

JOINT STIPULATION OF CLASS ACTION AND PAGA SETTLEMENT AND RELEASE

This Joint Stipulation of Class Action and PAGA Settlement and Release (“Settlement,” “Agreement” or “Settlement Agreement”) is made and entered into by and between Plaintiff Gregory Knop (“Plaintiff”), individually, on behalf of all others similarly situated, and on behalf of the State of California with respect to PAGA Employees pursuant to the Private Attorneys General Act, and Defendant Peak Technology Enterprises, Inc. (“Defendant”) (collectively, Plaintiff and Defendant are referred to as the “Parties” and individually they are referred to as “Party”).

This Joint Stipulation of Class Action and PAGA Settlement and Release shall be binding on Plaintiff, Settlement Class Members (as defined herein), the State of California with respect to PAGA Employees (as defined herein) and on Defendant, subject to the terms and conditions hereof and the approval of the Court.

RECITALS

1. On February 9, 2021, Plaintiff filed a Class Action Complaint for Damages (the “Class Complaint”), thereby commencing a putative class action entitled *Gregory J. Knop v. Peak Technology Enterprises, Inc.*, in the Superior Court of California for the County of Santa Clara, Case No. 21CV376019 (the “Class Action”) against Defendant for alleged violations of the California Labor Code.

2. On July 6, 2021, Plaintiff provided notice by electronic upload to the Labor and Workforce Development Agency and written notice by certified mail to Defendant of her intent to pursue civil penalties under California Labor Code section 2698, *et seq.* (“PAGA”) for Defendant’s alleged violations of the California Labor Code (“PAGA Notice”).

3. Also on September 9, 2021 Plaintiff filed a Complaint for Enforcement Under the Private Attorneys General Act, California Labor Code § 2698, Et Seq., (the “PAGA Complaint” and with the Class Complaint as the “Complaints”), thereby commencing a representative action entitled *Gregory J. Knop v. Peak Technology Enterprises, Inc.*, in the Superior Court of California for the County of Santa Clara, Case No. 21CV386575 (the “PAGA Action” and with the Class Action as the “Actions”) against Defendant seeking penalties pursuant to the California Private Attorneys General Act (“PAGA”).

4. Defendant denies all material allegations set forth in the Complaints in the Actions and has asserted numerous affirmative defenses in the Actions. Notwithstanding, in the interest of avoiding

1 further litigation, Defendant desires to fully and finally settle the Actions, the Released Class Claims,
2 and the Released PAGA Claims.

3 5. Class Counsel diligently investigated the claims against Defendant, including any and all
4 applicable defenses and the applicable law. The investigation included, *inter alia*, the exchange of
5 information, data, and documents, and review of Defendant's employment and operations policies,
6 practices, and procedures.

7 6. The Parties participated in mediation with Jeffrey A. Ross, Esq. (the "Mediator"), a
8 respected mediator of complex wage and hour actions. The Actions did not settle at mediation and
9 returned to litigation and discovery. However, with the assistance of the Mediator's evaluations, and
10 with additional limited informal discovery, the Parties continued to engage in good faith settlement
11 negotiations through the Mediator before finally reaching the settlement for which the core terms are
12 memorialized herein, on or about August 30, 2024. The settlement discussions were conducted at arm's-
13 length, and the Settlement is the result of an informed and detailed analysis of Defendant's potential
14 liability and exposure in relation to the costs and risks associated with continued litigation. Based on
15 the documents produced, as well as Class Counsel's own independent investigation and evaluation,
16 Class Counsel believe that the settlement with Defendant for the consideration and on the terms set forth
17 in this Settlement Agreement is fair, reasonable, and adequate and is in the best interest of the Class
18 Members, the State of California, and PAGA Employees in light of all known facts and circumstances,
19 including the risk of significant delay and uncertainty associated with litigation and various defenses
20 asserted by Defendant.

21 7. On March 19, 2024, the Parties stipulated to consolidate the Actions and deem the Class
22 Action as the lead case for purposes of settlement approval and entry of judgment thereon, and on March
23 19, 2024, the Court entered an order approving the Parties stipulation by consolidating the Actions and
24 designating the Class Action as the lead case for these purposes.

25 8. The Parties expressly acknowledge that this Settlement Agreement is entered into solely
26 for the purpose of compromising significantly disputed claims and that nothing herein is an admission
27 of liability or wrongdoing by Defendant. If for any reason the Settlement Agreement is not approved,
28 it will be of no force or effect, and the Parties shall be returned to their original respective positions.

DEFINITIONS

9. The following definitions are applicable to this Settlement Agreement. Definitions contained elsewhere in this Settlement Agreement will also be effective:

a. **“Attorneys’ Fees and Costs”** means attorneys’ fees for Class Counsel’s litigation and resolution of the Actions and all actual costs incurred and to be incurred by Class Counsel in the Actions, as set forth below.

b. **“Class Counsel”** means Arby Aiwezian, Joanna Ghosh, and Scarlet Tunney of Lawyers *for* Justice, PC and Charles T. Sweeny of Sweeny Law, PC.

c. **“Class List”** means a complete list of all Class Members that Defendant will diligently and in good faith compile from their records and provide to the Settlement Administrator. The Class List will be formatted in a readable Microsoft Office Excel spreadsheet and will include each Class Member’s last-known full name, mailing address, telephone number, Social Security Number, dates worked as a non-exempt employee of Defendant in California during the Class Period and PAGA Period (if applicable), and such other information as is necessary for the Settlement Administrator to calculate Workweeks (as defined herein).

d. **“Class Member(s)”** or **“Class”** means all current and former non-exempt employees employed by Defendant in California at any time during the Class Period.

e. **“Class Notice”** means the Notice of Class Action Settlement, substantially in the form attached as **“Exhibit A.”**

f. **“Class Period”** means the time period from February 9, 2017 through November 28, 2024.

g. **“Class Representative”** or **“Plaintiff”** means Plaintiff, Gregory Knop.

h. **“Class Settlement”** means the settlement and resolution of all Released Class Claims.

i. **“Court”** means the Superior Court of California for the County of Santa Clara.

j. **“Defendant”** means Defendant Peak Technology Enterprises, Inc.

k. **“Defendant’s Counsel”** means Shannon B. Nakabayashi and Kyle J. Clawson of Jackson Lewis, P.C.

1 l. **“Effective Date”** means the later of (a) the last day on which any appeal might be
2 filed with respect to the Final Approval Order and Judgment, assuming no appeal is filed, or (b) the date
3 of successful resolution of any appeal(s) with respect to Final Approval Order and Judgment – including
4 expiration of any time to seek reconsideration or further review.

5 m. **“Employer Taxes”** means the employers’ share of taxes and contributions in
6 connection with the wages portion of Individual Settlement Shares, which shall be paid by Defendant
7 in addition to the Gross Settlement Amount.

