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KELLEN WOLFE

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES

ERNEST ABRAHAM TURAY, as an
aggrieved employee, and on behalf of all
other aggrieved employees under the Labor
Code Private Attorneys General Act of 2004,

Plaintiff,

v.

K.R. WOLFE, INC., a Nevada corporation;
JOSE MARTI, an individual; KELLEN
WOLFE, an individual; and
DOES 1 through 100, inclusive,

Defendants.

CASE NO.: 24STCV10673

[Assigned for all purposes to the Hon.
Jerrold Abeles in Dept 510]

REPRESENTATIVE ACTION

**JOINT STIPULATION RE: PAGA
SETTLEMENT**

Action Filed: April 29, 2024

Trial Date: April 13, 2026

1 This Joint Stipulation re: PAGA Settlement (“Settlement,” “Agreement” or “Settlement
2 Agreement”) is made by and between plaintiff Ernest Abraham Turay (“Plaintiff”), individually,
3 and on behalf of the Aggrieved Employees, on one hand; and defendants K.R. Wolfe, Inc. (“the
4 Company”) and Kellen Wolfe (“Wolfe”) (collectively “Defendants”), on the other hand, in the
5 lawsuit entitled *Ernest Abraham Turay v. K.R. Wolfe, Inc., et al.*, filed in the Los Angeles County
6 Superior Court, Case No. 24STCV10673. Plaintiff and Defendants shall be, at times, collectively
7 referred to as the “Parties.” This Agreement is intended by the Parties to fully, finally and forever
8 resolve the claims as set forth herein, based upon and subject to the terms and conditions of this
9 Agreement.

10 **1. DEFINITIONS**

11 1.1. “**Action**” means Plaintiff’s PAGA lawsuit, alleging penalties for alleged wage
12 and hour violations against Defendants and Jose Marti, captioned *Ernest Abraham Turay v. K.R.*
13 *Wolfe, Inc., et al.*, Case No. 24STCV10673, initiated on April 29, 2024, and pending in the
14 Superior Court of the State of California, County of Los Angeles.

15 1.2. “**Administrator**” means Apex Class Action, LLC (“Apex”), the neutral entity
16 Plaintiff has selected to administer the Settlement.

17 1.3. “**Administration Expenses Payment**” means the amount the Administrator will
18 be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in
19 accordance with the Administrator’s “not to exceed” bid submitted to the Court in connection
20 with approval of this Settlement.

21 1.4. “**Aggrieved Employees**” means all persons currently or formerly employed as
22 non-exempt, hourly-paid employees who worked for the Company at any time during the PAGA
23 Period in the State of California.

24 1.5. “**Aggrieved Employee Data**” means Aggrieved Employee identifying
25 information in the Company’s possession, including the Aggrieved Employee’s name, last-
26 known mailing address, Social Security number, and number of PAGA Pay Periods.

27 1.6. “**Aggrieved Employee Address Search**” means the Administrator’s
28 investigation and search for current Aggrieved Employee mailing addresses using all reasonably

1 available sources, methods and means including, but not limited to, the National Change of
2 Address database, skip traces, and direct contact by the Administrator with Aggrieved
3 Employees.

4 1.7. “**Approval Order**” means the proposed Court Order Granting Approval of the
5 Settlement.

6 1.8. “**Court**” means the Superior Court of California, County of Los Angeles.

7 1.9. “**Defendants**” means K.R. Wolfe, Inc. and Kellen Wolfe.

8 1.10. “**Defense Counsel**” means Lisa Hird Chung of Schor Vogelzang & Chung LLP,
9 the attorneys representing Defendants in the Action.

10 1.11. “**Effective Date**” means the date by when both of the following have occurred:
11 (a) the Court enters a Judgment on its Order Approving the PAGA Settlement, and (b) the
12 Judgment is final.

13 1.12. “**Gross Settlement Amount**” means the maximum total or \$209,000.00, which is
14 the total amount the Company agrees to pay under the Settlement except as provided in Paragraph
15 8 below. The Gross Settlement Amount will be used to pay Individual PAGA Payments, the
16 LWDA PAGA Payment, PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses
17 Payment, and Administrator’s Expenses Payment.

18 1.13. “**Individual PAGA Payment**” means the Aggrieved Employee’s pro rata share
19 of 25% of the PAGA Penalties calculated according to the number of PAGA Pay Periods the
20 Aggrieved Employee worked during the PAGA Period.

21 1.14. “**Judgment**” means the judgment entered by the Court based upon the Approval
22 Order.

23 1.15. “**LWDA**” means the California Labor and Workforce and Development Agency,
24 the agency entitled under Labor Code section 2699, subd. (i).

25 1.16. “**LWDA PAGA Payment**” means the 75% of the PAGA Penalties paid to the
26 LWDA under Labor Code section 2699, subd. (i).

27 1.17. “**Net Settlement Amount**” means the Gross Settlement Amount, less the
28 following payments in the amounts approved by the Court: the LWDA PAGA Payment, PAGA

Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, and the Administration Expenses Payment. The remainder is to be paid to Aggrieved Employees as Individual PAGA Payments.

