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SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF SAN DIEGO

AUSTIN TERRAZAS, an individual, for the real party in interest, the State of California, on behalf of all other employees,

Plaintiff,

v.

LPL FINANCIAL LLC; and DOES 1 through 50,

Defendants.

Case No. 25CU039590C

FILED UNDER THE PRIVATE ATTORNEYS GENERAL ACT OF 2004 (PAGA)

Assigned for All Purposes to:
Hon. Euketa Oliver – Dept. SD-75

JOINT STIPULATION OF PAGA SETTLEMENT; RELEASE OF CLAIMS

Complaint Filed: July 28, 2025
Trial Date: None Set

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This Joint Stipulation of Settlement and Release of Claims, which includes the Recitals and all exhibits attached hereto (collectively, the "Settlement" or "Agreement"), is entered into by and between (a) Plaintiff Austin Terrazas, an individual, for the real party in interest, the State of California, on behalf of all other employees ("Plaintiff"), and (b) Defendant LPL Financial LLC ("Defendant" or "LPL") (collectively, the "Parties").

Subject to approval by the San Diego County Superior Court (the "Court"), this Agreement is intended by the Parties to fully, finally, and forever resolve, discharge, and settle the Action (as defined below) and the Released Claims (as defined below), upon and subject to the terms and conditions hereof.

1. THE GROSS SETTLEMENT AMOUNT, SCOPE OF THE RELEASED CLAIMS, AND PAGA PERIOD ARE MATERIAL TERMS. OTHER TERMS SHALL BE MATERIAL ONLY WHERE EXPRESSLY IDENTIFIED AS SUCH. DEFINITIONS

For the purposes of this Agreement only, the following terms shall be defined as set forth below:

1.1. "**Action**" or "**Lawsuit**" mean all complaints filed in the action titled *Austin Terrazas v. LPL Financial,* LLC, Case No. 25CU039590C, currently pending in the San Diego Superior Court ("Complaint"). The Action also includes the allegations set forth in the Private Attorneys General Act of 2004 ("PAGA") notice letters that Plaintiff sent to the California Labor and Workforce Development Agency ("LWDA") on May 23, 2025 and July 23, 2025 (the "PAGA Notice Letters").

1.2. "**Aggrieved Employees"** or "**Settlement Group"** refers, solely for purposes of this Settlement and without any admission by LPL that any person satisfies the statutory definition of an "aggrieved employee" under California Labor Code section 2699(c), to all hourly, non-exempt employees employed by LPL in California at any time between May 23, 2024 and the date when there are 45,000 pay periods covered by the Settlement, or the date of entry of an order approving the Settlement by the Court, whichever comes first ("PAGA Period").

1.3. "**Approval Hearing"** and "Approval" refer to the hearing at which the Court will determine whether the terms of the Agreement are fair, reasonable, and adequate in view of PAGA's purposes and the interests of the State of California, the LWDA, and the Aggrieved Employees, and otherwise meet all applicable requirements for approval.

1.4. "**Attorneys' Fees"** means the attorneys' fees payment from the Gross Settlement Amount approved by the Court for recoverable attorneys' fees associated with the litigation and resolution of the Action. It is agreed by the Parties that Plaintiff's Counsel shall request Attorneys' Fees not to exceed one-third (33.33%) of the Gross Settlement Amount (up to $143,333.33), supported by adequate documentation showing the amount of Attorneys' Fees sought. LPL has agreed not to oppose Plaintiff's Counsel's request for Attorneys' Fees if made as set forth above.

1.5. "**Costs**" means Plaintiff's and the Aggrieved Employees' litigation costs to be paid from the Gross Settlement Amount and approved by the Court for costs associated with the litigation and resolution of the Action, including, but not limited to, all recoverable costs that Plaintiff and the Aggrieved Employees incur for the prosecution and litigation of the Action. Plaintiff's Counsel shall submit adequate documentation to support the amount of Costs sought. LPL has agreed not to oppose Plaintiff's Counsel's request for Costs, if made as set forth above.

1.6. "**Defense Counsel"** refers to Jon D. Meer, Paul J. Leaf, and Jeffrey A. Nordlander of Seyfarth Shaw LLP. For purposes of providing any notice required under this Agreement, Defense Counsel shall be notified by email at jmeer@seyfarth.com for Jon D. Meer, pleaf@seyfarth.com for Paul J. Leaf, and jnordlander@seyfarth.com for Jeffrey A. Nordlander.

1.7. "**Effective Date**" refers to the date upon which both of the following have occurred: (i) approval of the Settlement is granted by the Court, or other court assuming jurisdiction of the Lawsuit, and (ii) the Court's Judgment approving the Settlement becomes Final.

1.8. "**Final**" shall mean the latest of: (i) if there is an appeal of the Court's Judgment, the date the Judgment is affirmed on appeal, the date of dismissal of such appeal, or the

expiration of the time to file a petition for writ of certiorari to the United States Supreme Court, or, (ii) if a petition for writ of certiorari is filed, the date of denial of the petition for writ of certiorari, or the date the Judgment is affirmed pursuant to such petition; or (iii) if no appeal is filed, the expiration date of the time for filing or noticing any appeal of the Judgment.

1.9. "**Individual Settlement Payment"** means the individual settlement payment of $20,000 to Plaintiff Austin Terrazas, subject to a separate settlement and release of all known and unknown claims, including a waiver of rights under California Civil Code section 1542. Separate from the $430,000 Gross Settlement Amount applicable to the PAGA Settlement, Defendant shall pay Plaintiff Austin Terrazas $20,000 in consideration for his individual claims pursuant to a separate settlement agreement and general release. The amount of the Individual Settlement Payment is not a material term of this Settlement. Subject to Plaintiff executing the separate general release and expiration of any applicable revocation period, the Settlement Administrator shall pay the Court-approved Individual Settlement Payment no later than 30 calendar days after the funding of the Gross Settlement Amount, or as otherwise directed by the Court.

1.10. "**Gross Settlement Amount"** means the maximum amount that LPL can be obligated to pay under the PAGA Settlement, which is $430,000.00, inclusive of Attorneys' Fees and Costs (both those incurred to date and those to be incurred), all Individual PAGA Payments, the LWDA PAGA Payment, and Settlement Administration Costs. The Gross Settlement Amount shall be the total amount paid by LPL and cannot be increased for any reason. For the avoidance of doubt, no Settlement Administration Cost overrun, tax, interest, court-ordered reallocation, additional mailing, or other cost or expense shall increase LPL's aggregate payment obligation above $430,000.00. Any interest earned after LPL funds the Gross Settlement Amount shall be property of the Qualified Settlement Fund and shall not constitute an additional payment obligation of LPL. The Gross Settlement Amount shall be all-in with no reversion to LPL. The Gross Settlement Amount is a material term of this Agreement.

1.11. "**Individual PAGA Payment**" means the portion of the 35% of the Net Settlement Amount allocated to each Aggrieved Employee. There shall be no need to submit any documentation to receive an Individual PAGA Payment. The sum of all Individual PAGA Payments shall be referred to as the "Total PAGA Payment To All Aggrieved Employees."

Each Individual PAGA Payment shall include payment for any claims under the California Private Attorneys General Act of 2004, including, but not limited to, any theories of liability and alleged California Labor Code violations that were alleged or could reasonably have been alleged based on the facts asserted in the Action and PAGA Notice Letters..

1.12. "**Judgment**" means the Final Judgment entered by the Court consistent with this Agreement.

1.13. "**LPL**" means LPL Financial LLC, and any of its former, future, and present parents, subsidiaries, divisions, and affiliates.

1.14. "**LWDA PAGA Payment**" refers to the 65% of the Net Settlement Amount that shall be paid to the LWDA for alleged California Labor Code violations.

1.15. "**Net Settlement Amount**" means the portion of the Gross Settlement Amount remaining for payments to Aggrieved Employees and the LWDA, after deductions for Settlement Administration Costs, Attorneys' Fees and Costs. The entire Net Settlement Amount shall be distributed to the Aggrieved Employees and the LWDA. There shall be no reversion to LPL.

The Net Settlement Amount shall be paid out as follows, as required by the PAGA statute: 65% of it shall be paid to the LWDA (the "LWDA PAGA Payment"), and the remaining 35% of it (the "Total PAGA Payment To All Aggrieved Employees") shall be paid to the Aggrieved Employees on a pro rata basis based on the number of Pay Periods each worked during the PAGA Period.

