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9 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
10 **FOR THE COUNTY OF LOS ANGELES**

11 EMILY CARTER,

12 Plaintiff,

13 vs.

14 KHRG, LLC, BINH HOANG; and DOES 1
15 to 25, inclusive,
16 Defendants.

Case No.: 24STCV30667

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

Action Filed:
11/20/2024

Date: 3/17/2026
Time: 8:30am
Dept: 31

Res. ID.
022139296423

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

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

I, HAROUT MESSRELIAN, declare and state as follows:

1. I am an attorney duly licensed to practice before all the Courts of the State of California. I am the managing attorney of Messrelian Law Inc. and the attorney of record for Plaintiff Emily Carter ("Plaintiff") in her lawsuit against Defendants KHRG, LLC and Binh Hoang (hereinafter "KHRG" or "Defendants").

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

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

Factual and Procedural Background

1 4. Defendant KHRG, LLC is a limited liability company that owns and operates
2 a restaurant called “Q Sushi”, located at 30770 Russell Ranch Rd., Suite A, in Westlake Village,
3 CA. Plaintiff Emily Carter started working at KHRG on or around September 2021. Plaintiff
4 was classified as an hourly, non-exempt employee. Plaintiff’s employment ended on or around
5 September 21, 2023.

6 5. Plaintiff complied with the procedures of Labor Code § 2699.3 for bringing suit
7 under the Labor Code Private Attorneys General Act of 2004, Labor Code §§ 2698, et seq.
8 (“PAGA”). On or around June 14, 2024 and September 11, 2024, Plaintiff, on behalf of herself
9 and Defendants’ alleged California non-exempt employees, gave written notice by electronic
10 service to the California Labor and Workforce Development Agency (“LWDA”) and via
11 certified mail to Defendants of their claims against Defendants. In her notices to the LWDA,
12 Plaintiff asserted on behalf of herself and the Aggrieved Employees that Defendants, *inter alia*,
13 (1) failed to compensate for all hours worked and to pay minimum wages (Labor Code Sections
14 1194, 1197, 1197.1); (2) failed to pay overtime compensation (Labor Code Section 510); (3)
15 failed to provide rest breaks (Labor Code Section 226.7); (4) failed to provide meal breaks
16 (Labor Code Sections 512, 226.7); (5) failed to timely pay wages due during employment (Labor
17 Code Section 204); (6) failed to provide accurate itemized wage statements (Labor Code Section
18 226); (7) failed to keep accurate and complete payroll records (Labor Code Section
19 1174/1174.5); (8) failed to pay wages at the end of employment (Labor Code section 203); (9)
20 failed to reimburse business expenses (Labor Code section 2800/2802); (10) failed to pay
21 accurate tips (Labor Code Section 351/353); (11) failed to provide proper sick leave (Labor
22 Code Section 233 and 246); and provide suitable seating/rest break facilities (Wage Order no.
23 5-2001). Plaintiff filed her initial lawsuit on November 20, 2024, in the Superior Court for the
24 State of California, County of Los Angeles, Case No. 24STCV30667, with one cause of action
25 for PAGA penalties based on the theories as outlined in the PAGA notice letters.

26 6. Through informal discovery, Defendants produced records and represented that
27 it employed approximately 84 employees falling within Plaintiff’s Aggrieved Employees
28 definition for the period from September 17, 2023 (one year and 65 days before Plaintiff’s
PAGA lawsuit filing date) through December 6, 2025, and that there existed approximately

1 2,400 pay periods for that same time period.

2 7. The "PAGA Period" under the Settlement Agreement is the time period of
3 September 17, 2023 through December 6, 2025.

4 8. Defendants have denied and continue to deny any liability or wrongdoing of any
5 kind whatsoever associated with the lawsuit, Plaintiff's allegations, and the PAGA Claim. It is
6 the desire of the Parties to fully, finally, and forever compromise, and discharge all claims
7 known or unknown related to those alleged in Plaintiff's lawsuit.

8 9. The parties attended a full-day mediation with experienced mediator Kevin
9 Barnes on October 7, 2025, and settled the matter at mediation. Before agreeing to the terms of
10 the Settlement, the Parties engaged in informal discovery regarding Defendants' policies,
11 practices, operations, time and payroll information and other topics. Prior to negotiation,
12 Defendants produced Plaintiff's personnel file, payroll data for Plaintiff, and time records and
13 payroll records for an approximate 20% random sample of alleged aggrieved employees falling
14 within Plaintiff's Aggrieved Employees definition and during the applicable PAGA period.
15 Through extensive arm's length negotiations with the assistance of a private mediator and only
16 after informal discovery and investigation were performed, the Parties agreed to settlement
17 terms. Attached as **Exhibit 1** is a true and accurate copy of the "Stipulation and Agreement for
18 PAGA Representative Action Settlement" (hereinafter "Settlement Agreement") along with the
19 notice that will be sent, with payment, to the Aggrieved Employees covered by the Settlement
20 Agreement. As alluded to above, the Parties negotiated the PAGA claims through arms-length
21 negotiation during a private mediation, and only after sufficient discovery was completed,
22 including sample data being sent to Plaintiff's data expert for analysis/review.

23 10. The Parties conducted investigation of the facts and law both before and after the
24 lawsuit was filed. Counsel for the Parties have further investigated the applicable law as applied
25 to the facts discovered regarding Plaintiff's claims, the defenses thereto, and the Labor Code
26 violations claimed by Plaintiff. Based on Plaintiff's counsel's own independent investigation
27 and evaluation, Plaintiff's counsel is of the opinion that the Settlement for the consideration and
28 on the terms set forth in this Motion are fair, reasonable and adequate and are in the best interests
of Plaintiff and the Aggrieved Employees in light of all known facts and circumstances and the

1 risks inherent in litigation, especially in this post-pandemic era when most California businesses,
2 and especially restaurants, are still struggling to remain afloat due to economic conditions, much
3 less prosper and make a large profit.

4 11. Plaintiff and her counsel also believe that the issues presented in the Action are
5 likely only to be resolved with extensive and costly pretrial and trial proceedings, and that
6 further litigation would likely cause inconvenience, distraction, disruption, delay, and expense
7 disproportionate to the maximum potential benefits, especially in light of the post-pandemic era
8 and the business climate.

9 12. Plaintiff alleges that the strongest claim is that Plaintiff and other Aggrieved
10 Employees were not provided compliant meal and rest breaks under the law, and thus, from
11 Plaintiff and her counsel's perspective, this is predominantly a meal and rest break case.

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

18 14. As it relates to Plaintiff's argument for meal break violations, Plaintiff's data
19 analysis revealed a shift violation rate of 23.7% for short, late, or no meal breaks for shifts that
20 were 6 hours or greater. Based on Plaintiff's analysis, the data revealed that 50.7% of shifts in
21 the sample were 6 hours or greater. As such, based on Plaintiff's analysis, the case involved
22 violations covering 1,217 pay periods [2,401 pay periods x 50.7%]. Notably, based on their data
23 analysis, Defendants contended that Plaintiff's posited facial violation rate was incorrect,
24 overstated by several multiples, and further that the relatively small number of instances of facial
25 noncompliance that did exist were not reflective of or provable as violations in any event.

26 Based on Plaintiff's analysis, while disputed, if one extrapolates the 23.7% shift
27 violation rate, it amounts to 85.8% of pay periods having at least one meal period violation. As
28 such, the maximum exposure for meal period violations in the PAGA period would be **\$52,200**,
which is calculated as follows: 2,401 pay periods x 50.7% equals 1,217 affected pay periods;

1 1,217 pay periods x 85.8% pay period violation rate equals 1,044 pay periods; 1,044 pay periods
2 x \$50/pay period (civil penalty) amounts to \$52,200 in exposure. There are risks, however, to
3 Plaintiff's meal period claims. In addition to Defendants' contentions summarized above,
4 Defendants maintained that to establish a violation for missed meal periods, a plaintiff must do
5 more than show an instance in which a meal period was not taken. Determining by a review of
6 Defendants' time records alone the specific reasons why a meal period may not have been taken,
7 or appeared to be short or late or not, would be a difficult and uncertain challenge in the context
8 of contested litigation.

9 15. As it relates to Plaintiff's argument for rest break violations, Plaintiff used
10 the same meal period violation rate and extrapolated from there. Based on this, Plaintiff applied
11 a rest period shift violation rate of 23.7% for shifts that were 3.5 hours or greater. Plaintiff's
12 data analysis indicated that 96.1% of shifts in the sample were 3.5 hours or greater. As such,
13 according to Plaintiff's analysis, the case involved violations covering 2,308 pay periods [2,401
14 pay periods x 96.1%]. In this context, if one extrapolates the 23.7% shift violation rate, this
15 results in 85.8% of pay periods having at least one rest period violation. This claim, however,
16 was also certainly subject to counter-arguments and proof difficulties. Among them, rest periods
17 were not recorded on employee time records, nor is there any legal requirement to do so. Thus,
18 absent other evidence, evidence substantiating any rest break violations is not readily available.
19 Given this and other factors, Plaintiff estimated there was a 60% chance of success on this claim
20 if it were to proceed in Court. Defendants disputed this claim (and Plaintiff's other claims) on
21 numerous grounds, including contending Defendants provided non-exempt employees with the
22 opportunity to take rest breaks in accordance with California law, and, accordingly, that
23 Plaintiff's rest break claim has no support. Based on these and other considerations, Plaintiff
24 estimated the reasonable, realistic exposure for rest period violations in the PAGA period was
25 \$118,800 (or less), which was calculated as follows: 2,308 pay periods x 85.8% violation rate
26 equals 1,980 affected pay periods; 1,980 pay periods x \$100/pay period (civil penalty) amounts
27 to \$198,000 in maximum exposure, which was multiplied by a 60% chance of success, and thus
28 yields **\$118,800**. As such, based Plaintiff's analysis (which again was heavily contested by

1 Defendants) the maximum exposure for meal and rest period violations in the PAGA period was
2 **\$171,000.**

3 16. With respect to Plaintiff's other claims, and unlike the arguments for meal and
4 rest period violations, there would be further issues and impediments to proof. Regarding
5 potential rounding, the data revealed there was no indication of rounding. Plaintiff concluded
6 that Plaintiff's claim for business expense reimbursement would also likely fail since
7 Defendants provided the aprons that employees needed to wear during work, and the rest of the
8 uniform did not require any type of specialized clothing or attire. In terms of any potential
9 regular rate issue as it relates to overtime or meal/rest period premiums based on bonuses paid,
10 there would be none since the data showed that bonus payments were not made at all. As it
11 relates to straight overtime issues, the data showed that overtime hours were paid correctly when
12 employees did in fact work overtime. In terms of any potential sick leave or failure to pay tips
13 or suitable seating issues, there was no evidence seen of any violations. Furthermore, Plaintiff's
14 other claims are derivative claims under Labor Code sections 203, 204, and 226 for allegedly
15 not being paid all wages during pay periods or at the end of employment, as well as not receiving
16 accurate, itemized wage statements. Thus, these derivative claims were limited or undercut by
17 weaknesses in Plaintiff's primary claims.