1.18. **“PAGA”** means the Labor Code Private Attorneys General Act, codified at California Labor Code sections 2698 *et seq.*

1.19 **“PAGA Claim”** means the claim for civil penalties under the PAGA alleged in the Action and/or stated in Plaintiff’s January 8, 2025 notice letter to Defendants and the LWDA.

1.20. **“PAGA Counsel”** means David D. Bibiyan and Vedang J. Patel of Bibiyan Law Group, P.C., the attorneys representing the Plaintiff in the Action.

1.21. **“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 and the separate Class Action, as described in paragraphs 2 and 3.2.1 below.

1.22. **“PAGA Pay Period”** means any pay period during which an Aggrieved Employee worked for the Company for at least one day during the PAGA Period.

1.23. **“PAGA Period”** means the period from June 13, 2023, through July 15, 2025.

1.24. **“PAGA Notice”** means the January 10, 2024 letter that Plaintiff sent to Defendants and the LWDA, providing notice pursuant to the Labor Code section 2699.3, subd. (a).

1.25. **“PAGA Penalties”** means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 25% to the Aggrieved Employees and the 75% to the LWDA in settlement of PAGA claims.

1.26. **“Plaintiff”** means Ernest Abraham Turay, the named plaintiff in the Action.

1.27. **“Released PAGA Claims”** means the claims being released by Aggrieved Employees as described in Paragraph 5 below. 1.28. **“Released Parties”** means Defendants and each of their former, present and/or future directors, officers, partners, shareholders, owners, members, employees, attorneys, insurers, predecessors, successors, representatives, agents, assigns, subsidiaries, and affiliates.

1.29. “**Settlement**” means the disposition of the Action effected by this Agreement and the Judgment.

2. RECITALS

2.1. Pursuant to Labor Code section 2699.3, subd. (a), Plaintiff gave written notices of the PAGA Action to Defendants and the LWDA by sending the a letter dated January 8, 2025.

2.2. On January 10, 2024, Plaintiff filed a putative Class Action Complaint against Defendants and Jose Marti captioned *Ernest Abraham Turay v. K.R. Wolfe, Inc., et al.*, Case No. 37-2024-00001500-CU-OE-CTL, and pending in the Superior Court of the State of California, County of San Diego, for alleged violations, including but limited to: (1) failure to pay overtime wages; (2) failure to pay minimum wages; (3) failure to provide meal periods; (4) failure to provide rest periods; (5) waiting time penalties; (6) wage statement violations; (7) failure to timely pay wages; (8) failure to indemnify; (9) violation of Labor Code § 227.3; and (10) unfair competition (the “Class Action”).

2.3. On April 29, 2024, Plaintiff filed a PAGA Complaint alleging penalties for alleged Labor Code violations against Defendants and Jose Marti, captioned *Ernest Abraham Turay v. K.R. Wolfe, Inc., et al.*, Case No. 24STCV10673, and pending in the Superior Court of the State of California, County of Los Angeles, seeking civil penalties under PAGA and an award of reasonable attorneys’ fees and costs (the “Action”).

2.4. On April 29, 2024, the Company filed a motion to compel arbitration (“MTCA”) in the Class Action, which Plaintiff opposed.

2.5. On October 18, 2024, the Court granted the Company’s MTCA, dismissing Plaintiff’s class claims, compelling Plaintiff’s individual claims to arbitration, and staying the Class Action.

2.6. On May 15, 2025, the parties participated in an all-day mediation presided over by a neutral and experienced third party, Gig Kyriacou, Esquire, which led to this Agreement to settle the Action.

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1 2.4. Prior to mediation, Plaintiff obtained, through informal discovery: (1) complete
2 time and payroll records of approximately 77 Aggrieved Employees for the PAGA Period; (2)
3 relevant policy documents of the Company; and (3) Plaintiff's personnel records and paystubs.

4 2.5. The Parties, PAGA Counsel, and Defense Counsel represent that they are not
5 aware of any other pending matter or action asserting claims that will be extinguished or affected
6 by the Settlement.

7 2.6 The Parties understand, acknowledge, and agree that this Agreement constitutes a
8 compromise of Plaintiff's representative and the Aggrieved Employees' PAGA Claim, and that
9 it is the desire and intention of the Parties to effectuate a final and complete resolution of the
10 PAGA Claim that Plaintiff and Aggrieved Employees have against Defendants or any of the
11 Released Parties.

12 2.7 Defendants deny any liability or wrongdoing of any kind associated with the
13 alleged PAGA Claim, deny liability for the Released PAGA Claims, and further deny that the
14 Action is appropriate for representative treatment for any purpose other than settling this Action.
15 Defendants contend, among other things, that they have complied at all times with the California
16 Labor Code and the related Industrial Welfare Commission Wage Orders, all other state and
17 federal wage laws, and further contend that all of their respective employees were and are paid
18 properly and that the Action is without merit. Defendants have denied and continue to deny each
19 and every material factual allegation and all alleged claims asserted against them in the Action
20 and PAGA Notice.

