

SETTLEMENT AGREEMENT AND RELEASE OF PAGA CLAIM

This Settlement Agreement and Release of the PAGA Claim ("Agreement") is made by and between plaintiff Nathalie Pelaez ("Plaintiff"), on behalf of herself and on behalf of all other Aggrieved Employees (as defined below), and defendants GFF, Inc. and Driven Talent, LLC ("Defendants"). The Agreement refers to Plaintiff and Defendants collectively as "Parties," or individually as "Party."

1. DEFINITIONS

- 1.1. "Action" collectively refers to Plaintiff's Private Attorney General Act ("PAGA") lawsuit alleging Labor Code violations against Defendants, captioned *Nathalie Pelaez v. GFF, Inc., et al.*, Case No. 23STCV07971, initiated on April 11, 2023, and pending in Superior Court of the State of California, County of Los Angeles, in which Plaintiff seeks PAGA penalties on behalf of herself and all similarly aggrieved employees.
- 1.2. "Administrator" means Simpluris, Inc., 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" means all current and former non-exempt employees employed by Defendant GFF, Inc. or Defendant Driven Talent, LLC that worked at GFF, Inc. for at least one PAGA Pay Period in California at any time between April 1, 2022, to the date of the Court's order granting approval of the Settlement.
- 1.5. "Aggrieved Employee Data" means Aggrieved Employee identifying information in Defendants' 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 Los Angeles.
- 1.8. "Defendants" means named Defendants GFF, Inc. and Driven Talent, LLC.
- 1.9. "Defense Counsel" means and refers to Ervin Cohen & Jessup LLP and Medina McKelvey LLP.

- 1.10. "Effective Date" means the date by when both of the following have occurred: (a) the Court enters a Judgment on its Approval Order and (b) the Judgment is final. The Judgment is final as of the day the Court enters Judgment.
- 1.11. "Gross Settlement Amount" means \$335,000.00 which is the total amount Defendants agree to pay under the Settlement. The Gross Settlement Amount will be used to pay the Individual Settlement Amount, Individual PAGA Payments, the LWDA PAGA Payment, PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, and the Administration Expenses Payment.
- 1.12. "Individual PAGA Payment" means the Aggrieved Employee's pro rata share of twenty-five percent (25%) of the PAGA Penalties calculated according to the number of Pay Periods the Aggrieved Employee worked during the PAGA Period.
- 1.13. "Judgment" means the judgment entered by the Court based upon the Approval Order.
- 1.14. "LWDA" means the California Labor and Workforce Development Agency, the agency entitled under Labor Code section 2699, subd. (i).
- 1.15. "LWDA PAGA Payment" means the seventy-five (75%) of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).
- 1.16. "Net Settlement Amount" means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: the LWDA PAGA Payment, PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, and the Administration Expenses Payment.
- 1.17. "PAGA Counsel" means Moon Law Group, PC, the attorneys representing the Plaintiff in the Action.
- 1.18. "PAGA Counsel Fees Payment" and "PAGA Counsel Litigation Expenses Payment" (together, "Attorneys' Fees and Costs") mean the amounts allocated to PAGA Counsel for reimbursement of reasonable attorneys' fees and expenses, respectively, incurred to prosecute the Action.
- 1.19. "PAGA Pay Period" means any pay period during which an Aggrieved Employee worked for Defendants for at least one (1) day during the PAGA Period.
- 1.20. "PAGA Period" means the period from April 1, 2022, to the date the Court signs the order granting approval of the PAGA Settlement.
- 1.21. "PAGA" means the Private Attorneys General Act (Labor Code §§ 2698., et seq.).
- 1.22. "PAGA Notice" means Plaintiff's April 1, 2023, letter to Defendants and the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a).

