AMENDED PAGA SETTLEMENT AGREEMENT

This Amended PAGA Settlement Agreement ("Agreement") is made by and between plaintiff Daniela Florentino ("Plaintiff") and defendant Denshaz, Inc. ("Defendant"). The Agreement refers to Plaintiff and Defendant collectively as "Parties," or individually as "Party."

1. DEFINITIONS.

1.1. "Action" means the Plaintiff's PAGA lawsuit alleging wage and hour violations on a PAGA representative basis against Defendant captioned *Daniela Florentino v. Denshaz, Inc.*, initiated on March 6, 2023, currently pending in the Los Angeles Superior Court, Case No. 23STCV04804.

1.2. "Administrator" means Phoenix Settlement Administrators, the neutral entity the Parties have agreed to appoint to administer the Settlement.

1.3. "Administration Expenses Payment" means the amount the Administrator will be paid from the Total Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator's "not to exceed" bid submitted to the Court in connection with approval of this Settlement.

1.4. "Approval Order and Final Judgment" and "Judgment" mean the Court Order Granting Approval of PAGA Settlement and Entering Final Judgment.

1.5. "Court" means the Superior Court of California, County of Los Angeles.

1.6. "Defense Counsel" means Beth Kahn and Susan Holley, MUSICK, PEELER & GARRETT LLP.

1.7. "Effective Date" means be the date on which the Court's order approving the settlement and its entry of judgment becomes Final.

1.8. "Final" shall mean: The Final Award "becomes final" only after the Court grants the Motion for PAGA Settlement Approval and upon service of the Notice of Entry of Order and/or Judgment, and upon the latter of: (i) if no appeal is filed, the expiration date of the time for the filing or noticing of any appeal from, or other challenge to, the Order Granting PAGA Settlement Approval and/or Judgment (this time period shall not be less than sixty (60) calendar days after the Court's Order/Judgment is entered); (ii) the date of affirmance of an appeal of the Order Granting PAGA Settlement Approval and/or Judgment becomes final under the California Rules of Court; or (iii) the date of final dismissal of any appeal from the Order Granting PAGA Settlement Approval and/or Judgment or the final dismissal of any proceeding on review of any court of appeal decision.

1.9. "LWDA" means the California Labor and Workforce Development Agency.

1.10. "LWDA PAGA Payment" means the 75% of the PAGA Penalties payable to the LWDA under Labor Code section 2699, subdivision (i).

1.11. "Notice of Settlement" means the notice that Settlement Group Members will receive setting forth information about the Settlement, as evidenced by Exhibit A to this Agreement and incorporated by reference into this Agreement.

1.12. "Net Settlement Amount" and "PAGA Penalties" mean the amount from the Total Settlement Amount that is available for distribution as the LWDA PAGA Payment and as Settlement Shares to Settlement Group Members after deductions for the following payments in the amounts approved by the Court: the PAGA Representative Payment, the PAGA Counsel Fees Payment, the PAGA Counsel Litigation Expenses Payment, and the Administration Expenses Payment. Pursuant to Labor Code section 2699, subdivision (i), the PAGA Penalties will be allocated 75% to the LWDA and 25% to the Settlement Group Members in settlement of PAGA claims.

1.13. "PAGA" means the Labor Code Private Attorneys General Act of 2004, Cal. Lab. Code § 2698 *et seq.*

1.14. "PAGA Counsel" means Koul Law Firm, APC, and Majarian Law Group, APC, the attorneys representing Plaintiff in the Action.

1.15. "PAGA Counsel Fees Payment" and "PAGA Counsel Litigation Expenses Payment" mean the amounts allocated to PAGA Counsel for reimbursement of reasonable attorneys' fees and expenses, respectively, incurred to prosecute the Action.

1.16. "PAGA Pay Period" means any Pay Period within the PAGA Period during which a Settlement Group Member worked for Defendant in a non-exempt position in California for at least one day.

1.17. "PAGA Period" means the period from December 27, 2021 up to and including January 13, 2025, subject to Defendant's option in Paragraph 8 below to shorten the release period in order to stay within the 10% cushion.

1.18. "PAGA Notice" means the Notice Letter to Defendant and the LWDA dated December 27, 2022, providing notice of the claims against Defendant pursuant to Labor Code section 2699.3, subdivision (a).

