

PAGA SETTLEMENT AGREEMENT

This agreement to settle claims asserted pursuant to the Private Attorneys General Act of 2004 (“Agreement”) is made by and between plaintiff Miranda Onusic (“Plaintiff”), on behalf of Plaintiff, all alleged aggrieved employees, and as a private attorney general on behalf the State of California’s Labor and Workforce Development Agency (“LWDA”) on the one hand, and Defendant Beach Babies LLC (“Defendant”) on the other hand. This Agreement refers to Plaintiff and Defendant collectively as the “Parties,” or each side individually as a “Party.”

1. DEFINITIONS.

- 1.1 “Action” means the representative PAGA action alleging wage and hour violations, captioned *Miranda Onusic v. Beach Babies LLC, et al.*, Case No. 25STCV23110 filed on August 5, 2025, and subsequently amended, and Plaintiff’s PAGA Notice as set forth herein.
- 1.2 “Administrator” means CPT Group, Inc., 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 this Settlement.
- 1.4 “Aggrieved Employee(s)” means all current and former hourly-paid and/or non-exempt employees who worked for Defendant in the State of California during the PAGA Period.
- 1.5 “Aggrieved Employee Data” means the Aggrieved Employee’s: (a) full name; (b) last-known mailing address; (c) Social Security number; and (d) number of PAGA Pay Periods worked by each Aggrieved Employee.
- 1.6 “Aggrieved Employee Address Search” means the Administrator’s investigation and search for current Aggrieved Employees’ 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 Aggrieved Employees.
- 1.7 “Court” means the Superior Court of California, County of Los Angeles.
- 1.8 “Court Approval Order and Judgment” means the Court order and judgment granting approval of the Settlement.
- 1.9 “Defendant” means and refers to the named defendant Beach Babies LLC.
- 1.10 “Defense Counsel” means Sheppard, Mullin, Richter & Hampton LLP by and through Michael T. Campbell and Swaja Khanna, the attorneys representing the Defendant in the Action.

- 1.11 “Effective Date” means the date by which the Settlement, including the Court Approval Order and Judgment, becomes final. For purposes of this Settlement, the Settlement becomes final only after the latest of: (a) the period for filing any appeal, writ, or other appellate proceeding opposing or challenging the Settlement has elapsed without any such appeal, writ, or other appellate proceeding having been filed, which is no sooner than sixty-one (61) calendar days following the entry of the Court Approval Order and Judgment; (b) any appeal, writ, or other appellate proceeding opposing or challenging the Settlement has been dismissed finally and conclusively with no right to pursue further remedies or relief; (c) any appeal, writ, or other appellate proceeding has upheld the Court’s final order with no right to pursue further remedies or relief; or (d) the period for filing any motion to intervene, motion to vacate or similar motion attempting to disrupt the Settlement has elapsed without any such motion having been filed, or such motion has been denied and is itself unappealable. In this regard, it is the intention of the Parties that the Settlement shall not become effective until the Court Approval Order and Judgment is completely final, and there is no further recourse by an appellant who seeks to contest the Settlement.
- 1.12 “Gross Settlement Amount” means Five Hundred Twenty-Five Thousand Dollars (\$525,000), which is the total gross amount Defendant agree to pay under the Settlement. The Gross Settlement Amount will be used to pay Individual PAGA Payments, LWDA PAGA Payment, PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, Administration Expenses Payment, and Service Payment.
- 1.13 “Individual PAGA Payment” means the Aggrieved Employee’s pro rata share of thirty-five percent (35%) of the PAGA Penalties calculated according to the number of Pay Periods the Aggrieved Employee worked during the PAGA Period.
- 1.14 “LWDA” means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subdivision (m), to the LWDA PAGA Payment.
- 1.15 “LWDA PAGA Payment” means the sixty-five percent (65%) of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subdivision (m).
- 1.16 “PAGA Counsel” means Justice Law Corporation by and through Douglas Han, Shunt Tatavos-Gharajeh, and William Wilkinson, the attorneys representing the Plaintiff 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 an Aggrieved Employee worked for Defendant in California for at least one day during the PAGA Period.

