PAGA SETTLEMENT AGREEMENT

This PAGA Settlement Agreement ("Agreement") is made by and between plaintiffs Anton Louis Thompson and Tiare LaBistre (collectively, "Plaintiffs") and defendant Career Systems Development Corporation ("Defendant"). The Agreement refers to Plaintiffs and Defendant collectively as "Parties," or individually as "Party."

1. **DEFINITIONS**.

1.1. "Action" means *Anton Louis Thompson v. Career Systems Development Corp., et al.* Sacramento Superior Court, Case No. 24CV009265 and *Tiare LaBistre v. Career Systems Development Corp., et al.* San Diego Superior Court, Case No. 24CU000135C, the operative complaints, any other complaint filing as may become necessary in the post-settlement process, and any exhaustion letters filed with the Labor & Workforce Development Agency ("LWDA").

1.2. "Administrator" means Simpluris, Inc., the neutral entity the Parties have agreed to appoint to administer the Settlement.

1.3. "Administration Expenses Payment" means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator's "not to exceed" bid submitted to the Court in connection with approval of this Settlement.

1.4. "Aggrieved Employee" means all current and former hourly-paid or non-exempt employees of Defendant in California who worked for Defendant during the PAGA Period.

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

1.6. "Aggrieved Employee Address Search" means the Administrator's investigation and search for current Aggrieved Employee mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Aggrieved Employees.

1.7. "Court" means the Superior Courts of California, County of Sacramento.

1.8. "Defense Counsel" means:

Kerry Garvis Wright
E-mail: kgarviswright@glaserweil.com
Joseph D. Hadacek
E-mail: jhadacek@glaserweil.com
Sonia Vucetic

E-mail: svucetic@glaserweil.com
GLASER WEIL FINK HOWARD JORDAN & SHAPIRO LLP
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Los Angeles, California 90067

1.9. "Effective Date" means the date when the Court enters Judgment on its Order Approving the PAGA Settlement, and the Judgment is final. The Judgment is final as of the day the Court enters Judgment.

1.10. "Gross Settlement Amount" means $375,000.00 which is the total amount Defendant agrees to pay under the Settlement except as provided in Paragraph 4.1 below. The Gross Settlement Amount will be used to pay Individual PAGA Payments, the LWDA PAGA Payment, PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, and the Administrator's Expenses Payment.

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

1.12. "Judgment" means the judgment entered by the Court based upon the Final Approval.

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

1.14. "LWDA PAGA Payment" means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).

1.15. "Net Settlement Amount" means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: Plaintiffs' Representative Enhancement Payments, the LWDA PAGA Payment, PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, and the Administration Expenses Payment. The remainder is to be paid to Aggrieved Employees as Individual PAGA Payments.

1.16. "PAGA Counsel" means:

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1.17. "PAGA Counsel Fees Payment" and "PAGA Counsel Litigation Expenses Payment" mean the amounts allocated to PAGA Counsel for reimbursement of reasonable attorneys' fees and expenses, respectively, incurred to prosecute the Action.

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

1.19. "PAGA Period" means the period from April 24, 2023 through June 10, 2025.

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

1.21. "PAGA Notice" means Plaintiffs' letters to Defendant and the LWDA on or about May 5, 2024 and April 25, 2024 for Plaintiffs Thompson and LaBistre respectively, providing notice pursuant to Labor Code section 2699.3, subd. (a).

1.22. "PAGA Penalties" means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 25% to the Aggrieved Employees and 75% to LWDA in settlement of PAGA claims.

1.23. "Plaintiffs" means Anton Louis Thompson ("Plaintiff Thompson") and Tiare LaBistre ("Plaintiff LaBistre"), the named plaintiffs in the Action.

1.24. "Approval Order" means the proposed Court Order Granting Approval of PAGA Settlement.

1.25. "Released PAGA Claims" means the claims being released by the Plaintiffs and PAGA Counsel and as described in Paragraph 5 below.

1.26. "Released Parties" means: Defendant, and each of its former and present directors, officers, shareholders, owners, members, employees, attorneys, insurers, predecessors, successors, assigns, subsidiaries, and affiliates.

