

PAGA SETTLEMENT AND RELEASE AGREEMENT

This PAGA Settlement and Release Agreement (hereinafter “Settlement” or “Agreement”) is made and entered into by and between Plaintiff Chase Hunter (hereinafter “Plaintiff”) on behalf of himself and as an authorized proxy and agent for the State of California and the Labor and Workforce Development Agency pursuant to Labor Code section 2698 *et seq.*, the Labor Code Private Attorneys’ General Act (“PAGA”) on the one hand, and Defendant Veolia WTS Services USA, Inc. f/k/a SUEZ WTS Services USA, Inc. (“Defendant” or “VWTS”), on the other hand. Plaintiff and Defendant are collectively referred to herein as “the Parties.”

1. THE CONDITIONAL NATURE OF THIS AGREEMENT

1.1 This Agreement and all associated exhibit(s) or attachment(s) are made for the purpose of settling the Covered Claims, as described herein, in the Action. This Agreement and the settlement it evidences are made in compromise of disputed claims. The Parties enter into this Agreement and associated settlement on a conditional basis. If the Court does not enter the Approval Order and Final Judgment and/or the Effective Date does not occur, this Agreement shall be deemed null and void *ab initio*, it shall be of no force or effect whatsoever, it shall not be referred to or utilized for any purpose whatsoever, and the negotiation of the Agreement shall remain subject to the provisions of California Evidence Code section 1152 and any other analogous rules of evidence that are applicable.

1.2 Defendant denies all the allegations asserted in the Complaint, and any amendments thereto, and also denies any claims for relief, including claims for penalties, attorneys’ fees, and costs of suit. Defendant has agreed to resolve Plaintiff’s claims and causes of action for violations of the PAGA [Labor Code §§ 2698 *et seq.*] via this Agreement, but to the extent this Agreement is not approved or the Effective Date does not occur, Defendant does not waive, but rather expressly reserves, all rights to challenge Plaintiff’s Complaint(s) and LWDA Letter upon all procedural and factual grounds, as well as asserting any and all other potential defenses or privileges. Plaintiff and PAGA Counsel agree that Defendant retains and reserves these rights, and agree not to argue or present any argument, and hereby waive any argument that, based on this

Agreement, Defendant cannot assert any and all potential defenses and privileges if this Action were to proceed. The Parties further agree that this Agreement does not constitute an initial violation of PAGA by Defendant.

2. NATURE OF ACTION

2.1 For purposes of this Settlement, the Aggrieved Employees or PAGA Members are defined as all current or former non-exempt/hourly-paid employees who are or previously were employed by Defendant in the State of California between December 12, 2021 and the date a signed order approving the Settlement is filed (the “PAGA Period”).

2.2 Through informal discovery, Defendant provided Plaintiff and PAGA Counsel with sample payroll records and information about the total number of Pay Periods, estimated at 7,542 for the time period of December 12, 2021 through November 30, 2023. The total number of PAGA Members employed by Defendant during the time period of December 12, 2021 through November 30, 2023 also was estimated to be 191.

2.3 VWTS was Plaintiff’s employer, and this Agreement settles PAGA claims and causes of action for employees of VWTS, as defined, as well as all those entities and parties included in the definition of Released Parties.

3. DEFINITIONS

3.1 “Action” or “Lawsuit” means the civil action pending in San Diego County Superior Court entitled, *Chase Hunter v. SUEZ WTS Services USA, Inc.*, San Diego County Superior Court Case No. 37-2023-00007205-CU-OE-CTL, initiating the Action, and any future amendments thereto, including the First Amended Complaint that Plaintiff will file as a condition of this Settlement, as set forth below.

3.2 “Aggrieved Employee,” “Aggrieved Employees,” “PAGA Member” or “PAGA Members” mean all current or former non-exempt/hourly-paid employees who are or previously were employed by Defendant in the State of California during the PAGA Period.

3.3 “Aggrieved Employee Share” means each Aggrieved Employee’s share of the 25% of PAGA penalties allocated to the Aggrieved Employees in accordance with Labor Code

section 2699(i).

3.4 “Approval Date” means the date that the Court enters the Approval Order.

3.5 “Approval Motion” or the “Joint Stipulation and Proposed Order for Approval of Settlement” means the pleading that Plaintiff will submit to the Court and requesting that the Court approve the Settlement.

3.6 “Approval Order” means an Order from the Court approving this PAGA Settlement and Release Agreement.

3.7 “Complaint” collectively means all complaints and amendments in the Action, including the complaint Plaintiff Chase Hunter filed on February 15, 2023 (San Diego County Superior Court Case No. 37-2023-00007205-CU-OE-CTL), initiating the Action, and any future amendments thereto, including the First Amended Complaint that Plaintiff will file as a condition of this Settlement, as set forth below.

3.8 “Court” means the San Diego County Superior Court.

3.9 “Counsel for Defendant(s)” and “Defense Counsel” means Seyfarth Shaw LLP.

3.10 “Covered Claims” includes any and all PAGA claims or causes of action of whatever kind or nature which occurred during the PAGA Period that were alleged, or that reasonably could have been alleged (including a claim for alleged violations of the California Healthy Workplace Healthy Family Act of 2014, including claims for alleged violations of California Labor Code sections 233, 234, and 246.5), based on the facts alleged in the Action, Plaintiff’s LWDA Letter, and Plaintiff’s Amended LWDA Letter, regardless of theory of recovery.

