PAGA SETTLEMENT AGREEMENT

Subject to court approval, this PAGA Settlement Agreement ("Agreement") is made by and between Plaintiff Timothy McDermott ("Plaintiff"), individually and on behalf of the Settlement Group, and Defendant Abbott Label, Inc. (hereinafter, "Abbott Label" or "Defendant(s)"). The Agreement refers to Plaintiff and Abbott Label collectively as "Parties" or as a "Party."

1. DEFINITIONS.

1.1. "Action" means Plaintiff's PAGA lawsuit alleging wage and hour violations against Abbott Label captioned *Timothy McDermott et al. v. Abbott Label, Inc. et al.*; Case No. 24NWCV01424, pending in the Los Angeles County Superior Court.

1.2. "Address Search" means the Administrator's search for Covered Employees' mailing addresses using all reasonably available sources, including but not limited to the National Change of Address database, skip traces, and direct contact by the Administrator.

1.3. "Administrator" means CPT Settlement Administrators.

1.4. "Administration Expenses" means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its costs in accordance with the Administrator's bid as approved by the Court. The Administration Expenses shall not exceed $5,500, except for a showing of good cause and as approved by the Court.

1.5. "Attorneys' Fees" mean the amounts allocated to Plaintiff's Counsel for reimbursement of reasonable attorneys' fees in connection with this Settlement in an amount not to exceed 33.33% of the Gross Settlement Amount.

1.6. "Court" means the Los Angeles County Superior Court.

1.7. "Covered Employees" means all PAGA Members.

1.8. "Defense Counsel" means captioned counsel of record from the law firm of Tredway, Lumsdaine & Doyle LLP.

1.9. "Effective Date" means the date the date by when both of the following have occurred: (a) the Court enters a Judgment on its Order Approving the PAGA Settlement and (b) the Judgment is final. The Judgment is final as of the day the Court enters Judgment on its order granting approval of the PAGA settlement.

1.10. "Employee Data" means all Covered Employees' identifying information in Abbott Label's possession including their names, last-known mailing addresses, Social Security numbers, and number of PAGA Periods.

1.11. "Final Approval" means the Court's order granting final approval of the Settlement.

1.12. "Final Approval Hearing" means the Court's hearing on the final motion for approval of the Settlement.

1.13. "Gross Settlement Amount" means **$185,000**, which is the total amount Defendant(s) agree(s) to pay under the Settlement, subject to the terms and conditions of this Settlement. The Gross Settlement Amount will be used to pay Individual PAGA Payments, the LWDA Payment, PAGA Counsel Fees Payment, PAGA Counsel Litigation Costs Payment and the Administration Expenses Payment. The Gross Settlement Amount shall be made in two equal installments as follows: (1) the first installment payment of $92,500 shall be paid within 30 days of approval, and (2) a second equal installment payment of $92,500 shall be paid within 6 months of the first installment payment.

1.14. "Individual PAGA Payments" means the PAGA Members' pro rata share of the Net PAGA Payment, calculated according to the number of PAGA Pay Periods.

1.15. "Individual Settlement Payments" means the Individual PAGA Payments.

1.16. "Judgment" means the judgment entered by the Court based upon the Final Approval of the Settlement.

1.17. "Litigation Costs" means the amount incurred by Plaintiff's Counsel to prosecute the Action, according to proof and subject to Court approval, not to exceed $22,000.

1.18. "LWDA" means the California Labor Workforce and Development Agency.

1.19. "LWDA Payment" means the 75% share of the PAGA Payment allocated to be paid to the LWDA under Labor Code section 2699, subd. (m).

1.20. "Net Settlement Amount" means the Net PAGA Payment in PAGA only actions for purposes of this Agreement. The Net Settlement Amount shall be allocated to 1099 interest and penalties.

1.21. "Net PAGA Payment" means the 25% share of the PAGA Payment allocated to be paid to the PAGA Employees under Labor Code section 2699, subd. (m).

