

CONFIDENTIAL SETTLEMENT AGREEMENT AND RELEASE OF ALL CLAIMS

This Confidential Settlement Agreement and Release of All Claims (“Agreement”) is made between Nelida Villalva Gomez (“Gomez”), on the one hand; and R. Namou, Corp.; CMSM, Inc.; El Norte RMN, Inc.; Midway M3, Inc.; RCMC, Inc.; Razak Namou; Mahir Namou; and Rani Safa (collectively “Namou”); on the other hand. Gomez and Namou are sometimes collectively referred to herein as the “Parties.” The Parties enter into this agreement with respect to the following facts:

A. On or about April 5, 2023, Gomez, on behalf of herself and other current and former aggrieved employees, initiated an action against R Namou, Corp., Razak Namou, Mahir Namou, and Rani Safa in San Diego County Superior Court, Case No. 37-2023-00014287-CU-WT-CTL, (the “Action”) based on allegations that Namou failed to provide proper meal and rest breaks, earned wages, accurate wage statements, all wages due at separation from employment, reimbursement for expenses, and Gomez’s employee personnel file. Gomez seeks monetary and non-monetary damages, civil penalties pursuant to the Private Attorneys General Act (“PAGA”), California Labor Code sections 2698, *et seq.*, attorneys’ fees, and costs.

B. Namou denies and disputes Gomez’s claims and allegations in the Action. To avoid the substantial expense and inconvenience of further litigation, Gomez and Namou desire to finally settle all of Gomez’s claims, including but not limited to all issues that Gomez raised in the Action, as well as any claims or potential claims arising from any transactions or occurrences between the Parties to date, on the terms set forth in this Agreement.

THEREFORE, IN CONSIDERATION OF THE MUTUAL PROMISES CONTAINED HEREIN, IT IS HEREBY AGREED AS FOLLOWS:

1. **Amendment of Complaint.** Within 10 days of signing this Agreement Gomez will begin steps necessary to amend her complaint in order to add CMSM, Inc.; El Norte RMN, Inc.; Midway M3, Inc.; and RCMC, Inc. as named defendants in the action for the purpose of obtaining court approval of the PAGA settlement described herein.
2. **Consideration.** R Namou, Corp. agrees to pay Gomez a total sum of Three Hundred Thirty Thousand Dollars and No Cents (\$330,000.00) in settlement of Gomez’s claims and in exchange for her agreement to the terms of this Agreement (the “Gross Settlement Payment”). Gomez agrees that the Gross Settlement Payment is a sum to which Gomez is not otherwise entitled but for Gomez’s execution of this Agreement. The Gross Settlement Payment will consist of Individual Settlement Payments and a PAGA Settlement Payment.
3. Individual Settlement Payments in the gross amount of \$127,500.00 will be sent to Gomez’s counsel, Ruiz-Velasco Law Firm, at 600 W. Broadway, Suite 700, San Diego, California 92101, via overnight mail, to be delivered within thirty (30) calendar days after all of the following have occurred: 1) the Effective Date of this Agreement as defined in section 15 below; (2) Namou’s counsel has received from Gomez’s counsel all IRS Forms W-9 necessary to issue checks; and (3) Gomez’s counsel has provided to Namou’s counsel copies of court orders effecting the dismissals described in section 15 below. The Individual Settlement Payments will consist of the following:

