

CONFIDENTIAL SETTLEMENT AGREEMENT

This Confidential Settlement Agreement (the “Agreement”) is between BRYAN CIOFFI (the “Plaintiff”) on one hand, and HASA, INC. and/or its parent, subsidiaries and affiliates (collectively, “Defendant”) on the other hand. The signatories to this Agreement are referred to jointly as the “Parties.” This Agreement is a compromise between the Parties for the complete and final settlement of all claims, differences and causes of action, now known or unknown, between them.

BACKGROUND

1. Plaintiff was formerly employed by Defendant.
2. Plaintiff submitted notice to the Labor and Workforce Development Agency (“LWDA”) (“PAGA Notice”) of his intent to pursue claims for Labor Code violations under the California Labor Code Private Attorneys General Act of 2004 (“PAGA”).
3. On or around May 15, 2023, Plaintiff filed a civil action against Defendant in the Superior Court of California, County of Los Angeles, Case No. 23CHCV01426 (the “Lawsuit”). Plaintiff’s Lawsuit alleges individual and representative claims under the PAGA based on alleged violations of California Labor Code sections 201, 202, 226(a), 226.3, 226.7, 510, 512, 558, 1174, 1174.5, 1194, 1198.
4. Defendant denies that it engaged in any wrongful conduct. The Parties wish to compromise, resolve and settle, finally and forever, any claims and causes of action that were or could have been asserted by the Plaintiff against Defendant and/or any other person or entity described in this Agreement, to avoid the delay, expense, inconvenience and uncertainty of litigation.
5. The Parties have agreed, without Defendant admitting liability of any kind, to enter into this Agreement pursuant to which every claim and cause of action that was or could have been asserted against Defendant and/or any other person or entity described in this Agreement will be forever and finally released, with all claims asserted on behalf of others, including the State of California and other of Defendant, to be dismissed without prejudice.

THEREFORE, in consideration of mutual obligations set forth below, the Parties agree as follows:

TERMS

1. Settlement

1.1 In consideration of this Agreement and Plaintiff’s agreement to all the terms, conditions, and promises in this Agreement, Defendant agrees to provide Plaintiff and Plaintiff’s counsel the total gross sum of Twenty-Five Thousand Dollars and Zero Cents (\$25,000.00) (the

“Settlement Amount”) in full compromise and settlement of all claims released herein by Plaintiff. The Settlement Amount shall be paid no later than April 22, 2024 as follows: (i) one check in the amount of Twelve Thousand Five Hundred Dollars (\$12,500), made payable to “Gaines & Gaines, APLC” and for which Defendant will issue a Form 1099 to Gaines & Gaines, APLC; (ii) one check in the amount of Twelve Thousand Five Hundred Dollars (\$12,500) made payable to Plaintiff as alleged penalties and interest, and for which Defendant will issue a Form 1099 to Plaintiff, with no withholdings or deductions.

1.2 Defendant shall issue the payment of the Settlement Amount after all of the following preconditions have occurred: (i) execution of this Agreement by Plaintiff; and (ii) receipt by Defendant of appropriate W-9 forms from Plaintiff and Plaintiff’s counsel.

1.3 In conformity with its obligations herein, Defendant shall mail the payments consisting of the Settlement Amount to Gaines & Gaines, APLC, c/o Daniel F. Gaines, Esq., 4550 E. Thousand Oaks Blvd., Suite 100, Westlake Village, California 91362. The checks are deemed timely delivered if placed in the United States Mail or with an overnight delivery service on or before the date the payment is due to be delivered. The above payment shall be inclusive of all claims for attorneys’ fees, expenses, or other costs.

1.4 Dismissal. Promptly after execution of this Agreement, Plaintiff shall file a notice of settlement with the Court. Within five business days of all payments in Paragraph 1.1 being made, Plaintiff will file a Stipulation or Request for dismissal of the Lawsuit with prejudice as to Plaintiff’s individual claims (including any individual PAGA penalty claims) and without prejudice as to any representative claims, and withdraw (or, as to the PAGA Notice, abandon) any other complaints, charges, or other actions Plaintiff has filed with any Court or agency relating to Plaintiff’s employment with Defendant.