21 2.8. The Parties recognize that the issues presented in the Action are likely only to be
22 resolved with extensive and costly pretrial and trial proceedings, and that further litigation will
23 cause inconvenience, distraction, disruption, delay and expense disproportionate to the potential
24 benefits of litigation. The Parties have taken into account the risk and uncertainty of the outcome
25 inherent in any litigation.

26 2.9. The Parties enter into this Settlement Agreement on a conditional basis. If the
27 Court does not approve the Settlement as defined in this Agreement, then this Settlement
28 Agreement will be deemed null and void ab initio and will be of no force or effect whatsoever,

and will not be referred to or utilized for any purpose whatsoever. Defendants do not waive, but rather expressly reserve, all rights to challenge all such claims and allegations upon all legal, procedural and factual grounds should this Settlement not become final.

2.10. The Parties stipulate and agree to the following terms of this Agreement with the intent that this Agreement finally disposes of the Action with prejudice.

3. MONETARY TERMS

3.1. **Gross Settlement Amount.** Except as otherwise provided by Paragraph 8 below, the Company promises to pay \$209,000.00 and no more as the Gross Settlement Amount. The Company has no obligation to pay the Gross Settlement Amount prior to the deadline stated in Paragraph 4.3 of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendants.

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

3.2.1. **To PAGA Counsel:** A PAGA Counsel Fees Payment of not more than one-third (1/3) of the Gross Settlement Amount, subject to escalation pursuant to section 8.1 of this Agreement and approval by the Court, which is currently estimated to be \$69,666.67, and PAGA Counsel Litigation Expenses Payment of not more than \$30,000.00. Defendants will not oppose requests for Court approval of these payments provided that they do not exceed these amounts. Plaintiff and/or PAGA Counsel will file an application or motion for PAGA Counsel Fees Payment and PAGA Litigation Expenses Payment. If the Court approves a PAGA Counsel Fees Payment and/or a PAGA Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. Released Parties shall have no liability to PAGA Counsel or any other Plaintiff's Counsel arising from any claim to any

1 portion any PAGA Counsel Fees Payment and/or PAGA Counsel
2 Litigation Expenses Payment. The Administrator will pay the PAGA
3 Counsel Fees Payment and PAGA Counsel Expenses Payment using one
4 or more IRS 1099 Forms. PAGA Counsel assume full responsibility and
5 liability for taxes owed on the PAGA Counsel Fees Payment and the
6 PAGA Counsel Litigation Expenses Payment and hold Defendants
7 harmless, and indemnify Defendants, from any dispute or controversy
8 regarding any division or sharing of any of these Payments. There will be
9 no additional charge of any kind to Aggrieved Employees or request for
10 additional consideration from Defendants for such work unless Defendants
11 materially breach this Agreement, including any term regarding funding,
12 and further efforts are necessary from PAGA Counsel to remedy said
13 breach, including, without limitation, moving the Court to enforce the
14 Agreement.

15 3.2.2. **To the Administrator:** An Administrator Expenses Payment not to
16 exceed \$3,500.00 except for a showing of good cause and as approved by
17 the Court. To the extent the Administration Expenses are less, or the Court
18 approves payment less than \$3,500.00, the Administrator will retain the
19 remainder in the Net Settlement Amount.

20 3.2.3. **To the LWDA and Aggrieved Employees:** PAGA Penalties in the
21 amount of no less than \$105,833.33 to be paid from the Gross Settlement
22 Amount, with 75% (estimated to be no less than \$79,375.00) allocated to
23 the LWDA PAGA Payment and 25% (estimated to be no less than
24 \$26,458.33) allocated to the Individual PAGA Payments.

25 3.2.4.1. The Administrator will calculate each Individual PAGA Payment
26 by (a) dividing the amount of the Aggrieved Employees' 25%
27 share of PAGA Penalties by the total number of PAGA Period
28 Pay Periods worked by all Aggrieved Employees during the

PAGA Period; and (b) multiplying the result by each Aggrieved Employee's PAGA Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

3.2.4.2. If the Court approves PAGA Penalties of less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

3.3. Plaintiff and Defendants will enter into a separate settlement and general release of Plaintiff's individual claims which were compelled to arbitration. The individual settlement will be contingent upon approval by the Court of this Settlement.

4. SETTLEMENT FUNDING PAYMENTS

4.1. **Aggrieved Employee Pay Periods.** Based on a review of Defendants' records as of May 15, 2025, the Parties understand there are approximately 77 Aggrieved Employees who worked a total of approximately 1,126 PAGA Pay Periods during the PAGA Period.

4.2. **Aggrieved Employee Data.** Within 14 days of the Effective Date, the Company will simultaneously deliver the Aggrieved Employee Data to the Administrator in the form of a Microsoft Excel spreadsheet and a declaration from the Company or Defendants' counsel to Plaintiff's counsel attesting to the method by which the number of Pay Periods were determined for each Aggrieved Employee and all Aggrieved Employees in the aggregate. 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. The Company has a continuing duty to immediately notify the Administrator 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 the Company must send the Aggrieved Employee Data

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

4 **4.3. Funding of Gross Settlement Amount.** The Company shall fully fund the Gross
5 Settlement Amount by transmitting the funds to the Administrator in two payments as follows:
6 (1) 50% of the Gross Settlement Amount paid no later than twelve (12) months after the full
7 execution of this Agreement, or fourteen (14) days after the Effective Date, whichever is later;
8 and (2) the remaining 50% of the Gross Settlement Amount paid eighteen (18) months after the
9 full execution of this Agreement, or fourteen (14) days after the Effective Date, whichever is
10 later.

