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SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES

CHRISTOPHER LUNA RODRIGUEZ, an
individual, on behalf of themselves and all others
similarly situated and the general public,

Plaintiff,

v.

CLASSIC BEVERAGE OF SOUTHERN
CALIFORNIA, LLC, a California Limited
Liability Company; and DOES 1 through 25,
inclusive,

Defendants.

Case No. 24STCV06523

PAGA SETTLEMENT AGREEMENT

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9. “Plaintiff’s Counsel” means Boyamian Law, Inc.

10. “Released Parties” shall mean Defendant Classic Beverage of Southern California LLC and its former, present and future owners, parents, subsidiaries, affiliated companies, and all of their current, former and future officers, directors, managers, executive-level employees, consultants, partners, shareholders, joint venturers, agents, successors, assigns, accountants, insurers, or legal representatives.

11. “Service Award” means the amount to be paid to Plaintiff as payment for his service on behalf of the LWDA and Aggrieved Employees.

12. “Settled Claims” means any and all claims for PAGA civil penalties under the California Labor Code, Wage Orders, regulations, and/or other provisions of law alleged or which could have been alleged to have been violated in the Action or the PAGA Notice Letter with respect to Aggrieved Employees based on the facts alleged in the Action or the PAGA Notice Letter during the Settlement Period.

13. “Settlement Period” means December 22, 2022 through and including November 30, 2024.

TERMS

14. 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 One Hundred Fifty Thousand Dollars (\$150,000) (“Gross Settlement Amount”) to settle the Settled Claims. The Gross Settlement Amount includes Plaintiff’s attorneys’ fees, litigation costs and expenses, consideration for Plaintiff’s service on behalf of the LWDA and Aggrieved Employees, consideration for Plaintiff providing Defendant with a General Release, 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.

15. PAGA Penalties Fund. The PAGA Penalties Fund will be paid to Aggrieved Employees and the LWDA in full satisfaction of all claims for PAGA civil penalties under the California Labor Code, Wage Orders, regulations, and/or other provisions of law alleged to have been violated in the Action with respect to Aggrieved Employees. 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:

15(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.

15(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 $\times$ [Pay Periods Worked by Individual Aggrieved Employee During the Settlement Period $\div$ Total Pay Periods Worked by All Aggrieved Employees during the Settlement Period].

15(c) Defendant estimates that Aggrieved Employees worked during a combined total of approximately Two Thousand Eight Hundred Seventy-Five (2,875) pay periods during the Settlement Period. If the actual number of pay periods during the Settlement Period is greater than Three Thousand One Hundred Sixty-Three (3,163) (10% more than the number of pay periods estimated as of October 31, 2024), then Defendant must either: (i) proportionally increase the Gross Settlement Amount according the following formula—Proportionally Increased Gross Settlement Amount = $\$150,000 \times \text{Total Number of Pay Periods During the Settlement Period} \div 3,163$; (ii) advance the end date of the Settlement Period to correspond to the last date on which the total number of pay periods during the Settlement Period was not in excess of 3,163.

16. Attorneys' Fees and Costs. Defendant agrees not to oppose or impede any application or motion by Plaintiff's Counsel for Attorneys' Fees and Costs of not more than Fifty Thousand Dollars (\$50,000), plus the reimbursement of all out-of-pocket costs and expenses associated with Plaintiff's Counsel's litigation and settlement of the Action (including expert/consultant fees, investigations costs,

etc.), not to exceed Fifteen Thousand Dollars (\$15,000), both of which will be paid from the Gross Settlement Amount. Any portion of the Attorneys' Fees and Costs not awarded to Plaintiff's Counsel will be added to the PAGA Penalties Fund.

17. Service Award. For his service on behalf of the LWDA and Aggrieved Employees, Defendant agrees not to oppose or impede any application or motion by Plaintiff for a service award of up to Five Thousand Dollars (\$5,000) ("Service Award"). For tax purposes, the Service Award will be treated non-wages for which IRS Forms 1099-MISC will be issued.

