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9 Attorneys for Plaintiff,
10 Richard Gonzales

11 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
12 **IN AND FOR THE COUNTY OF SONOMA**

13 Richard Gonzales,

14 Plaintiff,

15 vs.

16 Clear Blue Energy Corporation and DOES 1-
17 25.

18 Defendants.

19 **Case No. SCV-273742**

20 **DECLARATION OF HARRIS EMRAN,**
21 **ESQ. IN SUPPORT OF PLAINTIFF'S**
22 **REQUEST FOR DISMISSAL OF**
23 **ENTIRE ACTION**

24 *[Filed concurrently with Notice of Motion*
25 *and Motion Requesting Dismissal of Entire*
26 *Action; Memorandum of Points and*
27 *Authorities in Support of Plaintiff's Request*
28 *for Dismissal of Entire Action; and*
[Proposed] Order Dismissing Entire Action]

Hearing Date:
Time: 3:00 PM
Dept: 17
Hon. Jane Gaskell

Complaint Filed: July 19, 2023
Trial Date: Not yet set

//

1 I, Harris Emran, Esq., declare as follows:

2 1. I am over eighteen years of age and if called as a witness, I could and would
3 competently testify to the following facts from my own personal knowledge. I am an attorney-at-
4 law and the owner of Emran Law Firm (hereinafter "Counsel"). I am counsel of record for Plaintiff
5 Richard Gonzales in this matter.

6 2. Plaintiff, by and through his counsel of record respectfully request that this Court
7 dismiss 1) Plaintiffs' representative PAGA claim, *without prejudice*, 2) Plaintiffs' individual PAGA
8 claim, *with prejudice*, and 3) Plaintiffs' individual wage and hour claims *with prejudice*.

9 3. On April 13, 2023, Plaintiff Richard Gonzales ("Plaintiff"), by and through his
10 counsel, provided the Labor Workforce and Development Agency ("LWDA") written notice by
11 online filing and Defendants via certified mailing of specific provisions of Lab. Code §§ 2699 et
12 seq. alleged to be violated including the facts and theories to support the alleged violation (the
13 "PAGA Notice").

14 4. On July 19, 2023, after the LWDA declined to investigate Plaintiff's alleged
15 violations, Plaintiff brought individual wage and hour claims and a representative PAGA claim
16 against Defendants CLEAR BLUE ENERGY CORPORATION, and DOES 1-25 ("Defendants")
17 alleging twelve causes of action 1) for Violation of Prevailing Wage Laws on Public Works Projects;
18 2) For Unfair Competition; 3) For Failure to Pay Minimum Wages; 4) For Failure to Reimburse
19 Business Expenses; 5) For Failure to Pay Wages When Due; 6) For Failure to Provide Accurate,
20 Itemized Wage Statements; 7) For Failure to Pay Overtime Compensation; 8) For Failure to Provide
21 Required Meal Periods; 9) For Failure to Provide Rest Periods; 10) Retaliation; 11) Wrongful
22 Termination; and 12) For Recovery of Civil Penalties under the Labor Code Private Attorneys
23 General Act (Cal. Lab. Code § 2698, et. seq.).

24 5. On October 10, 2023, after meeting and conferring, the Plaintiff and Defendants (the
25 "Parties") executed a Joint Stipulation to arbitrate Plaintiff's individual claims and individual PAGA
26 Claims pursuant to his Arbitration Agreement claims. See Exhibit A.

27 6. Between October 2023 and December 2025, the Parties arbitrated Plaintiff's
28 individual claims with the American Arbitration Association, Case No. 01-24-0004-4436.

1 7. On December 9, 2025, the Parties participated in a full day mediation with Ms.
2 Kristin Rizzo, an experienced full-time neutral with Judicate West. The Parties' Settlement is the
3 final product of mediation, extensive discussions at mediation, and Ms. Rizzo's proposal at the
4 conclusion of mediation. See **Exhibit B.**

5 8. Although Plaintiff will receive consideration in exchange for his dismissal, with
6 prejudice, of his individual wage and hour claims and individual PAGA claim, Plaintiff did not and
7 will not receive consideration for the dismissal of the representative PAGA claim. See **Exhibit B.**

8 9. Defendant has shown Plaintiff's alleged complaints were individualized and
9 therefore not likely capable of satisfying a PAGA judgment. Defendants provided evidence that they
10 maintained compliant written policies related to Plaintiff's claims. Therefore, the Parties have
11 agreed to a settlement of only Plaintiff's individual claims and include a release of Plaintiff's ability
12 to stand as a PAGA representative.

13 10. No notice to any allegedly aggrieved employees Plaintiff purports to represent has
14 been provided. Accordingly, the Court may dismiss the Action without notice to any purported
15 aggrieved employees if the Court finds that the dismissal will not prejudice them.

16 11. No prejudice will result to any allegedly aggrieved employee or the State of
17 California in the absence of notice. No consideration, direct or indirect, is being given for the
18 dismissal of the representative claims, without prejudice.

19 12. On January 12, 2026, my office provided the LWDA with a copy of the proposed
20 settlement for Plaintiff's individual claims. See **Exhibit C.**

21 13. At the same time of this filing, my office provided the LWDA with notice of this
22 Request for Dismissal hearing by submitting a copy of this motion and all corresponding documents
23 to the LWDA website. To the extent Plaintiff is later provided a hearing reservation, Plaintiff's
24 counsel will provide both Defendant and the LWDA with notice of the scheduled hearing date. See
25 **Exhibit C.**

26 14. Plaintiff's individual Settlement Payment is fair and reasonable considering the
27 probability of recovery in this matter and merits of Plaintiff's individual claims only. Here, both
28 Parties' counsel have extensive experience in employment and wage and hour litigation and

1 conducted an extensive investigation of the factual allegations involved in this case. Each side has
2 apprised the other, informally of their respective factual contentions, legal theories and defenses,
3 resulting in extensive arms-length negotiations taking place among the Parties.

4
5 I declare under the penalty of perjury under the laws of the State of California that the
6 foregoing is true and correct. Executed this 12th day of January 2026, at San Francisco, California.

7
8 By: Harris Emran
9 Harris Emran, Esq.

