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SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

SONIA MUNOZ, an individual, Plaintiff, v. VILLA DEL RIO, INC.; WILLIAM NELSON, an individual; VICKI ROLLINS, an individual; CYNTHIA MORA, an individual; and DOES 1 through 50, inclusive, Defendants.	CASE NO.: 23STCV25415 **JOINT NOTICE OF MOTION AND MOTION FOR COURT APPROVAL OF SETTLEMENT OF PLAINTIFF'S PRIVATE ATTORNEYS GENERAL ACT ("PAGA") CLAIM; MEMORANDUM OF POINTS AND AUTHORITIES; DECLARATION OF RODOLFO RUIZ-VELASCO IN SUPPORT THEREOF; [PROPOSED] ORDER** I/C: Hon. Richard L. Fruin Dept.: 15 Hearing Date: March 19, 2026 Hearing Time: 9:15 a.m. Date of First Paper: October 17, 2023 Trial Date: May 11, 2026 Reservation ID: 246990574717 [IMAGED FILE]

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PLEASE TAKE NOTICE that on March 19, 2026 at 9:15 a.m., or as soon thereafter as this matter may be heard in Department 15 of the above-entitled Court, located at 111 North Hill Street, Los Angeles, CA 90012, Plaintiff SONIA MUNOZ ("Plaintiff"), and Defendants VILLA DEL RIO, INC., WILLIAM NELSON, VICKI ROLLINS, and CYNTHIA MORA (collectively, "Defendants") (Plaintiff and Defendants are hereinafter collectively, the "Parties") will and hereby move jointly for approval of settlement of Plaintiff's Private Attorneys General Act of 2004 ("PAGA") claim.

This Motion is based on this notice, the attached memorandum of points and authorities, the Declaration of Rodolfo Ruiz-Velasco, and all exhibits thereto, the complete files and records in this action, and any other matters that may be presented to the Court.

Dated: February 23, 2026

Rodolfo Ruiz-Velasco, Esq.
Attorneys for Plaintiff Sonia Munoz

MEMORANDUM OF POINTS AND AUTHORITIES

I. INTRODUCTION & BACKGROUND

Plaintiff SONIA MUNOZ ("Plaintiff") was employed with Defendants VILLA DEL RIO, INC. ("VILLA"), WILLIAM NELSON, VICKI ROLLINS, and CYNTHIA MORA (collectively, "Defendants") as a kitchen worker at VILLA's residential care facility located in Bell Gardens, Los Angeles County.

Plaintiff filed this action for damages making individual claims for sexual harassment and retaliation pursuant to the California Fair Employment and Housing Act ("FEHA"), and individual wage and hour claims pursuant to the California Labor Code. Plaintiff, as a representative for the State of California, also made claims for civil penalties pursuant to PAGA on behalf of the State of California and all current and former aggrieved employees of VILLA. The PAGA damage period is as follows: August 13, 2022 to September 30, 2025 for nonexempt aggrieved employees who worked for Defendants (the "PAGA Period").

Plaintiff alleges multiple wage and hour Labor Code violations such as nonpayment of minimum wages, overtime wages, meal and rest period premiums, inaccurate wage statements, inaccurate time records, and waiting time penalties. Defendants deny all allegations.

This case represents the pinnacle of the goals of litigation: contentious arms'-length negotiations, production of records, exchanging several sets of written discovery, interviews of Aggrieved Employees, taking several depositions, a mediation with mediator Sonya Goodwin, plus several settlement communications, which revealed the strengths and weaknesses of each side's case, leading to a global resolution of all disputes, both the individual claims and the representative PAGA action. In this fashion, the Parties avoid incurring additional attorneys' fees and costs required to try the case and to reach a reasonable settlement at the earliest opportunity.

The details of the PAGA claim settlement are a gross settlement sum of $30,000, allocated as follows: $24,573.36 in civil penalties plus $5,426.64 in PAGA settlement administrator fees. This results in a net gain of $24,573.36 for the State of California and the aggrieved employees. Accordingly, Plaintiff respectfully requests that the Court approve this

PAGA claim settlement which provides benefits to both the State of California and to the aggrieved employees.

II. PROCEDURAL HISTORY

On July 12, 2023, Plaintiff submitted a written notice pursuant to LC Section 2699.3 to the California Labor and Workforce Development Agency ("LWDA") regarding her Labor Code claims pursuant to PAGA (LWDA Case No. LWDA-CM-967784-23) (the "PAGA Action" or "PAGA Claim"), and served it via certified mail to Defendants. Ruiz-Velasco Decl. ¶2. The LWDA did not respond within 65 days. *Id.* Plaintiff thereafter filed her Complaint on October 17, 2023, and filed her individual claims and the PAGA Action. *Id.*

On December 18, 2023, Defendants filed a Motion to Compel Arbitration, which Plaintiff opposed. Ruiz-Velasco Decl. ¶3. The Motion to Compel Arbitration hearing was continued several times, first because the previous judge assigned to the case recused herself a week before the originally scheduled hearing of July 16, 2024, causing the case to be reassigned to this Department. *Id.* Thereafter, the hearing on the Motion to Compel Arbitration was continued several times where the Court requested further information in light of the new Court of Appeals case opinions holding that the Ending Forced Arbitration Act (EFAA) precludes arbitration of an entire case containing sexual harassment claims. *Id.* On November 19, 2024, the Court denied Defendants' Motion to Compel Arbitration. *Id.*

The Parties performed written discovery, exchange of records regarding the Plaintiff and the aggrieved employees, interviewed several Aggrieved Employees, and performed several days of depositions. *Id.* at ¶4. Thereafter, the Parties attended a full-day mediation with mediator Sonya Goodwin from Signature Resolution. *Id*. After the mediation and several pre and post mediation settlement communications, and after careful consideration of the information produced, the Parties agreed to a settlement of the case in full, including the individual and PAGA claims. *Id*. The PAGA Settlement Agreement ("Agreement") was fully executed on February 10, 2026. Ruiz-Velasco Decl. ¶5, Exh. A. On February 23, 2026 Plaintiff submitted a copy of the Agreement to the LWDA. *Id.* This case will be dismissed in its entirety upon the Court approving the settlement of the PAGA claim. *Id.*

III. SUMMARY OF SETTLEMENT

A. <u>The Aggrieved Employees</u>

The Aggrieved Employees consist of all persons employed by Defendants as non-exempt, hourly paid employees in California at any time from August 13, 2022 to September 30, 2025 (the "Settlement Period"). Agreement ¶¶ 1.4, 1.19. The Aggrieved Employees collectively worked approximately 9,991 pay periods during the Settlement Period. Agreement ¶ 4.6.