1.22. "Operative Complaint" means the most recently filed complaint, including amended complaints, filed by Plaintiff.

1.23. "PAGA" means California's Private Attorneys General Act of 2004 and all amendments thereto (California Labor Code section 2698, *et seq.*).

1.24. "PAGA Period" means February 28, 2023 through December 31, 2025.

1.25. "PAGA Payment" means the sum presently estimated at $82,833.33, which is the amount provided in exchange for the release of the PAGA claims addressed in this Settlement, and which shall be paid from the Gross Settlement Amount, with 75% of the PAGA Payment constituting the LWDA Payment, with the remaining 25% constituting the Net PAGA

Payment to be allocated and paid to PAGA Members. Based on variance in the Litigation Costs, Attorneys' Fees, and/or Administration Expenses, the PAGA Payment may increase or decrease accordingly, and Plaintiff's Counsel will apprise the Court accordingly when the Settlement is presented for Court approval.

1.26. "PAGA Counsel" or "Plaintiff's Counsel" means Ferraro Vega Employment Lawyers, Inc.

1.27. "PAGA Members" means all individuals currently or formerly employed by Abbott Label in California as hourly, non-exempt employees during the PAGA Period.

1.28. "PAGA Notice" means Named Plaintiff's PAGA letter to Defendant(s) and the LWDA dated February 28, 2023, including any amendments thereto, pursuant to Labor Code § 2699.3(a).

1.29. "PAGA Pay Period" means any pay period during which a PAGA Member worked for Defendant for at least one day during the PAGA Period.

1.30. "PAGA Pay Period Estimate" means, based on a review of Defendant's records to date, a total of 3,524 PAGA Pay Periods during the period February 28, 2023 through December 2, 2025.

1.31. "PAGA Representative" or "Named Plaintiff" refers to Timothy McDermott.

1.32. "Released Claims" means the claims being released in connection with this Settlement, as set forth in full below.

1.33. "Released Parties" means: Defendant Abbot Label, Inc. and each former and present directors, officers, members, investors, shareholders, owners, attorneys, insurers, predecessors, successors, assigns, subsidiaries, affiliates and agents.

1.34. "Service Payment(s)" means the payment to the Named Plaintiff(s) for initiating and providing services in support of the Action in an amount up to $10,000, subject to Court approval, which also constitutes consideration for Plaintiff's individual settlement and general release of all claims and 1542 waiver, as set forth in this Agreement.

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

2. RECITALS

2.1. On February 28, 2024, Plaintiff filed a representative action alleging the following claims against the Defendant: (1) Failure to Pay All Minimum, Regular, and Overtime Wages; (2) Paid Sick Leave Violations; (3) Meal Period Violations; (4) Rest Period Violations; (4) Failure to pay all Unused Vacation Pay; (5) Untimely Payment of Wages; (6) Wage Statement Violations; (7) Waiting Time Penalties; (8) Failure to Reimburse Necessarily Incurred Expenses;

(9) Failure to Provide Employee Records; and (10) Failing to Maintain Accurate Records. These claims entitle Plaintiff to recover civil penalties under the Private Attorneys General Act.

2.2. On November 26, 2025, the Parties attended a private mediation session with mediator Monique Ngo-Bonnici. Following the mediation, Ms. Ngo-Bonnici made a mediator's proposal outlining the material terms of a proposed representative action settlement. On November 26, 2025, all parties accepted the mediator's proposal, with the intent to enter into a long-form settlement agreement.