- i. A check payable to Villalva Gomez in the gross amount of \$25,000.00. This amount is for settlement of Gomez's wage-related claims, and will be subject to standard employment tax withholding. Namou shall issue an IRS Form W-2 in connection with this payment
 - ii. A second check payable to Gomez in the gross amount of \$60,000.00. This amount is for settlement of Gomez's non-wage claims including but not limited to claims for statutory penalties and interest. Namou shall issue an IRS Form 1099 in connection with this payment.
 - iii. A third check payable to Ruiz-Velasco Law Firm in the amount of \$42,500. This amount is for settlement of Gomez's claims for attorneys' fees and costs associated with her non-PAGA claims. Namou will report this amount on an IRS Form 1099.
- b. A PAGA Settlement Payment in the amount of \$202,500.00 will be sent to a mutually agreeable Settlement Administrator within thirty (30) days of the court's final approval of this Agreement as described in section 15 below. Subject to court approval, the PAGA Settlement Payment shall be allocated as follows:
 - i. One-third of the PAGA Settlement Payment (\$67,500.00) shall be allocated to attorneys' fees.
 - ii. Up to \$15,000.00 shall be allocated for the Settlement Administrator's fees and litigation costs in an amount approved by the court. Any remaining amounts shall be designated as the recovery of civil penalties under PAGA.
 - iii. Up to \$5,000.00 shall be allocated as a service award to Gomez for her service to the state of California and the Aggrieved Employees for bringing the Action and achieving the result described in this Agreement.
 - iv. After deducting attorneys' fees, litigation costs, the Settlement Administrator's fees, and the service award to Gomez as described above, any remaining portion of the PAGA Settlement Payment (at least \$115,000.00) shall be designated as the recovery of civil penalties under PAGA. Of this amount, seventy-five percent (75%) shall be paid to the Labor and Workforce Development Agency, and the remaining twenty-five percent shall be distributed to the Aggrieved Employees on a pro-rata basis based on the number of pay periods worked during the PAGA Period. The pro-rata numbers shall be provided by Namou's counsel to the Settlement Administrator with a supporting declaration from Namou or their counsel. For the purposes of this Agreement, "Aggrieved Employees" shall mean all individuals employed as non-exempt employees of Namou during the PAGA Period. For employees of R Namou, Corp, the PAGA Period shall be defined as the period from January 23, 2022 through the date of dismissal of the Action with prejudice. For employees of CMSM, Inc.; El Norte RMN, Inc.; Midway M3, Inc.; and/or RMCM, Inc.; the PAGA Period shall be defined as the period from October 1, 2022 through the date of dismissal of the Action with prejudice.
 - v. Settlement Checks issued to the Aggrieved Employees will expire and become unclaimed funds one hundred and twenty (120) days from the date they are issued by the Claims Administrator, as reflected by the date printed on the

check. Any unclaimed funds after the 120-day period shall be forwarded to the Department of Industrial Relations' Unpaid Wage Fund.

- vi. Gomez acknowledges and agrees that the Gross Settlement Payment as set forth above constitutes adequate legal consideration for the promises and representations made by Gomez in this Agreement.

3. **Cooperation.** The Parties agree to do all things necessary and to execute all further documents necessary and appropriate to carry out and effectuate the terms and purposes of this Agreement. Namou agrees to provide Gomez's counsel with any remaining documents and/or information needed to draft the Ex Parte Application, Motion, or Stipulation for Court approval of the settlement of Gomez's PAGA Action. Upon amendment of the Complaint pursuant to paragraph 1 of this Settlement Agreement above being entered by the Court, Gomez's counsel shall draft and file an Ex Parte Application, Motion, or a Stipulation agreed to between the Parties for Court Approval of Settlement of the PAGA Action in San Diego County Superior Court, and Employer and its counsel shall cooperate and not oppose the Ex Parte Application, Motion, or Stipulation nor any of the terms of this Settlement Agreement.
4. **General Release of Claims.** Gomez and Namou unconditionally, irrevocably and absolutely release and discharge each other, as well as Namou's current and former subsidiaries and affiliated entities, and all of their current and former owners, employees, officers, directors, contractors, agents, attorneys, successors and assigns, including but not limited to Razak Namou, Mahir Namou, and Rani Safa (collectively "Released Parties"), from all claims related in any way to the transactions or occurrences between them to date, to the fullest extent permitted by law. This release is intended to be interpreted as broadly as possible, to apply to all transactions and occurrences between any of the Released Parties, including, but not limited to all losses, liabilities, claims, charges, demands and causes of action, known or unknown, suspected or unsuspected, and all other transactions or occurrences between any of the Release Parties to the date of dismissal of the Action with prejudice (collectively "Released Claims"). Released Claims include, without limitation, any claim based in tort, contract, common law, the state or federal Constitution, state or federal statutes (including, without limitation, the California Labor Code, the federal Fair Labor Standards Act, the California Business and Professions Code, the California Fair Employment and Housing Act, the California Civil Code, the California Government Code, and Title VII of the Civil Rights Act of 1964, the Americans with Disabilities Act, and the Age Discrimination in Employment Act) and all claims for attorneys' fees, costs and expenses incurred on these Released Claims. Notwithstanding the above, Released Claims shall not include claims for unemployment compensation, workers compensation, or any other claim that as a matter of law cannot be waived or released.
5. **No Voluntary Participation in Claims Against Released Parties.** Gomez and Namou represent and agree that they will not knowingly participate in any litigation, grievance or administrative claim against any Released Party, nor encourage any other individual to do so. Nothing in this section is intended to preclude the Parties from truthfully disclosing information in response to a subpoena duly issued by a court of law, arbitrator, or a

