

PAGA SETTLEMENT AGREEMENT

This “PAGA” (Private Attorneys General Act of 2004, California Labor Code section 2698 et seq.) Settlement Agreement (“Agreement”) is made by and between Plaintiffs Tim Mitchell and Miguel Angel Gomez (“Plaintiffs”) and Defendant UBEO WEST, LLC f/k/a Ray A. Morgan Company, LLC and RMC A Ray Morgan Company, LLC (“Defendant”). The Agreement refers to Plaintiffs and Defendant collectively as “Parties,” or individually as “Party.”

1. DEFINITIONS.

- 1.1 “Action” means Plaintiffs’ PAGA lawsuit entitled *Tim Mitchell v. Ray A. Morgan Company, LLC, et al.*, filed in the Superior Court of California, County of Tulare, case number VCU292052.
- 1.2 “Aggrieved Employee” means any and all persons who worked for Defendant in California as a non-exempt employee during the PAGA Period.
- 1.3 “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.
- 1.4 “Aggrieved Employee Address Search” means the Settlement 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 Settlement Administrator with Aggrieved Employees.
- 1.5 “Approval Order” means the Court’s order granting approval of the Settlement.
- 1.6 “Attorneys’ Costs” or “Litigation Costs” means the amount to be reimbursed to PAGA Counsel for their litigation costs and expenses incurred to prosecute the Action. Attorneys’ Costs shall not exceed \$35,000.00.
- 1.7 “Attorneys’ Fees” means the amount to be awarded to PAGA Counsel for the work they have performed in furtherance of the Action. Attorneys’ Fees shall not exceed \$160,000.00, which represents one-third of the Gross Settlement Amount.
- 1.8 “Court” means the Superior Court of California, County of Tulare.
- 1.9 “Defense Counsel” means Whitney, Thompson & Jeffcoach LLP, the attorneys representing Defendant in the Action.
- 1.10 “Gross Settlement Amount” means \$480,000.00 which is the maximum 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, Attorneys’ Fees, Attorneys’ Costs, and the Settlement Administration Costs.

- 1.11 “Individual PAGA Payment” means the Aggrieved Employee’s pro rata share of the 25% of the Net Settlement Amount 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 Order.
- 1.13 “LWDA PAGA Payment” means the 75% of the Net Settlement Amount paid to the Labor and Workforce Development Agency’s (“LWDA”) under Labor Code section 2699, subd. (i).
- 1.14 “Net Settlement Amount” means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: Attorneys’ Fees, Attorneys’ Costs, and the Settlement Administration Costs. The remainder is the total amount of PAGA civil penalties to be paid under the Settlement, which will be allocated 75% to the LWDA and 25% to the Aggrieved Employees in settlement of PAGA claims.
- 1.15 “PAGA Counsel” means Moon Law Group, PC, the attorneys representing Plaintiffs in the Action.
- 1.16 “Pay Period” means any pay period during which an Aggrieved Employee worked for Defendant for at least one day during the PAGA Period.
- 1.17 “PAGA Notice” means Plaintiff Tim Mitchell’s November 11, 2021 letter and Plaintiff Miguel Angel Gomez’s April 27, 2023 letter to Defendant and the LWDA providing notice pursuant to Labor Code § 2699.3(a).
- 1.18 “PAGA Period” means the period from November 17, 2020 to May 20, 2024.
- 1.19 “Released Claims” means the claims being released by Plaintiffs and Aggrieved Employees as described in Paragraph 5.2 below.
- 1.20 “Released Parties” means Defendant UBEO WEST, LLC and all of its former and present employees, directors, shareholders, officers, members, owners, attorneys, agents, insurers, successors, assigns, parents, subsidiaries, affiliates, and legal representatives.
- 1.21 “Settlement” means the disposition of the Action effected by this Agreement and the Judgment.
- 1.22 “Settlement Administrator” means Simpluris, Inc., a neutral, third-party administrator the Parties have agreed to appoint to administer the Settlement.
- 1.23 “Settlement Administration Costs” means means the amount the Settlement Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in administering the Settlement in accordance with this Agreement.