B. <u>Settlement Terms</u>

Under the Settlement, the claims of all Aggrieved Employees shall be settled for a Maximum Settlement Amount of Thirty Thousand Dollars ($30,000.00), which shall be inclusive of all Settlement Administration Costs and the PAGA penalties. Agreement ¶ 1.10. The Maximum Settlement Amount shall be allocated as follows:

1. <u>Net Settlement Amount</u>. After deducting the Settlement Administration Costs below, the remainder of the Maximum Settlement Amount shall be the total amount to be paid towards the resolution of the PAGA claim ("Net Settlement Amount"), or $24,573.36, of which seventy-five percent (75%) or $18,430.02 shall be distributed to the LWDA and twenty-five percent (25%) or $6,143.34 shall be distributed to the Aggrieved Employees. Agreement ¶¶ 1.22, 3.3.

2. <u>Settlement Administration Costs.</u> The Settlement Administration fees and expenses, which are estimated not to exceed $5,426.64, shall be paid from the Maximum Settlement Amount. Agreement ¶ 3.2.1.

The Settlement Administrator will calculate each Individual Settlement Payment pursuant to the following formula: Defendants shall provide the Settlement Administrator with the Pay Periods for each Aggrieved Employee. The Settlement Administrator shall then divide the portion of the Net Settlement Amount allocated to the Aggrieved Employees by the total number of Pay Periods for all Aggrieved Employees resulting in a value for each pay period worked by the Aggrieved Employees during the Settlement Period ("Pay Period Value"). The Settlement Administrator shall then multiply the number of Pay Periods for each Aggrieved Employee by the Pay Period Value. Agreement ¶ 3.3.1.

Individual Settlement Payments shall be allocated as non-wage penalties not subject to payroll tax withholdings. Agreement ¶ 3.3.1. The Settlement Administrator shall issue an IRS Form 1099 to each Aggrieved Employee along with the Individual Settlement Payment. *Id.*

.C. <u>Scope of the Release</u>

The release contained in the Agreement is as follows:

5.1 <u>Release by PAGA Employees</u>. The settlement is conditioned upon the following release. Upon deposit of the GSA in the Qualified Settlement Fund, Plaintiff and Aggrieved Employees, 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 all PAGA civil penalty claims alleged in the operative Complaint in the case *Sonia Munoz v. Villa Del Rio, Inc.*, to the fullest extent allowed by law arising from any of the facts alleged in PAGA Action or that could have been alleged, based on the facts stated in the Operative Complaint, any amended Complaints, and the PAGA Notice, including any claims for civil penalties arising out of Defendant's alleged violations of the California Labor Code, *et seq.* for, *inter alia*, for: 1. Failure To Pay Wages; 2. Failure To Timely Furnish Accurate Itemized Wage Statements; 3. Unfair Business Practices; 4. Waiting Time Penalties Per Labor Code §203; 5. Meal And Rest Period Violations; 6. Failure To Reimburse; and 7. Private Attorneys General Act Of 2004 ("PAGA") Per Labor Code §2699, et seq. from August 13, 2022 through September 30, 2025.

5.2 Plaintiff's Waiver of Rights Under Civil Code Section 1542. For purposes of Plaintiff's Release, Plaintiff expressly waives and relinquishes the provisions, rights, and benefits, if any, of section 1542 of the California Civil Code, which reads:

> A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that if known by him or her would have materially affected his or her settlement with the debtor or Released Party.

Agreement ¶ 5.

D. <u>Settlement Administration</u>

Defendants shall pay the Maximum Settlement Amount no later than thirty (30) days after entry of an order granting Court approval of the Settlement. Agreement ¶ 4.3. Within thirty (30) days of approval of the Settlement by the Court, Defendants shall provide the Settlement Administrator with the Aggrieved Employee's information for purposes of mailing the Settlement Packets to Aggrieved Employees. Agreement ¶ 4.4. Prior to mailing the Settlement Packets, the Settlement Administrator shall perform a search based on the National

Change of Address Database maintained by the United States Postal Service to update and correct any known or identifiable address changes. Agreement ¶4.9. Within fourteen (14) days of receiving the full Maximum Settlement Amount and the PAGA employee Data from Defendants, the Settlement Administrator shall mail the Settlement Packets to all Aggrieved Employees via First Class U.S. Mail. *Id.*

Any Settlement Packet returned to the Settlement Administrator as non-deliverable shall be re-mailed to the forwarding address affixed thereto. Agreement ¶ 4.10-4.10.2. If no forwarding address is provided, the Settlement Administrator shall promptly attempt to determine a correct address by the use of skip-tracing, or other type of automated search, using the name, address, and/or Social Security number of the Aggrieved Employee involved, and shall then perform a re- mailing to the Aggrieved Employee whose Settlement Packet was returned as non-deliverable, assuming another mailing address is identified by the Settlement Administrator. *Id.*

Individual Settlement Payment checks shall remain negotiable for one hundred eighty (180) days from the date of mailing. *Id.* at ¶ 4.9.1. If an Individual Settlement Payment check remains uncashed after one hundred eighty (180) days from issuance, the Settlement Administrator shall distribute the value of the uncashed check to the State Controller's Unclaimed Property Fund in the name of the Aggrieved Employee. *Id.*

IV. THE COURT SHOULD GRANT APPROVAL OF THE PAGA SETTLEMENT

A. The Court Has Wide Discretion in Awarding PAGA Penalties

Pursuant to Labor Code Section 2699(l)(2): "The superior court shall review and approve any settlement of any civil action filed pursuant to this part."

Pursuant to Labor Code Section 2699(e) the Court has discretion as it pertains to the amount of the penalty and "may award a lesser amount than the maximum civil penalty amount specified by this part, based on the facts and circumstances of the particular case" because "to do otherwise would result in an award that is unjust, arbitrary and oppressive, or confiscatory."

B. The Proposed PAGA Settlement is Reasonable and Fulfills PAGA's Purpose

"[The] Legislature's purpose in enacting the PAGA was to augment the limited enforcement capability of the Agency by empowering employees to enforce the Labor Code as representatives of the Agency." *Iskanian,* supra, 59 Cal.4th at 383.

