

PAGA SETTLEMENT AGREEMENT

This PAGA Settlement Agreement (“Agreement”) is made by and between Plaintiffs Salvadore de la Pena, Reginald Grenas, and Shawn Young (“Plaintiffs”), acting in a private attorney general capacity, and Defendant Snap-on Tools Company LLC (“Snap-on” or “Defendant”). The Agreement refers to Plaintiffs and Defendant collectively as “Parties,” or individually as “Party.”

1. DEFINITIONS.

- 1.1. “Action” means the Plaintiffs’ PAGA lawsuit alleging wage and hour violations against Defendant captioned *Salvadore de la Pena et al. v. Snap-on Tools Company LLC* (Case No. 26STCV03388) filed in Los Angeles County Superior Court in California on January 30, 2026.
- 1.2. “Administrator” means Phoenix Class Action, 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 Gross 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. “Eligible PAGA Group” means all persons within the State of California who owned and operated a franchise pursuant to a franchisee agreement with Defendant in the State of California during the period of September 1, 2024 through May 6, 2026.
- 1.5. “Eligible PAGA Group Data” means Eligible PAGA Group identifying information in Defendant’s possession including the Eligible PAGA Group’s name, last-known mailing address, Social Security number or Federal Employer Identification Number (FEIN), and number of pay periods.
- 1.6. “Eligible PAGA Group Address Search” means the Administrator’s investigation and search for current Eligible PAGA Group 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 Eligible PAGA Group.
- 1.7. "Approval Order" means the proposed Court Order Granting Approval of PAGA Settlement.
- 1.8. “Court” means the Superior Court of California, County of Los Angeles.
- 1.9. “Defense Counsel” means Boris Sorsher, Esq. and Shannon French, Esq. of Fisher & Phillips LLP.
- 1.10. “Effective Date” means the date when the Court enters a Judgment on its Order

Approving the PAGA Settlement.

- 1.11. “Gross Settlement Amount” is the non-reversionary sum of Two Hundred and Fifty Thousand Dollars (\$250,000.00) which is the total amount Defendant agrees to pay under the Settlement except as provided in Paragraph 8 below. The Gross Settlement Amount will be used to pay Individual PAGA Payments, the LWDA PAGA Payment, PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, PAGA Representative Payment, and the Administrator’s Expenses Payment.
- 1.12. “Individual PAGA Payment” means the Eligible PAGA Group’s pro rata share of 35% of the PAGA Penalties calculated according to the number of Pay Periods the Eligible PAGA Group worked during the PAGA Period.
- 1.13. “Judgment” means the judgment entered by the Court based upon the Court’s approval of the settlement.
- 1.14. “LWDA” means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i).
- 1.15. “LWDA PAGA Payment” means the 65% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).
- 1.16. “Net Settlement Amount” means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: Individual PAGA Payments, the LWDA PAGA Payment, PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, PAGA Representative Payment, and the Administration Expenses Payment. The remainder is to be paid to Eligible PAGA Group as Individual PAGA Payments.
- 1.17. “Notice of PAGA Settlement” means the letter, substantially similar to the form attached hereto as **Exhibit A**, explaining the Settlement to the Eligible PAGA Group, which will accompany each settlement check.
- 1.18. “PAGA Counsel” means Shaun Markley, Esq. and Jordan Belcastro, Esq. of Nicholas & Tomasevic, the attorneys representing the Plaintiffs in the Action.
- 1.19. “PAGA Counsel Fees Payment” means the amounts allocated to PAGA Counsel for reimbursement of reasonable attorneys’ fees incurred to prosecute the Action.
- 1.20. “PAGA Counsel Litigation Expenses Payment” means the amount allocated to PAGA Counsel for reimbursement of reasonable expenses incurred to prosecute the Action.
- 1.21. “PAGA Pay Period” means any bi-weekly period during which an Eligible PAGA Group operated a franchise pursuant to a franchisee agreement with Defendant in the State of California for at least one day during the PAGA Period.

