

**AMENDED PRIVATE ATTORNEYS GENERAL ACT SETTLEMENT AGREEMENT
AND RELEASE OF CLAIMS**

This Amended Private Attorneys General Act Settlement Agreement and Release of Claims (“Agreement”) is made by and between Plaintiff Carlos Rank (“Plaintiff”) for himself and on behalf of the State of California and all Aggrieved Employees, and Caitac Garment Processing, Inc. (“Defendant”). Plaintiff and the Defendant are collectively referred to as the “Parties” and individually as the “Party.”

Capitalized terms used herein shall have the meanings set forth in Section 1 or elsewhere in this Agreement.

IT IS HEREBY STIPULATED AND AGREED by and among the undersigned Parties, subject to the approval of the Court, pursuant to section 2699 of the California Labor Code, that the Settlement of this Action shall be effectuated upon and subject to the following terms and conditions.

The Parties agree that the Released Claims (as defined in Section 1 below) shall be, and hereby are, ended, settled, resolved, and concluded without any admission of fault or liability on the part of the Defendant and by agreement of the Defendant to pay the gross settlement amount of One Hundred and Eighty-Six Thousand Dollars and Zero Cents (\$186,000.00) as provided in Section 3 below upon the terms and conditions of this Agreement and for the consideration set forth herein.

DEFINITIONS

Section 1: Definitions

Unless otherwise defined herein, the following terms used in this Agreement shall have the meanings ascribed to them as set forth below:

(a) “Action” means the civil action filed by Plaintiff on November 14, 2024, in Los Angeles County Superior Court, Case Number 24STCV29929, titled *Carlos Rank v. Caitac Garment Processing, Inc.* and Plaintiff’s First Amended Complaint filed on January 17, 2025. The term “Action” shall include any future amended complaints.

(b) “Agreement” means this Private Attorneys General Act Settlement Agreement and Release of Claims.

(c) “Aggrieved Employees” or “Aggrieved Employee” means all persons who worked for Defendant in California as an hourly, non-exempt employee at any time during the applicable PAGA Period.

(d) “Approval Order” means the order issued by the court approving of the Parties’ Private Attorneys General Act Settlement Agreement and Release of Claims.

(e) “Settlement Administrator” means the third-party entity jointly selected by the Parties to perform all duties relating to the administration of the PAGA Settlement. The Parties agree that the Settlement Administrator shall be the Settlement Administrator subject to the Court’s approval.

(f) “Complaint” or “Complaints” means the first amended complaint including any amendment thereto filed by Plaintiff in the Action.

(g) “Court” means the Superior Court for the State of California, County of Los Angeles.

(h) “Defendant” or “the Defendant” means Caitac Garment Processing, Inc.

(i) “Defense Counsel” means:
Erick Becker
Garrett M. Fahy
Joshua Park
CUMMINS & WHITE, LLP
2424 S.E. Bristol Street, Suite 300
Newport Beach, CA 92660
Telephone: (949) 852-1800
Facsimile: (949) 852-8510

(j) “Effective Date” means the date upon which all of the following have occurred: (i) the Court has approved the Settlement; (ii) the Court has issued the Final Order and entered Judgment in accordance with the terms described herein; (iii) if there is an appeal of the Court’s Judgment, the date the Judgment is affirmed on appeal, the date of dismissal of such appeal, or the expiration of the time to file a petition for writ of certiorari to the California Supreme Court, and (iv) if there is an intervenor and no appeal is filed, the expiration date of the time for filing or noticing any appeal of the Judgment.

(k) “Employee Net Settlement Amount” means the sum that constitutes thirty-five percent (35%) of the Net Settlement Amount.

(l) “Employee Settlement Share” means the portion of the Employee Net Settlement Amount that shall be paid to the Aggrieved Employees per the terms and conditions of this Agreement, which shall be determined by the calculations provided in Section 7 of this Agreement.

(m) “Enhancement Award” means Plaintiff’s request for an enhancement award of \$7,500 or less. This payment shall be in addition to Plaintiff’s pro rata Employee Settlement Share as detailed in Section 7 of this Agreement. Any portion of the Enhancement Award allocation not approved by the Court will revert to the Employee Net Settlement Amount. In exchange for this Enhancement Award, Plaintiff will provide to Released Parties a general release, as further detailed within this Agreement, including a Civil Code section 1542 waiver.

(n) “Gross Settlement Amount” means the total gross settlement amount of One Hundred and Eighty-Six Thousand Dollars and Zero Cents (\$186,000.00) (with this amount subject to the escalator clause in Section 6(b) of this Agreement), to be paid by the Defendant to fully and finally settle, resolve, and conclude the Released Claims and all related attorney’s fees and costs as provided under this Agreement, without any admission of fault or liability. Defendant shall have no obligation to pay any sum aside from the Gross Settlement Amount, and the potential pro rata increase in Section 6(b) (if applicable), to effectuate its duties under this Agreement.

(o) “Judgment” means the method by which the Court adopts and approves the terms of the Agreement, enters the final Approval Order, and retains jurisdiction over its enforcement, implementation, construction, administration, and interpretation.

(p) “LWDA” means the State of California Labor and Workforce Development Agency.

(q) “LWDA Notice” means the notice that Plaintiff sent to the LWDA on November 9, 2024, giving notice of his intent to pursue a representative PAGA action, on behalf of himself, the State of California, and other allegedly aggrieved employees.

(r) “LWDA Net Settlement Amount” means the sum that constitutes sixty-five percent (65%) of the Net Settlement Amount.

(s) “Net Settlement Amount” means the amount remaining from the Gross Settlement Amount after deducting Plaintiff’s Counsel’s fees, costs, Enhancement Award, and the costs of the Settlement Administrator from the Gross Settlement Amount.

(t) “Notice of PAGA Settlement” means the letter mutually agreed upon by the Parties and attached as Exhibit A hereto that will be sent by the Settlement Administrator to the Aggrieved Employees notifying them of the PAGA Settlement.