8 n. **“Enhancement Payment”** means the amount to be paid to Plaintiff in recognition
9 of his efforts and work in prosecuting the Actions.

10 o. **“Final Approval”** means the determination by the Court that the Settlement is
11 fair, reasonable, and adequate, and entry of the Final Approval Order and Judgment based thereon.

12 p. **“Final Approval Hearing”** means the hearing at which the Court will consider
13 and determine whether the Settlement should be granted Final Approval.

14 q. **“Gross Settlement Amount”** means the amount of Three Hundred Thousand
15 Dollars and Zero Cents (\$300,000.00) to be paid by Defendant, as provided in Paragraph 12 below, in
16 full resolution of all Released Class Claims, Released PAGA Claims, and the Actions, as provided herein,
17 which includes all Attorneys’ Fees and Costs to be paid to Class Counsel, Enhancement Payment to be
18 paid to Plaintiff, PAGA Amount to be paid to the LWDA and PAGA Employees, Net Settlement Amount
19 to be paid to the Settlement Class Members, and Settlement Administration Costs to be paid to the
20 Settlement Administrator. Defendant shall pay the Employer Taxes in addition to the Gross Settlement
21 Amount. No amount of the Gross Settlement Amount will revert to Defendant. The Gross Settlement
22 Amount may increase to the extent provided in Paragraph 38.

23 r. **“Individual PAGA Payment(s)”** means the *pro rata* share of the PAGA
24 Employee Amount that a PAGA Employee may be eligible to receive for the PAGA Settlement, to be
25 calculated in accordance with Paragraph 18.

26 s. **“Individual Settlement Payment(s)”** means the net payment of each Settlement
27 Class Member’s Individual Settlement Share, after reduction for the employee’s share of taxes and
28 withholdings with respect to the wages portion of the Individual Settlement Share, as provided in

Paragraph 17.

t. **“Individual Settlement Share”** means the *pro rata* share of the Net Settlement Amount that a Class Member may be eligible to receive for the Class Settlement, to be calculated in accordance with Paragraph 17.

u. **“LWDA Payment”** means the amount of Thirty Seven Thousand Five Hundred Dollars and Zero Cents (\$37,500.00), i.e., 75% of the PAGA Amount, that the Parties have agreed to pay to the California Labor and Workforce Development Agency (“LWDA”) for the PAGA Settlement, as set forth in Paragraph 16.

v. **“Net Settlement Amount”** means the Gross Settlement Amount less the Court-approved Enhancement Payment, Settlement Administration Costs, PAGA Amount, and Attorneys’ Fees and Costs.

w. **“Objection”** means a Class Member’s valid and timely written objection to the Class Settlement, which must: (a) contain the case name and number of the Class Action; (b) contain the objecting Class Member’s full name; (c) contain a written statement of all grounds for the objection accompanied by any legal and factual support for such objection; (d) contain copies of any papers, briefs, or other documents upon which the objection is based; and (e) contain a statement whether the objector intends to appear at the Final Approval Hearing. Any Settlement Class Member who does not submit a timely written objection to the Settlement, or who fails to otherwise comply with the specific and technical requirements of this paragraph, will be foreclosed from objecting to the Settlement and seeking any adjudication or review of the Settlement, by appeal or otherwise.

x. **“PAGA Amount”** means the allocation of Fifty Thousand Dollars and Zero Cents (\$50,000.00) from the Gross Settlement Amount as civil penalties pursuant to the Private Attorneys General Act, California Labor Code section 2698 *et seq.*, for the settlement and resolution of the Released PAGA Claims. Seventy-five percent (75%) of the PAGA Amount, or \$37,500.00, will be paid to the LWDA (i.e., the LWDA Payment) and the remaining twenty-five percent (25%), or \$12,500.00, will be distributed to PAGA Employees (i.e., the PAGA Employee Amount).

y. **“PAGA Employees”** means all current and former non-exempt employees employed by Defendant in California at any time during the PAGA Period.

1 z. **“PAGA Employee Amount”** means the amount of Twelve Thousand Five
2 Hundred Dollars and Zero Cents (\$12,500.00), i.e., 25% of the PAGA Amount, to be distributed to
3 PAGA Employees on a *pro rata* basis based on their Workweeks during the PAGA Period.

4 aa. **“PAGA Period”** means the time period from July 6, 2020 through November 28,
5 2024.

6 bb. **“PAGA Settlement”** means the settlement and resolution of Released PAGA
7 Claims.

8 cc. **“Parties”** means Plaintiff and Defendant, collectively, and “Party” means any of
9 the Plaintiff or Defendant.

10 dd. **“Preliminary Approval”** means entry of the Court order granting preliminary
11 approval of the Settlement Agreement.

12 ee. **“Released Class Claims”** means any and all claims, actions, or cause of action
13 alleged in the Class Complaint or that could have been alleged based upon the facts alleged in the Class
14 Complaint, arising during the Class Period, including and not limited to, for failure to properly pay
15 overtime (including at the regular rate), failure to pay minimum wages, failure to provide compliant meal
16 periods and associated premiums, failure to provide compliant rest periods and associated premiums,
17 failure to timely pay wages upon termination, during employment and associated waiting-time penalties,
18 failure to provide compliant wage statements, failure to keep requisite payroll records, failure to reimburse
19 necessary business expenses, in violation of California Labor Code sections 201, 202, 203, 204, 226(a),
20 226.7, 510, 512(a), 551, 552, 1174(d), 1194, 1197, 1197.1, 1198, 2800 and 2802 and Industrial Welfare
21 Commission Wage Orders (including, *inter alia*, Nos. 4-2001, and 9-2001), and violation of California
22 Business and Professions Code section 17200 *et seq.* based on the aforementioned.

23 ff. **“Released PAGA Claims”** means all claims for civil penalties under the Private
24 Attorneys General Act, California Labor Code section 2698, *et seq.* that were alleged in the PAGA
25 Notice and PAGA Complaint in the PAGA Action or that reasonably could have been alleged based on
26 the factual allegations in the PAGA Notice and PAGA Complaint in the PAGA Action, arising during
27 the PAGA Period, against any of the Released Parties, for violations of the California Labor Code,
28 including *inter alia* sections 201, 202, 203, 204, 226(a), 226.7, 510, 512(a), 551, 552, 558, 1174(d), 1194,

1 1197, 1197.1, 1198, 2800 and 2802, and applicable Industrial Welfare Commission Wage Orders
2 (including, *inter alia*, Nos. 4-2001, and 9-2001) for failure to pay all and overtime wages due (including
3 overtime wages at the regular rate); failure to provide compliant meal periods and associated premiums;
4 failure to provide compliant rest periods and associated premiums; failure to pay all minimum wages
5 due; failure to pay all wages timely during employment, failure to pay all wages timely at the time of
6 termination; failure to provide complete, accurate, or properly formatted wage statements; failure to
7 maintain requisite payroll records; and failure to reimburse business expenses.

