

PAGA SETTLEMENT AGREEMENT

This PAGA Settlement Agreement (“Settlement Agreement”) is made and entered into between Plaintiffs Patricia Arellano and Maria Ibanez (“Plaintiffs”) acting in their private attorneys general capacity, and Defendant Northgate Gonzalez Markets, Inc. (“Defendant”). The Agreement refers to Plaintiffs and Defendant collectively as “Parties,” or individually as “Party.”

1. DEFINITIONS.

- 1.1. “Action” collectively means: (1) *Patricia Arellano v. Northgate Gonzalez Markets*, Los Angeles Superior Court Case No. 24STCV10515; and (2) *Maria Ibanez v. Northgate Gonzalez Market, Inc.*, Los Angeles Superior Court Case No. 24STCV17107.
- 1.2. “Administrator” means ILYM Group, Inc., the neutral entity the Parties have agreed to appoint to administer the Settlement.
- 1.3. “Administration Expenses Payment” means the amount the Administrator will be paid from the Gross PAGA Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator’s “not to exceed” bid submitted to the Court in connection with approval of this Settlement.
- 1.4. “Aggrieved Employee” means all individuals who are or previously were employed by Defendant in California and classified as a non-exempt employee at any time during the PAGA Period.
- 1.5. “Aggrieved Employee Data” means Aggrieved Employee identifying information in Defendant’s possession including the Aggrieved Employee’s name, last-known mailing address, Social Security number, and number of PAGA Pay Periods.
- 1.6. “Aggrieved Employee Address Search” means the Administrator’s investigation and search for current Aggrieved Employee mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Aggrieved Employees.
- 1.7. “Approval Order” means the proposed Court Order Granting Approval of PAGA Settlement.
- 1.8. “Claimants” means Carlos Gonzalez and Francisco Cortez Jr.
- 1.9. “Court” means the Superior Court of California, County of Los Angeles.
- 1.10. “Defendant” means Northgate Gonzalez Markets, Inc.
- 1.11. “Defense Counsel” means Corinne D. Spencer and Jonathan J. Brown of Pearlman, Brown & Wax, LLP, and Corey J. Cabral and Ryan Larocca of CDF Labor Law LLP.



- 1.12. “Effective Date” means the date upon which the Court serves a signed Order granting approval the Settlement.
- 1.13. “Gross PAGA Settlement Amount” means the total sum of Seven Hundred Forty Five Thousand Dollars and Zero Cents (\$745,000.00), which is the maximum amount Defendant agrees to pay under the Settlement, except as provided in paragraph 8 below. The Gross PAGA Settlement Amount will be used to pay Individual PAGA Payments, the LWDA PAGA Payment, PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, Service Awards and the Administration Expenses Payment. The Gross PAGA Settlement Amount shall be all-in with no reversion to Defendant and no claim forms required. The Gross PAGA Settlement Amount is separate and apart from any Individual Settlements separately paid to Plaintiffs and Claimants for a General Release of their claims, addressed further herein (“Individual Settlements”). As such, the Gross PAGA Settlement Amount does not include Plaintiffs’ and Claimants’ Individual Settlements, which are being separately funded by Defendant and memorialized in Individual Settlement Agreements.
- 1.14. “Individual PAGA Payment” means the Aggrieved Employee’s pro rata share of 25% of the PAGA Payment calculated according to the number of Pay Periods the Aggrieved Employee worked during the PAGA Period compared to the total PAGA Pay Periods all Aggrieved Employees worked.
- 1.15. “Judgment” means the judgment entered by the Court based upon the Approval Order.
- 1.16. “LWDA” means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code § 2699, subd. (i).
- 1.17. “LWDA PAGA Payment” means the 75% of the PAGA Payment paid to the LWDA under Labor Code § 2699, subd. (i).
- 1.18. “PAGA” means the Private Attorneys General Act (Labor Code §§ 2698, *et seq.*).
- 1.19. “PAGA Counsel” means the law firms Blumenthal Nordrehaug Bhowmik De Blouw LLP (“BNBD”), Haig B. Kazandjian Lawyers, APC (“HBK”); and Lavi & Ebrahimian, LLP (“LE”).
- 1.20. “PAGA Counsel Fees Payment” and “PAGA Counsel Litigation Expenses Payment” mean the amounts allocated to PAGA Counsel for reimbursement of reasonable attorneys’ fees and expenses, respectively, incurred to prosecute the Action.
- 1.21. “PAGA Notice(s)” means Plaintiff Arellano’s January 5, 2024 letter to the Defendant and the LWDA, and Plaintiff Ibanez’s July 10, 2024 letter to the Defendant and the LWDA, providing notice pursuant to Labor Code section 2699.3, subd.(a).
- 1.22. “PAGA Payment” means the deductions from the Gross PAGA Settlement Amount, including the following payments in the amounts approved by the Court: PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, the Service Award to

