SETTLEMENT AGREEMENT

This Settlement Agreement ("Settlement Agreement," "Settlement," or "Agreement") is made and entered by and between Plaintiff Jayden Gagnon ("Plaintiff") and Defendant Archon Protection, Inc. ("Defendant") to settle the action entitled *Gagnon v. Archon Protection, Inc.* (Case No. 2025CUOE038286) ("Lawsuit"). Plaintiff and Defendant are collectively referred to herein as the "Parties", and each may be individually referred to herein as a "Party".

RECITALS

This Agreement is made in consideration of the following facts:

A. Plaintiff is a former hourly-paid, non-exempt employee of Defendant.

B. Plaintiff contends that Plaintiff suffered one or more violations of the Labor Code during Plaintiff's employment with Defendant and that Plaintiff is an "aggrieved employee" under the Private Attorneys General Act of 2004 ("PAGA").

C. On December 6, 2024, Plaintiff provided written notice to the California Labor and Workforce Development Agency ("LWDA") and Defendant of the specific provisions of the Labor Code that Plaintiff contends were violated and the theories supporting the contentions ("PAGA Notice").

D. On February 14, 2025, Plaintiff filed a representative PAGA action in the Superior Court of California, County of Ventura, that was predicated on the alleged: (1) failure to pay minimum and overtime wages; (2) failure to provide meal periods and rest breaks; (3) failure to timely pay wages during employment; (4) failure to timely pay wages upon termination; (5) failure to provide complete and accurate wage statements; and (6) failure to reimburse business expenses ("PAGA Claims").

E. After engaging in discovery, investigations, and negotiations, on December 18, 2025, the Parties attended mediation with the mediator Joshua Konecky. While the Parties did not settle at mediation, continued negotiations with the mediator's assistance eventually resulted in a settlement on a PAGA-only basis via a mediator's proposal, subject to the Court's approval.

F. Defendant denies all the allegations in the Lawsuit and any contentions that it committed any misconduct, wrongdoing, or any other actionable conduct of any kind, including any violation of the Labor Code.

G. The Parties have analyzed and investigated the facts and law relevant to the Lawsuit. Defendant has produced documents and data, including, but not limited to, information pertaining to the policies, practices, and procedures implicated by the PAGA Claims. This production of documents and data included meal and rest breaks, overtime, timekeeping, and payroll policies along with a sampling of time and payroll records. During the settlement discussions, the Parties also discussed Defendant's current financial situation and financial hardships that it has been experiencing in recent years.

Pursuant to Labor Code section 2699(s)(2), in consideration of the promises and agreements contained herein, the Parties agree to seek approval of the following settlement terms.

SETTLEMENT TERMS

1. **Court Approval of the Settlement Agreement.** In accordance with Labor Code section 2699(s)(2), the Parties will present this Settlement Agreement to the Court for its review and approval via a stipulation or noticed motion.

2. **Delivery of the Settlement Agreement to the LWDA.** In accordance with Labor Code section 2699(s)(2), Plaintiff will submit this Settlement Agreement to the LWDA at the same time that this Settlement Agreement is submitted to the Court for approval.

3. **Effective Date.** This Agreement shall become fully effective on the later of the following dates: (a) the date that Defendant receives the court order granting approval; (b) if there is an objection, intervention, or other procedure that can give rise to an appeal, then the expiration of the time to appeal without a timely appeal filed; and (c) if there is a timely appeal, then the disposition of the appeal and any further appeal, affirming approval of this Settlement.

4. **No Admission of Liability** or Representative Manageability**.**

(a) The Parties acknowledge and agree that this Agreement is the result of a compromise and settlement of disputed claims in the Lawsuit. Defendant denies all allegations made by Plaintiff in the Lawsuit and denies that it is liable or owes any damages, penalties, or other compensation or remedies to anyone regarding the PAGA Claims. Defendant denies any liability or wrongdoing of any kind in connection with Plaintiff's claims and contends that it complied in all respects with applicable state and federal laws and regulations. Defendant agreed to settle the Lawsuit on the terms and conditions set forth in this Agreement to avoid the burden, expense, and uncertainty of litigation. If, for any reason, the Court does not grant approval of this Settlement Agreement, Defendant reserves the right to contest representative manageability for any reason and reserves all available defenses to the claims in this Lawsuit.

(b) The Parties concur that this Agreement is a settlement document and shall be inadmissible for any purpose in any proceeding, except an action or proceeding to approve, interpret, or enforce the terms of this Agreement. The Parties agree that, to the extent permitted by law, this Agreement may be pleaded as a full and complete defense to, and may be used as the basis for an injunction against, any action or other proceeding that may be instituted, prosecuted, or attempted in breach of this Agreement.

