

PRIVATE ATTORNEYS GENERAL ACT (LABOR CODE §§ 2698 ET SEQ.)
SETTLEMENT AGREEMENT & RELEASE

This Private Attorneys General Act (“PAGA”) Settlement Agreement and Release (“Agreement”) is made by and between Plaintiff Ivette Pool (“Plaintiff”) and Defendants Acre Gourmet, Inc., Stacey Britt Galler, and Steve De Cosse (“Defendants”). The Agreement refers to Plaintiff and Defendants collectively as “Parties.”

1. DEFINITIONS.

- 1.1. “Action” means the Plaintiff’s representative PAGA, Labor Code sections 2698, *et seq.*, lawsuit alleging wage and hour violations against Defendants, captioned *Ivette Pool v. Acre Gourmet, Inc., et al.*, Case No. CGC-22-603652, initiated on December 22, 2022, in the Superior Court of the State of California, County of San Francisco.
- 1.2. “Administrator” means Phoenix Class Action Solutions (“Phoenix” or “Administrator”), the neutral entity the Parties have agreed to appoint to administer the Settlement, subject to Court approval.
- 1.3. “Administration Expenses Payment” means the amount, as approved by the Court, 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” means all individuals who are, or previously were, employed by Acre Gourmet, Inc. (“Acre”) in California and classified as a non-exempt employee during the PAGA Period, with the exception of individuals employed by Acre while working at The Bay School of San Francisco.
- 1.5. “Aggrieved Employee Data” means Aggrieved Employee identifying information in Defendants’ possession including (a) the identity and last known address of the aggrieved employees within the PAGA Release Period, (b) the total pay periods worked within the PAGA Release Period by each Aggrieved Employee, and (c) any other data the administrator may need to effect payments to the aggrieved employees.
- 1.6. “Aggrieved Employee Address Search” means the Administrator’s investigation and search for current Aggrieved Employee’s 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. “Complaint” means the operative complaint filed in the Action.
- 1.8. “Court” means the Superior Court of California, County of San Francisco.
- 1.9. “Defendants” means Acre Gourmet, Inc., Stacey Britt Galler, and Steve De Cosse, the named

Defendants in this Action.

- 1.10. “Defense Counsel” means Richard C. Rybicki and Jacqueline Loveless of Rybicki & Associates P.C., the attorneys representing the Defendants in the Action.
- 1.11. “Effective Date” means the date by when both of the following have occurred: (a) the Court enters a Judgment on its Order Approving the PAGA Settlement and (b) the Judgment is final. The Judgment is final as of the latest of the following occurrences: the day the Court enters Judgment.
- 1.12. “Gross Settlement Amount” means the total sum of forty thousand dollars and zero cents (\$40,000) that Defendants agree to pay under the PAGA Settlement. The Gross Settlement Amount will include and be used to pay Individual PAGA Payments, the LWDA PAGA Payment, PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, PAGA Representative Service Payment, and the Administrator’s Expenses Payment.
- 1.13. “Individual PAGA Payment” means the Aggrieved Employee’s pro rata share of 25% of the PAGA Penalties calculated according to the number of PAGA Pay Periods the Aggrieved Employee worked during the PAGA Period.
- 1.14. “Judgment” means the judgment entered by the Court based upon its Approval Order.
- 1.15. “LWDA” means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699(i).
- 1.16. “LWDA PAGA Payment” means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699(i).
- 1.17. “Net Settlement Amount” means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: the LWDA PAGA Payment, PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, PAGA Representative Service Payment, and the Administration Expenses Payment. The remainder is to be paid to Aggrieved Employees as Individual PAGA Payments.
- 1.18. “PAGA” means the Private Attorneys General Act, Labor Code sections 2698, *et seq.*
- 1.19. “PAGA Approval Order” means the proposed Court Order Granting Approval of PAGA Settlement.
- 1.20. “PAGA Counsel” means Joseph D. Sutton, Eric S. Trabucco, and Marco A. Palau of Advocates for Worker Rights LLP, the attorneys representing the Plaintiff in the Action.
- 1.21. “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, subject to court approval.

