

SETTLEMENT AGREEMENT AND GENERAL RELEASE

This Settlement Agreement and General Release ("Agreement") is made and entered into by and between Armando Burquez ("Plaintiff") and KMK Real Estate Services, Inc. ("Defendant"). Plaintiff and Defendant are collectively referred to as the "Parties."

RECITALS

A. On November 10, 2023, Plaintiff filed a notice with the California Labor and Workforce Development Agency (LWDA) under the California Labor Code Private Attorneys General Act of 2004, California Labor Code § 2699 et seq. ("PAGA") of his intent to pursue civil penalties against Defendant under the PAGA, which the LWDA assigned Case No. LWDA-CM-993523-23 (the "PAGA Notice").

B. On November 13, 2023, Plaintiff filed a civil complaint for damages in the Superior Court of the State of California, for the County of Los Angeles, against Defendant entitled *Burquez v. KMK Real Estate Services, Inc.*, LASC Case No. 23STCV27658 (the "Action"), within which Plaintiff sought to recover unpaid wages, interest, unreimbursed business expenses, meal and rest period premiums, itemized wage statement penalties, waiting time penalties and where applicable, attorneys' fees and costs (the "Civil Complaint").

C. On January 16, 2024, Plaintiff filed a first amended complaint ("FAC") for damages in the Action which added a claim for civil penalties on behalf of himself, the State of California, and all other aggrieved employees pursuant to the PAGA. Specifically, the FAC asserted the following causes of action:

- (1) First Cause of Action for Failure to Pay Wages for all Hours Worked, on behalf of Plaintiff only;
- (2) Second Cause of Action for Failure to Pay all Wages at Termination, on behalf of Plaintiff only;
- (3) Third Cause of Action for Failure to Provide Accurate Itemized Wage Statements, on behalf of Plaintiff only;
- (4) Fourth Cause of Action for Failure to Reimburse Business Expenses, on behalf of Plaintiff only;
- (5) Fifth Cause of Action for Failure to Provide Meal Periods, on behalf of Plaintiff only;
- (6) Sixth Cause of Action for Failure to Provide Rest Breaks, on behalf of Plaintiff only;
- (7) Seventh Cause of Action for Violation of California Business & Professions Code § 17200, on behalf of Plaintiff only; and
- (8) Eighth Cause of Action for Violation of California Labor Code §§ 2698 et seq. (i.e., the California Labor Code Private Attorneys' General Act of 2004), on behalf of Plaintiff and all other Aggrieved Employees, (the "PAGA Claim").

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D. The Parties desire to avoid further costs of litigation and agreed to resolve all potential or actual claims that Plaintiff has or may have against Defendant, including the PAGA Claim filed on behalf of Plaintiff and the other Aggrieved Employees, as defined below.

E. Accordingly, in consideration of the promises and mutual covenants set forth in this Agreement, and for other good and valuable consideration, receipt, and adequacy of which is hereby acknowledged, the Parties agree as follows:

TERMS OF AGREEMENT

1. This Agreement does not constitute an admission of liability on the part of any of the Parties or an admission, directly or by implication, that any of them have violated any law, rule or regulation, or any contractual right, or any other duty or obligation of any kind, including any duty or obligation owed to or allegedly owed to anyone.

2. This Agreement shall not in any way be construed as an admission that the Parties or any of their representatives have acted wrongfully with respect to the other or any other person but shall be construed strictly as an instrument to avoid litigation. This Agreement is not admissible to prove liability for, or the validity of, any claims that relate, refer, or pertain to the subject matter of this Agreement.

3. This Agreement is inadmissible in any proceeding, except a proceeding to approve, interpret or enforce this Agreement, and shall be submitted to the Court in connection with Plaintiff's efforts to obtain approval of the settlement of the PAGA Claim. If approval does not occur, the Parties agree that this Agreement is void, but remains protected by Evidence Code § 1152.

4. **Limited Disclosure.**

A. Plaintiff agrees that he will not publicize or disclose or cause or knowingly permit or authorize the publicizing or disclosure of the fact of this Agreement, the contents of this Agreement, including the amount paid in settlement, or of the negotiations leading up to this Agreement, or of the basis for any claims or allegations which were or could have been made against Defendant which concern and are within the scope of this Agreement (hereafter collectively referred to as "Confidential Information") to any person, firm, organization, or entity of any and every type, public or private, for any reason, at any time, without the prior written consent of Defendant; except that, the following disclosures are expressly permitted:

- i. in any documents submitted to the Court in connection with the proceedings to seek approval of the settlement of the PAGA Claim;
- ii. to enforce the terms of this Agreement; or
- iii. in response to any official inquiries from a federal, state, or local government agency, or as otherwise compelled by operation of law.

B. Plaintiff also is permitted to disclose Confidential Information to his spouse, tax advisors, attorneys with whom Plaintiff chooses to consult, and to the LWDA and Court. In response to inquiries from third parties concerning the status of this dispute or which would require

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the disclosure of Confidential Information, Plaintiff will state only that the dispute has been resolved and that he cannot talk about it.

