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Attorneys for Plaintiff
GUDELIA CRUZ

**SUPERIOR COURT OF THE STATE OF CALIFORNIA**

**COUNTY OF LOS ANGELES**

GUDELIA CRUZ, an individual on behalf of herself and all similarly situated employees,

Plaintiff,

vs.

SHABASCO, INC., a California Corporation; EL POLLO LOCO, INC., a California Corporation; SHABBIR RANGWALA, an individual; and DOES 1 through 100, inclusive,

Defendants.

Case No. 25STCV02569

**DECLARATION OF MICHAEL C. ROBINSON IN SUPPORT OF MOTION FOR AN ORDER APPROVING SETTLEMENT UNDER CALIFORNIA LABOR CODE PRIVATE ATTORNEYS GENERAL ACT AND ENTERING ORDER APPROVING PAGA SETTLEMENT**

[*Concurrently filed with Motion; [Proposed] Order; Declaration of Jodey Lawrence; Declaration of Gudelia Cruz*]

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**DECLARATION OF MICHAEL C. ROBINSON**

I, Michael C. Robinson, declare:

1. I am an attorney admitted to practice before all courts of the State of California. I am a founding shareholder and the president at Robinson Di Lando, A Professional Law Corporation, counsel for plaintiff GUDELIA CRUZ ("Plaintiff"). I make this declaration in support of the Unopposed Motion for An Order Approving Settlement Under California Labor Code Private Attorneys General Act and Entering Order Approving PAGA Settlement. I have personal knowledge of the facts set forth in this Declaration based on my involvement in the case since its inception as one of two primary handling attorneys. If called as a witness, I could and would testify competently under oath regarding the facts set forth herein.

**I. FACTUAL BACKGROUND**

2. On or about August 26, 2024, Plaintiff filed this Action as a putative class action alleging claims for failure to pay minimum wages, failure to pay overtime wages, failure to compensate for missed meal periods, failure to compensate for missed rest periods, failure to pay for earned wages upon separation, failure to furnish accurate wage statements, violation of Labor Code § 226(C); violation of Labor Code § 1198.5, violation of Labor Code § 2802, and violation of Business and Professions Code section 17200. On November 8, 2024, Plaintiff filed a First Amended Complaint to include a claim for Civil Penalties under Labor Code § 2699, et seq. (PAGA).

3. Previously, on or about August 23, 2024, Plaintiff filed a letter with the Labor and Workforce Development Agency ("LWDA") and provided copies of this letter to Defendants via certified mail, asserting claims for Defendants' alleged violations of Labor Code Sections 2699.5, 98.6, 200, 201, 202, 203, 204, 210, 226, 226.3, 226.7, 2802, 510, 512, 558, 1102.5, 1174, 1194, 1194.2, 1197, 1197.1, 1198.5, 2802, 2699, and applicable Wage Orders. Attached hereto as Exhibit A, please find the aforementioned letter.

4. On or around October 31, 2024, Defendants provided Plaintiff with an arbitration agreement for Plaintiff, and demanded that Plaintiff's individual claims submitted to binding arbitration and the representative PAGA claim stayed. (Robinson Decl. ¶ 4.) Plaintiff and

Defendants met and conferred regarding the arbitration agreement, and agreed to proceed with mediation of Plaintiff's representative PAGA claim.

5. Thereafter, the Parties agreed to stay formal discovery, schedule a mediation and conduct informal discovery consisting of:

- Plaintiff's time records, wage statements, and personnel file, including a copy of the meal period waiver in place;
- Time Records – a random 20% sample of PAGA Members' time records during the PAGA period;
- Payroll Records – a random 20% sample of PAGA Members'payroll information during the PAGA period;
- Policies, employee handbooks, and other forms related to the claims made in the matter and used during the PAGA period; and
- Data regarding the number of current and former non-exempt employees working during the PAGA period, pay periods worked, and average rate of pay.

6. Defendants provided Plaintiff with a sampling of time and payroll records, policies, and procedures, and Plaintiff subsequently provided the produced records to her retained wage expert for review and analysis. On May 14, 2025, the Parties participated in a full day mediation with Anthony Pantoni, Esq. The Parties were able to reach a settlement at the mediation.

## II. SETTLEMENT TERMS

7. Under the Settlement Agreement, Plaintiff's representative claims include Aggrieved Employees defined as all persons employed by Shabasco in California, classified as hourly, non-exempt employees, during the PAGA Period of September 4, 2023 through the date the Court enters the Order Approving PAGA Settlement. "PAGA Period" means the period of time commencing on September 4, 2023 through the date the Court enters the Order Approving PAGA Settlement

8. The Parties have agreed to settle the PAGA claims at issue for a Gross Settlement Amount of $175,000 based on 2,777 pay periods through February 19, 2025. (Robinson Decl. 8.) Based on Defendants' counsel's review and analysis of the records, Defendants estimate that, through May 14, 2024, there were approximately 101 Aggrieved Employees who worked 3,155 Pay Periods during the PAGA Period. Attached hereto as Exhibit B, please find the Settlement Agreement.

9. The Settlement is a common fund and therefore includes all requested costs, fees, and other allocations. Subject to Court approval, the Gross Settlement Amount includes: (1) Plaintiff's

Counsel Fees Payment in the amount of 1/3% of the Gross Settlement Amount estimated to be $58,333.33; (2) Plaintiff's Counsel Litigation Costs Payment of $11,750.00; and (3) the Settlement Administration Payment of $3,250.00. After the foregoing amounts are deducted from the Gross Settlement Amount, the remaining Net Settlement Amount will be paid to the LWDA and PAGA Members.

10. The Net Settlement Amount is currently estimated to be $101,666.67and will be distributed as follows: 65% of the Net Settlement Amount will be paid to the LWDA, and the remaining 35% will be paid to all Aggrieved Employees on a pro rata basis based upon the number of pay periods worked by each Aggrieved Employee during the PAGA Period.

11. The Administrator will report the Individual PAGA Payments on IRS 1099 forms.

12. Defendants will deliver to the Administrator the Aggrieved Employee Data in the form of a Microsoft Excel Spreadsheet and Aggrieved Employee List within fourteen (14) days of the Court's approval of the settlement.

13. Defendants will deliver to the Administrator the Aggrieved Employee Data in the form of a Microsoft Excel Spreadsheet and Aggrieved Employee List within twenty one (21) days of the Court's approval of the settlement. Within thirty (30) calendar days of the Effective Date (the date by when the Order Approving PAGA Settlement is final), Defendants will fully fund the Gross Settlement Amount by transmitting the funds to the Administrator. Within fourteen (14) calendar days after Defendants fund the Gross Settlement Amount, the Administrator will mail checks for all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, and the PAGA Counsel Expenses Payment. The Administrator will issue checks for the Individual PAGA Payments and send them to Aggrieved Employees via First Class U.S. Mail, postage prepaid. Checks will remain negotiable for 180 days. Before mailing any checks, the Administrator must update the recipients' mailing address using the National Change of Address Database. The Administrator must conduct an address search for all Aggrieved Employees whose checks are returned undelivered without a USPS forwarding address. For any Aggrieved employee who's Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the California Controller's Unclaimed

Property Fund in the name of the Aggrieved employee.

14. As part of the Settlement, Plaintiff agreed to seek approval to dismiss the class claims filed in the Action without prejudice, and does so in connection with this motion. The Settlement is conditioned upon the approval of the PAGA Settlement and approval of the dismissal of the class claims without prejudice

Upon the Court's approval of this Settlement, Aggrieved Employees shall release Defendant and the Released Parties as follows:

> "All Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors and assigns, the Released Parties from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the Operative Complaint, and the PAGA Notice. (Robinson Decl. ¶ 14; Ex. B, Settlement Agreement § 6.1.)

This release shall apply to all such claims arising during the PAGA period.

15. The mailing of the Individual PAGA Payments checks to the Aggrieved Employees will be sent under a cover letter substantially similar in content and form to the proposed cover letter attached hereto "Exhibit C". Further, in accordance with Labor Code section 2699(1)(2), a copy of the proposed Settlement Agreement, as well as information regarding the approval hearing and this subject Motion were submitted to the California Labor and Workforce Development Agency via online filing at https://www.dir.ca.gov/Private-Attorneys-General-Act/Private-Attorneys-General-Act.html on September 24, 2025. Attached as "Exhibit D" is a copy of the filing submission.

## III. THE SETTLEMENT IS FAIR AND REASONABLE

16. Before bringing a civil action under PAGA, an employee must comply with the notice requirements described in Labor Code section 2699.3. Plaintiff complied with this requirement.

17. The Settlement Agreement and this Motion, along with supporting papers, are being submitted to the California Labor and Workforce Development Agency, as required by California Labor Code section 2699 (l)(2).

18. Here, the parties engaged in arms-length, non-collusive negotiations at all times including attending a full day of mediation with Anthony Pantoni, Esq., a highly respected mediator with extensive experience in wage and hour matters including actions brought pursuant to the Private

Attorneys General Act. At all times, Plaintiff was willing and prepared to litigate this matter through arbitration and trial, and possible appeals if a favorable resolution had not been reached. The proposed Settlement was reached at the end of a process that was neither fraudulent nor collusive. To the contrary, counsel for each Party advanced their positions throughout the settlement negotiations.

19. Prior to mediation, the Parties engaged in informal discovery. Through informal discovery, Plaintiff's counsel obtained a random sampling of time and payroll records for the Aggrieved Employees, as well as information regarding the total number of employees, the number of current and former employees, the number of pay periods worked within the relevant time period, company policies and procedures related to wage and hour, meal waivers, and other relevant information. Plaintiff's counsel retained a wage expert to review the records and conduct an analysis regarding Plaintiff's claims. This allowed Plaintiff's counsel to conduct an informed assessment and analysis of Defendants' potential exposure.

20. The Parties briefed their positions regarding the strengths and weaknesses of Plaintiffs' claims and Defendants' defenses, provided their analyses to each other and the mediator, and debated the merits of their respective positions at mediation. Furthermore, negotiations were conducted by capable counsel who have strong records of effective advocacy in wage and hour litigation.

21. Plaintiff's counsel, with over thirty years of experience, has represented both plaintiffs and defendants in wage and hour litigation, including class action wage claims, PAGA claims, and individual wage and hour claims. Plaintiff's counsel had sufficient information and experience to act competently in negotiating settlement.

22. Based on a careful analysis of payroll and time punch data provided through Defendants' counsel, Plaintiff estimated there are about 101 aggrieved employees who incurred approximately 3,155 pay periods through the date of mediation.

Plaintiffs' Counsel reviewed and analyzed an extensive sampling of time records, payroll records, and other relevant documents and data and, based on the discovery provided, estimated with all claims adjudicated in favor of Plaintiffs to be approximately $2,605,800.00 in penalties.  But during mediation and settlement negotiations, Defendants raised several issues which impacted the risks attendant to proceeding with the PAGA claims through trial which Plaintiff had to take into consideration for a more realistic penalties analysis as detailed below.

23. Defendants also maintained several defenses to Plaintiff's theory of liability which, if successfully proven, had the potential to eliminate or substantially reduce Plaintiff's estimated recovery.  Plaintiff's Counsel also recognized that protracted litigation of the alleged claims would be expensive, time-consuming, and uncertain. To prove liability and damages, Plaintiff will be required to conduct additional extensive discovery, conduct numerous depositions, request and analyze thousands of pages of documents, obtain the Aggrieved Employees' contact information, contact these employees, and obtain numerous declarations at great expense. Obtaining the cooperation of current employees would also be difficult, given the likely reluctance to aid prosecution of a lawsuit against a current employer. On the other hand, Defendants would likely be able to obtain the cooperation of its employees. And even if Plaintiff prevailed at trial, possible appeals could delay recovery. Accordingly, there is a significant risk that Plaintiff could ultimately recover nothing despite protracted litigation.

24. Thus, while Plaintiff maintains that his PAGA claims are meritorious, Plaintiff's Counsel considered the strengths and weaknesses of each side's respective positions in evaluating Defendants' likely potential exposure. First, taking into account the risk of maintaining the case on a representative basis, potential arguments regarding manageability, and challenges to Plaintiff's status as aggrieved employees, Plaintiff discounted Defendants' estimated liability. In consideration for merits-based risk factors, including prevailing at trial, Plaintiff further discounted Defendants' estimated liability. Finally, given the discretionary nature of PAGA penalties, the likelihood that these potential penalties could be severely reduced by the Court's decision to decline to stack such penalties, and the fact that Defendants had potential arguments that the imposition of such penalties would be arbitrary and oppressive, Plaintiff discounted Defendants' estimated liability. The figure achieved on behalf of the State of California and Aggrieved Employees ($175,000) is warranted not only because it benefits the State and Aggrieved Employees, but it may address any conservative calculations that cannot be accounted for from off-the-clock work as this time was unrecorded.





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25. After considering these many factors, Plaintiff and Plaintiff's Counsel concluded that it was in the best interest of the State of California and the Aggrieved employees to enter into the Settlement. The overall relief obtained by the Settlement is significant not only from a monetary perspective, but also because it fulfills the public policy objectives of PAGA—to promote enforcement of California's labor laws, provide funds to the state, and deter future non-compliance by Defendant. The Settlement is also well-within the range of settlements of PAGA claims approved by Courts in other cases. For example, in *Schiller v. David's Bridal, Inc.*, 1:10-cv-00616-AWI-SKO, 2012 U.S. Dist. LEXIS 80776 (E.D. Cal. June 11, 2012), the Court approved a $10,000 PAGA settlement in a case involving 3,327 class members. Similarly, in *Chu v. Wells Fargo Investments, LLC*, No. C-05-4526 MHP, 2011 U.S. Dist. LEXIS 15821 (N.D. Cal. Feb. 16, 2011), the Court approved a $10,000 PAGA settlement in a case involving 2,752 class members. In this case, the Gross Settlement Amount is $700,000.00 for 105 employees. This amounts to approximately $30.00 per pay period. For these reasons, the Settlement presented here is fair, reasonable, and adequate.

## IV. THE REQUESTED ATTORNEYS' FEES PAYMENT IS FAIR AND REASONABLE, AND IT SHOULD BE APPROVED

26. Here, the Settlement provides for Attorneys' Fees to Plaintiff's Counsel of $58,333.33, i.e., 1/3% of the Gross Settlement Amount, subject to Court approval. (Settlement Agreement § 3.2.1.) The requested fee award is well within the range of reasonableness. Plaintiff's Counsel risked substantial economic loss when they took this case on a contingency basis, knowing that there would likely be a long battle with an aggressive and competent defense counsel. As a result of Plaintiff's Counsel's willingness to take on this risk and their efforts in prosecuting this case, the State and PAGA Members will receive a substantial recovery for violations that would otherwise have gone unaddressed.

27. Accordingly, the requested fee award: (1) is consistent with the private marketplace where contingent-fee attorneys are customarily compensated on such a basis; (2) aligns the interests of Plaintiff's counsel, the State of California, and PAGA Members in achieving the maximum possible resolution of the case; (3) encourages the most efficient resolution of the litigation by providing an incentive for early, yet fair and reasonable settlement; and (4) reflects the work



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performed, risks incurred, results obtained, and experience of Plaintiff's Counsel in handling similar matters. Plaintiff's Counsel has obtained a fair recovery for the State of California and Aggrieved Employees, which justifies a fee award based on the 1/3% of the common fund.

28. Plaintiff's Counsel has extensive experience in the handling of complex employment class actions and PAGA Actions. Plaintiff's Counsel has aggressively litigated this case from the initial pleading to the settlement of this Action. The ongoing work performed by Plaintiff's Counsel has been extensive, complex, and ultimately successful in achieving a fair settlement for the Aggrieved Employees and the State. Plaintiff's Counsel actively participated in this litigation, attending multiple client meetings, attending court hearings, conducting legal research on unanticipated and remote legal defenses, participating in case strategy and analysis, drafting, reviewing, and revising pleadings and other documents, and attending a mediation. Plaintiffs' counsel conducted extensive informal discovery and obtained hundreds of pages of wage records. Plaintiff's counsel researched defenses raised by Defendants, investigated Defendants' policies, practices, and procedures, reviewed hundreds of documents, and analyzed a substantial sampling of time and payroll data. Plaintiff's Counsel spent an extensive amount of time working with the wage expert regarding the claims and analysis. Plaintiff's counsel spent an extensive amount of time preparing for mediation and attending a full day mediation. Further, Plaintiff's Counsel spent significant time drafting and revising the Settlement presented to the Court. A settlement was finally achieved despite all of the obstacles that had to be overcome, because Plaintiff's Counsel used their complex wage-and-hour litigation experience and skills to obtain the Settlement.

29. The skill required to properly litigate this case is evident not only in the results achieved, but in the steps necessary to reach this result. Defendants retained well-respected counsel and vigorously denied liability. Indeed, Defendants and their Counsel felt strongly about Defendants' ability to prevail and mounted several defenses that posed significant threats to Plaintiff's claims, challenged the theories of Plaintiff's Counsel, and promised a strong defense moving forward. Defendants' counsel took the position that the time and pay records evidenced that Plaintiff was properly paid for all hours worked, properly paid daily and weekly overtime, provided complete and accurate wages statements, and properly reimbursed for business expenses. Further,

Defendants argued that the company's policies and California Supreme Court precedent establish that it was Plaintiff's responsibility to ensure that she took daily meal and rest breaks, and to report to the company if she could not do so. In order to evaluate these claims and defenses, Plaintiff's Counsel were required to review and analyze a tremendous amount of data to determine Defendants' underlying practices and liability, a complex process that took considerable time, energy, and knowledge. This complicated analysis required substantial skill, but Plaintiff's Counsel were able to successfully navigate these challenges because of their extensive experience in complex wage and hour litigation. This settlement, against experienced defense counsel, and despite the existence of several strong defenses, was made possible through Plaintiff's Counsel's skill and reputation in complex employment matters.

30. The Settlement represents a fair resolution of this case given the risks inherent in litigating it through trial and possible appeals. Although Plaintiff's Counsel predicts that Plaintiff would prevail at trial, several risks reduced value of the case. Had the case not settled, Plaintiff anticipates Defendants would have challenged that Plaintiff was an aggrieved employee in arbitration which would therefore preclude his ability to prosecute the representative PAGA claim, challenged manageability of the case, disputed Plaintiff's contentions on the merits, and sought reduction in the amount of penalties. Preparing the case for trial would have been expensive and risky. In contrast, settlement at this stage guarantees immediate recovery for the State of California and the Aggrieved Employees. Despite the challenges Plaintiffs still faced, Defendants agreed to pay a Gross Settlement Amount of at least $175,000. This is an outstanding result for a settlement limited to penalties arising under PAGA and which does not affect the Aggrieved Employees' individual wage claims.

Whether the representation was provided on a contingency basis, as it was in this case, is an important factor. A contingent fee must be higher than a fee for the same legal services paid as they are performed. (*Cates v. Chiang* (2013) 213 Cal.App.4th 791, 823.) This case was litigated on a contingency basis. If Plaintiff's Counsel had been unsuccessful, they would not receive any fee or recover any portion of their expenses spent litigating this matter over a period of more than two years. Plaintiffs' Counsel have borne all risks and costs associated with the litigation and will not



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receive any compensation until recovery is obtained.

31. Reasonableness of hours is assessed by "the entire course of the litigation, including pretrial matters, settlement negotiations, discovery, litigation tactics, and the trial itself[.]" (*Vo v. Las Virgenes Municipal Water Dist*. (2000) 79 Cal.App.4th 440, 447.) This case was highly contested, as Defendants raised significant defenses and denied liability. Plaintiffs' Counsel invested significant time and labor into this matter. The services provided include, but were not limited to attending client meetings, attending court hearings, conducting legal research on unanticipated and remote legal defenses, participating in case strategy and analysis, drafting, reviewing, and revising pleadings and other documents, and attending a full day mediation. Plaintiff's Counsel conducted extensive informal discovery, researched defenses raised by Defendant investigated Defendants' policies, practices, and procedures, reviewed hundreds of documents, and analyzed a substantial sampling of time and payroll data, and meeting with a wage expert. As noted above, Plaintiff's Counsel also spent significant time drafting and revising the Settlement presented to the Court. A settlement was finally achieved despite all of the obstacles that had to be overcome, because Plaintiff's Counsel used their complex wage-and-hour litigation experience and skills to obtain the Settlement. Plaintiff's Counsel conservatively expended over 165 hours between two attorneys on this matter for over a year. The time spent on this matter was time Plaintiff's Counsel could not spend on other cases or performing other tasks. Plaintiffs' Counsel also bore the significant risk that, despite all their efforts, there might ultimately be no recovery. Accordingly, Plaintiff's Counsel has spent a reasonable number of hours working on this matter.

32. Here, the use of a blended rate of at least $550.00 is appropriate based on the complexity of this matter and the professional background and experience of Plaintiff's Counsel. Plaintiff's Counsel Michael Robinson has over thirty years of experience and counsel Orion Robinson has approximately twelve years of experience. Michael Robinson and Orion Robinson serve as plaintiff's counsel and defense counsel on multiple class action and PAGA cases. If Plaintiffs' counsel was billing at an hourly rate, the total amount of attorney's fees would be $90,750.00.

33. Plaintiff's Counsel is requesting $58,333.33 in attorneys' fees.

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34. Plaintiffs' Counsel requests the reimbursement of the costs incurred litigating this case in the total amount of $11,750.00. These costs include filing fees, expert witness fees, wage analysis, mediation, and other costs associated with the Action. This is not taking into account any future costs that will be necessary in order to successfully resolve this Action including costs associated with the filing of this joint stipulation and additional costs for filing declarations following distribution of the Gross Settlement Amount. These costs are less than allocated under the Settlement and were necessary for the prosecution of the Action. Accordingly, Plaintiff respectfully requests these costs be reimbursed in full.

## V. THE ADMINISTRATION COSTS ARE FAIR AND REASONABLE

35. Subject to Court approval, the Parties have agreed to utilize Phoenix to handle administration of the Settlement. The total fees and expenses of the Settlement Administrator shall not exceed $3,250.00. These costs include, but are not limited to, expenses for preparing, translating the cover letter to Spanish, printing and mailing the cover letter in English and Spanish and sending checks to the Aggrieved Employees, performing skip-traces; remailing returned payments; and handling inquiries from Aggrieved Employees regarding the Settlement. Plaintiffs therefore respectfully requests that the Court approve payment of administration costs in the amount of $3,250.00 to Phoenix.

36. Here, Plaintiff initiated this litigation and invested considerable time and effort to enforce the Labor Code on behalf of the State of California and the aggrieved employees, who will now receive monetary payment as a result. Plaintiff provided Plaintiff's counsel with information, provided the facts and evidence necessary to attempt to prove the allegations, and had numerous discussions with Plaintiff's Counsel about this case. Plaintiff assisted with preparing for mediation. Plaintiff played an instrumental role in the successful litigation of this case. The payment serves to recognize the actual risks Plaintiff assumed by putting herself on public records in a representative employment lawsuit and obtaining penalties on behalf of the State.

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I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on September 23, 2025 at Los Angeles, California.

Michael C. Robinson

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Los Angeles, California

# Exhibit A

Robinson Di Lando
Serving Our Clients for 25 Years

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August 23, 2024

**Filed Electronically**

Labor and Workforce Development Agency / Department of Industrial Relations
Accounting Unit
455 Golden Gate Avenue, 10th Floor
San Francisco, CA 94102

*Re:* ***Notice Letter of Gudelia Cruz on Behalf of Herself and Aggrieved Employees under California Labor Code Section 2699.3***

**Employer:**

SHABASCO, INC.
1818 Sunshine Court
Glendale, CA 91208

EL POLLO LOCO, INC.
1212 East Huntington Drive
Duarte, CA 91010

SHABBIR RANGWALA
1818 Sunshine Court
Glendale, CA 91208

Dear Representative:

This letter constitutes notice under Labor Code section 2699.3 (the "PAGA Notice"). It is submitted online with the Labor and Workforce Development Agency ("LWDA") and accompanied by the $75 filing fee required under Labor Code section 2699.3, subdivision (a)(1)(B). Copies of the PAGA Notice are sent via certified mail to the employer(s) listed above.

The PAGA Notice involves Gudelia Cruz ("Employee") and other aggrieved employees who were employed by Shabasco, Inc., El Pollo Loco, Inc., and Shabbir Rangwala (collectively as "Employer"). Employee seeks to represent all persons who were employed by Employer and suffered one or more of the alleged Labor Code violations committed by Employer (i.e., other aggrieved employees), as described below.

Employee worked for Employer from on or around 2007 through June 12, 2024 as a non-exempt, hourly employee with duties as a cook. Other aggrieved employees that Employee seeks to represent are all other non-exempt employees of Employer in the state of California. In return, Employer paid (or purported to pay) Employee and other aggrieved employees an hourly wage for their services.

Aggrieved employees were regularly compensated an amount less than the wages earned. Aggrieved employees were regularly forced to work off-the-clock, so the aggrieved employees were not paid owed regular/minimum wages for all time worked. Employee is informed and believes, and therefore alleges, that Employer violated Labor Code sections 1194 and 1197 and the applicable Wage Orders, entitling the aggrieved employees to damages under the Labor Code, including, without limitation, Sections 1194 and 1194.2. Employer is also liable for civil penalties under Labor Code sections 558, 1197.1, and 2699. Employer also did not compensate employees for all tips.

Aggrieved employees were not paid owed overtime wages for working over eight hours in a workday, over forty hours in a workweek, over twelve hours in a workday, the first eight hours on the seventh consecutive workday in a workweek, and/or over eight hours on the seventh consecutive workday in a workweek. Employee is informed and believes, and therefore alleges, that Employer violated Labor Code sections 510, 1194, and the applicable Wage Orders, entitling the aggrieved employees to damages under the Labor Code. Employer is also liable for civil penalties under Labor Code sections 558 and 2699.

Employer had a practice of failing to provide aggrieved employees with a thirty-minute, uninterrupted, and timely meal period for days on which those employees worked in excess of five hours in a workday, and a second thirty-minute, uninterrupted, and timely meal period for days on which those employees worked in excess of ten hours in a workday. The aggrieved employees were not compensated with premium payments for the missed, interrupted, or untimely meal periods, which payments are required by California law. Employee is informed and believes, and therefore alleges, that Employer violated Labor Code section 512 and the applicable Wage Orders, entitling aggrieved employees to premium payments under the Labor Code, including, without limitation, Section 226.7. Employer is also liable for civil penalties under Labor Code sections 558 and 2699.

Employer had a practice of failing to authorize and permit aggrieved employees with a timely, full, and uninterrupted ten-minute rest period per four hours of work (or major fraction thereof) as required by the applicable Wage Orders. The aggrieved employees were not compensated with premium payments for the missed, interrupted, or untimely rest periods, which payments are required by California law. Employee is informed and believes, and therefore alleges, that the aggrieved employees are entitled to premium payments under the Labor Code, including, without limitation, Section 226.7. Employer is also liable for civil penalties under Labor Code sections 558 and 2699.

Aggrieved employees were regularly compensated an amount less than the wages earned. The unlawful wages practices included, but were not limited to, aggrieved employees were regularly forced to work off-the-clock, were not paid all wages earned, were not paid for all hours worked, and were penalized by having wages withheld, so the aggrieved employees were not paid owed regular/minimum wages for all time worked. Aggrieved employees were not compensated owed overtime wages. Further, aggrieved employees were not paid meal and rest period premiums for break violations. As a result, the aggrieved employees' wage statements did not accurately show all of the information required under Labor Code section 226, subdivision (a), including the gross wages earned, the total hours worked by the employee, the net wages earned, and the rates of pay at which wages should have been paid. The wage statements also did not include the aggrieved employees' properly named employer and other employee information required by Labor Code section 226(a). Employee is informed and believes, and therefore alleges, that the aggrieved employees are entitled to penalties under Labor Code section 226, subdivision (e). Employer is also liable for civil penalties under Labor Code sections 226.3, 558, and 2699.

Aggrieved employees were not paid all wages owed at the time of employment separation. Those wages were not timely paid to aggrieved employees upon separation. Employee is informed and believes, and therefore alleges, that Employer violated Labor Code sections 201, 202, and 203, entitling the aggrieved employees to waiting-time penalties under Labor Code section 203, subdivision (a). Employer is also liable for civil penalties under Labor Code sections 558 and 2699.

Employee complained about the unlawful wage practices as set forth above to Employer and was retaliated for complaining. Employee is informed and believes, and therefore alleges, that Employer violated Labor Code section 1102.5, entitling Employee to damages under the Labor Code, including, without limitation, Sections 1102.5 and 98.6. Employer is also liable for civil penalties under Labor Code sections 2699 and 98.6.

Employees were not properly reimbursed for business expenses in violation of Labor Code § 2802, entitling Employee to damages under the Labor Code as well as civil penalties under Labor Code sections, including but not limited to, 2699 and 98.6.

In accordance with Labor Code section 2699.3, subdivision (a)(2)(A), please notify us within 60 calendar days of the postmarked date of the PAGA Notice as to whether the LWDA intends to investigate the violations alleged above. Our understanding is that if we do not receive a notice within 65 calendar days of the postmarked date of the PAGA Notice, Employee may commence a civil action against Employer, on behalf of himself and other aggrieved employees, under Labor Code section 2699.

Should you have any questions, please do not hesitate to contact the undersigned.

Very truly yours,

Orion S. Robinson

OSR:mby
cc: (Via Certified Mail Return Receipt Requested)

SHABASCO, INC.
1818 Sunshine Court
Glendale, CA 91208

EL POLLO LOCO, INC.
1212 East Huntington Drive
Duarte, CA 91010

SHABBIR RANGWALA
1818 Sunshine Court
Glendale, CA 91208

# Exhibit B

# PAGA SETTLEMENT AGREEMENT

This PAGA Settlement Agreement ("Agreement") is made by and between plaintiff Gudelia Cruz ("Plaintiff") and defendants Shabasco, Inc. ("SHABASCO") and Shabbir Rangwala (collectively Rangwala and SHABASCO are referred to as "Defendants"). The Agreement refers to Plaintiff and Defendants collectively as "Parties," or individually as "Party."

## 1. DEFINITIONS.

1.1 "Action" means the Plaintiff's Class and PAGA lawsuit alleging wage and hour violations against Defendants captioned *Cruz v. Shabasco, Inc., et al.* Case No. 24STCV21759, initiated on August 26, 2024, amended on November 8, 2024, and pending in Superior Court of the State of California, County of Los Angeles.

1.2 "Administrator" means Phoenix Settlement Administrators, 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" means a person employed by SHABASCO in California and classified as a hourly, non-exempt employee who worked for SHABASCO during the PAGA Period.

1.5 "Aggrieved Employee Data" means Aggrieved Employee identifying information in SHABASCO'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 Los Angeles.

1.8 "Defense Counsel" means Brian D. Martin, April L. Szabo, and Granville C. Kaufman of Atkinson, Andelson, Loya, Ruud & Romo.

1.9 "Effective Date" means the date by when both of the following have occurred: (a) the Court enters an Order Approving PAGA Settlement and (b) the Order Approving PAGA Settlement is final. The Order Approving PAGA Settlement is final as of the latest of the following occurrences: (a) the day the Court enters the Order Approving PAGA

Settlement, and (b) Defendants have received notice of entry of the Order Approving PAGA Settlement.

1.10 "Gross Settlement Amount" means $175,000 which is the total amount SHABASCO agrees to pay under the Settlement. 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 "Order Approving PAGA Settlement" means the order entered by the Court approving the PAGA Settlement.

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: the LWDA PAGA Payment, PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment and the Administration Expenses Payment. The remainder is to be paid to Aggrieved Employees as Individual PAGA Payments.

1.16 "PAGA Counsel" means Michael C. Robinson, Jr. and Orion Robinson of Robinson Di Lando, 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 SHABASCO for at least one day during the PAGA Period.

1.19 "PAGA Period" means the period from September 4, 2023 to the date the Court enters the Order Approving PAGA Settlement.

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

1.21 "PAGA Notice" means Plaintiff's letter dated August 23, 2024, and submitted on August 26, 2024, to Defendants and the LWDA providing notice 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% of the Net Settlement Amount to the Aggrieved Employees and the 65% of the Net Settlement Amount to the LWDA in settlement of PAGA claims.

1.23 "Plaintiff" means Gudelia Cruz, the named plaintiff in the Action.

1.24 "Approval Order" means the proposed Court Order Approving PAGA Settlement.

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

1.26 "Released Parties" means Shabbir Rangwala, SHABASCO and each of its former and present directors, officers, shareholders, owners, managing agents, members, attorneys, insurers, predecessors, successors, assigns, subsidiaries, and affiliates (including San Gabriel Valley Fast Foods I, Inc., San Gabriel Valley Fast Foods II, Inc., and San Gabriel Valley Fast Foods III, Inc.)

1.27 "Settlement" means the disposition of the Action effected by this Agreement and the Approval Order.

## 2. RECITALS.

2.1 On August 26, 2024, Plaintiff commenced this Action by filing a Complaint alleging causes of action against Defendants for (1) failure to pay overtime, (2) failure to pay minimum wages, (3) failure to provide meal periods or compensation in lieu thereof, (4) failure to provide rest periods or compensation in lieu thereof, (5) failure to pay due wages at termination, (6) failure to furnish accurate wage statements, (7) violation of Labor Code section 226(C), (8) violation of Labor Code section 1198.5, (9) violation of Labor Code section 2802, and (10) Unfair Competition. On November 8, 2024, Plaintiff filed a First Amended Complaint ("FAC") adding a claim for Civil Penalties under Labor Code section 2699, *et seq.* The FAC is the operative complaint in the Action (the "Operative Complaint"). Defendants deny the allegations in the Operative Complaint, deny any failure to comply with the laws identified in in the Operative Complaint, deny any and all liability for the causes of action alleged, and also contend that Plaintiff and putative class members and aggrieved employees signed arbitration agreements that require them to arbitrate the disputes raised in the Operative Complaint.

2.2 Pursuant to Labor Code section 2699.3, subdivision (a), Plaintiff gave timely written notice to Defendants and the LWDA by sending the PAGA Notice.

2.3 On May 14, 2025, the Parties participated in an all-day mediation presided over by respected private mediator Anthony Pantoni, Esq. which led to this Agreement to settle the Action.

2.4 Prior to mediation, Plaintiff obtained, through informal discovery, Plaintiff's employment records, including time, payroll, wage statements and personnel file, and a sampling of records for aggrieved employees, including time records and payroll records, PAGA data regarding the aggrieved employees, and policy and practice documents of SHABASCO.

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

## 3. MONETARY TERMS.

3.1 Gross Settlement Amount. SHABASCO promises to pay $175,000 and no more as the Gross Settlement Amount. SHABASCO has no obligation to pay the Gross Settlement Amount prior to the deadline stated in Paragraph 5.3 of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to SHABASCO.

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

3.2.1 To PAGA Counsel: A PAGA Counsel Fees Payment of not more than 33.33%, which is currently estimated to be $58,333.33, and PAGA Counsel Litigation Expenses Payment of not more than $12,000. Defendants will not oppose requests for Court approval of these payments provided that they do not exceed these amounts. Plaintiff and/or PAGA Counsel will file an application or motion for PAGA Counsel Fees Payment and PAGA Litigation Expenses Payment. If the Court approves a PAGA Counsel Fees Payment and/or a PAGA Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. Released Parties shall have no liability to PAGA Counsel or any other Plaintiff's Counsel arising from any claim to any portion any PAGA Counsel Fee Payment and/or PAGA Counsel Litigation Expenses Payment. The Administrator will pay the PAGA Counsel Fees Payment and PAGA Counsel Expenses Payment using one or more IRS 1099 Forms. PAGA Counsel assumes full responsibility and liability for taxes owed on the PAGA Counsel Fees Payment and the PAGA Counsel Litigation Expenses Payment and holds Defendants harmless, and indemnifies Defendants, from any dispute or controversy regarding any division or sharing of any of these Payments.

3.2.2 To the Administrator: An Administrator Expenses Payment not to exceed $3,250 except for a showing of good cause and as approved by the Court. To the extent the Administration Expenses are less or the Court approves payment less than $3,250, the Administrator will retain the remainder in the Net Settlement Amount.

3.2.3 To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of The Net Settlement Amount to be paid from the Gross Settlement Amount, with 65% allocated to the LWDA PAGA Payment and 35% allocated to the Individual PAGA Payments.

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

3.2.3.2 If the Court approves PAGA Penalties of less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

## 4. DISMISSAL OF CLASS CLAIMS AGAINST DEFENDANTS

4.1 Plaintiff agrees to seek approval to dismiss the class claims filed in the Action without prejudice. Plaintiff agrees to request the approval for dismissal concurrently with the motion to approve the Settlement with such dismissal contingent on approval of the Settlement . The Parties agree that the Settlement is conditioned upon the Court's approval of this PAGA Settlement and approval of the dismissal of the class claims without prejudice.

## 5. SETTLEMENT FUNDING AND PAYMENTS.

5.1 Aggrieved Employee Pay Periods. Based on a review of its records prior to mediation, SHABASCO estimates there are 101 Aggrieved Employees who worked a total 3,155 PAGA Pay Periods as of the date of mediation.

5.2 Aggrieved Employee Data. Within 21 days of the Effective Date, SHABASCO 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. SHABASCO 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 SHABASCO 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.

5.3 Funding of Gross Settlement Amount. SHABASCO shall fully fund the Gross Settlement Amount by transmitting the funds to the Administrator no later than 30 days after the Effective Date.

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

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

5.4.2 The Administrator must conduct an Aggrieved Employee Address Search for all Aggrieved Employees whose checks are retuned undelivered without USPS forwarding address. Within 7 days of receiving a returned check, the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Aggrieved Employee Address Search. The Administrator need not take further steps to deliver checks to Aggrieved Employees whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Aggrieved Employee whose original check was lost or misplaced, requested by the Aggrieved Employee prior to the void date.

5.4.3 For any Aggrieved Employee whose Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the California Controller's Unclaimed Property Fund in the name of the Aggrieved Employee.

5.4.4 The payment of Individual PAGA Payments shall not obligate SHABASCO 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.

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

6.1 Release by Aggrieved Employees:

All Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors and assigns, the Released Parties from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the Operative Complaint, and the PAGA Notice.

6.2 Release by PAGA Counsel:

PAGA Counsel release on behalf of their present and former attorneys, employees, agents, successors and assigns the Released Parties from all claims for all fees and expenses incurred in connection with the Action, the Operative Complaint and the PAGA Period facts stated in the Operative Complaint and the PAGA Notice.

**7. MOTION OR APPLICATION FOR APPROVAL OF SETTLEMENT.** The Parties agree to jointly prepare and file an application or motion for approval of this Settlement.

7.1 Plaintiff's Responsibilities. Plaintiff will prepare and deliver to Defense Counsel (unless noted below that Defense Counsel will prepare) all documents necessary for obtaining approval of this Settlement under Labor Code section 2699, subdivision (f)(2)) including (i) a draft proposed Order Approving PAGA Settlement (to be drafted by Defense Counsel); (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)); and (iv) a signed declaration from Plaintiff identifying 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.

7.2 Responsibilities of PAGA Counsel. PAGA Counsel and Defense Counsel are jointly responsible for expeditiously finalizing and filing the application or motion for approval of this Settlement expeditiously 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 Preliminary Approval to the Administrator.

7.3 Duty to Cooperate. If the Parties disagree on any aspect of the proposed application or motion for approval of this Settlement and/or the supporting declarations and documents, PAGA Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant the 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.

**8. SETTLEMENT ADMINISTRATION.**

8.1 Selection of Administrator. The Parties have jointly selected Phoenix Settlement Administrators to serve as the Administrator and verified that, as a condition of appointment, Phoenix Settlement Administrators 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.

8.2 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.

8.3 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.

8.4 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.

**9. CONTINUING JURISDICTION OF THE COURT/DISMISSAL**. The Parties agree that, after entry of Order Approving PAGA Settlement, the Court will retain jurisdiction over the Parties, Action and the Settlement solely for purposes of (i) enforcing this Agreement and/or Order Approving PAGA Settlement, (ii) addressing settlement administration matters and (iii) addressing such post-order matters as are permitted by law.

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

9.2 Completion of Settlement Administration. Once the funds required by this Settlement have been fully disbursed, and uncashed or cancelled funds have been transmitted pursuant to paragraph 5.4.3, and the Court has completed any review of the administration of the Settlement, the Court shall dismiss the PAGA claim in the Action with prejudice. Plaintiff will cooperate with Defendants to take reasonable steps to facilitate the entry of the dismissal set forth in this paragraph.

## 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 Defendants that any of the allegations in the Operative Complaint have merit or that Defendants have any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that Defendants' 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, this Agreement shall be null and void and have no further effect, and Defendants reserve all available defenses to the claims in the Action, and Plaintiff reserves the right to contest Defendants' 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, as well as the separately executed Confidential Settlement Agreement and General Release entered into between Defendants and Plaintiff regarding her individual claims, 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 Defendants, 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, Defendants 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 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 Defendants in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute or 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 Defendants unless, prior to the Administrator's payment of all Settlement Funds, Defendants make 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:

Michael C. Robinson, Jr. Esq.
Orion S. Robinson, Esq.
Robert Bates, Esq.
Robinson Di Lando
A Professional Law Corporation
801 S. Grand Ave., Suite 500
Los Angeles, California 90017

To Defendants:

Brian D. Martin, Esq.
April L. Szabo, Esq.
Granville C. Kaufman, Esq.
ATKINSON, ANDELSON, LOYA, RUUD & ROMO
4225 Executive Square, 7th Floor
La Jolla, California 92037

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.

____________________________________

Gudelia Cruz for Herself

Firmado por:

9B3B2D567BDE46B...

Date: 9/15/2025

____________________________________

Shabbir Rangwala for himself, and Shabasco, Inc.

_________________________

Date: _____________________

____________________________________

Orion S. Robinson Counsel for Plaintiff

Date: 9-22-25

____________________________________

Brian D. Martin Counsel for Shabbir Rangwala and Shabasco, Inc.

_________________________

Date: _____________________

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.

| | |
|---|---|
| Gudelia Cruz for Herself | Shabbir Rangwala for himself, and Shabasco, Inc. |
| Date: | Date: 9/21/25 |
| Orion S. Robinson Counsel for Plaintiff | Brian D. Martin Counsel for Shabbir Rangwala and Shabasco, Inc. |
| Date: | Date: September 23, 2025 |



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LASC CIV 298 Rev. 02/23
For Optional Use

# Exhibit C

<<Mailing Date>>

[(INSERT NAME OF SETTLEMENT ADMINISTRATOR) LETTERHEAD]

To: <<First Name>><<Last Name>>
<<Street Address>>
<<City>> <<State>> <<Zip>>

Re: Settlement Payment from *Gudelia Cruz, et al. v. Shabasco, Inc., et al.*, Los Angeles County Superior Court Case No. 24STCV21759

Dear <<First Name>><<Last Name>>:

Enclosed you will find a check made payable to you. This is your payment from the court-approved settlement of the lawsuit entitled *Gudelia Cruz, et al. v. Shabasco, Inc., et al.*, Los Angeles County Superior Court Case No. 24STCV21759 (the “Action”). The court approved the settlement on [Date of Approval of the Settlement], 2025. Phoenix Settlement Administrators is the third-party administrator who has been appointed by the court to administer the settlement.

The Action was filed against Shabasco, Inc. and Shabbir Rangwala (“Defendants”) pursuant to the California Labor Code Private Attorneys General Act of 2004, Cal. Lab. Code § 2698 *et seq.* (“PAGA”). The claims were brought on behalf of the State of California and all current and former non-exempt hourly employees who worked for Shabasco, Inc. in California at any time during the PAGA Period, which is from September 4, 2023 through [Date of Approval of the Settlement]. You have been identified as one of the employees on whose behalf the case was brought because you were employed as a non-exempt employee by Shabasco, Inc. during the PAGA Period.

The Plaintiff in the case claimed that Defendants owed penalties under PAGA for certain California Labor Code violations. Defendants deny all claims and allegations in the Action, deny they owe any penalties, and assert that they fully complied with all applicable Labor Code violations. Nevertheless, to avoid further costs and time pursuing and defending the Action, the Parties agreed to resolve the case and the court approve the settlement. By settling the Action, Defendants are not admitting that they have done anything wrong. Also, through the settlement all persons who are sent a portion of the settlement are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors and assigns, the Released Parties from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the Operative Complaint, and the PAGA Notice.

If you have questions, please contact Phoenix Settlement Administrators at [contact information].

**Please do not call or write to the Court or Office of the Clerk to ask questions about the settlement.**

# Exhibit D

Department of Industrial Relations
STATE OF CALIFORNIA

# PAGA NOTICE PUBLIC SEARCH - CASE DETAIL

## Case Information

**Case Number:** LWDA-CM-1047496-24
**Plaintiff for PAGA Case:** Gudelia Cruz
**Filer/Attorney for PAGA Case:** Orion Robinson
**Law Firm for PAGA Plaintiff:** Robinson Di Lando, APLC
**Employer:** Shabasco, Inc.
**Date Case Received:**
**Employer Filer Firm:**
**Court Type:**
**Court Name:**
**PAGA Court Case Number:** 25STCV02569
**Violation Type:**
**Related BOFE Case:**

## Attachments

| Attachment Name | Description | Date Submitted | Type |
|---|---|---|---|
| Additional PAGA Document Submitted on 09/23/2025 06:44:44 PM by Orion | CRUZ - 2025.09.22 - PAGA SETTLEMENT AGREEMENT (FINAL EXECUTED COPY)(54736345.1).pdf | 9/24/2025 1:44 AM | Other PAGA Document |
| Court Complaint Submitted on 09/23/2025 06:41:24 PM by Orion Robinson | CONFORMED - FAC.pdf | 9/24/2025 1:41 AM | Court Complaint |
| PAGA Notice Submitted on 08/26/2024 12:12:25 PM by Orion Robinson | PAGA Notice Letter Gudelia Cruz.pdf | 8/26/2024 7:12 PM | PAGA Notice |