PAGA SETTLEMENT AGREEMENT

This PAGA Settlement Agreement ("Agreement") is made by and between plaintiff JAVARIO DATRAIL LUNA ("Plaintiff") and defendants A-CHECK AMERICA, INC. and STERLING INFOSYSTEMS, INC. ("Defendants"). The Agreement refers to Plaintiff and Defendants collectively as "Parties," or individually as "Party."

1. DEFINITIONS.

1.1. "Action" means Plaintiff's PAGA lawsuit alleging wage and hour violations against Defendants captioned *JAVARIO DATRAIL LUNA, individually, and on behalf of Aggrieved Employees pursuant to the California Private Attorneys General Act v. A-CHECK AMERICA, INC., a Delaware corporation; STERLING INFOSYSTEMS, INC., a Delaware corporation; and DOES 1 through 25, inclusive,* Case No. CVRI2306180, initiated on November 14, 2023 and pending in Superior Court of the State of California, County of Riverside.

1.2. "Administrator" means ILYM Group, 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 the Settlement.

1.4. "Aggrieved Employee(s)" means all current and former hourly-paid and/or non-exempt employees who worked for Defendants in the State of California during the PAGA Period.

1.5. "Aggrieved Employee Data" means Aggrieved Employee identifying information in Defendants' possession including the Aggrieved Employee's full 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 Riverside.

1.8. "Defense Counsel" means SEYFARTH SHAW LLP.

1.9. "Effective Date" means the date by when both of the following have occurred: (a) the Court enters the Order and Judgment; and (b) the Order and Judgment is final. The Order and Judgment is final as of the latest of the following occurrences: (i) if no appeal is filed, the expiration date of the time for the filing or noticing of any appeal from, or other challenge to, the Court's Order and Judgment (i.e., 61 calendar days after notice of entry of the Court's Order and Judgment); (ii) if an appeal is filed, the date of affirmance of an appeal of the Order and Judgment becomes final; or (iii) if an appeal is filed, the date of final dismissal of any appeal from the Order and Judgment or the final dismissal of any proceeding on review of any court of appeal decision relating to the Order and Judgment.

1.10. "Gross Settlement Amount" means $320,000.00 which is the total amount Defendants agree to pay under the Settlement except as provided in Paragraph 8 below. The Gross Settlement Amount will be used to pay Individual PAGA Payments, the LWDA PAGA Payment, Representative Payment, PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, and the Administration Expenses Payment.

1.11. "Individual PAGA Payment" means the Aggrieved Employee's pro rata share of 25% of the Net Settlement Amount calculated according to the number of PAGA Pay Periods the Aggrieved Employee worked during the PAGA Period.

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

1.13. "LWDA PAGA Payment" means the 75% of the Net Settlement Amount paid to the LWDA under Labor Code section 2699, subd. (i).

1.14. "Net Settlement Amount" means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: PAGA Counsel Fees Payment, PAGA Counsel Litigation Expense Payment, Representative Payment, and the Administration Expenses Payment. The LWDA PAGA Payment will be 75% of the Net Settlement Amount. The remaining 25% of the Net Settlement Amount will be distributed to the Aggrieved Employees as Individual PAGA Payments. 25% of the Net Settlement Amount is the maximum amount that shall be available for distribution to and on behalf of Aggrieved Employees for Individual PAGA Payments.

1.15. "PAGA Counsel" means BLACKSTONE LAW, APC, the attorneys representing the Plaintiff in the Action.

1.16. "PAGA Counsel Fees Payment" means the amounts for reimbursement of reasonable attorneys' fees incurred by PAGA Counsel to prosecute the Action.

1.17. "PAGA Counsel Litigation Expenses Payment" mean the amounts for reimbursement of reasonable costs and expenses incurred by PAGA Counsel to prosecute the Action.

1.18. "PAGA Pay Period" means any pay period during which an Aggrieved Employee worked for Defendants for at least one day during the PAGA Period.

1.19. "PAGA Period" means the period from September 10, 2022 to March 17, 2025.

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

1.21. "PAGA Notice" means Plaintiff's September 6, 2023 letter to Defendants and the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a).

1.22. "Plaintiff" means JAVARIO DATRAIL LUNA, the named plaintiff in the Action.

