

PRIVATE ATTORNEYS GENERAL ACT (“PAGA”) SETTLEMENT AGREEMENT

This PAGA Settlement Agreement (“Agreement”) is made by and between Plaintiff Ana Rosa Ibarra (“Plaintiff”) and Defendants Custom Industries, Inc., Thomas McAfee, and Charlotte McAfee (“Defendants”). The Agreement refers to Plaintiff and Defendants collectively as “Parties,” or individually as “Party.”

1. **DEFINITIONS.**

1.1. “Action” means Plaintiff’s lawsuit alleging wage and hour violations against Defendants captioned *Ana Rosa Ibarra v. Custom Industries, Inc., et al.* initiated on January 11, 2023, pending in the Superior Court of the State of California, County of Orange, Case No. 30-2023-01301455.

1.2. “Administrator” means Phoenix Class Action Administration Solutions, the neutral entity the Parties have agreed to appoint to administer the Settlement.

1.3. “Administration Expenses Payment” means the amount not to exceed \$4,450, which the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses for administering the Settlement.

1.4. “Allegedly Aggrieved Employee” means all persons who worked for Defendants as non-exempt employees in the State of California at any time between October 13, 2021, and the date of approval of PAGA Settlement, as entered by the Court.

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

1.6. “Allegedly Aggrieved Employee Data” means the Allegedly Aggrieved Employee identifying information for which Defendants will use their best efforts to provide, including each Allegedly Aggrieved Employee’s full name, most recent mailing address, last known telephone number if readily available, dates of employment or number of workweeks worked during the Class Period, and Social Security number.

1.7. “Approval” means the Court’s order granting approval of the PAGA Settlement.

1.8. “Approval Hearing” means the Court’s hearing on the Motion for Approval of the PAGA Settlement.

1.9. “Court” means the Superior Court of California, County of Orange.

1.10. “Defendants” refers to Defendants Custom Industries, Inc., Thomas McAfee, and Charlotte McAfee.

1.11. “Defendants’ Counsel” means Robert Pepple, Esq., Alejandro J. Castro, Esq., and Gabriel A. Mendoza, Esq., of Nixon Peabody, LLP.

1.12. “Effective Date” means the date of Approval. For purposes of this Paragraph, Approval “becomes final” upon the last to occur of the following: (a) if there are no objections to the Settlement, the date the Court enters an order granting final approval of the Settlement; (b) if there are objections to the Settlement, and if an appeal, review, or writ is not sought from the Approval, the day after the time period to appeal the Settlement has expired, *i.e.*, 60 days from the date the Court enters an order granting final approval of the Settlement; or (c) if there are objections to the Settlement, and an appeal, review, or writ is timely sought from the Approval, the day after the Approval is affirmed or the appeal, review, or writ is dismissed or denied, and the Final Approval Order is no longer subject to further judicial review.

1.13. “Gross Settlement Amount” means the maximum settlement amount of One Hundred and Ninety-Five Thousand Dollars and Zero Cents (\$195,000.00), which has been and/or will be paid by Defendant in full satisfaction of all claims arising from the Action. The Gross Settlement Amount includes all Claims Administration Expenses, PAGA Counsel Fees Payments, PAGA Counsel Litigation Expenses Payments, Plaintiff’s Incentive Award, the LWDA PAGA Payment, and the Individual PAGA Payment. Defendant will pay the employer’s share of payroll taxes, as applicable, in addition to the Gross Settlement Amount. Under no circumstances will Defendants pay more than the Gross Settlement Amount.

1.14. “Individual PAGA Payment” means an Allegedly Aggrieved Employee’s pro rata share of 25% of the Net Settlement Amount, calculated according to the number of Pay Periods worked during the PAGA Period. Specifically, the Individual PAGA Payments will be based on dates of employment and the corresponding number of Pay Periods worked by each Allegedly Aggrieved Employee during the PAGA Period.

1.15. “Judgment” means the judgment entered by the Court based upon the Approval.