- 1.19 “PAGA Period” means the period from May 19, 2024, through March 1, 2026.
- 1.20 “PAGA” means the Private Attorneys General Act (Labor Code section 2698, *et seq.*, section 2699, *et seq.*).
- 1.21 “PAGA Notices” means the letter to Defendant and the LWDA dated May 19, 2025, providing notice pursuant to Labor Code section 2699.3, subdivision (a) of Defendant’s alleged Labor Code violations.
- 1.22 “PAGA Penalties” means the Gross Settlement Amount less the following payments in the amounts approved by the Court: (a) PAGA Counsel Fees Payment; (b) PAGA Counsel Litigation Expenses Payment; (c) Service Payment; and (d) Administration Expenses Payment. Sixty-five percent (65%) of the PAGA Penalties will be paid to the LWDA as the LWDA Payment and thirty-five percent (35%) of the PAGA Penalties will be paid to the Aggrieved Employees as their Individual PAGA Payments.
- 1.23 “Plaintiff” means Miranda Onusic, the named plaintiff in the Action.
- 1.24 “Service Payment” means a representative service payment Plaintiff subject to approval by the Court for Plaintiff service as the named plaintiff in the Action.
- 1.25 “Released PAGA Claims” means the claims being released by the Plaintiff and the Aggrieved Employees as described in Paragraph 5.
- 1.26 “Released Parties” means Defendant and any of their past, present, and future direct or indirect parents, subsidiaries, predecessors, successors, and affiliates, as well as each of its or their past, present, and future officers, directors, employees, partners, members, shareholders, owners, agents, attorneys, insurers, reinsurers, and any individual or entity which could be jointly liable with Defendant.
- 1.27 “Service Payment” means a representative service payment for Plaintiff subject to approval by the Court for Plaintiff service as the named plaintiff in the Action.
- 1.28 “Settlement” means the disposition of the Action effected by this Agreement and any related Court orders.

2. RECITALS.

- 2.1 On May 19, 2025, Plaintiff provided written notice to the LWDA and Defendant of the specific provisions of the Labor Code that Plaintiff contends were violated and the theories supporting the contentions.
- 2.2 On August 5, 2025, Plaintiff filed a wage-and-hour class action lawsuit in the Superior Court of California, County of Los Angeles, alleging: (a) failure to pay overtime; (b) failure to provide meal periods or pay meal period premiums, (c) failure to authorize and permit rest breaks or pay rest break premiums, (d) failure to may minimum wages, (e) failure to timely pay final wages, (f) failure to provide

accurate wage statements, (g) unreimbursed business expenses, (h) violations of the PAGA, and (i) violation of Business & Professions Code section 17200, *et seq.* ("UCL") ("Operative Complaint").

- 2.3 After engaging in discovery, investigations, and negotiations, on January 29, 2026, the Parties attended mediation with the mediator Gail A. Glick. After a full day of mediation and with the mediator's assistance, the Parties reached settlement on a PAGA-only basis via a mediator's proposal, subject to the Court's approval.
- 2.4 In line with the settlement, Plaintiff filed a First Amended Complaint that dismissed all the wage- and-hour class action causes of action without prejudice, leaving only the cause of action for violation of Labor Code section 2698, *et seq.* (PAGA). The remaining cause of action is predicated on the alleged: (a) failure to pay minimum and overtime wages; (b) failure to provide meal periods and rest breaks; (c) failure to timely pay wages during employment; (d) failure to timely pay wages upon termination; (e) failure to provide complete and accurate wage statements; and (f) failure to reimburse business expenses.
- 2.5 Defendant denies the allegations in the Operative Complaint, denies any failure to comply with the laws identified in the Operative Complaint, and denies any and all wrongdoing, legal liability, penalties, interest, and damages arising out of any of the facts or conduct alleged in the Action. Defendant denies and continues to deny any liability or wrongdoing of any kind associated any contentions that it committed any misconduct, wrongdoing or any other actionable conduct of any kind, including any violation of the Labor Code, IWC Wage Orders, or any other state or federal law. Defendant contends that it has complied at all times with the Labor Code, IWC Wage Orders, and all applicable California and federal laws. Neither this Agreement, nor any document referred to or contemplated herein, nor any action taken to carry out this Agreement, is, may be construed as, or may be used as an admission, concession or indication by or against Defendant of any fault, wrongdoing, or liability whatsoever.
- 2.6 Pursuant to Labor Code section 2699.3, subdivision (a), Plaintiff asserts that Plaintiff gave timely written notice to Defendant and the LWDA by sending the PAGA Notice.
- 2.7 The Parties engaged in informal discovery in connection with mediation. Plaintiff obtained, through the Parties' exchange, relevant policy documents, personnel records, wage records, and timekeeping records for Plaintiff and a fifteen (15%) sample the Aggrieved Employees. Plaintiff also received information concerning Defendant's wage-and-hour practices during the relevant period.
- 2.8 The Parties, PAGA Counsel and Defense Counsel represent that they are not aware of any other pending matter(s) or action(s) asserting claims that will be extinguished or affected by the Settlement.

