

PAGA SETTLEMENT AGREEMENT

This PAGA Settlement Agreement (hereinafter the “Agreement”) is made and entered into on April 8, 2025 (“Effective Date”) by and between Plaintiff Elizabeth Spelman (“Plaintiff”), on the one hand, and Defendants BHLA Corp. and Giovanni Pigozzi (collectively “Defendants”), on the other hand. Plaintiff and Defendants are sometimes referred to collectively as the “Parties,” or singularly as a “Party.”

RECITALS

WHEREAS, on April 20, 2025, Plaintiff filed an action in the Superior Court for the County of Los Angeles entitled *Elizabeth Spelman v. Giovanni Pigozzi, et al.* Los Angeles Superior Court Case No. 23STCV08795 (the “Lawsuit”).

WHEREAS, Plaintiff, Defendants and Defendants' insurer entered into a limited Confidential Settlement Agreement and Release of Claims effective March 19, 2025 (the "Limited Settlement Agreement") to resolve Plaintiff's claims in the Lawsuit expressly excluding the following causes of action asserted by Plaintiff in the Lawsuit as to Defendants, and each of them: (5) misclassification as independent contractor; (6) failure to pay wages (L.C. §§201, 1194); (7) failure to pay minimum wages (L.C. §§ 1182.12, 1194, 1194.2, 1197; (8) failure to pay overtime (L.C. §§ 510, 1194); (9) failure to provide meal and rest periods (L.C. §§ 226.7, 512); (10) failure to provide itemized wage statements (L.C. §§ 226 et. seq.); (11) waiting time penalties (L.C. §§ 201-203); (12) failure to permit inspection of payroll records (L.C. §§ 226, 1198.5); (13) Private Attorney General Act (“PAGA”) violations, to the extent they are based on any wage & hour violations; and (14) UCL violations (Bus. & Prof. Code § 17200 et. seq.) (collectively, the “Retained Claims”).

WHEREAS, Plaintiff and Defendants insurer entered into a Settlement Agreement and Mutual Release (“W&H Settlement Agreement”) effective March 21, 2025 to resolve the Retained Claims, expressly excluding the thirteenth cause of action for PAGA violations;

WHEREAS, pursuant to the Limited Settlement Agreement and W&H Settlement Agreement, on April 2, 2025, Plaintiff requested dismissal of the entire action with prejudice, excepting only the thirteenth cause of action for PAGA violations;

WHEREAS, trial of the Lawsuit is scheduled for May 19, 2025, with the sole remaining claim to be tried being the thirteenth cause of action for PAGA violations;

WHEREAS, it is the desire of the Parties to settle and discharge the thirteenth cause of action for PAGA violation, and avoid the time, expense, inconvenience, and uncertainty of trial.

TERMS AND CONDITIONS

NOW THEREFORE, in consideration of the Recitals and the mutual promises and covenants contained herein, the Parties to this Agreement hereby agree as follows:

1. DISMISSAL AND WAIVER OF COSTS:

(a) Plaintiff's attorney shall seek dismissal of the PAGA Claim without prejudice, including by filing a motion to dismiss the PAGA Claim if required by the Court, and shall take all steps necessary to effect dismissal of the PAGA Claim as provided by this Agreement. Defendants and their counsel shall cooperate with Plaintiff's counsel in effecting the dismissal of the PAGA Claim. Despite the fact that the dismissal of the PAGA Claim is without prejudice, the W&H Settlement Agreement and the Limited Settlement Agreement effectively waive and release Plaintiff's PAGA Claim as to the Released Parties and prohibit Plaintiff from participating in any further PAGA claim or action related to any Released Party, and such waiver and release shall remain in effect and enforceable as set forth therein.

(b) As consideration for the dismissal, the parties agree to waive all costs and attorneys' fees incurred relating to the Lawsuit and effecting the purpose of this Agreement. Neither party shall be deemed a prevailing party for any purpose.

(c) Plaintiff has investigated her PAGA Claim through substantive discovery (including written discovery and depositions) in the Lawsuit and did not find any evidence of PAGA violations on behalf of herself or any other employees. As a result, no part of any settlement payment received by Plaintiff in relation to her non-PAGA claims was allocated to the resolution of Plaintiff's PAGA Claim. Further, the parties have agreed that no part of any settlement payment should be allocated to the payment of any PAGA penalties because the Parties agree that no PAGA penalties are warranted in the Lawsuit as a result of lack of evidence of PAGA violations.

