PAGA SETTLEMENT AGREEMENT

This PAGA Settlement Agreement ("Agreement") is made by and between Bryant Morales ("Morales") and Melissa Pacheco ("Pacheco," collectively with Morales, "Plaintiffs") and Urbane Café Operations, LLC and TGH Enterprises, LLC ("Defendants"). The Agreement refers to Plaintiffs and Defendants collectively as "Parties," or individually as "Party."

1. DEFINITIONS.

1.1. "Action" means Plaintiffs' PAGA lawsuit alleging wage and hour violations against Defendants captioned *Bryant Morales, et al. v. Urbane Café Operations, LLC, et al.*, initiated on June 30, 2023 and pending in the Superior Court of the State of California, County of Los Angeles, Case No. 23AHCV01511.

1.2. "Administrator" means Phoenix Settlement Administrators, the neutral entity the Parties have agreed to appoint to administer the Settlement.

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

1.4. "Approval Order" means the Court Order granting approval of the Agreement.

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

1.6. "Defendants" means Urbane Café Operations, LLC and TGH Enterprises, LLC.

1.7. "Defense Counsel" means Jesse M. Caryl of Bent Caryl & Kroll LLP.

1.8. "Effective Date" is the later of the following: (a) if no timely objections are filed or if all objections are withdrawn, the date upon which the Court enters an order approving the Settlement; (b) if an objection is filed and not withdrawn, the date for filing an appeal and no such appeal being filed; or (c) if any timely appeals are filed, the date of the resolution (or withdrawal) of any such appeal in a way that does not alter the terms of the settlement.

1.9. "Gross Settlement Amount" means One Million Dollars and Zero Cents ($1,000,000.00) which is the total amount Defendants agree to pay under the Settlement except as provided in Paragraph 8 below. The Gross Settlement Amount will be used to pay Individual PAGA Payments, the LWDA PAGA Payment, Service Payments, PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, and the Administration Expenses Payment.

1.10. "Individual PAGA Payment" means a PAGA Member's pro rata share of 25% of the

Net Settlement Amount calculated according to the number of Pay Periods the PAGA Member worked during the PAGA Period.

1.11. "Judgment" means the judgment entered by the Court based upon the approval of the Agreement.

1.12. "Litigation" means the Action and the *Pacheco* Action.

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

1.14. "LWDA PAGA Payment" means 75% of the Net Settlement Amount.

1.15. "Net Settlement Amount" means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: Service Payments, PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, and the Administration Expenses Payment.

1.16. "*Pacheco* Action" means Pacheco's PAGA lawsuit alleging wage and hour violations against Defendants captioned *Melissa Pacheco v. Urbane Café Operations, LLC, et al.*, initiated on June 26, 2024 in the Superior Court of the State of California, County of Kern, Case No. BCV-24-102170.

1.17. "PAGA Counsel" means Jill J. Parker, S. Emi Minne, and Yasmin Wilber of Parker & Minne, LLP and Arby Aiwazian, Joanna Ghosh, and Vartan Madoyan of Lawyers *for* Justice, PC, and all the lawyers of Lawyers *for* Justice, PC acting on behalf of Plaintiffs, the State of California, and the PAGA Members in the Action.

1.18. "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 Litigation.

1.19. "PAGA Members" means all current and former non-exempt and/or hourly-paid employees who worked for Defendants in the State of California at any time during the PAGA Period.

1.20. "PAGA Members List" means PAGA Member identifying information in Defendants' possession including each PAGA Member's: (1) full name; (2) last known home address; (3) last known telephone number; (4) social security number; (5) start and end dates of active employment as a non-exempt employee of Defendants in the State of California; (6) total Pay Periods during the PAGA Period; and (7) any other information required by the Administrator in order to effectuate the terms of the Settlement.

1.21. "PAGA Member Address Search" means the Administrator's investigation and search for current PAGA Member 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 PAGA Members.

