

SETTLEMENT AGREEMENT

This Settlement Agreement (hereinafter “Agreement”) is made by and between Plaintiff Cindy Martinez (“Plaintiff” or “Class Representative”) and Defendant AA Meat Products, Inc. (“Defendant” or “AA Meat Products”). Plaintiff and Defendant collectively are referred to in this Agreement as the “Parties.”

I. DEFINITIONS

In addition to other terms defined in this Agreement, the terms below have the following meaning in this Agreement:

- A. **“Action”** means Los Angeles civil action Case Number BC650944 commenced on February 16, 2017, by Plaintiff against AA Meat Products in the Superior Court of California, County of Los Angeles, entitled “*CINDY MARTINEZ, an individual on behalf of herself and others similarly situated, Plaintiff, v. AA MEAT PRODUCTS, INC., a California Corporation, and DOES 1 through 100, inclusive, Defendants.*”
- B. **“Defendant’s Counsel”** means Robert E. Mussig, Esq. of Sheppard, Mullin, Richter & Hampton.
- C. **“Class Counsel”** means Peter D. Gordon, Esq. of Peter D. Gordon & Associates, Robert C. Hayden, Esq. of Ezer Williamson Law, a Professional Corporation and Steven S. Derelian of SDA Legal Inc.
- D. **“Class Counsel Fees Payment”** and **“Class Counsel Litigation Expenses Payment”** mean the amounts awarded to Class Counsel by the Superior Court to compensate them for, respectively, fees and expenses in connection with the Action, including pre-filing investigation, filing of the Action and all related litigation activities, this Settlement, and all post-Settlement compliance procedures.
- E. **“Class Notice”** means the Notice of Proposed Settlement, Preliminary Approval of Settlement, and Hearing Date for Final Court Approval attached as Exhibit A to this Agreement and incorporated by reference into this Agreement.
- F. **“Class Notice Packet”** means the Class Notice (Exhibit A to this Agreement) and the Notice of Estimated Settlement Share (Exhibit B to this Agreement).
- G. **“Class Period”** means the period of time from February 16, 2013, to the date of Preliminary Approval of the Settlement.
- H. **“Class Released Claims”** mean the Participating Class Members’ release of all claims, causes of action, demands, debts, rights, liabilities, obligations, damages (including liquidated and punitive damages),

wages, compensation, civil and statutory penalties, attorneys' fees, costs, expenses, interest, equitable relief, and any other form of relief actually alleged or sought in the Action or that could have been alleged or sought in the Action based upon the facts, allegations, claims, and causes of action alleged or contained in the Action, whether such claims are based on federal, state or local law, statute, regulation, order, or ordinance, or any other source or common law, and regardless of whether such claims are known or unknown, suspected or unsuspected, contingent or accrued, or expressly asserted or not in the Action. Class Released Claims include, but are not limited to, failure to pay minimum wages, straight time compensation, overtime compensation, double-time compensation, reporting time compensation, and interest; the calculation of the regular rate of pay; missed meal period and rest periods, including missed meal and/or rest period premiums; payment for all hours worked, including alleged off-the-clock work; allegedly deficient wage statements; allegedly unlawful deductions; failure to keep accurate records; unfair business practices; penalties, including, but not limited to, recordkeeping penalties, wage statement penalties, minimum-wage penalties, and waiting-time penalties; and attorneys' fees and costs. The Class Released Claims include all such claims arising under the California Labor Code (including, but not limited to, sections 200, 201, 201.3, 201.5, 202, 203, 204, 205.5, 210, 216, 218, 218.5, 218.6, 221, 222, 222.5, 223, 224, 225, 225.5, 226, 226.7, 226.8, 227.3, 450, 510, 511, 512, 558, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1197.2, 1198, 2698 et seq., 2800 and 2802); all claims arising under the Wage Orders of the California Industrial Welfare Commission; California Business and Professions Code section 17200, et seq.; the California Civil Code, including but not limited to, sections 3336 and 3294; 12 CCR § 11040; 8 CCR § 11060; California Code of Civil Procedure § 1021.5; the California common law of contract; the Fair Labor Standards Act, 29 U.S.C. § 201 et seq.; and federal common law.

- I. **“Class Representative”** means Plaintiff Cindy Martinez.
- J. **“Class Representative Payment”** means the incentive payment made to Plaintiff in her capacity as Class Representative to compensate her for initiating the Action, performing work in support of the Action, and undertaking the risk of liability for attorneys' fees and expenses in the event she were unsuccessful in the prosecution of the Action.
- K. **“Effective Date”** means the date by which all of the following have occurred:
 - 1. This Agreement is finally approved and Judgment is entered in the Action; and
 - 2. The Judgment becomes Final.

- L. **“Final”** means the last of the following dates, as applicable:
1. The last date on which a notice of appeal from the Judgment may be filed, and none is filed.
 2. If a timely appeal from the Judgment is filed, the last of the following dates:
 - a. The last date by which a petition for review by the California Supreme Court of the California Court of Appeal’s decision affirming the Judgment may be filed, and none is filed;
 - b. The last date by which a petition for a writ of *certiorari* to the United States Supreme Court of a decision by the California Court of Appeal or the California Supreme Court affirming the Judgment may be filed, and none is filed;
 - c. If a petition for review by the California Supreme Court, or a petition for a writ of *certiorari* to the U.S. Supreme Court, seeking review of the Judgment or of the California Court of Appeal’s decision on an appeal from the Judgment, is timely filed, the date on which the highest reviewing court renders its decision denying the petition (where the immediately lower court affirmed the Judgment) or affirming the Judgment.
- M. **“Final Approval Hearing”** means the hearing to be conducted by the Superior Court to determine whether to approve finally and implement the terms of this Agreement.
- N. **“Gross Settlement Amount”** means the amount of \$764,500.00 payable by AA Meat Products, Inc. as provided by this Agreement. This amount is inclusive of the Prior Settlement Payments as well as any and all employer side payroll taxes on the wage portion of the Settlement Shares.
- O. **“Judgment”** means the Order of Final Judgment entered by the Superior Court that the Parties anticipate will be entered following a Final Approval Hearing on the Settlement in this Action.
- P. **“Net Settlement Amount”** means the Gross Settlement Amount payable by AA Meat Products, Inc. pursuant to this Settlement, less (i) the Class Representative Payment approved by the Superior Court; (ii) the Class Counsel Fees Payment and the Class Counsel Litigation Expenses Payment approved by the Superior Court; (iii) the payment to the California Labor and Workforce Development Agency (the “LWDA”) approved by the Superior Court; (iv) the Settlement Administrator’s reasonable fees and expenses approved by the Superior Court;

and (v) any other fees or expenses (other than attorneys' fees and expenses) incurred in implementing the terms and conditions of this Agreement and securing dismissal of the Action as approved by the Superior Court.

- Q. **"PAGA Member"** means all production, shipping, and receiving employees employed by AA Meat Products, Inc. during the PAGA Period.
- R. **"PAGA Period"** means the period of time from January 10, 2016 to the date that the Superior Court grants preliminary approval of this Settlement.
- S. **"PAGA Released Claims"** means the PAGA Members' and the Labor & Workforce Development Agency's ("LWDA") release of any and all claims arising under the Private Attorneys General Act of 2004, Cal. Lab. Code section 2698, et seq. ("PAGA") during the PAGA Period that were alleged in the Action or that could have been alleged in the Action based upon the facts, allegations, claims, and causes of action alleged or contained in the Action, including but not limited to any such claims involving any alleged failure to pay minimum wages, straight time compensation, overtime compensation, double-time compensation, reporting time compensation, and interest; the calculation of the regular rate of pay; missed meal period and rest periods, including missed meal and/or rest period premiums; payment for all hours worked, including alleged off-the-clock work; allegedly deficient wage statements; allegedly unlawful deductions; and/or failure to keep accurate records. The PAGA Released Claims include, without limitation, all such claims arising under California Labor Code sections 200, 201, 201.3, 201.5, 202, 203, 204, 205.5, 210, 216, 218, 218.5, 218.6, 221, 222, 222.5, 223, 224, 225, 225.5, 226, 226.7, 226.8, 227.3, 450, 510, 511, 512, 558, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1197.2, 1198, 2800 and 2802. The Parties intend for the PAGA Released Claims to extend to the broadest number of PAGA claims arising during the PAGA Period that may lawfully be released based upon the facts, allegations, claims, and causes of action alleged or contained in the Action.
- T. **"Participating Class Member"** means any member of the Settlement Class who does not timely and validly request exclusion from this Settlement.
- U. **"Plaintiff's Released Claims"** means Plaintiff's release of any and all claims, known and unknown, under federal, state and/or local law, statute, ordinance, regulation, common law, or other source of law, including but not limited to claims arising from or related to her alleged employment with Defendant and her compensation while allegedly employed by Defendant. Plaintiff's Released Claims include, but are not limited to, all claims asserted in, arising from, or related in any way to the Action. Plaintiff's Released Claims include all claims for unpaid wages, including, but not limited to, failure to pay minimum wages, overtime compensation, double-time compensation, reporting time compensation, and interest; the calculation of the regular rate of pay; missed meal periods and rest periods, including missed meal and/or rest period premiums; reimbursement for all necessary business expenses; payment for all hours worked, including

alleged off-the-clock work; allegedly deficient wage statements; allegedly unlawful deductions; failure to keep accurate records; unfair business practices; penalties, including, but not limited to, recordkeeping penalties, wage statement penalties, minimum-wage penalties, and waiting-time penalties; and attorneys' fees and costs. Plaintiff's Released Claims include all claims arising under the California Labor Code (including, but not limited to, sections 200, 201, 201.3, 201.5, 202, 203, 204, 205.5, 210, 216, 218, 218.5, 218.6, 221, 222, 222.5, 223, 224, 225, 225.5, 226, 226.7, 226.8, 227.3, 450, 510, 511, 512, 558, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1197.2, 1198, 2698 et seq., 2800 and 2802); all claims arising under: the Wage Orders of the California Industrial Welfare Commission; PAGA; California Business and Professions Code section 17200, et seq.; the California Civil Code, including but not limited to, sections 3336 and 3294; 12 CCR § 11040; 8 CCR § 11060; California Code of Civil Procedure § 1021.5; the California common law of contract; the FLSA, 29 U.S.C. § 201 et seq.; federal common law; and the Employee Retirement Income Security Act, 29 U.S.C. § 1001, et seq. Plaintiff's Released Claims also include all claims for lost wages and benefits, emotional distress, retaliation, punitive damages, and attorneys' fees and costs arising under federal, state, or local laws for discrimination, harassment, retaliation, and wrongful termination, such as, by way of example only, (as amended) 42 U.S.C. section 1981, Title VII of the Civil Rights Act of 1964, the Americans With Disabilities Act, the Age Discrimination in Employment Act, and the California Fair Employment and Housing Act; and the law of contract and tort. This release excludes the release of claims not permitted by law.