3.11 “Defendant” means Veolia WTS Services USA, Inc. f/k/a SUEZ WTS Services USA, Inc.

3.12 “Effective Date” means the date upon which both of the following have occurred: (i) final approval of the Settlement is granted by the Court, or other court assuming jurisdiction of the Action, and (ii) the Court’s Judgment approving the Settlement becomes Final. “Final” shall mean the latest of: (i) if there is an appeal of the Court’s Judgment, the date the Judgment is

affirmed on appeal, the date of dismissal of such appeal, or the expiration of the time to file a petition for review to the California Supreme Court, or, (ii) if a petition for review is filed, the date of the California Supreme Court denies the petition for review or decides not to respond and take no action, or the date the Judgment is affirmed pursuant to such petition; or (iii) if no appeal is filed, the expiration date of the time for filing or noticing any appeal of the Judgment.

3.13 “LWDA Letter” means the notice that Plaintiff sent to the California Labor & Workforce Development Agency (“LWDA”) relating to alleged violations against SUEZ WTS SERVICES USA, INC., Veolia North America, LLC, and Veolia Water North America, LLC on or about December 12, 2022, and any future amendments thereto, including the Amended LWDA Letter that Plaintiff will submit to the LWDA as a condition of this Settlement, as set forth below.

3.14 “PAGA” means the California Labor Code Private Attorneys’ General Act of 2004, codified at Cal. Lab. Code § 2698 *et seq.*

3.15 “PAGA Counsel” means the Mashiri Law Firm, APC and The Jami Law Firm P.C.

3.16 “PAGA Penalties” means the portion of the Total Settlement Amount (after excluding PAGA Counsel’s fees and costs, and Settlement Administration Costs) that represents the amount payable in this settlement for PAGA Penalties, 75% of which will be paid to the Labor and Workforce Development Agency (“LWDA”) and 25% of which will be paid to the PAGA Members. All PAGA Members will receive a monetary payment from the PAGA Penalties based on the number of Pay Periods they worked in California during the PAGA Period as a percentage of the total number of Pay Periods worked by all PAGA Members during the PAGA Period:

- a. “Total Pay Periods” will be the total number of Pay Periods worked by all PAGA Members as employees for Defendant in California during the PAGA Period according to Defendant’s business records.
- b. “Individual Pay Periods Worked” will be the total number of Pay Periods worked by an individual PAGA Member for Defendant during the PAGA Period according to Defendant’s business records. For purposes of this

Agreement, any part of a Pay Period worked by a PAGA Member within the PAGA Period shall be counted as one Pay Period.

- c. Each PAGA Member's "Individual PAGA Payment" will be calculated by dividing a PAGA Member's Individual Pay Periods Worked by the Total Pay Periods and multiplying this result by PAGA Penalties for Individual Pay Periods Worked determined by the Parties.
- d. The Individual PAGA Payments will be allocated 100% as civil penalties. PAGA Members will be issued Form 1099s for their shares of PAGA Penalties.

3.17 "PAGA Period" means the period from December 12, 2021 and the date a signed order approving the Settlement is filed.

3.18 "PAGA Representative" means Plaintiff Chase Hunter.

3.19 "Qualified Settlement Fund" or "QSF" means a qualified settlement fund established by the Settlement Administrator for the purpose of administering the settlement.

3.20 "Released Parties" means Defendant and all of its present and former parent companies, subsidiaries, affiliates, owners, investors, shareholders, officers, directors, employees, agents, servants, registered representatives, attorneys, insurers, successors, clients (up to and including the entities originally named as defendants in Plaintiff's Complaint and LWDA Letter: Veolia North America, LLC and Veolia Water North America LLC), customers, and assigns.

3.21 "Settlement" and "Agreement" means this PAGA Settlement and Release Agreement.

3.22 "Settlement Administrator" means Phoenix Class Action Administration Solutions.

3.23 "Settlement Administration Costs" means the amount to be paid to the Settlement Administrator for the cost of administering this settlement, which are currently estimated to be

approximately \$3,000. The Settlement Administration Costs shall include: all costs of administering the Settlement, including, but not limited to, administering the Qualified Settlement Fund; all tax document preparation, custodial fees, and accounting fees incurred by the Settlement Administrator; all costs and fees associated with preparing, issuing and mailing any and all communications to PAGA Members; all costs and fees associated with issuing the individual payments to PAGA Members and the payments to the State of California LWDA; all costs and fees associated with issuing IRS Form 1099s (to the extent any are required by applicable law), relating to payments made under the settlement; and all costs and fees associated with preparing any tax returns and any other filings required by any governmental taxing authority or agency; all costs and fees associated with preparing any other notices, reports, or filings to be prepared in the course of administering the settlement, and any other costs and fees incurred and/or charged by the Settlement Administrator in connection with the execution of its duties under this Agreement.

3.24 “Total Settlement Amount” or “TSA” means Two Hundred Twenty Thousand Dollars and 00/100 Cents (\$220,000.00) that Defendant is obligated to pay under the terms of the proposed settlement. The TSA is non-reversionary, such that the entire amount will be disbursed and none will revert to Defendant. The TSA includes the PAGA Payment (as defined below), PAGA Counsel’s attorney’s fees (not to exceed 33 and 1/3 percent of the Total Settlement Amount) and costs (not to exceed \$15,000), and Settlement Administration Costs. In no circumstance will Defendant be required to pay more than \$220,000.00 as part of or in connection with this Agreement.