1.23. "Order and Judgment" means the proposed Court order granting approval of the Settlement and entering judgment based thereon.

1.24. "Released PAGA Claims" means the claims being released by the Plaintiff and the State of California as described in Paragraph 5 below.

1.25. "Released Parties" means Defendants and their predecessors, successors (including but not limited to First Advantage), subsidiaries, parent companies, other corporate affiliates, and assigns, and all of their officers, directors, employees, agents, representatives, attorneys, insurers, successors and assigns, and any other persons acting by, through, under, or in concert with any of them.

1.26. "Representative Payment" means the payment to the Plaintiff for initiating the Action and providing services in support of the Action.

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

1.28. "Defendants" means named defendants A-CHECK AMERICA, INC. and STERLING INFOSYSTEMS, INC.

2. RECITALS.

2.1. On November 14, 2023, Plaintiff commenced the Action by filing a complaint alleging a single cause of action against Defendants for penalties under PAGA for Defendants' violation of California Labor Code §§ 201, 202, 203, 204, 226(a), 226.7, 510, 512(a), 1174(d), 1194, 1197, 1197.1, 1198, 2800, and 2802, and the applicable Industrial Welfare Commission ("IWC") Wage Order. The complaint is the operative complaint in the Action (the "Operative Complaint"). Defendants deny the allegations in the Operative Complaint, deny any failure to comply with the laws identified in in the Operative Complaint, and deny any and all liability for the causes of action alleged.

2.2. Pursuant to California Labor Code section 2699.3, subd.(a), Plaintiff gave timely written notice to Defendants and the LWDA by sending the PAGA Notice.

2.3. On January 16, 2025, the Parties participated in an all-day mediation presided over by experienced mediator Tagore Subramaniam, Esq. which led to this Agreement to settle the Action.

2.4. Prior to mediation, Plaintiff obtained, through informal discovery, Plaintiff's personnel records and extensive time and pay data relevant to both Plaintiff and the alleged Aggrieved Employees.

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

3. MONETARY TERMS.

3.1. Gross Settlement Amount. Except as otherwise provided by Paragraph 8 below, Defendants promise to pay $320,000.00 and no more as the Gross Settlement Amount. 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.

3.2. Payments from the Gross Settlement Amount. The Administrator will make and deduct the following payments from the Gross Settlement Amount, in the amounts specified by the Court in the Order and Judgment:

3.2.1. To PAGA Counsel: A PAGA Counsel Litigation Expenses Payment of not more than $23,000.00. Defendants will not oppose this request for Court approval of this payment provided that it does not exceed this amount. If the Court approves a PAGA Counsel Litigation Expenses Payment less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount. Plaintiff and/or PAGA Counsel will also file a separate application or motion for a PAGA Counsel Fees Payment seeking approval of no more than one-third (1/3) of the Gross Settlement Amount, currently estimated to be $106,666.67, in attorneys' fees. Defendants will not oppose this request for Court approval of this payment provided that it does not exceed this amount. Additionally, the separate request for approval of attorneys' fees will not be based on any finding of a prevailing party, but will based solely on whether the attorneys' fees requested is reasonable. Released Parties shall have no liability to PAGA Counsel or any other Plaintiff's counsel arising from any claim to any portion any of the PAGA Counsel Fees Payment and/or PAGA Counsel Litigation Expenses Payment. The Administrator will pay the PAGA Counsel Fees Payment and PAGA Counsel Litigation 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.

3.2.2. To the Plaintiff: A Representative Payment to the Plaintiff of not more than $5,000.00 (in addition to any Individual PAGA Payment the Plaintiff is entitled to receive as an Aggrieved Employee). Defendants will not oppose Plaintiff's request for an Representative Payment that does not exceed this amount. To the extent the Representative Payment is less or the Court approves payment less than $5,000.00, the Representative Payment will retain the remainder in the Net Settlement Amount. The Administrator will pay the Representative Payment using IRS Form 1099. Plaintiff assumes full responsibility and liability for employee taxes owed on the Representative Payment.

3.2.3. To the Administrator: An Administration Expenses Payment not to exceed $5,000.00 except for a showing of good cause and as approved by the Court. To the extent the Administrator's expenses are less or the Court approves payment less than $5,000.00, the Administrator will retain the remainder in the Net Settlement Amount.