1.16. “LWDA” means the California Labor and Workforce Development Agency as identified in Labor Code section 2699, subd. (i).

1.17. “LWDA PAGA Payment” means the 75% portion of the total amount allocated towards the Net Settlement Amount, which shall be paid to the LWDA pursuant to Labor Code section 2699, subd. (i).

1.18. “Net Settlement Amount” means One Hundred Two Thousand Three Hundred Dollars and Zero Cents (\$102,300.00) that shall be paid from the Gross Settlement Amount for the resolution of the PAGA claim. The Net Settlement Amount is arrived at after deductions of \$68,250.00 in attorneys’ fees, \$15,000.00 in the costs of litigation, \$5,000.00 for Incentive Award to Plaintiff and \$4,450.00 in administration expenses. The Net Settlement Amount shall be allocated as follows: 25% or Twenty-Five Thousand Five Hundred Seventy-Five Dollars and Zero Cents (\$25,575.00) shall be distributed amongst the Aggrieved Employees as their Individual PAGA Payments, and 75% or Seventy-Six Thousand Seven Hundred Twenty-Five Dollars and Zero Cents (\$76,725.00) shall be paid to the LWDA. The Net Settlement Amount is subject to the Court approval and the amounts set forth here are approximations.

1.19. “Operative Complaint” means the complaint filed in the Action on January 11, 2023, and all amendments thereto.

1.20. “PAGA” means the California Private Attorneys General Act of 2004 (Labor Code §§ 2698, *Et seq.*).

1.21. “PAGA Counsel” refers to Zorik Mooradian of Mooradian Law, APC.

1.22. “PAGA Counsel Fees Payment” means the amounts allocated to PAGA Counsel for reimbursement of reasonable attorneys’ fees incurred to prosecute the Action. Specifically, Defendants agree not to oppose a reasonable Attorneys’ Fees request up to 35% of the Settlement Amount.

1.23. “PAGA Counsel Litigation Expenses Payment” means the amounts allocated to PAGA Counsel for reimbursement of reasonable expenses incurred to prosecute the Action. Defendants agree not to oppose a reasonable Attorneys’ Expenses request not to exceed \$15,000.

1.24. “PAGA Notice” refers to Plaintiff’s October 13, 2022 letter, directed to Defendants and the LWDA, providing notice pursuant to Labor Code section 2699.3, subd.(a).

1.25. “PAGA Period” means the period from October 13, 2021, to the date of approval of the PAGA settlement.

1.26. “Pay Period” means any Pay Period during the PAGA Period in which an Allegedly Aggrieved Employee worked for Defendants for at least one day.

1.27. “Plaintiff” means Ana Rosa Ibarra, the named plaintiff in the Action.

1.28. “Plaintiff’s Incentive Award” means an amount of Five Thousand Dollars and Zero Cents (\$5,000) payable to Ana Rosa Ibarra for initiating the Action and providing services in support of the Action.

1.29. “Released PAGA Claims” means the claims being released as described in Paragraph 5.1 below.

1.30. “Released Parties” means: Defendants and each of their former and present officers, directors, shareholders, agents, employees, principals, heirs, representatives, accountants, auditors, attorneys, consultants, insurers, and their predecessors, successors, assigns, parent company, subsidiaries and affiliates, Doe Defendants, and anyone that can be held legally responsible for the claims alleged in the Operative Complaint.

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

2. **RECITALS.**

2.1. On January 11, 2023, Plaintiff commenced this Action by filing a Complaint alleging causes of action against Defendants for “(1) Failure to Pay Overtime; (2) Failure to Pay

Minimum Wages; (3) Meal Period Violations; (4) Rest Break Violations; (5) Sick Time Violations; (6) Failure to Pay Wages for All Time Worked; (7) Failure to Indemnify for Business Expenses; (8) Failure to Provide Accurate Wage Statements; (9) Failure to Timely Pay Wages Owed at Time of Termination/Separation; (10) Failure to Provide Employment Records PAGA Claims; (11) Violation of Labor Laws Giving Rise to an Action Under the PAGA UCL Claim; and (12) Unfair Business Practices.” Defendants deny the allegations in the Operative Complaint, deny any failure to comply with the laws identified in in the Operative Complaint, and deny any and all liability for the causes of action alleged.