C. The Parties and their respective counsel agree that the Agreement shall not be publicized (other than by the letter to the Aggrieved Employees described in Section 17 herein) in any way, and no Party shall issue or cause to be issued a press release relating to the Agreement. However, counsel for Plaintiff may refer to the Agreement and submit a copy thereof in declarations submitted to the Court in connection with proceedings to seek approval of the settlement of the PAGA Claim.

5. For the purposes of this Agreement only, the Parties stipulate that the following group constitutes the Aggrieved Employees:

All California-based non-exempt employees in the role of maintenance technician, as such employees are identified in Defendant's personnel and payroll records as such, during the PAGA Period (the "Aggrieved Employees").

6. For the purposes of this Agreement only, the Parties stipulate that the "PAGA Period" shall refer to the period commencing on November 10, 2022 and through the date of the mediation that led to this Agreement, which was May 30, 2024.

7. Defendant has represented that there are 14 Aggrieved Employees who worked at any time during the PAGA Period, with, on average 11.5 Aggrieved Employees working for Defendant during each pay period from November 10, 2022 to May 30, 2024. Defendant has further represented that in total all of these Aggrieved Employees worked a total of 483 pay periods during the PAGA period.

8. This Agreement is only applicable to those Aggrieved Employees in the PAGA Period. This entire Agreement, including settlement of Plaintiff's individual claims, is contingent upon approval of the settlement of the PAGA Claim by the Los Angeles County Superior Court.

9. Plaintiff's counsel has separately represented in writing that they currently do not represent any current or former employee (other than Plaintiff) and have not referred any current or former employee to any other attorneys, which representation Defendant has relied upon in execution this Agreement.

10. The Parties and their counsel agree to cooperate in good faith in the preparation of any documents (including any revised such documents) that are or become necessary to secure Court approval.

11. Counsel for Plaintiff will, as required by law, submit a copy of this signed Agreement to the LWDA at the same time that counsel for Plaintiff files a motion for approval of the settlement of the PAGA Claim and will submit a copy of the Order approving the settlement of the PAGA Claim to the LWDA at such time as it is signed by the Court and available to Plaintiff's counsel.

12. If for any reason, this Agreement is not granted final approval by the Court or is terminated, in whole or in part, this Agreement will be inadmissible in relation to the claims

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brought and will have no effect in this matter or in any claims brought on the same or similar allegations.

13. Plaintiff and the Aggrieved Employees will fully release and discharge all past and present officers, directors, owners, shareholders, investors, employees, agents, attorneys, insurers, predecessors, successors, and assigns, direct and indirect subsidiaries, affiliated companies and any parent company of Defendant, including but not limited to KMK Capital Corp. and individual or corporate owners of properties managed by Defendant (collectively, the "Released Parties") from all claims under the PAGA, to the broadest extent under the law, for civil penalties that arise solely under the specific theories asserted by Plaintiff in his letter to the LWDA and/or the PAGA Claim in the Civil Complaint, as follows:

A. Claims under the PAGA for civil penalties for Defendant's alleged failure to pay Plaintiff and the Aggrieved Employees all earned compensation for performing work off-the-clock, including during off-the-clock meal periods;

B. Claims under the PAGA for civil penalties for Defendant's alleged failure to pay Plaintiff and the Aggrieved Employees overtime compensation owed under California Labor Code §§ 510 and 1198, (i) when employees worked off-the-clock (as noted in 12.A. above) and (ii) by not paying overtime compensation at the appropriate overtime rate required by California law, including by failing to include the \$2.00 per hour hazard pay in the regular rate of pay used to calculate overtime.

C. Claims under the PAGA for civil penalties for Defendant's alleged failure to provide Plaintiff and the Aggrieved Employees with duty-free meal periods and rest periods and by failing to pay meal and rest period premiums as required by California Labor Code §§ 226.7 and 512.

D. Claims under the PAGA for civil penalties for Defendant's alleged failure to pay all wages due at the time of termination for those Aggrieved Employees' whose employment ended during the PAGA Period as required by California Labor Code §§ 201 and 202.

E. Claims under the PAGA for civil penalties for Defendant's alleged failure to pay all wages earned by Plaintiff and the Aggrieved Employees during regular pay periods as required by California Labor § 204.

F. Claims under the PAGA for civil penalties for Defendant's alleged failure to provide Plaintiff and the Aggrieved Employees with proper itemized wage statements at the time of payment of wages during the PAGA Period as required by California Labor Code § 226(a).

G. Claims under the PAGA for civil penalties for Defendant's alleged failure to keep accurate records of hours worked by Plaintiff and the Aggrieved Employees during the PAGA Period as required by California Labor Code § 1174(d).

H. Claims under the PAGA for civil penalties for Defendant's alleged failure to reimburse Plaintiff and the Aggrieved Employees for all necessary and reasonable business expenses incurred by the employees in direct consequence of the discharge of their job duties or in direct consequences of their obedience to the directions of Defendant during the PAGA Period as required by California Labor Code §§ 2800 and 2802.