4. **REPRESENTATIONS**

4.1 Plaintiff alleges on behalf of the State of California, among other things, that he and the other Aggrieved Employees had suffered claims for 1) failure to pay accurate sick leave wages; 2) failure to provide compliant meal periods; 3) failure to pay premium compensation for failure to provide compliant meal and rest periods; 4) failure to pay accurate overtime compensation because not all compensation, including shift differentials, was included when determining the regular rate of pay; 5) failure to provide wage statements accurately stating

proper gross wages; 6) failure to provide wage statements accurately stating net wages earned; 7) failure to provide accurate wage statements itemizing all hourly rates, including sick pay wages, meal and rest period premium wages, and overtime wages; 8) failure to keep accurate wage statements; 9) failure to timely pay all earned wages during an applicable pay period in violation of Labor Code section 204; 10) failure to pay all wages timely upon termination; and 11) failure to provide Plaintiff's payroll and personnel records upon request. Plaintiff alleges that this underlying conduct gives rise to a claim pursuant to PAGA. Defendant denies all of the allegations made by Plaintiff.

4.2 The Parties exchanged meaningful information and documents through informal discovery for the mediation including policies and practices, information about the number of Aggrieved Employees, a sample of time and payroll records for Aggrieved Employees, and the number of Pay Periods at issue during the PAGA Period.

4.3 Defendant denies any liability or wrongdoing of any kind associated with the claims alleged in the Lawsuit and denies any liability or intentional wrongdoing. Defendant contends, among other things, that it has complied at all times with the California Labor Code, the related California Wage Orders, and all other state and federal wage laws, and further contends that the Lawsuit is without merit and that Plaintiff cannot pursue claims, if any, against Defendant. Defendant has denied and continues to deny each and every material factual allegation and alleged claim asserted against it in the Lawsuit. Defendant further contends that the imposition of any penalties would be unjust, arbitrary, oppressive, and confiscatory. Nevertheless, Defendant is willing to resolve this matter in accordance with the terms set forth herein.

4.4 The Parties recognize that the issues presented in the Lawsuit are likely only to be resolved with extensive and costly pretrial and trial proceedings (including litigation over Plaintiff's agreement to arbitrate his claims), and that further litigation will cause inconvenience, distraction, disruption, delay, and expense disproportionate to the potential benefits of litigation. The Parties have taken into account the risk and uncertainty of the outcome inherent in any litigation.

4.5 Plaintiff and PAGA Counsel contend that they have diligently pursued an investigation of the State of California's claims under PAGA against Defendant.

4.6 Based on their own independent investigations and evaluations, Plaintiff and PAGA Counsel are of the opinion that the settlement for the consideration and on the terms set forth in this Agreement is fair, reasonable, and adequate and is in the best interests of the Plaintiff, the Aggrieved Employees, and the State of California in light of all known facts and circumstances and the risks inherent in litigation, including the potential appellate issues. Further, PAGA Counsel believes that the settlement amount entered into is in the best interests of the Aggrieved Employees and the State of California and that the settlement is fair, reasonable, and adequate, given the inherent risk of litigation.

4.7 The purpose of this Settlement is to settle and compromise the Lawsuit and all Covered Claims that Plaintiff, the State of California, and the Aggrieved Employees have under PAGA against Defendant and the Released Parties. Neither the existence of this Settlement nor anything contained in this Settlement shall be construed or deemed as an admission of liability, culpability, negligence, or wrongdoing on the part of Defendant or the Released Parties. Nothing herein shall constitute an admission by Defendant or the Released Parties that the Lawsuit was properly brought as a representative action other than for settlement purposes. Settlement of the Lawsuit, the negotiation and execution of this Settlement, and all acts performed or documents executed pursuant to or in furtherance of this Settlement or the settlement of the Lawsuit: (a) are not, shall not be deemed to be, and may not be used as, an admission or evidence of any wrongdoing or liability on the part of Defendant or the Released Parties or of the truth of any of the factual allegations in the operative Complaint in the Lawsuit; (b) are not, shall not be deemed to be, and may not be used as, an admission or evidence of any fault or omissions on the part of Defendant or the Released Parties in any civil, criminal, or administrative proceeding in any court, administrative agency, or other tribunal; (c) are not, shall not be deemed to be, and may not be used as, an admission or evidence of the appropriateness of these or similar claims for representative treatment, or administration other than for purposes of administering this

Settlement; and (d) shall not constitute or be deemed a waiver of Defendant's or the Released Parties' right to compel arbitration of any dispute with an Aggrieved Employee.

4.8 This Settlement shall be binding on Plaintiff, the Aggrieved Employees he represents (as defined herein), and on the Defendant and the Released Parties, subject to the terms and conditions hereof and the approval of the Court.