11 **4.4. Payments from the Gross Settlement Amount.** Within 14 days after the
12 Company fully funds the Gross Settlement Amount, the Administrator will mail checks for all
13 Individual PAGA Payments, the LWDA PAGA Payment, Administration Expenses Payment,
14 the PAGA Counsel Fees Payment, and the PAGA Counsel Litigation Expenses Payment.
15 Disbursement of the PAGA Counsel Fees Payment and the PAGA Counsel Litigation Expenses
16 Payment shall not precede disbursement of Individual PAGA Payments.

17 4.4.1. The Administrator will issue checks for the Individual PAGA Payments
18 and send them to the Aggrieved Employees via First Class U.S. Mail,
19 postage prepaid. The Administrator will include with each mailed check
20 the PAGA Settlement Notice attached as Exhibit A to this Agreement. The
21 face of each check shall prominently state the date (not less than 180 days
22 after the date of mailing) when the check will be voided. The Administrator
23 will cancel all checks not cashed by the void date. Before mailing any
24 checks, the Settlement Administrator must update the recipients' mailing
25 addresses using the National Change of Address Database.

26 4.4.2. The Administrator must conduct an Aggrieved Employee Address Search
27 for all Aggrieved Employees whose checks are returned undelivered
28 without USPS forwarding address. Within 7 days of receiving a returned

1 check, the Administrator must re-mail checks to the USPS forwarding
2 address provided or to an address ascertained through the Aggrieved
3 Employee Address Search. The Administrator need not take further steps
4 to deliver checks to Aggrieved Employees whose re-mailed checks are
5 returned as undelivered. The Administrator shall promptly void the
6 original check and send a replacement check to any Aggrieved Employee
7 whose original check was lost or misplaced, if requested by the Aggrieved
8 Employee prior to the void date.

9 4.4.3. For any Aggrieved Employee whose Individual PAGA Payment check is
10 uncashed and cancelled after the void date, the Administrator shall
11 transmit the funds represented by such checks to the California Controller's
12 Unclaimed Property Fund in the name of the Aggrieved Employee, and
13 such Aggrieved Employees shall still be bound by this Settlement as
14 approved by the Court. Defendants, Defense Counsel, Plaintiff, PAGA
15 Counsel, and the Administrator will have no liability for lost or stolen
16 Settlement payment checks, forged signatures on Settlement payment
17 checks, unauthorized negotiation of Settlement payment checks, or failure
18 to timely cash a Settlement payment check within the 180-day period.

19 4.4.4. The payment of Individual PAGA Payments shall not obligate Defendants
20 to confer any additional benefits or make any additional payments to or on
21 behalf of the Aggrieved Employees (such as 401(k) and retirement
22 contributions, insurance contributions, 403(b), profit-sharing plans, or
23 bonuses) beyond those specified in this Agreement. Further, any
24 Individual PAGA Payments are penalties and thus shall not be considered
25 compensation in any year for purposes of determining eligibility for, or
26 benefit accrual within, and employee benefit plan or bonus plan sponsored
27 by Defendants.

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1 **5. RELEASES OF CLAIMS**

2 Effective on the date when the Company fully funds the entire Gross Settlement Amount,
3 Plaintiff and all other Aggrieved Employees will release claims against all Released Parties as
4 follows:

5 **5.1. Release by Aggrieved Employees:** All Aggrieved Employees (including
6 Plaintiff) are deemed to fully and forever release, on behalf of themselves and their respective
7 former and present representatives, agents, attorneys, heirs, family members, administrators,
8 successors, and assigns, Released Parties from all claims, rights, demands, liabilities and causes
9 of action that arose during the PAGA Period for civil penalties under PAGA that were alleged,
10 or reasonably could have been alleged, based on the facts stated in the operative Complaint and/or
11 the PAGA Notice for PAGA civil penalties, including, but not limited to, pursuant to Labor Code
12 sections 201 through 203, 210, 226, 226.3, 227.3, 245, 432, 558, 1174.5, 1197.1, 1198.5, 2802,
13 2810.5, and 2699, *et seq.* among others.

14 **5.2 Release by the State:** The State of California shall fully release and forever
15 discharge Released Parties from the Released Claims as they pertain to Aggrieved Employees
16 (including Plaintiff).

17 **5.3** No Aggrieved Employee will have any claim against any of the Released Parties,
18 Defense Counsel, Plaintiff, or PAGA Counsel based on errors in administering claims or
19 performing the mailing and skip-tracing requirements of the Administrator under this Agreement.

