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SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF ALAMEDA

HAGAI SCHWARTZ, individually, and on behalf of all others similarly situated, and on behalf of other aggrieved employees pursuant to the California Private Attorneys General Act ("PAGA"); Plaintiff, vs. VAGARO, INC., a California corporation; and DOES 1 through 10, inclusive, Defendants.	Case No.: 25CV121174 [Assigned for all purposes to the Honorable Somnath Raj Chatterjee, Department 21] **PAGA SETTLEMENT AGREEMENT** Complaint Filed: April 30, 2025 Trial Date: None Set

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PAGA SETTLEMENT AGREEMENT

This PAGA Settlement Agreement ("Agreement") is made by and between Plaintiff Hagai Schwartz ("Plaintiff") and Defendant Vagaro, Inc. ("Defendant"). The Agreement refers to Plaintiff and Defendant collectively as "Parties," or individually as "Party."

1. DEFINITIONS.

1.1. "Action" means the Plaintiff's PAGA lawsuit alleging wage and hour violations against Defendant captioned *Hagai Schwartz, individually, and on behalf of all others similarly situated, and on behalf of other aggrieved employees pursuant to the California Private Attorneys General Act ("PAGA"); vs. Vagaro, Inc., a California corporation; and DOES 1 through 10, inclusive,* Case No. 25CV121174 initiated on April 30, 2025, and pending in Superior Court of the State of California, County of Alameda.

1.2. "Administrator" or "Settlement Administrator" means Phoenix Class Action Administration ("Phoenix"), 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 the Settlement.

1.4. "Approval Order" means the proposed Court Order Granting Approval of this PAGA Settlement.

1.5. "Aggrieved Employee" means all individuals who are or were employed by Defendant as non-exempt employees in California during the PAGA Period.

1.6. "Aggrieved Employee Address Search" means the Administrator's investigation and search for current or last-known Aggrieved Employee 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.

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1.7. "Aggrieved Employee Data" means Aggrieved Employee identifying information in Defendant's possession including the Aggrieved Employee's name, last-known mailing address, Social Security number, and number of PAGA Pay Periods.

1.8. "Court" means the Superior Court of California, County of Alameda.

1.9. "Defendant" means Vagaro, Inc.

1.10. "Defense Counsel" means Matthew Goldberg and Brittany Sachs at Perkins Coie LLP.

1.11. "Effective Date" means the date by when both of the following have occurred: (a) the Court enters a Judgment on its Order Approving the PAGA Settlement and (b) the Judgment is final as of the latest of the following occurrences: (i) if no objections to the settlement are filed, no third party intervenes, and the LWDA does not comment on the settlement, the day the Court enters Judgment; (ii) if any objection to the settlement is filed, any party intervenes, or the LWDA comments on the settlement, but no appeal of the Judgment is filed, the day after the deadline for filing a notice of appeal from the Judgment; (iii) if there is an appeal of the Court's Judgment, the latest of the date the Judgment is affirmed on appeal and a remittitur is issued, the date of dismissal of such appeal, or the expiration of the time to file a petition for writ of certiorari to the California Supreme Court or (iv) if a petition for writ of certiorari to the California Supreme Court is filed, the date of denial of the petition for writ of certiorari, or the date the Judgment is affirmed in the event the petition is granted.

1.12. "Gross Settlement Amount" means **Two Hundred Thousand Dollars and Zero Cents ($200,000.00)** which is the total amount Defendant agrees to pay under the Settlement except as provided in Paragraph 8 below. The Gross Settlement Amount will be used to pay the Individual PAGA Payments, the LWDA PAGA Payment, PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, the PAGA Representative Enhancement Fee and the Administrator's Expenses Payment.

1.13. "Individual PAGA Payment" means the Aggrieved Employee's pro rata share of 35% of the PAGA Penalties calculated according to the number of PAGA Pay Periods worked during the PAGA Period.

1.14. "LWDA" means the California Labor and Workforce Development Agency, the agency

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entitled to receive penalties under Labor Code § 2699(n).

