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

JUAN SOTO and FERNANDA FUNES,
individually, and on behalf of all others
similarly situated,

Plaintiff,

vs.

STINE ENTERPRISES, INC.; an Arizona
corporation; and DOES 1 through 10,
inclusive,

Defendants.

Case No.: 37-2022-00005175-CU-OE-CTL

Assigned for all purposes to the Honorable Joel
R. Wohlfeil in Department C-73

PAGA SETTLEMENT AGREEMENT

Action Filed: February 9, 2022

FAC Filed: April 25, 2022

Trial Date: December 6, 2024

PAGA SETTLEMENT AGREEMENT

This PAGA Settlement Agreement (“Agreement”) is made by and between plaintiffs Juan Soto and Fernanda Funes (“Plaintiffs”), individually in their capacity as representatives of the State of California on behalf of other allegedly aggrieved employees, and defendant Stine Enterprises, Inc. (“Defendant”). The Agreement refers to Plaintiffs and Defendant collectively as “Parties,” or individually as “Party.”

1. DEFINITIONS.

- 1.1. “Action” means the Plaintiffs’ lawsuit alleging wage and hour violations against Defendant captioned *Juan Soto and Fernanda Funes v. Stine Enterprises, Inc.*, Case No. 37-2022-00005175-CU-OE-CTL, initiated on February 9, 2022, and pending in Superior Court of the State of California, County of San Diego.
- 1.2. “Administrator” means Simpluris, 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 in accordance with the Administrator’s “not to exceed” bid submitted to the Court in connection with approval of the Settlement.
- 1.4. “Covered Employees” means all persons employed by Defendant in a non-exempt position in the State of California at any time during the period from February 2, 2021 to the date the Court approves this Settlement (the “PAGA Period”).
- 1.5. “Covered Employee Data” means Covered Employee identifying information in Defendant’s possession including the Covered Employee’s name, last-known mailing address, Social Security number, and number of PAGA Pay Periods.
- 1.6. “Covered Employee Address Search” means the Administrator’s investigation and search for current Covered 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 Covered Employees.
- 1.7. “Court” means the Superior Court of California, County of San Diego.

- 1.8. “Defense Counsel” means Anne Dwyer of SNELL & WILMER L.L.P.
- 1.9. “Effective Date” means the earliest date, following entry by the Court of the Judgment, upon which one of the following has occurred: (i) expiration of all potential appeal periods without a filing a notice of appeal of the Judgment; (ii) final affirmance of the Judgment by an appellate court as a result of any appeal(s); or (iii) final dismissal or denial of all such appeals (including any petitions for review, rehearing, certiorari, etc.) such that the Judgment is no longer subject to further judicial review.
- 1.10. “Gross Settlement Amount” means \$338,800.00 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 Payment, PAGA Counsel Litigation Expenses Payment, and the Administration Expenses Payment.
- 1.11. “Individual PAGA Payment” means the Covered Employee’s *pro rata* share of 25% of the PAGA Penalties calculated according to the number of Pay Periods the Covered Employee worked during the PAGA Period.
- 1.12. “Judgment” means the judgment entered by the Court based upon the Order granting Approval of the Settlement.
- 1.13. “LWDA” means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code § 2699(i).
- 1.14. “LWDA PAGA Payment” means the 75% of the PAGA Penalties paid to the LWDA under Labor Code § 2699(i).
- 1.15. “Net Settlement Amount” means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, and the Administration Expenses Payment. The remainder is to be paid as follows: 75% of the Net Settlement Amount to the LWDA PAGA Payment and 25% of the Net Settlement Amount to the Individual PAGA Payments.
- 1.16. “PAGA Counsel” means Kane Moon, Lilit Ter-Astvatsatryan, and Linh H. Tran of Moon

Law Group, PC, the attorneys representing Plaintiffs in the Action.

1.17. “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.

1.18. “PAGA Pay Period” means any Pay Period during which a Covered Employee worked for Defendant for at least one day during the PAGA Period.

