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SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SAN JOAQUIN

KARLA GARCIA, individually, and on behalf
of other members of the general public similarly
situated, and as an aggrieved employee pursuant
to the Private Attorneys General Act (“PAGA”),

Plaintiff,
vs.

AMERICAN MEALS, INC., a California
corporation; RIPON RESTAURANT GROUP,
a California corporation; and DOES 1 through
10, inclusive,
Defendant.

Case No. STK-CV-UAT-2021-11700

PAGA SETTLEMENT AGREEMENT

ARMANDO QUIROS, individually and on
behalf of all others similarly situated,

Plaintiff,
vs.

AMERICAN MEALS, INC., and DOES 1
through 20, inclusive,
Defendant.

Case No. STK-CV-UOE-2021-0010894

PAGA SETTLEMENT AGREEMENT

Subject to Court approval by the Superior Court of the State of California for the County of San Joaquin (“Court”), Plaintiffs Karla Garcia and Armando Quiros (“Plaintiffs”) and Defendants American Meals, Inc. and Ripon Restaurant Group (“Defendants”) (collectively with Plaintiffs, the “Parties”) hereby agree to the following binding settlement (“Settlement” or “Settlement Agreement”) of Plaintiffs’ claims under the Labor Code Private Attorneys General Act of 2004 (“PAGA”).

DEFINITIONS

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

1. “Actions” means *Karla Garcia v. American Meals, Inc.*, No. STK-CV-UAT-2021-11700 (San Joaquin County Superior Court); *Quiros v. American Meals, Inc.*, No. STK-CV-UOE-2021-0010894 (San Joaquin County Superior Court).
2. “Aggrieved Employees” means all persons who worked for Defendants as hourly, non-exempt employees in the State of California at any time during the Settlement Period.
3. “Court” means the Superior Court for the State of California, County of San Joaquin.
4. “Gross Settlement Amount” means the settlement amount of Two Hundred Fifty Thousand Dollars (\$250,000) to be paid by Defendants in full satisfaction of all Settled Claims arising from the Actions.
5. “LWDA” means the California Labor and Workforce Development Agency.
6. “PAGA Penalties Fund” means the Gross Settlement Amount less the Attorneys’ Fees and Costs, Service Awards, and Settlement Administrator Costs.
7. “Plaintiffs’ Counsel” means Capstone Law APC and Aegis Law Firm, PC.
8. “Service Awards” means the amounts to be paid to Plaintiffs as payment for their service on behalf of the LWDA and Aggrieved Employees and for general releases of all claims arising out of their employment with Defendants.
9. “Settled Claims” means any and all claims for PAGA civil penalties under the California Labor Code, Wage Orders, regulations, and/or other provisions of law alleged or could have been alleged to have been violated in the Actions with respect to Aggrieved Employees based on the facts

alleged in the Actions during the Settlement Period.

10. “Settlement Period” means November 30, 2020 through April 25, 2026.

TERMS

11. Gross Settlement Amount. In consideration for Plaintiffs’ promises and representations described in this Settlement Agreement, and subject to all of the conditions of the Settlement being met, Defendants will pay Two Hundred Fifty Thousand Dollars (\$250,000) (“Gross Settlement Amount”) to settle the Actions. The Gross Settlement Amount includes Plaintiffs’ attorneys’ fees, litigation costs and expenses, consideration for Plaintiffs’ service on behalf of the LWDA and Aggrieved Employees, Settlement Administration Costs, and payments to Aggrieved Employees and the LWDA for their share of the PAGA Penalties Fund. No portion of the Gross Settlement Amount will be retained by, or revert to, Defendants.

12. PAGA Penalties Fund. The PAGA Penalties Fund will be paid to Aggrieved Employees and the LWDA in full satisfaction of all claims for PAGA civil penalties under the California Labor Code, Wage Orders, regulations, and/or other provisions of law alleged to have been violated in the Actions with respect to Aggrieved Employees. Pursuant to PAGA, Seventy-Five Percent (75%) of the PAGA Penalties Fund will be paid to the LWDA, and the remaining Twenty-Five Percent (25%) will be paid to all Aggrieved Employees according to the following formula:

12(a) Defendants will calculate: (i) the total number of pay periods worked by each Aggrieved Employee during the Settlement Period, and (ii) the total number of pay periods worked by all Aggrieved Employees during the Settlement Period.