1.19. "PAGA Representative Payment" means the special payment made to Plaintiff to compensate him for initiating and pursuing the Action and undertaking the risk of liability for attorneys' fees and expenses in the event he was unsuccessful in the prosecution of the Action.

1.20. "Plaintiff" means Daniela Florentino, the named plaintiff in the Action.

1.21. "Released PAGA Claims" means the claims being released by Plaintiff, Aggrieved Employees, and PAGA Counsel and as described in Paragraph 5, below.

1.22. "Released Parties" shall include Defendants and each of their past, present, and future parents, subsidiaries, affiliated companies, agents, managing agents, employees, servants, officers, directors, owners (whether direct or indirect), franchisors, general partners, limited partners, trustees, representatives, shareholders, stockholders, members, mortgagees or ground lessors, attorneys, parents, subsidiaries, equity sponsors, related companies/corporations and/or partnerships, divisions, assigns, predecessors, successors, insurers, consultants, joint venturers, joint employers, potential and/or alleged joint employers, temporary staffing agencies, dual employers, potential and/or alleged dual employers, co-employers, potential and/or alleged co-employers, common law employers, contractors, affiliates, service providers, alter-egos, potential and/or alleged alter-egos, vendors, affiliated organizations, any person and/or entity with potential or alleged to have joint liability, and all of their respective past, present and future employees, directors, officers, members, owners, agents, representatives, payroll agencies, attorneys, stockholders, fiduciaries, parents, subsidiaries, other service providers, and assigns and any and all persons and/or entities acting under, by, through or in concert with any of them.

1.23. "Settlement" means the disposition of the Action effected by this Agreement and the Judgment.

1.24. "Settlement Group Members" means all current and former allegedly aggrieved employees who worked for Defendant as non-exempt, hourly employees in California during the PAGA Release Period.

1.25. "Settlement Group Member Address Search" means the Administrator's investigation and search for current Settlement Group Member 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 Settlement Group Members.

1.26. "Settlement Group Member Data" means Settlement Group Member identifying information in Defendant's possession including the Settlement Group Member's name, last-known mailing address, Social Security number and number of PAGA Pay Periods.

1.27. "Settlement Share" means a Settlement Group Member's pro rata share of 25% of the PAGA Penalties calculated according to the number of PAGA Pay Periods the Settlement Group Member worked.

1.28. "Defendant" means defendant Denshaz, Inc.

1.29. "Total Settlement Amount" means $200,000 (Two Hundred Thousand Dollars), which is the total amount Defendant agrees to pay under the Settlement. The Total Settlement Amount will be used to pay the Settlement Shares, the LWDA PAGA Payment, the PAGA Representative Payment, the PAGA Counsel Fees Payment, the PAGA Counsel Litigation Expenses Payment and the Administration Expenses Payment.

2. RECITALS.

2.1. Plaintiff Daniela Florentino filed her PAGA Notice letter on December 27, 2022. She filed a PAGA Complaint on March 6, 2023 ("Operative Complaint"). In the Operative Complaint and LWDA Notice, Plaintiff alleges Defendant is liable for (1) failing to pay for all hours worked, including overtime hours worked; (2) failing to pay wages due upon termination; (3) failing to provide rest breaks; (4) failing to provide uninterrupted meal breaks and second meal breaks; (5) failing to provide accurate itemized wage statements and violating record keeping requirements. Defendant denies the allegations in the Operative Complaint, denies any failure to comply with the law, and denies any and all liability for the causes of action alleged.

2.2. Pursuant to Labor Code section 2699.3, subdivision (a), Plaintiff gave timely written notice to Defendant and the LWDA.

2.3. On September 3, 2024, the Parties participated in an all-day mediation presides over by Kelly Knight, Esq., which led to this Agreement to settle the Action.

2.4. Prior to mediation, Defendant produced through informal discovery relevant documents, data, and information, including relevant policies and data reflecting the dates of employment, hours, and pay rates of Settlement Group Members, their hours worked, and the pay they received.

2.5. PAGA Counsel represents that they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement

3. MONETARY TERMS.

3.1. Total Settlement Amount. Except as provided in paragraph 8 below, Defendant promises to pay $200,000 (Two Hundred Thousand Dollars) and no more as the Total Settlement Amount. The Total Settlement Amount includes the Individual PAGA Payments to the Aggrieved Employees, the LWDA PAGA Payment, PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, the PAGA Representative Payment, and the Administration Expenses Payment. Defendant has no obligation to pay the Total Settlement Amount prior to the deadline stated in Paragraph 6.1 of this Agreement. The Administrator will disburse the entire Total Settlement Amount without asking or requiring Settlement Group Members to submit any claim as a condition of payment. None of the Total Settlement Amount will revert to Defendant.