1.19. “PAGA Period” means the period from February 2, 2021 through the date the settlement is approved.

1.20. “PAGA” means the Private Attorneys General Act (Labor Code §§ 2698. *et seq.*).

1.21. “PAGA Notice” means Plaintiffs’ February 9, 2022 letter to Defendant and the LWDA providing notice pursuant to Labor Code § 2699.3(a).

1.22. “PAGA Penalties” means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 25% to the Covered Employees as Individual PAGA Payments and the 75% to LWDA as the LWDA PAGA Payment in settlement of PAGA claims.

1.23. “Plaintiffs” means Juan Soto and Fernanda Funes, the named plaintiffs in the Action.

1.24. “Approval Order” means the proposed Court Order Granting Approval of PAGA Settlement.

1.25. “Released PAGA Claims” means the claims being released as described in Paragraph 5 below.

1.26. “Released Parties” means: Defendant, its parents, subsidiaries, and affiliated companies, current and former agents, officers, directors, managers, shareholders, members, owners, insurers, employees, representatives, and attorneys of the foregoing, and all persons acting by, through, under, or in concert with any of them, and each of their respective heirs, predecessors, successors, and assigns.

1.27. “Settlement” means the disposition of the Action effected by this Agreement and the Judgment.

1.28. “Defendant” means named Defendant Stine Enterprises, Inc.

1 **2. RECITALS.**

2 2.1. On February 9, 2022, Plaintiffs sent a letter to the LWDA and Defendant giving notice of
3 their intent to pursue a representative action pursuant to PAGA on behalf of themselves
4 and the State of California, as well as on behalf of a proposed group of allegedly aggrieved
5 employees (“PAGA Notice”).

6 2.2. On February 9, 2022, Plaintiffs commenced this Action by filing a Complaint alleging
7 Defendant failed to properly pay minimum wages, overtime wages, provide lawful meal
8 periods or compensation in lieu thereof, authorize or permit lawful rest breaks or provide
9 compensation in lieu thereof, indemnify necessary business expenses, timely pay all wages
10 at the termination of employment, provide accurate itemized wage statements, and
11 committed unfair business practices. On April 25, 2022, Plaintiffs filed, and the Court
12 granted on April 27, 2022, dismissal of Plaintiffs’ class and individual claims without
13 prejudice. Also on April 27, 2022, Plaintiffs filed a first amended complaint in the Action
14 to allege only the PAGA cause of action. The first amended complaint is the operative
15 complaint in the Action (the “Operative Complaint”). Defendant denies the allegations in
16 the Operative Complaint, denies any failure to comply with the laws identified in the
17 Operative Complaint and denies any and all liability for the causes of action alleged.

18 2.3. On May 7, 2024, the Parties participated in an all-day mediation presided over by Jeff
19 Ross, Esq., which led to this Agreement to settle the Action.

20 2.4. Prior to mediation, Plaintiffs obtained, through informal discovery, employee and payroll
21 data, policy documents, and additional information regarding Defendant’s non-exempt,
22 hourly employees in California who were employed by Defendant during the PAGA
23 Period, which PAGA Counsel reviewed and analyzed.

24 2.5. The Parties, PAGA Counsel and Defense Counsel represent that they are not aware of any
25 other pending matter or action asserting claims that will be extinguished or affected by the
26 Settlement.

27 **3. MONETARY TERMS.**

28 3.1. Gross Settlement Amount. Except as otherwise provided by Paragraph 8 below, Defendant

promises to pay \$338,800.00 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 Covered 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 PAGA Counsel: A PAGA Counsel Fees Payment of not more than one-third of the Gross Settlement Amount, which is currently estimated to be \$112,933.33 and a PAGA Counsel Litigation Expenses Payment of not more than \$25,000.00. Defendant will not oppose requests for these payments provided that they do not exceed these amounts. Plaintiffs and/or PAGA Counsel will file an application or motion for PAGA Counsel Fees Payment and PAGA Litigation Expenses Payment. 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 Plaintiffs' Counsel arising from any claim to any portion 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.

