SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF SACRAMENTO

DELINA MEZA, as an aggrieved employee pursuant to the Private Attorneys General Act ("PAGA"), on behalf of the State of California and other non-party Aggrieved Employees,

Plaintiff,

v.

CENTRAL VALLEY DINER, INC., a California corporation; WEST COAST DINER MANAGEMENT, INC., a California corporation; YADAV ENTERPRISES, INC., a California corporation; VALLEY DINER MANAGEMENT, INC., a California corporation; and DOES 1 through 10, inclusive,

Defendants.

Case No. 34-2023-00333529

PAGA SETTLEMENT AGREEMENT

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Subject to Court approval by the Superior Court of the State of California for the County of Sacramento ("Court"), Plaintiffs Delina Meza and Rebeca Smith (together, the "Plaintiffs") and Defendants Central Valley Diner, Inc., West Coast Diner Management, Inc., Yadav Enterprises, Inc., and Valley Diner Management, Inc.. (collectively, the "Defendants") (collectively with Plaintiffs, the "Parties") hereby agree to the following binding settlement ("Settlement" or "Settlement Agreement") of Plaintiffs' claims under the Labor Code Private Attorneys General Act of 2004 ("PAGA").

DEFINITIONS

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

1. "Actions" mean *Meza v. Central Valley Diner, Inc., et al.*, No. 34-2023-00333529-CU-OE-GDS (Sacramento County Superior Court) ("Meza Action") and *Smith v. Central Valley Diner, Inc.*, No. 23CV029684 (Alameda County Superior Court) ("Smith Action").

2. "Aggrieved Employees" means all current and former non-exempt California employees of Defendants who worked from May 25, 2021 to September 9, 2024.

3. "Court" means the Superior Court for the State of California, County of Sacramento.

4. "Gross Settlement Amount" means the settlement amount of Four Hundred Fifty Thousand Dollars ($450,000) to be paid by Defendants in full satisfaction of all Settled Claims arising from the Action.

5. "LWDA" means the California Labor and Workforce Development Agency.

6. "Net Settlement Amount" means the Gross Settlement Amount less the Attorneys' Fees and Costs, Service Awards, and Settlement Administrator Costs.

7. "PAGA Period" means May 25, 2021 through September 9, 2024

8. "Plaintiffs' Counsel" means Capstone Law APC and Lawyers *for* Justice, PC.

9. "Service Awards" mean the amounts to be paid to Plaintiffs as payment for their service on behalf of the LWDA and Aggrieved Employees and for a general release of all claims arising out of their employment with Defendants.

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10. "Settled Claims" means any and all claims for PAGA civil penalties for violations under the California Labor Code, Wage Orders, regulations, and/or other provisions of law alleged or that could have been alleged in the Actions with respect to Aggrieved Employees based on the facts alleged in the Actions and Plaintiffs' PAGA Notices, during the PAGA Period. The Settled Claims include PAGA civil penalties for meal and rest period violations, minimum wage violations, overtime violations, wage statement violations, failure to reimburse business expenses, and failure to pay wages upon separation.

TERMS

11. Amended Complaint: The Parties agree that no later than thirty (30) days after signing this Agreement, as a condition of settlement, Plaintiffs will amend the *Meza* complaint to add Rebecca Smith as a PAGA representative. Plaintiff Smith will dismiss her action pending in the Alameda County Superior Court *without prejudice* following the Court's approval of this Settlement.

12. Gross Settlement Amount. In consideration for Plaintiffs' promises and representations described in this Settlement Agreement, and subject to all of the conditions of the Settlement being met, Defendants will pay Four Hundred Fifty Thousand Dollars ($450,000) ("Gross Settlement Amount") to settle the Actions. The Gross Settlement Amount includes Plaintiffs' attorneys' fees, litigation costs and expenses, Plaintiffs' Service Awards, Settlement Administration Costs, and payments to Aggrieved Employees and the LWDA for their share of the Net Settlement Fund. No portion of the Gross Settlement Amount will be retained by, or revert to, Defendants.

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

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

13(b) Each Aggrieved Employee's payment from the Net Settlement Amount will be determined using the following formula: Settlement Payment = 25% of Net Settlement Amount × [Pay Periods Worked by Individual Aggrieved Employee During the PAGA Period ÷ Total Pay Periods Worked by All Aggrieved Employees during the PAGA Period].

13(c) Plaintiffs have entered into this Settlement based on Defendants' representation that Aggrieved Employees worked during a combined total of approximately 23,000 pay periods during the PAGA Period. In the event the number of pay periods worked by the Aggrieved Employees increases by more than 10%, Defendants shall have the option of either: (i) increasing the Gross Settlement Amount on a pro-rata basis equal to the percentage increase in the number of pay periods worked by the Aggrieved Employees above 10% (for example, if the number of pay periods increases by 11%, the Gross Settlement Amount will increase by 1%), or (ii) shorten the release period to an earlier date at which only 23,000 pay periods plus an additional 10% are covered by the PAGA Period.

14. Attorneys' Fees and Costs. Defendants agree not to oppose or impede any application or motion by Plaintiffs' Counsel for Attorneys' Fees and Costs of not more than thirty-five percent (35%) or One Hundred Fifty-Seven Thousand Five Hundred Dollars ($157,500) if the Gross Settlement Amount remains Four Hundred Fifty Thousand Dollars ($450,000) in fees, plus the reimbursement of all out-of-pocket costs and expenses associated with Plaintiffs' Counsel's litigation and settlement of the Action (including expert/consultant fees, investigations costs, etc.), not to exceed twenty-five thousand dollars ($25,000), both of which will be paid from the Gross Settlement Amount. Any portion of the Attorneys' Fees and Costs not awarded to Plaintiffs' Counsel will be added to the Net Settlement Amount.

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15. Service Awards. For a general release of all claims Plaintiffs may have against Defendants arising out of their employment, and for their service on behalf of the LWDA and Aggrieved Employees, Defendants agrees not to oppose or impede any application or motion by Plaintiffs for a service award of up to Ten Thousand Dollars ($10,000) each ("Service Awards").

16. Release of Claims by Plaintiffs. Upon entry of the Order and Judgment and full funding of the Gross Settlement Amount (including Plaintiffs' receipt of the Service Awards), Plaintiffs will be deemed to have fully released and discharged Defendant Central Valley Diner, Inc.'s and each of its parents, subsidiaries, affiliates, shareholders, members, agents, predecessors, successors and assigns – including West Coast Diner Management, Inc., Yadav Enterprises, Inc. and Valley Diner Management, Inc. – (the "Released Parties") from any and all claims, demands, obligations, causes of action, rights, or liabilities of any kind which have been or could have been asserted against Defendants arising out of, or relating to, Plaintiffs' employment with Defendants or termination thereof, including but not limited to claims for wages, restitution, penalties, retaliation, defamation, discrimination, harassment or wrongful termination of employment. This release specifically includes any and all claims, demands, obligations and/or causes of action for damages, restitution, penalties, interest, and attorneys' fees and costs (except provided by the Settlement) relating to or in any way connected with the matters referred to herein, whether or not known or suspected to exist, and whether or not specifically or particularly described herein. Specifically, Plaintiffs will be deemed to have waived all rights and benefits afforded by California Civil Code Section 1542, which provides:

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.

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

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18. Settlement Administration Costs. The Parties will retain CPT Group, Inc. ("CPT") as the third-party settlement administrator ("Settlement Administrator"). The Settlement Administrator will be responsible for establishing a qualified settlement fund ("QSF") and issuing payments and appropriate tax forms to Aggrieved Employees, the LWDA, Plaintiffs, and Plaintiffs' Counsel. The Settlement Administration Costs will be paid from the Gross Settlement Amount. Based on the estimate that there are approximately one thousand five hundred (1,500) Aggrieved Employees, Settlement Administration Costs are estimated at eight thousand dollars ($8,000).