12(b) To determine each Aggrieved Employee’s payment from the PAGA Penalties Fund, Defendants will use the following formula: Settlement Payment = 25% of PAGA Penalties Fund × [Pay Periods Worked by Individual Aggrieved Employee During the Settlement Period ÷ Total Pay Periods Worked by All Aggrieved Employees during the Settlement Period].

12(c) Defendants estimate that Aggrieved Employees worked an aggregate total

of approximately Eleven Thousand Seventy (11,070) Pay Periods during the Settlement Period. If the actual aggregate total of Pay Periods worked during the Settlement Period is greater than Ten Percent (10%) of this estimate, then Defendants must either: (a) increase the Gross Settlement Amount proportionately for each Pay Period above the Ten Percent (10%) allowance (e.g., if the total number of Pay Periods increases by 11%, the Gross Settlement Amount will increase by 1%); or (b) advance the end date of the Settlement Period to the last date on which the total number of Pay Periods worked by Aggrieved Employees in aggregate during the Settlement Period is no greater than Twelve Thousand One Hundred Seventy-Seven (12,177).

13. Attorneys' Fees and Costs. Defendants agree not to oppose or impede any application or motion by Plaintiffs' Counsel for Attorneys' Fees and Costs of not more than Eighty-Three Thousand Three Hundred Thirty-Three Dollars (\$83,333), plus the reimbursement of all out-of-pocket costs and expenses associated with Plaintiffs' Counsel's litigation and settlement of the Actions (including expert/consultant fees, investigations costs, etc.), not to exceed Forty Thousand Dollars (\$40,000.00), both of which will be paid from the Gross Settlement Amount. Any portion of the Attorneys' Fees and Costs not awarded to Plaintiffs' Counsel will be added to the PAGA Penalties Fund. The award of attorneys' fees and costs will be divided as follows: (a) Forty-Five Percent (45%) to Capstone Law APC and (b) Fifty-Five Percent (55%) to Aegis Law Firm, PC.

14. Service Awards. For general releases of all claims Plaintiffs may have against Defendants arising out of their employment, and for their service on behalf of the LWDA and Aggrieved Employees, Defendants agree not to oppose or impede any application or motion by Plaintiffs for a service award of up to Ten Thousand Dollars (\$10,000), each ("Service Awards"). Upon receipt of the Service Awards, Plaintiffs will be deemed to have fully released and discharged Defendants (including affiliated entities, owners, officers, employees, agents, insurers, reinsurers, successors, assignees, heirs) from any and all claims, demands, obligations, causes of action, rights, or liabilities of any kind which have been or could have been asserted against Defendants arising out of, or relating to, Plaintiffs'

1 employment with Defendants or termination thereof, including but not limited to claims for wages,
2 restitution, penalties, retaliation, defamation, discrimination, harassment or wrongful termination of
3 employment. This release specifically includes any and all claims, demands, obligations and/or causes of
4 action for damages, restitution, penalties, interest, and attorneys' fees and costs (except provided by the
5 Settlement) relating to or in any way connected with the matters referred to herein, whether or not known
6 or suspected to exist, and whether or not specifically or particularly described herein. Specifically,
7 Plaintiffs will be deemed to have waived all rights and benefits afforded by California Civil Code
8 Section 1542, which provides:

9 **A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR**
10 **OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR**
11 **HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF**
12 **KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR**
13 **HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.**

14 15. Plaintiffs understand and agree that this Settlement Agreement shall remain in full force
15 and effect even if the full amount of Service Awards sought by Plaintiffs is not ultimately awarded by the
16 Court.

17 16. Settlement Administration Costs. The Parties will retain Phoenix Settlement
18 Administrators as the third-party settlement administrator ("Settlement Administrator"). The Settlement
19 Administrator will be responsible for establishing a qualified settlement fund ("QSF") and issuing
20 payments and appropriate tax forms to Aggrieved Employees, the LWDA, Plaintiffs, and Plaintiffs'
21 Counsel. The Settlement Administration Costs will be paid from the Gross Settlement Amount. Based
22 on the estimate that there are approximately Three Hundred (300) Aggrieved Employees, Settlement
23 Administration Costs are estimated at Four Thousand Two Hundred Fifty Dollars (\$4,250.00).