4.9 In order to comply with the requirements of Labor Code Section 2699(I), Plaintiff shall submit an Approval Motion and request that the Court approve the Settlement. PAGA Counsel shall prepare the draft Approval Motion within a reasonable time and shall provide Defendant the draft Approval Motion at least six days prior to filing so that Defendant can review and make comments on the Approval Motion. Plaintiff shall reasonably consider Defendant's comments. The Settlement is contingent upon the approval by the Court. If the Court denies the Approval Motion due to concerns that the Parties cannot address through non-material modifications of this Agreement, (i) this Settlement shall be considered null and void; (ii) neither this Agreement nor any of the related negotiations or proceedings shall be of any force or effect; and (iii) all Parties to this Agreement shall stand in the same position, without prejudice, as if this Settlement had been neither entered into nor filed with the Court. Invalidation of any material portion of this Settlement, except for the amount of attorneys' fees and costs, shall invalidate this Settlement in its entirety unless the Parties shall subsequently agree in writing that the remaining provisions shall remain in full force and effect. The Parties agree to abide by all of the terms of the Settlement in good faith and to support the Settlement fully and to use their best efforts to defend this Settlement from any legal challenge, whether by appeal or collateral attack. The Parties shall make all possible good faith efforts to resolve any issues raised by the Court during the approval process.

4.10 In the event that the Court does not grant the Approval Motion after three attempts to address any issues raised by the Court to the satisfaction of all Parties (unless all of the Parties agree in writing to proceed with additional attempts), the Parties will be restored to their respective positions prior to attending mediation on December 7, 2023. The Parties reserve all

substantive and procedural arguments in the event that the Court does not approve this Settlement.

5. TERMS OF SETTLEMENT

The Parties to the Action agree as follows:

5.1 **Agreement to Settle Lawsuit and the Covered Claims.** In consideration of the mutual covenants, promises, and representations set forth in this Settlement, Plaintiff, on behalf of the State of California as Private Attorney General as well as the Aggrieved Employees, and Defendant agree to settle and compromise the Lawsuit and the Covered Claims, subject to the terms and conditions set forth in this Settlement.

5.2 **Filing of Amended LWDA Letter and First Amended Complaint.** Within fifteen (15) calendar days of the Parties' execution of this Agreement, Plaintiff will submit to the LWDA an "Amended LWDA Letter" adding claims for alleged violations of the California Healthy Workplace Healthy Family Act of 2014, including claims for alleged violations of California Labor Code sections 233, 234, and 246.5. Plaintiff agrees to provide Defendant with an electronic copy of the Amended LWDA Letter immediately upon submission to the LWDA. Within fifteen (15) calendar days after the expiration of the 65-day waiting period following Plaintiff's submission of the Amended LWDA Letter, Plaintiff will file in Court a First Amended Complaint adding claims for alleged violations of PAGA for violations of the California Healthy Workplace Healthy Family Act of 2014, including claims for alleged violations of California Labor Code sections 233, 234, and 246.5. Plaintiff agrees to provide Defendant with an electronic copy of the First Amended Complaint immediately upon filing with the Court. Before filing the Amended LWDA Letter or First Amended Complaint, Plaintiff will (a) provide Defendant with a reasonable time of no less than three (3) business days to review and provide comments or revisions to the draft Amended LWDA Letter and First Amended Complaint, and (b) consider and incorporate in good faith Defendant's comments or revisions into the Amended LWDA Letter and First Amended Complaint.

5.3 **Total Settlement Amount ("TSA").** As consideration for the settlement described herein and the release contained in this Settlement, Defendant agrees to pay the TSA

of Two Hundred Twenty Thousand Dollars and Zero Cents (\$220,000.00) to resolve this Action. The TSA will be allocated as follows:

- (a) PAGA Counsel's attorneys fee request of one-third of the TSA (\$73,333.33);
- (b) PAGA Counsel's request for costs in the amount of up to \$15,000.00;
- (c) Settlement Administration Costs of \$3,000 to be paid to the Settlement Administrator (administration costs shall not exceed the amount estimated by the bid submitted by the Settlement Administrator to administrate the Settlement); and,
- (d) the remainder of the TSA after deducting the items (a), (b), and (c) herein shall be designated as the PAGA Payment, which is estimated to be \$128,666.67 and will be allocated between the LWDA and the Aggrieved Employees pursuant to Labor Code section 2699(i) with 75% paid to the LWDA (\$96,500.00) and 25% paid to the Aggrieved Employees on a pro-rata basis (\$32,166.67).

5.4 **Allocation and Calculation of the PAGA Payment.** The anticipated total PAGA Payment will be approximately \$128,666.67. Seventy-five percent (75%) of the PAGA Payment will be paid to the LWDA as required by Labor Code section 2699(i). The remaining twenty-five percent (25%) of the PAGA Payment will be distributed to Aggrieved Employees based on the number of Individual Pay Periods Worked each PAGA Member worked during the PAGA Period as a percentage of the total number of Total Pay Periods worked by all PAGA Members during the PAGA Period. Because the Aggrieved Employee Share payments are payments in compromise and settlement of a claim for alleged penalties, each Individual PAGA Payment will be treated as nonwage income with no tax withholdings and will be reported, if required, on an IRS Form 1099. Each Individual PAGA Payment of the PAGA Penalties represents the Aggrieved Employee's share of the twenty-five percent (25%) in PAGA penalties distributable to the Aggrieved Employees.