20 **6. MOTION OR APPLICATION FOR APPROVAL OF**
21 **SETTLEMENT**

22 The Parties agree to Plaintiff's filing of a motion for approval of this Settlement.

23 **6.1. Plaintiff's Responsibilities.** Plaintiff will prepare and endeavor to deliver to
24 Defense Counsel all documents necessary for obtaining approval of this Settlement under Labor
25 Code Section 2699, subd. (f)(2), including (i) a draft proposed Order Granting Approval of
26 PAGA Settlement; (ii) a signed declaration from the Administrator attaching its "not to exceed"
27 bid for administering the Settlement and attesting to its willingness to serve; competency;
28 operative procedures for protecting the security of Aggrieved Employee Data; amounts of

1 insurance coverage for any data breach, defalcation of funds or other misfeasance; all facts
2 relevant to any actual or potential conflicts of interest with Aggrieved Employees or the LWDA;
3 and the nature and extent of any financial relationship with Plaintiff, PAGA Counsel or Defense
4 Counsel; (iii) a signed declaration from PAGA Counsel attesting to their timely transmission to
5 the LWDA of all necessary PAGA documents (initial notices of violations (Labor Code section
6 2699.3, subd. (a)), the operative Complaint (Labor Code section 2699, subd. (1)(1)), and this
7 Agreement (Labor Code section 2699, subd. (1)(2)); and (iv) all facts relevant to any actual or
8 potential conflict of interest with Aggrieved Employees and/or the Administrator.

9 **6.2. Responsibilities of PAGA Counsel.** PAGA Counsel are responsible for
10 expeditiously finalizing and filing the motion for approval of this Settlement after the full
11 execution of this Agreement and, if necessary, obtaining a prompt hearing date for the motion
12 and appearing in Court to advocate in favor of the motion. PAGA Counsel are responsible for
13 delivering the Court's Approval Order to the Administrator.

14 **6.3. Duty to Cooperate.** If the Parties disagree on any aspect of the proposed
15 application or motion for approval of this Settlement and/or the supporting declarations and
16 documents, PAGA Counsel and Defense Counsel will expeditiously work together on behalf of
17 the Parties by meeting in person or by telephone, and in good faith, to resolve the disagreement.
18 If the Court does not grant the motion for approval of this Settlement or conditions its approval
19 on any material change to this Agreement, PAGA Counsel and Defense Counsel will
20 expeditiously work together on behalf of the Parties by meeting in person or by telephone, and
21 in good faith, to modify the Agreement and otherwise satisfy the Court's concerns.

22 **7. SETTLEMENT ADMINISTRATION**

23 **7.1. Selection of Administrator.** Plaintiff has selected Apex to serve as the
24 Administrator and verified that, as a condition of appointment, Apex agrees to be bound by this
25 Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for
26 payment of Administration Expenses. The Parties and their Counsel represent that they have no
27 interest or relationship, financial or otherwise, with the Administrator other than a professional
28 relationship arising out of prior experiences administering settlements.

1 7.2. **Employer Identification Number.** The Administrator shall have and use its own
2 Employer Identification Number for purposes of providing reports state and federal tax
3 authorities.

4 7.3. **Qualified Settlement Fund.** The Administrator shall establish a settlement fund
5 that meets the requirements of a Qualified Settlement Fund (“QSF”) under US Treasury
6 Regulation section 468B-1, 26 CFR § 1.468B-1 *et seq.*, for the benefit of Aggrieved Employees
7 and the State of California. The Company shall transmit the Gross Settlement Amount due under
8 this Agreement into the established QSF.

9 7.4. **Administrator Duties.** The Administrator has a duty to perform or observe all
10 tasks to be performed or observed by the Administrator contained in this Agreement or otherwise.

11 **8. AGGRIEVED EMPLOYEE SIZE ESTIMATES and ESCALATOR**
12 **CLAUSE**

13 8.1 Based on the Company’s records, the Parties understand that, as of mediation,
14 there were approximately 77 Aggrieved Employees who worked approximately 1,126 PAGA
15 Pay Periods during the PAGA Period.

16 8.2. **Escalator Clause.** The Settlement is based on the Parties’ understanding that
17 there were approximately 1,126 PAGA Pay Periods worked by approximately 77 Aggrieved
18 Employees during the PAGA Period. In the event the actual number of PAGA Pay Periods
19 worked during the PAGA Period is more than 10%, or 113 PAGA Pay Periods, greater than 1,126
20 (i.e., if there are more than 1,239 PAGA Pay Periods worked during the PAGA Period), either
21 (1) the Gross Settlement Amount will be increased by the same percentage above 10% that the
22 actual number of PAGA Pay Periods exceeds 1,126 (i.e., if the actual number of PAGA Pay
23 Periods is 12% higher than 1,126, then the Gross Settlement Amount will be increased by 2%);
24 or (2) at Defendants’ option, the PAGA Period and the Released PAGA Claims will end as of
25 the date the actual number of PAGA Pay Periods exceeds 1,126 by 10%.

26 **9. CONTINUING JURISDICTION OF THE COURT**

27 The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the
28 Parties, Action, and the Settlement solely for purposes of (i) enforcing this Agreement and/or

Judgment, (ii) addressing settlement administration matters, and (iii) addressing such post-Judgment matters as are permitted by law.

