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WENDY'S OF SANTA CLARA, INC.

SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF SANTA CLARA

ALFONSO ROMERO, individually and on
behalf of all other aggrieved employees,

Plaintiff,

vs.

WENDY'S OF SANTA CLARA, INC., a
California corporation; and DOES 1 through
50, inclusive,

Defendants.

CASE NO.: 23CV425944

[Assigned for all purposes to the Hon.
Charles F. Adams – Dept. 7]

**STIPULATION OF
REPRESENTATIVE ACTION
SETTLEMENT**

Complaint Filed: November 17, 2023
FAC Filed: April 26, 2024
Trial Date: None Set

IT IS HEREBY STIPULATED, by and between plaintiff Alfonso Romero ("Plaintiff"), individually and on behalf of all other aggrieved employees, on the one hand, and defendant Wendy's of Santa Clara, Inc. ("Wendy's"), on the other hand, and subject to the approval of the Court, that the Action is hereby compromised and settled pursuant to the terms and conditions set forth in this Stipulation of Representative Action Settlement ("Stipulation") and that the Court shall make and enter judgment, subject to the continuing jurisdiction of the Court as set forth below, and subject to the definitions, recitals, and terms set forth herein which by this reference become an integral part of this Stipulation.

DEFINITIONS

1. "Action" means the representative action entitled *Romero v. Wendy's of Santa Clara Inc., et al.*, Santa Clara County Superior Court Case No. 23CV425944.
2. "Aggrieved Employees" means all current and former non-exempt employees of Defendant in California at any time during the PAGA Period.
3. "Approval Hearing" means the hearing to be conducted by the Court after the filing of an appropriate motion by Plaintiff, at which time Plaintiff shall request that the Court approve the Settlement, enter the Judgment, and take other appropriate action.
4. "Compensable Pay Periods" means the total number of pay periods during which an Aggrieved Employee worked for Defendant as a non-exempt employee in California during the PAGA Period, based on Defendant's records, and which shall be used to calculate Individual Settlement Payments.
5. "Defendant" means defendant Wendy's of Santa Clara, Inc.
6. "Defense Counsel" means S. Brett Sutton, Jared Hague, and Travis Hodgkins of Sutton Hague Law Corporation, PC.
7. "Effective Date" means the date when both of the following have occurred: (a) the Court enters judgment on its order approving the Stipulation ("Approval Order and Judgment") and (b) the Approval Order and Judgment is final. The Approval Order and Judgment is final as of the latest of the following occurrences: (i) the 65th day after the Court enters its Approval Order and Judgment, if no appeal has been filed, or (ii) if an appeal to the Approval Order and

1 Judgment is filed, whether by Plaintiff, Plaintiff's Counsel or any other individual, the day the
2 Court of Appeals enters its judgment upholding the Court's Approval Order and Judgment, or (iii)
3 the day upon which all appeals, reviews, or writs are dismissed, denied, and/or exhausted, and the
4 Approval Order and Judgment is no longer subject to judicial review.

5 8. "Employee Information" means information regarding the Aggrieved Employees
6 that Defendant shall in good faith compile from its records and shall be authorized by the Court to
7 transmit in a secured manner to the Settlement Administrator. Employee Information shall be
8 transmitted in electronic form and shall include each Aggrieved Employee's full name; last
9 known address; Social Security number; and total number of Compensable Pay Periods.

10 9. "Incentive Award" means the amount that the Court authorizes to be paid to
11 Plaintiff, in addition to Plaintiff's Individual Settlement Payment, in recognition of Plaintiff's
12 effort and risk in prosecuting the Action.

13 10. "Individual Settlement Payment" means the amount payable from the PAGA Fund
14 to each Aggrieved Employee.

15 11. "Approval Order and Judgment" or "Judgment" means the final order and
16 judgment to be entered by the Court granting approval of the Settlement and this Stipulation as
17 binding upon the Parties and the Aggrieved Employees.

18 12. "LWDA" means the California Labor and Workforce Development Agency.

19 13. "Notice" means the Notice of Representative Action Settlement, substantially in
20 the form attached as **Exhibit 1**, which shall be subject to Court approval and which the Settlement
21 Administrator shall mail to each Aggrieved Employee explaining the terms of this Stipulation and
22 the Settlement.

23 14. "PAGA" means the Labor Code Private Attorneys General Act of 2004, California
24 Labor Code sections 2698, et seq.

25 15. "PAGA Fund" means the Settlement Fund, less Plaintiff's Counsel Award, the
26 Incentive Award, and Settlement Administration Costs, of which seventy five percent (75%) shall
27 be distributed to the LWDA for PAGA penalties pursuant to California Labor Code § 2699(i),
28

and twenty five percent (25%) shall be distributed to the Aggrieved Employees for their Individual Settlement Payments.

16. "PAGA Period" means the time period from September 13, 2022 through March 23, 2025.

17. "Parties" means Plaintiff and Defendant.

