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SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES

GUADALUPE L. VELASQUEZ CARMONA, individually, and on behalf of all others similarly situated, Plaintiff, VS. KING TACO RESTAURANTS, INC., a California corporation; and DOES 1 through 10, inclusive, Defendants.	Case No.: 25STCV18882 **PAGA SETTLEMENT AGREEMENT** Action Filed: June 30, 2025 Trial Date: Not Set

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PAGA SETTLEMENT AGREEMENT

This PAGA Settlement Agreement ("Agreement") is made by and between Plaintiff Guadalupe L. Velasquez Carmona ("Plaintiff") and Defendant King Taco Restaurants, Inc. ("Defendant"). The Agreement refers to Plaintiff and Defendant collectively as "Parties," or individually as "Party."

1. DEFINITIONS.

1.1. "Action" means the Plaintiff's lawsuit alleging wage and hour violations against Defendant captioned *Carmona v. King Taco Restaurants, Inc.*, initiated on June 30, 2025, and pending in the Superior Court of the State of California, County of Los Angeles, Case No. 25STCV18882.

1.2. "Administrator" means Phoenix Class Action Administration Solutions ("Phoenix"), the neutral entity the Parties have agreed to appoint to administer the Settlement.

1.3. "Administration Expenses Payment" means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator's "not to exceed" bid submitted to the Court in connection with approval of the Settlement.

1.4. "Aggrieved Employee(s)" means a person employed by Defendant in California and classified as a non-exempt employee who worked for Defendant during the PAGA Period.

1.5. "Aggrieved Employee Data" means Aggrieved Employee identifying information in Defendant's possession, including the Aggrieved Employee's name, last-known mailing address, Social Security number, and number of PAGA Pay Periods.

1.6. "Aggrieved Employee Address Search" means the Administrator's investigation and search for current Aggrieved Employee mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Aggrieved Employees.

1.7. "Approval Order" means the Court Order Granting Approval of PAGA Settlement.

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1.8. "Court" means the Superior Court of California, County of Los Angeles.

1.9. "Defendant" means King Taco Restaurants, Inc., the named defendant in the Action.

1.10. "Defense Counsel" means Pillsbury Winthrop Shaw Pittman LLP, the attorneys representing Defendant in the Action.

1.11. "Effective Date" means the following: (a) the date the Court enters an Order approving the PAGA settlement if the LWDA does not seek to intervene in the matter or the LWDA does not appeal the Order; or (b) sixty-five (65) calendar days after the date of entry of the Order of the court approving the PAGA settlement if any objection is asserted by the LWDA or the LWDA seeks to intervene in the matter but no appeal is filed; or (c) if a timely appeal is made, ten (10) business days after the final resolution of that appeal if the appeal is rejected, the settlement is upheld, and the settlement approval order is no longer subject to further judicial review.

1.12. "Gross Settlement Amount" means $440,000.00, which is the total and maximum amount Defendant agrees to pay under the Settlement, except as provided in Paragraph 8 below. The Gross Settlement Amount will be used to pay the Individual PAGA Payment(s), the LWDA PAGA Payment, the Enhancement Award to Plaintiff, PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, and the Administration Expenses Payment.

1.13. "Individual PAGA Payment" means the Aggrieved Employee's pro rata share of 35% 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 the Order granting Approval of the Settlement.

1.15. "LWDA" means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code § 2699(i).

1.16. "LWDA PAGA Payment" means the 65% of the PAGA Penalties paid to the LWDA under Labor Code § 2699(i).

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1.17. "Net Settlement Amount" constitutes the amount available from the Gross Settlement Amount to distribute as PAGA Penalties. The Net Settlement Amount is equal to the Gross Settlement Amount, less the following payments in the amounts approved by the Court: the LWDA PAGA Payment, the PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, Enhancement Award to Plaintiff, and the Administration Expenses Payment. The remainder is to be paid to the Aggrieved Employees as Individual PAGA Payments.