- 2.9 The Parties believe and agree that this Settlement provides for a fair, adequate, and reasonable resolution of Plaintiff's claims, and have arrived at the Settlement in extensive, arms-length negotiations, taking into account all relevant factors, present and potential. The Parties 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.
- 2.10 Based on their own independent investigations and evaluations, Plaintiff and PAGA Counsel are of the opinion that the amount and terms of the Settlement are in the best interests of Plaintiff, the Aggrieved Employees, and the LWDA in light of all known facts and circumstances and the risks inherent in litigation, including the potential for appellate issues. PAGA Counsel believes that the settlement amount entered into is in the best interests of the Aggrieved Employees and that the settlement for each Aggrieved Employee is fair, reasonable, and adequate, given the facts, defenses, and inherent risk of litigation.

3. MONETARY TERMS.

- 3.1 Gross Settlement Amount. Defendant promise to pay the total gross amount of \$525,000 and no more as the Gross Settlement Amount. Defendant has no obligation to pay the Gross Settlement Amount prior to the deadline stated below. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Aggrieved Employees to submit any claim form 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 in the Court Approval Order and Judgment:
- 3.2.1 To PAGA Counsel: A PAGA Counsel Fees Payment totaling no more than thirty-five percent (35%) of the Gross Settlement Amount, which is \$183,750, and PAGA Counsel Litigation Expenses Payment totaling no more than \$25,000.
- 3.2.1.1. Defendant will not oppose requests for Court approval of these payments provided that it does not exceed these amounts. Plaintiff and/or PAGA Counsel will file an application or motion for approval of PAGA Counsel Fees Payment and PAGA Counsel Litigation Expenses Payment. If the Court approves a PAGA Counsel Fees Payment and PAGA Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the PAGA Penalties.
- 3.2.1.2. The Released Parties shall have no liability to PAGA Counsel or any other counsel retained by Plaintiff and/or PAGA Counsel arising from any claim to any portion of the PAGA Counsel Fees Payment and PAGA Counsel Litigation Expenses Payment. The

Administrator will pay the PAGA Counsel Fees Payment and PAGA Counsel Litigation Expenses Payment using one or more IRS Form 1099.

3.2.1.3. PAGA Counsel assumes full responsibility and liability for taxes owed by them on the PAGA Counsel Fees Payment and PAGA Counsel Litigation Expenses Payment and holds Defendant harmless from any dispute or controversy regarding any division or sharing of any of these payments among PAGA Counsel, Plaintiff, and Aggrieved Employees.

3.2.2 To the Administrator: An Administrator Expenses Payment not to exceed \$7,000 except for a showing of good cause and as approved by the Court.

3.2.2.1. To the extent the actual administration expenses are less or the Court approves payment less than \$7,000, the Administrator will allocate the remainder to the PAGA Penalties.

3.2.3 To Plaintiff: A Service Payment not to exceed \$10,000.

3.2.3.1. Plaintiff and/or PAGA Counsel will file an application or motion for approval of the Service Payment. If the Court fails to approve the Service Payment, or awards less than the full requested amount, the Administrator will allocate the remainder to the PAGA Penalties.

3.2.4 To the LWDA and Aggrieved Employees: Sixty-five percent (65%) of the PAGA Penalties will be paid to the LWDA, and thirty-five percent (35%) of the PAGA Penalties will be paid to the Aggrieved Employees as follows:

3.2.4.1. Calculation of the Individual PAGA Payments: The Administrator will calculate each Individual PAGA Payment by: (a) dividing the thirty-five percent (35%) share of the PAGA Penalties by the total number of PAGA Pay Periods worked by all Aggrieved Employees during the PAGA Period; and (b) multiplying the result by the count of each Aggrieved Employee's PAGA Pay Periods.

(1) Aggrieved Employees assume full responsibility and liability for any taxes owed by them on their Individual PAGA Payments.

(2) No Aggrieved Employee may opt out of or be excluded from participating in the portion of the Settlement that releases PAGA claims, and each Aggrieved Employee shall be bound by the release of PAGA claims as specified under the "Release by Aggrieved Employees," regardless of whether they cash their Individual PAGA Payment check.

