PAGA SETTLEMENT AGREEMENT

This PAGA Settlement Agreement ("Agreement") is made by and between plaintiff German Atondo ("Plaintiff") and defendant Laurel Ag & Water, LLC and U.S. Pipe and Irrigation, LLC (collectively, "Defendant"). The Agreement refers to Plaintiff and Defendant collectively as "Parties," or individually as "Party."

1. DEFINITIONS.

As used in this Agreement, the following terms shall have the meanings specified below. To the extent terms or phrases used in this Agreement are not specifically defined below, but are defined elsewhere in this Agreement, they are incorporated by reference into this definition section.

1.1 "Action" means the Plaintiff's lawsuit alleging wage and hour violations against Defendant captioned *German Atondo v. Laurel Ag & Water, LLC, et al.*, case number BCV-24-102996 initiated on August 30, 2025, and pending in Superior Court of the State of California, County of Kern.

1.2 "Administrator" means APEX Class Action Administration, the neutral entity the Parties have agreed to appoint to administer the Settlement.

1.3 "Administration Expenses Payment" means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses, which are anticipated to not exceed $5,490.00.

1.4 "Aggrieved Employee" means a person employed by Defendant in California as an hourly-paid or non-exempt employees at any time during the PAGA Period.

1.5 "Aggrieved Employee Data" means Aggrieved Employee identifying information in Defendant's possession including the Aggrieved Employee's name, last-known mailing address, Social Security number, and number of PAGA Pay Periods (or sufficient information to calculate the number of such pay periods).

1.6 "Aggrieved Employee Address Search" means the Administrator's investigation and search for current Aggrieved Employee mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Aggrieved Employees.

1.7 "Approval Order" means the proposed Order Granting Approval of PAGA Settlement.

1.8 "Court" means the Superior Court of California, County of Kern.

1.9 "Defendant" means named Defendants, Laurel Ag & Water, LLC and U.S. Pipe and Irrigation, LLC.

1.10 "Defense Counsel" means Vanessa Franco Chavez of Klein, DeNatale, Goldner, Cooper, Rosenlieb & Kimball, LLP.

1.11 "Effective Date" means the date by when both of the following have occurred: (a) the Court enters a Judgment on its Order Approving the PAGA Settlement; and (b) the Judgment is final. The Judgment is final as of the latest of the following occurrences: (i) the expiration of the period for filing any appeal, writ, or other appellate proceeding opposing the Settlement has elapsed without any appeal, writ, or other appellate proceeding having been filed; (ii) the dismissal of any appeal, writ, or other appellate proceeding opposing the Settlement with no right to pursue further remedies or relief; or (iii) upon the expiration of any time to file a petition for rehearing and the expiration of any time to file any petition in the California Supreme Court or the Supreme Court of the United States following a final appellate opinion or order upholding the Court's final order with no right to pursue further remedies or relief. In this regard, it is the intention of the Parties that the Settlement shall not become effective until the Court's order approving the Settlement is completely final and there is no further recourse by an appellant who seeks to contest the Settlement.

1.12 "Gross Settlement Amount" means Two Hundred Ninety Thousand Dollars ($290,000) which is the total amount Defendant agrees to pay under the Settlement except as provided in Paragraph 8, below. The Gross Settlement Amount will be used to pay Individual PAGA Payments, the LWDA PAGA Payment, PAGA Counsel Fees, PAGA Counsel Litigation Expenses Payment, Representative Service Payment, and the Administration Expenses Payment.

1.13 "Individual PAGA Payment" means the Aggrieved Employee's pro rata share of 35% of the PAGA Penalties calculated according to the number of PAGA Pay Periods worked during the PAGA Period.

1.14 "Judgment" means the judgment entered by the Court based upon the Order granting Approval of the Settlement.

1.15 "LWDA" means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i).

1.16 "LWDA PAGA Payment" means the 65% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).

1.17 "Net Settlement Amount" means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: Representative Service Payment, PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, and the Administration Expenses Payment. The remainder is to be paid as follows: 65% of the Net Settlement Amount to the LWDA PAGA Payment and 35% of the Net Settlement Amount to Aggrieved Employees via the Individual PAGA Payments.

1.18 "Operative Complaint" means the operative complaint in the Action, which is the Class and Representation Action Complaint filed August 30, 2024 and will encompass any claims articulated and alleged therein.

1.19 "PAGA" means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).

1.20 "PAGA Counsel" means Wilshire Law Firm including Benjamin H. Harber, Daniel J. Kramer, Chase M. Stern, and Alan Wilcox.