Plaintiff's Released Claims include all claims, whether known or unknown. Even if Plaintiff discovers facts in addition to or different from those that they now know or believe to be true with respect to the subject matter of Plaintiff's Released Claims, those claims will remain released and forever barred. Thus, Plaintiff expressly waives and relinquishes the provisions, rights, and benefits of section 1542 of the California Civil Code, which reads:

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

- V. **“Preliminary Approval of the Settlement”** means the Superior Court's preliminary approval of the Settlement without material change.
- W. **“Prior Settlement Payments”** means payments previously made by AA Meat Products to individual Settlement Class Members, which total \$28,500.00.
- X. **“Released Parties”** shall mean Defendant and each of its past or present subsidiaries, affiliates, parent companies, and related entities

(defined to include any entity that is, directly or indirectly, under common control with Defendant and/or any of its subsidiaries, affiliates, or parent companies); and each of their respective past or present officers, directors, owners, shareholders, employees, agents, principals, heirs, representatives, accountants, auditors, consultants, insurers and reinsurers, successors and predecessors in interest, and attorneys; and each of their company-sponsored employee benefit plans and all of their respective officers, directors, employees, administrators, fiduciaries, trustees and agents.

- Y. **“Settlement”** means the settlement described herein.
- Z. **“Settlement Administrator”** means the administrator proposed by the Parties and appointed by the Superior Court to administer the Settlement.
- AA. **“Settlement Class” or “Settlement Class Members”** means all production, shipping, and receiving employees employed by AA Meat Products, Inc. from February 16, 2013, to the date that the Superior Court grants preliminary approval of this settlement.
- BB. **“Settlement Share”** means each Participating Class Member’s share of the Net Settlement Amount as provided by this Agreement.
- CC. **“Superior Court”** means the Superior Court of California in and for the County of Los Angeles.
- DD. **“Work Week”** means any week during the Class Period in which a Settlement Class Member worked at AA Meat Products, during the Class Period.

II. **RECITALS**

- A. On February 17, 2017, Plaintiff commenced the Action against AA Meat Products. Plaintiff filed a First Amended Complaint on March 21, 2017, adding a claim for PAGA penalties against AA Meat Products. On September 21, 2017, Plaintiff filed the operative Second Amended Complaint. In the Action, Plaintiff alleged that she and the Settlement Class were not properly paid overtime compensation to which they allegedly were entitled under California law for work performed in excess of eight hours per day or forty hours per week; that AA Meat Products failed to pay her and other Settlement Class Members minimum wages; that AA Meat Products failed to provide proper itemized wage statements in accordance with California Labor Code section 226(a); that AA Meat Products failed to provide her and other Settlement Class Members meal periods and rest breaks to which they allegedly were entitled under California law; that AA Meat Products failed to pay to her and other Settlement Class Members wages that

allegedly were due at the time of their termination; that in engaging in these alleged practices, AA Meat Products also violated California Business and Professions Code section 17200; that Plaintiff and the Settlement Class Members were entitled to damages and penalties, and that Plaintiff and the PAGA Members were entitled to PAGA penalties against AA Meat Products.

- B. On October 20, 2017, AA Meat Products answered Plaintiff's operative Second Amended Complaint. AA Meat Products denied and continues to deny all of Plaintiff's material allegations. Specifically, AA Meat Products contends that Plaintiff and the Settlement Class/PAGA Members were properly paid minimum wage and overtime compensation; were and are free to take meal periods and rest breaks in compliance with California law; that AA Meat Products did not fail to pay Plaintiff or anyone else wages allegedly due at the time that they quit working at AA Meat Products; that AA Meat Products did not violate California Labor Code section 226(a); that AA Meat Products did not violate California Business and Professions Code section 17200; and that AA Meat Products is not liable for damages or penalties to Plaintiff or the Settlement Class Members/PAGA Members.
- C. In connection with the Action, the Parties produced substantial documents and data which were reviewed, investigated, and analyzed by Class Counsel. Numerous depositions were taken including the deposition of Plaintiff and the depositions of Defendant's PMQs.
- D. On May 29, 2020, following the foregoing discovery and exchange of information, Plaintiff filed her Motion for Class Certification. On August 11, 2020, Defendant filed its Opposition to the Motion for Class Certification. On September 9, 2020, Plaintiff filed her Reply to the Motion for Class Certification. On January 20, 2021, the Court heard argument on the Motion for Class Certification and took it under submission.
- E. On March 22, 2021, the Court granted Plaintiff's Motion for Class Certification in part. The Court certified a Class defined as: "All production, shipping, and receiving employees employed by AA Meat Products, Inc. from February 16, 2013, to the date of entry of judgment." The Court also certified 5 Subclasses as follows: "Weekend Wage Statement Subclass, Weekday Wage Statement Subclass, Rest Break Subclass, Meal Period Subclass, Double Time Subclass, and Final Wage Subclass, all as defined in Plaintiff's moving papers." The Court appointed Robert C. Hayden and Peter Gordon as counsel of the Class and Subclasses and Plaintiff Cindy Martinez as representative of the Class and Subclasses.
- F. On July 16, 2021, the Parties participated in a mediation presided over by Steven Pearl, Esq. During the mediation, the Parties had a full day of productive negotiations. Ultimately, however, the Parties were unable to reach a settlement and the day ended with a Mediator's Proposal. Thereafter, counsel for the Parties

continued settlement negotiations through the mediator. Ultimately, each side, represented by its respective counsel, recognized the substantial risk of an adverse result in the Action and agreed to settle the Action and all other matters covered by this Agreement pursuant to the terms and conditions of this Agreement. This Agreement replaces and supersedes any agreements, understandings, or representations between the Parties.

- G. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or will be construed as an admission by AA Meat Products, Inc. that Plaintiff's claims in the Action have merit or that they have any liability to Plaintiff or the Settlement Class on those claims or the State, or as an admission by Plaintiff that AA Meat Product's defenses in the Action have merit.

Based on the foregoing Recitals, which are contractual in nature and not mere recitals, the Parties agree as follows:

III. SETTLEMENT TERMS AND CONDITIONS

- A. **Class Certification.** The Court, in its Order dated March 22, 2021, certified a Class defined as: "All production, shipping, and receiving employees employed by AA Meat Products, Inc. from February 16, 2013, to the date of entry of judgment."

Settlement Class. The Parties further stipulate and agree to conditional certification of the following Settlement Class for settlement purposes only and to request such certification from the Court:

"All current and former production, shipping, and receiving employees employed by AA Meat Products, Inc. from February 16, 2013, to the date of the Preliminary Approval of the Settlement"

The Parties agree that if for any reason the Settlement is not approved, the conditional certification of a Settlement Class will be of no force or effect, does not constitute an admission by AA Meat Products that class certification is proper, and will not be deemed admissible in this or any other proceeding.

- B. **Gross Settlement Amount.** Subject to the terms and conditions of this Agreement, the Gross Settlement Amount of \$764,500.00 is the amount payable by AA Meat Products. Of that amount, AA Meat Products has already paid out \$28,500 to individual Settlement Class Members, leaving \$736,000 still to be paid. In no event will AA Meat Products be required to pay more than this amount for distribution to the Plaintiff, Class Counsel, Settlement Class Members, LWDA, or Settlement Administrator. The Gross Settlement Amount is inclusive of any employer side payroll taxes, including the employer FICA, FUTA and SDI contributions, on the wage portion of the Participating Class Members' Settlement

Shares.

C. **Settlement Class Member Payments.** Subject to the terms and conditions of this Agreement, the Settlement Administrator will distribute a payment from the Net Settlement Amount to each Participating Class Member as follows:

1. **Calculation of Payments to Participating Class Members.** The Settlement Share for each Participating Class Member will be calculated as follows, understanding that the formulas below do not constitute an admission by either party, and are intended only to provide a practical means to simplify and administer the claims process. The Settlement Share shall be paid in exchange for the Participating Class Members' release of the Class Released Claims.

a. **List of Settlement Class Members, Work Weeks, and Prior Settlement Payments.** Within 20 business days after the Superior Court grants Preliminary Approval of the Settlement, and as outlined further in Paragraph (III)(F)(2)(a) of this Agreement, AA Meat Products shall provide to the Settlement Administrator an electronic database of all Settlement Class Members, including such individuals' names, last known addresses and telephone numbers, and dates of employment, as they appear in AA Meat Products' records. Based on the dates of employment, the Settlement Administrator shall determine each Settlement Class Member's "Individual Work Weeks." AA Meat Products shall also provide the amounts of any Prior Settlement Payments that were previously paid to any Settlement Class Member.

b. **Calculation of Settlement Ratio.** The Settlement Administrator shall assign to each Settlement Class Member a "Settlement Ratio," which shall be a fractional number composed of (a) that Settlement Class Member's Individual Work Weeks as the numerator, and (b) the aggregate total of all Settlement Class Members' Individual Work Weeks as the denominator.

c. **Calculation of Settlement Shares.** The Settlement Administrator shall assign to each Settlement Class Member a "Settlement Share" which shall be calculated by multiplying that Settlement Class Member's Settlement Ratio by the Net Settlement Amount and then subtracting any Prior Settlement Payments received by that Settlement Class Member.

2. **Withholdings.**

a. Because the Settlement Class Members' claims included claims for liquidated damages, penalties, and interest, the Parties hereby

agree that sixty-seven percent (67%) of all amounts paid to the Participating Class Members (though calculated as described above for the purpose of arriving at an equitable distribution of funds among Settlement Class Members) shall be designated as non-wage payments, and the remaining thirty-three (33%) shall be considered wage payments (except for the Class Representative Payment which is designated as a non-wage payment).

- b. The sixty-seven percent (67%) of each Settlement Share that is intended to settle each Participating Class Member's claims for interest and penalties (the "Non-Wage Portion") will not be reduced by payroll tax withholdings and deductions; and, instead, the Settlement Administrator will issue a Form 1099 with respect to the Non-Wage Portion.
- c. The thirty-three percent (33%) of each Settlement Share that is intended to settle each Participating Class Member's claims for unpaid wages (the "Wage Portion") will be reduced by applicable payroll tax withholdings and deductions; and the Settlement Administrator will issue a Form W-2 with respect to the Wage Portion.

- 3. **Effect of Non-Participating Class Members.** Non-Participating Class Members will receive no Settlement Share, except as set forth in Paragraph III(D)(3) below, and will not release any of the Class Released Claims, but will release the PAGA Released Claims.

