

1 Bardia A. Akhavan (Bar No. 316493)
bardia@baalaw.com
2 **AKHAVAN & ASSOCIATES**
15760 Ventura Boulevard, Suite 1720
3 Encino, California 91436
tel: (855) 463-4733

4 Attorneys for Plaintiff ANGEL CLAROS and
5 AGGRIEVED EMPLOYEES

6 MARTHA S. DOTY (State Bar No. 143287)
7 KAITLIN H. OWEN (State Bar No. 305653)
ALSTON & BIRD LLP
8 350 South Grand Avenue, 51st Floor
Los Angeles, CA 90071
9 Telephone: 213-576-1000
Facsimile: 213-576-1100
10 E-mail: martha.doty@alston.com
kaitlin.owen@alston.com

11 Attorneys for Defendant FRESHLUNCHES, INC.

12
13 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
14 **FOR THE COUNTY OF LOS ANGELES**

15
16 **ANGEL CLAROS**, on behalf of all
similarly situated individuals,

17 Plaintiff,

18 v.

19
20 **FRESHLUNCHES, INC.**, a California
stock corporation;
21 and **DOES 1-10**, inclusive;

22 Defendants.
23
24
25

CASE NO. 24STCV33123

*[Assigned for all purposes to the
Hon. Rupert A. Byrdsong, Dept. 28]*

**JOINT STIPULATION OF SETTLEMENT
OF PAGA REPRESENTATIVE ACTION**

Case Filed: December 16, 2024

Trial Date: None Set

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

STIPULATION OF SETTLEMENT OF PAGA REPRESENTATIVE ACTION

This Stipulation of Settlement and Release of PAGA Representative Action (“Agreement” or “Settlement Agreement” or “Stipulation”) is made and entered into by and between Angel Claros (“Plaintiff” or “Mr. Claros”), individually and as the authorized proxy for the State of California and the Labor and Workforce Development Agency, and Freshlunches, Inc. (hereinafter “Defendant(s) and collectively with Plaintiff, the “Parties”).

This Agreement is subject to the approval of the Court pursuant to Cal. Lab. Code § 2699(1)(2) and is made for the sole purpose of attempting to consummate settlement of the lawsuit entitled *Claros, et al. v. Freshlunches, Inc., et al.*, Los Angeles Superior Court Case No. 24STCV33123 (the “Lawsuit”) on the following terms and conditions:

RECITALS

1. On September 26, 2024, Plaintiff Angel Claros sent a PAGA letter to the LWDA regarding alleged violations of the Labor Code for, among other things, failure to pay minimum wage for all hours worked, failure to pay required overtime, failure to provide compliant meal periods, failure to provide compliant rest periods, failure to maintain compliant sick leave policies, and failure to provide and maintain compliant wage statements, failure to keep adequate or accurate records, failure to pay all wages due on regular pay days and at separation, and failure to reimburse necessary business expenses, and incorporated by reference a draft Complaint for such alleged violations of the Labor Code including but not limited to §§ 226, 226.2, 226.3, 226.7, 512, 558, 1174, 1174.5, 1182.12, 201-204, 210, 1198, and 2802 and the applicable Wage Orders. On December 11, 2024, Plaintiff filed a Complaint for civil penalties pursuant to PAGA in Los Angeles County Superior Court alleging violations for Failure to Pay Minimum Wage for All Hours Worked, Failure to Pay Required Overtime, Failure to Provide Compliant Meal Periods, Failure to Provide Compliant Rest Periods, Failure to Maintain Compliant Sick Leave Policies, and Failure to Provide and Maintain Compliant Wage Statements, Failure to Pay All Wages Due on Regular Pay Days and at Separation, and Failure to Reimburse Necessary Business Expenses against Defendant(s).

1 2. Defendants deny all of the allegations in the Lawsuit, and specifically the PAGA
2 Representative Claims, and deny that it or any Released Parties committed any misconduct, statutory
3 or regulatory violation, wrongdoing, or any other actionable conduct of any kind.

4 3. In the interest of avoiding further litigation, the Parties desire to fully and finally settle
5 all actual or potential PAGA claims as pleaded in the operative Complaint or that could have been
6 pleaded in the operative Complaint and this Action.

7 4. This Settlement Agreement is made and entered into by and between Plaintiff
8 individually and on behalf of all other allegedly similarly situated Aggrieved Employees, the State of
9 California through Plaintiff as a proxy, and Defendant on the other hand. This Settlement Agreement
10 is subject to the terms and conditions hereof, as well as the Court’s approval. The Parties expressly
11 acknowledge that this Agreement is entered into solely for the purpose of compromising disputed
12 claims and that nothing herein is an admission of any liability or wrongdoing by Defendant. If, for
13 any reason the Settlement Agreement is not approved, it will be of no force or effect, and the Parties
14 shall be returned to their original respective positions.

15 5. Because this is not a settlement of a class action but a PAGA settlement on behalf of
16 the State of California, no person can (a) object to the settlement after the Court’s Approval Order is
17 made, or (b) opt out from being covered by the release of PAGA claims at any time before or after
18 the Approval Order is made.