- 1.22. "PAGA Period" means the period from September 1, 2024, to May 6, 2026.
- 1.23. "PAGA" means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).
- 1.24. "PAGA Notice" means Plaintiffs' July 1, 2025 letter to Defendant and the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a).
- 1.25. "PAGA Penalties" means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 35% to the Eligible PAGA Group and the 65% to LWDA in settlement of PAGA claims.
- 1.26. "PAGA Representatives" or "Plaintiffs" means Salvadore de la Pena, Reginald Grenas, and Shawn Young.
- 1.27. "PAGA Representative Payment" means the payment to the PAGA Representative for initiating the Action and providing services in support of the Action
- 1.28. "Released PAGA Claims" means the claims being released by the Plaintiffs and PAGA Counsel and as described in Paragraph 5 below.
- 1.29. "Released Parties" means: Defendant and each of its former and present directors, officers, shareholders, owners, members, attorneys, insurers, predecessors, successors, assigns, subsidiaries, affiliates.
- 1.30. "Settlement" means the disposition of the Action effected by this Agreement and the Judgment.
- 1.31. "Defendant" means named Defendant Snap-on Tools Company LLC.

2. RECITALS.

- 2.1. On January 30, 2026, Plaintiffs commenced this Action by filing a Complaint alleging a single cause of action for civil penalties under PAGA (the "Operative Complaint."). Defendant denies the allegations in the Operative Complaint, denies any failure to comply with the laws identified in in the Operative Complaint and denies any and all liability for the causes of action alleged.
- 2.2. Pursuant to Labor Code section 2699.3, subd.(a), Plaintiffs gave timely written notice to Defendant and the LWDA by sending the PAGA Notice.
- 2.3. On April 7, 2026, the Parties participated in an all-day mediation presided over by Kevin Barnes, Esq., which led to this Agreement to settle the Action.
- 2.4. Prior to mediation, Plaintiffs obtained, through informal discovery data regarding the Eligible PAGA Group and each Plaintiff's individual franchisee agreement with

Defendant.

- 2.5. The Parties, PAGA Counsel and Defense Counsel represent that they are not aware of any other currently pending matter or action asserting claims that will be extinguished or affected by the Settlement.

3. MONETARY TERMS.

- 3.1. Gross Settlement Amount. Except as otherwise provided by Paragraph 8 below, Defendant promises to pay Two Hundred and Fifty Thousand Dollars (\$250,000.00) and no more as the Gross Settlement Amount. Defendant has no obligation to pay the Gross Settlement Amount prior to the deadline stated in Paragraph 4.3 of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Eligible PAGA Group to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendant.
- 3.2. Payments from the Gross Settlement Amount. The Administrator will make and deduct the following payments from the Gross Settlement Amount, in the amounts specified by the Court in the Final Approval:
- 3.2.1. To each Plaintiffs: A PAGA Representative Payment to each named Plaintiffs of not more than Five Thousand Dollars (\$5,000.00) (in addition to any Individual PAGA Payment the Plaintiffs is entitled to as an Eligible PAGA Group). Defendant will not oppose Plaintiffs' request for a PAGA Representative Payment that does not exceed this amount. As part of the Settlement approval motion, Plaintiffs and/or PAGA Counsel will request approval for PAGA Representative Payment. If the Court approves a PAGA Representative Payment less than the amount requested, the Administrator will retain the remainder in the Net Settlement Amount. The Administrator will pay the PAGA Representative Payment using IRS Form 1099. Plaintiffs assumes full responsibility and liability for taxes owed on the PAGA Representative Payment.
- 3.2.2. To PAGA Counsel: A PAGA Counsel Fees Payment of not more than 1/3 which is currently estimated to be Eighty Three Thousand Dollars (\$83,000.00) and PAGA Counsel Litigation Expenses Payment of not more than Twelve Thousand Dollars (\$12,000.00). Defendant will not oppose requests for Court approval of these payments provided that they do not exceed these amounts. As part of the Settlement approval motion, Plaintiffs and/or PAGA Counsel will request approval for PAGA Counsel Fees Payment and PAGA Litigation Expenses Payment. If the Court approves a PAGA Counsel Fees Payment and/or a PAGA Counsel Litigation Expenses Payment 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 Plaintiffs' Counsel arising from any claim to any portion any PAGA Counsel Fee Payment

and/or PAGA Counsel Litigation Expenses Payment. The Administrator will pay the PAGA Counsel Fees Payment and PAGA Counsel 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 harmless, and indemnifies Defendant, from any dispute or controversy regarding any division or sharing of any of these Payments.

