JOINT STIPULATION AND SETTLEMENT AGREEMENT

Subject to approval by the Court, this Settlement Agreement is between Plaintiff SYLVIA ZAMORA ("Plaintiff") on behalf of herself, all others similarly situated, and on behalf of the general public and Defendant CAPC, INC. ("Defendant") (collectively referred to as the "Parties").

I. DEFINITIONS

In addition to the other terms defined in this Agreement, the terms below have the following meaning:

A. **Action**: *Sylvia Zamora v. CAPC, Inc.*, Los Angeles County Superior Court Case No. 24STCV24050.

B. **Administration Costs**: The costs incurred by the Settlement Administrator to administer this Settlement, which shall not exceed $6,000. All Administration Costs shall be paid from the Gross Settlement Amount. Any amount not awarded by the Court or needed by the Settlement Administrator will become part of the Net Settlement Amount for distribution to Aggrieved Employees.

C. **Aggrieved Employees**: All non-exempt, hourly employees who worked for Defendant in California at any time from September 15, 2023, to whichever date is earlier: (1) the date of preliminary approval; or (2) March 11, 2026.

D. **Agreement, Settlement Agreement, Joint Stipulation, or Settlement**: The settlement agreement reflected in this document, titled "Joint Stipulation and Settlement Agreement."

E. **Attorney Fee Award**: The amount, not to exceed 35.00% of the Gross Settlement Amount (currently $45,500), finally approved by the Court and awarded to Plaintiff's Counsel. The Attorney Fee Award shall be paid from the Gross Settlement Amount and will not be opposed by Defendant. If the Court awards less than the amount requested, any amount not awarded will become part of the Net Settlement Amount for distribution to Aggrieved Employees.

F. **Cost Award**: The amount that the Court orders Defendant to pay Plaintiff's Counsel for payment of actual litigation costs, which shall not exceed $25,000. The Cost Award will be paid from the Gross Settlement Amount and will not be opposed by Defendant. The Cost Award is subject to Court approval. If the Court awards less than the amount requested, any amount not awarded will become part of the Net Settlement Amount for distribution to Aggrieved Employees.

G. **Counsel for Defendant:** Spencer W. Waldron and Josh Klein of Fisher & Phillips LLP.

H. **Defendant**: CAPC, Inc.

I. **Disbursement of the Settlement:** The dates on which the Settlement Administrator shall disburse the Gross and Net Settlement Amounts as instructed herein.

J. **Effective Date:** The date the Court grants approval of the settlement.

K. **Funding of Settlement:** The Gross Settlement Amount will be wired by Defendant to the settlement administrator within thirty (30) days of the Effective Date.

L. **Final Judgment**: The final order entered by the Court approving this settlement.

M. **Gross Settlement Amount or GSA**: The total value of the Settlement is a non-reversionary $130,000. This is the maximum amount Defendant can be required to pay under this Settlement Agreement. The Gross Settlement Amount includes: (1) the Net Settlement Amount to be paid to Aggrieved Employees; (2) the Attorney Fee Award and Cost Award to Plaintiff's Counsel for attorneys' fees and costs, as approved by the Court; (3) the PAGA Representative Payment paid to the PAGA Representative, as approved by the Court; (4) the Administration Costs, as approved by the Court; and (5) the LWDA Payment to the LWDA, as approved by the Court. No portion of the Gross Settlement Amount will revert to Defendant for any reason.

N. **Individual Settlement Share(s)**: The amount payable to each Aggrieved Employee under the terms of this Agreement.

O. **LWDA**: California Labor and Workforce Development Agency.

P. **LWDA Payment**: Sixty-five percent (65%) of the Net Settlement Amount that shall be paid to the LWDA.

Q. **Net Settlement Amount or NSA**: The NSA is the total amount of money available for payout to Aggrieved Employees and the LWDA, which is the GSA less the Attorney Fee Award, Cost Award, and Administration Costs.