3.2.2. To the Administrator: An Administration Expenses Payment not to exceed \$20,000.00 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 \$20,000.00, the Administrator will retain the remainder in the Net Settlement Amount.

3.2.3. To the LWDA and Covered Employees: After deducting PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, and the Administration Expenses Payment from the Gross Settlement Amount, the remaining amount will be the Net Settlement Amount. The Net Settlement Amount is comprised of the LWDA PAGA Payment and Individual PAGA Payments. The Net Settlement Amount shall be allocated 75% to the LWDA PAGA Payment. The remaining 25% of the Net Settlement Amount will be allocated to the Individual PAGA Payments that will be paid to the Covered Employees on a *pro rata* basis as noted below.

3.2.3.1. The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Covered Employees' 25% share of PAGA Penalties by the total number of PAGA Period Pay Periods worked by all Covered Employees during the PAGA Period and (b) multiplying the result by each Covered Employee's PAGA Period Pay Periods. Covered Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payments.

3.2.3.2. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

4. SETTLEMENT FUNDING AND PAYMENTS.

4.1. Covered Employee Pay Periods. Based on a review of its records, Defendant estimates there are 500 Covered Employees who worked a total of 14,352 of PAGA Pay Periods as of approximately May 7, 2024.

4.2. Covered Employee Data. Within ten (10) days after the Court's Approval Order is signed, Defendant will simultaneously deliver the Covered Employee Data to the Administrator in the form of a Microsoft Excel spreadsheet. To protect Covered Employees' privacy rights,

the Administrator must maintain the Covered Employee Data in confidence, use the Covered Employee Data only for purposes of this Settlement and for no other purpose, and restrict access to the Covered Employee Data to Administrator employees who need access to the Covered Employee Data to effect and perform under this Agreement. Defendant has a continuing duty to immediately notify PAGA Counsel if it discovers that the Covered Employee Data omitted employee identifying information and to provide corrected or updated Covered Employee Data as soon as reasonably feasible. Without any extension of the deadline by which Defendant must send the Covered 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 Covered Employee Data.

4.3. Funding of Gross Settlement Amount. Within twenty-one (21) days after the Effective Date, Defendant shall fully fund the Gross Settlement Amount by transmitting the funds to the Administrator.

4.4. Payments from the Gross Settlement Amount. Within ten (10) days after Defendant funds the Gross Settlement Amount, the Administrator will mail checks for all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the PAGA Counsel Fees Payment, and the PAGA Counsel Litigation Expenses Payment.

Disbursement of the PAGA Counsel Fees Payment and the PAGA Counsel Litigation Expenses Payment shall not precede disbursement of Individual PAGA Payments.

Additionally, the Administrator will send Covered Employees a Notice of PAGA Action Settlement (attached hereto as **Exhibit 1**) along with their respective Individual PAGA Payment.

4.4.1. The Administrator will issue checks for the Individual PAGA Payments and send them to the Covered Employees via First Class U.S. Mail, postage prepaid. 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 Administrator

1 must update the recipients' mailing addresses using the National Change of
2 Address Database.

3 4.4.2. The Administrator must conduct a Covered Employee Address Search for all
4 Covered Employees whose checks are returned undelivered without USPS
5 forwarding address. Within seven (7) days of receiving a returned check the
6 Administrator must re-mail checks to the USPS forwarding address provided or to
7 an address ascertained through the Covered Employee Address Search. The
8 Administrator need not take further steps to deliver checks to Covered Employees
9 whose re-mailed checks are returned as undelivered. The Administrator shall
10 promptly send a replacement check to any Covered Employee whose original
11 check was lost or misplaced, requested by the Covered Employee prior to the void
12 date.