1.16. "**PAGA Period"** refers to the period from May 23, 2024 to the date when there are 45,000 pay periods covered by the Settlement, or the date of entry of an order approving the Settlement by the Court, whichever comes first.

1.17. "**Pay Periods**" means a full or partial pay period worked by an Aggrieved Employee during the PAGA Period. LPL's employment records shall be determinative for calculating the number of Pay Periods that each Aggrieved Employee worked for LPL and any payments under the Settlement. For purposes of calculating Pay Periods, if an Aggrieved Employee was actively working on one day encompassed by a Pay Period, then the Aggrieved Employee shall receive credit for working the entire Pay Period.

1.18. "**Plaintiff's Counsel**" refers to Tamim Jami of The Jami Law Firm, P.C. and Alex Asil Mashiri of Mashiri Law Firm, APC. For purposes of providing any notice required under this Agreement, Plaintiff's Counsel shall be notified by email at tamim@jamilaw.com for Tamim Jami, and alex@mashirilawfirm.com for Alex Mashiri.

1.19. "**Released Claims**" refers to those claims defined below in this Agreement.

1.20. "**Released Parties"** refers to LPL and its current, future, and former subsidiaries, parents, affiliates, divisions, predecessors, successors, members, insurers, agents, assigns, partnerships, joint ventures, and any other entity related to LPL; all of their respective current, future, and former officers, officials, directors, members, shareholders, partners, employees, agents, insurers, attorneys, fiduciaries, personal representatives, and executors; and their respective pension, profit-sharing, savings, health, and other employee benefit plans of any nature, the successors of such plans, and those plans' respective current or former trustees, administrators, agents, employees, and fiduciaries.

1.21. "**Settlement Administration Costs"** refer to the costs payable from the Gross Settlement Amount to the Settlement Administrator for administering this Settlement (up to $8,250). Settlement Administration Costs shall not exceed that amount absent LPL's written consent or a Court order, and in no event shall any increase in Settlement Administration Costs increase the Gross Settlement Amount or LPL's aggregate payment obligation. The Settlement Administration Costs include the following:

1.21.1 Printing, distributing, and mailing the Individual PAGA Payments pursuant to the terms of this Agreement;

1.21.2 Establishing a separate employer identification number and a Qualified Settlement Fund, tax reporting, making tax payments, and providing required 1099 forms;

1.21.3 Calculating and distributing the Individual PAGA Payments, Attorneys' Fees and Costs, and LWDA PAGA Payment;

1.21.4 Depositing the funds from uncashed checks with the California State Controller's Office for unclaimed property in the name of the Aggrieved Employee, or paid to any other third-party fund or organization ordered by the Court; and

1.21.5 Providing necessary reports and declarations, as requested by the Parties or the Court.

1.22. "**Settlement Administrator"** refers to Phoenix Settlement Administrators, a third-party PAGA settlement administrator chosen by the Parties and subsequently approved by the Court to administer this Settlement. The Parties each represent that they do not have any financial interest in the Settlement Administrator or otherwise have a relationship with the Settlement Administrator that could create a conflict of interest.

1.23. "**Settlement List"** means a list of Aggrieved Employees that LPL will compile and provide solely to the Settlement Administrator within 15 calendar days after the Effective Date. The Settlement List shall include the following information: (1) name of each Aggrieved Employee; (2) the most current known mailing address of each Aggrieved Employee; (3) the social security number of each Aggrieved Employee; and (4) total number of Pay Periods worked by each Aggrieved Employee during the PAGA Period. For purposes of compiling the Settlement List and calculating Pay Periods and payments, LPL's records used for payroll purposes shall be the controlling and determinative source of information.

1.24. "**Total PAGA Payment To All Aggrieved Employees**" means the entire 35% of the Net Settlement Amount available to Aggrieved Employees, which will be not less than $XX.

2. PROCEDURAL HISTORY AND RECITALS

2.1. Plaintiff is a former non-exempt, hourly employee of LPL.

2.2. On May 23, 2025, Plaintiff sent a letter to the LWDA giving notice of his intent to pursue a PAGA action on behalf of himself and the State of California, as well as on behalf of a proposed group of aggrieved employees. On July 23, 2025, Plaintiff sent an amended letter to the LWDA giving notice of his intent to pursue a PAGA action on behalf of himself and the State of California, as well as on behalf of a proposed group of aggrieved employees.

2.3. Plaintiff initiated the Lawsuit in San Diego County Superior Court on July 28, 2025.

2.4. On December 17, 2025, LPL filed a Motion to Compel Arbitration and Demurrer to the Complaint, arguing, *inter alia*, that Plaintiff must arbitrate the individual component of his PAGA claim before he may pursue a representative PAGA action in Superior Court.

2.5. While LPL's Motion to Compel Arbitration and Demurrer was pending before the Court, the Parties elected to mediate and seek a global settlement of Plaintiff's individual and representative PAGA claims.

2.6. To prepare for mediation, the Parties engaged in informal discovery, including LPL producing time and wage records for a 30 percent random sample of Aggrieved Employees. Plaintiff's counsel analyzed LPL's employment policies, agreements, and other materials relevant to Plaintiff's claims.

2.7. The Parties mediated with experienced class and representative action mediator Steve Serratore, Esq. on July 2, 2026. Following mediation, the Parties accepted a mediator's proposal for the Gross Settlement Amount. The Parties, Plaintiff's Counsel, and Defense Counsel signed a Memorandum Of Understanding ("MOU"), with the intent that the MOU would be fully enforceable, until superseded by this Agreement.

2.8. Due to the Parties' Settlement, LPL took its Motion to Compel Arbitration and Demurrer off calendar. In the event the Settlement is not approved for any reason, LPL shall be entitled to reset its Motion to Compel Arbitration and Demurrer for hearing without prejudice to either party's rights, claims, arguments, or defenses. Plaintiff will not oppose LPL obtaining a

new hearing date, or argue that LPL waived its right to compel Plaintiff's arbitration due to any delay in LPL bringing such a motion in connection with the Parties' Settlement.

2.9. Plaintiff and LPL now wish to fully and finally settle all of the disputes and differences between them, including, but not limited to, the Action and Lawsuit, and any known or unknown rights or claims that Plaintiff may have against LPL or the Released Parties. The Parties agree that this Agreement reflects their good faith compromise of the claims raised in the Lawsuit, based upon their assessment of the mutual risks and costs of further litigation and the assessments of their respective counsel.

2.10. LPL denies and continues to deny all of the allegations made by Plaintiff and the Aggrieved Employees in the Action, including in the PAGA Notice Letters and the Complaint. LPL further denies and continues to deny that it is liable or owes damages, penalties, interest, attorneys' fees, costs, wages, expense reimbursements, or other compensation or remedies with respect to the alleged facts or claims asserted in the Action. LPL denies any liability or wrongdoing of any kind in connection with Plaintiff's claims, and contends that, during all relevant times, it complied with applicable law. Nonetheless, without admitting or conceding any liability or damages whatsoever, LPL has agreed to settle the Action on the terms and conditions set forth in this Agreement, to avoid the burden, expense, and uncertainty of continuing to litigate the Action. Plaintiff acknowledges that the execution of this Agreement and the payment of consideration or any other obligation hereunder are not and shall not be construed in any way as an admission of wrongdoing or liability on the part of LPL, the Released Parties, or any person or entity named in or alleged in the PAGA Notice Letters or Complaint.

2.11. The Parties understand and agree that this Agreement is a settlement document and shall, pursuant to California Evidence Code section 1152, Federal Rule of Evidence 408, and any other similar law, be inadmissible in evidence in any proceeding except an action or proceeding to approve the Settlement or to interpret or enforce this Agreement. To the extent permitted by law, the Settlement, Approval Order, and Judgment may be pleaded as a full and complete defense to any attempt to prosecute a Released Claim and may be used as the basis for

injunction against any action, suit, or other proceeding that may be instituted, prosecuted, or attempted in breach of this Agreement.