8 gg. **“Released Parties”** means Defendant Peak Technologies Enterprises, Inc. and
9 any of its former and/or current parents, subsidiaries, affiliates, and any other entities that could be
10 considered to have jointly employed the Class Members or PAGA Members as well as each of their
11 officers, directors, managers, owners, executives, partners, executive-level employees, shareholders,
12 agents, attorneys, and any other predecessors, successors, assigns or legal representatives.

13 hh. **“Request for Exclusion”** means a Class Member’s valid and timely written letter
14 indicating a request to be excluded from the Class Settlement, which must: (a) contain the case name
15 and number of the Class Action; (b) contain the requesting Class Member’s full name and signature; (c)
16 contain a clear written statement indicating that the Class Member seeks exclusion from the Class
17 Settlement; and (d) be submitted by mail to the Settlement Administrator at the specified address,
18 postmarked on or before the Response Deadline. The date of the postmark on the return mailing
19 envelope on the submission will be the exclusive means to determine whether a Request for Exclusion
20 has been timely submitted.

21 ii. **“Response Deadline”** means the deadline by which Class Members must submit
22 a Request for Exclusion, Objection, and/or Workweeks Dispute, which shall be the date that is forty-
23 five (45) calendar days from the initial mailing of the Class Notice by the Settlement Administrator,
24 unless the 45th day falls on a Sunday or Federal holiday, in which case the Response Deadline will be
25 extended to the next day on which the U.S. Postal Service is open; in the event that a Class Notice is re-
26 mailed to a Class Member, the Response Deadline for that Class Member shall be extended by fifteen
27 (15) calendar days from the initial Response Deadline.

28 jj. **“Settlement Administrator”** means ILYM Group or any other third-party class

action settlement administrator agreed to by the Parties and approved by the Court for purposes of administering this Settlement. The Parties and their counsel each represent that they do not have any financial interest in the Settlement Administrator or otherwise have a relationship with the Settlement Administrator that could create a conflict of interest.

kk. **“Settlement Administration Costs”** means the costs payable from the Gross Settlement Amount, subject to Court approval, to the Settlement Administrator for administering this Settlement, as set forth in Paragraph 15.

11. **“Settlement Class Members” or “Settlement Class”** means all Class Members who do not submit a timely and valid Request for Exclusion.

mm. **“Workweeks”** means the number of weeks each Class Member worked for Defendant as a non-exempt employee in California during the Class Period, which will be calculated by the Settlement Administrator by determining the number of weeks in which the employee worked at least 1 shift. For purposes of this calculation, Workweeks will not include weeks in which employees were on leave or otherwise absent due to sick leave or vacation for the full Workweek.

nn. **“Workweeks Dispute”** means a Class Member’s written letter disputing the pre-printed information on the Class Notice as to the number of Workweeks credited to them, which must:

(a) contain the case name and number of the Class Action; (b) contain the disputing Class Member’s full name and signature; (c) clearly state that the Class Member disputes the number of Workweeks credited to him or her and what he or she contends is the correct number to be credited to him or her; (d) attach any documentation that he or she has to support the dispute; and (e) be submitted by mail to the Settlement Administrator at the specified address, postmarked on or before the Response Deadline.

CLASS CERTIFICATION

10. For the purposes of this settlement only, the Parties stipulate to the certification of the Class.

11. The Parties agree that certification for the purpose of settlement is not an admission that certification is proper under California Code of Civil Procedure section 382. Should, for whatever reason, the Court not grant Final Approval, the Parties' stipulation to class certification as part of the Settlement shall become null and void *ab initio* and shall have no bearing on, and shall not be admissible

1 in connection with, the issue of whether or not certification would be appropriate as to any of the claims
2 asserted by Plaintiff against Defendant in a non-settlement context.

3 **TERMS OF AGREEMENT**

4 NOW, THEREFORE, in consideration of the mutual covenants, promises, and agreements set
5 forth herein, the Parties agree, subject to the Court's approval, as follows:

6 12. Funding and Disbursement of the Gross Settlement Amount. Within fifteen (15) calendar
7 days after the Effective Date, the Settlement Administrator will provide the Parties with an accounting
8 estimate of the amounts to be paid by Defendant pursuant to the terms of the Settlement and establish a
9 qualified settlement account for administration of the Settlement. Defendant will pay the Gross
10 Settlement Amount in three (3) equal installments of \$100,000. Defendant will deposit the first installment
11 of \$100,000 within two (2) months after the Effective Date, the second installment of \$100,000 within
12 four (4) months after the Effective Date, and the third installment of \$100,000 and Employer Taxes within
13 six (6) months after the Effective Date. Defendant will deposit all installments into the settlement account
14 to be established by the Settlement Administrator. Within seven (7) calendar days of the funding of the
15 total Gross Settlement Amount, the Settlement Administrator will issue payments due under the
16 Settlement and approved by the Court, as follows: (a) Individual Settlement Payments to Settlement
17 Class Members; (b) Individual PAGA Payments to PAGA Employees; (c) LWDA Payment to the
18 LWDA; (d) Enhancement Payment to Plaintiff; (e) Attorneys' Fees and Costs to Class Counsel; and (f)
19 Settlement Administration Costs to itself (the Settlement Administrator). The Settlement Administrator
20 will also undertake filings and remittances in connection with the employee's share of taxes on the
21 wages portion of Individual Settlement Shares and the Employer Taxes, that are necessary for
22 administration of the Settlement.

23 13. Attorneys' Fees and Costs. Class Counsel will request and Defendant will not oppose
24 attorneys' fees of up to thirty-five percent (35%) of the Gross Settlement Amount (i.e., up to \$105,000.00
25 if the Gross Settlement Amount is \$300,000.00) and reimbursement of actual costs and expenses
26 associated with Class Counsel's litigation and settlement of the Actions, the final amount to be
27 determined at the time of Preliminary Approval as supported by declaration, both of which will be paid
28 from the Gross Settlement Amount subject to Court approval. These amounts will cover any and all

work performed and any and all costs incurred by Class Counsel in connection with the litigation and settlement of the Actions, including without limitation all work performed and costs incurred to date, and all work to be performed and all costs to be incurred in connection with obtaining the Court's approval of this Settlement Agreement, including any objections raised and any appeals necessitated by those objections. Class Counsel shall be solely and legally responsible for correctly characterizing this compensation for tax purposes and for paying any taxes on the amounts received. Any portion of the requested Attorneys' Fees and Costs not awarded to Class Counsel shall be a part of the Net Settlement Amount for the benefit of Settlement Class Members.