18 17. Based on the above calculations, Plaintiff estimated Defendants' aggregate
19 exposure for the strongest claims (which remained heavily disputed) was \$171,000. This
20 maximum exposure also presumed that there would be no PAGA penalty reduction by the Court,
21 based on the penalty amount being unjust, arbitrary, oppressive, or confiscatory, which is
22 commonly found. In view of the above analysis and related factors and considerations, Plaintiff
23 and her counsel believe the gross settlement in the amount of **\$74,000** is a very strong result,
24 especially in light of the risk factors as discussed above.

25 18. Moreover, Plaintiff is aware of no California state courts awarding Plaintiff
26 multiple PAGA penalties for the same violation for the same pay period under different Labor
27 Code provisions. As such, one of the risks Plaintiff faced is that the Court would refuse to
28 "stack" civil penalties arising under the various Labor Code statutes. Furthermore, judges have
awarded extremely small sums to PAGA claimants in the past. Based on this and other

1 discretionary factors pertaining to the aware of penalties, Defendants contended – with
2 significant case support – that even if some measure of violations could be proven (which was
3 disputed) that the facts of this case supported, at best, an award of only minimal penalties. This
4 was in addition to the fact that Defendants disputed all of Plaintiff’s allegations of violations in
5 the operative Complaint.

6 19. The PAGA statute provides that a court has discretion to award a lesser amount
7 than the maximum penalty. *See Lab. Code* § 2699(e)(2) (“...a court may award a lesser amount
8 than the maximum civil penalty amount specified by this part if, based on the facts and
9 circumstances of the particular case, to do otherwise would result in an award that is unjust,
10 arbitrary and oppressive, or confiscatory.”); *see also Thurman v. Bayshore Transit Management,*
11 *Inc.* (2012) 203 Cal.App.4th 1112, 1135 (reducing PAGA award). There is a substantial risk
12 that the Court could reduce civil penalties to an insignificant amount if it was unpersuaded by
13 Plaintiff’s evidence of willful and intentional conduct. *Carrington v. Starbucks* (2018) 30
14 Cal.App.5th 504 (“*Carrington*”) illustrates this. In that case, the Court of Appeal affirmed a trial
15 court’s heavily discounted award of only \$5 per violation because it was within the Court’s
16 discretion to significantly reduce PAGA penalties even when there is a finding that a violation
17 of the California Labor Code occurred. The plaintiff in *Carrington* had requested penalties in
18 excess of \$70 million and was successful in proving the PAGA claim during a bench trial.
19 However, the trial court reduced the total award after trial to only \$150,000 (30,000 violations
20 x \$5) and stated that this reduction was warranted because imposing the maximum penalty
21 would be “unjust, arbitrary, and oppressive”, based on Starbucks’s “good faith attempts” to
22 comply with meal break obligations and because the Court found the violations were minimal.
23 Applying the same formula here and assuming there was one violation during each pay period,
24 the award of civil penalties would not exceed \$12,005 in PAGA penalties (2,401 violations x
25 \$5). Notably, given the nature of the violations present here, coupled with Defendants’ counter-
26 arguments there was a substantial risk of a similar formula being applied. As such, this
27 settlement represents a great result considering the risk the Court could apply the *Carrington*
28 formula or a similar penalty reduction analysis. Thus, the chance of Plaintiff recovering a higher

1 amount than the Gross Settlement Amount was viewed as uncertain at best.

2 20. Plaintiff and her counsel further recognized that the issues presented in the
3 Action were likely only to be resolved with extensive and costly pretrial and trial proceedings,
4 and that further litigation would cause inconvenience, distraction, disruption, delay, and expense
5 disproportionate to the maximum potential benefits to the Aggrieved Employees and Plaintiff
6 from continued litigation.

7 21. Here, the settlement of the Action involves monetary relief now to all Aggrieved
8 Employees, Plaintiff, her attorneys, and the State of California – without subjecting the PAGA
9 Action to further costs, risk, and delay.

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

20 23. As such, the settlement of PAGA penalties in the gross sum of 74,000, of which 75%
21 of the net amount after attorney's fees \$24,664.20, attorney costs of \$10,021.82, and settlement
22 administrator fees \$3,490.00, which is \$26,867.99 will be paid to the LWDA, and 25%, which
23 equates to \$8,955.99, will be distributed to the Aggrieved Employees, is reasonable and
24 appropriate under the circumstances.

25 ***Plaintiff's Individual Settlement***

26 24. Plaintiff did have individual claims that were also settled by the parties. The
27 parties agreed that the consideration Plaintiff received pursuant to an individual settlement
28 agreement was to settle her individual claims. As part of this confidential agreement, Plaintiff
also provided Defendants with a general release of all claims, whether known or unknown,

1 including unknown claims covered by Civil Code Section 1542. Plaintiff has no conflict of
2 interest with the absent Aggrieved Employees and is adequate to represent the Aggrieved
3 Employees.

4 *Attorneys' Fees and Costs*

5 25. I represented Plaintiff on a straight contingency basis. My firm's request for
6 \$24,664.20 [33.33%] in attorney fees and \$10,021.82 in litigation costs is fair and reasonable.
7 To date, I have investigated and prosecuted this matter vigorously, including drafting the initial
8 PAGA notices as well as the original complaint; reviewing Defendants' informal data and
9 document production; sending and receiving emails on the case with defense counsel; sending
10 the PAGA data to Plaintiff's expert for review/analysis and reviewing the expert's
11 findings/conclusions; preparing for mediation, including providing material and arguments to
12 the mediator; engaging in a private mediation; and drafting this PAGA approval motion. I also
13 expect to perform additional work on this case if the Court grants final approval of the
14 Settlement, including supervision of the Settlement Administrator's disbursement of the
15 settlement funds to the Aggrieved Employees. "Empirical studies show that, regardless of
16 whether the percentage method or the lodestar method is used, fee awards in class actions
17 average around one-third of the recovery. *Chavez v. Netflix, Inc.* (2008) 162 Cal.App.4th 43, 47
18 fn. 11 (quoting *Shaw v. Toshiba America Information Systems, Inc.* (E.D. Tex. 2000) 91
19 F.Supp.2d 942, 972; *See also Lafitte v. Robert Half Int'l Inc.* (Cal. Aug. 11, 2016) 1 Cal.5th 480,
20 503, 376 P.3d 672, 686 (holding that courts can use the percentage method for the calculation
21 of attorneys' fees). This is also consistent with my experience in cases involving PAGA claims.
22 This award is justified here because I achieved a strong result for the Aggrieved Employees and
23 the State while bearing the substantial burdens of contingency representation.

24 26. My previous experience in litigating wage and hour actions also supports the
25 reasonableness of the fee request, as does the caliber of opposing counsel. My previous
26 experience in similar matters was integral in evaluating the strengths and weaknesses of the
27 case against Defendants and the reasonableness of the Settlement. Because it is reasonable to
28 compensate me commensurate with my skill, reputation, and experience, attorney's fees of

1 approximately 1/3 of the Gross Settlement Amount is reasonable. Likewise, the caliber and
2 experience of opposing counsel in labor and employment litigation supports the fairness and
3 reasonableness of the requested fee award.

4 27. The litigation costs expended to aid in the representation of the Aggrieved
5 Employees include the following: lawsuit filing fee of \$458.72; PAGA initial filing fees of
6 \$75.00; expert data analysis fee of \$1,200.00; mediation fee of \$8,000.00; and miscellaneous
7 filing fees of \$288.10 for a total of \$10,021.82. All of these costs are documented and reasonably
8 incurred.

9 *Settlement Administration Costs*

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

14 *Notice of Settlement to the LWDA*

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

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

23 Executed on February 10, 2026, at Glendale, California.

24
25 
26 _____
27 HAROUT MESSRELIAN,
28 Declarant

EXHIBIT 1

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7 on behalf of herself and other similarly situated
8 aggrieved employees

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18 Attorneys for Defendants

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SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF LOS ANGELES

EMILY CARTER ,

Plaintiff,

vs.

KHRG, LLC, BINH HOANG; and DOES 1 to
25, inclusive,

Defendants.

Case No.: 24STCV30667 (PAGA Representative
Action)

**STIPULATION AND AGREEMENT FOR
PAGA REPRESENTATIVE ACTION
SETTLEMENT**

Judge: The Honorable Kerry Bensinger
Dept.: 31

Complaint filed: November 20, 2024
Trial date: Not Set

1 This Stipulation and Agreement for PAGA Action Settlement (the "Agreement") is made
2 and entered into by and between Plaintiff Emily Carter ("Plaintiff") and Defendants KHRG, LLC
3 dba Q Sushi (the "Company" or "Q Sushi") and Binh Hoang, an individual (collectively
4 "Defendants"). The Parties agree that the above-entitled individual and representative action shall
5 be settled on the terms and conditions set forth in this Agreement, subject to the approval of the
6 Court pursuant to Labor Code section 2699, et seq., the California Private Attorneys General Act of
7 2004 ("PAGA").

8 **DEFINITIONS**

9 The following terms have the following definitions as used herein:

10 1. **"Action"** means and refers to the above-captioned action, *Emily Carter v. KHRG,*
11 *LLC, et al.*, Case No. 24STCV30667, which is currently pending in Los Angeles County Superior
12 Court.

13 2. **"Aggrieved Employees"** means all non-exempt employees who were employed or
14 were alleged to have been employed by Defendants, in the State of California, at any time from
15 September 17, 2023 through December 6, 2025.

16 3. The terms **"Agreement," "Settlement,"** and **"Settlement Agreement"** mean this
17 Stipulation and Agreement for PAGA Representative Action Settlement.

18 4. **"Court"** means the Superior Court of the State of California in and for the County
19 of Los Angeles.

