STIPULATION OF SETTLEMENT

This Stipulation of Settlement ("Settlement Agreement") is reached by and between Plaintiff Sergio Chavez Jr. ("Plaintiff"), individually and on behalf of all members of the Settlement Class (defined below), on one hand, and Defendant Dorado Holdings, LLC d.b.a. Toolshed Equipment Rental (hereinafter "Defendant"), on the other hand. Plaintiff and Defendant are referred to herein collectively as the "Parties," or individually as "Party." Plaintiff and the Settlement Class are represented by Paul K. Haines, Sean M. Blakely, and Joel M. Gordon of Haines Law Group, APC ("Class Counsel"). Defendant is represented by Nadia P. Bermudez of Meyers Nave.

On November 2, 2022, Plaintiff filed a class action complaint against Defendant in Los Angeles County Superior Court, in the matter entitled *Sergio Chavez Jr. v. Dorado Holdings, LLC d.b.a Toolshed Equipment Rental,* Case No. 22STCV34965 (the "Action"). On January 9, 2023, Plaintiff filed the operative First Amended Class and Representative Action Complaint ("FAC"). The FAC alleges the following causes of action: (1) minimum wage violations; (2) failure to pay all overtime wages; (3) meal period violations; (4) rest period violations; (5) wage statement violations; (6) waiting time penalties; (7) unfair competition in violation of Cal. Business & Professions Code § 17200, *et seq*.; and (8) civil penalties under the Private Attorneys General Act, Cal. Labor Code § 2698 *et seq* ("PAGA"). On June 12, 2023, by stipulation of the Parties, and the Action was transferred to San Diego County Superior Court, Case No. 37-2023-00048229-CU-OE-CTL.

Given the uncertainty of litigation, Plaintiff and Defendant wish to settle individually and on behalf of the Settlement Class. Accordingly, Plaintiff and Defendant agree as follows:

1. **Settlement Class.** For the purposes of this Settlement Agreement only, Plaintiff and Defendant stipulate to the certification of the following Settlement Class:

> All current and former non-exempt employees who worked for Dorado Holdings, LLC d.b.a Toolshed Equipment Rental in California from November 2, 2018, until December 31, 2021 (the "Class Period").

The Parties agree that certification for purposes of this Settlement Agreement is not an admission that class certification is proper under Section 382 of the Code of Civil Procedure. If for any reason this Settlement Agreement is not approved or is terminated, in whole or in part, this conditional agreement to class certification will be inadmissible and will have no effect in this matter or in any claims brought on the same or similar allegations, and the Parties shall revert to the respective positions they held prior to entering into the Settlement Agreement.

2. **Release by Settlement Class Members and Plaintiff**. Upon the Effective Date (as defined below) and the complete funding of the Maximum Settlement Amount (defined below), Plaintiff and every member of the Settlement Class (except those who opt out) will fully release and discharge Defendant, and all of its past and present officers, directors, shareholders, direct and/or indirect owners, members, parents, trustees, fiduciaries, beneficiaries, subrogees, executors, partners, joint employers, employees, predecessors, successors, assigns, affiliates, brother and sister corporations, agents, principals, heirs, representatives, attorneys, insurers, accountants,

administrators, auditors, consultants, divisions, related companies, related entities, and all of their respective successors and predecessors in interest, subsidiaries, affiliates, parents and attorneys, and any individual or entity which could be liable for any of the Class Released Claims and/or PAGA Released Claims, (collectively the "Released Parties"), as follows:

A. Settlement Class members who do not opt out will release all claims, demands, rights, liabilities and causes of action that were pled in the operative FAC, or that could have been pled in the operative FAC in the Action based on the factual allegations therein, that arose during the Class Period, including claims for: (a) failure to pay all minimum wages; (b) failure to pay all overtime wages; (c) failure to provide meal periods as required by law; (d) failure to authorize rest periods as required by law; (e) failure to provide accurate, itemized wage statements; (f) failure to pay all wages upon separation of employment or all final wages due; and (g) all claims for unfair business practices that could have been premised on the facts, claims, causes of action or legal theories described above (the "Class Released Claims"). The period of the Class Released Claims shall extend to the limits of the Class Period.

