

CLASS ACTION SETTLEMENT AGREEMENT

This Agreement (“Agreement,” “Settlement,” or “Settlement Agreement”) is entered into by and among (i) Plaintiff, Pascual Cuazitl (“Plaintiff” or “Cuazitl”); (ii) the Settlement Class (as defined herein); and (iii) Defendant, Target Graphics, LTD. (“Defendant” or “Target Graphics”). Plaintiff and Defendant are collectively referred to herein as the “Parties.” This Agreement is intended by the Parties to fully, finally, and forever resolve, discharge, and settle the Released Claims (as defined herein), upon and subject to the terms and conditions of this Agreement, and subject to the final approval of the Court.

OVERVIEW OF SETTLEMENT TERMS

For reference, a general overview of the Settlement Terms are:

Class Definition: “All individuals on the Settlement Class List who scanned their finger in Target Graphics’ timekeeping system in Illinois between November 28, 2017 to April 1, 2023 without first executing written consent.”

Number of Settlement Class Members: [178]

Settlement Fund: \$142,400.00

Settlement Administrator: ILYM Group

Time to Effectuate Notice: 30 days after Preliminary Approval

Time to Submit a Claim Form: 90 days after Preliminary Approval

Time to Object or File Exclusion: 90 days after Preliminary Approval

Time for Final Hearing Date: 120 days after Preliminary Approval

RECITALS

A. On July 29, 2022, this putative class action was filed in the Circuit Court of Cook County, Illinois under case number 2022CH7374. On September 29, 2023, this action was

transferred to the Circuit Court for the Eighteenth Judicial Circuit, DuPage County, Illinois, where it was docketed as case number 2023LA208. The material allegations of the Complaint were that Target Graphics collected, stored and used – without first providing notice, obtaining informed written consent or publishing data retention policies – the finger and/or handprints and associated personally identifying information of hundreds of its employees (and former employees), who were required to “clock in” with their finger and/or handprints, in violation of the Illinois Biometric Privacy Act (“BIPA”), 740 ILCS 14/1 *et seq.*

B. From the outset of the case, the Parties engaged in settlement discussions, including informally exchanging relevant information surrounding the alleged claims.

C. On June 27, 2023, the Parties agreed on all material terms of a class action settlement and executed a term sheet (“Class Action Settlement Term Sheet”).

D. At all times, Target Graphics has denied and continues to deny any wrongdoing whatsoever, denies that it committed, or threatened or attempted to commit, any wrongful act or violation of law or duty alleged in the Action, and denies that certification of a class is necessary or proper. Target Graphics believes that it has a number of meritorious defenses to the claims asserted in this Action and that it would prevail in this matter on summary judgment or at trial. Accordingly, any references to the alleged business practices of Target Graphics in this Agreement, any settlement document, or the related Court hearings and processes will raise no inference with respect to the propriety of those business practices or any other business practices of Target Graphics. Nonetheless, taking into account the uncertainty and risks inherent in any litigation and the desire to avoid the expenditure of further legal fees and costs, Target Graphics has concluded it is desirable and beneficial that the Action be fully and finally settled and terminated in the manner and upon the terms and conditions set forth in this Agreement to avoid

further expense, inconvenience, and burden. This Agreement is a compromise, and this Agreement, any related documents, and any negotiations resulting in it shall not be construed as or deemed to be evidence of or an admission or concession of liability or wrongdoing on the part of Target Graphics, or any of the Released Parties (defined below), with respect to any claim of any fault or liability or wrongdoing or damage whatsoever or with respect to the certifiability of a class.

E. Plaintiff believes that the claims asserted in the Action against Target Graphics have merit and that he would have prevailed at summary judgment and/or trial. Nonetheless, Plaintiff and Class Counsel recognize that Target Graphics has raised factual and legal defenses that present a risk that Plaintiff may not prevail. Plaintiff and Class Counsel also recognize the expense and delay associated with continued prosecution of the Action against Target Graphics through class certification, summary judgment, trial, and any subsequent appeals. Plaintiff and Class Counsel also have taken into account the uncertain outcome and risks of litigation, especially in complex class actions, as well as the difficulties inherent in such litigation. Therefore, Plaintiff believes it is desirable that the Released Claims, as further defined herein, be fully and finally compromised, settled, and resolved with prejudice. Based on its evaluation, Class Counsel has concluded that the terms and conditions of this Agreement are fair, reasonable, and adequate to the Settlement Class, and that it is in the best interests of the Settlement Class to settle the claims raised in the Action pursuant to the terms and provisions of this Agreement.

NOW, THEREFORE, IT IS HEREBY STIPULATED AND AGREED by and among Plaintiff, the Settlement Class, and Target Graphics, by and through their undersigned counsel that, subject to final approval of the Court after a hearing or hearings as provided for in this Settlement Agreement, in consideration of the benefits flowing to the Parties from the Agreement set forth

herein, that the Action and the Released Claims shall be finally and fully compromised, settled, and released, and the Action shall be dismissed with prejudice, upon and subject to the terms and conditions of this Agreement.

AGREEMENT

1. DEFINITIONS.

As used in this Settlement Agreement, the following terms have the meanings specified below:

1.1 “Action” means *Cuazitl v. Target Graphics, LTD.*, Case No. 2023LA000208, currently pending in the Circuit Court for the Eighteenth Judicial Circuit, DuPage County, Illinois, which was originally filed in the Circuit Court of Cook County, Illinois under Case No. 2022CH7374 before being transferred.

1.2 “Alternate Judgment” means a form of final judgment that may be entered by the Court herein but in a form other than the form of judgment provided for in this Agreement and where none of the Parties elects to terminate this Settlement by reason of such variance.

1.3 “Approved Claim” means a Claim Form submitted by a Settlement Class Member (defined below) that: (a) is submitted timely and in accordance with the directions on the Claim Form and the provisions of the Settlement Agreement; (b) is fully and truthfully completed by a Settlement Class Member with all of the information requested in the Claim Form; (c) is signed by the Settlement Class Member, physically or electronically; and (d) is approved by the Settlement Administrator pursuant to the provisions of this Agreement.