EXHIBIT A

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FILED
SUPERIOR COURT OF CALIFORNIA
COUNTY OF SONOMA

OCT 24 2023

BY

Deputy Clerk

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6 Attorneys for Defendant
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12 Attorneys for Plaintiff
13 RICHARD GONZALES

14 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
15 **FOR THE COUNTY OF SONOMA**
16

17 RICHARD GONZALES,

18 Plaintiff,

19 vs.

20 CLEAR BLUE ENERGY CORPORATION and
21 DOES 1 to 25, inclusive,

22 Defendants.

Case No. SCV-273742

**JOINT STIPULATION TO ARBITRATE
PLAINTIFF'S INDIVIDUAL CLAIMS AND
TO STAY THE REPRESENTATIVE
CLAIMS; ~~PROPOSED~~ ORDER**

[Assigned for all purposes to The Honorable
Bradford DeMeo, Courtroom 17]

Action Filed: July 19, 2023
Trial Date: None Set

1 Plaintiff Richard Gonzales ("Plaintiff") and Defendant Clear Blue Energy Corporation
2 ("Defendant") (collectively "the Parties"), hereby stipulate as follows:

3 WHEREAS, on July 19, 2023, Plaintiff filed this action asserting a representative action
4 pursuant to the Private Attorneys General Act as well as causes of action for retaliation and
5 wrongful termination in violation of public policy;

6 WHEREAS, Defendant presented Plaintiff with an arbitration agreement he signed as part
7 of his employment;

8 WHEREAS, Plaintiff signed an arbitration agreement waiving class claims;

9 WHEREAS, on September 18, 2023, Defendant filed an Answer to Plaintiff's Complaint;

10 WHEREAS, the Parties met and conferred and agreed that Plaintiff's individual claims are
11 subject to the Arbitration Agreement (the "Arbitration Agreement") executed in connection with his
12 employment with Defendant, obligating Plaintiff to arbitrate his individual claims, including his
13 individual PAGA claims, against Defendant on an individualized basis pursuant to the Federal
14 Arbitration Act;

15 WHEREAS, the Parties met and conferred and agreed that (i) Plaintiff must arbitrate his
16 individual claims, including his individual PAGA claim; (ii) Plaintiff must dismiss any putative class
17 claims with prejudice; and (iii) the remaining non-individual PAGA claims should be stayed through
18 completion of the individual arbitration proceedings.

1 NOW, THEREFORE, IT IS HEREBY STIPULATED AND AGREED by and between the

2 Parties that:

3 1. Plaintiff shall arbitrate his individual claims, including his individual PAGA
4 claims, consistent with the procedures specified in the Arbitration Agreement and waives any
5 right to pursue his individual claims in a civil proceeding.

6 2. Plaintiff shall dismiss with prejudice any putative class claims.

7 3. The remaining non-individual PAGA claims shall be stayed through the
8 completion of the individual arbitration.

9 4. All dates currently on calendar shall be vacated.

10 IT IS SO STIPULATED AND AGREED.

11
12 Dated: October ¹⁰____, 2023



Richard Gonzales

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16 Dated: October 12, 2023



Clear Blue Energy Corporation

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1 **Agreed as to Form and Content:**

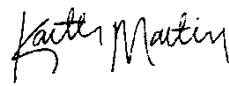
2 DATED: October 10, 2023

EMRAN LAW FIRM

3

4

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By: 

Harris Emran
Kaitlin Martinez
EMRAN LAW FIRM

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Attorneys for Plaintiff
RICHARD GONZALES

8

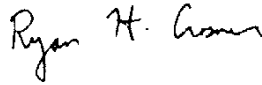
9

10 DATED: October 12, 2023

OGLETREE, DEAKINS, NASH, SMOAK &
STEWART, P.C.

11

12

By: 

Ryan H. Crosner
Samuel Knecht

13

14

Attorneys for Defendant
CLEAR BLUE ENERGY CORPORATION

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1 **[PROPOSED] ORDER**

2 The Court, having read and considered the Parties' Joint Stipulation to Arbitrate Plaintiff's
3 Individual Claims and to Stay the Representative Claims, and good cause appearing therefor, hereby
4 orders as follows:

- 5 1. Plaintiff Richard Gonzales shall arbitrate his individual claims, including his
6 individual PAGA claims, consistent with the procedures specified in the Arbitration Agreement.
7
8 2. The remaining PAGA claims are stayed through the completion of the individual
9 arbitration.
10 3. Any of Plaintiff's class claims are dismissed with prejudice.
11 4. All dates currently on calendar in this matter are vacated.

12 **IT IS SO ORDERED.**

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14
15 DATED: 10/24/2023

16 
17 _____
18 Honorable Bradford DeMeo
19 Sonoma County Superior Court Judge
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Title	Clear Blue - Stipulation to Arbitrate and Proposed Order.pdf
File name	Clear%20Blue%20-%...posed%20Order.pdf
Document ID	f8f580cd67c4e969c9522cf914baf6b96443075b
Audit trail date format	MM / DD / YYYY
Status	» Signed

This document was requested from app.clio.com

Document History

 SENT	10 / 10 / 2023 19:08:15 UTC	Sent for signature to Richard Gonzales [REDACTED] IP: 73.241.220.133
 VIEWED	10 / 10 / 2023 19:11:20 UTC	[REDACTED] IP: 174.194.132.91
 SIGNED	10 / 10 / 2023 19:13:49 UTC	[REDACTED] IP: 174.194.132.91
 COMPLETED	10 / 10 / 2023 19:13:49 UTC	The document has been completed.