R. **PAGA**: The California Labor Code Private Attorneys General Act of 2004 (Cal. Labor Code §§ 2698 *et seq.*).

S. **PAGA Notice or Notice**: The Notice of PAGA Settlement, substantially similar to the form attached hereto as **Exhibit A**, subject to Court approval, which will accompany each Individual Settlement Share check.

T. **PAGA Period**: September 15, 2023, to whichever date is earlier: (1) the date of preliminary approval; or (2) March 11, 2026.

U. **PAGA Representative or Plaintiff:** Sylvia Zamora.

V. **PAGA Representative Payment**: The amount the Court awards to Plaintiff for conferring a benefit upon the State and Aggrieved Employees, which will not exceed $2,500. This payment shall be paid from the GSA and is being offered in consideration for Plaintiff's efforts in litigating the Action and risks of incurring financial obligations to Defendant in the event Plaintiff was not successful in the Action and held to pay for Defendant's costs and/or attorney's fees. If the Court awards less than the amount requested, any amount not awarded will become part of the NSA for distribution to Aggrieved Employees.

W. **Plaintiff's Counsel**: Kane Moon, Lilit Ter-Astvatsatryan, and Michael Citrin of Moon Law Group, PC.

X. **Qualified Settlement Fund or QSF**: The Parties agree that the Gross Settlement Amount is intended to be a "Qualified Settlement Fund" under Section 468B of the Code and Treasury Regulations § 1.4168B-1, 26 C.F.R. § 1.468B-1 *et seq.*, and will be administered by the Settlement Administrator as such. The Parties and Settlement Administrator shall treat the QSF as coming into existence as a Qualified Settlement Fund on the earliest date permitted as set forth in 26 C.F.R. § 1.468B-1, and such election statement shall be attached to the appropriate returns as required by law.

Y. **Released Claims**: Upon full funding of the GSA, Plaintiff and the LWDA shall fully release and discharge Defendant and the Released Parties from any and all claims that were alleged or could have been alleged based on the claims, facts, and/or allegations contained in operative Complaint and in the PAGA Notice submitted by Plaintiff to the LDWA. The release shall be for the PAGA Period.

Z. **Released Parties**: Defendant including its past, present, and future divisions, affiliates, parents, subsidiaries, predecessors, successors, assigns, members, shareholders, owners, officers, directors, employees, agents, trustees, attorneys, representatives, administrators, fiduciaries, beneficiaries, subrogees, executors, partners, and privies.

AA. **Settlement Administration**: The Settlement Administrator will conduct a skip trace for the address of all former employee Aggrieved Employees and run the names of all Aggrieved Employees through the National Change of Address ("NCOA") database to determine any updated addresses. The Settlement Administrator will mail the Individual Settlement Share checks and Notice by first class U.S. mail to all Aggrieved Employees. The Notice will inform Aggrieved Employees of the resolution of the Action and their entitlement to the enclosed settlement payment.

BB. **<u>Settlement Administrator</u>**: The third party administrator agreed upon by Parties to administer this Settlement is Phoenix Class Action Administration Solutions ("Phoenix").

CC. **<u>Superior Court</u>**: Los Angeles County Superior Court.

II. <u>RECITALS</u>

A. Plaintiff sent her Notice of Labor Code Violations Pursuant to Labor Code § 2699.3 on September 7, 2024. In the letter, Plaintiff apprised the LWDA of her wage and hour claims against Defendant.

B. The Action was filed by Plaintiff in Los Angeles County Superior Court on September 17, 2024. The amended complaint (class claims dismissed via stipulation) alleged causes of action on behalf of Plaintiff and those similarly situated aggrieved employees under the PAGA for Defendant's alleged failure to pay all straight time wages, failure to pay all overtime wages, failure to provide lawful meal periods, failure to provide lawful rest periods, failure to indemnify necessary expenditures, failure to pay all wages due at termination, and failure to provide compliant wage statements.