2.12. This Agreement is conditioned upon the Court's order approving the Settlement and issuing a Judgment in this Action as contemplated by the Agreement. Plaintiff's Counsel shall also prepare the motion for approval of the PAGA Settlement, with Defense Counsel provided a reasonable opportunity to review and comment before filing. Plaintiff's Counsel shall incorporate reasonable comments and revisions from Defense Counsel.

2.13. The Parties and their counsel agree to cooperate fully with each other to accomplish the terms of this Agreement (including execution of documents) and to take such other action as may be reasonably necessary to implement the terms of this Agreement. The Parties shall use their best efforts, including all efforts contemplated by this Agreement and any other efforts that may become necessary by order of the Court or otherwise, to effectuate this Agreement and the terms set forth herein, including to obtain an order approving this Settlement and to obtain a Judgment resolving the Action and the Released Claims with prejudice. In the event the Parties are unable to reach agreement on the form or content of any document needed to implement the Agreement, or on any supplemental provisions or actions that may become necessary to effectuate the terms of this Agreement, the Parties shall first seek the assistance of the mediator and then the Court to resolve such disagreement.

2.14. Provided that the Court's order approving the Settlement and accompanying Judgment are consistent with the terms and conditions of this Agreement including Plaintiff's Counsels attorneys' fees and costs, Plaintiff and Plaintiff's Counsel waive, to the fullest extent legally permissible, any right they may have to initiate an appeal or post-judgment challenge to the approval order or Judgment. This paragraph does not purport to waive any and all rights to appeal in connection with Plaintiff's Counsels request for attorneys' fees and costs or any issue in the order approving the Settlement, including, but not limited to, all rights to any post-judgment proceeding and/or appellate proceeding, such as a motion to vacate or set-aside

judgment, a motion for new trial, and any extraordinary writ, and the order approving the Settlement will become final and non-appealable at the time it is entered.

2.15. Should the Court not approve the Settlement as materially set forth in this Agreement, the Parties agree to cooperate in good faith to modify this Agreement and obtain Court approval. However, LPL shall not be required to agree to any modification of any term labeled as material in this Agreement, and shall have the right to void the Agreement if the Court orders a change in any material term.

2.16. This Agreement is contingent upon the Court approving the Settlement. LPL expressly reserves its right to challenge the propriety of representative treatment of the Action, should the Court not approve the Settlement or this Agreement.

NOW THEREFORE, in consideration of the covenants and agreements set forth herein, and of the release and dismissal of all Released Claims, the Parties stipulate and agree to the terms and provisions of this Settlement and Agreement, subject to the approval of the Court.

3. SENDING INDIVIDUAL PAGA PAYMENTS TO AGGRIEVED EMPLOYEES

3.1. **Settlement Administrator.** The Parties will request that the Court appoint Phoenix Settlement Administrator as Settlement Administrator. The Parties agree that Settlement Administration Costs shall not exceed $8,250 based on a written bid received from the Settlement Administrator. All disputes relating to the Settlement Administrator's performance of its duties, after good-faith efforts by the Parties to resolve such disputes, will be referred to the Court, if necessary, which will have continuing jurisdiction over this Agreement until all payments and obligations contemplated by this Agreement have been fully completed.

3.2. **Data For Settlement Administrator.** Within 15 calendar days after the Effective Date, LPL agrees to provide solely to the Settlement Administrator the full names, last known addresses, social security numbers, and number of Pay Periods worked during the PAGA Period for each member of the Settlement Group.

The contact information is being provided confidentially, and the Settlement Administrator shall treat the information as private and confidential and take all necessary

precautions to maintain the confidentiality of contact information of the Aggrieved Employees. This information is to be used only to carry out the Settlement Administrator's duties as specified in this Agreement. The Settlement Administrator shall return the Settlement List to LPL or confirm its destruction upon completion of the Settlement Administrator's duties in administering the Settlement. For purposes of compiling the Settlement List, LPL's records used for payroll purposes shall be deemed the controlling source of information.

3.3. **Mailing Of Settlement Checks**. The Settlement Administrator shall mail the checks to Aggrieved Employees in the amount of their Individual PAGA Payments. Given that the Individual PAGA Payments are for civil penalties under PAGA, there shall be no deductions related to wage payments. The Settlement Administrator shall send the Individual PAGA Payments to Aggrieved Employees via First Class U.S. Mail, using the most current, known mailing address for each Aggrieved Employee based on information provided by LPL.

The Settlement Administrator, when distributing settlement checks to the Aggrieved Employees, shall include the following statement verbatim, unless the Court directs otherwise: "LPL Financial has entered into a compromise and settlement with the State of California in connection with claims brought under the Private Attorneys General Act. As part of this compromise and settlement, the Court has ordered the enclosed settlement check to be sent to you." A copy of the notice to the Aggrieved Employees is attached hereto Exhibit A.

3.4. **No Rights To Opt-Out Or Object By Aggrieved Employees**. Given that the Settlement is for payment of civil penalties under PAGA, the Aggrieved Employees shall have no right to object to the terms of the Settlement, or opt-out of the Settlement.

3.5. **Non-Delivered Individual PAGA Payments**. Any mailing returned to the Settlement Administrator as undeliverable shall be sent within 10 calendar days via First Class U.S. Mail to the forwarding address affixed thereto. If no forwarding address is provided, the Settlement Administrator shall attempt to determine the correct address using a search based on the National Change of Address Database maintained by the United States Postal Service to

update and correct any known or identifiable address changes, and it shall then perform a single re-mailing via First Class U.S. Mail within 10 calendar days.

3.6. **Notice To The LWDA.** Plaintiff's Counsel shall submit the proposed Settlement to the Labor and Workforce Development Agency at the same time it is submitted to the Court, as required by California Labor Code section 2699(s)(2), through the online system specified in section 2699(s)(4), and shall provide Defense Counsel confirmation of that submission. Plaintiff's Counsel shall also submit the Court's Judgment and any other order that provides for or denies an award of civil penalties to the LWDA within 10 days after entry, as required by section 2699(s)(3), through the online system specified in section 2699(s)(4), and shall provide Defense Counsel confirmation of those submissions.

3.7. **Binding Effect Of Settlement.** An Aggrieved Employee's inability to receive or cash an Individual PAGA Payment does not affect the binding effect of the Approval Order and Judgment. All Aggrieved Employees shall be bound by the release and preclusive effect of the Judgment as to the Released Claims to the fullest extent permitted by PAGA and applicable law, regardless of whether an Individual PAGA Payment is received or cashed.

4. COMPUTATION AND DISTRIBUTION OF SETTLEMENT PROCEEDS

4.1. **Funding Of Gross Settlement Amount.** LPL shall deposit the Gross Settlement Amount into an interest-bearing Qualified Settlement Fund or escrow account established by the Settlement Administrator within 30 calendar days after the Effective Date, or as otherwise directed by the Court, provided that LPL shall have no obligation to fund the Gross Settlement Amount until the Effective Date. Under no circumstance shall LPL be required to fund more than the Gross Settlement Amount.

4.2. **Attorneys' Fees And Costs.** Plaintiff's Counsel intends to request—and LPL agrees not to oppose—that the Court approve Attorneys' Fees in an amount up to one-third (33.33%) of the Gross Settlement Amount (or $143,333.33), and shall request allowable Costs. Plaintiff's Counsel shall provide adequate documentation to support their Attorneys' Fees and

Costs in whatever format may be required by the Court. LPL shall have no liability for any attorneys' fees or costs beyond the Gross Settlement Amount.

4.2.1 **Approval Of Attorneys' Fees And Costs Not Material.** The Court's approval of Attorneys' Fees and/or Costs is not a material term of the Settlement or this Agreement. If the Court does not approve, or approves only a lesser amount than that requested by Plaintiff's Counsel for Attorneys' Fees and/or Costs, the other terms of the Settlement and this Agreement shall still apply. The Court's refusal to approve the Attorneys' Fees and/or Costs requested by Plaintiff's Counsel does not give Plaintiff, the Aggrieved Employees, or Plaintiff's Counsel any basis to abrogate the Settlement or this Agreement. Any amount of Attorneys' Fees and/or Costs requested by Plaintiff's Counsel but unapproved by the Court shall be allocated to the Net Settlement Amount, subject to Plaintiff's Counsel's right to appeal.

