PAGA SETTLEMENT AGREEMENT

This PAGA Settlement Agreement ("Agreement") is made by and between plaintiff Anber Little ("Plaintiff") and Defendant Quality Management Group, Inc. ("Defendant"). The Agreement refers to Plaintiff and Defendant collectively as "Parties," or individually as "Party."

1. **DEFINITIONS**.

1.1. "Action" means the Plaintiff's PAGA lawsuit alleging wage and hour violations against Defendant captioned *Anber Little, et al. v. Quality Management Group, Inc. et al.* initiated on May 11, 2023, and pending in Superior Court of the State of California, County of Orange, Case No. 30-2023-01325038-CU-OE-CXC.

1.2. "Administrator" means Simpluris 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. "Aggrieved Employees" all current and former non-exempt employees of Defendant who worked for Defendant in California anytime during the PAGA Period, as defined below.

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

1.6. "Aggrieved Employee Address Search" means the Administrator's investigation and search for current Aggrieved Employee 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 Aggrieved Employees.

1.7. "Court" means the Superior Court of California, County of Orange.

1.8. "Defense Counsel" means Walter M. Stella, Brett Greving, and Cozen O' Connor.

1.9. "Effective Date" means the date on which the Judgment becomes a non-appealable order.

1.10. "Gross Settlement Amount" means $210,000.00 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, and the Administrator's Expenses Payment.

1.11. “Individual PAGA Payment” means the Aggrieved Employee’s pro rata share of 25% of the PAGA Penalties calculated according to the number of Pay Periods the Aggrieved Employee worked during the PAGA Period.

1.12. “Judgment” means the judgment entered by the Court based upon the Approval of this Settlement.

1.13. “LWDA” means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i).

1.14. “LWDA PAGA Payment” means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).

1.15. “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, and the Administration Expenses Payment, and Plaintiff’s enhancement fee. The remainder is to be paid to Aggrieved Employees as Individual PAGA Payments.

1.16. “PAGA Counsel” means Roman Otkupman and Nidah Farishta of Otkupman Law Firm, A Law Corporation, the attorneys representing the Plaintiff in the Action.

1.17. “PAGA Counsel Fees Payment” and “PAGA Counsel Litigation Expenses Payment” mean the amounts allocated to PAGA Counsel for reimbursement of reasonable attorneys’ fees and expenses, respectively, incurred to prosecute the Action.

1.18. “PAGA Pay Period” means any Pay Period during which an Aggrieved Employee worked for Defendant for at least one day during the PAGA Period.

1.19. “PAGA Period” means the period from March 7, 2022 to April 4, 2025.

1.20. “PAGA” means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).

1.21. “PAGA Notice” means Plaintiff’s March 7, 2023, letter to Defendant and the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a).

1.22. “PAGA Penalties” means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 25% to the Aggrieved Employees and the 75% to LWDA in settlement of PAGA claims.

1.23. “Plaintiff” means Anber Little, the named plaintiff in the Action.

1.24. "Approval Order" means the Court Order Granting Judgment and Approval of PAGA Settlement.

1.25. “Released PAGA Claims” means the claims being released by the Plaintiff and

PAGA Counsel and as described in Paragraph 5 below.

1.26. "Released Parties" means: Defendant and each of its former and present directors, officers, shareholders, owners, members, attorneys, insurers, predecessors, successors, assigns, subsidiaries, and affiliates.

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

1.28. "Defendant" means named Defendant, Quality Management Group, Inc.

2. RECITALS.

2.1. On May 11, 2023, Plaintiff commenced this Action by filing a Complaint alleging one cause of action against Defendant for penalties pursuant to Labor Code section 2699(f) for violations of Labor Code sections 226.7, 512, 558, 510, 1194, 1194.2, 226(a), (e), 201-203, 204 (a)(b), 2802, 227.3, 210, 218, 222, 6400, 6401, 6403, 6404, 6407, and 8 CCR 3202 (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), Plaintiff gave timely written notice to Defendant and the LWDA by sending the PAGA Notice.