- 1.22. “PAGA Notice” means Plaintiff’s October 29, 2022, letter to Defendants and the LWDA providing notice pursuant to Labor Code section 2699(a) and alleging (i) failure to pay for all hours worked; (ii) failure to pay minimum wages; (iii) failure to pay overtime wages; (iv) failure to provide meal periods, or pay premium wages in lieu thereof; (v) failure to provide rest breaks, or pay premium wages in lieu thereof; (vi) failure to reimburse for necessary business expenses, (vii) failure to furnish accurate itemized wage statements and accurate payroll records; and (viii) failure to timely pay final wages at resignation or termination.
- 1.23. “PAGA Pay Period” means any Pay Period during which an Aggrieved Employee worked for Defendants for at least one day during the PAGA Period.
- 1.24. “PAGA Release Period” or “PAGA Period” means the period from October 29, 2021, to the date of Court approval of the PAGA Settlement.
- 1.25. “PAGA Penalties” means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 25% to the Aggrieved Employees (\$4,166.67) and 75% to the LWDA (\$12,500) in settlement of the alleged PAGA claims.
- 1.26. “PAGA Representative Service Payment” means the payment to the PAGA Representative for initiating the Action and providing services in support of the Action, subject to court approval.
- 1.27. “Plaintiff” or “PAGA Representative Plaintiff” means Ivette Pool, the named Plaintiff in the Action seeking Court approval to serve as the PAGA Representative.
- 1.28. “Released PAGA Claims” means the claims being released by the PAGA Representative Plaintiff, Aggrieved Employees, the State of California, and PAGA Counsel and as described in Paragraph 5 below.
- 1.29. “Released Parties” means: Acre Gourmet, Inc., and each of its former and present directors, partners, officers, shareholders, owners, members, employees, agents, attorneys, insurers, parents, predecessors, successors, assigns, subsidiaries, and affiliates; Stacey Britt Galler; and Steve De Cosse.
- 1.30. “Settlement” means the disposition of the Action effected by this Agreement and the Judgment.

2. RECITALS.

- 2.1. On October 29, 2022, Plaintiff provided written notice to Defendants and the Labor and Workforce Development Agency (“LWDA”) of the alleged Labor Code and Wage Order violations, and the facts and theories supporting those violations.
- 2.2. On December 22, 2022, Plaintiff commenced this Action by filing a Complaint alleging causes of action against Defendants for (1) Failure to Pay for All Hours Worked in violation

of Labor Code §§ 200, *et seq.*; (2) Minimum Wages in violation of Labor Code § 1194; (3) Overtime Wages in violation of Labor Code § 510; (4) Meal Period Violations of Labor Code §§ 226.7 and 512; (5) Rest Break Violations of Labor Code § 226.7; (6) Failure to Indemnify for Necessary Business Expenses in violation of Labor Code § 2802; (7) Wage Statement Violations of Labor Code § 226; (8) Waiting Time Penalties in violation of Labor Code § 203; and (9) Violation of Unfair Competition Law, Bus. & Prof. Code §§ 17200, *et seq.* On January 4, 2023, Plaintiff filed a First Amended Complaint that added a tenth cause of action for Civil Penalties pursuant to California’s Private Attorneys General Act, Labor Code §§ 2698. *et seq.* The First Amended Complaint is the operative complaint in the Action (the “Operative Complaint.”) Defendants deny the allegations in the Operative Complaint, deny any failure to comply with the laws identified in in the Operative Complaint and deny any and all liability for the causes of action alleged.