9.1. **Waiver of Right to Appeal.** Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the Gross Settlement Amount, PAGA Counsel Fees Payment, and PAGA Counsel Litigation Expenses Payment, the Parties and their respective counsel waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals. If another party appeals the Judgment, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect the amount of the Net Settlement Amount.

10. ADDITIONAL PROVISIONS

10.1. **No Admission of Liability or Representative Manageability for Other Purposes.** This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendants that any of the allegations in the operative Complaint or PAGA Notice have merit or that Defendants have any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that Defendants' defenses in the Action have merit. The Parties agree that representative treatment is for purposes of this Settlement only. If, for any reason the Court does not approve this Settlement, Defendants reserve all available defenses to the claims in the Action, and Plaintiff reserves the right to contest Defendants' defenses. The Settlement, this Agreement, and the Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).

10.2. **Integrated Agreement.** Upon execution by all Parties and their counsel, this Agreement, together with its attached exhibit and Plaintiff's separate individual settlement agreement, shall constitute the entire agreement between the Parties relating to the Settlement,

1 superseding any and all prior or contemporaneous representations, warranties, covenants, or
2 inducements made to or by any Party.

3 **10.3. Attorney Authorization.** PAGA Counsel and Defense Counsel separately
4 warrant and represent that they are authorized by Plaintiff and Defendants, respectively, to take
5 all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement
6 to effectuate its terms, and to execute any other documents reasonably required to effectuate the
7 terms of this Agreement including any amendments to this Agreement.

8 **10.4. Cooperation.** The Parties and their counsel will cooperate with each other and
9 use their best efforts, in good faith, to implement the Settlement by, among other things,
10 modifying the Settlement Agreement, submitting supplemental evidence and supplementing
11 points and authorities as requested by the Court. In the event the Parties are unable to agree upon
12 the form or content of any document necessary to implement the Settlement, or on any
13 modification of the Agreement that may become necessary to implement the Settlement, the
14 Parties will seek the assistance of a mediator and/or the Court for resolution.

15 **10.5. No Prior Assignments.** The Parties separately represent and warrant that they
16 have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer,
17 or encumber to any person or entity, any portion of any liability, claim, demand, action, cause of
18 action, or right released and discharged by the Party in this Settlement.

19 **10.6. No Tax Advice.** Neither Plaintiff, PAGA Counsel, Defendants nor Defense
20 Counsel are providing any advice regarding taxes or taxability, nor shall anything in this
21 Settlement be relied upon as such within the meaning of United States Treasury Department
22 Circular 230 (31 CFR Part 10, as amended) or otherwise.

23 **10.7. Modification of Agreement.** This Agreement, and all parts of it, may be
24 amended, modified, changed, or waived only by an express written instrument signed by all
25 Parties or their representatives, and approved by the Court.

26 **10.8. Agreement Binding on Successors.** This Agreement will be binding upon, and
27 inure to the benefit of, the successors of each of the Parties.
28

1 10.9. **Applicable Law.** All terms and conditions of this Agreement and its exhibit will
2 be governed by and interpreted according to the internal laws of the State of California, without
3 regard to conflict of law principles.

4 10.10. **Cooperation in Drafting.** The Parties have cooperated in the drafting and
5 preparation of this Agreement. This Agreement will not be construed against any Party on the
6 basis that the Party was the drafter or participated in the drafting. In entering this Agreement, the
7 Parties explicitly recognize California Civil Code section 1625 and California Code of Civil
8 Procedure section 1856(a), which provide that a written agreement is to be construed according
9 to its terms and may not be varied or contradicted by extrinsic evidence. Plaintiff and Defendants
10 had available to them the advice and assistance of independent counsel. As such, neither Plaintiff
11 nor Defendants may claim that any ambiguity in this Agreement should be construed against the
12 other.

13 10.11. **Confidentiality.** To the extent permitted by law, all agreements made, and orders
14 entered during the Action and in this Agreement relating to the confidentiality of information
15 shall survive the execution of this Agreement.

16 10.12. **Use of Aggrieved Employee Data.** Information provided to PAGA Counsel
17 pursuant to Cal. Evid. Code §1152, and all copies and summaries of the PAGA Data provided to
18 PAGA Counsel by Defendants in connection with the mediation, other settlement negotiations,
19 or in connection with the Settlement, may be used only with respect to this Settlement, and no
20 other purpose, and may not be used in any way that violates any existing contractual agreement,
21 statute, or rule of court.

22 10.13. **Headings.** The descriptive heading of any section or paragraph of this Agreement
23 is inserted for convenience of reference only and does not constitute a part of this Agreement.