18. "Plaintiff" means plaintiff Alfonso Romero.

19. "Plaintiff's Counsel" means Matthew J. Matern, Deanna S. Leifer, and Kristen B. Doyan of Matern Law Group, PC.

20. "Plaintiff's Counsel Award" means reasonable attorneys' fees for Plaintiff's Counsel's litigation and resolution of this Action (not to exceed 33 1/3% of the Settlement Fund), and Plaintiff's Counsel's expenses and costs reasonably incurred in connection with this Action.

21. "Released Parties" means Defendant and all of its current and former subsidiaries, affiliates, parents, predecessors, successors, divisions, units, partners, component companies, assigns, licensees, owners, directors, officers, executives, supervisors, managers, partners, agents, representatives, health and welfare benefit plans including but not limited to any long- and short-term benefit plans, insurers, reinsurers, servants, executors, administrators, accountants, investigators, heirs, and attorneys, and all persons acting under, by, through, or in concert with any of them.

22. "Settlement" means the final and complete disposition of the Action pursuant to this Stipulation.

23. "Settlement Administration Costs" means the reasonable costs and fees of administering the Settlement to be paid from the Settlement Fund, including, but not limited to: (i) printing, mailing, and re-mailing (if necessary) Settlement Packets to the Aggrieved Employees; (ii) preparing and submitting to Aggrieved Employees and government entities all appropriate tax filings and forms; (iii) computing the amount of and distributing Individual Settlement Payments, the Incentive Award, the Plaintiff's Counsel Award, and the PAGA payment to the LWDA; (iv) establishing a Qualified Settlement Fund, as defined by the Internal

1 Revenue Code; and (vi) preparing and submitting filings required by law in connection with the
2 payments required by the Settlement.

3 24. "Settlement Administrator" means Rust Consulting, Inc.

4 25. "Settlement Fund" means the maximum amount Defendant shall have to pay in
5 connection with this Settlement, which shall be inclusive of all Individual Settlement Payments to
6 the Aggrieved Employees, the Plaintiff's Counsel Award, the Incentive Award, Settlement
7 Administration Costs, and the PAGA payment to the LWDA. Subject to Court approval and the
8 terms of this Stipulation, the Settlement Fund Defendant shall be required to pay is Two Hundred
9 Ten Thousand Dollars (\$210,000.00).

10 26. "Settlement Packet" means the packet of documents which shall be mailed to all
11 Aggrieved Employees by the Settlement Administrator, including the Notice and each Aggrieved
12 Employee's respective Individual Settlement Payment.

13 RECITALS

14 27. Procedural History. On November 17, 2023, Plaintiff filed a complaint against
15 Defendant in Santa Clara County Superior Court, alleging a single cause of action for penalties
16 under PAGA. On April 26, 2024, Plaintiff filed a First Amended Complaint ("FAC").

17 28. Defendant filed an answer to Plaintiff's FAC on April 30, 2024.

18 29. On January 23, 2025, the Parties attended a private mediation session with
19 mediator Gig Kyriacou, Esq. At the end of the mediation, Mr. Kyriacou made a mediator's
20 proposal outlining the material terms of a proposed representative action settlement. On January
21 30, 2025, the Parties accepted the mediator's proposal, made subject to the Parties entering into a
22 long form settlement agreement.

23 30. Benefits of Settlement to Plaintiff and the Aggrieved Employees. Plaintiff and
24 Plaintiff's Counsel recognize the expense and length of continued proceedings that would be
25 necessary to litigate Plaintiff's claims in the Action through trial and through any possible
26 appeals. Plaintiff also has taken into account the uncertainty and risks of the outcome of further
27 litigation, and the difficulties and delays inherent in such litigation. Plaintiff and Plaintiff's
28 Counsel are also aware of the burdens of proof necessary to establish liability for the claims

1 asserted in the Action, both generally and in response to Defendant's defenses thereto, and the
2 difficulties in establishing penalties and other relief sought in the Action. Plaintiff and Plaintiff's
3 Counsel also have taken into account Defendant's agreement to enter into a settlement that
4 penalizes Defendant for its alleged wrongdoing and confers substantial benefits upon the State of
5 California and Aggrieved Employees. Based on the foregoing, Plaintiff and Plaintiff's Counsel
6 have determined that the Settlement set forth in this Stipulation is fair, adequate, and reasonable
7 and is in the best interests of all Aggrieved Employees.