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

3.2.1. To PAGA Counsel: A PAGA Counsel Fees Payment of not more than 33.33% of the Total Settlement Amount (which is currently estimated to be $66,660) and a PAGA Counsel Litigation Expenses Payment of not more than $30,000. Plaintiff and/or PAGA Counsel will file an application or motion for the PAGA Counsel Fees Payment and the PAGA Counsel Litigation Expenses Payment, and Defendant will not oppose requests for Court approval of these payments provided they do not exceed these amounts. If the Court approves a PAGA Counsel Fees Payment and/or a PAGA Counsel Litigation Expenses Payment of less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. Released Parties shall have no liability to PAGA Counsel or any other plaintiff's counsel arising from any claim to any portion of any PAGA Counsel Fees Payment and/or PAGA Counsel Litigation Expenses Payment. The Administrator will pay the PAGA Counsel Fees Payment and the PAGA Counsel Litigation Expenses Payment using one or more IRS 1099 Forms. PAGA Counsel assumes full responsibility and liability for taxes owed on the PAGA Counsel Fees Payment and the PAGA Counsel Litigation Expenses Payment and holds Defendant and the other Released Partied harmless, and indemnifies Defendant and the other Released Parties, from any dispute or controversy regarding any division or sharing of any of these Payments.

3.2.2. To Plaintiff: PAGA Representative Payment of not more than $7,500. Plaintiff and/or PAGA Counsel will file an application or motion for the PAGA Representative Payment, and Defendant will not oppose the request for Court approval of these payments provided they do not exceed this amount. If the Court approves PAGA Representative Payment of less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount. The Administrator will pay the PAGA Representative Payment using one or more IRS 1099 Forms. Plaintiff assumes full responsibility and liability for taxes owed on the PAGA Representative Payment.

3.2.3. To the Administrator: An Administrator Expenses Payment not to exceed $4,950 except for a showing of good cause and as approved by the Court. To the extent the Administration Expenses are less or the Court approves payment less than $4,950, the Administrator will retain the remainder in the Net Settlement Amount.

3.2.4. To the LWDA and Settlement Group Members: The Net Settlement Amount, of which 75% shall be allocated to the LWDA PAGA Payment and 25% shall be allocated to the Settlement Shares pursuant to Labor Code section 2699(i).

3.2.4.1. The Administrator will calculate each Settlement Share by (a) dividing the amount of the Settlement Group Members' 25% share of PAGA Penalties by the total number of PAGA Pay

Periods worked by all Settlement Group Members during the PAGA Period and (b) multiplying the result by each Settlement Group Member's PAGA Pay Periods. Settlement Group Members assume full responsibility and liability for any taxes owed on their Settlement Share.

3.2.4.2. No tax shall be withheld from the PAGA Payment, and the Administrator will report the Settlement Shares on IRS 1099 Forms.

3.2.4.3. If the Court approves PAGA Penalties of less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount. The Administrator will report the Individual PAGA Payments on IRS I099 Forms.

4. SETTLEMENT FUNDING AND PAYMENTS.

4.1. Settlement Group Members. The Parties estimate that as of the date of execution of this Agreement, there are approximately 322 Settlement Group Members.

4.2. Settlement Group Member Data. Within thirty (30) days after the date of the Approval Order and Final Judgment, Defendant will simultaneously deliver the Settlement Group Member Data to the Administrator in the form of a Microsoft Excel spreadsheet. To protect Settlement Group Members' privacy rights, the Administrator must maintain the Settlement Group Member Data in confidence, use the Settlement Group Member Data only for purposes of this Settlement and for no other purpose and restrict access to the Settlement Group Member Data to Administrator employees who need access to the Settlement Group Member Data to effect and perform under this Agreement. The Settlement Group Member Data shall not be shared with either Plaintiff or PAGA Counsel unless expressly approved by Defendant and Defense Counsel. Defendant has a continuing duty to immediately notify PAGA Counsel if it discovers that the Settlement Group Member Data omitted employee identifying information and to provide corrected or updated Settlement Group Member Data as soon as reasonably feasible. Without any extension of the deadline by which Defendant must send the Settlement Group Member Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Settlement Group Member Data.