3.2.4.2. Payment of the Individual PAGA Payments: The Administrator will report the Individual PAGA Payments on IRS Form 1099. No person shall have any claim against Defendant, Defense Counsel, Plaintiff, PAGA Counsel, or Administrator based on distributions and payments made in accordance with this Agreement.

3.2.4.3. The Individual PAGA Payments shall be deemed not to be pensionable earnings and shall not have any effect on the eligibility for, or calculation of, any of the employee benefits (*e.g.*, vacations, holiday pay, retirement plans, etc.) of Plaintiff and/or any of the other Aggrieved Employees.

4. SETTLEMENT FUNDING AND PAYMENTS.

4.1 PAGA Pay Periods. Based on a review of its records to date, Defendant estimate there are approximately 346 Aggrieved Employees who worked a total of approximately 9,094 PAGA Pay Periods through January 29, 2026.

4.2 Aggrieved Employee Data. No later than the Effective Date, Defendant, through Defense Counsel, will deliver the Aggrieved Employee Data to the Administrator in the form of a Microsoft Excel spreadsheet. To protect the Aggrieved Employees' privacy rights, the Administrator must maintain the Aggrieved Employee Data in confidence, use the Aggrieved Employee Data only for purposes of this Settlement and for no other purpose, and restrict access to the Aggrieved Employee Data to only those Administrator employees who need access to the Aggrieved Employee Data to effectuate and perform the Administrator's duties under this Agreement. Defendant has a continuing duty to immediately notify the Administrator if it discovers that the Aggrieved Employee Data omitted any information intended to be included, and to provide corrected or updated Aggrieved Employee Data as soon as reasonably feasible, to the extent such information is available to Defendant. Without any extension of the deadline by which Defendant must send the Aggrieved 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, incorrect, or omitted Aggrieved Employee Data.

4.3 Funding of the Gross Settlement Amount. Defendant shall fully fund the Gross Settlement Amount by transmitting the funds to the Administrator into an account set up solely for distribution of funds pertaining to this Settlement within fourteen (14) calendar days of the Effective Date.

4.4 Payments from the Gross Settlement Amount. No later than fourteen (14) calendar days after Defendant funds the Gross Settlement Amount, the Administrator will mail checks to the appropriate entities and persons. The disbursement of the PAGA Counsel Fees, Litigation Expenses Payment, and Service Payment shall not precede disbursement of Individual PAGA Payments.

- 4.4.1 The Administrator will issue checks for the Individual PAGA Payments and send them to the Aggrieved Employees via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (not less than 180 calendar 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 Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database.
- 4.4.2 The Administrator must conduct an Aggrieved Employee Address Search for all Aggrieved Employees whose checks are returned undelivered without a USPS forwarding address. Within seven (7) calendar days of receiving a returned check, the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Aggrieved Employee Address Search. The Administrator need not take further steps to deliver checks to Aggrieved Employees whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Aggrieved Employee whose original check was lost or misplaced, requested by the Aggrieved Employee prior to the void date.
- 4.4.3 For any Aggrieved Employee whose Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transfer the funds represented by such checks to the California Controller's Unclaimed Property Fund in the name of the Aggrieved Employee.
- 4.4.4 The payment of Individual PAGA Payments shall not obligate Defendant or any of the other Released Parties to confer any additional benefits or make any additional payments to the Aggrieved Employees or any other employee (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

5. RELEASES OF CLAIMS. Effective on the date when Defendant has fully funded the entire Gross Settlement Amount, the State of California and all Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, assigns, and the LWDA, the Released Parties from all claims for civil penalties under PAGA that were alleged, or could have been alleged, in the Action, Operative Complaint and/or in the PAGA Notice ("Released PAGA Claims").

- 5.1 The Released PAGA Claims includes, but is not limited to, claims relating to: (a) failure to pay minimum wages, straight time compensation, overtime wage and compensation, double-time compensation, and/or interest; (b) calculation of the regular rate of pay; (c) wages related to alleged illegal time rounding; (d) failure to pay wages at least twice each calendar month; (e) failure to timely pay wages; (f) failure to timely pay final wages and wages due upon separation, discharge, or resignation; (g) collecting and/or receiving from the Aggrieved Employees part of