The Court of Appeal in *Moniz v. Adecco USA, Inc*. (2021) 72 Cal.App.5th 56, defined the standard of review for PAGA settlements, finding that the trial court must consider whether the settlement is "fair, reasonable, and adequate in view of PAGA's purposes to remediate present labor law violations, deter future ones, and to maximize enforcement of state labor laws." Id. at 77.

The court's role in reviewing PAGA settlements differs from its gatekeeping function in the class action context. In class actions, courts have a fiduciary duty to protect the interests of absent class members, whose individual claims will be discharged. *Kullar v. Foot Locker Retail, Inc*. (2008) 168 Cal.App.4th 116, 129. In this role, courts conduct an "independent assessment of the adequacy of the settlement terms," which requires them to have sufficient data and information about the amount in controversy and the realistic range of outcomes. *Id*. at 132. Courts consider a variety of factors in conducting this analysis, including whether the settlement is negotiated at an arm's length, whether there is sufficient discovery and information to permit parties and the court to act intelligently, whether the attorneys have experience with the type of issues, and whether the number of objectors is small. *Dunk v. Ford Motor Co*. (1996) 48 Cal.App.4th 1794, 1800-1801.

But a PAGA representative action is "not akin to a class action;" it "is a species of qui tam action." *Flores v. Starwood Hotels & Resorts Worldwide, Inc.* (C.D. Cal. 2017) 253 F.Supp.3d 1074, 1076. When reviewing a PAGA-only settlement, courts do not consider the value of individuals' claims for damages because a PAGA settlement does not release those claims. *Kim v. Reins Int'l California, Inc*. (2020) 9 Cal.5th 73, 87 (PAGA claims have no individual component); *ZB, N.A. v. Superior Court* (2019) 8 Cal.5th 175, 188 (noting that PAGA penalties do not seek damages that are compensatory in nature). "The state's interest in such an action is to enforce its laws, not to recover damages on behalf of a particular individual." *Huff v. Securitas Sec. Servs., USA, Inc*. (2018) 23 Cal.App.5th 745, 760. Instead of focusing on fair recovery for individual claims, the goal of PAGA enforcement is to achieve "maximum compliance with state labor laws." Id. at 756.

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Here, the Settlement is fair, reasonable, and adequate in view of PAGA's purposes to remediate present labor law violations, deter future ones, and to maximize enforcement of state labor laws. Plaintiff alleges that Defendants failed to provide Plaintiff and other Aggrieved Employees with lawful meal and rest periods, failed to pay minimum and overtime wages, failed to timely pay wages during employment, failed to pay all wages due upon separation, failed to maintain required records, failed to furnish accurate itemized wage statements, and failed to indemnify employees for necessary expenditures incurred from the discharge of their duties. Defendants deny all violations.

All of Plaintiff's individual causes of action along with the PAGA cause of action were resolved in a confidential settlement fully executed on or about February 10, 2026. Plaintiff does not object to the $30,000 total amount allocated to the PAGA Action because (1) Plaintiff's investigation showed that the claimed violations stopped shortly after submitting the written PAGA notice with the LWDA and with Defendants, (2) the Defendants dispute all of the claimed violations, (3) the Defendants have cooperated with Plaintiff's investigation, and (4) the Parties have decided to compromise to save on attorneys' fees and costs because further litigating this case would significantly increase fees and costs for the Parties making settlement less likely.

More specifically, Plaintiff's investigation through discovery and through interviews of Aggrieved Employee showed that on or about September 2023, about 2 months after Plaintiff submitted her written PAGA claim notice to the LWDA and to Defendants, that Defendants contracted with a third party employment agency to employ the kitchen and janitorial employees that would better comply with the Labor Code, and that Plaintiff's claimed Labor Code violations were no longer occurring after then, and thus that there were corrective measures. Defendants deny that there were any measures to correct in the first place.

Plaintiff's PAGA claim filing thus enforced the law and the Settlement of $30,000.00 penalizes Defendants for the alleged violations of California's labor laws in an amount that is significant enough to deter violations and provide genuine and meaningful relief—with part of the settlement funds going to the State and to the Aggrieved Employees—thus fulfilling the underlying purpose of PAGA to enforce the law and benefit the public.

C. <u>The Settlement Is Reasonable Given the Risks of Further Litigation</u>

In assessing whether the amount in civil penalties is genuine and meaningful, the Court may balance the amount in penalties with the risks of further litigation. Here, Plaintiff obtained a meaningful amount in civil penalties despite facing significant challenges had the litigation continued. Plaintiff has calculated the maximum potential penalties to be approximately $999,100.00, which is the maximum potential recovery in the event Plaintiff is able to establish liability at trial on all claims and the Court does not exercise its discretion to reduce the amount of PAGA penalties. Ruiz-Velasco Decl. ¶7. However, if the claimed violations do in fact end in September of 2023, per Plaintiff's investigation, then the maximum potential civil penalties are about $353,300. *Id.* Further, many of the assumptions of the maximum potential recovery rest on unresolved legal and factual issues and therefore the actual value of the case is less than the maximum exposure.

Additionally, while Plaintiff and Plaintiff's Counsel are confident in the merits of the Action, a legitimate controversy exists as to each alleged underlying Labor Code violation. Ruiz-Velasco Decl. ¶8. For example, Plaintiff contends that, due to the nature of the Aggrieved Employees' work and Defendants' practices, Aggrieved Employees did not regularly receive timely, uninterrupted meal and rest periods and were required to work off-the clock due to high patient volume and inadequate staffing levels, thus causing meal and rest period and minimum/overtime wage violations. *Id*. Plaintiff also contends that Defendants failed to reimburse Plaintiff and other Aggrieved Employees for personal cell phone expenses incurred in the course of their job duties. *Id*. On the other hand, Defendants contend that Aggrieved Employees were provided lawful meal and rest periods and that they properly paid employees for all time worked. *Id*. Defendants also contend that they maintained lawful meal and rest period, minimum wage, overtime, and reimbursement policies. *Id.*

Plaintiff also considered the fact that continued litigation would be expensive and time-consuming involving a trial and likely appeals, all with uncertain results, and it would substantially delay any recovery on behalf of the State and Aggrieved Employees. *Id.*