D. **Payments to Plaintiff and Class Counsel and Others.** Subject to the terms and conditions of this Agreement, the Settlement Administrator will make the following payments out of the Gross Settlement Amount as follows:

- 1. **To Plaintiff:** In addition to her Settlement Share, Plaintiff will apply to the Superior Court for an award of not more than \$25,000.00 as her Class Representative Payment. AA Meat Products will not oppose a Class Representative Payment of \$25,000.00. The Settlement Administrator will pay the Class Representative Payment approved by the Superior Court out of the Gross Settlement Amount. Payroll tax withholding and deductions will not be taken from the Class Representative Payment and instead a Form 1099 will be issued to Plaintiff with respect to that payment. This payment is made, in part, in exchange for Plaintiff's release of Plaintiff's Released Claims. In the event the Court does not award the full requested Class Representative Payment, the remainder shall be re-distributed to on a pro rata basis to all Participating Class Members.
- 2. **To Class Counsel:** Class Counsel will apply to the Superior Court for an

award of not more than \$305,800.00 (40%) of the Gross Settlement Amount as their Class Counsel Fees Payment and an amount not more than \$40,000.00 as Class Counsel Litigation Expenses Payment, and AA Meat Products will not oppose this request. The Settlement Administrator will pay the amount approved by the Superior Court (but not more than \$305,800.00 in fees and \$40,000.00 in expenses) out of the Gross Settlement Amount. Payroll tax withholding and deductions will not be taken from the Class Counsel Fees and Litigation Expenses Payment and instead one or more Forms 1099 will be issued to Class Counsel with respect to those payments. In the event the Court does not award the full requested Class Counsel Fees Payment and/or Class Counsel Litigation Expenses Payment, the remainder shall be re-distributed to on a pro rata basis to all Participating Class Members.

- a. The Parties agree that the Court's approval or denial of any request for a Class Representative Payment, Class Counsel Fees Payment, and/or Class Counsel Litigation Expenses Payment are not conditions to this Agreement and are to be considered by the Court separately from the fairness, reasonableness, adequacy, and good faith of the Settlement. Any order or proceeding relating to the application by Class Counsel for a Class Representative Payment, Class Counsel Fees Payment, and/or Class Counsel Litigation Expenses shall not operate to terminate or cancel this Agreement.
 - b. Class Counsel agree that they are responsible for allocating any Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment approved by the Court among themselves and any other counsel that may have any other agreement with them. If a lien is asserted, the Settlement Administrator will tender the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment to the Court and shall thereafter be released from any claim related to those payments. Class Counsel warrant and represent that there are no liens or encumbrances on the amounts to be paid pursuant to the terms of this Agreement and that no assignments of the claims to be released or the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment to be paid pursuant to this Agreement have been made or attempted. Class Counsel agrees to defend, indemnify, and hold harmless Defendant from any liability resulting from a breach of these representations and/or any lien, encumbrance or assignment.
3. **To the LWDA:** The Parties agree to allocate a total of \$25,000.00 from the Gross Settlement Amount towards PAGA penalties (the "PAGA Payment"). The Settlement Administrator shall issue and mail a check to the State of California LWDA in the amount of Eighteen Thousand Seven

Hundred Fifty Dollars and No Cents (\$18,750.00) (i.e., 75 percent share). The remaining Six Thousand Two Hundred Fifty Dollars and No Cents (\$6,250.00) (i.e., 25 percent share) shall be distributed to all PAGA Members based on the pro rata number of pay periods they worked for Defendant during the PAGA Period compared to the number of pay periods worked by all PAGA Members during the PAGA Period. These payments are made in exchange for the PAGA Members' and the LWDA's release of the PAGA Released Claims. The PAGA Payments are a non-wage penalty recovery. Payroll tax withholding and deductions will not be taken from the PAGA Payments and instead Forms 1099 will be issued to PAGA Members with respect to these payments. PAGA Members will receive their PAGA Payments regardless of whether they are Participating Class Members and regardless of whether they exclude themselves from the Settlement Class. To the extent a PAGA Member is also a Settlement Class Member, the PAGA Member's PAGA Payment will be added to their award as a Settlement Class Member and paid in a single check.

4. **To the Settlement Administrator:** The Settlement Administrator will be paid from the Gross Settlement Amount its reasonable fees and expenses as approved by the Superior Court in an amount not to exceed \$12,500.00.

- E. **Appointment of Settlement Administrator.** The Parties will ask the Superior Court to appoint CPT Group, Inc. ("CPT"), a qualified administrator, to serve as the Settlement Administrator, which, as a condition of appointment, will agree to be bound by this Agreement with respect to the performance of its duties and its compensation. The Settlement Administrator's duties will include preparing, printing, and mailing the Class Notice Packet to all Settlement Class Members; using best efforts to contact all Settlement Class Members including, without limitation, conducting a National Change of Address search on all Settlement Class Members before mailing the Class Notice Packet to each Settlement Class Member's address, conducting Lexis/Nexis searches utilizing reasonably available data, including driver's license numbers, or social security numbers, and all other means the Settlement Administrator deems appropriate and necessary to contact all Settlement Class Members. The Settlement Administrator's duties will also include re-mailing the Class Notice Packet to the Settlement Class Member's new address for those Settlement Class Members whose address has changed; setting up a toll-free telephone number to receive calls from Settlement Class Members; setting up a settlement website containing important information about the case and important settlement related documents and deadlines, providing the Parties with weekly status reports about the delivery of Class Notice Packets and elections not to participate in the Settlement; calculating Settlement Shares and other payments; issuing checks or utilizing other commercially acceptable means of payment to effectuate the payments due under the Settlement; calculating and withholding all required state and federal taxes; preparing and filing all required tax returns; and otherwise administering the Settlement pursuant to this

Agreement. The Settlement Administrator will have the final authority to resolve all disputes concerning the calculation of a Participating Class Member's Settlement Share, subject to the terms set forth in this Agreement, and after obtaining input from counsel for all parties. The Settlement Administrator's reasonable fees and expenses, including the cost of printing and mailing the Class Notice Packet, will be paid out of the Gross Settlement Amount, as set forth herein, subject to Court approval.

F. Procedure for Approving Settlement.

1. **LWDA Notice.** Plaintiff and her counsel shall submit this Settlement to the LWDA at the same time Plaintiff files for preliminary approval, in accordance with Cal. Lab. Code section 2699(1)(2).
2. **Motion for Preliminary Approval of Settlement by Superior Court.**
 - a. Plaintiff will move the Superior Court for an order granting Preliminary Approval of the Settlement, setting a date for the Final Approval Hearing, and approving the Class Notice (attached as Exhibit A to this Agreement and incorporated by this reference into this Agreement), and the Notice of Estimated Settlement Share Form (attached as Exhibit B to this Agreement and incorporated by reference into this Agreement) (the "Motion for Preliminary Approval"). Any disagreement among the Parties concerning the Class Notice, the Notice of Estimated Settlement Share Form, or other documents necessary to implement the Settlement will be referred to the Superior Court. Defendant will not oppose this motion but may join in the motion or file its own supplemental papers related thereto.
 - b. At the hearing on the Motion for Preliminary Approval, the Parties anticipate that they will jointly appear, support the granting of the motion, and submit a Proposed Order Granting Preliminary Approval of Settlement, Approving Notice to Class and Notice of Estimated Settlement Share Form, and Setting Hearing for Final Approval of Settlement, in the form of Exhibit C to this Agreement and incorporated by reference into this Agreement.
 - c. Should the Superior Court decline to preliminarily approve all material aspects of the Settlement, the Settlement will be null and void and the Parties will have no further obligations under it.
3. **Notice to Settlement Class Members.** After the Superior Court enters its order granting Preliminary Approval of the Settlement, every Settlement Class Member will be provided with the Class Notice Packet (which will include the Class Notice completed to reflect the order granting

Preliminary Approval of the Settlement) as follows:

- a. Within 20 days after the Superior Court enters its order granting Preliminary Approval of the Settlement, AA Meat Products will provide to the Settlement Administrator an electronic database containing for each Settlement Class Member, his or her name, last known mailing address and telephone number, Social Security number, dates of employment, and any Prior Settlement Payments (the "Settlement Class Members' Data"). If any or all of the Settlement Class Members' Data is unavailable to AA Meat Products, AA Meat Products will so inform Class Counsel and will make best efforts to reconstruct the Settlement Class Members' Data prior to when it must be submitted to the Settlement Administrator. If the Parties are unable to agree, the dispute will be resolved pursuant to the dispute-resolution procedure set forth in Paragraph III(F)(4). This information will otherwise remain confidential and will not be disclosed to anyone, except as required to applicable taxing authorities, in order to carry out the reasonable efforts described in Paragraph III(F)(2)(c), or pursuant to AA Meat Products' express written authorization or by order of the Superior Court.
- b. Within 15 days after receiving the Settlement Class Members' Data, or as soon thereafter as it is able to do, the Settlement Administrator will mail the Class Notice Packets to all identified Settlement Class Members via first-class U.S. mail using the mailing address information provided by AA Meat Products, unless modified by any updated address information that the Settlement Administrator obtains in the course of administration of the Settlement.
- c. If a Class Notice Packet is returned because of an incorrect address, the Settlement Administrator will promptly, and not later than 15 days from receipt of the returned packet, search for a more current address for the Settlement Class Member and re-mail the Class Notice Packet to the Settlement Class Member. The Settlement Administrator will use the Settlement Class Members' Data and otherwise work with Defendant's Counsel and Class Counsel to find a more current address. The Settlement Administrator will be responsible for taking reasonable steps, consistent with its agreed-upon job parameters, court orders, and fee, to trace the mailing address of any Settlement Class Member for whom a Class Notice Packet is returned by the U.S. Postal Service as undeliverable. These reasonable steps shall include, at a minimum, the tracking of all undelivered mail; performing address searches for all mail returned without a forwarding address,

including the use of skip traces; and promptly re-mailing to Settlement Class Members for whom new addresses are found. If the Class Notice Packet is re-mailed, the Settlement Administrator will note for its own records and notify Class Counsel and Defendant's Counsel of the date and address of each such re-mailing as part of a weekly status report provided to the Parties.

- d. In the event the procedures outlined immediately above are followed and the intended recipient of a Class Notice Packet still does not receive the Class Notice Packet, the intended recipient shall remain a Settlement Class Member and shall be bound by all terms of the Settlement and any final judgment entered by the Court if the Settlement is approved by the Court.
- e. Not later than 21 court days prior to the Final Approval Hearing, the Settlement Administrator will provide the Parties with a declaration of due diligence setting forth its compliance with its obligations under this Agreement, which shall be filed with the Court. Prior to the Final Approval Hearing, the Settlement Administrator will supplement its declaration of due diligence if any material changes occur following the date of the filing of its prior declaration.