1.15. "LWDA PAGA Payment" means the 65% of the PAGA Penalties paid to the LWDA under Labor Code § 2699(m).

1.16. "Operative Complaint" means the First Amended Class Action and Representative Action Complaint Plaintiff filed in this Action on or about July 7, 2025.

1.17. "PAGA Counsel" means THE SENTINEL FIRM, APC.

1.18. "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.

1.19. "PAGA Representative" means the named Plaintiff, Hagai Schwartz, in the Operative Complaint in the Action serving as a Representative on behalf of the Labor and Workforce Development Agency and the State of California.

1.20. "PAGA Representative Enhancement Fee" means the payment to the PAGA Representative for initiating the Action, providing services in support of the Action and for a release of their individual claims asserted in this Action.

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

1.22. "Net Settlement Amount" means the Gross Settlement Amount after deducting the PAGA Counsel Fees Payment, the PAGA Counsel Litigation Expenses Payment, PAGA Representative Enhancement Fee Payment and the Administration Expenses Payment.

1.23. "PAGA Period" means the period from April 30, 2024, through December 2, 2025, or as modified pursuant to Paragraph 8 of the Agreement, whichever is earliest.

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

1.25. "PAGA Notice" means Plaintiff's April 30, 2025, letter to Defendant and the LWDA providing notice pursuant to Labor Code § 2699.3(a).

1.26. "PAGA Penalties" means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 35% to the Aggrieved Employees and the 65% to LWDA in settlement of PAGA claims.

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1.27. "Plaintiff" means Hagai Schwartz, the named plaintiff in the Action.

1.28. "Released PAGA Claims" means the claims being released as described in Paragraph 5.2 below.

1.29. "Released Parties" means: Defendant Vagaro, Inc. and each of its respective former, present and future owners, parents, and subsidiaries, and all of their current, former and future representatives, principals, affiliates, spouse(s), children, officers, directors, members, board members, investors, owners, managers, employees, consultants, partners, shareholders, joint venturers, agents, predecessors, successors, purchasers, transferees, assigns, accountants, tax advisors, insurers, reinsurers, donors, trustees, administrators, real or alleged alter egos, real or alleged joint employers, attorneys, legal representatives, and all other representatives of Defendant, individually and in their corporate or other representative capacities.

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

2. RECITALS.

2.1. On April 30, 2025, Plaintiff commenced this Action by filing a Complaint in Alameda County Superior Court alleging causes of action against Defendant for: (1) Violation of Labor Code §§ 204, 1194, 1194.2, 1197 (Failure to Pay Minimum Wages); (2) Violation of Labor Code §§ 1194, 1198 (Failure to Pay Overtime Compensation); (3) Violation of Labor Code §§ 226.7, 512 (Failure to Provide Meal Periods); (4) Violation of Labor Code § 226.7, (Failure to Authorize and Permit Rest Breaks); (5) Violation of Labor Code § 2802 (Failure to Indemnify Necessary Business Expenses); (6) Violation of Labor Code §§ 201-203 (Failure to Timely Pay Final Wages at Termination); (7) Violation of Labor Code § 226 (Failure to Provide Accurate Itemized Wage Statements; and (8) Violation of Bus. & Prof. Code §§ 17200 et seq. (Unfair Business Practices). On July 7, 2025, Plaintiff filed a First Amended Complaint adding a cause of action for Civil Penalties Under PAGA [Cal. Lab. Code §§ 2698, et seq.]. The First Amended Complaint is the Operative Complaint in the Action. Prior to engaging in settlement negotiations, Defendant presented Plaintiff with an arbitration agreement, which Defendant contended waived Plaintiff's right to pursue claims on a class-wide basis. Therefore, based on the arbitration agreement, Plaintiff filed a request pursuant to Cal. Rules of Court 3.770 to dismiss the class claims, which was signed by the Court on October 28, 2025,

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dismissing the representative class action portion of the claims without prejudice. Defendant denies the allegations in the Operative Complaint and in the PAGA Notice, denies any failure to comply with the laws identified in in the Operative Complaint and/or the PAGA Notice, and denies any and all liability for the causes of action alleged.