5.5 **PAGA Counsel's Fees and Costs.** As part of the Approval Motion, PAGA Counsel will request Court approval of one-third of the TSA. In addition, PAGA Counsel will request cost reimbursement in an amount up to \$15,000.00 for costs incurred by PAGA Counsel. Should PAGA Counsel request a lesser amount for attorneys' fees and costs and/or the Court approve a lesser amount, the difference shall be allocated to the PAGA Penalties and distributed accordingly. Any attorneys' fees and costs awarded to PAGA Counsel, hereinafter referred to as "PAGA Counsel Fees & Costs," shall fully compensate and reimburse PAGA Counsel for any and all of the work already performed in connection with the Lawsuit and all work remaining to be performed in fully and finally resolving the Lawsuit, including but not limited to securing Court approval of the settlement, appearing at any hearings, making sure that the settlement is fairly and properly administered, defending the settlement in any appeal or other post-approval matter, all other work that PAGA Counsel has performed or will perform, and all costs that PAGA Counsel has incurred or will incur. The Parties agree that the Court's approval of any request for attorneys' fees or litigation costs is not a condition of the Settlement Agreement and that an award of less than the amounts requested would not give rise to a basis to abrogate the Settlement Agreement, although PAGA Counsel reserve the right to appeal an award of attorneys' fees that is less than one-third of the TSA.

5.6 **PAGA Period Modification.** This Settlement is premised on the estimate that PAGA Members would have worked a total of approximately 7,542 Pay Periods during the PAGA Period. If the total number of Pay Periods worked by PAGA Members is greater than 8,296, then the PAGA Period will end on the date when the total number of Pay Periods worked by PAGA Members was not in excess of 8,296.

5.7 **Tax Treatment of Settlement Amounts.** With regard to settlement payments to Aggrieved Employees, IRS Form 1099s will be issued, if required. Nothing in this Settlement is intended to constitute legal advice regarding federal, state, and/or local tax obligations. Plaintiff acknowledges that they have obtained no tax advice from Defendant and that neither Defendant

nor its attorneys have made any representation concerning the tax consequences, if any, of the TSA in this Agreement or any payment to be made pursuant to this Agreement. Plaintiff also acknowledges they have had an opportunity to consult with independent tax counsel. To the extent that this Settlement or any of its attachments is interpreted to contain or constitute advice regarding any state or federal tax issue, such advice is not intended or written to be used, and cannot be used, by any person for the purpose of avoiding penalties under the Internal Revenue Code. Defendant is not responsible for any Aggrieved Employees' tax obligations regarding the allocation of the settlement payments. Payment of PAGA Counsel Fees & Costs will be reflected in a Form 1099 to PAGA Counsel who shall assume full responsibility and liability for the payment of taxes due on such payments. Aggrieved Employees' Aggrieved Employee Shares pursuant to this Agreement are not intended by the Parties to be compensation for purposes of determining eligibility for or benefit calculations of any health and welfare benefit plan, retirement benefit plan, vacation benefit plan, unemployment compensation, including, without limitation, all plans, subject to the Employee Retirement Income Security Act ("ERISA"). The Parties agree that the Aggrieved Employee Shares are not intended to represent any modification of any employee's previously-credited hours of service or other eligibility criteria under any employee pension benefit plan, employee welfare benefit plan, or other program or policy.

5.8 **Release.**

a. **Release By All PAGA Members.** Upon approval of the Settlement, and except as to the right to enforce the terms and conditions of the Settlement, Plaintiff, on behalf of himself and the State of California, and all PAGA Members, hereby fully release and discharge Defendant and all of its present and former parent companies, subsidiaries, affiliates, owners, investors, shareholders, officers, directors, employees, agents, servants, registered representatives, attorneys, insurers, successors, clients (up to and including the entities originally named as defendants in Plaintiff's Complaint and LWDA Letter: Veolia North America, LLC and Veolia Water North America LLC), customers, and assigns (the

“Released Parties”) from any and all PAGA claims or causes of action of whatever kind or nature which occurred during the PAGA period that were alleged, or that reasonably could have been alleged (including a claim for alleged violations of the California Healthy Workplace Healthy Family Act of 2014, including claims for alleged violations of California Labor Code sections 233, 234, and 246.5), based on the facts alleged in the Action and Plaintiff’s LWDA Letter and Amended LWDA Letter, regardless of theory of recovery. The release thus includes PAGA claims or PAGA causes of action for violations of the Labor Code sections raised by Plaintiff’s Action and Plaintiff’s LWDA Letter, up to and including 201, 202, 203, 204, 226(a), 226(a)(1), 226(a)(5), 226(a)(9), 226(b), 226.7, 233, 234, 246, 246(l), 246.5, 510, 512, 1194, 1198.5, 2802, 2698, and 2699 *et seq.*, and the applicable Wage Order, regardless of theory of recovery. The release as to the State of California and Aggrieved Employees only covers claims that arise under PAGA for civil penalties, and does not cover an Aggrieved Employee’s Labor Code claims for other forms of relief such as wages. The release by all PAGA Members excludes claims for vested benefits, wrongful termination, unemployment insurance, disability, social security, workers’ compensation, class claims, and PAGA claims outside of the PAGA period. This release will have a preclusive effect on the rights of Aggrieved Employees to bring released PAGA claims on behalf of the State of California to the fullest extent permissible under applicable law. In consideration for their awarded PAGA Counsel’s fees and costs, PAGA Counsel waives any and all claims to any further attorneys’ fees, costs, and expenses in connection with the Action.

b. **Covenant Not to Participate in Proceedings.** The Settlement is conditioned upon this release by all PAGA Members of any claim or right under Labor Code section 2698 *et seq.* as to the release set forth above, and upon covenants by all PAGA Members that they will not participate in any proceeding seeking PAGA penalties as to the released claims set forth above against Defendant, or one or more of the Released

Parties. The Parties stipulate that beyond the TSA, Defendant shall not owe any further monies to Plaintiff, PAGA Counsel, PAGA Members, the State of California, or LWDA based upon any allegations made in the Lawsuit (including the Complaint, First Amended Complaint, LWDA Letter, and Amended LWDA Letter).