13 4.4.3. For any Covered Employee whose Individual PAGA Payment check is uncashed
14 and cancelled after the void date, the Administrator shall transmit the funds
15 represented by such checks to the California Controller's Unclaimed Property Fund
16 in the name of the Covered Employee.

17 4.4.4. The payment of Individual PAGA Payments shall not obligate Defendant to confer
18 any additional benefits or make any additional payments to the Covered
19 Employees (such as 401(k) contributions or bonuses) beyond those specified in this
20 Agreement.

21 **5. RELEASES OF CLAIMS.**

22 Effective on the date when Defendant fully funds the entire Gross Settlement Amount, Covered
23 Employees (including Plaintiffs) and PAGA Counsel will release claims against all Released Parties as
24 follows:

25 5.1. Release by Covered Employees: All Covered Employees (including Plaintiffs) are deemed
26 to release, on behalf of themselves and their respective former and present representatives,
27 agents, attorneys, heirs, administrators, successors, and assigns the Released Parties from
28 all claims for relief under PAGA arising during the PAGA Period, that were alleged or

reasonably could have been alleged based on the facts alleged by Plaintiffs in the Operative Complaint and Plaintiffs' PAGA Notice to the LWDA including, but not limited to, civil penalties for the violation of the following Labor Code sections: 201, 202, 203, 204, 210, 226, 226.3, 226.7, 510, 512, 558, 1174, 1174.5, 1194, 1197, 1197.1, 1198, 1199, 2699, 2699.3, and 2802, and the applicable IWC Wage Orders, and any resulting claim for attorneys' fees and costs under PAGA.

5.2. 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. MOTION OR APPLICATION FOR APPROVAL OF SETTLEMENT.

The Parties agree to jointly prepare and file an application or motion for approval of this Settlement.

6.1. Plaintiffs' Responsibilities. Plaintiffs will prepare and deliver to Defense Counsel all documents necessary for obtaining approval of this Settlement under Labor Code Section 2699, subd. (f)(2) including (i) a draft proposed Order Granting Approval of PAGA Settlement; (ii) a signed declaration from the Administrator attaching its "not to exceed" bid for administering the Settlement and attesting to its willingness to serve; competency; operative procedures for protecting the security of Covered Employee Data; amounts of insurance coverage for any data breach, defalcation of funds or other misfeasance; all facts relevant to any actual or potential conflicts of interest with Covered Employees or the LWDA; and the nature and extent of any financial relationship with Plaintiffs, PAGA Counsel or Defense Counsel; (iii) a signed declaration from PAGA Counsel firm attesting to its timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code § 2699.3(a)), Operative Complaint (Labor Code § 2699(l)(1)), this Agreement (Labor Code § 2699(l)(2)); (iv) all facts relevant to any actual or potential conflict of interest with Covered Employees and/or the Administrator. In their Declarations, Plaintiffs and PAGA Counsel shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by

the Settlement.

6.2. Responsibilities of PAGA Counsel. PAGA Counsel and Defense Counsel are jointly responsible for expeditiously finalizing and filing the application or motion for approval of this Settlement no later than thirty (30) days after the full execution of this Agreement and, if necessary, obtaining a prompt hearing date for the motion and appearing in Court to advocate in favor of the motion. PAGA Counsel is responsible for delivering the Court's Approval Order to the Administrator.

6.3. Duty to Cooperate. If the Parties disagree on any aspect of the proposed application or motion for approval of this Settlement 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 the motion for approval of this Settlement or conditions its 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 Simpluris to serve as the Administrator and verified that, as a condition of appointment, Simmpuris agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of the Administration Expenses Payment. 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 and providing reports 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 § 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. COVERED EMPLOYEE SIZE ESTIMATES AND ESCALATOR CLAUSE

Based on its records, Defendant estimates that, as of approximately May 7, 2024, there were approximately 500 Covered Employees who worked a total of 14,352 Pay Periods during the PAGA Period. If as of approximately May 7, 2024, the number of PAGA Pay Periods exceeds by more than 15% of the estimated number of 14,352 Pay Periods (*i.e.*, 16,505 or more PAGA Pay Periods), Defendant has the option of agreeing to either: 1) increase the Gross Settlement Amount on a proportional basis by the amount by which it exceeds 15% (*i.e.*, if there was a 16% increase in the number PAGA Pay Periods during the PAGA Period, Defendant would agree to increase the Gross Settlement Amount by 1%), or 2) shorten the release period such that it ends on the date that the number of PAGA Pay Periods reaches 16,505, in which case Defendant will not be required to pay the additional amounts.