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

2.3. On October 26, 2023, the Parties participated in an all-day mediation presided over by Lynn Frank, Esq. which led to this Agreement to settle the Action.

2.4. Prior to mediation, Plaintiff obtained, through informal discovery, extensive records including time and pay data, as well as Defendants’ policies and procedures related to payment of employees.

3. **MONETARY TERMS.**

3.1. Gross Settlement Amount. Except as otherwise provided by Paragraph 7 below, Defendants promises to pay the total sum of One Hundred and Ninety-Five Thousand Dollars and Zero Cents (\$195,000.00) as the Gross Settlement Amount. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Allegedly Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendants.

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

3.2.1. To the Administrator: An Administration Expenses Payment not to exceed Four Thousand Four Hundred and Fifty Dollars and Zero Cents (\$4,450) except for a showing of good cause and as approved by the Court. To the extent the Administration Expenses are lower or the Court approves payment less than the requested amount of (\$4,450), the remainder of the funds allocated towards the Administration Expenses Payment shall be retained in the Net Settlement Amount.

3.2.2. To Plaintiff: An incentive award to Plaintiff Ana Rosa Ibarra in an amount not to exceed Five Thousand Dollars and Zero Cents (\$5,000.00). Defendants will not oppose Plaintiff’s request for a Plaintiff’s Incentive Award that does not exceed this amount. If the Court approves a Plaintiff’s Incentive Award less than the amount requested, the Administrator will retain the remainder in the Net Settlement Amount. The Administrator will pay the Plaintiff’s Incentive Award using IRS Form 1099-MISC. Plaintiff assumes full responsibility and liability for any taxes owed on the Plaintiff’s Incentive Award.

3.2.3. To the LWDA and Allegedly Aggrieved Employees: An LWDA PAGA Payment in the amount of One Hundred Two Thousand Three Hundred Dollars and Zero Cents (\$102,300.00) is to be paid from the Gross Settlement Amount, with 75% or Seventy-Six Thousand Seven Hundred Twenty-Five Dollars and Zero Cents (\$76,725.00) to be paid to the LWDA, and 25% or Twenty-Five Thousand Five Hundred Seventy-Five Dollars and Zero Cents (\$25,575.00) to be allocated to the Individual PAGA Payments. The amounts are subject to the Court's approval and are approximations.

3.2.3.1. The Administrator will calculate each Individual PAGA Payment a pro rata basis based on their respective number of Pay Periods, by (a) dividing the amount of the Allegedly Aggrieved Employees' 25% share of the Net Settlement Amount, Twenty-Five Thousand Five Hundred Seventy-Five Dollars and Zero Cents (\$25,575.00), by the total number of PAGA Period Pay Periods worked by all Allegedly Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Allegedly Aggrieved Employee's respective number of Pay Periods. Allegedly Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

3.2.3.2. Allegedly Aggrieved Employees may not opt out of the Settlement, provided it receives Court approval. The portion of the Individual PAGA Payment paid to each Allegedly Aggrieved Employee will be considered One Hundred percent (100%) penalties and will release all claims against Defendants as described in Paragraph 5.1 below. Allegedly Aggrieved Employees agree to hold harmless Defendants, PAGA Counsel, and Defendants' Counsel for any tax liability, including penalties and interest, arising out of or relating to the Allegedly Aggrieved Employees' failure to pay taxes on any amounts paid pursuant to this Agreement.

4. **SETTLEMENT FUNDING AND PAYMENTS.**

4.1. Allegedly Aggrieved Employee Pay Periods. Based on a review of its records to date, Defendants estimate there are 75 Allegedly Aggrieved Employees who are or were employed by Defendants and who worked approximately 3,900 Pay Periods during the PAGA Period.