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I. Claims under the PAGA for civil penalties for Defendant's alleged failure to provide paid sick leave at the regular rate of pay for non-exempt employees as required by California Labor Code § 246.

14. Plaintiff and the Aggrieved Employees will fully release and discharge such claims as specified in Section 13 herein that arise solely during the PAGA Period as defined herein as to the Released Parties.

15. As consideration to resolve the Civil Complaint and in exchange for (i) approval by the Court of the settlement of the PAGA Claim and (ii) dismissal with prejudice of the entire action as set forth herein following such approval, Defendant agrees to pay the amount of Seventy-Seven Thousand Dollars and No Cents (\$77,000.00) (the "Gross Settlement Amount"). The Gross Settlement Amount shall further be separated into three distinct portions, an amount agreed-upon to settle Plaintiff's individual claims (the "Individual Claims Settlement Amount"), an amount agreed-upon to settle the PAGA Claim on behalf of Plaintiff, the Aggrieved Employees and the LWDA (the "PAGA Claim Settlement Amount") and reimbursement to Plaintiff of a portion of the cost that Plaintiff incurred to attend mediation before the Honorable Dalila C. Lyons (Ret.) (the "Mediation Reimbursement Settlement Amount") as follows:

A. The Individual Claims Settlement Amount shall be Fifty-Five Thousand Dollars and No Cents (\$55,000);

B. The PAGA Claim Settlement Amount shall be Twenty Thousand Dollars and No Cents (\$20,000.00); and

C. The Mediation Reimbursement Settlement Amount shall be Two Thousand Dollars and No Cents (\$2,000.00).

PAGA Claim Settlement Details

16. The PAGA Claim Settlement Amount shall include the following amounts (the amounts for which Defendant agrees not to contest):

A. Two Thousand Sixty-Five Dollars and Forty-Four Cents (\$2,065.44), representing all payments to be made to the Aggrieved Employees for civil penalties in connection with the PAGA Claim Settlement Amount;

B. Six Thousand One Hundred Ninety-Six Dollars and Thirty-One Cents (\$6,196.31), representing all payments to be made to the LWDA for civil penalties in connection with the PAGA Claim Settlement Amount;

C. Seven Thousand Seven Hundred Dollars and No Cents (\$7,700.00), representing 38.5% of the PAGA Claim Settlement Amount in attorneys' fees to Plaintiff's counsel in connection with the prosecution of the PAGA Claim;

D. One Thousand Five Hundred Thirty-Eight Dollars and Twenty-Six Cents (\$1,538.26) in costs and expenses incurred in connection with the prosecution of the PAGA Claim; and

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E. Two Thousand Five Hundred Dollars and No Cents (\$2,500.00) as an enhancement fee payable to the Plaintiff for serving as the PAGA representative on behalf of the LWDA and alleged Aggrieved Employees.

17. For the portion of the PAGA Claim Settlement Amount listed in Section 16.A. herein to be paid to Aggrieved Employees, Defendant will calculate each Aggrieved Employee's individual settlement payment (the "Employee PAGA Civil Penalty Share") based on the following formula: Each Aggrieved Employee will receive a pro rata portion of the PAGA Claim Settlement Amount listed in Section 16.A. based on the number of pay periods that the Aggrieved Employee worked in the PAGA Period in proportion to the number of pay periods worked by all Aggrieved Employees during the PAGA Period. Within thirty (30) calendar days following approval by the Court of the settlement of the PAGA Claim and service of notification of the same to Defendant by the Court and/or Plaintiff (hereafter "Court Approval and Notification"), Defendant agrees to prepare and send, via U.S. regular mail, these amounts to the Aggrieved Employees. Defendant will provide copies of all checks and letters sent to the Aggrieved Employees to counsel for Plaintiff and verify in a declaration under penalty of perjury that each such Aggrieved Employee has been mailed his/her Employee PAGA Civil Penalty Share within five (5) business days of the expiration of this thirty-day period. Payments of the Employee PAGA Civil Penalty Share will be reported on IRS Form 1099s issued to each Aggrieved Employee in the amount of his/her share of the penalty and no withholdings shall be taken from these amounts, if so required by law.

Defendant shall send each Aggrieved Employee a notice to accompany the check using the template attached hereto as Exhibit A.

18. Aggrieved Employees will be solely responsible for the reporting and payment of any federal, state and/or local income taxes due, if any, on their Employee PAGA Civil Penalty Share.

19. Defendant shall use its best efforts to track any Aggrieved Employee whose letter and check are returned to Defendant as undeliverable and will re-send the letter and check to any such Aggrieved Employee promptly upon identifying updated mailing addresses. Defendant will attempt to contact any such Aggrieved Employee using any personal email address and personal home or cell phone number in Defendant's records upon receipt of an undeliverable letter to inquire as to the Aggrieved Employee of his/her current address and then re-send the letter and check to such Aggrieved Employee at the address provided.

