

SETTLEMENT AGREEMENT

This Settlement Agreement is made and entered into between RECRUITGIGS, LLC and SAMUEL HALE EXCHANGE, LLC (together “Defendants”), on the one hand, and Plaintiffs DUNIA SORIANO and ERNESTO PADILLA VALLE in their capacities as private attorneys general pursuant to the California Labor Code Private Attorneys General Act on behalf of herself, other Aggrieved Employees, and the California Labor and Workforce Development Agency (“LWDA”), on the other hand.

1. PREAMBLE

This Settlement Agreement is intended to resolve all claims made pursuant to the California Labor Code Private Attorneys General Act (“PAGA”) in connection with a lawsuit: *Dunia Soriano v. RecruitGigs, LLC et al.*, Superior Court of California, County of San Joaquin, Case No. STK-CV-UOE-2022-0010399 (the “PAGA Action”). This Settlement Agreement is subject to the approval of the Court pursuant to section 2699(l) of the California Labor Code, and shall be effectuated and subject to the following terms and conditions:

2. DEFINITIONS

2.1 **“Aggrieved Employees”, “Settlement Group,” or “Settlement Group Members”** mean(s) all non-exempt employees placed by or assigned by RecruitGigs, LLC to perform work in California during the Settlement and Release Period.

2.2 **“Agreement” or “Settlement”** means this Settlement Agreement and Exhibits A and B hereto.

2.3 **“Attorneys’ Fees and Litigation Expenses”** means the attorneys’ fees and litigation expenses to be requested by Settlement Group Members’ Counsel subject to Court approval in accordance with this Agreement.

2.4 **“Challenged Pay Periods”** means the pay periods in the Settlement and Release Period where an Aggrieved Employee received a bonus of any kind, including a SH Safety Bonus, and either worked overtime, received a meal or rest break premium, or took sick leave.

2.5 **“Complaint”** means the Complaint filed in the Superior Court of California, County of San Joaquin, Case No. STK-CV-UOE-2022-0010399 on November 10, 2022.

2.6 **“Court”** means the San Joaquin County Superior Court and any appellate court which may review any orders entered by the San Joaquin County Superior Court related to this Settlement.

2.7 **“Execution”** means the signing of this Agreement by all signatories hereto.

2.8 ***“Final Judgment and Order of Dismissal”*** means the Final Judgment and Order of Dismissal approving the Settlement, entering judgment and dismissing the PAGA Action with prejudice, substantially in the form of the proposed Final Judgment and Order of Dismissal attached hereto as Exhibit A, which this Settlement contemplates will be entered and approved by the Court.

2.9 ***“Gross Settlement Amount”*** means One Million Six Hundred Thousand Dollars and Zero Cents (\$1,600,000.00), which Defendant shall pay into the QSF in connection with the Settlement, inclusive of the LWDA Payment, Payment to Settlement Group Members, Plaintiff’s Counsel Award, Plaintiff’s Counsel’s expenses, Service Payments, and the Settlement Administration Costs. Defendants represented at mediation that there were 58,783 Challenged Pay Periods. If the actual total number of Challenged Pay Periods through the end of the Settlement and Release Period exceeds 58,783 pay periods by more than 10% (or 64,662 pay periods), the Gross Settlement Amount shall be increased proportionally over the 10% increase. For example, if the number of Challenged Pay Periods increase by 11%, the Settlement Amount will increase by 1%. Likewise, if the number of pay periods increases by 12%, the settlement amount will increase by 2%. In the event the number of Challenged Pay Periods exceeds 64,662, Defendant shall have the option to end the Settlement and Release Period on the date that the number of Challenged Pay Periods reaches 64,662.

2.10 ***“LWDA Payment Amount”*** means the amount payable to the LWDA pursuant to the PAGA, Cal. Lab. Code section 2699(i), and as specified in Subsection 4.2.1 of this Agreement.

2.11 ***“Notice(s)”*** means the document substantially in the form of the document attached hereto as Exhibit B, which has been agreed to by the Parties and, subject to Court approval, which shall be sent to the Settlement Group Members with the Settlement Payments to inform them of the material terms of the Agreement and the Released Claims.

2.12 ***“Notice and Settlement Administration Costs”*** means the costs to be paid to the Settlement Administrator for the purposes of preparing and sending Notices and payments pursuant to this Agreement, and performing other settlement administration functions in accordance with this Agreement, which will be paid from the LWDA Payment Amount.

2.13 ***“PAGA Representatives” or “Plaintiffs”*** mean Plaintiffs Dunia Soriano and Ernesto Padilla Valle in their capacities as private attorneys general pursuant to the PAGA on behalf of themselves, other Aggrieved Employees, and the State of California.

2.14 ***“Parties”*** means the Plaintiffs and Defendants.

2.15 ***“QSF”*** means the Qualified Settlement Fund to be set up in accordance with this Agreement.

2.16 ***“Released Claims”*** means the claims that are released, acquitted and discharged by the Settlement Group Members and the State of California pursuant to Section 9 of this Agreement.

2.1 ***“Released Parties”*** means the RecruitGigs LLC, Samuel Hale Exchange LLC and Simwon America Corp. and their respective present and former officers, directors, employees, shareholders, agents, trustees, representatives, attorneys, insurers, reinsurers, parent companies, subsidiaries, divisions, affiliates, predecessors, successors, assigns, as well as any individual or entity that could be alleged to be jointly liable with Defendants.

2.2 ***“Service Payment”*** means the amounts Settlement Group Members’ Counsel may request to be paid as service payments to Dunia Soriano and Ernesto Padilla Valle as the named plaintiffs and PAGA Representatives which shall be paid in accordance with this Agreement, subject the Court’s approval.

2.3 ***“Settlement Administrator”*** means, subject to Court approval, Phoenix Settlement Administrators, the entity who shall perform certain notice and claims administration functions in accordance with this Agreement.

2.4 ***“Settlement and Release Period”*** means the period of time from September 25, 2021 through October 31, 2023.