1.21 "PAGA Counsel Fees Payment" and "PAGA Counsel Litigation Expenses Payment" mean the amounts allocated to PAGA Counsel for reimbursement of reasonable attorneys' fees and expenses, respectively, incurred to prosecute the Action.

1.22 "PAGA Notice" means Plaintiff German Atondo's June 20, 2024 and September 6, 2024 letters to Defendant and the LWDA providing notice pursuant to Labor Code section 2699.3, subd. (a).

1.23 "PAGA Penalties" means the total amount of PAGA civil penalties to be paid from the Net Settlement Amount, allocated 35% to the Aggrieved Employees and 65% to the LWDA in settlement of PAGA claims.

1.24 "PAGA Pay Period" means any Pay Period during the PAGA Period in which an Aggrieved Employee worked for Defendant for at least one day.

1.25 "PAGA Period" means the period from June 20, 2023 through the Court's approval of the settlement, subject to Paragraph 8 below.

1.26 "Plaintiff" means German Atondo, the named plaintiff in the Action.

1.27 "Released PAGA Claims" means the claims being released as described in Paragraph 5.2 below.

1.28 "Released Parties" means: Defendants and each of their former, future, and present parent, joint venturers, and affiliated corporations and partnerships; their directors, officers, shareholders, owners, members, managers, partners, customers, employees, agents, attorneys, insurers, predecessors, successors, assigns, subsidiaries; and any other individuals, entities, successors, assigns, or legal representatives who could be liable for any of the Released Claims.

1.29 "Representative Service Payment" means the service payment made to the Plaintiff in order to compensate him for initiating the Action, performing work in support of the Action, undertaking the risk of liability for Defendant's expenses, and for the general release of all claims by the Plaintiff.

1.30 "Settlement" means the disposition of the Action effected by this Agreement and the Judgment.

2. <u>RECITALS.</u>

2.1 On August 30, 2024, Plaintiff commenced this Action by filing a Complaint alleging causes of action against Defendant seeking civil penalties under PAGA, including but not limited to, for violations of California Labor Code sections 201, 202, 203, 204, 210, 226, 226.3, 226.7, 246, 510, 512, 1174, 1174.5,_1194, 1194.2, 1197, 1197.1, 1198, 2802, and 2699, et seq. Defendant denies the allegations in the Operative Complaint, denies any failure to comply with the laws identified in the Operative Complaint and denies any and all liability for the causes of action alleged. Defendant further denies that, for any purpose other than settling this Action, these claims are appropriate for representative treatment.

2.2 Pursuant to Labor Code section 2699.3, subd. (a), Plaintiff gave timely written notice to Defendant and the LWDA by sending the PAGA Notice on June 20, 2024.

On June 9, 2025, the Court signed a stipulated Order directing Plaintiff to submit his individual PAGA claims to arbitration and staying Plaintiff's representative PAGA claims pending completion of arbitration.

2.3 On December 4, 2025, the Parties participated in a full-day mediation, which was presided over by Hon. Howard R. Broadman (Ret.), which led to this Agreement to settle the Action.

2.4 Prior to mediation, Plaintiff obtained, through informal discovery, documents, and information obtained pertaining to their wage and hour claims, including, but not limited to, wage and hour policy and procedure documents, an adequate sampling of employee time and payroll records, and the exchanges of relevant data points pertaining to the PAGA claims. Plaintiff's investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.* (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 129-130 ("*Dunk/Kullar*").

2.5 The Parties agree that this Agreement is for settlement purposes only and if, for any reason, the Agreement is not approved, the Agreement will be of no force or effect. In such event, nothing in this Agreement shall be used or construed by or against any party as a determination, admission, or concession of any issue of law or fact in the Action; and the Parties do not waive, and instead expressly reserve, their respective rights with respect to the prosecution and defense of this Action as if this Agreement never existed.

2.6 The Parties, PAGA Counsel, and Defense Counsel represent that they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement.

2.7 The Agreement set forth herein intends to achieve the following: (1) an entry of an order approving the Settlement; (2) entry of judgment of the Action; (3) discharge of Released Parties from liability for any and all of the Released Claims; and (4) discharge of Defendant from liability for any and all claims arising out of the Action.

3. MONETARY TERMS.

3.1 Gross Settlement Amount. Except as otherwise provided by Paragraph 8 below, Defendant promises to pay Two Hundred Ninety Thousand Dollars ($290,000) and no more as the Gross Settlement Amount. Defendant has no obligation to pay the Gross Settlement Amount prior to the deadline stated in Paragraph 4.3 of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendant.