2.3. On April 4, 2025, the Parties participated in an all-day mediation presided over by Jason C. Marsili, which led to this Agreement to settle the Action.

2.4. Prior to mediation, Plaintiff obtained, through discovery, statistical data, including records of Defendant's employees, which consisted of wage statements, clock in and clock out times, times taken for meal breaks, wages earned during the relevant pay periods, written policies and procedures on meal breaks, rest breaks, overtime compensation, the number of pay periods in the PAGA Period, and the total number of aggrieved employees.

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

3. MONETARY TERMS.

3.1. Gross Settlement Amount. Except as otherwise provided by Paragraph 8 below, Defendant promises to pay $210,000.00 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 6.1 of this Agreement. The Administrator will disburse the entire

Gross Settlement Amount without asking or requiring Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendant. First installment by Defendant in the amount of $150,000 to be made 30 days after the Effective Date. Second installment by Defendant in the amount of $85,000 to be made six (6) months after the first installment. In exchange for the agreed-upon payment schedule, Defendant agrees that all applicable statute limitations for Plaintiff and the PAGA Class shall be tolled during the approval process such that Plaintiff may reassert, reopen, and/or relate back any of the actions identified herein if Defendant fails to satisfy the payment schedule in its entirety.

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 Approval Order:

3.2.1. To PAGA Counsel: A PAGA Counsel Fees Payment of not more than 35% which is currently estimated to be $73,500.00 and PAGA Counsel Litigation Expenses Payment in the actual costs incurred according proof. Defendant will not oppose requests for Court approval of these payments provided that they do not exceed these amounts. Plaintiff and/or PAGA Counsel will file an application or motion 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 Plaintiff's 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.

3.2.2. To the Administrator: An Administrator Expenses Payment not to exceed $ 3,000.00, 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 $ 3,000.00, the Administrator will retain the remainder in the Net Settlement Amount.

3.2.3. To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of $210,000.00 to be paid from the Gross Settlement Amount, with 75% of the net proceeds going to the LWDA, and 25% of the net proceeds allocated to the Individual PAGA Payments.

3.2.4. To Plaintiff: Plaintiff may also seek an enhancement award / service payment from the Gross Settlement Amount on behalf of Plaintiff Little in an amount not to exceed $5,000, subject to Court approval.

3.3. The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties ($52,500.00) by the total number of PAGA Period Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA Period Pay Periods.

3.4. The Administrator shall allocate 100% of the Individual PAGA Payments as 1099 non-wage compensation for statutory penalties. The Administrator shall be responsible to report the Individual PAGA Payments to the Internal Revenue Service ("IRS") and the payee, to the extent required by law, under the payee's name and social security number on an IRS Form 1099. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

3.5. Payments of Attorneys' Fees and Costs shall be made without withholding and shall be reported to the IRS and to Plaintiffs' Counsel on IRS Form 1099.

3.6. Payment of the enhancement award / service payment, if any, will be reported as deemed appropriate by the Administrator.

3.7. 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. Aggrieved Employee Pay Periods. Based on a review of its records to date, Defendant estimates that the Aggrieved Employees worked a total of 7,744 PAGA Pay Periods.

4.2. Aggrieved Employee Data. Within 14 days of Defendant counsel's receipt of the Court's Order Approving the Settlement and Judgment thereon, Defendant will deliver the Aggrieved Employee Data to the Administrator in the form of a Microsoft Excel spreadsheet. To protect Aggrieved Employee' privacy rights, the Administrator must maintain the Aggrieved Employee Data in confidence, use the Aggrieved Employee Data only for purposes of this Settlement and for no other purpose, and restrict access to the Aggrieved Employee Data to Administrator employees who need access to the Aggrieved Employee Data to effect and perform under this Agreement. Defendant has a continuing duty to immediately notify PAGA Counsel if it discovers that the Aggrieved Employee Data omitted employee identifying information and to provide corrected or updated Aggrieved Employee Data as soon as reasonably feasible. Without any extension of the deadline by which Defendant must send the Aggrieved Employee 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 Aggrieved Employee Data.