Plaintiffs, and Administration Expenses Payment. After these deductions is the total amount of PAGA Penalties to be paid from the Gross PAGA Settlement Amount, allocated 25% to the Aggrieved Employees and the 75% to LWDA in settlement of PAGA claims.

- 1.23. “PAGA Pay Period” means any pay period in which an Aggrieved Employee worked for Defendant as a non-exempt employee in California during the PAGA Period.
- 1.24. “PAGA Period” means the period from July 10, 2023 to the date determined by operation of the Escalator Clause set forth herein, which will be either: (i) the date Plaintiffs file the motion for approval of the PAGA Actions settlement, which may require a pro rata increase to the Gross PAGA Only Settlement Amount, or (ii) the end date of the pay period during which the Aggrieved Employees collectively worked over 880,000 PAGA Pay Periods.
- 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 (no less than \$86,683.75) and the 75% to LWDA (no less than \$260,051.25) in settlement of PAGA claims.
- 1.26. “Plaintiffs” means Patricia Arellano and Maria Ibanez, the named plaintiffs in the Action.
- 1.27. “Released PAGA Claims” means any and all claims for civil penalties for alleged Labor Code violations that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint, and the PAGA Notices submitted by Plaintiffs to the LWDA, which occurred during the PAGA Period. The Released PAGA Claims expressly exclude all other claims, all non-PAGA claims, claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers’ compensation, California class claims, and PAGA claims outside of the PAGA period. The Released PAGA Claims also exclude Plaintiffs’ and Claimants’ individual settlements or the claims released therein.
- 1.28. “Released Parties” means Defendant and each of its officers, directors, members, partners, owners, shareholders, agents, servants, assigns, affiliates, predecessors, successors, parent entities, and subsidiary entities.
- 1.29. “Service Award(s)” means the service payment made to Plaintiffs in order to compensate them for initiating the Action, performing work in support of the Action, undertaking the risk of liability for Defendant’s expenses, and for the release of individual PAGA claims by Plaintiffs
- 1.30. “Settlement” means the disposition of the Action effected by this Agreement and the Judgment.

2. RECITALS

- 2.1. On January 5, 2024, Plaintiff Arellano served a PAGA Notice upon Defendant and the LWDA regarding Defendant's alleged wage and hour violations including failure to provide employment records, failure to provide accurate itemized wage statements, failure to properly record and provide legally required meal and rest periods, failure to pay minimum wages, failure to pay overtime and double time wages, failure to pay reporting time, failure to reimburse employees for required expenses, failure to pay split shift wages, failure to provide notice of paid sick time and accrual, and failure to provide wages when due.
- 2.2. On April 26, 2024, Plaintiff Arellano filed a Representative Action Complaint in the Superior Court for the County of Los Angeles, alleging one cause of action for civil penalties pursuant to Labor Code §§ 2699, *et seq.* (PAGA) for violations of the California Labor Code (the "*Arellano PAGA Action*").
- 2.3. On July 10, 2024, Plaintiff Ibanez served a PAGA Notice upon Defendant and the LWDA regarding Defendant's alleged wage and hour violations.
- 2.4. On July 10, 2024, Plaintiff Ibanez filed a Class Action Complaint in the Superior Court for the County of Los Angeles. Subsequently, on October 21, 2024, Plaintiff Ibanez and Defendant filed a stipulation to dismiss class claims without prejudice, to arbitrate individual PAGA claims, and to stay representative PAGA claims pending arbitration (the "*Ibanez PAGA Action*").
- 2.5. In connection with this Settlement, the Parties filed a stipulation for leave to file of a First Amended Representative Action Complaint ("FAC") in the *Arellano PAGA Action* to add the parties and claims originally filed in *Ibanez PAGA Action*. Once filed, the FAC in the *Arellano PAGA Action* shall be operative complaint (the "Operative Complaint").
- 2.6. Defendant denies the allegations in the Operative Complaint, denies any failure to comply with the laws identified in the Operative Complaint and denies any and all liability for the causes of action alleged.
- 2.7. On September 22, 2025 the Parties participated in an all-day mediation presided over by David Phillips, Esq., a respected private mediator of wage and hour representative and class actions. Following the mediation, each side, represented by its respective counsel, were able to agree to settle the Action based upon a mediator's proposal which was memorialized in the form of a Memorandum of Understanding.
- 2.8. Prior to the mediation, the Parties conducted significant investigation and informal discovery of the facts and law. Defendant produced documents relating to employee payroll spreadsheets, their policies, practices, and procedures regarding paying non-exempt employees for all hours worked, overtime, meal and rest period policies, payroll and operations policies and more. The Parties agree that the above-described