1.22. "PAGA Pay Period" means any Pay Period during which a PAGA Member worked for Defendants for at least one day during the PAGA Period.

1.23. "PAGA Period" means the period from April 26, 2022 to November 19, 2025.

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

1.25. "PAGA Notices" means Morales' April 26, 2023 letter and Pacheco's April 22, 2024 letter to Defendants and the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a).

1.26. "PAGA Penalties" means the total amount of PAGA civil penalties to be paid from the Net Settlement Amount, allocated 25% to the PAGA Members and 75% to the LWDA in settlement of PAGA claims.

1.27. "Plaintiffs" means Bryant Morales and Melissa Pacheco.

1.28. "Released PAGA Claims" means the claims being released by Plaintiffs and the PAGA Members as described in Paragraph 5.2 below.

1.29. "Released Parties" means Urbane Café Operations, LLC and TGH Enterprises, LLC (named as TGH Enterprises, Inc.) and their past, present and/or future, direct and/or indirect, officers, directors, members, managers, employees, agents, representatives, attorneys, insurers, partners, investors, shareholders, administrators, parent companies, subsidiaries, affiliates, divisions, predecessors, successors, assigns, and joint venturers.

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

1.31. "Settlement Notice" means the cover letter to be mailed by the Administrator to each PAGA Member along with Individual PAGA Payment checks in substantially the form that is attached hereto as Exhibit A. The Administrator shall be responsible for providing a copy of the Settlement Notice in both English and Spanish.

1.32. "Service Payments" means the payment to Plaintiffs, separate from and in addition to their Individual PAGA Payments, and subject to approval by the Court, for their participation in representing the State of California and the PAGA Members in the Action.

2. RECITALS.

2.1. On June 30, 2023, Morales commenced the Action by filing the Complaint for

Enforcement Under the Private Attorneys General Act, California Labor Code § 2698 et sq. (the "*Morales* Complaint") alleging a single cause of action under PAGA against Defendants for violations of: (1) California Labor Code sections 510 and 1198 (failure to pay overtime); (2) California Labor Code sections 226.7 and 512(a) (failure to provide compliant meal periods and associated premiums); (3) California Labor Code section 226.7 (failure to provide rest periods and associated premiums); (4) California Labor Code sections 1194, 1197, and 1197.1 (failure to pay minimum wages); (5) California Labor Code sections 201-203 (failure to timely pay final wages); (6) California Labor Code section 204 (failure to timely pay wages during employment); (7) California Labor Code section 226(a) (failure to provide accurate wage statements); (8) California Labor Code section 1174(d) (failure to keep requisite payroll records); and (9) California Labor Code sections 2800 and 2802 (failure to reimburse necessary business expenses).

2.2. On June 26, 2024, Pacheco commenced the *Pacheco* Action by filing the Complaint for Enforcement Under the Private Attorneys General Act, California Labor Code § 2698 et sq. (the "*Pacheco* Complaint") alleging a single cause of action under PAGA against Defendants for violations of: (1) California Labor Code sections 510 and 1198 (failure to pay overtime); (2) California Labor Code sections 226.7 and 512(a) (failure to provide compliant meal periods and associated premiums); (3) California Labor Code section 226.7 (failure to provide rest periods and associated premiums); (4) California Labor Code sections 1194, 1197, and 1197.1 (failure to pay minimum wages); (5) California Labor Code sections 201-203 (failure to timely pay final wages); (6) California Labor Code section 204 (failure to timely pay wages during employment); (7) California Labor Code section 226(a) (failure to provide accurate wage statements); (8) California Labor Code section 1174(d) (failure to keep requisite payroll records); and (9) California Labor Code sections 2800 and 2802 (failure to reimburse necessary business expenses).

2.3. Pursuant to Labor Code section 2699.3, subd.(a), Plaintiffs gave timely written notice to Defendants and the LWDA by sending the PAGA Notices.

