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22 **SUPERIOR COURT OF CALIFORNIA**
23 **FOR THE COUNTY OF YUBA**

24 RAFAEL GUEVARA SANCHEZ, individually
25 and on behalf of all other similarly situated
26 employees,
27 Plaintiff,
28 vs.
DANNA FARMS INC., a California
Corporation ; and DOES 1 to 100, inclusive,
Defendant.

Case No.: CVCV21-01213

**JOINT STIPULATION REGARDING CLASS
ACTION AND PAGA SETTLEMENT AND
RELEASE**

Filed: December 22, 2021
FAC Filed: May 11, 2022
Trial Date: None Set

1 This Joint Stipulation Regarding Class Action and PAGA Settlement and Release is made and
2 entered into between the Plaintiff Rafael Guevara Sanchez (“Plaintiff”), on behalf of himself, the Labor
3 and Workforce Development Agency, Class Members, and Aggrieved Employees, and Defendant Danna
4 Farms Inc., (“Defendant”). This Agreement is subject to the terms and conditions set forth below and the
5 approval of the Court.

6 **1. DEFINITIONS**

7 The following terms, when used in this Agreement, have the following meanings:

8 1.1 “Action” means the above stated lawsuit, *Guevara Sanchez v. Danna Farms Inc.*, Yuba
9 County Superior Court, Case No. CVCV21-01213, filed December 22, 2021.

10 1.2 “Aggrieved Employee(s)” means all non-exempt employees who have or continue to work
11 for Defendant in California from December 22, 2020, up to either (1) the Preliminary Approval Date, or
12 (2) sixty (60) days after this Agreement is signed, whichever is earlier. The estimated number of Aggrieved
13 Employees is 102.

14 1.3 “Agreement” or “Settlement” or “Settlement Agreement” means this Joint Stipulation
15 Regarding Class Action and PAGA Settlement and Release.

16 1.4 “Class Counsel” means Galen T. Shimoda, Justin P. Rodriguez and Renald Konini of
17 Shimoda & Rodriguez Law, PC.

18 1.5 “Class Member(s)” means all non-exempt employees who have or continue to work for
19 Defendant in California from December 22, 2017, up to either (1) the Preliminary Approval Date, or (2)
20 sixty (60) days after this Agreement is signed, whichever is earlier. The estimated number of Class
21 Members is 292.

22 1.6 “Class Period” means the period from December 22, 2017 to either (1) the Preliminary
23 Approval Date, or (2) sixty (60) days after the signing of the settlement agreement, whichever is earlier

24 1.7 “Class Representative” means Plaintiff Rafael Guevara Sanchez.

25 1.8 “Class Representative's Released Claims” means the claims being released as described in
26 Section 6 below including all claims arising from, could have been asserted, or related in any way to the
27 Class Representative's employment with Defendant, under federal, state, or local laws, and/or ordinances,
28 or tort or contract theories, whether known or unknown, and whether anticipated or unanticipated, including

1 without limitation statutory, constitutional, contractual or common law claims for lost wages, unpaid
2 wages, emotional distress, punitive damages, special damages, damages, unpaid costs, penalties, liquidated
3 damages, interest, attorneys' fees, litigation costs, restitution, equitable relief or other similar relief or
4 claims. The Class Representative's Released Claims exclude claims for workers' compensation,
5 unemployment insurance benefits, or other claims that cannot be released as a matter of law however
6 Plaintiff is not aware of any work related injuries which he has not already reported to Defendant.

7 1.9 "Complaint" means the operative Complaint on file in the Action with the Court.

8 1.10 "Court" means the Yuba County Superior Court.

9 1.11 "Defendant" means Danna Farms Inc..

10 1.12 "Defendants' Counsel" means Patrick S. Moody and Catherine M. Houlihan of Barsamian
11 & Moody.

12 1.13 "Enhancement Payment" means the amount approved by the Court to be paid to the Class
13 Representative in recognition of the time and effort expended on behalf of Class Members for the benefit
14 of Class Members, which is in addition to any Individual Settlement Amount paid to the Class
15 Representative as a Participating Class Member.

16 1.14 "Effective Date" means the Final Approval Date unless there is a timely objection lodged
17 that has not later been withdrawn, in which case the Effective Date will be either (a) the 60th calendar day
18 after a signed order approving this settlement has been filed provided no appellate proceeding having been
19 filed; or (b) seventh (7th) calendar day after any appellate proceeding opposing the settlement has been
20 finally dismissed with no material change to the terms of this settlement and there is no right to pursue
21 further remedies or relief, whichever is later.

22 1.15 "Final Approval Date" means the date a signed order granting final approval of this
23 Agreement is filed with the Court.

24 1.16 "Gross Settlement Amount" is the sum of Two Hundred Seventy Five Thousand (\$275,000).

25 1.17 "Individual Settlement Amount" means an individual Class Member's and Aggrieved
26 Employee's allocation of the Net Settlement Amount and PAGA Payment respectively, as defined in
27 Sections 1.19, 1.23, 5.5, and 5.8.

28 1.18 "LWDA" means the California Labor and Workforce Development Agency.

1 1.19 “Net Settlement Amount” is the portion of the Gross Settlement Amount available for
2 distribution to Class Members, as described in this Agreement, after deduction of Class Counsel’s
3 attorneys’ fees and litigation costs, Settlement Administrator Costs, the PAGA Payment, and Enhancement
4 Payment to the Class Representative.

5 1.20 “Notice of Settlement” means the document substantially in the form attached hereto as
6 Exhibit 1.

7 1.21 “Notice Period” means forty-five (45) calendar days from the initial mailing of the Notice
8 of Settlement to Class Members and Aggrieved Employees.

9 1.22 “PAGA” means Private Attorneys General Act.

10 1.23 “PAGA Payment” means the amount allocated from the Gross Settlement Amount towards
11 resolving claims under the Private Attorneys General Act of 2004, California Labor Code §§ 2698 *et seq.*

12 1.24 “PAGA Claim Period” means from December 22, 2020, up to either (1) the date a signed
13 order preliminarily approving the settlement is filed, or (2) 60 days after this Agreement is signed,
14 whichever is earlier.

15 1.25 “Parties” mean Defendant and Plaintiff.

16 1.26 “Participating Class Member” means any and all Class Members who have not made any
17 timely request to opt-out of the Agreement.

18 1.27 “Preliminary Approval Date” means the date a signed order granting preliminary approval
19 of this Agreement is filed with the Court.

20 1.28 “QSF” means a Qualified Settlement Fund set up by the Settlement Administrator for the
21 benefit of the Participating Class Members and/or Aggrieved Employees and from which the payments
22 under this Agreement shall be made. Any amounts Defendant has agreed to pay under this Agreement shall
23 remain the property of Defendant until the payments required under the Agreement are made.