(u) “Notice to LWDA” means the notices plaintiff is required to provide to the LWDA regarding the PAGA Settlement pursuant to California Labor Code, section 2699, subdivisions (s)(2) and (s)(3), comporting with the formatting and content requirements of Section 2699 and the LWDA.

(v) “PAGA” means the Labor Code Private Attorneys General Act of 2004, California Labor Code section 2698, et seq.

(w) “PAGA Period” means the period from November 9, 2023 to July 24, 2025.

(x) “Parties” means Plaintiff and Defendant. “Party” refers to Plaintiff or Defendant individually.

(y) “Pay Period” means any pay period during which an Aggrieved Employee worked

for Defendant for at least one day during the PAGA Period.

- (z) “Plaintiff’s Counsel” refers to:
Kane Moon, Esq.
Allen Feghali, Esq.
S. Phillip Song, Esq.
Morgan W. Simpson, Esq.
Amy Truong, Esq.
MOON LAW GROUP, PC
725 S. Figueroa St., Suite 3100
Los Angeles, CA 90017

(aa) “Released Claims” means all PAGA claims alleged in the operative Complaint or LWDA Notice, or which could have been alleged based on the facts, allegations, and legal theories raised in the operative Complaint or LWDA Notice, and which arose during the PAGA Period, as applicable to the specific claim. Without limiting the foregoing, Released Claims shall include any and all claims for civil penalties or causes of action arising under or assertable under PAGA regarding unpaid wages, including but not limited to failure to pay minimum wages, straight time wages, overtime compensation, double time compensation, and interest; failure to timely pay regular and final wages; failure to provide compliant meal, rest, or recovery periods; failure to pay premiums at all or at the correct rate for any violation of meal, rest, or recovery period obligations; invalid meal period waivers or on-duty meal period agreements; payment for all hours worked; reimbursement of business expenses; wage statements and paystubs, including wage statements and paystubs furnished or available in physical, electronic, or other forms; failure to keep accurate records; unfair business practices related thereto; and any and all related penalties, including recordkeeping penalties, wage statement penalties, minimum wage penalties, waiting time penalties, and other statutory or civil penalties associated with any of the foregoing. (“Released Claims”). The Parties intend that this release be construed as broadly as possible. This release excludes claims not permitted by law.

(bb) “Released Parties” means the Defendant, together with its past, present and future subsidiaries, parents, affiliated and related companies, divisions, successors, predecessors or assigns; and its past, present, and future officers, directors, shareholders, partners, agents, insurers, employees, advisors, accountants, representatives, trustees, heirs, executors, administrators, predecessors, successors or assigns.

(cc) “Settlement” means the complete disposition of the Released Claims and all related claims, demands, rights, promises, covenants, actions, suits, causes of action, obligations, debts, costs, expenses, attorney’s fees and costs, damages, penalties, fines, interest, injuries, compensation, judgments, orders and liabilities effectuated by this Agreement.

(dd) “Third-Party Administrator” means Phoenix Class Action Administration Solutions, the neutral entity the Parties have agreed to appoint to administer the Settlement.

NATURE OF ACTION

Section 2: Background

(a) On November 9, 2024, Plaintiff filed a PAGA notice with the LWDA of his intent to pursue a representative PAGA action, on behalf of himself, the State of California and other allegedly aggrieved employees.

(b) On November 14, 2024, Plaintiff initiated the Action. The Action was brought on an individual basis and as a putative class action.

(c) On January 17, 2025, Plaintiff filed an amended complaint on a representative basis under PAGA. The Action contains a representative claim on behalf of Plaintiff, the State of California and other allegedly-aggrieved employees under PAGA based on alleged violations of the California Labor Code.

(d) On February 7, 2025, the Parties stipulated to proceed with Plaintiff's collective and representative PAGA claims due to an arbitration agreement.

(e) Plaintiff's Action alleges that the Defendant failed to pay minimum wages, pay overtime wages, pay meal period premium wages, pay rest period premium wages, provide reimbursement for necessary business expenses, pay final wages at termination, and provide accurate itemized wage statements. Plaintiff also alleged a cause of action for California Business and Professions Code sections 17200, et seq. As a result of the Arbitration Agreement, Plaintiff seeks relief on an individual basis and also on a representative basis under PAGA, on behalf of the State of California and the Aggrieved Employees.

(f) Defendant disputes all the allegations and causes of action asserted in the Action, Complaint, and LWDA Notice, and deny any liability or wrongdoing of any kind associated with the claims alleged. Defendant contends, among other things, that always during the PAGA Period, it made good faith efforts to comply with the California Labor Code, the related California Industrial Welfare Commission Orders, and all other applicable wage or employment laws, and further contends that the Action is meritless.

(g) On July 24, 2025, the Parties participated in a mediation with Michael Ludwig, Esq., which led to this Agreement to settle the Action. Prior to mediation, Plaintiff obtained informal discovery which included, among other things, Defendant's policies and employee handbook, the total number of Aggrieved Employees at issue, and the total number of PAGA Pay Periods at issue.

(h) The Settlement embodied in this Agreement relates to the Released Claims in the Action and contemplates (a) issuance of a Court Order approving the Agreement, (b) entry of Judgment enforcing the terms of the Agreement, and retaining jurisdiction to enforce the Agreement, (c) discharge of the Defendant from liability for any and all claims relating to the Released Claims (as defined in Section 1 above), (d) release by Plaintiff, the State of California and all Aggrieved Employees of all Released Claims against the Released Parties as more

particularly set forth in Sections 1(aa) and 12, and (e) all Parties bearing their respective fees and costs except as expressly provided in this Agreement.

