

PAGA SETTLEMENT AGREEMENT

This PAGA Settlement Agreement (“**Agreement**”) is made by and between plaintiff Elizabeth Flores-Lopez (“**Plaintiff**”) and defendant Bella + Canvas, LLC. (“**B+C**”). The Agreement refers to Plaintiff and B+C collectively as “**Parties**,” or individually as “**Party**.”

1. **DEFINITIONS.**

- 1.1. “**Action**” means the matter entitled *Elizabeth Flores-Lopez v. BaronHR West, Inc.*, Los Angeles Superior Court Case No. 24STCV03435, initiated on February 9, 2024.
- 1.2. “**Administrator**” means CPT 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 this Settlement.
- 1.4. “**Aggrieved Employee**” means all (a) non-exempt employees who were employed by B+C and worked in California during the PAGA Period, and (b) non-exempt employees who were employed by BaronHR and were assigned to work at B+C during the PAGA Period.
- 1.5. “**Aggrieved Employee Data**” means Aggrieved Employee identifying information in B+C’s possession including the Aggrieved Employee’s name, last-known mailing address, Social Security number, and number of PAGA Pay Periods worked.
- 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. “**Approval Order**” means the proposed Court Order Granting Approval of PAGA Settlement.
- 1.8. “**B+C**” means named Defendant Bella + Canvas, LLC.
- 1.9. “**BaronHR**” means Defendant BaronHR West, Inc.
- 1.10. “**Court**” means the Superior Court of California, County of Los Angeles, Stanley Mosk Courthouse.
- 1.11. “**Defense Counsel**” means Peter Hering, Esq., Rutan & Tucker, LLP., 18575

Jamboree Road, 9th Floor, Irvine, California 92612, the attorneys representing B+C in the Action.

- 1.12. “**Effective Date**” means the later of (i) the 61st day after service of notice of entry of the Approval Order and Judgment, if no appeal, review, or writ has been filed; or (ii) if an appeal, review, or writ is sought from the Approval Order and Judgment, the day after the Approval Order and Judgment is affirmed or the appeal, review, or writ is dismissed or denied, and the Approval Order and Judgment is no longer subject to further judicial review.
- 1.13. “**Enhancement Payment**” means the payment to the Plaintiff for initiating the Action and providing services in support of the Action.
- 1.14. “**Funding Date**” means fifteen (15) calendar days after the Effective Date and is the date on which B+C shall fund the Gross Settlement Amount to the Administrator.
- 1.15. “**Gross Settlement Amount**” means \$175,000.00 which is the total amount B+C agrees to pay under the Settlement except as provided in Paragraph 9 below. The Gross Settlement Amount will be used to pay Individual PAGA Payments, the LWDA PAGA Payment, Enhancement Payment, PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, and the Administrator’s Expenses Payment.
- 1.16. “**Individual PAGA Payment**” means the Aggrieved Employee’s pro rata share of 25% of the Net Settlement Amount calculated according to the number of Pay Periods the Aggrieved Employee worked during the PAGA Period.
- 1.17. “**Judgment**” means the judgment entered by the Court based upon the Approval Order.
- 1.18. “**LWDA**” means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i).
- 1.19. “**LWDA PAGA Payment**” means the 75% of the Net Settlement Amount paid to the LWDA under Labor Code section 2699, subd. (i).
- 1.20. “**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 Expenses Payment, Enhancement Payment, and the Administration Expenses Payment. The remainder is the Net Settlement Amount, which shall be allocated to the PAGA Penalties.
- 1.21. “**Notice of PAGA Settlement**” means the notice to be provided to the PAGA Employees by the Administrator in the form set forth as **Exhibit A** to this Agreement.
- 1.22. “**Operative Complaint**” means the First Amended Complaint in this Action.