government agency having jurisdiction or power to compel such disclosure. In the event that Gomez receives a subpoena relating to a claim by, against, or regarding Namou, Gomez agrees to notify Namou of the same within three (3) business days through Namou's attorneys identified below, and at least ten (10) business days before producing any documents or testimony in response. Such notification shall be provided to both Aaron Buckley (aaron.buckley@quarles.com) and Matthew Mushamel (matthew.mushamel@quarles.com) via email.

6. **Unknown or Different Facts or Law.** The Parties acknowledge that they may discover facts or law different from, or in addition to, the facts or law they know or believe to exist with respect to the Released Claims. The Parties agree, nonetheless, that this Agreement and the releases contained in it are and will remain effective in all respects notwithstanding such different or additional facts or law.

7. **California Civil Code Section 1542 Waiver.** The Parties expressly acknowledge and agree that the releases contained in this Agreement include a waiver of all rights under Section 1542 of the California Civil Code. This statute reads as follows:

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

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

8. **No Prior Assignments or Liens.** The Parties represent and warrant that they have not assigned to any other person or entity any Released Claim. The Parties agree to defend, indemnify and hold each other harmless from any liability, losses, claims, damages, costs or expenses, including reasonable attorneys' fees, arising out of a breach of the representations and warranties contained in this section.
9. **PAGA Release.** Upon approval by the court of the settlement of all PAGA claims in the Action and dismissal of the entire action with prejudice, the PAGA claims against the Released Parties that were pled in the operative complaint or reasonably could have been pled based on the claims and factual allegations in the operative complaint, and which arose during the period January 23, 2022 through the date of dismissal of the entire Action with prejudice, shall be deemed released.
10. **No Admissions.** By entering into this Agreement, the Parties do not admit that they have engaged in, or are now engaging in, any unlawful conduct. It is understood and agreed that this Agreement is not an admission of liability, and that the Parties specifically deny liability of any kind. By entering into this Agreement, the Parties merely intend to avoid further litigation and expense. The Parties agree that it is their mutual intention that

neither this Agreement nor any terms hereof, nor any of the facts or evidence forming the basis of any of the Parties' claims, will be admissible in any other or future proceedings against any of the Parties, except a proceeding to enforce this Agreement.