SETTLEMENT FUNDS

Section 3: Allocation of the Gross Settlement Amount

(a) In exchange for the releases, obligations, and promises set forth in this Agreement (and subject to the terms and conditions contained in this Agreement), Defendant agrees to pay the Gross Settlement Amount, which is the total and all-inclusive amount the Defendant will be obligated to pay under the Settlement embodied by this Agreement. Defendant is not required to pay more than the Gross Settlement Amount to obtain the relief (i.e., the Settlement, release of PAGA claims by Plaintiff, the State of California and Aggrieved Employees, issuance of the Approval

Order and Judgment) provided in this Agreement. The Gross Settlement Amount, the maximum that Defendant can pay under this Agreement, subject to the escalator clause in Section 6(b) of this Agreement, comprises the following:

(b) Plaintiff's Counsel shall request attorneys' fees of 1/3 of the Gross Settlement Amount to procure the PAGA penalties, namely the total sum of Sixty-Two Thousand Dollars and Zero Cents (\$62,000.00). If Plaintiff's Counsel's request for 1/3 of the Gross Settlement Amount is not approved and is reduced by the Court, any amount not approved or reduced by the Court will revert to the Net Settlement Amount. Plaintiff agrees that other than the attorney fees approved by the Court herein, there are no liens for attorney fees arising out of the prosecution of the Released Claims. Defendant will not oppose Plaintiff's request for attorneys' fees of up to 1/3 (i.e., \$62,000.00) of the Gross Settlement Amount.

(c) Plaintiff's Counsel shall request the Court to approve Plaintiff's Counsel's costs to be established by Plaintiff's Counsel up to Fifteen Thousand Dollars and Zero Cents (\$15,000.00) incurred in prosecuting the Released Claims. The costs approved by the Court shall be paid from the Gross Settlement Amount. If Plaintiff's Counsel's request of up to Fifteen Thousand Dollars and Zero Cents (\$15,000.00) for costs is not approved and is reduced by the Court, any amount not approved or reduced by the Court will revert to the Net Settlement Amount. Plaintiff agrees that other than the costs approved by the Court herein, there are no liens for costs arising out of the prosecution of the Released Claims. Defendant will not oppose Plaintiff's request for reasonable costs not to exceed Fifteen Thousand Dollars and Zero Cents (\$15,000.00).

(d) Plaintiff's Counsel shall request the Court to approve Plaintiff's Counsel's request for an Enhancement Award of Seven Thousand Five Hundred Dollars and Zero Cents (\$7,500.00) or less. This payment shall be in addition to the pro rata recovery received by Plaintiff as part of the settlement. In exchange for this Enhancement Award, Plaintiff will provide to Released Parties a general release, including a Civil Code section 1542 waiver. If Plaintiff's Counsel's request of up to Seven Thousand Five Hundred Dollars and Zero Cents (\$7,500.00) for the Enhancement Award is not approved and is reduced by the Court, then any amount not approved or reduced by the Court will revert to the Net Settlement Amount. Plaintiff's release executed herein shall remain valid whether the Court approves, reduces, or does not approve the Enhancement Award.

(e) Plaintiff's Counsel shall request up to Four Thousand Five Hundred Dollars and Zero Cents (\$4,500.00) of the Gross Settlement Amount as payment to the Settlement Administrator for costs incurred by the Settlement Administrator in connection with the Settlement including, but not limited to, mailing of the Notice of PAGA Settlement described herein, and distributing, pursuant to the Court's Approval Order, the Enhancement Award, Plaintiff's Counsel's fees and costs, and settlement administration costs from the Gross Settlement Amount and the LWDA Net Settlement Amount to the LWDA and Employee Net Settlement Amount to the Aggrieved Employees per the data provided and calculation detained herein. The Settlement Administrator costs shall not exceed Four Thousand Five Hundred Dollars and Zero Cents (\$4,500.00) except for a showing of good cause and as approved by the Court. To the extent that the costs of the Settlement Administrator are below this amount, the difference shall be added to the Net Settlement Amount.

(f) Plaintiff's Counsel shall request that 65% of the Net Settlement Amount, be distributed to the LWDA; and

(g) Plaintiff's Counsel shall request that 35% of the Net Settlement Amount shall be distributed to the Aggrieved Employees.

IMPLEMENTATION OF SETTLEMENT

Section 4: Court Approval

(a) Not later than 16 Court days before the calendared Approval Hearing, Plaintiff will file in Court, a motion for approval of the PAGA Settlement under Labor Code section 2699, subdivision (l), and a proposed Approval Order (collectively "Motion for PAGA Approval"). Plaintiff shall provide drafts of these documents to Defense Counsel not later than 7 days prior to filing the Motion for Approval. Plaintiff's Counsel and Defense Counsel will expeditiously meet and confer in person or by telephone, and in good faith, to resolve any disagreements concerning the Motion for PAGA Approval.

(b) Each Party retains the right to respond to any objections raised by an Aggrieved Employee or the LWDA in relation to the Motion for PAGA Approval or the PAGA Agreement.

(c) Plaintiff is also required to comply with all notice related provisions with the LWDA detailed in Labor Code Section 2699 including, but not limited to, submitting the proposed settlement to the LWDA at the same time as the court per subdivision (s)(2) and the Court's final Approval Order pursuant to subdivision (s)(3).

(d) Because this Action involves PAGA claims, this Agreement requires approval by the Court. Accordingly, the Parties enter into this Agreement on a conditional basis. This Agreement is expressly contingent upon the Court's, or a reviewing court's, unconditional approval of this Settlement and the terms and conditions of this Agreement. If Court approval is not given or the Court, or a reviewing court, conditions its Approval Order on any material change to the Settlement (including, but not limited to, the Gross Settlement Amount or the scope of the

release granted), then the Parties will work together in good faith to address the Court's concerns by and endeavor to revise the Agreement as necessary to obtain Final Approval. No party shall be obligated to consent to any material change in the Agreement, regardless of whether such material change is caused or requested by the Court or a reviewing court or the LWDA. If the Parties are unable to revise the Agreement, then this entire Agreement shall automatically be deemed null and void, shall be of no force or effect whatsoever, and shall not be referred to or used for any purpose whatsoever. The Court's (or a reviewing court's) decision to award less than the amounts requested for the Enhancement Award, Plaintiff's Counsel's fees or costs, and settlement administration costs shall not constitute a material modification to the Agreement within the meaning of this section.