3.2 Payments from the Gross Settlement Amount. The Administrator will make and deduct the following payments from the Gross Settlement Amount, in the amounts specified by the Court in the Approval Order:

3.2.1 To Plaintiff: Representative Service Payment to the Representative of not more than Ten Thousand Dollars ($10,000) (in addition to any Individual PAGA Payment). Defendant will not oppose Plaintiff's request for a Representative Service Payment that does not exceed this amount. As part of the application for PAGA Counsel Fees Payment and PAGA Counsel Litigation Expenses Payment, Plaintiff will seek Court approval for any Representative Service Payments no later than 16 court days prior to the Approval Hearing. If the Court approves a Representative Service Payment less than the amount requested, the Administrator will retain the remainder in the Net Settlement Amount. The Administrator will pay the Representative Service Payment using IRS Form 1099. Plaintiff assumes full responsibility and liability for employee taxes owed on the Representative Service Payment.

3.2.2 To PAGA Counsel: A PAGA Counsel Fees Payment of not more than 33 1/3%, which is currently estimated to be Ninety-Six Thousand Six Hundred Fifty-Seven Dollars ($96,657.00) and a PAGA Counsel Litigation Expenses Payment of not more than Twenty Thousand Dollars ($20,000.00). Defendant will not oppose requests for these payments provided that the requests do not exceed these amounts. Plaintiff and/or PAGA Counsel will file a request for PAGA Counsel Fees Payment and PAGA Counsel Litigation Expenses Payment no later than 16 court days prior to the Approval Hearing. If the Court approves a PAGA Counsel Fees Payment and/or a PAGA Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. Released Parties shall have no liability to PAGA Counsel or any other Plaintiff's Counsel arising from any claim to any portion of any PAGA Counsel Fee Payment and/or PAGA Counsel Litigation Expenses Payment. The Administrator will pay the PAGA Counsel Fees Payment and PAGA Counsel Expenses Payment using one or more IRS 1099 Forms. PAGA Counsel assumes full responsibility and liability for taxes owed on the PAGA Counsel Fees Payment and the PAGA Counsel Litigation Expenses Payment and holds Defendant harmless, and indemnifies Defendant, from any dispute or controversy regarding any division or sharing of any of these payments.

3.2.3 To the Administrator: An Administrator Expenses Payment not to exceed Five Thousand Four Hundred Ninety Dollars ($5,490.00) except for a showing of good cause and as approved by the Court. To the extent the Administration Expenses are less or the Court approves payment less than Five Thousand Four Hundred Ninety Dollars ($5,490.00), the Administrator will retain the remainder in the Net Settlement Amount.

3.2.4 To the LWDA and Aggrieved Employees. PAGA Penalties to be paid from the Net Settlement Amount, with 65% allocated to the LWDA PAGA Payment and 35% allocated to the Individual PAGA Payments.

3.2.4.1. Calculation of Individual PAGA Payment. The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 35% share of PAGA Penalties by the total number of PAGA Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

3.2.4.2. If the Court approves PAGA Penalties of less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

4. SETTLEMENT FUNDING AND PAYMENTS.

4.1 Aggrieved Employee PAGA Pay Periods. Based on a review of its records through December 4, 2025, Defendant estimates there are 221 Aggrieved Employees who worked a total of 8,563 PAGA Pay Periods.

4.2 Aggrieved Employee Data. Not later than fifteen (15) days after the Court grants Approval of the Settlement, Defendant will simultaneously deliver the Aggrieved Employee Data to the Administrator, in the form of a Microsoft Excel spreadsheet. To protect Aggrieved Employees' privacy rights, the Administrator must maintain the Aggrieved Employee Data in confidence, use the Aggrieved Employee Data only for purposes of this Settlement and for no other purpose, and restrict access to the Aggrieved Employee Data to Administrator employees who need access to the Aggrieved Employee Data to effect and perform under this Agreement. PAGA Counsel shall not receive a copy of the Aggrieved Employee Data or any content thereof. Defendant has a continuing duty to immediately notify PAGA Counsel if it discovers that the Aggrieved Employee Data omitted identifying information and to provide corrected or updated Aggrieved Employee Data as soon as reasonably feasible. Without any extension of the deadline by which Defendant must send the Aggrieved Employee Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Aggrieved Employee Data.

4.3 Funding of Gross Settlement Amount. Defendant shall fully fund the Gross Settlement Amount by transmitting the funds to the Administrator no later than 14 days after the Effective Date. At least five (5) business days prior to Defendant's deadline for funding of the Gross Settlement Amount, the Administrator shall issue Defendant instructions.

