PAGA SETTLEMENT AGREEMENT WITH RELEASE

This PAGA Settlement Agreement with Release is made by and between Plaintiff, Shauna Stalnaker ("Plaintiff"), and Defendants, Blue Pacific Engineering and Construction, Inc., a California Corporation, and Shahram Elihu, an individual (collectively, "Defendants"). The Agreement refers to Plaintiff and Defendants collectively as "Parties," or individually as a "Party."

1. DEFINITIONS.

1.1. "Action" means Plaintiff's PAGA lawsuit alleging whistleblower retaliation, wrongful termination, and wage and hour violations against Defendants captioned *Shauna Stalnaker v. Blue Pacific Engineering and Construction, Inc., et al.*, initiated on May 13, 2024 and pending in the Superior Court of California, County of San Diego, Case No. 37-2024-00022124-CU-WT-CTL

1.2. "Administrator" means Phoenix Settlement Administrators, 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.

1.4. "Aggrieved Employee" means a person employed by Blue Pacific Engineering and Construction, Inc. and classified as an exempt or nonexempt employee during the PAGA period.

1.5. "Aggrieved Employee Data" means Aggrieved Employee identifying information in Defendants' possession including name, last-known mailing address, Social Security number, and number of PAGA Pay Periods.

1.6. "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 Employee.

1.7. "Approval Order" means the Court's order approving this settlement.

1.8. "Court" means the Superior Court of California, County of San Diego.

1.9. "Defense Counsel" means Joel Glaser, Esq., of Joel Glaser APC, the attorney representing the Defendants in the Action.

1.10. "Effective Date" means the date on which the Approval Order becomes final.

1.11. "Gross PAGA Settlement Amount" means TEN THOUSAND DOLLARS AND ZERO CENTS ($10,000.00) which is the total amount Defendants agree to pay under the Settlement. The Gross Settlement Amount will be used to pay the Individual PAGA payment, the LWDA, and the Administration Expenses Payment.

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

1.13. "LWDA" means the California Labor & Workforce Development Agency.

1.14. "LWDA PAGA Payment" refers to the 75% of the Net Settlement Amount paid to the LWDA under Labor Code section 2699, subd. (i) (pre-2024 statutory amendment).

1.15. "Net Settlement Amount" means the Gross PAGA Settlement Amount, less the Administration Expenses Payment.

1.16. "PAGA Counsel" means Dunn DeSantis Walt & Kendrick LLP, the attorneys representing the Plaintiff in the Action.

1.17. "PAGA Pay Period(s)" means any Pay Period during which an Aggrieved Employee worked for Defendant Blue Pacific Engineering and Construction, Inc. for at least one day during the PAGA Period.

1.18. "PAGA Period" means the period from December 28, 2023 through October 28, 2025.

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

1.20. "PAGA Notice" means Plaintiff's December 28, 2023 letter to Defendants and the LWDA providing notice pursuant to Labor Code section 2699.3(a).

1.21. "PAGA Penalties" means the total amount of PAGA civil penalties to be paid from the Net Settlement Amount, allocated 25% to the Aggrieved Employee and the 75% to LWDA in settlement of Released PAGA Claims.

1.22. "Released PAGA Claims" means the claims being released as described in Paragraph 5 below.

1.23. "Released Parties" means: Defendants, and each of their respective past and present officers, directors, shareholders, managers, agents, principals, heirs, representatives, accountants, auditors, consultants, and their respective successors and predecessors in interest, subsidiaries, affiliates, parents, and attorneys.

1.24. "Settlement" means the disposition of the PAGA portion of the Action effected by this Agreement and the Judgment.

2. RECITALS.

2.1. On May 13, 2024, Plaintiff filed this action against her former employers. Plaintiff pleaded the following causes of action against Defendants: (1) Retaliation Against Whistleblower (Labor Code § 1102.5); (2) Wrongful Termination In Violation Of Public