investigation and evaluation, as well as the information exchanged during the settlement negotiations, are sufficient to assess the merits of the Parties' positions and to compromise the issues on a fair and equitable basis.

- 2.9. As a result of the settlement, the Parties have agreed to fully and finally resolve the PAGA Released Claims alleged in the Action pursuant to this Settlement Agreement.

3. MONETARY TERMS.

- 3.1. Gross PAGA Settlement Amount. Except as provided in paragraph 8 below, Defendant promises to pay Seven Hundred Forty Five Thousand Dollars and Zero Cents (\$745,000.00), and no more as the Gross PAGA Settlement Amount. The Gross PAGA Settlement Amount includes the Individual PAGA Payments to the Aggrieved Employees, the LWDA PAGA Payment, PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, Service Awards, and the Administration Expenses Payment. Defendant has no obligation to pay the Gross PAGA Settlement Amount prior to the deadline stated in Paragraph 4.3 of this Agreement. The Administrator will disburse the entire Gross PAGA Settlement Amount without asking or requiring Aggrieved Employees to submit any claim as a condition of payment. The Gross PAGA Settlement Amount shall be all-in and none of the Gross PAGA Settlement Amount will revert to Defendant. The Gross PAGA Settlement Amount excludes any Individual Settlement separately paid to Plaintiffs or Claimant for a General Release of their claims, addressed further herein, which will be separately funded by Defendant

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

- 3.2.1 To PAGA Counsel: A PAGA Counsel Fees Payment of not more than 35% of the Gross PAGA Settlement Amount, which is currently estimated to be Two Hundred Sixty Thousand Seven Hundred Fifty Dollars and Zero Cents (\$260,750.00) and PAGA Counsel Litigation Expenses Payment in an amount as documented in PAGA Counsel's billing statement and not more than Ninety Five Thousand Dollars and Zero Cents (\$95,000). The PAGA Counsel Fees Payment shall be allocated among PAGA Counsel as follows: 50% to BNBD, 25% to HBK, and 25% to LE. Defendant will not oppose requests for Court approval of these payments provided that they do not exceed these amounts. If the Court does not approve or approves less than the amounts requested for the PAGA Counsel Fees Payment and/or the PAGA Counsel Litigation Expenses Payment, the Administrator will allocate the remainder to the PAGA Payment, and this will not affect approval of the settlement. Released Parties shall have no liability to PAGA Counsel or any other Plaintiff's counsel arising from any claim to any portion of any PAGA Counsel Fee Payment and/or PAGA Counsel Litigation Expenses Payment. PAGA Counsel may choose to appeal any reduction in the award of fees by the Court, but regardless of the appeal's outcome, the other Settlement terms will not be affected. The Administrator will pay the PAGA Counsel Fees Payment and PAGA Counsel Litigation Expenses Payment using one or more IRS 1099 Forms. PAGA Counsel assumes full responsibility and

liability for taxes owed on the PAGA Counsel Fees Payment and the PAGA Counsel Litigation Expenses Payment and hold Defendant harmless, and indemnifies Defendant, from any dispute or controversy regarding any division or sharing of any of these Payments.

3.2.2 To the Administrator: An Administration Expenses Payment not to exceed \$42,515, except for a showing of good cause and as approved by the Court. To the extent the Administration Expenses are less, or the Court approves payment less than \$42,515, the Administrator will retain the remainder in the PAGA Payment.