3.2.3. To the Administrator: An Administrator Expenses Payment not to exceed Twelve Thousand Dollars (\$12,000.00) 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 \$12,000.00, the Administrator will retain the remainder in the Net Settlement Amount.

3.2.4. To the LWDA and Eligible PAGA Group: PAGA Penalties in the amount of \$128,000.00 to be paid from the Gross Settlement Amount, with 65% (\$83,200.00) allocated to the LWDA PAGA Payment and 35% (\$44,800.000) allocated to the Individual PAGA Payments.

3.2.4.1. The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Eligible PAGA Group's 35% share of PAGA Penalties (\$44,800.00) by the total number of PAGA Period Pay Periods at issue for all Eligible PAGA Group during the PAGA Period and (b) multiplying the result by each Eligible PAGA Group's PAGA Period Pay Periods. Eligible PAGA Group assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

3.2.4.2. 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 1099 Forms.

4. SETTLEMENT FUNDING AND PAYMENTS.

4.1. Eligible PAGA Group Pay Periods. Based on a review of its records to date, Defendant estimates there are approximately 343 Eligible PAGA Group and 24,718 weeks, which is 12,359 biweekly pay period equivalents.

4.2. Eligible PAGA Group Data. Within 21 days of the Effective Date, Defendant will simultaneously deliver the Eligible PAGA Group Data to the Administrator in the form of a Microsoft Excel spreadsheet. To protect Eligible PAGA Group's privacy rights, the Administrator must maintain the Eligible PAGA Group Data in confidence, use the Eligible PAGA Group Data only for purposes of this Settlement and for no other purpose, and restrict access to the Eligible PAGA Group Data to Administrator employees who need access to the Eligible PAGA Group Data to effect and perform under this Agreement. Defendant has a continuing duty to immediately notify PAGA Counsel if it discovers that the Eligible PAGA Group Data omitted identifying

information of Eligible PAGA Group and to provide corrected or updated Eligible PAGA Group Data as soon as reasonably feasible. Without any extension of the deadline by which Defendant must send the Eligible PAGA Group 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 Eligible PAGA Group Data.

- 4.3. Funding of Gross Settlement Amount. Defendant shall fully fund the Gross Settlement Amount by transmitting the funds to the Administrator no later than 45 days after the Effective Date.
- 4.4. Payments from the Gross Settlement Amount. Within 21 days after Defendant funds the Gross Settlement Amount, the Administrator will mail checks for all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the PAGA Representative Payment, the PAGA Counsel Expenses Payment. Disbursement of the PAGA Counsel Litigation Expenses Payment shall not precede disbursement of Individual PAGA Payments.
 - 4.4.1. The Administrator will issue checks for the Individual PAGA Payments and send them to the Eligible PAGA Group via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (not less than 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 distribution of Individual PAGA Payments shall be accompanied by the Notice of PAGA Settlement.
 - 4.4.3. The Administrator must conduct an Eligible PAGA Group Address Search for all Eligible PAGA Group 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 Eligible PAGA Group Address Search. The Administrator need not take further steps to deliver checks to Eligible PAGA Group whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Eligible PAGA Group whose original check was lost or misplaced, requested by the Eligible PAGA Group prior to the void date.
 - 4.4.4. For any Eligible PAGA Group whose Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the California Controller's Unclaimed Property Fund in the name of the Eligible PAGA Group.
 - 4.4.5. The payment of Individual PAGA Payments shall not obligate Defendant to

confer any additional benefits or make any additional payments to the Eligible PAGA Group (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

5. **RELEASES OF CLAIMS.** Effective on the date when Defendant fully funds the entire Gross Settlement Amount The Eligible PAGA Group and PAGA Counsel will release claims against all Released Parties as follows:

5.1 Release by Eligible PAGA Group: All Eligible PAGA Group 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 claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the Operative Complaint and the PAGA Notice.

6. **MOTION OR APPLICATION FOR APPROVAL OF SETTLEMENT.** The Parties agree to jointly prepare and file an application or motion for approval of this Settlement.