Policy; (3) Violation Of Labor Code § 98.6; (4) Failure To Pay Overtime Wages (Labor Code §§ 510, 1194, And Applicable Wage Order); (5) Failure To Pay Minimum Wages (Labor Code § 1197 And Applicable Wage Order); (6) Unpaid Meal Period Wages (Labor Code §§ 226.7, 512, And Applicable Wage Order); (7) Unpaid Rest Period Wages (Labor Code §§ 226.7, And Applicable Wage Order); (8) Failure To Pay Timely Wages (Labor Code § 204, 1194 And 1198, And Applicable Wage Order); (9) Improper Withholding Of Wages (Labor Code §§ 221, 223, And 224); (10) Failure To Pay All Wages Due At Time Of Discharge (Labor Code §§ 201- 203); (11) Failure To Provide Accurate, Itemized Wage Statements (Labor Code §§ 226 And 1174); (12) Unfair Competition (Bus. & Prof. Code § 17200 Et Seq.); and **(13) Private Attorneys General Act Penalties (Labor Code § 2698 et seq.) (the "PAGA claim")**.

2.2. This Settlement Agreement pertains only to the PAGA claim.

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

2.4. On October 28, 2025, the Parties participated in an all-day mediation with experienced class and PAGA mediator, Hon. Judith Haller (Ret.), which led to this Agreement to settle the Plaintiff's individual PAGA claims, as well as the Action more broadly.

2.5. Prior to mediation, Plaintiff obtained, through informal discovery, written policy documents applicable to the claims, a representative sampling of Aggrieved Employee's time and pay records, and other relevant data points.

2.6. 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.

2.7. In addition to the Gross Settlement Amount, Defendants have agreed to separately settle Plaintiff's individual claims pursuant to a separate confidential Individual Settlement Agreement (the "Individual Non-PAGA Settlement Agreement with Release").

3. MONETARY TERMS.

3.1. <u>PAGA Settlement Amount</u>. Defendants promise to pay $10,000.00 as the Gross PAGA Settlement Amount. The Administrator will disburse the entire Gross Settlement Amount as described herein 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 in any event.

3.2. <u>Payments from the Gross PAGA Settlement Amount</u>. 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. <u>To PAGA Counsel</u>: **No part of the Gross PAGA Settlement Amount will be paid to PAGA Counsel.**

3.2.2. To the Administrator: An Administration Expenses Payment not to exceed $2,700.00. To the extent the administration expenses are less than or the Court approves payment less than $2,700.00, the Administrator will retain the remainder in the Net Settlement Amount to be disbursed as described herein.

3.2.3. To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of $7,300.00 to be paid from the Net Settlement Amount, with 75% ($5,475.00) allocated to the LWDA PAGA Payment and 25% ($1,825.00) allocated to the Aggrieved Employees.

3.2.3.1. The Administrator will calculate each Aggrieved Employee's PAGA payment by (a) dividing the total amount allocated to the Aggrieved Employees ($1,825.00) by the total number of PAGA Pay Periods worked by all Aggrieved Employees during the PAGA Period (14,650) and (b) multiplying the result by each Aggrieved Employee's PAGA Pay Periods. Aggrieved employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

4. SETTLEMENT FUNDING AND PAYMENTS.

4.1. PAGA Pay Periods. Based on a review of its records to date, Defendants estimate there are a total of 14,650 PAGA Pay Periods for 175 Aggrieved Employees.

4.2. Aggrieved Employee Data. Within 5 business days of the Effective Date, Defendants will deliver the Aggrieved Employee Data to the Administrator in the form of a Microsoft Excel spreadsheet. To protect Aggrieved Employee's privacy rights, the Administrator must maintain the Aggrieved Employee 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 Employee who need access to the Aggrieved Employee Data to effect and perform under this Agreement. Defendants have a continuing duty to immediately notify PAGA Counsel if it discovers that the Aggrieved Employee Data omitted employee identifying information and to provide corrected or updated Aggrieved Employee Data as soon as reasonably feasible. Without any extension of the deadline by which Defendants must send the Aggrieved Employee Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Aggrieved Employee Data.

4.3. Funding of Gross PAGA Settlement Amount. Defendants shall fund the Gross PAGA Settlement Amount by transmitting the funds to the Administrator within 10 business days of the Effective Date.

4.4. Payments from the Gross PAGA Settlement Amount. Within 10 business days after Defendants transmit the Gross PAGA Settlement Amount funds to the Administrator, the Administrator will mail checks for the Individual PAGA Payment, the LWDA PAGA Payment, and the Administration Expenses Payment.