2.3. Plaintiff and Plaintiff's Counsel recognize the expense and length of continued proceedings that would be necessary to litigate Plaintiff's claims in the Action through trial and through any possible appeals. Plaintiff also has taken into account the uncertainty and risks of the outcome of further litigation, and the difficulties and delays inherent in such litigation. Plaintiff and Plaintiff's Counsel are also aware of the burdens of proof necessary to establish liability for the claims asserted in the Action, both generally and in response to Defendant's defenses thereto, and the difficulties in establishing penalties and other relief sought in the Action. Plaintiff and Plaintiff's Counsel also have taken into account Defendant's agreement to enter into a settlement that confers substantial benefits upon the State of California and PAGA Members. Based on the foregoing, Plaintiff and Plaintiff's Counsel have determined that the Settlement set forth in this Agreement is fair, adequate, and reasonable and is in the best interests of all PAGA Members and the State.

2.4. Defendant denies all allegations made in the Action, and also denies that it engaged in any wrongful conduct with respect to Plaintiff or the PAGA Members, or that they suffered any harm or damages as a result of its conduct. Defendant has asserted and continues to assert that the claims alleged by Plaintiff have no merit and do not give rise to any liability, penalties, or other payments. Defendant has nonetheless concluded that any further defense of the Action would be protracted and expensive for all Parties. Substantial amounts of Defendant's time, energy, and resources have been, and unless this Settlement is completed, shall continue to be, devoted to the defense of the claims asserted by Plaintiff. Defendant has also taken into account the risks of further litigation in reaching its decision to enter into this Settlement. Even though Defendant contends it is not liable for any of the claims alleged by Plaintiff in the Action, Defendant has agreed, nonetheless, to settle in the manner and upon the terms set forth in this Agreement and to put to rest the claims alleged in the Action in order to focus on business operations. This Agreement is a compromise of disputed claims. Nothing contained in this Agreement, no documents referred to herein, and no action taken to carry out this Agreement, shall be construed or used as an admission by or against Defendant as to the merits or lack thereof of the claims

3. MONETARY TERMS.

3.1. <u>Gross Settlement Amount</u>. Subject to satisfaction of all terms of this Agreement including releases of Defendant, Defendant shall pay the Gross Settlement Amount and no more in connection with this Settlement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Covered Employees to submit any claim or form as a condition of payment. The Gross Settlement Amount is non-reversionary.

3.2. <u>Payments from the Gross Settlement Amount</u>. The Administrator will make and deduct the following payments from the Gross Settlement Amount, in the amounts approved by the Court:

3.2.1. <u>To Named Plaintiff</u>: The Service Payment, in addition to any Individual Settlement Payment that they may be entitled to receive as a Covered Employee. If the Court approves a Service Payment less than the amount requested, the Administrator will retain the remainder in the Net Settlement Amount. The Administrator will pay the Service Payment(s) using IRS Form 1099. An award of less than the requested amount for the Service Payment will not give rise to a basis to abrogate the Settlement Agreement and the Court has authority under this Agreement to reduce (or increase) the Service Payment, at its discretion at the final approval stage.

3.2.2. <u>To Plaintiff's Counsel</u>: Attorneys' Fees and Litigation Costs to Plaintiff's Counsel. Defendant will not oppose requests for these payments, provided the requests do not exceed the amounts set forth in this Agreement. If the Court approves Attorneys' Fees and/or Litigation Costs in an amount less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. The Administrator will pay the Attorneys' Fees and Litigation Costs using one or more IRS 1099 Forms.

3.2.3. <u>To the Administrator</u>: Administration Expenses to the Administrator. To the extent the Administration Expenses are less or the Court approves payment less than the Administration Expenses set forth in this Agreement, the Administrator will allocate the remainder to the Net Settlement Amount.