14. Enhancement Payment. In recognition of his efforts and work in prosecuting the Actions, Defendant agrees not to oppose or impede any application or motion for an Enhancement Payment to Plaintiff in the amount of up to Seven Thousand Five Hundred Dollars and Zero Cents (\$7,500.00). The Enhancement Payment, which will be paid from the Gross Settlement Amount subject to Court approval, will be in addition to any Individual Settlement Payment and Individual PAGA Payment (if applicable) that he is eligible to receive pursuant to the Settlement. The Settlement Administrator will issue an IRS Form 1099 to Plaintiff for the Enhancement Payment, and Plaintiff shall be solely and legally responsible for correctly characterizing this compensation for tax purposes and for paying any and all taxes on the amounts received. Should the Court not approve the Enhancement Payment to Plaintiff, or approve it in an amount that is less than that set forth above, Plaintiff shall not have the right to revoke this Agreement, and it will remain binding, and the difference between the amount approved by the Court (if any) and the amount allocated toward the Enhancement Payment will be part of the Net Settlement Amount for the benefit of Settlement Class Members.

15. Settlement Administration Costs. The Settlement Administrator will be paid for the reasonable costs of administration of the Settlement and distribution of payments under the Settlement, which is currently estimated not to exceed Seven Thousand Six Hundred Fifty Dollars (\$7,650.00). These costs, which will be paid from the Gross Settlement Amount subject to Court approval, will include, *inter alia*, translating the Class Notice to Spanish, printing, distributing, and tracking Class Notices and other documents for the Settlement, calculating and distributing payments due under the Settlement, issuing of 1099 and W-2 IRS Forms and all required tax reporting, filings, withholdings,

1 and remittances, providing necessary reports and declarations, and other duties and responsibilities set
2 forth herein to process this Settlement, and as requested by the Parties. To the extent actual Settlement
3 Administration Costs are greater than the estimated amount stated herein, such excess amount will be
4 deducted from the Gross Settlement Amount, subject to approval by the Court. Any portion of the
5 estimated, designated, and/or awarded Settlement Administration Costs which are not in fact required to
6 fulfill payment to the Settlement Administrator, to undertake the requirement settlement administration
7 duties, will be part of the Net Settlement Amount for the benefit of Settlement Class Members.

8 16. PAGA Amount. Subject to approval by the Court, the Parties agree that the amount of
9 Fifty Thousand Dollars and Zero Cents (\$50,000.00) from the Gross Settlement Amount will be allocated
10 toward civil penalties under the Private Attorneys General Act, California Labor Code section 2698, *et*
11 *seq.* (i.e., the PAGA Amount), of which seventy-five percent (75%), or \$37,500.00, will be paid to the
12 LWDA (i.e., the LWDA Payment) and twenty-five percent (25%) or, \$12,500.00, will be distributed to
13 PAGA Employees (i.e., the PAGA Employee Amount) on a *pro rata* basis, based on Workweeks during
14 the PAGA Period (i.e., the Individual PAGA Payment).

15 17. Individual Settlement Share Calculations. Individual Settlement Shares will be calculated
16 and apportioned from the Net Settlement Amount based on the Class Members' number of Workweeks
17 during the Class Period, as follows:

18 a. After Preliminary Approval of the Settlement, the Settlement Administrator will
19 divide the estimated Net Settlement Amount by the Workweeks of all Class Members during the Class
20 Period to yield the "Estimated Workweek Value," and multiply each Class Member's individual
21 Workweeks during the Class Period by the Estimated Workweek Value to yield his or her estimated
22 Individual Settlement Share.

23 b. After Final Approval of the Settlement, the Settlement Administrator will divide
24 the final Net Settlement Amount by the Workweeks of all Settlement Class Members during the Class
25 Period to yield the "Final Workweek Value," and multiply each Settlement Class Member's individual
26 Workweeks during the Class Period by the Final Workweek Value to yield his or her Individual
27 Settlement Share.

28 18. Individual PAGA Payment Calculations. Individual PAGA Payments will be calculated

1 and apportioned from the PAGA Employee Amount based on the PAGA Employees' number of
2 Workweeks during the PAGA Period as follows: The Settlement Administrator will divide the PAGA
3 Employee Amount, i.e., 25% of the PAGA Amount, by the total number of Workweeks of all PAGA
4 Employees during the PAGA Period to yield the "PAGA Workweek Value," and multiply each PAGA
5 Employee's individual Workweeks during the PAGA Period by the PAGA Workweek Value to yield
6 his or her Individual PAGA Payment.

7 19. Settlement Awards Do Not Trigger Additional Benefits. All payments made under the
8 Settlement shall be deemed to be paid to the payee solely in the year in which such payments actually
9 are issued to the payee. It is expressly understood and agreed that payments made under this Settlement
10 shall not in any way entitle Plaintiff, Settlement Class Members, or PAGA Employees to additional
11 compensation or benefits under any new or additional compensation or benefits, or any bonus, contest
12 or other compensation or benefit plan or agreement in place during the Class Period, nor will it entitle
13 Plaintiff, Settlement Class Members, or PAGA Employees to any increased retirement, 401K benefits
14 or matching benefits, or deferred compensation benefits. It is the intent of this Agreement that the
15 Individual Settlement Payments and Individual PAGA Payments provided for in this Agreement are the
16 sole payments to be made by Defendant to the Settlement Class Members and PAGA Employees in
17 connection with this Agreement (notwithstanding any contrary language or agreement in any benefit or
18 compensation plan document that might have been in effect during the Class Period).

19 20. Notice of Proposed PAGA Settlement to LWDA. Pursuant to California Labor Code
20 section 2699(l)(2), Class Counsel will submit a copy of this Settlement Agreement to the LWDA at the
21 same time that it is submitted to the Court for preliminary approval.

22 21. Delivery of the Class List. Within twenty-one (21) calendar days of Preliminary
23 Approval, Defendant will provide the Class List to the Settlement Administrator.

24 22. Notice by First-Class U.S. Mail.
25 a. Within fourteen (14) calendar days after receiving the Class List from Defendant,
26 the Settlement Administrator will perform a search based on the United States Postal Service's National
27 Change of Address Database or any other similar services available, such as provided by Experian, for
28 information to update and correct for any known or identifiable address changes, and will mail a Class

1 Notice in English and Spanish (in the form attached as **Exhibit A** to this Settlement Agreement) to all
2 Class Members via U.S. mail, using the most current, known mailing addresses identified by the
3 Settlement Administrator.

4 b. With respect to Class Notices that are returned as undeliverable on or before the
5 Response Deadline, the Settlement Administrator will search for an alternate address by way of skip-
6 trace and re-mail the Class Notice within five (5) calendar days to an alternate address if one is located.