- 1.23. **“PAGA Counsel”** means Christopher A. Adams, Esq., Levon S. Yepremian, Esq. Vache A. Thomassian, Esq., and Caspar Jivalagian, Esq. of KJT Law Group, LLP. 230 N. Maryland Ave. Suite 306, Glendale CA 91206, the attorneys representing the Plaintiff and PAGA Employees in the Action.
- 1.24. **“PAGA Counsel Fees Payment”** and **“PAGA Counsel Litigation Expenses Payment”** mean the amounts allocated to PAGA Counsel for reimbursement of reasonable attorneys’ fees and expenses, respectively, incurred to prosecute the Action.
- 1.25. **“PAGA Pay Period”** means any pay period during which an Aggrieved Employee worked for B+C for at least one day during the PAGA Period.
- 1.26. **“PAGA Period”** means the period from November 9, 2022 through Court Approval of this agreement.
- 1.27. **“PAGA”** means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).
- 1.28. **“PAGA Notice”** means Plaintiff’s September 19, 2023, and January 29, 2025, letter to B+C and the LWDA providing notice pursuant to Labor Code section 2699.3, subd. (a).
- 1.29. **“PAGA Penalties”** means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount (\$86,750.00), allocated 25% to the Aggrieved Employees (\$21,687.50) and the 75% to LWDA (\$65,062.50) in settlement of PAGA claims.
- 1.30. **“Plaintiff”** means Elizabeth Flores-Lopez, the named plaintiff in the Action.
- 1.31. **“Released PAGA Claims”** means all PAGA claims that were or could have reasonably been alleged against B+C (and B+C’s affiliated and parent companies) and BaronHR based upon the facts and matters identified in Plaintiff’s original PAGA Notice dated October 9, 2023, and in Plaintiff’s First Amended PAGA Notice, dated January 29, 2025, and the Operative Complaint filed in the Action on behalf of the Aggrieved Employees, which arose during the PAGA Period. Without limiting the foregoing, and in addition to the foregoing, the release includes all civil penalties under California Labor Code Section 2699 et seq. for alleged: failure to pay all wages, including minimum and overtime wages; failure to provide meal periods; failure to authorize and permit rest breaks; failure to provide accurate itemized wage statements; failure to pay reporting time, failure to timely pay wages during employment and upon separation, failure to reimburse for all necessary business expenses, failure to maintain accurate payroll records; failure to provide notice of available paid sick leave; and failure to pay paid sick leave, pursuant to the corresponding applicable sections of the California Labor Code, California Code of Regulations and IWC Wage Orders.
- 1.32. **“Released Parties”** means: B+C and each of its former and present directors, officers, shareholders, owners, investors, members, partners, managers, employees, attorneys, representatives, agents, insurers, predecessors, successors, assigns, parent

companies, holding companies, subsidiaries, and affiliates, staffing companies (including BaronHR) and any individual or entity which could be jointly liable with B+C.

- 1.33. “**Settlement**” means the disposition of the Action effected by this Agreement and the Judgment.

2. RECITALS.

- 2.1. On February 9, 2024, Plaintiff commenced this Action by filing a Complaint alleging causes of action against B+C for 1) Failure to pay minimum wage; 2) Failure to pay overtime; 3) Failure to provide meal periods; 4) Failure to provide rest periods; 5) Waiting time penalties; 6) Failure to reimburse for business expenditures; 7) Failure to pay reporting time; and 8) Civil Penalties under PAGA. On March 6, 2025, Plaintiff filed a First Amended Complaint. The First Amended Complaint is the Operative Complaint in the Action. B+C denies the allegations in the Operative Complaint, denies any failure to comply with the laws identified in in the Operative Complaint and denies any and all liability for the causes of action alleged.
- 2.2. Pursuant to Labor Code section 2699.3, subd.(a), Plaintiff gave timely written notice to B+C and the LWDA by sending the PAGA Notice.
- 2.3. On October 22, 2024, the Parties participated in mediation before mediator Hon. Zaven V. Sinanian after undertaking an investigation and the exchange of information and documents pertaining to Plaintiff and the Aggrieved Employees.
- 2.4. Prior to mediation, Plaintiff obtained, through informal discovery, a representative sample of wage and pay data for Plaintiff and the Aggrieved Employees during the PAGA Period. Plaintiff’s counsel analyzed this data and obtained a calculation of damages for Defendant’s alleged wage-and-hour violations.
- 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.