11. **Non-Disparagement.** The Parties agree that they will not make or disseminate any statements, written, oral or electronic, or cause or encourage others (directly or indirectly) to make any such statements that defame or disparage any of the Parties or Released Parties. This provision includes, but is not limited to, publications on all forms of social media. The Parties agree that any violation of this section shall constitute and be treated as a material breach of this Agreement. This section shall be construed in accordance with applicable law. Nothing in the section shall be deemed to prevent any of the Parties from truthfully responding to any lawful subpoena or court order or from communicating with a governmental entity. Nothing in this Agreement is intended to suppress or limit any of the Parties' right to testify in any administrative, legislative or judicial forum about alleged criminal conduct or sexual harassment, or to prevent the disclosure of factual information related to claims filed in a civil or administrative action regarding sexual assault, sexual harassment or other forms of sex-based workplace harassment, discrimination or retaliation, to the extent such communications are expressly protected under California law.
12. **Neutral Reference.** Namou agrees that if it receives a request for an employment reference from a prospective employer of Gomez, Namou shall only provide the prospective employer information regarding Gomez's dates of employment and job titles.
13. **Mutual Confidentiality.** The Parties agree that confidentiality is one of the most important terms of this Agreement.
 - i. Prior to disclosure in documents filed with the Court and with the State of California as necessary, except as provided below or to the extent necessary to effectuate the settlement or as required by court or legal process, The Parties and their Counsel will keep the terms of this Settlement Agreement confidential, including the terms of the Settlement Agreement and the facts and circumstances leading up to it. Notwithstanding the previous sentence, prior to or after disclosure in documents filed with the Court and with the State of California as necessary, the Parties and their Counsel agree not to disclose any facts and circumstances leading up to the Settlement Agreement that were not disclosed in any such publicly filed documents.
 - ii. If asked about the Complaint giving rise to this Settlement Agreement or the disputes between the Parties, the Parties shall provide a statement such as "the matter has been resolved" or "the matter has settled." The Parties may, however, discuss the terms of this Settlement Agreement with their spouse, 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 Agreement shall be informed that the terms of this Settlement Agreement are confidential, and the individual may not reveal or disclose to any third party the terms of the Settlement Agreement.

- iii. Neither the Parties nor their Counsel shall issue a press release, hold a press conference, publish information about the settlement on any website, respond to any press inquiries, or otherwise publicize the settlement or communicate its terms in public or in private.
 - iv. To permit judicial review and approval of the PAGA Settlement Payment, as required by California Labor Code section 2699, Plaintiff's Counsel shall disclose the PAGA Settlement Payment with the Court and submit this Settlement Agreement to the LWDA. Upon inquiry, either Gomez's Counsel or Namou's Counsel may communicate with the LWDA, the State of California, and the Aggrieved Employees about this Settlement Agreement and the Action.
 - v. The Parties may disclose the terms of this Settlement Agreement if necessary in enforcing the terms of this Settlement Agreement.
 - vi. The Parties agree that the terms of this paragraph 13 are only binding on the following individuals from Namou: Razak Namou; Mahir Namou; and Rani Safa.
 - vii. The Parties agree that disclosure of any of the terms or conditions of this Agreement shall constitute and be treated as a material breach of this Agreement, except as those allowed as mentioned above. Nothing in this Agreement shall be construed to prevent the Parties from responding truthfully and completely to any lawfully issued court order or subpoena or from communicating with a government agency. Any violation of the confidentiality provisions of this paragraph shall be deemed a material breach. The Parties agree that if there is a violation of this paragraph, it would be impossible to measure the actual damages. The Parties agree that if she, he, or one of her or his agents, violates these provisions, the breaching Party shall pay the non breaching Party the amount of \$10,000.00 per violation as liquidated damages. Any claim of a violation of this paragraph shall be decided exclusively by a single arbitrator in a half-day arbitration proceeding conducted by JAMS. The prevailing party shall be entitled to recover reasonable costs and attorneys' fees incurred in the arbitration, plus any arbitration fees paid.
14. **Tax Indemnification.** In the event Namou is required by any federal or state taxing agency to pay any tax, penalty or interest, including but not limited to, for failure to pay any employment taxes or for failure to properly withhold sufficient taxes on the payment described in section 2 above, Gomez agrees to indemnify, defend, save and hold Namou free and harmless from and against any and all such taxes, penalties and interest, including reasonable attorneys' fees and costs that arise from or relate to all withholding taxes, penalties and interest asserted against it or required to be paid by it as a result of the payment described in section 2 above.
15. **Effective Date.** This Agreement shall take effect when all the Parties and their respective counsel have signed it below, the court has approved the settlement of all PAGA claims in the Action, and the court has dismissed the entire action with prejudice.
16. **Dismissal of Action and Nullification.** Gomez agrees to take all actions necessary to dismiss the entire Action with prejudice. Dismissal of the Action in its entirety, with