2. RECITALS

- 2.1 On November 17, 2021, Plaintiff Tim Mitchell commenced this Action by filing a complaint alleging the following causes of action against Defendant: (1) Failure to Pay

Minimum Wages [Cal. Lab. Code §§ 204, 1194, 1194.2, and 1197]; (2) Failure to Pay Overtime Compensation [Cal. Lab. Code §§ 1194 and 1198]; (3) Failure to Provide Meal Periods [Cal. Lab. Code §§ 226.7, 512]; (4) Failure to Authorize and Permit Rest Breaks [Cal. Lab. Code § 226.7, 512]; (5) Failure to Indemnify Necessary Business Expenses [Cal. Lab. Code § 2802]; (6) Failure to Timely Pay Final Wages at Termination [Cal. Lab. Code §§ 201-203]; (7) Failure to Provide Accurate Itemized Wage Statements [Cal. Lab. Code § 226]; and (8) Unfair Business Practices [Cal. Bus. & Prof. Code §§ 17200, et seq.]. On February 4, 2022, Plaintiff Mitchell filed a first amended complaint, alleging additional cause of action for Civil Penalties Under PAGA [Cal. Lab. Code § 2699, et seq.]. On February 2, 2023, the Court granted Defendant's Motion to Compel Arbitration in part as to Plaintiff's individual Labor Code claims and class claims and denied in part as to Plaintiff's PAGA claims. Thus, the Action consists of a single cause of action for civil penalties under PAGA. On May 30, 2024, the Second Amended PAGA Representative Action Complaint (the "Operative Complaint") was filed in the Action, which added Plaintiff Miguel Angel Gomez as an additional named plaintiff.

- 2.2 Defendant denies the allegations in the Operative Complaint, denies any failure to comply with the laws identified in the Operative Complaint, and denies any and all liability for the causes of action alleged. This Agreement shall not be construed as an admission of fault or wrongdoing by the Released Parties, or any of them.
- 2.3 Pursuant to Labor Code section 2699.3, subd. (a), Plaintiffs Tim Mitchell and Miguel Angel Gomez gave timely written notice to Defendant and the LWDA by sending a PAGA notice letter on November 11, 2021 and on April 27, 2023, respectively. Plaintiff Mitchell's PAGA case number is LWDA-CM-852056-21. Plaintiff Gomez's PAGA case number is LWDA-CM-951258-23.
- 2.4 On May 16, 2024, the Parties participated in an all-day mediation presided over by mediator Steve Rottman, Esq., which led to this Agreement to settle the Action. The Parties agree that the terms and conditions of this Agreement are the result of lengthy, intensive arms-length negotiations between the Parties supervised by an experienced employment law mediator.
- 2.5 Prior to mediation, Plaintiffs obtained, through informal discovery, a sample of the time and payroll records for the Aggrieved Employees, the number of Pay Periods and Aggrieved Employees in the PAGA Period, Defendant's employment policies and handbook, and other relevant documents. Plaintiffs retained an expert to analyze the records produced by Defendant.

3. MONETARY TERMS

- 3.1 Gross Settlement Amount. Except as otherwise provided by Paragraph 8 below, Defendant promises to pay \$480,000.00 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 Settlement 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.

- 3.2 Payments from the Gross Settlement Amount. The Settlement 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: Attorneys' Fees of not more than one-third (1/3) of the Gross Settlement Amount, or \$160,000.00, and Litigation Costs of not more than \$35,000.00 (together, "Attorneys' Fees and Costs"). Defendant will not oppose requests for these payments provided that they do not exceed these amounts. Plaintiffs and/or PAGA Counsel will file a motion for approval of the Settlement, which will include a request for PAGA Counsel's Attorneys' Fees and Costs. If the Court approves Attorneys' Fees and Costs less than the amounts requested, the Settlement Administrator will allocate the remainder to the Net Settlement Amount. Released Parties shall have no liability to PAGA Counsel arising from any claim to any portion of the Attorneys' Fees and Costs. The Settlement Administrator will pay the Attorneys' Fees and Costs using one or more IRS 1099 Forms. PAGA Counsel assumes full responsibility and liability for taxes owed on the Attorneys' Fees and Costs and holds Released Parties harmless, and indemnifies Released Parties, from any dispute or controversy regarding any division or sharing of any of these payments.

3.2.2 To the Settlement Administrator: Settlement Administration Costs not to exceed \$4,000.00 except for a showing of good cause and as approved by the Court. To the extent the Settlement Administration Costs are less or the Court approves payment less than \$4,000.00, the Settlement Administrator will retain the remainder in the Net Settlement Amount.