1.4 “Biometric Data” means a Settlement Class Member’s biometric identifier and biometric information, as those terms are defined in BIPA, 740 ILCS 14/10.

1.5 “**BIPA**” means the Illinois Biometric Information Privacy Act, 740 ILCS 14/1, *et seq.*

1.6 “**Claims Deadline**” means the date by which all Claim Forms submitted by a person within the Settlement Class must be postmarked, which shall be designated as 30 days after the Final Approval Hearing. The Claims Deadline shall be clearly set forth in the Preliminary Approval Order as well as in the Notice and Claim Form.

1.7 “**Claim Form**” means the document substantially in the form attached hereto as Exhibit A, as approved by the Court. The Claim Form, to be completed by Settlement Class Members who wish to file a Claim for a payment, shall be available in electronic and paper format in the manner described below.

1.8 “**Class Counsel**” means Beaumont Costales, LLC.

1.9 “**Class Period**” means the period of time from November 28, 2017 to April 1, 2023.

1.10 “**Class Representative**” means the named Plaintiff in this Action: Pascual Cuazitl.

1.11 “**Court**” means the Circuit Court of DuPage County, Illinois.

1.12 “**Defendant**” or “**Target Graphics**” means Target Graphics, LTD.

1.13 “**Defendant’s Counsel**” or “**Target Graphics’ Counsel**” means Momkus LLP.

1.14 “**Effective Date**” means the date upon which the Settlement in the Action shall become effective and final, and occurs one business day following the later of: (a) the date upon which the time expires for filing or noticing any appeal of the Final Judgment; (b) if an appeal is filed, the date of completion, in a manner that finally affirms and leaves in place the Final Approval Order without any material modification, of all proceedings arising out of the appeal(s) (including, but not limited to, the expiration of all deadlines for motions for reconsideration or petition for review and/or certiorari, all proceedings ordered on remand, and all proceedings arising out of any

subsequent appeal(s) following decisions on remand); or (c) the date of final dismissal of any appeal or the final dismissal of any proceeding on certiorari with respect to the Final Judgment.

1.15 “Escrow Account” means the escrow account to be established by the Settlement Administrator under terms acceptable to all Parties at a depository institution insured by the Federal Deposit Insurance Corporation. The Settlement Fund shall be deposited by Target Graphics into the Escrow Account in accordance with the terms of this Agreement and the money in the Escrow Account shall be invested in the following types of accounts and/or instruments and no other: (i) demand deposit accounts and/or (ii) time deposit accounts and certificates of deposit, in either case with maturities of forty-five (45) days or less. The costs of establishing and maintaining the Escrow Account shall be paid from the Settlement Fund.

1.16 “Fee Award” means the amount of attorneys’ fees and reimbursement of costs and expenses awarded by the Court to Class Counsel.

1.17 “Final Approval Hearing” means the hearing before the Court where the Parties will request the Final Judgment to be entered by the Court approving the Settlement Agreement, the Fee Award, and the Incentive Award to the Class Representative.

1.18 “Final Judgment” means the Final Judgment and Order to be entered by the Court approving the Agreement after the Final Approval Hearing.

1.19 “Incentive Award” refers to the payment of \$5,000.00 or such other amount approved by the Court to the Class Representative.

1.20 “Net Settlement Fund” means the amount of the Settlement Fund remaining after payment of Settlement Administration Expenses (including Notice costs), any Incentive Award to the Class Representative, and the Fee Award.

1.21 “Notice” means the notice of this Settlement Agreement and Final Approval Hearing, which is to be sent to the Settlement Class substantially in the manner set forth in this Agreement, consistent with the requirements of Due Process, 735 ILCS 5/2-803, and substantially in the form of Exhibits B & C attached hereto.

1.22 “Notice Date” means the date by which the Notice set forth in Paragraph 4.1 is complete, which shall be no later than thirty (30) days after entry of the Preliminary Approval Order.

1.23 “Opt-Out” is the election by a member of the Settlement Class to be excluded from this Settlement Agreement.

1.24 “Objection/Exclusion Deadline” means the date by which a written objection to this Settlement Agreement or a request for exclusion submitted by a Person within the Settlement Class must be made, which shall be designated as a date no later than sixty (60) days after the Notice Date and no sooner than fourteen (14) days after papers supporting the Fee Award are filed with the Court and posted to the Settlement website, or such other date as ordered by the Court.

1.25 “Person” shall mean, without limitation, any individual, corporation, partnership, limited partnership, limited liability company, association, joint stock company, estate, legal representative, trust, unincorporated association, government or any political subdivision or agency thereof, and any business or legal entity and their spouse, parent, child, guardian, associate, co-owners, heirs, predecessors, successors, representatives, or assigns. “Person” is not intended to include any governmental agencies or governmental actors, including, without limitation, any state Attorney General office.

1.26 “Plaintiff” means Pascual Cuazitl.

1.27 “Preliminary Approval” means the Court’s conditional certification of the Settlement Class for settlement purposes, preliminary approval of this Settlement Agreement, and approval of the form and manner of the Notice.

1.28 “Preliminary Approval Order” means the Order preliminarily approving the Settlement Agreement conditionally certifying the Settlement Class for settlement purposes, and directing notice thereof to the Settlement Class.

1.29 “Released Claims” means all claims, liabilities, demands, causes of action, or lawsuits of the Plaintiff and Settlement Class Members, whether known or unknown, whether legal, statutory, equitable, or of any other type or form, whether under federal, state, or local law, and whether brought in an individual, representative, or any other capacity, of every nature and description whatsoever that were or could have been brought in the Action filed by Plaintiff arising out of or relating in any way to the alleged capture, collection, storage, possession, transmission, conversion, dissemination, and/or use of biometric identifiers and/or biometric information by and/or on behalf of Target Graphics, in connection with Plaintiffs’ and the Settlement Class’s employment with Target Graphics.