1.27. "Representative Enhancement Payment" means the amount approved by the Court, up to $10,000.00 each to Plaintiffs for their efforts of initiating and pursuing this Action.

1.28. "Operative Complaint" refers to the forthcoming Third Amended Complaint to be filed in the Thompson Matter, which will add Plaintiff LaBistre as a named plaintiff. Following the filing of the Operative Complaint, the Parties will seek court approval of the Settlement in the Thompson Matter. The LaBistre Matter will be stayed pending approval of the Settlement in Thompson Matter, and upon the Court's entry of an order granting approval, the LaBistre Matter will be dismissed without prejudice.

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

1.30. "Defendant" means named Defendant Career Systems Development Corporation.

2. RECITALS.

2.1. On or about May 5, 2024, Plaintiff Thompson sent Notice of Labor Code Violations and PAGA Penalties to the Labor & Workforce Development Agency ("LWDA") notifying Defendant of his intent to pursue a Labor Code Private Attorneys General Act ("PAGA") claim against Defendant. On or about May 10, 2024, Plaintiff Thompson filed a Class Action Complaint against Defendant in the Sacramento County Superior Court, Dept. 23, alleging causes of action for: (1) Failure to Pay Minimum Wages; (2) Failure to Pay Overtime Compensation; (3) Failure to Provide Meal Periods; (4) Failure to Authorize and Permit Rest Breaks; (5) Failure to Indemnify Necessary Business Expenses; (6) Failure to Timely Pay Final Wages at Termination; (7) Failure to Provide Accurate Itemized Wage Statements; and (8) Violation of California Business & Professions Code Section 17200, et seq. Plaintiff Thompson later amended his Class Action Complaint on July 9, 2024, to include a ninth cause of action for Civil Penalties pursuant to PAGA. On September 5, 2024, Plaintiff Thompson filed Second Amended Complaint ("SAC") alleging a sole cause of action for Civil Penalties pursuant to PAGA ("Thompson Matter"). Defendant denies the allegations in Plaintiff Thompson's operative complaint, denies any failure to comply with the laws identified therein, and denies any and all liability for the cause of action alleged.

2.2. On or about April 24, 2024, Plaintiff LaBistre sent Notice of Labor Code Violations and PAGA Penalties to the Labor & Workforce Development Agency ("LWDA") notifying Defendant of his intent to pursue a Labor Code Private Attorneys General Act ("PAGA") claim against Defendant. On or about July 8, 2024, Plaintiff LaBistre filed a Representative Action Complaint against Defendant in the San Diego County Superior Court alleging a sole cause of action for Civil Penalties pursuant to PAGA ("LaBistre Matter"). Defendant denies the allegations in Plaintiff LaBistre's complaint, denies any failure to comply with the laws identified therein, and denies any and all liability for the cause of action alleged.

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

2.4. On or about June 10, 2025, the Parties participated in an all-day mediation presided over by respected mediator, Tripper Ortman, Esq., at which the Parties achieved global resolution of Plaintiffs' claims, which led to this Agreement to settle the Action.

2.5. Prior to mediation, Plaintiffs obtained, through informal discovery, policy documents, sample time and pay records for Aggrieved Employees, and data points related to the Aggrieved Employees ("PAGA Data").

3. MONETARY TERMS.

3.1. Gross Settlement Amount. Except as otherwise provided by Paragraph 4.1 below, Defendant promises to pay $375,000.00 and no more as the Gross Settlement Amount. Defendant has no obligation to pay the Gross Settlement Amount prior to the deadline stated in Paragraph 4.3 of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendant.