- 1.23. "PAGA Penalties" means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated twenty-five percent (25%) to the Aggrieved Employees and the seventy-five (75%) to LWDA in settlement of PAGA claims. PAGA Penalties is the amount remaining in the Gross Settlement Amount after deducting the Individual Settlement Amount and the following payments in the amounts approved by the Court: PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, and the Administration Expenses Payment.
- 1.24. "Plaintiff" means Nathalie Pelaez, the named plaintiff in the Action.
- 1.25. "Approval Order" means the Court's order granting approval of this Settlement.
- 1.26. "Released PAGA Claims" means the claims being released by the Plaintiff, Defendants and PAGA Counsel and as described in Paragraph 5 below.
- 1.27. "Released Parties" means: Defendants and each of its former and present directors, officers, shareholders, owners, members, employees, agents, trustees, principals, managers, representatives, attorneys, insurers, predecessors, successors, assigns, accountants, parent companies, subsidiaries, and affiliates, and all persons acting under, by, through, or in concert with any of them.
- 1.28. "Settlement" means the disposition of the Action effected by this Agreement and the Judgment.

2. RECITALS

- 2.1. On April 11, 2023, Plaintiff, on behalf of herself and on behalf of all other similarly situated individuals, commenced this Action by filing a Class Action Complaint alleging (1) failure to pay minimum wages; (2) failure to pay overtime compensation; (3) failure to provide meal periods; (4) failure to authorize and permit rest breaks; (5) failure to indemnify necessary business expenses; (6) failure to timely pay final wages at termination; (7) failure to provide accurate itemized wage statements; and (8) unfair business practices.
- 2.2. On or about June 5, 2023, Plaintiff filed a First Amended Complaint in the action, which added a Ninth Cause of Action, which alleged Private Attorney General Act Penalties for violations of the California Labor Code committed against Plaintiff and the other Aggrieved Employees for failure to pay overtime and double time, failure to pay minimum wage, failure to provide rest and meal periods, failure to keep accurate payroll records and provided itemized wage statements, failure to pay reporting time wages, failure to pay all wages earned on time, failure to pay all wages earned upon discharge, failure to reimburse necessary, business-related expenses, and engaged in other conduct that resulted in violations of the California Labor Code, including but not limited to violations of California Labor Code sections 201, 202, 203, 204, 210, 226, 226.7, 227.3,

512, 558, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1198, 2699, 2802, as well as violations of the applicable IWC Wage Order (the "FAC").

- 2.3. On or about December 4, 2023, Plaintiff filed a Request for Dismissal of the Class and Individual Allegations Without Prejudice ("Request for Dismissal").
- 2.4. On or about December 11, 2023, the Court granted Plaintiff's Request for Dismissal, which left only the Ninth Cause of Action for Private Attorney General Act Penalties as the only operative cause of action in the Action (the "Operative Complaint").
- 2.5. Defendants deny the allegations in the Operative Complaint, deny any failure to comply with the laws identified in the Operative Complaint and deny any and all liability for the causes of action alleged.
- 2.6. Pursuant to Labor Code section 2699.3, subd.(a), Plaintiff gave timely written notice to Defendants and the LWDA by sending the PAGA Notice.
- 2.7. On July 3, 2024, the Parties participated in an all-day mediation presided over by Hon. Carl West (Ret.) which led to this Agreement to settle the Action.
- 2.8. Prior to mediation, Plaintiff obtained, through an informal exchange of information and documents in the Action, information and documentation concerning the claims set forth in the Action, such as documentation regarding Plaintiff's employment and a representative, random sampling of data related to putative Aggrieved Employees including but not limited to the number of putative Aggrieved Employees and the total pay periods worked by the Aggrieved Employees during the PAGA Period.
- 2.9. 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. Subject to the Court's approval of this Settlement pursuant to Labor Code § 2699(1)(2), which counsel and the Parties agree to recommend in good faith to the Court, the Parties agree to the following binding settlement of the Action.
- 3.2. Gross Settlement Amount. Defendants promise to pay \$335,000.00 and no more as the Gross Settlement Amount, with Defendant GFF, Inc. paying \$325,000.00 and Defendant Driven Talent, LLC paying \$10,000.00. Defendants have 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 Defendants.