1.30 “Released Parties” means Target Graphics, LTD. and all of its current, former and future direct and indirect owners, affiliates (including, without limitation, all entities owned by the direct or indirect owners of Target Graphics, LTD.), parents, holding companies, subsidiaries, divisions, officers, directors, shareholders, principals, owners, members, trustees, administrators, executors, directors, officers, managers, board members, partners, agents, employees, attorneys, insurers, reinsurers, accountants, financial and other advisors, investment bankers, benefit plans (and the trustees, administrators, fiduciaries, agents, representatives, vendors, insurers and reinsurers of such plans), underwriters, lenders, predecessors, assigns, successors, and all other

persons and/or entities acting through, under, and/or in concert with any of the foregoing; provided, however, that the Released Parties shall not include any of the Settlement Class Members.

1.31 “Releasing Parties” means Plaintiff, the Settlement Class Members, and all of their respective present or past heirs, spouses, parents, children, guardians, associates, co-owners, executors, estates, administrators, predecessors, successors, assigns, parent companies, subsidiaries, associates, affiliates, employers, employees, agents, consultants, independent contractors, insurers, directors, managing directors, officers, partners, principals, members, attorneys, accountants, financial and other advisors, underwriters, shareholders, lenders, auditors, investment advisors, legal representatives, successors in interest, assigns and companies, firms, trusts, limited liability companies, partnerships and corporations.

1.32 “Settlement Administrator” means ILYM Group, Inc. or such other reputable administration company that has been selected by Class Counsel and reasonably acceptable to Target Graphics and approved by the Court to perform the duties set forth in this Agreement, including but not limited to overseeing the distribution of Notice, as well as the processing and payment of Approved Claims to the Settlement Class as set forth in this Agreement, and disbursing all approved payments out of the Settlement Fund, and handling the determination, payment and filing of forms related to all federal, state and/or local taxes of any kind (including any interest or penalties thereon) that may be owed on any income earned by the Settlement Fund.

1.33 “Settlement Administration Expenses” means the Settlement Administrator’s fee, and the expenses incurred by the Settlement Administrator in providing Notice, processing claims, exclusions, and objections, responding to inquiries from members of the Settlement Class, mailing checks for Approved Claims, and related services, paying taxes and tax expenses related to the Settlement Fund (including all federal, state or local taxes of any kind and interest or

penalties thereon, as well as expenses incurred in connection with determining the amount of and paying any taxes owed and expenses related to any tax attorneys and accountants).

1.34 “Settlement Class” means: All individuals on the Settlement Class List who scanned their finger in Target Graphics’ timekeeping system in Illinois between November 28, 2017 to April 1, 2023 without first executing written consent. Excluded from the Settlement Class are (1) any Judge or Magistrate presiding over this Action and members of their families; (2) Persons who properly execute and file a timely request for exclusion from the Settlement Class; and (3) the legal representatives, successors or assigns of any excluded Persons.

1.35 “Settlement Class List” means all individuals making up the Settlement Class and who are identified by first and last name on Exhibit D, attached hereto.

1.36 “Settlement Class Member” means a Person on the Settlement Class List who has not effectively elected to Opt-Out on or before the Objection/Exclusion Deadline.

1.37 “Settlement Fund” means the cash fund that shall be established by Defendant of up to one hundred forty-one thousand six hundred dollars and zero cents (\$142,400 USD) to be deposited into the Escrow Account, according to the schedule set forth herein, plus all interest earned thereon. From the Settlement Fund, the Settlement Administrator shall pay all Approved Claims made by Settlement Class Members, Settlement Administration Expenses, any Incentive Award to the Class Representative, any Fee Award to Class Counsel, and any other costs, fees or expenses approved by the Court. The Settlement Fund represents the total extent of Defendant’s monetary obligations under this Agreement. Under no circumstances shall Defendant be responsible for any payments, individually or in the aggregate, in excess of the amount of the Settlement Fund. Plaintiffs reserve the right to rescind this agreement should the final count of Settlement Class Members exceed 180 persons, unless the Parties agree to adjust the Settlement

Fund by an amount proportionate to the final count of Settlement Class Members (i.e., \$800.00 multiplied by the final count of Settlement Class Members).

1.38 “Settlement Payment” means the amount equal to the Net Settlement Fund divided by the number of Settlement Class Members.

1.39 “Timekeeping System” shall mean the timekeeping technology used by Defendant in Illinois at any time during the Class Period, which utilized a scan of Plaintiff’s and the other Settlement Class Members’ fingerprint or handprint for timekeeping purposes.

1.40 “Website Notice” shall mean the notice issued to class members via the internet on a settlement website, pursuant to Section 4 of this agreement. A copy of the Website Notice is attached hereto as Exhibit C.

2. SETTLEMENT RELIEF.

2.1 Payments to Settlement Class Members.

(a) Within ten (10) business days of entry of the Preliminary Approval Order, Target Graphics shall pay into the Escrow Account an amount equal to the Settlement Administration Expenses, as invoiced by the Settlement Administrator.

(b) Settlement Class Members shall have until the Claims Deadline to submit a Claim Form for approval by the Settlement Administrator as an Approved Claim. Each Settlement Class Member who submits an Approved Claim will receive a Settlement Payment.

(c) Within ten (10) business days of the Effective Date, the Defendant shall deposit into the Escrow Account: (1) an amount equal to the Settlement Payment multiplied by the number of Approved Claims; (2) the Fee Award to Class Counsel; and (3) the Incentive Award to the Class Representative.

(d) Target Graphics shall provide a Settlement Class Member's social security number to the Settlement Administrator for settlement administration or tax purposes, upon request and in the event deemed necessary by the Settlement Administrator.

(e) The Settlement Class Administrator shall issue all Settlement Payments via check and will state on the face of the check that it will expire and become null and void unless cashed within ninety (90) days after the date of issuance. If a check issued to a Settlement Class Member is not negotiated within ninety (90) days after the date of issuance, such checks shall be deemed void and such cashed check funds shall revert to Defendant.

2.2 Prospective Relief

(a) Without admitting any liability or prior noncompliance, Target Graphics represents that it is no longer using "biometric" time clocks in Illinois and agrees that should it reinstate them in Illinois, it will provide all notices and consents as required by BIPA.