1.18. "PAGA" means the Private Attorneys General Act (Labor Code §§ 2698. *et seq*.).

1.19. "PAGA Approval Motion" means any motion filed with the Court that seeks approval of this Settlement.

1.20. "PAGA Counsel" means Moon Law Group, PC, the attorneys representing Plaintiff in the Action.

1.21. "PAGA Pay Period" means any pay period during which an Aggrieved Employee worked for Defendant for at least one day during the PAGA Period.

1.22. "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.

1.23. "PAGA Notice" means Plaintiff's original letter to Defendant and the LWDA providing notice pursuant to Labor Code § 2699.3(a).

1.24. "PAGA Penalties" means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 35% to the Aggrieved Employees and 65% to the LWDA in settlement of PAGA claims.

1.25. "PAGA Period" means the period from June 29, 2024, to August 21, 2026, or to the modified end date pursuant to Paragraph 8.

1.26. "Plaintiff" means Guadalupe L. Velasquez Carmona, the named plaintiff in the Action.

1.27. "Released PAGA Claims" means the claims being released as described in Paragraph 5 below.

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1.28. "Released Parties" means King Taco Restaurants, Inc. and each of its past, present, and future divisions, affiliates, affiliated entities, related entities, parents, subsidiaries, predecessors, successors, joint ventures, joint employers, assigns, and their respective shareholders, owners, officers, directors, employees, agents, trustees, attorneys, managers, operators, insurers, representatives, administrators, fiduciaries, beneficiaries, subrogees, executors, partners, privies, and consultants.

1.29. "Settlement" means the disposition of the Action effected by this Agreement and the Judgment.

2. RECITALS.

2.1. On June 29, 2025, and pursuant to Labor Code § 2699.3(a), Plaintiff gave timely written notice to Defendant and the LWDA by sending the PAGA Notice.

2.2. On June 30, 2025, Plaintiff commenced this Action by filing a Complaint alleging causes of action against Defendant for failure to pay minimum wages; failure to pay overtime wages; failure to provide an opportunity to take meal periods; failure to provide rest periods; failure to indemnify necessary business expenses; failure to timely pay all final wages at termination; failure to provide accurate itemized wage statements; and unfair business practices.

2.3. On September 8, 2025, Plaintiff filed a First Amended Complaint alleging a cause of action against Defendant for civil penalties under the Private Attorneys General Act of 2004 ("PAGA").

2.4. On October 3, 2025, the Court entered an order granting the Parties' Joint Stipulation to Dismiss Class Claims from the First Amended Complaint based on an arbitration agreement, which had a class action waiver and would likely be enforced, and staying the Action pending arbitration of Plaintiff's individual claims.

2.5. The First Amended Complaint, with the remaining representative claims under PAGA, is the operative complaint in the Action (the "Operative Complaint.")

2.6. Defendant denies the allegations in the Operative Complaint, denies any failure to

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comply with the laws identified in the Operative Complaint, and denies any and all liability for the causes of action alleged.

2.7. On June 22, 2026, the Parties participated in an all-day mediation presided over by Hon. Carl West (Ret.) which led to this Agreement to settle the Action.

2.8. Prior to mediation, Plaintiff obtained, through informal discovery, a representative sample of time and payroll data, policy documents, and the number of aggrieved employees and pay periods at issue.

2.9. 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.

3. MONETARY TERMS.

3.1. Gross Settlement Amount. Except as otherwise provided by Paragraph 8 below, Defendant promises to pay $440,000.00 and no more as the Gross Settlement Amount. Defendant has no obligation to pay the Gross Settlement Amount prior to the deadline stated in Paragraph 4.1 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 Defendant.

3.2. Payments from the Gross Settlement Amount. The Administrator will make and deduct the following payments from the Gross Settlement Amount, in the amounts specified by the Court in the PAGA Approval:

3.2.1. To Plaintiff: An Enhancement Award to Plaintiff of not more than $7,500.00. The amount paid as an Enhancement Award is subject to Court approval. Defendant will not oppose requests for this payment provided that it does not exceed this amount. Plaintiff and/or PAGA Counsel will file an application or motion for Enhancement Award. The Administrator will pay the Enhancement Award using one or more IRS 1099 Forms. Plaintiff assumes full responsibility

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and liability for any taxes owed on the Enhancement Award.