24 1.29 “Qualifying Workweeks” are weeks worked by Class Members and/or Aggrieved
25 Employees during the Class Period and/or PAGA Claim Period, respectively, in California. For Class
26 Members, workweeks shall be defined as the total number of weeks in which a Class Member performed
27 any work for Defendant in California during the Class Period. For Aggrieved Employees workweeks shall
28 be defined as the total number of weeks in which an Aggrieved Employee performed any work for

1 Defendant in California during the PAGA Claim Period. The calculation of a Class Member's and/or
2 Aggrieved Employee's workweeks and a determination as to whether a Class Member and/or Aggrieved
3 Employee was actively employed in California in a particular workweek shall be construed from
4 Defendant's records. It is intended that the workweek calculation method be the same as used by Defendant
5 in the Course of determining the number of workweeks during the Parties' mediation.

6 1.30 "Released Class Claims" means the claims being released as described in Section 6 below
7 including any and all class claims that are alleged in the Complaint, and any additional wage and hour
8 claims that could have been brought based on the facts alleged in the Complaint, through the Class Period.
9 This release excludes the release of claims not permitted by law. The Released Class Claims exclude
10 claims for workers' compensation or unemployment insurance benefits. This release will cover all Class
11 Members who do not opt out.

12 1.31 "Released PAGA Claims" means the claims being released as described in Section 6 below
13 including any and all claims that were brought under the Private Attorneys General Act, Labor Code §§
14 2698 *et seq.*, contained in Plaintiff's Notice to the LWDA including those described in section 2.1, the
15 Complaint and any additional wage and hour PAGA claims that could have been brought based on the facts
16 alleged in the Complaint during the PAGA Claim Period. Aggrieved Employees cannot opt out of this
17 waiver of claims.

18 1.32 "Released Parties" means Defendant, as well as Defendant's past and present officers,
19 owners, shareholders, directors, members, subsidiaries, affiliates, agents, employees, attorneys, and
20 insurers.

21 1.33 "Settlement Administrator" means and refers to CPT Group, the third-party entity that will
22 administer the Agreement as outlined in Sections 4 and 7, or any other third-party administrator agreed to
23 by the Parties and approved by the Court for the purposes of administering this Agreement. The Parties
24 each represent that they do not have any financial interest in the Settlement Administrator.

25 1.34 "Settlement Administrator Costs" means the fees and expenses reasonably incurred by the
26 Settlement Administrator as a result of the procedures and processes expressly required by this Agreement,
27 and shall include all costs of administering the Agreement, including, but not limited to, all tax document
28 preparation, custodial fees, and accounting fees incurred by the Settlement Administrator; all costs and fees

1 associated with preparing, issuing and mailing any and all notices and other correspondence to Class
2 Members and/or Aggrieved Employees; all costs and fees associated with communicating with Class
3 Members and/or Aggrieved Employees, Class Counsel, and Defendant's Counsel; all costs and fees
4 associated with computing, processing, reviewing, and paying the Individual Settlement Amounts, and
5 resolving disputes; all costs and fees associated with calculating tax withholdings and payroll taxes, if any,
6 making related payment to federal and state tax authorities, if any, and issuing tax forms relating to
7 payments made under the Agreement; all costs and fees associated with preparing any tax returns and any
8 other filings required by any governmental taxing authority or agency; all costs and fees associated with
9 preparing any other notices, reports, or filings to be prepared in the course of administering Individual
10 Settlement Amounts; and any other costs and fees incurred and/or charged by the Settlement Administrator
11 in connection with the execution of its duties under this Agreement.

12 **2. DESCRIPTION OF THE LITIGATION**

13 2.1 On or about December 22, 2021, Plaintiff sent notice to the LWDA to exhaust
14 administrative remedies under the PAGA for (1) Violation of Labor Code §§ 510, 1194; IWC Wage Order
15 14, § 3 (Failure to Pay Overtime Wages), (2) Violation of Labor Code §§ 1194, 1197.1; IWC Wage Order
16 14, § 4 (Failure to Pay Minimum Wages), (3) Violation of Labor Code §§ 226.7, 512 and Wage Order No.
17 14, §§ 11(A) and 11(B) (Failure to Provide Meal Periods or Pay Premiums in Lieu Thereof), (4) Violation
18 of Labor Code § 226.7 and Wage Order No. 14, § 12(A) (Failure to Provide Rest Periods or Pay Premiums
19 in Lieu Thereof), (5) Violation of Labor Code §§ 226, 226.3 (Failure to Provide Accurate Wage
20 Statements), (6) Violation of Labor Code §§ 201-203, 256 (Failure to Pay Final Wages), (7) Violation of
21 Labor Code § 2802 (Failure to Pay Reimbursement for Expenses), (8) Violation of Labor Code §§ 558,
22 558.1 (Provisions Regarding Hours and Days of Work in Any Industrial Welfare Commission Order), (9)
23 Violation of Labor Code §§ 226.3, 1174 (Failure to Maintain Accurate Records), (10) Violation of Labor
24 Code §§ 246, 246.5, 248.5 (Failure to Provide Paid Sick Leave). The LWDA did not respond to the notice
25 within the statutorily required time frame and, as such, Plaintiff became authorized to act as a Private
26 Attorneys General on all alleged PAGA claims.

27 2.2 On or about December 22, 2021, Plaintiff filed a class action Complaint in Yuba County
28 Superior Court on behalf of himself and Class Members alleging claims for (1) Violation of Labor Code

1 §§ 510, 1194; IWC Wage Order 14, § 3 (Failure to Pay Overtime Wages), (2) Violation of Labor Code §§
2 1194, 1197.1; IWC Wage Order 14, § 4 (Failure to Pay Minimum Wages), (3) Violation of Labor Code §§
3 226.7, 512 and Wage Order No. 14, §§ 11(A) and 11(B) (Failure to Provide Meal Periods or Pay Premiums
4 in Lieu Thereof), (4) Violation of Labor Code § 226.7 and Wage Order No. 14, § 12(A) (Failure to Provide
5 Rest Periods or Pay Premiums in Lieu Thereof), (5) Violation of Labor Code §§ 226, 226.3 (Failure to
6 Provide Accurate Wage Statements), (6) Violation of Labor Code §§ 201-203, 256 (Failure to Pay Final
7 Wages), (7) Violation of Labor Code § 2802 (Failure to Pay Reimbursement for Expenses), (8) Violation
8 of California Unfair Competition Law, Business & Professions Code §§ 17200 et seq. and violations of
9 California Labor Code §§ 226.7, 510, 512, and 1194. Plaintiff filed a First Amended Complaint on
10 approximately May 11, 2022 to add a PAGA cause of action based on the violations alleged in the
11 December 22, 2021 notice to the LWDA on behalf of himself and Aggrieved Employees.

12 2.3 Through formal and informal discovery, Defendant and Defendant's Counsel provided
13 Class Counsel with copies of all applicable versions of its policies and procedures, employee handbooks,
14 information on Class Members including, but not limited to, Class Members' workweeks, dates of
15 employment, total number of Class Members, their rates of pay, and pay periods as well as timecard data
16 and payroll reports for a randomly selected sample of Class Members.