4.4 Payments from the Gross Settlement Amount. Within 14 days after Defendant funds the Gross Settlement Amount, the Administrator will mail checks and/or wire payment for all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the PAGA Counsel Fees Payment, the PAGA Counsel Litigation Expenses Payment, and the Representative Service Payment. Disbursement of the PAGA Counsel Fees Payment, the PAGA Counsel Litigation Expenses Payment and the Representative Service Payment shall not precede disbursement of Individual PAGA Payments.

4.4.1 The Administrator will issue checks for the Individual PAGA Payments and send them to the Aggrieved Employee via First Class U.S. Mail, postage prepaid. Additionally, the Administrator will send Aggrieved Employees a Notice of PAGA Action Settlement (attached hereto as **Exhibit A**) along with their respective Individual PAGA Payment. The face of each check shall prominently state the date (not less than 180 days after the date of mailing) when the check will be voided. The Administrator will cancel all checks not cashed by the void date. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database.

4.4.2 The Administrator must conduct an Aggrieved Employee Address Search for all other Aggrieved Employees whose checks are returned undelivered without USPS forwarding address. Within 7 days of receiving a returned check the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Aggrieved Employee Address Search. The Administrator need not take further steps to deliver checks to Aggrieved Employees whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Aggrieved Employee whose original check was lost or misplaced, requested by the Aggrieved Employee prior to the void date.

4.4.3 For any Aggrieved Employee whose Individual PAGA Payment check is uncashed and cancelled after the void date, within ten (10) calendar days of the check void date, the Administrator shall transmit the funds represented by such checks to the California Controller's Unclaimed Property Fund in the name of the Aggrieved Employee.

4.4.4 The payment of Individual PAGA Payments shall not obligate Defendant to confer any additional benefits or make any additional payments to Aggrieved Employee (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

5. RELEASES OF CLAIMS. Effective on the date when Defendant fully funds the entire Gross Settlement Amount, Plaintiff, Aggrieved Employees Members, and PAGA Counsel will release claims against all Released Parties as follows:

5.1 Plaintiff's Release. In exchange for a payment of Ten Thousand Dollars ($10,000), Plaintiff and his respective former and present spouses, representatives, agents, attorneys (including PAGA Counsel), heirs, dependents, administrators, devisees, legatees, executors, trustees, conservators, guardians, personal representatives, successors, and assigns, whether individual, class, representative, legal, equitable, direct or indirect, or any other type of any capacity, shall and does hereby forever generally release, discharge, and agree to hold harmless the Released Parties from any and all charges, complaints, claims, liabilities, obligations, promises, agreements, controversies, damages, causes of action, suit, rights, demands, costs, losses, transactions, occurrences, or debts or expenses (including attorney fees and costs), known or unknown, at law or in equity which he may now have or may become aware of after the signing of this Agreement, including, but not limited to: (a) arising out of or in any way connected with their employment with Defendant, including the Released Claims, (b) all claims that were, or reasonably could have been, alleged, based on the facts contained, in the Operative Complaint; (c) all PAGA claims that were, or reasonably could have been, alleged based on facts contained in the Action, Plaintiff German Atondo's PAGA Notice, or ascertained during the Action and released under **Error! Reference source not found.**, below, and (d) any and all transactions, occurrences, or matters between the Parties occurring prior to the date this Agreement is fully executed. ("Plaintiff's Release.") Without limiting the generality of the foregoing, Plaintiff's Release shall include, but not limited to, any and all claims under: (a) the Americans with Disabilities Act; (b) Title VII of the Civil Rights Act of 1964; (c) the Civil Rights Act of 1991; (d) 42 U.S.C. § 1981; (e) the Age Discrimination in Employment Act; (f) the

Fair Labor Standards Act; (g) the Equal Pay Act; (h) the Employee Retirement Income Securities Act, as amended; (i) the Consolidated Omnibus Budget Reconciliation Act; (j) the Rehabilitation Act of 1973; (k) the Family and Medical Leave Act; (l) the Civil Rights Act of 1966; (m) the California Fair Employment and Housing Act; (n) the California Constitution; (o) the California Labor Code; (p) the California Government Code; (q) the California Civil Code; and (r) any and all other federal, state, and local statutes, ordinances, regulations, rules, and other laws, and any and all claims based on constitutional, statutory, common law, or regulatory grounds as well as any other claims based on theories of wrongful or constructive discharge, breach of contract or implied contract, fraud, misrepresentation, promissory estoppel, or intentional infliction of emotional distress, negligent infliction of emotional distress, or damages under any other federal, state, or local statutes, ordinances, regulations, rules, or laws. This release is for any and all relief, no matter how denominated, including, but not limited to, back pay, front pay, vacation pay, bonuses, compensatory damages, tortious damages, liquidated damages, punitive damages, damages for pain and suffering, and attorney fees and costs. Plaintiff's Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, workers' compensation benefits that arose at any time, or based on occurrences after signing this Agreement. Plaintiff acknowledges that Plaintiff may discover facts or law different from, or in addition to, the facts or law that Plaintiff now knows or believes to be true but agrees, nonetheless, that Plaintiff's Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiff's discovery of them.