3.2.2. To PAGA Counsel: A PAGA Counsel Fees Payment of not more than 33 1/3%, which is currently estimated to be $146,666.67, subject to the escalator clause, and a PAGA Counsel Litigation Expenses Payment of not more than $22,000.00. The amounts paid as the PAGA Counsel Fees Payment and the PAGA Counsel Litigation Expenses Payment are both subject to Court approval. Defendant will not oppose requests for these payments provided that they do not exceed these amounts. Plaintiff and/or PAGA Counsel will file an application or motion for PAGA Counsel Fees Payment and PAGA Litigation Expenses Payment. Released Parties shall have no liability to PAGA Counsel, or any other Plaintiff's Counsel, arising from any claim to any portion of any PAGA Counsel Fee Payment and/or 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 1099 Forms. PAGA Counsel assumes full responsibility and liability for any taxes owed on the PAGA Counsel Fees Payment and the PAGA Counsel Litigation Expenses Payment. PAGA Counsel holds Defendant harmless, and indemnifies Defendant, from any dispute or controversy regarding any division or sharing of any of these Payments.

3.2.3. To the Administrator: A n Administrator Expenses Payment not to exceed $9,500.00 except for a showing of good cause and as approved by the Court. Phoenix Class Action Administration Solutions was selected by the Parties, based on its not-to-exceed bid of $9,500.00 for administration services.

3.2.4. To the LWDA and Aggrieved Employees: PAGA Penalties to be paid from the Gross Settlement Amount, with 65% allocated to the LWDA PAGA Payment and 35% allocated to the Individual PAGA Payments. 3.2.4.a. The Administrator will calculate each Individual PAGA Payment by (a)

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dividing the amount of the Aggrieved Employees' 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 each Aggrieved Employee's PAGA Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

3.2.4.b. To the extent required by law, Individual PAGA Payments will be reported for tax purposes using IRS form 1099. Tax forms, if required, will be issued by the Administrator.

4. SETTLEMENT FUNDING AND PAYMENTS.

4.1. Funding of Gross Settlement Amount. Defendant shall fully fund the Gross Settlement Amount by transmitting the funds to the Administrator no later than fourteen (14) calendar days after the Effective Date.

4.2. Payments from the Gross Settlement Amount. Within fourteen (14) calendar days after Defendant funds the Gross Settlement Amount, the Administrator will mail checks for all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the Enhancement Award, the PAGA Counsel Fee Payment, and the PAGA Counsel Litigation Expenses Payment.

4.2.1. 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. Included with each check will be a one-page letter describing the nature of the Individual PAGA Payment. A copy of that letter is attached hereto as **Exhibit A**. The

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letter will be in English and Spanish. The letter may be modified as directed by the Court without requiring any amendment of this Settlement, and the original **Exhibit A** shall be removed and replaced with any revised version of the letter.

4.2.2. The Administrator must conduct an Aggrieved Employee Address Search for all Aggrieved Employees whose checks are returned undelivered without 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.

4.2.3. For any Aggrieved Employee whose Individual PAGA Payment check remains uncashed after the void date, the Administrator shall cancel the check and transmit all funds represented by such uncashed checks to the California Controller's Unclaimed Property Fund in the name of the Aggrieved Employee.

4.2.4. The payment of Individual PAGA Payments shall not obligate Defendant 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.