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Furthermore, PAGA gives the trial court wide latitude to reduce the amount of civil penalties "based on the facts and circumstances of a particular case" when "to do otherwise would result in an award that is unjust, arbitrary and oppressive, or confiscatory." *Lopez v. Friant & Assocs., LLC* (2017) 15 Cal.App.5th 773, 788 (citing Lab. Code § 2699, subd. (e)(2)); see also *Amaral v. Cintas Corp. No. 2* (2008) 163 Cal.App.4th 1157, 1213; *Raines v. Coastal Pac. Food Distributors, Inc.* (2018) 23 Cal.App.5th 667, 681. In reducing PAGA penalties, courts consider issues including whether the employees suffered actual injury from the violations, whether the defendant was aware of the violations, whether the violation arises from an unsettled legal obligation, and the employer's willingness to fix the violation. *See Carrington v. Starbucks Corp*. (2018) 30 Cal.App.5th 504, 529 (affirming judgment where the trial court reduced the $50 maximum penalty per initial violation to just $5 on its finding that imposing the maximum penalty would be unjust, arbitrary, and oppressive based on defendant's "good faith attempts" to comply with its meal break obligations and the violations were minimal).

Accordingly, the Settlement properly accounts for Defendants' potential defenses to Plaintiff's claims and the fact that the Court could reduce the amount of PAGA penalties even if Plaintiff was successful on each of her claims.

V. CONCLUSION

Based upon the totality of the facts and circumstances, Plaintiff respectfully requests to the Court that the PAGA Claim settlement of $30,000, with allocations of $24,573.36 towards PAGA civil penalties, plus $5,426.64 for PAGA Settlement Administrator distribution fees, be judicially approved pursuant to Labor Code section 2699 and be imposed on Defendants.

Dated: February 23, 2026

Rodolfo Ruiz Velasco, Esq.,
Attorneys for Plaintiff Sonia Munoz

DECLARATION OF RODOLFO RUIZ-VELASCO IN SUPPORT

I, Rodolfo Ruiz-Velasco, declare as follows:

1. I am an attorney licensed to practice law in the state of California and am the attorney of record for Plaintiff SONIA MUNOZ ("Plaintiff") in the above referenced action.

2. On or about July 12, 2023, on behalf of Plaintiff, I sent Defendants VILLA DEL RIO, INC., WILLIAM NELSON, VICKI ROLLINS, and CYNTHIA MORA (collectively, "Defendants") via certified mail a written notice of Plaintiff's intent to bring a claim for PAGA civil penalties, and filed it with the California Labor Workforce Development Agency ("LWDA") via online submission through their website (A true and correct copy of the written notice for the PAGA claim is attached to the Complaint in this action, see Docket No. 1, Exhibit 1). The LWDA provided Case No. LWDA-CM-967784-23 for the PAGA Action. The LWDA did not respond within the requisite 65 days. On or about October 17, 2023, Plaintiff filed her Complaint in this case alleging individual claims for (1) failure to pay wages, (2) failure to timely furnish accurate itemized wage statements in violation of Labor Code section 226(a), (3) unfair business practices, (4) waiting time penalties per Labor Code section 203, (5) meal and rest period violations, (6) failure to reimburse, (8) sexual harassment, discrimination, retaliation and hostile environment in violation of FEHA, along with the representative seventh (7th) cause of action for PAGA civil penalties pursuant to Labor Code section 2698, et seq. Defendants dispute the claims and violations.

3. On or about December 18, 2023, Defendants filed a motion to compel arbitration, which Plaintiff opposed. On or about November 19, 2024, the Court denied Defendants' motion to compel arbitration after the hearing on the motion was continued several times due to the prior assigned judge recusing herself just before the first hearing, and the case being reassigned to this

department, and then after the Court requested further information from the Parties in light of new Court of Appeals opinions holding that the EFAA precludes arbitration of an entire case when there are claims of sexual harassment and/or sexual assault.

4. The Parties performed written discovery, exchange of records regarding Plaintiff and the other aggrieved employees, interviewed aggrieved employees, and performed several days of depositions. The discovery and aggrieved employee interviews showed that Defendants made efforts to correct violations within about two months of receiving the PAGA notice, that is, on or about September of 2023, by hiring an agency to employ the kitchen and janitorial aggrieved employees. Thereafter, the Parties attended a full-day mediation with mediator Sonya Goodwin from Signature Resolution, and after the mediation and after exchanging several pre and post mediation settlement communications, and after careful consideration of the information produced, the Parties agreed to a settlement of the case in full, including the individual claims and the PAGA claim.

5. On or about February 10, 2026, the Parties fully executed the PAGA Settlement Agreement ("Agreement"). A true and correct copy of the Agreement is attached hereto as Exh. A. On February 23, 2026 I submitted a copy of the Agreement to the LWDA via online submission. Upon Court approval of the PAGA claim settlement, Plaintiff will request to dismiss this case in its entirety

6. $30,000 has been agreed to settle the PAGA claim, where this gross amount is allocated as follows: $24,573.36 in civil penalties plus $5,426.64 for civil penalties settlement administrator fees, which results in a net gain of $24,573.36 for the State of California and the aggrieved employees, and where of the 24,573.36, $18,430.02 or seventy-five percent (75%) will be paid to the California Labor Workforce Development Agency ("LWDA") and $6,143.34 or

twenty-five percent (25%) will be paid to the aggrieved employees. Agreement ¶ 1.10, 1.22, 3.2.1, 3.3.

7. The maximum potential penalties are approximately $999,100 calculated as 9,991 maximum pay periods worked by the aggrieved employees during the PAGA time period of August 13, 2022 to September 30, 2025 x $100 per pay period civil penalty, however, if the claimed violations do in fact end in September of 2023 per our investigation, then the maximum potential civil penalties are about $353,300, calculated as 3,533 maximum pay periods worked by the aggrieved employees during the period of August 13, 2022 to September 30 2023 x $100 per pay period civil penalty.

8. Defendants deny all violations and deny that any violations occurred in the first place and have witnesses who will testify at trial denying the violations, including the failure to pay wages, failure to relieve of duties during meal and rest periods, and failure to reimburse, and will testify that they have maintained lawful meal and rest period, minimum wage, overtime, and reimbursement policies. Therefore, Plaintiff would have risks at trial if the jury would believe Defendants' witnesses as opposed to Plaintiff's, and the Parties would also need to spend considerable time and expenses in trying this case, with likely appeals, all with uncertain results.