(e) The Parties and their respective counsel shall take all steps that may be required by the Court relating to the approval and implementation of this Agreement and shall otherwise use their respective best efforts to obtain Court approval and implement this Agreement. If the Court does not issue Court Approval as detailed in subdivision (d) above, then the Parties agree to meet and confer and endeavor to address the Court's concerns to resolve the dispute and to resubmit the Agreement with revisions that are acceptable to the Parties and the Court subject to the limitations detailed herein.

(f) Plaintiff's Counsel will submit the [Proposed] Order for Court Approval of the Parties' Private Attorneys General Act Settlement Agreement and Release of Claims in connection with a motion to be filed by Plaintiff for such an order unconditionally approving this Agreement.

Section 5: Timeline Following Effective Date

Following Court Approval the following timeline applies:

(a) No later than thirty (30) calendar days after the Effective Date, Defendant shall fund the Gross Settlement Amount of One Hundred and Eighty-Six Thousand Dollars and Zero Cents (\$186,000.00).

(b) No later than thirty (30) calendar days after the Effective Date, Defendant shall provide the Settlement Administrator with a list of all Aggrieved Employees ("Aggrieved Employees List"). The Aggrieved Employees List shall state the first name and last name for each Aggrieved Employee; the last known home address for each Aggrieved Employee; each Aggrieved Employee's social security number, and each Aggrieved Employee's respective number of pay periods worked (or date of hire and date of termination) for Defendant during the PAGA Period. This list shall not be shared with Plaintiff's Counsel.

(c) Upon receipt of the Aggrieved Employees List, the Settlement Administrator shall run all addresses of the Aggrieved Employees through the United States Postal Service NCOA database (which provides updated addresses for any individual who has moved in the previous four years who has notified the U.S. Postal Service of a forwarding address) to obtain current address information. No later than sixty (60) calendar days after the Effective Date, the Settlement Administrator shall mail the Employee Settlement Share checks to all Aggrieved Employees by first-class United States mail, postage prepaid, to the last known address of each recipient with directions to the Postmaster to forward the Employee Settlement

Share checks to any forwarding addresses, and to return all undeliverable Employee Settlement Share checks to the Settlement Administrator. A letter approved by the Parties (“Notice of PAGA Settlement” attached hereto as Exhibit A) in advance of the motion to be filed by Plaintiff in connection with the Parties’ submission of the [Proposed] Order for Judicial Approval of the Parties’ Private Attorneys General Act Settlement Agreement and Release of Claims, will be included in the mailing of each Aggrieved Employee’s Employee Settlement Share check. It will be conclusively presumed that an Aggrieved Employee’s Employee Settlement Share check was received if such check has not been returned within twenty-one (21) calendar days of the original mailing. The date of the initial mailing of the Employee Settlement Share check shall be conclusively determined according to the records of the Settlement Administrator.

(d) No later than sixty (60) calendar days after the Effective Date, the Settlement Administrator shall mail the LWDA and Plaintiff’s Counsel their respective shares of the Gross Settlement Amount.

(e) No later than sixty (60) calendar days after the Effective Date, the Settlement Administrator shall mail the Plaintiff his Enhancement Award.

(f) Within sixty (60) calendar days of the Effective Date, the Settlement Administrator shall pay itself up to the Four Thousand Five Hundred Dollars and Zero Cents (\$4,500.00) allocated to it for administration fees.

Section 6: Settlement Payment Deposit

(a) No later than thirty (30) days after the Effective Date, the Defendant shall deposit the Gross Settlement Amount with the Settlement Administrator. Nothing in this Agreement shall preclude Defendant from making payment prior to the deadlines detailed herein.

(b) Escalator Clause. This Settlement is based on Defendant’s representation that there are approximately 9,300 Pay Periods for the period from November 9, 2023 to July 24, 2025. If the actual number of Pay Periods encompassed within the PAGA Period exceeds 9,300 by more than 10% (i.e., 10,230 Pay Periods), then, Defendant shall have the option to either: (i) increase the Gross Settlement Amount on a pro-rata basis equal to the percentage increase in the number of pay periods worked by the Aggrieved Employees above 10% (for example, if the number of pay periods increases by 11%, the Gross Settlement Amount will increase by 1%) or (ii) shorten the PAGA Period to an earlier date at which only the represented number of pay periods plus 10% are covered by the PAGA Period.

Section 7: PAGA Payments

As detailed in Section 3, the Net Settlement Amount shall be calculated by deducting the Enhancement Award, Plaintiff’s Counsel’s fees and costs, and the costs of the settlement administration from the Gross Settlement Amount. Sixty-five percent (65%) of the Net Settlement Amount shall be paid to the LWDA (“LWDA Net Settlement Amount”); the remaining thirty-five percent (35%) of the Net Settlement Amount (the “Employee Net Settlement Amount”) shall be paid to Aggrieved Employees based on the following formula:

(a) The LWDA Net Settlement Amount shall be sent to LWDA by the Settlement Administrator in accordance with the deadlines established in Section 5 (c) above.

(b) Plaintiff and each Aggrieved Employee shall receive a portion of the Employee Net Settlement Amount on a pro rata basis by taking the Net Settlement Amount and dividing it by the total number of Pay Periods by all Aggrieved Employees during the PAGA Period and then allocated on a pro rata basis (i.e., according to the Pay Periods worked by each of the individual Aggrieved Employees during the PAGA Period). No benefit, including but not limited to 401(k), shall increase or accrue because of any payment made as a result of this settlement.

(c) The Employee Settlement Share will be fully allocated as penalties and not subject to payroll tax withholdings. The Parties agree that the Aggrieved Employee payments shall be reported as interest and penalties on IRS Form 1099 and its state and local equivalent.

