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KIMMY DAO

SUPERIOR COURT OF CALIFORNIA FOR THE COUNTY OF SAN FRANCISCO

CIVIC CENTER COURTHOUSE

KIMMY DAO, an individual,

Plaintiff,

vs.

PANDORA KARAOKE, INC., a California Corporation; URBAN LIFE INC., a California Corporation TIMMY CHOY, an individual; and DOES 1 through 50, inclusive,

Case No.: CGC-24-611422

[*Assigned for all purposes to the Judge Rochelle East]*

PAGA SETTLEMENT

Case Filed: January 5, 2024
Trial Date: September 15, 2025

PAGA SETTLEMENT AGREEMENT

Subject to Court approval by the Superior Court of the State of California for the County of Orange ("Court"), Plaintiffs KIMMY DAO and Defendant PANDORA KARAOKE, INC, URBAN LIFE INC, and TIMMY CHOY and JEFFREY NG ("Defendants, Defedant") (Defendant collectively with Plaintiffs are the "Parties") hereby agree to the following binding settlement ("Settlement" or "Settlement Agreement") of the Private Attorneys General Act ("PAGA") lawsuit entitled *Dao v. Pandora Karaoke in.* San Francisco Superior Court Case No. CGC-24-611422 (the "Action").

RECITALS

1. On January 4th, 2024, Plaintiff provided written notice pursuant to California Labor Code section 2699.3 to the California Labor Workforce Development Agency ("LWDA") and Defendant by certified mail of specific provisions of the California Labor Code which Plaintiff alleged Defendant had violated, pursuant to California Labor Code 2699.3. Plaintiff Chavez alleged that Defendant violated the California Labor Code and Industrial Wage Order's requirements for overtime wages, minimum wages, meal periods, rest periods, wage statements, and the maintenance of reasonably comfortable temperatures.

2. On January 5, 2024, Plaintiff filed a *Dao v. Pandora Karaoke in.* San Francisco Superior Court Case No. CGC-24-611422 (the "Action") that included claims for unpaid overtime wages, unpaid meal period wages, unpaid rest period wages, failure to provide accurate itemized wage statements.

3. In evaluating the Settlement, Plaintiffs have considered the expense and length of continued proceedings necessary to litigate their cases through trial and through any possible appeals, and the burdens of proof necessary to establish liability for the claims asserted in the Action, both generally and in response to Defendant's defenses thereto. Plaintiffs have also taken into account the uncertainty and risk of the outcome of further litigation, and the difficulties and delays inherent in such litigation. Based on the foregoing, Plaintiffs have determined that the Settlement is fair and fulfills PAGA's objectives.

4. Defendant maintains that all of its employees have been compensated in compliance with the law, that they have and continue to have, legally compliant employment policies and practices

throughout the Settlement Period (defined below) for all of its California non-exempt employees, and have denied and continue to deny each of the claims and contentions alleged by Plaintiffs in the Action. Defendant denies any wrongdoing or legal liability arising out of any of the facts or conduct alleged in the Action, and believe that they have valid defenses to Plaintiffs' claims. Neither this Settlement Agreement, nor any document referred to or contemplated herein, nor any action taken to carry out this Settlement Agreement, may be construed as, or may be used as an admission, concession or indication by or against Defendant of any fault, wrongdoing or liability whatsoever, or of any concession that a trial of the Action would be manageable.

5. The Parties and their counsel recognize the expense and length of continued proceedings necessary to litigate the disputes through trial and through any possible appeals, and have also taken into account the uncertainty and risk of the outcome of further litigation, and the difficulties and delays inherent in such litigation. The Parties and their counsel are also aware of the burdens of proof necessary to establish liability for the claims alleged, and the affirmative and other defenses asserted. Thus, reaching this Settlement now has the potential for having a higher value today than it might have later if this litigation was to continue.

PERSONS AND CLAIMS COVERED BY THE SETTLEMENT

6. Aggrieved Employees: This Settlement covers all persons who were employed by Defendant as non-exempt hourly employees in California at any time during the Settlement Period ("Aggrieved Employees").

7. Released Parties: The Releases under this Agreement covers Defendants and each of its past, present and/or future, direct and/or indirect, officers, directors, members, managers, employees, agents, representatives, attorneys, insurers, partners, investors, shareholders, administrators, parent companies, subsidiaries, affiliates, divisions, predecessors, successors, assigns, joint venturers and any other person or entity who could be deemed a joint employer of the Aggrieved Employees ("Released Parties").

8. Settlement Period: The Settlement covers the period from January 4th, 2024, through the date on which the Court enters an order approving the Settlement ("Settlement Period").