20. Each Aggrieved Employee must cash the above checks within one hundred eighty (180) days from the date the check is mailed to the Aggrieved Employee by Defendant. Checks returned as undeliverable (following the process identified in Section 19 herein) or uncashed for more than the one hundred eighty (180) day period specified herein shall be promptly tendered by the Defendant to the State of California's Controller's Office, Unclaimed Property at P.O. Box 942850, Sacramento, CA 94250-5873.

21. For the portion of the PAGA Claim Settlement Amount listed in Section 16.B. herein to be paid to the LWDA by check (made payable to the "Labor and Workforce Development

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Agency”), within thirty (30) calendar days of Court Approval and Notification, Defendant agrees to prepare and send, via regular U.S. mail, the amount to the LWDA at the following address:

Department of Industrial Relations
Accounting Unit
455 Golden Gate Avenue, 10th Floor
San Francisco, CA 94102

22. Defendant agrees that the check must be accompanied either by a copy of the order or judgment awarding the penalties or by other documentation identifying the court case and parties to which the payment applies. Defendant further agrees to provide copies of the check and letter sent to the LWDA to counsel for Plaintiff and verify in a proof of service that Defendant has mailed to the LWDA its share of the civil penalty within five (5) business days of the expiration of the thirty (30) calendar day period.

23. For the portion of the PAGA Claim Settlement Amount listed in Sections 16.C. and 16.D. herein, Defendant, within thirty (30) calendar days of Court Approval and Notification agrees to prepare and send, via U.S. regular mail, these amounts to Plaintiff’s counsel in one check made payable to the Alexis Law Firm, 100 W. Broadway, Suite 250, Long Beach, CA 90802. Plaintiff’s counsel will be issued an IRS Form 1099 for the amounts so paid, and no withholdings shall be taken from these amounts. For the portion of the PAGA Claim Settlement Amount listed in Section 16.E., Defendant, within thirty (30) calendar days of Court Approval and Notification agrees to prepare and send, via U.S. regular mail, this amount to Plaintiff’s counsel in a check made payable to Armando Burquez c/o the Alexis Law Firm, 100 W. Broadway, Suite 250, Long Beach, CA 90802. Plaintiff will be issued an IRS Form 1099 for the amounts so paid, and no withholdings shall be taken from these amounts.

24. The Parties agree that, because the number of Aggrieved Employees is small, no settlement administrator needs to be appointed to administer the payments to the LWDA and the Aggrieved Employees, and that not incurring the costs of a settlement administrator benefits the LWDA and the Aggrieved Employees as more of the amount designated to settle the PAGA Claim inures to the benefit thereof as a result of not having this additional cost applied. The Parties agree, however, that to the extent the Court requires the appointment of a settlement administrator in order to approve the settlement of the PAGA Claim, the costs of settlement administration shall be borne by the Defendant outside of the amount of this settlement. The Parties further agree that in the event the Court requires the appointment of a settlement administrator in order to approve the settlement of the PAGA Claim, that the settlement administrator will be mutually agreed to by the Parties or as ordered by the Court.

Individual Claim Settlement Details

25. The Individual Claim Settlement Amount shall include the following amounts (the amounts for which Defendant agrees not to contest):

A. Thirty-Two Thousand Three Hundred Six Dollars and Ninety-One Cents (\$32,306.91) to Plaintiff Armando Burquez in three checks as follows:

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1. One check in the amount of Sixteen Thousand Dollars and No Cents (\$16,000.00) as a payroll check, subject to applicable federal and state taxes and withholdings and reportable on a Form W-2, to compensate Plaintiff Armando Burquez for alleged unpaid wages, meal period premiums and rest period premiums.

2. One check in the amount of Six Thousand Seven Hundred Fifty Dollars and No Cents (\$6,750.00) as a check from which no federal or state taxes and withholdings are deducted and reportable on a Form 1099, to compensate Plaintiff Armando Burquez for alleged waiting time penalties, Labor Code Section 226 penalties and interest.

3. One check in the amount of Nine Thousand Five Hundred Fifty-Six Dollars and Ninety-One Cents (\$9,556.91) as a check from which no federal or state taxes and withholdings are deducted and not reportable on a Form 1099, to reimburse Plaintiff Armando Burquez for tools and business expenses.

B. Twenty-One Thousand One Hundred Seventy-Five Dollars and No Cents (\$21,175.00), representing 38.5% of the Individual Claims Settlement Amount in attorneys' fees to Plaintiff's counsel in connection with the prosecution of said claims; and

C. One Thousand Five Hundred Eighteen Dollars and Ten Cents (\$1,518.10) in costs and expenses incurred in connection with the prosecution of the individual (non-PAGA) claims.

26. For the portion of the Individual Claims Settlement Amounts listed in Section 25.A. herein to be paid to Plaintiff, within thirty (30) calendar days of Court Approval and Notification, Defendant agrees to prepare and send, via U.S. regular mail, these three checks to the Alexis Law Firm, 100 W. Broadway, Suite 250, Long Beach, CA 90802 for distribution to Plaintiff.