- 3.3. Payments from the Gross Settlement Amount. The Administrator will make and deduct the following payments from the Gross Settlement Amount, in the amounts specified by the Court in the Final Approval:
- 3.3.1. To PAGA Counsel: A PAGA Counsel Fees Payment of not more than one-third (33 1/3%) of the Gross Settlement Amount, which is currently estimated to be \$111,666.67, plus PAGA Counsel Litigation Expenses Payment of not more than \$20,000.00. Defendants will not oppose requests for Court approval of these payments provided that they do not exceed these amounts. Plaintiff and/or PAGA Counsel will make a request for PAGA Counsel Fees Payment and PAGA Litigation Expenses Payment in Plaintiff's motion for approval of the PAGA Settlement. 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 Defendants harmless, and indemnifies Defendants, from any dispute or controversy regarding any division or sharing of any of these Payments.
- 3.3.2. To the Administrator: An Administrator Expenses Payment not to exceed \$4,000.00 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 the amount requested, the Administrator will retain the remainder in the Net Settlement Amount.
- 3.3.3. To Plaintiff: For services as the PAGA representative and in exchange for a general release of all claims Plaintiff has against Defendants, which releases claims beyond those being released by other Aggrieved Employees under this Agreement. Plaintiff will receive \$10,000.00 ("Individual Settlement Amount") from Defendants under a separate, individual settlement agreement that the Parties are entering into concurrently with this Agreement. The payment of the Individual Settlement Amount is to be deducted from the Gross Settlement Amount.
- 3.3.4. To the LWDA and Aggrieved Employees: After deducting the Individual Settlement Amount, PAGA Counsel Fees Payment, PAGA Counsel Expenses Payment, and Administrator Expenses Payment, in the amounts approved by the Court, the remainder of the Gross Settlement Amount is the total amount of PAGA Penalties, with seventy-five percent (75%) allocated to the LWDA PAGA Payment and twenty-five percent (25%) allocated to the Individual PAGA Payments.
- 3.3.4.1. The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' twenty-five percent (25%) share of PAGA Penalties 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. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

- 3.3.4.2. If the Court approves PAGA Penalties of less than the amount requested, the Administrator will allocate the remainder to be paid to Aggrieved Employees as Individual PAGA Payments. Each Individual PAGA Payment shall be treated as non-wage income and 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, Defendants estimates that, as of June 17, 2024, there are 167 Aggrieved Employees who worked a total 12,141 PAGA Pay Periods for Defendant GFF, Inc. and 144 Aggrieved Employees who worked a total 643 PAGA Pay Periods for Defendant Driven Talent, LLC.
- 4.2. Aggrieved Employee Data. Within ten (10) business days of the Effective Date, Defendants will simultaneously 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. Defendants have 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 Defendants 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. Within ten (10) business days after the Effective Date, the Administrator shall send Defendants' Counsel electronic wiring instructions to fund the Gross Settlement Amount. Defendants shall fully fund the Gross Settlement Amount by transmitting the funds to the Administrator no later than twenty (20) business days after the Effective Date.
- 4.4. Payments from the Gross Settlement Amount. Within ten (10) business days after Defendants fund the Gross Settlement Amount, the Administrator will mail checks for all Individual PAGA Payments, the LWDA PAGA Payment, the PAGA Counsel Fees Payment, and the PAGA Counsel Expenses Payment. Disbursement of the payment to PAGA Counsel for Attorneys' Fees and Costs 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, along with a notice letter, 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 returned undelivered without USPS forwarding address. Within seven (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 Defendants 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 Defendants fully funds the entire Gross Settlement Amount, Defendants will release each other, and Plaintiff and PAGA Counsel will release claims against all Released Parties as follows:
 - 5.1. **Plaintiff's Release.** Plaintiff and her respective former and present spouses, representatives, agents, attorneys, heirs, administrators, successors, and assigns generally, release and discharge the Released Parties for all penalties under the California Private Attorneys' General Act (Labor Code section 2698, et seq.) that were or could have been sought by the Labor Commissioner for the violations identified in the Operative Complaint and Plaintiff's PAGA Notice, that accrued at any time during the PAGA Period. ("Plaintiff's Release.") Plaintiff's 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. 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.