3.2.3 To the LWDA and Aggrieved Employees: The Net Settlement Amount will be distributed amongst Aggrieved Employees and the LWDA, with 75% allocated to the LWDA PAGA Payment and 25% allocated to the Individual PAGA Payments.

3.2.3.1 The Settlement Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of the Net Settlement Amount by the total number of Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payments.

3.2.3.2 All payments to Aggrieved Employees under this Settlement shall be characterized as non-wage penalties, and the Settlement Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

4. **SETTLEMENT FUNDING AND PAYMENTS.**

- 4.1 PAGA Period Pay Periods. Based on a review of its records to the date of mediation, Defendant estimates there are approximately 294 Aggrieved Employees who worked a total of 13,467 pay periods in the PAGA Period.
- 4.2 Aggrieved Employee Data. Not later than seven (7) calendar days after the date of the Court's Approval Order, Defendant will deliver the Aggrieved Employee Data to the

Settlement Administrator, in the form of a Microsoft Excel spreadsheet. To protect Aggrieved Employees' privacy rights, the Settlement 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 the Settlement 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 Aggrieved 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 Settlement 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 Settlement Administrator no later than fourteen (14) calendar days after the date of the Court's Approval Order.

4.4 Payments from the Gross Settlement Amount. Within ten (10) calendar days after Defendant fully funds the Gross Settlement Amount, the Settlement Administrator shall mail checks for all Individual PAGA Payments, the LWDA PAGA Payment, Attorneys' Fees, and Litigation Costs. Disbursement of PAGA Counsel Attorneys' Fees and Costs shall not precede disbursement of Individual PAGA Payments.

4.4.1 The Settlement Administrator will issue checks for the Individual PAGA Payments and send them to 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 Settlement 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 Settlement Administrator must conduct a Aggrieved Employee Address Search for all Aggrieved Employees whose checks are returned undelivered without USPS forwarding address. Within seven (7) calendar days of receiving a returned check, the Settlement Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Aggrieved Employee Address Search. The Settlement 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 Settlement Administrator shall transmit the funds represented by such checks to the California Controller's Unclaimed Property Fund in the name of the Aggrieved Employee, thereby leaving no "unpaid residue" subject to the requirements of California Code of Civil Procedure Section 384, subd. (b).

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, Plaintiffs and the Aggrieved Employees will release claims against all Released Parties as follows:

5.1 Plaintiffs' Release. Plaintiffs and their respective former and present spouses, representatives, agents, attorneys, heirs, administrators, successors, and assigns generally, release and discharge Released Parties from all claims, obligations, transactions, occurrences, and liabilities, including claims for civil penalties under the California Private Attorneys' General Act (Labor Code section 2698, et seq.), that were alleged or reasonably could have been alleged based on the facts contained in the Operative Complaint and Plaintiffs' PAGA Notice, that accrued at any time during the PAGA Period. ("Plaintiffs' Release.") Plaintiffs' Release under this Agreement 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. Plaintiffs acknowledge that Plaintiffs may discover facts or law different from, or in addition to, the facts or law that Plaintiffs now know or believe to be true but agree, nonetheless, that Plaintiffs' Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiffs' discovery of them.

5.1.1 Plaintiffs' Waiver of Rights Under California Civil Code Section 1542. For purposes of Plaintiffs' Release, Plaintiffs expressly waive and relinquish the provisions, rights, and benefits, if any, of section 1542 of the California Civil Code, which reads:

"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."

5.2 Release by Aggrieved Employees: All Aggrieved Employees 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 statutory penalties under the California Private Attorneys' General Act (Labor Code section 2698, et seq.) that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint and/or Plaintiffs' PAGA Notice that accrued at any time during the PAGA Period ("Released Claims"). Aggrieved Employees, with the exception of Plaintiffs, retain their rights to pursue claims for wages, statutory penalties, and any other damages, other than the PAGA claims being released by this Settlement.