19 6. The Parties agree to abide by the terms of the Settlement Agreement in good faith and
20 to support the Settlement Agreement fully and to use their best efforts to defend this Settlement
21 Agreement from any legal challenge, whether by appeal or collateral attack.

22 7. On March 14, 2025, the Parties participated in a mediation with Nikki Tolt, a well-
23 respected mediator in the field of employment law and wage-and-hour class actions (the “Mediator”).
24 However, the Parties were not able to resolve the matter at that time. Prior the that mediation, the
25 Parties had exchanged documents, including timesheets and pay data, of Plaintiff and the group of
26 Aggrieved Employees.

27 8. As another effort to resolve the matter, the Parties participated in another mediation
28 on October 20, 2025 with Michael D. Young, an experienced employment and wage-and-hour class

1 action and PAGA mediator with Judicate West. Prior to that second mediation, Defendant provided
2 a further set of documents and information, including additional timesheets and pay data, covering
3 additional time since the prior production. With the assistance of the Mediator, the Parties were able
4 to reach agreement on the principal terms of a PAGA settlement, which have now been expanded
5 upon in this Stipulation.

6 9. The settlement discussions before and during mediation were conducted at arm's
7 length and the settlement of the Action is the result of an informed and detailed analysis of
8 Defendant's potential liability in relation to the costs and risks associated with continued litigation.

9 10. Prior to entering into Settlement, Plaintiff's Counsel conducted a significant
10 investigation during the prosecution of the Action. This investigation included, among other things,
11 (a) numerous telephonic calls and written communications with Plaintiff; (b) inspection and analysis
12 of payroll and timekeeping documents for 100% of the Aggrieved Employees, and other information
13 produced by Plaintiff and Defendant, including relevant policy documents, Plaintiff's complete
14 personnel file, and representative wage statements for the Aggrieved Employees; (c) research of the
15 applicable law with respect to the claims asserted in the Action and the potential defenses thereto; (d)
16 investigation into the viability of collective treatment of the claims asserted in the Action; (e) analysis
17 of the legal positions taken by Defendant, including information sufficient to understand Defendant's
18 potential defenses to Plaintiff's claims; (f); assembling and analyzing of data for calculating damages;
19 and (g) hiring an expert to prepare an analysis and accounting of Defendant's exposure for civil
20 penalties.

21 11. The informal discovery and investigation conducted in this matter, as well as
22 discussions between counsel, have been adequate to give the Named Plaintiff and Plaintiff's Counsel
23 a sound understanding of the merits of the Parties' positions and to evaluate the risks of continued
24 litigation and the value of the Aggrieved Employees' claims. The information exchanged by the
25 Parties through discovery and settlement discussions were sufficient to allow Plaintiff's Counsel to
26 reliably assess the merits of the Parties' respective positions and to compromise the issues on a fair
27 and equitable basis.

28

1 15. “PAGA Settlement Member List” shall mean a complete list of all PAGA Settlement
2 Members that Defendant will diligently and in good faith compile from its records and provide to the
3 Settlement Administrator no later than 10 calendar days after the entry of a Court Order approving
4 the Settlement. The List will be formatted in a readable Microsoft Office Excel spreadsheet and will
5 include, to the extent in the possession of Defendant or its agents, PAGA Settlement Members’
6 names; last-known addresses; last-known telephone numbers; last-known email address; social
7 security numbers; start dates of employment; end dates of employment; and Defendant’s best
8 estimates of the number of pay periods worked by each PAGA Settlement Member during the PAGA
9 Period.

10 16. “Effective Date” means the date on which the settlement embodied in this Settlement
11 Agreement shall become effective and is the date after all of the following events have occurred: (i)
12 this Settlement Agreement has been executed by Plaintiff and Defendant; (ii) Plaintiff has provided
13 a copy of the Settlement Agreement to the LWDA, with service copies to Defendant, on the same
14 date that the Motion for Approval is filed with the Court; (iii) the Court has approved the Settlement
15 Agreement and has entered a final order and judgment for settlement purposes only, dismissing the
16 PAGA Action with prejudice, and Plaintiff provides such order to the LWDA with service copies to
17 Defendant.

18 17. “Approval Order” means the signed order of the Superior Court approving the
19 Settlement and entering Judgment.

20 18. “Eligible Pay Period” means any pay period from September 26, 2023 through
21 October 20, 2025. Pay periods are calculated on a biweekly basis.

22 19. “Funding Date” means 10 calendar days from the Effective Date.

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

24 21. “PAGA Representative Claims” means Plaintiff’s individual and non-individual
25 PAGA claims for civil penalties that were alleged, or reasonably could have been alleged, based on
26 the facts stated in the operative Complaint and the PAGA Notice Letter for Failure to Pay Minimum
27 Wage for All Hours Worked, Failure to Pay Required Overtime, Failure to Provide Compliant Meal
28 Periods, Failure to Provide Compliant Rest Periods, Failure to Maintain Compliant Sick Leave

1 Policies, and Failure to Provide and Maintain Compliant Wage Statements, Failure to Pay All Wages
2 Due on Regular Pay Days and at Separation, and Failure to Reimburse Necessary Business Expenses
3 including but not limited to for alleged violations of California Labor Code §§ 201-204, 210, 226,
4 226.2, 226.3, 226.7, 510, 558, 1182.12, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, and 1198.