3.2.4. To the LWDA and Aggrieved Employees: 75% of the Net Settlement Amount (currently estimated to be $135,250) will be allocated to the LWDA PAGA Payment and 25% of the Net Settlement Amount (currently estimated to be $45,083.33) will be (allocated to the Individual PAGA Payments.

3.2.4.1. The Administrator will calculate each Individual PAGA Payment by dividing the total number of PAGA Pay Periods worked by each Aggrieved Employee in the PAGA Period by the total number of PAGA Pay Periods worked by all Aggrieved Employees in the PAGA Period, multiplied by the 25% of the Net Settlement Amount allocated to Aggrieved Employees. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment. 100% of the Individual PAGA Payments are considered penalties.

4. SETTLEMENT FUNDING AND PAYMENTS.

4.1. Aggrieved Employee Data. Within 15 days after the Effective Date, Defendants will simultaneously deliver the Aggrieved Employee Data to the Administrator in the form of an Excel spreadsheet. To protect Aggrieved Employees' privacy rights, the Administrator must maintain the Aggrieved Employee Data in confidence, use the Aggrieved Employee Data only for purposes of the 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 they discover 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.

4.2. Funding of Gross Settlement Amount. Defendants shall fully fund the Gross Settlement Amount by transmitting the funds to the Administrator no later than 21 days after the Effective Date.

4.3. Payments from the Gross Settlement Amount. Within 14 days after Defendants fund the Gross Settlement Amount, the Administrator will distribute the Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the Representative Payment, the PAGA Counsel Fees Payment, and the PAGA Counsel Litigation Expenses Payment. Disbursement of the PAGA Counsel Fees Payment and PAGA Counsel Litigation Expenses Payment shall not precede disbursement of Individual PAGA Payments.

4.3.1. The Administrator will issue checks for the Individual PAGA Payments and send them to the Aggrieved Employees via First Class U.S. Mail, postage prepaid with a cover letter ("Cover Letter"), attached hereto as **Exhibit A**. 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 Administrator must update the recipients' mailing addresses using the National Change of Address Database.

4.3.2. The Administrator must conduct an Aggrieved Employee Address Search for all Aggrieved Employees whose checks are retuned undelivered without USPS forwarding address. Within 7 days of receiving a returned check the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Aggrieved Employee Address Search. The Administrator need not take further steps to deliver checks to Aggrieved Employees whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Aggrieved Employee whose original check was lost or misplaced, requested by the Aggrieved Employee prior to the void date, provided the original check has not been cashed.

4.3.3. 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.

4.3.4. 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 Effective Date and date when Defendants fully fund the entire Gross Settlement Amount, Plaintiff and the State of California on behalf of the Aggrieved Employees will release claims against all Released Parties as follows:

5.1 Release by State of California on behalf of Aggrieved Employees:

The State of California on behalf of all Aggrieved Employees and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, is deemed to release the Released Parties from any and all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint and the PAGA Notice, during the PAGA Period, irrespective of the underlying theory of recovery supporting the claim for PAGA penalties. The released claims include, but are not limited to, PAGA claims based on any alleged violation of California Labor Code §§ 201, 202, 203, 204, 226(a), 226.7, 510, 512(a), 1174(d), 1194, 1197, 1197.1, 1198, 2800, and 2802, and the applicable IWC Wage Order.

5.1.1 Plaintiff's Release. In addition to the foregoing release, Plaintiff is deemed to release the Released Parties from all claims, transactions, or occurrences that occurred at any time up to Plaintiff's execution of this Agreement, including, but not limited to, all claims that were, or reasonably could have been, alleged, based on the facts contained in the Operative Complaint and the PAGA Notice ("Plaintiff's Release"). The Plaintiff's Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, or workers' compensation benefits that arose at any time. 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 the Plaintiff's Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiff's discovery of them.

5.2.1 Plaintiff's Waiver of Rights Under California Civil Code Section 1542. For purposes of the Plaintiff's Release, Plaintiff expressly waives and relinquishes the provisions, rights, and benefits, if any, of section 1542 of the California Civil Code, which reads: A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.

