PAGA SETTLEMENT AGREEMENT

This PAGA Settlement Agreement ("Agreement") is made by and between plaintiff Deborah Hicks-Benson ("Plaintiff") and defendant Hallmark Marketing Company, LLC ("Defendant"). The Agreement refers to Plaintiff and Defendant collectively as "Parties," or individually as "Party."

1. DEFINITIONS.

1.1. "Action" means Plaintiff's PAGA lawsuit alleging wage and hour violations against Defendant captioned *Debora Hicks-Benson v. Hallmark Marketing Company, LLC* (Case No. 22STCV36328), initiated on November 16, 2022 and pending in the Superior Court of the State of California, County of Los Angeles.

1.2. "Administrator" means Xpand Legal Consulting LLC, the neutral entity the Parties have agreed to appoint to administer the Settlement.

1.3. "Administration Expenses Payment" means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator's "not to exceed" bid submitted to the Court in connection with approval of this Settlement.

1.4. "Aggrieved Employee" means all current and former non-exempt employees of Defendant in the State of California at any time during the PAGA Period.

1.5. "Aggrieved Employee Data" means Aggrieved Employee identifying information in Defendant's possession, which is the Aggrieved Employee's name, last-known mailing address, Social Security number, and information sufficient for the Administrator to determine the number of PAGA Pay Periods.

1.6. "Aggrieved Employee Address Search" means the Administrator's investigation and search for Aggrieved Employees' current mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Aggrieved Employees.

1.7. "Approval Order" means the Court's Order Granting Approval of PAGA Settlement.

1.8. "Court" means the Superior Court of California, County of Los Angeles.

1.9. "Defendant" means defendant Hallmark Marketing Company, LLC.

1.10. "Defense Counsel" means CDF Labor Law LLP, including Leigh A. White.

1.11. "Effective Date" means the later of (a) if no appeal from the Judgment is filed, the day after the deadline for any appeals expires (i.e. 60 days from when the Judgment is entered); (b) if an appeal of the Judgment is filed, and the appeal 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.

1.12. "Gross Settlement Amount" means $1,150,000.00, which is the total amount Defendant agrees to pay under the Settlement. The Gross Settlement Amount will be used to pay Individual PAGA Payments, the LWDA PAGA Payment, PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, the PAGA Plaintiff Service Payment, and the Administration Expenses Payment.

1.13. "Individual PAGA Payment" means an Aggrieved Employee's pro rata share of 25% of the PAGA Payments calculated according to the number of PAGA Pay Periods the Aggrieved Employee worked during the PAGA Period.

1.14. "Judgment" means the judgment entered by the Court based upon the Approval Order.

1.15. "LWDA" means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i).

1.16. "LWDA PAGA Payment" means the 75% of the PAGA Payments paid to the LWDA under Labor Code section 2699, subd. (i).

1.17. "Net Settlement Amount" means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: the PAGA Counsel Fees Payment, the PAGA Counsel Litigation Expenses Payment, the PAGA Plaintiff Service Payment, and the Administration Expenses Payment. The remainder is to be paid to the LWDA and Aggrieved Employees as PAGA Payments.

1.18. "Operative Complaint" means the complaint filed on November 16, 2022 in the Action.

1.19. "PAGA" means the Private Attorneys General Act (Labor Code §§ 2698 et seq.).

1.20. "PAGA Counsel" means Matern Law Group, PC ("MLG"), including Matthew J. Matern, Launa Adolph, and Erin R. Hutchins, the attorneys representing Plaintiff in the Action.

1.21. "PAGA Counsel Fees Payment" and "PAGA Counsel Litigation Expenses Payment" mean the amounts allocated to PAGA Counsel for reimbursement of reasonable attorneys' fees and expenses, respectively, incurred to prosecute the Action, subject to approval by the Court. Any reduction by the Court to these requested amounts shall not affect the enforceability of the Settlement.

1.22. "PAGA Notice" means Plaintiff's August 9, 2022 letter to Defendant and the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a).

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

1.24. "PAGA Payments" means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 25% to the Aggrieved Employees and the 75% to the LWDA, in settlement of PAGA claims.

1.25. “PAGA Period” means the period from September 12, 2021 through July 26, 2025.