4.3. Funding of Gross Settlement Amount. Defendant shall fully fund the Gross Settlement Amount by transmitting the funds to the Administrator as provided in the installment schedule in Paragraph 3.1, above.

4.4. Payments from the Gross Settlement Amount. Within 14 days after Defendant funds the second (and final) installment payment of the Gross Settlement Amount as provided in Paragraph 3.1 above, the Administrator will mail checks for all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, and the PAGA Counsel Fees and Expenses Payments. Disbursement of the PAGA Counsel Fees and Expenses Payments 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 Aggrieved Employees 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 Administrator must conduct an Aggrieved Employee Address Search for all Aggrieved Employees whose checks are retuned 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 Aggrieved Employee Address Search. The Administrator need not take further steps to deliver checks to Aggrieved Employees whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Aggrieved Employee whose original check was lost or misplaced, requested by the Aggrieved Employee prior to the void date.

4.4.3. For any Aggrieved Employee 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 Aggrieved Employee.

4.4.4. The payment of Individual PAGA Payments shall not obligate Defendant to confer any additional benefits or make any additional payments to the Aggrieved Employees (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, and by operation of the Judgment (except as to rights or claims as may be created by this Agreement), Plaintiff and PAGA Counsel will forever and fully release claims against all Released Parties as follows:

5.1 Plaintiff's Release. Plaintiff and his or her respective former and present spouses, representatives, agents, attorneys (including PAGA Counsel), heirs, administrators, successors, and assigns generally, release and discharge Released Parties from all claims (both known and unknown), transactions, or occurrences that occurred during the PAGA Period, including, but not limited to: (a) all claims that were, or reasonably could have been, alleged, based on the facts contained in the Operative Complaint and the PAGA Notice ("Plaintiff's Release"). Plaintiff's Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, workers' compensation benefits that arose at any time, or based on occurrences outside the PAGA Period. Plaintiff acknowledges that Plaintiff may discover facts or law different from, or in addition to, the facts or law that Plaintiff now knows or believes to be true but agrees, nonetheless, that Plaintiff's Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiff's discovery of them.

As a material term of this Agreement, Plaintiff further agrees that as of the Effective Date of this Agreement, all of her rights under Section 1542 of the Civil Code of the State of California (or similar state statute) are waived as to any claims against Releasees. Section 1542 provides 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.**

Plaintiff's release under this Agreement specifically excludes Plaintiff's individual wage and hour release which is being memorialized in a separate agreement.

5.2 Release by Named Plaintiff as Proxy or Agent of LWDA. Upon the Effective Date, the LWDA, by and through Plaintiff as an agent or proxy of the LWDA, shall be deemed to release 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 PAGA Notice. The LWDA may not pursue the same PAGA claims in any representative capacity (including by and through alleged aggrieved employees) that are being released herein in another action.

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 Plaintiff's Responsibilities. Plaintiff 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 stipulation or motion for PAGA approval and (ii) proposed Order Granting Approval of PAGA settlement 3 business days prior to filing.

6.2 Responsibilities of Counsel. PAGA Counsel and Defense Counsel are jointly responsible for expeditiously finalizing and filing the application or motion for approval of this Settlement 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 Preliminary Approval 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 Simpluris to serve as the Administrator and verified that, as a condition of appointment, Simpluris 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. AGGRIEVED EMPLOYEE SIZE ESTIMATES AND ESCALATOR CLAUSE

Based on its records, Defendant estimates that, as of the date of this Settlement Agreement, there are 7,744 Pay Periods worked by Aggrieved Employees during the PAGA Period. If the actual number of pay periods increases by more than 10% for the relevant time period, the settlement amount will be increased proportionately for each Pay Period over 10%. Specifically, if the number of Pay Periods in the PAGA Period is above 8,518, the settlement amount shall be increased by the percentage that the actual number of Pay Periods in the PAGA Period exceeds 8,518.