3.2.3 To the LWDA and Aggrieved Employees: PAGA Payment shall be the net remaining amount of the Gross PAGA Only Settlement after deduction of PAGA Counsel Fees Payment, the PAGA Counsel Litigation Expenses Payment, the Service Award Payments, and the Administration Expenses Payment, with 75% (no less than \$260,051.25) allocated to the LWDA PAGA Payment and 25% (no less than \$86,683.75) allocated to the Individual PAGA Payments. The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Payment by the total number of PAGA Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA Pay Periods during the PAGA Period. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment. If the Court approves the PAGA Payment of less than the amount requested, the Administrator will allocate the remainder to the PAGA Penalties. Because the Individual PAGA Payments are payments in compromise and settlement of a claim for alleged civil penalties, the Individual PAGA Payments will be treated as non-wage income with no tax withholdings to be made, and the Administrator will report, if required by applicable tax laws, the Individual PAGA Payments on IRS Forms 1099 to the respective Aggrieved Employees and applicable governmental authorities.

3.2.4 To Plaintiffs: Plaintiffs shall request from the Court a Service Award payment in the amount of Two Thousand Five Hundred Dollars and Zero Cents (\$2,500.00) each, for a total of Five Thousand Dollars and Zero Cents (\$5,000.00). This amount shall be paid exclusively from the Gross PAGA Settlement Amount. Defendants shall not oppose Plaintiffs' requests for Service Awards in this amount. In the event the Service Awards are approved for less than Two Thousand Five Hundred Dollars and Zero Cents (\$2,500.00) each, the unawarded difference will be added to the PAGA Payment and not to Plaintiffs, PAGA Counsel, or Defendant. These payments will be reported on IRS Form 1099 issued to Plaintiff by the Settlement Administrator. Notwithstanding any other term of this Settlement Agreement, any reduction by the Court of the Service Award shall not be sufficient grounds to void the Settlement Agreement. As stated herein, the Plaintiffs' service awards in this Settlement Agreement shall not release Plaintiffs' individual non-PAGA claims, which are being separately settled through a separate individual confidential settlement agreement and funded outside of the Gross PAGA Settlement Amount.

4. SETTLEMENT FUNDING AND PAYMENTS.

- 4.1. Aggrieved Employee Pay Periods. Defendant has represented that the Aggrieved Employees consist of approximately 13,827 employees who collectively worked 800,000 PAGA Pay Periods during the PAGA Period.
- 4.2. Aggrieved Employee Data. Within fourteen (14) days after the Effective Date, Defendant will deliver the Aggrieved Employee Data to the Administrator in the form of a Microsoft Excel spreadsheet. To protect Aggrieved Employee' 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. Defendant has a continuing duty to immediately notify PAGA Counsel if it discovers that the Aggrieved Employee Data omitted employee identifying information and to provide corrected or updated Aggrieved Employee Data as soon as reasonably feasible. The Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Aggrieved Employee Data.
- 4.3. Funding of Gross PAGA Settlement Amount. Defendant shall fully fund the Gross PAGA Settlement Amount by transmitting the funds to the Administrator no later than fourteen (14) business days of the Effective Date.
- 4.4. Payments from the Gross PAGA Settlement Amount. Within fourteen (14) business days after Defendant funds the Gross PAGA Settlement Amount, the Administrator will mail checks for all Individual PAGA Payments, the LWDA PAGA Payment, the Service Awards, the Administration Expenses Payment, and the PAGA Counsel Expenses Payment. Disbursement of the PAGA Counsel Litigation Expenses Payment shall not precede disbursement of Individual PAGA Payments.
- 4.4.1. The Administrator will issue checks for the Individual PAGA Payments and send them to the Aggrieved Employees via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the void date, which is one hundred eighty (180) days after the date of mailing) when the check will be voided. The Administrator will cancel all checks not cashed by the void date. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database.
- 4.4.2. The Administrator must conduct a Aggrieved Employee Address Search for all Aggrieved Employees whose checks are returned undelivered without USPS forwarding address. Within seven (7) days of receiving a returned check the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Aggrieved Employee Address Search. The Administrator need not take further steps to deliver checks to Aggrieved Employees whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Aggrieved Employee whose original

check was lost or misplaced, requested by the Aggrieved Employee prior to the void date.

4.4.3. For any Aggrieved Employee whose Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the California Controller's Unclaimed Property Fund in the name of the Aggrieved Employee thereby leaving no "unpaid residue" subject to the requirements of California Code of Civil Procedure Section 384, subd. (b).