17 2.4 After Class Counsel received the data, the Parties engaged in informal settlement
18 negotiations, but were not able to come to a resolution. On June 28, 2023, the Parties participated in a
19 lengthy mediation with private mediator Hon. Patrick J. O'Hara, (ret.). At the conclusion of the mediation,
20 the Parties were unable to come to a resolution. However, after mediation the Parties were able to resolve
21 the case as a result of a mediator's proposal. At all times, the Parties' settlement negotiations have been
22 non-collusive, adversarial, and at arm's length.

23 2.5 Discussions between Plaintiff and Class Counsel, between counsel for the Parties, document
24 productions, extensive legal analysis, the provision of information by Defendant to Plaintiff and the
25 detailed analysis of the records, including expert analysis, have permitted each side to assess the relative
26 merits of the claims and the defenses to those claims.

27 2.6 In the Action, Plaintiff contends that Defendant violated California law by (1) failing to pay
28 overtime wages, (2) failing to pay minimum wages, (3) failing to provide meal periods or pay premiums

1 in lieu thereof, (4) failing to provide rest periods or pay premiums in lieu thereof, (5) failing to provide
2 accurate wage statements, (6) failing to timely pay all final wages, (7) failing to reimburse expenses for
3 incurred expenses, (8) failing to maintain accurate records, (9) failing to provide paid sick leave, (10)
4 engaging in unfair competition, and (11) Plaintiff sought to recover civil penalties for these same alleged
5 Labor Code violations under PAGA. Defendant has denied each of Plaintiff's claims and Defendant denies
6 that this Action is appropriate for class certification for anything other than settlement purposes. The
7 agreed upon Gross Settlement Amount was reached after evaluating the Parties' theories of potential
8 exposure for the underlying claims and the class data supporting these claims. The Parties, with the
9 assistance of the mediator, also assessed appropriate discounts to the potential liability based on
10 Defendant's factual and legal contentions and defenses.

11 2.7 The Parties agree that the above-described investigation and evaluation, as well as discovery
12 and the information exchanged to date, are more than sufficient to assess the merits of the respective
13 Parties' positions and to compromise the issues on a fair and equitable basis. Plaintiff, Class Counsel,
14 Defendant, and Defendant's Counsel have concluded that it is desirable that the Action be settled in a
15 manner and upon such terms and conditions set forth herein in order to avoid further expense,
16 inconvenience and distraction of further legal proceedings, and the risk of an adverse outcome each of the
17 Parties potentially face in the Action. Therefore, the Parties desire to resolve the claims in the Action.
18 Plaintiff, Class Counsel, Defendant, and Defendant's Counsel are of the opinion that the Agreement for the
19 consideration and terms set forth herein is fair, reasonable, and adequate in light of all known facts and
20 circumstances.

21 **3. THE CONDITIONAL NATURE OF THIS AGREEMENT**

22 3.1 This Agreement and all associated exhibits or attachments are made for the sole purpose of
23 settling the Action. This Agreement and the settlement it evidences are made in compromise of disputed
24 claims. Because the Action was pled as a class action, this Agreement must receive preliminary and final
25 approval by the Court. Accordingly, the Parties enter into this Agreement and associated settlement on a
26 conditional basis. If the Effective Date does not occur, or if the Court's approval of the settlement is
27 reversed or materially modified on appellate review, this Agreement shall be deemed null and void; it shall
28 be of no force or effect whatsoever; it shall not be referred to or utilized for any purpose whatsoever; and

1 the negotiation, terms and entry of the Agreement shall remain subject to the provisions of California
2 Evidence Code Sections 1119 and 1152, Federal Rule of Evidence 408, and any other analogous rules of
3 evidence that may be applicable.

4 3.2 Defendant has denied all claims as to liability, damages, liquidated damages, penalties,
5 interest, fees, restitution, injunctive relief and all other forms of relief asserted in the Action. Defendant
6 has agreed to resolve the Action via this Agreement, but to the extent this Agreement is deemed void or
7 the Effective Date does not occur, Defendant does not waive, but rather expressly reserves, all rights to
8 challenge all such claims and allegations in the Action upon all procedural and factual grounds, including,
9 without limitation, the ability to challenge class or collective treatment on any grounds, as well as to assert
10 any and all other potential defenses or privileges.

11 **4. SCOPE OF THE CLASS**

12 4.1 The scope of the class of individuals encompassed under the Agreement and subject to all
13 obligations and duties required under the Agreement, shall include all Class Members as defined in Section
14 1.5 and all Aggrieved Employees as defined in Section 1.2. However, it shall not include any Class
15 Members who submit valid and timely requests to opt-out of the Agreement and settlement, as set forth in
16 Section 7.5.1.

17 4.2 Only Participating Class Members and Aggrieved Employees are entitled to recover under
18 this Agreement.

19 4.3 Any person who believes that he or she is a Class Member or Aggrieved Employee and
20 wishes to participate in the Agreement, but did not receive a Notice of Settlement because his or her name
21 did not appear on the class list provided to the Settlement Administrator prior to mailing, may submit a
22 data request to the Settlement Administrator. The data request must contain all of the following
23 information: (a) the full name and, if applicable, Social Security Number of the individual making the
24 request; (b) the name used by such employee as of the time his or her employment with Defendant ended;
25 (c) the individual's dates of employment with Defendant; and (d) a return address to which a response may
26 be sent. Every data request must be postmarked on or before the conclusion of the Notice Period or
27 otherwise submitted to the Settlement Administrator such that it is received before the conclusion of the
28 Notice Period. Upon receipt of any data requests, the Settlement Administrator shall promptly (in no event

1 more than two business days) transmit the data requests to Defendant’s Counsel and request that Defendant
2 review its records.

3 4.4 If Defendant agrees that the person listed in a data request is a Class Member and/or
4 Aggrieved Employee, the Settlement Administrator shall promptly mail a Notice of Settlement to the
5 person who submitted the data request, at the address designated for that purpose in the data request. All
6 provisions of this Agreement relating to the Notice of Settlement shall apply to Notice of Settlements sent
7 in response to data requests, and any person who submits a data request and is sent a Notice of Settlement
8 in response shall be treated by the Settlement Administrator as a Class Member and/or Aggrieved
9 Employee for all other purposes.

10 4.5 If Defendant does not agree that the person listed in a data request is a Class Member and/or
11 Aggrieved Employee, Defendant's Counsel and Class Counsel shall attempt to resolve any such dispute in
12 good faith within seven (7) calendar days of Class Counsel being advised in writing of the data request
13 dispute. Defendant's records shall control unless the individual submitting the data request provides
14 persuasive evidence to doubt the accuracy of those records. Each data request dispute that Defendant's
15 Counsel and Class Counsel cannot timely resolve shall be resolved by the Settlement Administrator. The
16 Settlement Administrator must accept and weigh all the evidence provided in a good faith attempt to resolve
17 the dispute. The Settlement Administrator must resolve any dispute submitted to it within seven (7)
18 calendar days after Defendant's Counsel and Class Counsel submit the dispute to the Settlement
19 Administrator. The decision by the Settlement Administrator shall be final as between the parties, subject
20 to Court review.

