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SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SACRAMENTO

ROSE WATSON, as an aggrieved employee
pursuant to the Private Attorneys General Act
("PAGA"), on behalf of the State of California
and other non-party Aggrieved Employees,

Plaintiff,

v.

PRESSED JUICERY, INC., a Delaware
corporation; and DOES 1 through 10, inclusive,

Defendants.

Case No. 23CV011127

PAGA SETTLEMENT AGREEMENT

PAGA SETTLEMENT AGREEMENT

Subject to Court approval by the Superior Court of the State of California for the County of Sacramento ("Court"), Plaintiff Rose Watson ("Plaintiff") and Defendant Pressed Juicery, Inc. ("Defendant") (collectively with Plaintiff, the "Parties") hereby agree to the following binding settlement ("Settlement" or "Settlement Agreement") of the action entitled *Watson v. Pressed Juicery, Inc.*, No. 23CV011127 (Sacramento County Superior Court) (the "Action").

DEFINITIONS

The following definitions are applicable to this Settlement Agreement. Definitions contained elsewhere in this Settlement Agreement will also be effective:

1. "Action" means *Watson v. Pressed Juicery, Inc.*, No. 23CV011127 (Sacramento County Superior Court).
2. "Aggrieved Employees" means all persons who were employed by Defendant in California as non-exempt, hourly-paid employees at any time during the Settlement Period.
3. "Court" means the Superior Court for the State of California, County of Sacramento.
4. "Gross Settlement Amount" means the settlement amount of Seven Hundred Thousand Dollars (\$700,000) to be paid by Defendant in full satisfaction of all Settled Claims arising from the Action.
5. "LWDA" means the California Labor and Workforce Development Agency.
6. "PAGA Penalties Fund" means the Gross Settlement Amount less the Attorneys' Fees and Costs, Service Award, and Settlement Administrator Costs.
7. "Plaintiff's Counsel" means Capstone Law APC.
8. "Service Award" means the amount to be paid to Plaintiff as payment for her service on behalf of the LWDA and Aggrieved Employees, and for a general release of all claims arising out of her employment with Defendant.
9. "Settled Claims" means any and all claims for PAGA civil penalties incurred during the Settlement Period under the California Labor Code, Wage Orders, regulations, and/or other provisions of law alleged to have been violated in the Action, and any and all claims that could have been alleged in the Action to have been violated during the Settlement Period based on the facts alleged in the Action

10. “Settlement Period” means September 1, 2022 through the earlier of August 1, 2024 or the date of entry of the Order and Judgment.

TERMS

11. Gross Settlement Amount. In consideration for Plaintiff’s promises and representations described in this Settlement Agreement, and subject to all of the conditions of the Settlement being met, Defendant will pay Seven Hundred Thousand Dollars (\$700,000) (“Gross Settlement Amount”) to settle the Action. The Gross Settlement Amount includes the Attorneys’ Fees and Costs, the Service Award, , Settlement Administration Costs, and payments to Aggrieved Employees and the LWDA for their share of the PAGA Penalties Fund. No portion of the Gross Settlement Amount will be retained by, or revert to, Defendant.

12. PAGA Penalties Fund. The PAGA Penalties Fund will be paid to Aggrieved Employees and the LWDA in full satisfaction of the Settled Claims. Pursuant to PAGA, Seventy-Five Percent (75%) of the PAGA Penalties Fund will be paid to the LWDA, and the remaining Twenty-Five Percent (25%) will be paid to all Aggrieved Employees according to the following formula:

12(a) Defendant will calculate: (i) the total number of pay periods worked by each Aggrieved Employee during the Settlement Period, and (ii) the total number of pay periods worked by all Aggrieved Employees during the Settlement Period.