5.1.1 Plaintiff's Waiver of Rights Under California Civil Code Section 1542. For purposes of Plaintiff's Release, Plaintiff, being aware of California Civil Code section 1542, as well as any other statutes or common law principles of a similar effect, hereby forever expressly waives and relinquishes the provisions, rights, and benefits, if any, of section 1542 of the California Civil Code, which reads:

> **"A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party."**

Plaintiff specifically acknowledges that he is aware of and familiar with the provisions of the above Civil Code section 1542. Plaintiff may hereafter discover facts in addition to or different from those which he now knows or believes to be true with respect to the subject matter of all the claims referenced herein, but agree that, upon the funding of the entire Gross Settlement Amount and Employer Taxes, Plaintiff shall and hereby does fully, finally, and forever settle and release any and all claims against the Released Parties, known or unknown, suspected or unsuspected, contingent or non-contingent, that were asserted or could have been asserted upon any theory of law or equity without regard to the subsequent discovery of existence of such different or additional facts, through the date on which this Agreement is fully executed.

5.2 Release by Aggrieved Employees: Upon the funding of the entire Gross Settlement Amount, all Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims, rights, demands, liabilities and causes of action for civil penalties under the PAGA, that Aggrieved Employees have had, now have, or may have in the future against Released Parties based on any acts or omissions occurring during the PAGA Period and alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the Operative Complaint or the PAGA Notice, including, but not limited to, any and all claims for PAGA penalties pursuant to Wage Order 4-2001 and Labor Code §§ 201, 202, 203, 204, 210, 226, 226.3, 226.7, 246, 510, 512, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1198, and 2802, . Aggrieved Employees have no right or ability to opt out of the portion of this Settlement releasing the Released PAGA Claims.

5.3 Release by PAGA Counsel: PAGA Counsel release on behalf of their present and former attorneys, employees, agents, successors and assigns, the Released Parties from all claims for PAGA Fees incurred in connection with the Operative Complaint and the PAGA Period facts stated in the Operative Complaint and the PAGA Notice.

6. APPLICATION FOR APPROVAL OF SETTLEMENT. Plaintiff will prepare and file either a motion or stipulated request for approval ("Application for Approval").

6.1 Plaintiff's Responsibilities. Plaintiff will prepare all documents necessary for obtaining approval, including: (i) a draft of the notice and an analysis of the Settlement under *Dunk/Kullar* and a request for approval of the PAGA Settlement under Labor Code Section 2699, subd. (f)(2)); (ii) a draft proposed Order Granting Approval of PAGA Settlement; (iii) a draft proposed settlement notice; (iv) a signed declaration from each PAGA Counsel firm attesting to its competency to represent the Aggrieved Employees; its timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), Operative Complaint (Labor Code section 2699, subd. (l)(1)), this Agreement (Labor Code section 2699, subd. (l)(2)).

6.2 Responsibilities of PAGA Counsel. PAGA Counsel is responsible for appearing in Court to advocate in favor of the Application for Approval or otherwise seeking the Approval Order from the Court. PAGA Counsel is responsible for delivering the Court's Approval Order to the Administrator. Defense Counsel agrees to not oppose PAGA Counsel's Application for Approval so long as Defense Counsel has two (2) calendar days to review it before filing and it is consistent with this Settlement Agreement.

6.3 Duty to Cooperate. If the Parties disagree on any aspect of the proposed Application for Approval and/or the supporting declarations and documents, PAGA Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant approval or conditions approval on any material change to this Agreement, PAGA Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns.

7. SETTLEMENT ADMINISTRATION.

7.1 Selection of Administrator. The Parties have jointly selected APEX Class Action Administration to serve as the Administrator and verified that, as a condition of appointment, APEX Class Action Administration agrees to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Expenses. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.

7.2 Employer Identification Number. The Administrator shall have and use its own Employer Identification Number for purposes of calculating payroll tax withholdings (if any) and providing reports to state and federal tax authorities.