21 **5. TERMS OF THE SETTLEMENT**

22 The Parties agree as follows:

23 5.1 Gross Settlement Amount: In consideration and exchange for the releases described in
24 Section 6, Defendant shall pay the Gross Settlement Amount (\$275,000). Funding of the Gross Settlement
25 Amount shall occur within 30 calendar days after the Effective Date to be held in trust in a QSF by the
26 Settlement Administrator. The Gross Settlement Amount includes payments to Participating Class
27 Members, Aggrieved Employees, all attorneys’ fees, costs and litigation expenses related to the Action
28 incurred to date, as well as all such fees and costs incurred in documenting the Agreement, administering

1 the Agreement (including Settlement Administrator Costs), and obtaining final approval of the Agreement,
2 the Enhancement Payment to the Class Representative and the PAGA Payment. Any monies necessary to
3 satisfy Defendant's tax obligations (*e.g.* employer FICA, FUTA and SDI contributions on wage payments)
4 on any monies distributed to Participating Class Members will be paid in addition to the Gross Settlement
5 Amount.

6 5.2 Attorneys' Fees and Costs: Class Counsel will apply to the Court for attorney's fees of 35%
7 of the Gross Settlement Amount, which shall be paid from the Gross Settlement Amount. Defendant has
8 agreed to not oppose Class Counsel's application for attorneys' fees so long as it does not exceed the 35%
9 threshold. Class Counsel will also be entitled to reimbursement for advanced litigation expenses not to
10 exceed \$10,000, which shall be paid from the Gross Settlement Amount. Defendant has agreed to not
11 oppose Class Counsel's request for reimbursement for advanced litigation expenses so long as they do not
12 exceed the \$10,000 threshold. The Settlement Administrator will issue Class Counsel an IRS Form 1099
13 for the attorneys' fees and costs paid under this Agreement. In the event that the Court awards less than
14 the requested attorney's fees and/or costs, Class Counsel will not have the right to withdraw from this
15 Agreement and the portion of the requested amounts not awarded to Class Counsel shall be added to the
16 Net Settlement Amount to be distributed to Participating Class Members on a pro rata basis.

17 5.3 Settlement Administrator Costs: The Settlement Administrator Costs shall be paid from the
18 Gross Settlement Amount and shall not exceed \$15,000. The difference between any actual costs and the
19 allocated \$15,000 shall be added to the Net Settlement Amount to be distributed to Participating Class
20 Members on a pro rata basis.

21 5.4 Enhancement Payment: Class Counsel, on behalf of Plaintiff, shall apply to the Court for
22 an Enhancement Payment to the Class Representative in an amount not to exceed \$15,000 to compensate
23 for the risks, time, and expense of his involvement in the Action and securing the benefits of this Agreement
24 for Class Members. The Enhancement Payment is in addition to the Individual Settlement Amount Plaintiff
25 would otherwise be due under the Agreement as a Participating Class Member. Defendant has agreed to
26 not oppose Class Counsel's request for an Enhancement Payment to Plaintiff so long as it does not exceed
27 the amount stated herein. The Enhancement Payment will be designated as a non-wage payment and
28 reported on an IRS Form 1099-MISC. In the event that the Court awards less than the Enhancement

1 Payment amount requested, Plaintiff and Class Counsel will have no right to withdraw from this Agreement
2 and instead any portion of the requested amount not awarded to the Class Representative shall be added
3 to the Net Settlement Amount to be distributed to Participating Class Members on a pro rata basis.

4 5.5 PAGA Payment: Twenty Thousand (\$20,000) of the Gross Settlement Amount shall be
5 allocated to resolving claims under the PAGA. Seventy-Five percent (75%) of the PAGA Payment will be
6 paid to the LWDA and Twenty-Five percent (25%) will be paid to Aggrieved Employees on a pro rata
7 basis as described below in Section 5.8. Any amount not approved by the Court for the allocated PAGA
8 Payment shall be added to the Net Settlement Amount to be distributed to Participating Class Members on
9 a pro rata basis.

10 5.6 Treatment of Residue and Cy Pres: For any portion of the Net Settlement Amount or PAGA
11 Payment allocated to Participating Class Members and/or Aggrieved Employees that were not claimed by
12 cashing their respective settlement checks before the deadline to do so, that remaining amount shall be
13 donated equally, *i.e.* 50/50, to Capital Pro Bono, Inc., and the Sacramento Food Bank & Family Services
14 under the doctrine of *cy pres*. No portion of the Gross Settlement Amount will revert to Defendant for any
15 reason.

16 5.7 No Additional Benefits Contributions: All Individual Settlement Amounts paid to
17 Participating Class Members and Aggrieved Employees shall be deemed to be income solely in the year in
18 which such amounts were actually received. It is expressly understood and agreed that the receipt of such
19 Individual Settlement Amounts will not entitle any Participating Class Member or Aggrieved Employee to
20 any new or additional compensation or benefits under any company bonus or other compensation or benefit
21 plan or agreement in place during the period covered by the Agreement, nor will it entitle any Participating
22 Class Member Aggrieved Employee to any increased retirement, 401(k) and/or 403(b) benefits or matching
23 benefits, or deferred compensation benefits. It is the intent of this Agreement that the Individual Settlement
24 Amounts provided for in this Agreement are the sole payments to be made by Defendant to the Participating
25 Class Members and Aggrieved Employees in connection with this Agreement (notwithstanding any
26 contrary language or agreement in any benefit or compensation plan document that might have been in
27 effect during the period covered by this Agreement).

1 5.8 Pro Rata Distribution Formula: Payment to Participating Class Members and Aggrieved
2 Employees of their Individual Settlement Amount will not require the submission of a claim form. A Net
3 Settlement Amount will be determined by subtracting from the Gross Settlement Amount any amounts for
4 approved attorneys' fees and costs, any Enhancement Payment to the Class Representative, the Settlement
5 Administrator Costs, and the PAGA Payment. Each Class Member's share will be initially determined by
6 dividing their total Qualifying Workweeks within the Class Period by the total Qualifying Workweeks of
7 all Class Members. That fraction will then be multiplied by the Net Settlement Amount to arrive at the
8 Class Member's individual share of the Net Settlement Amount. Any funds allocated to Class Members
9 under this formula who timely opt out of the Settlement will be redistributed to Participating Class
10 Members on a pro rata basis, *i.e.* each Participating Class Member's share will be determined by dividing
11 their total Qualifying Workweeks within the Class Period by the total Qualifying Workweeks of all
12 Participating Class Members and that fraction will then be multiplied by the Net Settlement Amount to
13 arrive at the Participating Class Member's individual share of the Net Settlement Amount. Each Aggrieved
14 Employee's share of the 25% portion of the PAGA Payment will be determined by dividing their total
15 Qualifying Workweeks within the PAGA Claim Period by the total Qualifying Workweeks by all
16 Aggrieved Employees within the PAGA Claim Period. That fraction will then be multiplied by the 25%
17 portion of the PAGA Payment to arrive at the Aggrieved Employee's individual share.