7 c. Dispute Regarding Workweeks. The Class Notice will include the procedure by
8 which a Class Member may dispute the number of Workweeks allocated to him or her by submitting a
9 timely and valid Workweeks Dispute. The date of the postmark on the return mailing envelope will be
10 the exclusive means to determine whether a dispute has been timely submitted. Absent evidence
11 rebutting the accuracy of Defendant's records and data as they pertain to the number of Workweeks to
12 be credited to a disputing Class Member, Defendant's records will be presumed correct and
13 determinative of the dispute. The Settlement Administrator will evaluate the information and/or
14 documents submitted by the Class Member and the Settlement Administrator will resolve and determine
15 the number of Workweeks that the disputing Class Member should be credited with under the
16 Settlement. The Settlement Administrator's decision on such disputes will be final and non-appealable.

17 23. Settlement Checks.

18 a. The Settlement Administrator will be responsible for undertaking appropriate
19 deductions, required tax reporting, and issuing the Individual Settlement Payments by way of check to
20 the Settlement Class Members and the Individual PAGA Payments by way of check to the PAGA
21 Employees in accordance with this Settlement Agreement. When issuing payments, the Settlement
22 Administrator may combine the Individual Settlement Payment and Individual PAGA Payment into one
23 check if the intended recipient for both payments is one individual.

24 b. Each Individual Settlement Payment check and Individual PAGA Payment check
25 will be valid and negotiable for one hundred and eighty (180) calendar days from the date of original
26 issuance, and thereafter, shall be canceled. All funds remaining in connection with, and after the
27 cancelation of checks issued to Settlement Class Members and PAGA Employees, shall be paid to the
28 Greg E. Knoll Justice Gap Fund ("Proposed *Cy Pres* Recipient"). The Proposed *Cy Pres* Recipient is one

1 of three significant sources of funding for about 100 legal aid organizations across the state providing free
2 civil legal services to low-income Californians. The Parties and their counsel do not have any interests or
3 involvement within the governance or work of the Proposed *Cy Pres* Recipient.

4 c. The Settlement Administrator shall undertake amended and/or supplemental tax
5 filings and reporting, required under applicable local, state, and federal tax laws, that are necessitated
6 due to the cancelation of any Individual Settlement Payment or Individual PAGA Payment checks.
7 Settlement Class Members whose Individual Settlement Payment checks are canceled shall,
8 nevertheless, be bound by this Settlement Agreement and the Final Approval Order and Judgment will
9 have claim preclusive impact with respect to them and all Settlement Class Members with respect to the
10 Class Settlement. The Final Approval Order and Judgment will have claim preclusive impact on the
11 PAGA Employees with respect to the PAGA Settlement irrespective of whether their Individual PAGA
12 Payment checks are canceled.

13 24. Procedures for Requesting Exclusion from the Class Settlement. Any Class Member
14 wishing to be excluded from the Class Settlement must submit a timely and valid Request for Exclusion
15 to the Settlement Administrator, by mail, on or before the Response Deadline. The date of the postmark
16 on the return mailing envelope will be the exclusive means to determine whether a Request for Exclusion
17 has been timely submitted. The Settlement Administrator will certify jointly to Class Counsel and
18 Defendant's Counsel, the number of timely and valid Requests for Exclusion that were submitted, in a
19 declaration that is to be filed with the Court in advance of the Final Approval Hearing. Any Class
20 Member who submits a timely and valid Request for Exclusion is prohibited from making any objection
21 to the Class Settlement. Any Class Member who submits a timely and valid Request for Exclusion will
22 not be bound by the Class Settlement and will not be issued an Individual Settlement Payment. All
23 PAGA Employees will be bound by the PAGA Settlement and will be issued an Individual PAGA
24 Payment, irrespective of whether they submit a Request for Exclusion.

25 25. Defendant's Option to Withdraw from the Class Settlement if Total Number of Requests
26 for Exclusion Exceeds 15% of the Class: Defendant, at its option, may withdraw from the Class
27 Settlement if the number of Class Members who submit a valid Request for Exclusion exceeds 15% or
28 of the total number of Class Members. If Defendant chooses to withdraw, Defendant will be responsible

for all costs incurred by the Settlement Administrator in administering the settlement up through the date of withdrawal, and the Parties will be restored to their respective positions in litigation absent this Class Settlement. If Defendant chooses to withdraw, however, the Parties agree that the five year deadlines to bring both the Class Action and the PAGA Action to trial under Code of Civil Procedure § 583.310 shall be tolled during the following periods of time: (1) February 9, 2021 through May 18, 2023 (the dates during which there was a stay on discovery and responsive pleadings), and (2) June 17, 2024 (the date that Plaintiff signed the original MOU) through the Date that Defendant withdraws.

26. Procedures for Objecting to the Class Settlement. Class Members who have not opted out of the Class Settlement (i.e., Settlement Class Members) may object to the Class Settlement. To object to the Class Settlement, Settlement Class Members must submit a timely and complete Objection to the Settlement Administrator, by mail, on or before the Response Deadline. The Objection must be signed by the Settlement Class Member and contain all information required by this Settlement Agreement. The postmark date will be deemed the exclusive means for determining that the Objection is timely. At no time will any of the Parties or their counsel seek to solicit or otherwise encourage Class Members to object to the Settlement Agreement or appeal from the Final Approval Order and Judgment. Settlement Class Members may also present their objection orally at the Final Approval Hearing, irrespective of whether they submit a written Objection. The Settlement Administrator will certify jointly to Class Counsel and Defendant's Counsel the Objections that were timely submitted, and also attach them as exhibits to a declaration that is to be filed with the Court in advance of the Final Approval Hearing.

27. Reports by the Settlement Administrator Regarding Settlement Administration. The Settlement Administrator will provide Defendant's Counsel and Class Counsel a weekly report which certifies: (a) the number of Class Members who have submitted Workweeks Disputes; (b) the number of Class Members who have submitted timely and valid Requests for Exclusion; (c) the number of Class Members who have submitted timely and complete Objections; (d) the number of undeliverable Class Notices; and (e) the number of re-mailed Class Notices. Additionally, the Settlement Administrator will provide to counsel for both Parties any updated reports regarding the administration of the Settlement Agreement as needed or requested, and immediately notify the Parties when it receives a request from

1 an individual or any other entity regarding inclusion in the Class and/or Settlement. Unless otherwise
2 ordered by the Court, the identities of those who request exclusion will be provided only to counsel for
3 Defendant.

4 28. Certification of Completion. Upon completion of administration of the Settlement, the
5 Settlement Administrator will provide a written declaration under oath to certify such completion to the
6 Court and counsel for all Parties.

7 29. Treatment of Individual Settlement Payments and Individual PAGA Payments. Each
8 Individual Settlement Share will be allocated as follows: twenty percent (20%) wages and eighty percent
9 (80%) penalties, interest, and fees. The portion allocated to wages will be reported on an IRS Form W-
10 2 and the portions allocated to penalties, interest, and fees will be reported on an IRS Form-1099 by the
11 Settlement Administrator. The Settlement Administrator will withhold the employee's share of taxes and
12 withholdings with respect to the wages portion of the Individual Settlement Shares, and issue checks to
13 Settlement Class Members for their Individual Settlement Payments (i.e., payment of their Individual
14 Settlement Share net of these taxes and withholdings). Each Individual PAGA Payment will be allocated
15 as one hundred percent (100%) penalties and will be reported on an IRS Form-1099 (if applicable) by
16 the Settlement Administrator.