(d) To the extent any Aggrieved Employee disputes any aspect of his or her payment, that Aggrieved Employee must produce supporting evidence to the Settlement Administrator. Defendant's records will be presumed determinative.

(e) The settlement checks issued to the Aggrieved Employees shall remain valid for one hundred eighty (180) days. Thereafter, those checks will be cancelled, and all unclaimed funds shall be transmitted to the California State Controller to be held in the name of the Aggrieved Employee in the unclaimed property fund.

JUDGMENT

Section 8: Judgment

Plaintiff will submit the [Proposed] Order for Judicial Approval of the Parties' Private Attorneys General Act Settlement Agreement and Release of Claims to be entered by the Court to enforce this Agreement and enter Judgment in accordance with the terms of this Agreement.

LIMITATIONS ON USE OF THIS SETTLEMENT

Section 9: No Admission

Defendant disputes the allegations and every cause of action in the Action, Complaints, and LWDA Notice. This Agreement is entered into solely for the purpose of compromising highly disputed claims. This Agreement and the payment of the Gross Settlement Amount and the other considerations recited herein represent the compromise of disputed claims. Nothing in this Agreement is intended or will be construed as an admission of liability, unlawful conduct, or wrongdoing by the Released Parties.

Nothing in this Agreement, nor any action taken in implementation thereof, nor any statements, discussions or communications, nor any materials prepared, exchanged, issued, or used during the course of the negotiations leading to this Agreement, is intended by the Parties to constitute, nor will any of the foregoing constitute, be introduced, be used, or be admissible in any way in this case or any other judicial, arbitral, administrative, investigative, or other forum or proceeding as evidence of any violation of any federal, state, or local law, statute, ordinance, regulation, rule, or executive order, or any obligation or duty at law or in equity. The Parties agree not to introduce, use, or admit this Agreement, directly or indirectly, in this case or any other

judicial, arbitral, administrative, investigative or other forum or proceeding, as purported evidence of any violation of any federal, state, or local law, statute, ordinance, regulation, rule, or executive order, or any obligation or duty at law or in equity, or for any other purpose. Notwithstanding the foregoing, this Agreement may be used in any proceeding before the Court that has as its purpose the interpretation, implementation, or enforcement of this Agreement or any orders or judgments of the Court entered in connection with the Agreement. Neither the existence of this Settlement nor anything contained in this Agreement, nor any action taken in implementation thereof, nor any statements, discussions, or communications, nor any materials prepared, exchanged, issued, or used during the negotiations leading to this Agreement, shall be construed or deemed a waiver of Defendant's rights to compel arbitration of any dispute with any Aggrieved Employee.

None of the documents produced or created by Defendant, Plaintiff, or the Aggrieved Employees in connection with the claims procedures or claims resolution procedures constitute, and they are not intended to constitute, an admission by Defendant of any violation of any federal, state, or local law, statute, ordinance, regulation, rule, or executive order, or any obligation or duty at law or in equity.

Section 10: Non-Evidentiary Use

Whether or not the Approval Order is executed and entered by the Court, neither this Agreement nor any of its terms (including, but not limited to, the payment of the Gross Settlement Amount) nor the Settlement itself will be: (a) construed as, offered, or admitted in evidence as, received as, or deemed to be evidence for any purpose adverse to any of the Released Parties, including but not limited to, evidence of a presumption, concession, indication, or admission by any of the Released Parties of any liability, fault, wrongdoing, omission, concession, or damage, or (b) disclosed, referred to, or offered in evidence against any other civil, criminal, or administrative action or proceeding, except for the purposes of effectuating the Settlement pursuant to this Agreement or for the Released Parties to establish that an Aggrieved Employee has resolved any of his/her claims released through this Agreement. Either Party, however, may introduce the Agreement as evidence in an action to enforce its terms.

Section 11: Nullification

(a) If (i) the Court should for any reason fail to approve this Settlement in the specific form agreed to by the Parties as further described in Section 4 of this Agreement or (ii) the Court should for any reason fail to enter the Approval Order, or (iii) the Approval Order or Judgment is reversed, modified, or declared or rendered void, or (iv) the Court should for any reason fail to enter Judgment on the Released Claims, then this Agreement shall be considered null and void.

In that instance, (i) neither this Agreement nor any of the related negotiations or proceedings shall be of any force or effect, and (ii) all Parties to this Agreement shall stand in the same position, without prejudice, as if the Agreement had been neither entered into nor filed with the Court; (iii) the Defendant will not have any obligation to pay any portion of the Gross Settlement Amount to anyone under the terms of this Agreement, and all previous disbursements (if any) from the Gross Settlement Amount will immediately be paid back to the Defendant by the person(s) or entity who received such disbursement; and (iv) Plaintiff shall submit his individual claims and the non-representative portion of his PAGA claim to private binding arbitration, while

the representative portion of his representative PAGA claim shall be stayed pending outcome of the arbitration, pursuant to the Joint Stipulation and Order for Binding Arbitration and Dismissal of Class Claims entered by the Court on February 6, 2025.

(b) If the Court (or reviewing court) approves this Settlement on terms and conditions that are materially different than those set forth in the Approval Order (including, but not limited to, the Gross Settlement Amount or the scope of the release granted), as further detailed in Section 4 of this Agreement, then Plaintiff and Defendant will each have the right to void the Settlement, which the Party must do by giving written notice to the other Party and the Court not later than forty-five (45) calendar days after the Court's entry of the Approval Order. The Court's (or a reviewing court's) decision to award less than the amounts requested for the Enhancement Award, Plaintiff's Counsel's fees and costs, and settlement administration costs shall not constitute a material modification to the Agreement within the meaning of this section.

