

PAGA SETTLEMENT AGREEMENT

This Private Attorneys General Act (“PAGA”) Settlement Agreement (“Agreement”) is entered into by and between Plaintiff Miguel Angel Ortiz Merino (“Plaintiff”) and Defendant Gourmet Mushrooms, Inc. (“Defendant”). The Agreement refers to Plaintiff and Defendant collectively as the “Parties,” or individually as a “Party.”

1. DEFINITIONS.

1.1 “Action” means the Plaintiff’s PAGA lawsuit alleging wage and hour violations against Defendant, originally captioned as *Miguel Angel Ortiz Merino v. Gourmet Mushrooms, Inc.*, Case No. 24CV03847, filed on or about June 28, 2024, pending in Superior Court of the State of California, County of Sonoma.

1.2 “Administrator” means Simpluris, the neutral entity the Parties have agreed to appoint to administer the Settlement, on the condition that Simpluris’s procedures comply with Defendant’s data security protocols. To the extent that Simpluris’s procedures do not comply with Defendant’s data security protocols, the Parties agree to meet and confer in good faith to select a different neutral entity to administer the Settlement that does comply with Defendant’s data security protocols.

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

1.4 “Aggrieved Employee(s)” means all former and current non-exempt, hourly employees who worked for Defendant during the PAGA Period.

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

1.6 “Aggrieved Employee Address Search” means the Administrator’s investigation and search for current Aggrieved Employee mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with an Aggrieved Employee.

1.7 “Approval Order” means the proposed Order Granting Approval of PAGA Settlement.

1.8 “Court” means the Superior Court of California, County of Sonoma.

1.9 “Defendant” means Defendant Gourmet Mushrooms, Inc.

1.10 “Defense Counsel” means Gordon Rees Scully Mansukhani, LLP.

1.11 “Effective Date” means the date by when both of the following have occurred: (a) the Court enters a Judgment on its Order Approving the PAGA Settlement; and (b) the Judgment is final. The Judgment is final as of the latest of the following occurrences: (a) the day the Court enters Judgment or (b) if timely appeal of the Judgment is filed, the day after the appellate court affirms the Judgment and issues a remittitur.

1.12 “Gross Settlement Amount” means Two Hundred Twenty-Five Thousand Dollars and Zero Cents (\$225,000.00), which is the total amount Defendant agrees to pay under the Settlement. The Gross Settlement Amount will be used to pay Individual PAGA Payments, the LWDA PAGA Payment, the PAGA Counsel Fees Payment, the PAGA Counsel Litigation Expenses Payment, PAGA Representative Payment, and the Administrator’s Expenses Payment.

1.13 “Individual PAGA Payment” means each Aggrieved Employee’s pro rata share of 35% of the PAGA Penalties based on the number of PAGA Pay Periods that Aggrieved Employee worked.

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

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

1.16 “LWDA PAGA Payment” means the 65% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).

1.17 “Net Settlement Amount” means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: the PAGA Representative Payment, the PAGA Counsel Fees Payment, the PAGA Counsel Litigation Expenses Payment, and the Administration Expenses Payment. The remainder shall be allocated to PAGA Penalties, specifically the LWDA PAGA Payment (*i.e.*, 65%), and Individual PAGA Payments (*i.e.*, 35%).

1.18 “PAGA” means the Private Attorneys General Act (Labor Code §§ 2698, *et seq.*).

1.19 “PAGA Counsel” means Moon Law Group, PC.

1.20 “PAGA Counsel Fees Payment” and “PAGA Counsel Litigation Expenses Payment” mean the amounts allocated to PAGA Counsel for reimbursement of reasonable attorneys’ fees and expenses, respectively, incurred to prosecute the Action.

1.21 “PAGA Notice” means Plaintiff’s June 23, 2024 letter to Defendant and the LWDA providing notice pursuant to Labor Code section 2699.3, subd. (a).

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

1.23 “PAGA Penalties” means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 35% to the Aggrieved Employees and 65% to LWDA in settlement of PAGA claims.

1.24 “PAGA Period” means the period from June 23, 2023 to July 18, 2025.

1.25 “PAGA Representative Payment” means the payment to Plaintiff for initiating the Action and providing services in support of the Action as well as Plaintiff’s execution of a general release.

1.26 “Plaintiff” means Miguel Angel Ortiz Merino, the named Plaintiff in this Action.

1.27 “Released PAGA Claims” means the claims being released by the Plaintiff, the LWDA, and PAGA Counsel as described in Paragraph 5 below.