B. **Release of PAGA Claims.** In addition, all Settlement Class members (regardless of whether they opt-out) who worked for Defendant at any time from November 2, 2021, to December 31, 2021 (the "PAGA Period") are "Aggrieved Employees" and shall release the Released Parties from all claims for civil penalties under PAGA arising during the PAGA Period as disclosed in Plaintiff's Notification Letter to the Labor and Workforce Development Agency ("LWDA") dated November 2, 2022 ("the PAGA Released Claims").

C. **Release by Plaintiff.** As a condition of receiving the Class Representative Enhancement Payment, and upon Defendant's complete funding of the Maximum Settlement Amount, Plaintiff has agreed to release, individually and in addition to the Class Released Claims and PAGA Released Claims described above, all claims, whether known or unknown, without exception, against the Released Parties. The Parties understand and agree that Plaintiff is not, by way of this release, releasing any workers' compensation claims, unemployment insurance claims, nor any other claims which cannot be released as a matter of law. Notwithstanding the foregoing, Plaintiff understands that this release includes unknown claims, and that Plaintiff is, as a result, waiving all rights and benefits afforded by 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.**

3. **Maximum Settlement Amount.** As consideration, Defendant agrees to pay a non-reversionary "Maximum Settlement Amount" of Two Hundred Thousand Dollars and Zero Cents ($200,000.00) and no more in full and complete settlement of the Action, as follows:

A. The Parties have agreed to engage Phoenix Settlement Administrators as the "Settlement Administrator" to administer this Settlement.

B. The Maximum Settlement Amount shall be deposited with the Settlement Administrator within thirty (30) calendar days of the Effective Date (which, for this purpose, shall be defined as the later of the time when: (i) the date of final affirmance of the Judgment on an appeal of the Judgment, the expiration of the time for, or the denial of, a petition to review the Judgment, or if review is granted, the date of final affirmance of the Judgment following review pursuant to that grant, (ii) the date of final dismissal of any appeal from the Judgment is affirmed and/or not reversed in any party, (iii) the final resolution (or withdrawal) of any filed appeal in a way that affirms the Final Approval Order and Judgement in a form substantially identical to the form of the Final Approval Order entered by the Court, and the time to petition for review with respect to any appellate decision affirming the Final Approval Order has expired; or (iv) if no appeal is filed, the sixty-first (61st) day after the Court enters final approval of the settlement and the Judgment approving this Agreement ("Effective Settlement Date").

C. This is a non-reversionary settlement. The Maximum Settlement Amount includes:

(1) All payments (including interest) to the Settlement Class;

(2) All costs of the Settlement Administrator and settlement administration, which are anticipated to be no greater than Six Thousand Dollars and Zero Cents ($6,000.00);

(3) Up to Ten Thousand Dollars and Zero Cents ($10,000.00) to Plaintiff for Plaintiff's Class Representative Enhancement Payment, in recognition of his contributions to the Action and his service to the Settlement Class. Even in the event that the Court reduces or does not approve the requested Class Representative Enhancement Payment, Plaintiff shall not have the right to revoke this Settlement Agreement, and it will remain binding;

(4) Up to one-third of the Maximum Settlement Amount in Class Counsel's attorneys' fees, plus actual costs and expenses incurred by Class Counsel related to the Action as supported by declaration, which are currently estimated to be no greater than Thirty Thousand Dollars and Zero Cents ($30,000.00). In the event that the Court reduces or does not approve the requested Class Counsel attorneys' fees and/or costs, Class Counsel shall not have the right to revoke this Settlement Agreement, and it will remain binding; and

(5) Five Thousand Dollars and Zero Cents ($5,000.00) of the Maximum Settlement Amount has been set aside by the Parties as PAGA civil

penalties. Per Labor Code § 2699(i), seventy-five percent (75%) of such penalties, or Three Thousand Seven Hundred-Fifty Dollars and Zero Cents ($3,750.00) will be payable to the LWDA, and the remaining twenty-five percent (25%), or One Thousand Two Hundred Fifty Dollars and Zero Cents ($1,250.00), will be payable to certain Settlement Class members as the "PAGA Amount," which PAGA Amount will be distributed as described below; and

(6) Any difference between these requested amounts and the amounts approved by the Court will revert to the Net Settlement Amount for the benefit of the Settlement Class members who do not opt out.

D. Defendant's share of payroll taxes owed on the wage portions of the Individual Settlement Payments shall be paid by Defendant separately from, and in addition to, the Maximum Settlement Amount.