C. After filing, the Parties conducted discovery. Defendant produced several hundred pages of documents. These documents included policy documents that covered Plaintiff's and the aggrieved employees' employment with Defendant. Defendant also produced Excel files that contained a sampling of time and wage records for aggrieved employees.

D. The Parties attended mediation with wage and hour mediator Marc Feder on December 11, 2025. The mediation concluded with a mediator's proposal that was accepted by the Parties.

E. **Benefits of Settlement to Aggrieved Employees.** Plaintiff and Plaintiff's Counsel recognize the expense and length of continued proceedings necessary to continue the litigation against Defendant through trial and through any possible appeals. Plaintiff and Plaintiff's Counsel also have taken into account the uncertainty and risk of further litigation, the potential outcome, and the difficulties and delays inherent in such litigation. Plaintiff and Plaintiff's Counsel have conducted extensive settlement negotiations. Based on the foregoing, Plaintiff and Plaintiff's Counsel believe the settlement set forth in this Agreement is a fair, adequate, and reasonable settlement, and is in the best interests of the Aggrieved Employees.

F. **Defendant's Reasons for Settlement.** Defendant recognizes that the defense of the Action will be protracted and expensive. Substantial amounts of time, energy, and resources of Defendant have been and, unless this settlement is made, will continue to be devoted to the defense of the claims asserted by Plaintiff. Defendant, therefore, has agreed to settle in the manner and upon the terms set forth in this Agreement to put to rest the Released Claims.

G. **Defendant's Denial of Wrongdoing.** Defendant generally and specifically denies any and all liability or wrongdoing of any sort with regard to any of the claims alleged, and makes no concessions or admissions of liability of any sort. Defendant asserts a number of defenses to the claims, and has denied any wrongdoing or liability arising out of any of the alleged facts or conduct in the Action. Neither this Agreement, nor any document referred to or contemplated herein, nor any action taken to carry out this Agreement, is or may be construed as, or may be used as an admission, concession, or indication by or against Defendant or any of the Released Parties of any fault, wrongdoing, or liability whatsoever. There has been no final determination by any court as to the merits of the claims asserted by Plaintiff against Defendant.

H. **Plaintiff's Claims.** Plaintiff asserts that Defendant's defenses are without merit. Neither this Agreement nor any documents referred to or contemplated herein, nor any action taken to carry out this Agreement is, may be construed as, or may be used as an admission, concession or indication by or against Plaintiff, Aggrieved Employees, or Plaintiff's Counsel as to the merits of any claims or defenses asserted, or lack thereof, in the Action. However, in the event that this Settlement is finally approved by the Court, the Plaintiff, Aggrieved Employees, and Plaintiff's Counsel will not oppose Defendant's efforts to use this Agreement to prove that Plaintiff and Aggrieved Employees have resolved and are forever barred from re-litigating the Released Claims.

III. <u>SETTLEMENT TERMS AND CONDITIONS</u>

A. **Gross Settlement Amount.** Subject to the terms and conditions of this Agreement the Gross Settlement Amount that Defendant is obligated to pay under this Settlement Agreement is $130,000.

1. **Escalator Provision**: It was estimated for purposes of mediation that Aggrieved Employees worked approximately 4,372 pay periods between the start of the PAGA Period and the mediation. As such, this settlement is estimated to encompass approximately 4,372 pay periods. To the extent that the total number of pay periods increases by more than ten percent (10%) of this estimate, the Gross Settlement Amount shall increase proportionately by the number of pay periods worked in excess of 10%. For example, if the pay periods increases by 15%, then the Gross Settlement Amount will increase by 5%. In the alternative, Defendant can avoid increasing the Gross Settlement Amount by electing to end the PAGA Period when the number of PAGA Pay Periods reaches 4,809. Defendant shall inform Plaintiff of its election prior to the PAGA approval hearing.

B. **Individual Settlement Share.** Subject to the terms and conditions of this Agreement, the Settlement Administrator will pay an Individual Settlement Share from the NSA to each Aggrieved Employee.

