the following business day.

5.12 **Modification.** This Stipulation may not be changed, altered, or modified, except in writing signed by the Parties hereto and approved by the Court. This Stipulation may not be discharged except by performance in accordance with its terms or by a writing used by the Parties hereto.

5.13 **Binding on Successors.** This Stipulation shall be binding upon and inure to the benefit of the Parties hereto and their respective heirs, trustees, executors, administrators, successors, and assigns.

5.14 **Execution in Counterparts.** This Stipulation shall become effective upon its execution by all of the undersigned. The Parties may execute this Stipulation in counterparts, and execution of counterparts shall have the same force and effect as if all Parties had signed the same instrument.

5.15 **Jurisdiction.** The Court shall retain jurisdiction with respect to the implementation and enforcement of the terms of the Stipulation, and all Parties hereto submit to the jurisdiction of the Court for purposes of implementing and enforcing the Settlement embodied in the Stipulation. Any action to enforce this Stipulation shall be commenced and maintained only in the Court.

5.16 **Headings.** Paragraph titles or captions contained in the Stipulation are inserted as a matter of convenience and for reference, and in no way define, limit, extend, or describe the scope of this Stipulation, or any provision thereof.

5.17 **Enforcement Action**. In the event that one or more of the Parties 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 will be entitled to recover from the unsuccessful Party or Parties reasonable attorney's fees and costs, including expert witness fees in connection with any enforcement actions.

IN WITNESS WHEREOF, this Stipulation of Settlement is executed by the Parties and their duly authorized attorneys, as of the day and year herein set forth.

AGREED AND UNDERSTOOD.

Docusign Envelope ID: 7EEE05EB-B18A-8B09-8034-7E156DF04DE9

Simon Rivera

Dated: _____, 2026 By: _____

STEPAN COMPANY

Dated: August 18, 2026, 2026 By: Signed by: Shawn Lisle DEA158C2E61A4EF...
Shawn Lisle

APPROVED AS TO FORM ONLY:

Lavi & Ebrahimian, LLP

Dated: _____, 2026 By: _____
Joseph Lavi
Vincent C. Granberry
Counsel for Plaintiff

MORGAN, LEWIS & BOCKIUS LLP

Dated: _____, 2026 By: _____
Max Fischer
Attorney for Defendant
Stepan Company

Simon Rivera

Dated: 6/18, 2026 By: _____

STEPAN COMPANY

Dated: _____, 2026 By:

APPROVED AS TO FORM ONLY:

Lavi & Ebrahimian, LLP

Dated: 8/18, 2026 By: Joseph Lavi

Joseph Lavi
Vincent C. Granberry
Counsel for Plaintiff

MORGAN, LEWIS & BOCKIUS LLP

Dated: August 26, 2026 By: _____

Max Fischer
Attorney for Defendant
Stepan Company