2.5 ***“Settlement Effective Date”*** means the first day following the last of the following occurrences:

2.5.1. Thirty-one (31) calendar days after the date of the entry of the Final Judgment and Order of Dismissal; or

2.5.2. If an appeal or other judicial review has been taken, the latest of: (i) the date the Final Judgment and Order of Dismissal is finally affirmed by an appellate court with no possibility of subsequent appeal or other judicial review therefrom; or (ii) the date the appeal(s) or other judicial review therefrom are finally dismissed with no possibility of subsequent appeal or other judicial review; or (iii) if remanded to the trial court or to a lower appellate court following appeal or other review, the date the Final Judgment and Order of Dismissal is entered by the trial court after remand and the time to appeal or seek permission to appeal or seek other judicial review following remand has expired with no further appeals or other judicial review having been taken or sought. If further appeals are sought or taken after a remand, the time periods in this Section shall apply.

2.6 ***“Settlement Group Data”*** means information, on an Excel spreadsheet form, containing the last known name, address, telephone number, social security number, total Challenged Pay Periods worked by each Aggrieved Employee, and total Total Pay Periods worked by each Aggrieved Employee.

2.7 ***“Settlement Group Members’ Counsel”*** means Dennis F. Moss, Ari E. Moss and Jeremy F. Bollinger of Moss Bollinger, LLP.

2.8 **“Settlement Group Payment Amount”** means the amount payable to Settlement Group Members in accordance with this Agreement.

2.9 **“Total Pay Periods”** means the total number of pay periods worked by an Aggrieved Employee during the Settlement and Release Period.

3. RECITALS

3.1 On September 21, 2022, Plaintiff Soriano submitted a letter to the LWDA, Defendants and Simwon America Corp. notifying them that Plaintiff Soriano intended to seek penalties against Defendants and Simwon America Corp. pursuant to PAGA for their alleged violations of the Labor Code, including sections 201.3-203; 204(b); 226(a); 226.7; 246; 510; 1174; 1174.5; 1194; 1198; and 2802. On October 24, 2022, Defendants served a Notice of Cure letter pursuant to Labor Code § 2699.3(c)(2)(A) that the alleged violation of section 226(a) had been timely cured. On September 27, 2023, Plaintiffs amended their PAGA letter to add Plaintiff Valle. The LWDA did not respond to either letter or give notice that it would investigate the matter. Together, the September 21, 2022 letter and September 27, 2023 amended letter constitute the “PAGA letter.”

3.2 On November 10, 2022, Plaintiff Soriano filed the PAGA Action, alleging a claim for penalties under PAGA for violations of sections 201.3-203; 204(b); 226.7; 246; 510; 1174; 1174.5; 1194; 1198; and 2802.

3.3 Amended Complaint. Within ten (10) calendar days of execution of this Settlement Agreement by the Parties, Plaintiff Soriano shall file an amended complaint to add Plaintiff Ernesto Padilla Valle as a named Plaintiff in the Action.

3.4 Defendants deny and continue to deny liability or wrongdoing and all of Plaintiffs’ material allegations including, but not limited to, those made in the PAGA Action.

3.5 After Plaintiff Soriano filed the Action, Defendants informed Settlement Group Members’ Counsel of the arbitration provisions in the Collective Bargaining Agreement to which the Parties are parties to. Accordingly, Settlement Group Members’ Counsel sent a letter to the Federal Mediation and Conciliation Service requesting an arbitration panel pursuant to the Parties’ arbitration agreement. However, before initiation of the arbitration, the Parties agreed to attend mediation.

3.6 On October 24, 2023, the Parties participated in a private mediation with mediator Steve Pearl, Esq. The mediation resulted in a mediator’s proposal which was accepted by all Parties, resulting in an agreement to settle the PAGA Action as set forth in this Agreement.

3.7 The PAGA Representatives believe this PAGA Action is meritorious. Settlement Group Members’ Counsel represents that they have conducted a thorough investigation into the facts of this case, and have diligently pursued an investigation of the Settlement Group

Members' claims. Based on their own independent investigation and evaluation, Settlement Group Members' Counsel are of the opinion that the Settlement is fair, reasonable, and adequate and is in the best interest of the State of California and the Settlement Group Members in light of all known facts and circumstances, including the risk of significant delay, the defenses asserted by Defendants, trial risk, and appellate risk.

3.8 The entry of the Final Judgment and Order of Dismissal shall dismiss the PAGA Action with prejudice. The Parties agree to cooperate and take all steps necessary and appropriate to obtain approval of this Settlement, to effectuate its terms, and, to the extent of the obligations set forth herein, to dismiss this PAGA Actions with prejudice.

3.9 Each of these Recitals is incorporated into this Agreement as if fully set forth herein.

4. TERMS OF SETTLEMENT

This Agreement is a product of compromise. Nothing in this Agreement shall be construed to be an admission by Plaintiffs, the Settlement Group Members or the LWDA that their PAGA claims do not have merit or by Defendants of any liability or wrongdoing as to Plaintiffs, the Settlement Group Members, or any other person. The Parties have entered into this Agreement to avoid further disputes and litigation with the attendant inconvenience, nuisance, expenses, and risks. This Agreement and any related Court documents or orders are not and may not be cited or admitted as evidence of liability. The Parties agree that an express condition of this Agreement is that there has been no finding of liability on the merits, and that this Agreement therefore cannot be a basis to assert offensive collateral estoppel against Defendants.

Subject to the other terms and conditions of this Agreement, and subject to Court approval, Defendants agree to the following:

4.1 **Allocation of Gross Settlement Amount and Net Settlement Amount.** Defendants agree to pay the Gross Settlement Amount of \$1,600,000 on a non-reversionary basis pursuant to the terms of this Agreement, so long as the Settlement Effective Date occurs. The Gross Settlement Amount will cover (1) the amount of Attorneys' Fees and Litigation Expenses awarded by the Court; (2) Service Payments approved by the Court; (3) Notice and Settlement Administration Costs approved by the Court; (4) any other fees or expenses incurred in executing the terms of this Agreement as approved by the Court; (5) the LWDA Payment; and (6) the Settlement Group Payment Amount.

4.1.1 LWDA Payment Amount: The LWDA Payment Amount shall be payable to the California Labor and Workforce Development Agency pursuant to Section 2699(i) of PAGA. The LWDA Payment Amount shall consist of seventy-five (75) percent of the Gross Settlement Amount less the following.