12(b) To determine each Aggrieved Employee’s payment from the PAGA Penalties Fund, Defendant will use the following formula: Settlement Payment = 25% of PAGA Penalties Fund × [Pay Periods Worked by Individual Aggrieved Employee During the Settlement Period ÷ Total Pay Periods Worked by All Aggrieved Employees during the Settlement Period].

12(c) Plaintiff has entered into this Settlement based on Defendant’s representation that Aggrieved Employees worked during a combined total of approximately 41,000 pay periods from September 22, 2022 through April 4, 2024. If the actual number of pay periods worked by Aggrieved

1 Employees through April 4, 2024 is greater than 10% of this estimate, then
2 Defendant has the option to either: (i) agree to increase the Gross Settlement
3 Amount on a proportional basis above 10% (i.e., if there is an 11% increase
4 in the number of pay periods from September 22, 2022 through April 4,
5 2042, Defendant would agree to increase the Gross Settlement Amount by
6 1%); or (ii) end the Settlement Period on an earlier date in order to limit the
7 covered pay periods to 10% more than the estimate provided in lieu of
8 paying an increase to the Gross Settlement Amount.

9 13. Attorneys' Fees and Costs. Defendant agrees not to oppose or impede any application or
10 motion by Plaintiff's Counsel for Attorneys' Fees and Costs of not more than Two Hundred Thirty
11 Three Thousand Three Hundred Thirty Three Dollars (\$233,333), plus the reimbursement of all out-of-
12 pocket costs and expenses associated with Plaintiff's Counsel's litigation and settlement of the Action
13 (including expert/consultant fees, investigations costs, etc.), not to exceed Twenty Thousand Dollars
14 (\$20,000), both of which will be paid from the Gross Settlement Amount (the "Attorneys' Fees and
15 Costs"). Any portion of the Attorneys' Fees and Costs not awarded to Plaintiff's Counsel will be added
16 to the PAGA Penalties Fund.

17 14. Service Award. For a general release of all claims Plaintiff may have against Defendant
18 arising out of her employment, and for her service on behalf of the LWDA and Aggrieved Employees,
19 Defendant agrees not to oppose or impede any application or motion by Plaintiff for a service award of
20 up to Ten Thousand Dollars (\$10,000) ("Service Award"). Upon receipt of the Service Award, Plaintiff
21 will be deemed to have fully released and discharged Defendant from any and all claims, demands,
22 obligations, causes of action, rights, or liabilities of any kind or description which have been or could
23 have been asserted against Defendant including but not limited to those arising out of, or relating to,
24 Plaintiff's employment with Defendant or termination thereof and including but not limited to claims for
25 wages, restitution, penalties, retaliation, defamation, discrimination, harassment or wrongful termination
26 of employment. This release specifically includes any and all claims, demands, obligations and/or causes
27 of action of any kind including but not limited to those for damages, restitution, penalties, interest, and
28 attorneys' fees and costs (except provided by the Settlement), whether or not known or suspected to

1 exist, and whether or not specifically or particularly described herein. Specifically, Plaintiff will be
2 deemed to have waived all rights and benefits afforded by California Civil Code Section 1542, which
3 provides:

4 **A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR**
5 **OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR**
6 **HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF**
7 **KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR**
8 **HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.**

9 15. Plaintiff understands and agrees that this Settlement Agreement shall remain in full force
10 and effect even if the full amount or any amount of the Service Award sought by Plaintiff is not
11 ultimately awarded by the Court. Any portion of the Service Award not awarded by the Court will be
12 added to the PAGA Penalty Fund.

13 16. Settlement Administration Costs. The Parties will retain CPT Group, Inc. as the third-
14 party settlement administrator ("Settlement Administrator"). The Settlement Administrator will be
15 responsible for establishing a qualified settlement fund ("QSF") and issuing payments and appropriate
16 tax forms to Aggrieved Employees, the LWDA, Plaintiff, and Plaintiff's Counsel. The Settlement
17 Administration Costs will be paid from the Gross Settlement Amount. Based on the estimate that there
18 are approximately One Thousand Eight Hundred (1,800) Aggrieved Employees as of April 4, 2024,
19 Settlement Administration Costs are estimated at Eleven Thousand Dollars (\$11,000).