6. MOTION FOR APPROVAL OF SETTLEMENT. The Parties agree to prepare and file a motion for approval of the Settlement.

6.1 Plaintiff's Responsibilities. PAGA Counsel will prepare and deliver to Defense Counsel all documents necessary for obtaining approval of the Settlement under California Labor Code section 2699, subd. (f)(2)) including (i) a draft proposed Order and Judgment; (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 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 Complaint (Labor Code section 2699, subd. (l)(1)), this Agreement (Labor Code section 2699, subd. (l)(2)); and 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 is responsible for expeditiously finalizing and filing the motion for approval of the Settlement and, if necessary, obtaining a prompt hearing date for the motion and appearing in Court to advocate in favor of the motion. PAGA Counsel is responsible for delivering the Court's Order and Judgment to the Administrator.

6.3 Duty to Cooperate. If the Parties disagree on any aspect of the proposed application or motion for approval of the Settlement and/or the supporting declarations and documents, PAGA Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant the motion for approval of the 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 ILYM Group, Inc. to serve as the Administrator and verified that, as a condition of appointment, ILYM Group, Inc. agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange the Administration Expenses Payment. 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 Administrator Duties. The Administrator has a duty to perform or observe all tasks to be performed or observed by the Administrator contained in this Agreement or otherwise.

8. AGGRIEVED EMPLOYEE SIZE ESTIMATES AND ESCALATOR CLAUSE. Based on their records, Defendants estimate that, during the period September 6, 2022 through January 16, 2025, the Aggrieved Employees worked 6,802 PAGA Pay Periods. This representation is a material term of this Agreement. To the extent that the number of estimated PAGA Pay Periods during the PAGA Period increases by more than 10%, the Gross Settlement Amount will increase on a proportional basis equal to the percentage increase in the PAGA Pay Periods above 10% (i.e., if there is a 11% increase in the number PAGA Pay Periods during the PAGA Period, Defendants will agree to increase the Gross Settlement Amount by 1%).

9. CONTINUING JURISDICTION OF THE COURT. The Parties agree that, after entry of Order and Judgment, the Court will retain jurisdiction over the Parties, Action, and the Settlement solely for purposes of (i) enforcing this Agreement and/or Order and Judgment, (ii) addressing settlement administration matters, and (iii) addressing such post-Order and Judgment matters as are permitted by law.

9.1 Waiver of Right to Appeal. Provided the Order and 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, through their respective counsel, waive all rights to appeal from the Order and 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 Order and Judgment, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Order and 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 the Settlement only. If, for any reason the Court does not approve the Settlement, Defendants reserve all available defenses to the claims in the Action, including but not limited to its arbitration defense, and Plaintiff reserves the right to contest Defendants' defenses. The Settlement, this Agreement, and the Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).

10.2 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 PAGA Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party.

10.3 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.

10.4 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 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 and/or the Court for resolution.

10.5 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 any portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Parties in the Settlement.

10.6 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.

10.7 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.

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

10.9 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.

10.10 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.

10.11 Confidentiality. To the extent permitted by law, all agreements made, and orders entered during Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.

10.12 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 Aggrieved Employee 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 the 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, upon the written request of Defendants, 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.

10.13 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.

10.14 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.

10.15 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:

Blackstone Law, APC
Jonathan Genish
Miriam Schimmel (mschimmel@blackstonepc.com)
Joana Fang (jfang@blackstonepc.com)
Alexandra Rose (arose@blackstonepc.com)
Jared C. Osborne (josborne@blackstonepc.com)
8383 Wilshire Boulevard, Suite 745
Beverly Hills, CA 90211

To Defendants:

Justin Curley
SEYFARTH SHAW LLP
560 Mission Street, 31st Floor
San Francisco, CA 94105

Michelle DuCharme
SEYFARTH SHAW LLP
400 Capitol Mall #2300
Sacramento, CA 95814

10.16 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.

10.17 Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that, upon the signing of this Agreement, the time to bring a case to trial under CCP section 583.310 shall be extended for the entire period of this settlement process.

[SIGNATURES TO FOLLOW]

Plaintiff

Dated: 6/4, 2025

Javario Luna

JAVARIO DATRAIL LUNA

For Defendants

Dated: June 9, 2025

A-CHECK AMERICA, INC. and STERLING INFOSYSTEMS, INC.