5. RELEASES OF CLAIMS.

Effective on the date when Defendant fully funds the entire Gross Settlement Amount, Plaintiff, the State of California, and the Aggrieved Employees will release claims against all Released Parties as follows:

5.1. Release by Plaintiff, the State of California, and Aggrieved Employees: Upon the Effective Date and full funding of the Settlement, Plaintiff, the State of California and

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all Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, administrators, successors, and assigns, the Released Parties from all claims, rights, demands, liabilities, causes of action, and theories of liability for PAGA penalties that were pled or could have been pled based on the facts pled in the PAGA Notice and Operative Complaint during the PAGA Period, including any alleged violations of California Labor Code §§ 201-203, 204, 210, 226, 226.3, 226.7, 227.3, 246, 510, 512, 558, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1198, 2698, et seq., 2699, 2699(a), 2699(f), 2699.3, 2699.5, and 2802, including for failure to pay minimum wages, failure to pay overtime compensation, failure to provide meal periods, failure to authorize and permit rest breaks, failure to indemnify necessary business expenses, failure to timely pay final wages at termination, including vacation pay, failure to provide accurate itemized wage statements, unfair business practices, and civil penalties. ("PAGA Released Claims"). The Aggrieved Employees are only releasing their claims under California Labor Code § 2698, et seq. and are not releasing any other claims. The PAGA Settlement also excludes Plaintiff's individual claims alleged in the lawsuit.

6. MOTION OR APPLICATION FOR APPROVAL OF SETTLEMENT.

Plaintiff shall file a PAGA Approval Motion.

6.1. Responsibilities of PAGA Counsel.

6.1.1. Drafting of the PAGA Approval Motion. PAGA Counsel will prepare all documents necessary for obtaining approval of this Settlement under Labor Code Section 2699, subd. (f)(2) including (i) a draft proposed Order Granting Approval of PAGA Settlement; (ii) a signed declaration from the Administrator attaching its "not to exceed" bid for administering the Settlement and attesting to its willingness to serve; competency; operative procedures for protecting the security of Aggrieved Employee Data; amounts of insurance coverage for any data breach, defalcation of funds or other misfeasance; all facts relevant to any

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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; and (iv) all facts relevant to any actual or potential conflict of interest with Aggrieved Employees and/or the Administrator.

6.1.2. Filing the PAGA Approval Motion. PAGA Counsel is 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.

6.1.3. Delivery of the Approval Order to the Administrator. PAGA Counsel is responsible for delivering the Approval Order to the Administrator.

6.2. Duty to Cooperate. If the Court does not grant the PAGA Approval Motion of this Settlement or conditions its approval on any material change to this Agreement, PAGA Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns.

7. SETTLEMENT ADMINISTRATION.

7.1. Selection of Administrator. The Parties have jointly selected 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

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Employer Identification Number for purposes of calculating payroll tax withholdings and providing reports to state and federal tax authorities.

7.3. Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation § 468B-1.

7.4. Aggrieved Employee Data. Within twenty-one (21) calendar days after the Effective Date, Defendant will deliver the Aggrieved Employee Data to the Administrator in the form of a Microsoft Excel spreadsheet. The Administrator shall review and verify the number of Aggrieved Employees and their PAGA Pay Period data. To protect 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 Administrator employees who need access to the Aggrieved Employee Data to effect and perform under this Agreement. Defendant has 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 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 or omitted Aggrieved Employee Data.

7.5. 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 AND ESCALATOR CLAUSE

Based on its records, Defendant represents that the total number of pay periods worked by the Aggrieved Employees during the PAGA Period is approximately 66,035, as of the date of mediation

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(June 22, 2026). If the actual total number of pay periods worked by Aggrieved Employees during the PAGA Period should exceed the foregoing representation of 66,035 pay periods by more than ten percent (10%) (i.e. greater than 72,638), then Plaintiff shall have the right to request a pro-rata increase in the Gross Settlement Amount equal to the percentage increase in pay periods above ten percent (10%) (i.e., if the total pay periods increase by twelve percent (12%), then a two percent (2%) increase to the Gross Settlement Amount). In the alternative, Defendant shall have the option to alter the end date of the PAGA Period to a date before the number of pay periods exceeds 72,638. If Defendant elects to alter the end date of the PAGA Period, Defendant or Defense counsel must file a declaration with the Court informing the Court of Defendant's election and identifying the revised PAGA Period end date within a reasonable time before the approval hearing.