9. CONTINUING JURISDICTION AND WAIVER OF RIGHT TO APPEAL.

9.1. 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.

9.2. 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, the Parties, 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 another party 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 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 Plaintiffs 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 not approve this Settlement, Defendant reserves all available defenses to the claims in the Action, and Plaintiffs reserve the right to contest Defendant's defenses. The Settlement, this Agreement, and the 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).

10.2. 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.

10.3. Attorney Authorization. PAGA Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiffs 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.

10.4. 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 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

1 form or content of any document necessary to implement the Settlement, or on any
2 modification of the Agreement that may become necessary to implement the Settlement,
3 the Parties will seek the assistance of a mediator and/or the Court for resolution.

4 10.5. No Prior Assignments. The Parties separately represent and warrant that they have not
5 directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or
6 encumber to any person or entity and portion of any liability, claim, demand, action, cause
7 of action, or right released and discharged by the Party in this Settlement.

8 10.6. No Tax Advice. Neither Plaintiffs, PAGA Counsel, Defendant nor Defense Counsel are
9 providing any advice regarding taxes or taxability, nor shall anything in this Settlement be
10 relied upon as such within the meaning of United States Treasury Department Circular 230
11 (31 CFR Part 10, as amended) or otherwise.

12 10.7. Modification of Agreement. This Agreement, and all parts of it, may be amended,
13 modified, changed, or waived only by an express written instrument signed by all Parties
14 or their representatives, and approved by the Court.

15 10.8. Agreement Binding on Successors. This Agreement will be binding upon, and inure to the
16 benefit of, the successors of each of the Parties.

17 10.9. Applicable Law. All terms and conditions of this Agreement and its exhibits will be
18 governed by and interpreted according to the internal laws of the state of California,
19 without regard to conflict of law principles.

20 10.10. Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of
21 this Agreement. This Agreement will not be construed against any Party on the basis that
22 the Party was the drafter or participated in the drafting.

23 10.11. Confidentiality. To the extent permitted by law, all agreements made, and orders entered
24 during Action and in this Agreement relating to the confidentiality of information shall
25 survive the execution of this Agreement.

26 10.12. No Publicity. Plaintiffs and PAGA Counsel agree that they will not issue any press
27 releases, initiate any contact with the press, respond to any press inquiry or have any
28 communication with the press about this case and/or the fact, amount or terms of this

Settlement. Plaintiffs and PAGA Counsel agree that they will not engage in any advertising or distribute any marketing materials relating to this Settlement, including but not limited to any postings on any websites maintained by PAGA Counsel; provided, however, that PAGA Counsel may state that it has settled a PAGA action against a fast-food restaurant so long as neither Defendant nor the Plaintiffs are identified.

10.13. Use and Return of Covered Employee Data. Information provided to PAGA Counsel pursuant to Cal. Evid. Code §1152, and all copies and summaries of the PAGA 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. Covered Employee Data shall not be shared with PAGA Counsel unless identifying information is anonymized. In the event PAGA Counsel receives non-anonymized Covered Employee Data, PAGA Counsel shall delete it immediately.

10.14. 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.

10.15. 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.

10.16. 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 Plaintiffs:

Kane Moon
Lilit Ter-Astvatsatryan
Linh H. Tran

MOON LAW GROUP, PC
725 S. Figueroa St., 31st Floor
Los Angeles, CA 90017

To Defendant:

Anne Dwyer, Bar No. 288216
adwyer@swlaw.com
SNELL & WILMER L.L.P.
600 Anton Blvd, Suite 1400
Costa Mesa, CA 92626-7689

10.17. 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.