20 5. **"Defendants"** means the defendants in the Action, KHRG, LLC dba Q Sushi and
21 Binh Hoang, an individual.

22 6. **"Effective Date"** means the date when all of the following have occurred:

- 23 a) This Agreement has been signed by the parties hereto, PAGA Counsel, and Defendants'
24 Counsel;
25 b) The Court has unconditionally and finally approved the Settlement;
26 c) The Court has entered and filed the Final Order and Judgment in accordance with the
27 terms herein; and
28

1 d) The Judgment is final. Under this Settlement, if no objection or challenge to the
2 Settlement is made or pending in the Superior Court, the Judgment is final as of the day
3 the Court enters Judgment. If there is an objection, request for review, writ, or other
4 challenge to the Settlement, the Effective Date shall occur sixty-five (65) calendar days
5 after the date the Court enters the Final Order and Judgment to the Settlement if no
6 appeal, request for review, writ, or other challenge is pending regarding the Settlement.
7 If an appeal, request for review, writ, or other challenge is filed or pending regarding the
8 Settlement, the Effective Date will not occur and no amounts will be payable until all
9 appeals, requests for review, writs, or other pending challenges have lapsed or have been
10 favorably resolved in favor of the Settlement and no other appeal, review request, writ
11 or other appellate court review is possible.

12 7. **“Final Order and Judgment”** means the order granting approval of the Settlement
13 and entering Judgment by the Court, in the form as attached to this Agreement as **Exhibit A**.

14 8. **“Gross Settlement Amount”** or **“GSA”** means a maximum total of **\$74,000.00**,
15 which includes all amounts owed and to be paid by Defendant KHRG, LLC under this Agreement,
16 including, without limitation: the Net Settlement Amount; Settlement Administrator costs; and
17 PAGA Counsel’s attorneys’ fees and costs as awarded by the Court.

18 9. **“Individual PAGA Payment”** means an individual employee’s pro rata share of the
19 PAGA Aggrieved Employee Payment.

20 10. **“LWDA Payment”** means the payment to the California Labor Workforce and
21 Development Agency in an amount equal to 75% of the Net Settlement Amount.

22 11. **“Net Settlement Amount”** mean the Gross Settlement Amount minus all of the
23 following: PAGA Counsel’s attorneys’ fees and costs, and Settlement Administrator costs. It is
24 comprised of and shall be used to fund the LWDA Payment and the PAGA Aggrieved Employee
25 Payment.

26 12. **“PAGA”** means the California Labor Code Private Attorneys General Act of 2004,
27 Cal. Lab. Code sections 2698 *et seq.*, as amended.

1 13. **“PAGA Aggrieved Employee Payment”** means a payment of 25% of the Net
2 Settlement Amount, which shall be distributed among and paid to the Aggrieved Employees out of
3 the Gross Settlement Amount as part of this settlement of the PAGA Claim.

4 14. **“PAGA Claim”** means Representative Plaintiff’s individual claim and
5 representative claim on behalf of the Aggrieved Employees for civil penalties under PAGA, as
6 alleged in the Action and in Representative Plaintiff’s PAGA notice letters sent to the Labor and
7 Workforce Development Agency, dated June 14, 2024 and September 11, 2024.

8 15. **“PAGA Counsel”** means the law firm of Messrelian Law, Inc., including its attorney
9 Harout Messrelian.

10 16. **“PAGA Period”** means September 17, 2023 through December 6, 2025.

11 17. **“Parties”** means Plaintiff and Representative Plaintiff Emily Carter and Defendants
12 KHRG, LLC dba Q Sushi and Binh Hoang.

13 18. **“Released PAGA Claims”** means any and all claims, demands, rights, liabilities,
14 debts, primary rights, claims for relief, and causes of action for PAGA penalties during the PAGA
15 Period arising out of or relating to the employment of Plaintiff or the Aggrieved Employees that:
16 1) are alleged, were alleged, or could have been alleged in the complaint(s) in the Action (including
17 any previously filed complaints in the Action) or any PAGA notice letter; or 2) arise out of, are
18 comprised of, and/or are related to the facts, matters, transactions or occurrences alleged in the
19 complaint in the Action or any PAGA notice letter. This includes, without limitation, claims and
20 allegations made pursuant to PAGA for claims against Defendants for: failure to pay for all hours
21 worked and all wages due, including, without limit, minimum wages or overtime wages; failure to
22 provide meal periods (or pay premium pay); failure to provide rest breaks (or pay premium pay);
23 failure to timely pay all wages owed during employment and/or waiting time penalties to former
24 employees; failure to provide complete and accurate itemized wage statements; failure to indemnify
25 or reimburse for necessary business expenses; failure to pay employee earned tip wages; failure to
26 provide sick leave or written notice of sick leave available; failure to pay all wages owed to
27 discharged and quitting employees; failure to keep or maintain required records; failure to provide

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1 suitable seating and/or rest break facilities; and for any violations of California Labor Code sections,
2 including sections 201-203, 204, 204b, 210, 226, 226.3, 226.7, 233, 246, 351, 353, 510, 512, 558,
3 1174, 1174.5, 1194, 1197, 1197.1, 1198, 2800, 2802, 2698 *et seq.*, the applicable IWC Wage Order
4 provisions; and primary and statutory rights alleged in Plaintiff's operative complaint in the Action
5 and in Plaintiff's PAGA notice letters dated June 14, 2024 and September 11, 2024, and referenced
6 in Plaintiff's complaint at paragraph 23.

7 19. **"Released Parties"** means Defendant KHRG, LLC dba Q Sushi, and Defendant
8 Binh Hoang, and Q Sushi's current and former subsidiaries, parents, predecessors, successors,
9 assigns, and Q Sushi's current and former owners, investors, shareholders, members, partners,
10 officers, directors, managers, employees, supervisors, agents, attorneys, insurers, and
11 representatives.

12 20. **"Representative Plaintiff"** or **"Plaintiff"** means Plaintiff Emily Carter.

13 21. **"Settlement Administrator"** shall mean Apex Class Action Administration, or such
14 other neutral third-party administrator agreed to by the Parties, subject to approval by the Court.

15 **RECITALS**

16 22. Plaintiff alleges that, on or about June 14, 2024 and September 11, 2024, Plaintiff
17 and PAGA Counsel sent PAGA notice and administrative exhaustion letters to the Labor and
18 Workforce Development Agency ("LWDA"), with a copy to Defendant, and such letters and
19 notification to the LWDA are alleged at paragraph 23 of Plaintiff's complaint in the Action.

20 23. On or about November 20, 2024, Plaintiff filed Plaintiff's PAGA Complaint in Los
21 Angeles County Superior Court, in a case entitled *Emily Carter v. KHRG, LLC, et al.*, Case No.
22 24STCV30667, and the case is now pending in Los Angeles County Superior Court.

23 24. The Action alleges a PAGA claim for civil penalties and seeks an award of
24 reasonable attorneys' fees and costs.

25 25. The Parties have conducted a thorough investigation into the facts of the Action and
26 various related matters and Defendants have provided extensive data and information, as well as
27 pertinent documents, relating to the underlying alleged violations. On October 7, 2025, the Parties
28

1 attended a full-day mediation with mediator Kevin Barnes, and participated in subsequent ongoing
2 settlement discussions and negotiations. In connection with this, the Parties reached the present
3 Settlement. The Parties understand, acknowledge, and agree that this Settlement constitutes a
4 compromise of the present PAGA Claim, and that it is the desire and intention of the Parties to effect
5 a final and complete resolution of the PAGA Claim.

6 26. The Parties enter into this Settlement Agreement on a conditional basis with the
7 understanding that Court approval of the Settlement is necessary. In the event the Court does not
8 enter a Final Order and Judgment as set forth in this Settlement Agreement, this Settlement
9 Agreement will be deemed null and void ab initio and will be of no force or effect whatsoever, and
10 will not be referred to or utilized for any purpose whatsoever, including as an admission of anything,
11 or as a waiver of any objections, arguments, or positions in connection with the Action.

12 27. Defendants dispute and deny all of the claims in the Action, and do not waive, but
13 rather expressly reserve, all rights to challenge all such claims and allegations upon all legal,
14 procedural, and factual grounds should this Settlement Agreement not become effective or final.
15 Defendants dispute and deny any and all liability, violations, or other improper conduct in
16 connection with the Action, and maintain that Defendants have at all times complied with all
17 relevant laws and obligations and have not engaged in any illegal or otherwise actionable conduct
18 with respect to Plaintiff or any other allegedly aggrieved employees, and further dispute that
19 Defendant Hoang is a proper defendant in this Action. Defendants have entered into this Settlement
20 Agreement to resolve the dispute or disputes that have arisen with Plaintiff (including, without limit,
21 the Action), and to avoid the burden and expense of litigation.

22 28. The Parties stipulate and agree to the following terms of this Settlement Agreement
23 with the intent that this Agreement finally disposes of the Action.

24 **TERMS AND CONDITIONS**

25 29. **Settlement Payments and Calculation of Claims.** Subject to final Court approval
26 and the conditions specified in this Agreement, and in consideration of the mutual covenants and
27 promises set forth in this Agreement, Defendant KHRG, LLC shall pay the Gross Settlement
28

1 Amount of Seventy-Four Thousand Dollars and No Cents (\$74,000). The following table sets forth
2 the allocation and distribution of the Gross Settlement Amount as provided for and proposed under
3 the Settlement:

- 4 • PAGA Counsel reasonable attorneys' fees not to exceed **\$24,664.20**
5 **(33.33% of GSA).**
- 6 • PAGA Counsel costs not to exceed **\$10,021.82**
- 7 • Settlement Administration Costs, not to exceed **\$3,490.**
- 8 • **\$35,823.98** for the Net Settlement Amount (*i.e.* the total of the LWDA
9 Payment and PAGA Aggrieved Employee Payment, to be distributed to the
10 LWDA and Aggrieved Employees)
 - **\$26,867.99** for the LWDA Payment ($\$35,823.98 \times 75\% = 26,867.99$)
 - **\$8,955.99** for the PAGA Aggrieved Employee Payment ($\$35,823.98$
 $\times 25\% = \$8,955.99$)

11 30. **Apportionment of Gross Settlement Amount.** Subject to Court approval and the
12 conditions specified in this Agreement, the Gross Settlement Amount shall be apportioned as
13 follows:

14 a. **Settlement Administration Fees And Costs:** The fees and costs associated
15 with settlement administration (*e.g.*, preparing and mailing payments to the Aggrieved Employees,
16 tax documentation, etc.) (the "Settlement Administration Costs") shall be paid from the Gross
17 Settlement Amount and are estimated not to exceed **\$3,490.**

18 b. **PAGA Counsel's Attorneys' Fees And Costs:** PAGA Counsel's attorneys'
19 fees and costs shall be paid from the Gross Settlement Amount.