4. **Requests for Exclusion from Settlement; and Objections to Settlement.** Settlement Class Members may submit requests to be excluded from the Settlement, or objections to the Settlement, pursuant to the following procedures:

- a. **Request for Exclusion from Settlement.** A Settlement Class Member may request to be excluded from the Settlement by mailing a letter to the Settlement Administrator stating that the Settlement Class Member wants to be excluded from this Settlement. This letter must include the Settlement Class Member's name, address, telephone number, and signature. A Settlement Class Member requesting to be excluded from this Action must mail the request to be excluded to the Settlement Administrator, postmarked no less than 45 days from the initial mailing of the Class Notice Packet by the Settlement Administrator. A Settlement Class Member who properly submits a valid and timely request to be excluded from the Action shall not receive any payment of any kind in connection with this Agreement or this Action, except as set forth in Paragraph III(D)(3) above and shall not be bound by or receive any benefit of this Agreement, except that all PAGA Members shall be bound by the release of the PAGA Released Claims.

Objections to Settlement. The Class Notice will provide that any Settlement Class Members who do not request exclusion from the Action and who wish to object to the Settlement must either submit to the Settlement Administrator not later than 45 days after the Settlement Administrator mails the Class Notice Packet a written objection to the Settlement and setting forth the grounds for the objection or state the objection at the time of the Final Approval Hearing. Any written objection must state each specific reason in support of the objection and any legal support for each objection and provide any documents supporting the objection. The objection must state the Settlement Class Member's full name, address, telephone number. Any objection is invalid if Defendant does not have a record establishing that the Settlement Class Member worked at AA Meat Products. The objection may also state whether the Settlement Class Member intends to appear and object at the Final Approval Hearing. If a Settlement Class Member appears by counsel, or intends to do so at the Final Approval Hearing, counsel shall provide a list of any other class settlements it has objected to, by name and case number. A Settlement Class Member who does not submit an objection in the manner and by the deadline specified above will be deemed to have waived any objections and will be foreclosed from making any objections (whether by appeal or otherwise) to the Settlement.

If the Superior Court rejects the Settlement Class Member's objection, the Settlement Class Member will still be bound by the terms of this Agreement.

b. **Report.** Not later than 15 business days after the deadline to request exclusion from the Settlement or object to the Settlement, the Settlement Administrator will provide the Parties with a complete and accurate list of all Settlement Class Members who sent timely requests to be excluded from the Settlement, and all Settlement Class Members who objected to the settlement. The Settlement Administrator shall provide copies of any objections to the settlement to the Parties within two (2) business days of receipt.

5. **Resolution of Disputes.** If a Settlement Class Member disputes the number of Work Weeks or the amount of Prior Settlement Payments stated for that Settlement Class Member in his or her Notice Packet, the Settlement Class Member must ask the Settlement Administrator to resolve the matter by returning the Notice Packet with a statement of the number of Work Weeks that he or she contends they worked at AA Meat Products or the true amount of Prior Settlement Payments he or she received and including any documentation the Settlement Class Member

has to support his or her contention. In the event of such a dispute, AA Meat Products will review its records to verify the correct number of Work Weeks or amount of Prior Settlement Payments. AA Meat Products' records will have a rebuttable presumption of correctness. After consultation with Class Counsel, the Settlement Class Member, and Defendant's Counsel, the Settlement Administrator will make a determination of the Settlement Class Member's number of Work Weeks or Prior Settlement Payments and that determination will be final, binding on the Parties and the Settlement Class Member, and non-appealable.

6. **No Solicitation of Objections; Right to Void.** Neither the Parties nor their respective counsel will directly or indirectly solicit or otherwise encourage any Settlement Class Member to object to the Settlement or appeal from the Judgment. If more than seven of the Settlement Class Members submit a request to be excluded from the Settlement, then AA Meat Products shall have the unilateral right to void this Settlement. AA Meat Products may do so by giving notice to Class Counsel and the Court of its election to void the Settlement not later than 16 days before the Final Approval Hearing. Notwithstanding any other provisions in this Agreement, no sums shall be payable by AA Meat Products in the event that this Agreement is voided as provided for herein. In the event that AA Meat Products voids the Settlement pursuant to this paragraph, AA Meat Products and Plaintiff will jointly pay the Settlement Administrator's reasonable fees and expenses incurred as of the date that AA Meat Products exercises the right to void the Settlement under this paragraph.

7. **Additional Briefing and Final Approval.**

a. Not later than 16 court days before the Final Approval Hearing, Plaintiff will file with the Superior Court a motion for final approval of the Settlement and a memorandum in support of the motion; and Plaintiff and Class Counsel will serve on AA Meat Products and file with the Superior Court a motion for approval of the Class Representative Payment, the Class Counsel Fees Payment, and the Class Counsel Litigation Expenses Payment pursuant to this Settlement, and memoranda in support of their motions. Defendant may also join in the motion or file such separate supplemental memoranda in support thereof it determines to do so, in its sole discretion.

b. Not later than five court days before the Final Approval Hearing, the Parties shall be entitled to file and serve responses to any Settlement Class Member's objection to the Settlement and/or reply in support of the motion for final approval of the Settlement, to the extent that any opposition to the motion is filed; and Plaintiff and Class Counsel may file replies in support of their motions for

the Class Representative Payment, the Class Counsel Fees Payment, and the Class Counsel Litigation Expenses Payment.

- c. If the Superior Court ultimately does not grant final approval of the Settlement or grants final approval conditioned on any material change to the Settlement, then either Party will have the right to void the Settlement; if that occurs, the Parties will have no further obligations under the Settlement, including any obligation by AA Meat Products to pay the Gross Settlement Amount or any amounts that otherwise would have been payable under this Agreement, except that AA Meat Products and Plaintiff will jointly pay the Settlement Administrator's reasonable fees and expenses incurred as of the date that the Party exercises the right to void the Settlement under this paragraph. However, an award by the Superior Court of a lesser amount than that sought by Plaintiff and Class Counsel for the Class Representative Payment, the Class Counsel Fees Payment, or the Class Counsel Litigation Expenses Payment, will not constitute a material modification to the Settlement within the meaning of this paragraph.
- d. Upon final approval of the Settlement by the Superior Court at or after the Final Approval Hearing, Plaintiff will present for the Superior Court's approval and entry a Proposed Final Order and Judgment. The Final Order and Judgment shall provide that the Court shall have continuing jurisdiction over the action to enforce and implement the terms of the settlement, and permanently bar all Settlement Class Members (other than those who submit timely and valid requests to be excluded from the Settlement as provided in this Agreement, except that all PAGA Members shall be bound by the release of the PAGA Released Claims regardless of whether they submit timely and valid requests to be excluded from the Settlement) from prosecuting against AA Meat Products any claims or causes of action of any kind arising during the Class Period, as set forth in the Release contained in Paragraph (III)(G) to this Agreement.
- e. After entry of the Judgment, the Superior Court will have continuing jurisdiction over the Action and the Settlement solely for purposes of (i) enforcing this Agreement, (ii) addressing settlement administration matters, and (iii) addressing such post-Judgment matters as may be appropriate under court rules or applicable law.

8. **Waiver of Right to Appeal.** Provided that the Judgment is consistent with the terms and conditions of this Agreement, Plaintiff, Settlement Class Members who did not submit a valid and timely objection to the

Settlement, AA Meat Products, and their respective counsel hereby waive any and all rights to appeal from the Judgment, including all rights to any post-Judgment proceeding and appellate proceeding, such as a motion to vacate judgment, a motion for new trial, and a motion under California Code of Civil Procedure section 473. The waiver of appeal does not include any waiver of the right to oppose any appeal, appellate proceedings or post-Judgment proceedings. This paragraph does not preclude Plaintiff or Class Counsel from appealing from a refusal by the Superior Court to award the full Class Representative Payment, the Class Counsel Fees Payment, or the Class Counsel Litigation Expenses Payment sought by them. If an appeal is taken from the Judgment, the time for consummation of the Settlement (including making payments under the Settlement) will be suspended until such time as the appeal is finally resolved and the Judgment, consistent with the terms of this Agreement, becomes Final.

9. **Vacating, Reversal, or Material Modification of Judgment on Appeal or Review.** If, after a notice of appeal, a petition for review, or a petition for *certiorari*, or any other motion, petition, or application, the reviewing court vacates, reverses, or modifies and remands the Judgment such that there is a material modification to the Settlement, and that court's decision is not completely reversed and the Judgment is not fully affirmed on review by a higher court, then either Plaintiff or AA Meat Products will have the right to void the Settlement, which the Party must do by giving written notice to the other Parties, the reviewing court, and the Superior Court not later than 14 days after the reviewing court's decision vacating, reversing, or materially modifying the Judgment becomes Final. A vacation, reversal, or modification of the Superior Court's award of the Class Representative Payment, the Class Counsel Fees Payment, or the Class Counsel Litigation Expenses Payment will not constitute a vacation, reversal, or material modification of the Judgment within the meaning of this paragraph.
10. **Establishment of Settlement Account.** The Settlement Administrator shall establish a Qualified Settlement Account for the purpose of distributing Settlement Shares and any other payments. Within 20 business days after the Effective Date of the Settlement, Defendant shall pay into the Qualified Settlement Account an amount equal to the sum of Seven Hundred and Thirty-Six Thousand Dollars (\$736,000.00). Defendant has no obligation to pay any additional funds into the Qualified Settlement Account.
11. **Payment of Settlement Shares.** The Settlement Administrator shall pay Settlement Shares, from the Qualified Settlement Account, to all Participating Class Members, and make all payments to the PAGA Members required by Paragraph III(D)(3). The Settlement Administrator

shall make these payments by sending a check in the appropriate amount after any required withholdings to the Participating Class Member and/or PAGA Member at the address on file or by electronic means if requested. Such payments shall be sent by the Settlement Administrator within 15 days of its receipt from AA Meat Products of the sum described above in Paragraph 10.

12. **Uncashed Checks.** A Participating Class Member/PAGA Member must cash his or her check within 120 calendar days after it is issued. If a check is returned to the Settlement Administrator, the Settlement Administrator will make all reasonable efforts to re-mail it to the Participating Class Member/PAGA Member at his or her correct address. If any Participating Class Member/PAGA Member's check is not cashed within 90 days after its last mailing to the Participating Class Member/PAGA Member, the Settlement Administrator will send the Participating Class Member/PAGA Member a letter informing him or her that unless the check is cashed in the next 30 days, it will expire and become non-negotiable, and offer to replace the check if it was lost or misplaced but not cashed. If the check remains uncashed by the expiration of the 30-day period after this notice, the Settlement Administrator will keep an accounting of such funds, including the identification of the Participating Class Member/PAGA Member. Unless otherwise ordered, the Settlement Administrator will disburse said funds to the Controller for the State of California in the respective Participating Class Member/PAGA Member's name, pursuant to Code of Civil Procedure section 1500 et seq. In the event of such disbursements described above, the Participating Class Member/ PAGA Member will nevertheless remain bound by the Settlement and the releases contained herein.
13. Neither Plaintiff nor Class Counsel shall take, or cause any other person to take, a position before the Court that section 384 of the California Code of Civil Procedure applies to this Settlement.
14. **Final Report by Settlement Administrator to Superior Court.** Within 10 days after final disbursement of all funds from the Qualified Settlement Account, the Settlement Administrator will send to the Parties and file with the Superior Court a declaration providing a final summary report on the disbursements of all funds from the Settlement Account.