5.9 **Plaintiff's Other Claims.** Plaintiff represents that he has additional individual claims against Defendant other than the Released PAGA Claims, which Defendant disputes. Plaintiff is separately settling the individual claims relating to alleged discrimination, retaliation, and wrongful termination. To the extent that the Court rules that California Rules of Court, rule 3.770, applies, PAGA Counsel will file a declaration with the Court affirming that the consideration is unrelated to and separate from the settlement of the Released PAGA Claims, and that Plaintiff's individual claims are based on separate facts. Absent an order from the Court, neither this declaration nor any other court filing shall disclose the consideration given in exchange for Plaintiff's release of his separate individual claims. If the Court directs Plaintiff to disclose the amount of such consideration, Plaintiff will file a confidential declaration under seal that complies with such order.

5.10 **Approval of the Settlement.** In order to comply with the requirements of Labor Code Section 2699(l), Plaintiff shall file an Approval Motion requesting that the Court approve the Settlement.

5.11 **Administering the Settlement and Payment Plan.**

a. Within twenty (20) calendar days after the Effective Date, Defendant will provide an Aggrieved Employee list ("Aggrieved Employee List") to the Settlement Administrator containing: (1) the name; (2) last known home address; (3) the number of Individual Pay Periods Worked by an Aggrieved Employee during the PAGA Period; and (4) social security number of each Aggrieved Employee.

b. Within forty-five (45) calendar days after the Effective Date, Defendant shall fund the TSA with the Settlement Administrator.

c. The Settlement Administrator shall distribute each Aggrieved Employee Share to the Aggrieved Employees and the attorneys' fees and costs approved by the Court approved by the Court within thirty (30) calendar days of receipt of the full amount of the TSA from Defendant.

d. The payment checks for each Aggrieved Employee Share shall be sent to each Aggrieved Employee by U.S. First Class mail to the Aggrieved Employee's address with directions to the Postmaster to forward the payment checks and return all undeliverable payment checks to the Settlement Administrator. A notice explaining this Settlement (substantially in the form attached hereto as Exhibit A) will be included in the mailing of each Aggrieved Employees' check and submitted to the Court for its review and approval ("Notice"). Prior to mailing the Notice and payment check, the Settlement Administrator shall check the addresses provided by Defendant in the Aggrieved Employee List using the National Change of Address database and shall update any addresses accordingly. Should any of the Notices and payment checks be returned as undeliverable, the Settlement Administrator will conduct a search for a more current address (via a skip trace or other reasonable method) and re-mail the Notice and payment check to the more current address, if any. It will be conclusively presumed that an Aggrieved Employee's Aggrieved Employee Share check was received if the payment check has not been returned within thirty (30) days of the original mailing of the payment check. The date of the initial mailing of the payment check shall be conclusively determined according to the records of the Settlement Administrator.

e. The Settlement Administrator shall ensure that seventy-five percent (75%) of the PAGA Payment is paid to the LWDA within thirty (30) calendar days of receipt of the TSA from Defendant.

f. Settlement checks shall remain valid and negotiable for one hundred eighty (180) calendar days from the date of their issuance. If there are uncashed checks

following this period, the Settlement Administer will ensure that uncashed funds shall be forwarded to the State of California's unclaimed property fund in the name of the respective PAGA Member.

g. Since this is not a settlement of a class action but a PAGA settlement on behalf of the State of California, no person can (a) object to the settlement after the Court's Approval Order is made, or (b) opt out from being covered by release of claims at any time before or after the Approval Order is made.

5.12 **Duties of the Parties Prior to Approval.** As set forth in this Agreement, Plaintiff will file the Approval Motion as required by Labor Code section 2699(I), including a request for an Order from the Court approving the following:

- a. Approving the terms of this PAGA Settlement and Release Agreement;
- b. Approving the amount of PAGA Counsel Fees & Costs;
- c. Appointing Phoenix Class Action Administration Solutions as the Settlement Administrator and approving the amount of Settlement Administration Costs;
- d. Approving the Notice; and
- e. Entering Final Judgment.

In conjunction with the Approval Motion as specified herein, the Parties will submit a proposed Approval Order granting the Approval Motion, which will include a Final Judgment consistent with the terms of this Agreement. The proposed Approval Order and Final Judgment will include a dismissal of Plaintiff's PAGA claims with prejudice, and a request pursuant to California Code of Civil Procedure section 664.6 that the Court retain continuing jurisdiction over this Action and over all Parties, to the fullest extent necessary to enforce and effectuate the terms and intent of this Agreement.