2.2. Pursuant to Labor Code § 2699.3(a), Plaintiff gave timely written notice to Defendant and the LWDA by sending the PAGA Notice on April 30, 2025.

2.3. On October 3, 2025, the Parties participated in an all-day mediation presided over by the Hon. Ronald Sabraw (Ret.) and reached an agreement to settle the PAGA claims alleged in the Action.

2.4. Prior to the mediation, Plaintiff obtained, through informal discovery, employee and payroll data, policy documents, and additional information regarding Defendant's non-exempt, hourly employees in California, which Plaintiff's Counsel reviewed and analyzed.

2.5. The Parties are aware that a related class action and PAGA action has been filed in Alameda County Superior Court, *Parris Patterson v. Vagaro, Inc.*, Case No. 25CV140133. Patterson filed the Complaint on or about August 29, 2025, and Patterson has been made aware of this Settlement. Defendant filed a motion to compel arbitration and dismiss the class claims in *Patterson*, which the Court granted. Defendant filed a Notice of Related Case in the *Patterson* matter.

3. MONETARY TERMS.

3.1. Gross Settlement Amount. Except as otherwise provided by Paragraph 8 below, Defendant promises to pay a maximum of **$200,000.00** as the Gross Settlement Amount. Defendant has no obligation to pay the Gross Settlement Amount prior to the deadline 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 Final Approval:

3.2.1. To Plaintiff: A PAGA Representative Enhancement Fee to the PAGA Representative of not more than $5,000.00, in addition to any Individual PAGA Payment the PAGA Representative is

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entitled to receive as an Aggrieved Employee. Defendant will not oppose Plaintiff's request for a PAGA Representative Enhancement Fee that does not exceed this amount. Plaintiff will seek Court approval for any PAGA Representative Enhancement Fee in the Approval Motion. If the Court approves a PAGA Representative Enhancement Fee less than the amount requested, the Administrator will retain the remainder in the Net Settlement Amount. The Administrator will pay the PAGA Representative Enhancement Fee Payment using the appropriate IRS Form 1099. Plaintiff assumes full responsibility and liability for employee taxes owed on the PAGA Representative Enhancement Fee Payment, and agrees to indemnify Defendant and hold it harmless for any responsibility, liability, claim, complaint, damages, penalties, interest or any other actual or potential damages arising from Plaintiff's obligations to pay taxes owed on the PAGA Representative Enhancement Fee Payment.

3.2.2. <u>To PAGA Counsel</u>: A PAGA Counsel Fees Payment of not more than one-third of the Gross Settlement Amount, and PAGA Counsel Litigation Expenses Payment of not more than $15,000. 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 a motion for PAGA Counsel Fees Payment and PAGA Litigation Expenses Payment with the motion for approval of the Settlement. 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 Net Settlement Amount. Released Parties shall have no liability to PAGA Counsel or any other Plaintiff's Counsel arising from any claim to any portion of any 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.

3.2.3. <u>To the Administrator:</u> An Administrator Expenses Payment not to exceed $4,250.00 except upon a showing of good cause and as approved by the Court. To the extent the Administration

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Expenses are less than, or the Court approves payment less than this amount, the Administrator will retain the remainder in the Net Settlement Amount. Phoenix Class Action Administration has been selected as the Administrator, based upon its "not to exceed" bid of $4,250.00.

3.2.4. To the LWDA and Aggrieved Employees: PAGA Penalties which shall be paid from the Gross Settlement Amount, with 65% allocated to the LWDA PAGA Payment and 35% allocated to Individual PAGA Payments.

3.2.4.1. The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 35% share of PAGA Penalties by the total number of PAGA Period Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA Period Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payments and agree to indemnify Defendant and hold it harmless for any responsibility, liability, claim, complaint, damages, penalties, interest or any other actual or potential damages arising from Aggrieved Employees' obligations to pay taxes owed on these Payments.

