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SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF SAN LUIS OBISPO

AARON WALCH,, Plaintiff, vs. HOWARD & PEPPER, INC., dba TRAILER HITCH RV, MIKE HOWARD, an individual, and DOES 1-100, inclusive, Defendants.	Case No. 24CV-0312 **REPRESENTATIVE ACTION** **STIPULATION RE: PAGA SETTLEMENT** Complaint Filed: May 14, 2024 First Amended Complaint Filed: June 17, 2024 Trial Date: None Set

This Stipulation re: PAGA Settlement ("Settlement," "Agreement" or "Settlement Agreement") is made by and between plaintiff Aaron Walch ("Plaintiff"), individually, and on behalf of the Aggrieved Employees, on one hand; and defendants Howard & Pepper, Inc. dba Trailer Hitch RV ("Howard & Pepper"), a California corporation, and Mike Howard, an individual ("Defendants"), on the other hand, in the lawsuit entitled *Aaron Walch v. Howard & Pepper, Inc., et al*., filed in the County of San Luis Obispo Superior Court, Case No. 24CV-0312. Plaintiff and Defendants shall be, at times, collectively referred to as the "Parties," or individually as "Party." This Agreement is intended by the Parties to fully, finally, and forever resolve the claims as set forth herein, based upon and subject to the terms and conditions of this Agreement.

1. <u>DEFINITIONS</u>

1.1. "**Action**" means the civil action titled *Aaron Walch v. Howard & Pepper, Inc., et al*., Case No. 24CV-0312, initiated on May 14, 2024, and pending in the Superior Court of the State of California, County of San Luis Obispo.

1.2. "**Administrator**" refers to Atticus Administration, the third-party administrator who has been mutually selected by the Parties, subject to Court approval, to perform the notice, claims administration, and distribution of payment functions further described in this Agreement. The Settlement Administrator shall establish its own employer identification number and file an Internal Revenue Service Form W-9. The Settlement Administrator shall meet all of the requirements to establish a Qualified Settlement Fund ("QSF") pursuant to U.S. Treasury Regulation section 468B-1.

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 Employees**" means all current and former exempt and/or non-exempt employees of Defendants who engaged in sales activities in California any time during the PAGA Period.

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1.5. "**Aggrieved Employee Data**" means Aggrieved Employee identifying information in Defendants' possession including the Aggrieved Employee's name, last known mailing address, Social Security number, and dates of employment, *i.e.*, hire dates and, if applicable, re-hire dates and/or separation dates, 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. "**Approval Order**" means the proposed Court Order Granting final Approval of the Settlement.

1.8. "**Court**" means the Superior Court of California, County of San Luis Obispo.

1.9. "**Defendants**" means Howard & Pepper, Inc. dba Trailer Hitch RV, a California corporation, and Mike Howard, an individual.

1.10. "**Defense Counsel**" means Gregory J. Ferruzzo, Alison C. Gibbs, and Eric P. Enciso of Ferruzzo & Ferruzzo, LLP.

1.11. "**Effective Date**" means the date by when all of the following have occurred: (a) the Court enters a Judgment on its Order Approving the PAGA Settlement; and (b) the Judgment is final.

1.12. "**Gross Settlement Amount**" means Thirty-Five Thousand Dollars ($35,000.00), which is the total amount Defendants agree to pay under the Settlement. The Gross Settlement Amount will be used to pay the PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, and the Administrator's Expenses Payment. The remainder is the Net Settlement Amount to be paid to the LWDA and Aggrieved Employees as PAGA Penalties.

1.13. "**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.

1.14. "**Judgment**" means the judgment entered by the Court based upon the final approval of this Agreement.

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

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

1.17. "**Net Settlement Amount**" means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, and the Administrator's Expenses Payment. The remainder is the Net Settlement Amount to be paid to the LWDA and Aggrieved Employees as PAGA Penalties.

1.18. "**Operative Complaint**" means the First Amended Complaint filed on June 17, 2024, in the Action.

1.19. "**PAGA Counsel**" means Robert J. Wassermann and Jenny D. Baysinger of Mayall Hurley, P.C., the attorneys representing Plaintiff in the Action.

1.20. "**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, as described in paragraph 3.2 below.

1.21. "**PAGA Pay Period**" means any Pay Period during which an Aggrieved Employee worked for Defendants for at least one day during the PAGA Period.

1.22. "**PAGA Period**" means the period from April 12, 2023, through January 28, 2025.

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

1.24. "**PAGA Notice**" means Plaintiff's April 12, 2024, letter to Defendants and the LWDA, providing notice pursuant to the Labor Code section 2699.3, subd. (a).