20 17. Court Approval of the Settlement and Distribution of Settlement Payments. The Parties
21 will present this Settlement Agreement to the Court and the LWDA. The Parties will request that the
22 Court issue an order and judgment approving and incorporating by reference the terms and conditions of
23 the Settlement Agreement (the "Order and Judgment").

24 18. Funding of the Settlement. Defendant will fund the Gross Settlement Amount in three
25 installments. Within thirty (30) calendar days after entry of the Order and Judgment, Defendant will
26 deposit One Hundred Thousand Dollars (\$100,000) into a Qualified Settlement Fund ("QSF") to be
27 established by the Settlement Administrator. Within one hundred eighty (180) calendar days after entry
28 of the Order and Judgment, Defendant will deposit Two Hundred Thousand Dollars (\$200,000) into the

1 QSF to be established by the Settlement Administrator. Within three hundred sixty-five (365) calendar
2 days after entry of the Order and Judgment, Defendant will deposit Four Hundred Thousand Dollars
3 (\$400,000) into the QSF to be established by the Settlement Administrator. Within fourteen (14)
4 calendar days of the full funding of the Settlement, the Settlement Administrator will issue payments to:
5 (a) Aggrieved Employees; (b) the Labor and Workforce Development Agency; (c) Plaintiff; (d)
6 Plaintiff's Counsel; and (e) itself. The Settlement Administrator, and not Defendant, will issue the
7 appropriate tax forms for all payments issued under this Settlement.

8 19. List of Aggrieved Employees. Within thirty (30) calendar days after entry of the Order
9 and Judgment, Defendant will provide the Settlement Administrator a complete list of all Aggrieved
10 Employees ("Aggrieved Employee List"). The Aggrieved Employee List will be formatted in Microsoft
11 Office Excel and will include, to the extent known by Defendant, each Aggrieved Employees full name;
12 most recent mailing address and telephone number; Social Security number; the respective number of
13 pay periods during which each Aggrieved Employee worked during the Settlement Period; and any other
14 relevant information needed to calculate settlement payments.

15 20. Settlement Payments to Aggrieved Employees. The Settlement Administrator will issue
16 each Aggrieved Employee one check for his or her share of the PAGA Penalties Fund along with an
17 explanatory letter, attached as Exhibit A. Prior to mailing, the Settlement Administrator will perform a
18 search based on the National Change of Address Database for information to update and correct for any
19 known or identifiable address changes. Any checks returned as non-deliverable on or before the check
20 cashing deadline will be sent promptly via regular First-Class U.S. Mail to the forwarding address
21 affixed thereto. If no forwarding address is provided, the Settlement Administrator will promptly attempt
22 to determine the correct address using a skip-trace, or other search using the name, address or Social
23 Security number of the Aggrieved Employee involved, and will then perform a single re-mailing.
24 Checks will remain negotiable for 180 days. Those funds represented by un-cashed checks which remain
25 outstanding 180 days after the mailing of the Settlement checks by the Settlement Administrator will be
26 tendered to The Justice Gap Fund maintained by The State Bar of California or such other cy pres fund
27 as may be suggested and approved by the Court. All settlement payments to Aggrieved Employees will
28 be treated as miscellaneous income for which a 1099 will be issued.

1 21. Settled Claims. Upon entry of the Order and Judgment, Plaintiff and all Aggrieved
2 Employees will be forever barred from pursuing against Defendant any and all Settled Claims during the
3 Settlement Period. Aggrieved Employees, other than Plaintiff, will not be deemed to have released any
4 individual non-PAGA wage and hour claims by virtue of this Settlement.