4.2.2 **Timing Of Payment Of Attorneys' Fees And Costs.** The Settlement Administrator shall pay to Plaintiff's Counsel any approved Attorneys' Fees and Costs 30 calendar days after the funding of the Gross Settlement Amount, or as otherwise directed by the Court. The Settlement Administrator shall issue an IRS Form 1099 to Plaintiff's Counsel for any Attorneys' Fees and Costs payment. Plaintiff's Counsel shall be solely and legally responsible for paying all applicable taxes on any Attorneys' Fees and Costs payments and shall indemnify and hold harmless LPL from any claim or liability for taxes, penalties, or interest arising as a result of the payment, except to the extent such claim or liability results from the negligence, error, omission, oversight, or failure of LPL or any third party other than Plaintiff or Plaintiff's Counsel.

4.3. **Net Settlement Amount.** The Parties will seek approval of a Net Settlement Amount to be paid from the Gross Settlement Amount. Sixty-five percent of the Net Settlement Amount will be paid to the LWDA consistent with California Labor Code section 2699(m) no later than 30 calendar days after the funding of the Gross Settlement Amount. The remaining 35% of the Net Settlement Amount shall be distributed to Aggrieved Employees as their Individual PAGA Payments under the terms of this Agreement.

4.3.1 **Reduction Or Increase Of The Net Settlement Amount Not Material.** The Court's reduction or increase of the Net Settlement Payment is not a material term of the Settlement or this Agreement, as long as any such revision does not increase the Gross Settlement Amount. If the Court approves a lesser or greater amount than that requested by this Agreement for the Net Settlement Amount, the other terms of the Settlement and this Agreement shall apply. The Court's reduction or increase of the Net Settlement Amount requested by this Agreement does not give the Plaintiff, Plaintiff's Counsel, or the Aggrieved Employees any basis to abrogate the Settlement or this Agreement.

4.3.2 **Individual PAGA Payments.** Aggrieved Employees shall be entitled to receive an Individual PAGA Payment. The sum of all Individual PAGA Payments is called the "Total PAGA Payment To All Aggrieved Employees."

For the PAGA Period for each Aggrieved Employee, LPL shall provide the data required for the Settlement List solely to the Settlement Administrator.

To determine the Individual PAGA Payment for each Aggrieved Employee, the Settlement Administrator shall use the following formula:

- Each member of the Settlement Group shall be assigned a percentage share of the $XX allocated to the Total PAGA Payment To All Aggrieved Employees. The percentage share shall be based upon the total number of Pay Periods the specific member of the Settlement Group worked during the PAGA Period in comparison to the total number of Pay Periods all members of the Settlement Group were employed during the PAGA Period.

Each Aggrieved Employee's total number of Pay Periods shall be determined based on LPL's payroll records, which shall be controlling and determinative consistent with the Parties' MOU. If an Aggrieved Employee believes the Pay Period count assigned to that Aggrieved Employee is incorrect, the Aggrieved Employee may notify the Settlement Administrator and provide supporting information. The Settlement Administrator shall forward the asserted discrepancy to LPL for review. LPL may correct an objectively demonstrable clerical, transcription, or data-processing error in its records or in the implementation of those records. The Settlement Administrator shall not substitute other evidence for LPL's payroll records or independently redetermine the number of Pay Periods.

4.3.3 **Allocation Of Individual PAGA Payment For Tax Purposes.** The Settlement Administrator will issue IRS Forms 1099 to Aggrieved Employees in connection with their Individual PAGA Payments. No payroll deductions shall be made because the payments constitute civil penalties rather than wages. The Settlement Administrator shall establish and use its own taxpayer identification number and Qualified Settlement Fund for purposes of making the Individual PAGA Payments required under this Agreement. Each recipient shall be solely responsible for any federal, state, or local tax liability attributable to that recipient's payment, and LPL makes no representation regarding the tax treatment of any payment. Nothing in this paragraph creates any tax-payment obligation of LPL beyond the Gross Settlement Amount.

4.3.4 **Allocation Of Individual PAGA Payments Not Material.** The Court's approval of the allocation method for the Individual PAGA Payments is not a material term of the Settlement or this Agreement. If the Court does not approve the allocation method of the Individual PAGA Payments, the other terms of the Settlement and this Agreement shall apply, and the Parties shall meet and confer to identify another appropriate method. The Court's refusal to approve the allocation method for the Individual PAGA Payments requested by the Parties does not give Plaintiff, the Aggrieved Employees, or Plaintiff's Counsel any basis to abrogate the Settlement or this Agreement.

4.3.5 **Timing Of Individual PAGA Payments**. The Settlement Administrator shall issue the checks constituting the Individual PAGA Payments no later than 30 calendar days after the funding of the Gross Settlement Amount.

4.4. **Non-Reversionary Settlement For Undeliverable Or Uncashed Checks**. This Settlement shall be a non-reversionary Settlement. It is possible that after all payments described herein are made, some residue may remain as the result of either (1) one or more members of the Settlement Group failing to cash checks mailed to them, or (2) circumstances that cannot be anticipated. Any settlement checks distributing Individual PAGA Payments returned to the Settlement Administrator as undeliverable shall be sent within 10 calendar days via First Class U.S. Mail to the forwarding address affixed thereto. If no forwarding address is provided, the

Settlement Administrator shall attempt to determine the correct address using a search based on the National Change of Address Database maintained by the United States Postal Service to update and correct any known or identifiable address changes, and it shall then perform a single re-mailing via First Class U.S. Mail within 10 calendar days. The amount of any Individual PAGA Payments that remain undeliverable or uncashed 180 calendar days after the postmarked date of the initial mailing of these payments will be deposited by the Settlement Administrator into an account for the California State Controller's Office for unclaimed property in the name of the Aggrieved Employee, or paid to any other third-party fund or organization ordered by the Court. No part of the Net Settlement Amount shall be returned to LPL.

4.5. **Tax Payment Considerations**. Neither Plaintiff's Counsel nor Defense Counsel intend anything contained in this Settlement or Agreement to constitute advice regarding taxes or taxability, nor shall anything in this Settlement or Agreement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 C.F.R. Part 10, as amended) or otherwise. To the extent that this Agreement is interpreted to contain or constitute advice regarding any U.S. or federal tax issue, such advice is not intended or written to be used, and cannot be used, by any person for the purpose of avoiding penalties under the Internal Revenue Code. LPL is not responsible for any employee tax obligations regarding the allocation of the settlement payments.

5. RELEASED CLAIMS

5.1. **Released PAGA Claims.** As a material condition of the Settlement, and in exchange for the settlement funds provided herein, upon the Effective Date Plaintiff—on behalf of himself, every member of the Settlement Group (including each of their respective executors, administrators, representatives, agents, heirs, successors, assigns, trustees, spouses, or guardians), and the LWDA—will fully release LPL and each of the Released Parties during the PAGA Period from any claims, rights, demands, charges, complaints, causes of action, penalties, interest, attorneys' fees, costs, obligations, or liability of any and every kind under the California Private Attorneys General Act of 2004, including, but not limited to, any claims that were

alleged or could have reasonably been alleged based on the facts in the Action or Plaintiff's May 23, 2025 and July 23, 2025 notices to the California Labor and Workforce Development Agency. This release by the Aggrieved Employees includes, but is not limited to, claims based on alleged violations of California Labor Code §§ 201-203, 204, 210, 221-224, 226, 226.3, 226.7, 227.3, 233, 246, 246.5, 248.2, 248.5, 432.5, 510, 512, 558, 558.1, 1174, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 2699, 2699.3, 2699.5, 2800, 2802, 2804, and the applicable California Industrial Welfare Commission Wage Order 4-2001, to the extent encompassed by the PAGA claims and facts alleged in the Action and PAGA Notice Letters and arising during the PAGA Period. The Judgment shall bind the State of California and the Aggrieved Employees as to the Released Claims to the fullest extent permitted by PAGA and applicable law. For the avoidance of doubt, except for Plaintiff pursuant to his separate individual general release, this Agreement does not release any Aggrieved Employee's individual claim for wages, damages, statutory penalties payable to the employee, or other non-PAGA relief.

5.2. This release does not include any claim that, as a matter of law, may not be released by this PAGA Settlement.

5.3. The consideration provided to the Settlement Group in this Agreement shall be the sole relief, legal or equitable, provided for the Released Claims.