4.4.4. The payment of Individual PAGA Payments shall not obligate Defendant to confer any additional benefits or make any additional payments to the Aggrieved Employees (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

5. RELEASES OF CLAIMS. Effective on the date when Defendant fully funds the entire Gross PAGA Settlement Amount, Plaintiff, the State of California, and Aggrieved Employees will release claims against all Released Parties as follows:

5.1 Separate Individual Claims. Pursuant to separate confidential settlement agreements, in addition to the Gross PAGA Settlement Amount, Defendant has agreed to separately pay Plaintiffs and Claimants individual settlements to resolve all of their individual non-PAGA claims, which are not being released in this Agreement.

5.2 Release by Plaintiffs, the State of California, and Aggrieved Employees. Except for any Separate Individual Claims (defined above), Plaintiffs, the State of California, and all Aggrieved Employees are deemed to have fully, finally, and forever released the Released Parties from all "Released PAGA Claims."

6. MOTION OR APPLICATION FOR APPROVAL OF SETTLEMENT. The Parties agree to jointly prepare and file a stipulation or motion for approval of this Settlement.

6.1 Plaintiff's Responsibilities. Plaintiff will prepare and deliver to Defense Counsel all documents necessary for obtaining approval of this Settlement under Labor Code Section 2699, subd. (f)(2)) including: (i) a draft proposed Order Granting Approval of PAGA Settlement; (ii) a signed declaration from the Administrator attaching its "not to exceed" bid for administering the Settlement and attesting to its willingness to serve; competency; operative procedures for protecting the security of Aggrieved Employee Data; amounts of insurance coverage for any data breach, defalcation of funds or other misfeasance; all facts relevant to any actual or potential conflicts of interest with Aggrieved Employees or the LWDA; and the nature and extent of any financial relationship with Plaintiff, PAGA Counsel or Defense Counsel; (iii) a signed declaration from PAGA Counsel's firm attesting to its timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), Operative Complaint (Labor Code section 2699, subd. (l)(1)), this Agreement (Labor Code section 2699, subd. (l)(2)); and (iv) all facts relevant to any actual or potential conflict of interest with Aggrieved Employees and/or the Administrator.

- 6.2 Responsibilities of PAGA Counsel. Plaintiffs are responsible for expeditiously finalizing and filing the stipulation or motion for approval of this Settlement no later than sixty (60) days after the full execution of this Agreement and, if necessary, obtaining a prompt hearing date for the motion and appearing in Court to advocate in favor of the motion, and Defense Counsel shall assist or not oppose, as appropriate. Plaintiffs are responsible for delivering the Court's Approval to the Administrator.
- 6.3 Duty to Cooperate. If the Parties disagree on any aspect of the proposed application or motion for approval of this Settlement and/or the supporting declarations and documents, the Parties will expeditiously work together by meeting in person or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant the stipulation or motion for approval of this Settlement or conditions its approval on any material change to this Agreement, the Parties will expeditiously work together by meeting in person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns. Any dispute between the parties as to the terms of the Settlement shall be presented to the mediator for resolution.

7. SETTLEMENT ADMINISTRATION.

- 7.1. Selection of Administrator. The Parties have jointly selected ILYM Group, Inc. to serve as the Administrator and verified that, as a condition of appointment, ILYM Group, Inc.. agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Expenses. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.
- 7.2. Employer Identification Number. The Administrator shall have and use its own Employer Identification Number for the purposes of calculating payroll tax withholdings and providing reports to the state and federal tax authorities.
- 7.3. Qualified Settlement Fund. The Administrator immediately shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation section 468B-1.
- 7.4. Administrator Duties. The Administrator has a duty to perform or observe all tasks to be performed or observed by the Administrator contained in this Agreement or otherwise.

- 8. AGGRIEVED EMPLOYEE SIZE ESTIMATES AND ESCALATOR CLAUSE.** Based on its records, Defendant estimated that there are approximately 800,000 PAGA Pay Periods worked by the Aggrieved Employees during the PAGA Period. For each PAGA Pay Period over 800,000 in the PAGA Period there shall either be: (i) a pro-rata increase in the Gross PAGA Settlement Amount based on the Gross PAGA Settlement Amount divided by 800,000, or (ii) the end date of the PAGA Period will be backed up such that there is a release of no more than 10% over 800,000 PAGA Pay Periods (i.e., no more than 880,000 PAGA Pay Periods). PAGA Counsel shall provide Defendant with 15-days' notice of the anticipated

filing of the motion for settlement approval. No later than five (5) business days before the anticipated date of filing the motion for settlement approval, Defendant will notify PAGA Counsel of the total number of PAGA Pay Periods worked by the Aggrieved Employees within the PAGA Period and whether: (i) Defendant will either pay additional sums on a pro-rata basis for each PAGA Pay Period over 800,000, or (ii) will notify provide PAGA counsel that it elects to proceed with option (ii) and provide PAGA Counsel with the end date of the PAGA Period so that the motion or stipulation for approval can be modified with the appropriate release/end date.