2.4. On August 13, 2024, the Parties participated in an all-day mediation presided over by Monique Ngo-Bonnici, Esq., which led to this Agreement to settle the Litigation.

2.5. On October 24, 2025, the Parties filed the First Amended Complaint for Enforcement Under the Private Attorneys General Act, California Labor Code § 2698, Et Seq. (the "Operative Complaint") in the Action, in which Pacheco was added as a named plaintiff.

2.6. On October 31, 2025, the *Pacheco* Action was dismissed without prejudice.

2.7. Prior to mediation, Plaintiffs obtained, through formal and informal discovery, documents produced by Defendants which included, but were not limited to, a sampling of timekeeping records and payroll information for the PAGA Members; Defendants' policies related to Plaintiffs' claims; and Plaintiffs' personnel files. Plaintiffs' investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.* (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 129-130 ("*Dunk/Kullar*").

2.8. 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, Defendants promise to pay One Million Dollars and Zero Cents ($1,000,000.00) and no more as the Gross Settlement Amount. Defendants have no obligation to pay the Gross Settlement Amount prior to the deadlines stated in Paragraph 4.3 of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring PAGA Members 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 the Approval Order:

3.2.1. To Plaintiffs: A Service Payment to Plaintiffs of not more than Ten Thousand Dollars and Zero Cents ($10,000.00) each, for a total of Twenty Thousand Dollars and Zero Cents ($20,000.00). The Service Payments are in addition to whatever monetary settlement Plaintiffs are entitled to recover from the Net Settlement Amount as PAGA Members. Any amount of the Service Payments not approved by the Court shall become part of the Net Settlement Amount.

3.2.2. To PAGA Counsel: A PAGA Counsel Fees Payment of not more than 35% of the Gross Settlement Amount, which is currently estimated to be Three Hundred Fifty Thousand Dollars and Zero Cents ($350,000.00) and a PAGA Counsel Litigation Expenses Payment of not more than Twenty-Five Thousand Dollars and Zero Cents ($25,000.00). Defendants will not oppose requests for Court approval of these payments provided that they do not exceed these amounts. Plaintiffs and/or PAGA Counsel will file an application or motion for 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 any 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 Administration Expenses Payment not to exceed Fifteen Thousand Dollars and Zero Cents ($15,000.00) 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 $15,000.00, the Administrator will retain the remainder in the Net Settlement Amount.

3.2.4. To the LWDA and PAGA Members: The Net Settlement Amount, which is the Gross Settlement Amount less the Service Payments, PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, and the Administration Expenses Payment, is the amount of PAGA Penalties to be paid to the LWDA and to the PAGA Members, with 75% allocated to the LWDA PAGA Payment and 25% allocated to the Individual PAGA Payments.

3.2.4.1. The Administrator will calculate each Individual PAGA Payment by: (a) dividing the amount of the PAGA Members' 25% share of PAGA Penalties by the total number of PAGA Pay Periods worked by all PAGA Members during the PAGA Period, and (b) multiplying the result by each PAGA Member's PAGA Pay Periods. PAGA Members assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

3.2.4.2. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

4. SETTLEMENT FUNDING AND PAYMENTS.

4.1. PAGA Member Pay Periods. Based on a review of their records, Defendants estimate that the PAGA Members worked a total of approximately 50,000 PAGA Pay Periods during the period from April 26, 2022 through September 19, 2025.

4.2. PAGA Members List. Within fourteen (14) days after the Court's order granting approval of the Agreement, Defendants will deliver the PAGA Members List to the Administrator in the form of a Microsoft Excel spreadsheet. To protect PAGA Members' privacy rights, the Administrator must maintain the PAGA Members List in confidence, use the PAGA Members List only for purposes of this Settlement and for no other purpose, and restrict access to the PAGA Members List to Administrator employees who need access to the PAGA Members List to effect and perform under this Agreement. Notwithstanding this provision, PAGA Counsel shall also receive redacted data that shall only disclose an identification number attributed to each PAGA Member and their associated PAGA Pay Periods. Defendants have a continuing duty to immediately notify PAGA Counsel if they discover that the PAGA Members List omitted employee identifying information and to provide corrected or updated PAGA Members' information as soon as reasonably feasible. Without any extension of the deadline by which Defendants must send the PAGA Members List 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 PAGA

Members.