RELEASE AND WAIVER OF CLAIMS

Section 12: Released Claims for Aggrieved Employees

Upon entry of the Approval Order by the Court approving payment of the PAGA penalties as described in this Agreement, Plaintiff, all Aggrieved Employees, and the State of California shall be deemed to have fully, finally, and forever released, relinquished, and discharged each and all of the Released Parties from all Released Claims, demands, rights, liabilities, or causes of action for penalties under PAGA that accrued during the PAGA Period including all PAGA claims alleged in the operative Complaints and LWDA Notice, or which could have been alleged based on the facts and allegations in the operative Complaints and LWDA Notice, and which arose during PAGA Period, as applicable to the specific PAGA claim. Released Claims shall include any and all claims for civil penalties or causes of action arising under or assertable under PAGA regarding unpaid wages, including but not limited to failure to pay minimum wages, straight time wages, overtime compensation, and interest; failure to timely pay regular and final wages; failure to provide compliant meal and rest periods; failure to pay premiums at all or at the correct rate for any violation of meal and rest period obligations; payment for all hours worked; reimbursement of business expenses; wage statements and paystubs, including wage statements and paystubs furnished or available in physical, electronic, or other forms; failure to keep accurate records; unfair business practices related thereto; and any and all related penalties, including recordkeeping penalties, wage statement penalties, minimum wage penalties, waiting time penalties, and other statutory or civil penalties associated with any of the foregoing ("Released Claims"). This release excludes claims not permitted by law.

Defendant shall have the right to enforce the releases set forth in this Agreement as to Plaintiff and Aggrieved Employees, and the LWDA, as applicable, without regard to their receipt of the Individual PAGA Payment or the LWDA PAGA Payment, and prior to fully funding the Gross Settlement Amount, so long as Defendant has complied with the procedures set forth in this Agreement relating to the funding of the Gross Settlement Amount as of the time it seeks to enforce a release.

The Parties intend that the releases detailed herein be construed as broadly as is permissible by law. Aggrieved Employees, not including Plaintiff, do not release claims not covered by this

release. Plaintiff is executing a full release of all possible claims as detailed below. Plaintiff and the Aggrieved employees also do not release claims that cannot be waived by law.

All Aggrieved Employees (who shall not have the right to opt out) shall be bound, as of the Effective Date, by a release of the Released Claims, as defined herein. All Aggrieved Employees are bound by all terms and conditions of the Settlement as they pertain to PAGA claims, including the release detailed in this Section 12 of the Agreement, regardless of whether the Aggrieved Employee receives the Notice Packet, an Individual PAGA Payment, objects to the Settlement, or disputes the pay periods worked.

Section 13: Plaintiff's Full and General Release

Plaintiff on his own behalf and on behalf of his grantees, agents, representatives, heirs, devisees, trustees, assigns, assignors, or any other entities in which he may have an interest, (collectively "Plaintiff's Releasers"), hereby agree to release and forever discharge by this Agreement, Defendant and Released Parties as detailed below:

a. Plaintiff expressly agrees to release and discharge Defendant and Released Parties from all liabilities, causes of actions, charges, complaints, suits, claims, obligations, costs, losses, damages, liquidated damages, punitive damages, equitable relief, restitution, declaratory relief, interest, rights, judgments, attorneys' fees and costs, expenses, bonds, bills, penalties, fines, and all other legal responsibilities of any form whatsoever whether known or unknown, whether suspected or unsuspected, whether fixed or contingent, including but not limited to those arising from any acts or omissions occurring prior to the Effective Date of this Agreement by Defendant and Released Parties, including those arising under any theory of law, whether common, contractual, constitutional, statutory or other of any jurisdiction, foreign or domestic, whether known or unknown, whether in law or in equity, which Plaintiff had or may claim to have against any of them by reason of any and all matters from the beginning of time to the present including, but not limited to, those arising out of his past alleged employment with, compensation during, and/or separation from alleged employment with Defendant.

b. Plaintiff and Plaintiff's Releasers specifically releases claims under all applicable federal, state, and local laws including, but not limited to, Title VII of the Civil Rights Act of 1964 as amended, the Fair Labor Standards Act, the Rehabilitation Act of 1973, the Family Medical Leave Act, the Plaintiff Retirement Income Security Act, the Consolidated Omnibus Reconciliation Act of 1986, the Equal Pay Act, the Americans with Disabilities Act, the California Fair Employment and Housing Act, the California Family Rights Act, the California Labor Code including, but not limited to, sections 200, et seq., 970, 1102.5, 6310, and 132a, applicable California Wage Order provisions, the California Government Code including, but not limited to, sections 12940 et seq. and 12945, Title 2 of the California Code of Regulations § 11039, the California Civil Code, the California Business and Professions Code including, but not limited to, sections 17200 et seq., the California Constitution, the United States Constitution, or any laws pertaining to defamation, breach of contract, contractual obligations generally, discrimination based upon race, sex, disability, or any other protected status, retaliation, harassment, failure to prevent discrimination, harassment, or retaliation, failure to provide a reasonable accommodation or engage in the interactive process, and wage and hour claims (including compensation for work, overtime, PTO, vacation, or any other form of compensation or reimbursement). This release shall

apply to all possible claims whether arising in statute, regulation, common law, tort, contract, or any other body of law arising before the effective date of this Agreement, whether known or unknown, pertaining to the alleged employment relationship between Plaintiff and Defendant.

c. The release contained within this section 13 including, but not limited to, subsection a through b, is collectively referred to herein as “Plaintiff’s Release”

d. This release is not intended to operate as, nor shall be construed as, a release or waiver of any rights or claims that cannot be released or waived as a matter of law.

e. Plaintiff understands and agrees that this Agreement shall act as a full and final release of all claims against Defendant and Released Parties that Plaintiff may have, including, but not limited to, those arising out of and in connection with Plaintiff’s alleged employment. Plaintiff expressly waives any rights or benefits available to them under any statutes or common law principles pertaining to this release or under Section 1542 of the Civil Code of the State of California, which provides as follows:

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.

Section 13: Miscellaneous Provisions

(a) No person shall have any claim of any kind whatsoever against any of the Parties, Defense Counsel, or Plaintiff’s Counsel, based on distribution of the Gross Settlement Amount (including, without limitation, the LWDA Net Settlement Amount, the Employee Net Settlement Amount, or the Employee Settlement Share) made in accordance with this Agreement.