3. MONETARY TERMS.

- 3.1. Gross Settlement Amount. Except as otherwise provided by Paragraph 9 below, B +C promises to pay \$175,000.00 and no more as the Gross Settlement Amount. B+C has no obligation to pay the Gross Settlement Amount prior to the deadline stated in Paragraph 4.3 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 B+C.
- 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 Final Approval:

- 3.2.1. To the Plaintiff: An Enhancement Payment to the Plaintiff of not more than \$10,000.00 (in addition to any Individual PAGA Payment the Plaintiff is entitled to receive as a PAGA Employee). B+C will not oppose Plaintiff's request for an Enhancement Payment that does not exceed this amount. To the extent the Enhancement Payment is less or the Court approves payment less than \$10,000.00, the Administrator will retain the remainder in the Net Settlement Amount. The Administrator will pay the Enhancement Payment using IRS Form 1099. Plaintiff assumes full responsibility and liability for employee taxes owed on the Enhancement Payment.
- 3.2.2. To PAGA Counsel: A PAGA Counsel Fees Payment of not more than 35% which is currently estimated to be \$61,250.00 and PAGA Counsel Litigation Expenses Payment of not more than \$8,500.00. B+C will not oppose requests for Court approval of these payments provided that they do not exceed these amounts. Plaintiff and/or PAGA Counsel will file an application or motion for PAGA Counsel Fees Payment and PAGA Litigation Expenses Payment. If the Court approves a PAGA Counsel Fees Payment and/or a PAGA Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. Released Parties shall have no liability to PAGA Counsel or any other Plaintiff's Counsel arising from any claim to any portion of any PAGA Counsel Fee Payment and/or PAGA Counsel Litigation Expenses Payment. The Administrator will pay the PAGA Counsel Fees Payment and PAGA Counsel Expenses Payment using one or more IRS 1099 Forms. PAGA Counsel assumes full responsibility and liability for taxes owed on the PAGA Counsel Fees Payment and the PAGA Counsel Litigation Expenses Payment and holds B+C and the Released Parties harmless, and indemnifies B+C and the Released Parties, from any dispute or controversy regarding any division or sharing of any of these Payments.
- 3.2.3. To the Administrator: An Administrator Expenses Payment not to exceed \$8,500.00 except for a showing of good cause and as approved by the Court. To the extent the Administration Expenses are less or the Court approves payment less than \$8,500.00, the Administrator will retain the remainder in the Net Settlement Amount.
- 3.2.4. To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of \$86,750.00 to be paid from the Gross Settlement Amount, with 75% (\$65,062.50) allocated to the LWDA PAGA Payment and 25% (\$21,687.50) allocated to the Individual PAGA Payments.
 - 3.2.4.1. The Administrator will calculate each Individual PAGA Payment by
 - (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties (\$21,687.50) by the total number of PAGA Period Pay Periods

worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA Period Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

3.2.4.2. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

3.2.5. Additional Attorneys' Fees and Costs: No Aggrieved Employee, or PAGA Counsel, or any other attorney acting for any Aggrieved Employee may recover or seek to recover any amounts for fees, costs, or disbursements arising from the Action or the Gross Settlement Amount from the Released Parties except as expressly provided for in this Agreement.

4. SETTLEMENT FUNDING AND PAYMENTS.

- 4.1. Aggrieved Employee Pay Periods. Based on a review of its records to date and in preparation for mediation, as of the date of mediation, October 22, 2024, B+C estimates there are 447 Aggrieved Employees who worked a total 17,416 of PAGA Pay Periods.
- 4.2. Aggrieved Employee Data. Within 14 days of the Effective Date, B+C will deliver the Aggrieved Employee Data to the Administrator in the form of a Microsoft Excel spreadsheet. To protect Aggrieved Employee' privacy rights, the Administrator must maintain the Aggrieved Employee Data in confidence, use the Aggrieved Employee Data only for purposes of this Settlement and for no other purpose, and restrict access to the Aggrieved Employee Data to Administrator employees who need access to the Aggrieved Employee Data to effect and perform under this Agreement. B+C has a continuing duty to immediately notify PAGA Counsel if it discovers that the Aggrieved Employee Data omitted employee identifying information and to provide corrected or updated Aggrieved Employee Data as soon as reasonably feasible. Without any extension of the deadline by which B+ C must send the Aggrieved Employee Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Aggrieved Employee Data.
- 4.3. Funding of Gross Settlement Amount. B+C shall fully fund the Gross Settlement Amount by transmitting the funds to the Administrator on or before the Funding Date.
- 4.4. Payments from the Gross Settlement Amount. Within 14 days after B+ C fully funds the Gross Settlement Amount, the Administrator will mail checks for all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the PAGA Counsel Fees Payment, the PAGA Counsel Litigation Expenses Payment, and the Enhancement Payment. Disbursement of the PAGA Counsel Fees Payment and the PAGA Counsel Litigation Expenses Payment shall not precede disbursement of Individual PAGA Payments.