6. MOTION FOR APPROVAL OF SETTLEMENT.

- 6.1 Plaintiffs' Responsibilities. Plaintiffs will prepare all documents necessary to obtain the Court's approval of the Settlement and deliver them to Defense Counsel before the motion and supporting papers are filed with the Court. Plaintiffs shall also submit this Settlement Agreement to the LWDA.
- 6.2 Responsibilities of Counsel. PAGA Counsel and Defense Counsel are jointly responsible for expeditiously finalizing and filing the motion for approval of the Settlement ("Approval Motion") no later than 30 days after the full execution of this Agreement, and obtaining a prompt hearing date for the Approval Motion and appearing in Court to advocate in favor of the Motion. PAGA Counsel is responsible for delivering the Court's Approval Order to the Settlement Administrator.
- 6.3 Duty to Cooperate. If the Parties disagree on any aspect of the proposed Approval Motion 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 Approval Motion 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 Settlement Administrator. The Parties have jointly selected Simpluris, Inc. ("Simpluris") to serve as the Settlement 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 Settlement Administration Costs. The Parties, PAGA Counsel and Defense Counsel represent that they have no interest or relationship, financial or otherwise, with the Settlement Administrator other than a professional relationship arising out of prior experiences administering settlements.
- 7.2 Employer Identification Number. The Settlement Administrator shall have and use its own "Employer Identification Number" for purposes of calculating payroll tax withholdings and providing reports to state and federal tax authorities.
- 7.3 Qualified Settlement Fund. The Settlement 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 Notice to Aggrieved Employees. All checks for the Individual PAGA Payment mailed to each Aggrieved Employee shall be accompanied by a notice letter from the Settlement Administrator, substantially in the form attached to this Agreement as **Exhibit A**, subject to Court's approval.
- 7.5 Final Accounting and Declaration. Within seven (7) days after the Settlement Administrator disburses all funds in the Gross Settlement Amount, the Settlement Administrator shall provide PAGA Counsel and Defense Counsel with a final

accounting, detailing its disbursements of all payments made under this Agreement. If requested by the Parties and/or the Court, at least fourteen (14) days before any deadline set by the Court, the Settlement Administrator shall prepare and provide PAGA Counsel and Defense Counsel, a signed declaration attesting to its due diligence and compliance with all of its obligations under this Agreement. The Settlement Administrator shall supplement its declaration as needed or requested by the Parties and/or the Court. PAGA Counsel is responsible for filing the Settlement Administrator's declaration in Court.

- 7.6 Administrator Duties. The Settlement Administrator has a duty to perform or observe all tasks to be performed or observed by the Settlement Administrator contained in this Agreement or otherwise.

8. **ESCALATOR CLAUSE.** Based on its records, Defendant estimates that, as of May 16, 2024, there are approximately 13,467 Pay Periods in the PAGA Period. If the number of Pay Periods in the PAGA Period exceeds 13,467 by more than 10%, meaning if the number of total Pay Periods is 14,814 or more, the Gross Settlement Amount shall be increased by the percentage that the actual number of Pay Periods exceeds 14,814. For example, if the increase in the number of Pay Periods is 11%, the Gross Settlement Amount shall increase by 1%.

9. **CONTINUING JURISDICTION AND WAIVER OF RIGHT TO APPEAL.**

- 9.1 Continuing Jurisdiction of the Court. The Parties agree that, after entry of Judgment, pursuant to California Code of Civil Procedure section 664.6, 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.
- 9.2 Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the Attorneys' Fees and Costs, 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.

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 the 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 the 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 Publicity. PAGA Counsel agrees to discuss the terms of this Settlement only in declarations submitted to the Court to establish PAGA Counsel's adequacy to serve as counsel, in declarations submitted to the Court in support of the Approval Motion, and any other pleading filed with the Court in conjunction with the Settlement. PAGA Counsel and Plaintiffs agree that they will not publish any press releases or press statements regarding the Settlement, identify Defendant or Defense Counsel by name in any media including PAGA Counsel's website, or have any communications with the press or media about the Action or the Settlement. Plaintiffs, in response to inquiries, will state that that "the Action was resolved." This provision will not impede PAGA Counsel's ability to discharge fiduciary duties, including responding to inquiries from Aggrieved Employees and effectuating the terms of this Settlement.
- 10.3 Confidentiality Prior to Approval. Plaintiffs, PAGA Counsel, Defendant, and Defense Counsel separately agree that, until the Approval Motion is filed, they and each of them will not disclose, disseminate and/or publicize, or cause or permit another person to disclose, disseminate or publicize, any of the terms of the Agreement directly or indirectly, specifically or generally, to any person, corporation, association, government agency, or other entity except: (1) to the Parties' attorneys, accountants, or spouses, all of whom will be instructed to keep this Agreement confidential; (2) counsel in a related matter; (3) to the extent necessary to report income to appropriate taxing authorities; (4) in response to a court order or subpoena; or (5) in response to an inquiry or subpoena issued by a state or federal government agency.
- 10.4 Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibit 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.
- 10.5 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.
- 10.6 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 the Action's mediator, Michael Young, and/or the Court for resolution.