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 Pay Periods. As of October 3, 2025, the number of Pay Periods worked by the estimated 223 Aggrieved Employees during the PAGA Period is estimated to be 4,051.

4.2. Aggrieved Employee Data. Not later than thirty (30) days after the Court grants Approval of the Settlement, Defendant will deliver the Aggrieved Employee Data to the Administrator, in the form of a password protected 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 required tasks under this Agreement. Defendant has a continuing duty to immediately notify PAGA

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Counsel if it discovers that the Aggrieved Employee Data omitted Aggrieved 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.

4.3. Funding of Gross Settlement Amount. Defendant shall fund the Gross Settlement Amount by transmitting the funds to the Administrator within 30 days of the Effective Date.

4.4. Payments from the Gross Settlement Amount. Within fourteen (14) days after Defendant funds the settlement as provided for in Paragraph 4.3, the Administrator will mail checks for all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, PAGA Counsel Fees Payment, the PAGA Counsel Litigation Expenses Payment, and the PAGA Representative Enhancement Fee Payment.

4.4.1. 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 when the check will be voided, which date shall be one hundred eighty (180) days after the date of mailing. The Administrator will cancel all checks not cashed by the void date. The Administrator will send checks for Individual PAGA Payments to all Aggrieved Employees. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database. The Administrator must send **Exhibit A** with the Individual PAGA Payments.

4.4.2. The Administrator must conduct an Aggrieved Employee Address Search for all other Aggrieved Employees whose checks are retuned undelivered without USPS forwarding address. Within ten (10) days of receiving a returned check the Administrator must re-mail checks 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

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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.

4.4.3. 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 State Controller's Unclaimed Property Fund.

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

5. RELEASES OF CLAIMS.

As of the Effective Date of this Settlement, Plaintiff and the Aggrieved Employees will release claims against all Released Parties as follows:

5.1. Plaintiff's Release.

5.1.1. Scope of Plaintiff's Release. Plaintiff agrees to release the Released Parties from any and all claims, demands, rights, liabilities, and/or causes, of any form whatsoever whether known or unknown, unforeseen, unanticipated, unsuspected or latent, which Plaintiff now owns or holds or has at any time owned or held, that have been or could have been asserted by Plaintiff, their heirs, family members, executors, administrators, attorneys, agents, representatives, successors, and/or assigns, whether directly, indirectly, representatively, derivatively or in any other capacity, arising at any time prior to the date that the court grants approval of the settlement, including but not limited to those which arose out of or are in any way connected with Plaintiff's employment with any Defendant, including but not limited to any and all claims: which are related to or concern any law, including but not limited to (i) discrimination, harassment, and retaliation under local, state, or federal law based on age, sex, race, color, national origin, religion, disability status, or any other category protected by any such law including, but not limited to, the Americans with

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Disabilities Act, 42 U.S.C. § 12112, *et seq.*, the Older Workers Benefit Protection Act, and all other Federal and State Civil rights Statutes; (ii) wrongful termination, breach of express and implied-in-fact- contract, breach of the covenants of good faith and fair dealing, intentional and negligent infliction of emotional distress, defamation and self-compelled defamation, invasion of privacy, breach of employment contract, fraud or negligent misrepresentation, assault, battery, intentional interference with contractual relations and prospective economic advantage, violation of public policy, and other torts; (iii) those arising under federal, state or local wage-and-hour laws, rules, or regulations, including but not limited to, claims for failure to pay wages, overtime, meals and rest breaks, penalties, interest, severance pay, commissions, bonuses, sick leave, holiday pay, and vacation pay, either individually or as part of a class action, collective action, and/or representative action; (iv) which are related to or concern any violation of California *Business and Professions Code* Section 17200, et seq., and/or the California *Labor Code*, including *Labor Code* section 1102.5; the California Fair Employment and Housing Act; the California Industrial Welfare Commission Wage Orders; and the California Private Attorney General Act; (v) which are related to or concern any violation of the CFRA or the FMLA or other leave statute, or; (vi) which are related to allegations of sexual harassment, discrimination based on sex, retaliation, failure to prevent sexual harassment, failure to prevent retaliation, failure to accommodate, failure to engage in a good faith interactive process, and wrongful termination, (vii) which arose out of or are in any way connected with any transactions, occurrences, acts, omissions, loss, damage or injury whatsoever resulting from any act committed or omission made prior to the date of this Agreement ("Plaintiff's Release"), or (vii) or relate to any other applicable local, state or federal law applicable to Plaintiff's employment relationship with Defendant. Plaintiff's Release does not extend to any claims Plaintiff cannot release as a matter of law. Plaintiff acknowledges that Plaintiff may discover facts or law different from, or in addition to, the facts or law