4.2. Funding of Gross Settlement Amount. Defendants shall fully fund the Gross Settlement Amount by transmitting the funds to the Administrator no later than fifteen (15) days after the Effective Date.

4.3. Payments from the Gross Settlement Amount. Within thirty (30) days of the Effective Date, the Administrator will mail checks for all Individual PAGA Payments, the LWDA PAGA Payment, the Claims Administration Expenses Payment, Plaintiff's Incentive Award, the PAGA Counsel Fees Payment, and the PAGA Counsel Litigation Expenses Payment. Disbursement of the PAGA Counsel Fees Payment and the PAGA Counsel Litigation Expenses Payment shall not precede disbursement of the Individual PAGA Payments.

4.3.1. The Administrator will issue checks for the Individual PAGA Payments and send them to the Allegedly Aggrieved Employees via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date when the check will be voided (not less than one hundred and eighty (180) days after the date of mailing). The Administrator will cancel all

checks that remain uncashed by the void date. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database.

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

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

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

5. RELEASES OF CLAIMS. EFFECTIVE ON THE DATE WHEN DEFENDANTS FULLY FUND THE ENTIRE GROSS SETTLEMENT AMOUNT AND PAGA COUNSEL WILL RELEASE CLAIMS AGAINST ALL RELEASED PARTIES AS FOLLOWS:

5.1. Release by Allegedly Aggrieved Employees: Upon the date that Defendants have fully funded the Gross Settlement Amount, all Allegedly Aggrieved Employees, the State of California, and the LWDA will be deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims for PAGA penalties for violations that were alleged, or reasonably could have been alleged, during the PAGA Period, based on the facts stated in the Operative Complaint and the PAGA Notice, including but not limited to claims for (1) Failure to Pay Overtime; (2) Failure to Pay Minimum Wages; (3) Meal Period Violations; (4) Rest Break Violations; (5) Sick Time Violations; (6) Failure to Pay Wages for All Time Worked; (7) Failure to Indemnify for Business Expenses; (8) Failure to Provide Accurate Wage Statements; (9) Failure to Timely Pay Wages Owed at Time of Termination/Separation; (10) Failure to Provide Employment Records PAGA Claims; (11) Violation of Labor Laws Giving Rise to an Action Under the PAGA (eleven counts as set forth in the Operative Complaint for the Eleventh Cause of Action); and (12) Unfair Business Practices", and any alleged violations of Labor Code §§ 200, 201, 202, 203, 204, 226, 226.7, 227.3, 233, 246, 246.5, 248.2, 500, 510, 512, 515, 516, 558, 558.1, 1182.12, 1194, 1197, 1198, 2698, 2699, 2699.3, 2802, 8 CCR 11040, *et seq.*, and applicable IWC Wage Orders, any violations of Business and Professions Code sections 17200, 17204, and 17205, as well as all facts, theories, or claims for civil penalties that would be considered administratively exhausted under applicable law by the PAGA Notice(s) Plaintiff sent to the LWDA.

6. **SETTLEMENT ADMINISTRATION.**

6.1. **Selection of Administrator.** The Parties have jointly selected Phoenix Class Action Administration Solutions to serve as the Administrator. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.

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

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

6.3.1. **Weekly Reports.** The Administrator must, on a weekly basis, provide written reports to PAGA Counsel and Defendants’ Counsel that includes the number of checks mailed for Individual PAGA Payments and any undeliverable checks (“Weekly Report”).

6.3.2. **Final Distribution Report by Settlement Administrator.** Within ten (10) days after the Administrator disburses all funds in the Gross Settlement Amount, the Administrator will provide PAGA Counsel and Defendants’ Counsel with a final report detailing its disbursements (by employee identification number only) of all payments made under this Agreement. At least fifteen (15) days before any deadline set by the Court, the Administrator will prepare, and submit to PAGA Counsel and Defendants’ Counsel, a signed declaration suitable for filing in Court attesting to its disbursement of all payments required under this Agreement. PAGA Counsel is responsible for filing the Administrator’s declaration in Court.