G. Release of Claims.

Subject to the approval and entry of Final Judgment by the Court, the Parties hereby agree and stipulate that the Action is being fully and finally compromised and settled and all Claims are being released as follows:

1. As of the Effective Date, all Settlement Class Members will fully and finally waive, release, acquit, and discharge Defendant and the Released Parties from the Class Released Claims (the “Class Release”). The Class Release shall be binding on each Participating Class Member.
2. As of the Effective Date, the LWDA and all PAGA Members will fully and finally waive, release, acquit, and discharge Defendant and the Released Parties from the PAGA Released Claims (the “PAGA Release”). The PAGA Release shall be binding on each PAGA Member and the LWDA.
3. As of the Effective Date, Plaintiff will fully and finally waive, release, acquit, and discharge Defendant and the Released Parties from Plaintiff’s Released Claims.
4. No person shall have any claim against Defendant or any of the Released Parties, Defendant’s attorneys of record, Plaintiff, any Settlement Class Member, Class Counsel, or the Settlement Administrator based on distributions or payments made in accordance with this Settlement Agreement.
5. Settlement Class Members/PAGA Members may hereafter discover claims or facts in addition to or different from those they now know or believe to be true with respect to the subject matter of the Class Release and/or PAGA Release, but upon the Effective Date, shall be deemed to have, and by operation of the Final Judgment shall have, fully, finally, and forever settled and released any and all of the Class Released Claims and/or PAGA Released Claims, as applicable. Settlement Class Members/PAGA Members agree not to sue or otherwise make a claim against any of the Released Parties that arise out of or relate to the Class Released Claims and/or PAGA Released Claims, as applicable.
6. If the facts relating in any manner to the Action or this Settlement Agreement are hereafter found to be other than or different from the facts now believed to be true or suspected to exist by any Settlement Class Member/PAGA Member, the waiver and release of such Class Released Claims and/or PAGA Released Claims, as applicable, shall nevertheless remain fully effective and enforceable, and each Settlement Class Member/PAGA Member hereby expressly waives and releases any claim or right to assert hereafter that any claim, demand, obligation, and/or cause of action has, through ignorance, oversight, or error, been omitted from the terms of this Settlement Agreement pertaining to the facts alleged and causes of action in the Action.
7. The Class Released Claims expressly include all claims for interest or penalties of any kind or nature arising out of or relating to the Class

Released Claims, and further extends to and includes all claims for compensatory damages, wages, premium wages, overtime wages or any other form of compensation, statutory “waiting time” penalties or any other statutory or civil penalties, costs, expenses, attorneys’ fees, interest, restitution, injunctive relief, declaratory relief, punitive damages, liquidated damages, tips, and any other form of relief or remedy requested in or relating to the Action.

8. As of the Effective Date, the Class Release and PAGA Release shall be binding on the Settlement Class Members and PAGA Members, respectively, including each of their respective attorneys, agents, spouses, executors, representatives, legal guardians, guardians ad litem, parents or guardians of any minors, heirs, successors, and assigns, regardless of whether or not such Settlement Class Members and/or PAGA Members who receive a payment under this Settlement Agreement.

9. **Class Counsel.** As of the date the Judgment becomes Final, and except as otherwise provided by this Agreement, Class Counsel and any counsel associated with Class Counsel waive any claim to costs and attorneys’ fees and expenses against AA Meat Products arising from or related to the Action, including but not limited to claims based on the California Labor Code, the California Code of Civil Procedure, the Fair Labor and Standards Act, or any other statute or law (the “Class Counsel Released Claims”), except to the extent that this Agreement requires payment of such costs and fees.

H. **No Effect on Other Benefits.** The Settlement Shares will not result in any additional benefit payments (such as 401(k) or bonus) beyond those provided by this Agreement to Plaintiff or Participating Class Members, and Plaintiff and Participating Class Members will be deemed to have waived all such claims, whether known or unknown, by them, as part of their release of claims under this Agreement.

I. **Publicity.** The Parties and their counsel agree that they will not issue any press releases or announcements related to this Settlement, initiate any contact with the press, respond to any press inquiry, or have any communications with the press about the facts, amount, or terms of the Settlement. Neither Plaintiff nor Class Counsel shall make any statements regarding the Settlement, whether oral, written or otherwise, to any person or entity other than the Court, the Settlement Administrator, or Defendant’s Counsel, until after preliminary approval. After preliminary approval, Plaintiff and Class Counsel may disclose the existence and terms and implications of the Settlement: (i) as required by law; (ii) as required under the terms of the Settlement; or (iii) as required under counsel’s duties and responsibilities as Class Counsel. In all other cases, Plaintiff and Class Counsel agree to limit their statements regarding the terms of the Settlement, whether oral,

written or electronic, to say “the case has been resolved.” This Settlement shall not be advertised or mentioned by name on any source, including Class Counsel’s personal or firm website(s). Nothing in this Paragraph is intended to interfere with Class Counsel’s duties and obligations to faithfully discharge their duties as Class Counsel, including but not limited to, communicating with Settlement Class Members regarding the Settlement.

J. Miscellaneous Terms.

1. No Admission of Liability.

- a. AA Meat Products denies that it has engaged in any unlawful activity, has failed to comply with the law in any respect, or has any liability to anyone under the claims asserted in the Action. This Agreement is entered into solely for the purpose of compromising highly disputed claims. Nothing in this Agreement is intended or will be construed as an admission of liability or wrongdoing by AA Meat Products. Nor is anything in this Agreement intended as, nor will it be construed as, an admission by Plaintiff that any of her claims were non-meritorious or any defense asserted by AA Meat Products was meritorious. This Settlement and the fact that Plaintiff and AA Meat Products were willing to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (other than solely in connection with the Settlement).
- b. Whether or not the Judgment becomes Final, neither the Settlement, nor this Agreement, any document, statement, proceeding or conduct related to the Settlement or the Agreement, nor any reports or accounting of those matters, will be (i) construed as, offered or admitted in evidence as, received as, or deemed to be evidence for any purpose adverse to AA Meat Products or any of the Released Parties, including, but not limited to, evidence of a presumption, concession, indication, or admission by AA Meat Products or the Released Parties of any liability, fault, wrongdoing, omission, concession, or damage; or (ii) disclosed, referred to, or offered in evidence against AA Meat Products or any of the Released Parties, in any further proceeding in the Action, or any other civil, criminal, or administrative action or proceeding except for purposes of effectuating the Settlement pursuant to this Agreement.
- c. This section and all other provisions of this Agreement notwithstanding, any and all provisions of this Agreement may be admitted in evidence and otherwise used in any and all proceedings to enforce any or all terms of this Agreement, or in defense of any

claims released or barred by this Agreement.

2. **Integrated Agreement.** After this Agreement is signed and delivered by all Parties and their counsel, this Agreement and its exhibits will constitute the entire agreement between the Parties relating to the Settlement, and it will then be deemed that no oral representations, warranties, covenants, or inducements have been made to any Party concerning this Agreement or its exhibits other than the representations, warranties, covenants, and inducements expressly stated in this Agreement and its exhibits.
3. **No Tax Advice.** The Parties acknowledges and agree that (1) no provision of this Settlement, and no written communication or disclosure between or among the Parties or their attorneys and other advisors, is or was intended to be, nor shall any such communication or disclosure constitute or be construed or be relied upon as, tax advice within the meaning of United States Treasury Department Circular 230 (31 C.F.R. Part 10, as amended); (2) each Party (a) has relied exclusively upon their own, independent legal and tax counsel for advice (including tax advice) in connection with this Settlement, (b) has not entered into this Settlement based upon the recommendation of any other Party or any attorney or advisor to any other Party, and (c) is not entitled to rely upon any communication or disclosure by any attorney or advisor to any other Party to avoid any tax penalty that may be imposed on the Party; and (3) no attorney or advisor to any other Party has imposed any limitation that protects the confidentiality of any such attorney's or adviser's tax strategies (regardless of whether such limitation is legally binding) from disclosure by the Party of the tax treatment or tax structure or any transaction, including any transaction contemplated by this Settlement.
4. **Attorney Authorization.** Class Counsel and Defendant's Counsel warrant and represent that they are authorized by Plaintiff and AA Meat Products, 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 required to effectuate the terms of this Agreement. The Parties and their counsel will cooperate with each other and use their best efforts to effect the implementation of the Settlement. In the event the Parties are unable to reach agreement on the form or content of any document needed to implement the Agreement, or on any supplemental provisions that may become necessary to effectuate the terms of this Agreement, the Parties will seek the assistance of the Superior Court, and in all cases all such documents, supplemental provisions, and assistance of the court will be consistent with this Agreement.
5. **Modification of Agreement.** This Agreement, and any and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their successors-in-interest.

6. **Agreement Binding on Successors.** This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.
7. **Applicable Law.** All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the laws of the State of California, without giving effect to any conflict of law principles or choice of law principles.
8. **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.
9. **Fair Settlement.** The Parties and their respective counsel believe and warrant that this Agreement reflects a fair, reasonable, and adequate settlement of the Action and have arrived at this Agreement through arms-length negotiations, taking into account all relevant factors, current and potential.
10. **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.
11. **Notice.** All notices, demands, or other communications given under 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, addressed as follows:

To Plaintiff and the Settlement Class:

Peter D. Gordon, Esq
Peter D. Gordon & Associates
8052 Melrose Avenue, 2nd Fl.
Los Angeles, CA 90046
Email: peter@lawnet1.com

To AA Meat Products, Inc.:

Robert E. Mussig, Esq.
Sheppard Mullin Richter & Hampton
333 South Hope Street
Forty-Third Floor
Los Angeles, CA 90071
RMussig@sheppardmullin.com

12. **Contact with Class Counsel.** In the event a Settlement Class Member wishes to contact Class Counsel for further information regarding the

Settlement, Class Counsel may be contacted, as follows:

Peter D. Gordon, Esq
Peter D. Gordon & Associates
8052 Melrose Avenue, 2nd Fl.
Los Angeles, CA 90046
Telephone: (323) 651-2700
Facsimile: (323) 651-3726
Email: peter@lawnet1.com

13. **Execution in Counterparts.** This Agreement may be executed in two or more counterparts, each of which will be an original, and all of which shall constitute the Agreement.

