

INDIVIDUAL PAGA SETTLEMENT AGREEMENT AND RELEASE

This Individual PAGA Settlement Agreement and Release (“PAGA Settlement” or “Agreement”) is made by and between Plaintiff JOHN COBB-ADAMS (“Cobb-Adams”) and Defendant CHALET DESSERTS, INC. (“CDI”), who may be referred to herein individually as a “Party” and collectively as the “Parties.” This Agreement shall be effective on the date that all Parties have executed it (“Effective Date”).

RECITALS

A. CDI previously employed Cobb-Adams from approximately September 6, 2023 to approximately January 2, 2024.

B. On or about February 1, 2024, Cobb-Adams sent a letter to the California Labor and Workforce Development Agency (“LWDA”) alleging violations of the Private Attorneys General Act (“PAGA”).

C. On or about February 1, 2024, Cobb-Adams filed a complaint alleging various wage and hour claims against CDI in the Superior Court of the State of California for the County of Sacramento, designated as *Cobb-Adams v. Chalet Desserts, Inc.*, Case No. 24CV001789 (the “Action”). On or about April 8, 2024, Cobb-Adams filed his First Amended Representative Action Complaint asserting one claim for penalties pursuant to PAGA.

D. CDI denies Cobb-Adams’ allegations, denies that CDI has any legal or equitable responsibility for any damages, penalties, and injuries claimed by Cobb-Adams in the Action, and denies that it engaged in any wrongdoing whatsoever.

E. The Parties enter into this Agreement to fully and finally resolve Cobb-Adams’ individual PAGA claim in the Action, subject to the terms and conditions referenced below.

AGREEMENT

NOW THEREFORE, in consideration of the above Recitals, and the promises contained herein, and for other good and valuable consideration, the adequacy of which is hereby acknowledged, the Parties agree as follows:

1. No Admission of Liability. This Agreement represents a compromise of all disputed claims. The payment of any sum of money in consideration for the execution of this Agreement or the performance of obligations herein shall neither constitute nor be construed as an admission of liability for any purpose whatsoever.

2. Intent of the Parties. By entering into this Agreement, it is the intent of the Parties to resolve all past, present, and future disputes between them arising out of or relating to the Action, by way of the payments, releases, and dismissals set forth herein. The Parties believe it is in their mutual interests to reach an amicable resolution by way of compromise and accord without admission, or further adjudication of any issues of fact or law. The Parties believe that

the settlement reflected by this Agreement is fair, reasonable, equitable, and in their respective best interests.

(a) It is further the intent of the Parties that the Court's approval of their Individual PAGA Settlement is a condition precedent to this entire Agreement. If the Court does not approve this Individual PAGA Settlement, this Agreement shall be deemed null and void; it shall be of no force or effect whatsoever; it shall not be referred to or utilized for any purpose whatsoever; and the negotiation and terms of the Agreement shall remain subject to the provisions of California Evidence Code sections 1119 and 1152, Federal Rule of Evidence 408, and any other analogous rules of evidence that may be applicable.

(b) It is also the intent of the Parties that in addition to approval of the Individual PAGA Settlement, the Court shall also enter a final judgment in the Action to resolve the Action in its entirety. If the Court does not approve the Individual PAGA Settlement and enter judgment fully and finally resolving this Action, this Agreement shall be deemed null and void; it shall be of no force or effect whatsoever; it shall not be referred to or utilized for any purpose whatsoever; and the negotiation and terms of the Agreement shall remain subject to the provisions of California Evidence Code sections 1119 and 1152, Federal Rule of Evidence 408, and any other analogous rules of evidence that may be applicable.

(c) Cobb-Adams and CDI are entering this Agreement to fully and finally resolve Cobb-Adams' individual PAGA claim and resolve this Action in its entirety. The Parties, however, are not entering this PAGA Settlement on a representative basis on behalf of third-party CDI employees. CDI denies any wrongdoing or liability whatsoever to any third-party employees. The Parties therefore seek to fully, efficiently, and fairly resolve Cobb-Adams' individual PAGA claim now without additional litigation.

(d) Although the Parties have titled this Agreement as an "Individual PAGA Settlement Agreement and Release," both Parties understand and Agree that this Agreement bars Plaintiff from pursuing any PAGA claims against CDI or the Released Parties, as defined below, on either an individual basis or representative basis in the future. For the avoidance of doubt, the Parties understand and agree that pursuant to this Agreement, Plaintiff cannot file, maintain, or otherwise pursue any individual or representative PAGA claim against CDI and the Released Parties.