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

3.2.1. To PAGA Counsel: A PAGA Counsel Fees Payment of not more than 33.33% of the Gross Settlement Amount, which is currently estimated to be $125,000.00, and PAGA Counsel Litigation Expenses Payment of not more than $26,000.00. Defendant will not oppose requests for Court approval of these payments provided that they do not exceed these amounts. Plaintiffs and/or PAGA Counsel will file an application or motion for PAGA Counsel Fees Payment and PAGA Litigation Expenses Payment. If the Court approves a PAGA Counsel Fees Payment and/or a PAGA Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. Released Parties shall have no liability to PAGA Counsel or any other Plaintiffs' Counsel arising from any claim to any portion any PAGA Counsel Fee Payment and/or PAGA Counsel Litigation Expenses Payment. The Administrator will pay the PAGA Counsel Fees Payment and PAGA Counsel Expenses Payment using one or more IRS 1099 Forms. PAGA Counsel assumes full responsibility and liability for taxes owed on the PAGA Counsel Fees Payment and the PAGA Counsel Litigation Expenses Payment and holds Defendant harmless, and indemnifies Defendant, from any dispute or controversy regarding any division or sharing of any of these Payments.

3.2.2. To Plaintiffs: Plaintiffs will seek Representative Enhancement Payments up to $10,000.00 each. Defendant will not oppose Plaintiffs' requests for these payments provided that they do not exceed this amount. In exchange for Plaintiffs' providing a complete, general release of all claims in addition to her service as a representative in the Action, Plaintiffs and/or PAGA Counsel will file an application or motion for Plaintiffs' Representative Enhancement Payments. If the Court approves amounts less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. Tax deductions and withholdings will not be taken from Representative Enhancement Payments, and instead a Form 1099 will be issued to Plaintiffs with respect to this payment.

3.2.3. To the Administrator: An Administrator Expenses Payment not to exceed 7,000.00, except for a showing of good cause and as approved by the Court. The Parties have agreed to use Simpluris, Inc. as the third-party administrator for this settlement administration.

3.2.4. To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of $375,000.00 less the Plaintiffs' Representative Enhancement Payments, PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, and Administration Expenses Payment, as approved by the Court, are to be paid from the Gross Settlement Amount with 25% allocated to the Aggrieved Employees as Individual PAGA Payments, and 75% allocated to the LWDA in settlement of the PAGA claims.

3.2.4.1. The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties by the total number of PAGA Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA Pay Periods. Aggrieved Employees will be notified of the number of PAGA Pay Periods allocated to them by a letter accompanying their Individual PAGA Payment checks, substantially in the form attached hereto as **Exhibit A**. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment and hold Defendant harmless, and indemnify Defendant, from any dispute or controversy regarding any division or sharing of any of the Individual PAGA Payments.

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

4. SETTLEMENT FUNDING AND PAYMENTS.

4.1. Aggrieved Employee Pay Periods & Escalator Provision. Based on a review of its records to date, Defendant estimates that Aggrieved Employee worked a total of 15,219 pay periods during the PAGA Period. Should the qualifying PAGA Pay Periods increase by more than 10% from the estimated 15,219 pay periods (i.e., by more than 16,741 pay periods), Defendant shall increase the Gross Settlement Amount on a pro-rata basis equivalent to the percentage increase in the number of pay periods worked by the Aggrieved Employees above the ten percent (10%) threshold, meaning Defendant will increase the Gross Settlement Amount by the percentage amount above ten percent (10%) (e.g., if the number of pay periods increases by 11%, the Gross Settlement Amount will increase by one percent (1%)). Alternatively, if the actual number of PAGA Pay Periods exceeds the estimate above by more than ten (10) percent, Defendant shall retain the option, in lieu of increasing the Gross Settlement Amount, to end the PAGA Period on a date that results in the actual PAGA Pay Periods not exceeding ten (10) percent of the estimated totals.

4.2. Aggrieved Employee Data. Within 15 days of the Effective Date, Defendant will simultaneously deliver the Aggrieved Employee Data to the Administrator in the form of a Microsoft Excel spreadsheet. To protect Aggrieved Employees' privacy rights, the Administrator must maintain the Aggrieved Employee Data in confidence, use the Aggrieved Employee Data only for purposes of this Settlement and for no other purpose, and restrict access to the Aggrieved Employee Data to Administrator employees who need access to the Aggrieved Employee Data to effect and perform under this Agreement. Defendant has a continuing duty to immediately notify PAGA Counsel if it discovers that the Aggrieved Employee Data omitted employee identifying information and to provide corrected or updated Aggrieved Employee Data as soon as reasonably feasible. Without any extension of the deadline by which Defendant must send the Aggrieved Employee Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Aggrieved Employee Data.