1.26. “PAGA Plaintiff Service Payment” means the amount to be paid to Plaintiff in recognition of her effort and work in prosecuting the Action on behalf of Aggrieved Employees and the State of California, and for her general release of claims against the Released Parties. Subject to the Court granting Approval of this Settlement Agreement, Plaintiff will request Court approval of a PAGA Plaintiff Service Payment of up to Ten Thousand Dollars ($10,000.00), to be paid out of the Gross Settlement Amount. Plaintiff will remain entitled to her Individual PAGA Payment in addition to the PAGA Plaintiff Service Payment.

1.27. “Plaintiff” means plaintiff Deborah Hicks-Benson, the named plaintiff in the Action.

1.28. “Released PAGA Claims” means all claims, demands, rights, liabilities, and causes of action for civil penalties under PAGA, arising during the PAGA Period, that were pled in the Operative Complaint in the Action and/or Plaintiff’s PAGA Notice or that reasonably could have been pled based upon the factual allegations in the Operative Complaint and/or Plaintiff’s PAGA Notice, which includes all PAGA penalties based on claims related to the calculation and/or payment of wages/pay (minimum, regular, overtime, premium, regular rate of pay calculations), based on meal or rest breaks, based on final pay to discharged or quitting employees, based on failure to maintain wage/time/pay records, based on wage statements, and/or based on failure to indemnify for business expenses.

1.29. “Released Parties” means Defendant and each of its former and present directors, officers, shareholders, owners, parent companies, affiliates, attorneys, insurers, predecessors, and assigns.

1.30. “Settlement” means the disposition of the Action effected by this Agreement and the Judgment.

2. RECITALS.

2.1. On November 16, 2022, Plaintiff commenced this Action by filing a complaint alleging class claims for: (1) Failure to Provide Required Meal Periods; (2) Failure to Provide Required Rest Periods; (3) Failure to Pay Overtime Wages; (4) Failure to Pay Minimum Wages; (5) Failure to Pay All Wages Due to Discharged and Quitting Employees; (6) Failure to Maintain Required Records; (7) Failure to Furnish Accurate Itemized Wage Statements; (8) Failure to Indemnify Employees for Necessary Expenditures Incurred in Discharge of Duties; (9) Unfair and Unlawful Business Practices; and (10) Penalties under the Labor Code Private Attorneys General Act, as a Representative Action. The complaint is the Operative Complaint in the Action. On May 2, 2023, the Court dismissed Plaintiff’s class claims. Defendant denies the allegations in the Operative Complaint, denies any failure to comply with the laws identified in in the Operative Complaint, and denies any and all liability for the causes of action alleged.

2.2. Pursuant to Labor Code section 2699.3, subd. (a), Plaintiff gave timely written notice to Defendant and the LWDA by sending the PAGA Notice on August 9, 2022.

2.3. On May 27, 2025, the Parties participated in an all-day mediation presided over by Hon. Angela M. Bradstreet (Ret.). On May 30, 2025, the Parties accepted a mediator's proposal to settle the Action in principle, subject to entering into a long-form settlement agreement.

2.4. In advance of the mediation, Defendant sent Plaintiff relevant information, including Plaintiff's employment records, Defendant's employee handbook with policies applicable to aggrieved employees, payroll and timekeeping data files for non-exempt employees during the PAGA Period, and data regarding the number of aggrieved employees and PAGA Pay Periods during the PAGA Period. Plaintiff also took the depositions of three "persons most knowledgeable" on issues related to the Action. Plaintiff's investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.* (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 129-130 ("*Dunk/Kullar*").

2.5. The Parties desire to settle the Action in order to avoid unnecessary litigation fees and expenses.

3. MONETARY TERMS.

3.1. Gross Settlement Amount. Except as otherwise provided by Paragraph 8 below, Defendant promises to pay $1,150,000.00 and no more as the Gross Settlement Amount. Defendant has no obligation to pay the Gross Settlement Amount prior to the deadlines stated in Paragraph 4.3 of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendant.