E. **Escalator Clause**. This settlement was entered into based on Defendant's representation that there were an estimated 50 Class Members who worked for Defendant during the Class Period. If the number of employees employed during the Class Period exceeds this figure by more than 15% (i.e., if there are 58 or more employees), Defendant shall increase the Maximum Settlement Amount on a proportional basis (i.e., if there was a 17% increase in the number of employees, Defendant shall increase the Maximum Settlement Amount by 17%).

4. **Payments to the Settlement Class.** Settlement Class members are not required to submit a claim form to receive a payment ("Individual Settlement Payment") from the Settlement. Individual Settlement Payments will be determined and paid as follows:

A. The Settlement Administrator shall first deduct from the Maximum Settlement Amount the amounts approved by the Court for Class Counsel's attorneys' fees, Class Counsel's costs and expenses, Plaintiff's Class Representative Enhancement Payment, the Settlement Administrator's fees and expenses for administration, and the total amount designated as PAGA civil penalties. The remaining amount shall be known as the "Net Settlement Amount."

B. From the Net Settlement Amount, the Settlement Administrator will calculate each Settlement Class member's Individual Settlement Payment based on the following formula:

i. The Net Settlement Amount shall be allocated among Settlement Class members (except those who submit a timely and valid Request for Exclusion) based on each participating Settlement Class members proportionate workweeks worked during the Class Period, which will be calculated by multiplying the Net Settlement Amount by a fraction, the numerator of which is the participating Settlement Class member's number of workweeks worked during the Class Period, and the denominator of which is the total workweeks worked by all participating Settlement Class members during the Class Period.

C. <u>PAGA Amount</u>: In addition to the Net Settlement Amount, the PAGA Amount will be allocated as follows: Each Settlement Class member who was employed by Defendant at any time during the PAGA Period (including those who submit a valid and timely Request for Exclusion from the class action settlement), shall receive a portion of the PAGA Amount proportionate to the number of pay periods worked during the PAGA Period, and which will be calculated by multiplying the PAGA Amount by a fraction, the numerator of which is the Settlement Class member's gross number of pay periods worked during the PAGA Period, and the denominator of which is the total number of pay periods worked by all participating Settlement Class members (including those who submit a valid and timely Request for Exclusion from the class action settlement) during the PAGA Period.

D. Within ten (10) calendar days following Defendant's deposit of the Maximum Settlement Amount with the Settlement Administrator, the Settlement Administrator will calculate Individual Settlement Payment amounts and provide the same to the Parties' counsel for review and approval. Within seven (7) calendar days of approval by the Parties' counsel, the Settlement Administrator will prepare and mail Individual Settlement Payments, less applicable taxes and withholdings, to participating Settlement Class members. The Settlement Administrator shall simultaneously pay the withholdings to the applicable authorities with the necessary reports, submitting copies to Defendant's counsel.

E. For purposes of calculating applicable taxes and withholdings, each Individual Settlement Payment shall be allocated as follows: Any payment from the Net Settlement Amount shall be allocated as 80% as penalties and interest; and 20% as wages. Any payment from the PAGA Amount shall be allocated as 100% penalties. The Settlement Administrator will be responsible for issuing to participating Settlement Class members IRS Forms W-2 for amounts deemed "wages" and IRS Forms 1099 for the amounts allocated as penalties and interest. Notwithstanding the treatment of the payments to each Settlement Class member above, none of the payments called for by this Settlement Agreement, including the wage portion, are to be treated as earnings, wages, pay or compensation for any purpose of any applicable benefit or retirement plan, unless required by such plans.

F. Each member of the Settlement Class who receives an Individual Settlement Payment must cash that check within 180 days from the date the Settlement Administrator mails it. Any funds payable to Settlement Class members whose checks are not cashed within 180 days after mailing shall be distributed to the Controller of the State of California to be held pursuant to the Unclaimed Property Law, California Civil Code § 1500 *et seq*., in the name of the Settlement Class member to whom the check was issued, until such time that they claim their property.

G. Neither Plaintiff nor Defendant shall bear any liability for lost or stolen checks, forged signatures on checks, or unauthorized negotiation of checks. Unless responsible by its own acts of omission or commission, the same is true for the Settlement Administrator.