5 22. No Right to Exclusion or Objections by Representative Action Members. Because this
6 settlement resolves claims and actions brought pursuant to PAGA by Plaintiff acting as a proxy and as a
7 Private Attorney General of, and for, the State of California and the LWDA, the Parties agree that no
8 Aggrieved Employee has the right to exclude himself or herself from the Settlement. Each Aggrieved
9 Employee will be bound by the terms of the Settlement Agreement, upon its approval by the Court,
10 regardless of whether he or she cashes any payment received as a result of this Settlement. The Parties
11 also agree that no Aggrieved Employee has the right to object to the terms of the Settlement Agreement.

12 23. No Credit Toward Benefit Plans. Payments to Aggrieved Employees as referenced
13 herein will not be utilized to calculate any additional benefits under any benefit plans to which any
14 Aggrieved Employee may be eligible, including, but not limited to profit-sharing plans, bonus plans,
15 401(k) plans, stock purchase plans, vacation plans, sick leave plans, PTO plans, and any other benefit
16 plan. Rather, it is the Parties' intention that this Settlement Agreement will not affect any rights,
17 contributions, or amounts to which any Aggrieved Employee may be entitled under any benefit plans.

18 24. No Prior Assignments. The Parties and their counsel represent, covenant, and warrant
19 that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign,
20 transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of
21 action or right herein released and discharged.

22 25. Nullification of Settlement Agreement. In the event that: (i) the Court does not approve
23 the Settlement as provided herein; or (ii) the Settlement does not become final for any other reason, then
24 this Settlement Agreement, and any documents generated to bring it into effect, will be null and void,
25 and the Parties will be returned to their original respective positions.

26 26. Judgment and Continued Jurisdiction. After entry of the Order and Judgment, the Court
27 will have continuing jurisdiction solely for purposes of addressing: (i) the interpretation and enforcement
28 of the terms of the Settlement, (ii) settlement administration matters, and (iii) such post-Judgment matters

as may be appropriate under court rules or as set forth in this Settlement.

27. Entire Agreement. This Settlement Agreement constitutes the entirety of the Parties' settlement terms. No other prior or contemporaneous written or oral agreements may be deemed binding on the Parties.

28. Amendment or Modification. This Settlement Agreement may be amended or modified only by a written instrument, signed by either the Parties or their successors-in-interest or counsel for all Parties, and approved by the Court.

29. Authorization to Enter Into Settlement Agreement. Counsel for all Parties warrant and represent they are expressly authorized by the Parties whom they represent to negotiate this Settlement Agreement and to take all appropriate action required or permitted to be taken by such Parties pursuant to this Settlement Agreement to effectuate its terms and to execute any other documents required to effectuate the terms of this Settlement Agreement. The Parties and their counsel will cooperate with each other and use their best efforts to affect the implementation of the Settlement. If the Parties are unable to reach agreement on the form or content of any document needed to implement the Settlement, or on any supplemental provisions that may become necessary to effectuate the terms of this Settlement, the Parties may seek the assistance of the Court to resolve such disagreement.

30. Binding on Successors and Assigns. This Settlement Agreement will be binding upon, and inure to the benefit of, the successors or assigns of the Parties hereto, as previously defined.

31. California Law Governs. All terms of this Settlement Agreement will be governed by and interpreted according to the substantive laws of the State of California as applied without application of its conflict of laws provisions.

32. Execution and Counterparts. This Settlement Agreement is subject only to the execution of all Parties. The Settlement Agreement may be signed by electronic means. However, the Settlement Agreement may be executed in one or more counterparts. All executed counterparts and each of them, including electronic signatures (e.g., DocuSign), facsimiles, and scanned copies of the signature pages, will be deemed to be one and the same instrument.

33. Acknowledgement that the Settlement is Fair and Reasonable. The Parties believe this Settlement Agreement is a fair, adequate, and reasonable settlement of the Action and have arrived at this

1 Settlement after arm's-length negotiations by experienced counsel.

2 34. Waiver of Certain Appeals. The Parties agree to waive appeals; except, however, that
3 Plaintiff may appeal any reduction to the Attorneys' Fees and Costs below the amount they request from
4 the Court, and either Party may appeal any court order that materially alters the Settlement's terms.
5 While Plaintiff may appeal any reduction to the Attorneys' Fees and Costs, any such reduction or appeal
6 shall not affect the validity or enforceability of this Agreement.

7 35. Invalidity of Any Provision. Before declaring any provision of this Settlement
8 Agreement invalid, the Court will first attempt to construe the provision as valid to the fullest extent
9 possible consistent with the Parties' intentions and applicable precedents so as to define all provisions of
10 this Settlement Agreement valid and enforceable.

11 36. Captions. The captions and section numbers in this Settlement Agreement are inserted
12 for the reader's convenience, and in no way define, limit, construe or describe the scope or intent of the
13 provisions of this Settlement Agreement.

14 37. Waiver. No waiver of any condition or covenant contained in this Settlement Agreement
15 or failure to exercise a right or remedy by any of the Parties hereto will be considered to imply or
16 constitute a further waiver by such party of the same or any other condition, covenant, right or remedy.
17 No provision of this Agreement may be waived except by written confirmation by the Party making the
18 waiver.

19 38. Mutual Preparation. The Parties have had a full opportunity to negotiate the terms and
20 conditions of this Settlement Agreement. Accordingly, this Settlement Agreement will not be construed
21 more strictly against one Party merely by virtue of the fact that it may have been prepared by counsel for
22 one of the Parties, it being recognized that, because of the arm's-length negotiations between the Parties,
23 all Parties have contributed to the preparation of this Settlement Agreement.

24 39. Representation By Counsel. The Parties acknowledge that they have been represented
25 by counsel throughout all negotiations that preceded the execution of this Settlement Agreement, and
26 that this Settlement Agreement has been executed with the consent and advice of counsel, and reviewed
27 in full.

28 40. Cooperation and Execution of Necessary Documents. All Parties will cooperate in good

1 faith and execute all documents to the extent reasonably necessary to effectuate the terms of this
2 Settlement Agreement.

3 41. Binding Agreement. The Parties warrant that they understand and have full authority to
4 enter into this Settlement, and further intend that this Settlement Agreement will be fully enforceable and
5 binding on all parties, and agree that it will be admissible and subject to disclosure in any proceeding to
6 enforce its terms, notwithstanding any mediation confidentiality provisions that otherwise might apply
7 under federal or state law.

8 42. Denial of Liability. The Parties expressly recognize that the making of this agreement
9 does not in any way constitute an admission or concession of wrongdoing on the part of Defendant.
10 Defendant specifically denies all claims in the Action and any all wrongdoing of any kind. Nothing in
11 this Settlement, nor any action taken in implementation thereof, nor any statements, discussions or
12 communications, nor any materials prepared, exchanged, issued or used during the pendency of the
13 Action, is intended by the Parties to, nor will any of the foregoing be introduced, be used or be
14 admissible in any way in any other judicial, arbitral, administrative, investigative or other forum or
15 proceeding, as evidence of any violation of any federal, state, or local law, statute, ordinance, regulation,
16 rule or executive order, or any obligation or duty at law or in equity. Notwithstanding the foregoing, this
17 Settlement Agreement may be used in any proceeding in the Court that has as its purpose the
18 interpretation, implementation, or enforcement of the Settlement or any orders or judgments of the Court
19 entered into in connection therewith.