4.3. Funding of Total Settlement Amount.

4.3.1. The Administrator will provide Defendant with wire transfer information within 7 days after the Effective Date.

4.3.2. Defendant will fund the Total Settlement Amount of $200,000 in two separate installments. The first installment will be in the amount of $100,000 ("First Installment") and shall be payable within thirty (30) calendar days following the Effective Date. The second installment will be in the amount of $100,000 ("Second Installment") and shall be payable within three months following the First Installment payment. The settlement will be considered "Fully Funded" upon payment of the Second Installment.

4.4. Payments from the Total Settlement Amount. Within 14 days after Defendant funds the First Installment, the Administrator will mail checks for all Settlement Shares and the PAGA Representative Payment. The amount remaining after all Settlement Shares and PAGA Representative Payment are paid will be allocated *pro rata* to the LWDA PAGA Payment, the Administration Expenses Payment, the PAGA Counsel Fees Payment, and the PAGA Counsel Litigation Expenses Payment. Disbursement of the PAGA Counsel Fees Payment, the PAGA Counsel Litigation Expenses Payment, and the PAGA Representative Payment shall not precede disbursement of Settlement Shares. The remaining amounts payable for he LWDA PAGA Payment, the Administration Expenses Payment, the PAGA Counsel Fees Payment, and the PAGA Counsel Litigation Expenses Payment, shall be distributed within 7 days of receipt of the Second Installment Payment.

4.4.1. The Administrator will issue checks for the Settlement Shares and send them to the Settlement Group Members via First Class U.S. Mail, postage prepaid, together with a copy of the Notice of Settlement completed by the Parties to reflect information regarding the Approval Order and Final Judgment. The face of each check shall prominently state the date (180 days after the date of mailing) when the check will be voided. The Administrator will cancel all checks not cashed by the void date. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database.

4.4.2. The Administrator must conduct a Settlement Group Member Address Search for all Settlement Group Members whose checks are returned undelivered without USPS forwarding address. Within 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 Settlement Group Member Address Search. The Administrator need not take further steps to deliver checks to Settlement Group Members whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Settlement Group Member whose original check was lost or misplaced if requested by the Settlement Group Member prior to the void date.

4.4.3. For any Settlement Group Member whose Settlement Share check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the California State Controller's Unclaimed Property Fund in the name of the Settlement Group Member.

4.4.4. The payment of Settlement Shares shall not obligate Defendant to confer any additional benefits or make any additional payments to the Settlement Group Members (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, Plaintiff, and Aggrieved Employees, will release claims against all Released Parties as follows:

5.1. Plaintiff's Release. In consideration of Plaintiff's awarded PAGA Representative Payment, Plaintiff's Settlement Share, and the other terms and conditions of the Settlement, as of the date the Settlement becomes Final and is fully funded as set forth in Paragraph 4.3, Plaintiff and her respective former and present spouses, representatives, agents, attorneys (including PAGA Counsel), heirs, administrators, successors, and assigns generally, releases and discharges any and all known and unknown claims against Defendant and the Released Parties. Plaintiff's Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, workers' compensation benefits that arose at any time, claims that cannot be released as a matter of law. Plaintiff acknowledges that Plaintiff may discover facts or law different from, or in addition to, the facts or law that Plaintiff now knows or believes to be true but agrees, nonetheless, that Plaintiff's Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiff's discovery of them.

5.1.1. Plaintiff's Waiver of Rights Under California Civil Code Section 1542. For purposes of Plaintiff's Release, Plaintiff expressly waives and relinquishes the provisions, rights, and benefits, if any, of section 1542 of the California Civil Code, which reads:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HER OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, AND THAT IF KNOWN BY HIM OR HER WOULD HAVE MATERIALLY AFFECTED HER OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