- 20 ○ PAGA Counsel shall be paid from the Gross Settlement Amount an amount
21 that is up to 33.33% of the Gross Settlement Amount for reasonable
22 attorneys' fees (*i.e.* **\$24,664.20**), plus actual, reasonable documented
23 litigation costs not to exceed \$10,021.82.
- 24 ○ The Court's ruling concerning PAGA Counsel's application for attorney fees
25 and costs (whether awarded as requested or altered at the discretion of the
26 Court) shall not affect the enforceability of this Agreement, or the ability of
27 the Court to otherwise approve the Settlement. Any amount requested, but
28

1 not awarded by the Court, shall be included with the Net Settlement Amount
2 and be distributed to the LWDA and Aggrieved Employees as provided
3 herein.

4 c. Net Settlement Amount: After deducting Court approved PAGA Counsel
5 attorneys' fees and costs, and settlement administration costs from the Gross Settlement Amount,
6 the remaining amount will comprise the Net Settlement Amount. The Net Settlement Amount is
7 comprised of the LWDA Payment and the PAGA Aggrieved Employee Payment. The Net
8 Settlement Amount of approximately **\$35,823.98** shall be allocated 75% to the LWDA Payment,
9 which is estimated to total **\$26,867.99** ($\$35,823.98 \times 75\% = 26,867.99$). The remaining 25% of the
10 Net Settlement Amount, estimated to total **\$8,955.99** ($\$35,823.98 \times 25\% = \$8,955.99$), shall be
11 allocated to the PAGA Aggrieved Employee Payment and shall be paid to the Aggrieved Employees
12 on a *pro rata* basis as noted below, which shall be referred to as each Aggrieved Employee's
13 "Individual PAGA Payment."

14 Example:¹

15 Aggrieved Employee A was actively employed during the PAGA Period for 25 pay
16 periods. All Aggrieved Employees were actively employed a combined total of 1,000 pay periods
17 during the PAGA Period. Aggrieved Employee A's Individual PAGA Payment would be
18 calculated as follows:

- 19 ➤ 25 pay periods for Aggrieved Employee A ÷ 1,000 total pay periods for all Aggrieved
20 Employees = 0.025%.
- 21 ➤ Aggrieved Employee A is entitled to an Individual PAGA Payment in an amount that
22 is 0.025% of the PAGA Aggrieved Employee Payment.

23 d. Taxes and Reporting: The Individual PAGA Payments will be treated as non-
24 wage income to the Aggrieved Employees and reported by the Settlement Administrator on IRS
25 Form 1099. Any payment to PAGA Counsel for attorney fees and costs will be treated and reported
26 by the Settlement Administrator as IRS Form 1099 income to PAGA Counsel.

27
28 ¹ Example provided for illustrative purposes only and does not reflect an actual payment.

1 31. **Pay Period Estimate / Escalator Clause.** Based on its records, the Company
2 estimated that, as of the date of the 10/7/25 mediation, the Aggrieved Employees worked
3 approximately 2,315 pay periods from September 17, 2023 through the October 7, 2025 mediation
4 date and this estimate served as a basis for the Settlement. If the number of actual pay periods for
5 the Aggrieved Employees during such period exceeds 2,315 by more than ten percent (10%) (*i.e.*
6 are greater than 2,547), then the Gross Settlement Amount will increase proportionately according
7 to the number of additional pay periods over the ten percent (10%) increase.

8 32. **Release By Aggrieved Employees, State of California, and PAGA Counsel.**

9 a. **Terms Of Release:** In exchange for the consideration recited in this
10 Settlement Agreement, Representative Plaintiff, on behalf of herself for purposes of her individual
11 PAGA claim and as the representative for the State of California and all Aggrieved Employees, as
12 well as each of their respective current, former, and future heirs, executors, administrators,
13 attorneys, agents, and assigns, fully, finally, and forever releases, relinquishes, settles, and
14 discharges all Released PAGA Claims against the Released Parties, including for all civil penalties
15 under PAGA. The Aggrieved Employees and the State of California are deemed by operation of
16 the Final Order and Judgment to have agreed not to sue or otherwise make a claim against any of
17 the Released Parties for any Released PAGA Claims.

18 b. **No Opt-Outs.** Aggrieved Employees and the State of California shall have
19 no right to opt out of this Settlement, either in whole or in part.

20 c. **No Claims Based On Stipulation And Agreement.** No Aggrieved Employee
21 will have any claim against any of the Released Parties, Defendants' counsel, the Representative
22 Plaintiff, or PAGA Counsel, based on any Settlement Administrator error or omission in
23 administering the Settlement, including performing the mailing and skip-tracing requirements of
24 the Settlement Administrator under this Agreement.

25 d. **Release by PAGA Counsel.** PAGA Counsel releases on behalf PAGA
26 Counsel, and their present and former attorneys, employees, principals, agents, successors and
27 assigns, Defendants and each of the Released Parties from all claims for attorney fees and costs
28

1 incurred relating to the Action and the PAGA Period as provided under any complaint in the
2 Action and all PAGA notices in the Action.

3 e. No Other Actions or Claims. By executing this Agreement, Representative
4 Plaintiff represents, warrants, and confirms that Representative Plaintiff has no other filed or
5 unfiled individual or representative claim or charge of any type (whether class, collective, PAGA,
6 or otherwise) against Defendants or the Released Parties. Representative Plaintiff hereby
7 represents, warrants, and agrees she will not serve as a PAGA representative or class
8 representative in, or participate in, any further claim against Defendants based upon any action,
9 event, or occurrence prior to the date she signs this Settlement Agreement.

10 33. Request For Final Order And Judgment.

11 a. Upon execution of this Agreement, Representative Plaintiff shall promptly
12 file a motion or application with the Court requesting approval of this Settlement which shall
13 include submitting the proposed Final Order and Judgment attached hereto as **Exhibit A**.

14 b. On the date Representative Plaintiff files the motion or application
15 discussed in this paragraph, Representative Plaintiff and PAGA Counsel will also provide notice
16 and advise the LWDA of the Settlement in accordance with PAGA, including, without limit,
17 submitting to the LWDA a notice of the Settlement and enclosing a copy of the Settlement
18 Agreement. Plaintiff's notice and advisement of the Settlement to the LWDA shall also otherwise
19 comply with the notice / settlement requirements of PAGA or orders by the Court.

20 34. No Right to Opt Out / Waiver of Appeal. Representative Plaintiff, Aggrieved
21 Employees, and the State of California shall have no right to opt out of this Settlement, either in
22 whole or in part. Any Aggrieved Employee who does not object to the Settlement waives any and
23 all rights to appeal from or challenge the Final Order and Judgment, including all rights to any
24 post-judgment proceeding and appellate proceeding such as a motion to vacate the judgment,
25 motion for new trial, and extraordinary writs. This waiver does not include a waiver of the right to
26 oppose any appeals, appellate proceedings, or post-judgment proceedings, if any.

1 35. **Settlement Funding and Payment Date.**

2 a. On or before 7 days after the Effective Date, the Settlement Administrator
3 shall send the Company's counsel instructions for Defendant to fund and pay the Gross Settlement
4 Amount either by electronic wire or check payment, as Defendant may elect.

5 b. On or before 14 days after the Effective Date, Defendant shall pay the Gross
6 Settlement Amount in accordance with the Settlement Administrator payment instructions.

7 c. On or before 7 days after Defendant's payment of the Gross Settlement
8 Amount, the Settlement Administrator shall issue the payments provided by this Agreement.

9 36. **PAGA List.**

10 a. On or before 14 days after the Effective Date, the Company will provide a
11 PAGA List to the Settlement Administrator which will based on the Company's records identifying
12 the Aggrieved Employees by name, social security number, and last known home address, and
13 identify the number of pay periods worked by each Aggrieved Employee during the PAGA Period.
14 ("PAGA List"). In observance of and to protect the privacy interests of Aggrieved Employees, the
15 Settlement Administrator shall preserve and maintain the confidentiality of the PAGA List provided
16 by Defendant and the PAGA List shall not be disclosed to any other person or party unless
17 authorized in writing by Defendants' counsel

18 37. **Individual PAGA Payments To Aggrieved Employees.**

19 a. On or before 7 days after Defendant's payment of the Gross Settlement
20 Amount, the Settlement Administrator will mail to each Aggrieved Employee, via first-class United
21 States Mail, the following: (a) the PAGA Settlement Notice in English and Spanish, attached as
22 **Exhibit B** to this Agreement; and (b) their Individual PAGA Payment check (collectively, the
23 "PAGA Packet"). The amount of such payment will be calculated as provided above and paid from
24 the PAGA Aggrieved Employee Payment.

25 b. Prior to mailing, the Settlement Administrator will update all addresses using
26 the National Change of Address System (NCOA). In the event that a PAGA Packet is returned to
27 the Settlement Administrator with a forwarding address, the Settlement Administrator will re-send
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1 the PAGA Packet to the forwarding address identified. If no forwarding address is provided, then
2 the Settlement Administrator will promptly conduct a "standard search," sometimes called a "skip
3 trace," to locate a better address. If a better address is found, the Settlement Administrator will
4 promptly re-send the PAGA Packet to such better address. If a better address is not found or the
5 PAGA Packet is ultimately returned without a forwarding address, neither the Settlement
6 Administrator, Defendants, Defendants' counsel, Plaintiff, or PAGA Counsel shall be required to
7 take further action.

8 c. Aggrieved Employees shall have 180 calendar days after the date the PAGA
9 Packet is mailed to them to cash their settlement payment checks. If any Aggrieved Employee's
10 check is not cashed within that period, the settlement payment check will be voided and a stop-
11 payment will be issued. Neither Defendants, Defendants' counsel, Plaintiff, nor PAGA Counsel
12 shall have any liability for lost or stolen settlement payment checks, forged signatures on settlement
13 payment checks, unauthorized negotiation of settlement payment checks, or failure to timely cash a
14 settlement payment check within the 180 day period.