18 5.9 Tax Allocation: The Parties recognize that the Individual Settlement Amounts to be paid to
19 Participating Class Members and/or Aggrieved Employees reflect a settlement of a dispute over claimed
20 penalties and wages. The Settlement Administrator shall calculate the employer's share of payroll taxes
21 on the amounts paid to Participating Class Members as wages as well as calculating all required
22 withholdings and deductions from said wage payments. The characterization of Individual Settlement
23 Amounts to Participating Class Members and Aggrieved Employees are as follows:

24 5.9.1 Ten Percent (10%) of each Participating Class Members' Individual Settlement
25 Amount shall be allocated for payment of disputed wages and shall be subject to required employer taxes.
26 Participating Class Members shall receive an IRS Form W-2 for reporting of this portion of their Individual
27 Settlement Amount.

1 5.9.2 Ninety Percent (90%) of each Participating Class Members' Individual Settlement
2 Amount shall be allocated for disputed statutory penalties and interest, and no amount shall be deducted
3 for any taxes. This portion of the Individual Settlement Amount consists of other income, not wages, for
4 which the Participating Class Members shall receive an IRS Form 1099-MISC.

5 5.9.3 The entirety (100%) of each Aggrieved Employee's share of the 25% portion of the
6 PAGA Payment shall be allocated for payment of disputed civil penalties, and no amount shall be deducted
7 for any taxes. This portion of the Individual Settlement Amount consists of other income, not wages, for
8 which the Aggrieved Employees shall receive an IRS Form 1099-MISC.

9 5.10 Participating Class Members and Aggrieved Employees shall be solely responsible for the
10 reporting and payment of their share of any federal, state and/or municipal income or other taxes on
11 payments made pursuant to this Agreement, and shall hold the Parties, Class Counsel, and Defendant's
12 Counsel free and harmless from any claims resulting from treatment of such payments as non-taxable,
13 including the treatment of such payments as not subject to withholding or deduction for payroll and
14 employment taxes. No party has made any representation to any of the other Parties as to the taxability of
15 any payments pursuant to this Agreement, including the payments to Participating Class Members, the
16 payments to Aggrieved Employees, the payments to Class Counsel, the payments to the Class
17 Representative, the payroll tax liability of Defendant, or the allocation of the Net Settlement Amount or
18 PAGA Payment to wage and non-wage income as provided in this Section, or otherwise as to tax
19 implications of any provision of this Agreement.

20 5.11 No Additional Contribution by Defendant: Defendant's monetary obligation under this
21 Agreement is limited to the Gross Settlement Amount and any employer side payroll taxes owed on
22 amounts characterized as wages under this Agreement. All other costs and expenses arising out of or in
23 connection with the performance of this Agreement shall be paid from the Gross Settlement Amount, unless
24 expressly provided otherwise herein. However, in the event this agreement is deemed null and void as
25 described in Section 3 because the Court, in its independent determination, finds that the Agreement does
26 not meet the standards for settlement approval, then Defendant and Plaintiff shall be equally responsible
27 for the costs of the Settlement Administrator incurred between the date the Agreement was executed and
28 the date of such event.

1 5.12 Certification For Settlement Purposes: The Parties agree that, for purposes of settlement
2 only, certification of the class as defined in Section 1.5 and 4.1 is appropriate and the requisites for
3 establishing class certification have been met and are met.

4 5.13 Adequacy of Class Counsel and Class Representative: The Parties agree that, for purposes
5 of settlement only, Class Counsel and Plaintiff are adequate representatives for Class Members and
6 Aggrieved Employees.

7 **6. RELEASE**

8 6.1 Release of Claims by Participating Class Members: Upon the Effective Date, all
9 Participating Class Members will be deemed to fully, finally and forever release the Released Class Claims
10 as to all Released Parties. In addition, on the Effective Date, all Participating Class Members and their
11 successors in interest will be permanently enjoined and forever barred from prosecuting any of Released
12 Class Claims against any of the Released Parties.

13 6.2 Release of Claims by Aggrieved Employees: Upon the Effective Date, all Aggrieved
14 Employees will be deemed to fully, finally and forever release the Released PAGA Claims as to all
15 Released Parties. In addition, on the Effective Date, all Aggrieved Employees and their successors in
16 interest will be permanently enjoined and forever barred from prosecuting any of the Released PAGA
17 Claims against any of the Released Parties.

18 6.3 Release by Plaintiff: Upon the Effective Date, Plaintiff and his respective former and
19 present spouses, representatives, agents, attorneys, heirs, administrators, successors, and assigns
20 generally, release and discharge Released Parties from all claims, transactions, or occurrences that
21 occurred during the Class Period, including, but not limited to: (a) all claims that were, or reasonably
22 could have been, alleged, based on the facts contained, in the Complaint and (b) all PAGA claims that
23 were, or reasonably could have been, alleged based on facts contained in the Complaint and Plaintiff's
24 PAGA Notice, or ascertained during the Action and released under Sections 6.1 and 6.2 above.
25 ("Plaintiff's Release.") Plaintiff will be deemed to fully, finally and forever release the Released Class
26 Claims, Released PAGA Claims, and Class Representative's Released Claims as to all Released Parties.
27 In addition, on the Effective Date, Plaintiff and any successors in interest will be permanently enjoined
28 and forever barred from prosecuting any of the Released Class Claims, Released PAGA Claims, and

1 Class Representative's Released Claims against any of the Released Parties. Plaintiff's Release does not
2 extend to any claims for vested benefits, unemployment benefits, disability benefits, social security
3 benefits, workers' compensation benefits that arose at any time. Plaintiff acknowledges that Plaintiff
4 may discover facts or law different from, or in addition to, the facts or law that Plaintiff now knows or
5 believes to be true but agree, nonetheless, that Plaintiff's Release shall be and remain effective in all
6 respects, notwithstanding such different or additional facts or Plaintiff's discovery of them.

7 6.3.1 Plaintiffs' Waiver of Rights Under California Civil Code Section 1542. For purposes
8 of Plaintiff's Release, Plaintiff expressly waives and relinquishes the provisions, rights, and benefits, if
9 any, of section 1542 of the California Civil Code, which reads:

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

14 However, to the extent that Plaintiff has claims that cannot be released as a matter of law (i.e., workers'
15 compensation claims), then those claims will not be released. However, Plaintiff acknowledges that he is
16 not aware of any work related injuries which he has not previously reported to Defendant.