4.1.1.1 Attorneys' Fees and Litigation Expenses

4.1.1.2 Service Payments; and

4.1.1.3 Notice and Settlement Administration Costs.

4.1.2 Settlement Group Payment Amount: The Settlement Group Payment Amount shall constitute the share of PAGA penalties recoverable by the Settlement Group Members pursuant to Section 2699(i) of PAGA. Settlement Group Members do not need to make a claim to participate in the Settlement.

4.1.2.1 The Settlement Group Payment Amount shall consist of twenty-five (25) percent of the Gross Settlement Amount. The Settlement Group Payment Amount shall constitute the share of PAGA penalties recoverable by the Settlement Group Members pursuant to Section 2699(i) of PAGA. Settlement Group Members do not need to make a claim to participate in the Settlement.

4.1.2.2 The Settlement Administrator will manage the administration of the Settlement in cooperation with Settlement Group Members' Counsel and Defendants and in accordance with the following parameters:

4.1.2.2.1 The Settlement Administrator shall pay a share from the Settlement Group Payment Amount as calculated based on the provisions of Subsection 4.1.2.3 to each Settlement Group Member.

4.1.2.3 The amount that a Settlement Group Member may receive from the Settlement Group Payment Amount shall be calculated on a pro rata basis based upon the below formula which is based in part on the number of pay periods during which the Settlement Group Member worked for Defendants and in part on the number of pay periods in which a specific overtime pay event occurred during the Settlement and Release Period to be computed, as follows:

4.1.2.3.1 A Settlement Group Member will receive one Unit for each pay period during which he or she earned a bonus of any kind and received any amount of overtime pay during the Settlement and Release Period.

4.1.2.3.2 A Settlement Group Member will receive one Unit for each pay period during which he or she earned a bonus of any kind and was paid a meal or rest period premium during the Settlement and Release Period

4.1.2.3.3 A Settlement Group Member will receive one Unit for each pay period during which he or she earned a bonus of any kind and took paid sick leave during the Settlement and Release Period.

- 4.1.2.3.4 Partial pay periods worked will be rounded up to the nearest full pay period.
 - 4.1.2.3.5 A Settlement Group Member will receive one Unit for each pay period during which he worked during the Settlement and Release Period.
 - 4.1.2.3.6 The number of pay periods that each Settlement Group Member was employed will be determined based upon the Settlement Group Data provided by Defendants to the Settlement Administrator.
 - 4.1.2.3.7 The monetary value of a Unit will be calculated by dividing the Settlement Group Payment Amount by the aggregate number of Units for all Settlement Group Members.
- 4.1.2.4 The Settlement Group Payment Amount shall be distributed to Settlement Group Members in an amount calculated pursuant to Subsection 4.1.2.3 and in the form of a mailed check that shall remain valid for one hundred eighty (180) calendar days from issuance. For any Settlement Group Member whose check remains uncashed ninety (90) calendar days from issuance, the Settlement Administrator shall mail a reminder notice that the check will only remain valid for one hundred eighty (180) calendar days from issuance. Thereafter, all uncashed checks shall be voided and any remaining monies from the Settlement Group Payment Amount shall be paid to the LWDA.
- 4.1.3 So long as the Settlement Effective Date has occurred and completion of payment recalculations as required under 4.1.2.3, the Settlement Administrator may pay the LWDA Payment, distribute checks to Settlement Group Members, and pay all Court-approved Attorneys' Fees and Litigation Expenses, the Service Payments and Settlement Administrator costs within five (5) business days after the later of the Settlement Effective Date or the date that the full Gross Settlement Amount has been transferred to the QSF, or within a reasonable date as agreed to by the Parties. No monies will be distributed by the Settlement Administrator unless and until the Settlement Effective Date occurs.
- 4.1.4 Attorneys' Fees and Litigation Expenses.
- 4.1.4.1 Settlement Group Members' Counsel shall apply to the Court for an award of reasonable Attorneys' Fees in the amount of 35% of the Gross Settlement Amount and reimbursement of actual Litigation Expenses incurred by Settlement Group Members' Counsel not to exceed \$15,000 in total costs for all Settlement Group Members' Counsel. Defendants take no position on the reasonableness of the Attorneys' Fees and Litigation Expenses sought by Settlement Group Members' Counsel and, therefore, will not oppose such a request. Subject to Court approval, the

amount of Attorneys' Fees and Litigation Expenses approved by the Court shall be paid from the LWDA Payment Amount in accordance with Subsection 4.1.1 of this Agreement. This payment will be reported on an IRS Form 1099 issued to Settlement Group Members' Counsel. Should the Court award less than the full amount of Attorneys' Fees and Litigation Expenses sought, the difference shall revert to the Gross Settlement Amount for distribution to the LWDA, subject to Section 13.2.

4.1.5 Service Payments.

4.1.5.1 Settlement Group Members' Counsel shall apply to the Court for a Service Payment in the amount of \$10,000 per PAGA Representative (for a maximum total of \$20,000) to be paid to the PAGA Representatives, which will be paid from the LWDA Payment Amount in accordance with Subsection 4.1.1 of this Agreement. Defendants take no position on the reasonableness of the Service Payment sought by Settlement Group Members' Counsel for the Plaintiff and, therefore, will not oppose such a request. Should the Court award less than the full amount of the Service Payments requested, the difference shall revert to the Gross Settlement Fund for distribution to the LWDA.

4.1.6 Notice and Settlement Administration Costs.

4.1.6.1 Settlement Administrator shall be paid reasonable Notice and Administration Costs up to \$19,250, which will be paid from the LWDA Payment Amount in accordance with Subsection 4.1.1 of this Agreement. In the event the administrator needs to adjust the quote and the actual costs prove higher than estimated the full amount of the actual costs will be paid from the Gross Settlement Fund. Should the actual cost prove less than the quoted amount the balance between the actual cost and the quoted amount will revert to the Gross Settlement Fund for distribution to the Aggrieved Employees.

5. NOTICE AND PAYMENTS TO SETTLEMENT GROUP MEMBERS, SETTLEMENT GROUP MEMBERS' COUNSEL, PAGA REPRESENTATIVES, LWDA AND SETTLEMENT ADMINISTRATOR

5.1 The Settlement Administrator shall provide to Settlement Group Members the Court-approved Notice of the Settlement substantially in the form of attached Exhibit B (in English and Spanish), subject to Court approval. Given that this is a PAGA Settlement, Settlement Group Payment checks will be mailed with the Notices, as well as 1099 forms, if needed.