I declare under penalty of perjury under the laws of the state of California that foregoing is true and correct and based upon my personal knowledge.

Dated: February 23, 2026

Rodolfo Ruiz-Velasco, Esq.
Attorney for Plaintiff Sonia Munoz

EXHIBIT A

PAGA SETTLEMENT AGREEMENT

This PAGA Settlement Agreement ("Agreement") is made by and between plaintiff Sonia Munoz ("Plaintiff") and defendant Villa Del Rio, Inc. ("VDR"). The Agreement refers to Plaintiff and VDR collectively as "Parties," or individually as "Party."

1. DEFINITIONS.

1.1 "Action" or "PAGA Action" means the Plaintiff's PAGA lawsuit alleging wage and hour violations against VDR captioned *Sonia Munoz v. Villa Del Rio, Inc.*, filed in the Superior Court of the State of California, County of Los Angeles, Case No. 23STCV25415.

1.2 "Administrator" means Phoenix Class Action Administration Solutions, 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 "Aggrieved Employee(s)" means all current and former non-exempt, hourly paid employees, who were employed by VDR during the representative action's PAGA Period.

1.5 "Aggrieved Employee Data" means Aggrieved Employee identifying information in VDR 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 "Court" means the Superior Court of California, County of Los Angeles.

1.8 "Defense Counsel" means the law firm of Fisher Phillips, LLP, including Frank Magnanimo and Jasmine R. Kiaei.

1.9 "Effective Date" shall mean the date on which the Approval Order approving this settlement is signed. The occurrence of the Effective Date is a prerequisite to any obligation of Defendant to pay the Gross Settlement Amount.

1.10 "Gross Settlement Amount" means $30,000 which is the total amount VDR agrees to pay under the Settlement. The Gross Settlement Amount will be used to pay Individual PAGA Payments, the LWDA PAGA Payment, PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment and the Administrator's Expenses Payment.

1.11 "Individual PAGA Payment" means the Aggrieved Employee's pro rata share of 25% of the PAGA Penalties calculated according to the number of Pay Periods the Aggrieved Employee worked during the PAGA Period.

1.12 "Judgment" means the judgment entered by the Court based upon the Final Approval.

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

1.14 "LWDA PAGA Payment" means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subdivision (i).

1.15 "Net Settlement Amount" means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, Individual PAGA Payments, the LWDA PAGA Payment, and the Administration Expenses Payment. The remainder is to be paid to Aggrieved Employees as Individual PAGA Payments.

1.16 "PAGA Counsel" means the law office of Ruiz-Velasco Law Firm, including Rodolfo Ruiz-Velasco, Esq., the attorney representing the Plaintiff in the Action.

1.17 "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.

1.18 "PAGA Pay Period" means any Pay Period during which an Aggrieved Employee worked for VDR for at least one day during the PAGA Period.

1.19 "PAGA Period" means the period from August 13, 2022 to September 30, 2025.

1.20 "PAGA" means the Private Attorneys General Act (Lab. Code, § 2698. et seq.)

1.21 "PAGA Notice" means Plaintiff's July 12, 2023 letter, sent to VDR and the LWDA providing notice of Plaintiff's claims pursuant to Labor Code section 2699.3, subdivision (a).

1.22 "PAGA Penalties" means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 25% to the Aggrieved Employees ($6,143.34) and the 75% to LWDA ($18,430.02) in settlement of PAGA claims.

1.23 "Approval Order" means the proposed Court Order Granting Approval of PAGA Settlement.

1.24 "Released PAGA Claims" means the claims being released by the Plaintiff and PAGA Counsel and as described in Section 5 below.

1.25 "Released Parties" means VDR and each of its parents, predecessors, successors, subsidiaries, affiliates, partners, and trusts, employment agencies and professional employer organizations, and their owners, employees, officers, agents, attorneys, insurers, stockholders, fiduciaries, other service providers, and assigns.

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

2. RECITALS.

2.1 On October 17, 2023, Plaintiff commenced her PAGA Action against VDR by filing a PAGA complaint. The Complaint alleged causes of action seeking representative civil penalties under the California Labor Code, and on behalf of the state of California for violations suffered by all non-exempt employees of VDR during the PAGA period.

2.2 Plaintiff's Action alleges the following causes of action: 1. Failure To Pay Wages; 2. Failure To Timely Furnish Accurate Itemized Wage Statements; 3. Unfair Business Practices; 4. Waiting Time Penalties Per Labor Code §203; 5. Meal And Rest Period Violations; 6. Failure To Reimburse; 7. Private Attorneys General Act Of 2004 ("PAGA") Per Labor Code §2699, et seq.; 8. Harassment, Discrimination, Retaliation, and Hostile Environment In Violation of FEHA.

2.3 On July 12, 2023, Pursuant to Labor Code section 2699.3(a), Plaintiff gave written PAGA Notice to VDR and the LWDA.

2.4 VDR denies the allegations in Plaintiff's PAGA Action, denies any alleged failure to comply with laws identified in the PAGA Action, and denies all liability for the causes of action alleged therein.

2.5 On September 30, 2025, the Parties engaged in a full day mediation conducted by experienced mediator Sonia Goodwin of Signature Resolution. During the mediation, the Parties engaged in good-faith, arm's length negotiations. Following the conclusion of the mediation session, the Parties continued corresponding regarding resolution and ultimately came to an agreement, thereby resolving the entirety of the claims alleged by Plaintiff against VDR. The Parties resolved the action, subject to the execution of this comprehensive PAGA Settlement and approval by the Court.

2.6 Plaintiff, through counsel, conducted a significant investigation of the PAGA claims prior to attending the mediation. Prior to the September 30, 2025 mediation, Plaintiff obtained, through informal discovery, Plaintiff's wage statements, Plaintiff's personnel file, Defendant's written policies, and time and payroll records for a sampling of all Aggrieved Employees. Plaintiff also received aggregate data including the total number of current and former Aggrieved Employees and pay periods at issue.

3. MONETARY TERMS.

3.1 Gross Settlement Amount. VDR shall pay a non-reversionary settlement payment of $30,000.00 which will create a non-reversionary common fund ("GSA" or "Gross Settlement Amount"), costs of settlement administration, employee side employment taxes, all civil penalties due under PAGA, and general releases, and interest.