3. RELEASE.

3.1 The obligations incurred pursuant to this Settlement Agreement shall be a full and final disposition of the Action and any and all Released Claims, as against all Released Parties.

3.2 Upon the Effective Date, the Releasing Parties, and each of them, shall be deemed to have, and by operation of the Final Judgment shall have, fully, finally, and forever released, relinquished, and discharged all Released Claims against the Released Parties, and each of them.

4. NOTICE TO THE SETTLEMENT CLASS.

4.1 The Notice Plan shall include:

(a) *Notice List.* Within ten (10) business days of entry of the Preliminary Approval Order, Target Graphics will update the Settlement Class List attached as Exhibit D hereto to include the last known U.S. postal addresses, to the extent available, belonging to the

Settlement Class Members. The list will be provided to the Settlement Claims Administrator, with a copy to Class Counsel.

(b) *Update Addresses.* Prior to mailing Notice, the Settlement Administrator will attempt to update the addresses of members of the Settlement Class using the National Change of Address database and other available resources deemed suitable by the Settlement Administrator. The Settlement Administrator shall take all reasonable steps to obtain the correct address of any member of the Settlement Class for whom Notice is returned by the U.S. Postal Service as undeliverable and shall attempt re-mailings as described below.

(c) *Direct Notice via U.S. Mail.* No later than the Notice Date, the Settlement Administrator shall send notice via First Class U.S. Mail substantially in the form attached as Exhibit B hereto in English and Spanish to each physical address in the Notice List, with return postage prepaid.

(d) If any mailed Notice is returned as non-deliverable, and a forwarding address is provided, the Settlement Administrator shall re-mail the Notice to the forwarding address within five (5) business days. If any Notice is returned as non-deliverable, and no forwarding address is provided, the Settlement Administrator shall attempt to ascertain a valid address for the affected Settlement Class Member by seeking change of address information through the U.S. Postal Service's National Change of Address Link, and shall re-mail the Notice within five (5) business days to the address(es) that are found.

(e) *Settlement Website.* No later than the Notice Date, the Website Notice shall be provided on a website at an available URL (such as, for example, www.TargetGraphicsfingerprintsettlement.com) which shall be obtained, administered and maintained by the Settlement Administrator. The Parties agree that copies of this agreement, the Notice, Plaintiff's

Motion for Preliminary Approval of the Class Action Settlement, Plaintiff's Motion for Attorneys' Fees, Costs, and Incentive Award, Plaintiff's Motion for Final Approval of the Class Action Settlement, and copies of the Court's Preliminary and Final Approval orders of the Settlement will also be posted to the Settlement Website.

4.2 The Notice shall advise the Settlement Class Members of their rights, including the rights to be excluded from or object to the Settlement Agreement or any of its terms. The Notice shall specify that any objection to the Settlement Agreement, and any papers submitted in support of said objection, shall be considered by the Court at the Final Approval Hearing only if, on or before the Objection/Exclusion Deadline approved by the Court and specified in the Notice, the Person making the objection files notice of an intention to do so and at the same time (a) files copies of such papers he or she proposes to be submitted at the Final Approval Hearing with the Clerk of the Court, or alternatively, if the objection is from a Settlement Class Member represented by counsel, files any objection through the Court's electronic filing system, and (b) sends copies of such papers by mail, hand, or overnight delivery service to Class Counsel and Defendant's Counsel.

4.3 Any Settlement Class Member who intends to object to this Agreement must present the objection in writing, which must be personally signed by the objector, and must include: (1) the objector's name and address; (2) an explanation of the basis upon which the objector claims to be a Settlement Class Member; (3) all grounds for the objection, including all citations to legal authority and evidence supporting the objection; (4) the name and contact information of any and all attorneys representing, advising, or in any way assisting the objector in connection with the preparation or submission of the objection or who may profit from the pursuit of the objection (the "Objecting Attorneys"); and (5) a statement indicating whether the objector

intends to appear at the Final Approval Hearing (either personally or through counsel who files an appearance with the Court in accordance with the Local Rules).

4.4 If a Settlement Class Member or any of the Objecting Attorneys has objected to any class action settlement where the objector or the Objecting Attorneys asked for or received any payment in exchange for dismissal of the objection, or any related appeal, without any modification to the settlement, then the objection must include a statement identifying each such case by full case caption and amount of payment received.

4.5 Any objecting Settlement Class Member who wishes to appear at the Final Approval Hearing must be available for deposition within forty (40) miles of his or her residence or by remote video conference, by Class Counsel and/or Target Graphics' Counsel, and the objection must include each date when the objector will be available and present for a deposition within twenty-one (21) days following the filing of the objection. In the event that any Settlement Class Member objects in the manner prescribed herein, Plaintiff and Defendant shall be afforded a full opportunity to respond to such objections.

4.6 A Settlement Class Member may request to be excluded from the Settlement Class by sending a written request postmarked on or before the Objection/Exclusion Deadline approved by the Court and specified in the Notice. To exercise the right to be excluded, a Person in the Settlement Class must timely send a written request for exclusion to the Settlement Administrator providing his/her name and address, a signature, the name and number of the case, and a statement that he or she wishes to be excluded from the Settlement Class for purposes of this Settlement. A request to be excluded that does not include all of this information, does not clearly state an intention to be excluded, or that is sent to an address other than that designated in the Notice, or that is not postmarked within the time specified, shall be invalid, and the Person(s) serving such a

request shall be a member(s) of the Settlement Class and shall be bound as a Settlement Class Member by this Agreement, if approved. Any member of the Settlement Class who validly elects to be excluded from this Agreement shall not: (i) be bound by any orders or the Final Judgment; (ii) be entitled to relief under this Settlement Agreement; (iii) gain any rights by virtue of this Agreement; or (iv) be entitled to object to any aspect of this Agreement. The request for exclusion must be personally signed by each Person requesting exclusion. So-called “mass” or “class” opt-outs shall not be allowed. To be valid, a request for exclusion must be postmarked or received by the date specified in the Notice.