5 22. “PAGA Release Period” means the period from September 26, 2023 through October
6 20, 2025.

7 23. “PAGA Released Claims” shall mean the *limited* release being given by the State of
8 California and PAGA Settlement Members for those claims for civil penalties under PAGA that were
9 alleged, or reasonably could have been alleged, based on the facts stated in the Complaint or the
10 PAGA Notice Letter, which are claims under PAGA for civil penalties for alleged Failure to Pay
11 Minimum Wage for All Hours Worked, Failure to Pay Required Overtime, Failure to Provide
12 Compliant Meal Periods, Failure to Provide Compliant Rest Periods, Failure to Maintain Compliant
13 Sick Leave Policies, Failure to Provide and Maintain Compliant Wage Statements, Failure to Pay All
14 Wages Due on Regular Pay Days and at Separation, and Failure to Reimburse Necessary Business
15 Expenses, for alleged violations of the Labor Code including but not limited to §§ 201-204, 210, 226,
16 226.2, 226.3, 226.7, 510, 558, 1182.12, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, and 1198 under
17 the applicable Wage Orders.

18 24. “PAGA Settlement” or “Settlement” means the settlement of the Lawsuit as
19 memorialized in this Agreement.

20 25. “PAGA Settlement Members” shall mean all non-exempt employees of Defendant
21 who worked at least one shift in California from September 26, 2023 through October 20, 2025.
22 Defendant represents that there are approximately 281 PAGA Settlement Members who worked
23 7,000 weekly pay periods from the beginning of the PAGA Release Period through August 31, 2025.
24 Plaintiff has relied upon this material representation in entering into this Settlement.

25 26. “Plaintiff’s Counsel” means Bardia A. Akhavan of Akhavan & Associates.

26 27. “Released Parties” shall mean Defendant Freshlunches, Inc., and their former, present
27 and future owners, parents, subsidiaries, affiliated companies, and all of their current, former and
28 future officers, directors, managers, executive-level employees, consultants, partners, shareholders,

1 joint venturers, agents, successors, assigns, accountants, insurers, or legal representatives, including
2 Unity Meals, a dba of Freshlunches, Inc.

3 28. "Settlement Administrator" means APEX Class Action, who provided the most cost-
4 effective quote for administration.

5 29. "Notice" means the Notice of PAGA Payment, substantially in the form attached as
6 **Exhibit A.**

7 30. "Order and Judgment" means the Court order granting approval of the Settlement in
8 an order in substantially the same form as the order attached as **Exhibit B.**

9 **TERMS OF AGREEMENT**

10 NOW, THEREFORE, in consideration of the mutual covenants, promises, and agreements
11 set forth herein, the Parties agree, subject to the Court's approval, as follows:

12 31. Gross Settlement Amount. In consideration for the covenants, promises, waivers, and
13 releases contained in this Agreement, and subject to Court approval, Defendant shall pay the sum of
14 \$235,000.00 ("Gross Settlement Amount" or "GSA") in full and final settlement of the PAGA
15 Representative Claims and the Lawsuit on or before the Funding Date. The Gross Settlement Amount
16 is non-reversionary.

17 32. Escalator Clause. Defendants have represented (and the Parties have agreed) that there
18 are 7,000 weekly pay periods worked by the Aggrieved Employees from the beginning of the PAGA
19 Release Period through August 31, 2025. Plaintiff has relied upon this material representation in
20 entering into this Settlement. Should the number of pay periods worked by Aggrieved Employees
21 during the PAGA Release Period exceed 7,000 by more than 10%, i.e. 700 pay periods, then the
22 Settlement Fund Amount shall be increased proportionally by the Pay Periods in excess of 700 Pay
23 Periods multiplied by the Pay Period Value or will result in the PAGA Release Period being
24 shortened to the date on which the increase in pay periods reached 10%. The Pay Period Value shall
25 be calculated by dividing the originally agreed-upon Settlement Fund Amount of \$235,000.00 by
26 7000 which amounts to a Pay Period Value of \$33.57. Thus, for example, should there be 8,000 Pay
27 Periods in the PAGA Period, then the Settlement Fund Amount shall be increased by \$10,071.00
28 $((8,000 \text{ Pay Periods} - 7,000 \text{ Pay Periods}) \times \$33.57 \text{ per Pay Period})$. Should such an increase in pay

1 periods occur, Defendant has the sole right to choose whether the PAGA Release Period shall be
2 limited or the Settlement Fund Amount shall increase.

3 33. Attorney’s Fees and Costs. Subject to Court approval, Defendant will not oppose
4 Plaintiff’s Counsel’s request for fees up to one-third (1/3) of the Gross Settlement Amount, plus
5 actual costs and expenses not to exceed \$20,000, to be paid out of the GSA.

6 34. Plaintiff’s Incentive Award. In recognition of his efforts and work in prosecuting the
7 Action on behalf of the PAGA Settlement Members and in negotiating the Settlement, Defendant
8 agrees not to oppose or impede any application or motion for a PAGA Representative Enhancement
9 Payment of up to a total of \$8,000.00 to the Named Plaintiff, Angel Claros, subject to the Court’s
10 approval. The PAGA Representative Enhancement Payment, which will be paid from the Gross
11 Settlement Amount, is in addition to the payment to which he is entitled as PAGA Settlement
12 Member. The Named Plaintiff agrees to execute a general release of all claims, including a waiver of
13 California Civil Code § 1542, against Defendant in exchange for his Enhancement Payment, which
14 this Stipulation includes. The Settlement Administrator will issue an IRS Form 1099 for the
15 Enhancement Payment to the Named Plaintiff, and the Named Plaintiff shall be solely and legally
16 responsible for correctly characterizing this compensation for tax purposes and for paying any taxes
17 on the amount received. Should the Court reduce the Named Plaintiff Enhancement Payment, any
18 such reduction shall revert to the Net Settlement distributed to PAGA Settlement Members. In the
19 event that the Court reduces or does not approve the requested Plaintiff’s Counsel Fee Award and
20 costs, Plaintiff and Plaintiff’s Counsel shall not have the right to revoke this settlement, and it will
21 remain binding, and Plaintiff shall not appeal any judgment or order on that basis.

22 35. Settlement Costs. The Settlement Administrator will be paid for the reasonable costs
23 of administration of the Settlement and distribution of payments from the Gross Settlement Amount,
24 which is capped at no more than \$7,000.00. Any unused amounts will revert to the Gross Settlement
25 Amount.

26 36. Net Settlement Amount. “Net Settlement Amount” shall mean the Gross Settlement
27 Amount *minus* Settlement Administration Costs, Plaintiff’s Counsel’s Fees and Costs, and the PAGA
28 Representative Enhancement Payment. The remaining amount shall be referred to as the Net

1 Settlement Amount and shall be allocated for payment of PAGA civil penalties as follows: (i) 65%
2 of the Net Settlement Amount shall be distributed to the LWDA; and (ii) 35% of the Net Settlement
3 Amount shall be distributed to the PAGA Settlement Members, as set forth in the version of Labor
4 Code section 2699(i) effective as of the date of filing of the Lawsuit.

5 37. Non-Admission of Liability, Wrongdoing, or Standing. This Agreement shall not in
6 any way be construed as an admission by Defendant and/or any of the Released Parties that they acted
7 wrongfully with respect to Plaintiff or any other allegedly Aggrieved Employees. Defendant
8 specifically disclaims any liability to, or wrongful acts against Plaintiff, on the part of itself, and/or
9 any respective parents, subsidiaries, affiliates, predecessors, successors, officers, directors,
10 employees, or agents and/or any of the Released Parties. Defendant denies that there is any factual
11 evidence or legal basis to support any claims or Labor Code violations that Plaintiff alleges on behalf
12 of alleged aggrieved employees, or by Plaintiff on his own behalf.

13 38. Release by PAGA Settlement Members and the LWDA. As of the date that Defendant
14 fully funds the Gross Settlement Amount, for and in consideration of the mutual promises and
15 consideration set forth in this Agreement, Plaintiff, the PAGA Settlement Members, and the LWDA
16 are deemed to release against the Released Parties *only* claims for civil penalties, interest, fees or
17 costs under PAGA that were alleged, or reasonably could have been alleged, based on the facts stated
18 in the Complaint or the PAGA Notice Letter, specifically claims for penalties under PAGA for alleged
19 Failure to Pay Minimum Wage for All Hours Worked, Failure to Pay Required Overtime, Failure to
20 Provide Compliant Meal Periods, Failure to Provide Compliant Rest Periods, Failure to Maintain
21 Compliant Sick Leave Policies, Failure to Provide and Maintain Compliant Wage Statements, Failure
22 to Pay All Wages Due on Regular Pay Days and at Separation, and Failure to Reimburse Necessary
23 Business Expenses for alleged violations of the Labor Code including but not limited to §§ 201-204,
24 210, 226, 226.2, 226.3, 226.7, 510, 558, 1182.12, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, and
25 1198 under the applicable Wage Orders (the “PAGA Released Claims”). The PAGA Released Claims
26 are expressly limited to claims for PAGA penalties and not any underlying predicate claims or causes
27 of action.

28

1 39. PAGA Settlement Administrator and Distribution Method. The PAGA Settlement
2 Administrator shall process and distribute the Gross and Net Settlement Amounts in accordance with
3 this Agreement.

4 40. The Parties agree that the Settlement Administrator shall establish a Qualified
5 Settlement Fund (“QSF”) that is intended to be pursuant to Section 468B of the Code and Treas.
6 Reg. §1.468B-1, 26 CFR § 1.468B-1 et seq., and will be administered by the Settlement Administrator
7 as such. With respect to the QSF, the Settlement Administrator shall: (1) open and administer a
8 settlement account in such a manner as to qualify and maintain the qualification of the QSF as a
9 “Qualified Settlement Fund” under Section 468B of the Code and Treas. Reg. §1.468B-1; (2) satisfy
10 all federal, state and local income and other tax reporting, return, and filing requirements with respect
11 to the QSF (if any is required); and (3) satisfy out of the QSF all fees, expenses, and costs incurred
12 in connection with the opening and administration of the QSF and the performance of its duties and
13 functions as described in this Agreement. The aforementioned fees, costs, and expenses shall be
14 treated as and included in the costs of administering the QSF by the Settlement Administration.

15 a. The Net Settlement Amount shall be available for distribution to the PAGA Settlement
16 Members and the LWDA consistent with Labor Code section 2699(i) and shall be
17 allocated as follows: 65% to the LWDA (“LWDA Payment”) and 35% to the PAGA
18 Settlement Members (“PAGA Settlement Members Payment”). Each PAGA
19 Settlement Member will receive a pro rata share of the PAGA Settlement Members
20 Payment based on their Eligible Pay Periods relative to the total Eligible Pay Periods
21 of all PAGA Settlement Members (“Individual PAGA Settlement Member Payment”).
22 The Settlement Administrator will calculate each PAGA Settlement Member’s pro
23 rata share of the PAGA Settlement Members Payment.

24 b. After 10 calendar days from the entry of a Court order approving the Settlement,
25 Defendant will send to the Settlement Administrator the PAGA Settlement Member
26 List. This information shall be treated as and remain confidential by the Settlement
27 Administrator and shall be used solely to manage the notice and payment process
28 described herein, shall not be disclosed to Plaintiff’s Counsel or to anyone other than

1 the necessary staff of the Settlement Administrator, except as needed to effectuate the
2 Settlement, including to resolve any dispute over the amount of a PAGA Settlement
3 Member's pro rata share of the PAGA Settlement Members Payment.

4 c. By the Funding Date, Defendant shall wire the Gross Settlement Amount using the
5 wiring instructions provided by the PAGA Settlement Administrator.

6 d. Within five days of the Funding Date, the PAGA Settlement Administrator shall
7 distribute the amounts for the Plaintiff's service payment and attorneys' fees and costs
8 to Plaintiff's counsel, and the Net Settlement Amount to the LWDA and PAGA
9 Settlement Members.

10 e. Because the Individual PAGA Settlement Member Payments are in compromise and
11 settlement of claims for civil penalties, the entirety of these payments will be treated
12 as non-wage income that is not subject to any withholdings or deductions. The service
13 payment to Plaintiff is not wages, will not be subject to deductions or withholdings,
14 and will be reported as 1099 income. The PAGA Settlement Administrator shall be
15 responsible, to the extent necessary based on the amount of a payment, for all tax
16 reporting and documentation related to the PAGA Settlement Member Payments, as
17 well as all other payments made under the Agreement. Plaintiff and Plaintiff's Counsel
18 each agree to hold Defendant and the Released Parties harmless from and against any
19 damage or penalty incurred by Plaintiff and/or Plaintiff's Counsel as a result of any
20 taxing authority assessing any tax or penalty upon Defendant as a consequence of any
21 tax being due and unpaid on each of their portions of the Settlement. Plaintiff,
22 Plaintiff's counsel, Defendant, and Defendant's counsel shall not bear any
23 responsibility for errors or omissions in the calculation or distribution of the settlement
24 payments or development of the list of recipients of settlement payments or any
25 increase in the fees of the Settlement Administrator that may result from such errors
26 or omissions. Defendant nor their counsel shall have any liability for any tax
27 implications related to the receipt of settlement funds herein, including by the
28 settlement administrator. Any and all such liability and/or obligations shall be borne

1 solely by the recipients of any funds to be paid by Defendant herein, except that in no
2 case shall any PAGA Member be required to pay, reimburse, or indemnify Defendant
3 for any amounts characterized or recharacterized as employer-side tax liabilities. The
4 Parties acknowledge neither Defendant’s nor Plaintiff’s counsel have provided any
5 tax-related advice whatsoever.

6 f. Because this is a PAGA settlement and not a class action settlement, and because there
7 is no claims procedure and no ability to “opt out,” there will be no prior notice to the
8 PAGA Settlement Members advising them of the Settlement or any procedure by
9 which the PAGA Members must submit claims in order to receive a settlement
10 payment. However, the Individual PAGA Settlement Member Payment will be
11 accompanied by a Notice informing PAGA Settlement Member why they are
12 receiving payment substantially in the form of **Exhibit A**.