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that Plaintiff now knows or believes to be true but agrees, nonetheless, that Plaintiff's Release shall be and remains effective in all respects, notwithstanding such different or additional facts or Plaintiff's discovery of them.

5.1.2. Plaintiff's Waiver of Rights Under California Civil Code § 1542. For purposes of Plaintiff's Release, upon receipt of the consideration set forth in this Agreement, 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.

5.2. Released PAGA Claims: Upon the Effective Date of this Settlement and funding of the Gross Settlement Amount, the LWDA, the State of California, by and through Plaintiff, as agent and proxy of the LWDA and all Aggrieved Employees, will fully, finally and forever release, settle, compromise, relinquish, discharge on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, Defendant and the Released Parties from any and all claims, rights, demands, liabilities and causes of action for civil penalties under the California Labor Code Private Attorneys General Act of 2004 ("PAGA"), Labor Code section 2698, et seq., against the Released Parties for work performed during the PAGA Period that were alleged or reasonably could have been alleged in the Operative Complaint in the Action based on or arising out of the alleged facts and theories set forth in Plaintiff's letter to the LWDA, including, but not limited to, claims for civil penalties for failure to pay for all hours worked, including minimum wages and overtime wages (including, but not limited to, calculating and paying the correct regular rate of pay, including for sick pay), failure to provide meal periods and rest periods, failure to pay meal and rest period premiums (including, but not limited to, at the correct regular rate of pay), failure to indemnify employees for business expenses, failure to timely pay wages during employment, failure to timely pay wages at termination, failure to pay accrued vacation wages at termination, failure to provide accurate itemized wage statements, and failure to maintain accurate records of, among other things, hours worked and meal and rest breaks.

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6. MOTION FOR APPROVAL

Plaintiff shall prepare and file a motion for approval of the Settlement ("Motion for PAGA Settlement Approval") that complies with any applicable and current checklist for Approval.

6.1. Plaintiff's Responsibilities. Plaintiff will prepare and deliver to Defense Counsel all documents necessary for obtaining Approval, including: (i) a draft of the notice, and memorandum in support, of the Motion for Approval that includes an analysis of the Settlement's terms and a request for approval of the PAGA Settlement under Labor Code § 2699(f)(2)); (ii) a draft proposed Order Granting Approval of the PAGA Settlement; (iii) a signed declaration from the Administrator attaching its "not to exceed" bid for administering the Settlement and attesting to its willingness to serve; competency; operative procedures for protecting the security of Aggrieved Employee Data; amounts of insurance coverage for any data breach, defalcation of funds or other misfeasance; all facts relevant to any actual or potential conflicts of interest with Aggrieved Employees; and the nature and extent of any financial relationship with Plaintiff, PAGA Counsel or Defense Counsel; (iv) a signed declaration from Plaintiff confirming willingness and competency to serve as PAGA Representative and disclosing all facts relevant to any actual or potential conflicts of interest with Aggrieved Employees or the Administrator; (v) a signed declaration from PAGA Counsel firm attesting to its competency; its timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code § 2699.3(a)), Operative Complaint (Labor Code § 2699(*l*)(1)), this Agreement (Labor Code § 2699(*l*)(2)) and (vi) all facts relevant to any actual or potential conflict of interest with Aggrieved Employees or the Administrator. Plaintiff will share a copy of the documents necessary for obtaining approval with Defendant at least seven (7) calendar days in advance of filing same.