27. For the portion of the Individual Claims Settlement Amounts listed in Sections 25.B and 25.C herein to be paid to the counsel for Plaintiff, within thirty (30) calendar days of Court Approval and Notification, Defendant agrees to prepare and send, via U.S. regular mail, these two checks (or one check combining the two amounts listed therein) made payable to the Alexis Law Firm, to the Alexis Law Firm, 100 W. Broadway, Suite 250, Long Beach, CA 90802.

28. Plaintiff and counsel for Plaintiff shall, upon full execution of this Agreement by both Parties, send counsel for Defendant IRS Form W-9s as needed to process the checks made payable on a Form 1099 basis.

29. Defendant also agrees to reimburse Plaintiff Two Thousand Dollars and No Cents (\$2,000) representing approximately one half of the cost of the mediator's fee borne by Plaintiff to mediate this matter before the Honorable Dalila C. Lyons (Ret.). Within thirty (30) days of Court Approval and Notification, Defendant shall issue and send a check made payable to the Alexis Law Firm, to the Alexis Law Firm, 100 W. Broadway, Suite 250, Long Beach, CA 90802.

Plaintiff acknowledges and agrees that Defendant has not made any representations to Plaintiff regarding the tax consequences of any amounts received by Plaintiff pursuant to this Agreement. Plaintiff agrees to pay all federal, state, and local taxes and any other legal obligations, if any, which

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are required by law to be paid by Plaintiff as a result of any amount paid to Plaintiff under this Agreement.

30. Subject to the express exclusions in this Agreement, Plaintiff, on behalf of himself and his heirs, administrators, representatives, executors, successors, and assigns, hereby knowingly and voluntarily releases, acquits, and forever discharges Defendant, on behalf of itself and on behalf of its present and former parents, subsidiaries, affiliates, members, managers, directors, officers, employees, agents, advisors, consultants, representatives, shareholders, insurers, successors, assigns and attorneys (whether or not acting within the scope of their duties), including but not limited to KMK Capital Corp. and individual or corporate owners of properties managed by Defendant (collectively, the **"Released Parties"**) from all claims of any nature whatsoever which Plaintiff now has or asserts to have, or which Plaintiff at any time heretofore had, or asserted to have against the Released Parties and others released in this Section arising out of or in any way related in any way to any acts, circumstances, facts, transactions, omissions or other subject matters, based on facts occurring prior to the date the Parties execute this Agreement. Subject to the exclusions in this Agreement, this release includes, but is not limited to any and all claims concerning any aspect of Plaintiff's employment with Defendant. The term **"Claims"** includes any claim or cause of action, regardless of the forum in which it may be brought, and includes, but is not limited to, any alleged breach of express or implied contract, breach of the covenant of good faith and fair dealing, breach of any obligation arising out of any law or public policy of the United States of America, the State of California or any other governmental entity, discrimination or harassment on the basis of race, sex, sexual orientation, pregnancy, gender, gender identity, age, national origin, religion, medical condition, disability, marital status, sexual orientation, or otherwise, claim for violation of the California Labor Code, or any other federal, state, county or local law, ordinance, regulation or order relating to employment, loss of wages, expenses and benefits, retaliation, intentional or negligent infliction of emotional distress, fraud, misrepresentation, defamation, interference with contract or other interests, or any other claims or causes of action for damages of any nature, including without limitation, actual, compensatory, punitive, and liquidated damages, statutory penalties, and attorneys' fees, costs and expenses. Plaintiff also waives and releases to the maximum extent allowed by law all monetary and other relief that may be sought on Plaintiff's behalf by other persons or agencies.

If any claim is not subject to release, to the extent permitted by law, Plaintiff waives any right or ability to be a class or collective action representative or to otherwise participate in any putative or certified class, collective or multi-party action or proceeding based on such a claim in which Defendant is a party. This includes specifically, but is not limited to, Plaintiff's agreement not to file any future civil complaint against Defendant under the PAGA.

However, notwithstanding the foregoing, nothing in this Agreement shall be construed to waive any right that is not subject to waiver by agreement including, without limitation, any claims arising under state workers' compensation law. Nor shall anything in this Agreement affect the rights and responsibilities of the Equal Employment Opportunity Commission ("EEOC") or Civil Rights Department ("CRD") to enforce the Civil Rights Act of 1964, as amended, the Age Discrimination in Employment Act of 1967, as amended, California Fair Employment and Housing Act or any other applicable law, nor shall anything in this Agreement be construed as a basis for interfering with Plaintiff's protected right to file a timely charge with, or participate in an investigation or proceeding conducted by the EEOC or CRD, or any other state, federal or local government entity; provided,

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however, if the EEOC, CRD, or any other state, federal or local government entity commences an investigation on Plaintiff's behalf, Plaintiff specifically waives and releases his right, if any, to recover any monetary or other benefits of any sort whatsoever arising from any such investigation or otherwise.