- 5.2. Defendants' Release. Defendant GFF, Inc. releases Driven Talent, LLC and its former and present directors, officers, shareholders, owners, members, employees, agents, trustees, principals, managers, representatives, attorneys, insurers, predecessors, successors, assigns, accountants, parent companies, subsidiaries, and affiliates, and all persons acting under, by, through, or in concert with any of them, and Driven Talent, LLC releases GFF, Inc. and its former and present directors, officers, shareholders, owners, members, employees, agents, trustees, principals, managers, representatives, attorneys, insurers, predecessors, successors, assigns, accountants, parent companies, subsidiaries, and affiliates, and all persons acting under, by, through, or in concert with any of them, from all claims, demands, liens, agreements, contracts, covenants, actions, suits, causes of action, obligations, controversies, costs, expenses, damages, and liabilities of whatever kind and nature in law, equity or otherwise, arising out of or relating to, the Action, the PAGA penalties that were alleged, or reasonably could have been alleged, based on the facts alleged in the Action and the PAGA Notice.
- 5.3. Release by Aggrieved Employees: In accordance with *Arias v. Superior Court* (2009) 46 Cal.4th 969, a judgment in "a representative action brought by an aggrieved employee under the Labor Code Private Attorneys General Act of 2004 ... is binding not only on the named employee plaintiff but also on government agencies and any aggrieved employee not a party to the proceeding," which the Judgment shall so reflect. Therefore, 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 PAGA penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period facts alleged in the Action and the PAGA Notice that accrued at any time during the PAGA Period ("Released Claims"). The Judgment shall not bind nor release the Aggrieved Employees of any individual wage claims, claims for statutory penalties, or claims for any other damages, other than the PAGA claims being released under this Settlement.
- 5.4. Release by PAGA Counsel: PAGA Counsel release on behalf of their present and former attorneys, employees, agents, successors and assigns the Released Parties from all claims for PAGA Fees incurred in connection with the Operative Complaint and the PAGA Period facts stated in the Operative Complaint and the PAGA Notice.
6. MOTION OR APPLICATION OF 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 motion seeking the Court's approval of the PAGA Settlement, including a draft proposed Order Granting Approval of PAGA Settlement, and Defendants shall not oppose such a motion provided Plaintiff's Counsel sends a draft of the motion for approval to Defendants' Counsel allowing sufficient time for review and comment; (ii) a signed declaration from the Administrator attaching its "not to exceed" bid for administering the Settlement and attesting to its willingness to serve; competency; operative procedures for protecting the security of Aggrieved Employee

Data; amounts of insurance coverage for any data breach, defalcation of funds or other misfeasance; all facts relevant to any actual or potential conflicts of interest with Aggrieved Employees or the LWDA; and the nature and extent of any financial relationship with Plaintiff, PAGA Counsel or Defense Counsel; (iii) a signed declaration from PAGA Counsel's firm attesting to its timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), Operative Complaints (Labor Code section 2699, subd. (1)(1)), this Agreement (Labor Code section 2699, subd. (1)(2)); and (iv) a redlined version of the parties' Agreement showing all modifications made to the Model Agreement ready for filing with the court; and (v) all facts relevant to any actual or potential conflict of interest with Aggrieved Employees and/or the Administrator. In their Declarations, Plaintiff and PAGA Counsel shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.

- 6.2. Responsibilities of PAGA Counsel. PAGA Counsel and Defense Counsel are jointly responsible for expeditiously finalizing and filing the motion for approval of this Settlement no later than thirty (30) days after the full execution of this Agreement and, if necessary, obtaining a prompt hearing date for an approval hearing and appearing in Court to advocate in favor of the motion. PAGA Counsel is responsible for delivering the Court's Approval Order 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 application or 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, Inc. 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 to 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. Notice to Aggrieved Employees. All checks for the Individual PAGA Payments 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. 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. **ESCALATOR CLAUSE**. Based on their records, Defendants estimate that, as of June 17, 2024, there are 311 Aggrieved Employees who worked a total of 12,784 Pay Periods (167 Aggrieved Employees who worked a total 12,141 Pay Periods for Defendant GFF, Inc. and 144 Aggrieved Employees who worked a total 643 Pay Periods for Defendant Driven Talent, LLC). If the number of Pay Periods in the PAGA Period exceeds 12,784 by more than 15%, meaning if the number of total Pay Periods is 14,702 or more, the Gross Settlement Amount shall be increased by the percentage that the actual number of Pay Periods exceeds 14,702. Any increased payment shall be apportioned based on the percentage increase of Pay Periods by the respective Defendants. Alternatively, either Defendant may elect to end the PAGA Period on the date the total number of Pay Periods reaches or exceeds 14,702.
9. **CONTINUING JURISDICTION OF THE COURT**. The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties, Action, and the Settlement solely for purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters, and (iii) addressing such post-Judgment matters as are permitted by law.
- 9.1. Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the PAGA Counsel Fees Payment and PAGA Counsel Litigation Expenses Payment, the Parties, their respective counsel waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals. If another party appeals the Judgment, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect the amount of the Net Settlement Amount.