4.4.1. The Administrator will issue checks for the Individual PAGA Payments and send them to the Aggrieved Employee via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (not less than 180 days after the date of mailing) when the check will be voided. The Administrator will cancel all checks not cashed by the void date. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database.

4.4.2. The Administrator must conduct an Aggrieved Employee Address Search for all Aggrieved Employees whose checks are 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 Employee whose remailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Aggrieved Employee whose original check was lost or misplaced, requested by the Aggrieved Employee prior to the void date.

4.4.3. For any Aggrieved Employee whose Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the California Controller's Unclaimed Property Fund in the name of the Aggrieved Employee.

4.4.4. The payment of Individual PAGA Payments shall not obligate Defendants to confer any additional benefits or make any additional payments to the Aggrieved Employee (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

5. RELEASES OF CLAIMS. Effective on the date when Defendants fully fund the entire Gross Settlement Amount, Plaintiff and PAGA Counsel will release claims against all Released Parties as follows:

5.1 Release by Aggrieved Employees: All Aggrieved Employee are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors and assigns, the Released Parties from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the Operative Complaint and the PAGA Notice.

5.2 Release by PAGA Counsel: PAGA Counsel release on behalf of their present and former attorneys, employees, agents, successors, and assigns the Released Parties from all claims for PAGA Fees incurred in connection with the Operative Complaint and the PAGA Period facts stated in the Operative Complaint and the PAGA Notice.

6. MOTION OR APPLICATION 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 at least five business days before any filing deadline all documents necessary for obtaining approval of this Settlement under Labor Code section 2699, subdivision (f)(2) including (i) a draft proposed Order Granting Approval of PAGA Settlement; (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; and (iii) a signed declaration from PAGA Counsel attesting to its timely transmission to the LWDA of all necessary PAGA documents. In their Declarations, Plaintiff and PAGA Counsel shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.

6.2 Responsibilities of PAGA Counsel. PAGA Counsel and Defense Counsel are jointly responsible for expeditiously finalizing and filing the application or motion for approval of this Settlement no later than 15 business 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 Preliminary Approval to the Administrator.

6.3 Duty to Cooperate. If the Parties disagree on any aspect of the proposed application or motion for approval of this Settlement and/or the supporting declarations and documents, PAGA Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant the motion for approval of this Settlement or conditions its approval on any material change to this Agreement, PAGA Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns.

7. SETTLEMENT ADMINISTRATION.

7.1 Selection of Administrator. The Parties have jointly selected Phoenix Settlement Administrators to serve as the Administrator and verified that, as a condition of appointment, Phoenix Settlement Administrators agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for 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. 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.

8.1 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 Fees and Costs Payment, the Parties, their respective counsel waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals. If another party appeals the Judgment, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect the amount of the Net Settlement Amount.

9. ADDITIONAL PROVISIONS.

9.1 Unexpected Pay Periods Escalator Clause. Plaintiff expressly relies on Defendants' representation of 14,650 PAGA Pay Periods for 175 Aggrieved Employees. If the number of PAGA Pay Periods exceeds 14,650 by more than 10 percent (*i.e.*, if there are 16,116 or more PAGA Pay Periods worked by the Aggrieved Employees during the PAGA period), Plaintiff, at her sole discretion, may elect to (a) increase the PAGA Settlement Amount on a proportional basis or (b) void this agreement and the "Individual Non-PAGA Settlement Agreement With Release" executed concurrently with this agreement.

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

9.3 Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party.

9.4 Attorney Authorization. PAGA Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiff and Defendants, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.

9.5 Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying the 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 a mediator and/or the Court for resolution.

9.6 No Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity and portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.

9.7 No Tax Advice. Neither Plaintiff, PAGA Counsel, Defendants, nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.

9.8 Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their representatives, and approved by the Court.

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

9.10 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.

9.11 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.

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

9.13 Use and Return of Aggrieved Employee Data. Information provided to PAGA Counsel pursuant to Evidence Code section 1152, and all copies and summaries of the PAGA Data provided to PAGA Counsel by SEBMG 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 California Rules of Court rule. Not later than 90 days after the Administrator discharges its obligation to pay out of all Settlement funds, Plaintiff shall destroy all paper and electronic versions of Aggrieved Employee Data received from Defendants unless, prior to the Administrator's payment of all Settlement Funds, Defendants make a written request to PAGA Counsel for the return, rather than the destruction, of Aggrieved Employee Data.