6.2. Responsibilities of Counsel. PAGA Counsel is responsible for expeditiously finalizing and filing the Motion for Approval of this Settlement; obtaining a prompt hearing date for the Motion for Approval; and for appearing in Court to advocate in favor of the Motion for Approval. PAGA Counsel is responsible for delivering the Court's Approval and any other necessary documents to the Administrator. Plaintiff and PAGA Counsel will ensure that the PAGA Claims are dismissed with prejudice upon the Court's approval of the settlement.

6.3. Duty to Cooperate. If the Parties disagree on any aspect of the proposed Motion for

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Approval and/or the supporting declarations and documents, 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 resolve the disagreement. If the Court does not grant Approval or conditions 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.

7. SETTLEMENT ADMINISTRATION.

7.1. Selection of Administrator. The Parties have jointly selected Phoenix Class Action Administration ("Pheonix") to serve as the Administrator and verified that, as a condition of appointment, Phoenix 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 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 § 468B-1.

7.4. Receipt of Data. No later than three (3) business days after receipt of the Aggrieved Employee Data, the Administrator shall notify PAGA Counsel that the list has been received and state the number of Aggrieved Employees and PAGA Pay Periods in the Aggrieved Employee Data.

7.5. Objections to Settlement. Pursuant to their understanding of California law, the Parties agree that Aggrieved Employees and/or other PAGA Representatives other than those named in this Settlement may not and have no right to object to or intervene in any components of the Settlement and/or this Agreement, including contesting the fairness of the Settlement, and/or amounts requested for the PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment and/or PAGA Representative Enhancement Fee Payment.

7.6. Administrator Duties. The Administrator has a duty to perform or observe all tasks to be

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performed or observed by the Administrator contained in this Agreement or otherwise. The Administrator will mail the letter attached as **Exhibit A** along with settlement payments to Aggrieved Employees. The Parties will ask the Court to approve the mailing of this letter as part of the request for approval of the Settlement.

7.6.1. Final Report by Settlement Administrator. Within fourteen (14) days after the Administrator disburses all funds in the Gross Settlement Amount, the Administrator will provide PAGA Counsel and Defense Counsel with a final report detailing its disbursements by employee identification number only of all payments made under this Agreement. At least fourteen (14) days before any deadline set by the Court, the Administrator will prepare, and submit to PAGA Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its disbursement of all payments required under this Agreement. PAGA Counsel is responsible for filing the Administrator's declaration in Court.

8. AGGRIEVED EMPLOYEE ESTIMATES and ESCALATOR CLAUSE.

Based on its records, Defendant estimated that there were 4,051 pay periods worked by Aggrieved Employees during the PAGA Period as of the date of mediation. If the number of PAGA Pay Periods worked by Aggrieved Employees during the PAGA Period exceeds 4,456 (i.e., 10% more than the number of pay periods estimated as of October 3, 2025), then, at Defendant's option, the PAGA Settlement will either increase by 1% for every 1% over the 10 % threshold, or the PAGA Period will end on the date before the number of pay periods exceeds 4,456. At least 3 days prior to the deadline upon which to submit a Motion for Approval of this Settlement and upon request by PAGA Counsel, Defendant shall determine the number of PAGA Pay Periods and whether the provisions of this Paragraph are believed to have triggered, and if so, which option it intends to select so that the appropriate end date may be provided to the Court. However, final determination of whether the provisions of this section have triggered will be determined by the Administrator, who will confirm Defendant's election (if applicable) prior to issuing payment as provided for in section 4 of this Agreement.

9. AMENDED JUDGMENT.

If any amended judgment is required under Code of Civil Procedure § 384, the Parties will work

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together in good faith to jointly submit and a proposed amended judgment.

10. 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.

10.1 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 al 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, except as to matters that do not affect the amount of the Net Settlement Amount.