- 2.3. On March 17, 2023, Defendants filed a Motion to Compel Arbitration. The Parties subsequently agreed that Defendants would withdraw their Motion to Compel, and requested that the Court stay the proceedings and order Plaintiff’s individual claims, including the individual portion of the PAGA claim, to arbitration.
- 2.4. On November 8, 2023, Plaintiff filed her arbitration demand with JAMS, and on November 28, 2023, JAMS commenced the arbitration. Shortly thereafter, the parties agreed to an early mediation to attempt resolution of the Action.
- 2.5. Prior to mediation, Plaintiff and Defendants engaged in an informal discovery exchange. Through that exchange, Defendants provided Plaintiff time and payroll data of Aggrieved Employees from October 29, 2021 to July 31, 2023, as well as a class list that included anonymized employee identification numbers, start dates, end dates, and rehire dates of employment, as well as compensation information such as rate(s) of pay. From these records, Plaintiff has discerned that there are 39 unique employees that make up PAGA Aggrieved employees during the PAGA Period, including Plaintiff.
- 2.6. On May 10, 2024, the Parties mediated the Action with private mediator Arthur Eidelhoch in-person, and after extensive, arms-length negotiations, ultimately reached the Settlement presented herein.
- 2.7. The Parties, PAGA Counsel and Defense Counsel represent that they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement.
- 2.8. Although Defendants maintain and believe that Plaintiff and the Aggrieved Employees were treated lawfully in all respects and deny all wrongdoing, Defendants wish to resolve this matter without further litigation. This Agreement represents a compromise and settlement of highly disputed claims. The Parties agree that nothing in this Agreement is an admission by the Defendants that the claims in the Action have merit or that Defendants bear any liability to Plaintiff or other Aggrieved Employees. If for any reason this Settlement does not become effective, the Parties agree that Defendants reserve all available defenses to the claims in this Action.

3. MONETARY TERMS.

- 3.1. Gross Settlement Amount. Defendants will cause to be issued forty thousand dollars and zero cents (\$40,000) as the Gross Settlement Amount. Defendants will pay nothing more than the Gross Settlement Amount. Defendants have 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 Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendants.
- 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 its Approval:
 - 3.2.1. To PAGA Representative Plaintiff: A PAGA Representative Service Payment of not more than One Thousand Five Hundred Dollars and Zero Cents (\$1,500.00), in addition to any Individual PAGA Payment the PAGA Representative Plaintiff is entitled to receive as an Aggrieved Employee. Defendants will not oppose Plaintiff's request for PAGA Representative Service Payment that does not exceed this amount. As part of the motion seeking Approval of the PAGA Settlement, PAGA Counsel Fees Payment, and PAGA Counsel Litigation Expenses Payment, Plaintiff will seek Court approval for any PAGA Representative Service Payment. If the Court approves the PAGA Representative Service Payment for less than the amount requested, the Administrator will retain the remainder in the Net Settlement Amount. The Administrator will pay the PAGA Representative Service Payment using IRS Form 1099. Plaintiff assumes full responsibility and liability for taxes owed on the PAGA Representative Service Payment and holds Defendants harmless, and indemnifies Defendants, from any dispute or controversy regarding the payment of taxes associated with the PAGA Representative Service Payment.
 - 3.2.2. To PAGA Counsel: A PAGA Counsel Fees Payment of not more than thirty three and one third percent (33 & 1/3 %) of the Gross Settlement Amount, which is currently estimated to be thirteen thousand three hundred and thirty-three dollars and thirty-three cents (\$13,333.33) and PAGA Counsel Litigation Expenses Payment of not more than six thousand dollars and zero cents (\$6,000.00). Defendants will not oppose requests for Court approval of these payments, provided that they do not exceed these amounts. Plaintiff and/or PAGA Counsel will file an application or motion for Approval of the PAGA Settlement, 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 Plaintiff's Counsel arising from any claim to any portion of the 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 Defendants harmless, and indemnifies Defendants, from any dispute or controversy regarding any division or sharing of any of these Payments.