8 31. Defendant's Reasons for Settlement. Defendant has concluded that any further
9 defense of the Action would be protracted and expensive for all Parties. Substantial amounts of
10 Defendant's time, energy, and resources has been, and unless this Settlement is completed, shall
11 continue to be, devoted to the defense of the claims asserted by Plaintiff. Defendant has also
12 taken into account the risks of further litigation in reaching its decision to enter into this
13 Settlement. Even though Defendant contends it is not liable for any of the claims alleged by
14 Plaintiff in the Action, Defendant has agreed, nonetheless, to settle in the manner and upon the
15 terms set forth in this Stipulation and to put to rest the claims alleged in this Action. Defendant
16 has asserted and continues to assert that the claims alleged by Plaintiff have no merit and do not
17 give rise to any liability, damages, restitution, penalties, or other payments. This Stipulation is a
18 compromise of disputed claims. Nothing contained in this Stipulation, no documents referred to
19 herein, and no action taken to carry out this Stipulation, shall be construed or used as an
20 admission by or against Defendant as to the merits or lack thereof of the claims asserted in the
21 Action. Defendant contends that it has complied with all applicable state, federal and local laws.

22 TERMS OF SETTLEMENT

23 NOW THEREFORE, in consideration of the mutual covenants, promises, and agreements
24 set forth herein, the Parties agree, subject to the Court's approval, as follows:

25 32. Binding Settlement. This Settlement shall bind the Parties and all Aggrieved
26 Employees, subject to the terms and conditions hereof and the Court's approval.

27 33. Tax Liability. The Parties make no representations as to the tax treatment or legal
28 effect of the payments specified herein, and the Aggrieved Employees are not relying on any

1 statement or representation by the Parties, Plaintiff's Counsel or Defense Counsel in this regard.
2 The Aggrieved Employees and Plaintiff's Counsel understand and agree that they shall be
3 responsible for the payment of all taxes and penalties assessed on the payments specified herein,
4 and shall hold the Parties, Plaintiff's Counsel, and Defense Counsel free and harmless from and
5 against any claims resulting from treatment of such payments as non-taxable, including the
6 treatment of such payments as not subject to withholding or deduction for payroll and
7 employment taxes.

8 34. Circular 230 Disclaimer. THE PARTIES ACKNOWLEDGE AND AGREE
9 THAT (1) NO PROVISION OF THIS STIPULATION, AND NO WRITTEN
10 COMMUNICATION OR DISCLOSURE BETWEEN OR AMONG THE PARTIES, CLASS
11 COUNSEL, OR DEFENSE COUNSEL AND OTHER ADVISERS, IS OR WAS INTENDED
12 TO BE, NOR SHALL ANY SUCH COMMUNICATION OR DISCLOSURE CONSTITUTE
13 OR BE CONSTRUED OR BE RELIED UPON AS, TAX ADVICE WITHIN THE MEANING
14 OF UNITED STATES TREASURY DEPARTMENT CIRCULAR 230 (31 CFR PART 10, AS
15 AMENDED); (2) THE ACKNOWLEDGING PARTY (A) HAS RELIED EXCLUSIVELY
16 UPON HIS, HER, OR ITS OWN, INDEPENDENT LEGAL AND TAX COUNSEL FOR
17 ADVICE (INCLUDING TAX ADVICE) IN CONNECTION WITH THIS STIPULATION,
18 (B) HAS NOT ENTERED INTO THIS STIPULATION BASED UPON THE
19 RECOMMENDATION OF ANY OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO
20 ANY OTHER PARTY, AND (C) IS NOT ENTITLED TO RELY UPON ANY
21 COMMUNICATION OR DISCLOSURE BY ANY ATTORNEY OR ADVISER TO ANY
22 OTHER PARTY TO AVOID ANY TAX PENALTY THAT MAY BE IMPOSED ON THE
23 ACKNOWLEDGING PARTY; AND (3) NO ATTORNEY OR ADVISER TO ANY OTHER
24 PARTY HAS IMPOSED ANY LIMITATION THAT PROTECTS THE CONFIDENTIALITY
25 OF ANY SUCH ATTORNEY'S OR ADVISER'S TAX STRATEGIES (REGARDLESS OF
26 WHETHER SUCH LIMITATION IS LEGALLY BINDING) UPON DISCLOSURE BY THE
27 ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX STRUCTURE OF ANY
28

1 TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED BY THIS
2 STIPULATION.

3 35. Approval of Settlement. Plaintiff shall be responsible for moving the Court to
4 approve the Settlement and enter the Judgment. The Parties agree to work diligently and
5 cooperatively to have this Settlement presented to the Court for approval. As required by Labor
6 Code section 2699(1)(2), Plaintiff will cause this Stipulation to be submitted to the LWDA at the
7 same time that this Stipulation is submitted to the Court for approval. The Judgment shall provide
8 for, among other things, the Settlement Packet to be sent to Aggrieved Employees as specified
9 herein.

10 36. Release by Plaintiff and Other Aggrieved Employees:

11 a. Aggrieved Employees' Released Claims. Upon Defendant providing the
12 Settlement Fund to the Settlement Administrator, the State of California and the Aggrieved
13 Employees shall be deemed to have released the Released Parties of any and all claims and/or
14 causes of action under PAGA which are based upon the factual allegations set forth in the
15 operative complaint and/or Plaintiff's PAGA notice to the LWDA and arising at any time during
16 the PAGA Period. These claims include Labor Code sections 201, 202, 203, 204, 210, 218.5, 221,
17 225.5, 226, 226.3, 226.7, 432.5, 510, 512, 558, 1174, 1174.5, 1194, 1197, 1197.1, 1199, 2800,
18 and 2802 and corresponding provisions of any applicable IWC Wage Order(s). This release does
19 not extend to any claims or actions to enforce this Stipulation.