5. SETTLEMENT ADMINISTRATION.

5.1 The Settlement Administrator shall, under the supervision of the Court, administer the relief provided by this Settlement Agreement in a rational, responsive, cost effective, and timely manner. The Settlement Administrator shall maintain reasonably detailed records of its activities under this Agreement. The Settlement Administrator shall maintain all such records as are required by applicable law in accordance with its normal business practices and such records will be made available to Class Counsel and Target Graphics’ Counsel upon request. The Settlement Administrator shall also provide reports and other information to the Court as the Court may require. The Settlement Administrator shall provide Class Counsel and Target Graphics’ Counsel with regular reports at weekly intervals containing information concerning Notice, administration, and implementation of this Settlement Agreement. Should the Court request, the Parties shall submit a timely report, prepared by Class Counsel and/or the Settlement Administrator and approved by Target Graphics, to the Court summarizing the work performed by the Settlement Administrator, including a report of all amounts from the Settlement Fund paid to

Settlement Class Members on account of Approved Claims. Without limiting the foregoing, the Settlement Administrator shall:

(a) Provide Class Counsel and Target Graphics' Counsel with drafts of all administration-related documents, including but not limited to Notices, follow-up class notices or communications with Settlement Class Members, telephone scripts (if any) in a form approved by Class Counsel and Target Graphics' Counsel, website postings or language or other communications in a form approved by Class Counsel and Target Graphics' Counsel with the Settlement Class, at least five (5) days before the Settlement Administrator is required to or intends to publish or use such communications, unless Class Counsel and Target Graphics' Counsel agree to waive this requirement in writing on a case by case basis;

(b) Receive requests to be excluded from the Settlement Class and other requests and promptly provide to Class Counsel and Target Graphics' Counsel copies thereof. If the Settlement Administrator receives any exclusion forms or other requests after the deadline for the submission of such forms and requests, the Settlement Administrator shall promptly provide copies thereof to Class Counsel and Target Graphics' Counsel;

(c) Provide weekly reports to Class Counsel and Target Graphics' Counsel, including without limitation, reports regarding the number of objections and exclusion requests received, the number of claims made, and the number of individuals who are unsuccessfully delivered Notice; and

(d) Make available for inspection by Class Counsel or Target Graphics' Counsel materials received by the Settlement Administrator from members of the Settlement Class at any time upon reasonable notice.

5.2 In the exercise of its duties outlined in this Agreement, the Settlement Administrator shall have the right to reasonably request additional information from the Parties or any Settlement Class Member.

5.3. Target Graphics, the Released Parties, and Target Graphics' Counsel shall have no responsibility for, interest in, or liability whatsoever with respect to: (i) any act, omission, or determination by Class Counsel, or the Settlement Administrator, or any of their respective designees or agents, in connection with the administration of the Settlement or otherwise; (ii) the management, investment, or distribution of the Settlement Fund; (iii) the allocation of Net Settlement Funds to Settlement Class Members or the implementation, administration, calculation or interpretation thereof; (iv) the determination, administration, calculation, or payment of any claims asserted against the Settlement Fund; or (v) the payment, reporting, or withholding of any taxes, tax expenses, or costs incurred in connection with the taxation of the Settlement Fund or the filing of any federal, state, or local returns.

5.4 All taxes and tax expenses shall be paid out of the Settlement Fund, and shall be timely paid by the Settlement Administrator pursuant to this Agreement and without further order of the Court. Any tax returns or reporting forms prepared for the Settlement Fund (as well as the election set forth therein) shall be consistent with this Agreement and in all events shall reflect that all taxes on the income earned by the Settlement Fund shall be paid out of the Settlement Fund as provided herein. The Released Parties shall have no responsibility or liability for the acts or omissions of the Settlement Administrator or its agents with respect to the reporting or payment of taxes or tax expenses.

5.5 If this Settlement Agreement is not finally approved or is terminated, or the proposed Settlement fails to become final and effective for any reason, including without limitation

if the Final Judgment is reversed, vacated, or modified following any appeal taken therefrom, the Settlement Administrator shall return the Settlement Fund to Target Graphics, less any Settlement Administration Expenses actually incurred to date. Plaintiff shall have no financial responsibility for any Settlement Administration Expenses paid out of the Settlement Fund in the event that this Settlement Agreement is not finally approved.

6. TERMINATION OF SETTLEMENT.

6.1 Subject to Section 9 below, in the event that the Court makes any material modification to the terms of the Settlement, including, but not limited to any modification which operates to change the scope of the Settlement Class or to require Target Graphics to pay any amounts in excess of the Settlement Fund (and with the exception of any modification to the terms, timing or proposed amount of any Fee Award or Incentive Award), at the sole discretion of the adversely affected party, the terms contained in this Agreement and the Class Action Settlement Term Sheet, and any other settlement documents may be terminated. The Party or Parties with the right to terminate this Agreement may do so by providing written notice of the election to do so (“Termination Notice”) to all other Parties hereto within ten (10) days of any event triggering the right to terminate (as described above), including: (i) the Court’s refusal to grant Preliminary Approval of this Agreement in any material respect; (ii) the Court’s refusal to grant final approval of this Agreement in any material respect; (iii) the Court’s refusal to enter the Final Judgment in this Action in any material respect; (iv) the date upon which the Final Judgment is vacated, modified or reversed in any material respect by the Court, the Illinois Appellate Court, the Illinois Supreme Court, or the Supreme Court of the United States; or (v) the date upon which an Alternate Judgment is vacated, modified or reversed in any material respect by the Court, the Illinois Appellate Court, the Illinois Supreme Court, or the Supreme Court of the United States.

6.2 If prior to the Final Approval Hearing, Persons who otherwise would be members of the Settlement Class have timely requested exclusion from the Settlement Class in accordance with the provisions of the Preliminary Approval Order and the Notice given pursuant thereto, and such Persons in the aggregate constitute more than five percent (5%) of the Settlement Class, Target Graphics shall have, in its sole and absolute discretion, the option to terminate this Settlement by giving notice as set forth in paragraph 6.1.