(b) This Agreement is executed voluntarily and without duress or undue influence on the part of or on behalf of any of the Parties, or of any other person, firm or other entity.

(c) The terms and provisions of this Agreement may be amended only by a written agreement that is both (a) signed by all the Parties (or their successors in interest) and (b) approved by the Court. Any waiver of any provision of this Agreement shall not constitute a waiver of any other provision of this Agreement unless expressly so indicated otherwise.

(d) None of the rights, commitments, or obligations recognized under this Agreement may be assigned by any Party, Aggrieved Employees or Plaintiff’s Counsel without the express written consent of each other Parties hereto. The representations, warranties, covenants, and agreements contained in this Agreement are for the sole benefit of the Parties under this Agreement and shall not be construed to confer any right or to avail any remedy to any other person. Plaintiff expressly warrants that he has not transferred to any person or entity any right or cause of action, or claim released by this Agreement.

(e) This Agreement shall be governed, construed, and interpreted, and the rights of the Parties shall be determined, in accordance with the laws of the State of California and will be enforceable pursuant to California Code of Civil Procedure section 664.6.

(f) Plaintiff's Counsel and Plaintiff represent that there is no agreement with any other attorneys to split any attorneys' fees that may result from the Action.

(g) Plaintiff's Counsel represents that they do not represent anyone in connection with a potential claim against Released Parties. This provision is not intended to, and shall not, restrict any individual's right to the counsel of his or her choice, including Plaintiff's Counsel.

(h) This Agreement sets forth the entire agreement between the Parties regarding the Released Claims being settled herein and supersedes all prior agreements and understandings among the Parties hereto with respect to the subject matter hereof, including, without limitation, correspondence between Plaintiff's Counsel and Defense Counsel. There are no restrictions, promises, representations, warranties, covenants, or undertakings governing the subject matter of this Agreement, except as expressly set forth in this Agreement.

(i) Any failure of any Party to comply with any obligation, covenant, agreement, or condition herein may be expressly waived in writing, to the extent permitted under applicable law, by the Party or Parties entitled to the benefit of such obligation, covenant, agreement, or condition. A waiver or failure to insist upon strict compliance with any representation, warranty, covenant, agreement, or condition shall not operate as a waiver of, or estoppel with respect to, any subsequent or other failure.

(j) This Agreement and any amendments may be executed in any number of counterparts and any Party may execute any such counterpart, each of which when executed and delivered shall be deemed to be an original and all counterparts taken together shall constitute one and the same instrument. It shall not be necessary in making proof of this Agreement or any counterpart hereof to produce or account for any of the other counterparts. A facsimile signature or signature scanned and sent by electronic mail shall have the same force and effect as an original signature. This Agreement may be executed using DocuSign or any other similar software.

(k) Should any portion of this Agreement be declared or be determined to be illegal, invalid, or unenforceable, then the validity of the remaining parts, terms, or provisions shall not be affected thereby and said illegal, invalid, or unenforceable part, term, or provision shall be deemed not to be a part of this Agreement. Before declaring any provision of this Agreement invalid, the Court will first attempt to fully construe the provisions as valid consistent with applicable law and precedents so as to make all provisions of this Agreement valid and enforceable.

(l) Except as expressly provided herein, each Party shall bear their own attorney's fees and costs. No Aggrieved Employee (including, but not limited to, Plaintiff) or Plaintiff's Counsel or any other attorney acting for any Aggrieved Employee may recover or seek to recover any amounts for fees, costs, or disbursements from the Released Parties or the Gross Settlement Amount in relation to the subject matter of this Agreement except as expressly provided.

(m) If any dispute(s) arise among the Parties or their respective counsel regarding the implementation or interpretation of this Agreement, then a representative of Plaintiff's Counsel

and a representative of Defense Counsel shall meet and confer to attempt resolution of such disputes prior to submitting any such dispute(s) to the Court. To the extent any Party seeks to enforce any of the terms of this Agreement in Court or before the Court, the prevailing Party is entitled to recover reasonable attorneys' fees and costs.

(n) This Agreement shall bind and inure to the benefit of the Parties hereto and to their respective successors, assigns, legatees, heirs, and personal representatives.

(o) 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 or Judgment, (ii) addressing settlement administration matters, and (iii) addressing such post-Judgment matters as are permitted by law.

(p) The Parties have cooperated in the negotiation and preparation of this Agreement. This Agreement and the provisions contained herein shall not be construed or interpreted for or against any Party hereto because that Party drafted or caused that Party's legal representative to draft any of the provisions in the Agreement.

(q) The Parties agree that this settlement is fair, adequate, and reasonable, and will so represent to the Court.

(r) The Parties agree to fully cooperate with each other to accomplish the terms of this Agreement, including but not limited to execution of such documents, and to take such other action as may reasonably be necessary to implement the terms of this Agreement. The Parties to this Agreement shall use their best efforts, including without limitation all efforts contemplated by this Agreement, to effectuate this Agreement and the terms set forth herein.

(s) Plaintiff and Plaintiff's Counsel agree that they will not issue any press releases, initiate any contact with the press, respond to any press inquiry, post on any internet website, or have any communication with the press about the Action, or the fact, amount, or terms of the settlement. Exceptions to the obligation of confidentiality in this section are: (i) disclosures necessary to comply with the law, judicial process, or for financial planning or tax preparation purposes; (ii) to obtain, seek, and maintain approval of this settlement in court and as is necessary to provide settlement information to Aggrieved Employees, and (iii) if any party seeks to enforce any term or condition of this Agreement against any other party. Nothing herein shall prevent Plaintiff's counsel from disclosing this settlement as required by a court, nor shall any terms herein preclude Plaintiff's Counsel from communicating with and fulfilling its obligations to Aggrieved Employees or Aggrieved Employees.