1.25. "**PAGA Penalties**" means the total amount of PAGA civil penalties to be paid to the LWDA and the Aggrieved Employees, which is also referred to as the "Net Settlement Amount", with 25% allocated to the Aggrieved Employees and 75% allocated to the LWDA in settlement of PAGA claims.

1.26. "**Plaintiff**" means Aaron Walch, the named plaintiff in the Action.

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1.27. "**Released PAGA Claims**" refers to those claims released in Paragraph 5 of this Agreement.

1.28. "**Released Parties**" means: Defendants and their former, present and future owners, parents, subsidiaries, affiliated companies, and all of their current, former and future officers, directors, managers, employees, consultants, partners, shareholders, joint venturers, agents, predecessors, successors, assigns, executors, trustees, administrators, fiduciaries, beneficiaries, accountants, insurers, or legal representatives.

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

2. RECITALS

2.1. On May 14, 2024, Plaintiff commenced this Action by a complaint, alleging causes of action against Defendants for: 1. Failure to Pay Minimum Wage; 2. Failure to Pay Overtime; 3. Failure to Provide Meal Breaks; 4. Failure to Provide Rest Breaks; 5. Failure to Pay All Wages due and owing at end of Employment; 6. Failure to Provide Accurate Itemized Wage Statements; 7. Failure to Reimburse Business Expenses; 8. Unlawful Business Practices; and 9. Breach of Contract ("Original Complaint").

2.2. On June 17, 2024, Plaintiff filed a First Amended Complaint in the Action, realleging the nine causes of action against Defendants in the Original Complaint, and adding PAGA claims brought in the PAGA Notice and sought civil penalties, and an award of reasonable attorneys' fees and costs pursuant to the California PAGA set forth in California Labor Code section 2698 *et. seq.*, based on alleged violations of Labor Code sections 201, 202, 203, 204, 210, 226, 226.2, 226.7, 510, 512, 558, 1182.12 *et seq.*, 1194, 1198, and 2802, and 2699, *et seq.*, and the applicable IWC Wage Orders. Pursuant to Labor Code section 2699.3, subd. (a), Plaintiff gave a timely written notice to Defendants and the LWDA by sending the PAGA Notice.

2.3. Plaintiff and the Aggrieved Employees signed voluntary arbitration agreements as a part of their employment, which requires them to arbitrate disputes, including individual PAGA claims. The Parties agreed that Plaintiff's individual claims including his individual PAGA claim asserted in the Complaint in this action will be submitted to individual, binding arbitration. The

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Parties further agreed that the PAGA Action shall be stayed pending the outcome of Plaintiff's individual PAGA arbitration.

2.4. On January 28, 2025, the Parties participated in an all-day mediation presided over by Philip E. Cook, Esq., which led to this Agreement to settle the Action.

2.5. Prior to mediation, Plaintiff obtained, through informal discovery, the number of Aggrieved Employees, the number of pay periods, hire/separation dates, written policies, and related information.

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 The Parties agree that this Agreement reflects their good faith compromise of the claims raised in the Action, based upon the assessment of the mutual risks and costs of further litigation and the assessments of their respective counsel.

3. MONETARY TERMS

3.1. **Gross Settlement Amount**. Defendants promise to pay Thiry Five Thousand Dollars ($35,000.00) and no more as the Gross Settlement Amount in connection with the Settlement Agreement. Defendants have no obligation to pay the Gross Settlement Amount prior to the deadline stated in Paragraph 4.3 of this Agreement. The Administrator shall 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 Defendants.

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 Approval Order:

3.2.1. **To PAGA Counsel**: A PAGA Counsel Fees Payment in an amount not to exceed one-third, which is currently estimated to be $$11,666.67, from the Gross Settlement Amount and PAGA Counsel Litigation Expenses Payment of not more than $614.13, and as approved by the Court. Defendants will not oppose requests for Court approval of these payments provided that they do

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not exceed these amounts. Plaintiff and/or PAGA Counsel will file an application or motion for PAGA Counsel Fees Payment and PAGA Counsel 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. Any reduction by the Court to the requested PAGA Counsel Fees Payment and PAGA Counsel Litigation Expenses, will not affect the enforceability of the Agreement. Released Parties shall have no liability to PAGA Counsel or any other PAGA Counsel arising from any claim to any portion of any PAGA Counsel Fees Payment and/or PAGA Counsel Litigation Expenses Payment. The Administrator will pay the PAGA Counsel Fees Payment and PAGA Counsel Litigation Expenses Payment using one or more IRS 1099 Forms. PAGA Counsel assume full responsibility and liability for taxes owed on the PAGA Counsel Fees Payment and the PAGA Counsel Litigation Expenses Payment and hold Defendants harmless, and indemnify Defendants, from any dispute or controversy regarding any division or sharing of any of these Payments.