18. General Release Payment. For a general release of all claims Plaintiff may have against Defendant or any of the Released Parties arising out of his employment, Defendant agrees to pay Plaintiff the sum of Five Thousand Dollars (\$5,000) ("General Release Payment"). For tax purposes, the General Release Payment will be treated non-wages for which IRS Forms 1099-MISC will be issued. Upon receipt of the General Release Payment, Plaintiff will be deemed to have fully released and discharged Defendant and all Released Parties from any and all claims, demands, obligations, causes of action, rights, or liabilities of any kind which have been or could have been asserted against Defendant or any of the Released Parties arising out of, or relating to, Plaintiff's employment with Defendant or termination thereof, including but not limited to claims for wages, restitution, penalties, retaliation, defamation, discrimination, harassment or wrongful termination of employment. This release specifically includes any and all claims, demands, obligations and/or causes of action for damages, restitution, penalties, interest, and attorneys' fees and costs (except provided by the Settlement) relating to or in any way connected with the matters referred to herein, whether or not known or suspected to exist, and whether or not specifically or particularly described herein. Specifically, Plaintiff will be deemed to have waived all rights and benefits afforded by California Civil Code Section 1542, which provides:

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.

19. Settlement Administration Costs. The Parties will retain a third-party settlement

1 administrator (“Settlement Administrator”). The Settlement Administrator will be responsible for
2 establishing a qualified settlement fund (“QSF”) and issuing payments and appropriate tax forms to
3 Aggrieved Employees, the LWDA, Plaintiff, and Plaintiff’s Counsel. The Settlement Administration
4 Costs will be paid from the Gross Settlement Amount. Based on the estimate that there are
5 approximately One Hundred Twenty-Seven (127) Aggrieved Employees, Settlement Administration
6 Costs are estimated at Two Thousand Seven Hundred Fifty Dollars (\$2,750).

7 20. Court Approval of the Settlement and Distribution of Settlement Payments. The Parties
8 will present this Settlement Agreement to the Court and the LWDA. The Parties will request that the
9 Court issue an order and judgment approving and incorporating by reference the terms and conditions of
10 the Settlement Agreement (the “Order and Judgment”).

11 21. List of Aggrieved Employees. Within fourteen (14) calendar days after entry of the
12 Order and Judgment, Defendant will provide the Settlement Administrator a complete list of all
13 Aggrieved Employees (“Aggrieved Employee List”). The Aggrieved Employee List will be formatted in
14 Microsoft Office Excel and will include each Aggrieved Employees full name; most recent mailing
15 address and telephone number; Social Security number; the respective number of pay periods during
16 which each Aggrieved Employee worked during the Settlement Period; and any other relevant
17 information needed to calculate settlement payments. This information shall be treated as and remain
18 confidential by the Settlement Administrator and shall be used solely to manage the notice and payment
19 process described herein, shall not be disclosed to Plaintiff’s Counsel or to anyone other than the
20 necessary staff of the Settlement Administrator, except as needed to effectuate the Settlement, including
21 to resolve any dispute over the amount of an Aggrieved Employee’s pro rata share of the PAGA
22 Penalties Fund.

23 22. Funding of the Settlement. The Gross Settlement Amount will be paid within 60 days
24 from the date the Court approves the Parties’ representative Settlement. Within fourteen (14) calendar
25 days after the entire Gross Settlement Amount is deposited into the Qualified Settlement Fund (“Full
26 Funding Date”), the Settlement Administrator will issue payments to: (a) Aggrieved Employees; (b) the
27 Labor and Workforce Development Agency; (c) Plaintiff for his Service Award; (d) Plaintiff’s Counsel;
28 and (e) itself. The Settlement Administrator, and not Defendant, will issue the appropriate tax forms for

1 all payments issued under this Settlement.