15 d. Any unpaid cash residue or unclaimed Aggrieved Employee funds, plus any
16 accrued interest that has not otherwise been distributed pursuant to order of the Court, shall be
17 transmitted to the California State Controller's office Unclaimed Property Fund in the name of the
18 Aggrieved Employee.

19 38. **Payments Of Attorneys' Fees And Costs, And The LWDA Settlement Payment.**

20 On or before 7 days after the Company's payment of the Gross Settlement
21 Amount:

22 a. The Settlement Administrator will pay from the Gross Settlement Amount to
23 PAGA Counsel the Court-approved attorneys' fees and costs award. Such payment is conditional
24 upon PAGA Counsel providing the Settlement Administrator with a completed Form W-9.

25 b. The Settlement Administrator will pay the LWDA Payment from the Net
26 Settlement Amount by issuing a check in the amount approved by the Court for such LWDA
27 Payment, payable to the "California Labor Workforce and Development Agency."
28

1 39. **Deadlines.**

2 If any deadline specified in this Agreement falls on a Saturday, Sunday, or Court holiday,
3 such deadline will be automatically extended to the next regular business day. Unless specified
4 otherwise, all references to “days” shall mean calendar days.

5 40. **Enforcement And Continuing Jurisdiction Of The Court.**

6 Pursuant to the Parties’ agreement, this Settlement Agreement shall be approved by the
7 Court and is enforceable by the Court pursuant to California Code of Civil Procedure section 664.6.
8 Following entry of the Final Order and Judgment, this Court will have and retain continuing
9 jurisdiction over the Action and over the Parties and the Aggrieved Employees, to the fullest extent
10 necessary and in conformance with applicable law to enforce and effectuate the terms and intent of
11 this Settlement Agreement and the matters provided for in it.

12 41. **Mutual Full Cooperation.**

13 The Parties shall cooperate with each other in accordance with the terms of this Settlement
14 Agreement.

15 42. **Non-Admission of Liability.**

16 Defendants have entered into this Agreement to resolve the dispute that has arisen in
17 connection with the Action and to avoid the burden, expense and risk of continued litigation. In
18 entering into this Agreement, Defendants do not admit, and specifically deny and dispute, that
19 Defendants have violated any federal, state, or local law; violated any regulations or guidelines
20 promulgated pursuant to any statute or any other applicable laws, regulations or legal requirements;
21 violated or breached any duty; engaged in any misrepresentation or deception; or engaged in any
22 other unlawful conduct with respect to the Action. Defendants dispute and deny that Plaintiff’s
23 Action is suitable for representative action treatment. Neither this Agreement, nor any of its terms
24 or provisions, nor any of the negotiations connected with it, shall be construed as an admission or
25 concession by Defendants with respect to any allegation of Plaintiff, with respect to any alleged
26 violations or failures to comply with any applicable law, or as an admission or concession in any
27 other respect. Except as necessary in a proceeding to enforce the terms of this Agreement, this
28

1 Agreement and its terms and provisions shall not be offered or received as evidence in any action
2 or proceeding for any purpose, including, without limitation, to establish any liability or admission
3 on the part of Defendants, to establish or support any contention, or to establish or support the
4 existence of any condition constituting a violation of, or a non-compliance with, federal, state, local
5 or other applicable law.

6 43. **Effective Date of Defendant Obligations Under This Agreement.**

7 Defendants' obligations under this Settlement Agreement will become effective only upon
8 the occurrence of the Effective Date. In the event that any of the conditions specified in this
9 Settlement Agreement are not satisfied, or in the event that this Settlement does not obtain approval
10 of the Court for any reason, all matters covered by this Agreement will be null and void. In such
11 event, this Agreement will be void and of no effect, and neither this Agreement nor any negotiations
12 leading to this Settlement will be used or construed by or against any Party as a determination,
13 admission, or concession of any issue of law or fact in the litigation; and the Parties do not waive,
14 and instead expressly reserve, their respective rights regarding the prosecution and defense of the
15 Action in all respects, including all available defenses and affirmative defenses, and to challenge
16 any claim, as if this Settlement Agreement never existed. Further, in the event this Settlement
17 Agreement does not become effective for any reason, the Parties shall be restored to their respective
18 positions as of the date this Settlement Agreement was first signed by a party hereto.

19 44. **Binding Effect of Agreement On Representative Plaintiff and Aggrieved**
20 **Employees.**

21 Upon executing this Agreement, Representative Plaintiff shall be bound by all of the terms
22 herein, and upon the Effective Date, all Aggrieved Employees shall be bound by and subject to this
23 Agreement, including, without limit, the release of claims provided for herein.

24 45. **Stay of Litigation Activity.**

25 Besides the Parties' efforts to effectuate the Settlement as provided herein, litigation
26 activity shall otherwise cease during the period the Parties seek to effectuate this Settlement.

1 46. **Nullification.**

2 If: (1) the Court should for any reason fail to enter the Final Order and Judgment; or (2) the
3 Court's Final Order and Judgment is reversed or modified, or declared or rendered void, then (a) the
4 Settlement Agreement shall become null and void; and (b) the Parties will revert to their respective
5 positions as of the date this Settlement Agreement was first signed by a party hereto.

6 47. **Invalidation.**

7 Invalidation of any material term of this Settlement Agreement will invalidate this
8 Agreement in its entirety unless the Parties subsequently agree in writing that the remaining
9 provisions will remain in full force and effect.

10 48. **No Publicity.**

11 Plaintiff and her counsel agree that the terms of this Settlement Agreement (including, but
12 not limited to, the Gross Settlement Amount), the negotiations leading to the execution of this
13 Settlement Agreement, and the Settlement Agreement itself, shall not be discussed with or
14 publicized or promoted to the media. Plaintiff or her counsel shall not issue any press release
15 concerning the Action or this Settlement, respond to any press inquiry, or have any communication
16 with the press about this case and/or the fact, amount, or terms of this Settlement, nor shall Plaintiff
17 or Plaintiff's counsel publish any internet or website posting or content identifying, mentioning, or
18 discussing Defendants or their management personnel. Notwithstanding the foregoing, Plaintiff and
19 counsel (1) may tell the public in general only that certain claims "have been resolved by the
20 Parties," and (2) may disclose the terms of the Settlement Agreement (a) in appropriate filings with
21 the Court in this case; (b) where required by law (e.g., income tax returns, etc.); and (c) to
22 accountants or other tax professionals for the purpose of preparing tax returns.

23 49. **Representative Plaintiff Representation and Warranty Re: No Other Action or**
24 **Assignment of Claims.**

25 Representative Plaintiff hereby warrants and represents that she has not filed any complaint,
26 lawsuit, grievance, demand for arbitration, charge, and/or any other claim against Defendants or the
27 Released Parties with any court, governmental or administrative agency or any other entity asserting
28

1 any claim or claims released herein. Representative Plaintiff represents and warrants that there has
2 been no assignment or other transfer, whether in whole or in part, of any interest in any claim that
3 Representative Plaintiff may have against Defendants or the Released Parties. Representative
4 Plaintiff agrees to indemnify and hold Defendants and the Released Parties harmless from any
5 liabilities, claims, demands, damages, costs, expenses, and attorneys' fees incurred by Defendants
6 or the Released Parties as a result of any such assignment or transfer as described herein.

7 50. **Non-Disparagement.**

8 To the fullest extent permitted by law, Representative Plaintiff agrees not to disparage or
9 publish or disseminate information (nor encourage or solicit the disparagement or the dissemination
10 of such information), whether oral or written, that is derogatory in any manner or which may be
11 harmful to Defendants' reputation, whether such information was acquired before, during, or after
12 Representative Plaintiff's employment.

13 51. **Entire Agreement.**

14 This Agreement contains the entire agreement between the Parties and may not be altered,
15 amended, or modified in any respect, except by a writing duly executed by the Parties hereto. All
16 other prior agreements and understandings, representations, oral agreements, and writings
17 concerning the Action, this Agreement, or this settlement as provided herein are expressly
18 superseded hereby and are of no further force or effect. For clarity and avoidance of doubt, any prior
19 agreement to arbitrate involving Plaintiff and any Defendant is not superseded and remains in full
20 force and effect.

21 52. **Authorization To Act.**

22 The Parties hereto warrant and represent that they are authorized to negotiate and agree to
23 this Settlement as provided herein and to take all appropriate action required or permitted to be taken
24 by such parties pursuant to this Settlement and to otherwise effectuate its terms.

25 53. **Modification Only In Writing.**

26 This Settlement Agreement may be amended or modified only by a written instrument signed
27 by all Parties hereto or their successors in interest.

1 54. **Binding On Successors.**

2 This Settlement Agreement is binding upon and will inure to the benefit of the Parties to this
3 Agreement, as well as their assigns and successors in interest.

4 55. **No Prior Assignments.**

5 The Aggrieved Employees are deemed by operation of the Final Order and Judgment to
6 represent, covenant, and warrant that they have not directly or indirectly assigned, transferred,
7 encumbered, or purported to assign, transfer, or encumber to any person or entity any portion of any
8 liability, claim, demand, cause of action, or rights released and discharged by this Agreement.

9 56. **Governing Law.**

10 All terms of this Settlement Agreement will be governed by and interpreted according to the
11 laws of the State of California, without giving effect to conflict of laws principles.

12
13 57. **Counterparts.**

14 This Settlement Agreement may be executed in one or more counterparts, including by the
15 use of electronic signatures or signatures transmitted by facsimile machine. All executed
16 counterparts and each of them will be deemed to be one and the same instrument. Counsel for the
17 Parties will exchange among themselves any signed counterparts.

18 58. **Exhibits.**

19 This Settlement Agreement includes the attached exhibits.

20 59. **Construction Of This Agreement.**

21 The Parties have reached this Settlement Agreement through arms-length negotiations. This
22 Agreement has been drafted and agreed to jointly by the parties hereto. Hence, for purposes of any
23 construction or interpretation of this Settlement Agreement, the Settlement Agreement shall not be
24 construed against either party as the principal drafter of the Settlement Agreement.

25 60. **Corporate Signatories.**

26 Any person executing this Settlement Agreement or any related document on behalf of a
27 corporate signatory warrants and represents for the benefit of all Parties that such person has been
28

1 duly authorized by such corporation to execute this Settlement Agreement or any related document.