Approved as to Form:

Dated: June 4, 2025

BLACKSTONE LAW, APC

By: ______________________

Jonathan Genish
Miriam Schimmel
Joana Fang
Alexandra Rose
Jared C. Osborne
Attorneys for Plaintiff and all Aggrieved Employees

Dated: July 7, 2025

SEYFARTH SHAW LLP

By: ______________________

Justin Curley
Michelle DuCharme
Attorneys for Defendants A-CHECK AMERICA, INC. and STERLING INFOSYSTEMS, INC.

Exhibit A

To: <<First Name>><<Last Name>>
<<Street Address>>
<<City>><<State>><<Zip>>

Re: Settlement Payment for *Javario Datrail Luna v. A-Check America, Inc., et al.*, Riverside County Superior Court Case No. CVRI2306180

Dear <<First Name>><<Last Name>>:

Please find enclosed a check in the amount of **<<amount of payment>>** ("Individual PAGA Payment"). This check is your payment from the settlement in the lawsuit entitled *Javario Datrail Luna v. A-Check America, Inc., et al.*, Riverside County Superior Court Case No. CVRI2306180 ("Action").

The lawsuit was filed on November 14, 2023, by Javario Datrail Luna ("Plaintiff") against his former employers A-Check America, Inc. and Sterling Infosystems, Inc. (together, "Defendants"), on behalf of the State of California, with respect to himself and other alleged aggrieved employees, to seek recovery of civil penalties pursuant to the Private Attorneys General Act of 2004, California Labor Code § 2698, *et seq.* ("PAGA"), for multiple alleged violations of the California Labor Code and Industrial Welfare Commission Wage Orders. Prior to initiating the lawsuit, on September 6, 2023, Plaintiff submitted a letter to the California Labor and Workforce Development Agency ("LWDA"), pursuant to PAGA, to provide notice of his intent to seek civil penalties under PAGA for Defendant's alleged violations of the California Labor Code and the applicable Industrial Welfare Commission Wage Orders ("PAGA Notice").

Defendants deny all of Plaintiff's allegations and deny any wrongdoing of any kind associated with Plaintiff's allegations. A settlement was reached between Plaintiff and Defendants.

On <<Date>>, the settlement was approved by the Court, with a portion to be paid to the LWDA and a portion to be paid to current and former hourly-paid and/or non-exempt employees who worked for Defendants in the State of California during the PAGA Period ("Aggrieved Employees"). The period September 10, 2022 to March 17, 2025 is the "PAGA Period."

You are receiving a portion of the settlement (the enclosed Individual PAGA Payment) because you have been identified as an Aggrieved Employee. Your Individual PAGA Payment is based on the total number of pay periods that you worked for Defendants in California during the PAGA Period. The Individual PAGA Payment is considered to be 100% penalties, which will be reported on an IRS Form 1099 (if applicable). You are responsible for paying any and all taxes that may be due as a result of any payment issued to you under the settlement and should consult a tax advisor regarding the tax consequences of such payment.

Under the settlement, as of <<Effective Date and full funding of the Gross Settlement Amount>>, the Released Parties were released from the Released PAGA Claims.

> "Released Parties" means Defendants and their predecessors, successors (including but not limited to First Advantage), subsidiaries, parent companies, other corporate affiliates, and assigns, and all of their officers, directors, employees, agents, representatives, attorneys, insurers, successors and assigns, and any other persons acting by, through, under, or in concert with any of them.
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> "Released PAGA Claims" means any and all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint and the PAGA Notice, during the PAGA Period, irrespective of the underlying theory of recovery supporting the claim for PAGA penalties. The released claims include, but are not limited to, PAGA claims based on any alleged violation of California Labor

Code §§ 201, 202, 203, 204, 226(a), 226.7, 510, 512(a), 1174(d), 1194, 1197, 1197.1, 1198, 2800, and 2802, and the applicable IWC Wage Order.

The enclosed check is valid for 180 calendar days from the original date of issuance and mailing, and if it is not cashed, deposited, or otherwise negotiated within the 180-day timeframe, it will be canceled, and the funds associated with the canceled check will be transmitted to the State Controller's Office Unclaimed Property Fund in your name and in the amount of your Individual PAGA Payment.

Do not call or write the Court, Office of the Clerk of the Court, Defendants, or Defendants' counsel to ask questions about the settlement or to ask tax-related questions. If you have any such questions, you may contact [Administrator] at [toll-free phone number].