17 30. Administration of Taxes by the Settlement Administrator. The Settlement Administrator
18 will be responsible for issuing to Plaintiff, Settlement Class Members, PAGA Employees, and Class
19 Counsel any W-2, 1099, or other tax forms as may be required by law for all amounts paid pursuant to
20 this Settlement Agreement. The Settlement Administrator will also be responsible for forwarding all
21 payroll taxes, contributions, and withholdings to the appropriate government authorities.

22 31. Tax Liability. Plaintiff, Class Counsel, Defendant, and Defendant's Counsel do not
23 intend anything contained in this Settlement Agreement, the Class Notice, or any other communications
24 to Class Members or PAGA Employees regarding the Settlement to constitute advice regarding taxes or
25 taxability, nor shall anything in this Settlement Agreement, the Class Notice, or any other
26 communication regarding the Settlement be relied on as such. Plaintiff, Settlement Class Members, and
27 PAGA Employees understand and agree that, except with respect to Employer Taxes, they will be solely
28 responsible for correctly characterizing any compensation received under the Settlement on their

1 personal income tax returns and paying any and all taxes due for any and all amounts paid to them under
2 the Settlement.

3 32. Circular 230 Disclaimer. EACH PARTY TO THIS SETTLEMENT AGREEMENT (FOR
4 PURPOSES OF THIS SECTION, THE “ACKNOWLEDGING PARTY” AND EACH PARTY TO THIS
5 SETTLEMENT AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN “OTHER
6 PARTY”) ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS SETTLEMENT
7 AGREEMENT, AND NO WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN OR
8 AMONG THE PARTIES OR THEIR ATTORNEYS AND OTHER ADVISERS, IS OR WAS
9 INTENDED TO BE, NOR WILL ANY SUCH COMMUNICATION OR DISCLOSURE CONSTITUTE
10 OR BE CONSTRUED OR BE RELIED UPON AS, TAX ADVICE WITHIN THE MEANING OF
11 UNITED STATES TREASURY DEPARTMENT CIRCULAR 230 (31 CFR PART 10, AS
12 AMENDED); (2) THE ACKNOWLEDGING PARTY (A) HAS RELIED EXCLUSIVELY UPON HIS,
13 HER OR ITS OWN, INDEPENDENT LEGAL AND TAX COUNSEL FOR ADVICE (INCLUDING
14 TAX ADVICE) IN CONNECTION WITH THIS SETTLEMENT AGREEMENT, (B) HAS NOT
15 ENTERED INTO THIS SETTLEMENT AGREEMENT BASED UPON THE RECOMMENDATION
16 OF ANY OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO ANY OTHER PARTY, AND
17 (C) IS NOT ENTITLED TO RELY UPON ANY COMMUNICATION OR DISCLOSURE BY ANY
18 ATTORNEY OR ADVISER TO ANY OTHER PARTY TO AVOID ANY TAX PENALTY THAT MAY
19 BE IMPOSED ON THE ACKNOWLEDGING PARTY; AND (3) NO ATTORNEY OR ADVISER TO
20 ANY OTHER PARTY HAS IMPOSED ANY LIMITATION THAT PROTECTS THE
21 CONFIDENTIALITY OF ANY SUCH ATTORNEY’S OR ADVISER’S TAX STRATEGIES
22 (REGARDLESS OF WHETHER SUCH LIMITATION IS LEGALLY BINDING) UPON
23 DISCLOSURE BY THE ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX
24 STRUCTURE OF ANY TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED
25 BY THIS SETTLEMENT AGREEMENT.

26 33. No Prior Assignments. The Parties and their counsel represent, covenant, and warrant
27 that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign,
28 transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause

of action or right herein released and discharged.

34. Releases of Claims.

a. Class Settlement Release. Upon the Effective Date and full funding of the Gross Settlement Amount, Plaintiff and all Class Members who do not submit a timely and valid Request for Exclusion (i.e., Settlement Class Members) will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties of and from all Released Class Claims.

b. PAGA Settlement Release. Upon the Effective Date and full funding of the Gross Settlement Amount, Plaintiff, the State of California with respect to PAGA Employees, and PAGA Employees will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties of and from all Released PAGA Claims pertaining to Plaintiff and the PAGA Employees.

c. Release by Class and PAGA Representative: Upon the Effective date and full funding on the Gross Settlement, Plaintiff will be deemed to have fully finally and forever released have released settled, compromised, relinquished, and discharged the Released Parties from all claims arising out of his employment with Defendant. Plaintiff further agrees that he waives any unknown claims and waives the provisions of Cal. Civil Code Section 1542 which states:

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.

d. This General Release by Plaintiff will not extend to claims which cannot be released as a matter of law.

35. Duties of the Parties with Respect to Obtaining Preliminary Approval of the Settlement.

Upon execution of this Settlement Agreement, Plaintiff shall promptly obtain a hearing date for Plaintiff's motion for preliminary approval of the Settlement, and submit this Settlement Agreement to the Court in support of said motion. Defendant agrees not to oppose Plaintiff's motion for preliminary approval of the Settlement consistent with this Settlement Agreement, and Defendant further agrees not to file any papers implying any opposition to the bases upon which Class Counsel supports their request

for Attorneys' Fees and Costs. Said motion shall apply to the Court for the entry of an order ("Preliminary Approval Order"), which shall be mutually agreed upon by the Parties, seeking the following:

- a. Conditionally certifying the Class for settlement purposes only;
- b. Granting Preliminary Approval of the Settlement;
- c. Preliminarily appointing Plaintiff as representative of the Class;
- d. Preliminarily appointing Class Counsel as counsel for the Class;
- e. Approving, as to form and content, the mutually-agreed upon and proposed Class Notice and directing its mailing to the Class by U.S. Mail;
- f. Approving the manner and method for Class Members to request exclusion from or object to the Class Settlement as contained herein and within the Class Notice; and
- g. Scheduling a Final Approval Hearing at which the Court will determine whether the Settlement should be finally approved as fair, reasonable, and adequate.