5.4. **General Release By Plaintiff.** In exchange for the Individual Settlement Payment, Plaintiff is executing a separate general release of all known and unknown claims, whether brought under PAGA, the California Labor Code, California Industrial Welfare Commission Wage Order 4-2001, California Business and Professions Code section 17000 et seq., or other applicable law. This includes, but is not limited to, claims for direct payment of wages, overtime pay, premium pay, and statutory penalties, in addition to the PAGA civil penalties resolved by this Settlement. This also includes a release of all known and unknown claims arising from Plaintiff's employment or separation from employment. Plaintiff's general release includes a waiver of rights under California Civil Code section 1542, or other similar statutes, that he may have against LPL and the Released Parties. LPL's obligations under this

Agreement are contingent on Plaintiff executing the separate general release of claims and the expiration of any applicable revocation period.

5.5. Plaintiff agrees that the payments and other consideration provided in this Agreement are not related to sexual harassment or sexual abuse. Plaintiff further agrees that the releases provided in this Agreement do not release claims of sexual harassment or sexual abuse.

5.6. **Preclusive Effect Of Released Claims.** Upon the Effective Date, Plaintiff shall be barred and enjoined from filing, initiating, or continuing to prosecute the Released Claims against LPL or any Released Party. The Parties intend the Approval Order and Judgment to have the full res judicata, claim-preclusive, and other binding effect provided by PAGA and applicable law with respect to the Released Claims. Nothing in this Agreement prohibits Plaintiff or any Aggrieved Employee from responding truthfully to a subpoena, court order, or request from a governmental or regulatory agency, or from communicating or cooperating with a governmental or regulatory agency to the extent protected or required by law. Such cooperation does not authorize Plaintiff or any Aggrieved Employee to prosecute, seek recovery on, or otherwise relitigate a Released Claim that has been settled and resolved by the Judgment, and nothing in this paragraph limits LPL's right to assert the Settlement, Approval Order, Judgment, release, or preclusion defenses in response to any attempt to pursue a Released Claim.

As a material condition of this Settlement and in exchange for the $20,000.00 Individual Settlement Payment and his executed general release, Plaintiff shall not re-file his individual claims or any class action claims that were or could have been asserted based on facts occurring on or before the date he executes this Agreement and that are released by this Agreement or his separate individual general release. Plaintiff further promises not to file a lawsuit, administrative complaint, charge, or arbitration against LPL or the Released Parties asserting any claim released by this Agreement or his separate individual general release.

5.7. **Plaintiff Has No Other Lawsuits Against LPL.** Plaintiff acknowledges that as of the date of signing this Agreement, the only pending charge, claim, or lawsuit that he has against LPL or the Released Parties is the instant Lawsuit. Plaintiff represents and warrants that

he will not file individual or class action claims against LPL that are released by this Agreement or his separate individual general release.

6. SETTLEMENT APPROVAL PROCEDURE

6.1. **Approval Hearing.** Plaintiff's Counsel shall submit to the Court a motion for approval of the PAGA Settlement. The motion shall seek an order approving the Settlement according to the terms of this Agreement and shall provide sufficient information for the Court to evaluate whether the Settlement is fair, reasonable, and adequate in view of PAGA's purposes and the interests of the State of California, the LWDA, and the Aggrieved Employees. The motion shall explain the bases for the Gross Settlement Amount and the compromise, including the principal alleged violations, LPL's principal defenses, the realistic range of potential PAGA exposure, material litigation risks, the number of Aggrieved Employees and Pay Periods, the allocation methodology, the estimated PAGA payments, Settlement Administration Costs, and the requested Attorneys' Fees and Costs, to the extent reasonably available and appropriate for Court approval. The motion shall also be accompanied by signed declarations as appropriate to support approval. The motion shall request the entry of an Approval Order and Judgment that (a) approves the Settlement and Agreement; (b) finds the Settlement fair, reasonable, and adequate under PAGA; (c) recites or incorporates the Released Claims; (d) directs that the Settlement terms and provisions be carried out; and (e) retains jurisdiction to oversee administration and enforcement of the Settlement, this Agreement, and the Court's orders.

Plaintiff's Counsel shall prepare the first draft of the joint motion for approval of the PAGA Settlement and shall provide Defense Counsel a reasonable opportunity to review and comment before filing. Plaintiff's Counsel shall incorporate reasonable comments and revisions from Defense Counsel.

6.2. **Effect Of Failure To Obtain Approval**. If this Settlement Agreement or a substantially similar settlement mutually agreed to by the Parties is not approved, the Action shall proceed as if no settlement had been attempted, unless the Parties jointly agree to seek reconsideration of the ruling or Court approval of a renegotiated settlement. This means that if

the Court does not approve this Settlement or a substantially similar settlement mutually agreed to by the Parties, then LPL, in its sole discretion, may void the individual settlement reached with Plaintiff. LPL retains the right to contest whether any aspect of the Action should be maintained as a representative action and to contest the merits of the claims being asserted in the Action.

6.3. **Motion For Attorneys' Fees And Costs.** Concurrently with the joint motion for approval of the PAGA Settlement, Plaintiff's Counsel shall file a motion for Court approval of Attorneys' Fees in an amount up to one-third (33.33%) of the Gross Settlement Amount (or $143,333.33) and Costs. Both Attorneys' Fees and Costs shall be supported by adequate documentation by Plaintiff's Counsel or as otherwise required by the Court. LPL will not oppose the motion provided it is consistent with this paragraph.

6.4. **Entry Of Judgment**. At the approval hearing, the Parties shall request that the Court issue Judgment in accordance with this Agreement and without further fees or costs to any Party except as expressly set forth in this Agreement.

6.5. **Effect Of Failure To Obtain Judgment**. In the event the Court fails to enter final judgment in accordance with this Agreement, or such final judgment is vacated or reversed, the Action shall proceed as if no settlement had been attempted, unless the Parties jointly agree to seek reconsideration or appellate review of the ruling or Court approval of a renegotiated settlement. LPL retains the right to contest whether any aspect of the Action should be maintained as a representative action and to contest the merits of the claims being asserted in the Action.

6.6. **Waiver Of Appeal Rights.** Upon approval of the Settlement, Plaintiff and Plaintiff's Counsel waive, to the fullest extent legally permissible, any right they may have to initiate an appeal or post-judgment challenge to the Approval Order or Judgment with the exception of the attorney fee award. This waiver does not purport to waive the rights of any judgment, ruling, or order made by the Court, including, without limitation, any order granting approval of this Settlement and any order dismissing the Action with prejudice. This includes all

rights to any post-judgment proceeding and appellate proceeding, so the Judgment will become nonappealable at the time it is entered. The waiver of appeal does not include any waiver of the right to oppose any appeal, appellate proceedings, or post-judgment proceedings. If an appeal is taken from the Judgment, the time for consummation of the Settlement (including making payments under the Settlement) will be suspended until such time as the appeal is finally resolved and the Judgment becomes final.

7. MISCELLANEOUS

7.1. **Confidential Use Of Employee Information; No Solicitation Using Settlement Data.** Plaintiff's Counsel represent that, as of execution of this Agreement, their firms do not currently represent any other Aggrieved Employee or other individual asserting California Labor Code or federal wage claims against LPL, except as previously disclosed in writing to Defense Counsel. Plaintiff's Counsel shall not use any nonpublic contact information or other personally identifiable employee information obtained from LPL or the Settlement Administrator in connection with this Action or Settlement to solicit any person or to communicate with any person for a purpose unrelated to administration of this Settlement. Nothing in this paragraph restricts Plaintiff's Counsel's right to practice law or to represent any person who independently seeks their representation, consistent with California Rule of Professional Conduct 5.6.

7.2. **Stay Of Proceedings**. The Parties agree that upon the signing of this Agreement, the continuing litigation of this Action shall remain stayed and the time to bring this Lawsuit to trial shall be extended pending the outcome of the settlement process.

7.3. **Parties' Authority.** The signatories hereto represent that they are fully authorized to enter into this Agreement and to bind the Parties they represent to the terms stated herein. Aggrieved Employees other than Plaintiff are not required to execute this Agreement and shall not be deemed to have individually executed it. Plaintiff acts as the State of California's proxy for purposes of the PAGA claims, and the binding effect on Aggrieved Employees with respect to the Released Claims arises from the Court-approved Settlement and Judgment to the extent provided by PAGA and applicable law.

