

MUTUAL AGREEMENT TO ARBITRATE DISPUTES

Although we hope this does not happen, disagreements may arise between you, the employee, (“You” or “Your”) and us, PAQ, Inc. (“PAQ”) during and even after Your employment. Both You and PAQ recognize that resolving those differences in the courts may not be as time or cost effective as a speedy, impartial, and less-expensive arbitration. Because of that, You and PAQ agree to enter into this Mutual Agreement to Arbitrate Disputes (“Agreement”).

Agreement to Arbitrate:

In exchange for the promises that both You and PAQ make in this Agreement, You and PAQ agree that, except for certain claims that are explicitly excluded from this Agreement (defined below in the Covered Claims section), any and all claims, disputes, or controversies arising out of or relating to Your employment with PAQ, application for employment with PAQ, or the separation of employment with PAQ, must be submitted to final and binding arbitration in accordance with the terms of this Agreement.

You acknowledge that Your decision to be bound by this Agreement is voluntary and that You are not required to execute this Agreement as a condition of your employment with PAQ. PAQ will not retaliate or discriminate in any way against any employee who chooses not to execute this Agreement.

Covered Claims:

Claims that You and PAQ agree to arbitrate under this Agreement include any and all claims, disputes, or controversies by either You or PAQ related to Your application for employment, Your employment, and/or Your separation from employment with PAQ that can be submitted to private arbitration pursuant to applicable law (“Covered Claims”).

Covered Claims include, but are not limited to, discrimination, harassment, and retaliation claims; any claims alleging a violation of California’s Fair Employment & Housing Act, Title VII of the Civil Rights Act of 1964, The Age Discrimination in Employment Act of 1967, The Family Medical Leave Act, The California Family Rights Act, The Families First Coronavirus Relief Act, The Older Workers’ Benefit Protection Act, The Employee Retirement Income Security Act, the Americans with Disabilities Act, the Fair Labor Standards Act, and/or the California Labor Code; any claims for unpaid wages, unreimbursed business expenses, meal and/or rest period violations under the Fair Labor Standards Act, California Labor Code, and/or California’s Industrial Welfare Commission Wage Orders; claims for misappropriation of trade secrets; claims for injunctive relief; claims for civil penalties under the California Labor Code Private Attorneys General Act of 2004; and any other employment-related claims under federal or state statutory or common law.

If a Covered Claim is based, in whole or in part, on acts or omissions by any individual manager or supervisor of Yours, and You also seek to recover against that individual in their individual capacity, then that claim is also a Covered Claim subject to this Agreement.

Covered Claims do not include: (i) claims for workers’ compensation benefits, (ii) claims for unemployment benefits, (iii) any claim that as of August 31, 2022, is presently being asserted by

You or by anyone acting on Your behalf in an individual, class, or collective capacity either in court or before any administrative agency; or (iv) any other claim that cannot be submitted to private arbitration as a matter of applicable law. If a claim includes a Covered Claim and also includes a claim that is not a Covered Claim, You and PAQ agree that all Covered Claims will be arbitrated before commencement of litigation of any claims excluded from this Agreement.

Nothing in this Agreement is intended to prevent You from filing a charge or claim with any governmental administrative agency, such as the EEOC, DFEH, or Labor Commissioner, as permitted by applicable law. You are free to do so if you wish. However, if You file such a claim with a governmental administrative agency, and that agency completes its processing of the claim, if the You wish to further pursue that claim, You agree to submit any Covered Claims to final and binding arbitration pursuant to this Agreement.

FAA Applies:

This Agreement, any arbitration proceedings held pursuant to this Agreement, and any state court, federal court, or other proceeding concerning arbitration under this Agreement are subject to and governed by the Federal Arbitration Act, 9 U.S.C. § 1 *et seq.* You and PAQ acknowledge that PAQ's business and Your employment involve interstate commerce.