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

20. List of Aggrieved Employees. Within fourteen (14) calendar days after entry of the Order and Judgment, Defendants will provide the Settlement Administrator a complete list of all Aggrieved Employees ("Aggrieved Employee List"). The Aggrieved Employee List will be formatted in Microsoft Office Excel and will include each Aggrieved Employee's full name; most recent mailing address and telephone number; Social Security number; the respective number of pay periods during which each Aggrieved Employee worked during the PAGA Period; and any other relevant information needed to calculate settlement payments.

21. Funding of the Settlement. Within thirty (30) calendar days after entry of the Order and Judgment, Defendants will deposit the Gross Settlement Amount into the QSF to be established by the Settlement Administrator. Within fourteen (14) calendar days of the full funding of the Settlement, the Settlement Administrator will issue payments to: (a) Aggrieved Employees; (b) the LWDA; (c) Plaintiffs; (d) Plaintiffs' Counsel; and (e) itself. The Settlement Administrator, and not Defendants, will issue the appropriate tax forms for all payments issued under this Settlement.

22. Settlement Payments to Aggrieved Employees. The Settlement Administrator will issue each Aggrieved Employee one check for their share of the Net Settlement Amount along with an explanatory letter, attached as Exhibit A. Prior to mailing, the Settlement Administrator will perform a search based on the National Change of Address Database for information to update and correct for any

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

23. Final Report by Settlement Administrator. Within fourteen (14) calendar days after final disbursement of all funds from the Gross Settlement Amount, the Settlement Administrator will provide the Parties with a declaration providing a final report on the disbursements of all funds from the Gross Settlement Amount.

24. Settled Claims. Upon entry of the Order and Judgment and full funding of the Gross Settlement Amount, Plaintiffs and all Aggrieved Employees will be forever barred from pursuing against the Released Parties any and all Settled Claims during the PAGA Period. Aggrieved Employees, other than Plaintiffs, will not be deemed to have released any individual wage and hour claims by virtue of this Settlement.

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

26. No Credit Toward Benefit Plans. Payments to Aggrieved Employees as referenced herein will not be utilized to calculate any additional benefits under any benefit plans to which any Aggrieved Employee may be eligible, including, but not limited to profit-sharing plans, bonus plans,

401(k) plans, stock purchase plans, vacation plans, sick leave plans, PTO plans, and any other benefit plan. Rather, it is the Parties' intention that this Settlement Agreement will not affect any rights, contributions, or amounts to which any Aggrieved Employee may be entitled under any benefit plans.

27. Limitation on Public Statements About Settlement. Plaintiffs and Plaintiffs' Counsel agree not to disclose or publicize the Settlement, including the fact of the Settlement, its terms or contents, and the negotiations underlying the Settlement, until a Motion for Approval is filed, unless required by law, court order, or as otherwise agreed to by the Parties. Until a Motion for Approval is filed, Plaintiffs' Counsel may disclose only the names of the Parties in the Actions and the venues/case numbers of the Actions (but not any other settlement details) to prove adequacy as counsel in other actions. After the Motion for Approval is filed, Plaintiffs' Counsel may discuss this case and settlement, and any information available in the public record about the case and settlement, in court filings for the purposes of establishing adequacy of counsel or seeking approval of other settlements. This paragraph does not limit Plaintiffs from communications regarding the Settlement with their accountants, financial or tax advisors, or spouses. This paragraph also does not limit Plaintiffs and Plaintiffs' Counsel from disclosing the Settlement or its terms with the LWDA.

28. No Prior Assignments. The Parties and their counsel represent, covenant, and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action or right herein released and discharged.

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

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

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31. Stay of Actions. The Parties agree to stay all proceedings in the Action, including with respect to California Code of Civil Procedure section 583.310, except such proceedings necessary to implement and complete the Settlement, pending approval of the Settlement.