20 b. Plaintiff's Released Claims. Upon Defendant providing the Settlement
21 Fund to the Settlement Administrator, Plaintiff shall be deemed to have released the Released
22 Parties from any and all claims, demands, rights, liabilities, and/or causes, of any form
23 whatsoever, arising under federal, state, local, or common laws, rules, or regulations, whether
24 known or unknown, unforeseen, unanticipated, unsuspected or latent, that have been or could
25 have been asserted by Plaintiff, or Plaintiff's heirs, spouse, domestic partner, children, relatives,
26 agents, representatives, attorneys, executors, administrators, successors, and assigns, whether
27 directly, indirectly, representatively, derivatively or in any other capacity, against Defendant or
28 any of the other Released Parties, arising at any time prior to entry of the Judgment, including but

1 not limited to those claims raised in the Action, and those arising from or related to Plaintiff's
2 employment with or work for Defendant. Without limiting the generality of the foregoing, this
3 release shall include, but not be limited to, any and all claims under the (a) Americans with
4 Disabilities Act, as amended; (b) Title VII of the Civil Rights Act of 1964, as amended; (c) the
5 Civil Rights Act of 1991; (d) 42 U.S.C. § 1981, as amended; (e) the Age Discrimination in
6 Employment Act, as amended; (f) the Fair Standards Act, as amended; (g) the Equal Pay Act; (h)
7 the Employee Retirement Income Security Act, as amended; (i) the Consolidated Omnibus
8 Budget Reconciliation Act; (j) the Rehabilitation Act of 1973; (k) the Family and Medical Leave
9 Act; (l) the Civil Rights Act of 1966; (m) the California Fair Employment and Housing Act; (n)
10 the California Constitution; (o) the California Labor Code; (p) the California Government Code;
11 (q) the California Civil Code; and (r) any and all other federal, state and local statutes,
12 ordinances, regulations, rules and other laws, and any and all claims based on constitutional,
13 statutory, common law or regulatory grounds as well as any other claims based on the theories of
14 wrongful or constructive discharge, breach of contract or implied contract, fraud,
15 misrepresentation, promissory estoppel or intentional and/or negligent infliction of emotional
16 distress, or damages under any other federal, state or local statutes, ordinances, regulations, rules
17 or laws. This release is for any and all relief, no matter how denominated, including, but not
18 limited to, overtime, wages, back pay, front pay, vacation pay, bonuses, compensatory damages,
19 tortious damages, liquidated damages, punitive damages, damages for pain and suffering, and
20 attorneys' fees and costs, and Plaintiff hereby forever release, discharge and agree to hold
21 harmless Defendant and the Released Parties from any and all claims for attorney fees and costs
22 arising out of the matters released in this Agreement. This release excludes only the release of
23 claims not permitted by law.

24 As to the Released Claims only, Plaintiff expressly waives all rights and benefits under the
25 terms of section 1542 of the California Civil Code. Section 1542 reads as follows:

26 **A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE**
27 **CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO**
28 **EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE**

1 **RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE**
2 **MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE**
3 **DEBTOR OR RELEASED PARTY.**

4 Notwithstanding the provisions of section 1542, and for the purpose of implementing a
5 full and complete release and discharge of all of his Released Claims, Plaintiff expressly
6 acknowledges that this Settlement is intended to include in its effect, without limitation, all
7 Released Claims which Plaintiff does not know or suspect to exist in his favor at the time of
8 execution hereof, and that the Settlement contemplates the extinguishment of all such Released
9 Claims.

10 37. Settlement Administration.

11 a. Within ten (10) business days of the Effective Date, Defendant shall
12 provide the Settlement Administrator with the Employee Information for purposes of mailing the
13 Settlement Packets to Aggrieved Employees.

14 i. Notice by First Class U.S. Mail. Upon receipt of the Employee
15 Information, the Settlement Administrator shall perform a search based on the National Change
16 of Address Database maintained by the United States Postal Service to update and correct any
17 known or identifiable address changes. Within ten (10) days of receiving the Settlement Fund
18 from Defendant as provided herein, the Settlement Administrator shall mail copies of the
19 Settlement Packet, which shall include the Notice and each Aggrieved Employee's respective
20 Individual Settlement Payment, to all Aggrieved Employees via regular First Class U.S. Mail.
21 The Settlement Administrator shall exercise its best judgment to determine the current mailing
22 address for each Aggrieved Employee. The address identified by the Settlement Administrator as
23 the current mailing address shall be presumed to be the most current mailing address for each
24 Aggrieved Employee. The Parties agree that this procedure for notice provides the best notice
25 practicable to Aggrieved Employees and fully complies with due process.