5.13 **Parties' Authorization.** The signatories hereto hereby represent that they are fully authorized to enter into this Settlement and bind the Parties hereto to the terms and conditions

hereof.

5.14 **Mutual Full Cooperation.** The Parties agree to fully cooperate with each other to accomplish the terms of this Settlement, including, but not limited to, execution of such documents and to take such other action as may reasonably be necessary to implement the terms of this Settlement. The Parties to this Settlement shall use their best efforts, including all efforts contemplated by this Settlement and any other efforts that may become necessary by order of the Court, or otherwise, to effectuate this Settlement and the terms set forth herein. As soon as practicable after execution of this Settlement, PAGA Counsel shall, with the assistance and cooperation of Defendant and its counsel, take all necessary steps to secure the approval of this Settlement from the Court. The Parties agree to work cooperatively to comply with the notice requirements to the LWDA pursuant to Labor Code sections 2699(1)(2) and 2699(1)(3).

5.15 **Confidentiality.** Other than information necessary to secure Court approval of this Settlement, the Parties agree to keep confidential all matters related to this Settlement, including the terms of the Settlement and the facts and circumstances leading up to it. The Parties may, however, discuss the terms of this Settlement with their spouses, fiancées, attorneys, financial advisors, tax advisors, and accountants, or upon a valid court order, at which time the individual receiving information about the terms of this Settlement shall be informed that the terms of this Settlement are confidential, and the individual may not reveal or disclose to any third party the terms of the Settlement. Prior to the filing of the Approval Motion, the Parties and Parties' respective counsel agree not to publicize or discuss the facts, amount, terms, or existence of the Settlement in any way to anyone other than the Parties or the Parties' counsel, or the mediator, Michael Loeb, or the LWDA or any other government entity with jurisdiction over PAGA cases. Plaintiff and PAGA Counsel additionally agree not to publicize or communicate the fact or terms of the Settlement on any social media, internet site, print media, or marketing/advertising materials. The Court shall have the power to enjoin violations of this provision and the prevailing party shall be entitled to its attorneys' fees and costs. The Parties and their counsel shall keep this

Settlement and its terms confidential except for any and all documents and information which is made a public record as part of the Settlement. Breach of this provision shall entitle Defendant, in the exercise of its sole discretion, to nullify the Settlement at any time before the Effective Date. Notwithstanding the foregoing, PAGA Counsel shall be permitted to disclose this settlement for purposes of describing their qualifications as Counsel in other cases.

5.16 **No Prior Assignments.** The Parties hereto represent, covenant, and warrant that they have not directly or indirectly, assigned, transferred, or purported to assign, or transfer to any person or entity any portion of any liability, claim, demand, action, cause of action or rights herein released and discharged except as set forth herein. The representations, warranties, covenants, and agreements contained in this Agreement are for the sole benefit of the Parties under this Agreement, and shall not be construed to confer any right or to avail any remedy to any other person.

5.17 **No Admission.** Nothing contained herein, nor is the consummation of this Settlement, to be construed or deemed an admission of liability, culpability, negligence, or wrongdoing on the part of Defendant or any of the Released Parties. Each of the Parties hereto has entered into this Settlement with the intention to avoid further disputes and litigation with the attendant inconvenience and expense. Defendant and the Released Parties deny that they have engaged in any unlawful activity, that they failed to comply with the law in any material respect, or that they have any liability to anyone under the claims asserted in the Lawsuit. This Agreement is entered into solely for the purpose of compromising highly-disputed claims. Nothing in this Agreement is intended or shall be construed as an admission of liability or wrongdoing by Defendant or any of the Released Parties.

5.18 **Non-Evidentiary Use.** Whether or not the Effective Date occurs, neither this Agreement nor any of its terms nor the Settlement itself shall be: (a) construed as, offered, or admitted in evidence as, received as, or deemed to be evidence for any purpose adverse to Defendant or any other of the Released Parties, including but not limited to, evidence of a

presumption, concession, indication, or admission by any of the Released Parties of any liability, fault, wrongdoing, omission, concession, or damage, or (b) disclosed, referred to, or offered in evidence against any of the Released Parties in any further proceeding in the Lawsuit, or any other civil, criminal, or administrative action or proceeding except for the purposes of effectuating the Settlement pursuant to this Agreement or for Defendant or any of the Released Parties to establish that an Aggrieved Employee has resolved any of his/her claims released through this Agreement.

5.19 **Nullification.** If (a) the Court should for any reason fail to approve this Settlement in the form agreed to by the Parties (except for the amount of attorneys' fees and costs), or (b) the Court's approval of this Settlement is reversed, modified, or declared or rendered void, then (i) this Agreement shall be considered null and void; (ii) neither this Agreement nor any of the related negotiations or proceedings shall be of any force or effect; and (iii) all Parties to this Agreement shall stand in the same position, without prejudice, as if the Agreement had been neither entered into nor filed with the Court. Invalidation of any material portion of this Agreement, except for the amount of attorneys' fees and costs, shall invalidate this Agreement in its entirety unless the Parties shall subsequently agree in writing that the remaining provisions shall remain in full force and effect.

5.20 **Attorneys' Fees, Costs, and Expenses.** None of the Parties shall be construed as the prevailing party in this matter. Except as specifically set forth herein, each party shall bear their/her own attorneys' fees, costs, and expenses, taxable or otherwise, incurred by them/her arising out of the Lawsuit, and shall not seek reimbursement thereof from any other party to this Agreement.