IV. EXECUTION BY PARTIES AND COUNSEL

The Parties and their counsel hereby execute this Agreement.

Dated: February 8, 2022

Cindy Martinez
Plaintiff, Cindy Martinez

Dated: February __, 2022

Defendant AA Meats Products, Inc.

By: _____
Its: _____

Dated: February 8, 2022

PETER D. GORDON & ASSOCIATES

By: Peter Gordon
PETER D. GORDON, Attorney for Plaintiff
and the Settlement Class

Dated: February __, 2022

EZER WILLIAMSON LAW, A Professional
Corporation

By: _____
ROBERT C. HAYDEN, Attorney for
Plaintiff and the Settlement Class

Dated: February __, 2022

SDA LEGAL INC.

By: Steven S. Derelian
STEVEN S. DERELIAN, Attorney for
Plaintiff and the Settlement Class

Dated: February __, 2022

SHEPPARD MULLIN RICHTER &
HAMPTON.

By: _____
Robert E. Mussig, Attorneys for Defendant

IV. EXECUTION BY PARTIES AND COUNSEL

The Parties and their counsel hereby execute this Agreement.

Dated: February ___, 2022

Plaintiff, Cindy Martinez

Dated: February ___, 2022

Defendant AA Meat Products, Inc.

By: _____
Its: _____


Dated: February ___, 2022

PETER D. GORDON & ASSOCIATES

By: _____
PETER D. GORDON, Attorney for Plaintiff
and the Settlement Class

Dated: February 7, 2022

EZER WILLIAMSON LAW, A Professional
Corporation

By: 
ROBERT C. HAYDEN, Attorney for
Plaintiff and the Settlement Class

Dated: February ___, 2022

SDA LEGAL INC.

By: _____
STEVEN S. DERELIAN, Attorney for
Plaintiff and the Settlement Class

Dated: February ___, 2022

SHEPPARD MULLIN RICHTER &
HAMPTON.

By: _____
Robert E. Mussig, Attorneys for Defendant

IV. EXECUTION BY PARTIES AND COUNSEL

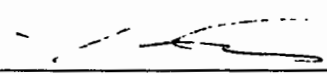
The Parties and their counsel hereby execute this Agreement.

Dated: February __, 2022

Plaintiff, Cindy Martinez

Dated: February 9, 2022

Defendant AA Meat Products, Inc.



By: Pat Yan
Its: Manager

Dated: February __, 2022

PETER D. GORDON & ASSOCIATES

By: _____
PETER D. GORDON, Attorney for Plaintiff
and the Settlement Class

Dated: February __, 2022

EZER WILLIAMSON LAW, A Professional
Corporation

By: _____
ROBERT C. HAYDEN, Attorney for
Plaintiff and the Settlement Class

Dated: February __, 2022

SDA LEGAL INC.

By: _____
STEVEN S. DERELIAN, Attorney for
Plaintiff and the Settlement Class

Dated: February 9, 2022

SHEPPARD MULLIN RICHTER &
HAMPTON.

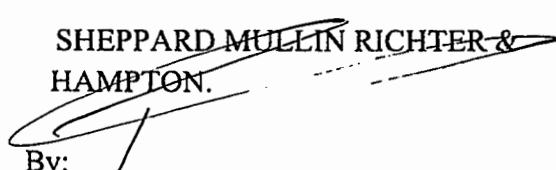

By: _____
Robert E. Mussig, Attorneys for Defendant

EXHIBIT "A"

SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

CINDY MARTINEZ, an individual on behalf of
herself and others similarly situated,

Plaintiff,

vs.

AA MEAT PRODUCTS, INC.,

Defendant.

Case No. B650944

**NOTICE OF PROPOSED SETTLEMENT,
PRELIMINARY APPROVAL OF
SETTLEMENT, AND HEARING DATE FOR
FINAL COURT APPROVAL**

**PLEASE READ THIS NOTICE CAREFULLY
YOUR LEGAL RIGHTS MAY BE AFFECTED WHETHER YOU ACT OR NOT**

Why should you read this Notice?

The Los Angeles Superior Court (“Court”) has granted preliminary approval of a proposed Settlement Class and representative action settlement (the “Settlement”). The Settlement resolves the lawsuit entitled *Cindy Martinez v. AA Meat Products, Inc.*, Case Number BC650944 (the “Lawsuit”). Because your rights may be affected by the Settlement, it is important that you read this Notice carefully.

You may be entitled to money from the Settlement. Defendant AA Meat Products, Inc.’s (“AA Meat Products” or the “Company”) records show that you are part of the following class of AA Meat Products employees covered by the Settlement:

“All current and former production, shipping, and receiving employees employed by AA Meat Products, Inc. from February 16, 2013, to <<PRELIM APPROVAL DATE>>” (the “Class Period”).

The purpose of this Notice is to provide you with a brief description of the Lawsuit, to inform you of the terms of the proposed Settlement, to describe your rights in connection with the Settlement, and to explain what steps you may take to participate in, object to, or exclude yourself from the Settlement. If you do not exclude yourself from the Settlement and the Court finally approves the Settlement, you will be bound by the terms of the Settlement and any final judgment.

What is this case about?

The Lawsuit claims that AA Meat Products, Inc. committed several violations of California Labor Law. In particular, the lawsuit claims that the Company did not provide employees accurate wage statements; did not pay employees for all wages they earned; did not provide required meal periods; did not authorize and permit required paid rest periods; and did not timely pay all wages earned when employees left the Company; and that all of these violations, as Plaintiff has alleged, are unfair business practices.

AA Meat Products denies any and all wrongdoing, and specifically denies that Plaintiff or any other current or former employees were not paid all wages they earned, that it failed to provide accurate wage statements, that it failed to provide proper meal periods, that it failed to authorize and permit rest breaks, and/or that it failed to timely pay all wages earned when employees left the Company. AA Meat Products also denies that this case is appropriate for class treatment. Finally, AA Meat Products maintains that anyone who has signed an arbitration agreement is ineligible to participate in the Lawsuit. Plaintiff disputes the validity and the effect of any arbitration agreements.

After significant discovery and pre-certification litigation, Plaintiff moved for class certification in the Summer of 2020. Defendant vigorously opposed. In January 2021, the Court, Honorable Daniel J. Buckley, granted certification of the class and 6-subclasses. Soon thereafter, the Parties agreed to engage in a good-faith mediation.

After good-faith negotiations presided over by a private mediator, in which both sides recognized the substantial risk of an adverse result in the Action for either side, Plaintiff and AA Meat Products agreed to settle the Action pursuant to the terms and conditions of the Settlement.

The Settlement represents a compromise and settlement of highly disputed claims. Nothing in the Settlement is intended or will be construed as an admission by AA Meat Products that Plaintiff's claims in the Action have merit or that it has any liability to Plaintiff or the Settlement Class on those claims.

The parties and their counsel have concluded that the Settlement is advantageous, considering the risks and uncertainties to each side of continued litigation. The parties and their counsel have determined that the Settlement is fair, reasonable, and adequate and is in the best interests of the members of the Settlement Class.

Who are the Attorneys for the Settlement Class?

<p>PETER D. GORDON & ASSOC.</p> <p>Peter D. Gordon, Esq. 8052 Melrose Avenue, Second Floor Los Angeles, CA 90046 Phone: (323) 651-2700 Fax: (323) 651-3726 peter@lawnet1.com</p>	<p>EZER WILLIAMSON LAW</p> <p>Robert C. Hayden, Esq. 21515 Hawthorne Boulevard, Ste 1150 Torrance, California 90503 Phone: (424) 274-0815 Fax: (310) 277-2576 rch@ezerwilliamsonlaw.com</p>	<p>SDA LEGAL INC.</p> <p>Steven S. Derelian, Esq. 5042 Wilshire Blvd, #522 Los Angeles, CA 90036 Phone: 323-954-9030 steven@sdalegal.com</p>
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What are the terms of the Settlement?

On <<PRELIM APPROVAL DATE>>, the Court preliminarily certified, for Settlement purposes only, a Settlement Class. Settlement Class Members who do not opt out of the Settlement pursuant to the procedures set forth in this Notice **will be bound** by the Settlement and will release their claims against AA Meat Products as specifically described below.

AA Meat Products has agreed to pay \$764,500.00 (the "Gross Settlement Amount") to fully resolve all claims in the Litigation, including claims by eligible Settlement Class members, attorneys' fees, costs, Settlement administration costs, PAGA civil penalties, and the Class Representative Payment. This amount includes \$28,500 AA Meat Products has already paid out to Settlement Class Members who have entered into individual settlement agreements.

The following deductions from the Gross Settlement Amount will be requested by the parties:

Settlement Administration Costs. The Court has approved CPT Group, Inc. to act as the "Settlement Administrator." CPT Group, Inc. is sending this Notice to you and will perform many other duties relating to the Settlement. The Court has approved setting aside up to \$12,500.00 from the Gross Settlement Amount to pay the Settlement Administration Costs.

Attorneys' Fees and Expenses. Class Counsel have been prosecuting the Lawsuit on behalf of the Settlement Class Members on a contingency fee basis (that is, without being paid any money to date) and have been paying all litigation costs and expenses. The Court will determine the actual amount awarded to Class Counsel as attorneys' fees, which will be paid from the Gross Settlement Amount. Settlement Class Members are not personally responsible for any of Class Counsel's attorneys' fees or expenses. As reasonable compensation for the work Class Counsel performed and will continue to perform in the Lawsuit, Class Counsel will ask for fees equal to 40% of the Gross Settlement (currently estimated to be \$305,800). Class Counsel will also ask for reimbursement of up to \$40,000.00 of verified costs Class Counsel incurred in connection with the Litigation.

Incentive Award. Class Counsel will ask the Court to approve an incentive award of \$25,000.00 to Class Representative Cindy Martinez. This award is to compensate the Class Representative for her service and extra work provided on behalf of the Settlement Class Members, as well as her general release of claims that she has agreed to as part of the Settlement.

PAGA Penalties: The parties have agreed that \$25,000.00 of the Gross Settlement Amount will be allocated as PAGA Civil Penalties. Pursuant to PAGA, 75% of this amount or \$18,750.00 will be paid to the Labor and Workforce Development Agency of the State of California (the "LWDA") as the LWDA's share of the settlement of penalties. The remaining 25% or \$6,250 has been designated as the "PAGA Amount" and will be paid to certain Settlement Class Members as described below.

All employer side payroll taxes shall also be paid out of the Gross Settlement Amount.

Calculation of Settlement Shares. After deducting the Court-approved amounts above, the remaining balance of the Gross Settlement Amount will form the Net Settlement Amount ("NSA"). The NSA is currently estimated at \$356,200.00. The Settlement Administrator will calculate payments from the NSA to all participating Settlement Class Members, as follows:

- (i) Out of the Net Settlement Amount, AA Meat Products will pay to each Settlement Class Member who does not opt out of a Settlement Share in an amount that is equal to (i) that Participating Class Member's total number of Work Weeks (ii) divided by the aggregate number of Work Weeks of all Participating Class Members during the Class Period (iii) multiplied by the Net Settlement Amount (iv) less any amounts the Participating Class Member has previously received pursuant to an individual Settlement Agreement signed by that Participating Class Member.
- (ii) Following the court-approved deductions from the \$764,500.00 Gross Settlement Amount, the remaining NSA will be paid out, on a proportional basis, based on Work Weeks (as noted above), to all Settlement Class Members who do not opt out of the Settlement.
- (iii) The Settlement Shares and other amounts will be paid after final court approval of the Settlement and after all rights to appeal or review are exhausted or any appeal or review has been finally resolved in favor of the Settlement.
- (iv) PAGA Payment: In addition to the NSA, \$6,250.00 of the Gross Settlement Amount has been designated as the "PAGA Amount" as described above, and will be allocated to all PAGA Members based on the pro rata number of pay periods they worked for Defendant from January 10, 2016 through <<PRELIM APPROVAL DATE>> (the "PAGA Period") compared to the number of pay periods worked by all PAGA Members during the PAGA Period.
- (v) If you do not request to be excluded from the Settlement you will still be bound by any judgment with respect to the Settlement, and you will release AA Meat Products and its officers and any other person or entity associated with it. If you do not request to be excluded from the Settlement, you will be included in the Settlement and will receive a Settlement Share.
- (vi) If you dispute the number of Work Weeks shown on the enclosed materials that you worked at AA Meat Products during the Class Period or the amount of any Prior Settlement Payments you received, you must notify CPT Group, Inc. that you dispute the number of Work Weeks or amount of Prior Settlement Payments and the basis for your contention that a different number of work weeks or amount of Prior Settlement Payments is correct for you (including any documentary evidence that you have to support your contention). In the event of such a dispute, AA Meat Products will review its records to verify the correct number of your Work Weeks and/or Prior Settlement Payments. AA Meat Products' records will have a rebuttable presumption of correctness. After consultation with you, Class Counsel, and AA Meat Products, the Settlement Administrator will make a determination of the number of your Work Weeks and/or Prior Settlement Payments and that determination will be final, binding on you, and non-appealable.

Payments to Settlement Class Members. If the Court grants final approval of the Settlement, Settlement Shares will be mailed to all Settlement Class Members who do not opt out of the Settlement.

Allocation and Taxes. For tax purposes, Settlement Shares shall be treated as follows: 33% to wages, for which IRS forms W-2 will be issued; and 67% as penalties and interest, for which IRS Forms 1099 will be issued. Settlement Class Members are responsible for the proper income tax treatment of the Settlement Shares. The Settlement Administrator, AA Meat Products and its counsel, and Plaintiff and Class Counsel cannot provide tax advice. Accordingly, Settlement Class Members should consult with their tax advisors concerning the tax consequences and treatment of payments they receive under the Settlement.

Releases. If the Court approves the Settlement, and upon the Settlement being fully funded, each Settlement Class Member who has not submitted a timely and valid Request for Exclusion, will release AA Meat Products and each of its past or present subsidiaries, affiliates, parent companies, and related entities (defined to include any entity that is, directly or indirectly, under common control with Defendant and/or any of its subsidiaries, affiliates, or parent companies); and each of their respective past or present officers, directors, owners, shareholders, employees, agents, principals, heirs, representatives, accountants, auditors, consultants, insurers and reinsurers, successors and predecessors in interest, and attorneys; and each of their company-sponsored employee benefit plans and all of their respective officers, directors, employees, administrators, fiduciaries, trustees and agents (collectively, the “Released Parties”) from all claims, causes of action, demands, debts, rights, liabilities, obligations, damages (including liquidated and punitive damages), wages, compensation, civil and statutory penalties, attorneys’ fees, costs, expenses, interest, equitable relief, and any other form of relief actually alleged or sought in the Action or that could have been alleged or sought in the Action based upon the facts, allegations, claims, and causes of action alleged or contained in the Action, whether such claims are based on federal, state or local law, statute, regulation, order, or ordinance, or any other source or common law, and regardless of whether such claims are known or unknown, suspected or unsuspected, contingent or accrued, or expressly asserted or not in the Action. (“Class Released Claims”). Class Released Claims include, but are not limited to, failure to pay minimum wages, straight time compensation, overtime compensation, double-time compensation, reporting time compensation, and interest; the calculation of the regular rate of pay; missed meal period and rest periods, including missed meal and/or rest period premiums; payment for all hours worked, including alleged off-the-clock work; allegedly deficient wage statements; allegedly unlawful deductions; failure to keep accurate records; unfair business practices; penalties, including, but not limited to, recordkeeping penalties, wage statement penalties, minimum-wage penalties, and waiting-time penalties; and attorneys’ fees and costs. The Class Released Claims include all such claims arising under the California Labor Code (including, but not limited to, sections 200, 201, 201.3, 201.5, 202, 203, 204, 205.5, 210, 216, 218, 218.5, 218.6, 221, 222, 222.5, 223, 224, 225, 225.5, 226, 226.7, 226.8, 227.3, 450, 510, 511, 512, 558, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1197.2, 1198, 2698 et seq., 2800 and 2802); all claims arising under the Wage Orders of the California Industrial Welfare Commission; California Business and Professions Code section 17200, et seq.; the California Civil Code, including but not limited to, sections 3336 and 3294; 12 CCR § 11040; 8 CCR § 11060; California Code of Civil Procedure § 1021.5; the California common law of contract; the Fair Labor Standards Act, 29 U.S.C. § 201 et seq.; and federal common law. This release shall be effective with respect to all Settlement Class Members (except those who opt out), regardless of whether the Settlement Class Member cashes his or her Settlement payments.

Additionally, if the Court approves the Settlement, and upon the Settlement being fully funded, each Settlement Class Member will release the Released Parties from any and all claims arising under the Private Attorneys General Act of 2004, Cal. Lab. Code section 2698, et seq. (“PAGA”) during the period from January 10, 2016 to <<PRELIM APPROVAL DATE>> that were alleged in the Action or that could have been alleged in the Action based upon the facts, allegations, claims, and causes of action alleged or contained in the Action, including but not limited any such claims involving any alleged failure to pay minimum wages, straight time compensation, overtime compensation, double-time compensation, reporting time compensation, and interest; the calculation of the regular rate of pay; missed meal period and rest periods, including missed meal and/or rest period premiums; payment for all hours worked, including alleged off-the-clock work; allegedly deficient wage statements; allegedly unlawful deductions; and/or failure to keep accurate records (“PAGA Released Claims”). The PAGA Released Claims include, without limitation, all such claims arising under California Labor Code sections 200, 201, 201.3, 201.5, 202, 203, 204, 205.5, 210, 216, 218, 218.5, 218.6, 221, 222, 222.5, 223, 224, 225, 225.5, 226, 226.7, 226.8, 227.3, 450, 510, 511, 512, 558, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1197.2, 1198, 2800 and 2802. This release of PAGA claims is intended to extend to the broadest number of PAGA claims arising during the period from January 10, 2016 to <<PRELIM APPROVAL DATE>> that may lawfully be released based upon the facts, allegations, claims, and causes of action alleged or contained in the Action. This release of PAGA claims shall be

effective with respect to all Settlement Class Members during the period from January 10, 2016 to <<PRELIM APPROVAL DATE>> (including those who request exclusion from the Settlement), regardless of whether the Settlement Class Member cashes his or her Settlement payments.

Conditions of Settlement. This Settlement is conditioned upon the Court entering an order at or following the Final Approval Hearing finally approving the Settlement as fair, reasonable, and adequate, and the Court's entry of judgment.

Settlement Funding. The Settlement will be funded by AA Meat Products. The Parties currently anticipate that payments to Settlement Class Members will be disbursed approximately 90 days after the Settlement has received final approval, although it is possible this date may be delayed by circumstances beyond the Parties control.

How do I receive money from the Settlement?

Participating in the Settlement. Plaintiff as Class Representative and Class Counsel represent your interests as a Settlement Class Member. You will be a Participating Class Member and will receive a Settlement Share so long as you do not request exclusion from the Settlement. As a member of the Class, you will not be responsible for the payment of attorneys' fees or reimbursement of litigation expenses unless you retain your own counsel, in which event you will be responsible for your own attorneys' fees and expenses. It is your obligation to keep the Settlement Administrator informed of any changes in your mailing address until your Settlement Share is received, should final approval of the Settlement be granted. Failing to provide the Settlement Administrator with any change of your mailing address may prevent you from receiving your Settlement Share. Consistent with AA Meat Products' policies, there will be no retaliation or adverse action taken against any Settlement Class Member who participates in the Settlement or elects not to participate in the Settlement.

What other options do I have?

Disputing Information in Notice of Estimated Settlement Share. As stated above, your Settlement Share is based on whether you previously signed an individual settlement with AA Meat Products and the number of Work Weeks you worked for AA Meat Products during the Class Period. The information contained in AA Meat Products' records regarding each of these factors is listed on the accompanying Notice of Estimated Settlement Share. If you disagree with the information in your Notice of Estimated Settlement Share, you may submit a dispute, along with any supporting documentation, in accordance with the procedures stated in the Notice of Estimated Settlement Share. Any disputes, along with supporting documentation, must be postmarked no later than <<RESPONSE DEADLINE>>. **DO NOT SEND ORIGINALS; DOCUMENTATION SENT TO THE SETTLEMENT ADMINISTRATOR WILL NOT BE RETURNED OR PRESERVED.**

The parties and the Settlement Administrator will evaluate the evidence submitted and discuss in good faith how to resolve any disputes submitted by Settlement Class Members. The Settlement Administrator's decision regarding any dispute will be final.

Exclude Yourself from the Settlement. If you **do not** wish to take part in the Settlement, you may exclude yourself by sending to the Settlement Administrator a written "Request for Exclusion" letter postmarked no later than <<RESPONSE DEADLINE>>, with your full name, current address and telephone number, and your signature. The Request for Exclusion should indicate your desire to be excluded from the Settlement by stating the following or words of similar effect:

"I WISH TO BE EXCLUDED FROM THE SETTLEMENT CLASS IN THE MARTINEZ V. AA MEAT PRODUCTS, INC. LAWSUIT."

Send the Request for Exclusion directly to the Settlement Administrator at Martinez v. AA Meat Products Settlement c/o CPT Group, Inc. at the following address: _____. Any person who submits a valid and timely Request for Exclusion shall, upon receipt, no longer be entitled to participate in the Settlement and shall receive no benefits from the Settlement, except that individuals employed during the period from January 10, 2016 to <<PRELIM APPROVAL DATE>> will receive a payment for their release

of the PAGA Released Claims regardless of whether they request exclusion from the Settlement. **Do not submit both a Dispute and a Request for Exclusion.** If you do, the Request for Exclusion will be deemed invalid, you will be included in the Settlement Class, and you will be bound by all of the terms of the Settlement.

Objecting to the Settlement. If you do not submit a Request for Exclusion, you have the right to object to the terms of the Settlement. However, if the Court rejects your objection, you will still be bound by the terms of the Settlement. If you wish to object to the Settlement, or any portion of it, you may mail a written objection to the Settlement Administrator. Your written objection should include: your full name, current address, telephone number, and e-mail address; the name, address, telephone number, and e-mail address of any attorney representing you; the case name and number; each specific reason in support of your objection; and any legal or factual support for each objection, including any supporting papers, briefs, written evidence, declarations, and/or other evidence. Objections should be in writing and should be postmarked on or before <<RESPONSE DEADLINE>>.

Whether or not you submit a written objection, you may also appear at the Final Approval Hearing scheduled for <<FINAL APPROVAL HEARING DATE/TIME>> in Department 1 of the Los Angeles Superior Court, located at 312 N. Spring Street, Los Angeles, CA 90012. You have the right to appear either in person or through your own attorney at this hearing. Any attorney who intends to represent an individual objecting to the Settlement must file a notice of appearance with the Court and serve counsel for all parties on or before <<RESPONSE DEADLINE>>. All objections or other correspondence must state the name and number of the case, which is *Martinez v. AA Meat Products, Inc.*, Los Angeles Superior Court Case No. BC650944.

Any person who chooses to appear at the Final Approval Hearing must comply with the Court's COVID-19 policies, including but not limited to social distancing and masking. You can review these policies on the Court's website located at <https://www.lacourt.org>.

You may also attend the hearing remotely by signing up for a virtual appearance at least 2-hours in advance of the hearing on the Court's virtual appearance portal LACourtConnect located at www.lacourt.org/lacc

If you object to the Settlement, you will remain a member of the Settlement Class, and if the Court approves the Settlement, you will be bound by the terms of the Settlement in the same way as Settlement Class Members who do not object.

What is the next step?

The Court will hold a Final Approval Hearing on the adequacy, reasonableness, fairness, and good faith of the Settlement on <<FINAL APPROVAL HEARING DATE/TIME>>, in Department 1 of the Los Angeles Superior Court, located at 312 N. Spring Street, Los Angeles, CA 90012. The Court also will be asked to rule on Class Counsel's request for attorneys' fees and reimbursement of expenses and the incentive award to the Class Representative. The Final Approval Hearing may be postponed without further notice to the Settlement Class. **You are not required to attend the Final Approval Hearing, although any Settlement Class Member is welcome to attend the hearing.**

How can I get additional information?

This Notice is only a summary of the Litigation and the Settlement. For more information, you may review the Court's files at the Court Records department of the Los Angeles Superior Court, located at 312 N. Spring Street, Los Angeles, CA 90012, from 8:00 a.m. to 4:30 p.m. Monday through Friday, except court holidays. You may also contact Class Counsel using the contact information listed above for more information.

PLEASE DO NOT CALL OR WRITE THE COURT, AA MEAT PRODUCTS, OR AA MEAT PRODUCTS' ATTORNEYS FOR INFORMATION ABOUT THIS SETTLEMENT

REMINDER AS TO TIME LIMITS

The deadline for submitting any Disputes, Requests for Exclusion, or Objections is <<**RESPONSE DEADLINE**>>. These deadlines will be strictly enforced.

Dated: _____

Hon. Daniel J. Buckley

EXHIBIT "B"

NOTICE OF ESTIMATED SETTLEMENT SHARE

*CINDY MARTINEZ V. AA MEAT PRODUCTS, INC.,
LOS ANGELES SUPERIOR COURT CASE NO. BC650944*

NAME: <EMPLOYEE NAME>

ADDRESS: <EMPLOYEE ADDRESS>

(I) Information Used to Calculate Your Estimated Settlement Award:

According to AA Meat Products, Inc.'s ("AA Meat Products") records:

- (a) You <<DID/DID NOT>> sign an individual settlement agreement with AA Meat Products.
- (b) You received \$ _____ as a result of entering into an individual settlement with AA Meat Products.
- (c) You worked _____ workweeks as a non-exempt employee for AA Meat Products in California between February 16, 2013 and <<PRELIM APPROVAL DATE>>; and
- (d) You worked _____ pay periods as a non-exempt employee for AA Meat Products in California between January 10, 2016 and <<PRELIM APPROVAL DATE>>.

Based on the above, your Settlement Award is estimated at \$ _____.

**IF YOU DO NOT DISPUTE ANY OF THE ABOVE INFORMATION,
YOU DO NOT HAVE TO TAKE ANY ACTION.**

If (1) your personal contact information has changed, and/or (2) you wish to dispute any of the items listed in Section (I), above, you must fill out the form below, sign it and fax, email or mail it to the Settlement Administrator at the address provided below. This form must be received or postmarked not later than <<RESPONSE DEADLINE>>. It is your responsibility to keep a current address on file with the Settlement Administrator:

AA Meat Products Settlement Administrator

CPT, Inc.

ADDRESS:

PHONE:

FAX:

EMAIL:

(I) Please type or print your name:

(First, Middle, Last)

(II) Please type or print the following identifying information if your contact information has changed:

Former Names (if any)

New Street Address

City

State

Zip Code

Phone number (if you wish to be contacted by phone)

(III) If you disagree with any of the items in Section (I) above, please explain why in the space provided below and include copies of any supporting evidence or documentation with this Form:

If you dispute the above information from AA Meat Products' records, AA Meat Products' records will control unless you are able to provide documentation that establishes that AA Meat Products' records are mistaken. If there is a dispute about whether AA Meat Products' information or yours is accurate, and the dispute cannot be resolved informally, the dispute will be resolved by the Parties and the Settlement Administrator as described in the "Notice of Class Action Settlement" that accompanies this Form. The Settlement Administrator's determination will be final.

Date: _____

Signature: _____

ANY DISPUTES (INCLUDING SUPPORTING DOCUMENTS) MUST BE POSTMARKED NO LATER THAN <<RESPONSE DEADLINE>>.

EXHIBIT "C"

1 PETER D. GORDON, SB No. 76578
2 ANDREW SCHOETTLE, SB NO. 313116
3 PETER D. GORDON & ASSOCIATES
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15 STEVEN S. DERELIAN, ESQ., SB No. 256054
16 Law Offices of Steven S. Derelian
17 5042 Wilshire Blvd # 522
18 Los Angeles, CA 90036-4305
19 steven@sdalegal.com
20 Phone: (323) 954-9030

21 *Attorneys for Plaintiff CINDY MARTINEZ*
22 *on behalf of herself and others similarly situated*

23 SUPERIOR COURT OF THE STATE OF CALIFORNIA
24 FOR THE COUNTY OF LOS ANGELES

25 CINDY MARTINEZ, an individual on
26 behalf of herself and others similarly
27 situated
28
29 Plaintiff,
30
31 vs.
32
33 AA MEAT PRODUCTS, INC., a California
34 Corporation, and DOES 1 through 100,
35 inclusive,
36
37 Defendants.

38) **LASC Case No. BC650944**
39)
40) **[Proposed] ORDER:**
41)
42) **Granting Preliminary Approval of Settlement,**
43) **Approving Notice to Class and Notice of Estimated**
44) **Settlement Share Form, and Setting Hearing for Final**
45) **Approval of Settlement**
46)
47) **Honorable Daniel Buckley**
48)
49)
50) Complaint Filed: February 16, 2017
51) FAC Filed: March 21, 2017
52) SAC Filed: September 21, 2017

1 The Motion for Preliminary Approval of the class action settlement was scheduled for hearing on March
2 7, 2022, in Dept. 1 before the Hon. Daniel J. Buckley. The Court, having considered the papers filed in
3 support of the unopposed motion, the fully executed settlement agreement of the parties, and with good
4 cause appearing, orders the following:

5 1. The Court finds on a preliminary basis that the Settlement appears to be fair, adequate, and
6 reasonable, falls within the range of reasonableness, and therefore meets the requirements for preliminary
7 approval.

8 2. The Court conditionally certifies, for settlement purposes only and to implement the Settlement
9 Agreement, the Settlement Class consisting of:

10 “All production, shipping, and receiving employees employed by AA Meat Products, Inc.
11 from February 16, 2013, to the date that the Superior Court grants preliminary approval of
12 this settlement.”

13 3. The Court finds, for settlement purposes only, that the class meets the requirements for certification
14 under California Code of Civil Procedure §382 in that: (1) the Settlement Class is so numerous that joinder
15 is impractical; (2) there are questions of law and fact that are common to all Settlement Class Members
16 which predominate over individualized issues; (3) Plaintiff’s claims are typical of the claims of the
17 Settlement Class Members; (4) Plaintiff and Plaintiff’s counsel will fairly and adequately protect the
18 interests of the class; and (5) a class action is superior to other available methods for the fair and efficient
19 adjudication of the controversy.

20 4. The Court approves, as to form and content, the Notice of Class Action Settlement and Notice of
21 Estimated Settlement Share, attached to the Settlement as Exhibits A and B respectively. The Court finds
22 that the proposed notice plan is the best means practicable under the circumstances for providing notice to
23 the Settlement Class Members, and when completed, shall constitute due and sufficient notice of the class
24 action, proposed settlement, and the final approval hearing to all persons entitled to such notice, in full
25 compliance with due process and the notice requirements of California Code of Civil Procedure §877.6.

26 5. The Court appoints, for settlement purposes only, Plaintiff Cindy Martinez as the class
27 representative.

28 6. The Court appoints, for settlement purposes only, Peter D. Gordon, Robert C. Hayden and Steven
Derelian, as Class Counsel.

7. The Court appoints CPT Group, Inc. as the Settlement Administrator.
8. The Parties are ordered to carry out the Settlement according to its terms.
9. The Court orders the following implementation schedule:

Last day for the Parties to provide the Settlement Class Information to the Settlement Administrator	April 4, 2022 20 business days after entry of the Preliminary Approval Order
Last day for Settlement Administrator to mail Notice Packets to Class Members	April 19, 2022 15 calendar days after receiving the Settlement Class Information
Response Deadline	45 calendar days after the Notice Packets are mailed
Last day to file and serve the Motion for Final Approval of Class Action Settlement	_____, 2022
Final Approval Hearing	Date: _____, 2022, Time: _____.

IT IS SO ORDERED.

Date: _____

Hon. Daniel J. Buckley
Judge of the Superior Court