3.2.2. **To the Administrator**: An Administrator Expenses Payment not to exceed $2,200, except for a showing of good cause and as approved by the Court. To the extent the Administration Expenses are less or the Court approves payment less than $2,200, the Administrator will retain the remainder in the Net Settlement Amount.

3.3. **Net Settlement Amount**. The Net Settlement Amount to be paid to the LWDA and Aggrieved Employees as PAGA Penalties is the Gross Settlement Amount, less the following payments in the amounts approved by the Court: PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, and Administrator's Expenses Payment.

3.3.1. **To the LWDA and Aggrieved Employees**: PAGA Penalties will be paid from the Net Settlement Amount, with 75% allocated to the LWDA PAGA Payment

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and 25% allocated to the Individual PAGA Payments. In the event there is interest generated from the interest-bearing account held by the Administrator after Defendants fund the Gross Settlement Amount as set forth in Section 4.3, 75% of the interest amount, if any, shall be paid to the LWDA and 25% of the interest amount, if any, shall be paid to the Aggrieved Employees.

3.3.1.1. The Administrator will calculate each Individual PAGA Payment by (a) dividing the 25% of the Net Settlement Amount allocated to Individual PAGA Payments by the total number of PAGA Period Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each respective Aggrieved Employee's PAGA Period Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

3.3.1.2. If the Court approves PAGA Penalties 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.

4. SETTLEMENT FUNDING PAYMENTS

4.1. **Aggrieved Employee Pay Periods**. Based on a review of Defendants' records to date, Defendants estimate there are 23 Aggrieved Employees who worked a total of 421 PAGA Pay Periods.

4.2. **Aggrieved Employees Data**. Within 21 calendar days of the Effective Date, Defendants will deliver the Aggrieved Employees Data to the Administrator in the form of a Microsoft Excel spreadsheet. To protect Aggrieved Employees' privacy rights, the Administrator must maintain the Aggrieved Employees Data in confidence, use the Aggrieved Employees Data only for purposes of this Settlement and for no other purpose, and restrict access to the Aggrieved Employees Data to Administrator employees who need access to the Aggrieved Employees Data to effect and perform under this Agreement. Defendants have a continuing duty to immediately notify

PAGA Counsel if they discover that the Aggrieved Employees 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 Employees 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**. Within 30 calendar days of the Effective Date, Defendants shall fully fund the Gross Settlement Amount into an interest-bearing escrow account held by the Settlement Administrator.

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

4.4.1. The Administrator will issue checks for the Individual PAGA Payments and send them to the Aggrieved Employees via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (not less than 180 days after the date of mailing) when the check will be voided. The 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

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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 Defendants to confer any additional benefits or make any additional payments to the Aggrieved Employees (such as 401(k) contributions or bonuses).

5. **RELEASES OF CLAIMS**

Effective upon final approval of this Settlement and when Defendants fully fund the entire Gross Settlement Amount, the LWDA, Plaintiff, each Aggrieved Employee, and PAGA Counsel, will release claims against all Released Parties as follows:

5.1. **Release by LWDA and Aggrieved Employees**: Upon the Effective Date, for the duration of the PAGA Period, the LWDA and the State of California, by and through Plaintiff as an agent and proxy of the LWDA, and each Aggrieved Employee, and each of the Aggrieved Employees' respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release the Released Parties from any and all charges, claims, complaints, rights, demands, liabilities, obligations, and causes of action, including attorneys' fees, costs, and interest arising therefrom, that arose during the PAGA Period for civil penalties under the PAGA, based on the factual allegations pled in Plaintiff's Operative Complaint and/or in the corresponding PAGA Notice(s) to the LWDA or which could have been alleged for civil penalties under the PAGA based on the facts and/or claims alleged therein, including, but not limited to, pursuant to Labor Code sections 201, 202, 203, 204, 210, 226, 226.2, 226.7, 510, 512, 558, 1182.12 *et seq.*, 1194, 1198, and 2802, and 2699, *et seq.*, the applicable IWC Wage Orders, Breach of Contract, and/or any other California Labor Code provisions that could have been asserted under the PAGA based on the facts

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and/or claims alleged in the Action and/or PAGA Notice ("Released Claims"), including but not limited to any claims for penalties and/or attorneys' fees and costs thereon arising from any and all of the Released Claims. All such Released Claims (including, without limitation, claims for related attorneys' fees and costs) are forever barred by this Agreement regardless of the forum in which they may be brought. The Released Claims do 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. Aggrieved Employees acknowledge that Aggrieved Employees may discover facts or law different from, or in addition to, the facts or law that Aggrieved Employees now know or believe to be true but agree, nonetheless, that the Released Claims shall be and remain effective in all respects, notwithstanding such different or additional facts or Aggrieved Employees' discovery of them.