5. **Aggrieved Employees and PAGA Period.**

(a) **Aggrieved Employees.** This Agreement shall include all current and former hourly-paid or non-exempt employees who worked for Defendant within the State of California at any time during the PAGA Period.

(b) **PAGA Period.** This Agreement shall cover the period from December 6, 2023, through March 1, 2026.

(i) Defendant estimates that there are about 428 Aggrieved Employees who worked around 7,096 pay periods as of the date of mediation (December 18, 2025).

(ii) There will be no reversion to Defendant and no claims process for the Aggrieved Employees to receive payment.

(iii) The Aggrieved Employees do not have the right to opt out of or object to this Agreement.

6. **Settlement Administration.**

(a) The Parties will retain Phoenix Class Action Administration Solutions to serve as the Administrator.

(b) The Administrator shall establish a Qualified Settlement Fund pursuant to 26 U.S.C. section 486B, make all the payments required by this Agreement, handle all required tax withholding and reporting related thereto to the extent necessary, and issue all appropriate tax forms to Plaintiff, Plaintiff's Counsel, Aggrieved Employees, and LWDA resulting from the settlement payments under this Agreement. The Administrator is solely responsible for issuing all the required tax forms under this Agreement.

7. **Settlement Payments.**

(a) **Gross Settlement Amount.** In consideration of, and subject to, the promises, terms, and conditions set forth in this Agreement, Defendant shall pay the maximum gross sum of $108,000 ("Gross Settlement Amount") in the manner and method set forth herein. Except as otherwise provided by paragraph 28 (Escalator Clause), nothing in this Agreement shall require Defendant to pay more than the Gross Settlement Amount to settle the Lawsuit and all claims alleged therein.

(b) **Allocation of Gross Settlement Amount.** The Gross Settlement Amount shall consist of the following: (i) award of attorneys' fees to Plaintiff's Counsel ("Plaintiff's Counsel Fees Payment"); (ii) award of litigation costs and expenses to Plaintiff's Counsel ("Plaintiff's Counsel Litigation Expenses Payment"); (iii) an enhancement payment to Plaintiff ("Service Payment"); (iv) payment of the administration costs and expenses to the Administrator ("Administration Expenses Payment"); and (v) payments of civil penalties to the LWDA and Aggrieved Employees ("PAGA Penalties Fund").

(i) **<u>Plaintiff's Counsel Fees Payment</u>.**

(A) Plaintiff's Counsel may submit an application to the Court for the Plaintiff's Counsel Fees Payment not to exceed $37,800 (35% of the Gross Settlement Amount). Defendant will not oppose or object to this application. Defendant shall have no liability for the attorneys' fees except as provided for in this Agreement.

(B) Any Plaintiff's Counsel Fees Payment approved by the Court will be paid out of the Gross Settlement Amount and shall constitute full and complete satisfaction of all the claims that Plaintiff may have for attorneys' fees arising out of the Lawsuit through the Effective Date of this Agreement, including work not yet performed.

(C) This Agreement is not contingent upon the Court approving the Plaintiff's Counsel Fees Payment in the amount set forth herein. This Agreement and its terms shall remain fully effective and enforceable notwithstanding any decision by the Court to approve the Plaintiff's Counsel Fees Payment that is less than the amount set forth herein. The Court's refusal to approve the requested Plaintiff's Counsel Fees Payment does not give Plaintiff, Aggrieved Employees, or Plaintiff's Counsel any basis to abrogate this Settlement.

(D) If any portion of the Plaintiff's Counsel Fees Payment is not approved by the Court, only the approved amount shall be paid to Plaintiff's Counsel from the Gross Settlement Amount, and the payment of that amount shall constitute satisfaction of Defendant's obligations with respect to the Plaintiff's Counsel Fees Payment. Any difference between the requested Plaintiff's Counsel Fees Payment and Court-approved Plaintiff's Counsel Fees Payment will become part of the PAGA Penalties Fund.

(ii) **<u>Plaintiff's Counsel Litigation Expenses Payment</u>.**

(A) Plaintiff's Counsel may submit an application to the Court for the Plaintiff's Counsel Litigation Expenses Payment as reimbursement of litigation costs and expenses incurred by Plaintiff's Counsel in connection with the Lawsuit not to exceed $15,000. Defendant will not oppose or object to this application. Defendant shall have no liability for attorneys' costs except as provided for in this Agreement.