36. Duties of the Parties with Respect to Obtaining Final Approval of the Settlement. After the Response Deadline, and with the Court's permission, a hearing will be conducted on Plaintiff's motion for final approval of the Settlement (i.e., the Final Approval Hearing), to determine whether Final Approval of the Settlement should be granted, along with the amounts properly payable for Individual Settlement Payments, Individual PAGA Payments, LWDA Payment, Attorneys' Fees and Costs, Enhancement Payment, and Settlement Administration Costs. By way of said motion, Plaintiff will apply for the entry of the mutually-agreed-upon proposed order and judgment ("Final Approval Order and Judgment"), which will provide for, in substantial part, the following:

- h. Approval of the Settlement as fair, reasonable, and adequate, and directing consummation of its terms and provisions;
- i. Certification of the Settlement Class;
- j. Appointment of Plaintiff as representative of the Settlement Class;
- k. Appointment of Class Counsel as counsel for the Settlement Class;
- l. Approval of the application for Attorneys' Fees and Costs to Class Counsel;
- m. Approval of the application for Enhancement Payment to Plaintiff;

1 n. Directing Defendant to fund all amounts due under the Settlement Agreement and
2 ordered by the Court; and

3 o. Entering judgment in this Action, while maintaining continuing jurisdiction to
4 implement the Settlement, in conformity with California Rules of Court 3.769 and the Settlement
5 Agreement.

6 37. Effects of Termination of the Settlement. In the event that the Settlement Agreement is
7 not approved by the Court, such a development shall have the following effects:

8 a. The Settlement Agreement and all negotiations, statements, and proceedings
9 relating thereto shall be without prejudice to the rights of any of the Parties, all of whom shall be restored
10 to their respective positions in the Actions prior to the execution of the Settlement Agreement;

11 b. Neither this Settlement Agreement, nor any ancillary documents, actions,
12 statements, or filings in furtherance of the Settlement (including all matters associated with the mediation)
13 shall be offered into evidence in the Actions or any other action for any purpose whatsoever; and

14 c. Any documents generated to bring the Settlement into effect, will be null and
15 void, and any order entered by the Court in furtherance of this Settlement Agreement will likewise be
16 treated as void from the beginning.

17 d. The five year deadlines to bring both the Class Action and the PAGA Action to
18 trial under Code of Civil Procedure § 583.310 shall be tolled during the following periods of time: (1)
19 February 9, 2021 through May 18, 2023 (the dates during which there was a stay on discovery and
20 responsive pleadings), and (2) June 17, 2024 (the date that Plaintiff signed the original MOU) through
21 the date that the Parties receive notice that the Settlement Agreement is not approved by the Court.

22 38. Escalator Clause. Defendant represents that, during the period from February 9, 2017 to
23 July 18, 2022, there were approximately 14,079 Workweeks for the Class Members. If it is determined
24 that the total number of Workweeks during the Class Period exceed 14,079 by more than fifteen percent
25 (15%) (i.e. an increase of more than 2,112 Workweeks), then then the Gross Settlement Amount will be
26 increased on a *pro rata* basis equal to the percentage increase in the number of Workweeks above 16,191
27 Workweeks (e.g., if the threshold of 16,191 Workweeks is exceeded by 1% of the 14,079 Workweeks
28 [which is 141 Workweeks], the Gross Settlement Amount will increase by 1%). However, if it appears

that this Escalator Clause will be triggered, Defendant may, at its own option, shorten the Class Release period so that there are no more than 14,079 Workweeks.

39. Continuing Jurisdiction. After entry of judgment pursuant to the Settlement, the Court will have continuing jurisdiction pursuant to Rule 3.769 of the California Rules of Court and Section 664.6 of the California Code of Civil Procedure, for purposes of addressing: (a) the interpretation and enforcement of the terms of the Settlement, (b) settlement administration matters, and (c) such post-judgment matters as may be appropriate under court rules or as set forth in this Settlement Agreement.

40. Exhibits Incorporated by Reference. The terms of this Settlement Agreement include the terms set forth in any attached exhibits, which are incorporated by this reference as though fully set forth herein. Any exhibits to this Settlement Agreement are an integral part of the Settlement.

41. Limitation on Publicity. Plaintiff and Class Counsel agree not to issue press releases and engage in any publicity regarding the Settlement, except as shall be contractually required to effectuate the terms of the Settlement and respond to inquiries received from Class Members and PAGA Employees. However, for the limited purpose of allowing Class Counsel to prove their experience and adequacy as class counsel in other actions, Class Counsel may reference the Settlement in the Actions for such purposes. Furthermore, Plaintiff and Class Counsel will undertake any and all disclosures and submissions required to be made to the LWDA in conformity with PAGA.

42. Entire Agreement. This Settlement Agreement and any attached exhibits constitute the entirety of the Parties' settlement terms. No other prior or contemporaneous written or oral agreements may be deemed binding on the Parties. The Parties expressly recognize California Civil Code section 1625 and California Code of Civil Procedure section 1856(a), and any other provisions of state or federal law, which provide that a written agreement is to be construed according to its terms and may not be varied or contradicted by extrinsic evidence, and the Parties agree that no such extrinsic oral or written representations or terms will modify, vary, or contradict the terms of this Settlement Agreement. This Settlement Agreement contains the entire agreement between the Parties relating to the settlement and transaction contemplated hereby, and all prior or contemporaneous agreements, understandings, representations, and statements, whether oral or written and whether by a Party or such Party's legal counsel, are merged herein.

1 43. Interim Stay of Proceedings. The Parties agree to hold in abeyance all proceedings in the
2 Actions (including, and not limited to, the deadline to bring the Actions to trial under California Code
3 of Civil Procedure section 583.310), except such proceedings necessary to implement and complete the
4 Settlement Agreement, pending the Final Approval Hearing to be conducted by the Court.

5 44. Amendment and Waiver. The Parties may not waive, amend, or modify any provision of
6 this Settlement Agreement except by written agreement signed by counsel for the Parties, and subject
7 to any necessary Court approval. A waiver or amendment of any provision of this Settlement Agreement
8 will not constitute a waiver of any other provision.

9 45. Authorization to Enter into Settlement Agreement. Counsel for all Parties warrant and
10 represent they are expressly authorized by the Parties whom they represent to negotiate this Settlement
11 Agreement and to take all appropriate actions required or permitted to be taken by such Parties pursuant
12 to this Settlement Agreement to effectuate its terms and to execute any other documents required to
13 effectuate the terms of this Settlement Agreement. The Parties warrant that they understand and have
14 full authority to enter into this Settlement Agreement, and further intend that this Settlement Agreement
15 will be fully enforceable and binding on all Parties, and agree that it will be admissible and subject to
16 disclosure in any proceeding to enforce its terms, notwithstanding any mediation confidentiality
17 provisions that otherwise might apply under state or federal law.

18 46. Signatories. It is agreed that because the members of the Class are so numerous, it is
19 impossible or impractical to have each Class Member execute this Settlement Agreement. The Class
20 Notice will advise all Class Members of the binding nature of the Class Settlement as to the Settlement
21 Class Members, and the release shall have the same force and effect as if this Settlement Agreement
22 were executed by each Settlement Class Member.