5. **Attorneys' Fees and Costs.** Defendant will not object to Class Counsel's request for a total award of attorneys' fees of one-third of the Maximum Settlement Amount, which is currently estimated to be Sixty-Six Thousand Six Hundred and Sixty-Six Dollars and Sixty-Seven Cents ($66,666.67). Additionally, Class Counsel will request an award of actual costs and expenses as supported by declaration, in an amount not to exceed Thirty Thousand Dollars and Zero Cents ($30,000.00) from the Maximum Settlement Amount. These amounts will cover any and all work performed and any and all costs incurred in connection with the Action, including without limitation: all work performed and all costs incurred to date; and all work to be performed and costs to be incurred in connection with obtaining the Court's approval of this Settlement Agreement, including any objections raised and any appeals necessitated by those objections. Class Counsel will be issued an IRS Form 1099 by the Settlement Administrator when the Settlement Administrator pays the fee award allowed by the Court.

6. **Class Representative Enhancement Payment.** Defendant will not object to a request for a Class Representative Enhancement Payment of up to Ten Thousand Dollars and Zero Cents ($10,000.00) for Plaintiff, for his time and risk in prosecuting this case, and his service to the Settlement Class. This award will be in addition to Plaintiff's Individual Settlement Payment as a Settlement Class member, and shall be reported on an IRS Form 1099 issued by the Settlement Administrator. In the event that the Court reduces or does not approve the requested Class Representative Enhancement Payment, Plaintiff shall not have the right to revoke this Settlement, and it will remain binding.

7. **Settlement Administrator.** Defendant will not object to the appointment of Phoenix Settlement Administrators as Settlement Administrator. Defendant will not object to Plaintiff's request to the Court to pay up to Six Thousand Dollars and Zero Cents ($6,000.00) for the Settlement Administrator's services from the Maximum Settlement Amount. The Settlement Administrator shall be responsible for sending notices and for calculating Individual Settlement Payments and preparing all checks and mailings, calculating Defendant's share of taxes payable on the wages, which shall be deducted from the Maximum Settlement Amount, and other duties as described in this Settlement Agreement. The Settlement Administrator shall be authorized to pay itself from the Maximum Settlement Amount by Class Counsel only after Individual Settlement Payments have been mailed to all participating Settlement Class members. The Settlement Administrator shall also be responsible for posting the Final Judgment to its website.

8. **Preliminary Approval.** Within 30 days after execution of this Settlement Agreement by the Parties, Plaintiff shall apply to the Court for the entry of an Order:

A. Conditionally certifying the Settlement Class for purposes of this Settlement Agreement;

B. Appointing Paul K. Haines, Sean M. Blakely, and Joel M. Gordon of Haines Law Group, APC as Class Counsel;

C. Appointing Plaintiff Sergio Chavez Jr. as Class Representative for the Settlement Class;

D. Approving Phoenix Settlement Administrators as Settlement Administrator;

E. Preliminarily approving this Settlement Agreement and its terms as fair, reasonable, and adequate;

F. Approving the form and content of the Notice Packet (which is comprised of the Class Notice and Notice of Estimated Settlement Payment, drafts of which are attached hereto as **Exhibits A** and **B**, respectively), and directing the mailing of same to the Settlement Class in English with a Spanish translation; and

G. Scheduling a Final Approval hearing.

9. **Notice to Settlement Class.** Following preliminary approval, the Settlement Class shall be notified as follows:

A. Within ten (10) business days after entry of an order preliminarily approving this Settlement, Defendant will provide the Settlement Administrator with the names, addresses, phone numbers, social security numbers, positions held, and workweek information of each Settlement Class member while employed by Defendant during the Class Period (the "Class Data"). The Class Data shall be provided to the Settlement Administrator in an electronic format satisfactory to the Settlement Administrator.

B. Within ten (10) business days from receipt of the Class Data, the Settlement Administrator shall (i) run the names of all Settlement Class members through the National Change of Address ("NCOA") database to determine any updated addresses for Settlement Class members; (ii) update the address of any Settlement Class member for whom an updated address was found through the NCOA search; (iii) calculate the estimated Individual Settlement Payment for each Settlement Class member; and (iv) mail a Notice Packet to each Settlement Class member at his or her last known address or at the updated address found through the NCOA search, and retain proof of mailing.