6.1 Plaintiffs' Responsibilities. Plaintiffs will prepare and deliver to Defense Counsel all documents necessary for obtaining approval of this Settlement under Labor Code Section 2699, subd. (f)(2)) including (i) a draft proposed Order Granting Approval of PAGA Settlement; (ii) 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 Eligible PAGA Group 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 Eligible PAGA Group or the LWDA; and the nature and extent of any financial relationship with Plaintiffs, PAGA Counsel or Defense Counsel; (iii) a signed declaration from PAGA Counsel firm attesting to its timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), Operative Complaint (Labor Code section 2699, subd. (l)(1)), this Agreement (Labor Code section 2699, subd. (l)(2)); and (iv) all facts relevant to any actual or potential conflict of interest with Eligible PAGA Group and/or the Administrator. In their Declarations, Plaintiffs and PAGA shall aver that they are not aware of any other pending matter or action currently asserting claims that will be extinguished or adversely affected by the Settlement.

6.2 Responsibilities of PAGA Counsel. PAGA Counsel and Defense Counsel are jointly responsible for expeditiously finalizing and filing the application or motion for approval of this Settlement no later than 45 days after the full execution of this Agreement and, if necessary, obtaining a prompt hearing date for the motion and appearing in Court to advocate in favor of the motion. PAGA Counsel is responsible for delivering the Court's Order Granting Approval of PAGA Settlement to 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 the motion for 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 Class Action to serve as the Administrator and verified that, as a condition of appointment, Phoenix Class Action 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 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. ELIGIBLE PAGA GROUP SIZE ESTIMATES AND ESCALATOR CLAUSE

- 8.1. Based on its records, Defendant estimates that, as of the date of this Settlement Agreement, there are approximately 343 Eligible PAGA Group, 24,718 weeks, and 12,359 biweekly pay period equivalents.
- 8.2. The Gross Settlement Amount was agreed upon based on Defendant represents that there are approximately 343 Eligible PAGA Group and 24,718 weeks, which is 12,359 biweekly pay period equivalents between September 1, 2024, and May 6, 2026. Should the total number of weeks for the PAGA Members through the PAGA Release Period increase beyond 10% of this total (i.e., greater than 27,188 weeks), Defendant shall increase the Total Settlement Amount on a pro rata basis equal to the percentage increase in the number of pay periods at issue for the PAGA Members above 10% (e.g., if the number of pay periods increases by 11% the Total Settlement Amount will increase by 1%). However, if the escalator clause is triggered, Defendant may alternatively choose at its sole discretion to end the PAGA Release Period on the date that the increase would otherwise be triggered.

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 Judgment is consistent with the terms and conditions of this Agreement, specifically including the PAGA Counsel Fees Payment and PAGA Counsel Litigation Expenses Payment, the Parties, their respective counsel waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. 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 Net Settlement Amount.

9.2 **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 Eligible PAGA Group), 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 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 the PAGA Representative Payment or any payments to PAGA Counsel shall not constitute a material modification of the Judgment within the meaning of this paragraph, as long as the Gross 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 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 Plaintiffs 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 Plaintiffs reserve 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).

10.2 **Integrated Agreement.** Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits shall constitute the entire agreement between the

Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party.

- 10.3 Attorney Authorization. PAGA Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiffs 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 Plaintiffs, 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 exhibits will be governed by and interpreted according to the internal laws of the state of California, without regard to conflict of law principles.
- 10.10 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. 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 Eligible PAGA Group Data. Information provided to PAGA Counsel pursuant to Cal. Evid. Code §1152, and all copies and summaries of the PAGA 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 no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. Not later than 90 days after the Administrator discharges its obligation to pay out of all Settlement funds, Plaintiffs shall destroy all paper and electronic versions of Eligible PAGA Group Data received from Defendant unless, prior to the Administrator's payment of all Settlement Funds, Defendant makes a written request to PAGA Counsel for the return, rather than the destructions, of Eligible PAGA Group 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 Plaintiffs:

Craig M. Nicholas
cnicholas@nicholaslaw.org
Shaun Markley
smarkley@nicholaslaw.org
Jordan Belcastro
jbelcastro@nicholaslaw.org
NICHOLAS & TOMASEVIC, LLP
225 Broadway, 19th Floor
San Diego, California 92101

To Defendant:

Boris Sorsher, Esq.
bsorsher@fisherphillips.com
Shannon French, Esq.
sfrench@fisherphillips.com
FISHER & PHILLIPS LLP
2050 Main Street, Suite 1000
Irvine, CA 92614

- 10.16 Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e. 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 CCP section 583.330 to extend the date to bring a case to trial under CCP section 583.310 for the entire period of this settlement process.