30. Defendant, on behalf of itself and on behalf of its present and former parent companies, subsidiaries, affiliates, partners, managers, officers and attorneys (whether or not acting within the scope of their duties), individually and in their business capacities, hereby knowingly and voluntarily releases, acquits and forever discharges Plaintiff and his heirs, administrators, representatives, executors, successors, assigns and attorneys (collectively, the "**Employee Released Parties**"), to the full extent permitted by law, of and from any and all claims known and unknown, asserted and unasserted, which Defendant has or may have against the Employee Released Parties as of the date of execution of this Agreement, including, but not limited to, any alleged violation of federal, state or local law, ordinance, rule, regulation, any public policy, contract, tort or common law, or any basis for recovering costs, fees or other expenses including attorneys' fees.

31. Subject to the exclusions set forth in this Agreement, the Parties expressly waives all other individual and/or collective rights, if any, whether or not set forth in this Agreement, notwithstanding California Civil Code § 1542, which the Parties have read and acknowledges that they fully understand. Civil Code § 1542 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 her or her settlement with the debtor or released party.

This waiver is not a mere recital but is a knowing waiver of rights and benefits. This is a bargained-for provision of this Agreement and is further consideration for the covenants and conditions contained herein. Thus, notwithstanding the provisions of Civil Code § 1542 and to implement a full and complete release and discharge, the Parties expressly acknowledge this Agreement is intended to include in its effect, without limitation, all claims the Parties do not know or suspect to exist in their favor at the time of the signing of this Agreement and that this Agreement extinguishes any such claims. The Parties acknowledge that they later may discover facts different from or in addition to those they now know or believe to be true regarding the matters described or release in this Agreement, and even so, the Parties agree that the release and agreements contained in this Agreement shall remain effective in all respects notwithstanding any later discovery of any different or additional facts. The Parties expressly assume any and all risk of any mistake in connection with the facts involved in the matters, disputes or controversies described or released in this Agreement or with regard to any facts now unknown to them relating thereto.

32. Following execution of this Agreement by the Parties, Plaintiff will apply to the Court for the entry of an Order approving the settlement of the PAGA Claim as fair, reasonable and adequate for the above referenced Aggrieved Employees as well as approving the attorneys' fees and costs, which shall be filed as soon as practicable after execution of this Agreement by the Parties.

33. Following the Court's approval of the settlement of the PAGA Claim and issuance and delivery of the checks required to be issued by Defendant pursuant to this Agreement, Plaintiff

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shall dismiss the Civil Complaint with prejudice, but the Court shall retain exclusive and continuing jurisdiction over the action and the Parties for purposes of interpreting or enforcing the Agreement under California Code of Civil Procedure § 664.6 until the time all terms and conditions have been fully performed. For purposes of clarity, the Request for Dismissal shall be filed following delivery of the initial checks to be delivered by Defendant to Plaintiff's counsel, as required by this Agreement, and shall not be delayed by the return to Defendant as undeliverable of any checks delivered to Aggrieved Employees for their portion of the Employee PAGA Civil Penalty Share.

34. The Parties may not waive, amend, or modify any provision of this Agreement except by a written agreement signed by the Parties hereto and subject to any necessary Court approval.

35. A waiver or amendment of any provision of this Agreement will not constitute a waiver of any other provision.

36. All notices, demands, and other communications to be provided to the Parties concerning this Agreement shall be in writing and delivered by U.S. Mail or electronic mail to the counsel for the Parties at the addresses set forth below, or such other addresses as either Party may designate in writing from time to time:

Plaintiff Drew L. Alexis (dalexis@alexislawfirm.com)
Alexis Law Firm, 100 W. Broadway, Suite 250, Long Beach, CA 90802

Defendant Wendy Sugg (wendy@sugglaw.com)
Sugg Law Group, 384 Forest Avenue, Suite 15, Laguna Beach, CA 92651

37. This Agreement constitutes the entire agreement of the Parties relating to the rights herein granted and the obligations assumed. The terms of this Agreement are contractual and not a mere recital. This Agreement is executed without reliance upon any representation by the Parties, or any representative of them, regarding the subject matter, basis, or effect of this Agreement or otherwise, other than as specifically stated in this written Agreement.

38. In the event of a breach of any provision of this Agreement, any Party may institute an action specifically to enforce any term or terms of this Agreement or seek damages for breach. In an action to enforce any term or terms of this Agreement or to seek damages for breach of this Agreement, the prevailing party in that action shall be entitled to recover reasonable attorney's fees.

39. Should any of the provisions in this Agreement be declared or be determined to be illegal or invalid, all remaining parts, terms or provisions shall be valid, and the illegal or invalid portion or provision shall be deemed not to be a part of this Agreement.

40. This Agreement may be executed in counterparts, each of which when so executed shall be deemed to be an original, and such counterparts together shall constitute the same Agreement. A faxed or electronically transmitted signature shall bear the same force and effect as an original signature.