26 ii. Undeliverable Settlement Packets. Any Settlement Packet returned
27 to the Settlement Administrator as non-deliverable shall be re-mailed to the forwarding address
28 affixed thereto. If no forwarding address is provided, the Settlement Administrator shall

1 promptly attempt to determine a correct address by the use of skip-tracing, or other type of
2 automated search, using the name, address, and/or Social Security number of the Aggrieved
3 Employee involved, and shall then perform a re-mailing to the Aggrieved Employee whose
4 Settlement Packet was returned as non-deliverable, assuming another mailing address is identified
5 by the Settlement Administrator. If these procedures are followed, notice to Aggrieved
6 Employees shall be deemed to have been fully satisfied, and if the intended recipient of the
7 Settlement Packet does not receive the Settlement Packet, the intended recipient shall
8 nevertheless remain bound by all terms of the Settlement and the Judgment.

9 iii. Determination of Individual Settlement Payments. The Settlement
10 Administrator shall determine the eligibility for, and the amount of, each Individual Settlement
11 Payment under the terms of this Stipulation. The Settlement Administrator's determination of the
12 eligibility for and amount of each Individual Settlement Payment shall be binding upon the
13 Aggrieved Employees and the Parties, yet subject to review by Plaintiff's Counsel, Defense
14 Counsel, and the Court. In the absence of fraud or gross negligence, Defendant's records shall be
15 presumed accurate.

16 iv. Disputes Regarding Administration of Settlement. Any dispute not
17 resolved by the Settlement Administrator concerning the administration of the Settlement shall be
18 resolved by the Court. Prior to any such involvement of the Court, counsel for the Parties shall
19 confer in good faith and make use of the services of Mr. Kyriacou, if necessary, to resolve the
20 dispute without the necessity of involving the Court.

21 b. Monitoring and Reviewing Settlement Administration. The Parties have
22 the right to monitor and review the administration of the Settlement to verify that the monies
23 allocated under the Settlement are distributed in the correct amount, as provided for in this
24 Stipulation.

25 c. Best Efforts. The Parties agree to use their best efforts to carry out the
26 terms of this Settlement.

27 38. Funding and Allocation of the Settlement Fund. No later than ten (10) business
28 days after the Effective Date, Defendant shall provide to the Settlement Administrator in any

feasible manner, including, but not limited to, by way of a wire transfer, the Settlement Fund. If this Settlement is not finally approved by the Court in full, or is terminated, rescinded, canceled, or fails to become effective for any reason, including by reason of any appeal by Plaintiff and or Plaintiff's Counsel from the Court's Approval Order and Judgment, or if the Effective Date does not occur, then no portion of the Settlement Fund shall be paid.

a. Individual Settlement Payments. The Aggrieved Employees shall not be required to submit a claim in order to receive a share of the PAGA Fund, and no portion of the Settlement Fund shall revert to Defendant or result in an unpaid residue. Individual Settlement Payments shall be paid by the Settlement Administrator from the PAGA Fund pursuant to the formula set forth herein.

i. Each Aggrieved Employee's Individual Settlement Payment shall be calculated solely by the Settlement Administrator according to the following formula: Defendant shall provide the Settlement Administrator with the Compensable Pay Periods for each Aggrieved Employee. The Settlement Administrator shall then divide the Aggrieved Employees' portion of the PAGA Fund by the total number of Compensable Pay Periods for all Aggrieved Employees resulting in a value for each week worked by the Aggrieved Employees during the PAGA Period ("Pay Period Value"). The Settlement Administrator shall then multiply the number of Compensable Pay Periods for each Aggrieved Employee by the Pay Period Value.

ii. Individual Settlement Payments shall be made by check and shall be made payable to each Aggrieved Employee as set forth in this Stipulation.

iii. Individual Settlement Payments shall be allocated one hundred percent (100%) as non-wage penalties not subject to payroll tax withholdings. The Settlement Administrator shall issue an IRS Form 1099 to each Aggrieved Employee along with the Individual Settlement Payment.

iv. Individual Settlement Payment checks shall remain negotiable for one hundred eighty (180) days from the date of mailing. 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 Office

1 Unclaimed Property Fund in the name of the Aggrieved Employee. In such event, such
2 Aggrieved Employees shall nevertheless remain bound by the Settlement.