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 Defendants that any of the allegations in the Operative Complaint have merit or that Defendants have any liability for any claims asserted; nor should it be intended or construed as an admission

by Plaintiff that Defendants' 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, Defendants reserve all available defenses to the claims in the Action, and Plaintiff reserves the right to contest Defendants' 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). This Settlement Agreement is a settlement document and shall, pursuant to California Evidence Code section 1152 and/or Federal Rule of Evidence 408, be inadmissible in evidence in any proceeding, except an action or proceeding to approve the Settlement, and/or interpret or enforce this Settlement Agreement.

- 10.2. Non-Disparagement. Plaintiff agrees that she shall not disparage the Released Parties or Defendants' respective owners, members, officers, and employees, to third parties, or otherwise make statements or take actions which would place the Released Parties in a negative light. Similarly, Defendants, on behalf of their principals only, agree that they shall not disparage Plaintiff.
- 10.3. 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.
- 10.4. Attorney Authorization. PAGA Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiff and Defendants, 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 the mediator in this Action, Hon. Carl West (Ret.), 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, Defendants 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. Enforcement Actions: This Agreement is binding and enforceable under California Code of Civil Procedure section 664.6. Except as otherwise provided in this Settlement Agreement, in the event that one or more of the Parties to this Settlement Agreement institutes any action or proceeding in this case under California Code of Civil Procedure section 664.6 or other proceeding against any other Party or Parties to enforce the provisions of this Settlement Agreement or to declare rights and/or obligations under this Settlement Agreement, the successful Party or Parties shall be entitled to recover from the unsuccessful Party or Parties reasonable attorney's fees and costs incurred in connection with any enforcement actions.
- 10.11. 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.
- 10.12. 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.
- 10.13. Confidentiality. Plaintiff, PAGA Counsel, Defendants, and Defense Counsel separately agree that, until the motion for approval of the Settlement 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.
- 10.14. 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 Defendants in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. Not later than 90 days after the Administrator discharges its obligation to pay out of all Settlement funds,

Plaintiff shall destroy all paper and electronic versions of Aggrieved Employee Data received from Defendants unless, prior to the Administrator's payment of all Settlement Funds, Defendants make a written request to PAGA Counsel for the return, rather than the destructions, of Aggrieved Employee Data.

10.15. 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.

10.16. 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. Waiver: The waiver by one Party of any breach of this Agreement by another Party shall not be deemed a waiver of any other prior or subsequent breach of this Agreement.

10.18. 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 Plaintiff:

Kane Moon Esq.
Allen Feghali, Esq.
Julie Oh, Esq.
Moon Law Group, PC
725 S. Figueroa St., 31st Floor
Los Angeles, CA 90017

To Defendant GFF, Inc.:

Kelly Scott, Esq.
Jared Slater, Esq.
Ervin Cohen & Jessup LLP
9401 Wilshire Boulevard, 12th Floor
Beverly Hills, CA 90212

To Defendant Driven Talent, LLC:

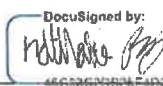
Tim Nelson, Esq.
Kyle Owen, Esq.
Medina McKelvey LLP
925 Highland Pointe Dr., Ste. 300
Roseville, CA 95678

10.19. 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.