5.2 The Notice and Settlement Group Payment checks shall be sent via first class mail to the last known address of each Settlement Group Member as provided in the Settlement Group

Data. Prior to mailing the Notice, the Settlement Administrator will run the names and addresses through the National Change of Address Database to verify/update the address information. For returned mail, the administrator will utilize one or more skip tracing methods in order to determine current address information, and will re-mail Notices and Settlement Group Payment checks when updated addresses are ascertained.

5.3 The Notice and Settlement Group Payment checks will be sent out to Settlement Group Members by the Settlement Administrator no later than fifteen (15) calendar days after the receipt of funds in accordance with Section 7.1.

5.4 There is no provision in the PAGA for Settlement Group Members to object to or opt out of the Settlement.

5.5 Attorneys' Fees and Litigation Expenses awarded by the Court, the Service Payments approved by the Court, and the Settlement Administration Costs approved by the Court shall be paid by the Settlement Administrator no later than fifteen (15) calendar days after the receipt of funds in accordance with Section 7.1.

5.6 Payment to the LWDA shall be made by the Settlement Administrator no later than fifteen (15) calendar days after the receipt of funds in accordance with Section 7.1.

6. LWDA NOTICE

6.1 Settlement Group Members' Counsel shall provide notice of the Settlement and any Court order entering Judgment to the LWDA in accordance with the PAGA.

7. DISTRIBUTION PROCESS

7.1 The Gross Settlement Amount shall be funded through a Qualified Settlement Fund ("QSF") in accordance with this Agreement. The timing of the payments to the QSF shall be as follows: within fifteen (15) calendar days of the Effective Date, Defendants shall transfer the Gross Settlement Amount to the QSF.

8. QUALIFIED SETTLEMENT FUND

As required under this Agreement, Defendants shall transfer to the Trustee, as selected by agreement of the Parties, the required portions of the Gross Settlement Amount, to be held as a separate trust constituting a QSF.

8.1 Following its deposits as described in this Agreement, Defendants shall have no responsibility, financial obligation, or liability whatsoever with respect to the notifications to the Settlement Group Members required hereunder, payments to Settlement Group Members' Counsel, investment of QSF funds, payment of federal, state, and local income, employment, unemployment, excise, and other taxes imposed on the QSF or its disbursements, or payment of the administrative, legal, accounting, or other costs occasioned by the use or administration of the QSF, since it is agreed that such deposits shall fully discharge Defendants' obligations

to Settlement Group Members and Settlement Group Members' Counsel and for expenses of administration in respect to the disposition of the Gross Settlement Amount hereunder. Rather, the Settlement Administrator shall have sole authority and responsibility for the administration of such funds and income thereon, disbursement to Settlement Group Members and Settlement Group Members' Counsel, and payment of taxes and administrative costs in accordance with the provisions hereof, subject only to the rights of Defendants or Settlement Group Members' Counsel to seek redress for any breach of the terms hereof.

The Settlement Administrator shall cause to be filed, on behalf of the QSF, all required federal, state, and local tax returns, information returns and tax withholdings. The Settlement Administrator may, at the expense of the QSF, retain legal counsel and an independent, certified public accountant to consult with and advise the Settlement Administrator or the Trustee with respect to the preparation and filing of such materials and the federal, state and local tax compliance of the QSF

9. COMPREHENSIVE WAIVER, RELEASE, AND DISMISSAL

9.1 Subject to approval by the Court of the Settlement, and for good and valuable consideration set forth herein, the receipt and sufficiency of which is hereby acknowledged, Plaintiff, on behalf of the Aggrieved Employees and the State of California, irrevocably releases, acquits, and forever discharges the Released Parties of and from any and all claims for civil penalties under California Labor Code Private Attorneys General Act of 2004 ("PAGA"), Cal. Lab. Code section 2698 *et seq.* alleged in the Complaint, and the Plaintiff's PAGA notices to the LWDA during the Settlement and Release Period, based on alleged failure to: provide meal or rest periods or pay premiums for missed, short or late meal and or rest periods at the regular rate of pay, failure to pay overtime, failing to reimburse for necessary business expenses; failure to provide compliant wage statements and failure to pay final wages and failure to pay wages in compliance with Labor Code Section 204 (the "PAGA Released Claims").

9.2 The Parties agree that court approval of this Agreement precludes, as to the Settlement and Release Period, all PAGA Released Claims by Aggrieved Employees premised on the allegations asserted in the Complaint. The Aggrieved Employees do not have the opportunity to opt out of, or object to, this Agreement with respect to its disposition of PAGA Released Claims. The preclusion is effective regardless of whether Aggrieved Employees cash their PAGA checks.

9.3 The express purposes of this Agreement and the Judgment to be entered by the Court following approval of this Agreement is to forever bar Plaintiff, any Settlement Group Members, the LWDA, and any other individual or entity acting on behalf of or purporting to act on behalf of the LWDA from asserting any of the PAGA Released Claims in any future litigation. It is the intent of the Parties that, to the greatest extent provided by law, including under the holding of *Arias v. Superior Court*, 46 Cal. 4th 969, 986 (2009), the ability of Plaintiff, the State of California and any Settlement Group Members (which includes any legal heirs and/or successors in interest of each and every Settlement Group Member, including Plaintiff) to bring a PAGA Released Claim on behalf of the LWDA is completely and forever foreclosed. Any Party to this Agreement may use the Agreement to assert that this Agreement and the Judgment to be entered by the Court following approval of this Agreement bars any

later-filed action asserting any of the PAGA Released Claims against Defendants. The provisions of this Agreement and this section apply regardless of whether Plaintiff and/or the Settlement Group Members cash the checks being sent to them pursuant to this Agreement, so long as the Gross Settlement Amount is administered and carried out according to this Agreement. Beyond the Gross Settlement Amount, Defendants shall not owe any further monies to anyone for the PAGA Released Claims or as a result of this Settlement.