C. <u>Requests for Exclusion.</u> Any Settlement Class member who wishes to opt-out of the Settlement must complete and mail a Request for Exclusion to the Settlement Administrator within sixty (60) calendar days of the date of the initial mailing of the Notice Packets (the "Response Deadline").

i. The Notice Packet shall state that Settlement Class members who wish to exclude themselves from the Settlement must submit a Request for Exclusion by the Response Deadline. The Request for Exclusion must: (1) contain the name, address, telephone number and the last four digits of the Social Security number of the Settlement Class member; (2) contain a statement that the Settlement Class member wishes to be excluded from the Settlement; (3) be signed by the Settlement Class member; and (4) be postmarked by the Response

Deadline and mailed to the Settlement Administrator at the address specified in the Class Notice. If the Request for Exclusion does not contain the information listed in (1)-(3), it will not be deemed valid for exclusion from the Settlement. The date of the postmark on the Request for Exclusion shall be the exclusive means used to determine whether a Request for Exclusion has been timely submitted. Any Settlement Class member who requests to be excluded from the Settlement Class will not be entitled to any recovery under this Settlement Agreement and will not be bound by the terms of the Settlement or have any right to object, appeal or comment thereon. Notwithstanding the foregoing, the PAGA settlement and release provisions will apply to all Settlement Class members whether or not they exclude themselves from the class action settlement. Settlement Class members who were employed by Defendant at any time during the PAGA Period and submit a valid and timely Request for Exclusion shall still be entitled to their portion of the PAGA Amount described above, and will release all PAGA Released Claims, whether they submit a valid and timely Request for Exclusion or not.

D. Objections. Members of the Settlement Class who do not request exclusion may object to this Settlement Agreement as explained in the Class Notice by filing a written objection with the Settlement Administrator (who shall serve all objections as received on Class Counsel and Defendant's counsel, as well as file all such objections with the Court). Defendant's counsel and Class Counsel shall file any responses to objections no later than the deadline to file the Motion for Final Approval, unless the objections are filed within ten (10) days of the Motion for Final Approval filing deadline, in which case Defendant's counsel and Class Counsel shall have ten (10) days from receipt of the objections to file a response to the objections. To be valid, any written objection must: (1) contain the objecting Settlement Class member's full name and current address, as well as contact information for any attorney representing the objecting Settlement Class member for purposes of the objection; (2) include all objections and the factual and legal bases for same; (3) include any and all supporting papers, briefs, written evidence, declarations, and/or other evidence; and (4) be postmarked no later than the Response Deadline. Members of the Settlement Class who do not request exclusion may also object to the Settlement by appearing at the Final Approval Hearing. Members of the Settlement class who request exclusion *may not* object to the Settlement.

E. Notice of Estimated Settlement Payment / Disputes. Each Notice Packet mailed to a Settlement Class member shall disclose the amount of the Settlement Class member's estimated Individual Settlement Payment as well as all of the information that was used from Defendant's records in order to calculate the Settlement Payment. Settlement Class members will have the opportunity, should they disagree with Defendant's records regarding the information stated in the Notice of Estimated Settlement Payment, to provide documentation and/or an explanation to show contrary information. Any such dispute, including any supporting documentation, must be mailed to the Settlement Administrator and postmarked by the Response Deadline. If there is a dispute, the Settlement Administrator will consult with the Parties to determine whether an adjustment is warranted. In the absence of any contrary documentation, the Settlement Administrator is entitled to presume that the workweeks contained in the Class Notice are correct so long as they are consistent with the Class Data. The Settlement Administrator shall determine the eligibility for, and the amounts of, any Individual Settlement Payments under the terms of this Settlement Agreement. The Settlement Administrator's determination of the eligibility for and amount of any Individual Settlement Payment shall be binding upon the Settlement Class member and the Parties.

F. Any Notice Packets returned to the Settlement Administrator as non-delivered on or before the Response Deadline shall be re-mailed to the forwarding address affixed thereto. If no forwarding address is provided, the Settlement Administrator shall make reasonable efforts, including utilizing a "skip trace," to obtain an updated mailing address within five (5) business days of receiving the returned Notice Packet. If an updated mailing address is identified, the Settlement Administrator shall resend the Notice Packet to the Settlement Class member immediately, and in any event within three (3) business days of obtaining the updated address. The address identified by the Settlement Administrator as the current mailing address shall be presumed to be the best mailing address for each Settlement Class member. It will be conclusively presumed that, if an envelope so mailed has not been returned within thirty (30) days of the mailing, the Settlement Class member received the Notice Packet. Settlement Class members to whom Notice Packets are re-mailed after having been returned as undeliverable to the Settlement Administrator shall have fourteen (14) calendar days from the date of re-mailing, or until the Response Deadline has expired, whichever is later, to submit a Request for Exclusion, Objection, or dispute. Notice Packets that are re-mailed shall inform the recipient of this adjusted deadline. If a Settlement Class member's Notice Packet is returned to the Settlement Administrator more than once as non-deliverable, then an additional Notice Packet shall not be mailed. Nothing else shall be required of, or done by, the Parties, Class Counsel, or Defendant's Counsel to provide notice of the proposed settlement.