[SIGNATURES ON FOLLOWING PAGE]

Dated: 06/17/26


Salvatore de la Pena (Jun 17, 2026 13:54:29 PDT)

Plaintiff Salvatore de la Pena

Dated: _____

Plaintiff Reginald Grenas

Dated: _____

Plaintiff Shawn Young

Dated: _____

John Stewart for:
Defendant Snap-on Tools Company LLC

Dated: 06/16/2026

NICHOLAS & TOMASEVIC



Craig M. Nicholas
Shaun Markley
Jordan Belcastro

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[SIGNATURES ON FOLLOWING PAGE]

Dated: _____

Plaintiff Salvadore de la Pena

Dated: 06/16/26


Reginald Grenas (Jun 16, 2026 11:52:17 PDT)

Plaintiff Reginald Grenas

Dated: _____

Plaintiff Shawn Young

Dated: _____

John Stewart for:
Defendant Snap-on Tools Company LLC

Dated: 06/16/2026

NICHOLAS & TOMASEVIC



Craig M. Nicholas
Shaun Markley
Jordan Belcastro

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[SIGNATURES ON FOLLOWING PAGE]

Dated: _____

Plaintiff Salvadore de la Pena

Dated: _____

Plaintiff Reginald Grenas

Dated: 06/16/26


Shawn Young (Jun 16, 2026 11:48:45 PDT)

Plaintiff Shawn Young

Dated: 08/25/2026

Signature: John W. Stewart
John W. Stewart (Aug 25, 2026 14:59:11 EDT)
Email: john.w.stewart@snapon.com

John Stewart for:
Defendant Snap-on Tools Company LLC

Dated: 06/16/2026

NICHOLAS & TOMASEVIC



Craig M. Nicholas
Shaun Markley
Jordan Belcastro

Attorneys for Plaintiffs

Dated: 06/18/2026

FISHER & PHILLIPS LLP

Shannon French

Boris Sorsher, Esq.
Shannon French, Esq.
Attorneys for Snap-on Tools Company LLC

EXHIBIT A

SUPERIOR COURT OF THE STATE OF CALIFORNIA COUNTY OF LOS ANGELES

You are receiving this Notice because you are entitled to money as a result of a court approved settlement in *De la Pena et al. v. Snap-on Tools Company LLC*, Los Angeles County Superior Court, Case No. C6STCV03388 (the “Lawsuit”).

PLEASE READ THIS NOTICE CAREFULLY.

What is the Purpose of this Settlement?

The purpose of this notice is to let you know that there was a representative action lawsuit that settled in the Superior Court of California for the County of Los Angeles, and you are considered to be a member of the represented group. The lawsuit was filed by former franchisees Salvadore de la Pena, Reginald Grenas, and Shawn Young (“Plaintiffs”) in the Superior Court of California, County of Los Angeles (“the Lawsuit”). On ____, 2026, a duly appointed Judge of the Superior Court of the State of California, approved the Settlement of the Lawsuit.

What is Snap-on Tools Company LLC’s Position on Settlement?

Snap-on Tools Company LLC (“Defendant”) views this settlement as a compromise, to which they have agreed in order to avoid the uncertainty of litigation. Defendant is not admitting to any allegations in the case, and in fact denies that any of their practices at issue in this lawsuit were or are unlawful.

Why Did I Get this Notice?

You received this notice because Defendant’s records identify you as an individual who owned and operated a franchise pursuant to a franchise agreement with Defendants in the State of California (“PAGA Group Member”), between September 1, 2024 and May 6, 2026 (“the Release Period”).

Who Are the Parties in this Representative Action?