9.4 Given the payment of fees and costs contemplated by this Agreement, the State of California and Settlement Group Members' Released Claims also release all claims for Attorneys' Fees and Costs incurred by Settlement Group Members on behalf of the State of California and on their behalf or by Settlement Group Members' Counsel or any other attorney in connection with the PAGA Actions, and this Settlement, and all claims related to conduct in discovery in the PAGA Actions to the extent such fees and costs exceed the fees and costs payable by operation of this Settlement.

9.5 In addition to the PAGA Released Claims, Plaintiffs discharge and agree to hold harmless the Released Parties from any and all charges, complaints, claims, liabilities, obligations, promises, agreements, controversies, damages, actions, causes of action, suits, rights, demands, costs, losses, debt and expenses (including attorney fees and costs), known or unknown, at law or in equity, which they may now have arising out of or in any way connected with their employment with or assignment(s) by Defendants including, the PAGA Released Claims, claims that were asserted or could have been asserted in the Complaint, Action, and any and all transactions, occurrences, or matters between the Parties. Plaintiffs specifically acknowledge that they are aware and familiar with the provisions of Section 1542 of the California Civil Code, or any other similar provision under federal or state law, which provides:

A general release does not extend to claims which 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.

Plaintiffs, being aware of Section 1542, hereby expressly waive and relinquish all rights and benefits they may have under Section 1542 as well as any other statutes or common law principles of a similar effect. Plaintiffs may hereafter discover facts in addition to or different from those which they now know or believe to be true with respect to the subject matter of all the claims referenced herein, but stipulate and agree that, upon the Effective Date, Plaintiffs shall and hereby do fully, and forever settle and release any and all claims against the Released Parties, known or unknown, suspected or unsuspected, contingent or non-contingent, that were asserted or could have been asserted upon any theory of law or equity without regard to the subsequent discovery existence of such different or additional facts.

9.6 The Parties acknowledge that this Settlement, including the releases provided in this Section, reflects a compromise of disputed claims.

9.7 The Final Judgment and Order of Dismissal shall dismiss the PAGA Actions with prejudice and shall incorporate the terms of this release.

10. DUTIES OF THE PARTIES WITH RESPECT TO OBTAINING COURT APPROVAL

10.1 Settlement Group Members' Counsel shall apply to the Court for approval of the Settlement and for entry of a proposed Final Judgment and Order of Dismissal substantially in the form attached hereto as Exhibit A. The proposed Final Judgment and Order of Dismissal shall:

10.1.1 Approve the Settlement, adjudging the terms thereof to be fair, reasonable, and adequate and directing consummation of its terms and provisions;

10.1.2 Approve Payment of the Gross Settlement Amount pursuant to this Agreement;

10.1.3 Approve Settlement Group Members' Counsel's application for an award of Attorneys' Fees and Litigation Expenses pursuant to this Agreement;

10.1.4 Approve the Service Payment;

10.1.5 Approve the Notice and Settlement Administration Costs;

10.1.6 Dismiss the PAGA Action as between the PAGA Representative, the State of California and the Settlement Group Members, on the one hand, and Defendants on the other hand, on the merits and with prejudice and permanently bar the PAGA Representative, the State of California and all Settlement Group Members from further prosecuting any of the Settlement Group Members' Released Claims against Defendants.

10.2 Defendants shall cooperate with Settlement Group Members' Counsel to obtain approval of the Settlement and entry of the Final Judgment and Order of Dismissal of the PAGA Action as to Defendants.

10.3 The Final Judgment and Order of Dismissal shall not be considered final until the occurrence of the Settlement Effective Date.

11. MUTUAL FULL COOPERATION

11.1 The Parties agree to cooperate fully with each other to accomplish the terms of this Settlement, including but not limited to execution of all necessary documents, and to take such other action as may reasonably be necessary to implement the terms of this Settlement. The Parties shall use their best efforts, including all efforts contemplated by this Settlement and any other efforts that may become necessary by order of the Court or otherwise, to effectuate the terms of this Settlement. As soon as practicable after execution of this Settlement, Settlement Group Members' Counsel shall, with the assistance and cooperation of Defendants

and their counsel, take all necessary steps to secure the Court's Judgment and Order of Dismissal.

12. STATEMENT OF NO ADMISSION

12.1 Nothing contained in this Agreement shall be construed or deemed an admission of liability, culpability, or wrongdoing on the part of Defendants, and Defendants deny liability for any alleged wrongdoing. Defendants expressly deny liability for the claims asserted and specifically deny and do not admit any of the pleaded facts not admitted in their pleadings in the PAGA Action. Nor shall this Agreement constitute an admission by Defendants as to any interpretation of laws or as to the merits, validity, or accuracy of any claims made against them in the PAGA Action. Likewise, nothing in this Agreement shall be construed or deemed an admission by Plaintiff or the Settlement Group Members with regards to the validity of any of the defenses or affirmative defenses that Defendants asserted during the pendency of the litigation. Each of the Parties has entered into this Settlement with the intention to avoid further disputes and litigation with the attendant inconvenience and expenses.

12.2 This Agreement, and all related documents, including the Settlement Agreement and Notice and all other actions taken in implementation of the Settlement, including any statements, discussions, or communications, and any materials prepared, exchanged, issued, or used during the course of the negotiations leading to this Agreement are settlement documents and shall be inadmissible in evidence and shall not be used for any purpose in these PAGA Actions or in any other judicial, arbitral, administrative, investigative, or other court, tribunal, forum, or proceeding, or any other litigation against Defendants, for any purpose, except in an action or proceeding to approve, interpret, or enforce the terms of this Agreement.

12.3 Except to the extent necessary for Defendants to demonstrate court approval of this Settlement, neither this Agreement, nor the Court's actions with regard to this Agreement, will be deemed admissible in this PAGA Action and are not intended to be admissible (and Plaintiff and Settlement Group Members' Counsel shall not seek their admission), in any other judicial, arbitral, administrative, investigative, or other court, tribunal, forum, or proceeding, or in any other litigation. In the event that this Agreement is not approved by the Court or any appellate court, or otherwise fails to become effective and enforceable, or is terminated, or the Settlement Effective Date does not occur for any reason, Defendants will not be deemed to have waived, limited, or affected in any way any of its objections or defenses in the PAGA Actions. Such objections and defenses include, but are not limited to, Defendants' objections and defenses to any representative treatment and nothing in this Agreement or any document related to this Agreement shall be construed as a waiver by Defendants of their contention that representative treatment is not appropriate and is contrary to law in this PAGA Action or any other case or proceeding.