5.2. Release by Settlement Group Members and State of California: In consideration for their awarded portions of the Settlement Group Allocation, as of the date the Settlement becomes Final and is fully funded as set forth in Paragraph 4.3, the State of California, the LWDA, and all Settlement Group Members are 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 "Released PAGA Claims." "Released PAGA Claims" means all PAGA claims alleged or that could have reasonably been alleged arising out of the facts in the Operative Complaint and the LWDA Notice pursuant to PAGA that, occurred during the PAGA Period including, but not limited to, claims for: (1) failing to pay for all hours worked, including overtime hours worked; (2) failing to pay wages due upon termination; (3) failing to provide rest breaks or to pay rest period premiums; (4) failing to provide uninterrupted meal breaks and second meal breaks or to pay meal period premiums; (5) failing to provide accurate itemized wage statements and violating record keeping requirements. This release includes claims for PAGA civil penalties premised on California Labor Code sections 201, 202, 203, 204, 206, 206.5, 210, 216, 218, 218.6, 221, 223, 226, 226.7, 256, 510, 512, 558, 1194, 1197, 1197.1, 1198, and 1199 (the "Released PAGA Claims"). All Settlement Group Members will release the Released PAGA Claims and receive a Settlement Share.

5.3. Release of Attorneys' Fees:

Plaintiff, the State of California and all Aggrieved Employees release on behalf of themselves and their respective present and former representatives, attorneys, heirs, administrators, employees, agents, successors and assigns, the Released Parties from all claims for the PAGA Counsel Fees Payment and PAGA Counsel Expenses Payment incurred in connection with or any way related to, the Action, the PAGA Period facts stated in the Action, and the PAGA Notice, except for the right to enforce the provisions of settlement providing for the PAGA Counsel Fees Payment and PAGA Counsel Expenses Payment.

6. MOTION OR APPLICATION FOR APPROVAL OF SETTLEMENT.

The Parties agree to jointly prepare and file a stipulation or motion for approval of this Settlement.

6.1. <u>Joint Motion or Stipulation for Approval</u>. The Parties agree to jointly prepare and expeditiously finalizing and filing a motion or stipulation for approval of this Settlement and, if necessary, obtaining a prompt hearing date for the stipulation or motion and appearing in Court to advocate in favor of the stipulation or motion. PAGA Counsel is responsible for delivering the Court's Approval Order and Final Judgment Granting Approval of PAGA Settlement to the Administrator.

6.2. <u>Responsibilities of PAGA Counsel</u>. PAGA Counsel will prepare and deliver to Defense Counsel all documents necessary for obtaining approval of this Settlement under Labor Code section 2699, subdivision (f)(2), including (a) a signed declaration from the Administrator attaching its "not to exceed" bid for administering the Settlement and attesting to its willingness to serve; competency; operative procedures for protecting the security of Settlement Group Member Data; amounts of insurance coverage for any data breach, defalcation of funds or other misfeasance; all facts relevant to any actual or potential conflicts of interest with Settlement Group Members or the LWDA; and the nature and extent of any financial relationship with Plaintiff, PAGA Counsel or Defense Counsel; (b) a signed declaration by PAGA Counsel attesting to their timely transmission to the LWDA of all necessary documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), Operative Complaint (Labor Code section 2699, subd. (1)(1)), this Agreement (Labor Code section 2699, subd. (1)(2)); and (iv) and all facts relevant to any actual or potential conflict of interest with Settlement Group Members and/or the Administrator; and (c) a signed declaration by Plaintiff attesting to all facts relevant to any actual or potential conflict of interest with Settlement Group Members and/or the Administrator.

6.3. Duty to Cooperate. If the Parties disagree on any aspect of the proposed application or motion for approval of this Settlement and/or the supporting declarations and documents, PAGA Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant approval of this Settlement or conditions its approval on any material change to this Agreement, PAGA Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns.

7. SETTLEMENT ADMINISTRATION.

7.1. Selection of Administrator. The Parties have jointly selected Phoenix Settlement Administrators, to serve as the Administrator and verified that, as a condition of appointment, Phoenix Settlement Administrators, agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Expenses. 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.

7.2. Employer Identification Number. The Administrator shall have and use its own Employer Identification Number for purposes of calculating payroll tax withholdings and providing reports to state and federal tax authorities.

7.3. 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.

7.4. 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.

8. AGGRIEVED EMPLOYEE SIZE ESTIMATES AND ESCALATOR CLAUSE

Based on its records, as of September 3, 2024, Defendant calculated that there were approximately 322 non-exempt employees that would be Settlement Group Members and they worked approximately 9,329 pay periods. If the number of pay periods during the PAGA Release Period exceeds 9,329 pay periods by more than 10%, the Gross Settlement Amount will increase by a proportionate percentage (i.e., if the pay periods increased by

12%, the Gross Settlement Amount would increase by 2%). In the alternative, Defendant may elect to shorten the release period in order to stay within the 10% cushion.