7. **PAY PERIOD ESTIMATE AND ESCALATOR CLAUSE.** Based on their records, Defendants estimate that, as of the date of the mediation, there were 75 Allegedly Aggrieved employees and 3,900 Pay Periods during the PAGA Period. In the event that the actual total number of pay periods exceed this estimate by five percent (5%) or more, the gross settlement fund shall be increased on pro rata basis at a value of fifty dollars (\$50.00) per pay period (*i.e.*, if the total number of pay periods is 4096 $([3900 + 195] + 1)$, Defendants would have to increase the gross settlement value by fifty dollars (\$50.00) for a total of one-hundred & ninety five thousand & fifty dollars (\$195,050 $[\$195,000.00 + \$50.00]$).

8. **MOTION FOR APPROVAL.** Not later than sixteen (16) court days before the calendared approval hearing, Plaintiff will file in court, a Motion for Approval of PAGA Settlement under Labor Code section 2699, subd. (l) including: a draft of the notice, and memorandum in support of the motion for approval that includes a request for approval of the PAGA settlement under labor code section 2699, and a proposed approval order and a proposed judgment (collectively “Motion for Approval”). Plaintiff shall provide drafts of these documents to Defendants’ Counsel not later than five (5) days prior to filing the Motion for Approval.

8.1. **Duty to Cooperate.** If the Court does not grant Approval or conditions Approval on any material change to the Settlement (including, but not limited to, the scope of release to be granted by Allegedly Aggrieved Employees), the Parties will expeditiously work together in good faith to address the Court’s concerns by revising the Agreement as necessary to obtain Approval.

The Court's decision to award less than the amounts requested for the PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment and/or Claims Administrator Expenses Payment shall not constitute a material modification to the Agreement within the meaning of this paragraph.

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

9. AMENDED JUDGMENT. If any amended judgment is required, the parties will work together in good faith to jointly submit and a proposed amended judgment.

10. ADDITIONAL PROVISIONS.

10.1. No Admission of Liability or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendants that any of the allegations in the Operative Complaint have merit or that Defendants have any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that Defendants' defenses in the Action have merit. If, for any reason the Court does not grant Approval or enter Judgment, Defendants reserve all available defenses to the claims in the Action, and Plaintiff reserves the right to contest Defendants' defenses. The Settlement, this Agreement and Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement or in connection with any claim as between Defendants, including but not limited to, claims related to indemnification obligations).

10.2. Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party. Notwithstanding anything to the contrary in this paragraph or this Agreement, as between Defendants, nothing in this Agreement is intended to nor shall constitute a release or waiver of any claims each has or may have had against the other, all such claims being expressly reserved ("Reserved Claims"). Further, Defendant's respective payment hereunder to Plaintiff pursuant to this Agreement, no matter the amount, shall be deemed a voluntary payment or otherwise be used against the paying Defendant for any purpose, including *inter alia*, as a defense to any reserved claims of the paying Defendant.

10.3. Attorney Authorization. PAGA Counsel and Defendants' Counsel separately warrant and represent that they are authorized by Plaintiff and Defendants, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.

10.4. No Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or

encumber to any person or entity and portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.

10.5. No Tax Advice. Neither Plaintiff, PAGA Counsel, Defendants nor Defendants' Counsel is providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise. As to his share of the incentive award that is approved by the court, Plaintiff understands and agrees that Plaintiff is responsible for payment of any taxes which are required to be paid to the State of California, the United States Government, or any other entity as a result of this settlement. Plaintiff acknowledges that no representations regarding the tax consequences of the Individual Settlement Payment have been made by Defendants or its counsel. Plaintiff agrees that in the event that some federal, state, or local agency takes the position that taxes should have been withheld from amounts paid regarding the incentive award of Plaintiff pursuant to this Agreement, Plaintiff will be solely responsible for payment of any such alleged tax obligations and will indemnify and hold Releasees harmless from any resulting tax liability, interest, or penalty associated therewith, including reasonable attorneys' fees for defending any such matter.