1. **Calculation**.

    a. **Individual Settlement Share Calculation.**

        1. Each Aggrieved Employee will receive a proportionate share of the Aggrieved Employee Net Settlement Amount that is equal to (i) the number of pay periods he or she worked for Defendant in California during the PAGA Period based on the Database provided by Defendant, divided by (ii) the total number of pay periods worked by all Aggrieved Employees based on the same Database, which is then multiplied by the NSA. One day worked in a given pay period will be credited as a pay period for purposes of this calculation. Therefore, the value of each Aggrieved Employee's Individual Settlement Share ties directly to the amount of pay periods that he or she worked.

2. **Tax Withholdings.** Each Aggrieved Employee's gross settlement award will be apportioned as 100% penalties and be subject to all authorized and required withholdings other than the tax withholdings customarily made from employees' wages and shall be reported by IRS 1099 forms.

C. **Recipients of GSA Disbursement.** Subject to the terms and conditions of this Agreement, the Settlement Administrator shall disburse the GSA as directed later on herein to the following:

1. **To Plaintiff's Counsel.** Plaintiff's Counsel will apply to the Court for a total Attorney Fee Award not to exceed 35.00% (currently $45,500) of the GSA and a Cost Award not to exceed $25,000. The Settlement Administrator will pay the court-approved amounts for the Attorney Fee Award and Cost Award out of the GSA. Payroll tax withholding and deductions will not be taken from the Attorney Fee Award or the Cost Award. IRS Forms 1099 will be issued to Plaintiff's Counsel with respect to the Attorney Fee Award. In the event the Court does not approve the entirety of the application for the Attorney Fee Award and/or Cost Award, the Settlement Administrator shall pay whatever amount the Court awards, and neither Defendant nor the Settlement Administrator shall be responsible for paying the difference between the amount requested and the amount awarded. If the amount awarded is less than the amount requested by Plaintiff's Counsel for the Attorney Fee Award and/or Cost Award, the difference shall become part of the NSA and be available for distribution to Aggrieved Employees.

2. **To the Plaintiff:** In addition to Plaintiff's Individual Settlement Share, and subject to the Court's approval, PAGA Representative/Plaintiff Sylvia Zamora will receive up to $2,500. The Settlement Administrator will pay the PAGA Representative Payment out of the GSA. Payroll tax withholdings and deductions will not be taken from the PAGA Representative Payment. An IRS Form 1099 will be issued to Plaintiff with respect to the PAGA Representative Payment.

3. **To the Settlement Administrator.** The Settlement Administrator will pay to itself Administration Costs (reasonable fees and expenses) approved by the Court not to exceed $6,000. This will be paid out of the GSA. If the actual amount of Administration Costs is less than the amount estimated and/or requested, the difference shall become part of the NSA and be available for distribution to Aggrieved Employees.

4. **To the LWDA.** The Settlement Administrator will pay the LWDA Payment sixty-five percent (65%) of the Net Settlement Amount to the LWDA.

5. **To Aggrieved Employees.** The Settlement Administrator will pay Aggrieved Employees according to the Individual Settlement Share calculations set forth above.

D. **Appointment of Settlement Administrator.** Solely for the purposes of this Settlement, the Parties stipulate and agree to the appointment of the Settlement Administrator. The Settlement Administrator shall be responsible for performing skip traces and NCOA searches on Aggrieved Employee addresses; preparing and mailing Notices and Individual Settlement Share checks to Aggrieved Employees; calculating each Aggrieved Employee's Individual Settlement Share; providing a declaration for submission to the Court prior to the Settlement Approval hearing; calculating and mailing the LWDA Payment to the LWDA; distributing the Attorney Fee Award and Cost Award to Plaintiff's Counsel; distributing the PAGA Representative Payment; calculating and paying amounts owed, if any, to the appropriate tax authorities; printing and providing Aggrieved Employees with 1099 forms as required under this Agreement and applicable law; providing a due diligence/post-disbursement declaration for submission to the Court upon the completion of the Settlement; providing any funds remaining in the QSF as a result of uncashed checks to the State of California unclaimed property fund in the name of the Aggrieved Employee, in the amounts directed per this Settlement, including the administration of related tax reimbursements, if any; and for such other tasks as the Parties mutually agree. The Parties each represent that they do not have any financial interest in the Settlement Administrator or otherwise have a relationship with the Settlement Administrator that could create a conflict of interest.