their wages; (h) failing to provide the Aggrieved Employees with paid sick leave; (i) failing to pay the Aggrieved Employees wages for unused vested vacation time; (j) missed/short/late/interrupted meal period, rest period, and/or recovery period wages/premiums; (k) failure to pay meal period, rest period, and/or recovery period wages/premiums at the regular rate of pay; (l) failure to provide meal periods; failure to authorize and permit rest periods and/or recovery periods; (m) calculation of meal period, rest period, and/or recovery period premiums; (n) reimbursement for all necessary business expenses; (o) failure to indemnify employees for necessary expenditures incurred in discharge of duties; (p) payment for all hours worked, including off-the-clock work; (q) failure to furnish complete or accurate itemized wage statements; (r) failure to comply with wage reporting requirements under the Labor Code; (s) failure to maintain accurate or complete required records; (t) unlawful deductions and/or withholdings from wages; (u) unlawful failure to keep accurate and complete payroll records of daily hours worked; (v) failure to permit inspection of personnel and payroll records; (w) any violations of the Labor Code that could have been alleged, including without limitation sections 201, 202, 203, 204, 210, 218.5, 221, 226, 226.3, 226.7, 246, 432.5, 510, 512(a), 551, 552, 558, 1174(d), 1194, 1197, 1197.1, 1198, 2800, and 2802; and (x) any violations of the Wage Orders of the Industrial Welfare Commission that could have been alleged.

- 5.2 The Released PAGA Claims are limited to the PAGA Period. All such claims, liabilities or causes of action (including, without limitation, claims for related attorneys' fees and costs) are forever barred by this Agreement regardless of the forum in which they may be brought. The Parties intend for this release to be as broad as lawfully possible. Non-signatories can avail themselves of the Agreement, and this Agreement is for their respective benefit and use.

6. MOTION OR APPLICATION FOR APPROVAL OF SETTLEMENT. Plaintiff will file a motion for approval of the Settlement.

- 6.1 Plaintiff's Responsibilities. Plaintiff will prepare and deliver to Defense Counsel all documents necessary for obtaining approval of this Settlement under Labor Code section 2699 including: (a) a draft proposed Court Approval Order and Judgment; (b) a signed declaration from the Administrator attaching its "not to exceed" bid for administering the Settlement and attesting to its willingness and competency to serve; operative procedures for protecting the security of the Aggrieved 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 the Aggrieved Employees or LWDA; and nature and extent of any financial relationship with Plaintiff, PAGA Counsel or Defense Counsel; (c) a signed declaration from PAGA Counsel attesting to its transmission to the LWDA of all necessary PAGA documents; and (d) all facts relevant to any actual or potential conflict of interest with Aggrieved Employees and/or the Administrator. In their declarations, Plaintiff 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.

- 6.1.1 Pursuant to Labor Code section 2669 subdivision (s)(2), PAGA Counsel shall submit the proposed settlement to the LWDA at the same time that the proposed settlement is submitted to the Court. Moreover, pursuant to Labor Code section 2699 subdivision (s)(3), PAGA Counsel shall submit a copy of the Court's judgment following approval of this Agreement, and any other order in the Action that either provides for or denies an award of PAGA civil penalties shall be submitted to the LWDA within ten (10) calendar days after entry of the Court Approval Order and Judgment.
- 6.2 Responsibilities of PAGA and Defense 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 sixty (60) calendar 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 Approval Order and Judgment to the Administrator.
- 6.3 Duty to Cooperate. At least seven (7) calendar days before filing any application or motion for approval, PAGA Counsel shall provide a copy of the proposed filing to Defense Counsel for Defense Counsel's review. 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 change to this Agreement or any other term of Settlement, 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. At no time shall any of the Parties or their counsel seek to solicit or encourage Aggrieved Employees to submit written objections to the Settlement, or appeal from the Court Approval Order and Judgment.
- 6.4 Nullification of Settlement. If the Court does not enter a Court Approval Order and Judgment as provided herein, which becomes final as a result of the occurrence of the Effective Date, or the Settlement does not become final for any other reason, this Agreement, shall become null and void and any order or judgment entered by the Court in furtherance of this Settlement shall be treated as void *ab initio*. In such a case, the Parties will seek to reach a revised agreement acceptable to them to be presented to the Court. If the Parties cannot reach a mutually acceptable revised agreement, they shall ask the mediator to assist them in resolving the remaining disputes before litigating further. If the Parties are unable to reach a revised agreement, or any such revised agreement is not approved by the Court, the Parties shall proceed in all aspects as if this Agreement had not been executed, submitted, and/or filed, and Defendant will not make any payments under either agreement, except that any fees already incurred by the Administrator shall be paid for by Defendant. If any motion to intervene or to vacate, or similar motion is filed prior

to the Effective Date, or an appeal is filed from the Court Approval Order and Judgment, or any other appellate review is sought prior to the Effective Date, administration of the Settlement shall be stayed pending final resolution of the motion, appeal, or other appellate review. The Parties will work cooperatively in connection with defending the Settlement, and each Party will file papers in support of the Settlement as necessary and appropriate.