1.5 Indemnification and Tax Issues. Plaintiff is not relying on any information provided by Defendant, its employees, or its attorneys concerning the tax consequences of payments made under this Agreement. Plaintiff is solely and entirely responsible for the payment and discharge of all federal, state, and local taxes, if any, which may, at any time, be found to be due by Plaintiff upon or as a result of any amount that is paid by the Defendant under this Agreement. Plaintiff agrees to indemnify, defend, and hold Defendant, its parents, subsidiaries, successors, affiliates, and assigns harmless from any claim or liability asserted against Defendant or for any taxes and related penalties and/or interest, relating to Plaintiff’s failure to pay taxes due by Plaintiff as a result of the payments made under this Agreement.

1.6 Resolution of All Claims. This Agreement finally settles and resolves all claims that were asserted, or could have been asserted, by Plaintiff against Defendant and/or any other person or entity described in Paragraph 3.1 of this Agreement.

1.7 Valid Consideration. Plaintiff expressly agrees and acknowledges that the payments and other consideration described in this Agreement are not payments or consideration to which Plaintiff is otherwise entitled. Except as stated above in Paragraph 1 of this Agreement,

Plaintiff shall not be entitled to any compensation, remuneration, benefits or other payments from Defendant, and each Party shall be responsible for payment of its own costs and attorneys' fees.

2. Compromise

2.1 Liability Not Admitted. The Parties agree and acknowledge that this Agreement is the result of a compromise and shall never be construed as an admission by Defendant of any liability, wrongdoing or responsibility on its part or on the part of its predecessors, successors, assigns, agents, representatives, parents, subsidiaries, affiliates, officers, directors or employees. Defendant expressly deny any such liability, wrongdoing or responsibility. It is expressly understood and agreed that neither Party shall be deemed to be a "prevailing party" for the purposes of any fee-shifting statute, rule, or agreement.

3. Release

3.1 Full Release. Subject to Defendant' full payment of all monetary consideration due hereunder, Plaintiff, on behalf of Plaintiff and Plaintiff's heirs, estates, executors, administrators, assigns, transferees and representatives, hereby releases and forever discharges Defendant and its predecessors, successors, parents, subsidiaries, affiliates, assigns, representatives, co-employers, joint employers, insurers and agents, as well as all of its present and former directors, officers, employees, agents, shareholders, representatives, attorneys and insurers (collectively, the "Releasees"), from any and all claims, causes of actions, demands, debts, obligations, damages or liability of any nature whatsoever, known or unknown, that (a) Plaintiff has or may have which arise out of Plaintiff's employment or cessation of employment with Defendant or its successors, or (b) which concern or relate in any way to any acts or omissions by the Releasees done or occurring prior to and including the Effective Date of this Agreement. Plaintiff further understands that this Agreement does not limit Plaintiff's ability to communicate with any government agencies or otherwise participate or cooperate with an investigation conducted by the EEOC, SEC, or other similar agency, including providing documents or other information, without notice to the Releasees. Plaintiff expressly waives and disclaims any right to compensation or other benefit that may inure to him as a result of such charge, except for compensation related to any whistleblower claims to the Securities and Exchange Commission, and hereby expressly agrees to provide any such benefit or pay any such compensation directly to Defendant. This Agreement does not prohibit Plaintiff from seeking and obtaining a whistleblower award from the SEC pursuant to Rule 21F of the Securities Exchange Act. This Release is not intended to apply to any pension or insured benefits, if any, for which Plaintiff is eligible pursuant to the terms of any benefit plan in which Plaintiff is, or has been, a participant (subject to all the terms, conditions and restrictions of such governing plan). It is understood that all Releasees will have the right and standing to enforce the terms of this Paragraph.

To the maximum extent allowed by law, claims and causes of action released under this Agreement include, but are not limited to, those relating to:

- Wage Orders of the California Industrial Welfare Commission (all the foregoing as amended, if applicable)
- The California Fair Employment and Housing Act
- The California Labor Code
- The California Labor Code Private Attorneys General Act of 2004
- The California Unfair Competition Law (Cal. Bus. & Prof. Code §17200 et seq.)
- The Equal Pay Act, 29 U.S.C. §206(a) and interpretive regulations
- 42 U.S.C. §§ 1981 et seq.
- The Age Discrimination in Employment Act, as amended, 29 U.S.C. §§ 621 et seq.
- The Family and Medical Leave Act, 29 U.S.C. §§ 2601 et seq.
- The Health Insurance Portability and Accountability Act
- The Plaintiff Retirement and Income Security Act of 1974, as amended, 29 U.S.C. §§ 1001 et seq.
- Claims for breach of contract, express or implied
- The National Labor Relations Act
- The Labor Management Relations Act
- The Fair Credit Reporting Act
- The Genetic Information Nondiscrimination Act
- The Electronic Communication Privacy Act of 1986 (including the Stored Communications Act)
- The Dodd-Frank Wall Street Reform and Consumer Protection Act
- Executive Orders 11246 and 11141
- Claims for compensation, including but not limited to wages, bonuses, or commissions
- Claims for reimbursement of any kind
- Claims arising in tort, including, but not limited to, negligence, intentional or negligent infliction of emotional distress, defamation and/or invasion of privacy
- The Fair Labor Standards Act, 29 U.S.C. §§ 201 et seq.
- The Americans with Disabilities Act, as amended by the ADA Amendments Act of 2008, 42 U.S.C. §§ 12101 et seq.
- The Occupational Safety and Health Act (OSHA)
- Claims for wrongful discharge
- The Consolidated Omnibus Budget Reconciliation Act (COBRA)
- Title VII of the Civil Rights Act of 1964, as amended.
- The Sarbanes-Oxley Act, 18 U.S.C. 1514A
- Any other claims of discrimination or retaliation of any kind
- The Worker Adjustment and Retraining Notification Act, 29 U.S.C. §§ 2101 et seq.
- Claims for breach of the covenant of good faith and fair dealing
- Claims for benefits or fringe benefits
- Claims for, or relating to, stock or stock options
- The False Claims Act (including the qui tam provisions thereof)
- Claims for severance or termination pay
- Any claims that were raised or could have been raised in the Lawsuit
- Any and all other claims arising under any other federal, state, local or foreign laws, as well as any and all other common law legal or equitable claims
- Any and all claims for attorneys' fees, costs, expenses and the like, including but not limited to, any claims for attorneys' fees related to services rendered by Plaintiff's attorney of record in the Lawsuit and/or any other attorney who has provided services to Plaintiff.

It is understood that all Releasees will have the right and standing to enforce the terms of this Paragraph, i.e., 3.1 "Full Release."

3.2 Representations Concerning FLSA/FMLA Claims and Workplace Injuries.

Plaintiff represents that Plaintiff has been properly paid for all hours worked and has received all rights and benefits under the Fair Labor Standards Act and that Plaintiff does not believe, and is aware of no evidence suggesting, that Defendant has failed to comply with the Fair Labor Standards Act or the Family Medical Leave Act. Further, Plaintiff represents that Plaintiff is not aware of any work-related injury that has not been yet reported and is unaware of any facts (including injuries or illnesses) that might lead Plaintiff to file a workers' compensation claim against any of the Releasees. Plaintiff acknowledges that Defendant is relying on the accuracy of this representation as a material term of this Agreement.

3.3 It is understood and agreed by Plaintiff that Plaintiff may have sustained damages, losses, costs or expenses for which Plaintiff might have made Claims that are presently unknown or unsuspected, and that such damages, losses, costs or expenses may give rise to additional damages, losses, costs or expenses in the future. Plaintiff expressly waives all rights under Section 1542 of the California Civil Code, which 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."

Notwithstanding the provisions of Section 1542, and for the purpose of implementing a full and complete release and discharge of each and all of his claims, Plaintiff expressly acknowledges that this Agreement is intended to include and does include in its effect, without limitation, all Claims which Plaintiff does not know or suspect to exist in his favor at the time Plaintiff signed this Agreement and that this Agreement contemplates the extinguishment of all such Claims.