17 **7. SETTLEMENT ADMINISTRATION**

18 7.1 Duties of Settlement Administrator: The Settlement Administrator shall be responsible for:
19 1) receiving Class Member and Aggrieved Employee contact information and confirming addresses are
20 valid; 2) calculating estimated Individual Settlement Amounts and any and all taxes associated with the
21 Individual Settlement Amounts, including employer taxes; 3) taking appropriate steps to trace and locate
22 any individual Class Members and Aggrieved Employee whose address or contact information as provided
23 to the Settlement Administrator is inaccurate or outdated and mailing the Notice of Settlement to Class
24 Members and Aggrieved Employees; 4) providing notification to the appropriate state and federal officials
25 of this Agreement as required under the law; 5) receiving, independently reviewing, and resolving any
26 challenges (in consultation with Class Counsel and Defendants' Counsel) from Class Members or
27 Aggrieved Employees, including any associated documentation, regarding their Qualified Workweek
28 calculations; 6) receiving and serving on Class Counsel, Defendant's Counsel, and the Court, copies of any

1 written objections, and/or any opt out statements; 7) establishing a toll free telephone line and responding
2 to inquiries and requests for information or assistance from Class Members and/or Aggrieved Employees;
3 8) maintaining a QSF; 9) determining and paying the final amounts due to be paid under the Agreement
4 after resolution of all challenges, disputes, opt-outs, awarded attorneys' fees and costs, Settlement
5 Administrator Costs, PAGA Payment, taxes, any Enhancement Payments, and for funds that cannot be
6 distributed due to the inability to locate Class Members or Aggrieved Employees; 10) determining the
7 validity of any disputes or late opt-outs by previously unidentified Class Members or Aggrieved
8 Employees; 11) paying any residual funds from uncashed checks; 12) reporting to Class Counsel and
9 Defendants' Counsel regarding the statistics of the administration, including (a) the number of initial Notice
10 of Settlements mailed; (b) the number of forwarded Notice of Settlements; (c) the number of re-mailed
11 Notice of Settlements; (d) the number of total undeliverable Notice of Settlements; (e) the number of
12 address traces performed for undeliverable Notice of Settlements; (f) the number of Notice of Settlements
13 undeliverable from traced addresses; (g) the number of total objections received; (h) the number of opt-out
14 requests received; (i) the number of disputes received; (j) the number of disputes resolved; 13) providing a
15 declaration to the Court regarding the final statistics of the administration and compliance with all payment
16 obligations under the Agreement; 14) completing all necessary tax reporting on the QSF and payment of
17 the Individual Settlement Amounts to Participating Class Members and Aggrieved Employees; and 15)
18 carrying out other related tasks as necessary to effectuate the terms of this Agreement and any Order of the
19 Court. All disputes relating to the Settlement Administrator's ability and need to perform its duties shall
20 be referred to the Court, if necessary, which will have continuing jurisdiction over the terms and conditions
21 of this Agreement, until all payments and obligations contemplated by the Agreement have been fully
22 executed.

23 7.2 Notice to Class Members and Aggrieved Employees: The Notice of the Settlement will be
24 sent in English and Spanish. The Notice of Settlement will provide Class Members and Aggrieved
25 Employees with a summary of the terms and conditions of the Agreement, how to participate in the
26 settlement, how to object to the Agreement, how to dispute the individual's Qualifying Workweeks, and
27 how to opt-out from the Agreement. The Notice of Settlement will also inform Class Members and
28 Aggrieved Employees of the Gross Settlement Amount, Net Settlement Amount, proposed attorneys' fees

1 and costs allocations, any proposed Enhancement Payments, proposed Settlement Administrator Cost
2 allocations, proposed PAGA Payment allocations, the scope of the class, the nature and extent of the
3 released claims, dates set for a fairness hearing and hearing on Class Counsels' motion for attorneys' fees
4 and costs. The Notice of Settlement shall include information regarding Class Member's and Aggrieved
5 Employee's estimated Individual Settlement Amount. The Notice of Settlement will provide information
6 on how to access electronic copies online of the Notice of Settlement, any motions for approval of the
7 Agreement, any motions for approval of attorneys' fees and costs, and any other documents as the Court
8 directs.

9 7.3 Class Member Data and Mailing: No later than fifteen (15) calendar days after the
10 Preliminary Approval Date, Defendant shall provide the Settlement Administrator with the name, last
11 known mailing address, last known telephone number, Social Security Number, start and end date of
12 employment (if any) of each Class Member and Aggrieved Employee, and any other information the
13 Settlement Administrator needs to effectuate notice to Class Members and Aggrieved Employees as
14 outlined herein. The Settlement Administrator shall review the data to determine the number of Qualifying
15 Workweeks for each Class Member and Aggrieved Employee. No later than seven (7) calendar days after
16 receipt of such address information, the Settlement Administrator will perform a national change of address
17 ("NCOA") search, update the addresses per the results of the NCOA search, and then mail the Notice of
18 Settlement, substantially in the form attached as Exhibit 1, to each Class Member and Aggrieved Employee
19 by first-class mail, postage prepaid. The Settlement Administrator shall maintain all information received
20 from Defendant confidential to itself, and Defendant's Counsel. However, Class Counsel shall be able to
21 review the breakdown of Qualified Workweeks and estimated Individual Settlement Amounts for Class
22 Members and Aggrieved Employees prior to mailing for quality assurance provided the personal
23 identifying information is redacted and/or omitted.

24 7.4 Returned and/or Re-mailed Notice of Settlements: In the event that a Notice of Settlement
25 is returned to the Settlement Administrator as undeliverable on or before the conclusion of the Notice
26 Period, the Notice of Settlement shall be sent to the forwarding address affixed thereto within five (5)
27 calendar days. If no forwarding address is provided, then the Settlement Administrator shall promptly
28 attempt to determine a correct address using a skip-trace, computer or other search using the name, address

1 and/or Social Security number of the individual involved, and shall then perform a single re-mailing within
2 five (5) calendar days to any more recent address found as a result of the search. Following each search
3 that does not result in a corrected address, for those Class Members who appear to be current employees
4 of Defendant at the time of the Preliminary Approval Date, the Settlement Administrator shall contact
5 Defendant's Counsel for assistance and Defendant shall cooperate in good faith with the Settlement
6 Administrator's reasonable efforts to obtain valid mailing addresses for Class Members to the extent they
7 are active employees of Defendant. In the event the Notice of Settlement is forwarded to a new address
8 and/or re-mailed to a Class Member, the deadline for the Class Member to submit any request to opt-out,
9 a dispute, or an objection shall be the end of the Notice Period or 10 days from the date of the re-
10 mailing/forwarding to a new address, whichever is later. In the event the procedures in this Section are
11 followed and the Class Member does not timely and properly request to opt-out, the Class Member shall
12 be bound by all terms of the Agreement, including the releases contained in Section 6.