23 47. Binding on Successors and Assigns. This Settlement Agreement will be binding upon,
24 and inure to the benefit of, the successors or assigns of the Parties hereto, as previously defined.

25 48. California Law Governs. All terms of this Settlement Agreement and attached exhibits
26 hereto will be governed by and interpreted according to the laws of the State of California.

27 49. Execution and Counterparts. This Settlement Agreement is subject only to the execution
28 of all Parties. However, the Settlement Agreement may be executed in one or more counterparts. All

executed counterparts and each of them, including facsimile, electronic, and scanned copies of the signature page, will be deemed to be one and the same instrument.

50. Acknowledgment that the Settlement is Fair and Reasonable. The Parties believe this Settlement Agreement is a fair, adequate, and reasonable settlement of the Actions, Released Class Claims, and Released PAGA Claims, and have arrived at this Settlement after arm's-length negotiations and in the context of adversarial litigation, taking into account all relevant factors, present and potential. The Parties further 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 Settlement Agreement. In addition, if necessary to obtain Court approval of the Settlement, the Mediator may execute a declaration supporting the Settlement and the reasonableness of the Settlement and the Court may, in its discretion, contact the Mediator to discuss the Settlement and whether or not the Settlement is objectively fair and reasonable.

51. Invalidity of Any Provision. Before declaring any provision of this Settlement Agreement invalid, the Court will first attempt to construe the provision as valid to the fullest extent possible consistent with applicable precedents so as to find all provisions of this Settlement Agreement valid and enforceable.

52. Cooperation. By signing this Settlement Agreement, the Parties are hereby bound by the terms herein and agree to fully cooperate to implement the Settlement.

53. Non-Admission of Liability. The Parties enter into this Settlement Agreement to resolve the dispute that has arisen between them and to avoid the burden, expense, and risk of continued litigation. In entering into this Settlement Agreement, Defendant does not admit, and specifically denies, that it has violated any state, federal, or local law; violated any regulations or guidelines promulgated pursuant to any statute or any other applicable laws, regulations, or legal requirements; breached any contract; violated or breached any duty; engaged in any misrepresentation or deception; or engaged in any other unlawful conduct with respect to its employees. Neither this Settlement Agreement, nor any of its terms or provisions, nor any of the negotiations connected with it, shall be construed as an admission or concession by Defendant of any such violations or failures to comply with any applicable law. Except as necessary in a proceeding to enforce the terms of this Settlement Agreement, this

Settlement Agreement and its terms and provisions shall not be offered as evidence in any action or proceeding to establish any liability or admission on the part of Defendant or to establish the existence of any condition constituting a violation of, or a non-compliance with state, federal, local, or other applicable law.

54. Captions. The captions and paragraph numbers in this Settlement Agreement are inserted for the reader's convenience, and in no way define, limit, construe or describe the scope or intent of the provisions of this Settlement Agreement.

55. Mutual Preparation. The Parties have had a full opportunity to negotiate the terms and conditions of this Settlement Agreement. Accordingly, this Settlement Agreement will not be construed more strictly against one Party than another merely by virtue of the fact that it may have been prepared by counsel for one of the Parties, it being recognized that, because of the arms-length negotiations between the Parties, all Parties have contributed equally to the preparation of this Settlement Agreement.

56. Representation by Counsel. The Parties acknowledge that they have been represented by counsel throughout all negotiations that preceded the execution of this Settlement Agreement, and that this Settlement Agreement has been executed with the consent and advice of counsel, and reviewed in full by the Parties with the assistance of their respective counsel.

57. All Terms Subject to Final Court Approval. All amounts and procedures described in this Settlement Agreement herein will be subject to final Court approval.

To Plaintiff and Class Counsel:

Charles T. Sweeny, Esq.
SWEENY LAW, PC
8605 Santa Monica Blvd., #618463
Los Angeles, CA 90069

Arby Aiwazian, Esq.
Joanna Ghosh, Esq.
Scarlet Tunney, Esq.
LAWYERS for JUSTICE, PC
450 North Brand Blvd., Suite 900

To Defendant:

Shannon B. Nakabayashi
JACKSON LEWIS, PC
50 California Street
San Francisco, CA 64111

1 Glendale, California 91203

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3
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5 58. Notices. All notices, demands, and other communications to be provided concerning this
6 Settlement Agreement shall be in writing and delivered by overnight mail at the addresses set for below,
7 or such other addresses as either Party may designate in writing from time to time:

8
9 59. Final Approval Order and Judgment. The Parties shall provide the Settlement
10 Administrator with a copy of the Final Approval Order and Judgment once it is entered by the Court,
11 and the Settlement Administrator shall post the Final Approval Order and Judgment on its website for
12 sixty (60) calendar days, and this shall satisfy California Rules of Court 3.771(b). No individualized
13 notice of the Final Approval Order and Judgment to the Class will be required.

14 60. Cooperation and Execution of Necessary Documents. All Parties and their counsel will
15 cooperate with each other in good faith and use their best efforts to implement the Settlement, including
16 and not limited to, executing all documents to the extent reasonably necessary to effectuate the terms of
17 this Settlement Agreement. If the Parties are unable to reach agreement on the form or content of any
18 document needed to implement the Settlement Agreement, or on any supplemental provisions that may
19 become necessary to effectuate the terms of this Settlement Agreement, the Parties may seek the
20 assistance of the Mediator and then the Court to resolve such disagreement.

21 **IN WITNESS WHEREOF**, the Parties hereto knowingly and voluntarily executed this Joint
22 Stipulation of Class and PAGA Settlement and Release between Plaintiff and Defendants:

23 **IT IS SO AGREED.**

24 **PLAINTIFF GREGORY J. KNOP**

25 **Dated:** Dec 31, 2025



Greg Knop (Dec 30, 2025 17:36:02 CST)

Gregory J. Knop, Plaintiff

26
27
28 **DEFENDANT PEAK TECHNOLOGY
ENTERPRISES, INC.**

1 **Dated:** 01/15/2026

sharon Woo

[sharon Woo \(Jan 15, 2026 14:36:36 PST\)](#)

sharon Woo

Full Name: _____

Title: CEO

On behalf of Defendant Peak Technology Enterprises, Inc.

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3
4
5 **APPROVED AS TO FORM:**

SWEENEY LAW, PC

6
7
8 **Dated:** December 30, 2025



Charles T. Sweeny

Counsel for Plaintiff and Proposed Class Counsel

LAWYERS for JUSTICE, PC

9
10
11
12 **Dated:** December 30, 2025



Arby Aiwarzian

Joanna Ghosh

Scarlet Tunney

Attorneys for Plaintiff and Proposed Class Counsel

JACKSON LEWIS, PC

13
14
15
16
17
18 **Dated** January 15, 2026



Shannon B. Nakabayashi

Attorneys for Defendant Peak Technology Enterprises, Inc.

4933-1102-1678, v. 2