13. VOIDING THE AGREEMENT

13.1 Subject to the provisions of Section 13.2 and 13.3, in the event that this Settlement is not approved, or if for any reason the Settlement Effective Date does not occur, the Settlement Agreement shall be deemed null, void, and unenforceable and shall not be used nor shall it be admissible in any subsequent proceedings either in this Court or in any other judicial, arbitral,

administrative, investigative, or other court, tribunal, forum, or other proceeding, or other litigation against Defendants, and the Parties shall return to their respective positions prior to the Execution of this Agreement.

13.2 In the event that the Court reduces the Attorneys' Fees and Litigation Expenses requested by Settlement Group Members' Counsel, that finding shall not be a basis for rendering the entire Settlement Agreement null, void, or unenforceable. Settlement Group Members' Counsel retains their right to appeal any decision by the Court regarding the Attorneys' Fees and Litigation Expenses.

13.3 In the event that the Court reduces the Service Payments in the amount requested by Settlement Group Members' Counsel, that finding shall not be a basis for rendering the entire Settlement Agreement null, void, or unenforceable. Settlement Group Members' Counsel retains their right to appeal any decision by the Court regarding the Service Payments.

14. SIGNATORIES' AUTHORITY

14.1 The respective signatories to this Agreement each represent that they are fully authorized to enter into this Settlement on behalf of the respective Parties for submission to the Court for approval.

15. NO PRIOR ASSIGNMENTS

15.1 The Parties represent, covenant, and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action, or right released and discharged in this Settlement.

16. NOTICES

16.1 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: (i) on the date given, if given by hand delivery; (ii) within one (1) business day, if sent by overnight delivery services such as Federal Express or similar courier; (iii) on the third business day after mailing by United States registered or certified mail, return receipt requested, or (iv) on the day received for delivery by e-mail. All notices given under this Agreement shall be addressed as follows:

16.1.1 To Settlement Group Members' Counsel

Dennis F. Moss
Jeremy F. Bollinger
Ari E. Moss
MOSS BOLLINGER LLP
15300 Ventura Blvd., Ste. 207
Sherman Oaks, California 91403

Telephone: (310) 982-2984
Facsimile: (818) 963-5954
dennis@mossbollinger.com
jeremy@mossbollinger.com
ari@mossbollinger.com
Counsel for Katrin Silvestro

16.1.2 To Defendants:

Boris Sorsher
Anurita Varma
Fisher & Phillips LLP
2050 Main Street, Suite 1000
Irvine, CA 92614
Telephone: (949) 798-2101
bsorsher@fisherphillips.com
avarma@fisherphillips.com

17. CONFIDENTIALITY

17.1 The negotiations related to this Agreement (including the negotiations related to the drafting of this Agreement and any negotiations prior to approval) will remain strictly confidential and shall not be discussed with anyone other than the PAGA Representative and Defendants, their retained attorneys, their accountants and financial or tax advisers, their retained consultants, the Court, and the mediator Steve Pearl and his staff, unless otherwise agreed to by Settlement Group Members' Counsel and Defendants or unless otherwise ordered by the Court. Upon the filing of Motion for Approval, the parties may discuss the terms of this Agreement, subject to this Section and Section 18.1.

18. MEDIA

18.1 Plaintiffs and their counsel agree that they have not and will not publish the Settlement. In response to any inquiries Plaintiffs will state that "the case was resolved with Court approval." Plaintiffs' counsel shall not report the Settlement in any medium or in any publication, shall not post or report anything regarding the claims of Plaintiffs or the Aggrieved Employees or the Settlement on their websites, shall not publish Samuel Hale Exchange, RecruitGigs or Simwon's names with respect to any PAGA claim, and shall not contact any reporters or media regarding the Resolution. Despite this provision, Plaintiffs' counsel can discuss the Settlement with Plaintiffs and the Aggrieved Employees and in any filings with the Court and the LWDA.

19. DOCUMENTS AND DISCOVERY

19.1 Settlement Group Members' Counsel will maintain confidentiality of documents and data produced by Defendants in the PAGA Action pursuant to any protective order entered in the case.

20. MISCELLANEOUS PROVISIONS

20.1 Construction. The Parties agree that the terms and conditions of this Settlement are the result of lengthy, intensive arms-length negotiations between the Parties and that this Settlement shall not be construed in favor of or against any party by reason of the extent to which any party or her or his counsel participated in the drafting of this Settlement.

20.2 Captions and Interpretations. Paragraph titles or captions contained in this Agreement are a matter of convenience and for reference, and in no way define, limit, extend, or describe the scope of this Settlement or any provision of this Agreement. Each term of this Agreement is contractual and not merely a recital.

20.3 Modification. This Agreement may not be changed, altered, or modified, except in a writing signed by the Parties, or their counsel acting on their behalf, and approved by the Court. Notwithstanding the foregoing, the Parties agree that any dates contained in this Agreement may be modified by agreement of the Parties without Court approval if the Parties agree and cause exists for such modification. This Settlement may not be discharged except by performance in accordance with its terms or by a writing signed by the Parties.

20.4 Integration Clause. This Agreement, the Exhibits hereto, and any other documents delivered pursuant hereto contain the entire agreement between the Parties relating to the resolution of the PAGA Actions, and all prior or contemporaneous agreements, understandings, representations, and statements, whether oral or written and whether by a Party or such Party's legal counsel, are merged in this Agreement. No rights under this Settlement may be waived except in writing and signed by the Party against whom such waiver is to be enforced.

20.5 Binding on Assigns. This Settlement shall be binding upon, and inure to the benefit of, the Parties and their respective heirs, trustees, executors, administrators, successors, and assigns.

20.6 Settlement Group Members' Counsel Signatories. It is agreed that because the Settlement Group Members are so numerous, it is impossible or impractical to have each Settlement Group Member execute this Settlement Agreement. The Notice provided in accordance with Section 5 of this Agreement will provide all Settlement Group Members with Notice and summary of the Settlement, and will advise all Settlement Group Members of the binding nature of the release. Notice shall have the same force and effect as if this Settlement were executed by each Settlement Group Member.