(t) The Parties represent and acknowledge that they have carefully read and understand all the provisions of this Agreement. The Parties represent and acknowledge that they have been advised in writing, and have been afforded the right and opportunity to, consult with an attorney prior to executing this Agreement. The Parties have made such investigation of the facts and the law pertaining to the matters described herein and to this Agreement as they deem necessary, and have not relied, and do not rely, on any statement, promise, or representation of fact or law, made by any of the other Parties, or any of their agents, employees, attorneys, or representatives, with regard to any of their rights or asserted rights, or with regard to the advisability of making and

executing this Agreement, or with respect to any such matters. The Parties further acknowledge and confirm that the only consideration for signing this Agreement is the terms and conditions expressly stated in this Agreement, and that no other promise, representation, warranty, inducement or agreement of any kind, other than those set out in this Agreement regarding the Released Claims, has been made to them by any person to cause them to sign this Agreement.

(u) Each Party acknowledges and agrees that:

(1) No provision of this Agreement, and no written communication or disclosure between or among the Parties or their attorneys and other advisors, is or was intended to be, nor shall any such communication or disclosure constitute or be construed or be relied upon as, tax advice within the meaning of U.S. Treasury Dept. Circular 230 (31 C.F.R. Part 10, as amended);

(2) Each Party (a) has relied exclusively upon her, his, or its own, independent legal and tax counsel for advice (including tax advice) in connection with this Agreement, (b) has not entered into this Agreement based upon the recommendation of any Party or any attorney or advisor to any Party, and (c) is not entitled to rely upon any communication or disclosure by any attorney or advisor to any Party to avoid any tax penalty that may be imposed on the Party; and

(3) No attorney or advisor to any Party has imposed any limitation that protects the confidentiality of any such attorney's or adviser's tax strategies (regardless of whether such limitation is legally binding) upon disclosure by the Party of the tax treatment or tax structure of any transaction, including any transaction contemplated by this Agreement.

(v) To the extent that any deadline set forth in this Agreement falls on a Saturday, Sunday or federal, state, or local holiday, that deadline shall be continued until the following business day.

(w) The Parties agree to stay and hold all proceedings in the Action in abeyance, except such proceedings necessary to implement and complete the Settlement.

(x) Information provided to Plaintiff's Counsel pursuant to Evidence Code section 1152, and all copies and summaries of the aggrieved employee data provided to Plaintiff's Counsel by Defendant in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute or California Rules of Court rule. Not later than 90 days after the Effective Date, Plaintiff's Counsel shall destroy all paper and electronic versions of aggrieved employee data received from Defendant unless, prior to the Effective Date, Defendant makes a written request to Plaintiff's Counsel for the return, rather than the destruction, of aggrieved employee data.

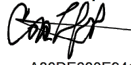
IN WITNESS WHEREOF voluntarily, the Parties executed this Private Attorneys General Act Settlement Agreement and Release of Claims on the date(s) set forth below. By signing this Agreement, each Party stipulates, agrees, and warrants as follows: (i) that the person

this Agreement fully binding upon and enforceable against the Party on whose behalf the Agreement was signed.

APPROVED AND ACCEPTED.

Dated: 2/17/2026 _____

Dated: _____

Firmado por:

A80DE680E941440...

Plaintiff Carlos Rank

Defendant Caitac Garment Processing, Inc.

By: _____
[Print Name] _____
[Title] _____

this Agreement fully binding upon and enforceable against the Party on whose behalf the Agreement was signed.

APPROVED AND ACCEPTED.

Dated: _____

Dated: 2/16/26

Plaintiff Carlos Rank


Defendant Caitac Garment Processing, Inc.

By: _____
[Print Name] Azusa Sahara
[Title] CFO

EXHIBIT “A”

[Add Date]

[Name]

[Address]

[City, State Zip Code]

**Re: *Carlos Rank v. Caitac Garment Processing, Inc.*
Los Angeles County Superior Court Case No. 24STCV29929**

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 Carlos Rank (“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 Caitac Garment Processing, Inc. The Case did not go to trial, and the Court has not found that Plaintiff’s claims have any merit. Defendant expressly denies Plaintiff’s claims.

On [add date], the Agreement was approved by the Los Angeles County Superior Court. The settlement resolves claims for civil penalties during the period of November 9, 2023 to July 24, 2025 (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 [redacted] pay periods during this time and your individual settlement payment is \$ [redacted]. 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.

Pursuant to the Agreement, you shall be deemed to have fully, finally, and forever released, relinquished, and discharged each and all of the Released Parties from all Released Claims, demands, rights, liabilities, or causes of action for penalties under PAGA that accrued during the PAGA Period including all PAGA claims alleged in the operative Complaints and LWDA Notice, or which could have been alleged based on the facts and allegations in the operative Complaints and LWDA Notice, and which arose during PAGA Period, as applicable to the specific PAGA claim. Released Claims shall include any and all claims for civil penalties or causes of action arising under or assertable under PAGA regarding unpaid wages, including but not limited to failure to pay minimum wages, straight time wages, overtime compensation, and interest; failure to timely pay regular and final wages; failure to provide compliant meal and rest periods; failure to pay premiums at all or at the correct rate for any violation of meal and rest period obligations; payment for all hours worked; reimbursement of business expenses; wage statements and paystubs, including wage statements and paystubs furnished or available in physical, electronic, or other forms; failure to keep accurate records; unfair business practices related thereto; and any and all

related penalties, including recordkeeping penalties, wage statement penalties, minimum wage penalties, waiting time penalties, and other statutory or civil penalties associated with any of the foregoing (“Released Claims”). This release excludes claims not permitted by law.

“Released Parties” means the Defendant, together with its past, present and future subsidiaries, parents, affiliated and related companies, divisions, successors, predecessors or assigns; and its past, present, and future officers, directors, shareholders, partners, agents, insurers, employees, advisors, accountants, representatives, trustees, heirs, executors, administrators, predecessors, successors or assigns.

This release applies even if you do not cash the settlement check.

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,