3.2.3. To the Administrator: An Administrator Expenses Payment not to exceed two thousand five hundred dollars and zero cents (\$2,500.00) 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 \$2,500.00, the Administrator will retain the remainder in the Net Settlement Amount.

3.2.4. To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of \$16,666.67 to be paid from the Gross Settlement Amount, with seventy-five percent (75%), or twelve thousand five hundred dollars and zero cents (\$12,500.00), allocated to the LWDA PAGA Payment, and twenty-five percent (25%), or four thousand one hundred and sixty-six dollars and sixty-seven cents (\$4,166.67), allocated to the Individual PAGA Payments.

3.2.5. The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties (\$4,166.67) by the total number of PAGA Period Pay Periods worked by all Aggrieved Employees during the PAGA Period estimated at (944) and (b) multiplying the result by each Aggrieved Employee's respective number of PAGA Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

3.2.6. If the Court approves PAGA Penalties of less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount.

4. SETTLEMENT FUNDING AND PAYMENTS.

4.1. Aggrieved Employee Pay Periods. Based on a review of its records from October 29, 2021, to July 31, 2023, Defendants estimate there are 39 Aggrieved Employees who worked a total 944 PAGA Pay Periods.

4.2. Escalator Clause. The Settlement is based on an understanding that the total number of PAGA Pay Periods of Aggrieved Employees is estimated at 944. If the total number of PAGA Pay Periods of Aggrieved Employees is 15% greater than 944, as reported to the Settlement Administrator in the Aggrieved Employee Data, the Gross Settlement Amount shall increase by the same percentage that the number of PAGA Pay Periods exceeds 944.

4.3. Aggrieved Employee Data. Within fifteen (15) days of Court approval of the PAGA Settlement, Defendants will deliver the Aggrieved Employee Data to the Administrator in the form of a Microsoft Excel spreadsheet. To protect Aggrieved Employee's 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 Administrator employees who need access to the Aggrieved Employee Data to effect and perform under this Agreement. Defendants have a

continuing duty to immediately notify PAGA Counsel if it discovers that the Aggrieved Employee Data omitted employee identifying information and to provide corrected or updated Aggrieved Employee Data as soon as reasonably feasible. Without any extension of the deadline by which Defendants 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 or omitted Aggrieved Employee Data.

- 4.4. Funding of Gross Settlement Amount. Defendants shall fully fund the Gross Settlement Amount by transmitting the funds to the Administrator no later than thirty (30) days after the Effective Date.
- 4.5. Payments from the Gross Settlement Amount. Within 15 days after Defendants fund the Gross Settlement Amount, the Administrator will mail checks for all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the PAGA Representative Service Payment, the PAGA Counsel Fees Payment, and the PAGA Counsel Litigation Expenses Payment. Disbursement of the PAGA Counsel Fees Payment and PAGA Counsel Litigation Expenses Payment shall not precede disbursement of Individual PAGA Payments.
 - 4.5.1. 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 one hundred and eighty (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 Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database. Subject to Court approval, the Settlement Administrator will include copies of an explanatory letter, which has been mutually approved by the Parties and is attached hereto as Exhibit A, along with the Individual PAGA Payments.
 - 4.5.2. 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) 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 if requested by the Aggrieved Employee prior to the void date.
 - 4.5.3. For any Aggrieved Employee whose Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the California Controller's Unclaimed Property Fund in the name of the Aggrieved Employee.
 - 4.5.4. The payment of Individual PAGA Payments shall not obligate Defendants to confer any additional benefits or make any additional payments to the Aggrieved Employees

(such as 401(k) contributions or bonuses) beyond those specified in this Agreement. Defendants fully discharge their obligations to the Aggrieved Employees through the payment of the Gross PAGA Settlement Amount to the Settlement Administrator regardless of whether checks are actually received and/or negotiated by Aggrieved Employees. Neither Defendants nor Plaintiff shall bear any liability for lost or stolen checks, forged signatures on checks, or unauthorized negotiation of checks.