E. Procedure for Approving Settlement.

1. Motion for Settlement Approval.

a. Plaintiff will move for an order granting approval of the Settlement.

b. At the Settlement Approval hearing, the Plaintiff will appear, support the granting of the motion, and submit a proposed order granting approval of the Settlement.

c. **Effect of Denial of Settlement Approval.** 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. Provided, however, that the amounts of the Attorney Fee Award, Cost Award, and Administration Costs shall be determined by the Court, and the Court's determination on these amounts shall be final and binding, and that the Court's approval or denial of any amount requested for these items are not conditions of this Settlement Agreement, and are to be considered separate and apart from the fairness, reasonableness, and adequacy of the Settlement. Any order or proceeding relating to an application for the Attorney Fee Award, PAGA Representative Payment, Cost Award, and Administration Costs shall not operate to terminate or cancel this Settlement Agreement. Nothing in this Agreement shall limit Plaintiff or Plaintiff's Counsel's ability to appeal any decision by the Court to award less than the requested Attorney Fee Award, Cost Award, PAGA Representative Payment, and Administration Costs.

d. **Proposed Order and Judgment.** Upon Approval of the Settlement, the Parties shall present to the Court a proposed Settlement Approval Order, approving of the Settlement and entering Judgment in accordance therewith. After entry of Judgment, the Court shall have continuing jurisdiction over the Action for purposes of: (1) enforcing this Settlement Agreement; (2) addressing settlement administration matters; and (3) addressing such post-Judgment matters as may be appropriate under Court rules and applicable law.

2. Notice and Disbursement to Aggrieved Employees. After the Court enters its Approval Order, every Aggrieved Employee will be provided with a Notice accompanying his or her Individual Settlement Share check in accordance with the following procedure:

a. **Database.** Within fifteen (15) days after the Effective Date, Defendant shall deliver to the Settlement Administrator an electronic database, which will list for each Aggrieved Employee: (1) first and last name; (2) last known mailing address; (3) social security number; and (4) the total number of pay periods during which the Aggrieved Employee performed work during the PAGA Period as an Aggrieved Employee ("Database"). If any or all of this information is unavailable to Defendant, Defendant will so inform Plaintiff's Counsel and the Parties will make their best efforts to reconstruct or otherwise agree upon how to deal with the unavailable information. The Database shall be based on Defendant's payroll, personnel, and other business records. The Settlement Administrator will conduct a skip trace for the address of all Aggrieved Employees who are former employees of Defendant and an NCOA search on all addresses. The Settlement Administrator shall maintain the Database and all data contained within the Database as private and confidential.

b. **Funding the Settlement:** The Gross Settlement Amount will be wired by Defendant to the settlement administrator within thirty (30) days of the Effective Date.

c. **Settlement Administrator's Disbursement Duties.** Subject to the Court approving the Settlement, the Settlement Administrator shall distribute funds pursuant to the terms of this Agreement and the Court's Approval Order and Judgment. The Settlement Administrator shall keep Defendant's Counsel and Plaintiff's Counsel apprised of all distributions from the GSA. The Settlement Administrator shall respond to questions from Defendant's Counsel and Plaintiff's Counsel.