3.2.4. <u>To the LWDA</u>: Subject to Court approval, the PAGA Payment will be allocated to cover any and all claims for civil penalties associated with the Released Claims that were, or could have been, brought in the Actions under PAGA based on the factual allegations in the Operative Complaint and PAGA Notice; 75% of the PAGA Payment will be paid to the LWDA (i.e., the LWDA Payment) and the remaining 25% of the PAGA Payment (i.e., the Net PAGA Payment) will be distributed to PAGA Members as penalties in exchange for a full and final release of the PAGA claims. The Court has authority under this Agreement to increase (or reduce) the PAGA Payment up to and including at the final approval hearing, and the Parties respectfully reserve the right to increase (or reduce) the PAGA Payment up to and including at the final approval stage, subject to the Court's final approval. If the Court approves a PAGA Payment of less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

3.2.5. <u>To Each PAGA Member/Tax Allocation</u>: An Individual PAGA Payment calculated by: (a) dividing the Net Settlement Amount by the total number of PAGA Pay Periods worked by all PAGA Members during the PAGA Period; and (b) multiplying the result by each PAGA Members' PAGA Pay Periods. The Individual PAGA Payments are not subject to wage withholdings and will be reported on IRS 1099 Forms. Covered Employees assume full responsibility and liability for any individual taxes owed on their Individual PAGA Payment.

4. SETTLEMENT FUNDING AND PAYMENTS.

4.1. Delivery of Employee Data to Administrator. Not later than 20 days after the Court grants Approval, Abbott Label will simultaneously deliver the Employee Data to the Administrator, in the form of a Microsoft Excel spreadsheet. To protect Covered Employees' privacy, the Administrator must maintain the Employee Data in confidence, use the Employee Data only for purposes of this Settlement, and restrict access to the Employee Data to Administrator employees who need access to the Employee Data to effect and perform under this Agreement. Abbott Label has a continuing duty to immediately notify Plaintiff's Counsel if it discovers that the Employee Data omitted Covered Employees' identifying information and to provide corrected or updated Employee Data as soon as reasonably feasible. Without any extension of the foregoing deadline the Parties and their counsel must expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Employee Data.

4.2. Funding of Gross Settlement Amount. Abbott Label shall fully fund the Gross Settlement Amount by transmitting the funds in accordance with the installment plan set forth herein.

4.3. Payments from the Gross Settlement Amount. Within 10 days after Abbott Label funds the Gross Settlement Amount, the Administrator will mail checks for all Individual Settlement Payments, the Administration Expenses, the LWDA Payment, Attorneys' Fees, Litigation Costs, and Service Payment(s). Disbursement of the PAGA Counsel Litigation Expenses Payment shall not precede disbursement of Individual PAGA Payments.

4.3.1. The Administrator will issue checks for the Individual Settlement Payments and send them to Covered 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 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.

4.3.2. The Administrator must conduct an Address Search for all other Covered Employees whose checks are returned undelivered without USPS forwarding addresses. 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 Address Search. The Administrator need not take further steps to deliver checks to Covered Employees whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Covered Employee whose original check was lost or misplaced, requested by the Covered Employee prior to the void date.

4.3.3. For any Covered Employee whose Individual Settlement Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds, in the name of the Covered Employee, to the State of California's Unclaimed Property Division.

4.3.4. The payment of Individual Settlement Payments shall not obligate Abbott Label to confer any additional benefits or make any additional payments to Covered Employees (such as 401k contributions) beyond those specified in this Agreement.

4.3.5. The Administrator will send checks for Individual PAGA Payments to all PAGA Members, who have no right to opt-out or otherwise exclude themselves from the settlement and release of PAGA claims set forth in this Settlement.

5. RELEASES OF CLAIMS.

Effective on the date when Abbott Label fully funds the Gross Settlement Amount, the following releases of claims will take effect:

5.1. Named Plaintiff's General Release. Named Plaintiff's respective former and present spouses, representatives, agents, attorneys, heirs, administrators, successors, and assigns generally, release and discharge Released Parties from all claims, transactions, or occurrences, including, but not limited to: (a) all claims that were, or reasonably could have been, alleged, based on the facts contained in the PAGA letter dated February 28. 2024, the Operative Complaint or ascertained during the Action; and (b) any other claims, debts, liabilities, demands, damages, obligations, actions and causes of actions, of any nature whatsoever, whether known or unknown, or suspected or unsuspected, arising out of or in connection with their employment with Abbott Label, the separation of such employment, or any other act, omission or event occurring between the Parties at any time prior to the date the Named Plaintiff(s) executes this Agreement. This General Release includes, without limitation: (1) all claims for violation of any federal, state or local statute, ordinance or regulation relating to employment benefits, leaves of absence, or discrimination, harassment, retaliation, or whistleblowing in employment, specifically including, without limitation, the California Fair Employment and Housing Act, the California Family Rights Act, Title VII of the Civil Rights Act of 1964, the Family and Medical Leave Act, the Age Discrimination in Employment Act, the Older Workers Benefit Protection Act, the Genetic Information Nondiscrimination Act, the Americans with Disabilities Act, and the Employee Retirement Income Security Act, the Consolidated Omnibus Budget Reconciliation Act, the Securities Act, the Immigration Reform and Control Act the Worker Adjustment and Retraining Notification Act of 1988, the California Worker Adjustment and Retraining Notification Act, the Uniformed Service Employment and Reemployment Rights Act, and any regulation of any administrative agency or governmental authority relating to employment benefits or discrimination or harassment or retaliation in employment; (2) all claims for failure to pay minimum or overtime wages, failure to timely pay wages, failure to provide accurate itemized wage statements, failure to maintain accurate records, failure to reimburse business expenses, failure to provide meal periods or rest breaks, failure to provide paid sick leave, failure to post notice of paydays and time and place of payment, and any claim for violations of the California Labor Code, California's Business and Professions Code § 17200 et seq., and the applicable California Industrial Welfare Commission Wage Order; (3) any non-statutory tort or contractual claim, including all claims for breach of oral, implied or written contract, breach of implied covenant of good faith and fair dealing, negligent or intentional infliction of emotional distress, and conversion; (4) all claims for wrongful termination of employment; (5) all claims for wages, penalties and/or benefits; and (6) all claims for attorneys' fees and costs. Named Plaintiff's General 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. Named Plaintiff(s) acknowledge that they may discover facts or law different from, or in addition to, the facts or law that Plaintiff now know or believe to be true but agree, nonetheless, that Named Plaintiff's General Release shall be and remain effective in all respects, notwithstanding such different or additional facts or their discovery of them.

5.1.1. Named Plaintiff's Section 1542 Waiver. For purposes of Named Plaintiff's General Release, Named 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 PAGA Members: All PAGA Members on behalf of themselves and their respective former and present spouses, representatives, agents, attorneys, heirs, administrators, successors, and assigns generally and the LWDA release Released Parties from, and are forever barred from pursuing such against Released Parties for, the PAGA claims which were or could have been alleged in and/or arising out of the facts alleged in the PAGA letter dated February 28. 2024, the Operative Complaint during the PAGA Period, including, without limitation penalties predicated on the underlying alleged violations for: (1) Civil Penalties under the Private Attorneys General Act (Labor Code §§ 2698 et seq.).

5.3. Release by PAGA Counsel: AGA 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.

5.4. 4 Settlement Purposes Only. The Parties agree the proposed settlement and this Agreement is for purposes of settlement only and if, for any reason, the settlement is not approved as set forth herein, the settlement and all settlement documents will have no force or effect and will be immediately revoked, null and void. Defendant admits no liability.

6. MOTION FOR SETTLEMENT APPROVAL.

6.1. PAGA Approval. Plaintiff shall prepare and deliver to Defense Counsel all documents necessary for obtaining approval of this PAGA Settlement under Labor Code § 2699(s)(2). To effectuate Final Approval and Judgment of the Settlement of PAGA claims, Plaintiff shall prepare either a Joint Stipulation Approving PAGA Settlement (subject to Defense Counsels' review and revision) or a Motion for Approval of PAGA Settlement. Plaintiff shall file declarations from Plaintiff's Counsel and the Named Plaintiff to support the Settlement.