3 v. It is expressly understood and agreed that the receipt of Individual
4 Settlement Payments shall not entitle any Aggrieved Employee to additional compensation or
5 benefits under any collective bargaining agreement or under any bonus, contest, or other
6 compensation or benefit plan or agreement in place during the period covered by the Settlement,
7 nor shall it entitle any Aggrieved Employee to any increased pension and/or retirement, or other
8 deferred compensation benefits. It is the intent of the Parties that the Individual Settlement
9 Payments provided for in this Stipulation are the sole payments to be made by Defendant to the
10 Aggrieved Employees in connection with this Settlement, with the exception of Plaintiff, and that
11 the Aggrieved Employees are not entitled to any new or additional compensation or benefits as a
12 result of having received the Individual Settlement Payments. Furthermore, the receipt of
13 Individual Settlement Payments by the Aggrieved Employees shall not, and does not, by itself
14 establish any general, special, or joint employment relationship between and among the
15 Aggrieved Employees and Defendant.

16 b. Incentive Award. Subject to Court approval, Plaintiff shall be paid an
17 Incentive Award not to exceed Ten Thousand Dollars (\$10,000.00), or any lesser amount as
18 awarded by the Court, for his time and effort in bringing and presenting the Action and for
19 releasing his Released Claims and a Civil Code section 1542 release. Defendant shall not oppose
20 or object to Plaintiff's request for an Incentive Award in an amount not to exceed Ten Thousand
21 Dollars (\$10,000.00). The Incentive Award shall be paid to Plaintiff from the Settlement Fund no
22 later than ten (10) days after Defendant provide the Settlement Administrator with the Settlement
23 Fund. The Settlement Administrator shall issue an IRS Form 1099 to Plaintiff for his Incentive
24 Award. Plaintiff shall be solely and legally responsible to pay any and all applicable taxes on his
25 Incentive Award and shall hold harmless Defendant, Plaintiff's Counsel, and Defense Counsel
26 from any claim or liability for taxes, penalties, or interest arising as a result of payment of the
27 Incentive Award. The Incentive Award shall be made in addition to Plaintiff's Individual
28 Settlement Payment. Any amount requested by Plaintiff for the Incentive Award and not awarded

1 by the Court shall become part of the PAGA Fund and shall be distributed to the LWDA and to
2 the Aggrieved Employees as part of their Individual Settlement Payments. This Stipulation is not
3 conditioned upon the Court approving the Incentive Award in the amount set forth herein.

4 c. Plaintiff's Counsel Award. Subject to Court approval, Plaintiff's Counsel
5 shall be entitled to receive reasonable attorneys' fees in an amount not to exceed thirty-three and
6 one third percent (33 1/3%) of the Settlement Fund, which amounts to Seventy Thousand Dollars
7 (\$70,000.00). In addition, subject to Court approval, Plaintiff's Counsel shall be entitled to an
8 award of reasonable costs associated with Plaintiff's Counsel's prosecution of the Action in an
9 amount not to exceed Thirty Thousand Dollars (\$30,000.00). Plaintiff's Counsel shall provide
10 the Settlement Administrator with a properly completed and signed IRS Form W-9 in order for
11 the Settlement Administrator to process the Plaintiff's Counsel Award approved by the Court.
12 Defendant shall not oppose or object to Plaintiff's request for an award of attorneys' fees in an
13 amount not to exceed Seventy Thousand Dollars (\$70,000.00) and request for an award of
14 reasonable costs not to exceed Thirty Thousand Dollars (\$30,000.00). In the event that the Court
15 awards Plaintiff's Counsel less than Seventy Thousand Dollars (\$70,000.00) in attorneys' fees
16 and/or less than Thirty Thousand Dollars (\$30,000.00) in costs, the difference shall become part
17 of the PAGA Fund and shall be distributed to the LWDA and the Aggrieved Employees as part of
18 their Individual Settlement Payments. Plaintiff's Counsel shall be paid any Court-awarded
19 attorneys' fees and costs no later than ten (10) days after Defendant provide the Settlement
20 Administrator with the Settlement Fund. Plaintiff's Counsel shall be solely and legally
21 responsible to pay all applicable taxes on the Plaintiff's Counsel Award. The Settlement
22 Administrator shall issue an IRS Form 1099 to Plaintiff's Counsel for the Plaintiff's Counsel
23 Award. This Settlement is not conditioned upon the Court awarding Plaintiff's Counsel any
24 particular amount of attorneys' fees or costs, unless the amount awarded is more than specified in
25 this paragraph.

26 d. Settlement Administration Costs. The Settlement Administration fees and
27 expenses, which are estimated not to exceed Four Thousand Nine Hundred Eighty-Nine Dollars
28 (\$4,989.00) shall be paid from the Settlement Fund. The Parties agree to cooperate in the

1 Settlement Administration process and to make all reasonable efforts to control and minimize
2 Settlement Administration Costs.

3 i. The Parties each represent they do not have any financial interest in
4 the Settlement Administrator or otherwise have a relationship with the Settlement Administrator
5 that could create a conflict of interest.

6 ii. The Settlement Administrator shall keep the Parties timely apprised
7 of the performance of all Settlement Administrator responsibilities required by the Settlement.
8 The Settlement Administrator shall be authorized to establish a Qualified Settlement Fund
9 (“QSF”) pursuant to IRS rules and regulations in which the Settlement Fund shall be placed and
10 from which payments required by the Settlement shall be made.