(B) Any Plaintiff's Counsel Litigation Expenses Payment approved by the Court will be paid out of the Gross Settlement Amount and shall constitute full and complete satisfaction of all the claims that Plaintiff may have for litigation costs and expenses arising out of the Lawsuit through the Effective Date of this Agreement, including litigation costs and expenses not yet incurred.

(C) This Agreement is not contingent upon the Court approving the Plaintiff's Counsel Litigation Expenses Payment in the amount set forth herein. This Agreement and its terms shall remain fully effective and enforceable notwithstanding any decision by the Court to approve the Plaintiff's Counsel Litigation Expenses Payment that is less than the amount set forth herein. The Court's refusal to approve the requested Plaintiff's Counsel Litigation Expenses Payment amount does not give Plaintiff, Aggrieved Employees, or Plaintiff's Counsel any basis to abrogate this Settlement.

(D) If any portion of the Plaintiff's Counsel Litigation Expenses Payment is not approved by the Court, only the approved amount shall be paid to Plaintiff's Counsel from the Gross Settlement Amount, and the payment of that amount shall constitute full satisfaction of Defendant's obligations with respect to the Plaintiff's Counsel Litigation Expenses Payment. Any difference between the requested Plaintiff's Counsel Litigation Expenses Payment and Court-approved Plaintiff's Counsel Litigation Expenses Payment will become part of the PAGA Penalties Fund.

(iii) **Service Payment.**

(A) Plaintiff may submit an application to the Court for the Service Payment not to exceed $10,000 for the time and effort and risks undertaken in bringing the Lawsuit. Defendant will not oppose or object to this application.

(B) This Agreement is not contingent upon the Court approving the Service Payment in the amount set forth herein. This Agreement and its terms shall remain fully effective and enforceable notwithstanding any decision by the Court to approve the Service Payment in an amount less than the amount set forth herein. The Court's refusal to approve the Service Payment as requested herein does not give Plaintiff, Aggrieved Employees, or Plaintiff's Counsel any basis to abrogate this Settlement.

(C) If any portion of the Service Payment set forth herein is not approved by the Court, no more than the approved amount shall be paid to Plaintiff from the Gross Settlement Amount. Any difference between the requested Service Payment and Court-approved Service Payment will become part of the PAGA Penalties Fund.

(iv) **Administration Expenses Payment.**

(A) Subject to approval by the Court, the Administration Expenses Payment that is currently estimated at $7,000 will be paid out of the Gross Settlement Amount to cover the administration costs and expenses incurred by the Administrator.

(B) Any Administration Expenses Payments approved by the Court will be paid out of the Gross Settlement Amount and shall constitute full and complete satisfaction of any and all administration costs and expenses incurred by the Administrator arising out of the Lawsuit through the Effective Date of this Agreement.

(C) This Agreement is not contingent upon the Court approving Administration Expenses Payment in the amount set forth herein. This Agreement and its terms shall remain fully effective and enforceable notwithstanding any decision by the Court to approve Administration Expenses Payment in an amount that is less than the amount set forth herein. The Court's refusal to approve the Administration Expenses Payment requested does not give Plaintiff, Aggrieved Employees, or Plaintiff's Counsel any basis to abrogate this Settlement.

(D) If any portion of the Administration Expenses Payment set forth herein is not approved by the Court, no more than the approved amount shall be paid to the Administrator out of the Gross Settlement Amount. Any difference between the requested Administration Expenses Payment and Court-approved Administration Expenses Payment will become part of the PAGA Penalties Fund.

(v) **<u>PAGA Penalties Fund</u>.** The portion of the Gross Settlement Amount remaining after the deduction of the Plaintiff's Counsel Fees Payment, Plaintiff's Counsel Litigation Expenses Payment, Service Payment, and Administration Expenses Payment are paid shall be designated as the PAGA Penalties Fund from which payments deemed to constitute full and complete satisfaction of any and all claims for the civil penalties under PAGA in the Lawsuit shall be made. Subject to approval by the Court, the PAGA Penalties Fund shall be allocated and paid as follows:

(A) **<u>The LWDA Payment</u>.** Sixty-five percent (65%) of the PAGA Penalties Fund will be paid to the LWDA.

(B) **<u>Individual PAGA Payments</u>.** Thirty-five percent (35%) of the PAGA Penalties Fund shall be designated as the Net Settlement Amount and will be paid to the Aggrieved Employees on a pro-rata basis. Each Aggrieved Employee will receive a pro-rata share of the Net Settlement Amount based on the total number of pay periods that the Aggrieved Employee worked for Defendant during the PAGA Period.