9. CONTINUING JURISDICTION AND WAIVER OF RIGHT TO APPEAL.

9.1. Continuing Jurisdiction of the Court. The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties, Action, and the Settlement solely for purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters, and (iii) addressing such post-Judgment matters as are permitted by law.

9.2. Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the PAGA Counsel Fees Payment and PAGA Counsel Litigation Expenses Payment, the Parties, their respective counsel waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals. If another party appeals the Judgment, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect the amount of the Net Settlement Amount.

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10. ADDITIONAL PROVISIONS.

10.1. No Admission of Liability or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendant that any of the allegations in the Operative Complaint have merit or that Defendant has any liability for any claims asserted; nor should it be intended or construed as an admission by 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 reserves all available defenses to the claims in the Action, and Plaintiff reserves the right to contest Defendant's 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 Defendant, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.

10.4. Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying the Settlement Agreement, submitting supplemental evidence and supplementing points and authorities as requested by the Court. In the event the Parties

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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 any 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, Defendant 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, except where this Agreement expressly permits modifications to **Exhibit A** without further amendment of this Agreement.

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 the Action and in this Agreement relating to the confidentiality of

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information shall survive the execution of this Agreement.

10.12. Publicity. Neither side shall publicize the Settlement, including through social media, unless ordered by the Court or unless the restriction would interfere with PAGA Counsel's ability to represent Aggrieved Employees.

10.13. Use and Return of Aggrieved Employee Data. Information provided to PAGA Counsel pursuant to Evidence Code § 1152, and all copies and summaries of the PAGA Data provided to PAGA Counsel by Defendant in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. Not later than ninety (90) calendar 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 Defendant unless, prior to the Administrator's payment of all Settlement Funds, Defendant makes a written request to PAGA Counsel for the return, rather than the destruction, of Aggrieved Employee Data.

10.14. Headings. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.

10.15. Calendar Days. Unless otherwise noted, all reference to "days" in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.

10.16. Notice. All notices, demands or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email or messenger, addressed as follows:

To Plaintiff:
Kane Moon

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kmoon@moonlawgroup.com
Allen Feghali
afeghali@moonlawgroup.com
MOON LAW GROUP, PC
725 S. Figueroa Street, 31st Floor
Los Angeles, California 90017
Telephone: (213) 232-3128
Facsimile: (213) 232-3125

To Defendant:
JoAnna L. Brooks
joanna.brooks@pillsburylaw.com
Natalie Truong
natalie.truong@pillsburylaw.com
PILLSBURY WINTHROP SHAW PITTMAN LLP
Four Embarcadero Center, 22nd Floor
San Francisco, California 94111-5998
Telephone: (415) 983-1000
Facsimile: (415) 983-1200

10.17. Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e. DocuSign), or email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

10.18. Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that pursuant to Code of Civil Procedure § 583.330 to extend the date to bring a case to trial under Code of Civil Procedure § 583.310 for the entire period of this settlement process.

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Plaintiff:

PLAINTIFF, Guadalupe L. Velasquez Carmona

Dated: 9/18/2026

By: Guadalupe L. Velasquez Carmona
4339CBEF695C466...

Guadalupe L. Velasquez Carmona

Defendant:

DEFENDANT, King Taco Restaurants, Inc.

Dated: 9/22/2026

By: Raquel Martinez

Print Name

Signed by:
Raquel Martinez
03A845D05BBA405...

Signature

General Manager

Title

APPROVED AS TO FORM:

PAGA Counsel:

MOON LAW GROUP, PC

Dated: 9/21/2026

By:

Kane Moon, Esq.
Allen Feghali, Esq.

Attorneys for Plaintiff, Guadalupe L. Velasquez Carmona

Defendant's Counsel:

PILLSBURY WINTHROP SHAW PITTMAN LLP

Dated: 9/22/2026

By: Signed by:
JoAnna L. Brooks
0E2751BDFCA1490...