13 g. No later than five days after the Funding Date, the Settlement Administrator will mail
14 a notice (“PAGA Notice”) approved by the Court (in substantially the form attached
15 as Exhibit A) along with the Individual PAGA Settlement Member Payment to the
16 individuals in the PAGA Data. For any mailings returned as undeliverable or notifying
17 the Settlement Administrator that the PAGA Settlement Member is no longer at the
18 address provided in the PAGA Settlement Member List, the PAGA Settlement
19 Administrator shall perform a skip-trace on that individual using the National Change
20 of Address database and other source(s) as necessary and will have fourteen (14)
21 calendar days to re-mail the Notice and payment to the new address found in the skip-
22 trace.

23 h. PAGA Settlement Members shall have one-hundred and eighty (180) calendar days to
24 cash their Individual PAGA Settlement Member Payment checks under this
25 Agreement. Any checks not negotiated within the one-hundred and eighty (180) days
26 will be voided and will not be reissued. Any funds from voided checks to PAGA
27 Settlement Members will be sent by the Settlement Administrator to the State of
28 California Unclaimed Property Fund through the State Controller’s Office in the name

1 of the PAGA Settlement Member within thirty (30) calendar days after the check-
2 cashing deadline prescribed herein.

- 3 i. Upon completion of administration of the Settlement, the Settlement Administrator
4 will provide written certification of such completion to the Court and counsel for the
5 Parties that shall be filed with the Court five (5) court days before the non-appearance
6 compliance hearing to be set by the Court.

7 41. Plaintiff's Release and Obligations. In exchange for the service payment referenced
8 above, and in addition to Plaintiff's release of the PAGA Released Claims, Plaintiff and his heirs,
9 family members, executors, administrators, successors, attorneys, agents, representatives, and assigns
10 hereby irrevocably and unconditionally remises, releases, and forever discharges Defendant and the
11 Released Parties from any and all claims, wages, demands, rights, liens, agreements, contracts,
12 covenants, actions, suits, causes of action, obligations, debts, costs, expenses, attorneys' fees,
13 damages, judgments, orders, liabilities, demands, charges, complaints, and promises of any nature
14 whatsoever, in law or equity, known or unknown, suspected or unsuspected, and whether or not
15 concealed or hidden, which Plaintiff may have, or have ever had, against the Released Parties, or any
16 of them, arising out of, or in any way related to Plaintiff's hire, benefits, employment, termination,
17 or separation from employment with Defendant by reason of any actual or alleged act, omission,
18 transaction, practice, conduct, occurrence, or other matter from the beginning of time up to and
19 including the date Plaintiff signs this Agreement including, without limiting the generality of the
20 foregoing: (a) any and all claims under Title VII of the Civil Rights Act of 1964, as amended ("Title
21 VII"), the Americans with Disabilities Act ("ADA"), the Employee Retirement Income Security Act,
22 as amended ("ERISA") (regarding unvested benefits), the Family and Medical Leave Act ("FMLA")
23 (regarding existing but not prospective claims), the Fair Labor Standards Act ("FLSA"), the Equal
24 Pay Act, the Civil Rights Act of 1991, Section 1981 of U.S.C. Title 42, the Fair Credit Reporting Act
25 ("FCRA"), the Worker Adjustment and Retraining Notification Act ("WARN Act"), the National
26 Labor Relations act ("NLRA"), the Uniform Services Employment and Reemployment Rights Act
27 ("USERRA"), the Genetic Information Nondiscrimination Act ("GINA"), the Immigration Reform
28 and Control Act ("IRCA"), the Fair Employment and Housing Act ("FEHA"), the California

1 Constitution, the California Government Code, the California Family Rights Act (“CFRA”), the
2 California Labor Code (including individual and representative claims under PAGA) and applicable
3 Wage Order(s), the Unfair Competition Law, all as amended by their respective implementing
4 regulations, and any other federal, state or local law, (statutory, regulatory, or otherwise) that may be
5 legally waived and released; however the identification of specific statutes or law shall not limit the
6 scope of this general release in any manner; and (b) any and all claims for backpay, regular pay,
7 minimum wages, premium pay, overtime pay, other wages, expenses, penalties, failure to provide
8 meal and/or rest periods, failure to reimburse business expenses, compensatory damages, special
9 damages, interest, commissions, bonuses, sick leave, holiday pay, vacation pay, restitution, tort
10 claims, contract claims, equitable claims, hostile work environment claims, workplace harassment
11 claims, wrongful termination claims, discrimination claims, public policy claims, retaliation claims,
12 whistleblower retaliation claims, failure to provide reasonable accommodation claims, failure to
13 engage in the interactive process claims, failure to prevent discrimination claims, failure to prevent
14 retaliation claims, statutory claims, personal injury claims, emotional distress claims, invasion of
15 privacy claims, defamation claims, fraud claims, quantum meruit claims, and/or attorneys’ fees and
16 costs either individually or as part of a class action, collective action, and/or representative action
17 (collectively, “Plaintiff’s Released Claims”).