2 61. **No Tax Advice.**

3 Nothing contained herein constitutes legal advice regarding the taxability or tax
4 consequences of any amounts paid in connection with the Settlement, nor should anything contained
5 herein be relied upon as such, and PAGA Counsel and Defendants' counsel are not providing
6 representation or advice regarding taxes or any withholding matters in connection with this
7 Settlement, either to Plaintiff or Defendants.

8 62. **Representation By Counsel.**

9 The Parties acknowledge and agree that each has been represented by counsel and each has
10 been given the opportunity to consult counsel regarding the contents of this Settlement Agreement,
11 and that each has sought the advice of counsel to the extent each Party believes is necessary to do
12 so prior to entering into this Settlement Agreement.

13 63. **Attorneys' Fees And Costs.**

14 Except as otherwise expressly provided for in this Settlement Agreement, the Parties will
15 each bear responsibility for their own attorneys' fees and costs, taxable or otherwise, incurred by
16 them or arising out of this Action and will not seek reimbursement thereof from any Party to this
17 Settlement Agreement, and no party hereto shall be considered a "prevailing party" (or similar
18 designation) in connection with this matter.

19 [SIGNATURE PAGE(S) TO FOLLOW]

1 **IT IS SO AGREED:**

2
3 Dated: 11/14/2025

PLAINTIFF EMILY CARTER

4
5 
ID HkUedm3rP338gB7vK7yFKPUe

6 Dated: **DEFENDANT KHRG, LLC dba Q SUSHI**

7
8
9 By: _____
Its: _____

10 Dated: **DEFENDANT BINH HOANG**

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12
13
14 **APPROVED AS TO FORM ONLY:**

15
16 Dated: 11/14/2025 By: 
ID mrtB8HdzGs3CuYpgx6GUB8H
Messrelian Law, Inc.
Harout Messrelian

17
18 Attorneys for Plaintiff Emily Carter and the
Aggrieved Employees

19
20 Dated: By: _____
LightGabler LLP
Brian R. Weilbacher
21
22 Attorneys for Defendants
23
24
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1 IT IS SO AGREED:

2 Dated:

PLAINTIFF EMILY CARTER

3

4

5

6 Dated: 12/10/2025

DEFENDANT KHRG, LLC dba Q SUSHI

7

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10 Dated: 12/10/2025

DEFENDANT BINH HOANG

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14

APPROVED AS TO FORM ONLY:

15

16

Dated:

By:

Messrelian Law, Inc.
Harout Messrelian

17

18

Attorneys for Plaintiff Emily Carter and the
Aggrieved Employees

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20 Dated: 12/10/25

By:

LightGabler LLP
Brian R. Weilbacher

21

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Attorneys for Defendants

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eSignature Details

Signer ID:	HkUedm3zP538gB7vK7yFKPUe
Signed by:	EMILY CARTER
Sent to email:	emerald91@protonmail.com
IP Address:	23.240.190.71
Signed at:	Nov 14 2025, 11:16 am PST

Signer ID:	mrtB8HdzGs3CuTpgx6GUB8jt
Signed by:	Harout Messrelian
Sent to email:	hm@messrelianlaw.com
IP Address:	69.234.47.40
Signed at:	Nov 14 2025, 11:17 am PST

EXHIBIT A

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**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES**

EMILY CARTER,

Plaintiff,

vs.

KHRG, LLC, BINH HOANG; and DOES 1 to
25, inclusive,

Defendants.

Case No.: 24STCV30667 (PAGA
Representative Action)

**[PROPOSED] ORDER GRANTING
APPROVAL OF PAGA SETTLEMENT
AND JUDGMENT**

Judge: The Honorable Kerry Bensinger
Dept.: 31

Complaint filed: November 20, 2024

1 **[PROPOSED] ORDER AND JUDGMENT**

2 Plaintiff Emily Carter ("Plaintiff" or "Representative Plaintiff"), individually on behalf of
3 herself, and on behalf of the State of California and the aggrieved employees, has moved for an
4 order requesting the Court grant approval of the "Stipulation and Agreement for PAGA
5 Representative Action Settlement" (the "Settlement" or "Settlement Agreement") seeking to resolve
6 the above-captioned Private Attorneys General Act ("PAGA") action in its entirety.

7 Having received and considered the Settlement Agreement, the supporting papers filed by
8 Plaintiff and her counsel in connection therewith, and good cause appearing therefor, the Court
9 hereby grants approval of the Settlement and **HEREBY MAKES THE FOLLOWING**
10 **DETERMINATIONS AND ORDERS:**

11 1. Except as otherwise defined in this Order and Judgment ("Order"), all capitalized
12 terms have the same meaning as defined in the Settlement Agreement, which is attached as **Exhibit**
13 **1** to this Order.

14 2. The California Labor Workforce and Development Agency ("LWDA") has been
15 provided due and adequate notice of the Settlement in accordance with applicable law and PAGA,
16 including California Labor Code § 2699(1)(2), (1)(4). In particular, in connection with
17 Representative Plaintiff filing the motion seeking approval of the Settlement with the Court,
18 Representative Plaintiff submitted to the LWDA a notice of the Settlement enclosing a copy of the
19 Settlement Agreement. Representative Plaintiff's notice of the Settlement to the LWDA has
20 complied with the notice requirements of PAGA.

21 3. The Court has jurisdiction over the subject matter of this litigation, over
22 Representative Plaintiff and all Aggrieved Employees, and over those persons undertaking or
23 subject to affirmative obligations under the Settlement.

24 4. The Settlement is approved under the PAGA statute, including Labor Code
25 §2699(s)(2). The Court has considered all relevant factors for determining the fairness and adequacy
26 of the Settlement and has concluded that such factors weigh in favor of granting approval to the
27 Settlement. In particular, the Court finds that the Settlement was reached following meaningful
28 investigation and discovery conducted by PAGA Counsel; that the Settlement is the result of serious,

1 informed, adversarial, and arm's-length negotiations between the parties; and that the terms of the
2 Settlement are in all respects fair, adequate, and reasonable.

3 5. The PAGA Settlement Notice to Aggrieved Employees, attached as **Exhibit 2** to this
4 Order, fairly and adequately describes the Action, the approved Settlement, and is the best notice
5 practicable under the circumstances.

6 6. The Court finds and declares that, in accordance with the Settlement Agreement,
7 Representative Plaintiff, on behalf of herself individually and as the representative for the State of
8 California and all Aggrieved Employees, releases, relinquishes, settles, and discharges all Released
9 PAGA Claims against the Released Parties, including for all civil penalties under PAGA.

10 7. The Court finds and declares that each Aggrieved Employee, in accordance with the
11 Settlement Agreement, releases all Released PAGA Claims against the Released Parties. Aggrieved
12 Employees and the State of California have no right to opt out of this Settlement, either in whole or
13 in part.

14 8. The Court finds and declares that, in accordance with the Settlement Agreement,
15 PAGA Counsel releases on behalf PAGA Counsel, and their present and former attorneys,
16 employees, principals, agents, successors and assigns, Defendants and each of the Released Parties
17 from all claims for attorney fees and costs incurred relating to the Action and the PAGA Period as
18 provided under any complaint in the Action and all PAGA notices in the Action.

19 9. The Gross Settlement Amount and the structure and methodology used for
20 calculation and distribution of the Gross Settlement Amount, including the LWDA Payment, the
21 PAGA Aggrieved Employee Payment, and the Individual PAGA Payments set forth in the
22 Settlement Agreement, are fair, reasonable, and adequate and are approved.

23 10. The Court approves Apex Class Action Administration to act as the Settlement
24 Administrator. The Court awards the Settlement Administrator in this Action fees and costs in
25 accordance with the terms of the Settlement Agreement in the amount of **\$3,490.00**.

26 11. The Court approves Messrelian Law, Inc., including its attorney Harout Messrelian
27 as PAGA Counsel.

28 12. The Court awards PAGA Counsel attorneys' fees in the amount of **\$24,664.20** and

1 costs in the amount of **\$10,021.82** which the Court finds to be fair and reasonable. The Court
2 authorizes the Settlement Administrator to make these payments, in accordance with the terms of
3 the Settlement Agreement.

4 13. The Court authorizes the Settlement Administrator to calculate the Net Settlement
5 Amount, inclusive of the LWDA Payment and the PAGA Aggrieved Employee Payment (which
6 comprises the Individual PAGA Payments), in accordance with the terms of the Settlement
7 Agreement.

8 14. The Court finds that payment to the LWDA of 75% of the Net Settlement Amount
9 as its share of the settlement proceeds and in settlement of the Action is fair, adequate, and
10 reasonable. The Court authorizes the Settlement Administrator to pay the LWDA Payment, in
11 accordance with the terms of the Settlement Agreement.

12 15. The Court finds that payment to the Aggrieved Employees of 25% of the Net
13 Settlement Amount as the Aggrieved Employees' share of the settlement proceeds and in
14 settlement of the Action is fair, adequate, and reasonable. The Court authorizes the Settlement
15 Administrator to fund the PAGA Aggrieved Employee Payment and distribute the Individual
16 PAGA Payments in accordance with the terms of the Settlement Agreement.

17 16. Checks for Individual PAGA Payments sent to Aggrieved Employees shall be valid
18 for 180 calendar days after issuance. Funds remaining from any checks for Individual PAGA
19 Payments uncashed after 180 calendar days will be dispersed to the California State Controller's
20 Unclaimed Property Fund in the name(s) of the individuals who did not cash their checks, in
21 accordance with the terms of the Settlement Agreement.

22 17. A final accounting and status conference regarding the status of settlement
23 administration and completion shall take place on _____, 2026, at 8:30 a.m. in this
24 Department. A final report from the Settlement Administrator Re: Status of Settlement
25 Administration shall be filed at least ten (10) days prior to the hearing. The report from the
26 Settlement Administrator shall be in the form of a declaration from the Settlement Administrator,
27 by a declarant with personal knowledge of the facts, and describes: (i) the date the checks were
28 mailed, (ii) the total number of checks mailed to Aggrieved Employees, (iii) the average amount of

1 those checks, (iv) the number of checks that remain uncashed, (v) the total value of those uncashed
2 checks, (vi) the average amount of the uncashed checks, and (vii) the holder/location and date of the
3 disposition of those unclaimed funds.

4 18. Except as otherwise expressly provided for herein, the parties will each bear
5 responsibility for their own attorneys' fees and costs, taxable or otherwise, incurred by them or
6 arising out of or related to this Action and will not seek reimbursement thereof from any other
7 party.