1 **PROOF OF SERVICE**

2 *Richard Gonzales v. Clear Blue Energy Corporation, et al.*
Case No. SCV-273742

3 I am and was at all times herein mentioned over the age of 18 years and not a party to the
4 action in which this service is made. At all times herein mentioned I have been employed in the
County of Los Angeles, in the office of a member of the bar of this court at whose direction the
5 service was made. My business address is 400 South Hope Street, Suite 1200, Los Angeles, CA
90071, my electronic service address is elizabeth.mendoza@ogletree.com

6 On October 16, 2023, I served the following document(s):

7 **JOINT STIPULATION TO ARBITRATE**
8 **PLAINTIFF'S INDIVIDUAL CLAIMS AND TO**
9 **STAY THE REPRESENTATIVE CLAIMS;**
10 **[PROPOSED] ORDER**

11 On the interested parties in this action, addressed as follows:

12 Harris Emran, Esq. 13 Kaitlin Martinez, Esq. 14 EMRAN LAW FIRM 415 Mission Street, 37th Floor San Francisco, CA 94105 Telephone: (415) 890-0041 Email: Harris@Emranlaw.com Kaitlin@Emranlaw.com	Attorneys for Plaintiff
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15 ☐ **BY MAIL:** I placed the envelope for collection and mailing, following our ordinary
16 business practices. I am readily familiar with the practice of Ogletree, Deakins, Nash,
17 Smoak & Stewart P.C.'s practice for collecting and processing correspondence for mailing.
On the same day that correspondence is placed for collection and mailing, it is deposited in
18 the ordinary course of business with the United States Postal Service, in a sealed envelope
with postage fully prepaid.

19 ☒ **BY E-MAIL OR ELECTRONIC TRANSMISSION:** Based on a court order or an
20 agreement of the parties to accept service by e-mail or electronic transmission, I caused the
documents to be sent to the person[s] at the e-mail addresses listed above. I did not receive,
21 within a reasonable time after the transmission, any electronic message or other indication
that the transmission was unsuccessful.

22 ☒ (State) I declare under penalty of perjury under the laws of the State of California that
the above is true and correct.

23 Executed on October 16, 2023, at Los Angeles, California.

24 Elizabeth Mendoza

/s/ Elizabeth Mendoza

25 Type or Print Name

Signature

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PROOF OF SERVICE

EXHIBIT B

SETTLEMENT AGREEMENT AND GENERAL RELEASE OF CLAIMS

This Settlement Agreement and General Release of Claims (the "Agreement") is made and entered into by and between plaintiff Richard Gonzales and his heirs, estates, executors, administrators, representatives, and assigns (collectively, "Plaintiff") and defendant Clear Blue Energy Corp. and its parent, subsidiaries, and affiliated companies (collectively, "Clear Blue" or the "Company") (Clear Blue together with Plaintiff, the "Parties").

I. RECITALS

A. WHEREAS, Plaintiff was formerly employed by Clear Blue. During his employment with Clear Blue, Plaintiff signed an arbitration agreement.

B. WHEREAS, on or about April 13, 2023, Plaintiff submitted a letter to the Labor & Workforce Development Agency ("LWDA") regarding his intent to pursue a representative action pursuant to the Private Attorneys General Act ("PAGA");

C. WHEREAS, on July 19, 2023, Plaintiff filed a civil complaint for damages in the Superior Court of the State of California, County of Sonoma, Case No. SCV-273742, entitled *Richard Gonzales v. Clear Blue Energy Corporation* (the "PAGA Action"). In the PAGA Action, Plaintiff seeks civil penalties under PAGA, alleging (1) Violations of Prevailing Wage Laws on Public Works Projects; (2) Unfair Competition; (3) Failure to Pay Minimum Wages; (4) Failure to Reimburse Business Expenses; (5) Failure to Pay Wages When Due; (6) Failure to Provide Accurate, Itemized Wage Statements; (7) Failure to Pay Overtime Compensation; (8) Failure to Provide Required Meal Periods; (9) Failure to Provide Rest Periods; (10) Retaliation; (11) Wrongful Termination in Violation of Public Policy; and (12) PAGA Civil Penalties.

D. WHEREAS, on October 24, 2023, the Court granted the Parties' stipulation to submit his individual claims, including his individual PAGA claim to arbitration; dismiss any putative class claims with prejudice; and stay the remaining non-individual PAGA claims through completion of the individual arbitration proceedings.

E. WHEREAS, on or about May 20, 2024, Plaintiff initiated a demand for arbitration with the American Arbitration Association, Case No. 01-24-0004-4436, *Richard Gonzales v. Clear Blue Energy Corporation* (the "Arbitration"), alleging claims and causes of action for: (1) Violations of Prevailing Wage Laws on Public Works Projects; (2) Unfair Competition; (3) Failure to Pay Minimum Wages; (4) Failure to Reimburse Business Expenses; (5) Failure to Pay Wages When Due; (6) Failure to Provide Accurate, Itemized Wage Statements; (7) Failure to Pay Overtime Compensation; (8) Failure to Provide Required Meal Periods; (9) Failure to Provide Rest Periods; (10) Retaliation; (11) Wrongful Termination in Violation of Public Policy; and (12) PAGA Civil Penalties.

F. WHEREAS, Clear Blue denies all of Plaintiff's claims, and specifically denies that Plaintiff, or any of the other employees Plaintiff seeks to represent, are entitled to any relief whatsoever as alleged in the PAGA Action and Arbitration.

G. WHEREAS, in order to avoid the additional expenditure of their respective

resources, and to avoid the uncertainty of resolving this matter through court, the Parties have agreed to settle the highly disputed claims at issue in the PAGA Action, and Arbitration on an individual basis. Plaintiff and Clear Blue desire to settle and resolve fully and finally all claims that Plaintiff individually may have against the Released Parties (as defined in Section II below).

H. WHEREAS, Plaintiff represents that Plaintiff has discussed all aspects of Plaintiff's claims and this Agreement with Plaintiff's counsel, has been fully advised by counsel as to Plaintiff's rights, and understands that Plaintiff is waiving significant legal rights by signing this Agreement. Plaintiff enters into this Agreement voluntarily, with a full understanding of the Agreement and all of its terms.

I. WHEREAS, Plaintiff and Clear Blue acknowledge that the execution of this Agreement is the result of compromise and negotiations between the Parties, that this Agreement is entered into in good faith by the Parties, and that this Agreement shall never be considered at any time or for any purpose as any type or form of admission or concession of any liability whatsoever by Clear Blue or its employees in this matter or in any other matter.