7. ESCALATOR CLAUSE.

- 7.1 If it is determined that the number of pay periods within the PAGA Period exceeds 9,094 by more than ten percent (10%) (*i.e.*, exceeds 10,004 pay periods), then, at Defendant's election, either: (a) the Gross Settlement Amount shall increase proportionally over the ten percent (10%) increase (*i.e.*, if the number of pay periods increases by 11%, then the Gross Settlement Amount will increase by 1%); or (b) the PAGA Period will end on the date that the number of pay periods reaches 10,004 pay periods.

8. SETTLEMENT ADMINISTRATION.

- 8.1 Selection of Administrator. The Parties have jointly selected CPT Group, Inc. to serve as the Administrator and verified that, as a condition of appointment, the Administrator agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for 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.
- 8.2 Employer Identification Number. The Administrator shall generate and use its own unique identification number for each Aggrieved Employee ("Employee Identification Number") for the purposes of calculating and providing reports to state and federal tax authorities.
- 8.3 Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund under U.S. Treasury Regulation section 468B-1.
- 8.4 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.

9. CONTINUING JURISDICTION OF THE COURT. The Parties agree that, after entry of the Approval Order, the Court will retain jurisdiction over the Parties, the Action, and the Settlement solely for purposes of: (a) enforcing this Agreement, and/or the Court Approval Order and Judgment; (b) addressing settlement administration matters; and (c) addressing such matters after entry of the Court Approval Order and Judgment as are permitted by law.

- 9.1 Waiver of Right to Appeal. Provided the Court's final judgment pertaining to the Settlement is consistent with the terms and conditions of this Agreement, including without limitation the PAGA Counsel Fees and Litigation Expenses Payment, the Parties and 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 a third 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.

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 Action have merit or that Defendant have any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff 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 reserve all available defenses to the claims in the Action, and Plaintiff reserves 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/or the Agreement).
- 10.2 Breach. In the event of a breach of any provision of this Agreement, any Party reserves the right to institute an action specifically to enforce any term or terms of this Agreement or seek damages for breach. In an action to enforce any term or terms of this Agreement or to seek damages for breach of this Agreement, the prevailing Party in that action shall be entitled to recover reasonable attorneys' fees and costs from the non-prevailing Party. Notwithstanding the foregoing, the recovery of attorneys' fees and costs will not be enforced against unnamed Aggrieved Employees.
- 10.3 Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement shall constitute the entire agreement between the Parties relating to the Agreement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party.
- 10.4 Attorney Authorization. PAGA Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiff and Defendant, respectively, to take all appropriate actions 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 Settlement, including any amendments to this Agreement.

- 10.5 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, and submitting supplemental evidence and supplementing points and authorities to the extent requested by the Court. If the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of a mediator and/or the Court for resolution.
- 10.6 No Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity and portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.
- 10.7 No Tax Advice. Neither Plaintiff, PAGA Counsel, Defendant, nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement or Agreement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.
- 10.8 No Effect on Employee Benefits. All payments to be issued in connection with this Agreement, including without limitation the Individual PAGA Payments made to the Aggrieved Employees, shall be deemed not to be pensionable earnings and shall not have any effect on the eligibility for, or calculation of, any of the employee benefits (e.g., vacations, holiday pay, retirement plans, etc.) of Plaintiff or any other Aggrieved Employee. The Parties agree that any payment made pursuant to the Agreement do not represent any modification of Plaintiff's or the Aggrieved Employees' previously credited hours of service or other eligibility criteria under any employee pension benefit plan or employee welfare benefit plan sponsored by any Defendant(s). Any payment made pursuant to the Agreement shall not be considered "compensation" in any year for purposes of determining eligibility for, or benefit accrual within, an employee pension benefit plan, employee welfare benefit plan sponsored by any Defendant, or unemployment benefits. No Defendant shall take 401(k) or other benefits deductions from any payments made pursuant to the Agreement.
- 10.9 No Injunctive Relief. As part of this Settlement, Defendant shall not be required to enter into any consent decree, nor shall Defendant be required to agree to any provision for injunctive relief, or to modify or eliminate any of its personnel, compensation, or payroll practices, or adopt any new personnel, compensation, or payroll practices.
- 10.10 Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their representatives, and approved by the Court.