4.3. Funding of Gross Settlement Amount. The Gross Settlement Amount shall be funded in two equal installments of Five Hundred Thousand Dollars and Zero Cents ($500,000.00) each to an account established by the Administrator for purposes of administering the Settlement. The first installment shall be due on March 1, 2026. The second installment shall be due on June 1, 2026. However, in the event the Court has not yet granted approval of the Settlement at the time the second installment is due (i.e., there is no Effective Date yet), the second installment payment is not due until thirty (30) days after the Court has granted approval of the settlement and the Effective Date has been established.

4.4 Payments from the Gross Settlement Amount. Within fourteen (14) days after Defendants fund the Gross Settlement Amount, the Administrator will mail checks for all Individual PAGA Payments, the LWDA PAGA Payment, the Service Payments, the Administration Expenses 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.

4.4.1 The Administrator will issue checks for the Individual PAGA Payments, along with the Settlement Notice, and send them to the PAGA Members via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (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 Administrator must update the recipients' mailing addresses using the National Change of Address Database.

4.4.2 The Administrator must conduct a PAGA Member Address Search for all PAGA Members whose checks are retuned 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 PAGA Member Address Search. The Administrator need not take further steps to deliver checks to PAGA Members whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any PAGA Member whose original check was lost or misplaced, if requested by the PAGA Member prior to the void date.

4.4.3 For any PAGA Member 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 PAGA Member.

4.4.4 The payment of Individual PAGA Payments shall not obligate Defendants to confer any additional benefits or make any additional payments to the PAGA Members (such as 401(k) contributions or bonuses) beyond those specified in this

Agreement.

5. RELEASES OF CLAIMS. Upon the Effective Date and the date that Defendants fully fund the entire Gross Settlement Amount, Plaintiffs and the PAGA Members will release claims against all Released Parties as follows:

5.1 Plaintiffs' Release. Plaintiffs and their respective former and present spouses, representatives, agents, attorneys, heirs, administrators, successors, and assigns generally, release and discharge Released Parties from all claims, transactions, or occurrences that occurred during the PAGA Period, including, but not limited to all claims that were, or reasonably could have been, alleged, based on the facts contained in the Operative Complaint and the PAGA Notices ("Plaintiffs' Release"). Plaintiffs' 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, or workers' compensation benefits that arose at any time, or based on occurrences outside the PAGA Period. Plaintiffs acknowledge that Plaintiffs may discover facts or law different from, or in addition to, the facts or law that Plaintiffs now know or believe to be true but agree, nonetheless, that Plaintiffs' Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiffs' discovery of them.

5.1.1 Plaintiffs' Waiver of Rights Under California Civil Code Section 1542. For purposes of Plaintiffs' Release, Plaintiffs expressly waive and relinquish 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 PAGA Members:

All PAGA Members are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from any and all claims under the California Labor Code Private Attorneys General Act of 2004, Labor Code sections 2698 et seq., for the recovery of civil penalties, attorneys' fees, and costs, which Plaintiffs and/or the PAGA Members had, or may claim to have, against Defendants, arising out of the violations alleged in the Operative Complaint and the PAGA Notices, or which reasonably could have been alleged based on the facts and legal theories contained in the Operative Complaint or the PAGA Notices, including, but not limited to, claims for alleged violations of California Labor Code sections 201, 202, 203, 204, 226(a), 226.7, 510, 512(a), 551, 552, 558, 1174(d), 1194, 1197, 1197.1, 1198, 2800 and 2802, and IWC Wage Orders including inter alia, Wage Orders 4-2001, and 5-2001.