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

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

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

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

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

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

38. Acknowledgement that the Settlement is Fair and Reasonable. The Parties believe this Settlement Agreement is a fair, adequate, and reasonable settlement of the Action and have arrived at this

Settlement after arm's-length negotiations by experienced counsel. The Parties further acknowledge that they are each represented by competent counsel and that they have had an opportunity to consult with their counsel regarding the fairness and reasonableness of this Settlement.

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

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

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

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

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

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

45. Representation By Counsel. The Parties acknowledge that they have been represented by counsel throughout all negotiations that preceded the execution of this Settlement Agreement, and

that this Settlement Agreement has been executed with the consent and advice of counsel, and reviewed in full.

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

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

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

READ CAREFULLY BEFORE SIGNING

PLAINTIFF DELINA MEZA

Dated: 7/15/2025

Signed by:

E899B2640583437...

Delina Meza

PLAINTIFF REBECA SMITH

Dated: 07/17/2025

Rebecca Smith

Rebeca Smith

Dated: June 17, 2025

DEFENDANT CENTRAL VALLEY DINER, INC.

Name: Steven M. Kries
Title: EVP, General Counsel

Dated: June 17, 2025

DEFENDANT WEST COAST DINER MANAGEMENT, INC.

Name: Steven M. Kries
Title: EVP, General Counsel

Dated: June 17, 2025

DEFENDANT YADAV ENTERPRISES, INC.

Name: Steven M. Kries
Title: EVP, General Counsel

Dated: June 17, 2025

DEFENDANT VALLEY DINER MANAGEMENT, INC.

Name: Steven M. Kries
Title: EVP, General Counsel

APPROVED AS TO FORM

Dated: July 16, 2025

CAPSTONE LAW APC

Raul Perez
Attorneys for Plaintiff Delina Meza

Dated: July 17, 2025

LAWYERS *for* JUSTICE, PC

Vartan Madoyan
Attorneys for Plaintiff Rebeca Smith

Dated: June 17, 2025

AKERMAN LLP

Damien P. Delaney
Attorneys for Defendants Central Valley Diner, Inc., West Coast Diner Management, Inc., Yadav Enterprises, Inc., and Valley Diner Management, Inc.

EXHIBIT “A”

<<DATE>>

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

Re: Central Valley Diner, Inc. PAGA Settlement

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

Enclosed you will find a check made payable to you. This is your payment from the settlement of the lawsuits entitled *Meza v. Central Valley Diner, Inc., et al.*, No. 34-2023-00333529-CU-OE-GDS (Sacramento County Superior Court) and *Smith v. Central Valley Diner, Inc.*, No. 23CV029684 (Alameda County Superior Court) (the "Actions").

The Actions were filed against Defendants Central Valley Diner, Inc., West Coast Diner Management, Inc., Yadav Enterprises, Inc., and Valley Diner Management, Inc. ("Defendants") pursuant to the California Private Attorneys General Act of 2004, Cal. Lab. Code § 2698 *et seq.* (called "PAGA"). The Actions were brought by former employees of Defendants on behalf of the State of California and all current and former non-exempt California employees of Defendants who worked from May 25, 2021 to September 9, 2024 ("Aggrieved Employees"). You have been identified as one of the Aggrieved Employees on whose behalf the case was brought.

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

The Court has not ruled on the merits of the Actions, but it has approved the settlement of PAGA civil penalties, of which 75% will be paid to the California Labor and Workforce Development Agency, and the remaining 25% will be paid to Aggrieved Employees. Pursuant to the settlement, enclosed is a check for your share of a portion of the civil penalties. The check is considered to be 100% penalties, which will be reported on an IRS Form 1099. You are responsible for paying any and all taxes that may be due as a result of any payment issued to you under the settlement and should consult a tax advisor regarding the tax consequences of such payment.

The enclosed check is valid for 180 days from the original date of issuance and mailing, and if it is not cashed, deposited, or otherwise negotiated within the 180-day timeframe, it will be canceled, and the funds associated with the canceled check will be tendered to The Justice Gap Fund maintained by The State Bar of California.

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

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

Very Truly Yours,

[Administrator]