4.3. Funding of Gross Settlement Amount. Defendant shall fully fund the Gross Settlement Amount by transmitting the funds to the Administrator no later than 14 days after the Effective Date.

4.4. Payments from the Gross Settlement Amount. Within 14 days after Defendant funds the Gross Settlement Amount, the Administrator will mail checks for all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the PAGA Counsel Litigation Expenses Payment, and the PAGA Counsel Fees Payment. Disbursement of the PAGA Counsel Litigation Expenses Payment and the PAGA Counsel Fees Payment shall not precede disbursement of Individual PAGA Payments.

4.4.1. The Administrator will issue checks for the Individual PAGA Payments and send them to the Aggrieved Employees via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (not less than 180 days after the date of mailing) when the check will be voided. The 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 Employees whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Aggrieved Employee whose original check was lost or misplaced, requested by the Aggrieved Employee prior to the void date.

4.4.3. For any Aggrieved Employee whose Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the 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 Defendant to confer any additional benefits or make any additional payments to the Aggrieved Employees (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

5. **RELEASES OF CLAIMS**. Effective on the date when Defendant fully funds the entire Gross Settlement Amount Plaintiffs and PAGA Counsel will release claims against all Released Parties as follows:

5.1 Plaintiffs' Releases. Plaintiffs and their respective former and present spouses, representatives, agents, attorneys (including PAGA Counsel), heirs, administrators, successors, and assigns generally, release and discharge Released Parties from all claims, transactions, or occurrences that occurred during the PAGA Period, including, but not limited to: (a) all claims that were, or reasonably could have been, alleged, based on the facts contained in the Operative Complaint and the PAGA Notice ("Plaintiffs' Release"). Plaintiffs' Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, workers' compensation benefits that arose at any time, or based on occurrences outside the PAGA Period. Plaintiffs acknowledge that Plaintiffs may discover facts or law different from, or in addition to, the facts or law that Plaintiffs now knows or believes to be true but agrees, nonetheless, that Plaintiffs' Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiffs' discovery of them.

5.1.1 Plaintiffs' Waiver of Rights Under California Civil Code Section 1542. For purposes of Plaintiffs' Release, Plaintiffs expressly waive and relinquish the provisions, rights, and benefits, if any, of section 1542 of the California Civil Code, which reads:

A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release, and that if known by him or her would have materially affected his or her settlement with the debtor or Released Party.

5.2 Release by Aggrieved Employees:

All Aggrieved Employees 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.

5.3 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 Plaintiffs' Responsibilities. Plaintiffs will prepare and deliver to Defense Counsel all documents necessary for obtaining approval of this Settlement under Labor Code Section 2699, subd. (f)(2)) including (i) a draft 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; (iii) a signed declaration from PAGA Counsel firm attesting to its timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), Operative Complaint (Labor Code section 2699, subd. (l)(1)), this Agreement (Labor Code section 2699, subd. (l)(2)); and (iv) all facts relevant to any actual or potential conflict of interest with Aggrieved Employees and/or the Administrator.

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 45 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 Simpluris, Inc. to serve as the Administrator and verified that, as a condition of appointment, Simpluris, Inc. agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Expenses. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.

7.2 Employer Identification Number. The Administrator shall have and use its own Employer Identification Number for purposes of calculating payroll tax withholdings and providing reports state and federal tax authorities.

7.3 Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation section 468B-1.

7.4 Administrator Duties. The Administrator has a duty to perform or observe all tasks to be performed or observed by the Administrator contained in this Agreement or otherwise.

8. AGGRIEVED EMPLOYEE SIZE ESTIMATES. Based on its records, Defendant estimates that, as of the date of this Settlement Agreement, there are approximately 662 Aggrieved Employees who worked approximately 15,219 pay periods during the PAGA Period.

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

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

10. ADDITIONAL PROVISIONS.

10.1 No Admission of Liability or Representative Manageability for Other Purposes. This

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

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

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

10.4 <u>Cooperation.</u> The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying the Settlement Agreement, submitting supplemental evidence and supplementing points and authorities as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of a mediator and/or the Court for resolution.