7.4. **Increase In Pay Periods**. The terms of the Settlement, including the Gross Settlement Amount, shall remain unchanged if the number of Aggrieved Employees and/or pay periods changes before the Effective Date, provided that the number of pay periods does not exceed 45,000. If the number of pay periods exceeds 45,000, then the Released Claims shall run through the date the pay periods hit 45,000 and the Gross Settlement Amount and all other terms shall remain unchanged.

7.5. **Arm's Length Transaction, And A Full-Day Mediation**. The Parties have arrived at this Agreement as a result of arm's length negotiations and a full-day mediation where both Parties were represented by counsel.

7.6. **Counterparts**. This Agreement may be executed in 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 signed Agreement, which shall be binding upon and effective as to all Parties.

7.7. **Electronic Or Scanned Signatures**. Any Party may sign and deliver this Agreement by signing on the designated signature block and transmitting that signature page via an attachment to an e-mail to counsel for the other Parties. Any signature made and transmitted as an attachment to an e-mail for the purpose of executing this Agreement shall be deemed an original signature for purposes of this Agreement and shall be binding upon the Party who transmits the signature page.

7.8. **Binding Effect**. This Agreement shall be binding upon and inure to the benefit of the respective Parties hereto, or their respective legal successors, heirs, administrators, executors, assigns, and each of them.

7.9. **Waivers And Modifications To Be In Writing**. No waiver, modification, or amendment of the terms of this Agreement, whether purportedly made before or after the Court's approval of this Agreement, shall be valid or binding, unless in writing, signed by or on behalf of all Parties by Plaintiff's Counsel and Defense Counsel, and then only to the extent set forth in such written waiver, modification, or amendment, subject to any required Court approval. Any

failure by any Party to insist upon the strict performance by the other Parties of any of the provisions of this Agreement shall not be deemed a waiver of future performance of the same provisions or of any of the other provisions of this Agreement, and such Party, notwithstanding such failure, shall have the right thereafter to insist upon the specific performance of any and all of the provisions of this Agreement. The time periods and dates provided in this Agreement with respect to giving of notices and hearings are subject to Court approval and modification by the Court or by written stipulation of Plaintiff's Counsel and Defense Counsel.

7.10. **Construction**. The determination of the terms and conditions of this Agreement has been by mutual agreement of the Parties. Each party participated in the drafting of this Agreement with assistance of legal counsel, and the terms and conditions of this Agreement are not intended to be, and shall not be, construed against any Party by virtue of draftsmanship.

7.11. **Exhibits Incorporated By Reference.** The terms of this Agreement include the terms set forth in any attached exhibit, which are incorporated by this reference as though fully set forth herein. Any exhibit to this Agreement is an integral part of the Settlement.

7.12. **Captions**. The captions or headings of the sections and paragraphs of this Agreement have been inserted for convenience of reference only and shall have no effect upon the construction or interpretation of any part of this Agreement.

7.13. **Invalidity Of Any Provision**. Before declaring any provision of this Agreement invalid, the Court shall first attempt to construe the provisions valid to the fullest extent possible consistent with applicable precedents so as to render all provisions of this Agreement valid and enforceable.

7.14. **Further Acts And Cooperation Among The Parties**. The Parties shall cooperate fully with each other and shall use their best efforts to obtain the Court's approval of this Agreement and all of its terms. Each of the Parties, upon the request of another, agrees to perform such further acts and to execute and to deliver such other documents as are reasonably necessary to carry out the provisions of this Agreement.

7.15. **No Prior Assignments Or Undisclosed Liens**. Plaintiff and Plaintiff's Counsel represent and warrant that they have not assigned, transferred, conveyed, or otherwise disposed of, or purported to assign, transfer, convey, or otherwise dispose of, any Released Claims or the Attorneys' Fees and Costs to be paid pursuant to this Agreement. Plaintiff and Plaintiff's Counsel further represent and warrant that there are not any liens, assignments or claims created by or known to Plaintiff or Plaintiff's Counsel concerning Plaintiff's Individual Settlement Payment or Plaintiff's Counsel's Attorneys' Fees and Costs. Plaintiff and Plaintiff's Counsel agree to defend, to indemnify, and to hold LPL harmless from any liability, losses, claims, damages, costs, or expenses, including reasonable attorneys' fees, resulting from a breach of these representations or from any lien or assignment.

7.16. **Confidential Documents And Information.** Plaintiff's Counsel agree that they will maintain reasonable safeguards for confidential documents and information provided by LPL; use such materials only for purposes of the Action, Settlement, administration or enforcement of the Settlement, or as otherwise required by law or Court order; and, within 60 calendar days after completion of the administration of the Settlement, destroy or return such confidential materials, except for pleadings, Court filings, attorney work product, and materials counsel is legally or ethically required to retain. Nothing in this paragraph authorizes Plaintiff's Counsel to retain or use the Settlement List or employee social security numbers, which shall remain subject to the more specific restrictions in this Agreement.

7.17. **Publicity.** Plaintiff and Plaintiff's Counsel shall not affirmatively publicize, advertise, market, or promote the Settlement, including on any website, social-media account, advertising material, press release, or other publicly accessible communication, except for Court filings or as otherwise required by law, Court order, or applicable professional obligation. Nothing in this paragraph prohibits a truthful disclosure that cannot lawfully be restricted, a communication with a governmental or regulatory agency, or a response required by legal process.

Consistent with California law, nothing in any part of this Agreement limits Plaintiff's right to make any truthful disclosure that cannot lawfully be restricted, to discuss or disclose information about conduct that Plaintiff has reason to believe is unlawful, to communicate or cooperate with a governmental or regulatory agency, to respond truthfully to legal process, or to consult an attorney regarding this Agreement.

7.18. **Continuing Jurisdiction.** The Parties request and stipulate that the Court retain continuing jurisdiction, including pursuant to California Code of Civil Procedure section 664.6 to the extent applicable, over the implementation, administration, interpretation, and enforcement of this Agreement, the Settlement, the Approval Order, and the Judgment until all obligations contemplated by the Settlement have been fully performed. The Court shall not modify any material term of this Agreement without the written consent of all Parties, except to the extent otherwise required by law.

7.19. **Disputes And Arbitration.** If the Parties have a dispute with regard to the language of this Agreement, they agree to first attempt to resolve the dispute informally through good faith negotiations, but if those efforts are unsuccessful, they agree to mediate any such dispute. The Parties will split the costs of the mediator, and all Parties will bear their own fees and costs.

Any dispute regarding the enforcement, interpretation, or any aspect of this Agreement, or any act which would violate any provision in this Agreement (hereafter referred to as "Arbitrable Dispute"), and which dispute could not be solved through mediation, shall be resolved by an experienced arbitrator licensed to practice law in California and selected in accordance with the rules of the Judicial Arbitration and Mediation Service ("JAMS"), as the exclusive remedy for such dispute under the JAMS employment rules. The arbitrator shall be selected from the JAMS employment panel for San Diego County, Orange County, or Los Angeles County. The arbitration shall be conducted in California. Judgment on any award rendered by such arbitrator may be entered in any court having proper jurisdiction. The prevailing party in the arbitration is to be awarded reasonable attorneys' fees and costs. Nothing

in this Section limits either Party's right to seek enforcement of the Agreement, Approval Order, or Judgment before the Court pursuant to Section 7.18 and Code of Civil Procedure section 664.6.

7.20. **Governing Law**. This Settlement and Agreement was made and entered into in the State of California. All terms of this Agreement shall be governed by and interpreted according to the procedural and substantive laws of the State of California, even if a choice of law analysis under state or federal law would dictate that another forum's law be applied.

7.21. **Severability**. If any non-material provision, term, section, or paragraph of this Agreement is found to be invalid, illegal, or unenforceable, all remaining provisions, terms, sections, or paragraphs shall continue in full force and effect and remain binding on the Parties. If any provision, term, section, or paragraph of this Agreement is deemed unenforceable, such provision, term, section, or paragraph shall be modified so that the unenforceable provision, term, section, or paragraph is enforceable to the greatest extent possible while maintaining the objective intent of the Agreement.