5. RELEASES OF CLAIMS. As of the Effective date Plaintiff, all Aggrieved Employees, the state of California through its representatives, and PAGA Counsel will release claims against all Released Parties as follows:

5.1 Plaintiff's Release. Plaintiff and her respective former, present, and future spouses, representatives, agents, attorneys (including PAGA Counsel), heirs, administrators, executors, successors, and assigns generally, release and discharge Released Parties from all claims, transactions, or occurrences, including, but not limited to: (a) all claims that were alleged in the Operative Complaint and the PAGA Notice, or reasonably could have been alleged by reason of or in connection with any matter or fact set forth or referred to in the Operative Complaint and the PAGA Notice ("Plaintiff's Release"). Plaintiff's Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, workers' compensation benefits that arose at any time, or based on occurrences outside the PAGA Period. Plaintiff acknowledges that Plaintiff may discover facts or law different from, or in addition to, the facts or law that Plaintiff now knows or believes to be true but agrees, nonetheless, that Plaintiff's Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiff's discovery of them.

5.1.1 Plaintiff's Waiver of Rights Under California Civil Code Section 1542. For purposes of Plaintiff's Release, Plaintiff expressly waives and relinquishes the provisions, rights, and benefits, if any, of section 1542 of the California Civil Code, which reads: **A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release, and that if known by him or her would have materially affected his or her settlement with the debtor or Released Party.**

5.2 Release by Aggrieved Employees:

All Aggrieved Employees are deemed to release, on behalf of themselves and their respective former, present, and future representatives, agents, attorneys, heirs, administrators, executors, successors, and assigns, the Released Parties from all claims for the recovery for civil penalties, costs, attorneys' fees and expenses pursuant to PAGA based upon all causes of action and claims that were alleged in the Operative Complaint and the PAGA Notice or reasonably could have been alleged by reason of or in connection with any matter or fact set forth or referred to in the Operative Complaint and the PAGA Notice.

5.3 Release by PAGA Counsel:

PAGA Counsel releases on behalf of their present, former, and future attorneys, employees,

agents, successors and assigns the Released Parties from all claims for costs, attorneys' fees, and expenses arising from or related to the Action.

6. MOTION OR APPLICATION FOR APPROVAL OF SETTLEMENT. Plaintiff agrees to prepare and file, and Defendants agree not to oppose, an application or motion for approval of this 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(f)(2), including: (i) a draft proposed Order Granting Approval of PAGA Settlement and Judgment; (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 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 Aggrieved Employees or the LWDA; and the nature and extent of any financial relationship with Plaintiff, 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 (*i.e.*, initial notice of violations pursuant to Labor Code section 2699.3(a), Operative Complaint pursuant to Labor Code section 2699(l)(1), and this Settlement Agreement pursuant to Labor Code section 2699(l)(2); and (iv) 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.
- 6.2 Responsibilities of PAGA Counsel. PAGA Counsel are responsible for expeditiously finalizing and filing the application or motion for approval of this Settlement no later than fifteen (15) 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. Plaintiff will also submit the motion for approval to the Labor and Workforce Development Agency or other appropriate arm of the California Department of Industrial Relations at the same time the motion for approval is filed. Plaintiff shall make any other submissions to the agency or agencies as it is required under PAGA by then-current law or regulation. All agency submissions shall be forwarded to Defendants' counsel with proof of service attached.
- 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 amendments 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. Should the Court decline to approve the Settlement after all efforts to address concerns raised by the Court in good faith are exhausted, the Settlement will be null and void and

the Parties will have no further obligations under it. In such event, the Parties shall be returned to their respective positions as of the date and time immediately prior to the execution of this Agreement, and the Parties shall proceed in all respects as if this Agreement had not been executed.

