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9 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**

10 **FOR THE COUNTY OF LOS ANGELES**

11 ZENNY RIVAS BORGE,

12 Plaintiff,

13 vs.

14 VIE DE FRANCE YAMAZAKI, INC.; and
15 DOES 1 to 25, inclusive,

16 Defendants.

Case No.: 24STCV22387

**DECLARATION OF HAROUT
MESSRELIAN IN SUPPORT OF
UNOPPOSED MOTION FOR APPROVAL
OF PAGA SETTLEMENT**

Action filed: 9/3/24

Date: 6/18/25
Time: 9:00am
Dept: 52

Reservation ID:
072087819696

Department: 52, Hon. Armen
Tamzarian

Submitted Herewith Under Separate Cover:

1. Plaintiff's Notice of Unopposed Motion for Approval of PAGA Settlement; Memorandum of Points and Authorities in Support Thereof;
2. [Proposed] Order

1 **DECLARATION OF HAROUT MESSRELIAN IN SUPPORT OF**
2 **UNOPPOSED MOTION FOR APPROVAL OF PAGA SETTLEMENT AND RELEASE**

3 I, HAROUT MESSRELIAN, declare and state as follows:

4 1. I am an attorney duly licensed to practice before all the Courts of the State of
5 California. I am the managing attorney of Messrelian Law Inc. and the attorney of record for
6 Plaintiff Zenny Rivas Borge (“Plaintiff”) in her lawsuit against Defendant VIE DE FRANCE
7 YAMAZAKI, INC. (hereinafter “VIE DE FRANCE” or “Defendant(s)”).

8 2. I am experienced in handling employment law matters and specifically wage and
9 hour representative and individual actions. My qualifications are as follows: I received my JD
10 from Loyola Law School in 2010. I started my own law firm in 2011 – the Law Offices of Harout
11 Messrelian. Since 2016, I have been the founder and principal attorney at Messrelian Law, Inc.
12 Since 2011, I have filed and handled over 350 civil actions and/or claims involving representative
13 actions under the Private Attorneys General Act (“PAGA”) and/or wage and hour claims on
14 behalf of my clients and have been appointed Class Counsel in three class action cases –*Zohrab*
15 *Mekhitarian v. Triple Play Motors dba Bob Smith Toyota*, Los Angeles Superior Court Case No.
16 19STCV22411 (ADR Services, Inc., Case Number 20-2668-RWT), *Carina Camberos, on behalf*
17 *of herself and others similarly situated, v. Great American Chicken Corp, Inc.*, Los Angeles
18 Superior Court Case No. 21STCV32015, and *Robert Garcia, on behalf of himself and others*
19 *similarly situated v. HD Supply Management Inc.*, San Bernardino Superior Court Case No.
20 CIVSB2028067. I have a practice that encompasses cases in the Los Angeles Superior Courts,
21 the Orange County Superior Courts, the Riverside County Superior Courts, the San Bernardino
22 County Superior Courts, the Alameda County Superior Courts, Santa Clara County Superior
23 Courts, San Mateo County Superior Courts, and the Monterey County Superior Courts.

24 3. Except as otherwise indicated, I have personal knowledge of all matters set forth
25 herein and, if called as a witness, could and would competently testify thereto under oath.

26 ***Factual and Procedural Background***

27 4. Defendant is in the wholesale bakery business. Plaintiff Zenny Rivas Borge was
28 classified as a salaried, exempt employee and worked for Defendant from approximately June

1 2023 through December 2024 as a Production Supervisor.

2 5. Plaintiff complied with the procedures of Labor Code § 2699.3 for bringing suit
3 under the Labor Code Private Attorneys General Act of 2004, Labor Code §§ 2698, et seq.
4 (“PAGA”). On May 24, 2024, Plaintiff on behalf of herself, Production Supervisors, and
5 Defendant’s California non-exempt employees (hereafter collectively the “Aggrieved
6 Employees”) gave written notice by electronic service to the California Labor and Workforce
7 Development Agency (“LWDA”) and via certified mail to Defendant of their claims against
8 Defendant. In her notice to the LWDA, Plaintiff asserted on behalf of herself and the Aggrieved
9 Employees that Defendant (1) failed to compensate for all hours worked and to pay minimum
10 wages (Labor Code Sections 1194, 1197, 1197.1); (2) failed to pay overtime compensation
11 (Labor Code Section 510); (3) failed to provide rest breaks (Labor Code Section 226.7); (4)
12 failed to provide meal breaks (Labor Code Sections 512, 226.7); (5) failed to timely pay wages
13 due during employment (Labor Code Section 204); (6) failed to provide accurate itemized wage
14 statements (Labor Code Section 226); (7) failed to keep accurate and complete payroll records
15 (Labor Code Section 1174/1174.5); (8) failed to pay wages at the end of employment (Labor
16 Code section 203); (9) failed to reimbursement business expenses (Labor Code section 2802);
17 (10) failed to pay sick leave at correct rates (Labor Code sections 233, 246), (11) failed to
18 provide suitable seating, and claims under Industrial Welfare Commission Wage Orders 1-
19 2001/4-2001/7-2001. Plaintiff filed her initial lawsuit on September 3, 2024, in the Superior
20 Court for the State of California, County of Los Angeles, Case No. 24STCV22387, with one
21 cause of action for PAGA penalties based on the theories as outlined in the PAGA letter.

22 6. Through informal discovery, Defendant produced records and represented that it
23 employed approximately 155 employees falling within Plaintiff’s Aggrieved Employees
24 definition for the period from June 30, 2023 (one year and 65 days before Plaintiff’s PAGA
25 complaint filing) through February 18, 2025, and that there are paychecks issued for a total of
26 approximately 6,135 pay periods worked for that same time period.

27 7. The Settlement Agreement covers PAGA Members, which are Aggrieved
28 Employees employed on or after June 30, 2023 through the date of Court approval of the PAGA

1 Settlement.

2 8. Defendant denies any liability or wrongdoing of any kind whatsoever associated
3 with the lawsuit and the Representative PAGA Claim. It is the desire of the Parties to fully,
4 finally, and forever compromise, and discharge all claims known or unknown related to those
5 alleged in Plaintiff's lawsuit.

6 9. The parties attended a full-day mediation with experienced mediator James W.
7 Johnston on February 18, 2025, and settled the matter. Before agreeing to the terms of the
8 Settlement, the Parties engaged in informal discovery regarding Defendant's policies, practices,
9 operations, time and payroll information and other topics. Prior to negotiation, Defendant
10 produced Plaintiff's personnel file, time and payroll data for Plaintiff, and time records and
11 payroll records for 30 aggrieved employees falling within Plaintiff's Aggrieved Employees
12 definition and during the applicable PAGA period. Through extensive arm's length negotiations
13 and only after discovery and investigation were performed, the Parties agreed to settlement
14 terms. Attached as **Exhibit 1** is a true and accurate copy of the "PAGA Settlement Agreement"
15 (hereinafter "Settlement Agreement") which has attached the notice that will be sent, with
16 payment, to the PAGA Members covered by the Settlement Agreement. As alluded to above,
17 the Parties negotiated the PAGA claims through arms-length negotiation during a private
18 mediation, and only after sufficient discovery was completed, including data being sent to
19 Plaintiff's data expert for analysis/review.

20 10. The Parties conducted investigation of the facts and law both before and after the
21 lawsuit was filed. Counsel for the Parties have further investigated the applicable law as applied
22 to the facts discovered regarding Plaintiff's claims, the defenses thereto, and the Labor Code
23 violations claimed by Plaintiff. Based on their own independent investigations and evaluations,
24 the Parties and their respective counsel are of the opinion that the Settlement for the
25 consideration and on the terms set forth in this Motion are fair, reasonable and adequate and are
26 in the best interests of Plaintiff, the PAGA Members, and Defendant in light of all known facts
27 and circumstances and the risks inherent in litigation, especially in this post-pandemic era when
28 most California businesses are still struggling to remain afloat, much less prosper and make a

1 large profit.

2 11. The Parties further recognize that the issues presented in the Action are likely
3 only to be resolved with extensive and costly pretrial and trial proceedings, and that further
4 litigation will cause inconvenience, distraction, disruption, delay, and expense disproportionate
5 to the maximum potential benefits, especially in light of the post- pandemic era and the business
6 climate.

7 12. Plaintiff alleges that the strongest claims are that Plaintiff and other PAGA
8 Members were not provided meal and rest breaks under the law.

9 13. Plaintiff contends that the civil penalty statutes applicable to the Action arise
10 from violations of the California Labor Code, including, but not limited to, Labor Code §§ 226.7,
11 512, 558, and 2699(f)(2). Under these civil penalty statutes, an employee who suffers a Labor
12 Code violation may be awarded a sum of money for each pay period in which he or she was
13 underpaid. However, under Labor Code § 2699(e)(2), the Court can reduce an award of civil
14 penalties if the award is unjust, arbitrary, oppressive, or confiscatory.

15 14. As it relates to Plaintiff's argument for meal break violations, Plaintiff's data
16 analysis revealed a shift violation rate of 5.1% for short, late, or no meal breaks for shifts that
17 were 5 hours or greater. The data revealed that 99.4% of shifts in the sample were 5 hours or
18 greater. As such, we are dealing with violations covering 6,098 pay periods [6,135 pay periods
19 x 99.4%]. If you extrapolate the 5.1% shift violation rate, it amounts to 23.8% of pay periods
20 having at least one meal period violation. As such, the maximum exposure for meal period
21 violations in the PAGA period would be **\$72,550**, which is calculated as follows: 6,098 pay
22 periods x 23.8% equals 1,451 affected pay periods; 1,451 pay periods x \$50/pay period (civil
23 penalty) amounts to \$72,550 in exposure. The latter exposure calculation does not take into
24 account the fact that Defendant paid meal period premiums. Moreover, Defendant indicated that
25 their payroll system automatically paid premium wages for all apparent meal break violations.
26 In addition, Defendant argued they had second meal period waivers for their employees.

27 15. As it relates to Plaintiff's argument for rest break violations, Plaintiff
28 extrapolated the meal break violation and used it for the rest break analysis. The data revealed

1 that 99.9% of shifts in the sample were 3.5 hours or greater. As such, we are dealing with
2 violations covering 6,129 pay periods [6,135 pay periods x 99.9%]. If you extrapolate the 5.1%
3 shift violation rate, it amounts to 23.8% of pay periods having at least one rest period violation.
4 As such, the maximum exposure for rest period violations in the PAGA period would be
5 **\$145,900**, which is calculated as follows: 6,129 pay periods x 23.8% equals 1,459 affected pay
6 periods; 1,459 pay periods x \$100/pay period (civil penalty) amounts to \$145,900 in exposure.
7 The latter exposure calculation does not take into account the fact that there was no evidence on
8 paper of rest period violations since rest periods were not tracked by Defendant's timekeeping
9 system, as is common for most businesses in California.

10 16. As it relates to Plaintiff's other claims, and unlike the arguments for meal period
11 violations, there would be issues with proof. As it relates to Plaintiff's claims for rounding,
12 Plaintiff's expert found no evidence of rounding in the sample, with hours being paid to the
13 second decimal point. In terms of any potential regular rate issue as it relates to overtime or
14 meal/rest period premiums based on bonuses made, it would not be a significant issue because
15 there were only 5 bonus payments seen in the sample at an average of \$35.00 each. As it relates
16 to straight overtime issues, the data showed that overtime hours were paid correctly when
17 employees did in fact work overtime. As it relates to Plaintiff's claim of business expense
18 reimbursement, Defendant argued that they provided a white smock which the company also
19 laundered every day and that the company provided a \$75.00 voucher annually for boots.
20 Furthermore, there was no evidence of liability regarding suitable seating or not paying sick pay
21 at the correct rates. Plaintiff's other claims are derivative claims for violations of Labor Code
22 sections 203, 204, and 226 for not being paid all wages owed every pay period or at the end of
23 employment as well as not receiving accurate, itemized wage statements would not be triggered
24 since meal and rest period violations do not trigger these derivative claims.

25 17. Based on the above calculations, Plaintiff's aggregate exposure for the strongest
26 disputed claims would be **\$218,450**. Assuming that Plaintiff's calculations and analysis are
27 accurate, the maximum exposure presumes that the Court will not reduce the penalty award as
28 unjust, arbitrary, oppressive, or confiscatory. Based on the above analysis, a gross settlement in

1 the amount of \$110,000 is a very strong result, especially in light of the risk factors as discussed
2 above.

3 18. Moreover, Plaintiff is aware of no California state courts awarding Plaintiff
4 multiple PAGA penalties for the same violation for the same pay period under different Labor
5 Code provisions. As such, one of the risks Plaintiff faces is that the Court would refuse to “stack”
6 civil penalties arising under the various Labor Code statutes. Furthermore, judges have awarded
7 extremely small sums to PAGA claimants in the past. Defendant also adamantly disputes all of
8 Plaintiff’s allegations in the operative Complaint.

9 19. PAGA states a court has discretion to award a lesser amount than the maximum
10 penalty. *See Lab. Code* § 2699(e)(2) (“...a court may award a lesser amount than the maximum
11 civil penalty amount specified by this part if, based on the facts and circumstances of the
12 particular case, to do otherwise would result in an award that is unjust, arbitrary and oppressive,
13 or confiscatory.”); *see also Thurman v. Bayshore Transit Management, Inc.* (2012) 203
14 Cal.App.4th 1112, 1135 (reducing PAGA award). There is a substantial risk that the Court could
15 reduce civil penalties to an insignificant amount if it is unpersuaded by Plaintiff’s evidence of
16 willful and intentional conduct. *Carrington v. Starbucks* (2018) 30 Cal.App.5th 504
17 (“*Carrington*”) illustrates this. In that case, the Court of Appeal affirmed a trial court’s heavily
18 discounted award of only \$5 per violation because it was within the Court’s discretion to
19 significantly reduce PAGA penalties even when there is a finding that a violation of the
20 California Labor Code occurred. The plaintiff in *Carrington* had requested penalties in excess of
21 \$70 million and was successful in proving the PAGA claim during a bench trial. However, the
22 trial court reduced the total award after trial to only \$150,000 (30,000 violations x \$5) and stated
23 that this reduction was warranted because imposing the maximum penalty would be “unjust,
24 arbitrary, and oppressive”, based on Starbucks’s “good faith attempts” to comply with meal break
25 obligations and because the Court found the violations were minimal. Applying the same formula
26 here and assuming there was one violation during each pay period, the award of civil penalties
27 could not exceed \$30,675.00 in PAGA penalties (6,135 violations x \$5). As such, this Settlement
28 is a great result based solely on the risk the Court chooses to apply the *Carrington* formula.

1 Defendant has also posed formidable defenses to the Labor Code claims underlying Plaintiff's
2 allegations. Thus, the chance of Plaintiff recovering a higher amount than the Gross Settlement
3 Amount is uncertain.

4 20. The Parties further recognize that the issues presented in the Action are likely
5 only to be resolved with extensive and costly pretrial and trial proceedings, and that further
6 litigation will cause inconvenience, distraction, disruption, delay, and expense disproportionate
7 to the maximum potential benefits to the PAGA Members and Plaintiff from continued
8 litigation.

9 21. The settlement of the Action involves monetary relief to all PAGA Members,
10 Plaintiff, her attorneys, and the State of California.

11 22. Furthermore, Plaintiff recognizes that continued litigation presents significant
12 risks that support a significant downward departure from Plaintiff's estimated civil penalties
13 amount. In view of the risks, the Settlement represents a fair, adequate, and reasonable
14 compromise amount for these claims and is in the best interest of Plaintiff and PAGA Members
15 and thus, warrants approval. *See Laguna v. Coverall N. Am., Inc.*, Case No. 12-55479 (9th Cir.
16 June 3, 2014) 2014 WL 2465049, * 3. The PAGA settlement and its terms are fair, just,
17 reasonable, adequate, and equitable to Defendant, Plaintiff, and the State, especially in light of
18 the current economic climate, and are the product of good faith, and informed arms-length
19 negotiations between the Parties consistent with public policy and fully comply with applicable
20 provisions of law.

21 23. As such, the settlement of PAGA penalties in the gross sum of \$110,000.00, of
22 which 75% of the net amount after attorney's fees [\$36,666.66], attorney costs [\$11,097.74],
23 and settlement administrator fees [\$4,750.00], which is \$43,114.20 will be paid to the LWDA,
24 and 25%, which equates to \$14,371.40, will be distributed to the PAGA Members, is reasonable
25 and appropriate under the circumstances.

26 ***Plaintiff's Individual Settlement***

27 24. Plaintiff did have individual claims for retaliation in violation of the Fair
28 Employment and Housing Act ("FEHA"); retaliation in violation of Labor Code § 1102.5; and
wrongful termination in violation of public policy, that were also settled by the parties. The

1 parties agreed that the consideration Plaintiff received pursuant to an individual settlement
2 agreement was to settle her individual claims. As part of this confidential agreement, Plaintiff
3 also provided Defendant with a general release of all claims, whether known or unknown,
4 including unknown claims covered by Civil Code Section 1542. Plaintiff has no conflict of
5 interest with the absent Aggrieved Employees and is adequate to represent the Aggrieved
6 Employees.

7 *Attorneys' Fees and Costs*

8 25. I represent Plaintiff on a straight contingency basis. My firm's request for
9 \$36,666.66 in attorney fees and \$11,097.74 in litigation costs is fair and reasonable. To date, I
10 have investigated and prosecuted this matter vigorously, including drafting the initial PAGA
11 notice as well as the original complaint; drafting informal discovery questions, reviewing
12 Defendant's informal data and document production, including their handbook and other written
13 policies; sending and receiving emails on the case with defense counsel; sending the PAGA data
14 to Plaintiff's expert for review/analysis and reviewing the expert's findings/conclusions;
15 preparing for mediation and engaging in a private mediation; and drafting this PAGA approval
16 motion. I also expect to perform additional work on this case if the Court grants final approval
17 of the Settlement, including supervision of the Settlement Administrator's disbursement of the
18 settlement funds to the Aggrieved Employees. "Empirical studies show that, regardless of
19 whether the percentage method or the lodestar method is used, fee awards in class actions
20 average around one-third of the recovery. *Chavez v. Netflix, Inc.* (2008) 162 Cal.App.4th 43, 47
21 fn. 11 (quoting *Shaw v. Toshiba America Information Systems, Inc.* (E.D. Tex. 2000) 91
22 F.Supp.2d 942, 972; *See also Lafitte v. Robert Half Int'l Inc.* (Cal. Aug. 11, 2016) 1 Cal.5th 480,
23 503, 376 P.3d 672, 686 (holding that courts can use the percentage method for the calculation
24 of attorneys' fees). This is also consistent with my experience in cases involving PAGA claims.
25 This award is justified here because I achieved a strong result for the PAGA Members and the
26 State while bearing the substantial burdens of contingency representation.

27 26. My previous experience in litigating wage and hour actions also supports the
28 reasonableness of the fee request, as does the caliber of opposing counsel. My previous

1 experience in similar matters was integral in evaluating the strengths and weaknesses of the
2 case against Defendant and the reasonableness of the Settlement. Because it is reasonable to
3 compensate me commensurate with my skill, reputation, and experience, attorney's fees of
4 approximately one-third of the Gross Settlement Amount is reasonable. Likewise, the caliber
5 and experience of opposing counsel in labor and employment litigation supports the fairness and
6 reasonableness of the requested fee award.

7 27. The litigation costs expended to aid in the representation of the PAGA Members
8 include the following: lawsuit filing fee of \$454.22; lawsuit service fee of \$125.00; PAGA initial
9 filing fees of \$75.00; expert data analysis fee of \$1150.00; mediation fee of \$9,270.00; and
10 miscellaneous filing fees of \$23.52 for a total of \$11,097.74. All of these costs are documented
11 and reasonably incurred.

12 ***Settlement Administration Costs***

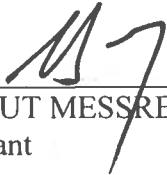
13 28. With regard to the settlement administration costs provision, it is reasonable.
14 Before agreeing to Phoenix Settlement Administrators ("Phoenix"), the parties sought and
15 reviewed bids from other reputable third-party administrators, including Apex, and Phoenix's
16 bid was comparable. Phoenix's bid has been attached as **Exhibit 2** to this declaration.

17 ***Notice of Settlement to the LWDA***

18 29. Pursuant to Lab. Code § 2699(1)(2), my firm submitted a copy of the Settlement
19 with the LWDA at the same time the Settlement is being filed with the Court. True and correct
20 copies of this submission with the LWDA and the confirmation email are collectively attached
21 as **Exhibit 3** to this declaration. My firm will further provide a copy of the Court's Order and
22 Judgment to the LWDA within ten (10) calendar days after entry of said judgment or order as
23 required by Labor Code sections 2699(1)(2)-(3).

24 I declare under the penalty of perjury of the laws of the State of California that the
25 foregoing is true and correct to the best of my knowledge.

26 Executed on May 9, 2025, at Glendale, California.

27
28 

HAROUT MESSRELIAN,
Declarant

EXHIBIT 1

SETTLEMENT AGREEMENT

This Settlement Agreement (“Settlement”) is made and entered into between ZENNY RIVAS BORGE (acting in a private attorney general capacity)(“Plaintiff” or “Borge”) and VIE DE FRANCE YAMAZAKI, INC. (“Defendant”).

I. DEFINITIONS

The following terms, when used in this Settlement, shall have the following meanings:

1. “Alleged Aggrieved Employees” consists of all non-exempt hourly paid individuals and Production Supervisors who are or were employed by Defendant and who worked one or more shifts during the PAGA Period from June 30, 2023 through the date the Court approves the PAGA Settlement. The number of Alleged Aggrieved Employees, including Borge, is estimated to be 155 individuals and the number of pay periods from June 30, 2023 to the time of settlement is estimated to be 6,135.

2. “Court” means the Superior Court of California for the County of Los Angeles.

3. “Defendant” means Defendant Vie de France Yamazaki, Inc.

4. “Defense Counsel” means Hazel U. Poci and Sheereen Javadizadeh of Jackson Lewis P.C.

5. “Effective Date” means the later of the following: (a) if no timely objections are filed or if all objections are withdrawn, the date upon which the Court enters an order approving the Settlement; (b) if an objection is filed and not withdrawn, the date when the time for filing an appeal has expired and no appeal was filed; or (c) if any timely appeals are filed, the date of the resolution (or withdrawal) of any such appeal in a way that does not materially alter the terms of the Settlement.

6. “Borge” or “Plaintiff” means Plaintiff Zenny Rivas Borge.

7. “Borge’s Counsel” means Harout Messrelian of Messrelian Law Inc.

8. “Individual PAGA Payment” means the amount to be paid to each Alleged Aggrieved Employee based on the formula described herein.

9. “LWDA” means the California Labor and Workforce Development Agency.

10. “Maximum Settlement Amount” is the non-reversionary sum of \$110,000.00 which represents the total amount payable under this Settlement by Defendant, including, without limitation, payments to all Alleged Aggrieved Employees, payment to the LWDA, payment to the Settlement Administrator, and payment of Borge’s attorneys’ fees and costs.

11. “Net Settlement Amount” is the amount remaining to distribute to the LWDA and Alleged Aggrieved Employees after the following amounts (if approved by the Court) are subtracted from the Maximum Settlement Amount: (a) Borge’s attorneys’ fees up to 35% of the

Maximum Settlement Amount; (b) the cost of a claims administrator; and (c) reimbursements to Borge's Counsel for litigation costs.

12. "PAGA" means the California Labor Code Private Attorneys General Act, California Labor Code § 2698, *et seq.*

13. "PAGA Action" or "Action" means the matter entitled *Zenny Rivas Borge v. Vie de France Yamazaki, Inc., et al.*, Los Angeles County Superior Court Case No. 24STCV22387, and as set forth in Borge's Counsel's correspondence to the California Labor and Workforce Development Agency ("LWDA Letter") dated May 24, 2024.

14. "PAGA Complaint" or "Complaint" means the Representative Action Complaint entitled *Zenny Rivas Borge v. Vie de France Yamazaki, Inc. et al.*, Los Angeles County Superior Court Case No. 24STCV22387, filed on September 3, 2024.

15. "PAGA Notice" means Plaintiff's May 24, 2024 letter to the LWDA, providing notice pursuant to Labor Code § 2699.3(a).

16. "PAGA Period" means the time period from June 30, 2023 through the date the Court approves the PAGA Settlement.

17. "PAGA Released Claims" means any and all claims whether suspected or unsuspected, contingent or accrued, known or unknown, that have been pled or could have been pled under state, federal or local law, whether statutory, common law or administrative, arising out of or related to allegations set forth in Borge's PAGA Notice and Borge's Complaint. These include claims for civil penalties under PAGA for Defendant's alleged failure to pay for all time worked at correct rates of pay, including minimum wages, straight time wages, and overtime compensation; failure to provide meal periods and pay meal period premiums; failure to authorize and permit rest periods and pay rest period premiums; failure to timely wages during employment; failure to pay all wages due to discharged and quitting employees; failure to provide accurate itemized wage statements; failure to maintain accurate records; failure to reimburse necessary expenditures; failure to pay sick leave at the correct rates; failure to provide suitable seating; violations of California Labor Code §§ 201, 202, 203, 204, 226, 226.3, 233, 246, 510, 512, 558, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 2800, and 2802; violations of Wage Order Nos. 1, 4 and/or 7; interest; fees, including fees under California Code of Civil Procedure § 1021.5; costs, and all other claims and allegations for civil penalties under PAGA made or which could have been made in the PAGA Action based on the facts and allegations pled in Borge's PAGA Notice and Borge's Complaint. The claims released pursuant to the PAGA Released Claims shall be binding on the Alleged Aggrieved Employees and, to the maximum extent possible permitted by law, the State of California and the LWDA. Alleged Aggrieved Employees shall have no right to object or opt out to the PAGA Released Claims or any portion of the Settlement pertaining to the PAGA Released Claims.

18. "Parties" means, collectively, Plaintiff Borge and Defendant Vie de France Yamazaki, Inc.

19. "Released Parties" means Defendant and its respective heirs, executors, administrators, successors, assignees, parents, subsidiaries and related entities, owners, officers, directors, shareholders, employees, agents, servants, representatives, independent contractors,

members, attorneys, insurers, re-insurers, assigns, and affiliates, and any and all other entities with whom they have been, are now, or may hereafter be affiliated, and any of their affiliated companies, predecessors, successors and assigns, as well as their past or present officers, directors, agents, representatives, attorneys, insurers, re-insurers, assigns, or employees.

20. "Settlement" or "Agreement" means the settlement of the PAGA Action as memorialized in this Agreement.

II. RECITALS

1. On May 24, 2024, Borge provided written notice to the LWDA and Defendant asserting claims for civil penalties pursuant to PAGA stemming from alleged violations of the California Labor Code described in the PAGA Action.

2. On September 3, 2024, Borge and her counsel filed the PAGA Complaint. In her PAGA Complaint, Borge alleges one cause of action under PAGA for the following alleged violations under the California Labor Code: (a) failure to pay all wages; (b) failure to provide meal breaks; (c) failure to provide rest breaks; (d) failure to pay all wages due and owing each pay period; (e) failure to provide accurate wage statements; (f) waiting time penalties; (g) failure to reimburse business expenses; (h) failure to keep accurate and complete payroll records; (h) failure to provide sick leave at the correct rates; and (i) and failure to provide suitable seating. Borge also alleges that she was misclassified as a Production Supervisor.

3. The Parties have conducted a thorough investigation into the facts of the PAGA Action. This includes exchanging extensive data and information as well as documents relating to the underlying alleged violations.

4. On February 18, 2025, the Parties participated in mediation with James W. Johnston ("Mediator Johnston"), a well-regarded mediator experienced in mediating complex labor and employment matters. With the assistance of Mediator Johnston, the Parties agreed to fully and finally resolve and settle the PAGA Action.

III. TERMS OF THE SETTLEMENT AGREEMENT

The Parties agree as follows:

1. **Non-Admission**. Nothing in this Settlement shall be construed to be an admission by Borge that her claims do not have merit or by Defendant of any liability or wrongdoing as to Borge, Alleged Aggrieved Employees or any other person, and Defendants specifically disclaim any such liability or wrongdoing. The Parties have entered into this Settlement with the intention to avoid further disputes and litigation with the attendant inconvenience, expenses and risks. This Settlement and any related court documents or orders are not and may not be cited or admitted as evidence of liability.

2. **Funding of Maximum Settlement Amount**. Defendants shall pay \$110,000.00 as the non-reversionary Maximum Settlement Amount. Defendant will not pay more than the Maximum Settlement Amount. The Maximum Settlement Amount shall be deposited in an interest-bearing account set up by the Settlement Administrator and funded within forty-five (45) days of the Effective Date.

3. **Pay Periods.** The Parties agree that if, as of the close of the PAGA Period, the total number of pay periods worked by Alleged Aggrieved Employees exceeds 15% of the estimated number of pay periods worked as of the date of the mediation (i.e., if there are more than 7,055 pay periods worked by the Alleged Aggrieved Employees during the PAGA Period), then either (a) the Maximum Settlement Amount will be increased by the same proportion above 15% using the Pay Period Value (\$15.59); or (b) Defendant, at its sole discretion, may elect to select an earlier end date for the PAGA Period such that the total pay periods worked by Alleged Aggrieved Employees during the PAGA Period does not exceed 7,055. The Pay Period Value shall be calculated by dividing the Maximum Settlement Amount by the estimate of pay periods at issue, meaning that the Parties agree that the Pay Period Value shall be \$15.59. (\$110,000/7,055 pay periods.) Thus, for example, if the pay periods worked by Alleged Aggrieved Employees during the PAGA Period amount to 8,000 pay periods, Defendant may choose either that (i) the Maximum Settlement Amount to be paid will be increased by \$14,732.55 (945 pay periods x \$15.59); or (ii) the PAGA Period will end on the date on which 7,055 pay periods are reached.

4. **Borge's Attorneys' Fees and Costs.** Defendant will not oppose Borge's request for attorneys' fees in the amount up to 35% of the Maximum Settlement Amount and costs incurred in prosecuting this PAGA Action, up to \$15,000.00. In the event the Court approves a payment of less than these amounts, the difference will be added to the Net Settlement Amount (although Borge may appeal an order granting less than the full amount sought for attorneys' fees and costs). Defendant will report these payments on IRS Form 1099 issued to Borge's Counsel.

5. **Allocation of Net Settlement Amount.** The Net Settlement Amount shall be designated as "2699 Civil Penalties" and shall be distributed 75% to the LWDA and 25% to Alleged Aggrieved Employees, pursuant to Lab. Code § 2699(i). The 25% portion to be paid to Alleged Aggrieved Employees shall be paid on a pro rata based on the number of pay periods worked by each Alleged Aggrieved Employee during the PAGA Period.

6. **Releases of Claims.** Effective upon entry of Judgment, the Court's Order granting Approval of this Settlement, and on the date when Defendant fully funds the entire Maximum Settlement Amount, Borge, Alleged Aggrieved Employees, Borge's Counsel, and, to the maximum extent possible permitted by law, the State of California and the LWDA will release claims against all Released Parties as follows:

a. **Release by Alleged Aggrieved Employees.** For the duration of the PAGA Period, all Alleged Aggrieved Employees, including Borge, and, to the fullest extent permitted by law, the State of California and the LWDA, are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all PAGA Released Claims and agree they are no longer eligible to assert any alleged "aggrieved" status during the PAGA Period. Alleged Aggrieved Employees shall have no right to object or opt out to the PAGA Released Claims or any portion of the Settlement pertaining to the PAGA Released Claims.

b. **Release by Borge's Counsel.** Borge's Counsel releases on behalf of her present and former attorneys, employees, agents, successors and assigns the Released Parties from all claims for Borge's Counsel's attorneys' fees and costs incurred in connection with the PAGA Complaint and the PAGA Period facts stated in the PAGA Complaint and the PAGA Notice.

7. **Covenants and Representations by Borge and Borge's Counsel.**

a. Borge represents and warrants that she has not assigned or transferred or purported to assign or transfer to any person or entity, any claim or portion thereof, or interest therein, which is or may be subject to this Settlement.

b. Borge acknowledges that she has read this Settlement, that she fully understands her rights, privileges and duties under the Settlement, and enters into this Settlement freely and voluntarily. Borge further acknowledges that she had the opportunity to consult with her attorneys to explain the terms of this Settlement and the consequences of signing this Settlement.

8. **Confidentiality.** Except as provided below, and excepting to the extent necessary to effectuate the Settlement or as required by the Court, Borge and Borge's Counsel will keep the terms of this Settlement confidential. Neither Borge nor Borge's Counsel shall issue a press release, hold a press conference, publish information about the Settlement on any website or through any social media or otherwise publicize the Settlement or communicate its terms in public or in private, unless ordered by the Court. If contacted by the media or third parties (except for Alleged Aggrieved Employees and the Settlement Administrator), Borge and Borge's Counsel will only discuss information publicly available. Borge's Counsel will take all steps necessary to ensure Borge is aware of, and will encourage her to adhere to, the restriction against initiating any media comment. Borge's Counsel further agrees not to use the Settlement or any of its terms for any marketing or promotional purposes. However, for the limited purpose of establishing adequacy of counsel in future actions, Borge's Counsel may reference the Action by name and case number in a declaration establishing adequacy as class or representative counsel.

To permit judicial review and approval of the PAGA Payment, as required by Labor Code § 2698 *et seq.*, Borge's Counsel will file the Settlement with the Court and submit the Settlement to the LWDA as part of the Parties' request for Court approval of the Settlement, per Labor Code § 2699(1)(2).

9. **Duty to Support and Defend the Settlement.** The Parties agree to abide by all of the terms of this Agreement in good faith and to support the Settlement fully and to use their best efforts to defend this Settlement from any legal challenge, whether by appeal or collateral attack.

10. **Termination of Settlement.** If the Court does not approve the Settlement, if the Court does not enter judgment as provided for in this Settlement, or if appellate review is sought and, on such review, the Court's decision is materially modified or reversed, or if one or more of the terms of the Settlement is not approved or is materially modified or reversed or found to be invalid, then either of the Parties shall have the right within ten (10) calendar days of written notice thereof to elect to terminate the Settlement, in which case the Settlement shall have no force or effect, and the Parties shall be deemed to have reverted to their respective status as of the date and time immediately prior to the execution of this Settlement.

11. **Order.** As part of the Motion to approve the Settlement, Borge shall submit a proposed order by which the Court approves the terms of the Settlement and retains jurisdiction over the Action for the purpose of enforcing the terms of the Settlement following approval of the

Settlement. This Settlement is expressly conditioned upon the Court entering the order as set forth herein.

12. **No Admission.** In entering into this Settlement, Defendant does not admit, and specifically denies, the allegations in the PAGA Action, that it violated any federal, state, or local law; violated any regulations or guidelines promulgated pursuant to any statute or any other applicable laws, regulations or legal requirements; breached any contract; violated or breached any duty; engaged in any misrepresentation or deception; or engaged in any other unlawful conduct with respect to its employees. Neither this Settlement, nor any of its terms or provisions, nor any of the negotiations connected with it, will be construed as an admission or concession by Defendant of any such violations or failures to comply with any applicable law.

IV. ADMINISTRATION OF SETTLEMENT

1. **Settlement Administrator.** The Parties agree that Phoenix Settlement Administrators will manage the administration of this Settlement (“Settlement Administrator”) and that their costs are estimated to be no more than \$ 5,000.00.

2. **Provision of Information Regarding Alleged Aggrieved Employees.** Defendant will in good faith compile from its records a list of Alleged Aggrieved Employees that will be in a computer-readable format, such as a Microsoft Excel spreadsheet, and shall include each Alleged Aggrieved Employee’s full name, last known mailing address, start date(s) of employment, end date(s) of employment, and Social Security numbers.

Within fifteen (15) days of the Effective Date, Defendant will circulate the spreadsheet to the Settlement Administrator for purposes of calculating Individual PAGA Payments and mailing.

3. **Explanatory Letter and Individual PAGA Payments.** The Settlement Administrator will include copies of the explanatory letter, which has been mutually approved by the Parties and is attached hereto as **Exhibit A**, along with Individual PAGA Payments to all Alleged Aggrieved Employees via regular First-Class U.S. Mail. The explanatory letter and Individual PAGA Payments will be mailed to Alleged Aggrieved Employees by the Settlement Administrator as soon as practicable after the Effective Date and after receipt of a spreadsheet from Defendant with sufficient information to allow payments to be made.

The amount to be received by each Alleged Aggrieved Employee will be based on the formula set forth in Section III.5., *supra*. Checks will remain negotiable for 180 days. Each Individual PAGA Payment shall be deemed penalties and reported using IRS Form 1099.

4. **Undeliverable Notices.** The Settlement Administrator shall exercise its best judgment to determine the current mailing address for each Alleged Aggrieved Employee.

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 Alleged Aggrieved Employee involved and will perform a single re-mailing.

Defendant fully discharges its obligations to those Alleged Aggrieved Employees to whom it will pay Individual PAGA Payments through the mailing of a check, regardless of whether such checks are actually received and/or negotiated by Alleged Aggrieved Employees. Funds represented by checks returned as undeliverable after a re-mailing, and funds represented by checks remaining un-cashed for more than 180 days after issuance, will be tendered to the California Department of Industrial Relations – Unclaimed Wage Fund in the names of the Alleged Aggrieved Employees to whom the checks were issued.

5. **Payment of Remainder.** Within forty-five (45) calendar days of the Effective Date, the Settlement Administrator will distribute the following additional payments: (1) the 75% share of 2699 Civil Penalties to the LWDA and (2) Court-approved attorneys' fees and costs to Borge's Counsel.

6. **Accounting.** Within five (5) business days after mailing the Individual PAGA Payments and the additional payments to the LWDA and the Settlement Administrator, the Settlement Administrator will provide an accounting under oath to Borge's Counsel and to Defense Counsel of the amounts paid from the Settlement.

7. **Tax Consequences and Circular 230 Disclaimer.** Individual PAGA Payments made under this Settlement will be attributed 100% as penalties and interest and paid via IRS Form 1099 issued to each Alleged Aggrieved Employee. Neither Borge nor Defendant, nor counsel for either of the Parties, makes any representations or warranties with respect to tax consequences of any payment under this Settlement. Borge and the Alleged Aggrieved Employees are not relying on any statement, representation, or calculation by Defendant or by the Settlement Administrator in this regard. Alleged Aggrieved Employees understand and agree that they shall be responsible for the payment of all taxes and penalties assessed on the payments specified herein, and shall hold the Parties, Borge's Counsel and Defense Counsel free and harmless from and against any claims resulting from treatment of such payments as non-taxable, including the treatment of such payments as not subject to withholding or deduction for payroll and employment taxes.

EACH PARTY TO THIS AGREEMENT (FOR PURPOSES OF THIS SECTION, THE "ACKNOWLEDGING PARTY" AND EACH PARTY TO THIS AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN "OTHER PARTY") ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS AGREEMENT, AND NO WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN OR AMONG THE PARTIES OR THEIR ATTORNEYS AND OTHER ADVISERS, IS OR WAS INTENDED TO BE, NOR WILL ANY SUCH COMMUNICATION OR DISCLOSURE CONSTITUTE OR BE CONSTRUED OR BE RELIED UPON AS, TAX ADVICE WITHIN THE MEANING OF UNITED STATES TREASURY DEPARTMENT CIRCULAR 230 (31 CFR PART 10, AS AMENDED); (2) THE ACKNOWLEDGING PARTY (A) HAS RELIED EXCLUSIVELY UPON HIS, HER, OR ITS OWN, INDEPENDENT LEGAL AND TAX COUNSEL FOR ADVICE (INCLUDING TAX ADVICE) IN CONNECTION WITH THIS AGREEMENT, (B) HAS NOT ENTERED INTO THIS AGREEMENT BASED UPON THE RECOMMENDATION OF ANY OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO ANY OTHER PARTY, AND (C) IS NOT ENTITLED TO RELY UPON ANY COMMUNICATION OR DISCLOSURE BY ANY ATTORNEY OR ADVISOR TO ANY OTHER PARTY TO AVOID ANY TAX PENALTY THAT MAY BE IMPOSED ON THE ACKNOWLEDGING PARTY; AND (3) NO ATTORNEY OR ADVISOR TO ANY OTHER PARTY HAS IMPOSED ANY LIMITATION THAT PROTECTS THE

CONFIDENTIALITY OF ANY SUCH ATTORNEY'S OR ADVISER'S TAX STRATEGIES (REGARDLESS OF WHETHER SUCH LIMITATION IS LEGALLY BINDING) UPON DISCLOSURE BY THE ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX STRUCTURE OF ANY TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED BY THIS AGREEMENT.

V. MISCELLANEOUS PROVISIONS

1. **Drafting.** The Parties agree that the terms and conditions of this Settlement are the result of lengthy, intensive, arm's-length negotiations between the Parties and that neither Borge nor Defendant shall be considered the "drafter" of this Settlement for purposes of having terms construed against that Party.

2. **Successors.** This Settlement shall be binding upon and inure to the benefit of the Parties hereto and their respective heirs, trustees, executors, administrators and successors.

3. **Costs and Fees.** The Parties shall each bear their own costs, attorneys' fees, mediator fees and other fees incurred in connection with this Settlement and the PAGA Action, except as specifically set forth in Section V.15.

4. **Governing Law.** This Settlement shall be construed under and governed by the laws of the State of California. All questions of validity, interpretation or performance of any of its terms or of any rights or obligations of the Parties to this Settlement shall be governed by California law. If any legal or equitable action is necessary to enforce the terms of this Settlement, it shall be brought in the State of California.

5. **Complete Agreement.** The Parties each acknowledge and represent that no promise or representation relating to the subject of this Settlement not contained in this Settlement has been made to them and acknowledge and represent that this Settlement contains the entire understanding between them and contains all terms and conditions pertaining to the compromise and settlement of the PAGA Released Claims. This Settlement cannot be amended or modified except by a writing signed by the Parties hereto.

6. **Nullification of Settlement.** In the event that: (i) the Court does not approve the Settlement as provided herein; or (ii) the Settlement does not become final for any other reason, then this Settlement 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. However, notwithstanding the foregoing, the Parties agree to cooperate in addressing any Court concerns regarding the Settlement, and if necessary, meet and confer with respect to any amendments to this Agreement or supplemental briefings to address Court concerns.

7. **Judgment and Continued Jurisdiction.** After approval of this Settlement, the Court will have continuing jurisdiction solely for purposes of addressing: (i) the interpretation and enforcement of the terms of the Settlement, (ii) settlement administration matters, and (iii) such post-Judgment matters as may be appropriate under court rules or as set forth in this Settlement.

8. **Amendment or Modification.** This Settlement may be amended or modified only by a written instrument, signed by all Parties or their successors-in-interest or counsel for all Parties, and approved by the Court.

9. **Authorization to Enter into Settlement.** Counsel for all Parties warrant and represent that they are expressly authorized by the Parties whom they represent to negotiate this Settlement and to take all appropriate action required or permitted to be taken by such Parties pursuant to this Settlement to effectuate its terms, and to execute any other documents required to effectuate the terms of this Settlement. The Parties and their counsel will cooperate with each other and use their best efforts to effectuate the implementation of the Settlement. 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.

10. **Execution and Counterparts.** This Settlement is subject to the execution of all Parties. However, the Settlement may be executed in one or more counterparts. All executed counterparts, and each of them, including facsimile and scanned copies of the signature page, will be deemed to be one and the same instrument.

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

12. **Invalidity of Any Provision.** Before declaring any provision of this Settlement 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 valid and enforceable.

13. **Severability.** If any term or provision of this Settlement is held to be invalid or unenforceable, the remaining portions of this Settlement will continue to be valid and will be performed, construed and enforced to the fullest extent permitted by law, and the invalid or unenforceable term will be deemed amended and limited in accordance with the intent of the Parties, as determined from the face of the Settlement, to the extent necessary to permit the maximum enforceability or validation of the term or provision.

14. **Waiver.** No waiver of any condition or covenant contained in this Settlement 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.

15. **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 to enforce the provisions of this Settlement or to declare rights and/or obligations under this Settlement, 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.

16. **Mutual Preparation.** The Parties have had a full opportunity to negotiate the terms and conditions of this Settlement. Accordingly, this Settlement 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.

17. **Representation by Counsel.** The Parties acknowledge that they have been represented by counsel throughout all negotiations that preceded the execution of this Settlement, and this Settlement has been executed with the consent and advice of counsel and reviewed in full.

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

19. **Stay of Litigation.** The Parties agree that upon the execution of this Settlement the litigation shall be stayed, except to effectuate the terms of this Settlement.

20. **Binding Agreement.** The Parties warrant that they understand and have full authority to enter into this Settlement, and further intend that this Settlement 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.

21. **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.

22. **No Third-Party Beneficiaries.** Borge, Alleged Aggrieved Employees, the State of California and the LWDA, Borge's Counsel, and Defendant are direct beneficiaries of this Agreement, and there are no third-party beneficiaries.

23. **Settlement Binding on Successors.** This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.

24. **Use and Return of Data.** Information provided to Borge's Counsel pursuant to California Evidence Code § 1152, and all copies and summaries of data provided to Borge's Counsel by Defendants in connection with 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 90 days after the date when the Court discharges the Administrator's obligation to provide a Declaration confirming the final pay out of all Settlement funds, Borge and Borge's Counsel shall destroy all paper and electronic versions of data received from Defendant unless, prior to the Court's discharge of the Administrator's obligation, Defendant makes a written request to Borge's Counsel for the return, rather than the destruction, of data.

25. **Denial of Liability.** The Parties expressly recognize that the making of this Settlement does not in any way constitute an admission or concession of wrongdoing on the part of Defendant. 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, nor will any of the foregoing constitute, be introduced, be used or be admissible in any way in any other judicial, arbitral,

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

IN WITNESS THEREOF, the Parties each acknowledge that they have read the foregoing Settlement, accept and agree to the provisions contained in this Settlement and hereby execute it voluntarily and with full understanding of its consequences.

Dated: 5/1/2025

ZENNY RIVAS BORGE

By: 
ID Q24GPUN9AD8WNI8Hqe1Bkk

Zenny Rivas Borge

Dated: _____

VIE DE FRANCE YAMAZAKI, INC.

By: _____
Its: _____

IN WITNESS THEREOF, the Parties each acknowledge that they have read the foregoing Settlement, accept and agree to the provisions contained in this Settlement and hereby execute it voluntarily and with full understanding of its consequences.

Dated: _____

ZENNY RIVAS BORGE

By: _____
Zenny Rivas Borge

Dated: May 2, 2025

VIE DE FRANCE YAMAZAKI, INC.

David B. Conner

By: David B. Conner

Its: Vice President, Human Resources

COURT APPROVED NOTICE OF SETTLEMENT

Zenny Rivas Borge v. Vie de France Yamazaki, Inc. et al.

Case No. 24STCV22387

The Superior Court for the State of California authorized this Notice.

Read it Carefully! It's not junk mail, spam, an advertisement, or solicitation by a lawyer.

You are not being sued.

You may be eligible to receive money from an employee lawsuit ("Action") against Defendant Vie de France Yamazaki, Inc. ("Defendant"). The Action was filed by a former employee of Defendant, Zenny Rivas Borge ("Plaintiff"), and alleges one cause of action under the California Private Attorneys General Act of 2004, California Labor Code §§ 2698 *et seq.* ("PAGA") for the following alleged violations under the California Labor Code: (a) failure to pay all wages; (b) failure to provide meal breaks; (c) failure to provide rest breaks; (d) failure to pay all wages due and owing each pay period; (e) failure to provide accurate wage statements; (f) waiting time penalties; (g) failure to reimburse business expenses; (h) failure to keep accurate and complete payroll records; (i) failure to provide sick leave at the correct rates; and (j) failure to provide suitable seating. Plaintiff also alleges that she was misclassified as a Production Supervisor.

The group of allegedly aggrieved employees Plaintiff seeks to represent is comprised of all non-exempt hourly employees and Production Supervisors who work or worked for Defendant in California ("PAGA Members") during the PAGA Period (June 30, 2023 through the date the Court approves the PAGA Settlement). Defendant vigorously denies the claims in the Action and contends that at all times they fully complied with all applicable laws.

The proposed Settlement is a PAGA Settlement requiring Defendant to fund individual PAGA Payments and pay penalties to the California Labor and Workforce Development Agency ("LWDA").

Based on Defendant's records, and the Parties' current assumptions, **your Individual PAGA Payment is estimated to be \$_____**. The actual amount you may receive likely will be different and will depend on a number of factors.

The above estimates are based on Defendant's records showing that **you worked _____ pay periods** during the PAGA Period.

The Court has approved the proposed Settlement and approved this Notice. Your legal rights are affected whether you act or not act. Read this notice carefully. You will be deemed to have carefully read and understood it. At the hearing, the Court will decide whether to approve the Settlement and how much of the Settlement will be paid to Plaintiff and Plaintiff's attorneys ("PAGA Counsel"). The Court will also decide whether to enter a judgment that requires Defendant to make payments under the Settlement and requires PAGA Members to give up their rights to assert certain claims against Defendant.

If you worked for Defendant during the PAGA Period, you don't have to do anything to participate in the proposed Settlement and be eligible for an Individual PAGA Payment. You cannot opt-out of or object to the PAGA Settlement.

1. WHAT IS THE ACTION ABOUT?

Plaintiff is a former employee of Defendant Plaintiff alleges one cause of action under the California Private Attorneys General Act of 2004, California Labor Code §§ 2698 et seq. (“PAGA”) for the following alleged violations under the California Labor Code: (a) failure to pay all wages; (b) failure to provide meal breaks; (c) failure to provide rest breaks; (d) failure to pay all wages due and owing each pay period; (e) failure to provide accurate wage statements; (f) waiting time penalties; (g) failure to reimburse business expenses; (h) failure to keep accurate and complete payroll records; (h) failure to provide sick leave at the correct rates; and (i) and failure to provide suitable seating. Plaintiff also alleges that she was misclassified as a Production Supervisor.

Plaintiff is represented by attorneys in the Action: Harout Messrelian from Messrelian Law Inc. (“PAGA Counsel.”)

Defendants strongly deny violating any laws whatsoever or failing to pay any wages whatsoever, and contend that at all times it fully complied with all applicable laws.

2. WHAT DOES IT MEAN THAT THE ACTION HAS SETTLED?

So far, the Court has made no determination whether Defendant or Plaintiff are correct on the merits. In the meantime, Plaintiff and Defendant hired an experienced, neutral mediator in an effort to resolve the Action by negotiating to end the case by agreement (settle the case) rather than continuing the expensive and time-consuming process of litigation. The negotiations were successful. By signing a lengthy written settlement agreement (“Agreement”) and agreeing to jointly ask the Court to enter a judgment ending the Action and enforcing the Agreement, Plaintiff and Defendant have negotiated a proposed Settlement that is subject to the Court’s approval. Both sides agree the proposed Settlement is a compromise of disputed claims. By agreeing to settle, Defendant does not admit any violations whatsoever or concede the merit of any claims. Plaintiff and PAGA Counsel strongly believe the Settlement is a good deal for you because they believe that: (a) Defendant has agreed to pay a fair, reasonable and adequate amount considering the strength of the claims and the risks and uncertainties of continued litigation; and (b) Settlement is in the best interests of the PAGA Members. The Court preliminarily approved the proposed Settlement as fair, reasonable and adequate, authorized this Notice, and scheduled a hearing to determine Approval.

3. WHAT ARE THE IMPORTANT TERMS OF THE PROPOSED SETTLEMENT?

- a. Defendant Will Pay \$ 110,000.00 as the Gross Settlement Amount (Gross Settlement). Defendant has agreed to deposit the Gross Settlement into an account controlled by the Administrator of the Settlement. The Administrator will use the Gross Settlement to pay the Individual PAGA Payments, PAGA Counsel’s attorney’s fees and expenses, the Administrator’s expenses, and penalties to be paid to the California Labor and Workforce Development Agency (“LWDA”). Assuming the Court grants approval of the Settlement, Defendant will fund the Gross Settlement not more than 30 calendar days after the Judgment entered by the

Court becomes final.

- b. Court Approved Deductions from Gross Settlement. At the Approval Hearing, Plaintiff and/or PAGA Counsel will ask the Court to approve the following deductions from the Gross Settlement, the amounts of which will be decided by the Court at the Approval Hearing:
 - (i) Up to \$36,666.66 (one-third (1/3) of the Gross Settlement) to PAGA Counsel for attorneys' fees and up to \$15,000.00 for their litigation expenses. To date, PAGA Counsel have worked and incurred expenses on the Action without payment.
 - (ii) Up to \$5,000.00 to the Administrator for services administering the Settlement.
- c. Net Settlement Distributed to PAGA Members. After making the above deductions in amounts approved by the Court, the Administrator will distribute the rest of the Gross Settlement (the "Net Settlement") by making Individual PAGA Payments to PAGA Members based on the number of pay periods they worked during the PAGA Period.
- d. Taxes. The Individual PAGA Payments are counted as penalties rather than wages for tax purposes. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.
- e. Need to Promptly Cash Payment Checks. The front of every check issued for Individual PAGA Payments will show the date when the check expires (the void date). If you don't cash it by the void date, your check will be automatically cancelled, and the monies will be deposited with the California Controller's Unclaimed Property Fund in your name. If the monies represented by your check is sent to the California Department of Industrial Relations – Unclaimed Wage Fund, you should consult the rules of the Fund for instructions on how to retrieve your money.
- f. No Right to Object or Opt-Out. Because this is a PAGA settlement, you cannot opt-out or object to any portion of the Settlement. You will remain eligible for Individual PAGA Payments and are required to give up the right to assert PAGA claims against Defendant based on the facts alleged in the Action during the PAGA Period.
- g. The Proposed Settlement Will be Void if the Court Denies Final Approval. It is possible the Court will decline to grant Approval of the Settlement or decline to enter a Judgment. It is also possible the Court will enter a Judgment that is reversed on appeal. Plaintiff and Defendant have agreed that, in either case, the Settlement

will be void: Defendant will not pay any money and PAGA Members will not release any claims against Defendant.

- h. Administrator. The Court has appointed a neutral company, Phoenix Settlement Administrator (the “Administrator”) to send this Notice, and to calculate and make payments. The Administrator will also mail and re-mail settlement checks and tax forms and perform other tasks necessary to administer the Settlement. The Administrator’s contact information is contained in Section 9 of this Notice.
- i. PAGA Members’ PAGA Release. Effective upon entry of Judgment, the Court’s Order granting Approval of this Settlement, and on the date when Defendant fully funds the entire Maximum Settlement Amount, all PAGA Members will be barred from asserting PAGA claims against Defendant. This means that all PAGA Members cannot sue, continue to sue, or participate in any other PAGA claim against Defendant or its related entities for the PAGA Released Claims.

All PAGA Members will be bound by the following release:

For the duration of the PAGA Period, all Alleged Aggrieved Employees and, to the fullest extent permitted by law, the State of California and the LWDA, are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all PAGA Released Claims. “PAGA Released Claims” means any and all claims whether suspected or unsuspected, contingent or accrued, known or unknown, that have been pled or could have been pled under state, federal or local law, whether statutory, common law or administrative, arising out of or related to allegations set forth in Plaintiff’s PAGA Notice and Plaintiff’s Complaint. These include claims for civil penalties under PAGA for Defendant’s alleged failure to pay for all time worked at correct rates of pay, including minimum wages, straight time wages, and overtime compensation; failure to provide meal periods and pay meal period premiums; failure to authorize and permit rest periods and pay rest period premiums; failure to timely wages during employment; failure to pay all wages due to discharged and quitting employees; failure to provide accurate itemized wage statements; failure to maintain accurate records; failure to reimburse necessary expenditures; failure to pay sick leave at the correct rates; failure to provide suitable seating; violations of California Labor Code §§ 201, 202, 203, 204, 226, 226.3, 233, 246, 510, 512, 558, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 2800, and 2802; violations of Wage Order Nos. 1, 4 and/or 7; interest; fees, including fees under California Code of Civil Procedure § 1021.5; costs, and all

other claims and allegations for civil penalties under PAGA made or which could have been made in the PAGA Action based on the facts and allegations pled in Plaintiff's PAGA Notice and Plaintiff's Complaint.

The claims released pursuant to the PAGA Released Claims shall be binding on the Alleged Aggrieved Employees and, to the maximum extent possible permitted by law, the State of California and the LWDA. Alleged Aggrieved Employees shall have no right to object or opt out to the PAGA Released Claims or any portion of the Settlement pertaining to the PAGA Released Claims. "Released Parties" means Defendant and its respective heirs, executors, administrators, successors, assignees, parents, subsidiaries and related entities, owners, officers, directors, shareholders, employees, agents, servants, representatives, independent contractors, members, attorneys, insurers, re-insurers, assigns, and affiliates, and any and all other entities with whom it has been, are now, or may hereafter be affiliated, and any of their affiliated companies, predecessors, successors and assigns, as well as their past or present officers, directors, agents, representatives, attorneys, insurers, re-insurers, assigns, or employees.

4. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?

- a. Individual PAGA Payments. The Administrator will calculate Individual PAGA Payments by (a) dividing \$13,333.34 by the total number of pay periods worked by all PAGA Members during the PAGA Period and (b) multiplying the result by the number of pay periods worked by all PAGA Members worked by each individual PAGA Member.

5. HOW WILL I GET PAID?

- a. The Administrator will send, by U.S. mail, a single check to every individual PAGA Member.
- b. **Your check will be sent to the same address as this Notice. If you change your address, be sure to notify the Administrator as soon as possible. Section 5 of this Notice has the Administrator's contact information.**

DO NOT TELEPHONE THE SUPERIOR COURT TO OBTAIN INFORMATION ABOUT THE SETTLEMENT.

PAGA Counsel:

Name of Attorney: Harout Messrelian

Email Address: hm@messrelianlaw.com

Name of Firm: Messrelian Law Inc.

Mailing Address: 500 North Central Avenue, Suite 840, Glendale, CA 91203

Telephone: (818) 484-6531

Settlement Administrator:

Name of Company:

Email Address:

Mailing Address:

Telephone:

Fax Number:

6. WHAT IF I LOSE MY SETTLEMENT CHECK?

If you lose or misplace your settlement check before cashing it, the Administrator will replace it as long as you request a replacement before the void date on the face of the original check. If your check is already void, you should consult the Unclaimed Property Fund _____ for instructions on how to retrieve the funds

7. WHAT IF I CHANGE MY ADDRESS?

To receive your check, you should immediately notify the Administrator if you move or otherwise change your mailing address.