3.1.1 VDR has no obligation to pay the GSA prior to the funding deadline established in Paragraph 4.3 of this agreement. The Settlement administrator will disburse the GSA without asking or requiring Aggrieved Employees to submit any claim as a condition of payment. None of the gross settlement amount will revert to VDR.

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

3.2.1 Settlement Administration Costs. The reasonable costs incurred by the Settlement Administrator in administering the settlement, as approved by the Court, shall be deducted from the GSA and are currently estimated not to exceed Five Thousand Four Hundred Twenty Six dollars and 64/100 (**$5,426.64**).

3.2.2 The Administrator will calculate each Individual PAGA Payment by (a) dividing the Net Settlement Amount by the total number of Qualifying PAGA Periods worked by all PAGA Employees during the PAGA Period and (b) multiplying the result by each PAGA Employee's Qualifying PAGA Periods.

3.3 Net Settlement Amount. The amount remaining after deducting PAGA Counsel's attorney's fees, PAGA Counsel's Costs, the Settlement Administration costs, and any PAGA Representative Enhancement Award from the GSA, shall be known as the "Net Settlement Amount" or "NSA." One Hundred Percent (100%) of the Net Settlement Amount shall be paid as a Labor Code Section 2699 penalty payment and shall be distributed and paid as follows: (i) 75% to the LWDA—currently estimated to be about **$18,430.02** and (ii) 25% to the PAGA Employees, pursuant to Labor Code section 2699(i)—currently estimated to be about **$6,143.34**. The 25% to be paid to the PAGA Employees shall be divided among all PAGA Employees based on each PAGA Employees' respective number of qualified pay periods worked for Defendant in California during the PAGA Period.

3.3.1 Individual Settlement Payments. The Parties agree that the Individual Settlement Payments to the PAGA Aggrieved Employees will be calculated based on the respective number of Qualifying Pay Periods each PAGA Aggrieved Employee worked during the PAGA Period. It shall be the duty of the Settlement Administrator to calculate the respective number of Qualifying Pay Periods for each PAGA Aggrieved Employee. The Administrator will report the Individual Settlement Payments on IRS 1099 Forms, if applicable. The payments to Aggrieved employees are entirely civil penalties.

4. SETTLEMENT FUNDING AND ADMINISTRATION.

4.1 Settlement Administrator. The Parties agree that Phoenix Class Action Solutions will manage the administration of this Settlement. The Parties have verified that Phoenix Class Action Solutions, as a condition of appointment, agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Settlement Administration Costs. The Parties and their Counsels represent that they have no interest or relationship, financial or otherwise, with the Settlement Administrator other than a professional relationship arising out of prior experiences administering settlements. The Parties agree that the Settlement Administrator will administer this settlement and will issue to PAGA Aggrieved Employees a Form 1099 for all amounts paid as penalties. The Parties agree that Plaintiff is solely responsible for selecting the Settlement Administrator to administer the settlement.

4.2 Settlement Administrator Duties. The Settlement Administrator has a duty to perform or observe all tasks to be performed or observed by the Settlement Administrator contained in this Agreement or otherwise. The Settlement Administrator is responsible for establishing the Qualified Settlement Fund ("QSF"). The QSF shall be an interest-bearing account within the meaning of Section 468B of the Internal Revenue Code of 1986, as amended, and Treas. Reg. Section 1.468B-1, et seq., at a federally insured bank that is mutually acceptable to the Parties and the Settlement Administrator. The Settlement Administrator shall serve as a Trustee of the QSF and shall act as a fiduciary with handling of all tax-related issues, reporting, and payments. The Settlement Administrator shall act in a manner necessary to qualify and maintain the QSF as a Qualified Settlement Fund and the Parties shall cooperate to ensure such treatment and shall not take a position in any filing or before any tax authority inconsistent with such treatment. The Parties agree that the QSF shall be a non-reversionary fund and that under no circumstance will there be any reversion to Defendant of any of the funds from the QSF or the GSA. The Settlement Administrator will, as necessary, print, copy, format, and translate materials, mail notices to PAGA Employees, perform a skip trace before mailing and another skip trace for undeliverable addresses, establish and maintain a QSF, obtain appropriate tax identification numbers, calculate Individual PAGA Payments, calculate taxes, prepare and file all required IRS Forms, mail Individual PAGA Payments and tax forms, establish a hotline telephone number for PAGA Employee communications, post notices regarding settlement on the Settlement Administrator's website, remit all tax payments and required documentation to federal and state taxing authorities, implement the process for any uncashed settlement checks, and perform all other duties associated with settlement administration, including, but not limited to, all those specified in this Agreement. Any dispute relating to settlement administration shall, after good-faith efforts by the Parties to resolve the dispute, be referred to the Court.

4.3 VDR Funding Obligation. VDR shall have 30 days from the effective date, to pay the QSF the $30,000.00 GSA.

4.4 Aggrieved Employee Data. Upon funding of the QSF, VDR will simultaneously deliver the Aggrieved Employee Data to the Administrator in the form of a Microsoft Excel spreadsheet. 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.

4.5 VDR 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 VDR must send the Aggrieved Employee Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Aggrieved Employee Data.

4.6 PAGA Employees Totals. Based on its records, VDR estimates that, as of September 30, 2025, there were 347 Aggrieved Employees who had worked a total of 9,991 PAGA Pay Periods. The Settlement Administrator shall have the final authority in calculating the total of the Qualified Pay Periods worked by the PAGA Employees during the PAGA Period, calculated pursuant to the terms of this Agreement.

4.7 Within 7 calendar days of receipt of the Aggrieved Employee Data, the Settlement Administrator will circulate to PAGA Counsel and VDR a spreadsheet containing the Individual PAGA Payments to each PAGA Employee and the data used to calculate said payments. The PAGA Employees, except for Plaintiff, shall be identified by their employee identification number or the last four of their social security number. The Settlement Administrator shall obtain written approval of the calculations from the Parties.

4.8 Within 14 calendar days after VDR funds the QSF, the Administrator will distribute the Administration Expenses Payment, the PAGA Counsel's Fees, PAGA Counsel Costs, and PAGA Representatives Enhancement Payment.