4. Confidentiality

4.1 Terms and Negotiations to be Kept Confidential. By executing this Agreement, Plaintiff represents and warrants that Plaintiff has not, as of the date Plaintiff signs this Agreement, disclosed to anyone, except Plaintiff's attorneys and Plaintiff's spouse, the existence of this Agreement, the amount of the settlement payments and the other terms of this Agreement, the circumstances giving rise to the execution of this Agreement, or the negotiations leading to this Agreement. Plaintiff understands and agrees that all discussions, negotiations and correspondence relating to this Agreement and the terms thereof (collectively "Confidential Settlement Information") are strictly confidential and that this confidentiality provision is a material term of this Agreement. Plaintiff agrees not to disclose to anyone (other than Plaintiff's spouse, financial advisors, legal counsel and accountants) any Confidential Settlement Information unless such disclosure is (i) lawfully required by any government agency; (ii) otherwise required to be disclosed by law (including legally required financial reporting) and/or by court order; (iii)

necessary in any legal proceeding in order to enforce any provision of this Agreement; or (iv) necessary to obtain dismissal of the Lawsuit, including submission of this Agreement to the Court for its review and approval. Plaintiff shall submit this Agreement to the LWDA in connection with the procedures outlined in the PAGA. Plaintiff and Plaintiff's counsel may respond to any inquiry about the status and/or resolution of this litigation by stating that the matter has been resolved to the mutual satisfaction of the Parties. If Plaintiff discloses Confidential Settlement Information to Plaintiff's spouse, financial advisors, counsel or accountant, Plaintiff will make such person aware of the confidential nature of this information and Plaintiff agrees to be responsible for its non-permitted disclosure of Confidential Settlement Information. Nothing in this Agreement prevents the Parties from discussing or disclosing information about unlawful acts in the workplace, such as harassment or discrimination or any other conduct the Parties have reason to believe is unlawful. Nothing in this Agreement prevents the disclosure of factual information relating to claims of sexual assault, sexual harassment, or an act of workplace harassment or discrimination, failure to prevent an act of harassment or discrimination, or an act of retaliation against a person for reporting or opposing harassment or discrimination, that are filed in a civil or administrative action.

This Agreement does not prevent Plaintiff from making disclosures of possible violations of federal law or regulation to any governmental agency or entity, including but not limited to the Department of Justice, the Securities and Exchange Commission, the Congress, and any agency Inspector General, or making other disclosures that are protected under the whistleblower provisions of federal law or regulation.

4.2 Testimony in Other Proceedings. If Plaintiff is asked to testify, subpoenaed, or otherwise compelled to testify in connection with any matter against Defendant or is asked or compelled to testify about Confidential Settlement Information, Plaintiff shall notify Defendant so that Defendant may move to quash the subpoena and/or take any other action, if any, Defendant deem appropriate to preserve the confidentiality terms of this Agreement. Should Plaintiff nevertheless be compelled to testify pursuant to subpoena or other legal process, Plaintiff shall cooperate with Defendant and Defendant's attorneys to the end that the confidentiality of this Agreement and other Confidential Settlement Information under this Agreement be preserved; such cooperation is to include consultation with Defendant and its attorneys upon reasonable notice and terms before Plaintiff is to provide testimony. If compelled to testify, Plaintiff shall provide at all times truthful testimony and nothing in this Agreement should be construed otherwise.

4.3 Tax Reporting and Government Investigation. Nothing in this Agreement is intended to or shall be construed to impede the right or duty of the Parties to file taxes honestly, to report income honestly, to testify truthfully, or to cooperate with any governmental investigation.

4.4 Materiality, Liquidated/Stipulated Damages, Fees. The Parties acknowledge and agree that the confidentiality/non-disparagement provisions stated in this Paragraph 4 (including subparagraphs) are material terms of this Agreement and constitute consideration of the Agreement. Plaintiff further acknowledges and agrees that Defendant would be irreparably harmed if Plaintiff breaches Paragraph 4 (including subparagraphs) and that the amount of damages that would result to Defendant from such a violation may be difficult or impossible to ascertain. Therefore, the Parties agrees that, if either breaches Paragraph 4 (including subparagraphs) of this Agreement, the other Party shall be obligated to repay to the breaching party

One Thousand Dollars (\$1,000) for each proven breach up to the total amount paid in Paragraph 1.1.

5. Non-Disparagement and Neutral Reference

5.1 Disparagement Prohibited; Neutral Reference. Plaintiff agrees not to make any disparaging or defamatory remarks against or concerning Defendant or any of the Releasees. Likewise, Defendant agrees that it will not make such remarks about Plaintiff. Defendant shall provide Plaintiff with a neutral reference upon inquiry by a prospective employer, providing only Plaintiff's job title and dates of employment.