3. Conditions Precedent to Settlement Payment. CDI shall pay the total sum of the Settlement Payment (the "Payment"), pursuant to the following terms and conditions precedent:

(a) The Parties shall execute this Individual PAGA Settlement, and jointly move for Court approval of the Individual PAGA Settlement. The Court's approval of this Individual PAGA Settlement and the Court's entering of final judgment to fully and finally resolve this Action in its entirety is a condition precedent to payment under this Agreement.

(b) Cobb-Adams' counsel shall provide CDI's counsel with a W-9 for Cobb-Adams.

4. Payment. CDI shall pay the total amount of One Thousand Dollars (\$1,000.00) under this Agreement in exchange for the settlement of Cobb-Adams' individual PAGA claim and resolution of the Action in its entirety. The portion of the payment to Cobb-Adams shall be delivered to Melmed Law Group P.C. at 1801 Century Park East, Suite 850, Los Angeles, California 90067.

(a) The PAGA Settlement sum of \$1,000.00 (the "Gross Settlement Amount") shall be allocated as follows: (i) \$250.00 or 25 percent (25%) of the Gross Settlement Amount will be distributed to Cobb-Adams, and (ii) \$750.00 or 75 percent (75%) of the Gross Settlement Amount shall be paid to the LWDA in accordance with Section 2699(i) of the Labor Code. In no event shall CDI pay more than \$1,000.00 pursuant to this Agreement for full and final settlement of Cobb-Adams' individual PAGA claim. These payments shall be made within fifteen (15) court days after the conditions specified in Sections 3(a)-(b) of this Agreement have both been satisfied.

(b) The Parties acknowledge and agree that all settlement payments set forth under this Agreement are attributable as penalties. None are attributable as wages. Accordingly, the Parties acknowledge and agree that CDI is not responsible for any employer-side taxes in connection with any PAGA settlement payments under this Settlement, and Cobb-Adams shall be solely responsible for the reporting and payment of his share of any federal, state, and/or municipal taxes on the payment received pursuant to this Agreement. No party has made any representation to any other party as to the taxability of any payments pursuant to this PAGA Settlement or otherwise as to the tax implications of any provision of this PAGA Settlement.

5. Release of CDI. Upon the Court's approval of the PAGA Settlement, Cobb-Adams hereby releases and discharges CDI, as well as each of CDI's predecessors, successors, beneficiaries, representatives, partners, shareholders, officers, directors, employees, independent contractors, assigns, parents, affiliates, subsidiaries, companies, joint employers, insurers, members, owners, agents, brokers, spouses, children, relatives, trustees, and attorneys (hereinafter, "Released Parties"), from his individual PAGA claim against the Released Parties and any individual PAGA claim that could have been premised or predicated on any of Cobb-Adams' claims, causes of action, or legal theories of relief described or pleaded in this Action and the written notice of any such claims submitted to the LWDA by Cobb-Adams. The Parties further understand and agree that upon the Court's Approval of this Individual PAGA Settlement, Cobb-Adams shall have no standing as an allegedly "aggrieved employee" to pursue any future PAGA claims against CDI in either an individual or representative capacity on behalf of the State of California or other allegedly "aggrieved employees" pursuant to Labor Code section 2699 *et seq.* The Parties understand and agree that this Agreement is intended to fully resolve Cobb-Adams' individual PAGA claim and this Action in its entirety against CDI and the Released Parties. Therefore, any attempt by Cobb-Adams to file or pursue any PAGA claim against the Released Parties in the future would violate the terms of this PAGA Settlement and would be barred on numerous legal grounds, including but not limited to the doctrines and defenses of res judicata, waiver, release, and estoppel.

6. No Effect on Future Third-Party Rights. Notwithstanding the foregoing release detailed in Section 5 above, the Parties understand and agree that this Individual PAGA Settlement is not intended to bind or affect the future rights of other third-party CDI employees, who are not parties to this Individual PAGA Settlement. Cobb-Adams and CDI are entering this Settlement to fully and finally resolve Cobb-Adams' individual PAGA claim and resolve the Action in its entirety. The Parties, however, are not entering this Individual PAGA Settlement on a representative basis on behalf of third-party CDI employees. CDI denies any wrongdoing or liability whatsoever to any third-party employees. The Parties have therefore decided to fully, efficiently, and fairly resolve Cobb-Adams' PAGA claim now without additional litigation.

7. Enforcement of Agreement. The Sacramento County Superior Court shall retain jurisdiction over the Parties to enforce the provisions of this Agreement. Each Party agrees not to bring an action to enforce this Agreement pursuant to this provision unless such Party gives written notice to the other Party's counsel of record in the Action, and the non-performing Party receiving the written notice fails to perform within ten (10) days of receipt of such notice.