- 4.4.1. The Administrator will issue checks for the Individual PAGA Payments and send them to the Aggrieved Employees via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (not less than 180 days after the date of mailing) when the check will be voided (the “**Void Date**”). The Administrator will cancel all checks not cashed by the void date. Before mailing any checks, the Settlement Administrator must update the recipients’ mailing addresses using the National Change of Address Database.
 - 4.4.2. The Administrator must conduct an Aggrieved Employee Address Search for all Aggrieved Employees whose checks are returned undelivered without USPS forwarding address. Within seven (7) days of receiving a returned check the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Aggrieved Employee Address Search. The Administrator need not take further steps to deliver checks to Aggrieved Employees whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Aggrieved Employee whose original check was lost or misplaced, requested by the Aggrieved Employee prior to the Void Date.
 - 4.4.3. For any Aggrieved Employee whose Individual PAGA Payment check is uncashed and cancelled after the Void Date, the Administrator shall transmit the funds represented by such checks to the CASA LA in accordance with CCP § 384 and subject to Court approval.
 - 4.4.4. The payment of Individual PAGA Payments shall not obligate B+ C to confer any additional benefits or make any additional payments to the Aggrieved Employees (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.
5. **RELEASES OF CLAIMS.** Effective on the date when B+C fully funds the entire Gross Settlement Amount Plaintiff and PAGA Counsel will release claims against all Released Parties as follows:
 - 5.1 Plaintiff’s Release. Plaintiff and her respective former, present, and future spouses, representatives, agents, attorneys (including PAGA Counsel), heirs, executors, administrators, successors, and assigns generally, release, waive, acquit, and discharge Released Parties from all claims, transactions, or occurrences (known or unknown) which she has, had or might otherwise have had against the Released Parties, from the beginning of time to the date Plaintiff signs this Agreement, regarding any aspect of Plaintiff’s employment including, but not limited to: the Released Claims, any common law or statutory torts (including invasion of privacy), any federal, state or governmental constitution, statute, regulation or ordinance, and any claim for wages, tips, or any other compensation or benefit (“**Plaintiff’s Release**”). 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, workers’ compensation benefits that arose at any time, or based on occurrences after the date Plaintiff signs this Agreement. Plaintiff

acknowledges that Plaintiff may discover facts or law different from, or in addition to, the facts or law that Plaintiff now knows or believes to be true but agrees, nonetheless, that Plaintiff's Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiff's discovery of them.

- 5.1.1 Plaintiff's Waiver of Rights Under California Civil Code Section 1542. For purposes of 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.

- 5.2 Release by Aggrieved Employees and the State of California: Upon the Effective Date and Funding in full of the Gross Settlement Amount by B+C, all Aggrieved Employees and the State of California are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, B+C and all Released Parties from the Released PAGA Claims. The Parties agree there is no statutory right for any Aggrieved Employee to object, opt out or otherwise exclude himself or herself from the Settlement. The Parties further agree there is no right or opportunity for any Aggrieved Employee to appeal the approval of the PAGA settlement by the Court. This Agreement shall not be subject to collateral attack by any Aggrieved Employee.

- 5.3 Release by PAGA Counsel:

PAGA Counsel release on behalf of themselves, their present and former attorneys, employees, agents, successors and assigns the Released Parties from all claims for PAGA Fees incurred in connection with the Operative Complaint and the PAGA Period facts stated in the Operative Complaint and the PAGA Notice, or otherwise incurred to prosecute the Action.

- 6. MOTION OR APPLICATION FOR APPROVAL OF SETTLEMENT.** The Parties agree to jointly prepare and file an application or motion for approval of this Settlement.