6. MOTION FOR APPLICATION FOR APPROVAL OF SETTLEMENT.

6.1 Plaintiffs' and PAGA Counsel's Responsibilities. Plaintiffs will prepare and submit for filing with the Court all documents necessary for obtaining approval of this Agreement under Labor Code Section 2699, subd. (f)(2) including: (i) a 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 the PAGA Members List; 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 PAGA Members or the LWDA; and the nature and extent of any financial relationship with Plaintiffs, PAGA Counsel, or Defense Counsel; (iii) a signed declaration from PAGA Counsel attesting to their timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), Operative Complaint (Labor Code section 2699, subd. (l)(1)), this Agreement (Labor Code section 2699, subd. (l)(2)); and (iv) all facts relevant to any actual or potential conflict of interest with the PAGA Members and/or the Administrator. In their declarations, 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. PAGA Counsel is responsible for delivering the Court's Approval Order to the Administrator.

6.2 Duty to Cooperate. Defendants agree that they will not oppose Plaintiffs' motion for approval of the Settlement as long as it is in conformity with the Settlement Agreement, nor shall they seek to delay the hearing on this motion for more than thirty (30) days from the date selected by Plaintiffs. If the Court does not grant the motion for approval of this Agreement 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 Settlement Administrators to serve as the Administrator and verified that, as a condition of appointment, Phoenix Settlement Administrators 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. PAY PERIODS ESTIMATE AND ESCALATOR CLAUSE.
Based on their records, Defendants estimate that, as of the date of this Settlement Agreement, (1) the PAGA Members worked 50,000 Pay Periods during the period from April 26, 2022 through September 19, 2025. Should the qualifying Pay Periods worked by the PAGA Members during the PAGA Period ultimately increase by more than 10% (i.e., by more than 5,000 Pay Periods), Defendants shall have the option to either: (1) increase the Gross Settlement Amount on a pro-rata basis equal to the percentage increase in the number of Pay Periods worked by the PAGA Members above 10% (for example, if the number of Pay Periods increases by 11% to 55,500 Pay Periods, the Gross Settlement Amount will increase by 1%), or (2) shorten the PAGA Period to a date just before the Pay Periods threshold is exceeded.

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 and their respective counsel waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals. If 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 Plaintiffs 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, Defendants reserve all available defenses to the claims in the Action, and Plaintiffs reserve the right to contest Defendants' defenses. The Settlement, this Agreement, and the Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and 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 Plaintiffs 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 and 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 Plaintiffs, 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. After this Agreement has been submitted to the Court in connection with seeking approval of the Settlement, it may not be changed, altered, or modified, except in a writing signed by the counsel for the Parties, subject to approval by the Court. Notwithstanding the forgoing, the Parties agree that any dates contained or contemplated in this

Agreement may be modified by agreement of counsel for the Parties in writing without approval by the Court if the Parties agree and cause exists for such modification.

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 PAGA Members List. Information provided to PAGA Counsel pursuant to Cal. Evid. Code §1152, and all copies and summaries of the PAGA Members List 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, Plaintiffs shall destroy all paper and electronic versions of the PAGA Members List received from Defendants unless, prior to the Administrator's payment of all Settlement Funds, Defendants make a written request to PAGA Counsel for the return, rather than the destruction, of the PAGA Members List. Notwithstanding this provision, PAGA Counsel is entitled to retain an archival copy of all pleadings, motion papers, deposition transcripts, hearing transcripts, legal memoranda, correspondence, expert reports, attorney work product, and consultant and expert work product.

10.13 Neutral Employment Reference. Defendants agree that they will adopt a neutral reporting policy regarding any future employment references related to Plaintiffs. In the event that any potential or future employers of Plaintiffs request a reference regarding Defendants' employment of Plaintiffs, which shall be made directly to Defendants' Human Resources Department, Defendants shall only provide Plaintiffs' dates of employment and job titles during employment. Defendants shall not refer to the Action or this Settlement.