(C) The Individual PAGA Payment that each Aggrieved Employee is entitled to receive will be determined by using the formula set forth herein:

(1) Individual PAGA Payment = Net Settlement Amount x (total number of pay periods worked by the Aggrieved Employee ÷ total number of pay periods worked by all the Aggrieved Employees).

(c) **<u>Tax Allocation</u>.**

(i) **<u>Payments to Plaintiff's Counsel</u>.** The Administrator shall issue an IRS Form 1099 to Justice Law Corporation in connection with the Plaintiff's Counsel Fees Payment and Plaintiff's Counsel Litigation Expenses Payment.

(ii) **<u>Payments to the LWDA</u>.** The sixty-five percent (65%) of the PAGA Penalties Fund payable to the LWDA shall be deemed to consist entirely of civil penalties recovered under PAGA and subject to treatment as IRS Form 1099 income.

(iii) **<u>Payments to the Aggrieved Employees</u>.** If required, an IRS Form 1099 will be issued to each Aggrieved Employee in connection with their Individual PAGA Payments.

(d) **Tax Liability.** Plaintiff, Plaintiff's Counsel, Aggrieved Employees, and applicable governmental authorities (including the LWDA) are solely responsible for all the tax obligations, including all reporting and payment obligations, attributable to them that may arise as a consequence of this Agreement and payment of the amounts set forth herein. Neither Defendant nor Defendant's counsel make any express or implied promise, representation, or warranty regarding the tax consequences or tax treatment under federal or state tax laws for any sum paid pursuant to this Agreement.

(e) **No Effect on Employee Benefits.** The payments made to Aggrieved Employees herein shall not be utilized to calculate any additional benefits under any benefit plans to which any Aggrieved Employees may be eligible, including, but not limited to, any profit-sharing plans, bonus plans, 401(k) plans, stock purchase plans, vacation plans, sick leave plans, PTO plans, or other benefit plans available to the Aggrieved Employees.

8. **Distribution of the Settlement Payments.**

(a) **List of Aggrieved Employees.** No later than fourteen (14) calendar days after the Effective Date, Defendant shall provide the Administrator with a list of the Aggrieved Employees': (i) Social Security numbers; (ii) last known addresses; and (iii) number of pay periods worked during the PAGA Period. Defendant agrees to consult with the Administrator as required to provide the list in a format reasonably acceptable for the performance of the duties of the Administrator. The Administrator will keep the list confidential, use it only for the purposes described herein, take adequate safeguards to protect confidential or private information, and return or certify the destruction of the information upon completion of the Settlement Administration process.

(b) **Funding of the Gross Settlement Amount.** No later than thirty (30) calendar days after the Effective Date, Defendant shall deposit the Gross Settlement Amount into the Qualified Settlement Fund created by the Administrator.

(c) **Disbursing the Settlement Payments.** No later than fourteen (14) calendar days of the funding of the Gross Settlement Amount, the Administrator will disburse the settlement payments set forth herein to the appropriate entities or persons. The Administrator shall first obtain approval of the calculations from all counsel before disbursing the payments.

(d) **Payment of the Individual PAGA Payments.**

(i) The Individual PAGA Payments will be paid in the form of a check to be delivered to each Aggrieved Employee at their last known address. Each Individual PAGA Payment will be accompanied by an explanatory letter in English and Spanish substantially in the form attached hereto as **Exhibit A**.

(ii) The checks mailed to the Aggrieved Employees will remain negotiable for one hundred eighty (180) calendar days after the date of their issuance ("Check Stale Date"). Any checks sent to the Aggrieved Employees that are not cashed, deposited, or negotiated after the Check Stale Date will be void. The amount of uncashed checks sent to the Aggrieved Employees will be directed to the *cy pres* recipient Legal Aid At Work.

(iii) Any checks sent to the Aggrieved Employees that are returned as undeliverable on or before the Check Stale Date will be sent promptly via regular First-Class U.S. Mail to the forwarding address affixed thereto. If no forwarding address is provided, the Administrator will attempt to determine the correct address using a skip trace or other reasonable method and will then perform a single remailing.

(iv) Any Aggrieved Employee who cannot be located after the above procedures are followed will continue to be bound by this Agreement. The funds associated with these Aggrieved Employees' Individual PAGA Payments will be directed to the *cy pres* recipient Legal Aid At Work.

9. **Release.**

(a) **Released Parties.** The Released Parties include Defendant and its past, present, and future parents, subsidiaries, affiliates, divisions, predecessors, successors, assigns, and their respective past, present, and future officers, directors, employees, partners, shareholders, managers, agents, attorneys, insurers, and any other successors, assigns, or legal representatives, if any.