6.2. Duty to Cooperate. If the Parties disagree on any aspect of the proposed Settlement or forthcoming motions or joint stipulations for approval, Plaintiff's Counsel and Defense Counsel will expeditiously work together in good faith on behalf of the Parties to resolve the disagreement. If the Court does not grant settlement approval or conditions any approval or review on any material change to this Agreement, Plaintiff's Counsel and Defense Counsel will expeditiously work together in good faith on behalf of the Parties to modify the Agreement and satisfy the Court's concerns. Should the Court decline to approve all material aspects of the

Settlement, the Settlement will be null and void, and the Parties will have no further obligations under it.

7. SETTLEMENT ADMINISTRATION.

7.1. Selection of Administrator. The Parties have jointly selected the Administrator to administer this Settlement. The Administrator 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 to calculate payroll tax withholdings and report 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 under U.S. Treasury Regulation section 468B-1.

7.3.1. Final Report by Settlement Administrator. Within 10 days after the Administrator disburses all funds in the Gross Settlement Amount, the Administrator will provide Plaintiff's Counsel and Defense Counsel with a final report detailing its disbursements by employee identification number only of all payments made under this Agreement. At least 15 days before any deadline set by the Court, if applicable and if requested by either Party, the Administrator will prepare, and submit to Plaintiff's Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its disbursement of all payments required under this Agreement.

8. ESCALATION CLAUSE. Based on its records, Abbott Label has provided a PAGA Pay Period Estimate. In the event the total PAGA Pay Periods set forth in the PAGA Pay Period Estimate is incorrect by more than 10%, the Parties agree that the Gross Settlement Amount shall be increased proportionately by the same percentage above 10%. For example, if the total PAGA Pay Periods is in fact 11% higher than the PAGA Pay Period Estimate, the Gross Settlement Amount will be increased by 1%.

9. EMPLOYEE ESTIMATE. Based on the records evaluated, there are an estimated 92 PAGA Members covered by this Agreement.

10. MOTION FOR FINAL APPROVAL. Not later than 16 court days before the Final Approval Hearing, Named Plaintiff will file in Court and serve on Defendants a Motion for Final Approval of the Settlement that includes a Proposed Final Approval Order and a Proposed Judgment, which shall specifically state and include a request for approval of the PAGA settlement under Labor Code § 2699, subd. (s). Plaintiff's Counsel will provide drafts of the Proposed Final Approval Order and Proposed Judgment to Defense Counsel in advance of filing for Defense Counsel's review. Abbott Label shall accept service of the Motion for Final Approval (or any other motions, stipulations, declarations, proposed orders, exhibits, or other documents filed in connection with this Settlement) via electronic service at the email addresses set forth in this

Agreement or, if an electronic service agreement is already in place, at the email addresses in the Parties' electronic service agreement.

10.1. Duty to Cooperate. If the Court does not grant Final Approval or conditions Final Approval on any material change to the Settlement, the Parties will expeditiously work together through counsel in good faith to address the Court's concerns by revising the Agreement as necessary to obtain Final Approval.

10.2. Continuing Jurisdiction of the Court. The Parties agree, 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.

10.3. Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the Attorneys' Fees and Litigation Costs set forth in this Settlement, the Parties, their respective counsel, and all Covered Employees 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.

10.4. Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a material modification of this Agreement (including, but not limited to, the scope of release to be granted by Covered Employees), this Agreement shall be null and void.

11. AMENDED JUDGMENT. If any amended judgment is required under Code of Civil Procedure section 384, the Parties will work together in good faith to jointly submit a proposed amended judgment.