7.3 Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation section 468B-1.

7.4 Administrator Duties.. The Administrator has a duty to perform or observe all tasks to be performed or observed by the Administrator contained in this Agreement or otherwise.

8. AGGRIEVED EMPLOYEE SIZE ESTIMATES AND ESCALATOR CLAUSE. Based on its records, Defendant represents that the best-estimate for the number of pay periods worked by the Aggrieved Employees during the PAGA Period is 8,563, through December 4, 2025. If the amount of pay periods for this time period is determined to be more than 10% higher than this estimate (i.e., more than 9,419 pay periods), Defendant will have the option to either (1) increase the Gross Settlement Amount proportionally for the excess increase in the total number of pay periods beyond the 9,419 pay periods (i.e., pay an additional $30.79/pay period above the 9,419 pay periods) or (2) modify the applicable PAGA Period's end date to a date prior to the Approval Order, but not prior to December 4, 2025, to avoid incurring the pro rata increase. The Gross Settlement Amount will not be reduced due to Defendant's estimate.

9. CONTINUING JURISDICTION OF THE COURT. The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties, Action, and the Settlement solely for purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters, and (iii) addressing such post-Judgment matters as are permitted by law.

9.1 Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the PAGA Counsel Fees Payment and PAGA Counsel Litigation Expenses Payment reflected as set forth in this Settlement, the Parties, and their respective counsel, waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals. If an objector appeals the Judgment, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect the amount of the Net Settlement Amount.

10. ADDITIONAL PROVISIONS.

10.1 No Effect on Employee Benefit Plans. Neither this Agreement nor any amounts paid under the Settlement will modify any previously credited hours, days, or weeks of service under any employee benefit plan, policy or bonus program sponsored by Defendant. Such amounts will not form the basis for additional contributions to, benefits under, or any other monetary entitlement under Defendant's sponsored benefit plans, policies or bonus programs. The payments made under the terms of this Settlement shall not be applied retroactively, currently, or on a going forward basis, as salary, earnings, wages, or any other form of compensation for the purposes of any of Defendant's benefit plan, policy or bonus program. Defendant retains the right to modify the language of its benefits plans, policies and bonus programs to effect this intent and to make clear that any amounts paid pursuant to this Settlement are not for "weeks worked," "weeks paid," "weeks of service," or any similar measuring term as defined by applicable plans, policies and bonus programs for purpose of eligibility, vesting, benefit accrual, or any other purpose, and that additional contributions or benefits are not required by this Settlement.

10.2 No Admission of Liability or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendant that any of the allegations in the Operative Complaint have merit or that Defendant has any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that Defendant's defenses in the Action have merit. The Parties agree that representative treatment is for purposes of this Settlement only. If, for any reason the Court does grant approval or enter Judgment, and Defendant reserves all available defenses to the claims in the Action. The Settlement, this Agreement and Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).

10.3 Effect of Non-Approval; Reservation of Rights. In the event this Agreement is not finally approved by the Court, is withdrawn or revoked by Defendants, or is otherwise deemed null, void, or unenforceable for any reason, Plaintiff agrees that the representative PAGA action shall remain stayed pending the completion of arbitration of Plaintiff's individual claims, consistent with the Parties' stipulation to arbitration and applicable law. Plaintiff further agrees that neither this Agreement nor any of its terms shall constitute, nor shall it be construed as a waiver, in this or any other proceeding, limitation, or relinquishment of Defendants' right to compel arbitration or otherwise enforce the arbitration agreement between the Parties.

10.4 Confidentiality Prior to Approval. Plaintiff, PAGA Counsel, Defendant and Defense Counsel separately agree that, until the Application for Approval of Settlement is filed, they and each of them will not disclose, disseminate or publicize, or cause or permit another person to disclose, disseminate or publicize, any of the terms of the Agreement directly or indirectly, specifically or generally, to any person, corporation, association, government agency, or other entity except: (1) to the Administrator and the Parties' attorneys, accountants, or spouses, all of whom will be instructed to keep this Agreement confidential; (2) counsel in a related matter; (3) to the extent necessary to report income to appropriate taxing authorities; (4) in response to a court order or subpoena; or (5) in response to an inquiry or subpoena issued by a state or federal government agency. This confidentiality clause extends to the parties' use of social media people often use to communicate during their daily lives, such as X (formerly Twitter), Facebook, blogs, Instagram, and the like. Each Party agrees to immediately notify each other Party of any judicial or agency order, inquiry, or subpoena seeking such information. Plaintiff, PAGA Counsel, Defendant and Defense Counsel separately agree not to, directly or indirectly, initiate any conversation or other communication, before the filing of the Application for Approval, with any third party regarding this Agreement or the matters giving rise to this Agreement except to respond only that "the matter was resolved," or words to that effect. This paragraph does not restrict PAGA Counsel's communications with Aggrieved Employees in accordance with PAGA Counsel's ethical obligations owed to Aggrieved Employee.