(b) **Released PAGA Claims.** Upon Defendant's funding of the Gross Settlement Amount, Plaintiff, as agent and proxy of the State of California (including the LWDA), State of California, including the LWDA, and all individuals who seek to serve as agent and proxy of the State of California in bringing PAGA claims, and Aggrieved Employees are deemed to release, on behalf of themselves and their former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all the claims for the PAGA penalties that were alleged, or could have been alleged, based on the facts stated in the operative complaint and PAGA Notice and that occurred during the PAGA Period ("Released PAGA Claims").

(i) The Released PAGA Claims include Labor Code sections 98.6, 201, 202, 203, 204, 206.5, 210, 218.5, 221, 226(a), 226.3, 226.7, 226.8, 227.3, 246, 432.5, 510, 512(a), 551, 552, 558, 1102.5, 1174, 1174.5, 1182.12, 1185, 1194, 1194.2, 1197, 1197.1, 1198, 1198.5, 1199, 2698, 2699, *et seq*., 2800, and 2802 and Industrial Welfare Commission Wage Order 4-2001.

(ii) For avoidance of doubt, the Released PAGA Claims include claims for: (1) failure to pay wages (including, *inter alia*, minimum, regular, overtime wages); (2) failure to provide compliant meal periods and associated premium pay; (3) failure to provide compliant rest periods and associated premium pay; (4) failure to reimburse for necessary business expenses; (5) failure to provide compliant wage statements; (6) failure to timely pay wages upon termination of employment; (7) failure to timely pay wages during employment; (8) declaratory relief as it relates to the claims listed above, penalties recoverable pursuant to the claims listed above; and (9) interest, fees, costs, as well as all other claims and allegations alleged in the Lawsuit, throughout the PAGA Period.

(c) **<u>Plaintiff's Release</u>**. Effective on the date when Defendant fully funds the Gross Settlement Amount, Plaintiff and Plaintiff's former and present spouses, representatives, agents, attorneys, heirs, administrators, successors, and assigns generally release and discharge the Released Parties from all the claims, debts, liabilities, demands, obligations, transactions, or occurrences guarantees, costs, expenses, attorneys' fees, damages, or causes of action of any kind or nature whatsoever, known or unknown, suspected or unsuspected, asserts or unasserted, arising out of Plaintiff's employment, including all claims alleged in the Lawsuit ("Plaintiff's Release").

(d) The Plaintiff's Release includes, but is not limited to, all the claims for the PAGA penalties that were alleged, or could have been alleged, based on the facts stated in the operative complaint and PAGA Notice and that occurred during the PAGA Period.

(i) The Parties understand the word "claim(s)" in this section to include all actions, complaints, claims, and grievances, whether actual or potential, known or unknown, and specifically but not exclusively, all claims arising out of Plaintiff's employment with Defendant, including, but not limited to, any and all claims under the Fair Employment and Housing Act, Title VII, or any other statute, rule or regulation relating to Plaintiff's employment with Defendant and under which Plaintiff has made a claim or could make a claim against Defendant.

(ii) The Plaintiff's Release does not extend to any claims or actions to enforce this Agreement, to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, workers' compensation benefits that arose at any time, to any claims that may arise after Plaintiff signs this Agreement, or to any claims which cannot be released by a private agreement.

(iii) Plaintiff acknowledges that Plaintiff may discover facts or law different from, or in addition to, the facts or law Plaintiff now knows or believes to be true. But Plaintiff agrees that Plaintiff's Release shall remain effective in all respects, notwithstanding such different or additional facts or the discovery of them.

(iv) Plaintiff expressly waives and relinquishes the provisions, rights, and benefits, if any, of section 1542 of the Civil Code, which reads:

> **A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, AND THAT IF KNOWN BY HIM OR HER WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.**

(v) Plaintiff acknowledges that Plaintiff has read and understands section 1542 and knowingly and voluntarily waives the rights and benefits afforded by that section with respect to the claims released herein. Plaintiff agrees that this Agreement is entered into knowingly and voluntarily. Plaintiffs represents and warrants that Plaintiff has full authority to enter into this Agreement and that Plaintiff has not assigned, transferred, or conveyed any interest in any claims to any spouse or to any other third party.