24 10.14. **Calendar Days.** Unless otherwise noted, all reference to “days” in this Agreement
25 shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a
26 weekend or Court holiday, such date or deadline shall be automatically extended to the first
27 business day thereafter.
28

1 10.15. **Notice.** All notices, demands or other communications between the Parties in
2 connection with this Agreement will be in writing and deemed to have been duly given as of the
3 third business day after mailing by United States mail, or the day sent by email or messenger,
4 addressed as follows:

5 To Plaintiff:

6 **BIBIYAN LAW GROUP, P.C.**
7 Vedang J. Patel (SBN 328647)
8 *vedang@tomorrowlaw.com*
9 Brandon M. Chang (SBN 316197)
10 *brandon@tomorrowlaw.com*
11 1460 Westwood Boulevard
12 Los Angeles, California 90024
13 Tel: (310) 438-5555; Fax: (310) 300-1705

14 To Defendants:

15 **SCHOR VOGELZANG & CHUNG LLP**
16 Lisa Hird Chung (SBN 246766)
17 *lisa@svclegal.com*
18 2170 Fourth Avenue
19 San Diego, California 92101
20 Tel: (619) 906-2400; Fax: (619) 906-2401

21 10.16. **Execution in Counterparts.** This Agreement may be executed in one or more
22 counterparts by facsimile, electronically (i.e. DocuSign), or email which for purposes of this
23 Agreement shall be accepted as an original. All executed counterparts and each of them will be
24 deemed to be one and the same instrument if counsel for the Parties will exchange between
25 themselves signed counterparts. Any executed counterpart will be admissible in evidence to
26 prove the existence and contents of this Agreement.

27 10.17. **Stay of Litigation.** The Parties agree that upon the execution of this Agreement
28 the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further
agree that upon the signing of this Agreement that pursuant to CCP section 583.330 to extend the
date to bring a case to trial under CCP section 583.310 for the entire period of this settlement
process.

 10.18. **No Publicity.** Plaintiff and PAGA Counsel agree that the terms of this Settlement
(including, but not limited to, the Gross Settlement Amount), the negotiations leading to the
execution of this Settlement, and the Settlement itself, shall not be discussed with or publicized

1 or promoted to the media (including, without limitation, legal periodicals and publications such
2 as “Jury Verdicts,” disclosure of the Settlement on any web site of PAGA Counsel or any other
3 website, or on any blogs, articles, or on any social media platforms or channels), or the public at
4 large, without the advance written consent of Defendants. The Parties intend this paragraph to
5 prohibit Plaintiff and PAGA Counsel from discussing, answering questions about, promoting or
6 publicizing the Settlement, its terms, or the negotiations leading to the Settlement with anyone
7 other than the Court or those individuals necessary to effectuate the terms of the Agreement.
8 Notwithstanding the foregoing, Plaintiff and PAGA Counsel (1) may tell the public in general
9 only that certain claims “have been resolved by the Parties;” and (2) may disclose the terms of
10 the Settlement Agreement (a) in appropriate filings with the Court in this case; (b) where required
11 by law (e.g., income tax returns); and (c) to accountants or other tax professionals for the purpose
12 of preparing tax returns. In addition, PAGA Counsel may respond to questions received from,
13 and discuss any aspects of this Agreement with Aggrieved Employees.

14 10.19. **Severability.** In the event that one or more of the provisions contained in this
15 Agreement shall for any reason be held invalid, illegal, or unenforceable in any respect, such
16 invalidity, illegality, or unenforceability shall in no way effect any other provision if Defense
17 Counsel and PAGA Counsel, on behalf of the Parties and the Aggrieved Employees, mutually
18 elect in writing to proceed as if such invalid, illegal, or unenforceable provision had never been
19 included in this Agreement.

20 10.20. **Representation by Counsel.** All Parties acknowledge that they have been
21 represented by counsel throughout all negotiations which preceded the execution of this
22 Agreement, and that this Agreement has been executed with the consent and advice of counsel.

23 10.21. **Attorneys’ Fees and Costs.** Except as otherwise provided in this Agreement, the
24 Parties will bear responsibility for their own attorneys’ fees and costs, taxable or otherwise,
25 incurred by them or arising out of this Action and will not seek reimbursement thereof from any
26 Party to this Settlement Agreement. In the event of a proven breach of this Agreement, the
27 breaching party will be required to pay the prevailing Party’s reasonable attorneys’ fees and costs
28 incurred in enforcing this Agreement.

1 IT IS SO AGREED:

2 *Ernest Turay*

09/11/2026

3 Plaintiff Ernest Abraham Turay

Rachel Wolfe

Sep 16, 2026

Defendant K.R. Wolfe, Inc.

By: Rachel Wolfe

Its: President

Defendant Kellen Wolfe

8 APPROVED AS TO FORM ONLY:

9 *David D. Bibiyan*

09/11/2026

10 David D. Bibiyan

11 Vedang J. Patel

12 Counsel for Plaintiff Ernest Abraham Turay

Lisa Hird Chung

9/16/26

13 Lisa Hird Chung

14 Counsel for Defendants K.R. Wolfe, Inc. and
15 Kellen Wolfe
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1 IT IS SO AGREED:

2 *Ernest Turay*

09/11/2026

3 Plaintiff Ernest Abraham Turay

Defendant K.R. Wolfe, Inc.