18 Plaintiff further agrees and expressly waives and relinquishes to the fullest extent permitted
19 by law, the rights and benefits of California Civil Code section 1542, which provides:

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

25 Notwithstanding the provisions set forth herein, and for the purpose of implementing a full
26 and complete release, Plaintiff expressly acknowledges that this Agreement is intended to include
27 and does include its effect without limitation all claims which Plaintiff does not know or suspect to
28

1 exist in his favor against Defendant and/or the Released Parties, and that this Agreement contemplates
2 extinguishment of any such claim or claims. Plaintiff has been given at least 21 days from the date of
3 receipt of this AGREEMENT to consider the terms of this Agreement and consult with counsel before
4 signing it (Consideration Period). In the event Plaintiff chooses to sign this Agreement prior to the
5 expiration of the Consideration Period, Plaintiff represents that he knowingly and voluntarily is
6 waiving the remainder of the Consideration Period. Plaintiff understands that having waived some
7 portion of the Consideration Period, Defendant may expedite the processing of benefits provided to
8 him in exchange for signing this Release. Plaintiff agrees with Defendant that changes, whether
9 material or immaterial, do not restart the running of the Consideration Period. Plaintiff acknowledges
10 that he has seven (7) days after he signs this Agreement to revoke his agreement to it by sending a
11 written revocation notice to Defendant through their counsel. Notwithstanding any other provision of
12 this Agreement, if Plaintiff revokes this Agreement pursuant to this section, the Agreement will not
13 be effective or enforceable.

14 42. Impact of Non-Approval by the Court. Should the Court deny approval of this
15 Agreement, the Parties shall work jointly to make reasonable efforts to attempt to address the Court's
16 concerns in order to obtain the Court's approval, except that Defendant will not be required under
17 any circumstances to increase the Gross Settlement Amount, other than provided under Paragraph
18 32. If the Parties cannot obtain court approval, the Parties shall be restored to their respective litigation
19 positions before they entered into this Agreement. If the Court ultimately denies approval of the
20 Agreement, or if the Court's approval is reversed on appellate review, this Agreement shall be
21 deemed null and void, shall be of no force or effect whatsoever, and shall not be referred to or used
22 for any purpose whatsoever.

23 43. Applicable Law. This Agreement shall be construed and interpreted in accordance
24 with the laws of the State of California. Pursuant to California Code of Civil Procedure section 664.6,
25 the Court shall retain jurisdiction with respect to the interpretation, implementation, and enforcement
26 of the terms of this Settlement, and the Parties and their counsel submit to the jurisdiction of the Court
27 for purposes of interpreting, implementing, and enforcing the Settlement embodied in this Agreement
28

1 and all orders and judgments entered in connection therewith. This Agreement will be binding upon,
2 and inure to the benefit of, the successors of each of the Parties.

3 44. Judgment in this Action. Within thirty (30) calendar days after the Parties execute this
4 Agreement, Plaintiff's Counsel shall prepare, file, and serve a motion for approval of this Agreement
5 pursuant to California Labor Code § 2699(1)(2), advocating that the terms of the Settlement are fair,
6 adequate, and reasonable, and Defendant shall not oppose such a motion provided that it is consistent
7 with the terms of this Agreement. The Parties agree that, after entry of Judgment, the Court will retain
8 jurisdiction over the Parties, Action, and the Settlement for purposes of (i) enforcing this Agreement
9 and/or Judgment, (ii) addressing settlement administration matters, and (iii) addressing such post-
10 Judgment matters as are permitted by this Agreement or by law.

11 45. Confidentiality. Plaintiff and Plaintiff's Counsel agree that, except as may be required
12 by the Court in connection with the approval of this Agreement, he will direct PAGA Counsel not to
13 publish or publicize, or cause to be published, publicized, in the media (print or broadcast) or on the
14 Internet the circumstances, events, occurrences, and/or documents underlying Plaintiff's and
15 Aggrieved Employees' claims against Defendants or any monetary terms of this Agreement. Plaintiff
16 and Plaintiff's Counsel further agree that Plaintiff will not issue press releases, communicate with, or
17 respond to, any media or publication entities concerning the Settlement, including the fact of the
18 Settlement, its terms or contents, and the negotiations underlying the Settlement, except as required
19 by law or as shall be contractually required to effectuate the terms of the Settlement as set forth herein.
20 Plaintiff will instruct his counsel to comply with his restrictions under this Paragraph. The Parties
21 agree that any PAGA notice to putatively Aggrieved Employees will direct said Employees to contact
22 the Settlement Administrator. Nothing stated herein shall prohibit Plaintiff's Counsel from discussing
23 the Settlement, the fact of Settlement, and its terms and conditions with PAGA Settlement Members
24 who are a part of this Settlement and/or in all necessary motions and supporting memoranda related
25 to approval of the Settlement or for other PAGA settlements.

26 46. No Admission of Wrongdoing. Except for the purposes of effectuating and enforcing
27 the terms of this Agreement which include barring claims that are released pursuant to this
28 Agreement, neither this Agreement nor any of its terms nor the settlement itself shall be: (a) construed

1 as, offered, or admitted in evidence as, received as, or deemed to be evidence for any purpose adverse
2 to Defendant and/or any of the Released Parties, including but not limited to, evidence of any
3 violation of the Labor Code, presumption, concession, indication, or admission by any of the Released
4 Parties of any liability, fault, wrongdoing, omission, concession, or damage, or (b) disclosed, referred
5 to, or offered in evidence against Defendant and/or any of the Released Parties in any other civil,
6 criminal, or administrative action or proceeding.