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 Plaintiffs:

Jill J. Parker
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S. Emi Minne
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To Defendants:

Jesse M. Caryl
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Bent Caryl & Kroll, LLP
6300 Wilshire Boulevard, Suite 1415
Los Angeles, California 90048

10.17 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.

10.18 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 CCP 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.

IT IS SO AGREED:

Date: 11/13/2025 — Bryant J Morales (Nov 13, 2025 11:33:02 PST)
Bryant Morales, Plaintiff

Date: ____________ — ____________
Melissa Pacheco, Plaintiff

Date: 11/17/2025 — ____________
Defendant Urbane Café Operations, LLC
Name: Tom G Holt
Position: President

Date: 11/17/2025 — ____________
Defendant TGH Enterprises, LLC
Name: Tom G Holt
Position: President

APPROVED AS TO FORM:

Date: ____________ **PARKER & MINNE, LLP**

____
Jill J. Parker
Attorneys for Plaintiffs Bryant Morales and Melissa Pacheco

Date: ____________ **BENT CARYL & KROLL, LLP**

____
Jesse M. Caryl
Attorneys for Defendants Urbane Café Operations, LLC and TGH Enterprises, LLC

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 CCP 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.

IT IS SO AGREED:

Date: ________________

Bryant Morales, Plaintiff

Date: 11/13/2025

Melissa Pacheco
Melissa Pacheco (Nov 13, 2025 11:00:14 PST)

Melissa Pacheco, Plaintiff

Date: 11/17/2025

Defendant Urbane Café Operations, LLC
Name: Tom G Holt
Position: President

Date: 11/17/2025

Defendant TGH Enterprises, LLC
Name: Tom G Holt
Position: President

APPROVED AS TO FORM:

Date: November 13, 2025

PARKER & MINNE, LLP

Jill J. Parker
Attorneys for Plaintiffs Bryant Morales and Melissa Pacheco

Date: November 17, 2025

BENT CARYL & KROLL, LLP

Jesse M. Caryl
Jesse M. Caryl
Attorneys for Defendants Urbane Café Operations, LLC and TGH Enterprises, LLC

EXHIBIT A

NOTICE OF REPRESENTATIVE PAGA ACTION SETTLEMENT

Bryant Morales et al. v. Urbane Café Operations, LLC, et al.

Los Angeles Superior Court Case No. 23AHCV01511

The Superior Court for the State of California authorized this Notice. Read it carefully! It's not junk mail, spam, an advertisement, or solicitation by a lawyer. You are not being sued.

You are eligible to receive money from a lawsuit brought pursuant to the Labor Code Private Attorneys General Act of 2004, California Labor Code §§ 2698, et seq. ("PAGA") (the "Action") against Urbane Café Operations, LLC and TGH Enterprises, LLC ("Defendants") for alleged wage and hour violations. The Action was filed by Bryant Morales and Melissa Pacheco ("Plaintiffs") and seeks payment of civil penalties under PAGA for all current and former non-exempt and/or hourly-paid employees who worked for Defendants in the State of California at any time during the PAGA Period (April 26, 2022 through November 19, 2025) ("PAGA Members").

SUMMARY OF THE SETTLEMENT

I. WHAT IS THE ACTION ABOUT?

The Action accuses Defendants of violating California labor laws by failing to pay overtime wages, minimum wages, wages due upon termination, wages due during employment, and reimbursable expenses and failing to provide meal periods, rest breaks, accurate itemized wage statements, and maintain required payroll records. Based on these claims, Plaintiffs seek civil penalties under PAGA. Plaintiffs are represented by attorneys in the Action ("PAGA Counsel"):

Arby Aiwazian, Esq.
Joanna Ghosh, Esq.
Vartan Madoyan, Esq.
LAWYERS *for* JUSTICE, PC
450 North Brand Blvd., Suite 900
Glendale, California 91203
Telephone: (818) 265-1020

Jill J. Parker, Esq.
S. Emi Minne, Esq.
Yasmin Wilber, Esq.
PARKER & MINNE, LLP
700 S. Flower Street, Suite 1000
Los Angeles, California 90017
Telephone: (310) 882-6833

Defendants strongly deny violating any laws or failing to pay any wages and contend they complied with all applicable laws.