10.20. Stay of Litigation. Unless otherwise provided, 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.

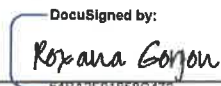
Dated: 7/30/2024

By: 
Nathalie Pelaez, Plaintiff

Dated: 8/13/24

By: 
GFF, Inc.
By: David Cisneros
Its: CEO

Dated: 9/16/2024

By: 
Driven Talent, LLC
By: Roxana Gorjon
Its: CEO

Approved as to form by:

Dated: August 1, 2024

MOON LAW GROUP, PC

By: 
Kane Moon, Esq.
Allen Feghali, Esq.
Julie Sohyun Oh, Esq.
Counsel for Plaintiff Nathalie Pelaez

Dated: 8/13/24

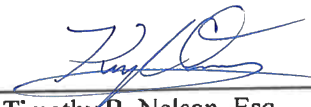
ERVIN COHEN & JESSUP, LLP

By: /s/ Jared Slater

Kelly O. Scott, Esq.
Jared Slater, Esq.
Counsel for Defendant GFF, Inc.

Dated: September 16, 2024

MEDINA McKELVEY LLP

By: 

Timothy B. Nelson, Esq.
Kyle W. Owen, Esq.
Counsel for Defendant Driven Talent,
LLC

Exhibit A

<<DATE>>

<<FIRST_NAME>> <<LAST_NAME>>

<<ADDRESS 1>>

<<ADDRESS 2>>

NOTICE OF PAGA SETTLEMENT

Nathalie Pelaez v. GFF, Inc., et al.

Superior Court of California, County of Los Angeles, Case No. 23STCV07971

PLEASE READ THIS NOTICE

Enclosed is your payment from the settlement of the lawsuit entitled *Nathalie Pelaez v. GFF, Inc., et al.* (Los Angeles County Superior Court, Case No. 23STCV07971). The lawsuit was filed by a former employee, Nathalie Pelaez ("Plaintiff"), against the named defendants GFF, Inc. and Driven Talent, LLC ("Defendants"), 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 April 1, 2022 to [DATE] ("PAGA Period"). You have been identified as one of the employees on whose behalf the lawsuit was filed.

Plaintiff alleges she and other non-exempt employees employed by Defendants in California during the PAGA Period were subjected to various Labor Code violations. Defendants denied and continues to deny all allegations and liability. However, to avoid further time and expense of protracted and uncertain litigation, Plaintiff and Defendants have agreed to settle the lawsuit for civil penalties under the Settlement.

The Court approved the Settlement on [DATE]. On the date the Court enters the Order approving the Settlement, and payment of all funds due under the Settlement are made, the Labor and Workforce Development Agency ("LWDA") and Aggrieved Employees (as defined below), including Plaintiff, fully release and forever discharge the Released Parties (as defined below) from any and all Released Claims (as defined below).

"Aggrieved Employee" means all current and former non-exempt employees employed by Defendant GFF, Inc. or Defendant Driven Talent, LLC that worked at GFF, Inc. for at least one PAGA Pay Period in California at any time between April 1, 2022 to [DATE].

"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 and violations alleged in this lawsuit or Plaintiff's PAGA notice letter 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 PAGA penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period facts alleged in the Action and the PAGA Notice that

accrued at any time during the PAGA Period ("Released Claims"). The Judgment shall not bind nor release the Aggrieved Employees of any individual wage claims, claims for statutory penalties, or claims for any other damages, other than the PAGA claims being released under this Settlement."

"Released Parties" are Defendants and each of its former and present directors, officers, shareholders, owners, members, employees, agents, trustees, principals, managers, representatives, attorneys, insurers, predecessors, successors, assigns, accountants, parent companies, subsidiaries, and affiliates, and all persons acting under, by, through, or in concert with any of them.

The Gross Settlement Amount is the maximum total payment under the Settlement. The Gross Settlement Amount is \$335,000.00. This sum is comprised of PAGA Counsel attorneys' fees of \$111,666.67; reimbursement of PAGA Counsel's litigation costs of \$ [REDACTED]; settlement administration costs of \$ [REDACTED]; individual settlement amount of \$10,000.00 to Plaintiff; and the remainder as PAGA Penalties. The PAGA Penalties is comprised of the LWDA Payment and the Individual PAGA Payments to Aggrieved Employees. \$ [REDACTED], or 75% of the PAGA Penalties, will be paid to the LWDA in accordance with the PAGA. \$ [REDACTED], or 25% of the PAGA Penalties, will be allocated as the Net Settlement Amount, to 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 Defendants' 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 April 1, 2022 to [DATE].

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].