7. PRELIMINARY APPROVAL ORDER AND FINAL APPROVAL ORDER.

7.1 Within 30 days after the execution of this Settlement Agreement, Class Counsel shall submit this Agreement together with its exhibits to the Court and shall move the Court for Preliminary Approval of the settlement set forth in this Agreement; conditional certification of the Settlement Class for settlement purposes only; appointment of Class Counsel and the Class Representative; and entry of a Preliminary Approval Order, which order shall set a Final Approval Hearing date and approve the notice for dissemination substantially in the form of Exhibits B & C hereto. The Preliminary Approval Order shall also authorize the Parties, without further approval from the Court, to agree to and adopt such amendments, modifications and expansions of the Settlement Agreement and its implementing documents (including all exhibits) so long as they are consistent in all material respects with the terms of the Settlement Agreement and do not limit or impair the rights of the Settlement Class or materially expand the obligations of Target Graphics.

7.2 At the time of the submission of this Agreement to the Court as described above, Class Counsel shall request that, after Notice is given, the Court hold a Final Approval Hearing and approve the Settlement of the Action as set forth herein.

7.3 After Notice is given, the Parties shall request and seek to obtain from the Court a Final Judgment, which will (among other things):

(a) find that the Court has personal jurisdiction over all Settlement Class Members and that the Court has subject matter jurisdiction to approve this Agreement, including all exhibits hereto;

(b) approve this Settlement Agreement as fair, reasonable, and adequate as to, and in the best interests of, the Settlement Class Members; direct the Parties and their counsel to implement and consummate this Agreement according to its terms and provisions; and declare this Agreement to be binding on, and have *res judicata* and preclusive effect in all pending and future lawsuits or other proceedings maintained by or on behalf of Plaintiff and Releasing Parties;

(c) find that the Notice implemented pursuant to this Agreement (1) constitutes the best practicable notice under the circumstances; (2) constitutes notice that is reasonably calculated, under the circumstances, to apprise the Settlement Class of the pendency of the Action, their right to object to or exclude themselves from the proposed Settlement, and to appear at the Final Approval Hearing; (3) is reasonable and constitutes due, adequate, and sufficient notice to all Persons entitled to receive Notice; and (4) meets all applicable requirements of the Illinois Code of Civil Procedure, the Due Process Clause of the United States and Illinois Constitutions, and the rules of the Court;

(d) find that the prerequisites for a class action under ILCS 735 5/2-801 have been satisfied for settlement purposes for the Settlement Class in that: (1) the number of Settlement Class Members is so numerous that joinder of all members thereof is impracticable; (2) there are questions of law and fact common to the Settlement Class Members; (3) the claims of the Class Representative are typical of the claims of the Settlement Class; (4) the Class Representative has and will continue to fairly and adequately represent the interests of the Settlement Class for purposes of entering into this Settlement Agreement; (5) the questions of law and fact common to

Settlement Class Members predominate over any questions affecting any individual Settlement Class Member; (6) the Settlement Class is ascertainable; and (7) a class action is superior to the other available methods for the fair and efficient adjudication of the controversy.

(e) dismiss the Action (including all individual claims and Settlement Class Claims presented thereby) on the merits and with prejudice, without fees or costs to any party except as provided in this Settlement Agreement;

(f) incorporate the Release set forth above, make the Release effective as of the Effective Date, and forever discharge the Released Parties as set forth herein;

(g) permanently bar and enjoin all Settlement Class Members from filing, commencing, prosecuting, intervening in, or participating (as class members or otherwise) in any lawsuit or other action in any jurisdiction based on the Released Claims;

(h) without affecting the finality of the Final Judgment for purposes of appeal, retain jurisdiction as to all matters relating to administration, consummation, enforcement, and interpretation of this Settlement Agreement and the Final Judgment, and for any other necessary purpose;

(i) close the Action; and

(j) incorporate any other provisions as the Court deems necessary and just, provided that such other provisions do not materially abridge, enlarge or modify any rights or responsibilities of the Released Parties or Settlement Class Members under this Agreement.

7.4 The Parties agree to stay all proceedings in the Action, other than those proceedings necessary to carry out or enforce the terms and conditions of the Settlement, until the Effective Date of the Settlement has occurred. The Parties also agree to use their best efforts to seek the stay and dismissal of, and to oppose entry of any interim or final relief in favor of any Settlement Class

Member in any other proceedings against any of the Released Parties which challenge the Settlement or otherwise assert or involve, directly or indirectly, a Released Claim.

8. CLASS COUNSEL'S ATTORNEYS' FEES AND REIMBURSEMENT OF EXPENSES; INCENTIVE AWARD.

8.1 Target Graphics agrees that Class Counsel may apply for and receive from the Settlement Fund, subject to Court approval, attorneys' fees not to exceed 40% of the Settlement Fund (\$56,960), plus reimbursement of reasonable costs and expenses. Any fees or costs below this amount that are not awarded are to be added to the Net Settlement Amount. Class Counsel will petition the Court for an award of such attorneys' fees, costs, and expenses, and Target Graphics agrees to not object to or otherwise challenge, directly or indirectly, Class Counsel's petition for attorneys' fees, costs, and expenses. Class Counsel, in turn, agrees to seek no more than this amount from the Court in attorneys' fees, plus reasonable costs and expenses. Payment of the Fee Award shall be made from the Settlement Fund.

8.2 The Fee Award shall be payable by the Settlement Administrator pursuant to the instructions provided by Class Counsel.

8.3 Notwithstanding any contrary provision of this Agreement, the Court's consideration of any Fee Award is to be conducted separately from the Court's consideration of the fairness, reasonableness, and adequacy of this Settlement Agreement, and any Fee Award made by the Court with respect to Class Counsel's attorneys' fees or expenses, or any proceedings incident thereto, including any appeal thereof, shall not operate to terminate or cancel this Agreement or be deemed material thereto.