4.9 Mailing of Individual PAGA Payments. Within 14 calendar days after receipt of the PAGA Employee Data from Defendant, or five (5) business days from approval of the calculations from the Parties, whichever is later, the Settlement Administrator shall mail the PAGA Explanatory Letter (attached hereto as **Exhibit A**) along with the Individual PAGA Payments to all PAGA Employees by first-class U.S. mail. Prior to mailing, the Settlement Administrator shall perform a National Change of Address (NCOA) search and an Accurint®, (or substantially similar) in-depth skip trace to obtain the best possible address for the PAGA Employee.

4.9.1 The face of each Individual Settlement Payment check shall prominently state the date (not less than 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. Thereafter, any settlement check to an Aggrieved Employee that is not collected within one hundred eighty (180) days of mailing to the Aggrieved Employees shall be cancelled, and funds associated with the check shall be transmitted to the California State Controller's Office, Unclaimed Property Fund in the name of the PAGA Employee.

4.9.2 The envelope containing the Individual PAGA Payment shall bear the following phrase in bold type, in the bottom left-hand corner: **IMPORTANT- Villa Del Rio, Inc. PAGA SETTLEMENT INFORMATION. PLEASE OPEN IMMEDIATELY**.

4.10 Undeliverable Checks. The Administrator shall promptly send a replacement check to any PAGA Employee whose original check was lost or misplaced, or as requested by the PAGA Employee prior to the void date.

4.10.1 If an Individual PAGA Payment is returned as undeliverable with a forwarding address provided by the United States Postal Service before the void date, the Settlement Administrator will promptly resend the Explanatory Letter and Individual PAGA Payment to that forwarding address. If any Individual PAGA Payment is returned from any mailing and/or re-mailed, the Settlement Administrator will note for its own records and notify the Parties' Counsel of the date of such re-mailings as part of a weekly status report provided to the Parties.

4.10.2 If an Individual PAGA Payment is returned as undeliverable without a forwarding address from its first mailing, the Settlement Administrator shall undertake all reasonable efforts to locate a current address, including performing an Experian (or substantially similar) in-depth skip trace or mass search on LexisNexis databases based on set criteria. If the Settlement Administrator obtains a more current address, the Settlement Administrator shall resend the Explanatory Letter and the Individual PAGA Payment to that address. No further action by the Settlement Administrator shall be required regarding undeliverable PAGA Notices.

4.11 Uncashed Funds. Any residual amount of the Net Settlement Amount remaining after all Individual PAGA Payments are made resulting from any returned or uncashed checks shall be sent to the California State Controller's Office in the name of the PAGA Employee.

4.12 Accounting. The Settlement Administrator will provide an accounting under oath to PAGA Counsel and Defense Counsel of the amounts paid from the Settlement prior to any final accounting hearing set by the Court, or in case no such hearing is required, no later than nine (9) months after the Individual PAGA Payments have been disbursed, or 60 (days) from the settlement checks' void date, whichever is later.

4.13 The payment of Individual PAGA Payments shall not obligate VDR 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 VDR fully funds the entire GSA to the QSF, Plaintiff and PAGA Counsel will release claims against all Released Parties as follows:

5.1 Release by PAGA Employees. The settlement is conditioned upon the following release. Upon deposit of the GSA in the Qualified Settlement Fund, Plaintiff and Aggrieved Employees, 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 all PAGA civil penalty claims alleged in the operative Complaint in the case *Sonia Munoz v. Villa Del Rio, Inc.*, to the fullest extent allowed by law arising from any of the facts alleged in PAGA Action or that could have been alleged, based on the facts stated in the Operative Complaint, any amended Complaints, and the PAGA Notice, including any claims for civil penalties arising out of Defendant's alleged violations of the California Labor Code, *et seq.* for, *inter alia*, for: 1. Failure To Pay Wages; 2. Failure To Timely Furnish Accurate Itemized Wage Statements; 3. Unfair Business Practices; 4. Waiting Time Penalties Per Labor Code §203; 5. Meal And Rest Period Violations; 6. Failure To Reimburse; and 7. Private Attorneys General Act Of 2004 ("PAGA") Per Labor Code §2699, et seq. from August 13, 2022 through September 30, 2025.

5.2 Plaintiff's Waiver of Rights Under Civil Code Section 1542. For purposes of Plaintiff's Release, Plaintiff expressly waives and relinquishes the provisions, rights, and benefits, if any, of section 1542 of the California Civil Code, which reads:

A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that if known by him or her would have materially affected his or her settlement with the debtor or Released Party.

6. APPROVAL OF SETTLEMENT.

6.1 The Parties agree to jointly prepare and file an application or motion for approval of this Settlement.

6.2 Plaintiff's Responsibilities. Plaintiff will prepare and deliver to Defense Counsel all documents necessary for obtaining approval of this Settlement under Labor Code section 2699, subdivision (f)(2)) including but not limited to (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 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 (initial notice of violations (Labor Code section 2699.3, subd. (a), Operative Complaint (Lab. Code, §2699, subd. (l)(1)), this Agreement (Lab. Code, § 2699, subd. (l)(2)); (iv) a redlined version of the parties' Agreement showing all modifications made to the Model Agreement ready for filing with the Court; and (v) all facts relevant to any actual or potential conflict of interest with Aggrieved Employees and/or the Administrator. In their Declarations, Plaintiff and PAGA Counsel shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.

6.3 Responsibilities of Counsel. PAGA Counsel and Defense Counsel are jointly responsible for expeditiously finalizing and filing the application or motion for approval of this Settlement no later than [30] 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. Defense Counsel shall prepare a declaration stating that there are no Labor Code violations claimed by Plaintiff in the Action being committed by VDR. PAGA Counsel is responsible for delivering the Court's approval to the Administrator.

6.4 Duty to Cooperate. If the Parties disagree on any aspect of the proposed application or motion for approval of this Settlement and/or the supporting declarations and documents, PAGA Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant the application or motion for approval 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.

6.5 Entry of Judgment. Plaintiff shall submit a [Proposed] Order and Judgment on the Action which will seek the Court's approval of the Settlement and entry of judgments thereon, in accordance with the terms of the PAGA Settlement. The judgment will not release or bar any claims other than the PAGA Released Claims as to the PAGA Employees. The Proposed Judgment on the Action shall state that the Court will retain jurisdiction pursuant to Code of Civil Procedure Section 664.6 over the Parties, the Actions, and the Settlement solely for purposes of enforcing the Agreement or judgment, addressing settlement administration matters, addressing post-judgment matters related to the Settlement as permitted by law.