3.2. Payments from the Gross Settlement Amount. The Administrator will make and deduct the following payments from the Gross Settlement Amount, in the amounts specified by the Court in the Approval Order:

3.2.1. To PAGA Counsel: A PAGA Counsel Fees Payment of not more than one-third of the Gross Settlement Amount, which is currently estimated to be $383,333.33 and a PAGA Counsel Litigation Expenses Payment of not more than $55,000.00. Defendant will not oppose requests for Court approval of these payments provided that they do not exceed these amounts. Plaintiff and/or PAGA Counsel will file an application or motion for PAGA Counsel Fees Payment and PAGA Litigation Expenses Payment. If the Court approves a PAGA Counsel Fees Payment and/or a PAGA Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the PAGA Payments. Released Parties shall have no liability to PAGA Counsel or any other attorneys arising from any claim to any portion of the PAGA Counsel Fee Payment and/or PAGA Counsel Litigation Expenses Payment. The Administrator will pay the PAGA Counsel Fees Payment and PAGA Counsel Expenses Payment using one or more IRS 1099 Forms. PAGA Counsel assumes full responsibility and liability for taxes owed on the PAGA Counsel Fees Payment and the PAGA Counsel Litigation Expenses Payment and holds Defendant harmless, and indemnifies Defendant, from any dispute or controversy regarding any division or sharing of any of these Payments. Notwithstanding any lesser amount approved by the

Court for the PAGA Counsel Fees Payment and/or the PAGA Counsel Litigation Expenses Payment, Plaintiff and PAGA Counsel agree to be bound by the Settlement and shall not have the right to revoke, rescind, or otherwise withdraw from the Settlement on that basis

3.2.2. To Plaintiff: A PAGA Plaintiff Service Payment of $10,000.00, subject to approval by the Court, for Plaintiff's efforts in prosecuting the Action and for her general release of all claims. The PAGA Plaintiff Service Payment will be in addition to Plaintiff's Individual PAGA Payment. Defendant will not oppose requests for Court approval of this payment provided that it does not exceed this amount. The Administrator will report Plaintiff's PAGA Plaintiff Service Payment on an IRS Form 1099. If the Court approves a PAGA Plaintiff Service Payment less than the amount requested, the Administrator will allocate the remainder to the PAGA Payments.

3.2.3. To the Administrator: An Administration Expenses Payment not to exceed $10,000.00 except for a showing of good cause and as approved by the Court. To the extent the Administration Expenses are less or the Court approves payment less than $10,000.00, the Administrator will revert the remainder to the PAGA Payments.

3.2.4. To the LWDA and Aggrieved Employees: 75% of PAGA Payments shall be allocated to the LWDA PAGA Payment and 25% allocated to the Individual PAGA Payments.

3.2.4.1. The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Payments by the total number of PAGA Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's number of PAGA Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment. Aggrieved Employees shall not be permitted to opt out of the Settlement.

3.2.4.2. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

4. SETTLEMENT FUNDING AND PAYMENTS.

4.1. Aggrieved Employee Data. Within 21 calendar days after the Approval Order, Defendant will deliver the Aggrieved Employee Data to the Administrator in the form of a Microsoft Excel spreadsheet. To protect Aggrieved Employees' privacy rights, the Administrator must maintain the Aggrieved Employee Data in confidence, use the Aggrieved Employee Data only for purposes of this Settlement and for no other purpose, and restrict access to the Aggrieved Employee Data to Administrator employees who need access to the Aggrieved Employee Data to effect and perform under this Agreement. Defendant has a continuing duty to immediately notify PAGA Counsel if it discovers that the Aggrieved Employee Data omitted employee identifying information and to provide corrected or updated Aggrieved Employee Data as soon as reasonably feasible. Without any extension of the deadline by which Defendant must send the Aggrieved Employee Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Aggrieved Employee Data.

4.2. Funding of Gross Settlement Amount. Defendant shall fully fund the Gross Settlement Amount by transmitting the funds to the Administrator no later than 14 calendar days after the Effective Date.

4.3. Payments from the Gross Settlement Amount. Within 14 calendar days after Defendant fully funds the Gross Settlement Amount, the Administrator will mail checks and/or wire funds for all Individual PAGA Payments, the LWDA PAGA Payment, the PAGA Plaintiff Service Payment, the Administration Expenses Payment, the PAGA Counsel Fees Payment, and the PAGA Counsel Expenses Payment. Disbursement of the PAGA Counsel Fees Payment and the PAGA Counsel Litigation Expenses Payment shall not precede disbursement of Individual PAGA Payments.

4.3.1. The Administrator will issue checks for the Individual PAGA Payments and send them to the Aggrieved Employees via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (not less than 180 days after the date of mailing) when the check will be voided. The Administrator will cancel all checks not cashed by the void date. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database.