prejudice, is a condition precedent to this Agreement taking effect. Gomez agrees to obtain court approval of the settlement of all PAGA claims prior to dismissal. If the court does not approve settlement of the PAGA claims or grants approval conditioned on any material change to the PAGA Settlement Payment or any terms of this Agreement including, but not limited to, the scope of the PAGA Release above, then the Parties will work together in good faith to address any concerns raised by the court and propose a revised Agreement for the court's approval. In the event that no agreement is reached between the Parties that is approved by the Court, then this Settlement Agreement shall automatically be considered null and void *ab initio*, shall be of no force or effect whatsoever, and shall not be referred to or used for any purpose whatsoever unless the Parties shall subsequently agree in writing that the remaining provisions shall remain in full force and effect. An example of a material change in the terms includes a change in the economic terms of the Settlement Agreement. In that instance, (i) neither this Agreement nor any of the related negotiations or proceedings shall be of any force or effect; and (ii) all Parties to this Settlement Agreement and the pleadings in this Action shall stand in the same position they were prior to the negotiation of this Agreement, without prejudice to either Party; and (iii) Defendants will not have any obligation to pay any portion of any Settlement Payment to anyone under the terms of this Settlement Agreement.

17. **Covenant Not to Sue.** The Parties agree, to the fullest extent permitted by law, that they will not initiate or file a lawsuit or arbitration against any of the Parties or Released Parties to assert any Released Claim. If any such action is brought, this Agreement will constitute an affirmative defense thereto, and the Party or Released Party successfully asserting this Agreement as an affirmative defense shall be entitled to recover reasonable costs and attorneys' fees incurred in defending against any Released Claim as set forth in section 4.

Nothing in this Agreement shall affect the U.S. Equal Employment Opportunity Commission's or the California Department of Fair Employment and Housing's ("DFEH") rights and responsibilities to enforce Title VII of the Civil Rights Act of 1964, as amended, the Fair Employment and Housing Act, or any other applicable law, nor shall anything in this Agreement be construed as a basis for interfering with Gomez's protected right to file a charge with, or participate in an investigation or proceeding conducted by the DFEH or any other state, federal or local government entity; except that, if the DFEH or any other state, federal or local government entity commences a lawful investigation or issues a complaint on behalf of Gomez, Gomez specifically waives and releases her right, if any, to recover any monetary or other benefits of any sort whatsoever arising from any such investigation.

18. **Severability.** If a court determines that any term of this Agreement is unenforceable, then that term will be deemed to be deleted. However, the validity and enforceability of the remaining terms will not be affected by the deletion of the unenforceable terms.

19. **Attorneys' Fees and Costs.** Except as expressly provided herein, each of the Parties agrees to bear their own attorneys' fees and expenses incurred in connection with any Released Claim.
20. **Modifications.** This Agreement may be amended only by a written instrument executed by all Parties hereto.
21. **Binding on Successors.** The Parties agree that this Agreement will be binding on, and inure to the benefit of the successors, heirs and/or assigns of the Parties.
22. **Applicable Law.** The validity, interpretation and performance of this Agreement shall be construed and interpreted according to the laws of the State of California.
23. **Interpretation; Construction.** The headings set forth in this Agreement are for convenience only and shall not be used in interpreting this Agreement. This Agreement has been drafted by legal counsel representing Namou, but Gomez and Gomez's counsel have fully and voluntarily participated in the negotiation of its terms. Gomez acknowledges Gomez has had an opportunity to review and discuss each term of this Agreement with legal counsel and, therefore, the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement.
24. **Entire Agreement.** The Parties declare and represent that no promise, inducement or agreement not herein discussed has been made between the Parties, and that this Agreement contains the entire expression of agreement between the Parties on the subjects addressed herein.
25. **Cooperation.** The Parties agree to do all things necessary and to execute all further documents necessary and appropriate to carry out and effectuate the terms and purposes of this Agreement.
26. **Enforcement of Agreement.** The Parties agree that in any action at law or equity between the Parties seeking enforcement of any of the terms and provisions of this Agreement, the prevailing party in such action shall be awarded, in addition to damages or other relief, its reasonable costs and expenses, including, but not limited to, reasonable attorneys' fees and costs.
27. **Advice of Counsel.** The Parties declare and represent that they are executing this Agreement with full advice from their respective legal counsel, and that they intend that this Agreement shall be complete and shall not be subject to any claim of mistake, and that the releases herein express a full and complete release and, regardless of the adequacy or inadequacy of the consideration, each intends the releases herein to be final and complete. Each party executes this release with the full knowledge that this release covers all possible claims, to the fullest extent permitted by law.
28. **Execution in Counterparts.** This Agreement may be executed in one or more counterparts by electronic signature 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. Any executed counterpart shall be admissible in evidence to prove the existence and contents of this Agreement.