- 6.1 Plaintiff's Responsibilities. Plaintiff will prepare and deliver to Defense Counsel all documents necessary for obtaining approval of this Settlement under Labor Code Section 2699, subd. (f)(2)) including (i) a draft motion for approval of the PAGA Settlement, which PAGA Counsel will submit to B+C for review and comment at least five (5) days prior to filing with the Court; (ii) a draft proposed Order Granting Approval of PAGA Settlement; (iii) 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 PAGA 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 PAGA Employees or the LWDA; and the nature and extent of any financial relationship with Plaintiff, PAGA Counsel or Defense Counsel; (iv) a signed declaration from PAGA Counsel's firm attesting to its timely transmission to the LWDA of all necessary PAGA documents (the PAGA Notice, Operative Complaint (Labor Code section 2699, subd. (1)(1)), this Agreement (Labor Code section 2699, subd. (1)(2)); (v) a redlined version of the parties' Agreement showing all modifications made to the Model Agreement ready for filing with the Court; and (vi) all facts relevant to any actual or potential conflict of interest with PAGA 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 jointly responsible for expeditiously finalizing and filing the motion for approval of this Settlement no later than 30 days after the full execution of this Agreement 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 Approval to the Administrator.
- 6.3 Duty to Cooperate. If the Parties disagree on any aspect of the proposed motion for approval of this Settlement and/or the supporting declarations and documents, PAGA Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to resolve the disagreement.

7. SETTLEMENT ADMINISTRATION.

- 7.1 Selection of Administrator. The Parties have jointly selected CPT Group, Inc. to serve as the Administrator and verified that, as a condition of appointment, CPT Group, Inc agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Expenses. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.
- 7.2 Employer Identification Number. The Administrator shall have and use its own Employer Identification Number for purposes of calculating payroll tax withholdings and providing reports to state and federal tax authorities.
- 7.3 Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation section 468B-1.

7.4 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**

The Settlement is based on the assumption that there were 17,416 pay periods in the period from November 9, 2022, through October 22, 2024. If the number of pay periods increases by more than 10% as of the date of approval of the Settlement (“**Approval Date**”), B+C will have the choice of: (a) paying a proportional increase in the Gross Settlement Amount for each additional pay period over 19,158; or (b) modifying the end date of the PAGA Period to any date prior to the Approval Date, and paying a pro rate increase, if applicable (*i.e.*, for any pay periods over 19,158).

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

9.1 Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the PAGA Counsel Fees Payment and PAGA Counsel Litigation Expenses Payment, the Parties, and their respective counsel waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals. If another party appeals the Judgment, the Parties’ obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect the amount of the Net Settlement Amount.

10. **ADDITIONAL PROVISIONS.**

10.1 No Admission of Liability or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by B+C that any of the allegations in the Operative Complaint have merit or that B+C or any of the Released Parties has any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that B+C’s defenses in the Action have merit. The Parties agree that representative treatment is for purposes of this Settlement only. If, for any reason the Court does not approve this Settlement, B+C reserves all available defenses to the claims in the Action, and Plaintiff reserves the right to contest B+C’s defenses. The Settlement, this Agreement and Parties’ willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the

Settlement and this Agreement).

- 10.2 Effective Date Of B+C's Obligations Under This Agreement. B+C's obligations under this Agreement will become final and effective only upon the occurrence of the Effective Date. In the event that any of the conditions specified in this Agreement are not satisfied, or in the event that this Settlement does not obtain approval of the Court for any reason, all matters covered by this Agreement will be null and void. In such event, neither this Agreement, nor any negotiations leading to this Settlement, will be used or construed by or against any Party as a determination, admission, or concession of any issue of law or fact in the litigation; and the Parties do not waive, and instead expressly reserve, their respective rights regarding the prosecution and defense of the Action, including all available defenses and affirmative defenses, and to challenge any claim, as if this Agreement never existed.
- 10.3 Nullification. If: (1) the Court should for any reason fail to enter the Approval Order and Judgment; or (2) the Court's Approval Order and Judgment is reversed or modified as to any material term as defined above, or declared or rendered void as to any material term as defined above, then (a) the Agreement shall become null and void; and (b) the Parties will revert to their respective positions immediately prior to reaching the settlement.
- 10.4 Invalidation. Invalidation of any material term of this Settlement Agreement will invalidate this Agreement in its entirety unless the Parties subsequently agree in writing that the remaining provisions will remain in full force and effect.
- 10.5 Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party.
- 10.6 Attorney Authorization. PAGA Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiff and B+C, 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 excluding any amendments to this Agreement.
- 10.7 Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying the Settlement Agreement, submitting supplemental evidence and supplementing points and authorities as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of the mediator, Zaven A Sinanian, and/or the Court for resolution.