7. SETTLEMENT ADMINISTRATION.

- 7.1 Selection of Administrator. The Parties have jointly selected Phoenix Class Action Administration Solutions to serve as the Administrator and verified that, as a condition of appointment, Phoenix agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Expenses. 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 section 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. AGGRIEVED EMPLOYEE SIZE ESTIMATES

Based on its records, Defendants estimate that there are 39 Aggrieved Employees who worked a total of 944 Pay Periods during the PAGA Period.

9. 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.

- 9.1 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 Defendants that any of the allegations in the Operative Complaint have merit or that Defendants have any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that Defendants' 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, this agreement will be null and void, and Defendants reserve all available defenses to the claims in the Action, and Plaintiff reserves the right to contest Defendants' defenses. The Settlement, this Agreement and 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 Plaintiff and Defendants, 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 Settlement 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 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.
- 10.5 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.
- 10.6 No Tax Advice. Neither Plaintiff, PAGA Counsel, Defendants nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.
- 10.7 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.

- 10.8 Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.
- 10.9 Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the state of California, without regard to conflict of law principles.
- 10.10 Cooperation in Drafting. The Parties have cooperated in the 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.
- 10.11 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.
- 10.12 Use and Return of Aggrieved 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 Defendants 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. Not later than 90 days after the Administrator discharges its obligation to pay out of all Settlement funds, Plaintiff shall destroy all paper and electronic versions of Aggrieved Employee Data received from Defendants unless, prior to the Administrator's payment of all Settlement Funds, Defendants makes a written request to PAGA Counsel for the return, rather than the destructions, of Aggrieved Employee Data.
- 10.13 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.
- 10.14 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.
- 10.15 Notice. All notices, demands or other communications between the Parties in connection with this Agreement will be via email and deemed to have been duly given as of the first business day after emailing.
- 10.16 Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (e.g., 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.

- 10.17 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 section 583.330 to extend the date to bring a case to trial under CCP section 583.310 for the entire period of this settlement process.

Dated: 06/18/2024

PLAINTIFF IVETTE POOL



Ivette Pool

Dated: 6/11/24

DEFENDANT ACRE GOURMET, INC.

By: 

Dated: 6/11/24

DEFENDANT STACEY BRITT GALLER

By: 

Dated: 6/11/24

DEFENDANT STEVE DE COSSE

By: 

Exhibit A

to Private Attorneys General Act (Labor Code §§ 2698, et seq.)
Settlement Agreement & Release

Pool v. Acre Gourmet, Inc., et al., CGC-22-603652

<<EmployeeName>>
<<Address1>> <<Address2>>
<<City>>, <<State>> <<Zip Code>>
XXX - XX - <<W9SSN>>

The enclosed check is your proportionate share of the civil penalties settlement payment in the California Private Attorney's General lawsuit *Ivette Pool v. Acre Gourmet, Inc., et al.*, San Francisco Superior Court Case No. CGC-22-603652. You are receiving this check because you worked for Acre Gourmet, Inc. as a non-exempt hourly employee within the state of California at some point between October 29, 2022 and July 31, 2023. Defendant Acre Gourmet maintains that they were in compliance with the California Labor Code at all times and enter into this Settlement with no admission of liability and solely for the purposes of compromising and settling the action to avoid the cost and operational burden of continued litigation.

This settlement releases claims for civil penalties under PAGA only. Enclosed you will also find an IRS Form 1099 for 100% of this payment, which represents civil penalties only. Please cash or deposit the check within 180 days of the check date. Checks will not be re-issued after the void date. If your check is lost or misplaced, contact the Settlement Administrator immediately to request a replacement.

If you have questions, you may call the Settlement Administrator, Phoenix Class Action Administration Solutions, toll free at (XXX) XXX-XXXX. Please note that neither the parties nor their counsel can provide tax advice. If you have questions about the tax treatment of this payment, we suggest you consult your tax advisor or accountant.