10.6. Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived by an express written instrument signed by counsel for all Parties, and approved by the Court.

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

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

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

10.10. Confidentiality. Plaintiff, PAGA Counsel, Defendants and Defendants' Counsel separately agree that, until the Motion for Approval of PAGA Settlement is filed, they will not disclose, disseminate and/or publicize, or cause or permit another person to disclose, disseminate or publicize, any of the terms of the Agreement directly or indirectly, specifically or generally, to any person, corporation, association, government agency, or other entity except: (1) to the Parties' attorneys, accountants, or spouses, all of whom will be instructed to keep this Agreement confidential; (2) counsel in a related matter; (3) to the extent necessary to report income to appropriate taxing authorities; (4) in response to a court order or subpoena; or (5) in response to an inquiry or subpoena issued by a state or federal government agency. Each Party agrees to notify each other Party of any judicial or agency order, inquiry, or subpoena seeking such information. Plaintiff, PAGA Counsel, Defendants and Defendants' Counsel separately agree not to, directly or indirectly, initiate any conversation or other communication, before the filing of the Motion for Approval, any with third party regarding this Agreement or the matters giving rise to this Agreement except to respond only that "the matter was resolved," or with words to that effect.

This paragraph does not restrict PAGA Counsel's communications with Allegedly Aggrieved Employees in accordance with PAGA Counsel's ethical obligations owed to Allegedly Aggrieved Employees.

10.11. Limited Use of Allegedly Aggrieved Employee Data. Information provided to PAGA Counsel pursuant to Cal. Evid. Code §1152, and all copies and summaries of the Allegedly Aggrieved Employee Data provided to PAGA Counsel by Defendants in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. Not later than ninety (90) days after the date when the Court discharges the Administrator's obligation to provide a Declaration confirming the final pay out of all Settlement funds, Plaintiff shall destroy all paper and electronic versions of Allegedly Aggrieved Employee Data received from Defendants, if any.

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

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

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

To Plaintiff: **Mooradian Law, APC**
Zorik Mooradian
zorik@mooradianlaw.com
24007 Venture Blvd., Suite 210
Calabasas, CA 91302

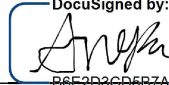
To Defendants: **Nixon Peabody LLP**
Robert H. Pepple
Alejandro J. Castro
Gabriel A. Mendoza
rpepple@nixonpeabody.com
acastro@nixonpeabody.com
gmendoza@nixonpeabody.com
300 S. Grand Ave, Suite 4100
Los Angeles, California 90071

10.15. Execution in Counterparts. This Agreement may be executed in one or more counterparts. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties will exchange between themselves signed counterparts. Any

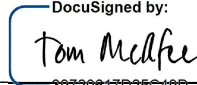
executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

10.16. Stay of Litigation. The Parties agree that upon the date of execution of the Memorandum of Understanding (October 26, 2023), the litigation in this Action shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that pursuant to California Code of Civil Procedure section 583.330 to extend the date to bring a case to trial under California Code of Civil Procedure section 583.310 for the entire period of this settlement process from October 26, 2023, to Approval.

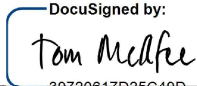
DATED: May __, 2024
5/9/2024

By: 
Plaintiff Ana Rosa Ibarra

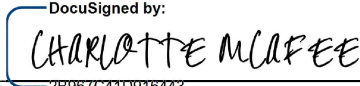
DATED: May 15, 2024

By: 
Thomas McAfee
on behalf of Defendant Custom Industries,
Inc.

DATED: May 15, 2024

By: 
Defendant Thomas McAfee

DATED: May 15, 2024

By: 
Defendant Charlotte McAfee

APPROVED AS TO FORM ONLY BY ATTORNEYS

DATED: May __, 2024
5/9/2024

By: 
Attorneys for Plaintiff

DATED: May 17, 2024

By: 
Attorneys for Defendants