2 23. Settlement Payments to Aggrieved Employees. The Settlement Administrator will issue
3 each Aggrieved Employee one check for his or her share of the PAGA Penalties Fund along with an
4 explanatory letter, attached as Exhibit A. Prior to mailing, the Settlement Administrator will perform a
5 search based on the National Change of Address Database for information to update and correct for any
6 known or identifiable address changes. Any checks returned as non-deliverable on or before the check
7 cashing deadline will be sent promptly via regular First-Class U.S. Mail to the forwarding address
8 affixed thereto. If no forwarding address is provided, the Settlement Administrator will promptly attempt
9 to determine the correct address using a skip-trace, or other search using the name, address or Social
10 Security number of the Aggrieved Employee involved, and will then perform a single re-mailing.
11 Checks will remain negotiable for 180 days. Those funds represented by un-cashed checks which remain
12 outstanding 180 days after the mailing of the Settlement checks by the Settlement Administrator will be
13 tendered to the California Controller's Unclaimed Property Fund. All settlement payments to Aggrieved
14 Employees will be treated as miscellaneous income for which a 1099 will be issued.

15 24. Settled Claims. Upon the Full Funding Date, Plaintiff and all Aggrieved Employees will
16 be forever barred from pursuing against Defendant, or any of the Released Parties, any and all Settled
17 Claims. Aggrieved Employees, other than Plaintiff, will not be deemed to have released any individual
18 wage and hour claims by virtue of this Settlement.

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

26 26. No Credit Toward Benefit Plans. Payments to Aggrieved Employees as referenced
27 herein will not be utilized to calculate any additional benefits under any benefit plans to which any
28 Aggrieved Employee may be eligible, including, but not limited to profit-sharing plans, bonus plans,

401(k) plans, stock purchase plans, vacation plans, sick leave plans, PTO plans, and any other benefit plan. Rather, it is the Parties' intention that this Settlement Agreement will not affect any rights, contributions, or amounts to which any Aggrieved Employee may be entitled under any benefit plans.

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

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

29. Judgment and Continued Jurisdiction. Pursuant to Code of Civil Procedure § 664.6, after entry of the Order and Judgment, the Court will have continuing jurisdiction solely for purposes of addressing: (i) the interpretation and enforcement 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.

30. 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.

31. 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.

32. 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

1 reach agreement on the form or content of any document needed to implement the Settlement, or on any
2 supplemental provisions that may become necessary to effectuate the terms of this Settlement, the Parties
3 may seek the assistance of the Court to resolve such disagreement.

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

6 34. California Law Governs. All terms of this Settlement Agreement will be governed by
7 and interpreted according to the laws of the State of California.

8 35. Execution and Counterparts. This Settlement Agreement is subject only to the execution
9 of all Parties. However, the Settlement Agreement may be executed in one or more counterparts. All
10 executed counterparts and each of them, including electronic signatures (e.g., Docusign), facsimiles, and
11 scanned copies of the signature pages, will be deemed to be one and the same instrument.

12 36. Acknowledgement that the Settlement is Fair and Reasonable. The Parties believe this
13 Settlement Agreement is a fair, adequate, and reasonable settlement of the Action and have arrived at this
14 Settlement after arm's-length negotiations by experienced counsel. The Parties further acknowledge that
15 they are each represented by competent counsel and that they have had an opportunity to consult with
16 their counsel regarding the fairness and reasonableness of this Settlement.

17 37. Waiver of Certain Appeals. The Parties agree to waive appeals; except, however, that
18 Plaintiff may appeal any reduction to the Attorneys' Fees and Costs below the amount they request from
19 the Court, and either party may appeal any court order that materially alters the Settlement's terms.

20 38. Invalidity of Any Provision. Before declaring any provision of this Settlement
21 Agreement invalid, the Court will first attempt to construe the provision as valid to the fullest extent
22 possible consistent with applicable precedents so as to define all provisions of this Settlement Agreement
23 valid and enforceable.

24 39. Captions. The captions and section numbers in this Settlement Agreement are inserted
25 for the reader's convenience, and in no way define, limit, construe or describe the scope or intent of the
26 provisions of this Settlement Agreement.