- 10.11 Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.
- 10.12 Applicable Law. All terms and conditions of this Agreement will be governed by and interpreted according to the laws of the State of California, without regard to conflict of law principles.
- 10.13 Interpretation. In interpreting this Agreement, a masculine, feminine, or neutral pronoun shall not exclude other genders. The singular shall include the plural and the plural shall include the singular. The term “any” should be understood to include and encompass “all,” and “or” should be understood to encompass “and,” and vice versa.
- 10.14 Cooperation in Drafting. The Parties have jointly cooperated in the negotiation, drafting, and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting. Plaintiff and PAGA Counsel each agree that they have carefully read and fully understand all of the provisions of this Agreement, which is in both Plaintiff and PAGA Counsel’s preferred language and thus no translation is required.
- 10.15 Invalidity of Any Provision. Before declaring any provision of this Agreement invalid, the Court shall first attempt to construe the provisions valid to the fullest extent possible consistent with applicable precedents so as to define all provisions of this Agreement valid and enforceable.
- 10.16 Confidentiality. To the extent permitted by law, all agreements made, and orders entered during Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.
- 10.17 Publicity. Except as necessary to obtain Court approval, including prior submission to the LWDA, Plaintiff and PAGA Counsel shall not communicate the terms or the fact of this Agreement to any third party or parties other than: (a) employees or law partners of PAGA Counsel and/or Plaintiff’s immediate family members; and (b) their respective accountants or lawyers as necessary for tax purposes. Plaintiff and PAGA Counsel agree not to publicize the Action or this Settlement in any way, such as through press statements, press releases, or internet or social media posts/publications. Plaintiff and PAGA Counsel agree to respond to any press inquiries by stating only that the Action has been resolved. The Administrator shall not host or publish any website in connection with the Settlement unless required by Court order.
- 10.18 Use and Return of Aggrieved Employee Data. Information provided to PAGA Counsel pursuant to Evidence Code section 1152, and all copies and summaries of the documents, data, and information 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 for no other purpose, and may not be used in any way that violates any existing contractual

agreement, statute, or rule of court. Not later than ninety (90) calendar days after the Administrator discharges its obligation to pay out all Settlement funds, Plaintiff shall destroy all paper and electronic versions of Aggrieved Employee Data received from Defendant unless, prior to the Administrator's payment of all Settlement funds, any Defendant makes a written request to PAGA Counsel for the return, rather than the destruction, of Aggrieved Employee Data.

- 10.19 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.
- 10.20 Calendar Days. Unless otherwise noted, all reference to "days" in this Agreement shall be to calendar days. If any date or deadline set forth in this Agreement falls on a weekend or State court holiday, such date or deadline shall be on the first business day thereafter.
- 10.21 Notice. All notices, demands or other communications between the Parties in connection with this Agreement shall 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 Plaintiff:

Justice Law Corporation
751 N. Fair Oaks Avenue, Suite 101
Pasadena, California 91103
Tel. (818) 230-7502
Fax. (818) 230-7259
Email: dhan@justicelawcorp.com / statavos@justicelawcorp.com /
wwilkinson@justicelawcorp.com

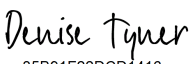
To Defendant:

Sheppard, Mullin, Richter & Hampton LLP
1901 Avenue of the Stars, Suite 1600
Los Angeles, CA 90067
Tel. 310-228-3700
Fax 310-228-3701
Email: mcampbell@sheppardmullin.com

- 10.22 Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (*i.e.*, via 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 as long as counsel for the Parties exchange between themselves the signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

10.1 Stay of Litigation. The Parties agree that upon the execution of this Agreement, the Action shall be stayed, except to effectuate the terms of the Settlement. The Parties agree that upon the signing of this Agreement and pursuant to CCP section 583.330, the date to bring a case to trial under CCP section 583.310 shall be tolled pending Settlement approval.

Dated: 03/16/2026 _____

DocuSigned by:

35B91F22DCD1416...

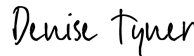
Dated: _____

On Behalf of Plaintiff:



Miranda Onusic, Plaintiff

On Behalf of Defendant Beach Babies LLC:



35B91F22DCD1416...