7. CONTINUING JURISDICTION OF THE COURT.

7.1 The Parties agree that, after entry of Judgment, the Court will retain jurisdiction pursuant to Code of Civil Procedure Section 664.6 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.

8. ADDITIONAL PROVISIONS.

8.1 <u>No Admission of Liability or Representative Manageability for Other Purposes</u>. 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 VDR that any of the allegations in the Operative Complaint have merit or that VDR has any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that VDR 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, VDR reserves all available defenses to the claims in the Action, and Plaintiff reserves the right to contest VDR 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).

8.2 <u>Integrated Agreement</u>. 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.

8.3 <u>Attorney Authorization</u>. PAGA Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiff and VDR, 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.

8.4 <u>Cooperation</u>. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying the Settlement Agreement, submitting supplemental evidence and supplementing points and authorities as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of a mediator and/or the Court for resolution.

8.5 <u>No Prior Assignments</u>. 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.

8.6 No Tax Advice. Neither Plaintiff, PAGA Counsel, VDR 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.

8.7 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.

8.8 Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.

8.9 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.

8.10 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.

8.11 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.

8.12 Use and Return of Aggrieved Employee Data. Information provided to PAGA Counsel pursuant to Evidence Code section 1152, and all copies and summaries of the PAGA Data provided to PAGA Counsel by VDR 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 California Rules of Court rule. Not later than 90 days after the Administrator discharges its obligation to pay out of all Settlement funds, Plaintiff shall destroy all paper and electronic versions of Aggrieved Employee Data received from VDR unless, prior to the Administrator's payment of all Settlement Funds, VDR makes a written request to PAGA Counsel for the return, rather than the destruction, of Aggrieved Employee Data.

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

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

8.15 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:
Rodolfo Ruiz-Velasco, Esq.
RUIZ-VELASCO LAW FIRM
600 W. Broadway Suite 700
San Diego, CA 92101
(619) 800-5293

To Villa Del Rio, Inc.:
Frank A. Magnanimo, Esq.
Jasmine R. Kiaei, Esq.
FISHER & PHILLIPS LLP
21600 Oxnard Street, Suite 650
Woodland Hills, California 91367
Telephone: (213) 330-4500

8.16 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.

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

Dated:

PLAINTIFF:

1-29-2026

Sonia Munoz

Dated: Feb 10, 2026

DEFENDANT VILLA DEL RIO, INC.:

By: William Nelson
(Authorized Representative of Defendant)
CEO

SUPERIOR COURT OF CALIFORNIA

COUNTY OF LOS ANGELES

SONIA MUNOZ, an individual, Plaintiff, v. VILLA DEL RIO, INC.; WILLIAM NELSON, an individual; VICKI ROLLINS, an individual; CYNTHIA MORA, an individual; and DOES 1 through 50, inclusive, Defendants.	CASE NO.: 23STCV25415 **[PROPOSED] ORDER ON JOINT MOTION FOR COURT APPROVAL OF SETTLEMENT OF PLAINTIFF'S PRIVATE ATTORNEYS GENERAL ACT ("PAGA") CLAIM** I/C: Hon. Richard L. Fruin Dept.: 15 Hearing Date: March 19, 2026 Hearing Time: 9:15 a.m. Date of First Paper: October 17, 2023 Trial Date: May 11, 2026 [IMAGED FILE]

The Joint Notice of Motion and Motion for Approval of Settlement of Private Attorneys General Act ("PAGA") Claim (hereinafter "Motion") came on for hearing in Department 15 of this Court on March 19, 2026. Attorney Rodolfo Ruiz-Velasco appeared on behalf of Plaintiff SONIA MUNOZ ("Plaintiff"), and Attorney(s) Frank MA. Magnanimous, Esq. and/or Jasmine

Kieaei appeared on behalf of Defendants VILLA DEL RIO, INC. ("VILLA"), WILLIAM NELSON, VICKI ROLLINS, and CYNTHIA MORA (collectively, "Defendants"). Having read the Motion, the memorandum of points and authorities, and the declaration, and having heard argument of counsel,

GOOD CAUSE APPEARING, IT IS SO ORDERED that the Motion is granted.

1. The Parties' agreement to settle any and all claims available under Labor Code sections 2698, et seq. (the Private Attorneys General Act or "PAGA") (LWDA Case No. LWDA-CM-967784-23) pursuant to Plaintiff's seventh (7th) cause of action in her Complaint for $30,000.00, which is calculated as $24,573.36 in PAGA civil penalties, and $5,426.64 in PAGA civil penalties settlement administrator distribution costs, is approved by this Court.

2. The aggrieved employees are defined as all nonexempt employees who worked for Defendant VILLA DEL RIO, INC. from August 13, 2022 to September 30, 2025 (the "PAGA Period").

3. The civil penalties amount of $24,573.36, shall be distributed by settlement claims administrator Phoenix Settlement Administrators with 75% of that amount ($18,430.02) made payable to the California Labor Workforce & Development Agency ("LWDA"), and 25% of that amount ($6,143.34) made payable to the aggrieved employees pro rata according to the number of pay periods that each employee worked during the PAGA Period.

4. The following alternative or additional relief is granted: ____________________

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____.

IT IS SO ORDERED.

Dated: _______________ ________________________________

Hon. Richard L. Fruin

Make a Reservation

SONIA MUNOZ vs VILLA DEL RIO, INC., et al.

Case Number: 23STCV25415 Case Type: Civil Unlimited Category: Other Employment Complaint Case
Date Filed: 2023-10-17 Location: Stanley Mosk Courthouse - Department 15

Reservation

Case Name: SONIA MUNOZ vs VILLA DEL RIO, INC., et al.	Case Number: 23STCV25415
Type: Motion to Confirm Settlement	Status: RESERVED
Filing Party: Sonia Munoz (Plaintiff)	Location: Stanley Mosk Courthou
Date/Time: 03/19/2026 9:15 AM	Number of Motions: 1
Reservation ID: 246990574717	Confirmation Code: CR-FDPYJKV4UZW3E

Fees

Description
Motion to Confirm Settlement
TOTAL

Payment

Amount: $0.00	Type: NOFEE
Account Number: n/a	Authorization: n/a
Payment Date: n/a	

Print Receipt | Reserve Another Hearing | View My Reservations