- 9. CONTINUING JURISDICTION OF THE COURT.** The Parties agree that after entry of Judgment, the Court will retain jurisdiction over the Parties, Action, and the Settlement pursuant to C.C.P. Section 664.6 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 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 PAGA Payment.

10. ADDITIONAL PROVISIONS.

- 10.1 No Admission of Liability or Representative Action Treatment or 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 Defendant that any of the allegations in the Operative Complaint have merit, nor should it be intended or construed as an admission by Plaintiff that Defendant's defenses in the Action have merit. The Parties agree that representative action treatment is for purposes of this Settlement only. If, for any reason, the Court does not approve this Settlement, Defendant reserves all available defenses to the claims in the Action, and Plaintiff reserves the right to contest Defendant's defenses. The Settlement, this Agreement and Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation or legal or regulatory matter (except for proceedings to enforce or effectuate this Settlement and Agreement).
- 10.2 Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party.



- 10.3 Attorney Authorization. Plaintiffs and Defendant separately warrant and represent that they have authorized their Counsel, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.
- 10.4 Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying the Settlement Agreement, submitting supplemental evidence and supplementing points and authorities as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of the mediator, David Phillips, Esq., Esq., for resolution.
- 10.5 No Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity and portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.
- 10.6 No Tax Advice. Neither Plaintiff, PAGA Counsel, Defendant, nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.
- 10.7 Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their representatives, and approved by the Court.
- 10.8 Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.
- 10.9 Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the state of California, without regard to conflict of law principles.
- 10.10 Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.
- 10.11 Confidentiality. Until the Motion or Stipulation for PAGA Approval is filed, other than information necessary to secure Court approval of this settlement, the Parties agree to keep confidential all matters relative to this Settlement, including the terms of the Settlement and the facts and circumstances leading up to it. Until the Motion or Stipulation for PAGA Approval is filed, if asked about the disputes between the

Parties, the Parties shall provide no other statement than “the matter has been resolved” or “the matter has settled.” Before the Motion or Stipulation for PAGA Approval is filed, the Parties may, however, discuss the terms of this Settlement with their spouses, attorneys, financial advisors, tax advisors, and accountants, or upon a valid court order, at which time the individual receiving information about the terms of this Settlement shall be informed that the terms of this Settlement are confidential, and the individual may not reveal or disclose to any third party the terms of the Settlement. Until the Motion or Stipulation for PAGA Approval is filed, neither Plaintiff nor PAGA Counsel shall issue a press release, hold a press conference, publish information about the settlement on any website or social media, respond to any press inquiries, or otherwise publicize the settlement or communicate its terms in public or in private.

- 10.12 Use and Return of Aggrieved Employee Data. Information provided to PAGA Counsel pursuant to Cal. Evid. Code §1152, and all copies and summaries of the PAGA Data provided to PAGA Counsel by Defendant in connection with discovery, the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. Not later than ninety (90) days after the Administrator discharges its obligation to pay out of all Settlement funds, the Parties shall destroy all paper and electronic versions of Aggrieved Employee Data and PAGA Data received from Defendant unless, prior to the Administrator’s payment of all Settlement Funds, Defendant makes a written request for the return, rather than the destruction, of Aggrieved Employee Data.
- 10.13 Headings. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.
- 10.14 Calendar Days. Unless otherwise noted, all reference to “days” in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.
- 10.15 Notice. All notices, demands or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email or messenger, addressed as follows:

To Plaintiffs: Norman Blumenthal
 norm@bamlawca.com
 Kyle R. Nordrehaug
 kyle@bamlawca.com
 Blumenthal Nordrehaug Bhowmik De Blouw LLP
 2255 Calle Clara
 La Jolla, California 92037
 Telephone: (858) 551-1223



