

SETTLEMENT AGREEMENT

This Settlement Agreement (“Agreement”) is made and entered into by See’s Candies, Inc./See’s Candy Shops, Inc. (“See’s Candies” or “Employer”) and the California Civil Rights Department (“CRD” or “Department”) (collectively, “Parties”, or referred to individually herein as “Party”). This Agreement is voluntarily entered into by the Parties. The Agreement shall be effective as of the date on which all Parties have fully executed this Agreement (“Effective Date”).

RECITALS

- A. CRD is the state agency responsible for enforcing the civil rights laws set forth in the California Fair Employment and Housing Act (“FEHA”), among other statutes. (Gov. Code, § 12900, et seq.) In pertinent part, CRD is authorized to enforce the annual pay data reporting requirements described in Section 12999 of FEHA. (Gov. Code, § 12999, subd. (f).)
- B. Section 12999, subdivision (a)(1) sets forth the deadline for employers to file an annual pay data report. Pay data reports for Reporting Year 2024 were due on May 14, 2025. Pay data reports for Reporting Year 2025 were due on May 13, 2026.
- C. During Reporting Years 2024 and 2025, See’s Candies was subject to the reporting obligations of Section 12999. (Gov. Code, § 12999, subd. (a)(1).)
- D. CRD did not receive pay data reports from See’s Candies for Reporting Years 2024 and 2025 by the applicable statutory deadlines.
- E. CRD instituted an investigation and opened pay data reporting case number PDRC-202550857 (“PDR Case”) relating to the Employer’s alleged failure to file pay data reports for Reporting Years 2024 and 2025 as required under Government Code section 12999.
- F. See’s Candies has now submitted its pay data reports for Reporting Years 2024 and 2025 to CRD.
- G. The Parties now desire to enter into this Agreement to fully resolve the PDR Case and to avoid the time, expense, and uncertainty of litigation.

AGREEMENT

Therefore, for good and sufficient consideration, the Parties agree as follows:

1. The Employer agrees to issue payment in the amount of One Hundred Forty-Two Thousand Eight Hundred Dollars (\$142,800) ("Settlement Payment") to the "Civil Rights Department." The Settlement Payment should be mailed to:

Civil Rights Department
Legal Division, Attn: Legal Division Manager
651 Bannon Street, Suite 200
Sacramento, CA 95811

The Employer agrees to mail this Settlement Payment within fifteen (15) calendar days of the Effective Date of this Agreement.

2. The Employer agrees to file all future required pay data reports with the Department each year on or before the statutory deadline (i.e. 2nd Wednesday of May annually). Such pay data reports must be timely, complete, and to the best of Employer's ability, accurate.
3. The Employer acknowledges that any future annual pay data reporting deadline that is missed will constitute a subsequent failure under Government Code section 12999, subdivision (f), and subject to increased penalties.
4. CRD agrees to close pay data reporting case number PDRC-202550857.
5. CRD agrees not to seek an order for compliance pursuant to Government Code section 12999 against the Employer pertaining to the pay data reports for Reporting Years 2024 and 2025. This includes agreeing not to seek monetary payment from the Employer for Reporting Years 2024 and 2025 aside from the \$142,800 referenced in Paragraph 1, above.
6. The existence, terms, and conditions of this Agreement are not confidential, and the Agreement constitutes a public record.
7. The Parties acknowledge that this Agreement represents the sole and entire Agreement between the Parties and supersedes all prior agreements, negotiations, and discussions between them and/or their respective counsel with respect to the above-referenced PDR Case. In signing this Agreement, the Parties agree that they have not relied on any other promises, inducement, or representations, other than as expressly set forth herein. The Parties further agree and understand that this Agreement may only be modified in a writing signed by both Parties.

8. CRD's participation in this Agreement is limited to the underlying PDR Case. The Parties acknowledge that CRD does not waive its right to process any other complaints against the Employer by any other person that is unrelated to the underlying PDR Case. CRD does not, nor is it able to, waive the rights of any other person who may want to file a complaint against the Employer. Nor is CRD waiving its right to initiate a Director's Complaint based on allegations that are unrelated to any claims released pursuant to Paragraph 4 above.
9. If any provision of this Agreement is held to be invalid and/or unenforceable, the Agreement shall be considered as if the invalid and/or unenforceable portion did not exist, with all remaining portions considered valid and enforceable.
10. This Agreement shall be construed and enforced pursuant to the laws of the State of California.
11. Should any Party fail to comply with its obligations under this Agreement, in whole or in part, in any action or proceeding brought to enforce the provisions of this Agreement, the prevailing Party shall be entitled to reasonable attorney fees and costs. In addition, the Parties agree and understand that CRD has the authority to investigate compliance with this Agreement; and to enforce the Agreement in court; or, in the event of breach of Paragraph 1 of this Agreement by the Employer, to reopen the PDR Case, continue its investigation, and pursue the PDR Case to the full extent of CRD's legal authority.
12. The Parties acknowledge that: (a) they have read and fully understand all the provisions of this Agreement; (b) they are voluntarily entering into this Agreement, without coercion; (c) they have entered into this Agreement based on their own judgment; and (d) they have not relied upon any representations or promises made by other parties other than those contained herein.
13. The Parties represent and acknowledge that they have had an opportunity to be represented by legal counsel of their own choice throughout all the negotiations which preceded this Agreement in connection with the negotiation, preparation, and execution of this Agreement.
14. 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.
15. The terms of this Agreement are contractual in nature and are not merely recitals.

16. This Agreement may be executed in counterparts and facsimile, e-mail, PDF, and photocopies shall be deemed as originals for the purposes of this Agreement. To the extent any of the undersigned individuals is signing on behalf of a Party, that individual hereby certifies that they have full authority to enter into this Agreement for the Party on whose behalf they have signed and agreed. This document may be executed in duplicate originals, each of which shall be equally admissible in evidence.
17. Nothing in this Agreement, whether express or implied, is intended to or shall (a) confer any rights or remedies under or by reason of this Agreement on any persons other than the Parties hereto and their respective successors and assigns, (b) relieve or discharge the obligation or liability of any third person to any Party hereto, or (c) give any third person any right of subrogation or action against any Party to this Agreement.

It is so agreed.

CALIFORNIA CIVIL RIGHTS DEPARTMENT

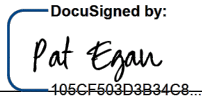
Signature: 

Printed Name: Amy Moolin Cu

Title: Associate Chief Counsel

Date: October 1, 2026

SEE'S CANDIES, INC.

Signature: 

Printed Name: Pat Egan

Title: President & CEO

Date: 10/1/2026