9. Released Claims: The Released Claims means any and all claims for the recovery for

civil penalties, attorneys' fees and costs permissible under PAGA which Plaintiffs and/or the Aggrieved Employees had, or may claim to have, against Released Parties during the Settlement Period, arising out of the violations alleged in the pleadings in the Action, or in the PAGA Notices, including unpaid straight, overtime and double time wages (including any work off-the-clock); failure to pay employees all overtime wages including by failing to pay all overtime and double time at the correct regular rate of pay; failure to provide compliant meal and rest breaks; failure to pay all premium wages owed for short, late or missed meal and rest periods; failure to pay all wages owed at discharge or resignation; failure to timely pay wages within the times permissible under Labor Code section 204; failure to provide complete and accurate wage statements; failure to keep complete and accurate payroll records; failure to produce pay and personnel records; failure to reimburse necessary business expenses; failure to maintain a reasonably comfortable temperature; failure to pay sick leave wages; violations of Labor Code sections 98.6, 201, 202, 203, 204, 206.5, 210, 216, 221, 225.5, 226, 226.3, 226.7, 246, 248.5, 510, 512, 558, 558.1, 1102.5, 1174, 1174.5, 1182.12, 1185, 1194, 1194.2, 1197, 1198, 1199, 1198, 1198.5 1199, 2802, and IWC Wage Orders including *inter alia*, Wage Orders 5-2001 sections 3, 4, 7, 11, 12, 15 ("Released Claims").

SETTLEMENT CONSIDERATION

10. Settlement Fund. Defendant will pay a total of Seventy Five Thousand Dollars ($75,000.00) ("Settlement Fund") in full satisfaction of all claims, rights, demands, liabilities and causes of action for civil penalties that otherwise could have been assessed and collected by the LWDA under the California Labor Code, Wage Orders, regulations, and/or other provisions of law alleged to have been violated in the Action. Plaintiffs' Enhancement Payment, Attorneys' Fees and Costs to Plaintiffs' Counsel as specified in Paragraphs 22 – 23 shall be deducted from the Settlement Fund first, and the Settlement Administration Costs as specified in Paragraphs 24 will be deducted from the Settlement Fund. The remaining portion will be paid as civil penalties to the LWDA and Aggrieved Employees as the "PAGA Penalties Fund" as specified in Paragraph 21.

11. PAGA Penalties Fund. Pursuant to PAGA, 75% of the PAGA Penalties Fund, or an estimated fifty six thousand two hundred and fifty dollars ($56,250), will be paid to the LWDA ("LWDA Payment"), and the remaining 25%, or Eighteen Thousand Seven Hundred Fifty Dollars five

($18,750), will be paid to all Aggrieved Employees ("Aggrieved Employee Fund") according to the following formula:

11(a) The Settlement Adminisrtator 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. The Parties agree that the number of pay periods worked by each Aggrieved Employee have been stipulated at 86 periods and 1290 total pay periods.

11(b) To determine each Aggrieved Employee's payment ("Individual PAGA Payment"), the Parties agree to use the following formula: Individual PAGA Payment = Aggrieved Employee Fund × (Pay Periods Worked by Individual Aggrieved Employee During the Settlement Period ÷ Total Pay Periods Worked by All Aggrieved Employees during Settlement Period).

11(c) Aggrieved Employees will be mailed a check for their Individual PAGA Payments by the Settlement Administrator.

12. Attorneys' Fees and Costs. In full satisfaction of all claims both Plaintiff and Defendant may have for attorneys' fees, litigation costs, and expenses arising out of the Action, both parties agree to not to bring a motion for fees.

13. Settlement Administration Costs. The Parties will retain ILYM Group, Inc Administrators as the third-party settlement administrator ("Settlement Administrator"), to administer this Settlement. The Settlement Administrator will be responsible establishing a qualified settlement fund ("QSF") and issuing payments and required tax forms to Aggrieved Employees, the LWDA, Plaintiffs and Plaintiffs' Counsel. The third-party administration fees that are necessary to administer the Settlement shall be paid from the Settlement Fund up to a maximum payment of Five Thousand Dollars ($5,000) ("Settlement Administration Costs"). If the actual cost of settlement administration is less than $5,000, any savings will be added the PAGA Penalties Fund and distributed to the LWDA and the

Aggrieved Employees. In the event that the actual cost of settlement administration is more than $5,000, then Defendant will bear the additional settlement administration costs.

14. Court Approval of the Settlement and Distribution of Settlement Payments. The Parties will present this Settlement Agreement to the Court and will request that the Court issue an order and final judgment ("Order and Judgment") to this Settlement Agreement approving and incorporating by reference the terms and conditions of the Settlement Agreement, and dismissing the Action with prejudice. The Court's approval of the Order and Judgment is a precondition to Defendant's obligation to make any monetary payments pursuant to this Settlement Agreement.