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THE PARTIES REPRESENT THAT THEY FULLY UNDERSTAND THEIR RIGHT TO DISCUSS ALL ASPECTS OF THIS AGREEMENT WITH THEIR PRIVATE ATTORNEYS, INCLUDING THE WAIVER OF CALIFORNIA CIVIL CODE § 1542, AND THAT THEY HAVE, PRIOR TO EXECUTING THIS DOCUMENT, FULLY INFORMED THEMSELVES OF ITS CONTENTS THROUGH ATTORNEYS, ADVISORS AND/OR SOURCES OF THEIR OWN SELECTION, INCLUDING SPECIFICALLY, THE WAIVER OF CALIFORNIA CIVIL CODE § 1542. THE PARTIES ALSO REPRESENT THAT THEY HAVE CAREFULLY READ AND FULLY UNDERSTAND ALL THE PROVISIONS OF THIS AGREEMENT AND ARE VOLUNTARILY ENTERING INTO THIS AGREEMENT.

PLAINTIFF ACKNOWLEDGES THAT PLAINTIFF ALREADY HAS ATTAINED THE AGE OF FORTY (40) AND UNDERSTANDS THAT THIS IS A FULL RELEASE OF ALL EXISTING CLAIMS WHETHER CURRENTLY KNOWN OR UNKNOWN INCLUDING, BUT NOT LIMITED TO, CLAIMS FOR AGE DISCRIMINATION UNDER THE AGE DISCRIMINATION IN EMPLOYMENT ACT.

PLAINTIFF IS ADVISED THAT HE HAS UP TO TWENTY-ONE (21) CALENDAR DAYS TO CONSIDER THIS AGREEMENT. PLAINTIFF ALSO IS ADVISED TO CONSULT WITH AN ATTORNEY PRIOR TO SIGNING THIS AGREEMENT AND HAS IN FACT OBTAINED LEGAL REPRESENTATION ABOUT THE DECISION TO ENTER INTO THIS AGREEMENT FROM PLAINTIFF'S COUNSEL, ALEXIS LAW FIRM, AND IN SO DOING, ENTERS INTO THIS AGREEMENT.

PLAINTIFF MAY REVOKE THIS AGREEMENT FOR A PERIOD OF SEVEN (7) CALENDAR DAYS FOLLOWING THE DAY ON WHICH PLAINTIFF SIGNS THIS AGREEMENT AND THE AGREEMENT IS NOT ENFORCEABLE UNTIL THE REVOCATION PERIOD HAS EXPIRED. ANY REVOCATION WITHIN THIS PERIOD MUST BE SUBMITTED, IN WRITING, TO WENDY SUGG, SUGG LAW GROUP, 384 FOREST AVENUE, SUITE 15, LAGUNA BEACH, CA 92651 AND STATE, "I HEREBY REVOKE MY ACCEPTANCE OF OUR AGREEMENT AND GENERAL RELEASE." THE REVOCATION MUST BE RECEIVED BY WENDY SUGG, SUGG LAW GROUP, 384 FOREST AVENUE, SUITE 15, LAGUNA BEACH, CA 92651, OR HER DESIGNEE WITHIN SEVEN (7) CALENDAR DAYS AFTER PLAINTIFF SIGNS THIS AGREEMENT.

PLAINTIFF UNDERSTANDS THAT THE RELEASES CONTAINED IN THIS AGREEMENT DO NOT EXTEND TO ANY RIGHTS OR CLAIMS THAT PLAINTIFF HAS UNDER THE AGE DISCRIMINATION IN EMPLOYMENT ACT THAT FIRST ARISE AFTER EXECUTION OF THIS AGREEMENT.

PLAINTIFF AGREES THAT ANY MODIFICATIONS, MATERIAL OR OTHERWISE, MADE TO THIS AGREEMENT, DOES NOT RESTART OR AFFECT IN ANY MANNER THE ORIGINAL CONSIDERATION PERIOD.

PLAINTIFF FREELY AND KNOWINGLY, AND AFTER DUE CONSIDERATION, ENTERS INTO THIS AGREEMENT INTENDING TO WAIVE, SETTLE AND RELEASE ALL CLAIMS PLAINTIFF HAS OR MIGHT HAVE AGAINST THE RELEASED PARTIES.

SETTLEMENT AGREEMENT AND GENERAL RELEASE

EACH PERSON SIGNING BELOW ON BEHALF OF ANY ENTITY HEREBY PERSONALLY AND EXPRESSLY REPRESENTS AND WARRANTS THAT HE OR SHE IS SIGNING ON BEHALF OF SUCH ENTITY WITH FULL LEGAL AUTHORITY TO BIND SUCH PARTY TO EACH AND EVERY PROVISION OF THIS AGREEMENT.

IN WITNESS WHEREOF, the Parties hereto hereby execute this Agreement as of the dates set forth opposite their names.

DATED: _____, 2024

ARMANDO BURQUEZ

DATED: Jul 5, 2024, 2024

JoAnn Meepos
JoAnn Meepos (Jul 5, 2024 13:12 PDT)

KMK REAL ESTATE SERVICES, INC.