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.

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 Plaintiff that Defendant's defenses in the Action have merit. The Parties agree that representative treatment is for purposes of this Settlement only. If, for any reason the Court does not approve this Settlement, Defendant reserves all available defenses to the claims in the Action, and Plaintiff reserves the right to contest Defendant's defenses. The Settlement, this Agreement and Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).

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 Parties' Authority. The signatories hereto hereby represent that they are fully authorized to enter into this Agreement and to bind the Parties hereto to the terms and conditions hereof.

10.4 Attorney Authorization. PAGA Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiff and Defendant, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.

10.5 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.

10.6 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.

10.7 No Tax Advice. Neither Plaintiff, PAGA Counsel, Defendant nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.

10.8 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.

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

10.10 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.

10.11 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.

10.12 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.

10.13 Use and Return of Aggrieved Employee Data. Information provided to PAGA Counsel pursuant to Cal. Evid. Code §1152, and all copies and/or summaries of the Aggrieved Employee 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 Approval Order, Plaintiff and/or her counsel shall destroy all paper and electronic versions of Aggrieved Employee Data received from Defendant.

10.14 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.

10.15 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.

10.16 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 day sent by email.

10.17 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.

10.18 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.

_______________________	_______________________
Plaintiff ANBER LITTLE	By: Title: Defendant QUALITY MANAGEMENT GROUP, INC.
Dated: 08 / 20 / 2025	Dated: ______________

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.

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Plaintiff ANBER LITTLE	By: Tim Johnson Title: President Defendant QUALITY MANAGEMENT GROUP, INC.
Dated: 08 / 20 / 2025	Dated: 9/22/25

Approved as to form and content:

Dated: 08 / 20 / 2025

OTKUPMAN LAW FIRM

____
Roman Otkupman
Nidah Farishta
Attorneys for Plaintiff,
Anber Little

Dated: ________________

COZEN O' CONNOR

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Walter M. Stella
Brett Greving
Attorneys for Defendant.
Quality Management Group, Inc.

Approved as to form and content:

Dated: 08 / 20 / 2025

OTKUPMAN LAW FIRM

Roman Otkupman
Nidah Farishta
Attorneys for Plaintiff,
Anber Little

Dated: 09/24/2025

COZEN O' CONNOR

Walter M. Stella
Brett Greving
Attorneys for Defendant.
Quality Management Group, Inc.

FIRST AMENDMENT TO PAGA SETTLEMENT AGREEMENT

This First Amendment to the PAGA Settlement Agreement (the "Amendment to PAGA Settlement Agreement" or "Amendment") is made and entered into by and between the attorneys of record for Plaintiff Anber Little ("Plaintiff") and Defendant Quality Management Group, Inc. ("Defendant") to amend the PAGA Settlement Agreement entered into by and between Plaintiff and Defendant (the "Agreement") as follows:

1. **Paragraph 1.10 is amended to read:**

   "Gross Settlement Amount" means $210,000.00 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, the Administrator's Expenses Payment, and Plaintiff's enhancement fee

2. **Paragraph 1.15 is amended to read:**

   "Net Settlement Amount" means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, the Administration Expenses Payment, and Plaintiff's enhancement fee. The remainder constitutes PAGA Penalties.

3. **Paragraph 1.26 is amended to read:**

   Released Parties" means: Defendant and each of its former and present directors, officers, shareholders, owners, members, predecessors, successors, assigns, and subsidiaries.

4. **Paragraph 3.1 is amended to read:**

   <u>Gross Settlement Amount</u>. Except as otherwise provided by Paragraph 8 below, Defendant promises to pay $210,000.00 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 Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendant. In exchange for the agreed-upon payment schedule, Defendant agrees that all applicable statute limitations for Plaintiff and the PAGA Class shall be tolled during the approval process such that Plaintiff may reassert, reopen, and/or relate back any of the actions identified herein if Defendant fails to satisfy the payment schedule in its entirety.