10. **Confidentiality.** With the exception of requirements related to filing the necessary documents to grant this Agreement, the Parties and their counsel will keep confidential the facts relating to the existence of this Agreement, negotiations leading to the execution of this Agreement, terms of this Agreement, and alleged factual basis for the claims, if any. Neither the Parties nor their counsel shall issue a press release, hold a press conference, publish information about the settlement on any website or through any social media, or publicize the settlement or communicate its terms in public or in private unless ordered by the Court.

11. **Acknowledgement of a Fair and Reasonable Agreement.** The Parties arrived at this Agreement after arm's-length negotiations between experienced counsel. Each of the Parties acknowledges, agrees, and believes that this Agreement is fair, adequate, and reasonable. The Parties acknowledge that they are each represented by competent counsel and that they have had an opportunity to consult with their counsel regarding the fairness and reasonableness of this Agreement. Each Party to this Agreement agrees and represents that it has investigated the facts relevant to this Agreement and all matters pertaining thereto to the full extent that each Party deems necessary. The Parties agree that this Agreement reflects their good faith compromise of the claims raised in the Lawsuit based on their assessment of the mutual risks and costs of further litigation and assessments of their counsel.

12. **Waiver of Appeal Rights.** By accepting this Settlement and upon the Court granting approval of this Settlement, Plaintiff and Plaintiff's Counsel waive any and all rights that they may have to appeal any judgment, ruling, or order made by the Court. The waiver of appeal also includes all the rights to any post-judgment proceeding and appellate proceeding, such as, but not limited to, a motion to vacate judgment, a motion for new trial, a motion for relief, and any extraordinary writ. The waiver of appeal does not include any waiver of the right to oppose any appeal, appellate proceedings, or post-judgment proceedings. If an appeal is taken from the approval, the time for the consummation of this Settlement will be suspended until such time as the appeal is finally resolved and approval becomes final.

13. **Duty to Cooperate.** Each Party agrees that it will abide by this Agreement and that the Parties and their counsel will cooperate to effect the implementation of this Agreement. The Parties pledge their good faith and fair dealing in supporting the approval of this Agreement by the Court. If the Parties are unable to reach an 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 may seek the assistance of the mediator who facilitated the negotiations. If the Parties cannot resolve their dispute with the assistance of the mediator, the Parties may seek the assistance of the Court.

14. **Governing Law and Interpretation.** This Agreement shall be governed in accordance with the laws of the State of California. This Agreement shall be interpreted per the plain meaning of its terms and shall not be strictly interpreted for or against any of the Parties to this Agreement. Given that all the Parties hereto had the opportunity to draft, review, and edit the language of this Agreement, the Parties expressly waive the benefit of any legal principle or rule that provides that the language of a contract should be interpreted against the Party who caused the uncertainty to exist in cases of uncertainty.

15. **Discovery of Documents and Information.** Plaintiff and Plaintiff's Counsel agree that they will destroy all the documents and information provided to them by Defendant during the Lawsuit within sixty (60) calendar days after the completion of the administration of the Settlement. Plaintiff's Counsel agree that none of the documents and information provided to them by Defendant shall be used for any purpose other than for the settlement of the Lawsuit.

16. **Authority to Enter this Agreement.** Each Party represents and warrants that it has the right and authority to execute this Agreement. It is agreed that the Aggrieved Employees are so numerous that it is impossible or impractical to have each member execute this Agreement. It is agreed that this Agreement may be executed on behalf of the Aggrieved Employees by Plaintiff and Plaintiff's Counsel.

17. **Authorization of Counsel.** The Parties' counsel warrant and represent that they are authorized by the Parties whom they represent to negotiate this Agreement and to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms and to execute any other documents required to effectuate its terms.

18. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Signatures sent by facsimile transmission or scanned e-mail transmission and electronic signatures have the same force, validity, and effect as original signatures.

19. **Severability.** If any clause or provision of this Agreement is declared illegal or unenforceable, it shall be modified as minimally as necessary to be enforceable. If the provision cannot be modified to be enforceable, such provision shall immediately become null and void, leaving the remainder of this Agreement in full force and effect.

20. **Nullification of this Settlement Agreement.** If the Court fails to grant approval, the Parties shall be returned to their original positions as though this Settlement Agreement had never been entered into at all. If any administration costs and expenses are due and payable, the Parties agree to split those costs.

21. **Binding on Successors and Assigns.** This Agreement will be binding upon, and inure to the benefit of, the Parties and their agents, employees, representatives, officers, directors, parents, subsidiaries, assigns, heirs, executors, administrators, insurers, and successors in interest.

22. **Continuing Jurisdiction of the Court.** Pursuant to Code of Civil Procedure section 664.6, the Court shall retain continuing jurisdiction over the Lawsuit and Parties to the fullest extent necessary to enforce and effectuate the terms and intent of this Agreement.