27 40. Waiver. No waiver of any condition or covenant contained in this Settlement Agreement
28 or failure to exercise a right or remedy by any of the Parties hereto will be considered to imply or

1 constitute a further waiver by such party of the same or any other condition, covenant, right or remedy.

2 41. Enforcement Action. In the event that one or more of the Parties institutes any legal
3 action or other proceeding against any other Party or Parties to enforce the provisions of this Settlement
4 or to declare rights and/or obligations under this Settlement, the successful Party or Parties will be
5 entitled to recover from the unsuccessful Party or Parties reasonable attorneys' fees and costs, including
6 expert witness fees incurred in connection with any enforcement actions.

7 42. Mutual Preparation. The Parties have had a full opportunity to negotiate the terms and
8 conditions of this Settlement Agreement. Accordingly, this Settlement Agreement will not be construed
9 more strictly against one party merely by virtue of the fact that it may have been prepared by counsel for
10 one of the Parties, it being recognized that, because of the arm's-length negotiations between the Parties,
11 all Parties have contributed to the preparation of this Settlement Agreement.

12 43. Representation By Counsel. The Parties acknowledge that they have been represented
13 by counsel throughout all negotiations that preceded the execution of this Settlement Agreement, and
14 that this Settlement Agreement has been executed with the consent and advice of counsel, and reviewed
15 in full.

16 44. Cooperation and Execution of Necessary Documents. All Parties will cooperate in good
17 faith and execute all documents to the extent reasonably necessary to effectuate the terms of this
18 Settlement Agreement.

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

24 46. Denial of Liability. The Parties expressly recognize that the making of this agreement
25 does not in any way constitute an admission or concession of wrongdoing on the part of Defendant.
26 Nothing in this Settlement, nor any action taken in implementation thereof, nor any statements,
27 discussions or communications, nor any materials prepared, exchanged, issued or used during the
28 pendency of the Action, is intended by the Parties to, nor will any of the foregoing constitute, be

introduced, be used or be admissible in any way in any other judicial, arbitral, administrative, investigative or other forum or proceeding, as evidence of any violation of any federal, state, or local law, statute, ordinance, regulation, rule or executive order, or any obligation or duty at law or in equity. Notwithstanding the foregoing, this agreement may be used in any proceeding in the Court that has as its purpose the interpretation, implementation, or enforcement of the Settlement or any orders or judgments of the Court entered into in connection therewith.

READ CAREFULLY BEFORE SIGNING

PLAINTIFF

Dated: 2/10/2025

DocuSigned by:

 Christopher Luna Rodriguez

DEFENDANT

Dated: _____

John Morales, Vice-President of Administration
 Classic Beverage of Southern California, LLC

APPROVED AS TO FORM:

BOYAMIAN LAW, INC.

Dated: 02/06/2025


 Michael H. Boyamian

ST. JOHN, BRENNAN & FOLAN LLP

Dated: _____

Steven W. Brennan

1 introduced, be used or be admissible in any way in any other judicial, arbitral, administrative,
2 investigative or other forum or proceeding, as evidence of any violation of any federal, state, or local law,
3 statute, ordinance, regulation, rule or executive order, or any obligation or duty at law or in equity.
4 Notwithstanding the foregoing, this agreement may be used in any proceeding in the Court that has as its
5 purpose the interpretation, implementation, or enforcement of the Settlement or any orders or judgments
6 of the Court entered into in connection therewith.

7
8 **READ CAREFULLY BEFORE SIGNING**

9 **PLAINTIFF**

10 Dated: _____

Christopher Luna Rodriguez

12 **DEFENDANT**

13
14 Dated: 02/07/2025

John Morales, Vice-President of Administration
Classic Beverage of Southern California, LLC

16 **APPROVED AS TO FORM:**

18 **BOYAMIAN LAW, INC.**

19
20 Dated: _____

Michael H. Boyamian

22 **ST. JOHN, BRENNAN & FOLAN LLP**

23
24 Dated: 2/11/2025

Steven W. Brennan