20.7 Counterparts. This Agreement may be executed by facsimile signature and in any number of counterparts, and when each party has signed and delivered at least one such counterpart, each counterpart shall be deemed an original, and, when taken together with other signed counterparts, shall constitute one and the same Agreement, which shall be binding upon and effective as to all Parties.

20.8 Applicable Law. This Agreement shall be governed by California law without regard to its choice of law or conflicts of law principles or provisions.

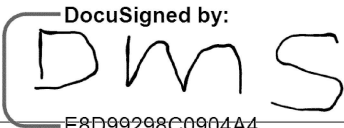
20.9 The Court shall retain jurisdiction to enforce the settlement pursuant to California Code of Civil Procedure (“CCP”) § 664.6.

SIGNATURES ON NEXT PAGE

**IN WITNESS WHEREOF, Plaintiffs and Defendants and their respective undersigned counsel
have executed this Settlement Agreement as of the date(s) indicated on the lines below.**

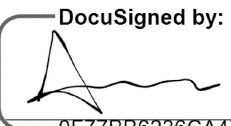
Dated: 12/6/2023 _____

PLAINTIFF DUNIA SORIANO, on behalf of
herself and all current and former outpatient
pharmacy employees

DocuSigned by:

By: _____
E8D99298C0904A4
DUNIA SORIANO

Dated: 12/7/2023 _____

PLAINTIFF ERNESTO PADILLA VALLE,
on behalf of himself and all current and former
outpatient pharmacy employees

DocuSigned by:

By: _____
0577BB6236CA476
ERNESTO PADILLA VALLE

Dated: _____

DEFENDANT RECRUITGIGS, LLC

By: _____

ON BEHALF OF DEFENDANT
RECRUITGIGS, LLC

Dated: _____

DEFENDANT SAMUEL HALE
EXCHANGE, LLC

By: _____

ON BEHALF OF DEFENDANT
SAMUEL HALE EXCHANGE, LLC

IN WITNESS WHEREOF, Plaintiffs and Defendants and their respective undersigned counsel have executed this Settlement Agreement as of the date(s) indicated on the lines below.

Dated: _____

PLAINTIFF DUNIA SORIANO, on behalf of
herself and all current and former outpatient
pharmacy employees

By: _____
DUNIA SORIANO

Dated: _____

PLAINTIFF ERNESTO PADILLA VALLE,
on behalf of himself and all current and former
outpatient pharmacy employees

By: _____
ERNESTO PADILLA VALLE

Dated: 12/04/2023 _____

DEFENDANT RECRUITGIGS, LLC

By: Kirk M. Flagg
Kirk M. Flagg

ON BEHALF OF DEFENDANT
RECRUITGIGS, LLC

Dated: 12/04/2023 _____

DEFENDANT SAMUEL HALE
EXCHANGE, LLC

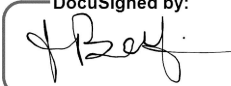
By: Michael A. DiManno
Michael A. DiManno

ON BEHALF OF DEFENDANT
SAMUEL HALE EXCHANGE, LLC

APPROVED AS TO FORM AND CONTENT ON BEHALF OF THE NAMED PLAINTIFFS AND
AS A SUBSTANTIVE RECOMMENDATION TO THE COURT ON BEHALF OF THE
SETTLEMENT GROUP MEMBERS:

Dated: 12/7/2023 _____

MOSS BOLLINGER, LLP

By:  _____
4D110576CE04438...
Jeremy F. Bollinger
Counsel for Plaintiffs and Settlement
Group members

APPROVED AS TO FORM AND CONTENT

Dated: _____

FISHER & PHILLIPS

By: _____
Boris Sorsher
Counsel for Defendants
RECRUITGIGS, LLC AND SAMUEL HALE
EXCHANGE, LLC

APPROVED AS TO FORM AND CONTENT ON BEHALF OF THE NAMED PLAINTIFFS AND
AS A SUBSTANTIVE RECOMMENDATION TO THE COURT ON BEHALF OF THE
SETTLEMENT GROUP MEMBERS:

Dated: _____

MOSS BOLLINGER, LLP

By: _____
Jeremy F. Bollinger
Counsel for Plaintiffs and Settlement
Group members

APPROVED AS TO FORM AND CONTENT

Dated: 12/04/23

FISHER & PHILLIPS

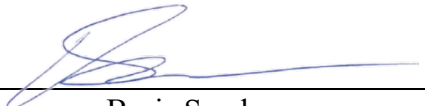
By:  _____
Boris Sorsher
Counsel for Defendants
RECRUITGIGS, LLC AND SAMUEL HALE
EXCHANGE, LLC

EXHIBIT A

Jeremy F. Bollinger (SBN 240132)
Ari E. Moss (SBN 238579)
Dennis F. Moss (SBN 77512)
MOSS BOLLINGER LLP
15300 Ventura Blvd., Ste. 207
Sherman Oaks, California 91403
Telephone: (310) 982-2984
Facsimile: (818) 963-5954
jeremy@mossbollinger.com
ari@mossbollinger.com
dennis@mossbollinger.com

Attorneys for Plaintiff Dunia Soriano

SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF SAN JOAQUIN

DUNIA SORIANO, individually and on behalf
of other persons similarly situated,

Plaintiff,

v.

RECRUITGIGS LLC; SAMUEL HALE
EXCHANGE LLC; SIMWON AMERICA
CORP.; and DOES 1-50, inclusive,

Defendants.

Case No.: STK-CV-UOE-2022-0010399

*Assigned for all purposes to the
Hon. Jayne Lee, Department 10C*

**[PROPOSED] FINAL JUDGMENT AND ORDER
OF DISMISSAL**

Hearing Date: , 2024
Time: a.m./p.m.
Dept.: 10C

On _____, 2023, Plaintiffs Dunia Soriano and Ernesto Padilla Valle's motion for approval of the Settlement Agreement between the above-captioned parties came on regularly for hearing pursuant to the California Private Attorneys General Act, Labor Code section 2699, *et seq.* ("PAGA"). Appearances were as stated in the record. Having considered the motion, the Settlement Agreement, all supporting documents, and the arguments of counsel, and GOOD CAUSE having been shown, Plaintiffs' motion is GRANTED.