8.4 Target Graphics agrees not to object to or otherwise challenge, directly or indirectly, Class Counsel's application for the Incentive Award to the Class Representative in the amount of up to \$5,000. Class Counsel, in turn, agrees to seek no more than this amount from the

Court as the Incentive Award to the Class Representative. Such Incentive Award shall be paid pursuant to the terms herein. Any modification to the terms or timing or reduction of the proposed Incentive Award amount shall in no way impact the validity of the settlement of this Action.

9. CONDITIONS OF SETTLEMENT, EFFECT OF DISAPPROVAL, CANCELLATION OR TERMINATION.

9.1 If this Agreement is not approved by the Court, or the settlement set forth in this Agreement is terminated or fails to become effective in accordance with its terms, then this Settlement Agreement shall be canceled and terminated subject to Paragraph 6.1 unless Class Counsel and Defendant's Counsel mutually agree in writing to proceed with this Agreement. If any Party is in material breach of the terms hereof, any other Party, provided that it is in substantial compliance with the terms of this Agreement, may terminate this Agreement on notice to all of the settling parties. Notwithstanding anything herein, the Parties agree that the Court's failure to approve, in whole or in part, the Fee Award and/or expenses and/or the Incentive Award set forth in Section 8 above shall not be grounds for termination.

9.2 If this Agreement is terminated or fails to become effective, the Parties shall be restored to their respective positions in the Action as of the moment just prior to the signing of this Agreement and the Class Action Settlement Term Sheet entered into between Target Graphics and the Class Representative shall be cancelled, null, and void. In such event, any Final Judgment or other order entered by the Court in accordance with the terms of this Agreement shall be treated as vacated, *nunc pro tunc*, and the Parties shall be returned to the *status quo ante* with respect to the Action as if this Agreement and the Class Action Settlement Term Sheet had never been entered into.

10. MISCELLANEOUS PROVISIONS.

10.1 The Parties (a) acknowledge that it is their intent to consummate this Settlement

Agreement; and (b) agree, subject to their fiduciary and other legal obligations, to cooperate to the extent reasonably necessary to effectuate and implement all terms and conditions of this Agreement, to exercise their reasonable best efforts to accomplish the foregoing terms and conditions of this Agreement, to secure final approval, and to defend the Final Judgment through any and all appeals. Class Counsel and Target Graphics' Counsel agree to cooperate with one another in seeking Court approval of this Settlement Agreement, entry of the Preliminary Approval Order, and the Final Judgment, and promptly to agree upon and execute all such other documentation as may be reasonably required to obtain final approval of this Agreement.

10.2 The Parties intend this Settlement Agreement to be a final and complete resolution of all disputes between them with respect to the Released Claims by the Releasing Parties against each or any of the Released Parties. Accordingly, the Parties agree not to assert in any forum that the Action was brought by Plaintiff or defended by Target Graphics, or each or any of them, in bad faith or without a reasonable basis.

10.3 The Parties have relied upon the advice and representation of counsel, selected by them, concerning their respective legal liability for the claims hereby released. The Parties have read and understand fully this Agreement and have been fully advised as to the legal effect hereof by counsel of their own selection and intend to be legally bound by the same.

10.4 Whether or not the Effective Date occurs or this Settlement Agreement is terminated, neither this Agreement, the Class Action Settlement Term Sheet, or any other settlement document, nor the settlement contained herein or any term, provision or definition therein, nor any act or communication performed or document executed in the course of negotiating, implementing or seeking approval pursuant to or in furtherance of this Agreement or the settlement:

(a) is, may be deemed, or shall be used, offered or received in any civil, criminal or administrative proceeding in any court, administrative agency, arbitral proceeding or other tribunal against the Released Parties, or each or any of them, as an admission, concession or evidence of, the validity of any Released Claims, the truth of any fact alleged by the Plaintiff, the deficiency of any defense that has been or could have been asserted in the Action, the violation of any law or statute, the definition or scope of any term or provision, the reasonableness of the settlement amount or the Fee Award, or of any alleged wrongdoing, liability, negligence, or fault of the Released Parties, or any of them. Target Graphics, while continuing to deny all allegations of wrongdoing and disclaiming all liability with respect to all claims, considers it desirable to resolve the action on the terms stated herein to avoid further expense, inconvenience, and burden, and therefore has determined that this settlement is in Target Graphics' best interests. Any public statements made by Plaintiff or Class Counsel will be consistent with this paragraph and Class Counsel will not issue any press release concerning this Agreement or the settlement contained herein;

(b) is, may be deemed, or shall be used, offered or received against any Released Party, as an admission, concession or evidence of any fault, misrepresentation or omission with respect to any statement or written document approved or made by the Released Parties, or any of them;

(c) is, may be deemed, or shall be used, offered or received against the Released Parties, or each or any of them, as an admission or concession with respect to any liability, negligence, fault or wrongdoing or statutory meaning as against any Released Parties, or supporting the certification of a class, in any civil, criminal or administrative proceeding in any court, administrative agency or other tribunal. However, this Agreement, and any acts performed

and/or documents executed in furtherance of or pursuant to this Agreement may be used in any proceedings as may be necessary to effectuate the provisions of this Agreement. Further, if this Settlement Agreement is approved by the Court, any Party or any of the Released Parties may file this Agreement and/or the Final Judgment in any action that may be brought against such Party or Parties in order to support a defense or counterclaim based on principles of *res judicata*, collateral estoppel, release, good-faith settlement, judgment bar or reduction, or any other theory of claim preclusion or issue preclusion or similar defense or counterclaim;

(d) is, may be deemed, or shall be construed against Plaintiff, the Settlement Class, the Releasing Parties, or each or any of them, or against the Released Parties, or each or any of them, as an admission or concession that the consideration to be given hereunder represents an amount equal to, less than or greater than that amount that could have or would have been recovered after trial; and

(e) is, may be deemed, or shall be construed as or received in evidence as an admission or concession against Plaintiff, the Settlement Class, the Releasing Parties, or each and any of them, or against the Released Parties, or each or any of them, that any of Plaintiff's or the Settlement Class's claims are with or without merit or that damages recoverable in the Action would have exceeded or would have been less than any particular amount.