II. TERMS OF SETTLEMENT

A. **Consideration.** Plaintiff and Clear Blue agree that in consideration of the terms of this Agreement being fully executed and effective, and in exchange for Plaintiff's complete release of his individual claims with prejudice and dismissal of his class and representative action claims without prejudice, Clear Blue will pay a "Total Settlement Payment" of [REDACTED] to Plaintiff, which shall be allocated as follows:

1. Clear Blue shall issue payment in the gross amount of [REDACTED] less all applicable taxes and withholdings, made payable to "Richard Gonzales." Clear Blue shall issue an IRS Form W-2 to Plaintiff for the payment specified in this Section II.A.1. This amount is intended to compensate Plaintiff for all current and/or future wages allegedly owed, disputed, and undisputed. Plaintiff agrees that this amount satisfies any claims he may have for wages and that he does not contend any other wages are owed to him as of the date Plaintiff executed this Agreement.

2. Clear Blue shall issue payment in the amount of [REDACTED] made payable to "Emran Law Firm Client Trust Account." Plaintiff states and represents that this amount is intended to compensate him for alleged non-economic damages, alleged penalties, interest, all other damages arising out of Plaintiff's employment with Clear Blue, and legal fees and costs. No portion of the payment detailed in this Section II.A.2 is intended to compensate Plaintiff for any loss of wages, although all such wage claims are released in this Agreement. Accordingly, Clear Blue will not issue an IRS Form W-2 for the payment detailed in this Section II.A.2, and no deductions will be taken from this payment for federal or state income or employment taxes. However, Clear Blue will issue an IRS Form 1099 for the payment detailed in this Section II.A.2.

In exchange for Plaintiff's release and waiver as part of this Agreement, Plaintiff acknowledges that Plaintiff is receiving adequate consideration that exceeds that to which Plaintiff is entitled apart from this Agreement, Plaintiff further understands that the above

consideration does not include salary, wages or benefits to which Plaintiff was already entitled, and Plaintiff hereby acknowledges and agrees that Plaintiff has been paid in full for all salary, wages or benefits that Plaintiff earned and to which Plaintiff was entitled in connection with his employment with Clear Blue. Plaintiff understands and agrees that Plaintiff will not receive the consideration described above unless Plaintiff executes this Agreement and does not revoke this Agreement within the time period permitted hereafter. Such consideration will not be considered compensation for purposes of any Plaintiff benefit plan, program, policy or arrangement maintained or hereafter established by Clear Blue or its Affiliates.

Plaintiff and Plaintiff's counsel acknowledge and agree that Clear Blue has made no representations to them regarding the tax consequences of any amounts they will receive pursuant to this Agreement. Plaintiff expressly acknowledges and warrants that Plaintiff is, and shall be, responsible for all federal, state, and local tax liabilities that may result from the payments described in this Agreement and Plaintiff warrants that Clear Blue shall bear no responsibility for any such tax liabilities. Plaintiff further agrees that, in the event that Plaintiff fails to pay the taxes that are due as a result of the payments made by Clear Blue pursuant to this Agreement and any taxing authority looks to Clear Blue for satisfaction of any tax liability, penalties, fines, interest, or withholdings associated with the payments pursuant to this Agreement, Plaintiff shall indemnify Clear Blue and hold it harmless for all taxes, penalties, interest, withholdings, amounts paid in settlement to any taxing authority, and expenses, including but not limited to defense expenses and attorneys' fees, with regard to the payments.

B. Payment. Distribution of the payment described above in Section II.A will be made as follows:

1. Within 15 days of the Effective Date, Clear Blue will make a first installment of [REDACTED] to be paid in two checks [REDACTED] and one in the amount [REDACTED]

2. Within 45 days of the Effective Date, Clear Blue will make a second installment of [REDACTED]

3. The checks shall be delivered to Emran Law Firm, 415 Mission Street, 37 Floor, San Francisco, California 94105, c/o Harris Emran.

4. Clear Blue shall issue all necessary and appropriate IRS Forms, if any, to Plaintiff and, as applicable, to Plaintiff's attorneys for the payment(s) described in this paragraph. Clear Blue will report such payments to the IRS using the appropriate IRS forms, if any (e.g., IRS Form 1099, IRS Form W-2, etc.).

C. Effective Date. The Effective Date of this Agreement shall be the first business date upon which all of the following have occurred: (1) the revocation period described in Section II.F.19 has expired and Plaintiff did not revoke the Agreement; (2) Clear Blue receives Plaintiff's completed W-4 Form; (3) Clear Blue receives Plaintiff's counsel's and Plaintiff's completed W-9 Form; (4) Clear Blue receives a copy of this Agreement executed by Plaintiff; (5) Plaintiff submits this Agreement and letter to the LWDA; (6) the Court dismisses the PAGA

Action with prejudice as to Plaintiff's individual claims and without prejudice as to Plaintiff's non-individual claims and (7) the Arbitrator (or arbitration service) dismisses the Arbitration with prejudice as to Plaintiff's individual claims.

D. LWDA Notification. Plaintiff agrees to and shall submit this Agreement to the LWDA within ten (10) calendar days after Plaintiff's counsel receives a fully executed copy of this Agreement. Concurrent with the submission of this Agreement to the LWDA, Plaintiff agrees to submit a letter stating that, pursuant to this Agreement, Plaintiff will no longer pursue his PAGA claim on behalf of himself and on behalf of any other allegedly aggrieved employees.

E. Dismissal of the Action and Arbitration. Plaintiff agrees to dismiss the PAGA Action and Arbitration within ten (10) calendar days after Plaintiff submits this Agreement and letter to the LWDA as set forth in Section II.D above. Any such dismissal of Plaintiff's individual claims shall be with prejudice as to any claims asserted on behalf of Plaintiff, but without prejudice as to any absent putative class members and/or allegedly aggrieved employees. To the extent that Plaintiff is required to submit any declarations or other documents to the Court or Arbitrator in order to obtain the dismissal, Plaintiff shall first provide the proposed filing to Clear Blue's counsel for review. To the extent that the Court or Arbitrator requires information related to the Agreement that conflicts with the confidentiality obligations described in Section II.G, below, Plaintiff agrees to: (1) limit the disclosure to the least amount of information required; (2) advise Clear Blue in advance of the information that will be disclosed; and (3) take any additional steps required to limit the disclosure, including asking the Court or Arbitrator to review the information in camera.