THE PARTIES TO THIS AGREEMENT HAVE READ THE FOREGOING AGREEMENT AND FULLY UNDERSTAND EACH AND EVERY PROVISION CONTAINED HEREIN. WHEREFORE, THE PARTIES HAVE EXECUTED THIS AGREEMENT ON THE DATES SHOWN BELOW.

Dated: October __, 2023

Nelida Villalva Gomez

Dated: October 17, 2023



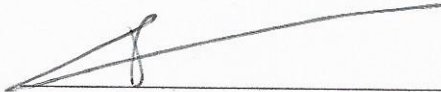
Razak Namou

Dated: October 17, 2023



Mahir Namou

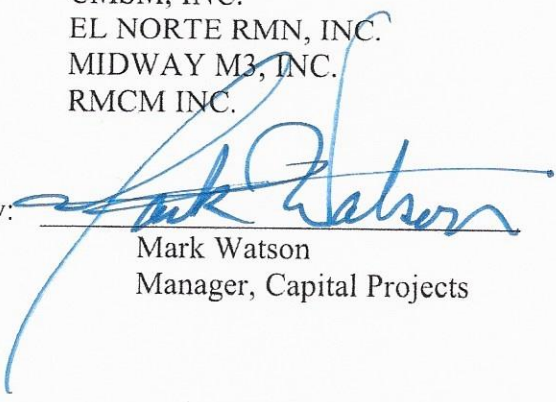
Dated: October 17, 2023



Rani Safa

R. NAMOU, CORP.
CMSM, INC.
EL NORTE RMN, INC.
MIDWAY M3, INC.
RMCM INC.

Dated: October 17, 2023

By: 

Mark Watson
Manager, Capital Projects

APPROVED AS TO FORM:

Dated: October __, 2023

By: _____

Rodolfo Ruiz-Velasco
Ruiz-Velasco Law Firm
Attorneys for Villalva Gomez

Dated: October 16, 2023

By: _____


Aaron A. Buckley
Matthew Mushamel
Quarles & Brady
Attorneys for R. Namou, Corp.; CMSM, Inc.; El
Norte RMN, Inc.; Midway M3, Inc.; RMCM,
Inc.; Razak Namou; Mahir Namou; and Rani Safa

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10/17/2023
Dated: October ___, 2023

Nelida Villalva Gomez

Nelida Villalva Gomez

Dated: October ___, 2023

Razak Namou

Dated: October ___, 2023

Mahir Namou

Dated: October ___, 2023

Rani Safa

R. NAMOU, CORP.
CMSM, INC.
EL NORTE RMN, INC.
MIDWAY M3, INC.
RMCM INC.

Dated: October ___, 2023

By: _____
Mark Watson
Manager, Capital Projects

APPROVED AS TO FORM:

Dated: October 17, 2023

By: 
Rodolfo Ruiz-Velasco
Ruiz-Velasco Law Firm
Attorneys for Villalva Gomez

Dated: October __, 2023

By: _____
Aaron A. Buckley
Matthew Mushamel
Quarles & Brady
Attorneys for R. Namou, Corp.; CMSM, Inc.; El
Norte RMN, Inc.; Midway M3, Inc.; RMCM,
Inc.; Razak Namou; Mahir Namou; and Rani Safa