1.28 “Released Parties” means: Defendant and each and all of its present and former partners, parents, subsidiaries, affiliates, and related entities and all of their officers, directors, employees, agents, servants, registered representatives, attorneys, insurers, payroll companies, successors and assigns, and any other persons acting by through, under, or in concert with any of them (including any alleged joint employers).

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

2. RECITALS.

2.1 On June 23, 2024, pursuant to Labor Code section 2699.3, subd. (a), Plaintiff gave written notice to Defendant and the LWDA by sending the PAGA Notice.

2.2 On June 28, 2024, Plaintiff commenced this Action by filing a Complaint against Defendant. Plaintiff’s initial Complaint alleged various wage and hour claims.

2.3 On August 29, 2024, following the expiration of the statutory exhaustion period, Plaintiff filed a First Amended Complaint adding a PAGA cause of action. Plaintiff did not make any other substantive modifications or add any additional facts to this pleading.

2.4 On October 9, 2024, Plaintiff submitted a request for dismissal, which dismissed all of the class action allegations in the First Amended Complaint; stayed his individual claims and representative PAGA claims pending completion of arbitration; and required submission of his individual wage and hour claims and PAGA claims to arbitration. The Court signed the Order on October 15, 2024.

2.5 Defendant denies the allegations in the First Amended Complaint and any prior complaints in this Action, denies any failure to comply with the laws identified in the First Amended Complaint and any prior complaints in this Action, and denies any and all liability for the causes of action alleged therein.

2.6 On April 18, 2024, the Parties participated in a mediation with Mike Ludwig, which led to this Agreement to settle the Action.

2.7 Prior to mediation, Plaintiff obtained informal discovery which included, among other things, the total number of Aggrieved Employees at issue, the total number of PAGA Pay

Periods at issue, and an anonymized, statistically significant electronic sample of timekeeping and wage data for randomly-selected Aggrieved Employees.

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

3. MONETARY TERMS.

3.1 Gross Settlement Amount. Defendant promises to pay Two Hundred Twenty-Five Thousand Dollars and Zero Cents (\$225,000.00), and no more, as the Gross Settlement Amount. Defendant has no obligation to pay the Gross Settlement Amount prior to the deadline stated in Paragraph 4.3 of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendant.

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

3.2.1 To Plaintiff: a PAGA Representative Payment of not more than Ten Thousand Dollars and Zero Cents (\$10,000.00) (in addition to any Individual PAGA Payment the Plaintiff is entitled to receive as an Aggrieved Employee). Defendant will not oppose Plaintiff's request for a PAGA Representative Payment that does not exceed the stated amount. As part of the motion for the award of the PAGA Counsel Fees Payment and the PAGA Counsel Litigation Expenses Payment, Plaintiff will seek Court approval for the PAGA Representative Payment. The motion will be filed no later than 16 court days prior to the Approval Order hearing. If the Court approves a PAGA Representative Payment less than the amount requested, the Administrator will retain the remainder in the Net Settlement Amount. The Administrator will pay the PAGA Representative Payment using IRS Form 1099. Plaintiff assumes full responsibility and liability for any and all taxes owed on the PAGA Representative Payment and holds Defendant harmless, and indemnifies Defendant, from any dispute or controversy regarding any taxes owed by Plaintiff related to the PAGA Representative Payment.

3.2.2 To PAGA Counsel: a PAGA Counsel Fees Payment of not more than one-third of the Gross Settlement Amount, which is Seventy-Five Thousand Dollars and Zero Cents (\$75,000.00) and a PAGA Counsel Litigation Expenses Payment of not more than Twenty-Four Thousand Dollars and Zero Cents (\$24,000.00). Defendant will not oppose requests for these payments provided they do not exceed the stated amounts. Plaintiff and/or PAGA Counsel will file a motion for approval of the PAGA Counsel Fees Payment and the PAGA Counsel Litigation Expenses Payment. The motion will be filed no later than 16 court days prior to the Approval Order hearing. If the Court approves a PAGA Counsel Fees Payment and/or a PAGA Counsel Litigation Expenses Payment less than the amount(s) requested, the Administrator will allocate the remainder to the Net Settlement Amount. Released Parties shall have no liability to PAGA Counsel or any other Plaintiff's counsel arising from any claim to any portion of any PAGA Counsel Fee Payment and/or PAGA Counsel Litigation Expenses Payment. The Administrator will pay the approved PAGA Counsel Fees Payment and PAGA

Counsel Litigation Expenses Payment using one or more IRS 1099 Forms. PAGA Counsel assumes full responsibility and liability for taxes owed on the PAGA Counsel Fees Payment and the PAGA Counsel Litigation Expenses Payment and holds Defendant harmless, and indemnifies Defendant, from any dispute or controversy regarding any division or sharing of any of these Payments.

3.2.3 To the Administrator: An Administration Expenses Payment not to exceed Three Thousand, Five Hundred Dollars (\$3,500.00) except for a showing of good cause and as approved by the Court. To the extent the Administration Expenses are less than anticipated/approved or the Court approves a smaller amount than requested, the Administrator will retain the remainder in the Net Settlement Amount.

3.2.4 To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of the Net Settlement Payment. The estimated amount of the Net Settlement Payment is One Hundred and Twelve Thousand, Five Hundred Dollars and Zero Cents (\$112,500.00), with 65% (\$73,125.00) allocated to the LWDA PAGA Payment and 35% (\$39,375.00) allocated to the Individual PAGA Payments.

3.2.4.1 The Administrator will calculate each Aggrieved Employee's Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 35% share of PAGA Penalties by the total number of PAGA Pay Periods worked by all Aggrieved Employees, and (b) multiplying the result by each Aggrieved Employee's pay periods during the PAGA Period. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

3.2.4.2 The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

4. SETTLEMENT FUNDING AND PAYMENTS.

4.1 Aggrieved Employee Pay Periods. It was estimated for mediation purposes that there are approximately 136 Aggrieved Employees who worked approximately 4,400 weekly PAGA pay periods between the start of the PAGA Period and mediation. The Settlement is therefore intended to encompass an estimate of 145 Aggrieved Employees who collectively worked a total of 5,020 pay periods during the PAGA Period.

4.2 Aggrieved Employee Data. Within 21 days after the Effective Date, Defendant will simultaneously deliver the Aggrieved Employee Data to the Administrator in the form of a Microsoft Excel spreadsheet. To protect Aggrieved Employees' privacy rights, the Administrator must maintain the Aggrieved Employee Data in confidence, use the Aggrieved Employee Data only for purposes of this Settlement and for no other purpose and restrict access to the Aggrieved Employee Data to Administrator employees who need access to the Aggrieved Employee Data to effect and perform under this Agreement. Defendant has a continuing duty to immediately notify PAGA Counsel if it discovers that the Aggrieved Employee Data omitted employee identifying information and to provide corrected or updated Aggrieved Employee Data as soon as reasonably feasible. Without any extension of the deadline by which Defendant must send the Aggrieved Employee Data to the Administrator, the Parties and their counsel will expeditiously

use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Aggrieved Employee Data.

4.3 Funding of Gross Settlement Amount. Defendant shall fully fund the Gross Settlement Amount, by transmitting the funds to the Administrator no later than 21 days after the Effective Date. The time to make such payment may be extended by mutual consent of the Parties.

4.4 Payments from the Gross Settlement Amount. Within 14 days after Defendant funds the Gross Settlement Amount, the Administrator will mail checks for all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the PAGA Counsel Fees Payment, the PAGA Counsel Litigation Expenses Payment, and the PAGA Representative Payment. Disbursement of the PAGA Counsel Fees Payment, the PAGA Counsel Litigation Expenses Payment, and the PAGA Representative Payment shall not precede disbursement of Individual PAGA Payments.

4.4.1 The Administrator will issue checks for the Individual PAGA Payments and send them to the Aggrieved Employees via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (not less than 180 days after the date of mailing) when the check will be voided. The Administrator will cancel all checks not cashed by the void date. Before mailing any checks, the Administrator must update the recipients' mailing addresses using the National Change of Address Database.

4.4.2 The Administrator must conduct an Aggrieved Employee Address Search for all Aggrieved Employees whose checks are returned undelivered without USPS forwarding address. Within 10 days of receiving a returned check, the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Aggrieved Employee Address Search. The Administrator need not take further steps to deliver checks to Aggrieved Employees whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Aggrieved Employee whose original check was lost or misplaced, if requested by the Aggrieved Employee prior to the void date.

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

4.4.4 The payment of Individual PAGA Payments shall not obligate Defendant to confer any additional benefits or make any additional payments to Aggrieved Employees beyond those specified in this Agreement.

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

5.1 Release by LWDA/Aggrieved Employees. The LWDA and all Aggrieved

Employees 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 claims for PAGA penalties that were alleged, or reasonably could have been alleged in connection with the Aggrieved Employees' employment with Defendant during the PAGA Period, based on the facts stated in the First Amended Complaint, any prior complaint in the Action, and/or the PAGA Notice, including, *e.g.*, any failure to pay all wages due (including minimum wage and overtime wages), failure to pay for all hours worked, failure to provide meal or rest periods, failure to timely pay wages and final wages, failure to furnish accurate wage statements (including claims derivative and/or related to these claims), and failure to provide expense reimbursements.

5.2 Release by PAGA Counsel. PAGA Counsel on behalf of their present and former attorneys, employees, agents, successors, and assigns are deemed to release the Released Parties from all claims for attorneys' fees and costs in connection with the prosecution of the Action and any related investigation.

5.3 Plaintiff's Release. Plaintiff and his respective former and present spouses, representatives, agents, attorneys, heirs, administrators, successors, and assigns generally, release and discharge Released Parties from all claims, debts, liabilities, demands, obligations, penalties, premium pay, guarantees, costs, expenses, attorneys' fees, damages, actions or causes of action of whatever kind or nature, contingent or accrued, that occurred in connection with his employment with Defendant, including, but not limited to: (a) all claims that were or reasonably could have been alleged based on the facts contained in the First Amended Complaint, the prior Complaint, and the PAGA Notice; and (b) all PAGA claims that were or reasonably could have been alleged based on facts contained in the First Amended Complaint, the prior Complaint, and the PAGA Notice, or ascertained during the Action, including, but not limited to, under any legal theory that was alleged or that could have been alleged for any failure to pay all wages due (including minimum wage and overtime wages), failure to pay for all hours worked, failure to provide meal or rest periods, failure to timely pay wages and final wages, failure to furnish accurate wage statements (including claims derivative and/or related to these claims), and failure to provide expense reimbursements ("Plaintiff's Release"). This Release shall include all claims and theories arising under the California Labor Code, the Fair Labor Standards Act, California wage orders, and applicable regulations, including California Labor Code sections 201, 201.5, 202, 203, 204, 210, 226, 226.7, 510, 512, 515, 558, 558.1, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1198, 1198.5, 2802, as well as claims under Business and Professions Code section 17200, *et seq.*, and/or California Labor Code section 2698, *et seq.* based on alleged violations of the above Labor Code provisions, as alleged in the Action. Plaintiff's Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, or workers' compensation benefits that arose at any time. Plaintiff acknowledges that he may discover facts or law different from, or in addition to, the facts or law that Plaintiff now knows or believes to be true but agrees, nonetheless, that Plaintiff's Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiff's discovery of them.

5.4 Plaintiff's Waiver of Rights under California Civil Code Section 1542. For purposes of Plaintiff's Release, Plaintiff expressly waives and relinquishes the provisions, rights, and benefits, if any, of section 1542 of the California Civil Code, which reads:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

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

6.1 Plaintiff's Responsibilities. Plaintiff will prepare and deliver to Defense Counsel all documents necessary for obtaining approval of this Settlement under Labor Code section 2699, subdivision (f)(2)) including (i) a draft proposed Approval Order; (ii) a signed declaration from the Administrator attaching its "not to exceed" bid for administering the Settlement and attesting to its willingness to serve; competency; operative procedures for protecting the security of Aggrieved Employee Data; amounts of insurance coverage for any data breach, defalcation of funds or other misfeasance; all facts relevant to any actual or potential conflicts of interest with Aggrieved Employees or the LWDA; and the nature and extent of any financial relationship with Plaintiff, PAGA Counsel or Defense Counsel; (iii) a signed declaration from PAGA Counsel firm attesting to its timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), the First Amended Complaint (Lab. Code, §2699, subd. (l)(1)), this Agreement (Lab. Code, § 2699, subd. (l)(2)); (iv) a redlined version of the parties' Agreement showing all modifications made to the Model Agreement ready for filing with the Court; and (v) all facts relevant to any actual or potential conflict of interest with Aggrieved Employees and/or the Administrator. In their Declarations, Plaintiff and PAGA Counsel shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.

6.2 Responsibilities of Counsel. PAGA Counsel and Defense Counsel are jointly responsible for expeditiously finalizing and filing the application or motion for approval of this Settlement no later than 30 days after the full execution of this Agreement and, if necessary, obtaining a prompt hearing date for the motion and appearing in Court to advocate in favor of the motion. PAGA Counsel is responsible for delivering the Court's Approval Order to the Administrator.

6.3 Duty to Cooperate. If the Parties disagree on any aspect of the proposed application or motion for approval of this Settlement and/or the supporting declarations and documents, PAGA Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to resolve the disagreement.