10.5 The Parties acknowledge that (a) any certification of the Settlement Class as set forth in this Agreement, including certification of the Settlement Class for settlement purposes in the context of Preliminary Approval, shall not be deemed a concession that certification of a class is appropriate, or that the Settlement Class definition would be appropriate for a class, nor would Target Graphics be precluded from challenging class certification in further proceedings in the Action or in any other action if this Settlement Agreement is not finalized or finally approved; (b)

if this Settlement Agreement is not finally approved by the Court for any reason whatsoever, then any certification of the Settlement Class will be void, the Parties and the Action shall be restored to the status quo ante, and no doctrine of waiver, estoppel or preclusion will be asserted in any litigated certification proceedings in the Action or in any other action; and (c) no agreements made by or entered into by Target Graphics in connection with the Settlement may be used by Plaintiff, any Person in the Settlement Class, or any other person to establish any of the elements of class certification in any litigated certification proceedings, whether in this Action or any other judicial proceeding.

10.6 No Person or entity shall have any claim against the Class Representative, Class Counsel, the Settlement Administrator or any other agent designated by Class Counsel, or the Released Parties and/or their counsel, arising from distributions made substantially in accordance with this Agreement. The Parties and their respective counsel, and all other Released Parties shall have no liability whatsoever for the investment or distribution of the Settlement Fund or the determination, administration, calculation, or payment of any claim or nonperformance of the Settlement Administrator, the payment or withholding of taxes (including interest and penalties) owed by the Settlement Fund, or any losses incurred in connection therewith.

10.7 The Plaintiff, Settlement Class Members, and Class Counsel receiving funds pursuant to this Agreement shall be solely responsible for filing all information and other tax returns necessary or making any tax payments related to funds received pursuant to this Settlement Agreement. The Released Parties provide no legal advice and make no representations to the Plaintiff, Settlement Class Members, or Class Counsel regarding the legal or tax consequences of this Agreement, including any benefit or monies paid and received. The Plaintiff, Settlement Class

Members, and Class Counsel shall be solely responsible for any tax or legal consequences for any benefit or award paid and/or received pursuant to this Agreement.

10.8 All proceedings with respect to the administration, processing and determination of Claims and the determination of all controversies relating thereto, including disputed questions of law and fact with respect to the validity of Claims, shall be subject to the jurisdiction of the Court.

10.9 The headings used herein are used for the purpose of convenience only and are not meant to have legal effect.

10.10 The waiver by one Party of any breach of this Agreement by any other Party shall not be deemed as a waiver of any other prior or subsequent breaches of this Agreement.

10.11 All of the exhibits to this Agreement are material and integral parts thereof and are fully incorporated herein by this reference.

10.12 This Agreement and its exhibits, set forth the entire agreement and understanding of the Parties with respect to the matters set forth herein, and supersede all prior negotiations, agreements, arrangements and undertakings with respect to the matters set forth herein, including without limitation the Class Action Settlement Term Sheet. No representations, warranties, or inducements have been made to any Party concerning this Settlement Agreement or its exhibits other than the representations, warranties and covenants contained and memorialized in such documents. This Agreement may be amended or modified only by a written instrument signed by or on behalf of all Parties or their respective successors-in-interest.

10.13 Except as otherwise provided herein, each Party shall bear its own costs.

10.14 Plaintiff represents and warrants that he have not assigned any claim or right or interest therein as against the Released Parties to any other Person or Party and that he is fully entitled to release the same.

10.15 Each counsel or other Person executing this Settlement Agreement, any of its exhibits, or any related settlement documents on behalf of any Party hereto, hereby warrants and represents that such Person has the full authority to do so and has the authority to take appropriate action required or permitted to be taken pursuant to the Agreement to effectuate its terms.

10.16 This Agreement may be executed in one or more counterparts. Signature by digital means, facsimile, or in PDF format will constitute sufficient execution of this Agreement. All executed counterparts and each of them shall be deemed to be one and the same instrument. A complete set of original executed counterparts shall be filed with the Court if the Court so requests.

10.17 This Settlement Agreement shall be binding upon, and inure to the benefit of, the successors and assigns of the Parties hereto and the Released Parties.

10.18 The Court shall retain jurisdiction with respect to implementation and enforcement of the terms of this Agreement, and all Parties hereto submit to the jurisdiction of the Court for purposes of implementing and enforcing the settlement embodied in this Agreement.

10.19 If any date or deadline in this Settlement Agreement falls on a Saturday, Sunday, or federal holiday, the next business day following the date or deadline shall be the operative date.

10.20 This Settlement Agreement shall be governed by and construed in accordance with the substantive laws of the State of Illinois without giving effect to its conflicts-of-law provisions.

10.21 This Agreement is deemed to have been prepared by counsel for all Parties, as a result of arm's-length negotiations among the Parties. Because all Parties have contributed substantially and materially to the preparation of this Agreement, it shall not be construed more strictly against one Party than another.

10.22 Where this Agreement requires notice to the Parties, such notice shall be sent to the undersigned counsel: Roberto Costales, Beaumont Costales LLC, 107 W. Van Buren, Suite 209,

Chicago, Illinois 60605; John P. Killacky, Momkus LLP, 1001 Warrenville Road, Suite 500, Lisle, IL 60532.

IT IS SO AGREED TO BY THE PARTIES:

Dated: _____, 2023

PASCUAL CUAZITL

By: _____

Dated: _____, 2023

TARGET GRAPHICS, LTD.

By: _____

Its: _____

Dated: _____, 2023

BEAUMONT COSTALES LLC

By: _____

Roberto Luis Costales

rlc@beaumontcostales.com

William H. Beaumont

whb@beaumontcostales.com

BEAUMONT COSTALES LLC

107 W. Van Buren, Suite 209

Chicago, Illinois 60605

Tel: (773) 831-8000

*Attorneys for Class Representative and the
Settlement Class*

Dated: _____, 2023

MOMKUS LLP

By: _____

John P. Killacky

jkillacky@momkus.com

Momkus LLP

1001 Warrenville Road, Suite 500

Lisle, IL 60532

Attorneys for Target Graphics, LTD