F. Complete Release. In consideration and as a precondition of the payments by Clear Blue described in Section II.A, Plaintiff agrees to all of the remaining terms and conditions contained in this Agreement, including but not limited to the release provisions described in Section II.H, below.

G. Confidentiality Obligations.

1. Plaintiff agrees that Plaintiff will keep the terms and the existence of this Agreement (including but not limited to the consideration described in Section II.A of this Agreement) completely confidential and that Plaintiff will not disclose any information concerning this Agreement to anyone, except as required by court order or subpoena, other than immediate family, tax advisor, or legal counsel, who will be informed of and bound by this confidentiality clause. In the event that anyone should inquire of Plaintiff regarding the status of Plaintiff's claims, Plaintiff shall state only: "The matter has been resolved" or "the case is over" or "I cannot comment" and nothing more, without violating the provisions of this paragraph.

2. Plaintiff understands that Clear Blue would not have entered into this Agreement without Plaintiff's agreement to treat the terms of this Agreement confidentially. The Parties recognize and acknowledge that this confidentiality provision is a material term of this Agreement and its violation will constitute a material breach. In addition, because the damages suffered by Clear Blue in the event of a breach of Section II.G of the Agreement would be difficult to ascertain, the Parties agree that in the event of a proven breach of Section II.G of the Agreement by Plaintiff or Plaintiff's counsel, the breaching party shall be liable to Clear Blue for

payment in the amount of \$1,000.00 as liquidated damages for each proven breach. In any action for breach of this Section, the prevailing party shall be entitled to an award of reasonable costs and attorneys' fees, in addition to any other appropriate relief.

3. In addition, nothing in this Agreement, including this confidentiality provision, prevents Plaintiff from discussing or disclosing information about unlawful acts in the workplace, such as harassment or discrimination or any other conduct that Plaintiff has reason to believe is unlawful, including, but not limited to, sexual harassment or any FEHA claims. The confidentiality provision in Section II.G does not apply to the disclosure of factual information regarding (1) an act of sexual assault that is not governed by subdivision (a) of Section 1003 of the California Code of Civil Procedure; (2) an act of sexual harassment, as defined in Section 51.9 of the California Civil Code; (3) an act of workplace harassment or discrimination or failure to prevent an act of workplace harassment or discrimination or an act of retaliation against a person for reporting harassment or discrimination, as described in subdivisions (h), (i), (j), and (k) of Section 12940 of the California Government Code; or (4) information about unlawful acts in the workplace as specified in Section 12964.5 of the California Government Code, including but not limited to information pertaining to harassment or discrimination or any other conduct that Plaintiff has reasonable cause to believe is unlawful and (5) if Plaintiff is compelled via a subpoena and/or court order to provide testimony regarding his time with Clear Blue. Pursuant to Section 12964.5 of the California Government Code, Plaintiff is advised: "Nothing in this agreement prevents you from discussing or disclosing information about unlawful acts in the workplace, such as harassment or discrimination or any other conduct that you have reason to believe is unlawful." Plaintiff nevertheless agrees that, even if Plaintiff were to have any claims identified in this Section II.G.3, aside from factual information concerning such claims, Plaintiff shall keep strictly confidential the Total Settlement Payment and all other terms and provisions of this Agreement.

4. Plaintiff understands and agrees that nothing in this Agreement prevents him from exercising, in any way, his rights under Section 7 and Section 8 of the National Labor Relations Act, including his ability to speak with former coworkers regarding terms and conditions of employment, to file with the National Labor Relations Board ("NLRB") an unfair labor practice charge, to assist a former coworker with the filing of a charge, to provide information to the NLRB, to assist with the NLRB's investigation or litigation of a charge, or to speak with others regarding workplace issues.

H. Release Of Claims. Except as to claims specified in Section II.H.5 herein, for and in consideration of the promises contained herein, Plaintiff hereby forever and fully releases and discharges the Released Parties (as defined in Section II.H.4, herein) of and from any and all sums of money, accounts, claims, interests, demands, contracts, actions, debts, controversies, agreements, damages, losses, and causes of action whatsoever, of whatever kind or nature, known or unknown, suspected or unsuspected, which he now owns, holds, has, or claims to own, hold, or have, and any future consequences and all causes of actions therefrom, including *but not limited to* any and all matters arising from Plaintiff's services performed for Clear Blue or the cessation of those services.

1. **Released Claims.** Plaintiff understands and agrees that, with the exception of claims which cannot be released as a matter of law (including those specified in

Section II.H.5 herein), in exchange for the promises contained in this Agreement, Plaintiff is releasing and will not pursue all, whether known and unknown, claims, promises, causes of action, suits, or similar rights of any type (in law or in equity) that Plaintiff may have ("Released Claims") with respect to any of the Released Parties identified in Section II.H.4. Plaintiff understands that the Released Claims he is releasing might arise under many different laws (including statutes, regulations, other administrative guidance, and common law doctrines), such as, but not limited to, the following:

- a. *State and Federal anti-discrimination, anti-harassment and anti-retaliation statutes*, such as Title VII of the Civil Rights Act of 1964, Sections 1981 and 1983 of the Civil Rights Act of 1866, and Executive Order 11,246, which prohibit discrimination and harassment based on race, color, national origin, religion, or sex; the Equal Pay Act, which prohibits paying men and women unequal pay for equal work; the Americans with Disabilities Act and Sections 503 and 504 of the Rehabilitation Act of 1973, which prohibit discrimination based on disability; the Age Discrimination in Employment Act, 29 U.S.C. § 621 *et seq.*, which prohibits discrimination based on age, and any other federal, state, or local laws prohibiting employment harassment, discrimination and retaliation, such as the California Fair Employment and Housing Act, which prohibits discrimination based on race, color, national origin, ancestry, physical or mental disability, medical condition, marital status, sex, age, or sexual orientation, and retaliation for participating in protected activity.
- b. *State and Federal labor and employment laws*, such as the California Labor Code, which codifies laws related to minimum wage, overtime and double time, leaves of absence, paid and unpaid leave, recordkeeping requirements, and other aspects of the employer-employee relationship; the Fair Labor Standards Act of 1933, which requires regulates wage and hour matters; the Family and Medical Leave Act of 1993, which requires employers to provide leaves of absence under certain circumstances; and any other federal laws relating to employment, such as veterans' reemployment rights laws and the Employee Retirement Income Security Act of 1974, which, among other things, regulates employee benefits.
- c. *Other laws*, such as federal or state laws restricting an employer's right to terminate an employee's employment, or otherwise regulating employment; any federal, state, or local law enforcing express or implied employment contracts or requiring an employer to deal with employees fairly or in good faith; any other federal, state, or local laws providing recourse for alleged wrongful discharge, tort, physical or personal injury, emotional distress, fraud, negligent misrepresentation, defamation, and similar or related claims, any claims related to California Labor Code sections 200 *et seq.* or otherwise concerning salary, commissions, compensation, meal and/or rest breaks, benefits and other matters, and any claims concerning any applicable California Industrial Welfare Commission order, and any federal, state or