5.1.1. **No Right to Opt-Out**. The Parties agree that there is no statutory right for any Aggrieved Employee to opt out or otherwise exclude himself or herself from the Agreement.

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.

5.4 **Submission of Judgment to LWDA**. Within ten (10) calendar days after Court's final approval of the Agreement and entry of a final order and Judgment, PAGA Counsel shall submit the Judgment to the LWDA through its on-line procedures and shall provide Defense Counsel with a copy of the LWDA's acknowledgment of receipt of the Judgment.

6. <u>MOTION OR APPLICATION FOR APPROVAL OF SETTLEMENT</u>

The Parties agree to Plaintiff's filing of a motion for approval of this Settlement.

6.1. **Plaintiff's Responsibilities**. Plaintiff will prepare and endeavor to 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 notices 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. In their Declarations, Plaintiff and PAGA Counsel shall declare 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 are responsible for expeditiously finalizing and filing the motion for approval of this Settlement after the full execution of this Agreement no later than 30 days after 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 are responsible for delivering the Court's approval of the Settlement 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 issue an order approving the Agreement under the specific terms requested, the Parties agree to meet and confer to address the Court's concerns in good faith and determine whether resolution of the claims encompassed by the Agreement can be obtained in a manner consistent with the Court's concerns. The Parties expressly acknowledge that the Court's approval of this Agreement is a condition precedent to any payments described in this Agreement.

7. <u>SETTLEMENT ADMINISTRATION</u>

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7.1. **Selection of Administrator**. Plaintiff has appointed Atticus Administration to serve as the Administrator and verified that, as a condition of appointment, Atticus Administration 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 a review of Defendants' records to date, Defendants estimate there are 23 Aggrieved Employees who worked approximately 421 PAGA Pay Periods from April 12, 2023, through January 28, 2025.

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**. Upon the Court's final approval of the Agreement, 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'

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obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final.

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 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 reserves 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).

10.2. **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 or prior representations, warranties, covenants, or inducements made to or by any Party.

10.3. **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.

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

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may become necessary to implement the Settlement, the Parties will seek the assistance of a mediator and/or the Court for resolution.

10.5. **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 Parties in this Settlement.

10.6. **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.

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. Plaintiff and Defendants expressly agree that should the Parties agree to amend, modify, change, or waive this Agreement, or any part of it, PAGA Counsel and Defense Counsel are authorized to submit to the Court any amendments of this Agreement, amended Agreements, or amendments to the Agreement, on behalf of the Parties once fully executed.

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 Evidence Code section 1152, and all copies and summaries of the PAGA Data provided to PAGA Counsel by Defendants 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.

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 Plaintiff:

MAYALL HURLEY, PC
Robert J. Wassermann (SBN 258538)
rwassermann@mayallaw.com
Jenny D. Baysinger (SBN 258538)
jbaysinger@mayallaw.com
112 S Church Street
Lodi, CA 95240
Phone: (310) 438-5555; Fax: (209) 473-4818

To Defendants:

FERRUZZO & FERRRUZO LLP
Gregory J. Ferruzzo
gferruzzo@ferruzzo.com
Alison C. Gibbs
agibbs@ferruzzo.com

Eric P. Enciso
eenciso@ferruzzo.com
3737 Birch Street, Suite 400
Newport Beach, California 92660
Phone: (949) 608-6900; Fax: (949) 608-6994

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. **Severability**. In the event that one or more of the provisions contained in this Agreement shall for any reason be held invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall in no way effect any other provision if Defense Counsel and PAGA Counsel, on behalf of the Parties and the Aggrieved Employees, mutually elect in writing to proceed as if such invalid, illegal, or unenforceable provision had never been included in this Agreement.

10.18. **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 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.

DocuSigned by:
CFA0204C09434FE...
Aaron Walch

Howard & Pepper, Inc. dba Trailer Hitch RV
By: Mike Howard
Its: ______________

Mike Howard

APPROVED AS TO FORM ONLY:

DocuSigned by:

Robert Wassermann

077A13A0E77A4C5...

Robert J. Wassermann
Jenny D. Baysinger
Counsel for Plaintiff Aaron Walch

Gregory J. Ferruzzo
Alison C. Gibbs
Eric P. Enciso
Counsel for Defendants Howard & Pepper, Inc. dba Trailer Hitch RV and Mike Howard

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