15. Notice to LWDA. Plaintiffs will submit this Agreement and proposed settlement to the LWDA as required by Labor Code Section 2699(l)(2) at the same time that it is submitted to the Court for approval.

16. Effective Date. "Effective Date" of this Settlement shall be the day the Court enters an Order approving this PAGA Settlement.

17. List of Aggrieved Employees. Within 14 calendar days after the Effective Date, Defendants will provide, a confidential basis, the Settlement Administrator a complete list of all Aggrieved Employees ("Aggrieved Employee List"). The Aggrieved Employee List will be formatted in Microsoft Excel and will include each Aggrieved Employees full name; last known mailing address; Social Security number; the total number of pay periods worked during the Settlement Period; and any other relevant information needed to calculate and distribute the Individual PAGA Payments. The Settlement Administrator shall not distribute or use the Aggrieved Employee List or any information contained therein for any purpose other than to administer this Settlement.

18. Funding of the Settlement. Within 60 calendar days after the Effective Date, Defendants will deposit the Settlement Fund into the QSF to be established by the Settlement Administrator. Within 3 calendar days of the funding of the Settlement, the Settlement Administrator will issue payments to: (a) Aggrieved Employees; (b) the LWDA; (c) Plaintiffs; (d) Plaintiffs' Counsel and (e) itself. The Settlement Administrator, and not Defendants, will issue the required tax forms for all payments issued under this Settlement.

19. Individual PAGA Payments. The Settlement Administrator will issue each Aggrieved

Employee a check for his or her Individual PAGA Payment, along with an explanatory letter, which will also include Spanish and Chinese translations. The Settlement Administrator will translate the letter into Spanish and Chinese. Prior to mailing, the Settlement Administrator will perform a search based on the National Change of Address Database for information to update and correct for any known or identifiable address changes. Any checks returned as non-deliverable on or before the check cashing deadline will be sent promptly via regular First-Class U.S. Mail to the forwarding address affixed thereto. If no forwarding address is provided, the Settlement Administrator will promptly attempt to determine the correct address using a skip-trace, or other search using the name, address or Social Security number of the Aggrieved Employee involved, and will then perform a single re-mailing. Checks will remain negotiable for 180 days. For any check to an Aggrieved Employee that has not been returned as undeliverable but has not been cashed after 120 days, the Settlement Administrator shall mail a reminder postcard or other notice that the time to cash the check is approaching. Funds represented by Individual PAGA Payment from settlement checks that are either returned as undeliverable of that remain un-cashed for more than 180 days after issuance will be tendered to the California State Controller's Office, Unclaimed Property Fund. All Individual PAGA Payments will be treated as miscellaneous income for which a 1099 will be issued.

20. Release of PAGA Claims. 60 days after the Effective Date, the Parties agree this Settlement shall be effective as a full and final accord and satisfaction, and settlement of and as bar to, the Released Claims against the Released Parties during the Settlement Period. The Parties further agree this Settlement shall be binding on Plaintiffs, and on the LWDA, the State of California, and the Aggrieved Employees, who shall fully release and forever discharge the Released Parties from any and all Released Claims during the Settlement Period. As a result of this release, the Aggrieved Employees will be unable to bring a claim under PAGA, or recover civil penalties under any pending PAGA lawsuit, for any of the Released Claims that arose during the Settlement Period against the Released Parties.

21. No Credit Toward Benefits Plans. Individual PAGA Payments will not be used to calculate any additional benefits under any benefit plans to which any 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.

22. No Prior Assignments. Plaintiffs warrant and represents that Plaintiffs have not assigned or transferred or purported to assign or transfer to any person or entity all or any part of or any interest in any claim released under this Settlement Agreement. Plaintiffs are solely responsible for the satisfaction of any assignment or lien to any lien holder and will indemnify and hold the Released Parties harmless against any liens, damages, penalties, fines, fees, assessments, taxes or attorneys' fees that may be imposed against or incurred by any of the Released Parties as a result of the Action of any lien holder or any lien claimant or any court in relation to any interest which any third party may have in any claim which Plaintiffs are releasing under this Settlement Agreement or any interest in any of the proceeds paid to Plaintiffs or Plaintiffs' Counsel under this Settlement Agreement.

23. Nullification of Settlement Agreement. In the event that the Court does not approve the Settlement as provided herein then this Settlement Agreement or the settlement fund is not funded within sixty days by Defendant by the effective date as required in section 19, this 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.

