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**SUPERIOR COURT FOR THE STATE OF CALIFORNIA
FOR THE COUNTY OF SAN DIEGO**

ERIKA AZARI, an individual

Plaintiff(s),

vs.

STARBUCKS CORPORATION, et al.,

Defendant(s).

CASE NO. 37-2021-00041056-CU-WT-CTL

**JOINT STIPULATION: CONSTITUTING THE FULL
AND COMPLETE AGREEMENT BETWEEN THE
PARTIES FOR THE SETTLEMENT OF PLAINTIFF'S
CLAIM UNDER CALIFORNIA'S PRIVATE ATTORNEY
GENERAL ACT; AND REQUESTING APPROVAL OF
THIS AGREEMENT AND DISMISSAL OF CASE**

Judge: Hon. Richard S. Witney

Dept. C-68

Complaint Filed: September 27, 2021

Trial Date: None.

1 Plaintiff ERIKA AZARI (“Plaintiff”) and Defendants STARBUCKS CORPORATION, a
2 Washington corporation; JENNIFER GREGORY, an individual (“Defendants”) by and through their
3 Counsel of record, hereby submit this Joint Stipulation for Approval of Settlement of Plaintiff’s Claim
4 Under California’s Private Attorneys General Act and Dismissal of Case. The Parties stipulate the
5 following:

6 **STIPULATION**

7 1. WHEREAS, during the relevant period, Plaintiff worked as a Store Manager for
8 Defendants in their Torrey Pines Starbucks Store location until she was terminated on February 6, 2021.

9 2. WHEREAS, on July 31, 2021, Plaintiff filed a PAGA Claim Notice against Defendant
10 with the Labor Workforce Development Agency (“LWDA”) on behalf of herself and on behalf of all other
11 employees similarly aggrieved. The LWDA did not accept Plaintiff’s PAGA Claim Notice within 65 days
12 of filing. Therefore, Plaintiff exhausted her administrative remedies with the LWDA before filing her
13 PAGA claim in Court under Labor Code § 2699.3(a).

14 3. WHEREAS, on or about September 27, 2021, Azari filed a Complaint (“Operative
15 Complaint”) against Defendants in the San Diego Superior Court. Through this lawsuit, Plaintiff—by and
16 through her attorneys (hereinafter, “Plaintiff’s Counsel” or “PAGA Counsel”)—presented a “PAGA Action”
17 to recover civil penalties under California’s Private Attorney General Act (“PAGA”) (Cal. Civ. Code sections
18 2698 *et seq.*) for various alleged Labor Code violations as contained in her Thirteenth Cause of Action.

19 4. WHEREAS, the Operative Complaint also asserts several “Non-PAGA Claims,”—i.e.,
20 non-PAGA causes of action for: (1) denial of medical leave under the California Family Rights Act
21 (“CFRA”); (2) discrimination based on disability; (3) failure to accommodate a disability; (4) failure to
22 engage in the interactive process; (5) harassment based on disability; (6) retaliation under the Fair
23 Employment and Housing Act (“FEHA”); (7) failure to prevent discrimination and harassment; (8)
24 interference with civil rights (“Bane Act”); (9) retaliation under Labor Code section 98.6; (10) unlawful
25 employment contract under Labor Code section 432.5; (11) unlawful adoption of policies under Labor Code
26 section 1102.5; (12) retaliation under Labor Code section 1102.5; (14) defamation *per se*; (15) compelled
27 defamation; (16) wrongful termination; and (17) intentional infliction of emotional distress (“IIED”).

28 5. WHEREAS, on September 13, 2022, the court compelled Azari’s individual claims to
arbitration and stayed the non-individual portion of her PAGA claim.

1 6. WHEREAS, on October 14, 2022, Azari filed her demand for arbitration with the
2 American Arbitration Association, AAA case number 01-22-0004-3515.

3 7. WHEREAS, Defendants have maintained and continue to maintain that there is no
4 factual or legal basis for Plaintiff's PAGA Action or to her Non-PAGA Claims asserted in the Operative
5 Complaint.

6 8. WHEREAS, after the Court severed Plaintiff's "individual" PAGA claims, ordered them
7 to arbitration and stayed the representative non-individual PAGA claims pursuant to the U.S. Supreme
8 Court's *Viking Cruises* decision.

9 9. WHEREAS, the Parties agree that the PAGA period at issue is limited to June 2019
10 through February 3, 2023 when Plaintiff's employment terminated ("the PAGA Period").

11 10. Despite conducting extensive discovery over a two year period, the Parties and their
12 respective counsel are not aware of any other "aggrieved employees" during the PAGA Period and therefore
13 agree that Plaintiff is the only allegedly aggrieved employee during the PAGA Period.

14 11. WHEREAS, the Parties and their Counsel represent that they are not aware of any other
15 pending matter or action asserting claims that will be extinguished or affected by their settlement of
16 Plaintiff's PAGA Action against Defendants.

17 12. WHEREAS, the Parties agree that, if this case were to proceed to trial, the merits of
18 many of Plaintiff's PAGA claims would depend on legal and factual issues that are currently in dispute
19 resulting in unique risks and challenges—for both sides—associated with the discovery of other aggrieved
20 employees based on the predicate Labor Code violations.

21 13. WHEREAS, Plaintiff's complaint is primarily based on alleged violations of the FEHA.
22 The claims in Plaintiff's lawsuit are primarily for alleged discrimination and retaliation-related claims and
23 associated claims for wage loss damages, emotional distress damages, punitive damages and statutory
24 attorney's fees. Plaintiff represents that the PAGA claims account for "zero" percent of her claimed
25 damages.