4.3.2. The Administrator must conduct an Aggrieved Employee Address Search for all Aggrieved Employees whose checks are returned undelivered without USPS forwarding address. Within 7 calendar days of receiving a returned check the Administrator must re-mail a check to the USPS forwarding address provided or to an address ascertained through the Aggrieved Employee Address Search. The Administrator need not take further steps to deliver checks to Aggrieved Employees whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Aggrieved Employee whose original check was lost or misplaced, requested by the Aggrieved Employee prior to the void date.

4.3.3. For any Aggrieved Employee whose Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the California Controller's Unclaimed Property Fund in the name of the Aggrieved Employee.

4.3.4. The payment of Individual PAGA Payments shall not obligate Defendant to confer any additional benefits or make any additional payments to the Aggrieved Employees (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

5. **RELEASED CLAIMS**. Effective on the date when Defendant fully funds the entire Gross Settlement Amount, Plaintiff and Aggrieved Employees will release claims against all Released Parties as follows:

5.1 Release of Claims by Aggrieved Employees. Upon the full funding of the Gross Settlement

Amount by Defendant, and except as to the right to enforce the terms and conditions of the Settlement Agreement, the Aggrieved Employees shall be deemed to have released the Released Parties from the Released PAGA Claims during the PAGA Period.

5.2 Release of Claims by Plaintiff. Upon the full funding of the Gross Settlement Amount by Defendant, and except as to the right to enforce the terms and conditions of this Settlement, Plaintiff and her respective former and present representatives, agents, attorneys, spouse, heirs, administrators, successors, and assigns generally release and discharge the Released Parties from any and all known or unknown claims, causes of action, charges, transactions, losses, liabilities, damages, or occurrences through the date of execution of this Agreement ("Plaintiff's Release"). 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, or workers' compensation benefits that arose at any time. Plaintiff acknowledges that she may discover facts or law different from, or in addition to, the facts or law that Plaintiff now knows or believes to be true but agrees, nonetheless, that Plaintiff's Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiff's discovery of them. For purposes of Plaintiff's Release, Plaintiff expressly waives and relinquishes the provisions, rights, and benefits, if any, of section 1542 of the California Civil Code, which reads:

> 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.

6. MOTION FOR APPROVAL OF SETTLEMENT. Plaintiff will file a motion for approval of this Settlement.

6.1 Responsibilities of PAGA Counsel. PAGA Counsel is responsible for expeditiously finalizing and filing the motion for approval of this Settlement no later than 60 days after the full execution of this Agreement and obtaining a prompt hearing date for the motion and appearing in Court to advocate in favor of the motion. PAGA Counsel will provide a draft of the proposed Judgment to Defense Counsel at least three days before filing the motion for approval of this Settlement. PAGA Counsel is responsible for sending a copy of the fully-executed settlement agreement to the LWDA and delivering evidence of the Court's Approval to the Administrator and the LWDA on the same day the motion for approval is filed, in compliance with Labor Code section 2699(s)(2).

6.2 Duty to Cooperate. If the Court does not grant the motion for approval of this Settlement or conditions its approval on any material change to this Agreement, PAGA Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns if possible. For purposes of this provision, reductions by the Court to the requested PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, or PAGA Plaintiff Service Payment shall not be deemed a material change.

7. SETTLEMENT ADMINISTRATION.

7.1 Selection of Administrator. The Parties have jointly selected Xpand Legal Consulting LLC to serve as the Administrator and verified that, as a condition of appointment, Xpand Legal Consulting LLC agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Expenses. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.

7.2 Employer Identification Number. The Administrator shall have and use its own Employer Identification Number for purposes of calculating payroll tax withholdings and providing reports to state and federal tax authorities.

7.3 Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation section 468B-1.

7.4 Data Protection Agreement. The Administrator shall enter into a Data Protection Agreement ("DPA") to protect the confidential employment information that Defendant will provide to Administrator to effectuate the settlement. The DPA will be available for review by PAGA Counsel prior to execution.

7.5 Administrator Duties. The Administrator has a duty to perform or observe all tasks to be performed or observed by the Administrator contained in this Agreement or otherwise.