6.4 Effect of Denial of Settlement Approval. If the Court does not grant the motion for approval of this Settlement or conditions its approval on any material change to this Agreement, the Settlement will be null and void, and the Parties will have no further obligations under it. Provided, however, that the amounts of the PAGA Counsel Fee Payment, PAGA Counsel Litigation Expenses Payment, and Administration Expenses Payment shall be determined by the Court, and the Court's determination of these amounts shall be final and binding. The Court's approval or denial of any amount requested for these items are not

conditions of this Settlement Agreement, are to be considered separate and apart from the fairness, reasonableness, and adequacy of the Settlement, and shall not operate to terminate or cancel this Settlement Agreement. Should the Court decline to approve the material aspects of the Settlement, PAGA Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns to achieve approval of the Settlement. Under no circumstances, however, will Defendant pay more than \$225,000 to resolve this matter; nor will it make material changes that it believes are adverse to its interests in order to procure approval.

7. SETTLEMENT ADMINISTRATION.

7.1 Selection of Administrator. The Parties have jointly selected Simpluris (subject to the conditions specified in Paragraph 1.2 above) to serve as the Administrator and verified that, as a condition of appointment, Simpluris agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Expenses. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.

7.2 Employer Identification Number. The Administrator shall have and use its own Employer Identification Number for purposes of calculating payroll tax withholdings, if any, and providing reports to state and federal tax authorities. But it is noted that no withholding is anticipated, as 100% of the payments shall be allocated to penalties.

7.3 Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation section 468B-1.

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

8. AGGRIEVED EMPLOYEE SIZE ESTIMATES AND ESCALATOR CLAUSE. It was estimated for mediation purposes that there are approximately 136 Aggrieved Employees who worked approximately 4,400 weekly PAGA pay periods between the start of the PAGA Period and mediation. The Settlement is therefore intended to encompass an estimate of 145 Aggrieved Employees who collectively worked a total of 5,020 pay periods during the PAGA Period. If the total number of pay periods conveyed to the Administrator during the PAGA Period are more than 10% greater than the amount stated, then there will be a pro rata increase to the Gross Settlement Amount (e.g., if the number of pay periods increases by 11% to 5,572 pay periods, the Total Settlement Amount will increase by 1%). Alternatively, Defendant may shorten the PAGA Release Period to a date on which no more than 5,020 pay periods were worked by the PAGA Group.

9. CONTINUING JURISDICTION OF THE COURT. The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties, Action and the Settlement solely

for purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters and (iii) addressing such post-Judgment matters as are permitted by law.

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

10. ADDITIONAL PROVISIONS.

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

10.2 Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibit shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party.

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

10.4 Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying the Settlement Agreement, and submitting supplemental evidence or supplementing points and

authorities as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of the Court for resolution.

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

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

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

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

10.9 Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the state of California, without regard to conflict of law principles.

10.10 Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.

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

10.12 Use and Return of PAGA Data. Information provided to PAGA Counsel pursuant to California Evidence Code section 1152, and all copies and summaries of the data provided to PAGA Counsel by Defendant in connection with settlement negotiations or in connection with the Settlement, may be used only with respect to this Settlement, and for no other purpose, and may not be used in any way that violates any existing contractual agreement, court order, 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, Plaintiff 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 PAGA Counsel for the return, rather than the destruction, of the data.

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

10.14 Calendar Days. Unless otherwise noted, all reference to “days” in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.

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

To Plaintiff:

Kane Moon, kmoon@moonlawgroup.com
Allen Feghali, afeghali@moonlawgroup.com
S. Phillip Song, psong@moonlawgroup.com
Morgan Simpson, msimpson@moonlawgroup.com
MOON LAW GROUP, PC
725 S. Figueroa St., Suite 3100
Los Angeles, CA 90017

To Defendant:

Matthew J. Wayne, mwayne@grsm.com
GORDON REES SCULLY MANSUKHANI, LLP
315 Pacific Avenue
San Francisco, CA 94111

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

10.17 Stay of Litigation. The Parties agree that, upon the execution of this Agreement, the Action shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree, upon the signing of this Agreement and pursuant to California Code of Civil Procedure section 583.330, to extend the date to bring a case to trial under California Code of Civil Procedure section 583.310 for the entire period of this settlement process.

Plaintiff Miguel Angel Ortiz Merino

For Defendant Gourmet Mushrooms, Inc.
By:
Its:

Kane Moon, Esq.
Moon Law Group, PC
Counsel for Plaintiff Miguel Angel Ortiz
Merino

Matthew J. Wayne, Esq.
Gordon Rees Scully Mansukhani, LLP
Counsel for Defendant Gourmet Mushrooms,
Inc.