11 39. Payment to the LWDA. The seventy-five percent (75%) of the PAGA Fund
12 payable to the LWDA shall be deemed to consist entirely of civil penalties recovered under
13 PAGA and subject to treatment as IRS Form 1099 income.

14 40. Payments to the Aggrieved Employees. An IRS Form 1099 will be issued to each
15 Aggrieved Employee in connection with his or her Individual Settlement Award if it is \$600.00 or
16 more.

17 41. Tax Indemnification. Plaintiff, Plaintiff’s Counsel, the Aggrieved Employees, and
18 applicable governmental authorities (including the LWDA) are solely responsible for all tax
19 obligations, including all reporting and payment obligations, attributable to them that may arise as
20 a consequence of this Stipulation and the payment of the amounts set forth herein. Neither
21 Defendant nor Defendant’s counsel make any express or implied promise, representation, or
22 warranty regarding the tax consequences or tax treatment under federal or state tax laws for any
23 sum paid pursuant to this Agreement.

24 42. Approval Hearing and Entry of Judgment. An Approval Hearing shall be
25 conducted to determine whether to grant approval of the Settlement, including determining the
26 amounts properly payable for: (i) the Plaintiff’s Counsel Award; and (ii) the Incentive Award. If
27 the Court grants approval of the Settlement, the Settlement Administrator shall post notice of final
28 judgment on its website within seven (7) calendar days of entry of the Judgment.

1 43. Nullification of Settlement. In the event: (i) the Court does not enter the
2 Judgment; or (ii) the Settlement does not become final for any other reason, this Stipulation shall
3 be rendered null and void, any order or judgment entered by the Court in furtherance of this
4 Settlement shall be treated as void from the beginning, and this Stipulation and any documents
5 related to it shall not be used in any other civil, criminal, or administrative action against
6 Defendant or any of the other Released Parties. In the event an appeal is filed from the Judgment,
7 or any other appellate review is sought, administration of the Settlement shall be stayed pending
8 final resolution of the appeal or other appellate review. Any fees incurred by the Settlement
9 Administrator prior to it being notified of the filing of an appeal from the Judgment, or any other
10 appellate review, shall be paid by Defendant to the Settlement Administrator.

11 44. Escalator Clause. The Settlement Fund was negotiated and is premised on the
12 understanding that there are approximately 6,421 pay periods worked by Aggrieved Employees
13 during the period of September 13, 2022 through January 23, 2025. This is a material
14 representation for Plaintiff to enter into this Agreement. Should the actual number of pay periods
15 during the PAGA Period increase beyond ten percent (10%), i.e., more than 7,063 pay periods,
16 then Defendant has the option to either (i) pay any additional amount resulting from this escalator
17 clause being triggered, i.e. the Settlement Fund shall be increased by the percentage increase in
18 the number of pay periods worked by Aggrieved Employees during the PAGA Period above ten
19 percent (10%) (e.g. if the number of pay periods increases by 11%, the Settlement Fund will
20 increase by 1%), or (ii) end the PAGA Period on the date immediately prior to the escalator
21 clause being triggered.

22 45. No Admission by Defendant. Defendant denies all claims alleged in this Action
23 and denies all wrongdoing whatsoever by Defendant. Neither this Stipulation, nor any of its
24 terms and conditions, nor any of the negotiations connected with it, is a concession or admission,
25 and none shall be used against Defendant as an admission or indication with respect to any claim
26 of any fault, concession, or omission by Defendant. The Parties agree that this Stipulation shall
27 not be admissible in this or any other proceeding as evidence that Defendant is liable to Plaintiff
28 or any Aggrieved Employee, other than according to the terms of this Stipulation.

1 46. Exhibits and Headings. The terms of this Stipulation include the terms set forth in
2 any attached Exhibits, which are incorporated by this reference as though fully set forth herein.
3 The Exhibits to this Stipulation are an integral part of the Settlement. The descriptive headings of
4 any paragraphs or sections of this Stipulation are inserted for convenience of reference only.

5 47. Interim Stay of Action. The Parties agree to stay and to request that the Court stay
6 all proceedings in the Action, except such proceedings necessary to implement and complete the
7 Settlement and enter the Judgment.

8 48. Amendment or Modification. This Stipulation may be amended or modified only
9 by a written instrument signed by counsel for all Parties or their successors-in-interest.

10 49. Entire Agreement. This Stipulation and any attached Exhibits constitute the entire
11 agreement between the Parties, and no oral or written representations, warranties, or inducements
12 have been made to Plaintiff or Defendant concerning this Stipulation or its Exhibits other than the
13 representations, warranties, and covenants contained and memorialized in this Stipulation and its
14 Exhibits. No other prior or contemporaneous written or oral agreements may be deemed binding
15 on the Parties.