9.14 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.

9.15 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.

9.16 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:
Bradley Lebow
David Cardone
Adam Yarborough
Dunn DeSantis Walt & Kendrick, LLP
750 B. St., Suite 2620
San Diego, CA 92101

To Defendants:
Joel Glaser
joel@glaserlaw.org
Joel Glaser APC
611500 West Olympic Boulevard, Suite 400
Los Angeles, California 90064

9.17 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.

9.18 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 hereby execute this Settlement Agreement.

SHAUNA STALNAKER

Dated: ____________________ By: ______________________________
(Signature)

BLUE PACIFIC ENGINEERING AND CONSTRUCTION, INC.

Dated: ____________________ By: ______________________________
(Signature)

____
(Printed Name)

____
(Title)

SHAHRAM ELIHU

Dated: ____________________ By: ______________________________
(Signature)

Approved as to form:

DUNN DESANTIS WALT & KENDRICK, LLP

Dated: ____________________ By: ______________________________
David D. Cardone, Esq.
Attorneys for Plaintiff

GLASER LAW

Dated: ____________________ By: ______________________________
Joel Glaser, Esq.
Attorneys for Defendants

<<Mailing Date>>

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

Re: Individual PAGA Payment from *Stalnaker v. Blue Pacific Engineering and Construction, Inc., et al*. San Diego County Superior Court, Case No. 37-2024-00022124-CU-WT-CTL

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 of a lawsuit entitled *Shauna Stalnaker v. Blue Pacific Engineering and Construction, Inc., et al.*, Case No. 37-2024-00022124-CU-WT-CTL ("Action").

The lawsuit was filed by Plaintiff Shauna Stalnaker ("Plaintiff"), current and former Employee of Defendants, Blue Pacific Engineering and Construction, Inc., a California Corporation, and Shahram Elihu, an individual (collectively "Defendants"), on behalf of the State of California with respect to themselves and other alleged aggrieved Employee, to seek recovery of civil penalties pursuant to the California Private Attorneys General Act of 2004, California Labor Code § 2698, *et seq.* ("PAGA"). Plaintiff alleged that Defendant violated the California Labor Code by failing to pay minimum wages and overtime wages; failing to provide meal periods and permit rest breaks; failing to reimburse business expenses; failing to provide accurate itemized wage statements; failing to pay wages timely during employment; and failing to pay all wages due upon separation of employment.

Defendants deny these allegations and denies any wrongdoing of any kind associated with these allegations.

A settlement was reached between Plaintiff and Defendants, on behalf of Plaintiff, the State of California, and the following Aggrieved Employee: Plaintiff Shauna Stalnaker. You are receiving a portion of the settlement (the enclosed Individual PAGA Payment check) because you have been identified as an Aggrieved Employee. You will not be retaliated against by Defendant for cashing your check.

<u>This is not a class action settlement.</u>

On <<Approval Date>>, the settlement was approved by the Court, with a portion to be paid to the State of California and a portion to be paid to the Aggrieved Employee. Your Individual PAGA Payment is based on the total number of pay periods that you worked as an Aggrieved Employee during the period between December 28, 2023 through October 28, 2025 (the "PAGA Period"). The Individual PAGA Payment is considered to be 100% penalties, which will be reported on an IRS Form 1099. 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.

By way of the settlement, you will be deemed to release Defendant and its former and present directors, officers, shareholders, members, owners, attorneys, insurers, predecessors, successors, assigns, subsidiaries, and affiliates (the "Released Parties") from any and all claims for PAGA penalties arising during the PAGA Period that were alleged or reasonably could have been alleged, based on the facts stated in the Operative Complaint and the PAGA Notice.

Your Individual PAGA Payment check is valid for 180 calendar days from the date of issuance, and if you do not cash, deposit, or otherwise negotiate the check within the 180-day timeframe, your Individual PAGA Payment will be cancelled and the funds will be transmitted to the State Controller's Office Unclaimed Property Fund in your name.

Do <u>not</u> call or write the Court or Office of the Clerk of the Court to ask questions about the settlement. If you have any questions concerning the settlement, you may contact the Settlement Administrator at <<INSERT CONTACT INFORMATION>>.