24. Continued Jurisdiction. 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-dismissal matters as may be appropriate under court rules or as set forth in this Settlement.

25. 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.

26. Amendment or Modification. This Settlement Agreement may be amended or modified only by a written instrument, signed either by the Parties or their counsel, and approved by the Court.

27. Waiver of Certain Appeals. The Parties agree to waive appeals; except, that either Party may appeal any court order that materially modifies the Settlement Agreement's terms.

28. Authorization to Enter Into Settlement Agreement. Counsel for each of the 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.

29. Liens and Attorneys' Fees/Indemnification. Plaintiffs are solely responsible for any liens made in connection with any services performed on Plaintiffs' behalf by any attorney, consultants, or expert witnesses in connection with the Action. Plaintiffs acknowledge that none of the Released Parties is responsible for the payment of any fees incurred on behalf of Plaintiffs in connection with the prosecution of the Action, except to the extent the Settlement Agreement provides for payment of Attorneys' Fees and Costs. Plaintiffs will indemnify the Released Parties for any and all costs which any of them may incur as a result of any claims made by any of Plaintiffs' attorneys, consultants, expert witnesses, or other third parties hired by Plaintiffs or Plaintiffs' Counsel to recover monies from the amounts payable to Plaintiffs or Plaintiffs' Counsel under this Settlement Agreement.

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

31. California Law Governs. All terms of this Settlement Agreement and Exhibits hereto will be governed by and interpreted according to the laws of the State of California.

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

33. Acknowledgement that the Settlement is Fair and Reasonable. The Parties believe this Settlement Agreement is a fair, adequate, and reasonable settlement of the Action and have arrived at this Settlement after arm's-length negotiations by experienced counsel.

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

valid and enforceable.

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

36. Waiver. No waiver of any condition or covenant contained in this Settlement Agreement or failure to exercise a right or remedy by any of the Parties hereto will be considered to imply or constitute a further waiver by such party of the same or any other condition, covenant, right or remedy.

37. Enforcement Action. In the event that one or more of the Parties institutes any legal action or other proceeding against any other Party or Parties arising out of that other Party's or Parties' breach of this Agreement, the successful Party or Parties will be entitled to recover from the unsuccessful Party or Parties reasonable attorneys' fees and costs, including expert witness fees incurred in connection with any enforcement actions.

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

39. Representation By Counsel. The Parties acknowledge that they have been represented by counsel throughout all negotiations that preceded the execution of this Settlement Agreement, and that this Settlement Agreement has been executed with the consent and advice of counsel, and reviewed in full. The Parties further acknowledge that they have had an opportunity to consult with their counsel regarding the fairness and reasonableness of this Settlement.

40. Cooperation and Execution of Necessary Documents. The Parties will cooperate in good faith and execute all documents to the extent reasonably necessary to effectuate the terms of this Settlement Agreement. If the Parties are unable to reach agreement on the form or content of any document needed to implement the Settlement, or on any supplemental provisions that may become necessary to effectuate the terms of this Settlement, the Parties may seek the assistance of the Court to

resolve such disagreement.

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

42. Denial of Liability. The Parties expressly recognize that the making of this Agreement does not in any way constitute an admission or concession of wrongdoing on the part of the Released Parties. Nothing in this Settlement, nor any action taken in implementation thereof, nor any statements, discussions or communications, nor any materials prepared, exchanged, issued or used during the course of this Action, is intended by the Parties to constitute an admission 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.

IN WITNESS WHEREOF, this Settlement Agreement is executed by the Parties and their duly authorized attorneys as of the day and year herein set forth.

IT IS SO AGREED.

SIGNATURES ON NEXT PAGE

Dated: 8/2/25

PLAINTIFF KIMMY DAO

Plaintiff Kimmy Dao, personally and as private attorney general for and proxy or agent of the California Labor Workforce Development Agency

Dated: 8/2/25

DEFENDANT PANDORA Inc.

Name: Jeffrey Ng
Title: Founder

Dated: 8/2/25

DEFENDANT Timmy Choy

Name: Timmy Choy
Title: Mr.

Dated: 8/2/25

DEFENDANT Jeffrey Ng

Name: Jeffrey Ng
Title: Mr.

Dated: 8/2/25

DEFENDANT URBAN LIFE Inc.

Name: Timmy Choy
Title: Owner.

APPROVED AS TO FORM:

Dated: 8/2/2025

JAFARI LAW GROUP, INC.

Eli Hamblet
Saul Acherman
Attorneys for Plaintiff, personally and as private attorney general for and proxy or agent of the California Labor Workforce Development Agency

APPROVED AS TO FORM:

Dated: 8/2/25

Houman Chitsaz
Attorneys for Defendants