d. **Disbursement**: The Settlement Administrator will disburse the GSA within fifteen (15) days after funding, as instructed herein. The Settlement Administrator shall disburse: (1) the Net Settlement Amount to be paid to Aggrieved Employees; (2) the Attorney Fee Award and Cost Award to Plaintiff's Counsel, as approved by the Court; (3) the PAGA Representative Payment, as approved by the Court; (4) the Administration Costs, as approved by the Court; and (5) the LWDA Payment.

e. **Returned Notices and Checks.** If a Notice and Individual Settlement Check are returned because of an incorrect address, within five (5) days from receipt of the returned Notice, the Settlement Administrator will conduct a search for a more current address for the Aggrieved Employee and re-mail the Notice and Individual Settlement Share check to the Aggrieved Employee.

The Settlement Administrator will use the NCOA and skip traces to attempt to find the current address. The Settlement Administrator will be responsible for taking reasonable steps to trace the mailing address of any Aggrieved Employee for whom a Notice and Individual Settlement Share check is returned by U.S. Postal Service as undeliverable. These reasonable steps shall include, at a minimum, the tracking of all undelivered mail; performing address searches for all mail returned without a forwarding address; and promptly re-mailing the Notice and Individual Settlement Check to Aggrieved Employees for whom new addresses are found. If the PAGA Notice is re-mailed, the Settlement Administrator will note for its own records the date and address of each re-mailing.

3. **Waiver of Right to Appeal.** Provided that the Judgment is consistent with the terms and conditions of this Agreement, then the Parties and their respective counsel waive any and all rights to appeal from the Judgment, including, but not limited to, all rights to any post-judgment proceeding and appellate proceeding, such as a motion to vacate or set aside judgment, and any extraordinary writ, and the Judgment will become non-appealable at the time it is entered. The waiver of appeal does not include any waiver of the right to oppose any appeal, appellate proceeding, or post-judgment proceeding.

4. **Vacating, Reversing, or Modifying Judgment on Appeal.** If, after a notice of appeal, the reviewing court vacates, reverses, or modifies the Judgment such that there is a material modification to the Settlement, and that court's decision is not completely reversed and the Judgment is not fully affirmed on review by a higher court, then this Settlement will become null and void and the Parties will have no further obligations under it. A material modification would include, but not necessarily be limited to, any alteration of the GSA, an alteration in the calculation of the NSA, and any change to the calculation of the Individual Settlement Shares.

5. **Final Report by Settlement Administrator.** Within ten (10) days after the disbursement of all funds, the Settlement Administrator will serve on the Parties a declaration providing a final report on the disbursements of all funds.

6. **Uncashed Checks.** Aggrieved Employees must cash or deposit their Individual Settlement Share checks within one hundred and eighty (180) calendar days after the checks are mailed to them.

    a. **Reminder Postcard.** If any checks are not redeemed or deposited within ninety (90) calendar days after mailing, the Settlement Administrator will send a reminder postcard indicating that unless the check is redeemed or deposited in the next ninety (90) days, it will expire and become non-negotiable, and offer to replace the check if it was lost or misplaced.

b. **Uncashed Checks.** If any checks remain uncashed or not deposited by the expiration of the 90-day period after mailing the reminder notice, the Settlement Administrator will, within two hundred (200) calendar days after the checks are mailed, cancel the checks. All funds associated with the Individual Settlement Share checks returned as undeliverable and funds associated with those Individual Settlement Share checks remaining un-cashed, shall be transmitted by the Settlement Administrator to the California Controller's Unclaimed Property Fund in the name of the Aggrieved Employee.

7. **Defendant's Legal Fees.** Defendant is responsible for paying for all of Defendant's own legal fees, costs, and expenses incurred in this Action outside of the GSA.

F. **Release of Claims.** Upon the Effective Date, as defined above, Plaintiff, individually and as the representative acting as a proxy or agent of the LWDA, shall release the Released Claims, as defined above, against the Released Parties.