8 19. In accordance with the Settlement Agreement, nothing in this Order or the
9 Settlement shall be construed as an admission or concession by any party. The Settlement and this
10 resulting Order and entry of judgment simply represent a compromise of disputed allegations,
11 contentions, and claims. The Court acknowledges that, as stated in the Settlement Agreement, in
12 entering into this Agreement, Defendants have not admitted, and have specifically denied, that
13 Defendants have violated any federal, state, or local law; violated any regulations or guidelines
14 promulgated pursuant to any statute or any other applicable laws, regulations or legal
15 requirements; and that, as indicated, this Settlement was entered into by Defendants to avoid the
16 burden and expense of continued litigation.

17 JUDGMENT

18 20. In accordance with, and for the reasons stated above, judgment is hereby rendered
19 and entered under and in accordance with the terms of the Settlement Agreement, whereby the
20 Representative Plaintiff, PAGA Counsel, the State of California, and Aggrieved Employees, shall
21 obtain that which is expressly set forth in the executed Settlement Agreement and in conformance
22 with the Court's approval order. This judgment, upon the effectiveness of the releases of claims
23 provided for in the Settlement, shall constitute a full and complete bar against Representative
24 Plaintiff, PAGA Counsel, the Aggrieved Employees, and the State of California as to all of the
25 claims released by the Settlement and shall be res judicata and collateral estoppel with respect to
26 such released claims.

27 21. Pursuant to California Code of Civil Procedure §664.6 and Rule 3.769(h) of the
28 California Rules of Court and in accordance with the Settlement Agreement, this Court reserves

1 exclusive and continuing jurisdiction over this Action, the Representative Plaintiff, the Aggrieved
2 Employees, and Defendants in the action, for the purpose of supervising the implementation,
3 enforcement, construction, and interpretation of the Settlement Agreement, and the Court's
4 approval order and judgment in the Action.

5 22. Plaintiff is directed to submit a copy of this Order and Judgment to the LWDA within
6 10 days of the date of this Order and Judgment.

7 **IT IS SO ORDERED:**

8 DATED: _____, 2025

9 _____
The Honorable Kerry Bensinger
Judge of The Superior Court

EXHIBIT B

[Date], 2025

Apex Class Action Administration

[Apex Class Action Administration Street Address]

[City, State Zip]

[Employee Name]

[Employee Street Address]

[City, State Zip]

Re: **Emily Carter v. KHRG, LLC, et al. – PAGA Settlement Payment**

Dear Current or Former Employee:

You have received this notice because the records of defendant KHRG, LLC dba Q Sushi (“Defendant,” the “Company,” or “Q Sushi”) indicate that you worked for Defendant for some time from September 17, 2023 through December 6, 2025. This notice relates to the settlement of a lawsuit entitled *Emily Carter v. KHRG, LLC, et al.*, Case No. 24STCV30667 (the “Action”).

In the Action, Plaintiff Emily Carter (“Plaintiff”) made allegations and sought civil penalties against Defendant Q Sushi and Binh Hoang pursuant to the California Private Attorneys General Act (“PAGA”), a law which allows a plaintiff to attempt to recover penalties on behalf of the State of California and on behalf of employees who the plaintiff alleges were “aggrieved” by alleged wage and hour violations. Plaintiff made a variety of allegations in connection with her PAGA claim, including, for example: alleged failure to pay for all hours worked and all wages due, including, without limit, minimum wages and overtime wages; alleged failure to provide meal periods (or pay premium pay); alleged failure to provide rest breaks (or pay premium pay); alleged failure to timely pay all wages owed during employment and/or waiting time penalties to former employees; alleged failure to provide complete and accurate itemized wage statements; alleged failure to indemnify or reimburse for necessary business expenses; alleged failure to pay employee earned tip wages; alleged failure to provide sick leave or written notice of sick leave available; alleged failure to pay all wages owed to discharged and quitting employees; alleged failure to keep or maintain required records; and alleged failure to provide suitable seating and/or rest break facilities;.

Defendants Have Disputed and Denied All of Plaintiff’s Claims and Allegations: From the beginning of the case and to the present, Defendants have disputed and denied all of Plaintiff’s allegations, have asserted that Plaintiff’s claims are without basis and invalid, and have asserted that Defendants have complied with all laws, including the California Labor Code, the California Wage Orders, and all other relevant California state and federal laws and regulations. Defendants chose to resolve this matter solely to minimize the expense and disruption to their business caused by Plaintiff’s Action.

The Court has not issued any ruling regarding whether Plaintiff's Action is valid or meritorious. To avoid the cost, burden, and distraction of litigation, Defendants made a business decision to settle the Action and the settlement has now been approved by the Court.

As part of the settlement of the Action, Defendants agreed to and the Court has approved a settlement under which the Company has paid, in total, the settlement amount of \$74,000. In accordance with the Court's approval, the settlement amount is being distributed to pay for PAGA Counsel's attorneys fees and costs, settlement administration costs, and payments to the State of California and the Company's employees. After deducting fees and costs, the Net Settlement Amount of \$XXXX is being distributed to the State of California and current and former employees of Defendant Q Sushi.

The settlement has resolved the Action in its entirety and it releases the PAGA claims described in this notice. The Net Settlement Amount is divided, as provided by law, between the State of California and Defendants' allegedly aggrieved employees, with the State receiving 75 percent of the penalties and employees receiving the remaining 25 percent.

Under the settlement, Plaintiff, on behalf of the State of California, the "Aggrieved Employees," and herself fully, finally, and forever released, relinquished, settled, and discharged all "Released PAGA Claims" against the "Released Parties."

"Aggrieved Employees" means: "all non-exempt employees who were employed or were alleged to have been employed by Defendants, in the State of California, at any time from September 17, 2023 through December 6, 2025."

"Released PAGA Claims" means: "any and all claims, demands, rights, liabilities, debts, primary rights, claims for relief, and causes of action for PAGA penalties during the PAGA Period arising out of or relating to the employment of Plaintiff or the Aggrieved Employees that: 1) are alleged, were alleged, or could have been alleged in the complaint(s) in the Action (including any previously filed complaints in the Action) or any PAGA notice letter; or 2) arise out of, are comprised of, and/or are related to the facts, matters, transactions or occurrences alleged in the complaint in the Action or any PAGA notice letter. This includes, without limitation, claims and allegations made pursuant to PAGA for claims against Defendants for: failure to pay for all hours worked and all wages due, including, without limit, minimum wages or overtime wages; failure to provide meal periods (or pay premium pay); failure to provide rest breaks (or pay premium pay); failure to timely pay all wages owed during employment and/or waiting time penalties to former employees; failure to provide complete and accurate itemized wage statements; failure to indemnify or reimburse for necessary business expenses; failure to pay employee earned tip wages; failure to provide sick leave or written notice of sick leave available; failure to pay all wages owed to discharged and quitting employees; failure to keep or maintain required records; failure to provide suitable seating and/or rest break facilities; and for any violations of California Labor Code sections, including sections, 201-203, 204, 204b, 210, 226, 226.3, 226.7, 233, 246, 351, 353, 510, 512, 558, 1174, 1174.5, 1194, 1197, 1197.1, 1198, 2800, 2802, 2698 *et seq.*, the applicable IWC Wage Order provisions; and primary and statutory rights alleged in Plaintiff's operative complaint in the Action and in Plaintiff's PAGA notice letters dated

June 14, 2024 and September 11, 2024, and referenced in Plaintiff's complaint at paragraph 23."

"Released Parties" means: "Defendant KHRG, LLC dba Q Sushi, and Defendant Binh Hoang, and Q Sushi's current and former subsidiaries, parents, predecessors, successors, assigns, and Q Sushi's current and former owners, investors, shareholders, members, partners, officers, directors, managers, employees, supervisors, agents, attorneys, insurers, and representatives."

The enclosed settlement check represents your portion of the Court-approved PAGA settlement. Cashing your check will not affect your current or former employment with the Company. Checks that are not cashed within 180 calendar days of issuance will be voided and the funds will be distributed to the California State Controller's Unclaimed Property Fund in the name of the employee.

Regardless of what you do with the settlement check, based on applicable law and the Court's approval of the settlement, the release of claims above has become effective and binding on you, and you are deemed to have released such claims as described above.

If you have any questions about this notice, please contact the Settlement Administrator, [REDACTED] at [REDACTED].

EXHIBIT 2



Quotation Request:

Harout Messrelian
 Messrelian Law
 hm@messrelianlaw.com

Case Name:

Carter v KHRG

Date:

Wednesday, October 8, 2025

RFP Number:

201880019

Prepared By:

Michael Sutherland
 Apex Class Action LLC
 mike@apexclassaction.com
 321.223.5067

Settlement Specifications

Number of Aggrieved Employees	88
Certified Language Translation:	Yes
Static Settlement Website	No
Percentage of Undeliverable Mail	20%

Professional Services	Fee Calculation	Rate(s)	Quantity	Estimated Cost
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Data Analytics and Standardization

Import and Standardize Data*	Per Hour	\$125.00	1	\$125.00
Data Analyst	Per Hour	\$150.00	1	\$150.00
Sub Total:				\$275.00

*Data provided must be in a workable format. Apex can standardize provided data at an additional cost of \$150/hr.

Project Management

Project Management	Per Hour	\$150.00	1	\$150.00
Project Coordinator	Per Hour	\$90.00	1	\$90.00
Data Analyst and Reporting	Per Hour	\$140.00	1	\$140.00
Sub Total:				\$380.00

Toll-Free Contact Center, Website, Reporting & Pre-Distribution

Form Set Up	Per Hour	\$120.00	1	WAIVED
Bilingual Toll-Free Contact Center	Static Rate	\$25.00	1	\$25.00
NCOA Address Update (USPS)	Static Rate	\$25.00	1	\$25.00
Certified Language Translation: Spanish	Static Rate	\$250.00	1	\$250.00
Settlement Status Reports	Static Rate	\$750.00	1	Waived
Sub Total:				\$300.00



APEX

CLASS ACTION ADMINISTRATION

Professional Services	Fee Calculation	Rate(s)	Quantity	Estimated Cost
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Distribution & Settlement Fund Management

Settlement Calculations	Per Hour	\$120.00	2	\$240.00
Account Management and Reconciliation	Per Hour	\$140.00	2	\$280.00
Print & Mail Distribution Settlement Check (IRS Form 1099 if applicable)	Per Piece	\$1.50	88	\$132.00
USPS First Class Postage	Per Piece	\$0.78	88	\$68.64
Remail Distribution to Updated Address (Skip Trace)	Per Piece	\$2.50	9	\$22.00
Individual Income Tax Preparation & Reporting	Per Hour	\$100.00	3	\$300.00
QSF Income Tax Reporting (per calendar year)	Per Year	\$1,200.00	1	\$1,200.00
Unclaimed Funds: State Controller's Unclaimed Property Fund	Static Rate	\$100.00	1	\$100.00
Sub Total:				\$2,342.64

Post Distribution Reconciliation

Bank Account Reconciliation	Per Hour	\$135.00	1	\$135.00
Project Management Reconciliation	Per Hour	\$100.00	1	\$100.00
Declarations	Per Hour	\$120.00	1	\$120.00
Sub Total:				\$355.00

WILL NOT EXCEED: \$3,490.00

Thank you for your business!