13 7.5 Responses to Notice of Settlement:

14 7.5.1 *Opt-Outs:* The Notice of Settlement shall provide that Class Members who wish to
15 exclude themselves from the Agreement must submit a request to opt-out as provided in this Section. The
16 request to opt-out must (a) state the Class Member's full name and date of birth; (b) a statement that he or
17 she does not want to be a Class Member, does not want to participate in the settlement, and/or wants to be
18 excluded from the settlement; (c) identify the case name and number (*i.e. Guevara Sanchez v. Danna Farms*
19 *Inc.*, Case No. CVCV21-01213); (d) be signed; and (e) be post-marked no later than the conclusion of the
20 Notice Period or the re-mailing timeline stated in Section 7.4. The Class Member must personally sign the
21 request to opt-out. No request to opt-out may be made on behalf of a group of Class Members. The date
22 of the postmark on the return-mailing envelope shall be the exclusive means used to determine whether a
23 request to opt-out has been timely submitted. Any Class Member who requests to opt-out of the Agreement
24 will not be entitled to any portion of the Net Settlement Amount nor will they have any right to object,
25 appeal or comment thereon. The name of any Class Member who submits a valid and timely opt out request
26 will be specifically identified in any proposed order granting final approval. Class Members who fail to
27 submit a valid and timely request to opt-out shall be bound by all terms of the Agreement and any order or
28 final judgment thereon. Regardless of whether an Aggrieved Employee opts out of being a Class Member,

1 they will still receive their share of the PAGA Payment as Aggrieved Employees cannot opt out of this
2 Agreement as it relates to the PAGA Payment or Released PAGA Claims.

3 7.5.2 *Objection Procedures:* Any Class Member who does not opt-out but who wishes to
4 object to this Agreement or otherwise to be heard concerning this Agreement shall send their written
5 objections to the Settlement Administrator. The Settlement Administrator will share this objection with
6 Class Counsel, Defendant's Counsel and the Court. The Notice of Settlement shall make clear that the
7 Court can only approve or deny the Agreement, not change the terms of the Agreement. The objection
8 must (a) state the Class Member's full name and date of birth; (b) provide evidence that the individual is,
9 in fact, a Class Member; (c) state the reasons for the objection(s), including any supporting documentation;
10 (d) identify the case name and number (*i.e. Guevara Sanchez v. Danna Farms Inc.*, Case No. CVCV21-
11 01213); (e) be signed; and (f) be post-marked no later than the conclusion of the Notice Period or the re-
12 mailing timeline stated in Section 7.4. The Notice of Settlement will inform the Class Member that they
13 should also file a notice of intent to appear with the Court and serve the notice on Class Counsel and
14 Defendants' Counsel, if they intend to appear at the final approval hearing.

15 7.5.3 *Dispute Procedures:* Any Class Member who disputes the number of Qualifying
16 Workweeks on the Notice of Settlement shall contact the Settlement Administrator. The dispute must (a)
17 identify the nature of the dispute; (b) provide any information or documentation supporting the dispute; (c)
18 be signed; and (d) be post-marked no later than the conclusion of the Notice Period or the re-mailing
19 timeline stated in Section 7.4. The Settlement Administrator shall promptly (in no event more than two
20 business days) forward all such disputes to Defendant's Counsel and request that Defendant review the
21 dispute. Defendant's records shall presumptively control unless the Class Member can produce
22 documentation evidencing other periods of employment worked. If Defendant agrees with submitted
23 information, the Class Member shall be credited or subtracted Qualifying Workweeks in accordance with
24 their submitted dispute and that final number of Qualified Workweeks shall govern the calculation of that
25 Class Member's Individual Settlement Amount. If Defendant disagrees with the submitted information,
26 Defendant's Counsel will promptly advise Class Counsel of the dispute, which includes turning over any
27 documentation submitted by the Class Member as part of the dispute. Defendant's Counsel and Class
28 Counsel shall attempt in good faith to resolve any such dispute within five (5) calendar days of Class

1 Counsel being advised of the dispute. Each dispute that Defendant's Counsel and Class Counsel cannot
2 timely resolve shall be resolved by the Settlement Administrator, subject to Court review.

3 7.5.4 *Deficient Opt-Outs, Objections, or Disputes:* In the event that a deficient opt-out,
4 objection, or dispute is received on or before the conclusion of the Notice Period, the Settlement
5 Administrator shall mail a letter to the Class Member within five (5) calendar days informing them of the
6 deficiency. If a deficiency letter is mailed to a Class Member, the deadline for the Class Member to cure
7 the deficiency shall be the end of the Notice Period or 10 calendar days from the date of the deficiency
8 letter, whichever is later.

9 7.6 Due Process Acknowledgement: Compliance with the procedures set forth in Sections 7.1
10 to 7.5.4 shall constitute due and sufficient notice to Class Members of the Action and the Agreement and
11 shall satisfy Class Members' due process rights. Nothing else shall be required of the Parties, Class
12 Counsel or Defendant's Counsel to provide notice of the proposed Agreement.

13 7.7 Settlement Administrator Declaration Regarding Notice Period: Within seven (7) calendar
14 days after the conclusion of the Notice Period, the Settlement Administrator shall provide Class Counsel
15 and Defendant's Counsel with a signed declaration under penalty of perjury providing a complete and
16 detailed report regarding the statistics and responses of settlement administration to date and all the
17 Settlement Administrators' obligations under Sections 5.8 to 5.9.3 and 7.1 to 7.5.4.

18 7.8 Settlement Administrator Payments to Participating Class Members, Class Counsel and
19 Plaintiff: Within three (3) calendar days after the Effective Date and the Court's determination of the
20 amount of attorneys' fees and costs payable to Class Counsel, the Enhancement Payment payable to
21 Plaintiff, the PAGA Payment, and Settlement Administrator Costs, the Settlement Administrator shall
22 calculate the final Net Settlement Amount, the final Individual Settlement Amounts for Participating Class
23 Members and/or Aggrieved Employees, any applicable taxes thereon, and report the results of these
24 calculations to Class Counsel and Defendant's Counsel. Defendant shall wire the Gross Settlement Amount
25 and applicable taxes necessary to fund the Settlement as described in Section 5.1 to the Settlement
26 Administrator within thirty (30) calendar days after the Effective Date to be to be held in trust in a QSF.
27 Within seven (7) calendar days after Defendant fund the settlement, the Settlement Administrator shall
28 deliver payment of Class Counsels' attorney's fees and costs, the Enhancement Payment payable to

1 Plaintiff, the 75% portion of the PAGA Payment payable to the LWDA, Settlement Administrator Costs,
2 and payment to Participating Class Members and/or Aggrieved Employees as required under this
3 Agreement and approved by the Court.

4 7.8.1 The Settlement Administrator shall wire the Court-approved attorneys' fees and costs
5 to Class Counsel unless another method is requested by Class Counsel. Class Counsel shall provide the
6 Settlement Administrator with the pertinent taxpayer identification number and payment instructions after
7 the Final Approval Date.

8 7.8.2 The Settlement Administrator shall send a check by mail for the Court-approved
9 Enhancement Payment and Plaintiff's Individual Settlement Amount to the Class Representative, care of
10 Class Counsel unless another method is requested by Class Counsel.

11 7.8.3 Only Participating Class Members and Aggrieved Employees will receive their
12 Individual Settlement Amount.