NOW THEREFORE, IT IS ORDERED, ADJUDGED, AND DECREED:

The Court hereby approves the Parties' proposed PAGA Settlement Agreement entered into between Plaintiffs as individuals, on behalf of the State of California, and as "aggrieved employees" acting as private attorneys general under PAGA, on the one hand, and Defendants RecruitGigs, LLC and Samuel Hale Exchange, LLC (collectively, "Defendants") on the other, as follows:

1. All capitalized terms used here and not otherwise defined shall have the same meaning as given in the Settlement Agreement.

2. The Court has jurisdiction over the subject matter of this action, all Settlement Group Members, the State of California, and Defendants.

3. The Court finds and determines that the parties have satisfied the requirements of Section 2699(l)(2) of PAGA, by submitting the Settlement Agreement to the Labor Workforce and Development Agency ("LWDA").

4. The Court APPROVES the Parties' Settlement Agreement, including Exhibits A and B thereto, adjudging the terms thereof to be fair, reasonable, and adequate and directing consummation of its terms and provisions;

5. The Court APPROVES the Parties' Settlement Agreement in favor of Plaintiffs and the Settlement Group Members in the Gross Settlement Amount of \$_____.

6. The Court APPROVES and ORDERS that, of the Gross Settlement Amount, twenty-five percent is to be distributed to the Settlement Group Members and seventy-five percent shall be allocated to the LWDA pursuant to Section 2699(i) of PAGA. The Court further APPROVES and ORDERS that from the seventy-five percent allocated to the LWDA, \$_____ is awarded as attorney fees paid to Settlement Group Members' Counsel, \$_____ is awarded as costs paid to Settlement Group Members' Counsel, \$_____ is awarded to the PAGA Representatives, Dunia Soriano and Ernesto Padilla Valle, as Service Payments, and \$_____ is awarded as administrative costs paid to the settlement administrator. The remaining amount of \$_____ is to be distributed to the LWDA.

7. The Litigation is hereby DISMISSED WITH PREJUDICE and without costs to any Party, other than as specified in the Settlement Agreement and this Order.

1 8. In consideration of the Gross Settlement Amount provided under the Settlement
2 Agreement, and for other good and valuable consideration, each of the Settlement Group Members and
3 the State of California shall, by operation of this Judgment, irrevocably release, acquit, and forever
4 discharge the Released Parties of and from any all claims for civil penalties under California Labor
5 Code Private Attorneys General Act of 2004 (“PAGA”), Cal. Lab. Code section 2698 *et seq.*
6 alleged in the Complaint during the Settlement and Release Period.

7 9. As a result of this Judgment, the PAGA Representatives, the State of California, and all
8 Settlement Group Members are barred from prosecuting any claims covered by the release set forth in the
9 Settlement Agreement, against Defendants and the Released Parties.

10 10. This Judgment is the Final Judgment in the suit as to all Settlement Group Member
11 Released Claims.

12 11. In the event that the Settlement Effective Date does not occur, this Judgment shall be
13 rendered null and void and shall be vacated, *nunc pro tunc*, except insofar as expressly provided to the
14 contrary in the Agreement, and without prejudice to the *status quo ante* rights of Plaintiffs, Settlement
15 Group Members, the State of California, and Defendants.

16 **IT IS SO ORDERED.**

17
18 Dated: _____, 2023

Hon. Jayne Lee
Judge of the Superior Court, County of San Joaquin

EXHIBIT B

<Mailing Date>

NOTICE OF SETTLEMENT

Re: *The Enclosed Check Regarding Dunia Soriano v. Recruitgigs, LLC, et al.*
San Joaquin County Superior Court Case No. STK-CV-UOE-2022-0010399

ADMINISTRATOR ID

<Name>

<Address>

<City, State Zip>

Dear <Name>,

The enclosed payment is made to you because a Court has approved a settlement of claims for civil penalties brought by Plaintiffs Dunia Soriano and Ernesto Padillo Valle (“Plaintiffs”) on behalf of themselves and the people of the State of California against Defendants Recruitgigs, LLC, and Samuel Hale Exchange, LLC, collectively “Defendants”, pursuant to the Private Attorneys General Act of 2004 (“PAGA”) (the “Lawsuit”). The Lawsuit was based on Plaintiffs’ contention that Defendants violated the California Labor Code, including sections 201.3-203; 204(b); 226(a); 226.7; 246; 510; 1174; 1174.5; 1194; 1198; and 2802.

Defendants deny any liability or wrongdoing of any kind associated with the claims alleged in the Lawsuit. The Court did not find that anyone did anything wrong and approved the settlement as a fair and reasonable resolution of disputed claims.

Based on the number of pay periods in which you received a bonus of any kind and either overtime pay, a meal or rest break premium, or took paid sick leave, while working for Defendants in California between September 25, 2021 through October 31, 2023, your individual payment amount is <XXX.XX>.

The enclosed check represents your portion of the settlement recovery. Your settlement amount represents penalties and will be reported on an IRS Form 1099. You are responsible for paying any federal, state or local taxes owed as a result of this payment.

The enclosed check is valid for 180 days from the date of issuance. If you do not cash it within 180 days, the fund will be sent to the California Labor & Workforce Development Agency.

As a result of this settlement and your designation as a PAGA settlement member, you have fully released and forever discharged RecruitGigs LLC, Samuel Hale Exchange LLC and Simwon America Corp. and their respective present and former officers, directors, employees, shareholders, agents, trustees, representatives, attorneys, insurers, reinsurers, parent companies, subsidiaries, divisions, affiliates, predecessors, successors, assigns, as well as any individual or entity that could be alleged to be jointly liable with Defendants from any and all claims for civil penalties under California Labor Code Private Attorneys General Act of 2004 (“PAGA”), Cal. Lab. Code section 2698 et seq. alleged in the Complaint, during the Settlement and Release Period.

If you have any questions concerning this Settlement, you can contact **ADMINISTRATOR** at: 1 (XXX) XXX-XXXX. ***Please do not call the Court about this Notice.***