7 47. Knowing and Voluntary Agreement. Each Party has carefully read, knows, and
8 understands the full contents of this Agreement and is voluntarily entering into this Agreement after
9 having received independent legal advice from him or its attorneys with respect to the advisability of
10 making the settlement provided for herein and the advisability of executing this Agreement.

11 48. Joint Drafting. Each of the Parties has participated in the drafting of all provisions of
12 this Agreement, has had an adequate opportunity to read, review, and consider the effect of the
13 language of this Agreement, and has agreed to its terms.

14 49. Severability. If any provision of this Agreement is held to be invalid by a court of
15 competent jurisdiction, that provision shall be deemed severed and deleted from this Agreement, and
16 neither that provision nor its severance and deletion shall affect the validity of the remaining
17 provisions, except that if the Court severs a provision that either of the Parties reasonably considers
18 to be a material term of this Agreement, that Party shall have the option to send a written notice to
19 the other Party no later than fourteen (14) calendar days after the Court severs the provision that it
20 wishes to void the entire Agreement and to restore the Parties to their litigation positions as of before
21 this Agreement was reached. If the Parties are thereafter unable to resolve the issue by reasonable
22 efforts, this Agreement in its entirety shall be deemed null and void, shall be of no force or effect
23 whatsoever, and shall not be referred to or used for any purpose whatsoever. In such case, the Party
24 seeking to void the agreement shall be liable for any costs incurred by the Administrator through that
25 date.

26 50. Counterparts. This Agreement may be signed in counterparts. Fax, scan, and/or
27 electronic copies of signatures shall be deemed effective as originals.

28

1 51. Entire Agreement. This Agreement sets forth the entire agreement between the Parties
2 hereto and fully supersedes any and all prior and/or supplemental understandings, whether written or
3 oral, between the Parties concerning the subject matter of this Agreement. Any modification to this
4 Agreement must be in writing and signed by Plaintiff and Plaintiff’s Counsel and Defendant and
5 Defendant’s counsel.

6 52. Waiver of right to appeal. Any Party may terminate this Settlement or appeal any
7 Court order which is not in substantially the form submitted by the Parties, except as follows: (i) in
8 the event that the Court reduces or does not approve the requested PAGA Representative
9 Enhancement Payment, Plaintiff shall not terminate this Settlement or appeal any judgment or order
10 on that basis; and/or (ii) in the event that the Court reduces or does not approve Plaintiff’s Counsel’s
11 requested fee award and costs, Plaintiff and Plaintiff’s counsel shall not terminate this Settlement and
12 shall not appeal any judgment or order on that basis.

13 53. Cooperation. All Parties will cooperate in good faith and apply their best efforts to
14 implement this Settlement by, among other things, executing all documents to the extent reasonably
15 necessary to effectuate the terms of this Settlement Agreement, submitting supplemental evidence
16 and/or supplemental points and authorities if requested by the Court, or making changes to the
17 Settlement if requested by the Court that do not materially affect the essential settlement terms.

18 54. Enforcement Actions. In the event that one or more of the Parties institute any legal
19 action, motion, petition, or other proceeding against any other Party or Parties to enforce the
20 provisions of this Settlement or to declare rights and/or obligations under this Settlement, the
21 successful Party or Parties will be entitled to recover from the unsuccessful Party or Parties reasonable
22 attorneys’ fees and costs, including expert witness fees incurred.

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

27 ///

28

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

56. 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:

Bardia A. Akhavan, Esq.
bardia@baalaw.com
AKHAVAN & ASSOCIATES
15760 Ventura Boulevard, Suite #1720
Encino, California 91436
Tel: (855) 463-4733

To Defendant:

MARTHA S. DOTY (State Bar No. 143287)
KAITLIN H. OWEN (State Bar No. 305653)
ALSTON & BIRD LLP
350 South Grand Avenue, 51st Floor
Los Angeles, CA 90071
Telephone: 213-576-1000
Facsimile: 213-576-1100
E-mail: martha.doty@alston.com
kaitlin.owen@alston.com

(remainder of page left intentionally blank)

1 IN WITNESS WHEREOF, the Parties knowingly and voluntarily executed this Joint Stipulation of
2 Settlement of PAGA Representative Action as of the date set forth below.

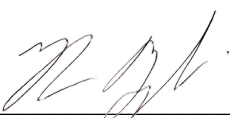
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

DATED: Dec 2, 2025

By:  _____
Angel Anton Claros del cid (Dec 2, 2025 16:59:11 PST)

ANGEL CLAROS
Individually and on behalf of the PAGA Settlement
Members and State of California

DATED: Dec. 3, 2025

By:  _____

Name: Alan Razzaghi

Title: President

On behalf of Defendant Freshlunches, Inc.