10.5 Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party.

10.6 Attorney Authorization. PAGA Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiff and Defendant, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.

10.7 Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying the Settlement Agreement, submitting supplemental evidence and supplementing points and authorities as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of a mediator and/or the Court for resolution.

10.8 Defendants' Option to Revoke. If the settlement, or any terms therein, is modified, vacated, altered, or becomes otherwise subject to challenge by law, including, but not limited to, any law that became effective after the execution of this Agreement, so that this Agreement is not approved by the Court in its entirety and the intent of the Parties cannot be accomplished after jointly taken efforts to enforce it have been exhausted, Defendants shall have the option to revoke this Agreement at its sole discretion.

10.9 No Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity and portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Agreement.

10.10 No Tax Advice. Neither Plaintiff, PAGA Counsel, Defendant nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Agreement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.

10.11 Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their representatives, and approved by the Court.

10.12 Authority of Signatories. The respective signatories to the Agreement represent that they are fully authorized to enter into this Agreement and bind the respective Parties to its terms and conditions.

10.13 Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.

10.14 Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the state of California, without regard to conflict of law principles.

10.15 Attorneys' Fees and Costs. Except as otherwise specifically provided for herein, each party shall bear her or its own attorneys' fees, costs, and expenses, taxable or otherwise, incurred by them or arising out of the Action and shall not seek reimbursement thereof from any other party in this Agreement. In any suit or court action to enforce the terms of this Agreement, the prevailing party shall be entitled to recover her or its reasonable attorneys' fees and costs.

10.16 Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.

10.17 Confidentiality. To the extent permitted by law, all agreements made, and orders entered during Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.

10.18 Use and Return of Aggrieved Employee Data. Information provided to PAGA Counsel pursuant to Cal. Evid. Code §1152, and all copies and summaries of the Aggrieved Employee Data provided to PAGA Counsel by Defendant in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. Not later than 90 days after the date when the Court discharges the Administrator's obligation to provide a Declaration confirming the final pay out of all Settlement funds, Plaintiff shall destroy, all paper and electronic versions of Aggrieved Employee Data received from Defendant unless, prior to the Court's discharge of the Administrator's obligation, Defendant makes a written request to PAGA Counsel for the return, rather than the destruction, of Aggrieved Employee Data.

10.19 Headings. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.

10.20 Calendar Days. Unless otherwise noted, all reference to "days" in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.

10.21 Notice. All notices, demands or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email or messenger, addressed as follows:

To Plaintiff:

Benjamin H. Harber, Esq.
Daniel J. Kramer, Esq.
Chase M. Stern, Esq.
Alan Wilcox, Esq.
WILSHIRE LAW FIRM
660 S. Figueroa St., Sky Lobby
Los Angeles, CA 90017
Telephone: (213) 381-9988
Facsimile: (213) 381-9989
benjamin.haber@wilshirelawfirm.com
daniel.kramer@wilshirelawfirm.com
chase.stern@wilshirelawfirm.com
alan.wilcox@wilshirelawfirm.com

To Defendant:

Vanessa F. Chavez, Esq.
Anna Burnbaum, Esq.
KLEIN, DENATALE, GOLDNER,
COOPER, ROSENLIEB & KIMBALL, LLP
10000 Stockdale Highway, Suite 200
Bakersfield, CA 93311
Telephone: (661) 395-1000
Facsimile: (661) 326-0418
vchavez@kleinlaw.com
aburnbaum@kleinlaw.com

10.22 Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e. DocuSign), or email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

10.23 Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that pursuant to CCP section 583.330 to extend the date to bring a case to trial under CCP section 583.310 for the entire period of this settlement process.

ON BEHALF OF PLAINTIFF GERMAN ATONDO

Dated: 02/03/2026, 2026

German

German Atondo (Mar 2, 2026 15:13:43 PST)

German Atondo, Plaintiff

ON BEHALF OF DEFENDANTS:

Dated: 3/2/2026, 2026

LAUREL AG & WATER, LLC

Signed by:

Todd Rinkenberger

551BB3F6F63B4AE...

Name: Todd Rinkenberger
Title: CEO

U.S. PIPE AND IRRIGATION, LLC

Signed by:

Todd Rinkenberger

551BB3F6F63B4AE...