9. 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.

9.1. Waiver of Right to Appeal. Provided the Judgement is consistent with the terms and conditions of this Agreement, the Parties waive all appeals from the Court's approval of the Settlement unless the Court materially modifies the Settlement, except that Plaintiff and PAGA Counsel may appeal from an order by the Court that reduces the amounts sought for the PAGA Representative Payment, the PAGA Counsel Fees Payment and/or the PAGA Counsel Litigation Expenses Payment. Such an order or affirmance of such an order will not entitle Plaintiff to avoid the Settlement or obtain an increased Total Settlement Amount. Defendant's payment obligations under the Settlement will be suspended pending an appeal of the Judgment. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals. If another party appeals the Judgment, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect the amount of the Total Settlement Amount.

9.2. Settlement Group Members. There is no statutory right for any Settlement Group Member to object, opt out, or otherwise exclude himself or herself from the Settlement. Further, there is no right or opportunity for any Settlement Group Member, with the exception of Plaintiff, to appeal the approval of the Settlement by the Court.

9.3. Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a material modification of this Agreement (including, but not limited to, the scope of release to be granted by Aggrieved Employees), this Agreement shall be null and void. The Parties shall nevertheless expeditiously work together in good faith to address the appellate court's concerns and try to obtain approval of the Settlement and entry of Judgment, sharing, on a 50-50 basis, any additional Administration Expenses reasonably incurred after remittitur. An appellate decision to vacate, reverse, or modify the Court's award of any payments to PAGA Counsel shall not constitute a material modification of the Judgment within the meaning of this paragraph, as long as the Total PAGA Settlement Amount remains unchanged.

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 Defendant that any of the allegations in the PAGA Notices or Operative Complaint have merit or that Defendant has any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that Defendant's defenses in the Action have merit. The Parties agree that representative treatment is for purposes of this Settlement only. If for any reason the Court does not approve this Settlement, Defendant reserves all available defenses to the claims in the Action, and Plaintiff reserves the right to contest Defendant's 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 to support a defense of res judicata, collateral estoppel, release, or other theory of claim or issue preclusion or similar defense as to the claims being released in this PAGA Settlement Agreement).

10.2. Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibit 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.

10.3. Attorney Authorization. PAGA Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiff and Defendant, 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. Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying the Settlement Agreement, submitting supplemental evidence and supplementing points and authorities as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of a mediator and/or the Court for resolution.

10.5. 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.

10.6. No Tax Advice. Neither Plaintiff, PAGA Counsel, Defendant nor Defense Counsel are 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.

10.7. Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed or waived only by an express written instrument signed by all Parties or their representatives, and approved by the Court.

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

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

10.10. 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.

10.11. Confidentiality and Press Releases. Plaintiff and Plaintiff's attorneys agree not to issue any press or other media releases or talk to the press or media regarding the Settlement, and Plaintiff's attorneys agree not to publicize the Settlement on their website or social media. In addition, prior to filing of the motion for approval of the Settlement, Plaintiff and Plaintiff's attorneys will not have any communication regarding the Settlement with anyone other than family members, clients, Settlement Group Members, financial advisors, retained experts, and vendors related to settlement administration. To the extent permitted by law, all agreements made, and orders entered during Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.

10.12. Use and Return of Settlement Group Member Information and Data. Information provided to PAGA Counsel pursuant to Evidence Code section 1152, and all copies and summaries of Settlement Group Member information and data provided to PAGA Counsel by Defendant in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and for no other purpose, and may not be used in any way that violates any existing contractual agreement, statute or California Rules of Court rule. Not later than 90 days after the Administrator discharges its obligation to distribute all Settlement funds, PAGA Counsel shall destroy all paper and electronic versions of Settlement Group Member information received from Defendant unless, prior to the Administrator's distribution of all Settlement funds, Defendant makes a written request to PAGA Counsel for the return, rather than the destruction, of Settlement Group Member information and data.

10.13. 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.

10.14. 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 business day thereafter.

10.15. 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:

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nazo@koullaw.com
KOUL LAW FIRM
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T (213) 629-7786
F (213) 624-1376

10.16. Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (*e.g.*, DocuSign), or email which for purposes of this Agreement shall be accepted as an original. 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.