12. ADDITIONAL PROVISIONS.

12.1. No Admission of Liability, Class Certification 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 the Parties that any of the allegations or the defenses in the February 28, 2023 PAGA letter or the Operative Complaint have merit or that there is any liability for any claims asserted or that any claims may proceed on a class, collective, or representative basis. The Settlement, this Agreement, and the Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement). The Parties agree that representative treatment is for purposes of this Settlement only. If for any reason the Court does not approve this Settlement, Defendant reserves all available defenses to the claims in the Action, and Plaintiff reserves the right to contest Defendant's defenses.

12.2. No Solicitation. The Parties separately agree that they and their respective counsel and employees will not solicit any Covered Employee to opt out of or object to the Settlement, or appeal from the Judgment. Nothing in this paragraph shall be construed to restrict

Plaintiff's Counsel's ability to communicate with Covered Employees in accordance with Plaintiff's Counsel's ethical obligations owed to Covered Employees. Plaintiff's Counsel shall not publish, advertise or otherwise call attention to the settlement or this Agreement.

12.3. 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.

12.4. Attorney Authorization. Plaintiff's Counsel and Defense Counsel separately warrant and represent that they are authorized by the Parties, 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.

12.5. Cooperation. The Parties and their counsel will cooperate and use their best efforts, in good faith, to implement the Settlement by modifying the Settlement Agreement, submitting supplemental evidence, and supplementing points and authorities as requested by the Court, among other things. 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.

12.6. 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.

12.7. No Tax Advice. Neither the Parties, Plaintiff's Counsel, 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.

12.8. 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 Plaintiff's Counsel and Defense Counsel, as their legal representatives.

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

12.10. Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the laws of the State of California, without regard to conflict of law principles.

12.11. 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.

12.12. 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.

12.13. Use and Return of PAGA Member 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 Defendant 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 PAGA Member Data received from Defendant unless, prior to the Administrator's payment of all Settlement Funds, Defendant makes a written request to PAGA Counsel for the return, rather than the destruction, of PAGA Member Data.

12.14. 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.

12.15. 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.

12.16. Notice. All notices or other communications between the Parties required in connection with this Agreement shall be in writing and shall be deemed to have been duly given as of the 3rd business day after mailing by U.S. Mail or the same day if sent by email, addressed as follows:

To Plaintiff:

Ferraro Vega Employment Lawyers, Inc.
Attn: Nicholas J. Ferraro
Dorota A. James
3333 Camino del Rio South, Suite 300
San Diego, CA 92108 USA
nick@ferrarovega.com / classactions@ferrarovega.com
www.ferrarovega.com

To Defendant:

Tredway, Lumsdaine & Doyle LLP
Attn: Shannon M. Jenkins
2010 Main Street, Suite 1000
Irvine, California 92614
Telephone: (949) 756-0684
Facsimile: (866) 298-9254

sjenkins@tldlaw.com

12.17. Execution in Counterparts. This Agreement may be executed using physical and/or electronic signatures (i.e. DocuSign, SignRequest, Adobe Sign, etc.), which shall be accepted as originals for purposes of this Agreement. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

12.18. 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 further agree that upon the signing of this Agreement that pursuant to Code of Civil Procedure section 583.330 to extend the date to bring a case to trial under Code of Civil Procedure section 583.310 for the entire period of this settlement process.

12.19. Enforcement. The parties agree to expressly stipulate for the settlement of the case on the terms set forth in this Settlement Agreement, and hereby agree that Court, upon motion of either party, may enter judgment pursuant to the terms of this Settlement or otherwise enforce a breach of this Settlement. The parties expressly request that the Court retain jurisdiction over the Parties to enforce the Settlement until performance in full of the terms of the settlement, pursuant to Code of Civil Procedure sec. 664.6 and its procedures for enforcement.

SIGNATURES

I have read this Agreement and agree to its terms.

Plaintiff Timothy McDermott

Date: Feb 5, 2026

Timothy-Clarence: McDermott, Beneficiary

Timothy McDermott

Defendant Abbott Label, Inc.

Date: 2/25/26

John L. Abbott

Name: John L. Abbott

Title: President