4903-0101-9951, v. 8

EXHIBIT 2



PHOENIX

CLASS ACTION ADMINISTRATION SOLUTIONS

CASE ASSUMPTIONS

Aggrieved Members	200
Opt Out Rate	N/A
Opt Outs Received	
Total Aggrieved Claimants	200
Subtotal Admin Only	\$4,750.00

Not-to-Exceed Total \$4,750.00

For 200 Aggrieved Members

Pricing Good for Scope of Estimate Only

April 25, 2025

Case: Borge v. Vie De France PAGA Administration wTranslation

Phoenix Contact: Jodey Lawrence

Contact Number: 800-523-5773

Email: Jodey@phoenixclassaction.com

Requesting Attorney: Harout Messrelian, Esq.

Firm: MESSRELIAN LAW INC.

Contact Number: 818.484.6531

Email: hm@messrelianlaw.com

Assumptions and Estimate are based on information provided by counsel. If class size changes, PHX will need to adjust this Estimate accordingly.
Estimate is based on 200 Aggrieved Members. Class data Must be sent in Microsoft Excel or uploaded in the same format. Class Data Must be sent in one spreadsheet, with no additional programming needed. A rate of \$150 per hour will be charged for any additional analysis or programming. Pricing good for 90 days.

Case & Database Setup / Toll Free Setup & Call Center / NCOA (USPS)			
Administrative Tasks:	Rate	Hours/Units	Line Item Estimate
Programming Manager	\$125.00	2	\$250.00
Programming Database & Setup	\$125.00	2	\$250.00
Toll Free Setup*	\$58.20	1	\$58.20
Call Center & Long Distance	\$1.00	20	\$20.00
NCOA (USPS)	\$75.00	1	\$75.00
Language Translation	\$275.00	1	\$275.00
Total			\$928.20

* Up to 120 days after disbursement

Data Merger & Scrub / Notice Packet, Check & Postage			
Project Action	Rate	Hours/Units	Line Item Estimate
Notice Packet Formatting	\$125.00	2	\$250.00
Data Merge & Duplication Scrub	\$0.70	200	\$140.00
Notice and Check Packet	\$1.50	200	\$300.00
Estimated Postage (up to 1 oz.)*	\$0.69	200	\$138.00
Total			\$828.00

* Prices good for 90 days. Subject to change with the USPS Rate or change in Notice pages or Translation, if any.



PHOENIX

CLASS ACTION ADMINISTRATION SOLUTIONS

Skip Tracing & Remailing Notice Packets / Tracking & Programming Undeliverables

Project Action:	Rate	Hours/Units	Line Item Estimate
Case Associate	\$50.00	2	\$100.00
Skip Tracing Undeliverables	\$1.00	20	\$20.00
Remail Notice Packets	\$1.50	20	\$30.00
Estimated Postage	\$0.69	20	\$13.80
Programming Undeliverables	\$50.00	2	\$100.00
Total			\$263.80

Database Programming

Project Action:	Rate	Hours/Units	Line Item Estimate
Programming Claims Database	\$125.00	1	\$125.00
Case Manager	\$125.00	1	\$125.00
Total			\$250.00

Calculation & Disbursement Programming/ Create & Manage QSF/ Mail Checks

Project Action:	Rate	Hours/Units	Line Item Estimate
Programming Calculations	\$125.00	1	\$125.00
Disbursement Review	\$125.00	1	\$125.00
Programming Manager	\$95.00	1	\$95.00
QSF Bank Account & EIN	\$100.00	2	\$200.00
Check Run Setup & Printing	\$125.00	2	\$250.00
Total			\$795.00

* Checks are printed on 8.5 x 11 in. sheets with W2/1099 Tax Filing



PHOENIX

CLASS ACTION ADMINISTRATION SOLUTIONS

Tax Reporting & Reconciliation / Re-Issuance of Checks / Conclusion Reports and Declarations			
Project Action:	Rate	Hours/Units	Line Item Estimate
Case Supervisor	\$125.00	2	\$250.00
Remail Undeliverable Checks (Postage Included)	\$2.25	20	\$45.00
Reconcile Uncashed Checks	\$85.00	4	\$340.00
Conclusion Reports	\$125.00	2	\$250.00
Case Manager Conclusion	\$125.00	1	\$125.00
Final Reporting & Declarations	\$125.00	1	\$125.00
QSF Annual Tax Reporting * (State Tax Reporting Included)	\$350.00	1	\$350.00
Uncashed State Controller	\$200.00	1	\$200.00
Total			\$1,685.00

* All applicable California State & Federal taxes, which include SUI, ETT, and SDI, and FUTA filings. Additional taxes are Defendant's responsibility.

Estimate Total: \$4,750.00



PHOENIX

CLASS ACTION ADMINISTRATION SOLUTIONS

TERMS AND CONDITIONS

Provisions: The case estimate is in good faith and does not cover any applicable taxes and fees. The estimate does not make any provision for any services or class size not delineated in the request for proposal or stipulations. Proposal rates and amounts are subject to change upon further review, with Counsel/Client, of the Settlement Agreement. Only pre-approved changes will be charged when applicable. No modifications may be made to this estimate without the approval of PSA (Phoenix Settlement Administrators). All notifications are mailed in English language only unless otherwise specified. Additional costs will apply if translation into other language(s) is required. Rates to prepare and file taxes are for Federal and California State taxes only. Additional charges will apply if multiple state tax filing(s) is required. **Pricing is good for ninety (90) days.**

Data Conversion and Mailing: The proposal assumes that data provided will be in ready-to-use condition and that all data is provided in a single, comprehensive Excel spreadsheet. PSA cannot be liable for any errors or omissions arising due to additional work required for analyzing and processing the original database. A minimum of two (2) business days is required for processing prior to the anticipated mailing date with an additional two (2) business days for a National Change of Address (NCOA) update. Additional time may be required depending on the class size, necessary translation of the documents, or other factors. PSA will keep counsel apprised of the estimated mailing date.

Claims: PSA's general policy is to not accept claims via facsimile. However, in the event that facsimile filing of claims must be accepted, PSA will not be held responsible for any issues and/or errors arising out of said filing. Furthermore, PSA will require disclaimer language regarding facsimile transmissions. PSA will not be responsible for any acts or omissions caused by the USPS. PSA shall not make payments to any claimants without verified, valid Social Security Numbers. All responses and class member information are held in strict confidentiality.

Payment Terms: All postage charges and 50% of the final administration charges are due at the commencement of the case and will be billed immediately upon receipt of the data and/or notice documents. PSA bills are due upon receipt unless otherwise negotiated and agreed to with PSA by Counsel/Client. In the event the settlement terms provide that PSA is to be paid out of the settlement fund, PSA will request that Counsel/Client endeavor to make alternate payment arrangements for PSA charges that are due at the onset of the case. The entire remaining balance is due and payable at the time the settlement account is funded by Defendant, or no later than the time of disbursement. Amounts not paid within thirty (30) days are subject to a service charge of 1.5% per month or the highest rate permitted by law.

Tax Reporting Requirements

PSA will file the necessary tax returns under the EIN of the QSF, including federal and state returns. Payroll tax returns will be filed if necessary. Under the California Employment Development Department, all taxes are to be reported under the EIN of the QSF with the exception of the following taxes: Unemployment Insurance (UI) and Employment Training Tax (ETT), employer-side taxes, and State Disability Insurance (SDI), an employee-side tax. These are reported under Defendant's EIN. Therefore, to comply with the EDD payroll tax filing requirements we will need the following information:

1. Defendant's California State ID and Federal EIN.
2. Defendant's current State Unemployment Insurance (UI) rate and Employment Training Tax (ETT) rate. This information can be found in the current year DE 2088, Notice of Contribution Rates, issued by the EDD.
3. Termination dates of the class members, or identification of current employee class members, so we can account for the periods that the wages relate to for each class member.
4. An executed Power of Attorney (Form DE 48) from Defendant. This form is needed so that we may report the UI, SDI, and ETT taxes under Defendant's EIN on their behalf. If this form is not provided we will work with the EDD auditors to transfer the tax payments to Defendant's EIN.
5. Defendant is responsible for reporting the SDI portion of the settlement payments on the class member's W-2. PSA will file these forms on Defendant's behalf for an additional fee and will issue an additional W-2 for each class member under Defendant's EIN, as SDI is reported under Defendant's EIN rather than the EIN of the QSF. The Power of Attorney (Form DE 48) will be needed in order for PSA to report SDI payments.

EXHIBIT 3