24 17. Court Approval of the Settlement and Distribution of Settlement Payments. The Parties
25 will present this Settlement Agreement to the Court and the LWDA. The Parties will request that the
26 Court issue an order and judgment approving and incorporating by reference the terms and conditions of
27 the Settlement Agreement (the "Order and Judgment").

28 18. List of Aggrieved Employees. Within thirty (30) calendar days after entry of the Order

1 and Judgment, Defendants will provide the Settlement Administrator a complete list of all Aggrieved
2 Employees (“Aggrieved Employee List”). The Aggrieved Employee List will be formatted in Microsoft
3 Office Excel and will include each Aggrieved Employees full name; most recent mailing address and
4 telephone number; Social Security number; the respective number of pay periods during which each
5 Aggrieved Employee worked during the Settlement Period; and any other relevant information needed to
6 calculate settlement payments.

7 19. Funding of the Settlement. Within thirty (30) calendar days after entry of the Order and
8 Judgment, Defendants will deposit the first installment of the Gross Settlement Amount, in the amount
9 of One Hundred Thousand Dollars (\$100,000), into the Qualified Settlement Fund (“QSF”) to be
10 established by the Settlement Administrator. The remaining One Hundred Fifty Thousand Dollars
11 (\$150,000) of the Gross Settlement Amount shall be funded in five (5) equal monthly installments of
12 Thirty Thousand Dollars (\$30,000) each, with the first such installment due one (1) month after the
13 initial installment is funded, and each subsequent installment due monthly thereafter until the Gross
14 Settlement Amount has been fully funded. The date on which Defendants fully fund the Gross
15 Settlement Amount shall be the “Funding Date.” Within fourteen (14) calendar days after the Funding
16 Date, the Settlement Administrator will issue payments to: (a) Aggrieved Employees; (b) the Labor and
17 Workforce Development Agency; (c) Plaintiffs; (d) Plaintiffs’ Counsel; and (e) itself. The Settlement
18 Administrator, and not Defendants, will issue the appropriate tax forms for all payments issued under
19 this Settlement.

20 20. Dismissal of Plaintiffs’ Arbitrations. Following full funding of the Gross Settlement
21 Amount, Plaintiffs shall dismiss their individual arbitrations against Defendants with prejudice. The
22 dismissal of Plaintiffs’ individual arbitrations shall not affect, limit, expand, or otherwise modify the
23 release of Settled Claims by Aggrieved Employees, who shall not release any individual wage-and-hour
24 claims by virtue of this Settlement Agreement.

25 21. Settlement Payments to Aggrieved Employees. The Settlement Administrator will issue
26 each Aggrieved Employee one check for his or her share of the PAGA Penalties Fund along with an
27 explanatory letter, attached as Exhibit A. Prior to mailing, the Settlement Administrator will perform a
28 search based on the National Change of Address Database for information to update and correct for any

known or identifiable address changes. Any checks returned as non-deliverable on or before the check cashing deadline will be sent promptly via regular First-Class U.S. Mail to the forwarding address affixed thereto. If no forwarding address is provided, the Settlement Administrator will promptly attempt to determine the correct address using a skip-trace, or other search using the name, address or Social Security number of the Aggrieved Employee involved, and will then perform a single re-mailing. Checks will remain negotiable for 180 days. Those funds represented by un-cashed checks which remain outstanding 180 days after the mailing of the Settlement checks by the Settlement Administrator will be tendered to The Justice Gap Fund maintained by The State Bar of California. All settlement payments to Aggrieved Employees will be treated as miscellaneous income for which a 1099 will be issued.

22. Settled Claims. Upon the Funding Date, Plaintiffs and all Aggrieved Employees will be forever barred from pursuing against Defendants (including affiliated entities, owners, officers, employees, agents, insurers, reinsurers, successors, assignees, heirs) any and all Settled Claims during the Settlement Period. Aggrieved Employees, other than Plaintiffs, will not be deemed to have released any individual wage and hour claims by virtue of this Settlement.

23. No Right to Exclusion or Objections by Representative Action Members. Because this settlement resolves claims and actions brought pursuant to PAGA by Plaintiffs acting as proxies and as Private Attorneys General of, and for, the State of California and the LWDA, the Parties agree that no Aggrieved Employee has the right to exclude himself or herself from the Settlement. Aggrieved Employees will be bound by the terms of the Settlement Agreement, upon its approval by the Court, regardless of whether he or she cashes any payment received as a result of this Settlement. The Parties also agree that no Aggrieved Employee has the right to object to the terms of the Settlement Agreement.