JoAnna L. Brooks, Esq.
Natalie Truong, Esq.

Attorneys for Defendant, King Taco Restaurants, Inc.

EXHIBIT A

NOTICE OF PAGA SETTLEMENT AND RELEASE OF CLAIMS

Carmona v. King Taco Restaurants, Inc.
The Superior Court of the State of California, County of Los Angeles, Case No. 25STCV18882

I. NOTICE OF PAGA SETTLEMENT

The Los Angeles County Superior Court (the "Court") has approved a settlement in the lawsuit named above and filed by Guadalupe L. Velasquez Carmona ("Plaintiff") on behalf of herself, the State of California, and all other "Aggrieved Employees" against King Taco Restaurants, Inc. ("Defendant").

In this lawsuit, Plaintiff alleges that Defendant violated the California Labor Code by failing to: (1) pay minimum wages; (2) pay overtime compensation; (3) provide meal periods; (4) authorize and permit rest breaks; (5) indemnify necessary business expenses; (6) timely pay final wages at termination; and (7) furnish accurate itemized wage statements. Plaintiff further alleges that Defendant engaged in unfair business practices. Plaintiff is solely seeking civil penalties on behalf of the California Labor and Workforce Development Agency ("LWDA") and other aggrieved employees under the Private Attorneys General Act ("PAGA").

Defendant denies these allegations. Defendant maintains that it was in compliance with the California Labor Code at all times and enters 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.

The Court has not made a determination about Plaintiff's allegations. This Notice is not to be understood as a statement of any opinion by the Court as to the merits of the claim. You are receiving this Notice because you are in the group of employees referred to as the "Aggrieved Employees" defined as: All individuals who were employed by Defendant as hourly, nonexempt employees in California at any time during the PAGA Period.

II. CALCULATION OF INDIVIDUAL PAGA PAYMENT

Pursuant to the terms of the Settlement Agreement, your individual PAGA payment is [Check Amount]. Each individual PAGA payment is based on the number of pay periods worked by each Aggrieved Employee in the PAGA Period divided by the total number of pay periods worked by all Aggrieved Employees. "PAGA Period" refers to the period commencing on June 29, 2024, and ending on XXXX.

III. RELEASE

Release by Plaintiff, the State of California, and Aggrieved Employees: Upon approval by the Court of the Settlement and as of the Effective Date, Plaintiff, 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, administrators, successors, and assigns, the Released Parties from all claims, rights, demands, liabilities, causes of action, and theories of liability for PAGA penalties that were pled or could have been pled based on the facts pled in the PAGA Notice and Operative Complaint during the PAGA Period, including any alleged violations of California Labor Code §§ 201-203, 204, 210, 226, 226.3, 226.7, 227.3, 246, 510, 512, 558, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1198, 2698, et seq., 2699, 2699(a), 2699(f), 2699.3, 2699.5, and 2802, including for failure to pay minimum wages, failure to pay overtime compensation, failure to provide meal periods, failure to authorize and permit rest breaks, failure to indemnify necessary business expenses, failure to timely pay final wages at termination, including vacation pay, failure to provide accurate itemized wage statements, unfair business practices, and civil penalties. ("PAGA Released Claims"). The Aggrieved Employees are only releasing their claims under California Labor Code § 2698, et seq. and are not releasing any other claims. The PAGA Resolution also excludes Plaintiff's individual claims alleged in the lawsuit.

IV. SETTLEMENT ADMINISTRATOR

You may call the Settlement Administrator, [Settlement Administrator], toll free at 1([XXX]) [XXX]-[XXXX] with any questions. Settlement checks will be null and void 180 days after issuance if not deposited or cashed. In such event, the dollar value of all uncashed checks will be transmitted to the Asian Law Alliance as the Court approves cy pres recipient in accordance with the requirements of California Code of Civil Procedure section 384. If your check is lost or misplaced, you should contact the Settlement Administrator immediately to request a replacement.

PLEASE DO NOT CONTACT THE COURT ABOUT THIS NOTICE