II. WHAT DOES IT MEAN THAT THE ACTION HAS SETTLED?

Plaintiffs and Defendants hired an experienced, neutral mediator in an effort to resolve the Action by negotiating an end to the case by agreement (settle the case) rather than continuing the expensive and time-consuming process of litigation. The negotiations were successful. By signing a lengthy written settlement agreement ("Agreement") and agreeing to jointly ask the Court to enter a judgment ending the Action and enforcing the Agreement, Plaintiffs and Defendants have negotiated a proposed Settlement that the Court has approved. Both sides agree the proposed Settlement is a compromise of disputed claims. By agreeing to settle, Defendants do not admit any violations or concede the merit of any claims.

III. WHAT ARE THE IMPORTANT TERMS OF THE PROPOSED SETTLEMENT?

1. Defendants Have Paid $1,000,000.00 as the Gross Settlement Amount ("Gross Settlement"). Defendants deposited the Gross Settlement into an account controlled by the Administrator of the Settlement. The Administrator is using the Gross Settlement to pay the Individual PAGA Payments, Service Payments to Plaintiffs, PAGA Counsel's attorney's fees and expenses, the Administrator's expenses, and penalties to be paid to the California Labor and Workforce Development Agency ("LWDA"). The Court entered Judgment on [insert date].

2. Court Approved Deductions from Gross Settlement. The Court has approved the following deductions from the Gross Settlement:

   A. $350,000.00 (35% of the Gross Settlement) to PAGA Counsel for attorneys' fees and $[insert amount of approved costs, not to exceed $25,000.00] for their litigation expenses. To date, PAGA Counsel have worked and incurred expenses in the Action without payment.

   B. $10,000.00 each to Plaintiffs (for a total of $20,000.00) as Service Payments for filing the Action, working with PAGA Counsel, and representing the PAGA Members and the State of California. The Service Payments will be the only money Plaintiffs will receive other than Plaintiffs' Individual PAGA Payments.

   C. [Insert amount of approved administration costs, not to exceed $15,000.00] to the Administrator for services administering the Settlement.

3. Net Settlement Distributed to LWDA and to PAGA Members. After making the above deductions in the amounts approved by the Court, the Administrator will distribute the rest of the Gross Settlement (the "Net Settlement") to the LWDA and the PAGA Members as follows: 75% to the LWDA and 25% in Individual PAGA Payments to the PAGA Members based on their PAGA Pay Periods.

4. Designation of Individual PAGA Payments as Penalties. The Individual PAGA Payments are counted as penalties rather than wages for tax purposes. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

   Although Plaintiffs and Defendants have agreed to these allocations, neither side is giving you any advice on whether your Payment is taxable or how much you might owe in taxes. You are responsible for paying all taxes (including penalties and interest on back taxes) on any Payments received from the proposed Settlement. You should consult a tax advisor if you have any questions about the tax consequences of the proposed Settlement.

5. Need to Promptly Cash Payment Checks. The front of every check issued for Individual PAGA Payments will show the date when the check expires (the void date). If you don't cash it by the void date, your check will be automatically cancelled, and the monies will be deposited with the California Controller's Unclaimed Property Fund in your name.

If the monies represented by your check are sent to the Controller's Unclaimed Property, you should consult the rules of the Fund for instructions on how to retrieve your money.

6. You cannot opt-out of the the Settlement. All PAGA Members are required to give up their right to assert PAGA claims against Defendants based on the PAGA Period facts alleged in the Action.

