

SETTLEMENT AGREEMENT AND MUTUAL RELEASE OF ALL CLAIMS

This Confidential Settlement Agreement and Mutual Release of All Claims (“Agreement”) is made and entered into by and between SARA CASTRO (“Plaintiff”), and LYDIA ORTIZ, individually and dba Blush Makeup & Skin Studio (“Defendant”) (Plaintiff and Defendant collectively referred to as the “Parties”), with reference to the following facts:

WHEREAS, on April 6, 2023, Plaintiff filed a lawsuit in Superior Court of the State of California, County of Monterey, entitled *Sara Castro v. Lydia Ortiz dba Blush Makeup and Skin Studio*, Case No. 23CV001041, asserting various wage and hour claims against Defendant and a PAGA claim set forth in the Ninth Cause of Action (the “Complaint”);

WHEREAS, Labor Code § 2699(s)(2) requires court approval of any proposed settlement of a PAGA action, Plaintiff’s Counsel will provide the LWDA with notice of this settlement agreement. Assuming the LWDA does not object to the proposed settlement, Plaintiff’s Counsel will ask the court to dismiss without prejudice the Ninth Cause of Action (“PAGA Claim”) and Plaintiff will dismiss the First through Eighth and Tenth Causes of Action with Prejudice.

WHEREAS, on June 26, 2026, Defendant filed a cross-complaint asserting various claims against Plaintiff (the “Cross-Complaint”);

WHEREAS, Defendant denies that it violated any applicable law or committed any wrongful acts..

WHEREAS, the Parties, in order to avoid the time and expense, each desire to settle, compromise and to resolve fully and finally any and all claims and disputes, whether known or unknown, which Plaintiff may have against Defendant, and Defendant may have against Plaintiff from the beginning of time until the date of this Agreement.

NOW, THEREFORE, in consideration of the foregoing recitals, the terms and conditions set forth below, and the good and valuable consideration contained herein, the adequacy of which the Parties acknowledge, the Parties agree as follows:

Section 1. Consideration. Defendant shall reimburse Plaintiff’s Counsel for actual litigation costs incurred in this Action in the amount of One Thousand Four Hundred Seventy-Eight Dollars and 06/100 and No Cents (\$1,478.06) (“Settlement Payment”) by the later of dismissal of the PAGA Claim or April 1, 2025.

The Settlement Payment shall be delivered to the office of Fitzpatrick & Swanston, 555 S. Main Street, Salinas, California.

Section 2. Dismissal of Action with Prejudice. Within seven (7) days of receipt of the Settlement Payment, Plaintiff will file a Request for Dismissal with Prejudice as to the First through Eighth and Tenth Causes of Action of the Complaint and Defendant will file a Request for Dismissal with Prejudice of the Cross-Complaint.

Section 3. Promise Not to Prosecute. The Parties agree that they shall not, at any time hereafter, commence, maintain or prosecute any action, suit, proceeding, investigation, complaint, claim, grievance or charge with any court, administrative agency, arbitrator or any other body or person,

whether Federal, State, contractual or otherwise, except as necessary in response to governmental agency or court inquiries or as compelled by legal process, against any Released Party, based in whole or in part upon, or arising out of or in any way connected with, any of the Released Claims or any of the matters referred to in this Agreement.

Section 4. Unknown or Different Facts or Law. The Parties acknowledge that they may discover facts or law different from, or in addition to, the facts or law they know or believe to exist with respect to a Released Claim. They agree, nonetheless, that this Agreement and the releases contained in it shall be and remain effective in all respects notwithstanding such different or additional facts or law.

Section 5. Civil Code Section 1542. The Parties expressly acknowledge and agree that the releases contained in this Agreement include a waiver of all rights under Section 1542 of the California Civil Code, 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.

The Parties acknowledge that they have read all of this Agreement, including the above Civil Code section, and that they fully understand both the Agreement and the Civil Code section. The Parties expressly waive any benefits and rights granted pursuant to Civil Code section 1542.

Section 6. No Prior Assignments or Liens. The Parties represent and warrant that they have not assigned to any other person or entity any of the Released Claims. The Parties further represent and warrant that they have not, directly or indirectly, caused any liens or claims to be placed on any of the amounts being paid by Defendant as provided in this Agreement and further represents and warrants that she is not aware of the existence of any such liens.