local laws concerning employee leave rights, such as, but not limited to, the California Family Rights Act.

- d. *Examples of Released Claims* include, but are not limited to: (i) claims that in any way relate to Plaintiff's employment with Clear Blue or the termination of that employment relationship, such as claims for compensation, bonuses, commissions, lost wages, or unused accrued vacation or sick pay; (ii) claims that in any way relate to any of Clear Blue's benefit programs; (iii) claims that Plaintiff has irrevocable or vested rights to benefits or to post-employment health or group insurance benefits; (iv) any claim, such as a benefit claim, that was explicitly or implicitly denied before Plaintiff signed this Agreement; (v) any claim Plaintiff might have for extra benefits as a consequence of payments Plaintiff may receive because of signing this Agreement; (vi) any whistleblower claims; or (vii) any claim to attorneys' fees, costs, or other indemnities.

2. **Unknown Claims.** Plaintiff understands that among his Released Claims are claims that he may not know about, and Plaintiff agrees that he voluntarily intends to include those unknown claims in the Released Claims, even though Plaintiff recognizes that someday he might learn that some or all of the facts he currently believes to be true are untrue and even though he might then regret having signed this Agreement. Nevertheless, Plaintiff is assuming that risk and agrees that this Agreement shall remain effective in all respects in any such case. Plaintiff expressly waives all rights he might have under any law that is intended to protect Plaintiff from waiving unknown claims. Plaintiff understands the significance of doing so.

Plaintiff acknowledges that he has been advised of and is familiar with the provisions of Section 1542 of the Civil Code of the State of California, which provides as follows:

"A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party."

Being aware of said Code section, Plaintiff hereby expressly waives any rights he may have thereunder, as well as under any other statutes or common law principles of similar effect.

3. **Class, Collective, and Representative PAGA Claims.** The Released Claims shall include Plaintiff's rights to serve as a class representative in any class or collective action if Plaintiff would be barred from participating in any recovery in that class or collective action by virtue of the provisions of Section II.H of this Agreement. Plaintiff unconditionally covenants not to institute or continue his claim for Private Attorneys' General Act Violations against Clear Blue or any of the Released Parties. Plaintiff also unconditionally covenants not to institute or continue any future claim for civil penalties under PAGA against Clear Blue or any of the Released Parties.

4. **Released Parties.** The Released Parties include the following, individually or collectively: Clear Blue and its former and present parent, subsidiary, and affiliated corporations, and each of their current and former divisions, officers, including but not limited to Paul Santina, Lisa Hartman, and Aaron Abood, directors, employees, managers, partners, contractors, shareholders, agents, insurers, and any other successors, agents, customers, sureties, awarding bodies, assigns, or legal representatives.

5. **Limitations.** The releases contained in Section II.H do not extend to (i) enforcement of the obligations, terms, and covenants of this Agreement, (ii) any claim which arises after the date that Plaintiff executes this Agreement, and/or (iii) any claim which cannot be released by private agreement as a matter of law. Nothing in this Agreement is intended to prohibit Plaintiff from filing a claim with a federal, state, or local government agency responsible for enforcing a law on behalf of the government, such as the Equal Employment Opportunity Commission, the Department of Labor, the National Labor Relations Board, the Securities and Exchange Commission, or their state and/or local equivalent, or any other federal, state, or local governmental agency or commission. However, Plaintiff understands and agrees that, because he is waiving and releasing all claims for monetary damages and any other form of personal relief, if he makes any such administrative claim, Plaintiff shall not be entitled to recover any individual monetary relief or other individual remedies. Plaintiff understands that this Agreement does not limit Plaintiff's ability to communicate with any government agency or otherwise participate in any investigation or proceeding that may be conducted by any government agency, including concerning alleged criminal conduct or sexual harassment when Plaintiff has been required or requested to attend the proceeding pursuant to a court order, subpoena, or written request from an administrative agency or the legislature. Plaintiff understands that this Agreement is not intended to prevent Plaintiff from reporting any possible violations of federal law or regulation or potentially fraudulent or suspicious activity, or revealing the existence of this Agreement and its underlying facts and circumstances, to any government agency or entity including but not limited to the Department of Justice, the Securities and Exchange Commission, Congress, and any Inspector General or equivalent state governmental entity, or making other disclosures that are protected under the whistleblower provisions of federal or state law or regulation or while responding to government inquiries. Neither Plaintiff nor Plaintiff's attorney need the prior authorization of Clear Blue to make any such disclosures or reports and neither Plaintiff nor Plaintiff's attorney are required to notify Clear Blue that such disclosures or reports have been made, notwithstanding any other provision in this Agreement. In addition, pursuant to the Federal Defend Trade Secrets Act of 2016, Plaintiff shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that: (a) is made (i) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney; and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (b) is made to Plaintiff's attorneys in relation to a lawsuit for retaliation against Plaintiff or reporting a suspected violation of law; or (c) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal.

I. Representations And Warranties

1. **No Admission Of Liability.** The Parties acknowledge and agree that this Agreement is the result of a compromise of disputed claims and shall never, at any time or for

any purpose, be considered as an admission of correctness, liability, or responsibility on the part of any party.