By: JoAnn Meepos

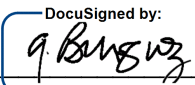
Its: President

SETTLEMENT AGREEMENT AND GENERAL RELEASE

EACH PERSON SIGNING BELOW ON BEHALF OF ANY ENTITY HEREBY PERSONALLY AND EXPRESSLY REPRESENTS AND WARRANTS THAT HE OR SHE IS SIGNING ON BEHALF OF SUCH ENTITY WITH FULL LEGAL AUTHORITY TO BIND SUCH PARTY TO EACH AND EVERY PROVISION OF THIS AGREEMENT.

IN WITNESS WHEREOF, the Parties hereto hereby execute this Agreement as of the dates set forth opposite their names.

DATED: 6/26/2024, 2024

DocuSigned by:


53F7B6357D9349C
ARMANDO BURQUEZ

DATED: _____, 2024

KMK REAL ESTATE SERVICES, INC.

By: _____

Its: _____

SETTLEMENT AGREEMENT AND GENERAL RELEASE

EXHIBIT A – TEMPLATE FOR LETTER TO AGGRIEVED EMPLOYEES

NOTICE OF SETTLEMENT OF CLAIM UNDER THE CALIFORNIA LABOR CODE PRIVATE ATTORNEYS GENERAL ACT.

On November 13, 2023, Plaintiff Armando Burquez (“Plaintiff”) filed a civil complaint for damages in the Superior Court of the State of California, for the County of Los Angeles, against Defendant KMK Real Estate Services, Inc. (“KMK”) entitled Burquez v. KMK Real Estate Services, Inc., LASC Case No. 23STCV27658, within which Plaintiff sought to recover unpaid wages, interest, unreimbursed business expenses, meal and rest period premiums, itemized wage statement penalties, waiting time penalties and where applicable, attorneys’ fees and costs. In the lawsuit, Plaintiff filed several causes of action, one of which is a cause of action on behalf of the State of California and other “Aggrieved Employees” as defined below, and which sought civil penalties under the California Labor Code Private Attorneys General Act of 2004 (the “PAGA”).

The Court has not made any decisions as to whether the claims have any merit, and KMK denies each and every one of Plaintiff’s allegations and denies any liability or wrongdoing at all. However, a settlement agreement was reached as the parties believed it was beneficial to resolve the action rather than continue litigation, and, per the terms of the agreement, you are entitled to receive the enclosed payment of civil penalties as part of the settlement.

The term “Aggrieved Employees” refers to all California-based non-exempt employees in the role of maintenance technician, as such employees are identified in Defendant’s personnel and payroll records as such, during the “PAGA Period.” The “PAGA Period” refers to the period from November 10, 2022 to May 30, 2024.

On *[insert date of approval of the settlement of the PAGA Claim]*, the Court approved a settlement of the PAGA claim pled in the lawsuit. The settlement releases and discharges all PAGA claims for civil penalties alleged in the lawsuit. Specifically, the settlement releases all claims for civil penalties under the PAGA for the following:

- Claims under the PAGA for civil penalties for the alleged failure to pay all earned compensation for performing work off-the-clock, including during off-the-clock meal periods;
- Claims under the PAGA for civil penalties for the alleged failure to pay overtime compensation owed under California Labor Code §§ 510 and 1198, (i) when employees worked off-the-clock and (ii) by not paying overtime compensation at the appropriate overtime rate required by California law.
- Claims under the PAGA for civil penalties for the alleged failure to provide employees with duty-free meal periods and rest periods and by failing to pay meal and rest period premiums as required by California Labor Code §§ 226.7 and 512.
- Claims under the PAGA for civil penalties for the alleged failure to pay all wages due at the time of termination for those Aggrieved Employees’ whose employment ended during the PAGA Period as required by California Labor Code §§ 201 and 202.

SETTLEMENT AGREEMENT AND GENERAL RELEASE

- Claims under the PAGA for civil penalties for the alleged failure to pay all wages earned by employees during regular pay periods as required by California Labor § 204.
- Claims under the PAGA for civil penalties for the alleged failure to provide employees with proper itemized wage statements at the time of payment of wages during the PAGA Period as required by California Labor Code § 226(a).
- Claims under the PAGA for civil penalties for the alleged failure to keep accurate records of hours worked by employees during the PAGA Period as required by California Labor Code § 1174(d).
- Claims under the PAGA for civil penalties for the alleged failure to reimburse employees for all necessary and reasonable business expenses incurred by the employees during the PAGA Period as required by California Labor Code §§ 2800 and 2802.
- Claims under the PAGA for civil penalties for the alleged failure to provide paid sick leave at the regular rate of pay for non-exempt employees as required by California Labor Code § 246.

Please note that the payment under this settlement may be subject to federal, state, or local tax withholdings and will be reported by KMK to the Internal Revenue Service and state tax authorities on IRS Form 1099, as required by law. You should rely on your own tax advisors as to the tax consequences of your individual payment. Nothing within this notice or any other communication shall constitute or be construed or relied upon as tax advice within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended). The IRS Form 1099 will be sent to you by no later than January 31, 2025, if required under applicable law.

You do not need to take any action. The enclosed payment concludes your involvement in the settlement.