

Memorandum of Agreement

Colunga and Ramirez v. MFM Enterprises, Inc. and Mark Moothart **San Diego County Superior Court Case No. 37-2022-00014365-CU-WT-CTL**

After mediation of this matter before Anthony Pantoni Esq. on November 3, 2022, the parties agree as follows. During the mediation, each Plaintiff had the assistance of a Spanish/English interpreter of her or his choice as well as representation of counsel:

1. Defendants will pay jointly to Plaintiffs the sum of Ninety Thousand Dollars (\$90,000). Of that amount, \$2,000 will be allocated to the PAGA claims and subject to Court approval per Labor Code sec. 2699.3(b)(4). Of the remaining \$88,000, \$43,494.41 will be allocated to Plaintiff's counsel's legal fees and costs. Of the remainder, \$10,000 will be allocated to Mr. Ramirez' claims for unpaid wages and will be subject to ordinary tax withholding. Of the remainder of \$34,505.59, \$6,901.12 (20%) will be allocated to Ms. Colunga's wage claims subject to ordinary tax withholding, and the remainder of \$27,604.47 will be allocated to Ms. Colunga's non wage claims (non economic loss, compensatory damages, emotional distress, interest and penalties).or unpaid wages. The amounts allocated to Plaintiffs' claims for unpaid wages will be paid subject to tax and payroll withholdings and reported on a form W-2 or the equivalent to each Plaintiff; the remaining amounts, other than the PAGA payment, will be paid without withholdings and reported on forms 1099 or the equivalent to each Plaintiff.

2. The settlement is conditioned on Court approval of the PAGA settlement amount. No payments will be made until the Court approves the settlement as to the PAGA claims. The payments for Plaintiffs' individual claims will be made within seven days after entry of an Order of the Court approving the PAGA settlement amount.

3. Plaintiffs will give timely notice to the LWDA of the proposed settlement, and shall prepare a motion to the Court seeking approval as to the PAGA settlement amount and will bear any motion filing fee. Plaintiffs may seek to have any motion for approval of the PAGA settlement heard on an ex parte basis. Defendants will not oppose the motion seeking approval of the PAGA amount. Plaintiffs will dismiss the Complaint with prejudice promptly upon Court approval of the PAGA settlement and payment of the settlement amounts.

4. Plaintiffs agree not to initiate or maintain any further proceeding of any nature against the Defendants or either of them or any employee or agent of any Defendant.

5. The parties shall enter into a formal settlement agreement containing the above terms plus usual and customary terms, including but not limited to the following:

a. A mutual general release of all claims, known or unknown, by each side, including a waiver of Civil Code section 1542;

b. An agreement by each Plaintiff not to voluntarily participate in any other litigation or proceeding against any Defendant or any agent or employee of any Defendant, unless compelled to do so by court order or other legal process;

c. A representation that neither Plaintiff has initiated any claim, charge, or proceeding against any Defendant, other than the instant civil action and the previously-settled workers' compensation cases;

d. A waiver of any claims for costs or attorney's fees beyond the amounts agreed to as stated above;

e. An agreement by each Plaintiff to indemnify Defendants and their principals, agents, and employees from any claims by taxing authorities based on any failure by either Plaintiff to remit or pay taxes on the settlement payments or any portions thereof;

f. An agreement that any party may revoke the settlement if the Court fails to approve the proposed allocation of payments under PAGA;

g. An acknowledgment that the settlement is knowing and voluntary on the part of each Plaintiff, that each Plaintiff was represented during the settlement process by counsel of her or his choice, and that each plaintiff had the assistance of a qualified interpreter;

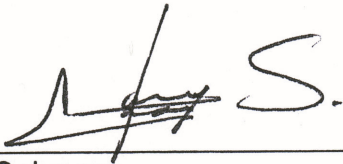
h. An agreement by each Plaintiff to instruct counsel to return to counsel for Defendants all documentation and data produced in the case except the Plaintiffs shall each be entitled to retain their respective personnel files and wage statements.

i. An agreement by each Plaintiff that the amounts of the settlement will remain confidential and not be disclosed by either Plaintiff to any non governmental third party, except their tax advisors or accountants, or except as necessary to obtain Court approval of the settlement.

6. It is the intent of each party that this agreement be fully enforceable pursuant to Code of Civil Procedure section 664.6.

7. Any dispute concerning the making, negotiation, effectiveness, interpretation or enforcement of this agreement shall be resolved first by mediation before Anthony Pantoni, Esq. In the event such dispute is not resolved by mediation, the dispute shall be submitted to Mr. Pantoni as arbitrator and he shall render a final determination on such dispute, with the intent that this settlement agreement be given full force and effect. Mr. Pantoni's determination, in the event of any such dispute, may be entered as a judgment in the above-referenced action pursuant to Code of Civil Procedure section 1287.4. This provision shall not apply to the requirement that the Court approve the terms of the settlement of the PAGA claim.

The parties have indicated their agreement by their signatures below on the dates opposite their signatures.



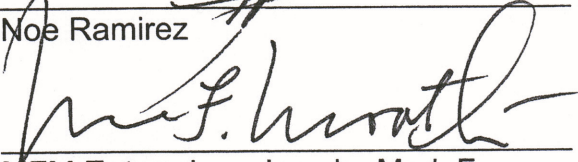
Gloria Colunga

Dated: Nov. 3-2022



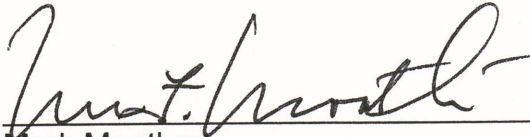
Noe Ramirez

Dated: 11-3-22



MFM Enterprises, Inc., by Mark F.
Moothart, President

Dated: 11-3-22



Mark Moothart

Dated: 11-3-22