6. Miscellaneous

6.1 Beneficiaries and Assignability. This Agreement is binding on, and shall inure to the benefit of, the Parties, its heirs, representatives, transferees, principals, estates, executors, administrators, predecessors, successors, parents, subsidiaries, affiliates, assigns, agents, directors, officers, directors and employees.

6.2 Integration, Modifications. This Agreement constitutes the complete agreement between, and contains all of the promises and undertakings of, the Parties. All prior agreements, representations, negotiations and understandings among the Parties, oral or written, express or implied, with respect to the subject matter of this Agreement, unless specifically incorporated into this Agreement by reference, are hereby superseded and merged into this Agreement. This Agreement does not supersede any other agreements entered into between Defendant and Plaintiff including but not limited to any arbitration agreement, confidentiality agreement or agreement to share information. This Agreement may not be revised or modified without the mutual written consent of the Parties.

6.3 Knowing/Voluntary Waiver. The Parties acknowledge and agree that they have had sufficient time to consider this Agreement and consult with legal counsel of its choosing concerning its meaning prior to entering into this Agreement. In entering into this Agreement, no Party has relied on any representations or warranties of any other Party, other than the representations or warranties expressly set forth in this Agreement.

6.4 Severability. Except as otherwise provided in this Paragraph, if any provision of this Agreement shall be finally determined to be invalid or unenforceable by a court of competent jurisdiction, that part shall be ineffective to the extent of such invalidity or unenforceability only, without in any way affecting the remaining parts of said provision or the remaining provisions of this Agreement. If Paragraph 3.1 of this Agreement is deemed invalid or unenforceable, in whole or in part, by a court of competent jurisdiction, this entire Agreement shall be null and void, and any payments made by or on behalf of Defendant shall be repaid immediately.

6.5 Counterparts. The Parties agree that this Agreement may be executed in counterparts, and each counterpart shall have the same force and effect as the original Agreement.

6.6 Jointly Drafted. Because the Parties have had a full opportunity to consider this Agreement and negotiate its terms, this Agreement is deemed to have been jointly prepared by the Parties, and any uncertainty or ambiguity existing in it shall not be interpreted against any Party as the primary drafter of the Agreement. The language of all parts of this Agreement shall in all cases be construed as a whole, according to its meaning and not strictly for or against any of the Parties.

6.7 Choice of Law. Except as otherwise provided in this Agreement, its interpretation and performance will be governed by the laws of the State of California without reference to that jurisdiction's choice of law provisions.

6.8 No Duress, Coercion, Fraud or Undue Influence. Plaintiff has knowingly and voluntarily entered into this Agreement and accepts the benefits described herein in exchange for the terms of this Agreement that inure to the benefit of the Released Parties, without duress, coercion, fraud or undue influence.

6.9 Plaintiff's Agreement To Assist in Effectuating Releases. Plaintiff represents and warrants that to the extent it is determined that any aspect or portion of this Agreement, including any aspect or portion of the release agreement in this Agreement, requires the approval of any court, agency or other body to be effective, that she will cooperate fully with Defendant to secure that approval, and if requested will join in and support any such request for approval.

7. Effective Date

7.1 This Agreement shall become effective upon Employee returning an executed version to Company's counsel along with all necessary tax-related documents ("Effective Date").

8. Enforcement of Agreement

8.1 Recovery of Attorneys' Fees. If the either Party prevails in an action to enforce any provision of this Agreement, or relating to either Party's breach of any provision of this Agreement, then, in addition to any other relief to which the Party may be entitled, the breaching Party shall reimburse the non-breaching Party for the costs and attorneys' fees incurred in any such action.

[SIGNATURES ON FOLLOWING PAGE]

WHEREFORE, having fully read and understood the terms of this Agreement, the Parties sign their names below with the intention that they shall be bound by it.



Plaintiff Bryan Cioffi

04 / 03 / 2024

Date

On Behalf of HASA, INC.

By: _____

Name:

Title:

Date

WHEREFORE, having fully read and understood the terms of this Agreement, the Parties sign their names below with the intention that they shall be bound by it.

Plaintiff Bryan Cioffi

Date

On Behalf of HASA, INC.

By: _____

Name: Ken Ward

Title: CFO

4/3/24

Date