Haig B. Kazandjian, Esq
haig@hbklawyers.com
Cathy Gonzalez, Esq.
cathy@hbklawyers.com
Haig B. Kazandjian Lawyers, APC
801 North Brand Boulevard, Suite 1015
Glendale, California 91203
Telephone: (818) 696-2306

Joseph Lavi, Esq.
jlavi@lelawfirm.com
Vincent C. Granberry, Esq.
vgranberry@lelawfirm.com
Lavi & Ebrahimian, LLP
8889 W. Olympic Boulevard, Suite 200
Beverly Hills, California 90211
Telephone: (310) 432-0000

To Defendant:

Corinne D. Spencer
cds@4pbw.com
Jonathan J. Brown
jjb@4pbw.com
Pearlman, Brown & Wax, L.L.P.
15910 Ventura Boulevard, 18th Floor
Encino, CA 91436
Telephone: (818) 501-4343

Corey J. Cabral
ccabral@cdfllaborlaw.com
Ryan Larocca
rlarocca@cdfllaborlaw.com
CDF Labor Law LLP
900 University Avenue, Suite 200
Sacramento, CA 95825
Telephone: (916) 514-4554

- 10.16 Execution in Counterparts. This Settlement Agreement is subject only to the execution of all Parties. However, this Agreement may be executed in one or more counterparts by facsimile, electronic signature, or email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement
- 10.17 Court Filings. The Parties agree not to object to any Court filings consistent with this Agreement.
- 10.18 No Other Pending Claims. Plaintiff represent that they do not have any other pending claims, complaints, charges, or lawsuits of any kind whatsoever with any

court, governmental agency, or other regulatory body with respect to any matter arising out of their employment with Defendant or otherwise related to Defendant.

10.19 Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that the time within which to bring this action to trial under Code of Civil Procedure Section 583.310 shall be extended for a period of not less than one (1) year starting from the date of the signing of this agreement by all parties until the entry of the order approving this Settlement or, if not entered, the date this agreement shall no longer be of any force or effect.

11. EXECUTION BY PARTIES AND COUNSEL

Dated: 05 / 11 / 2026



Plaintiff Patricia Arellano

Dated: 05/20/2026



Plaintiff Maria Ibanez

Dated: 5/23/2026

DocuSigned by:

392AD57ADE144C0...

Bruce R. Brandlin

[name]

Defendant Northgate Gonzalez Market, Inc.

APPROVED AS TO FORM ONLY:

Dated: _____

Kyle Nordrehaug
Blumenthal Nordrehaug Bhowmik De Blouw LLP
Attorney for Plaintiffs

Dated: 05/11/2026



Haig B. Kazandjian, Esq.
Cathy Gonzalez, Esq.
Haig B. Kazandjian Lawyers, APC
Attorney for Plaintiff



Dated: 05/20/2026

Joseph Lavi

Joseph Lavi, Esq.
Vincent C. Granberry, Esq.
Lavi & Ebrahimiian, LLP
Attorney for Plaintiff

Dated: 5/26/20/26



Corinne D. Spencer
Pearlman, Brown & Wax, L.L.P.
Attorneys for Defendant

Dated: 5/26/26



Corey J. Cabral
CDF Labor Law LLP
Attorneys for Defendant

court, governmental agency, or other regulatory body with respect to any matter arising out of their employment with Defendant or otherwise related to Defendant.

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11. EXECUTION BY PARTIES AND COUNSEL

Dated: 05 / 11 / 2026


Plaintiff Patricia Arellano

Dated: _____

Plaintiff Maria Ibanez

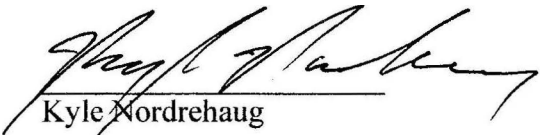
Dated: 5/23/2026

DocuSigned by:

392AD57ADE144C0...
Bruce R. Brandlin [name]
Defendant Northgate Gonzalez Market, Inc.

APPROVED AS TO FORM ONLY:

Dated: 5/21/26


Kyle Nordrehaug
Blumenthal Nordrehaug Bhowmik De Blouw LLP
Attorney for Plaintiffs

Dated: 05/11/2026


Haig B. Kazandjian, Esq.
Cathy Gonzalez, Esq.
Haig B. Kazandjian Lawyers, APC
Attorney for Plaintiff