11. ADDITIONAL PROVISIONS.

11.1. No Admission of Liability, Class Certification 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, that the Aggrieved Employees as defined in this Agreement were aggrieved as that term is used in the Labor Code, 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 Settlement in this matter is a compromise of highly disputed claims. 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. Upon the Effective Date of this Settlement and funding of the Gross Settlement Amount, the Plaintiff agrees to dismiss any individual claims against Defendant with prejudice. The Settlement, this Agreement and Parties' willingness to settle the Action will have no bearing

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on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement). Finally, the Parties agree that the Settlement shall not be deemed a finding or determination that any of Defendant's policies or practices were unlawful in this Action or any other action.

11.2. Court Approval. In the event that the Court fails to approve the settlement notwithstanding the good faith efforts of the Parties pursuant to Paragraph 11.6 of this Agreement, or if the appropriate appellate court fails to approve the settlement, or if the Settlement Agreement is otherwise terminated: (1) the Settlement Agreement shall have no force and effect and the Parties shall be restored to their respective positions prior to entering into it, and no Party shall be bound by any of the terms of the Settlement Agreement; (2) Defendant shall have no obligation to make any payments to the Aggrieved Employees, the LWDA, Plaintiff or Plaintiff's counsel; (3) any existing approval order or judgment shall be vacated; and (4) the Settlement Agreement and all negotiations, statements, proceedings and data relating thereto shall be deemed confidential mediation settlement communications and not subject to disclosure for any purpose in any proceeding.

11.3. Confidentiality Prior to Motion for Approval. The Parties agree that, until the full execution of this Settlement and submission for Approval, they and each of them will not disclose, disseminate and/or publicize, or cause or permit another person to disclose, disseminate or publicize, any of the terms of the Agreement directly or indirectly, specifically or generally, to any person, corporation, association, government agency, or other entity except: (1) to the Parties' attorneys, accountants, or spouses, all of whom will be instructed to keep this Agreement confidential; (2) counsel or a court in any potentially related matter and/or to effectuate or enforce the Settlement; (3) to the extent necessary to report income to appropriate taxing authorities; (4) in response to a court order or subpoena; (5) in response to an inquiry or subpoena issued by a state or federal government agency; or (6) with respect to Defendant, to provide information with respect to resolution to employees/managers/board members regarding the status and fact of settlement and/or to comply with other reporting/disclosure obligations. Each Party agrees to immediately notify each other Party of any judicial or agency order, inquiry, or subpoena seeking such information. Plaintiff, PAGA Counsel, Defendant, and Defense Counsel separately agree not to, directly or indirectly, initiate any conversation or other communication before the filing of the Motion for Approval any with third party

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regarding this Agreement or the matters giving rise to this Agreement except to respond only that "the matter was resolved," or words to that effect. Except as set forth above, the Parties and their attorneys shall not make any public announcements (including press releases, press interviews, internet postings, or social media posts) concerning the settlement other than seeking the Court's approval of settlement. However, the Parties agree that the Settlement and this Agreement are not confidential.

11.4. 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.

11.5. 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.

11.6. 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.

11.7. 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.

11.8. 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.

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11.9. 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.

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

11.11. 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.

11.12. 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.

11.13. 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.

11.14. Use and Return of Aggrieved Employee Data. Information provided to PAGA Counsel pursuant to Evidence Code § 1152, and all copies and summaries of the Aggrieved Employee 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 date when the Court discharges the Administrator's obligation to provide a Declaration confirming the final pay out of all Settlement funds, Plaintiff shall destroy, all paper and electronic versions of Aggrieved Employee Data received from Defendant.

11.15. 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.

11.16. 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.