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

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

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

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

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

10.10 Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.

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

10.12 Use and Return of Aggrieved Employee Data. Information provided to PAGA Counsel pursuant to Cal. Evid. Code §1152, and all copies and summaries of the 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 rule of court. Not later than 90 days after the Administrator discharges its obligation to pay out of all Settlement funds, Plaintiffs shall destroy all paper and electronic versions of Aggrieved Employee 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 destructions, of Aggrieved Employee Data.

10.13 Headings. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.

10.14 Calendar Days. Unless otherwise noted, all reference to "days" in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.

10.15 Notice. All notices, demands or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email or messenger, addressed as follows:

To Plaintiffs:

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To Defendant:

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Sonia Vucetic
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GLASER WEIL FINK HOWARD JORDAN & SHAPIRO LLP
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Los Angeles, California 90067

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

10.17 Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that pursuant to CCP section 583.330 to extend the date to bring a case to trial under CCP section 583.310 for the entire period of this settlement process.

Plaintiff **ANTON LOUIS THOMPSON**:

DocuSigned by:

Signed: ______________________ Dated: 9/22/2025

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Plaintiff **TIARE LABISTRE**:

Signed: ______________________________ Dated: ____________________

Defendant **CAREER SYSTEMS DEVELOPMENT CORPORATION**:

Signed: ______________________________ Dated: ____________________

Name:____________________________

Title:_____________________________

AS TO FORM:

MOON LAW GROUP, P.C.:

Signed: ______________________________ Dated: September 22, 2025
Kane Moon

FERRARO VEGA EMPLOYMENT LAWYERS, INC.:

Signed: ______________________________ Dated: ____________________
Nicholas J. Ferraro

UNITED EMPLOYEES LAW GROUP:

Signed: ______________________________ Dated: September 30, 2025
Walter L. Haines

GLASER FINK HOWARD JORDAN & SHAPIRO LLP:

Signed: ______________________________ Dated: ____________________
Sonia Vucetic

Plaintiff **TIARE LABISTRE**:

Signed: Tiare LaBistre   Dated: Sep 24, 2025

Defendant **CAREER SYSTEMS DEVELOPMENT CORPORATION**:

Signed: ______________________________   Dated: ____________________

Name:____________________________

Title:_____________________________

AS TO FORM:

MOON LAW GROUP, P.C.:

Signed: ______________________________   Dated: ____________________
Kane Moon

FERRARO VEGA EMPLOYMENT LAWYERS, INC.:

Signed: Nicholas J. Ferraro   Dated: Sep 11, 2025
Nicholas J. Ferraro

UNITED EMPLOYEES LAW GROUP:

Signed: ______________________________   Dated: ____________________
Walter L. Haines

GLASER FINK HOWARD JORDAN & SHAPIRO LLP:

Signed: ______________________________   Dated: ____________________
Sonia Vucetic

Plaintiff **TIARE LABISTRE**:

Signed: ______________________________ Dated: ____________________

Defendant **CAREER SYSTEMS DEVELOPMENT CORPORATION**:

Signed by:
M. Chernenkoff
D68A58E8F2AE4A0

Signed: ______________________________ Dated: 9/22/2025

Name: Maggie Chernenkoff

Title: VP, People Operations

AS TO FORM:

MOON LAW GROUP, P.C.:

Signed: ______________________________ Dated: ____________________
Kane Moon

FERRARO VEGA EMPLOYMENT LAWYERS, INC.:

Signed: ______________________________ Dated: ____________________
Nicholas J. Ferraro

UNITED EMPLOYEES LAW GROUP:

Signed: ______________________________ Dated: ____________________
Walter L. Haines

GLASER FINK HOWARD JORDAN & SHAPIRO LLP:

Signed: Sonia Vucetic Dated: September 22, 2025
Sonia Vucetic

EXHIBIT A

[CLAIMS ADMINISTRATOR LETTERHEAD]

Mailing Date

NOTICE OF PAGA SETTLEMENT

Re: ***Anton Louis Thompson v. Career Systems Development Corp., et al.***
Sacramento Superior Court, Case No. 24CV009265

[claims admin info]

You have received the enclosed check in connection with the Settlement ("Settlement") of the above-referenced lawsuit ("Lawsuit") brought by former employee Anton Louis Thompson and Tiare LaBistre ("Plaintiffs") against Career Systems Development Corp. ("Defendant") for civil penalties pursuant to the Private Attorneys General Act, Labor Code sections 2698, *et seq*. ("PAGA").