24. No Credit Toward Benefit Plans. Payments to Aggrieved Employees as referenced herein will not be utilized to calculate any additional benefits under any benefit plans to which any Aggrieved Employee may be eligible, including, but not limited to profit-sharing plans, bonus plans, 401(k) plans, stock purchase plans, vacation plans, sick leave plans, PTO plans, and any other benefit plan. Rather, it is the Parties' intention that this Settlement Agreement will not affect any rights, contributions, or amounts to which any Aggrieved Employee may be entitled under any benefit plans.

25. No Prior Assignments. The Parties and their counsel represent, covenant, and warrant

that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action or right herein released and discharged.

26. Nullification of Settlement Agreement. In the event that: (a) the Court does not approve the Settlement as provided herein; or (b) the Settlement does not become final for any other reason, then this Settlement Agreement, and any documents generated to bring it into effect, will be null and void, and the Parties will be returned to their original respective positions.

27. Judgment and Continued Jurisdiction. After entry of the Order and Judgment, the Court will have continuing jurisdiction solely for purposes of addressing: (a) the interpretation and enforcement of the terms of the Settlement, (b) settlement administration matters, and (c) such post-Judgment matters as may be appropriate under court rules or as set forth in this Settlement.

28. Entire Agreement. This Settlement Agreement constitutes the entirety of the Parties' settlement terms. No other prior or contemporaneous written or oral agreements may be deemed binding on the Parties.

29. Amendment or Modification. This Settlement Agreement may be amended or modified only by a written instrument, signed by either the Parties or their successors-in-interest or counsel for all Parties, and approved by the Court.

30. Authorization to Enter Into Settlement Agreement. Counsel for all Parties warrant and represent they are expressly authorized by the Parties whom they represent to negotiate this Settlement Agreement and to take all appropriate action required or permitted to be taken by such Parties pursuant to this Settlement Agreement to effectuate its terms and to execute any other documents required to effectuate the terms of this Settlement Agreement. The Parties and their counsel will cooperate with each other and use their best efforts to affect the implementation of the Settlement. If the Parties are unable to reach agreement on the form or content of any document needed to implement the Settlement, or on any supplemental provisions that may become necessary to effectuate the terms of this Settlement, the Parties may seek the assistance of the Court to resolve such disagreement.

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

32. California Law Governs. All terms of this Settlement Agreement will be governed by and interpreted according to the laws of the State of California.

33. Execution and Counterparts. This Settlement Agreement is subject only to the execution of all Parties. However, the Settlement Agreement may be executed in one or more counterparts. All executed counterparts and each of them, including electronic signatures (e.g., Docusign), facsimiles, and scanned copies of the signature pages, will be deemed to be one and the same instrument.

34. Acknowledgement that the Settlement is Fair and Reasonable. The Parties believe this Settlement Agreement is a fair, adequate, and reasonable settlement of the Actions and have arrived at this Settlement after arm's-length negotiations by experienced counsel. The Parties further acknowledge that they are each represented by competent counsel and that they have had an opportunity to consult with their counsel regarding the fairness and reasonableness of this Settlement.

35. Waiver of Certain Appeals. The Parties agree to waive appeals; except, however, that Plaintiffs may appeal any reduction to the Attorneys' Fees and Costs below the amount they request from the Court, and either party may appeal any court order that materially alters the Settlement's terms.

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

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

38. Waiver. No waiver of any condition or covenant contained in this Settlement Agreement or failure to exercise a right or remedy by any of the Parties hereto will be considered to imply or constitute a further waiver by such party of the same or any other condition, covenant, right or remedy.

39. Enforcement Action. In the event that one or more of the Parties institutes any legal action or other proceeding against any other Party or Parties to enforce the provisions of this Settlement or to declare rights and/or obligations under this Settlement, the successful Party or Parties will be entitled to recover from the unsuccessful Party or Parties reasonable attorneys' fees and costs, including

expert witness fees incurred in connection with any enforcement actions.

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

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

42. Cooperation and Execution of Necessary Documents. All Parties will cooperate in good faith and execute all documents to the extent reasonably necessary to effectuate the terms of this Settlement Agreement.