23. **Ownership of the Claims.** The Parties represent that they have not transferred assigned, or purported to transfer or assign, to any person or entity any portion of any liability, claim, demand, action, cause of action, or right herein released and discharged.

24. **Amendment and Modification.** This Agreement may not be modified, altered, or changed, except by a written instrument signed by either the Parties or their successors-in-interest or counsel for all Parties and approved by the Court.

25. **Admissibility of this Agreement.** Pursuant to Evidence Code section 1123, the Parties agree that this Agreement is admissible for the purposes of proving up and or enforcing the terms of the Agreement.

26. **No Representations.** Except as expressly set forth herein, the Parties acknowledge that no representation of any kind or character has been made to induce the execution of this Settlement Agreement.

27. **Attorneys' Fees.** Except as set forth in this Agreement, each side shall bear its own costs and attorneys' fees.

28. **Escalator Clause.** If it is determined that the number of pay periods within the PAGA Period exceeds 7,096 by more than ten percent (10%) (*i.e.*, exceeds 7,806 pay periods), then, at Defendant's election, either: (a) the Gross Settlement Amount shall increase proportionally over the ten percent (10%) increase (*i.e.*, if the number of pay periods increases by 11%, then the Gross Settlement Amount will increase by 1%); or (b) end the PAGA Period on the date that the number of pay periods reaches 7,806 pay periods.

IN WITNESS WHEREOF, the Parties knowingly and voluntarily accept the terms of this Settlement Agreement by affixing their signatures below.

Dated: 04/01/2026

Jayden Gagnon

By: Jayden Tylen Gagnon

Dated: April 1, 2026

Justice Law Corporation [Approving as to Form Only]

By: D. Han

Douglas Han, Esq.
Shunt Tatavos-Gharajeh, Esq.
Talia Lux, Esq.
Attorneys for Plaintiff

Dated: April 6, 2026

Archon Protection, Inc.

Signed by:

By: Tim Langan

2369500279B2463...

On behalf of Archon Protection, Inc.

Dated: April 1, 2026

Gordon Rees Scully Mansukhani, LLP [Approving as to Form Only]

By: Jiaying Chen

Dina Glucksman, Esq.
Leslie Joyner, Esq.
Jiaying Chen, Esq.
Attorneys for Defendant

EXHIBIT A

NOTICE OF PAGA SETTLEMENT

Gagnon v. Archon Protection, Inc.
Superior Court of California, County of Ventura
Case No. 2025CUOE038286

Dear [Aggrieved Employee's Name]:

Enclosed with this letter is a settlement check being paid to you pursuant to the settlement of the lawsuit filed in the Superior Court of California, County of Ventura, entitled *Gagnon v. Archon Protection, Inc.*, Case Number 2025CUOE038286 ("Lawsuit"). The purpose of this letter is to provide you with basic information about the Lawsuit, reasons why you are receiving the enclosed settlement check, and effect of the settlement on your legal rights.

I. The Lawsuit

On February 14, 2025, Plaintiff Jayden Gagnon ("Plaintiff"), a former employee of Defendant Archon Protection, Inc. ("Defendant"), commenced this Lawsuit by filing a complaint pursuant to Labor Code section 2698 (Private Attorneys General Act of 2004 ("PAGA")) in the Superior Court of California, County of Ventura. The Lawsuit was brought on behalf of the State of California and all current and former hourly-paid or non-exempt employees who worked for Defendant within the State of California at any time during the period from December 6, 2023, through March 1, 2026 ("Aggrieved Employees," and "PAGA Period").

In the Lawsuit, Plaintiff claimed that Defendant owed civil penalties under PAGA to Plaintiff and Aggrieved Employees for the alleged violations of the Labor Code. Defendant denies that it violated the Labor Code, denies the allegations in the operative complaint, and denies all liability under PAGA to Plaintiff, Aggrieved Employees, and State of California.

The merits of the Lawsuit have not been determined. On __________, the Court approved a settlement of the Lawsuit that Defendant entered to avoid the costs and disruption of litigation.

II. Why This Settlement Check Is Being Sent to You

The settlement approved by the Court involves payment of civil penalties. In accordance with PAGA, sixty-five percent (65%) of the civil penalties paid under the settlement goes to the California Labor and Workforce Development Agency ("LWDA"). The remaining thirty-five percent (35%) of the civil penalties paid under the settlement will be distributed to all the Aggrieved Employees. The enclosed settlement check is being sent to you because you have been identified as an Aggrieved Employee.