10.17. Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that pursuant to Code of Civil Procedure section 583.330 to extend the date to bring a case to trial under Code of Civil Procedure section 583.310 for the entire period of this settlement process. In the event the settlement is not finally approved, or is terminated, cancelled or fails to become effective for any reason, the Parties shall revert back to their respective positions as of before entering into the settlement. The Parties shall cooperate in good faith to secure a court order staying the Action and all deadlines, pending implementation of the settlement. If the Court denies approval of the settlement, the Parties will resume litigation.

IN WITNESS HEREOF, the Parties hereto knowingly and voluntarily execute this PAGA SETTLEMENT AGREEMENT as of the dates indicated below:

PLAINTIFF DANIELA FLORENTINO

Dated: 4/25/2025 ________________________

Signed by:
089BA06DBA054C4...

DEFENDANT DENSHAZ, INC.

Dated: ________________________ ________________________

By:
Its:

APPROVED AS TO FORM ONLY:

KOUL LAW FIRM, APC

Dated: 4/27/2025 ________________________

DocuSigned by:
Nazo Koulloukian
5F97388C1D414C7...

Nazo Koulloukian
Attorney for Plaintiff

MUSICK, PEELER & GARRETT LLP

Dated: ________________________ ________________________

Beth Kahn
Susan Holley
Attorneys for Defendant

deadlines, pending implementation of the settlement. If the Court denies approval of the settlement, the Parties will resume litigation.

IN WITNESS HEREOF, the Parties hereto knowingly and voluntarily execute this PAGA SETTLEMENT AGREEMENT as of the dates indicated below:

PLAINTIFF DANIELA FLORENTINO

Dated: ______________________ ______________________________

DEFENDANT DENSHAZ, INC.

Signed by:

Farooq Ghias

E8303DD321B9473...

Dated: 5/5/2025

By: Farooq Ghias

Its: Owner

APPROVED AS TO FORM ONLY:

KOUL LAW FIRM, APC

Dated: ______________________ ______________________________

Nazo Koulloukian
Attorney for Plaintiff

MUSICK, PEELER & GARRETT LLP

Susan Holley

Dated: May 7, 2025

Beth Kahn
Susan Holley
Attorneys for Defendant

EXHIBIT A

[Date], 202__

[Settlement Administrator Name]
[Settlement Administrator Address]

[Employee Name]
[Employee Street Address]
[City, State Zip]

Re: **Notice of PAGA Settlement Payment**

Dear Current or Former Denshaz, Inc. Employee:

You have received this notice because Denshaz, Inc. ("Defendant") records indicate that you work or have worked for Defendant in California at some time between December 27, 2021 up to and including January 13, 2025 (the "PAGA Period"). This notice relates to the settlement of a lawsuit titled *Daniela Florentino v. Denshaz, Inc.*, filed in the Los Angeles Superior Court, Case No. 23STCV04804 (the "Lawsuit").

In the Lawsuit, Plaintiff Daniela Florentino ("Plaintiff") seeks civil penalties pursuant to the California Private Attorneys General Act ("PAGA"), a law which allows a Plaintiff to attempt to recover penalties on behalf of the State of California and on behalf of employees who Plaintiff claims were "aggrieved" by alleged wage and hour violations.

Defendant strongly disputes all of Plaintiff's allegations and maintains that it has fully complied with all applicable wage and hour laws. The Court has not issued any ruling regarding the merits of the Lawsuit. Nonetheless, to avoid the cost and distraction of litigation, Defendant has made a business decision to settle the Lawsuit, which settlement has been approved by the Court.

The enclosed settlement check represents your portion of the Court-approved PAGA settlement. You will not be retaliated against for cashing your check. Checks that are not cashed within 180 days of issuance will be voided and the funds will be transmitted to the California State Controller Unclaimed Payment Fund in your name. You may search for and claim unclaimed funds by visiting: https://www.sco.ca.gov/search_upd.html

Regardless of what you do with the settlement check, you will have released claims for penalties arising under PAGA as asserted in the Lawsuit. This settlement does not release any claims for wages you may have against Defendant

If you have any questions about this notice, please contact the Settlement Administrator, [NAME] at <<number/email>>.

THIS NOTICE IS NOT AN EXPRESSION OF ANY OPINION BY THE COURT AS TO THE MERITS OF THE CLAIMS OR DEFENSES BY EITHER SIDE IN THE LAWSUIT. PLEASE DO NOT CONTACT THE COURT REGARDING THIS CASE.