7. Administrator. The Court has appointed a neutral company, Phoenix Settlement Administrators (the "Administrator") to send this Notice and to calculate and make payments. The Administrator will also mail and re-mail Settlement checks and tax forms, and perform other tasks necessary to administer the Settlement. The Administrator's contact information is as follows:

Name of Settlement Administrator Company:
Email Address:
Mailing Address:
Telephone:
Fax Number:

8. PAGA Members' PAGA Release. Upon the Effective Date and the date when Defendants fully funded the entire Gross Settlement Amount, all PAGA Members are barred from asserting PAGA claims against Defendants that were asserted in this Action and which arose during the PAGA Period. This means that all PAGA Members cannot sue, continue to sue, or participate in any other PAGA claim against Defendants or their related entities based on the PAGA Period facts alleged in the Action and resolved by this Settlement.

The PAGA Members' Release is as follows:

> All PAGA Members are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from any and all claims under the California Labor Code Private Attorneys General Act of 2004, Labor Code sections 2698 et seq., for the recovery of civil penalties, attorneys' fees, and costs, which Plaintiffs and/or the PAGA Members had, or may claim to have, against Defendants, arising out of the violations alleged in the Operative Complaint or the PAGA Notice, or which reasonably could have been alleged based on the facts and legal theories contained in the Operative Complaint or the PAGA Notice, including, but not limited to, claims for alleged violations of California Labor Code sections 201, 202, 203, 204, 226(a), 226.7, 510, 512(a), 551, 552, 558, 1174(d), 1194, 1197, 1197.1, 1198, 2800 and 2802, and IWC Wage Orders including inter alia, Wage Orders 4-2001, and 5-2001.

The "Released Parties" are defined as Urbane Café Operations, LLC and TGH Enterprises, LLC (named as TGH Enterprises, Inc.) and their past, present and/or future, direct and/or indirect, officers, directors, members, managers, employees, agents, representatives, attorneys, insurers, partners, investors, shareholders, administrators, parent companies, subsidiaries, affiliates, divisions, predecessors, successors, assigns, and joint venturers and its former and present directors, officers, shareholders, owners, members, attorneys, insurers, predecessors, successors, assigns, and subsidiaries.

IV. HOW DID THE ADMINISTRATOR CALCULATE MY PAYMENT?

The Administrator calculated Individual PAGA Payments by: (a) dividing 25% of the Net Settlement Amount by the total number of PAGA Pay Periods worked by all PAGA Members and (b) multiplying the result by the number of PAGA Pay Periods worked by each individual PAGA Member.

According to Defendants' records, during the period **from April 26, 2022 through November 19, 2025 (i.e., the PAGA Period) you worked for Defendants as an hourly-paid or non-exempt employee in California for approximately [___] Pay Periods**.

Under the terms of the Settlement, your Individual PAGA Payment is $___________.

V. HOW CAN I GET MORE INFORMATION?

The Agreement sets forth everything Defendants and Plaintiffs have promised to do under the proposed Settlement. The easiest way to read the Agreement, the Judgment, or any other Settlement documents is to go to the Administrator's website at ________________________. You can also telephone or send an email to PAGA Counsel or the Administrator using the contact information listed herein. Alternatively, you may consult the Superior Court's website by going to https://www.lacourt.ca.gov/pages/lp/access-a-case/tp/find-case-information/cp/os-civil-case-access and entering the Case Number for the Action, 23AHCV01511. You can also make an appointment to personally review court documents in the Clerk's Office at the Pasadena Courthouse by calling (626) 396-3300.

DO NOT TELEPHONE THE SUPERIOR COURT TO OBTAIN INFORMATION ABOUT THE SETTLEMENT.

VI. WHAT IF I LOSE MY SETTLEMENT CHECK?

If you lose or misplace your settlement check before cashing it, the Administrator will replace it as long as you request a replacement before the void date on the face of the original check. If your check is already void you should consult the Unclaimed Property Fund for instructions on how to retrieve the funds.