Plaintiffs claimed that they and other non-exempt, hourly-paid employees of Defendant employed at any time from April 24, 2023 through June 10, 2025 ("PAGA Period"), in California were subjected to various Labor Code violations.

Defendant adamantly denies all allegations and liability. To avoid further time and expense of protracted and uncertain litigation, however, Defendant and Plaintiffs have agreed to settle the Lawsuit. The Settlement, approved by the Court on [DATE], resolves the alleged claims brought on behalf of all California past and present hourly-paid, non-exempt employees of Defendant employed at any time during the PAGA Period ("PAGA Group").

Pursuant to the Court's Order Approving PAGA Settlement ("Approval Order"), a payment of $375,000.00 was approved in settlement of this Lawsuit. As discussed in detail below, significant fees and costs are deducted from the $375,000.00 settlement payment, and the remaining portion has been split among approximately _______ employees who worked during the PAGA Period, including you.

Upon the date of entry of that Approval Order, and payment of all funds due under this Settlement, the California Labor & Workforce Development Agency ("LWDA") and PAGA Group, including Plaintiffs, fully release and forever discharge Defendant and other Released Parties (defined below) from all claims for PAGA penalties during the PAGA Period that were alleged, or reasonably could have been alleged, based on the facts contained in the Third Amended Complaint filed in the Lawsuit ("Operative Complaint") and the PAGA notice letters dated May 5, 2024 and April 25, 2024 for Plaintiffs Thompson and LaBistre respectively ("PAGA Notice") that were sent to Defendant and the LWDA by Plaintiffs, which include the PAGA claims based on Defendant's alleged failure to: pay minimum and overtime wages, provide meal periods and rest periods, maintain accurate records for hours worked, timely pay wages at termination, provide accurate itemized wage statements, and reimburse necessary business expenses. The Parties intend this release to be limited to claims for civil penalties only. The Released Parties are Defendant, and each of its former and present directors, officers, shareholders, owners, members, employees, attorneys, insurers, predecessors, successors, assigns, subsidiaries, and affiliates.

After accounting for PAGA Counsel's attorneys' fees of $________ and reimbursement of litigation costs of $_______, settlement administration costs of $________, and service payments of $________ to Plaintiffs, the remaining sum will be divided pursuant to California law as follows: $_______ (75%) to the LWDA and $_______ (25%) to all PAGA Group employees to be shared proportionally based on the number of pay periods worked during the PAGA Period ("PAGA Pay Period"). Based on Defendant's records, you **worked ________ PAGA Pay Periods**. The enclosed check represents your share based upon the number of your PAGA Pay

Periods. An IRS 1099 form is enclosed. You will be solely responsible for paying federal, state, or local taxes, if any, on the amount of your check.

Regardless of whether you negotiate the enclosed check, by way of this Settlement and the corresponding Approval Order, for the PAGA Period, each PAGA Group employee has fully released Defendant and other Released Parties for all claims for civil penalties under PAGA that were alleged, or could have been alleged, based on the facts contained in the PAGA Notice and Plaintiffs' Operative Complaint filed in the Lawsuit.

Your enclosed check is valid for 180 days from the date of its issuance. ***It is strongly recommended that you cash or deposit this check immediately***. After the 180 days expires, you cannot cash the check, it will be null and void, and the amount will be forwarded to the State of California Controller's Office Unclaimed Property Division for further handling. **Even if you fail to cash the enclosed check, you will still be deemed to have released all claims arising from the Lawsuit, including all claims set forth in the release of claims described above.**

If the check is lost or misplaced, please contact the Administrator immediately at [xxx-xxx-xxxx] to have it reissued. If you have any questions about your check, please contact the [insert administrator information]**.**