43. Binding Agreement. The Parties warrant that they understand and have full authority to enter into this Settlement, and further intend that this Settlement Agreement will be fully enforceable and binding on all parties, and agree that it will be admissible and subject to disclosure in any proceeding to enforce its terms, notwithstanding any mediation confidentiality provisions that otherwise might apply under federal or state law.

44. Denial of Liability. The Parties expressly recognize that the making of this agreement does not in any way constitute an admission or concession of wrongdoing on the part of Defendants. Nothing in this Settlement, nor any action taken in implementation thereof, nor any statements, discussions or communications, nor any materials prepared, exchanged, issued or used during the pendency of the Actions, is intended by the Parties to, nor will any of the foregoing constitute, be introduced, be used or be admissible in any way in any other judicial, arbitral, administrative, investigative or other forum or proceeding, as evidence of any violation of any federal, state, or local law, statute, ordinance, regulation, rule or executive order, or any obligation or duty at law or in equity. Notwithstanding the foregoing, this agreement may be used in any proceeding in the Court that has as its purpose the interpretation, implementation, or enforcement of the Settlement or any orders or judgments

of the Court entered into in connection therewith.

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IT IS SO STIPULATED.

READ CAREFULLY BEFORE SIGNING

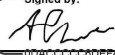
PLAINTIFF

Dated: _____

Karla Garcia

PLAINTIFF

Dated: 8/27/2026 | 12:08 PM PDT

Signed by:


Armando Quiros

DEFENDANTS

Dated: August 26, 2026



Ray Hussain
Owner
American Meals, Inc. and Ripon Restaurant Group

APPROVED AS TO FORM

CAPSTONE LAW APC

Dated: _____

Raul Perez

AEGIS LAW FIRM, PC

Dated: 8/31/2026

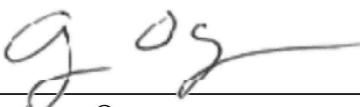


Jessica L. Campbell

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Dated: August 26, 2026

O'HAGAN MEYER



Anthony Oceguera

Exhibit A

<<DATE>>

<<FIRST_NAME>> <<LAST_NAME>>
<<ADDRESS 1>>
<<ADDRESS 2>>

**Re: Payment From *Quiros v. American Meals, Inc.*, No. STK-CV-UAT-2021-11700
(San Joaquin County Superior Court) and *Quiros v. American Meals, Inc.*, No. STK-CV-
UOE-2021-0010894 (San Joaquin County Superior Court)**

Dear <<FIRST_NAME>> <<LAST_NAME>>:

Enclosed you will find a check made payable to you. This is your payment from the settlement of the lawsuit entitled *Quiros v. American Meals, Inc.*, No. STK-CV-UAT-2021-11700 (San Joaquin County Superior Court) and *Quiros v. American Meals, Inc.*, No. STK-CV-UOE-2021-0010894 (San Joaquin County Superior Court) (the “Actions”).

The Actions were filed against Defendants American Meals, Inc. and Ripon Restaurant Group (“Defendants”) pursuant to the California Private Attorneys General Act of 2004, Cal. Lab. Code § 2698 *et seq.* (called “PAGA”). The Actions were brought by former employees of Defendants on behalf of the State of California and all allegedly “aggrieved employees” of Defendants. You have been identified as one of the employees on whose behalf the actions were brought.

The Plaintiffs in the Actions claimed that Defendants owed civil penalties recoverable under PAGA for alleged violations of the California Labor Code and California Wage Orders. Defendants deny that they violated the Labor Code or California Wage Orders. Moreover, in agreeing to this settlement, Defendants do not admit that they are liable in any way for any penalties.

The Court has not ruled on the merits of the Actions but it has approved the settlement of PAGA civil penalties, of which 75% will be paid to the California Labor and Workforce Development Agency, and the remaining 25% will be paid to aggrieved employees. Pursuant to the settlement, enclosed is a check for your share of a portion of the civil penalties.

Aggrieved employees, other than Plaintiffs, will not be deemed to have released any individual wage and hour claims based on alleged violations of the Labor Code or of a California Wage Order, for which they have a private right of action, by virtue of the Settlement.

You are not a party to this lawsuit, but you and the government will be bound by the settlement in this matter as to civil penalties. If you have any questions, you can contact the settlement administrator (whose contact information is at the top of this letter).

Very Truly Yours,

[Administrator]