By: _____

Its: _____

K Wolfe

Kellen Wolfe (Sep 15, 2026 17:23:30 PDT)

Sep 15, 2026

Defendant Kellen Wolfe

8 APPROVED AS TO FORM ONLY:

9 *David D. Bibiyan*

09/11/2026

10 David D. Bibiyan
11 Vedang J. Patel
12 Counsel for Plaintiff Ernest Abraham Turay

Lisa Hird Chung

Lisa Hird Chung
Counsel for Defendants K.R. Wolfe, Inc. and
Kellen Wolfe

EXHIBIT A

NOTICE OF SETTLEMENT OF PAGA REPRESENTATIVE ACTION

Ernest Abraham Turay v. K.R. Wolfe, Inc., et al.

Superior Court of the State of California, County of Los Angeles Case No. 24STCV10673

[Aggrieved
Employee] [Address]
[Address]

You are receiving this notice in connection with a Court-approved settlement (the “Settlement”) in the lawsuit entitled *Ernest Abraham Turay v. K.R. Wolfe, Inc., et al.*, filed in Superior Court of the State of California for the County of Los Angeles, Case No. 24STCV10673 (the “Action”), brought on a representative basis under the Labor Code Private Attorneys General Act of 2004 codified at California Labor Code section 2698, *et seq.* (“PAGA”). The plaintiff in the lawsuit is Ernest Abraham Turay (“Plaintiff”), and the Defendants are K.R. Wolfe, Inc. (the “Company”) and Kellen Wolfe (collectively “Defendants”). The Settlement provides for recovery of civil penalties for alleged violations of the California Labor Code on behalf of all PAGA Group Members, defined as all persons currently or formerly employed as non-exempt, hourly-paid employees who worked for K.R. Wolfe, Inc. at any time during the period from June 13, 2023, through July 15, 2025 (the “PAGA Period”) in the State of California.

After accounting for Court-approved deductions from the settlement amount for things such as attorneys’ fees and costs and administration of the settlement, the remainder is \$105,833.33. Of the remainder, the PAGA statute provides that 75% of any recovery pursuant to the Settlement be paid to the State of California and 25% of any recovery be paid to the PAGA Group Members.

Defendants deny all claims and allegations in the Action, deny that they owe any penalties, and assert that they have fully complied with all applicable Labor Code provisions. Nevertheless, to avoid further costs and time in defending the Action, Defendants have settled the Action. By settling the lawsuit, Defendants are not admitting that Defendants have done anything wrong.

Effective on the date when the Company fully funds the entire Gross Settlement Amount, all PAGA Group Members (including Plaintiff) are deemed to fully and forever release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, family members, administrators, successors, and assigns, the Released Parties from all claims, rights, demands, liabilities and causes of action that arose during the PAGA Period for civil penalties under PAGA that were alleged, or reasonably could have been alleged, based on the facts stated in the operative Complaint and/or the PAGA Notice for PAGA civil penalties, including, but not limited to, pursuant to Labor Code sections 201 through 203, 210, 226, 226.3, 227.3, 245, 432, 558, 1174.5, 1197.1, 1198.5, 2802, 2810.5, and 2699, *et seq.* among others.

“Released Parties” means Defendants and each of their former, present and/or future directors, officers, partners, shareholders, owners, members, employees, attorneys, insurers, predecessors, successors, representatives, agents, assigns, subsidiaries, and affiliates.

By an Order dated [Approval Date], the Superior Court of California approved the Settlement of the Released Claims. By approving the Settlement, the Court did not decide in favor of either Plaintiff or Defendants.

According to Defendants’ records, you are a PAGA Group Member and are therefore entitled to a share of the Settlement based upon the Court-approved allocation. Enclosed with this Notice is your settlement check for your share. The settlement check shall remain valid for one hundred eighty (180) days. Thereafter, the settlement check shall be canceled, and the funds associated with the check shall be transmitted to the California Controller’s Unclaimed Property Fund in your name.

Even if you fail to cash the enclosed check, you will still be deemed to have waived all claims arising from the Action, including all claims set forth in the release of claims described above.

Defendants’ records indicate that you worked [Eligible Pay Periods] Pay Periods as a non-exempt, hourly-paid employee in California during the PAGA Period. Based on these records, your estimated payment as a PAGA Group Member would be [\$Estimated Award].

Please Note: One hundred percent (100%) of the payment you are receiving in connection with the Settlement will be considered penalties reported on IRS Form 1099, and may be subject to local, state or federal tax withholdings and will be reported to the IRS and state tax authorities. You should rely on your own tax advisors as to the tax consequences of your settlement payment. Neither Plaintiff nor Defendants have made any representations or warranties regarding the taxation of your settlement payment. Nothing in this Notice or any other communication shall constitute or be construed or relied upon as tax advice.

PLEASE DO NOT CALL OR WRITE THE COURT OR OFFICE OF THE CLERK TO ASK QUESTIONS ABOUT THE SETTLEMENT. IF YOU HAVE ANY QUESTIONS, YOU MAY CALL OR WRITE TO THE SETTLEMENT ADMINISTRATOR AT:

INSERT NAME OF ADMINISTRATOR

WEBSITE

Phone: