# EXHIBIT 1

# PAGA SETTLEMENT AGREEMENT

This PAGA Settlement Agreement ("Agreement") is made by and between plaintiff Adela Hurtado ("Plaintiff") and defendant Giuseppe's Cucina, LLC. ("Giuseppe's"). The Agreement refers to Plaintiff and Giuseppe's collectively as "Parties," or individually as "Party."

## 1. DEFINITIONS.

1.1 "Action" or "PAGA Action" means the Plaintiff's PAGA lawsuit alleging wage and hour violations against Giuseppes captioned *Hurtado v. Giuseppe's Cucina, LLC.* Case No. 24CV-0735 initiated on November 25, 2024, and pending in Superior Court of the State of California, County of San Luis Obispo.

1.2 "Administrator" means Apex Class Action, LLC, the neutral entity the Parties have agreed to appoint to administer the Settlement.

1.3 "Administration Expenses Payment" means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator's "not to exceed" bid submitted to the Court in connection with approval of this Settlement.

1.4 "Aggrieved Employee(s)" means all current and former non-exempt, hourly paid employees, who were employed by Giuseppe's during the representative action's PAGA period.

1.5 "Aggrieved Employee Data" means Aggrieved Employee identifying information in Giuseppe's possession including the Aggrieved Employee's name, last-known mailing address, Social Security number and number of PAGA Pay Periods.

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

1.7 "Court" means the Superior Court of California, County of San Luis Obispo.

1.8 "Defense Counsel" means the law firm of Fisher Phillips, LLP, including Areen Babajanian and Frank Magnanimo.

1.9 "Effective Date" shall mean the date on which the Approval Order approving this settlement is signed. The occurrence of the Effective Date is a prerequisite to any obligation of Defendant to pay the Gross Settlement Amount.

1.10 "Gross Settlement Amount" means $105,000.00 which is the total amount Giuseppe's agrees to pay under the Settlement except as provided in Paragraph 8 below. The Gross Settlement Amount will be used to pay Individual PAGA Payments, the LWDA PAGA Payment, PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment and the Administrator's Expenses Payment.

1.11 "Individual PAGA Payment" means the Aggrieved Employee's pro rata share of 35% of the PAGA Penalties calculated according to the number of Pay Periods the Aggrieved Employee worked during the PAGA Period.

1.12 "Judgment" means the judgment entered by the Court based upon the Final Approval.

1.13 "LWDA" means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subdivision (i).

1.14 "LWDA PAGA Payment" means the 65% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subdivision (i).

1.15 "Net Settlement Amount" means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment Individual PAGA Payments, the LWDA PAGA Payment, and the Administration Expenses Payment. The remainder is to be paid to Aggrieved Employees as Individual PAGA Payments.

1.16 "PAGA Counsel" means the law office of ARCH Legal, PC, including Vilmarie Cordero and Ommar Chavez, the attorneys representing the Plaintiff in the Action.

1.17 "PAGA Counsel Fees Payment" and "PAGA Counsel Litigation Expenses Payment" mean the amounts allocated to PAGA Counsel for reimbursement of reasonable attorneys' fees and expenses, respectively, incurred to prosecute the Action.

1.18 "PAGA Pay Period" means any Pay Period during which an Aggrieved Employee worked for Giuseppe's for at least one day during the PAGA Period.

1.19 "PAGA Period" means the period from September 21, 2023, to September 20, 2025.

1.20 "PAGA" means the Private Attorneys General Act (Lab. Code, § 2698. et seq.)

1.21 "PAGA Notice" means Plaintiff's July 18, 2024 letter, sent to Giuseppe's and the LWDA providing notice of Plaintiff's claims pursuant to Labor Code section 2699.3, subdivision (a).

1.22 "PAGA Penalties" means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 35% to the Aggrieved Employees ($16,488.50) and the 65% to LWDA ($30,621.50) in settlement of PAGA claims.

1.23 "Approval Order" means the proposed Court Order Granting Approval of PAGA Settlement.

1.24 "Released PAGA Claims" means the claims being released by the Plaintiff and PAGA Counsel and as described in Section 5 below.

1.25 "Released Parties" means Giuseppe's and each of its parents, predecessors, successors, subsidiaries, affiliates, partners, and trusts, employment agencies and professional employer organizations, and their owners, employees, officers, agents, attorneys, insurers, stockholders, fiduciaries, other service providers, and assigns.

1.26 "Settlement" means the disposition of the Action effected by this Agreement and the Judgment.

## 2. RECITALS.

2.1 On November 25, 2024, Plaintiff commenced her PAGA Action against Giuseppe's by filing a PAGA complaint. The Complaint alleged causes of action seeking representative civil penalties under the California Labor Code, and on behalf of the state of California for violations suffered by all non-exempt employees of Giuseppes during the PAGA period.

2.2 Plaintiff's PAGA Action alleges Giuseppe's violated PAGA by: (1) failing to timely pay all minimum, regular and overtime wages; (2) failing to provide legally compliant meal periods and/or timely pay premium wages in lieu thereof; (3) failing to provide legally compliant rest periods and/or timely pay premium wages in lieu thereof; (4) failing to indemnify necessary business expenses; (5) failing to timely pay all wages due and owing upon separation of employment; (6) failing to furnish accurate itemized wages statements; (7) failing to maintain accurate records; and (8) failing to maintain a safe and healthful place of employment.

2.3 On July 18, 2024, Pursuant to Labor Code section 2699.3(a), Plaintiff gave written PAGA Notice to Giuseppe's and the LWDA.

2.4 Giuseppe's denies the allegations in Plaintiff's PAGA Action, denies any alleged failure to comply with laws identified in the PAGA Action, and denies all liability for the causes of action alleged therein.

2.5 On July 18, 2025, the Parties engaged in a full day mediation conducted by experienced mediator Daniel Turner of Judicate West. During the mediation, the Parties engaged in good-faith, arm's length negotiations. Following the conclusion of the mediation session, the mediator issued a proposal for resolution. Both parties accepted the proposal, thereby resolving the entirety of the claims alleged by Plaintiff against Giuseppe's. The agreement was memorialized in the proposal prepared by the mediator and acknowledged by the Parties. The parties resolved the action, subject to the execution of this comprehensive PAGA Settlement and approval by the Court.

2.6 Plaintiff, through counsel, conducted a significant investigation of the PAGA claims prior to attending the mediation. Prior to the July 18, 2025 mediation, Plaintiffs obtained, through informal discovery, Plaintiffs' wage statements, Plaintiffs' personnel files, Defendant's written policies, time and payroll records for a sampling of all Aggrieved Employees. Plaintiffs also received aggregate data including the total number of current and former Aggrieved Employees and pay periods at issue.

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

## 3. MONETARY TERMS.

3.1 Gross Settlement Amount. Giuseppe's shall pay a non-reversionary settlement payment of **$105,000.00** which will create a non-reversionary common fund ("GSA" or "Gross Settlement Amount") inclusive of all PAGA Counsel's fees and costs of litigation, costs of settlement administration, employee side employment taxes, all civil penalties due under PAGA, PAGA Representative Enhancements and general releases, and interest.

3.1.1 Giuseppes has no obligation to pay the GSA prior to the funding deadline established in Paragraph 4.3 of this agreement. The Settlement administrator will disburse the GSA without asking or requiring Aggrieved Employees to submit any claim as a condition of payment. None of the gross settlement amount will revert to Giuseppes.

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

3.2.1 Settlement Administration Costs. The reasonable costs incurred by the Settlement Administrator in administering the settlement, as approved by the Court, shall be deducted from the GSA and are currently estimated not to exceed five thousand eight hundred and ninety dollars (**$5,890.00**).

3.2.2 PAGA Counsel Attorney's Fees. Defendant will not oppose PAGA Counsel's request for attorneys' fees for up to one third (1/3) of the Gross Settlement Sum or **$35,000.00**. Any reduction by the Court of these requests will revert to the Net Settlement Amount.

3.2.3 PAGA Counsel Costs. Defendant will not oppose PAGA Counsel's requests for reimbursement of actually incurred litigation costs, currently estimated not to exceed **$12,000.00.** Any reduction by the Court of these requests will revert to the Net Settlement Amount. Released Parties shall have no liability to PAGA Counsel or any other Plaintiff's Counsel arising from any claim to any portion of any PAGA Counsel Fee Payment and/or PAGA Counsel Litigation Expenses Payment.

3.2.4 PAGA Representative Enhancement Payment. Subject to Court Approval, Plaintiffs will seek a Service Award in an amount not to exceed **$5,000** from the GSA, in recognition for the work performed by Plaintiff as the PAGA Representative. Any reduction by the Court of these requests will revert to the Net Settlement Amount.

3.2.5 The Administrator will calculate each Individual PAGA Payment by (a) dividing the Net Settlement Amount by the total number of Qualifying PAGA Periods worked by all PAGA Employees during the PAGA Period and (b) multiplying the result by each PAGA Employee's Qualifying PAGA Periods.

3.3 Net Settlement Amount. The amount remaining after deducting PAGA Counsel attorney's fees, PAGA Counsel Costs, the Settlement Administration costs, and any PAGA Representative Enhancement Award from the GSA, shall be known as the "Net Settlement Amount" or "NSA." One Hundred Percent (100%) of the Net Settlement Amount shall be paid as a Labor Code Section 2699 penalty payment and shall be distributed and paid as follows: (i) 65% to the LWDA—currently estimated to be about **$30,621.50** and (ii) 35% to the PAGA Employees, pursuant to Labor Code section 2699(i)—currently estimated to be about **$16,488.50**. The 35% to be paid to the PAGA Employees shall be divided among all PAGA Employees based on each PAGA Employees' respective number of qualified pay periods worked for Defendant in California during the PAGA Period.

3.3.1 Individual Settlement Payments. The Parties agree that the Individual Settlement Payments to the PAGA Aggrieved Employees will be calculated based on the respective number of Qualifying Pay Periods each PAGA Aggrieved Employee worked during the PAGA Period. It shall be the duty of the Settlement Administrator to calculate the respective number of Qualifying Pay Periods for each PAGA Aggrieved Employee. The Administrator will report the Individual Settlement Payments on IRS 1099 Forms, if applicable. The payments to Aggrieved employees are entirely civil penalties.

## 4. SETTLEMENT FUNDING AND ADMINISTRATION.

4.1 Settlement Administrator. The Parties agree that Apex Class Action, LLC will manage the administration of this Settlement. The Parties have verified that Apex Class Action, LLC, as a condition of appointment, agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Settlement Administration Costs. The Parties and their Counsels represent that they have no interest or relationship, financial or otherwise, with the Settlement Administrator other than a professional relationship arising out of prior experiences administering settlements. The Parties agree that the Settlement Administrator will administer this settlement and will issue to PAGA Aggrieved Employees a Form 1099 for all amounts paid as penalties. The Parties agree that Plaintiffs are solely responsible for selecting the Settlement Administrator to administer the settlement.

4.2 Settlement Administrator Duties. The Settlement Administrator has a duty to perform or observe all tasks to be performed or observed by the Settlement Administrator contained in this Agreement or otherwise. The Settlement Administrator is responsible for establishing the Qualified Settlement Fund ("QSF"). The QSF shall be an interest-bearing account within the meaning of Section 468B of the Internal Revenue Code of 1986, as amended, and Treas. Reg. Section 1.468B-1, et seq., at a federally insured bank that is mutually acceptable to the Parties and the Settlement Administrator. The Settlement Administrator shall serve as a Trustee of the QSF and shall act as a fiduciary with handling of all tax-related issues, reporting, and payments. The Settlement

Administrator shall act in a manner necessary to qualify and maintain the QSF as a Qualified Settlement Fund and the Parties shall cooperate to ensure such treatment and shall not take a position in any filing or before any tax authority inconsistent with such treatment. The Parties agree that the QSF shall be a non-reversionary fund and that under no circumstance will there be any reversion to Defendant of any of the funds from the QSF or the GSA. The Settlement Administrator will, as necessary, print, copy, format, and translate materials, mail notices to PAGA Employees, perform a skip trace before mailing and another skip trace for undeliverable addresses, establish and maintain a QSF, obtain appropriate tax identification numbers, calculate Individual PAGA Payments, calculate taxes, prepare and file all required IRS Forms, mail Individual PAGA Payments and tax forms, establish a hotline telephone number for PAGA Employee communications, post notices regarding settlement on the Settlement Administrator's website, remit all tax payments and required documentation to federal and state taxing authorities, implement the process for any uncashed settlement checks, and perform all other duties associated with settlement administration, including, but not limited to, all those specified in this Agreement. Any dispute relating to settlement administration shall, after good-faith efforts by the Parties to resolve the dispute, be referred to the Court.

4.3 Giuseppe's Funding Obligation. Giuseppe's shall have 30 days from the effective date, to pay the QSF the $105,000.00 GSA.

4.4 Aggrieved Employee Data. Upon funding of the QSF, Giuseppe's will simultaneously deliver the Aggrieved Employee Data to the Administrator in the form of a Microsoft Excel spreadsheet. To protect Aggrieved Employees' privacy rights, the Administrator must maintain the Aggrieved Employee Data in confidence, use the Aggrieved Employee Data only for purposes of this Settlement and for no other purpose and restrict access to the Aggrieved Employee Data to Administrator employees who need access to the Aggrieved Employee Data to effect and perform under this Agreement.

4.5 Giuseppe's has a continuing duty to immediately notify PAGA Counsel if it discovers that the Aggrieved Employee Data omitted employee identifying information and to provide corrected or updated Aggrieved Employee Data as soon as reasonably feasible. Without any extension of the deadline by which Giuseppe's must send the Aggrieved Employee Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Aggrieved Employee Data.

4.6 PAGA Employees Totals. Based on its records, Giuseppe's estimates that, as of July 18, 2025, there were 117 Aggrieved Employees who had worked a total of 3,086 PAGA Pay Periods. The Settlement Administrator shall have the final authority in calculating the total of the Qualified Pay Periods worked by the PAGA Employees during the PAGA Period, calculated pursuant to the terms of this Agreement.

4.7 Within 7 calendar days of receipt of the Aggrieved Employee Data, the Settlement Administrator will circulate to PAGA Counsel and Giuseppe's a spreadsheet containing the Individual PAGA Payments to each PAGA Employee and the data used to calculate said payments. The PAGA Employees, except for Plaintiff, shall be identified by their employee identification number or the last four of their social security number. The Settlement Administrator shall obtain written approval of the calculations from the Parties.

4.8 Within 14 calendar days after CRF funds the QSF, the Administrator will distribute the Administration Expenses Payment, the PAGA Counsel's Fees, PAGA Counsel Costs, and PAGA Representatives Enhancement Payment.

4.9 Mailing of Individual PAGA Payments. Within 14 calendar days after receipt of the PAGA Employee Data from Defendant, or five (5) business days from approval of the calculations from the Parties, whichever is later, the Settlement Administrator shall mail the PAGA Explanatory Letter (attached hereto as **Exhibit A**) along with the Individual PAGA Payments to all PAGA Employees by first-class U.S. mail. Prior to mailing, the Settlement Administrator shall perform a National Change of Address (NCOA) search and an Accurint®, (or substantially similar) in-depth skip trace to obtain the best possible address for the PAGA Employee.

4.9.1 The face of each Individual Settlement Payment check shall prominently state the date (not less than 180 days after the date of mailing) when the check will be voided. The Administrator will cancel all checks not cashed by the void date. Thereafter, any settlement check to an Aggrieved Employee that is not collected within one hundred eighty (180) days of mailing to the Aggrieved Employees shall be cancelled, and funds associated with the check shall be transmitted to the California State Controller's Office, Unclaimed Property Fund in the name of the PAGA Employee.

4.9.2 The envelope containing the Individual PAGA Payment shall bear the following phrase in bold type, in the bottom left-hand corner: **IMPORTANT- GIUSEPPE'S PAGA SETTLEMENT INFORMATION. PLEASE OPEN IMMEDIATELY**.

4.10 Undeliverable Checks. The Administrator shall promptly send a replacement check to any PAGA Employee whose original check was lost or misplaced, or as requested by the PAGA Employee prior to the void date.

4.10.1 If an Individual PAGA Payment is returned as undeliverable with a forwarding address provided by the United States Postal Service before the void date, the Settlement Administrator will promptly resend the Explanatory Letter and Individual PAGA Payment to that forwarding address. If any Individual PAGA Payment is returned from any mailing and/or re-mailed, the Settlement Administrator will note for its own records and notify the Parties' Counsel of the date of such re-mailings as part of a weekly status report provided to the Parties.

4.10.2 If an Individual PAGA Payment is returned as undeliverable without a forwarding address from its first mailing, the Settlement Administrator shall undertake all reasonable efforts to locate a current address, including performing an Experian (or substantially similar) in-depth skip trace or mass search on LexisNexis databases based on set criteria. If the Settlement Administrator obtains a more current address, the Settlement Administrator shall resend the Explanatory Letter and the Individual PAGA Payment to that address. No further action by the Settlement Administrator shall be required regarding undeliverable Class Notices

4.11 Uncashed Funds. Any residual amount of the Net Settlement Amount remaining after all Individual PAGA Payments are made resulting from any returned or uncashed checks shall be sent to the California State Controller's Office in the name of the PAGA Employee.

4.12 Accounting. The Settlement Administrator will provide an accounting under oath to PAGA Counsel and Defense Counsel of the amounts paid from the Settlement prior to any final accounting hearing set by the Court, or in case no such hearing is required, no later than nine (9) months after the Individual PAGA Payments have been disbursed, or 60 (days) from the settlement checks' void date, whichever is later.

4.13 The payment of Individual PAGA Payments shall not obligate Giuseppe's to confer any additional benefits or make any additional payments to the Aggrieved Employees (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

**5. RELEASES OF CLAIMS**. Effective on the date when Giuseppe's fully funds the entire GSA to the QSF, Plaintiff and PAGA Counsel will release claims against all Released Parties as follows:

5.1 Release by PAGA Employees. The settlement is conditioned upon the following release. Upon deposit of the GSA in the Qualified Settlement Fund, Plaintiff on behalf of herself and Aggrieved Employees, are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all PAGA civil penalty claims alleged in the operative Complaint in the case *Hurtado v. Giuseppe's Cucina, LLC*, to the fullest extent allowed by law arising from any of the facts alleged in the PAGA Action or that could have been alleged, based on the facts stated in the Operative Complaint, any amended Complaints, and the PAGA Notice, including any claims for civil penalties arising out of Defendant's alleged violations of the California Labor Code, *et seq.* for, *inter alia*: (1) failing to timely pay all minimum, regular and overtime wages; (2) failing to provide legally compliant meal periods and/or timely pay premium wages in lieu thereof; (3) failing to provide legally compliant rest periods and/or timely pay premium wages in lieu thereof; (4) failing to indemnify necessary business expenses; failing to timely pay all wages due and owing upon separation of employment; (5) failing to furnish accurate itemized wages statements; and (6) failing to maintain accurate records; and (7) failing to maintain a safe and healthful place of employment from September 21, 2023 through September 20, 2025 as based in but not limited claims under Labor Code Sections 201-203, 204, 210, 218.5, 226 *et seq.*, 226.3, 226.7, 510, 512, 558, 558.1, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1198, 2802, 2802(a), 2698, 6400 and any related wage orders.

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

A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that if known by him or her would have materially affected his or her settlement with the debtor or Released Party.

## 6. APPROVAL OF SETTLEMENT.

6.1 The Parties agree to jointly prepare and file an application or motion for approval of this Settlement.

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

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

6.4 Duty to Cooperate. If the Parties disagree on any aspect of the proposed application or motion for approval of this Settlement and/or the supporting declarations and documents, PAGA Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant the application or motion for approval of this Settlement or conditions its approval on any material change to this Agreement, PAGA Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns.

6.5 Entry of Judgment. Plaintiffs shall submit a [Proposed] Order and Judgment on the Actions which will seek the Court's approval of the Settlement and entry of judgments thereon, in accordance with the terms of the PAGA Settlement. The judgment will not release or bar any claims other than the PAGA Released Claims as to the PAGA Employees. The Proposed Judgments on the Actions shall state that the Court will retain jurisdiction pursuant to Code of Civil Procedure Section 664.6 over the Parties, the Actions, and the Settlement solely for purposes of enforcing the Agreement or judgment, addressing settlement administration matters, addressing post-judgment matters related to the Settlement as permitted by law.

## 7. SETTLEMENT ADMINISTRATION.

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

7.2 Employer Identification Number. The Administrator shall have and use its own Employer Identification Number for purposes of calculating payroll tax withholdings and providing reports state and federal tax authorities.

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

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

## 8. AGGRIEVED EMPLOYEE SIZE ESTIMATES and ESCALATOR CLAUSE

Based on its records, Giuseppes estimates that, as of the date of this Settlement Agreement, there are **117** Aggrieved Employees who worked **3,086** Pay Periods during the PAGA Period.

8.1 Escalator Clause: Defendant, at its sole discretion, may choose to increase the Gross Settlement Amount (i.e. $105,000.00) based on the increase in the number of Pay Periods as of September 20, 2025, which is the end of the PAGA Period. If the actual total number of Pay Periods as of September 20, 2025 exceeds the estimate of 3,086

Pay Periods by ten percent (i.e. 3,395 workweeks), Defendants will either (i) pay the pro rata percentage increase in excess of 10% of the Gross Settlement Amount to include the additional workweeks up to September 20, 2025 (e.g. an 11% increase in workweeks will result in a 1% increase of the Gross Settlement Amount, or $106,050.00); or (ii) decide not to increase the Gross Settlement Amount, and the end of the Class Period will be the date that 3,086 Pay Periods were met, but not exceeded.

## 9. CONTINUING JURISDICTION OF THE COURT.

9.1 The Parties agree that, after entry of Judgment, the Court will retain jurisdiction pursuant to Code of Civil Procedure Section 664.6 over the Parties, Action and the Settlement solely for purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters and (iii) addressing such post-Judgment matters as are permitted by law.

## 10. ADDITIONAL PROVISIONS.

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

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

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

10.4 Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying the Settlement Agreement, submitting supplemental evidence and supplementing points and authorities as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of a mediator and/or the Court for resolution.

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

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

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

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

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

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

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

10.12 Use and Return of Aggrieved Employee Data. Information provided to PAGA Counsel pursuant to Evidence Code section 1152, and all copies and summaries of the PAGA Data provided to PAGA Counsel by Giuseppe's in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute or California Rules of Court rule. Not later than 90 days after the Administrator discharges its obligation to pay out of all Settlement funds, Plaintiff shall destroy all paper and electronic versions of Aggrieved Employee Data received from Giuseppe's unless, prior to the Administrator's payment of all Settlement Funds, Giuseppe's makes a written request to PAGA Counsel for the return, rather than the destruction, of Aggrieved Employee Data.

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

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

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

**To Plaintiff**:
ARCH Legal, PC
Graham Hollis, Vilmarie Cordero, and Ommar Chavez
3555 Fifth Avenue, Suite 200
San Diego, CA 92103
619-692-0800

**To Giuseppe's**:
Fisher & Phillips, LLP
Frank Magnanimo and Areen Babajanian
444 South Flower Street, Suite 1500
Los Angeles, CA 90071
(213) 402-9577

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

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

Dated: 11/25/2025

**PLAINTIFF**:

DocuSigned by:
Adela Hurtado
C85E9751C3404FA...

Adela Hurtado

Dated: 11/26/2025

**ARCH LEGAL PC**:

Vilmarie Cordero
Ommar Chavez
Attorneys for Plaintiff and Aggrieved Employees

Dated: Nov 26, 2025

**DEFENDANT GIUSEPPE'S CUCINA, LLC.:**

By: Joseph DiFronzo
Joseph DiFronzo (Nov 26, 2025 13:15:20 PST)

(Authorized Representative of Defendant)

Joseph DiFronzo

Dated: 11/26/2025

**FISHER PHILLIPS, LLP:**

Frank Magnanimo
Areen Babajanian
Attorneys for Defendant
Giuseppe's Cucina, LLC

# EXHIBIT A

Dear [NAME]:

The enclosed check is your proportional share of the settlement payment in the California Private Attorneys General Act ("PAGA") lawsuit titled *Hurtado v. Giuseppe's Cucina, LLC.,* San Luis Obispo Superior Court, Case No. 24CV-0735. The lawsuit alleged various violations of the California Labor Code, including unpaid minimum and overtime wages; meal and rest period violations; unreimbursed expenses; and other related claims. Based on those allegations, the lawsuit sought civil penalties pursuant to the PAGA. You are receiving this check because you worked for *Hurtado v. Giuseppe's Cucina, LLC*, ("Giuseppe's") within the state of California at some point between September 21, 2023, to September 22, 2025

It is important to note that the Court has not ruled on the merits of the claims or defenses, and the court has not ruled in favor of either party. Further, Giuseppe's denies all claims and allegations in the lawsuit and maintains that it did nothing wrong and that it complied with the law at all times. However, recognizing the risks and costs of maintaining the lawsuit, both parties mutually agreed to resolve and settle their disputes, and the Court has approved the settlement and release of the PAGA claims.

This settlement releases claims for civil penalties under the PAGA, but does not release other certain claims. Enclosed you will also find an IRS Form 1099 for 100% of this payment, which represents civil penalties only. Please cash or deposit the check on or before its printed void date. Checks will not be re-issued after the void date.

If you have any questions about this payment, contact APEX Class Action, the Settlement Administrator at (000) 000-0000. Please note that we cannot provide tax advice. If you have questions about the tax treatment of this payment, we suggest that you consult your tax advisor or accountant.

Regards,