Class and Collective Action Waiver:

Except as otherwise required under applicable law: (i) You and PAQ intend and agree that arbitration of Covered Claims is limited to individual claims only and that this Agreement does not authorize class, collective, or representative arbitration; and (ii) You and PAQ agree not to assert, and expressly waive the right to assert, any Covered Claims as a class, collective, or representative action, against the other in arbitration or otherwise, including in any civil court. Should any portion of this waiver be found to be invalid or unenforceable, any portion of this waiver remaining valid shall be enforced in arbitration.

Arbitration Rules:

Unless You and PAQ agree otherwise, arbitration will be administered by the American Arbitration Association ("AAA") pursuant to its Employment Arbitration Rules and Mediation Procedures then in effect. Unless applicable law requires otherwise, the arbitrator will have the authority to determine the enforceability of this Agreement as well as whether a claim is arbitrable, both of which will be decided under the Federal Arbitration Act.

Unless applicable law requires otherwise, the arbitrator will apply the substantive law of the state in which Employee last worked for Employer, except for any claim to which federal substantive law would apply.

The Federal Arbitration Act is located within Title 9 of the United States Code. The AAA Employment Arbitration Rules and Mediation Procedures are available online at https://adr.org/sites/default/files/EmploymentRules_Web_2.pdf. If You have any difficulty locating the AAA's Employment Arbitration Rules, or the provisions of the Federal Arbitration Act, then You should contact the PAQ's Human Resources department for assistance. If You

would like to review these materials before signing this Agreement, PAQ encourages You to do so.

Deadline for Beginning Arbitration:

Any arbitration proceeding under this Agreement must be initiated before the expiration of any applicable statute of limitations (deadline for filing in court) that would apply to the Covered Claims that are the subject of the arbitration if those Covered Claims proceeded in court. Arbitration may be initiated by either You or PAQ by following the procedures set forth in the AAA Employment Arbitration Rules and Mediation Procedures then in effect.

Location of Arbitration:

Any arbitration hearings pursuant to this Agreement will be held at a mutually convenient location in the county where You are currently or were last employed by PAQ, unless otherwise ordered by the arbitrator.

Fees and Costs:

All costs of the arbitration charged by AAA (or any other arbitration administrator agreed upon by You and PAQ) and the fees of the arbitrator will be paid by PAQ except that, in any arbitration initiated by the You, You will be responsible for Your own filing fee not to exceed the cost of filing a civil complaint in a superior court of competent jurisdiction and subject to any applicable provisions regarding fee waivers.

You and PAQ will pay their own attorneys' fees and costs, if any; provided that if either You or PAQ prevail on a claim that allows for recovery of attorneys' fees or costs pursuant to applicable law, statute, or contract, the arbitrator may award reasonable attorneys' fees and costs consistent with applicable law.

Waiver of Right to Jury Trial:

BY ENTERING INTO THIS AGREEMENT, YOU AND PAQ KNOWINGLY AND VOLUNTARILY WAIVE ANY AND ALL RIGHTS THEY HAVE UNDER THE LAW TO HAVE COVERED CLAIMS DECIDED IN A COURT BY A JUDGE OR JURY.

Severability of Clauses:

If a court or arbitrator decides that any part of this Agreement is unenforceable, You and PAQ agree that the remaining parts of the Agreement will be given full force and effect without regard for the unenforceable provision(s).

You and PAQ acknowledge that this is the entire agreement between them regarding the subject of arbitration and understand that any modification of this Agreement must be in writing and signed by You and PAQ.

This Agreement will become effective on the date and time You receive a copy of and acknowledge receipt of this Agreement.

For PAQ, Inc.

Janice Bloudoff
Vice President, Human Resources

I ACKNOWLEDGE THAT I HAVE READ AND UNDERSTAND THIS AGREEMENT AND AGREE TO BE BOUND BY ITS TERMS.

Employee Name (Please Print)

Store Location

Employee's Signature

Date