8. PAGA PAY PERIODS AND ESCALATOR CLAUSE. Based on its records, Defendant estimates that as of May 27, 2025, there are approximately 29,808 biweekly PAGA Pay Periods during the time period that Aggrieved Employees were paid on a biweekly basis and 88,948 weekly PAGA Pay Periods worked by Aggrieved Employees during the time period that Aggrieved Employees were paid on a weekly basis. If the number of biweekly PAGA Pay Periods worked by Aggrieved Employees during the PAGA Period less 65 days exceeds 32,789 (10% more than the number of biweekly PAGA Pay Periods estimated by Defendant as of May 27, 2025), then Defendant shall increase the Gross Settlement Amount on a pro rata basis by the percentage increase in the number of biweekly PAGA Pay Periods above 10% of 29,808 biweekly PAGA Pay Periods (e.g., if the number of biweekly PAGA Pay Periods increases by 11%, the Gross Settlement Amount attributed to the biweekly pay periods will increase by 1%). If the number of weekly PAGA Pay Periods worked by Aggrieved Employees during the PAGA Period exceeds 106,738 (20% more than the number of weekly PAGA Pay Periods estimated by Defendant as of May 27, 2025), then Defendant shall increase the Gross Settlement Amount on a pro rata basis by the percentage increase in the number of weekly PAGA Pay Periods above 20% of 88,948 weekly PAGA Pay Periods (e.g., if the number of weekly PAGA Pay Periods increases by 21%, the Gross Settlement Amount attributed to the weekly pay periods will increase by 1%). Defendant will notify Plaintiff of the number of biweekly and weekly PAGA

Pay Periods in the PAGA Period within 14 days of execution of this Agreement.

9. CONTINUING JURISDICTION OF THE COURT. The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties, Action, and the Settlement solely for purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters, and (iii) addressing such post-Judgment matters as are permitted by law.

9.1. Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the PAGA Counsel Fees Payment and PAGA Counsel Litigation Expenses Payment, the Parties and their respective counsel 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 another party 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.

10. ADDITIONAL PROVISIONS.

10.1. No Admission of Liability or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendant that any of the allegations in the Operative Complaint have merit or that Defendant has any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that Defendant's defenses in the Action have merit. The Parties agree that representative treatment is for purposes of this Settlement only. If, for any reason the Court does not approve this Settlement, Defendant reserves all available defenses to the claims in the Action, and Plaintiff reserves the right to contest Defendant's defenses. The Settlement, this Agreement and Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).

10.2. 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 attorneys' fees and costs, including expert witness fees incurred in connection with any enforcement action.

10.3. Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party.

10.4. Attorney Authorization. PAGA Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiff and Defendant, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this

Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.

10.5. Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying the Settlement Agreement, submitting supplemental evidence and supplementing points and authorities as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of a mediator and/or the Court for resolution.

10.6. No Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity and portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.

10.7 No Tax Advice. Neither Plaintiff, PAGA Counsel, Defendant nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.

10.8 Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their representatives, and approved by the Court.

10.9 Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.

10.10 Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the state of California, without regard to conflict of law principles.

10.11 Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.

10.12 Confidentiality. To the extent permitted by law, all agreements made, and orders entered during Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.

10.13 Use and Return of Aggrieved Employee Data. Information provided to PAGA Counsel pursuant to Cal. Evid. Code §1152, and all copies and summaries of the PAGA Data provided to PAGA Counsel by Defendant in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. Not later than 90 days after the Administrator discharges its obligation to pay out of all Settlement funds, Plaintiff shall destroy all paper and electronic versions of Aggrieved Employee Data received from Defendant unless, prior to the Administrator's payment of all Settlement Funds, Defendant makes a written request to PAGA Counsel for the return, rather than the destructions, of Aggrieved Employee Data.

10.14 Headings. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.

10.15 Calendar Days. Unless otherwise noted, all reference to "days" in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.

10.16 Notice. All notices, demands or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email or messenger, addressed as follows:

To Plaintiff:
Matthew J. Matern (mmatern@maternlawgroup.com)
Launa Adolph (ladolph@maternlawgroup.com)
Erin R. Hutchins (ehutchins@maternlawgroup.com)
Matern Law Group, PC
2101 E. El Segundo Boulevard, Suite 403
El Segundo, California 90245

To Defendant:
Leigh A. White (lwhite@cdflaborlaw.com)
CDF Labor Law LLP
18300 Von Karman Ave, Suite 800
Irvine, California 92612

10.17 Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e. DocuSign), or email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

10.18 Stay of Litigation. The Parties agree that upon the full execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the full execution of this Agreement, and pursuant to Code of Civil Procedure § 583.330(a), the time within which the Action must be brought to trial shall be extended by that period of time from the date of execution of this Agreement to the date on which the Court enters judgment or the date on which the Court enters an order declining to grant approval of this Agreement, and that said period of time shall not be included in the computation of the five-year period specified in Code of Civil Procedure § 583.310.