5. **Paragraph 3.2.1 is amended to read:**

   <u>To PAGA Counsel</u>: A PAGA Counsel Fees Payment of not more than 30% which is currently estimated to be $63,000.00 and PAGA Counsel Litigation Expenses Payment in the actual costs incurred according proof. Defendant will not oppose requests for Court approval of these payments provided that they do not exceed these amounts. Plaintiff and/or PAGA Counsel will file an application or motion 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 Plaintiff's 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.

6. Paragraph 3.2.3 is amended to read:

To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of $127,315.22 to be paid from the Gross Settlement Amount, with 75% ($95,486.42) allocated to the LWDA PAGA Payment, and 25% ($31,828.80) allocated to the Individual PAGA Payments.

7. Paragraph 3.3 is amended to read:

The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties ($31,828.80) by the total number of PAGA Period Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA Period Pay Periods.

8. Paragraph 4.3 is amended to read:

Funding of Gross Settlement Amount. Defendant shall fully fund the Gross Settlement Amount by transmitting the funds to the Administrator by no later than 30 days after the Effective Date of the Agreement, as defined in Paragraph 1.9.

9. Paragraph 4.4 is amended to read:

Payments from the Gross Settlement Amount. Within 14 days after Defendant fully funds the Gross Settlement Amount as provided in Paragraph 3.1 above, the Administrator will mail checks for all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the PAGA Counsel Fees and Expenses Payments, and Plaintiff's enhancement award. Disbursement of the PAGA Counsel Fees and Expenses Payments shall not precede disbursement of Individual PAGA Payments.

10. Paragraph 5 is amended to read:

RELEASES OF CLAIMS. Upon entry of an Order approving the Settlement and full payment by Defendant of the Gross Settlement Amount, and by operation of the Judgment (except as to rights or claims as may be created by this Agreement), Plaintiff, PAGA Counsel, and the Aggrieved Employees will forever and fully release claims against all

Released Parties as follows:

11. Paragraph 5.2 is amended to read:

Release by Aggrieved Employees. Upon entry of an Order approving the Settlement and full payment by Defendant of the Gross Settlement Amount, all Aggrieved Employees, including Plaintiff, will release 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 PAGA Notice or the Complaint that relate to or arose during the PAGA Period. The Aggrieved Employees may not pursue the same PAGA claims in any representative capacity that are being released herein in another action:

Plaintiff ANBER LITTLE

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Dated: 04 / 22 / 2026

Defendant QUALITY MANAGEMENT GROUP, INC.

____

By: ____________________________

Title: ___________________________

Dated: ___________________

OTKUPMAN LAW FIRM, A LAW CORPORATION

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Roman Otkupman
Nidah Farishta
Counsel for Plaintiff

Dated: 04 / 22 / 2026

COZEN O' CONNOR

____

Walter M. Stella
Brett Greving
Counsel for Defendant

Dated: ________________

Released Parties as follows:

11. Paragraph 5.2 is amended to read:

Release by Aggrieved Employees. Upon entry of an Order approving the Settlement and full payment by Defendant of the Gross Settlement Amount, all Aggrieved Employees, including Plaintiff, will release 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 PAGA Notice or the Complaint that relate to or arose during the PAGA Period. The Aggrieved Employees may not pursue the same PAGA claims in any representative capacity that are being released herein in another action:

Plaintiff ANBER LITTLE

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Dated: ________________

Defendant QUALITY MANAGEMENT GROUP, INC.

____

By: Timothy Johnson

Title: President

Dated: 4/23/26

OTKUPMAN LAW FIRM, A LAW CORPORATION

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Roman Otkupman
Nidah Farishta
Counsel for Plaintiff

Dated: ________________

COZEN O' CONNOR

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Walter M. Stella
Brett Greving
Counsel for Defendant

Dated: April 24, 2026