16 50. Authorization to Enter into Settlement Agreement. Plaintiff's Counsel and
17 Defense Counsel warrant and represent they are expressly authorized by the Parties whom they
18 represent to negotiate this Stipulation and to take all appropriate actions required or permitted to
19 be taken by such Parties pursuant to this Stipulation to effectuate its terms, and to execute any
20 other documents required to effectuate the terms of this Stipulation. The Parties, Plaintiff's
21 Counsel, and Defense Counsel shall cooperate with each other and use their best efforts to effect
22 the implementation of the Settlement. In the event that the Parties are unable to reach agreement
23 on the form or content of any document needed to implement the Settlement, or on any
24 supplemental provisions that may become necessary to effectuate the terms of this Settlement, the
25 Parties may seek the assistance of the Court and/or Mr. Kyriacou to resolve such disagreement.
26 The persons signing this Stipulation on behalf of Defendant warrant that they are
27 authorized to sign this Stipulation on behalf of Defendant. Plaintiff represents and warrants that
28 he is authorized to sign this Stipulation and that he has not assigned any claim, or part of a claim,

1 covered by this Settlement to a third-party. Plaintiff acknowledges that he has read this
2 Stipulation, that he fully understands his rights, privileges, and duties under the Stipulation, and
3 enters this Stipulation freely and voluntarily. Plaintiff further acknowledges that he has had the
4 opportunity to consult with his attorneys to explain the terms of this Stipulation and the
5 consequences of signing this Stipulation. Additionally, the Parties have cooperated in the drafting
6 and preparation of this Stipulation. Hence, in any construction made of this Stipulation, the same
7 shall not be construed against any of the Parties.

8 51. Fees and Costs. The Parties shall each bear their own costs, attorneys' fees,
9 mediator fees, and other fees incurred in connection with this Stipulation and in connection with
10 the Action and Plaintiff's claims, except as otherwise set forth specifically herein.

11 52. Weekends and Holidays. If any deadline to perform any act required by this
12 Stipulation falls on a weekend or holiday, the deadline shall be extended to the next business day.

13 53. Binding on Successors and Assigns. This Stipulation shall be binding upon, and
14 inure to the benefit of, the successors and assigns of the Parties.

15 54. California Law Governs. All terms of this Stipulation and the Exhibits hereto shall
16 be governed by and interpreted according to the laws of the State of California, without giving
17 effect to any law that would cause the laws of any jurisdiction other than the State of California to
18 be applied.

19 55. Option to Revoke. If the Stipulation, or any terms therein, is modified, vacated,
20 altered, or becomes otherwise subject to challenge by law, including, but not limited to, any law
21 that became effective after the execution of this Stipulation, so that this Stipulation is not
22 approved by the Court in its entirety and the intent of the Parties cannot be accomplished after
23 jointly taken efforts to enforce it have been exhausted, the Parties shall have the option to revoke
24 this Stipulation.

25 56. Counterparts. This Stipulation may be executed in one or more counterparts. All
26 executed counterparts and each of them shall be deemed to be one and the same instrument.
27 Furthermore, signatures may be delivered via email, DocuSign, or facsimile transmission, which
28 shall have the same force and effect as the originals thereof and constitute an effective, binding

agreement on the part of each of the undersigned pursuant to California Civil Code section 1633.7. Electronic signatures shall be deemed originals.

57. Jurisdiction of the Court. Following entry of the Judgment, the Court shall retain jurisdiction with respect to the interpretation, implementation, and enforcement of the terms of this Stipulation and all orders and judgments entered in connection therewith, and the Parties, Plaintiff's Counsel, and Defense Counsel submit to the jurisdiction of the Court for purposes of interpreting, implementing, and enforcing the Settlement embodied in this Stipulation and all orders and judgments entered in connection therewith.

58. Invalidity of Any Provision. Before declaring any term or provision of this Stipulation invalid, the Parties request that the Court first attempt to construe the terms or provisions valid to the fullest extent possible consistent with applicable precedents so as to define all provisions of this Stipulation as valid and enforceable.

59. Nullification of Agreement. If the Court fails to grant approval, the Parties shall be returned to their original positions as though this Stipulation had never been entered into at all, with the exception that if any settlement administration costs are due and payable, the Parties agree to split those costs.

60. Admissibility of Agreement. The Parties agree that this Stipulation is admissible for the purposes of proving up and or enforcing the terms of the Stipulation, as set forth herein, pursuant to Evidence Code section 1123.

61. Five Year Deadline. The Parties agree that upon the execution of this Stipulation the five year deadline to take the case to trial under Code of Civil Procedure section 583.310 is hereby tolled until the Court grants final approval of the Settlement.

Dated: May 23, 2025


Alfonso Robert Romero Jr (May 23, 2025 12:36 PDT)
 Plaintiff Alfonso Romero

Dated: 6/9/2025, 2025

Defendant Wendy's of Santa Clara, Inc.

DocuSigned by:
 By: Lorean Haupt Lorean Haupt
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 Its: President