Name:

Title:

APPROVED AS TO FORM & CONTENT

Dated: 03/16/2026 _____

JUSTICE LAW CORPORATION



Douglas Han, Esq.

Shunt Tatavos-Gharajeh, Esq.

William Wilkinson, Esq.

Attorneys for Plaintiff Miranda Onusic

3/19/2026

Dated: _____

**SHEPPARD, MULLIN, RICHTER &
HAMPTON LLP**

Signed by:



389E10EEF76841D...

Michael T. Campbell, Esq.

Attorneys for Defendant Beach Babies LLC

Certificate Of Completion

Envelope Id: 77334FBC-B118-455D-829C-110C45988423

Status: Completed

Subject: Complete with Docusign: 2026_03_16_Individual Settlement Agreement_Partially Executed (Beach Ba...

Client matter #:

Source Envelope:

Document Pages: 30

Signatures: 4

Envelope Originator:

Certificate Pages: 4

Initials: 0

Gina Schemerhorn

AutoNav: Enabled

350 South Grand Ave., 40th Floor

Envelopeld Stamping: Disabled

Los Angeles, CA 90071-3460

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gschemerhorn@sheppard.com

IP Address: 38.122.109.219

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Status: Original

Holder: Gina Schemerhorn

Location: DocuSign

3/18/2026 11:50:46 AM

gschemerhorn@sheppard.com

Signer Events

Denise Tyner

denise@beachbabies.com

Executive Director

Security Level: Email, Account Authentication
(None)

Signature

DocuSigned by:

35B91F22DCD1416...

Signature Adoption: Pre-selected Style
Using IP Address: 47.157.244.137

Timestamp

Sent: 3/18/2026 12:06:18 PM

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Signed: 3/18/2026 2:44:58 PM

Electronic Record and Signature Disclosure:

Accepted: 3/18/2026 2:41:34 PM

ID: 0a847f99-8388-4c85-bd1d-4cfc07b78970

Michael Campbell

mcampbell@sheppardmullin.com

Security Level: Email, Account Authentication
(None)

Signed by:

399E10EEF76841D...

Signature Adoption: Pre-selected Style
Using IP Address: 12.146.203.103

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Viewed: 3/19/2026 3:05:58 PM

Signed: 3/19/2026 3:06:12 PM

Electronic Record and Signature Disclosure:

Accepted: 3/19/2026 3:05:58 PM

ID: 363d71bd-f885-4d20-b72f-0651d1b82a6c

In Person Signer Events

Signature

Timestamp

Editor Delivery Events

Status

Timestamp

Agent Delivery Events

Status

Timestamp

Intermediary Delivery Events

Status

Timestamp

Certified Delivery Events

Status

Timestamp

Carbon Copy Events

Status

Timestamp

Witness Events

Signature

Timestamp

Notary Events

Signature

Timestamp

Envelope Summary Events

Status

Timestamps

Envelope Sent

Hashed/Encrypted

3/18/2026 12:06:18 PM

**PROOF OF SERVICE
1013A(3) CCP**

STATE OF CALIFORNIA, COUNTY OF LOS ANGELES

I am employed in the County of Los Angeles, State of California. I am over the age of 18 and not a party to the within action. My business address is 751 N. Fair Oaks Avenue, Suite 101, Pasadena, CA 91103 and my electronic service address is ccastro@justicelawcorp.com

On May 26, 2026, I served the foregoing document described as

PAGA SETTLEMENT AGREEMENT

for the following case: **Miranda Onusic v. Beach Babies LLC**
LWDA/Court Case No.: **LWDA Case No.: CM- 1099887-25**
Court Case No.: 25STCV23110
Los Angeles County Superior Court

on interested parties in this action by electronically submitting as follows:

State of California
Labor & Workforce Development Agency
800 Capitol Mall, MIC-55
Sacramento, California 95814

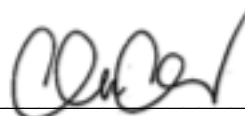
[X] BY ELECTRONIC SUBMISSION

Pursuant to California Senate Bill No. 836, I caused the documents described above to be electronically submitted by and through the procedure stated on the website of the State of California Labor and Workforce Development Agency.

[X] STATE

I declare under penalty of perjury under the laws of the State of California that the above is true and correct.

Executed on May 26, 2026, at Pasadena, California.



Christina Castro