This lawsuit was filed against Defendant. Plaintiffs, former franchisees, brought the action on behalf of themselves and all PAGA Group Members in the state of California, as described above. Defendant is settling this lawsuit with Plaintiffs.

What is the Settlement?

Defendant has agreed to pay a settlement in the amount of \$250,000.00. This sum includes the following: (1) fees for claims administration, which is anticipated to be no more than \$12,000, (2) the Labor Workforce Development Agency Payment estimated at \$128,000.00, and (4) Plaintiffs’ attorneys’ fees in the amount \$83,333 (i.e., 33.3% of the gross settlement amount) and actual litigation costs of up to \$12,000.00. Each of these amounts was approved by the Court on [REDACTED] 2026.

After the deduction of the Court-approved expenses from the settlement amount, the remaining sum (“Franchisee Net Settlement Amount”), will be available to pay each PAGA Group Member. Each

PAGA Group Member will receive a share of the Net Fund Value that is based on the total number of weeks the individual PAGA Group Member operated a single-van franchise pursuant to a franchise agreement with Defendant in the State of California during the Release Period.

The amount paid to each PAGA Group Member will be allocated as follows: one-hundred percent (100%) will be attributed to penalties and will be reported on an IRS Form 1099. The Parties agree that all PAGA Group Member who receive payment pursuant to this settlement will be responsible for any and all tax obligations associated with such receipt. **You will be responsible for correctly characterizing this compensation for tax purposes and paying any taxes that may be due on the payment you receive. Neither Counsel for Plaintiffs, Counsel for Defendants, nor the Settlement Administrator may legally provide you with advice regarding the tax implications of the receipt of this settlement payment.**

What Are My Rights With Regard to this Matter?

Because Defendant has determined that you fit the description of a PAGA Group Member as set forth in this notice, you are receiving a sum of money based on the number of weeks you operated a single-van franchise pursuant to a franchise agreement with Defendants in the State of California during the Release Period.

The amount you are receiving was calculated by multiplying the number of weeks you operated a single-van franchise pursuant to a franchise agreement with Defendant in the State of California during the Release Period by the amount available for each week. The amount available per week will be calculated by dividing the Franchisee Net Settlement Amount by the total number of qualifying weeks in operation for all PAGA Group Members during the Released Period.

What is the Effect of this Settlement on My Rights?

Plaintiff and the State of California will release any and all claims within the PAGA Period that were alleged in the Litigation, against Defendants, Defendants' officers, directors, employees and all agents thereof, including any and all claims for civil penalties under the Private Attorneys General Act of 2004 Cal. Lab. Code § 2698. As a result of this release, the State of California cannot pursue these claims through you or on your behalf, and you cannot assert or pursue any of the above released PAGA claims.

Why Does the Labor Workforce Development Agency Receive Any Money?

California's Private Attorneys General Act of 2004 ("PAGA") allows private citizens to step into the State's shoes and recover civil penalties for violations of California's Labor Code. Sixty-five (65) percent of any such recovery *must* be given to the State. Without PAGA, Plaintiff would not have been able to bring this action on behalf of the PAGA Group Members. In the present case, the Settlement provides that 65 percent of the net settlement amount be paid to the State as its share of the penalties recovered in this case.

How Much Did it Cost to Administer the Settlement?

It cost approximately \$_____, for the Settlement Administrator to fully administer the settlement.

Who is the Settlement Administrator?

The Settlement Administrator is an independent third party selected by Plaintiff and the Defendant to send this notice, process and issue settlement checks, and otherwise administer the settlement. The Court has approved _____ to be the Settlement Administrator in this case. You may contact the Settlement Administrator to provide updated contact information, make corrections regarding your information at Snap-on Tools Company LLC, or ask questions regarding the processing of settlement awards. You may contact the Settlement Administrator at:

Snap-on Settlement Administrator

c/o _____

FAX NUMBER: _____
EMAIL: _____

Who Can I Contact if I Have Any Questions?

You can contact the Settlement Administrator for this representative action settlement at [Number]. Ask about the *Snap-on PAGA Settlement*.

IMPORTANT: PLEASE DO NOT TELEPHONE THE COURT REGARDING THIS SETTLEMENT OR THE CLAIM PROCESS.