7.22. **Voluntary Agreement**. The Parties expressly declare and represent that they have read the foregoing Agreement and have consulted with competent counsel regarding the meaning of its provisions, terms, and conditions. The Parties further expressly declare and represent that they fully understand the content and effect of this Agreement, and that they approve and accept its terms and conditions, and that this Agreement is executed freely and voluntarily.

7.23. **Entire Agreement**. This Agreement, which includes the Definitions, Recitals, and all exhibits attached hereto, constitutes the entire agreement among the Parties with regard to the subject matter contained herein, and all prior and contemporaneous negotiations and understandings between the Parties shall be deemed merged into this Agreement. This Agreement shall also supersede the MOU executed by the Parties. No statement, representation, or warranty, except as expressly set forth herein, may be part of this fully-integrated contract.

SO AGREED AND STIPULATED:

Dated: October 8, 2026

MASHIRI LAW FIRM, APC

By: /s/ Alex Asil Mashiri
Alex Asil Mashiri

Dated: October 8, 2026

THE JAMI LAW FIRM P.C.

By: _____
Tamim Jami

Attorneys for Plaintiff
Austin Terrazas

Agreed to by Plaintiff:

Dated: Oct 8, 2026

AUSTIN TERRAZAS

Signature: Austin Terrazas (Oct 8, 2026 10:28:20 PDT)

Print Name: Austin Terrazas

Dated: October 16, 2026

SEYFARTH SHAW LLP

By: _____
Jon D. Meer
Jeffrey A. Nordlander

Attorneys for Defendant
LPL FINANCIAL LLC

Agreed to by Defendant:

Dated: 10/6/2026

LPL FINANCIAL LLC

Signature: Cabell Clay

Print Name: Cabell Clay

Title: SVP, Assistant General Counsel

Exhibit A To The *Terrazas v. LPL* Settlement Agreement

[insert Phoenix Settlement Administrators contact info]

Re: Notice of Settlement of *Terrazas v. LPL Financial, LLC*, San Diego County Superior Court, Case No. 25CU039590C.

LPL Financial LLC has entered into a Court-approved compromise and settlement with the State of California resolving claims brought under the California Private Attorneys General Act ("PAGA") in the above-referenced action.

Austin Terrazas, acting as the Plaintiff and PAGA representative on behalf of the State of California and other current and former non-exempt California employees of LPL Financial LLC, pursued claims alleging violations of the California Labor Code, including claims concerning sick-leave pay, overtime and regular-rate calculations, non-compliant meal and rest breaks, wage statements, timely and final payment of wages, employment-related expenses, and other related Labor Code violations. LPL Financial LLC denies the allegations and any wrongdoing or liability.

You have been identified as an Aggrieved Employee covered by the PAGA settlement. The enclosed check represents your individual share of the PAGA settlement. Your payment was calculated based on the number of pay periods you worked during the applicable PAGA settlement period. The settlement resolves and releases all PAGA claims alleged in the Action and Notices for civil penalties, and does not cover any other Labor Code claims for other forms of relief, such as wages, you may have in your individual capacity.

If you have any questions regarding your settlement payment, please contact Phoenix Settlement Administrators at the contact information listed above.

SETTLEMENT AND RELEASE AGREEMENT

1. ***Parties*****.** The parties to this Agreement are Austin Terrazas, the Individual (for yourself, your family, beneficiaries and anyone acting for you) ("you"), and LPL Financial LLC ("the Company").

You and the Company now wish to resolve any and all claims which you have or may have against the Company or any Release arising out of or relating to your employment with the Company or any Releasee. The only claims that are excluded from this scope of this agreement are those claims alleged in the action, *Terrazas v. LPL Financial, LLC,* San Diego Superior Court, Case No. Case No. 25CU039590C (the "PAGA Action"), which shall be resolved through a separate agreement subject to Court approval.

2. ***Consideration*****.** In complete settlement of all claims that you have or may have against the Company and subject to the terms below, the Company agrees to pay the gross sum of $20,000 (Twenty Thousand and No/100 Dollars) to be apportioned as follows:

- $2,500, minus applicable deductions and withholdings, for lost wages by check made payable to you. The Company will issue an IRS Form W-2 to you reflecting this payment.
- $17,500, for non-wage compensatory or liquidated damages. The Company's receipt of an IRS Form W-9 completed and executed by you is a condition precedent to this payment. The Company will issue an IRS Form 1099 to you reflecting this payment.

The Company will report the payment(s) above to the IRS as required by law. You acknowledge that you have not relied on any statements or representations by the Company or its attorneys with respect to the tax treatment of the payments described in this section. If any taxing body determines that the tax treatment was incorrect and that greater amounts should have been withheld from any payment above (or any part thereof), you acknowledge and assume all responsibility for paying those amounts and further agree to indemnify and hold the Company harmless for payment of any additional taxes and any interest and penalties thereon, except to the extent such claim or liability results from the negligence, error, omission, oversight, or failure of LPL or any third party other than You.

Both parties warrant that they are not aware of any attorneys' liens placed on this matter that are not otherwise resolved by this Agreement.

You agree that the payments above are consideration for the promises by you contained herein and that the Company was not otherwise obligated to make these payments.

The Company's obligations to make the payments above shall become due fifteen (15) business days after (i) the Company receives this Agreement executed by you; (ii) any applicable revocation period, (iii) receipt of the W-9 forms identified above, and (iv) entry of judgment approving the settlement of the PAGA Action. For the avoidance of doubt, it is the intention of the Parties that the Company's obligations under this Agreement are contingent upon Court in the PAGA Action entering a judgment approving the Parties' settlement of the PAGA Action.

3. ***General Release*****.** You release the Company (plus its parents, subsidiaries, affiliates, predecessors, successors and all of its and their past and present directors, officers, employees and anyone else acting for any of them – all together "Releasees") from all claims of any type to date, known or unknown, suspected or unsuspected, to the fullest extent allowed by law, including but not limited to anything to do with your employment. This means you give up all claims and rights related to:

- pay/compensation/benefits including backpay, frontpay, bonuses, commissions, equity, expenses, incentives, insurance, paid/unpaid leave/time off, profit sharing, salary, or separation pay/benefits;

- compensatory, emotional or mental distress damages, punitive or liquidated damages, attorney fees, costs, interest or penalties;

- violation of express or implied employment contracts, covenants, promises or duties, intellectual property or other proprietary rights;

- unlawful or tortious conduct such as assault or battery; background check violations; defamation; detrimental reliance; fiduciary breach; fraud; indemnification; intentional or negligent infliction of emotional distress; interference with contractual or other legal rights; invasion of privacy; loss of consortium; misrepresentation; negligence (including negligent hiring, retention or supervision); personal injury; promissory estoppel; public policy violation; retaliation; safety violations; posting or records-related violations; wrongfulpersonnel actions; or other federal, state or local statutory or common law matters; and

- discrimination, harassment or retaliation based on age (including Age Discrimination in Employment Act or "ADEA" claims), benefit entitlement, citizenship, color, concerted activity, disability, ethnicity, gender, gender identity and expression, genetic information, immigration status, income source, jury duty, leave rights, military status, national origin, parental status, reproductive health decisionmaking, protected off-duty conduct, race, religion, retaliation, sexual orientation, union activity, veteran status, whistleblower claims in court (including under Sarbanes-Oxley, Dodd-Frank, and the False Claims Act), other legally protected status or activity, or any allegation that payment under this Agreement was affected by federally-prohibited discrimination.

In addition, you waive all rights under California Civil Code § 1542 which provides: "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."

4. ***State Law Rights and Limitations*****.**

- **California.** Nothing in any part of this Agreement waives or limits your right to testify truthfully in administrative, legislative, or judicial proceeding relating to alleged criminal conduct or alleged sexual harassment, pursuant to a written request

from an administrative agency or legislature, or in court pursuant to subpoena or court order.

5. ***Release Exclusions and Other Exceptions.*** Nothing in this Agreement restricts your rights with respect to claims or disputes that arise after the date you sign this Agreement or the factual basis thereof, including but not limited to: claims for breach of this Agreement; and claims that cannot be waived by law, such as for unemployment or worker's compensation benefits. Nor does any part of this Agreement limits your rights to: (i) file a charge or complaint with any administrative agency, such as the U.S. Equal Employment Opportunity Commission or the National Labor Relations Board, or a state fair employment practices agency, or the U.S. Securities and Exchange Commission (SEC), or communicate directly with or provide information (including testimony) to an agency, or otherwise participate in an agency proceeding; (ii) communicate with law enforcement, the California Attorney General, or your attorney. You nonetheless give up all rights to any money or other individual relief based on any agency or judicial decision, including class or collective action rulings. However, you may receive money properly awarded by the SEC and the IRS as a reward for providing information to those agencies.