III. How the Amount of Your Settlement Check Was Determined

The enclosed settlement check was calculated based on the number of pay periods that you worked for Defendant during the PAGA Period relative to all the other Aggrieved Employees.

Your settlement check will remain negotiable for one hundred eighty (180) calendar days after its mailing (“Check Stale Date”). The Check Stale Date is set to occur on _________. If your settlement check is not cashed, deposited, or negotiated within this timeframe, then it will be voided. The uncashed amount will be directed to the *cy pres* recipient Legal Aid At Work, and you will have no means to retrieve the uncashed amount.

IV. Consequences of the Settlement

The Lawsuit was filed exclusively as a representative action under PAGA, which functions as a substitute for an enforcement action by the State of California.

Upon Defendant’s funding of the Gross Settlement Amount, Plaintiff, as agent and proxy of the State of California (including the LWDA), State of California, including the LWDA, and all individuals who seek to serve as agent and proxy of the State of California in bringing PAGA claims, and Aggrieved Employees are deemed to release, on behalf of themselves and their former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all the claims for the PAGA penalties that were alleged, or could have been alleged, based on the facts stated in the operative complaint and PAGA Notice and that occurred during the PAGA Period (“Released PAGA Claims”).

- The Released PAGA Claims include Labor Code sections 98.6, 201, 202, 203, 204, 206.5, 210, 218.5, 221, 226(a), 226.3, 226.7, 226.8, 227.3, 246, 432.5, 510, 512(a), 551, 552, 558, 1102.5, 1174, 1174.5, 1182.12, 1185, 1194, 1194.2, 1197, 1197.1, 1198, 1198.5, 1199, 2698, 2699, *et seq*., 2800, and 2802 and California Industrial Welfare Commission Wage Order 4-2001.

- For avoidance of doubt, the Released PAGA Claims include claims for: (1) failure to pay wages (including, inter alia, minimum, regular, overtime wages); (2) failure to provide compliant meal periods and associated premium pay; (3) failure to provide compliant rest periods and associated premium pay; (4) failure to reimburse for necessary business expenses; (5) failure to provide compliant wage statements; (6) failure to timely pay wages upon termination of employment; (7) failure to timely pay wages during employment; (8) declaratory relief as it relates to the claims listed above, penalties recoverable pursuant to the claims listed above; and (9) interest, fees, costs, as well as all other claims and allegations alleged in the Lawsuit, throughout the PAGA Period.

The Released Parties include Defendant and its past, present, and future parents, subsidiaries, affiliates, divisions, predecessors, successors, assigns, and their respective past, present, and future officers, directors, employees, partners, shareholders, managers, agents, attorneys, insurers, and any other successors, assigns, or legal representatives, if any.

V. <u>Taxation of Your Individual PAGA Payment</u>

You will be issued an IRS Form 1099 in connection with the funds paid to you via the enclosed settlement check. However, you are solely responsible for all tax obligations attributable to you that may arise as a result of receiving the settlement check. If you have any tax-related questions regarding your receipt of the enclosed settlement check, you should direct them your own tax advisor.

VI. <u>Where to Get More Information</u>

Do not call or contact the Court about this letter, settlement, settlement check sent to you, or Lawsuit. If you have questions, you may contact the Administrator __________ at __________.

Dated: INSERT DATE

PROOF OF SERVICE
1013A(3) CCP

STATE OF CALIFORNIA, COUNTY OF LOS ANGELES

I am employed in the County of Los Angeles, State of California. I am over the age of 18 and not a party to the within action. My business address is 751 N. Fair Oaks Avenue, Suite 101, Pasadena, CA 91103 and my electronic service address is jtorrez@justicelawcorp.com

On April 20, 2026, I served the foregoing document described as

SETTLEMENT AGREEMENT

for the following case: **Jayden Gagnon v. Archon Protection, Inc.**
LWDA/Court Case No.: **LWDA Case No.: CM- 1065547-24**
Court Case No.: 2025CUOE038286
Ventura County Superior Court

on interested parties in this action by electronically submitting as follows:

State of California
Labor & Workforce Development Agency
800 Capitol Mall, MIC-55
Sacramento, California 95814

[X] BY ELECTRONIC SUBMISSION
Pursuant to California Senate Bill No. 836, I caused the documents described above to be electronically submitted by and through the procedure stated on the website of the State of California Labor and Workforce Development Agency.

[X] STATE
I declare under penalty of perjury under the laws of the State of California that the above is true and correct.

Executed on April 20, 2026, at Pasadena, California.

Jessica Torrez