2. **Advice Of Legal Counsel.** The advice of legal counsel has been obtained by all of the Parties prior to the execution of this Agreement. All of the Parties hereby execute this Agreement voluntarily, with full knowledge of its significance, and with the express intention of extinguishing any and all obligations and claims allegedly owed by the Parties to each other arising out of or connected with the matters specified herein.

3. **Non-Assignment Of Claims.** The Parties represent and warrant that no portion of any claim, right, demand, action, or cause of action which they have or might have arising out of the matters referred to herein, nor any portion of any recovery or settlement to which they might be entitled, has been assigned or transferred to any other person, firm, or corporation not a party to this Agreement, in any manner, including by way of subrogation or operation of law or otherwise. In the event that any claim, demand, or suit should be made or instituted against any of the Parties because of any such purported assignment, subrogation, or transfer, the other party agrees to indemnify and hold harmless the party subject to such an action against such claim, suit, or demand and to pay and satisfy any such claim, suit, or demand, including necessary expenses of investigation, actual attorneys' fees, and costs.

4. **Adequate Investigation Of Facts.** In making and executing this Agreement, the Parties have made such investigation of the facts and the law pertaining to the matters described herein and this Agreement as they deem necessary, and they do not rely and have not relied upon any statement or representation, oral or written, made by any of the other parties to this Agreement with regard to any of the facts involved in any dispute or possible dispute between any of the Parties hereto, or with regard to any of their rights or asserted rights, or with regard to the advisability of making and executing this Agreement.

5. **Assumption Of Risk Of Mistake.** The Parties hereby expressly assume the risk of any mistake of fact or that the true facts might be other or different from facts now known or believed to exist, and it is the express intention of the Parties to forever settle, adjust, and compromise the disputes raised by the Action, without regard to who may or may not have been correct in their respective understandings of the facts or the law relating thereto.

6. **Understanding Of Agreement.** Each of the Parties has read and understands the contents of this Agreement.

7. **Binding Upon Agents And Representatives.** Each and every term of this Agreement shall be binding upon the agents, representatives, insurers, employees, attorneys, heirs, administrators, executors, successors, and assigns of the respective parties hereto, and any parent, subsidiary, or affiliated entity of each of such parties.

8. **Return Of Clear Blue's Property.** Plaintiff hereby represents and warrants that on or before the date of Plaintiff's execution of this Agreement, Plaintiff has already returned, or will promptly return, to Clear Blue any of Clear Blue's identification cards or badges, access codes or devices, keys, laptops, computers, telephones, mobile phones, hand-

held electronic devices, credit cards, automobiles, and electronically stored or physical documents or files.

9. **Integration.** This Agreement constitutes the entire agreement between Plaintiff, on the one hand, and Clear Blue, on the other hand, pertaining to the subject matter hereof, and the final, complete, and exclusive expression of the terms and conditions of their agreement. Any and all prior agreements, representations, negotiations and understandings, oral or written, express or implied, are hereby suspended and merged herein.

10. **Cooperation.** The Parties hereto agree to execute any and all other documents and instruments in writing which may be reasonably necessary or proper to effectuate and carry out the purposes of this Agreement, including specifically any required Court approval of the Agreement and dismissal of the Action.

11. **Attorneys' Fees And Costs.** Each Party shall bear his or its own costs, expenses, and attorneys' fees incurred in connection with Plaintiff's claims and the completion of this settlement. Neither Plaintiff nor Clear Blue are considered to be a "prevailing party" in the Action. Notwithstanding the foregoing, in the event that any of the Parties hereto should bring any action, suit, or proceeding against any of the other Parties hereto and/or Plaintiff's counsel to enforce this Agreement, the validity hereof, any of the terms or provisions hereof, or any of the matters released hereby, or should any of the Parties assert this Agreement as an affirmative defense in an action brought by the other party, the prevailing party in such action, suit, or proceeding shall be entitled to recover from the other such party reasonable attorneys' fees to be fixed by the court and costs incurred in connection therewith, including attorneys' fees and costs relating to any and all appeals or petitions taken with respect to any such action, suit, or proceeding.

12. **Modifications In Writing.** The Parties agree that any modifications to this Agreement must be made in a writing executed by all the Parties or their authorized representatives.

13. **Plaintiff Responsible For Tax Obligations.** Plaintiff hereby acknowledges and agrees that he is responsible for all tax obligations, if any, including, but not limited to, all reporting and payment obligations which may arise as a consequence of this Agreement and the payments made in accordance thereto. Plaintiff agrees to indemnify and hold Clear Blue harmless from and against any and all loss, cost, damage, or expense arising out of any dispute over the tax treatment of the proceeds herein, and received by Plaintiff and his attorney(s) as a result of this Agreement. Plaintiff acknowledges that he has not received any tax advice from Clear Blue or its counsel, and has not relied on any advice from Clear Blue or its counsel.

14. **Construction.** Plaintiff, on the one hand, and Clear Blue, on the other hand, through their respective counsel, each participated in the drafting of this Agreement, and both Parties agree that any rule of construction that agreements are to be construed in a manner adverse to the drafter shall not apply to this Agreement. Should any provisions of this Agreement be declared or determined by a court or arbitrator to be illegal or invalid, the validity of the remaining terms shall not be affected thereby.

15. **No Other Claims.** Plaintiff represents and warrants that, except with respect to the PAGA Action, and/or Arbitration, he has not commenced or filed, and will not commence or file, any action against the Released Parties arising prior to execution of this Agreement based on or relating to any of the Released Claims.

16. **Enforcement, No Waiver.** The Parties and Plaintiff's counsel further agree that if any Party commits a breach, or threatens to commit a breach, of any of the provisions and/or sections of this Agreement, the non-breaching party shall have the right and remedy to compel enforcement of this Agreement, and that the Court maintains jurisdiction to enforce the Parties' settlement and this Agreement even after dismissal of the Class Action, PAGA Action, and/or Arbitration. The failure of the Parties, or any of them, to insist upon strict adherence to any term of this Agreement on any occasion shall not be considered a waiver thereof, and shall not deprive that party of the right thereafter to insist upon strict adherence to that term or to any other term of this Agreement.

17. **Voluntary And Knowing.** This Agreement is executed voluntarily and without any duress or undue influence on the part or on behalf of any of the Parties hereto.