2. NO ADMISSION: In no event shall this Agreement be deemed an admission of wrongdoing or liability of any kind by any Party.

3. SUBJECT HEADINGS: The subject headings of the paragraphs of this Agreement are included solely for purposes of convenience and reference only, and shall not be deemed to explain, modify, limit, amplify or aid in the meaning, construction or interpretation of any of the provisions of this Agreement.

4. INTEGRATION: With the exception of the Limited Settlement Agreement and the W&H Settlement Agreement, this Agreement sets forth the entire agreement and understanding of the Parties and, when fully executed, shall supersede all prior and contemporaneous oral, written or other agreements and understandings respecting the subject matter hereof, again excluding the Limited Settlement Agreement and W&H Settlement Agreement, which this Agreement is intended to complement and not supersede. Nothing in this Agreement shall limit, alter, waive, reduce, amend, or otherwise affect any waiver or release of any claims, including with respect to Plaintiff's PAGA Claim, set forth in the Limited Settlement Agreement and/or the W&H Settlement Agreement.

5. AMENDMENTS: Unless expressly permitted herein, no supplement, modification or amendment of any term, provision or condition of this Agreement (including this

Paragraph) shall be binding or enforceable unless evidenced in a writing executed by the Parties hereto.

6. NO REPRESENTATIONS OR WAIVER: No representations, warranties, covenants or conditions, express or implied, whether by statute or otherwise, other than as set forth herein, have been made by any Party hereto. No waiver of any term, provision, or condition of this Agreement, whether by conduct or otherwise, in any one or more instances, shall be deemed to be, or shall constitute, a waiver of any other provision hereof, whether or not similar, nor shall such waiver constitute a continuing waiver, and no waiver shall be binding unless executed in writing by the Party making the waiver. Notwithstanding the foregoing, this Paragraph expressly excludes the Limited Settlement Agreement, which complements and is not superseded by this Agreement, execution of which is a condition precedent to this Agreement.

7. APPLICABLE LAW: This Agreement shall be governed by and construed and enforced in accordance with and subject to the law of the State of California, without regard to its choice of law provisions.

8. SEVERABILITY: If any portion or term of this Agreement is held unenforceable by a court of competent jurisdiction, the remainder of this Agreement shall not be affected and shall remain fully in force and enforceable.

9. REPRESENTATION BY COUNSEL: Each Party has had the opportunity to be represented by counsel of its choice with regard to the negotiation of this Agreement. Each Party is entering into this Agreement deliberately, advisedly, and of its own free will and volition. The Parties agree that each Party and its counsel, if any, have reviewed this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting Party shall not apply in the interpretation of this Agreement. In this Agreement, the neuter gender includes the feminine and masculine and the singular includes the plural (and vice versa), and the words "person" and "Party" include corporation, partnership, firm, trust or association wherever the context so requires.

10. AUTHORITY TO ENTER INTO AGREEMENT. The Parties hereto represent and warrant that they have reviewed this Agreement with their respective attorneys, and that they have authority to enter into and to sign this Agreement on behalf of the Parties for which they are signing.

11. BINDING EFFECT. This Agreement is intended to be a valid, binding and enforceable contract. The terms of this Agreement are contractual, and not merely a recital.

12. COUNTERPARTS: The Agreement may be executed in counterparts, each of which shall be deemed an original, and each of which shall constitute together one and the same instrument. The counterparts will be binding on each of the parties hereto, even though the various Parties may have executed separate counterparts hereof. The counterparts may be executed by email, PDF, and/or facsimile.

IN WITNESS WHEREOF, the Parties to this Agreement each declare that they have carefully read, had explained, and fully understand this Agreement, and thereby execute this Agreement effective according to its terms.

Plaintiff:

DATED: April 8, 2025

By: _____


Elizabeth Spelman

Defendants:

BHLA CORP.

DATED: April 8, 2025

By: _____

Name:: _____

Its: _____

DATED: April 8, 2025

By: _____

Giovanni Pigozzi

IN WITNESS WHEREOF, the Parties to this Agreement each declare that they have carefully read, had explained, and fully understand this Agreement, and thereby execute this Agreement effective according to its terms.

Plaintiff:

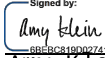
DATED: April 8, 2025

By: _____
Elizabeth Spelman

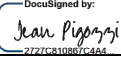
Defendants:

BHLA CORP.

DATED: April 8, 2025

By: 
Name: Amy Klein
Its: _____

DATED: April 8, 2025

By: 
Giovanni Pigozzi