10.19 No Publicity. Aggrieved Employee counsel shall do nothing to publicize this Settlement or use it for marketing purposes, including on web sites or on the internet or in any form of press whatsoever. Nothing herein, however, precludes the settlement administrator from setting up a website as part of the settlement administration process

Deborah Hicks-Benson (Oct 15, 2025 17:22:03 PDT)

Deborah Hicks-Benson
Plaintiff and Representative of Aggrieved Employees

Date: October 15, 2025

____
Hallmark Marketing Company, LLC
Defendant

Print Name and Title:______________________________

Date:

order declining to grant approval of this Agreement, and that said period of time shall not be included in the computation of the five-year period specified in Code of Civil Procedure § 583.310.

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Deborah Hicks-Benson (Oct 15, 2025 17:22:03 PDT)

Deborah Hicks-Benson
Plaintiff and Representative of Aggrieved Employees

Date: October 15, 2025

Signed by:
Sara E Burton
1511AAD40362478...

Hallmark Marketing Company, LLC
Defendant

Print Name and Title: Sara E Burton President

Date: 10/20/2025

APPROVED AS TO FORM AND CONTENT:

MATERN LAW GROUP, PC

____
Matthew J. Matern
Launa Adolph
Erin R. Hutchins
Counsel for Plaintiff Deborah Hicks-Benson and Aggrieved Employees

Date: October 15, 2025

CDF LABOR LAW LLP

Leigh A. White
____
Leigh A. White
Counsel for Defendant Hallmark Marketing Company, LLC

Date: October 20, 2025

EXHIBIT A

NOTICE OF SETTLEMENT AWARD

Hicks-Benson v. Hallmark Marketing Company, LLC, et al.
Los Angeles Superior Court Case No. 22STCV36328

The enclosed check is provided to you as your share of the settlement in the above captioned action.

A. NATURE OF THE SETTLED LAWSUIT

On November 16, 2022, plaintiff Deborah Hicks-Benson ("Plaintiff") filed a complaint against defendant Hallmark Marketing Company, LLC ("Defendant"), alleging that Defendant (1) failed to provide required meal periods; (2) failed to provide required rest periods; (3) failed to pay overtime wages; (4) failed to pay minimum wages; (5) failed to pay all wages due to discharged and quitting employees; (6) failed to maintain required records; (7) failed to furnish accurate itemize wage statements; and (8) failed to indemnify employees for necessary expenditures incurred in discharge of duties. Plaintiff sought penalties for the foregoing violations under the Labor Code Private Attorneys General Act ("PAGA") on behalf of all current and former non-exempt employees of Defendant in the State of California at any time from September 12, 2021 through July 26, 2025 (the "PAGA Period").

Defendant denies Plaintiff's allegations and denies any and all liability for the causes of action alleged.

The Court has not made a ruling on the merits of Plaintiff's claims or Defendant's defenses.

B. RELEASED CLAIMS

As a result of the settlement, you are deemed to have released the following claims against Defendant and each of its former and present directors, officers, shareholders, owners, attorneys, insurers, predecessors, and assigns:

> All claims, demands, rights, liabilities, and causes of action for civil penalties under PAGA, arising during the PAGA Period, that were pled in the Operative Complaint in the Action and/or Plaintiff's PAGA Notice or that reasonably could have been pled based upon the factual allegations in the Operative Complaint and/or Plaintiff's PAGA Notice, which includes all PAGA penalties based on claims related to the calculation and/or payment of wages/pay (minimum, regular, overtime, premium, regular rate of pay calculations), based on meal or rest breaks, based on final pay to discharged or quitting employees, based on failure to maintain wage/time/pay records, based on wage statements, and/or based on failure to indemnify for business expenses.

C. ADDITIONAL INFORMATION

If you have any questions regarding this award or the case, you may contact the Settlement Administrator:

Settlement Administrator
Address
Telephone Number

<u>PLEASE DO NOT CALL OR WRITE THE COURT ABOUT THIS NOTICE</u>