20 **READ CAREFULLY BEFORE SIGNING**

21 **PLAINTIFF**

22 Dated: 5/13/2024

23 Rose Watson

DocuSigned by:

Rose Watson

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24 **DEFENDANT**

25 Dated: _____

26 Name of Authorized Signatory
27 Pressed Juicery, Inc.
28

1 faith and execute all documents to the extent reasonably necessary to effectuate the terms of this
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 11 this Settlement, nor any action taken in implementation thereof, nor any statements, discussions or
 12 communications, nor any materials prepared, exchanged, issued or used during the pendency of the
 13 Action, is intended by the Parties to, nor will any of the foregoing be introduced, be used or be
 14 admissible in any way in any other judicial, arbitral, administrative, investigative or other forum or
 15 proceeding, as evidence of any violation of any federal, state, or local law, statute, ordinance, regulation,
 16 rule or executive order, or any obligation or duty at law or in equity. Notwithstanding the foregoing, this
 17 Settlement Agreement may be used in any proceeding in the Court that has as its purpose the
 18 interpretation, implementation, or enforcement of the Settlement or any orders or judgments of the Court
 19 entered into in connection therewith.

20 **READ CAREFULLY BEFORE SIGNING**

21 **PLAINTIFF**

22 Dated: _____

23 _____
 Rose Watson

24 **DEFENDANT**

DocuSigned by:

25 Dated: 5/15/2024 _____

26 *Deborah Moroz* _____

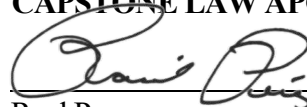
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 Name of Authorized Signatory
 Pressed Juicery, Inc.

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APPROVED AS TO FORM

CAPSTONE LAW APC

Dated: 5/13/2024


Raul Perez

MITCHELL SILBERBERG & KNUPP LLP

Dated: _____

Kevin Gaut

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APPROVED AS TO FORM

CAPSTONE LAW APC

Dated: _____

Raul Perez

Dated: 5/15/2024

MITCHELL SILBERBERG & KNUPP LLP
DocuSigned by:
Kevin Gaut
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Kevin Gaut

Exhibit A

<<DATE>>

<<FIRST_NAME>> <<LAST_NAME>>

<<ADDRESS 1>>

<<ADDRESS 2>>

**Re: Payment From *Watson v. Pressed Juicery, Inc.*,
No. 23CV011127 (Sacramento County Superior Court)**

Dear <<FIRST_NAME>> <<LAST_NAME>>:

Enclosed you will find a check made payable to you. This is your payment from the settlement of the lawsuit entitled *Watson v. Pressed Juicery, Inc.*, No. 23CV011127 (Sacramento County Superior Court) (the “Action”).

The Action was filed against Defendant Pressed Juicery, Inc. (“Defendant”) pursuant to the California Private Attorneys General Act of 2004, Cal. Lab. Code § 2698 *et seq.* (called “PAGA”). The Action was brought by a former employee of Defendant on behalf of the State of California and all allegedly “aggrieved employees” of Defendant. You have been identified as one of the employees on whose behalf the case was brought.

The Plaintiff in the Action claimed that Defendant owed civil penalties recoverable under PAGA for alleged violations of the California Labor Code and California Wage Orders. Defendant denies that it violated the Labor Code or California Wage Orders. Moreover, in agreeing to this settlement, Defendant does not admit that it is liable in any way for any penalties.

The Court has not ruled on the merits of the Action but it has approved the settlement of PAGA civil penalties, of which 75% will be paid to the California Labor and Workforce Development Agency, and the remaining 25% will be paid to aggrieved employees. Pursuant to the settlement, enclosed is a check for your share of a portion of the civil penalties.

Aggrieved employees, other than Plaintiff, will not be deemed to have released any individual non-PAGA wage and hour claims based on alleged violations of the Labor Code or of a California Wage Order, for which they have a private right of action, by virtue of the Settlement.

You are not a party to this lawsuit, but you and the government will be bound by the settlement in this matter as to PAGA civil penalties and you will not be able to bring PAGA claims within the scope of the Settlement. If you have any questions, you can contact the settlement administrator (whose contact information is at the top of this letter).

Very Truly Yours,

[Administrator]