Name: Todd Rinkenberger
Title: CEO

APPROVED AS TO FORM:

WILSHIRE LAW FIRM

Dated: 03/02/2026, 2026

Chase M. Stern
Attorneys for Plaintiff

EXHIBIT A

COURT APPROVED NOTICE OF PAGA ACTION SETTLEMENT

German Atondo v. Laurel Ag & Water, LLC, et al.,
BCV-24-102996

[Administrator's Letterhead]

To: «FirstName» «LastName»
«Address1» «Address2»
«City» «State» «Zip»

Enclosed please find a check in the amount of [INDIVIDUAL SETTLEMENT SHARE].

You are receiving this check in connection with a claim brought by a former employee German Atondo ("Plaintiff") of Laurel Ag & Water, LLC and U.S. Pipe and Irrigation, LLC ("Laurel Ag") (collectively, "Defendants"). The claim entitled *German Atondo v. Laurel Ag & Water, et al.,* was filed in Kern Superior Court under Case No. BCV-24-102996 (the "Action"), seeking civil penalties pursuant to the California Private Attorneys General Act of 2004 ("PAGA") on behalf of the government and all hourly employees of Defendants. Specifically, Plaintiff alleged that Defendants failed to comply with wage-and-hour laws as to non-exempt employees who worked for Defendants. The settlement resolves the Action.

Defendants deny all liability for all these claims and maintain that they fully complied with all applicable wage-and-hour laws. Nevertheless, to avoid further costs and uncertainty from further litigation, Defendants agreed to settle the matter. The settlement covers Defendants and each of their former, future, and present parent, joint venturers, and affiliated corporations and partnerships; their directors, officers, shareholders, owners, members, managers, partners, customers, employees, agents, attorneys, insurers, predecessors, successors, assigns, subsidiaries; and any other individuals, entities, successors, assigns, or legal representatives who could be liable for any of the Released Claims (all of whom are referred to here as the "Released Parties").

On [DATE], the Court approved the settlement and release of claims described below. The Court has not ruled on the merits of Plaintiff's claims or Defendants' defenses. This Settlement is a compromise reached after good faith, arm's-length negotiations between Plaintiff and Defendants, through their attorneys, and is not an admission of liability by Defendants. By settling this claim, Defendants and the Released Parties are not admitting they have done anything wrong, and they deny that they owe any penalties to the government or to you.

A portion of the settlement is being paid to the government and a portion is being paid to each non-exempt employee who worked for Defendants in California from June 20, 2023 to [the date the Court enters an order approving the settlement] (the "Aggrieved Employees"). You are receiving a portion of the settlement because Defendants' records indicate that you worked for Defendants from June 20, 2023 to [the date the Court enters an order approving the settlement] (the "Release Period" or "PAGA Period") in one of those roles. Your share was calculated based on the number of pay periods you worked for any of the Defendants during the PAGA Period as a proportion of the total.

You will not be retaliated against for cashing the check. It is entirely up to you if you cash your check or not. Checks that are not cashed within 180 days of issuance shall be sent to the California State Controller's Office. Regardless of what you do with the check issued to you, by law and Court order, you have released the Released Parties from the released claims described below.

One hundred percent (100%) of your payment under this settlement will be considered penalties and will be reported to the IRS and state tax authorities. You should rely on your own tax advisors as to the tax consequences, if any, of your Individual PAGA payment. Neither Plaintiff nor Defendants have made any representations or warranties regarding the taxation of your Individual PAGA payment. Nothing within this notice or any communication shall constitute or be construed or relied upon on tax advice.

Release - This settlement forever bars you and other Aggrieved Employees, for the period spanning June 20, 2023 to [the date the Court enters an order approving the settlement] from pursuing any legal claims and factual or legal theories/allegations that were pursued in the operative complaint in the Action, including but not limited to all of the following claims for civil penalties under PAGA for: (a) failure to pay all wages owed; (b) failure to authorize and permit meal periods; (c) failure to authorize and permit rest periods; (d) failure to pay wages timely during employment; (e) failure to maintain accurate, itemized payroll records; (f) failure to pay all wages earned and unpaid at separation; (g) failure to furnish accurate itemized wage statements; (h) failure to indemnify business expenditures; and (i) any other claims or penalties under the wage and hour laws pleaded in the Action or primary rights pursued in the Action.

Do not call or write the Court or Office of the Clerk to ask questions about the settlement.

If you have any questions, you may call or write [insert], at the following phone number or address: [insert address and telephone number for Administrator's contact person]