- 10.7 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 Parties in this Settlement.
- 10.8 No Tax or Legal Advice. The Parties understand and agree that the Parties are neither providing tax or legal advice, nor making representations regarding tax obligations or consequences, if any, related to this Agreement, and that the Aggrieved Employees will assume any such tax obligations or consequences that may arise from this Agreement, and that the Aggrieved Employees shall not seek any indemnification from the Parties or any of the Released Parties in this regard. 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.
- 10.9 Invalidity of Any Provision. Before declaring any provision of this Agreement invalid, the Parties request that the Court first attempt to construe the provisions valid to the fullest extent possible consistent with applicable precedents, so as to define all provisions of this Agreement valid and enforceable.
- 10.10 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, and approved by the Court.
- 10.11 Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.
- 10.12 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.
- 10.13 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.
- 10.14 Use and Return of Aggrieved Employee 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.
- 10.15 Headings. The descriptive headings contained in this Agreement are inserted for convenience and reference only and in no way define, limit, extend or describe the scope of this Settlement or any provision hereof. Each term of this Settlement is contractual and not merely a recital.
- 10.16 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.

- 10.17 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:

Kane Moon
Allen Feghali
Julie Sohyun Oh
MOON LAW GROUP, PC
725 S Figueroa Street, 31st Floor
Los Angeles, CA 90017
Telephone: (213) 232-3128
Facsimile: (213) 232-3125
kmoon@moonlawgroup.com
afeghali@moonlawgroup.com
joh@moonlawgroup.com

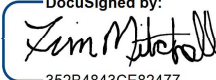
To Defendant:

Mandy L. Jeffcoach
William H. Littlewood
**WHITNEY, THOMPSON &
JEFFCOACH LLP**
970 W. Alluvial Ave.
Fresno, California 93711
Telephone: (559) 753-2550
Facsimile: (559) 753-2560
mjeffcoach@wtjlaw.com
blittlewood@wtjlaw.com

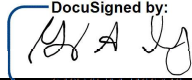
- 10.18 Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e. DocuSign), or email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same 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.
- 10.19 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, until the Court approves the Settlement. The Parties further agree that upon the signing of this Agreement that pursuant to CCP section 583.330 the date to bring a case to trial under CCP section 583.310 shall be tolled until Final Approval.

[SIGNATURES ON THE FOLLOWING PAGE]

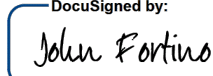
Date: 6/11/2024

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Plaintiff Tim Mitchell

Date: 6/12/2024

DocuSigned by:

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Plaintiff Miguel Angel Gomez

Date: 6/24/2024

DocuSigned by:

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Defendant UBEO WEST, LLC

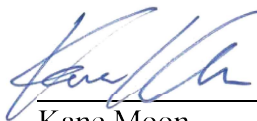
By: John Fortino

Its: CFO

Approved as to form by:

Date: June 13, 2024

MOON LAW GROUP, PC


Kane Moon
Allen Feghali
Julie Sohyun Oh
Counsel for Plaintiff

Date: 6/24/2024

WHITNEY, THOMPSON & JEFFCOACH LLP

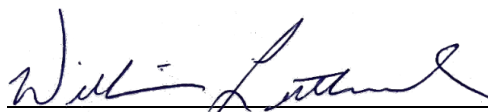

Mandy L. Jeffcoach
William H. Littlewood
Counsel for Defendant

Exhibit A

<<DATE>>

<<FIRST_NAME>> <<LAST_NAME>>

<<ADDRESS 1>>

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NOTICE OF PAGA SETTLEMENT

Tim Mitchell v. Ray A. Morgan Company, LLC, et al.