11.17. Notice. All notices, demands or other communications between the Parties in connection

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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:

Seung L. Yang
seung.yang@thesentinelfirm.com
Tiffany Hyun
tiffany.hyun@thesentinelfirm.com
Jeffrey P. Jackson
jeffrey.jackson@thesentinelfirm.com
THE SENTINEL FIRM, APC
355 S Grand Ave. Suite 1450
Los Angeles, California 90071
Telephone: (213) 985-1150
Facsimile: (213) 985-2155

To Defendant:

Matthew Goldberg
mgoldberg@perkinscoie.com
PERKINS COIE LLP
505 Howard Street Suite 1000
San Francisco, CA 94105
Telephone: 1.415.344.7000

Brittany Sachs
bsachs@perkinscoie.com
PERKINS COIE LLP
1888 Century Park East Suite 1700
Los Angeles, CA 90067-1721
Telephone: 1.310.788.9900

11.18. 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.

11.19. Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that pursuant to CCP section 583.330 to extend the date to bring a case to trial under CCP section 583.310 for the entire period of this settlement process.

11.20. Severability. In the event one or more of the provisions contained in this Agreement shall

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for any reason be held invalid, illegal, or unenforceable, in any respect, such invalidity, illegality, or unenforceability shall in no way effect any other provision if Defendant's Counsel and PAGA Counsel, on behalf of the Parties and Aggrieved Employees, mutually elect in writing to proceed as if such invalid, illegal, or unenforceable provision had never been included in this Agreement.

[SIGNATURES ON NEXT PAGE]

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IT IS SO AGREED.

Plaintiff & PAGA Representative:

Dated: 03 / 19 / 2026

By: ______________________________
HAGAI SCHWARTZ

Plaintiff's Counsel (as to form):

Dated: 3/24/2026

THE SENTINEL FIRM, APC

By: ______________________________
Seung L. Yang
Tiffany Hyun
Jeffey P. Jackson

Attorneys for Plaintiff
HAGAI SCHWARTZ

Defendant:

Dated: March 26, 2026

VAGARO, INC.

By: Adam Zachs
Print Name

DocuSigned by:
Adam Zachs
1581CDF2ED764E0...
Signature

VP of Legal
Title

Defendant's Counsel (as to form):

Dated: April 21, 2026

PERKINS COIE

By: ______________________________
Brittany Sachs
Matthew Goldberg
Attorneys for Defendant

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EXHIBIT A: NOTICE

<<FIRST NAME>> <<LAST NAME>>

<<ADDRESS 1>>
<<ADDRESS 2>>

***Re: Payment from Schwartz v. Vagaro, Inc.*, Alameda County Superior Court, Case Number: 24CV121174**

The Superior Court for the State of California authorized this Notice. Read it Carefully! It is not junk mail, spam, an advertisement, or solicitation by a lawyer. You are not being sued.

Dear <FIRST NAME> <LAST NAME>:

Enclosed you will find a check made payable to you. This is your payment from the settlement of the lawsuit entitled *Schwartz v. Vagaro, Inc.*, Alameda County Superior Court, Case No. 24CV121174.

The aforementioned case was filed against Vagaro, Inc. pursuant to the California Private Attorneys General Act, Cal. Lab. Code § 2698 *et seq.* (called "PAGA"). The claim was brought on behalf of the State of California and all current and former non-exempt employees working for Vagaro, Inc. in California between April 30, 2024, through December 2, 2025. You have been identified as one of the individuals who is part of the resolution of the claims.

Vagaro, Inc. denies that it did anything wrong or that it owes any penalties. The Parties agreed to resolve the case, and as part of the Settlement, Vagaro, Inc. agreed to pay a certain amount of money as PAGA penalties. Under the PAGA statute, the penalties get divided between the State and the current and former employees.

The enclosed check represents your portion of the PAGA settlement. By virtue of being an individual covered by this Settlement, you are subject to Plaintiff's release as agent and proxy of the Labor and Workforce Development Agency and will no longer to be able to pursue PAGA claims that were alleged or could have been alleged in the lawsuit during the PAGA Period. It is important to note that this is not a class action settlement, and you cannot opt out of receiving this payment. Please note you are responsible for any taxes on the amount received as non-wage income. The check will become void in 180 days. If you do not cash your check, the amount will be transferred to the California Unclaimed Property Fund in your name.

If you have any questions, you can contact the settlement administrator.

[INSERT ADMINISTRATOR CONTACT INFORMATION]

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