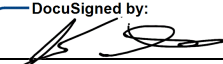
10.18. Enforcement Actions. Except as otherwise provided in this PAGA Settlement Agreement, in the event that one or more of the Parties to this PAGA Settlement Agreement institutes any legal action or other proceeding against any other Party or Parties to enforce the provisions of this PAGA Settlement Agreement or to declare rights and/or obligations under this PAGA Settlement Agreement, the successful Party or Parties shall be entitled to recover from the unsuccessful Party or Parties reasonable attorneys' fees and costs incurred in connection with any enforcement actions.

10.19. Binding Settlement. This PAGA Settlement Agreement is intended to and shall be fully binding, enforceable, and subject to disclosure, including Evidence Code section 1123 and Code of Civil Procedure section 664.6.

10.20. 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 Code of Civil Procedure § 583.330 to extend the date to bring a case to trial under Code of Civil Procedure § 583.310 for the entire period of this settlement process.

Plaintiffs:

Dated: 6/13/2024

DocuSigned by:
By: 
Plaintiff Juan Soto

Dated:

By: _____
Plaintiff Fernanda Funes

Plaintiffs' Counsel:

Dated: MOON LAW GROUP, PC

By: _____
Kane Moon
Lilit Ter-Astvatsatryan
Linh H. Tran

Attorneys for Plaintiffs Juan Soto and Fernanda Funes

Defendant:

Dated: Stine Enterprises, Inc.

By: _____
Print Name

Signature

Title

Defendant's Counsel:

Dated: SNELL & WILMER L.L.P.

By: _____
Anne Dwyer

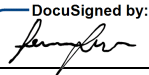
Attorneys for Defendant Stine Enterprises, Inc.

Plaintiffs:

Dated:

By: _____
Plaintiff Juan Soto

Dated: 6/13/2024

By:  _____
Plaintiff Fernanda Funes

Plaintiffs' Counsel:

Dated: 6/13/2024

MOON LAW GROUP, PC

By:  _____
Kane Moon
Lilit Ter-Astvatsatryan
Linh H. Tran

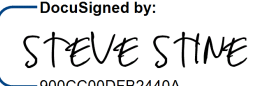
Attorneys for Plaintiffs Juan Soto and Fernanda Funes

Defendant:

Dated: 6/17/2024

Stine Enterprises, Inc.

By: _____
STEVE STINE
Print Name

 _____
Signature

CEO

Title

Defendant's Counsel:

Dated: 6/17/2024

SNELL & WILMER L.L.P.

By:  _____
Anne Dwyer

Attorneys for Defendant Stine Enterprises, Inc.

Exhibit 1

NOTICE OF PAGA ACTION SETTLEMENT

Juan Soto and Fernanda Funes v. Stine Enterprises, Inc., San Diego County Superior Court Case No. 37-2022-00005175-CU-OE-CTL

This is not a solicitation by a lawyer. You are not being sued.

IF YOU ARE OR WERE EMPLOYED AS A NON-EXEMPT EMPLOYEE BY DEFENDANT STINE ENTERPRISES, INC. (“DEFENDANT”) IN THE STATE OF CALIFORNIA DURING THE PAGA PERIOD (FEBRUARY 2, 2021 THROUGH [REDACTED] [THE DATE THE COURT APPROVES THE SETTLEMENT]), THIS PAGA SETTLEMENT AFFECTS YOUR RIGHTS.

A settlement (the “Settlement”) has been reached in a lawsuit entitled *Juan Soto and Fernanda Funes v. Stine Enterprises, Inc., San Diego County Superior Court Case No. 37-2022-00005175-CU-OE-CTL* (the “Action”), asserting claims under the Labor Code Private Attorney General Act of 2004, Labor Code § 2698, *et seq.* (“PAGA”). The Settlement resolves the Action. The purpose of this Notice is to explain to you why you are receiving a portion of the Settlement proceeds.