5.21 **Construction.** The Parties hereto agree that the terms and conditions of this Settlement are the result of lengthy, intensive, arms-length negotiations between the Parties and that this Agreement constitutes the entire agreement between Plaintiff (on behalf of herself and the State of California and the Aggrieved Employees) and Defendant regarding actual or potential claims asserted by Plaintiff against the Released Parties. Excluding any confidentiality agreement

executed by Plaintiff with Defendant, which will remain in full force and effect, this Agreement supersedes all prior agreements, written or oral, between or among the Parties regarding those claims or potential claims and the resolution of those claims. Consequently, no other agreement, statement, or promise made by one Party to another as to any matter addressed in this Agreement shall be binding or valid.

5.22 **Captions and Interpretations.** Paragraph titles or captions contained herein are inserted as a matter of convenience and for reference, and in no way define, limit, extend, or describe the scope of this Settlement or any provision hereof. Each term of this Settlement is contractual and not merely a recital.

5.23 **Modifications.** This Settlement may not be amended, changed, altered, or modified, except in writing and signed by the Parties (or their successors-in-interest) hereto. This Settlement may not be discharged except by performance in accordance with its terms or by a writing signed by the Parties hereto.

6. MISCELLANEOUS

6.1 This Settlement contains the entire agreement between the Parties relating to the Settlement of the Covered Claims and Plaintiff's released claims, and all prior or contemporaneous agreements (except any confidentiality agreement), understandings, representations, and statements, whether oral or written and whether by a party or such Party's legal counsel, are merged herein. No rights hereunder may be waived except in writing. The Parties have made such investigation of the facts and the law pertaining to the matters described herein and to this Agreement as they deem necessary, and have not relied, and do not rely, on any statement, promise, or representation of fact or law, made by any of the other parties, or any of their agents, employees, attorneys, or representatives, with regard to any of their rights or asserted rights, or with regard to the advisability of making and executing this Agreement, or with respect to any such matters that would alter or change the terms of this Agreement. No representations, warranties, or inducements have been made to any party concerning this Agreement other than

those expressly set forth or referred to herein.

6.2 This Settlement shall be binding upon and inure to the benefit of the Parties hereto and their respective heirs, trustees, executors, administrators, successors, and assigns.

6.3 This Settlement may be executed in counterparts, and when each Party has signed and delivered at least one such counterpart, each counterpart shall be deemed an original, and, when taken together with other signed counterparts, shall constitute one Settlement, which shall be binding upon and effective as to all Parties. The counterparts may be transmitted electronically (PDF) or by facsimile.

6.4 This Agreement shall be governed, construed, and interpreted, and the rights of the Parties shall be determined, in accordance with the laws of the State of California, irrespective of the State of California's choice of law principles.

6.5 The Parties have cooperated in the negotiation and preparation of this Agreement. This Agreement shall not be construed against any Party on the basis that the Party, or the Party's counsel, was the drafter or participated in the drafting of this Agreement.

6.6 The San Diego County Superior Court shall retain jurisdiction to enforce this Agreement pursuant to California Code of Civil Procedure section 664.6 and California Rule of Court 3.769(h). The Court shall retain continuing jurisdiction over this Lawsuit and over all Parties to the fullest extent to enforce and effectuate the terms and intent of this Agreement.

6.7 This Agreement shall not be subject to collateral attack by any Aggrieved Employees. Such prohibited collateral attack shall include, but not be limited to, claims that the Aggrieved Employees failed, for any reason, to timely receive his or her Aggrieved Employee Share.

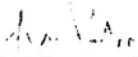
6.8 If either Party prevails in an action to enforce any provision of this Agreement, then, in addition to any other relief to which the Party may be entitled, the breaching Party shall reimburse the non-breaching Party for the costs and reasonable attorney's fees incurred in any such action.

THE PARTIES HAVE READ THE FOREGOING AGREEMENT. THEY HAVE CONSULTED WITH LEGAL COUNSEL REGARDING THE FOREGOING AGREEMENT AND KNOW THE CONTENTS THEREOF AND SIGN THE SAME AS THEIR FREE, KNOWING, AND VOLUNTARY ACT AND DEED, BEING FULLY AWARE OF ITS CONSEQUENCES AND ITS FINAL AND BINDING EFFECT.

DATED: ~~February~~ 9, 2024
March


CHASE HUNTER
as PAGA Representative

DATED: February 29.00, 2024


FOR VEOLIA WTS SERVICES USA, INC. F/K/A
SUEZ WTS SERVICES USA, INC.
By: Andrew Parke
Its: SVP Services

APPROVED AS TO FORM AND CONTENT:

March 9, 2024
DATED: ~~February~~ __, 2024

MASHIRI LAW FIRM, APC

By: 
ALEX ASIL MASHIRI
Attorney for Plaintiff Chase Hunter and the
Aggrieved Employees

March 11, 2024
DATED: ~~February~~ __, 2024

THE JAMI LAW FIRM P.C.

By: 
TAMIM JAMI
Attorney for Plaintiff Chase Hunter and the
Aggrieved Employees

March 28, 2024
DATED: ~~February~~ __, 2024

SEYFARTH SHAW LLP

By: 
RYAN McCOY
Attorney for Defendant