Section 7. Dispute Resolution. The Monterey County Superior Court shall retain jurisdiction under California Code of Civil Procedure section 664.6 to enforce all matters herein and any further proceedings that shall be deemed related. In the event a Party reasonably believes there has been a breach of this Agreement the party (hereinafter the "Complaining Party") shall, in writing, (1) provide notification to the other Party or Parties (hereinafter the "Responding Party") that it reasonably believes the Responding Party has breached the terms of the Agreement, and (2) set forth the facts upon which the Complaining Party bases its belief in that regard. The Parties shall then meet and confer to attempt to resolve any dispute concerning said claim that the Agreement has been breached. Such written notice shall be provided to counsel of record via electronic service. If the Parties cannot resolve a dispute, the Complaining Party may seek all appropriate remedies from the Monterey County Superior Court. The prevailing party shall be entitled to attorney's fees and costs.

Section 8. No Admissions. This Agreement shall not be admissible in any proceeding as evidence of improper action by either party. No party admits any wrongdoing, fault, or liability of any kind.

Section 9. Attorneys' Fees and Costs. Each party to this Agreement shall bear their own attorneys' fees and costs. In the event of a legal proceeding arising under this Agreement, the prevailing party will be entitled to reasonable fees and costs.

Section 10. Severability. Each term and provision of this Agreement is severable from each of the others and shall be valid and enforceable independently of the others. If any term or provision of this Agreement, or the application thereof, to any person or circumstances, is unenforceable, then the remainder of this Agreement, or the application of such term or provision, to other persons or circumstances shall not be affected thereby.

Section 11. Waiver. No provision of this Agreement may be waived unless in writing and signed by all the parties to this Agreement. Waiver of any one provision shall not constitute waiver of any other provision.

Section 12. Modification Only in Writing. No modification, termination, or attempted waiver of this Agreement shall be valid unless in writing and signed by the Parties.

Section 13. Governing Law. This Agreement shall be deemed to have been executed and delivered within the State of California, and the rights and obligations of the parties hereto shall be construed and enforced in accordance with, and governed by the laws of, the State of California.

Section 14. Knowledge, Capacity and Authority. The Parties acknowledge: (i) having had the opportunity to consult with counsel and consulted with counsel in regard to this Agreement, (ii) having read and understand the Agreement and are fully aware of its legal effect, and (iii) are entering into this Agreement freely and voluntarily, and based on their own judgment and not on any representations or promises made by the other Party, other than those contained in this Agreement. Each party to this Agreement represents and warrants that they have the authority and capacity to execute this Agreement.

Section 15. Counterparts and Electronic Signatures. This Agreement may be executed in counterparts and with electronic signatures. All such counterparts, and electronic signatures shall be construed together and constitute a single form of this Agreement and may be utilized in lieu of original copies.

Section 16. Interpretation; Construction. The headings set forth in this Agreement are for convenience only and shall not be used in interpreting this Agreement. This Agreement has been drafted by legal counsel representing Plaintiff, but Defendant and its counsel have participated in the negotiation of its terms. The Parties acknowledge they have had an opportunity to review and discuss each term of this Agreement with legal counsel and, therefore, the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement.

Section 17. Entire Agreement. The Parties agree that this Agreement constitutes the entire Agreement between them, and supersedes any and all prior agreements or understandings, whether written or oral.

IN WITNESS WHEREOF, the undersigned have agreed to the foregoing Agreement.

PLEASE READ CAREFULLY.

THIS AGREEMENT INCLUDES A RELEASE OF ALL CLAIMS KNOWN AND UNKNOWN.

Dated: 02/10/2025

Dated: 2/10/2025

Approved as to form only:

Dated: 2/10/2025

Dated: 2/10/2025

Signed by:
Sara Castro
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Sara Castro

DocuSigned by:
Lydia Ortiz
6D5837BCD3604EF...
Lydia Ortiz

B. James Fitzpatrick
B. James Fitzpatrick
Counsel for Plaintiff
Sara Castro

Signed by:
Gavin Kogan, Esq.
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Gavin Kogan
Counsel for Defendant
LYDIA ORTIZ, individually and dba Blush
Makeup & Skin Studio