26 14. WHEREAS, on June 11, 2024, the Parties participated in private mediation before Judge
27 Mary Strobel (Ret.) which ended in a mediator's proposal. On June 21, 2024, the Parties accepted a
28 mediator's proposal based upon Plaintiff's individual, non-PAGA claims, allocating zero dollars to
Plaintiff's individual and representative PAGA claims, but with the intent to settle all claims. The Parties
subsequently negotiated a "Confidential Settlement Agreement" that resolves Plaintiff's non-PAGA claims,

1 “individual” and representative PAGA claim contingent upon approval of the Parties’ PAGA stipulation
2 with respect to the dismissal of the PAGA action -- with Plaintiff’s individual PAGA claim dismissed with
3 prejudice and the non-individual, representative PAGA claim dismissed without prejudice -- without any
4 admission of fault or liability on the part of Defendants.

5 15. WHEREAS this Stipulation constitutes the full and complete agreement between the
6 Parties to resolve the PAGA Action, and it is incorporated by reference into the Confidential Settlement
7 Agreement. This Stipulation supersedes any and all oral representations, warranties, covenants, or
8 inducements made to or by any Party.

9 16. WHEREAS, effective on the date when Plaintiff’s counsel receives the amount
10 specified in the Confidential Settlement Agreement for the settlement of all claims, including the
11 “individual” and representative PAGA claims, Plaintiff will release all claims against all Defendants, as
12 set forth more fully in the Confidential Settlement Agreement.

13 17. WHEREAS, this Stipulation is submitted to the Court with all documents necessary
14 for obtaining approval of this Settlement under Labor Code Section 2699(f)(2), including: (i) a draft
15 proposed Order Granting Approval of this PAGA Settlement; (ii) a signed declaration from Plaintiff’s
16 Counsel (“PAGA Counsel”) attesting to its timely transmission to the LWDA of all necessary PAGA
17 Documents (i.e., initial notice of violations, Operative Complaint, this Stipulation (which constitutes the
18 Parties’ agreement to settle the PAGA Action). In her Declarations, PAGA Counsel shall aver that they
19 are not aware of any other pending matter or action asserting claims that will be extinguished or
20 adversely affected by the settlement of Plaintiff’s PAGA Action.

21 18. WHEREAS, PAGA Counsel and Defense Counsel are jointly responsible for
22 expeditiously finalizing and filing this Stipulation (which constitutes the agreement between the Parties
23 to settle the PAGA Action) and, if necessary, obtaining a prompt hearing date for the Stipulation and
24 appearing in Court to advocate in its favor.

25 19. WHEREAS, if the Court does not approve this Stipulation or conditions its approval
26 on any material change to the Agreement reflected in the Stipulation, PAGA Counsel and Defense
27 Counsel will expeditiously work together on behalf of the Parties by conferring and, in good faith,
28 modifying the Stipulation if necessary and otherwise satisfying the Court's concerns.

20. WHEREAS, the Parties and their counsel will cooperate with each other and use their
best efforts, in good faith, to implement the Settlement described in this Stipulation.

1 21. WHEREAS, this Stipulation may be amended, modified, changed, or waived only by
2 an express written instrument signed by all Parties or their representatives and approved by the Court.

3 22. WHEREAS, this Stipulation, once approved by the Court, will be binding upon, and
4 inure to the benefit of, the successors of each of the Parties.

5 23. WHEREAS, the Parties have cooperated in the drafting and preparation of this
6 Stipulation. This Stipulation will not be construed against any Party on the basis that the Party was the
7 drafter or participated in the drafting.

8 24. WHEREAS, based on the foregoing and under the terms of the PAGA Settlement, the
9 Parties have agreed to settle Plaintiff's PAGA Action for zero penalties.

10 25. WHEREAS the Confidential Settlement Agreement provides for a confidential amount
11 for the settlement of Plaintiff's Non-PAGA Claims.

12 26. WHEREAS, Labor Code section 2699(l)(2) requires judicial review and approval of
13 any proposed settlement agreement involving a PAGA claim.

14 27. WHEREAS, Plaintiff and Plaintiff's counsel-having taken into account: factual and
15 legal issues still in dispute; the risks, burdens, and expense of further prosecution; the discovery
16 conducted to date; and the benefits to be received under the terms of the Confidential Settlement
17 Agreement has concluded that the PAGA Settlement is in the best interest of all interested parties and
18 beneficiaries.

19 28. WHEREAS, the Parties agree that, the Court will retain jurisdiction over the Parties,
20 the PAGA Action, and the Settlement of the PAGA Action solely for purposes of enforcing this
21 Stipulation and/or the terms of the Confidential Settlement Agreement as permitted by law.

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1 NOW THEREFORE, in consideration of the foregoing, the Parties stipulate and jointly
2 request that the Court (a) approve this Stipulation constituting the Parties' PAGA Settlement Agreement,
3 (b) dismiss with prejudice Plaintiff's individual PAGA claims in the PAGA Action and her Non-PAGA
4 Claims, and (c) dismiss without prejudice the representative, non-individual PAGA claims in the PAGA
5 Action.

6 **IT SO STIPULATED.**

7 Date: Sept. 3, , 2024

LAW OFFICE OF PEGGY A. FARRELL, ^{APC}

8 DocuSigned by:
9 Peggy A. Farrell
10 6DA9E84F12B14EA...
11 By: Peggy A. Farrell, Attorney for
12 Plaintiff ERIKA AZARI

13 Date: 9/3/, 2024

SHEPPARD MULLIN RICHTER & HAMPTON, LLP

14 By: [Signature]
15 Robert Mussig, Attorney for
16 Defendants STARBUCKS CORPORATION, et al.