18. **Medicare.** Plaintiff affirms that he is not, and has never been, a recipient of Medicare benefits. Plaintiff agrees to indemnify and hold Clear Blue harmless from any and all liability, including, without limitation, all penalties, interest, and other costs that may be imposed by the Centers for Medicare and Medicaid Services for any reimbursement obligation that may arise from the monetary consideration made to Plaintiff under this Agreement.

19. **Age Discrimination In Employment Act Waiver.** Without limiting the scope of this Agreement, Plaintiff agrees that this Agreement constitutes a knowing and voluntary waiver of any and all rights or claims that exist or that Plaintiff may claim to have under the Age Discrimination in Employment Act ("ADEA"), as amended by the Older Workers' Benefit Protection Act of 1990 (29 U.S.C. §§ 621, *et seq.*). Plaintiff acknowledges all of the following:

- a. The consideration provided pursuant to this Agreement is in addition to any consideration that he would otherwise be entitled to receive;
- b. Plaintiff has been and is advised in writing to consult with an attorney prior to signing this Agreement;
- c. Plaintiff has been provided a full and ample opportunity to study this Agreement, including a period of at least twenty-one (21) calendar days within which to consider it;
- d. To the extent that Plaintiff takes less than twenty-one (21) calendar days to consider this Agreement prior to signing it, Plaintiff acknowledges that he had sufficient time to consider this Agreement with legal counsel and that he expressly, voluntarily, and knowingly waives any additional time;

- e. Plaintiff agrees that any changes made to the Agreement during the twenty-one (21) day period (whether material or immaterial) do not restart the running of the twenty-one (21) day period; and
- f. Plaintiff is aware of his right to revoke this waiver of claims under the ADEA any time within the seven (7) calendar-day period following the date Plaintiff signs the Agreement, and that the waiver of claims under the ADEA shall not become effective or enforceable until the seven (7) calendar-day revocation period expires ("ADEA Release Date"). Notwithstanding Plaintiff's right to revoke the waiver of claims under the ADEA, the remainder of the terms of this Agreement shall become effective and enforceable as of the date that the Parties sign this Agreement.

20. **Method of Revocation of ADEA Waiver.** To be effective, timely notice of revocation of the waiver of ADEA claims set forth in Section II.F.19 above, must be made in writing and delivered to Clear Blue through its counsel, Ryan Crosner, Esq., Ogletree Deakins, 400 South Hope Street, Suite 1200, Los Angeles, California 90017; ryan.crosner@ogletree.com, no later than the seventh (7th) day after Plaintiff executes this Agreement.

21. **No Additional Compensation.** Plaintiff acknowledges that he has received full and final payment for any monies owed to him by Clear Blue, including, without limitation, any settlement payments, wages, other compensation and reimbursement Plaintiff contends he was owed. Except as provided in this Agreement, Plaintiff acknowledges and agrees that he is not entitled to receive, nor will Plaintiff seek, any other compensation or benefits of any sort from Clear Blue. Plaintiff further acknowledges and agrees that Clear Blue is not requiring that he execute this Agreement in order to obtain any compensation concededly owed to him, that he is aware of the existence of Labor Code § 206.5 and concedes and agrees that Labor Code § 206.5 does not, and should not, apply to invalidate the release set forth in this Agreement.

22. **No Representation.** The Parties acknowledge each has read this Agreement, each fully understands its rights, privileges, and duties under the Agreement, and each enters into this Agreement freely and voluntarily. The Parties acknowledge that each has had the opportunity to consult with an attorney of his or its choice regarding the terms of this Agreement and the consequences of signing this Agreement. Each Party acknowledges that it has relied solely upon its own legal and tax advisors and that the lawyers and advisors to the other Party have not given any legal or tax advice to such Party in connection with this Agreement.

H. Miscellaneous.

1. **Headings.** The headings used herein are for reference only and shall not affect the construction of this Agreement.

2. **Choice Of Law.** This Agreement is made and entered into in the State of California and shall in all respects be interpreted and governed under the law of that state.

3. **Severability.** The invalidity, illegality, or unenforceability of any provision of this Agreement will not affect any other provision of this Agreement, which shall remain in full force and effect. Nor will the invalidity, illegality, or unenforceability of a portion of any provision of this Agreement affect the balance of such provision. In the event that any one or more of the provisions contained in this Agreement, or any portion thereof, is held to be invalid, illegal, or unenforceable in any respect, this Agreement shall be reformed, construed, and enforced as if such invalid, illegal, or unenforceable provision had never been contained herein.

4. **Agreement Inures To Successors And Related Persons and Entities.** This Agreement and all covenants set forth herein shall be binding upon and shall inure to the benefit of the respective Parties hereto and upon their respective heirs, administrators, representatives, executors, successors, and permitted assigns.

5. **Counterparts.** This Agreement may be executed in counterparts and, if so executed, each such counterpart shall have the force and effect of an original. A facsimile signature or electronic signature shall have the same force and effect as an original signature.

IN WITNESS WHEREOF, the Parties hereto have signed this Settlement Agreement and General Release of Claims on the dates indicated below.

PLEASE READ THIS SETTLEMENT AGREEMENT CAREFULLY. IT INCLUDES A GENERAL RELEASE OF ALL KNOWN AND UNKNOWN CLAIMS.

[Signature page follows]

FOR Richard Gonzales

Dated: 01/07/2026


Richard Gonzales Jr Jan 7, 2026 17:28:30 PST
Richard Gonzales

FOR Clear Blue Energy Corp.

Dated: 1/10/26

Signed: 
By: Paul Santina
Its: CEO

APPROVED AS TO FORM:

Dated: Jan 8, 2026

EMRAN LAW FIRM


Kaitlin Martinez
Kaitlin Martinez
Attorney for Richard Gonzales

Dated: January 12, 2026

**OGLETREE DEAKINS NASH SMOAK
& STEWART, P.C.**

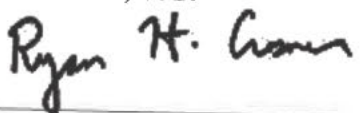

Ryan H. Crosner
Ryan H. Crosner
Attorney for Clear Blue Energy Corp.

EXHIBIT C