G. <u>Weekly Reports</u>. The Settlement Administrator must, on a weekly basis, provide written reports to Class Counsel and Defense Counsel that, among other things, tally the number of: Class Notices mailed or re-mailed, Class Notices returned undelivered, Requests for Exclusion (whether valid or invalid) received, objections received, challenges to workweeks and/or PAGA pay periods received and/or resolved, and checks mailed for Individual Settlement Payments ("Weekly Report"). The Weekly Reports must include the Settlement Administrator's assessment of the validity of Requests for Exclusion and attach copies of all Requests for Exclusion and objections received.

10. **Final Approval.** Following preliminary approval and the close of the period for filing Requests for Exclusion, objections, or disputes under this Settlement Agreement, Plaintiff shall apply to the Court for entry of an Order:

A. Granting final approval of this Settlement Agreement, adjudging the terms thereof to be fair, adequate, and reasonable, and directing consummation of its terms and provisions;

B. Approving the Maximum Settlement Amount, the PAGA Amount, Plaintiff's and Class Counsel's request for attorneys' fees and reimbursement of costs, Class Representative Enhancement Payment, and settlement administration costs; and

C. Entering Final Judgment pursuant to California Rule of Court 3.769. Said Judgment shall be posted on the Settlement Administrator's website.

Settlement Administrator's Declaration. Not later than 14 days before the date by which Plaintiff is required to file the Motion for Final Approval of the Settlement, the Settlement Administrator will provide to Class Counsel and Defendant's Counsel, a signed declaration suitable for filing in Court attesting to its due diligence and compliance with all of its obligations under this Agreement, including, but not limited to, its mailing of the Class Notice, the Class Notices returned as undelivered, the re-mailing of Class Notices, attempts to locate Settlement Class members, the total number of Requests for Exclusion it received (both valid or invalid), the number of written objections and attach the list of names and other identifying information of Settlement Class members who have timely submitted valid Requests for Exclusion. The Settlement Administrator will supplement its declaration as needed or requested by the Parties and/or the Court. Class Counsel is responsible for filing the Settlement Administrator's declaration(s) in Court.

11. **Final Report by Settlement Administrator.** Within 10 days after the Settlement Administrator disburses all funds in the Maximum Settlement, the Settlement Administrator will provide Class Counsel and Defendant's Counsel with a final report detailing its disbursements by employee identification number only of all payments made under this Agreement. At least 14 days before any deadline set by the Court, the Administrator will prepare, and submit to Class Counsel and Defendant's Counsel, a signed declaration suitable for filing in Court attesting to its disbursement of all payments required under this Agreement. Class Counsel is responsible for filing the Settlement Administrator's declaration in Court.

12. **Non-Admission of Liability.** Nothing in this Settlement Agreement shall operate or be construed as an admission of any liability by Defendant or that class certification and/or representative treatment is appropriate in any context other than this Settlement. Each of the Parties has entered into this Settlement Agreement to avoid the burden and expense of further litigation. Pursuant to California Evidence Code Section 1152, this Settlement Agreement is inadmissible in any proceeding, except a proceeding to approve, interpret, or enforce this Settlement Agreement. If Final Approval does not occur, the Parties agree that this Settlement Agreement is void, but remains protected by the California Evidence Code Section 1152.

13. **Non-disclosure and Non-publication**. Plaintiff and Class Counsel agree not to disclose or publicize the Settlement Agreement contemplated herein, the fact of the Settlement Agreement, its terms or contents, or the negotiations underlying the Settlement Agreement, in any manner or form, directly or indirectly, to any person or entity, except to Settlement Class members and as

shall be contractually required to effectuate the terms of the Settlement Agreement as set forth herein. However, for the limited purpose of allowing Class Counsel to prove adequacy as class counsel in other lawsuits, Class Counsel may disclose the names of the Parties in this Action, the venue/case number of this Action, and a general description of the Action, to a court in a declaration by Class Counsel

14. **No Solicitation.** The Parties separately agree that they and their respective counsel and employees will not solicit any Settlement Class member to opt out of or object to the Settlement, or appeal from the Final Judgment. Nothing in this paragraph shall be construed to restrict Class Counsel's ability to communicate with Settlement Class members in accordance with Class Counsel's ethical obligations owed to Settlement Class members.