Terms & Conditions

The following Terms and Conditions govern the provision of all services to be provided by Apex Class Action and its affiliates ("Apex") to the Client. These terms and conditions are binding and shall apply to all services provided by Apex in relation to any related services or products.

1. **Services:** Apex commits to providing the Client with the administrative services detailed in the attached Proposal (the "Services").

2. **Payment Terms:** As compensation for the legal services to be provided, the Client agrees to pay Apex all fees detailed in the Proposal. The fees quoted in the Proposal (and any subsequent proposals for additional services) are estimates based on the information provided to Apex by the Client. Apex makes no representation that the estimated fees in the Proposal or any subsequent proposals for additional services shall equal the actual fees charged by Apex to the Client, which fees (including individual line items) may be greater or less than estimated. If additional services are requested on an hourly basis and are not specifically detailed in the Proposal, Apex will prepare estimates for such services subject to approval by the Client. In the performance of such additional services, Apex will charge standard hourly fees which shall apply.

3. **Incurred Expenses:** In relation to the provision of services outlined in this agreement, the Client agrees to reimburse Apex for all reasonable out-of-pocket expenses incurred. Such expenses may include, but are not limited to, costs associated with postage, media production or publication, banking fees, brokerage fees, messenger and delivery service expenses, travel expenses, filing fees, office supplies, meals, staff overtime expenses, and other related costs and expenses. If not otherwise specified in writing, fees for print notice and certain expenses, such as media publication and postage, must be paid immediately upon invoicing and, in certain cases, at least ten (10) days prior to the date on which such expenses will be incurred.

4. **Invoicing:** Apex shall present invoices for its fees and expenses on a monthly basis, except as provided in Section 3. The Client agrees to pay each invoice within 30 days of receipt. In the event of non-payment within 90 days of the billing date, an additional service charge of 1.5% per month may apply. Apex reserves the right to increase its prices, charges, and rates annually, subject to reasonable adjustments. If any price increases exceed 10%, Apex shall give thirty (30) days' notice to the Client. In the event of any unpaid invoices beyond 120 days of the due date, Apex reserves the right to withhold services and reports until payment is received, subject to notice to the Client. It is important to note that Apex's failure to provide services and reports in such instances shall not constitute a default under this agreement.

5. **Case Duration:** The duration of these Terms and Conditions, except for the data storage obligations stated in Section 13, shall be in effect until 30 days following the completion of the Services as described in the Proposal. The parties may extend these Terms and Conditions in writing for a mutually agreed-upon period beyond this initial 30-day period.

6. **Termination of Services:** Either party may terminate the Services by providing thirty (30) days written notice to the other party. Alternatively, termination may occur immediately upon written notice for Cause, as defined below. Cause means (i) Apex's gross negligence or willful misconduct that causes serious and material harm to the Client; (ii) the Client's failure to pay Apex invoices for more than one hundred twenty (120) days from the date of the invoice; or (iii) the accrual of invoices or unpaid services where Apex reasonably believes it will not be paid. Termination of the Services shall not relieve the Client of its obligation to pay Apex for services rendered prior to the termination.

7. **Independent Contractor:** As an independent contractor, Apex will provide services under the terms of this agreement. It is agreed that neither Apex nor any of its employees will be considered an employee of the Client. Consequently, Apex and its employees will not be eligible for any benefits provided by the Client to its employees. The Client will not make any tax deductions from the payments due to Apex for state or federal tax purposes. Apex will be solely responsible for paying all taxes and other payments due on payments received from the Client under this agreement.

8. **Apex warrants that the Services outlined in the Proposal will be performed in accordance with the standards generally adhered to by professionals providing similar services. It is acknowledged that the Services may entail the likelihood of some human and machine errors, omissions, delays, and losses that may result in damage. However, Apex shall not be held liable for such errors, omissions, delays, or losses unless they are caused by its gross negligence or willful misconduct. In the event of any breach of this warranty by Apex, the Client's sole remedy will be limited to Apex's reworking, at its expense, any inaccurate output provided that such inaccuracies occurred solely as a result of Apex's gross negligence or willful misconduct under this agreement.**

9. **Limitation of Liability:** The Client acknowledges that Apex shall not be held liable for any consequential, special, or incidental damages incurred by the Client in relation to the performance of Services, whether the claim is based on breach of warranty, contract, tort (including negligence), strict liability, or any other grounds. Under no circumstances shall Apex's liability to the Client, for any Losses (including court costs and reasonable attorney's fees), arising out of or in connection with these Terms and Conditions, exceed the total amount charged or chargeable to the Client for the specific service(s) that caused the Losses.

10. **Indemnification:** The Client agrees to indemnify and hold harmless Apex from any losses, suits, actions, judgments, fines, costs, liabilities, or claims arising from any action or proceeding relating to the Services provided by Apex, regardless of whether or not it results in liability (collectively referred to as "Indemnified Claims"). However, this indemnification provision shall not apply to the extent that such Indemnified Claims are caused by Apex's willful misconduct, gross negligence, or breach of these Terms and Conditions. This provision shall survive termination of the Services.

11. **Confidentiality:** Apex will uphold strict confidentiality between Apex and the Client and applies to all non-public records, documents, systems, procedures, processes, software, and other information received by either party in connection with the performance of services under these terms. Both Apex and the Client agree to keep confidential all such non-public information, including any material marked or identified as confidential or proprietary. Any such confidential information shall not be disclosed, provided, disseminated, or otherwise made available to any third party, except as required to fulfill the parties' obligations under these terms. The parties acknowledge that in the event of any request to disclose any confidential information in connection with a legal or administrative proceeding, or otherwise to comply with a legal requirement, prompt notice of such request must be given to the other party to enable that party to seek an appropriate protective order or other remedy or to waive compliance with the relevant provisions of these terms. If the Client seeks a protective order or another remedy, Apex, at the Client's expense, will cooperate with and assist the Client in such efforts. If the Client fails to obtain a protective order or waives compliance with the relevant provisions of these terms, Apex will disclose only that portion of the confidential information that it determines it is required to disclose. This confidentiality provision shall survive termination of the services provided. Both parties acknowledge and agree that any breach of these terms may cause irreparable harm to the non-breaching party and that injunctive relief may be necessary to prevent any actual or threatened breach. The terms set forth between the parties supersede all prior negotiations, understandings, and agreements between the party's concerning confidentiality. These terms may only be amended in writing and signed by both parties.

12. **Ownership of the programs, system data, and materials provided by Apex to the Client during the course of providing services herein shall solely belong to Apex. It is acknowledged that fees and expenses paid by the Client do not confer any rights in such property. It is also understood that the said property is made available to the Client solely for the purpose of using it during and in connection with the services provided by Apex.**

13. **Upon the completion of the administration and unless retention instructions are ordered by the court, Apex will notify the client that it will destroy and/or return all confidential information and property within 90 days upon the client's written request. Alternatively, the material may be stored for one year at a monthly fee of \$1.50 per storage box for paper documents and \$0.01 per image for electronic copies over a period of three years, which compensates Apex for its electronic and hard-copy storage costs. Apex will not be liable for any damages, liability, or expenses incurred in connection with any delay in delivery of, or damage to disks, magnetic tapes, or any input data provided by the client or its representatives unless Apex has agreed in writing to assume such responsibility.**

14. **COMPLETE AGREEMENT.** These Terms and Conditions, along with the attached Proposal, represent the complete agreement and understanding between the parties and override any prior agreements (whether written or oral) between Apex and the Client regarding the subject matter. Any modification to these Terms and Conditions may only be made in writing and must be signed by both Apex and the Client. The headings in this document are included for convenience only and do not alter or restrict any provisions in these Terms and Conditions. They may not be used in the interpretation of these Terms and Conditions.

15. **This provision outlines the requirements for providing notice or other communication under this agreement. All such communications must be in writing and can be delivered either by personal delivery or through U.S. Mail with prepaid postage or overnight courier. Once delivered personally or sent through the mail, the notice will be considered given after five (5) days from the deposit date in the U.S. Mail. Alternatively, if sent through an overnight courier, the notice will be considered given one business day after delivery to the such courier. It's important to note that the notice must be provided to a responsible officer or principal of the Client or Apex, depending on the case.**

16. **Force Majeure:** In the event of any failure or delay in performance due to circumstances beyond Apex's control, including but not limited to strikes, lockouts, fires, floods, acts of God or public enemy, riots, civil disorders, insurrections, war or war conditions, or interference by civil or military authorities, Apex shall not be held liable for any resulting loss or damage. The time for performance under this agreement shall be extended for a period equal to the duration of the disabling cause and a reasonable time thereafter. This provision shall constitute a force majeure clause and shall be construed accordingly.

17. **The applicable state and federal laws shall govern the interpretation and enforcement of these Terms and Conditions. No choice of law or conflict of laws provisions shall affect this governing law provision.**

18. **Severability:** This applies to all clauses and covenants contained within these Terms and Conditions. In the event that any clause or covenant is deemed invalid, illegal, or unenforceable, the remaining provisions shall remain valid and enforceable to the fullest extent permissible by law. The validity, legality, and enforceability of the remaining provisions shall in no way be affected or impaired by the invalidity, illegality, or unenforceability of any provision deemed so.

19. **Nonwaiver:** This applies to these Terms and Conditions. This means that any failure by one party to enforce a provision of these terms on one or more occasions shall not be construed as a waiver of that provision. In other words, any failure to enforce a provision does not give up the right to enforce it in the future. All provisions of these Terms and Conditions remain in full force and effect, regardless of any prior failure to enforce them.

EXHIBIT 3