G. **Miscellaneous Terms**

1. **No Admission of Liability.** Defendant makes no admission of liability or wrongdoing by virtue of entering into this Agreement. Additionally, Defendant reserves the right to contest liability if the Settlement is not approved. Defendant denies that it has engaged in any unlawful activity, has failed to comply with the law in any respect, or has any liability to anyone under the claims asserted in the Action. This Agreement is entered into solely for the purpose of compromising highly disputed claims. Nothing in this Agreement is intended or will be construed as an admission by Defendant of liability or wrongdoing. This Settlement and Plaintiff's and Defendant's willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (other than solely in connection with this Settlement).

2. **No Effect on Employee Benefits.** The Individual Settlement Shares paid to Plaintiff and Aggrieved Employees shall not be deemed to be pensionable earnings and shall not have any effect on the eligibility for, or calculation of, any of the employee benefits (*e.g.*, vacation, holiday pay, retirement plans, etc.) of Plaintiff or the Aggrieved Employees. The Parties agree that any Individual Settlement Share paid to Plaintiff or the Aggrieved Employees under the terms of this Agreement do not represent any modification of Plaintiff's or Aggrieved Employees' previously credited

hours of service or other eligibility criteria under any employee pension benefit plan or employee welfare benefit plan sponsored by Defendant.

3. **Integrated Agreement.** After this Agreement is signed and delivered by all Parties and their counsel, this Agreement and its exhibits will constitute the entire Agreement between the Parties relating to the Settlement, and it will then be deemed that no oral representations, warranties, covenants, or inducements have been made to any party concerning this Agreement or its exhibits, other than the representations, warranties, covenants, and inducements expressly stated in this Agreement and its exhibits.

4. **Authorization to Enter Into Settlement Agreement.** Plaintiff's Counsel and Defendant's Counsel warrant and represent that they are authorized by Plaintiff and Defendant, respectively, to take all appropriate action required or permitted to be taken by such Parties under this Agreement to effectuate its terms, and to execute any other documents required to effectuate the terms of this Agreement. The Parties and their counsel will cooperate with each other and use their best efforts to effect the implementation of the Settlement. In the event the Parties are unable to reach agreement on the form or content of any document needed to implement this Agreement, or on any supplemental provisions that may become necessary to effectuate the terms of this Agreement, the Parties will seek the assistance of the Court, and in all cases, all such documents, supplemental provisions, and assistance of the Court will be consistent with this Agreement.

5. **Exhibits and Headings.** The terms of this Agreement include the terms set forth in the attached exhibits, which are incorporated by this reference as though fully set forth herein. Any exhibits to this Agreement are an integral part of the Settlement and must be approved substantially as written. The descriptive headings of any paragraphs or sections of this Agreement are inserted for convenience of reference only and do not constitute a part of this Agreement.

6. **Interim Stay of Proceedings.** The Parties agree to stay and hold all proceedings in the Action in abeyance, except such proceedings necessary to implement and complete the Settlement, pending the Settlement Approval hearing to be conducted by the Court.

7. **Amendment or Modification of Agreement.** This Agreement, and any and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by counsel for all Parties or their successors-in-interest.

8. **Agreement Binding on Successors and Assigns.** This Agreement will be binding upon, and inure to the benefit of, the successors and assigns of the Parties, as previously defined.

9. **No Prior Assignment.** Plaintiff hereby represents, covenants, and warrants that he has not directly or indirectly, assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action or rights herein released and discharged.

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 giving effect to any conflict of law principles or choice of law principles.

11. **Fair, Adequate, and Reasonable Settlement.** The Parties and their respective counsel believe and warrant that this Agreement reflects a fair, reasonable, and adequate settlement of the Action and have arrived at this Agreement through arms-length negotiations, taking into account all relevant factors, current and potential.

12. **No Tax or Legal Advice.** The Parties understand and agree that the Parties are neither providing tax or legal advice, nor making representations regarding tax obligations or consequences, if any, related to this Agreement, and that Aggrieved Employees will assume any such tax obligations or consequences that may arise from this Agreement, and that Aggrieved Employees shall not seek any indemnification from the Parties or any of the Released Parties in this regard. The Parties agree that, in the event that any taxing body determines that additional taxes are due from any Aggrieved Employee, such Aggrieved Employee assumes all responsibility for the payment of such taxes.