6. ***Promise Not To Sue.*** A "promise not to sue" means you promise not to sue any Releasee in court. This is different from the General Release above. Besides releasing claims covered by the General Release, you agree never to sue any Releasee for any reason covered by the General Release. Despite this Promise Not To Sue, however, you may file suit to enforce this Agreement or to challenge its validity under the ADEA. If you sue a Releasee in violation of this Agreement: (i) you shall be required to pay that Releasee's reasonable attorney fees and other litigation costs incurred in defending against your suit; or alternatively (ii) the Company can require you to return all but $100.00 of the money and benefits provided to you under this Agreement. In that event, the Company shall be excused from any remaining obligations that exist solely because of this Agreement.This Promise Not To Sue and the General Release do not apply to, restrict, waive, release, or otherwise affect the pending PAGA action, or any claims, rights, obligations, proceedings, settlement, payments, penalties, attorneys' fees, costs, or other relief arising out of or relating to that action. Nothing in this Agreement shall prohibit or restrict you or your counsel from prosecuting, participating in, resolving, settling, seeking approval of any settlement of, or receiving any payment or other relief in connection with the pending PAGA action, which is being resolved pursuant to a separate settlement agreement.

7. ***Confidentiality of Agreement.*** Except as provided in this Agreement's Release Exclusions and Other Exceptions, including applicable State Law Rights and Limitations, the financial terms of this Agreement are strictly confidential. You will not communicate the financial terms of this Agreement to any third party, whether verbally or in writing, by any means, including by social media. Any disclosure by you will cause the Company irreparable harm that money cannot undo. Accordingly, violation of this section will entitle the Company to temporary and permanent injunctive relief. Except as required by law, you have not disclosed and will not disclose the financial terms of this Agreement to anyone except your immediate family members, attorneys, accountants, and financial advisors. Each of them is bound by this Confidentiality of Agreement provision, and a disclosure by any of them is a disclosure by you.

8. ***Whistleblowing*****.** You agree that (i) no one interfered with your ability to report within the Company possible violations of any law, and (ii) it was the Company's policy throughout your employment to encourage such reporting.

9. ***Non-Admission*****.** Neither the Company's offer reflected in this Agreement nor any payment under this Agreement is an admission that you have a viable claim against the Company or any other Releasee. Each Releasee denies all liability. The Parties agree that, except as otherwise provided herein, they shall bear their own respective attorneys' fees and costs. Neither you nor the Company shall be viewed as a prevailing party by virtue of executing this Agreement.

10. ***Applicable Law*****.** This Agreement shall be interpreted under federal law if that law governs, and otherwise under the laws of California, without regard to its choice of law provisions.

11. ***Enforceability*****.** If a court (or arbitrator) finds any part of this Agreement unenforceable, that part shall be modified and the rest enforced. If a court (or arbitrator) finds any such part incapable of being modified, it shall be severed and the rest enforced. A decision not to enforce this Agreement does not waive any future violation.

12. ***Neutral Reference.*** The Company uses a third-party vendor for employment verification inquiries. If Plaintiff directs employment verification inquiries to The Work Number at (800) 367-5690 or www.theworknumber.com, The Work Number will provide any inquiring current or future prospective employer of Plaintiff with information regarding: (a) dates of employment; and (b) final position..

13. ***Enforcement.*** If either party breaches this Agreement, the non-breaching Party shall be entitled to seek preliminary and permanent injunctive relief, where appropriate, and any additional relief determined to be appropriate. In any action or proceeding to enforce this Agreement or arising from a breach of this Agreeement, the prevailing Party shall be entitled to recover reasonable attorneys' fees and costs incurred in connection with such action or proceeding.

14. ***Entire Agreement.*** This Agreement is the complete understanding between you and the Company. It replaces any other agreements, representations or promises, written or oral.

15. ***Other Representations*****.** You agree:

- You have not suffered any on-the-job injury or work related illness for which you have not already filed a claim;
- The payments and other consideration provided in this Agreement are not related to sexual harassment or sexual abuse;
- You have had the opportunity to negotiate this Agreement with the Company, and this Agreement shall not be construed for or against either party as a drafter of its terms;
- You were advised in writing, by getting a copy of this Agreement, to consult with an attorney before signing below; and

- You are signing this Agreement knowingly and voluntarily.

By: Austin Terrazas (Oct 8, 2026 10:28:51 PDT) Oct 8, 2026
AUSTIN TERRAZAS (Date)

By: Cabell Clay 10/6/2026
LPL FINANCIAL LLC (Date)

Name: Cabell Clay
Title: SVP, Assistant General Counsel

Form **W-9**
(Rev. March 2024)
Department of the Treasury
Internal Revenue Service

Request for Taxpayer Identification Number and Certification

Go to *www.irs.gov/FormW9* for instructions and the latest information.

Give form to the requester. Do not send to the IRS.

Before you begin. For guidance related to the purpose of Form W-9, see *Purpose of Form*, below.

Print or type. See ***Specific Instructions*** on page 3.

1 Name of entity/individual. An entry is required. (For a sole proprietor or disregarded entity, enter the owner's name on line 1, and enter the business/disregarded entity's name on line 2.)

AUSTIN TERRAZAS

2 Business name/disregarded entity name, if different from above.

3a Check the appropriate box for federal tax classification of the entity/individual whose name is entered on line 1. Check only **one** of the following seven boxes.

☑ Individual/sole proprietor ☐ C corporation ☐ S corporation ☐ Partnership ☐ Trust/estate

☐ LLC. Enter the tax classification (C = C corporation, S = S corporation, P = Partnership) . . . . .

Note: Check the "LLC" box above and, in the entry space, enter the appropriate code (C, S, or P) for the tax classification of the LLC, unless it is a disregarded entity. A disregarded entity should instead check the appropriate box for the tax classification of its owner.

☐ Other (see instructions)

3b If on line 3a you checked "Partnership" or "Trust/estate," or checked "LLC" and entered "P" as its tax classification, and you are providing this form to a partnership, trust, or estate in which you have an ownership interest, check this box if you have any foreign partners, owners, or beneficiaries. See instructions . . . . . ☐

4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):

Exempt payee code (if any)

Exemption from Foreign Account Tax Compliance Act (FATCA) reporting code (if any)

(Applies to accounts maintained outside the United States.)

5 Address (number, street, and apt. or suite no.). See instructions.

3766 Southview Dr. Apt 202

6 City, state, and ZIP code

San Diego, California, 92117

Requester's name and address (optional)

7 List account number(s) here (optional)

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN*, later.

Note: If the account is in more than one name, see the instructions for line 1. See also *What Name and Number To Give the Requester* for guidelines on whose number to enter.

Social security number

6 4 7 – 1 8 – 2 9 6 6

or

Employer identification number

–

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
2. I am not subject to backup withholding because (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
3. I am a U.S. citizen or other U.S. person (defined below); and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and, generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.

Sign Here **Signature of U.S. person** Austin Terrazas (Oct 8, 2026 10:27:51 PDT) **Date** 10/08/2026

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to *www.irs.gov/FormW9*.

What's New

Line 3a has been modified to clarify how a disregarded entity completes this line. An LLC that is a disregarded entity should check the appropriate box for the tax classification of its owner. Otherwise, it should check the "LLC" box and enter its appropriate tax classification.

New line 3b has been added to this form. A flow-through entity is required to complete this line to indicate that it has direct or indirect foreign partners, owners, or beneficiaries when it provides the Form W-9 to another flow-through entity in which it has an ownership interest. This change is intended to provide a flow-through entity with information regarding the status of its indirect foreign partners, owners, or beneficiaries, so that it can satisfy any applicable reporting requirements. For example, a partnership that has any indirect foreign partners may be required to complete Schedules K-2 and K-3. See the Partnership Instructions for Schedules K-2 and K-3 (Form 1065).

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS is giving you this form because they