15. **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.

16. **Waiver and Amendment.** The Parties may not waive, amend, or modify any provision of this Settlement Agreement except by a written agreement signed by all of the Parties, and subject to any necessary Court approval. A waiver or amendment of any provision of this Settlement Agreement will not constitute a waiver of any other provision.

17. **Notices.** All notices, demands, and other communications to be provided concerning this Settlement Agreement shall be in writing and delivered by receipted delivery and by e-mail at the addresses set forth below, or such other addresses as either Party may designate in writing from time to time:

if to Defendant: Nadia P. Bermudez, of Meyers Nave, 600 B Street, Suite 1650, San Diego, CA 92101; nbermudez@meyersnave.com

if to Plaintiff: Paul K. Haines, Haines Law Group, APC, 2155 Campus Drive, Suite 180, El Segundo, California 90245; phaines@haineslawgroup.com.

18. **Cooperation**. The Parties agree to work cooperatively, diligently and in good faith to ensure that all documents necessary to effectuate this Settlement are properly and timely filed.

19. **Entire Agreement.** This Settlement Agreement contains the entire agreement between the Parties with respect to the Action contemplated hereby, and supersedes all negotiations, presentations, warranties, commitments, offers, contracts, and writings prior to the date hereof relating to the subject matters hereof. Further, all terms of this Agreement and the exhibits hereto shall be governed by and interpreted according to the laws of the State of California.

20. **Counterparts.** This Settlement Agreement may be executed by one or more of the Parties on any number of separate counterparts and delivered electronically, and all of said counterparts taken together shall be deemed to constitute one and the same instrument.

21. **Enforcement Action.** Consistent with the class action procedure, the Parties agree that the San Diego County Superior Court shall have jurisdiction to enforce this Settlement pursuant to California Code of Civil Procedure section 664.6, and California Rule of Court 3.769. In the event that one or more of the Parties institutes any legal action or other proceeding against any other Party or Parties to enforce the provisions of this Settlement or to declare rights and/or obligations under this Settlement, the successful Party or Parties will be entitled to recover from the unsuccessful Party or Parties reasonable attorneys' fees and costs, including expert witness fees incurred in connection with any enforcement actions.

DATED: ____________, 2024

DEFENDANT DORADO HOLDINGS, LLC

By:______________________________

Title:

DATED: Sep 12, 2024, 2024

PLAINTIFF SERGIO CHAVEZ JR.

By: Sergio Chavez

Sergio Chavez (Sep 12, 2024 11:25 PDT)

Plaintiff and Settlement Class Representative

APPROVED AS TO FORM:

DATED: ____________, 2024

MEYERS NAVE

By:______________________________

Nadia P. Bermudez
Attorneys for Defendant

DATED: September 12, 2024

HAINES LAW GROUP, APC

By: Sean Blakely

Paul K. Haines
Sean M. Blakely
Attorneys for Plaintiff

21. **Enforcement Action.** Consistent with the class action procedure, the Parties agree that the San Diego County Superior Court shall have jurisdiction to enforce this Settlement pursuant to California Code of Civil Procedure section 664.6, and California Rule of Court 3.769. In the event that one or more of the Parties institutes any legal action or other proceeding against any other Party or Parties to enforce the provisions of this Settlement or to declare rights and/or obligations under this Settlement, the successful Party or Parties will be entitled to recover from the unsuccessful Party or Parties reasonable attorneys' fees and costs, including expert witness fees incurred in connection with any enforcement actions.

DATED: 9/10, 2024

DEFENDANT DORADO HOLDINGS, LLC

By: ______________________
Title: MANAGING PARTNER

DATED: __________, 2024

PLAINTIFF SERGIO CHAVEZ JR.

By: ______________________
Plaintiff and Settlement Class Representative

APPROVED AS TO FORM:

DATED: 9/10, 2024

MEYERS NAVE

By: ______________________
Nadia P. Bermudez
Attorneys for Defendant

DATED: __________, 2024

HAINES LAW GROUP, APC

By: ______________________
Paul K. Haines
Sean M. Blakely
Attorneys for Plaintiff