Superior Court of California, County of Tulare, Case No. VCU292052

PLEASE READ THIS NOTICE

Enclosed is your payment from the settlement of the lawsuit entitled *Tim Mitchell v. Ray A. Morgan Company, LLC, et al.* (Tulare County Superior Court, Case No. VCU292052). The lawsuit was filed by former employees, Tim Mitchell and Miguel Angel Gomez (“Plaintiffs”), against the named defendant UBEO WEST, LLC (“Defendant”), pursuant to the California Private Attorneys General Act of 2004, codified at California Labor Code § 2698, *et seq.* (called “PAGA”). The lawsuit was brought on behalf of the State of California and all persons who worked for Defendant in California as a non-exempt employee at any time between November 17, 2020 to May 20, 2024 (“PAGA Period”). You have been identified as one of the employees on whose behalf the lawsuit was filed.

Plaintiffs allege they and other non-exempt employees employed by Defendant in California during the PAGA Period were subjected to various Labor Code violations, including failure to pay minimum and overtime wages, failure to provide meal and rest breaks, failure to reimburse all necessary business expenses, failure to timely pay final wages at separation of employment, and failure to provide accurate itemized wage statements. Defendant denied and continues to deny all allegations and liability. However, to avoid further time and expense of protracted and uncertain litigation, Plaintiffs and Defendant agreed to settle the lawsuit for civil penalties under the Settlement.

The Court approved the Settlement on [**DATE**]. As of the date the Court entered the Order approving the Settlement, and payment of all funds due under the Settlement have been made, the Labor and Workforce Development Agency (“LWDA”) and Aggrieved Employees (as defined below), including Plaintiffs, fully release and forever discharge the Released Parties (as defined below) from any and all Released Claims (as defined below).

“Aggrieved Employee” means any and all persons who worked for Defendant in California as a non-exempt employee at any time between November 17, 2020 to May 20, 2024.

“Released Claims” means that as part of the Settlement, you will be releasing claims for civil penalties that arose during the PAGA Period, based on the facts alleged in this lawsuit or Plaintiffs’ PAGA notice letters to the LWDA. Specifically, the Settlement provides: “All Aggrieved Employees 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 statutory penalties under the California Private Attorneys' General Act (Labor Code section 2698, et seq.) that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint and/or Plaintiffs' PAGA Notice that accrued at any time during the PAGA Period ("Released Claims"). Aggrieved Employees, with the exception of Plaintiffs, retain their rights to pursue claims for wages, statutory penalties, and any other damages, other than the PAGA claims being released by this Settlement."

"Released Parties" are Defendant UBEO WEST, LLC and its former and present employees, directors, shareholders, officers, members, owners, attorneys, agents, insurers, successors, assigns, parents, subsidiaries, affiliates, and legal representatives.

The Gross Settlement Amount is the maximum total payment under the Settlement. The Gross Settlement Amount is \$480,000.00. This sum is comprised of PAGA Counsel Attorneys' Fees of \$160,000.00; reimbursement of PAGA Counsel's Litigation Costs of \$[REDACTED]; Settlement Administration Costs of \$[REDACTED]; and the remainder as PAGA penalties, or the Net Settlement Amount. The Net Settlement Amount is comprised of the LWDA Payment and the Individual PAGA Payments to Aggrieved Employees. \$[REDACTED], or 75% of the Net Settlement Amount, will be paid to the LWDA in accordance with the PAGA. \$[REDACTED], or 25% of the Net Settlement Amount, will be paid to the Aggrieved Employees as Individual PAGA Payments, which will be calculated on a pro rata basis, based on the number of each Aggrieved Employee's pay periods worked during the PAGA Period.

Based on Defendant's records, you worked [NUMBER OF PAY PERIODS] pay periods during the PAGA Period. The total amount of pay periods worked by all Aggrieved Employees during the PAGA Period is [NUMBER OF PAY PERIODS].

The enclosed check represents your share based upon the number of pay periods you worked during the period from November 17, 2020 to May 20, 2024.

An IRS 1099 Form is enclosed. You will be solely responsible for paying federal, state or local taxes, if any, on the amount of your check.

Your enclosed check is valid for 180 days from the date of its issuance. **It is strongly recommended that you cash or deposit this check immediately.** After that date, you cannot cash the check and it will be null and void and the amount forwarded to the State of California Controller's Office Unclaimed Property Division for further handling.

Even if you fail to cash the enclosed check, you will still be deemed to have waived all claims arising from the above-entitled lawsuit as defined above under "Released Claims," including all claims set forth in the release of claims described above.

If the check is lost or misplaced, please contact the Settlement Administrator immediately at [xxx-xxx-xxxx]. If you have any questions about your check, please contact the [insert administrator information].