8. Miscellaneous.

(a) Authority. The Parties represent and warrant that they have not assigned or otherwise transferred any interest in any of the claims in the Action. The Parties further agree to indemnify and hold each other harmless from any liability, claims, demands, damages, costs, expenses, and attorney's fees incurred by either Party as a result of any third party asserting any such assignment or transfer.

(b) Parties' Agents and Representatives. The terms of the Agreement shall be binding upon and inure to the benefit of the Parties' respective principals, officers, employees, owners, agents, joint employers, heirs, successors, affiliates, executors, assigns, representatives, attorneys, and insurers.

(c) Representation by Attorney. The Parties acknowledge that they have carefully read the Agreement, understand its final and binding effect, have consulted with an attorney, and understand the provisions of the Agreement and knowingly and voluntarily agree to be bound by them. The Parties hereby represent and acknowledge that in executing the Agreement, they have not relied upon any representation or statement made by one another or their past or present employees, agents, employees, representatives, or attorneys with regard to the subject matter, basis, or effect of the Agreement.

(d) Tax Consequences. Cobb-Adams understands and agrees that CDI and its attorneys are not providing tax or legal advice, and make no representations regarding tax obligations or consequences, if any, related to this Agreement.

(e) Construction. The language in all parts of the Agreement will in all cases be construed as a whole according to its fair meaning and not strictly for or against any Party.

(f) Severability. In the event that any provision of this Agreement should be held to be void, voidable, or unenforceable, the remaining portions hereof shall remain in full force and effect.

(g) Governing Law and Venue. This Agreement, the transactions contemplated hereby, and any claim or dispute arising out of or in connection with the same, shall be interpreted, construed, and enforced according to the laws of the State of California. The sole venue for any lawsuit, action, or proceeding arising out of or related to this Agreement, shall be the Superior Court of California, County of Sacramento.

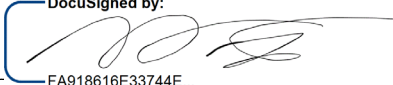
(h) Attorney's Fees and Costs. The Parties agree that each Party shall bear their own attorney's fees and costs incurred in connection with the Action and the preparation of this Agreement. If any legal proceedings are filed to enforce or interpret any provision of this Agreement, the prevailing party shall be entitled to recover their reasonable attorney's fees, as well as other litigation costs.

(i) No Oral Modifications. This Agreement may not be changed, modified, interlineated, or supplemented, nor may any covenant, representation, warranty, or other provision be waived, except by agreement in writing signed by the Party against whom enforcement of the change, modification, alteration, interlineation, supplementation, or waiver is charged.

(j) Further Assurances and Cooperation. The Parties agree they shall cooperate to the best of their abilities with the other in such ways, and execute such additional documents, as may be requested by the other Party in order to more fully carry out the mutual intent and terms of this Agreement and the full and final settlement of the Action.

(k) Counterparts. This Agreement may be executed in one or more counterparts but all of the counterparts shall constitute one agreement. Signatures delivered via facsimile transmission or email shall have the same force and effect as originals of the signatures.

IN WITNESS WHEREOF, the Parties have executed this Agreement by their duly authorized representatives as of the day set forth below.

DocuSigned by:

 FA918616E33744E...
 Plaintiff JOHN COBB-ADAMS

Dated: 12/2/2024

Dated: _____
 Defendant CHALET DESSERTS, INC.

By: _____

(g) Governing Law and Venue. This Agreement, the transactions contemplated hereby, and any claim or dispute arising out of or in connection with the same, shall be interpreted, construed, and enforced according to the laws of the State of California. The sole venue for any lawsuit, action, or proceeding arising out of or related to this Agreement, shall be the Superior Court of California, County of Sacramento.

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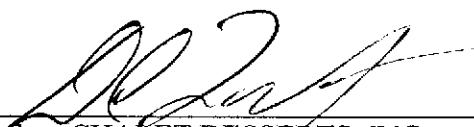
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(k) Counterparts. This Agreement may be executed in one or more counterparts but all of the counterparts shall constitute one agreement. Signatures delivered via facsimile transmission or email shall have the same force and effect as originals of the signatures.

IN WITNESS WHEREOF, the Parties have executed this Agreement by their duly authorized representatives as of the day set forth below.

Plaintiff JOHN COBB-ADAMS

Dated: _____



Defendant CHALET DESSERTS, INC.

Dated: 12/3/24

By: David Chalet