- 10.8 No Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity and portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.
- 10.9 No Tax Advice. Neither Plaintiff, PAGA Counsel, B+C 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.
- 10.10 Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their representatives, and approved by the Court.
- 10.11 Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.
- 10.12 Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the state of California, without regard to conflict of law principles.
- 10.13 Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.
- 10.14 Corporate Signatories. Any person executing this Agreement or any related document on behalf of a corporate signatory warrants and promises for the benefit of all Parties that such person has been duly authorized by such corporation to execute this Agreement or any related document.
- 10.15 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. In addition, other than information necessary to secure Court approval of this settlement, Plaintiff and PAGA Counsel agree that the terms of this Settlement Agreement (including, but not limited to, the Gross Settlement Amount), the negotiations leading to the execution of this Settlement Agreement, and the Settlement Agreement itself, shall not be discussed with or publicized or promoted to the media (including, without limitation, legal periodicals and publications such as "Jury Verdicts," disclosure of the Settlement Agreement on any web site of PAGA Counsel or any other website, or on any blogs, articles, or on any social media platforms or channels), or the public at large, without the advance written consent of B+C. The Parties intend this Paragraph 10.15 to prohibit Plaintiff and PAGA Counsel from discussing, answering questions about, promoting or publicizing the Settlement Agreement, its terms, or the

negotiations leading to the Settlement Agreement with anyone other than the Court or those individuals necessary to effectuate the terms of the Agreement. Notwithstanding the foregoing, Plaintiff and PAGA Counsel (1) may tell the public in general only that certain claims “have been resolved by the Parties;” and (2) may disclose the terms of the Settlement Agreement (a) in appropriate filings with the Court in this case; (b) where required by law (e.g., income tax returns); and (c) to accountants or other tax professionals for the purpose of preparing tax returns. In addition, PAGA Counsel may respond to questions received from, and discuss any aspect of this Agreement with PAGA Employees. Nothing herein shall prevent PAGA Counsel from referring to the Action in any declaration before the courts relating to the adequacy or in future applications by PAGA Counsel for approval of attorneys’ fees.

10.16 Use and Return of Aggrieved Employee Data. Information provided to PAGA Counsel pursuant to Cal. Evid. Code §1152, and all copies and summaries of the PAGA Data provided to PAGA Counsel by B+C in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. Not later than 90 days after the Administrator discharges its obligation to pay out of all Settlement funds, Plaintiff shall destroy all paper and electronic versions of Aggrieved Employee Data received from B+C unless, prior to the Administrator’s payment of all Settlement Funds, B+C makes a written request to PAGA Counsel for the return, rather than the destructions, of Aggrieved Employee Data.

10.17 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.

10.18 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.

10.19 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: KJT Law Group, LLP., Levon Yepremian, Esq., Levon@kjtlawgroup.com., 230 N. Maryland Avenue, Suite 306, Glendale, California 91206.

To B+C: Rutan & Tucker, LLP., Peter Hering, Esq., PHering@rutan.com, 18575 Jamboree Road, 9th Floor, Irvine, California 92612.

10.20 Execution in Counterparts. This Agreement may be executed in one or more

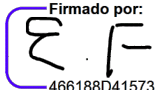
counterparts by facsimile, electronically (i.e. DocuSign), or email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

- 10.21 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 that pursuant to CCP section 583.330 to extend the date to bring a case to trial under CCP section 583.310 for the entire period of this settlement process.

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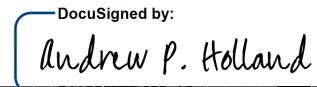
PLAINTIFF: Elizabeth Flores-Lopez

Dated: 4/25/2025

By:  Firmado por:
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Elizabeth Flores-Lopez

DEFENDANT: Bella + Canvas, LLC.

Dated: 4/28/2025

By:  DocuSigned by:
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Name: Andrew P. Holland
General Counsel & Chief Legal Officer

APPROVED AS TO FORM AND CONTENT:

KJT LAW GROUP LLP

Dated: 04/25/2025

By: 
Levon Shant Yepremian, Esq.
Attorney for Plaintiff Elizabeth Flores-Lopez

RUTAN & TUCKER, LLP.

Dated: April 29, 2025

By: 
Peter Hering, Esq.
Attorneys for Defendant
Bella + Canvas, LLC.