Who is affected by this proposed Settlement?

The Court has designated for settlement purposes the following persons as “Covered Employee(s),” who are entitled to a portion of the Settlement proceeds:

all persons employed by Defendant in a non-exempt position in the State of California at any time during the period from February 2, 2021 to the date the Court approves this Settlement.

The “PAGA Period” means the period from February 2, 2021 through the date the settlement is approved.

According to Defendant’s records, you are one of the Covered Employees.

What is this case about?

In the Action, Plaintiffs Juan Soto and Fernanda Funes (“Plaintiffs”) asserted claims that Defendant violated provisions of the Labor Code giving rise to civil penalty liability under the Labor Code Private Attorneys General Act of 2004 (“PAGA”) [Lab. Code § 2699, *et seq.*].

Defendant denied all liability and was confident it had strong legal and factual defenses to Plaintiff’s claims.

The Court has not ruled on the merits of Plaintiffs’ claims or Defendant’s defenses. This Settlement is a compromise reached after good faith, arm’s-length negotiations between Plaintiff and Defendant (the “Parties”), through their attorneys, and is not an admission of liability by Defendant. The Court approved the Settlement.

What are the Settlement terms?

Defendant will pay **\$338,800.00** (the “Gross Settlement Amount”) for: (a) payment of \$----- to the Labor and Workforce Development Agency (“LWDA”) as its 75% share of the net amount (after deducting PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, and the Administration Expenses Payment from the Gross Settlement Amount); (b) payment of \$----- to Covered Employees as their 25% share of the net amount, (c) payment of PAGA Counsel Fees of **\$112,933.33** and PAGA Counsel Litigation Expenses of \$-----[not to exceed **\$25,000.00**]; and, (d) payment of Administration Expenses of \$-----[not to exceed **\$20,000.00**] to the Administrator.

All Covered Employees (including Plaintiffs) 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 for relief under PAGA arising during the PAGA Period, that were alleged or reasonably could have been alleged based on the facts alleged by Plaintiffs in the Operative Complaint and Plaintiffs’ PAGA Notice to the LWDA including, but not limited to, civil penalties for the violation of the following Labor Code sections: 201, 202, 203, 204, 210, 226, 226.3, 226.7, 510, 512, 558, 1174, 1174.5, 1194, 1197, 1197.1, 1198, 1199, 2699, 2699.3, and 2802, and the applicable IWC Wage Orders, and any resulting claim for attorneys’ fees and costs under PAGA.

The “Released Parties” means: Defendant, its parents, subsidiaries, and affiliated companies, current and former agents, officers, directors, managers, shareholders, members, owners, insurers, employees, representatives, and attorneys of the foregoing, and all persons acting by, through, under, or in concert with any of them, and each of their respective heirs, predecessors, successors, and assigns.

The Individual PAGA Payment to you will be classified as other miscellaneous income and will be reported on IRS Form 1099-MISC, if required.¹ Your share was calculated based on the number of pay periods you worked for Defendant during the PAGA Period.

All checks will remain valid and negotiable for one hundred eighty (180) days from the date of the check's issuance and will automatically be void if not cashed within that time. Uncashed checks will be sent to the California State Controller in the name of the Covered Employee who did not cash the check, from which the Covered Employee may claim the funds.

PLEASE DO NOT CONTACT THE COURT FOR INFORMATION REGARDING THIS SETTLEMENT.

¹ One hundred percent (100%) of your Individual PAGA Payment under this Settlement will be considered penalties, and may be subject to local, state, or federal tax withholdings 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 Plaintiffs nor Defendant has made any representations or warranties regarding the taxation of your Individual PAGA payment. Nothing within this notice or any other communication shall constitute or be construed or relied upon as tax advice within the meaning of United States Treasury Department Circular 230 (31 C.F.R. Part 10, as amended).