13. **Jurisdiction of the Court.** The Court shall retain jurisdiction with respect to the interpretation, implementation, and enforcement of the terms of this Agreement and all orders and judgment entered in connection therewith, and the Parties and their counsel hereto submit to the jurisdiction of the Court for purposes of interpreting, implementing, and enforcing the Settlement embodied in this Agreement and all orders and judgments in connection therewith.

14. **Invalidity of Any Provision; Severability.** Before declaring any provision of this Agreement invalid, the Parties request that the Court first attempt to construe the provisions valid to the fullest extent possible consistent with applicable precedents, so as to define all provisions of this Agreement valid and enforceable. In the event any provision of this Agreement shall be found unenforceable, the unenforceable provision shall be deemed deleted, and the validity and enforceability of the remaining provisions shall not be affected thereby.

15. **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.

16. **Execution in Counterpart.** This Agreement may be executed in one or more counterparts. All executed counterparts, and each of them, will be deemed to be one and the same instrument provided that counsel for the Parties will exchange between themselves original signed counterparts. Facsimile or PDF signatures will be accepted. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

IV. EXECUTION BY PARTIES AND COUNSEL

The Parties and their counsel execute this Agreement.

Dated: 2/25/2026 SYLVIA ZAMORA

DocuSigned by:
Sylvia Zamora
609A7D9D4C95445...
Plaintiff

Dated: Mar 3, 2026 CAPC, INC.

Shauna Steele
Shauna Steele (Mar 3, 2026 18:20:32 PST)
Defendant
Shauna Steele, CEO/Executive Director

Dated: 2/27/2026 MOON LAW GROUP, PC

Kane Moon, Esq.
Lilit Ter-Astvatsatryan, Esq.
Michael Citrin
Attorneys for Plaintiff

Dated: 03/03/26 FISHER & PHILLIPS LLP

Spencer Waldron
Spencer W. Waldron, Esq.
Josh Klein, Esq.
Attorneys for Defendant

Exhibit A

[Add Date]

[Name]
[Address]
[City, State Zip Code]

Re: ***Sylvia Zamora v. CAPC, Inc.,***
Los Angeles County Superior Court Case No. 24STCV24050

Dear [Name]:

As the Settlement Administrator in the above-referenced case (the "Case"), we write to inform you that you are entitled to a payment pursuant to the settlement of the Case. Your settlement check, which is enclosed with the appropriate IRS Form, is for your portion of a settlement of the Case where Sylvia Zamora ("Plaintiff") sought civil penalties on behalf of the state of California through the Private Attorney General Act ("PAGA").

A settlement agreement ("Agreement") was reached in the Case with CAPC, Inc. The Case did not go to trial, and the Court has not found that Plaintiff's claims have any merit. On [add date], the Agreement was approved by the Los Angeles County Superior Court. The settlement resolves claims for civil penalties during the period from September 15, 2023, to March 11, 2026. (the "PAGA Period"). Your payment is based on the total number of pay periods you worked for Defendant in California during the PAGA Period. You worked a total number of _____ pay periods during this time and your individual settlement payment is $______. You are responsible for paying all taxes that may be due because of any payment issued to you under the settlement and should consult a tax advisor regarding the tax consequences of such payment.

The enclosed check is valid for 180 days from the original date of issuance and mailing, and if it is not cashed, deposited, or otherwise negotiated within the 180-day timeframe, it will be canceled, and the funds associated with the cancelled check will be transmitted to the California Controller's Unclaimed Property Fund in your name.

If you have any questions regarding your settlement payment, changes of name, changes of address, etc., please contact [name of third-party administrator] at [address], or [phone number].

Very truly yours,