13 7.8.4 The Settlement Administrator shall remit and report the applicable portions of the
14 payroll tax payment to the appropriate taxing authorities on a timely basis pursuant to its duties under this
15 Agreement. Defendant agree to reasonably cooperate with the Settlement Administrator to the extent
16 necessary to determine the amount of the payroll tax payment required.

17 7.9 Settlement Check Expiration and Uncashed Checks: The Settlement Administrator shall
18 issue Individual Settlement Amounts to Participating Class Members and Aggrieved Employees in the
19 form of a check, which shall become null and void if not deposited within one hundred eighty (180)
20 calendar days of issuance. After one hundred eighty (180) calendar days of issuance, the checks shall be
21 voided and funds from all uncashed checks shall be transmitted in accordance with Section 5.6. The
22 Settlement Administrator shall deliver these funds within fourteen (14) calendar days after the check
23 cashing deadline.

24 7.10 Settlement Administrator Declaration Regarding Compliance and Settlement
25 Administration: Within twenty-one (21) calendar days after the last day for Participating Class Members
26 and Aggrieved Employees to cash their settlement checks, the Settlement Administrator shall provide Class
27 Counsel and Defendant's Counsel with a signed declaration under penalty of perjury providing a complete
28 and detailed report regarding the settlement administration documenting that all payments under the

1 Agreement have been made, that the Court's final approval order has been complied with, and that all the
2 obligations of the Settlement Administrator have been completed.

3 **8. PRELIMINARY SETTLEMENT ADMINISTRATION SCHEDULE**

4 8.1 The schedule may be modified depending on whether and when the Court grants necessary
5 approvals, orders notice to Class Members and Aggrieved Employees, and sets further hearings. The
6 schedule may also be modified to correct clerical errors and to reflect the provisions in the Agreement as
7 described above. In the event of such modification, the Parties shall cooperate to complete the settlement
8 procedures as expeditiously as reasonably practicable. The preliminary schedule for notice, approval, and
9 payment procedures carrying out the Agreement is as follows:

10 11 12	Last day for Defendant to provide Settlement Administrator with Class Member and Aggrieved Employee information	Within 15 calendar days after the Preliminary Approval Date
13 14 15	Last day for Settlement Administrator to complete NCOA search, update Class Member and Aggrieved Employee mailing information, and mail Notice of Settlement	Within 7 calendar days after the Settlement Administrators' receipt of Class Members' information from Defendant
16 17	Last day for Class Members to opt-out, submit disputes, submit objections, and submit data requests	45 calendar days after mailing of Notice of Settlement or within 10 days after Notice of Settlement is re-mailed, whichever is later
18 19 20	Last day for Settlement Administrator to provide Parties with signed declaration reporting on settlement administration statistics	Within 7 calendar days after end of the Notice Period
21 22 23 24	Last day for Settlement Administrator to calculate the final Net Settlement Amount, the final Individual Settlement Amounts for Participating Class Members and/or Aggrieved Employees, any applicable taxes thereon, and report the results of these calculations to Class Counsel and Defendants' Counsel	Within 3 calendar days after the Effective Date
25 26 27	Last day for Defendant to fund settlement	Within 30 calendar days after the Effective Date

1 2 3 4	Last day for Settlement Administrator to deliver payment of Class Counsel's attorney's fees and costs, Enhancement Payments, PAGA Payment, Settlement Administrator Costs, payment to Participating Class Members, and payment to Aggrieved Employees	Within 7 calendar days after Defendant has funded the settlement
5 6 7	Last day for Participating Class Members and Aggrieved Employees to cash settlement checks	180 calendar days after issuance of checks to Participating Class Members and Aggrieved Employees
8 9	Last day for Settlement Administrator to deliver value of uncashed settlement checks to <i>cy pres</i> beneficiaries	Within 14 calendar days after settlement check cashing deadline
10 11	Last day for Settlement Administrator to provide Parties with compliance declaration	Within 21 calendar days after settlement check cashing deadline

9. DUTIES OF THE PARTIES

14 9.1 Preliminary Approval: The Parties will cooperate in obtaining, through an unopposed
15 motion to be filed as soon as reasonably practicable, an order from the Court preliminarily approving this
16 Agreement at the earliest possible date concurrently with the Court's certification of the Action as a class
17 action for settlement purposes. The Parties further agree to fully cooperate in the drafting and/or filing of
18 any further documents or filings reasonably necessary to be prepared or filed, shall take all steps that may
19 be requested by the Court relating to, or that are otherwise necessary to the approval and implementation
20 of this Agreement and shall otherwise use their respective best efforts to obtain certification for settlement
21 purposes, approval of, and implementation of this Agreement. The Parties will submit this Agreement to
22 the Court for preliminary approval of its terms and for approval of the steps to be taken to obtain its final
23 approval. The Parties will request that the Court's preliminary approval of this Agreement be embodied
24 in an Order Granting Preliminary Approval of Class Action and PAGA Settlement.

25 9.1.1 Plaintiff's motion shall seek an order: 1) Preliminarily approving the Agreement; 2)
26 Approving as to form and content the proposed Notice of Settlement; 3) Directing the mailing of the Notice
27 of Settlement by first class mail to Class Members and Aggrieved Employees; 4) Preliminarily appointing
28 Plaintiff and Class Counsel as representatives of Class Members; 5) Preliminarily approving settlement

1 administration services to be provided by the Settlement Administrator; 6) Preliminarily approving the
2 proposed Enhancement Payment to Plaintiff; 7) Preliminarily approving the application for payment of
3 reasonable attorneys' fees and reimbursement of litigation-related expenses to Class Counsel; and 8)
4 Scheduling a fairness hearing on the question of whether the proposed Agreement should be finally
5 approved as fair, reasonable and adequate as to the Class Members.

6 9.1.2 Defendant shall not oppose Plaintiff's motion for approval of the proposed Agreement.

7 9.1.3 The Parties shall cooperate with each other and the Settlement Administrator during
8 the process of giving Class Members notice and opportunity to object to the Agreement, as necessary and
9 appropriate to assure effective communication to individual Class Members of information about their
10 rights and obligations under this Agreement.

11 9.2 Final Approval and Fairness Hearing: On a date approved by the Court and set forth in the
12 Notice of Settlement, the Court shall hold the Final Approval and Fairness Hearing where objections, if
13 any, may be heard. Class Counsel shall provide the Court as part of the motion for final approval of the
14 Agreement, a declaration by the Settlement Administrator of due diligence and proof of mailing of the
15 Notice of Settlement required to be mailed to Class Members by this Agreement, and of the delivery results
16 of the Settlement Administrator's mailings including tracing and re-mailing efforts. The Settlement
17 Administrator declaration shall identify, by name, any Class Member who submitted a timely and valid
18 request to opt out during the Notice Period.

19 9.2.1 Class Counsel and Defendant's Counsel shall work in good faith to draft a mutually
20 agreeable Proposed Order Granting Final Approval of Class Action and PAGA Settlement and Final
21 Judgment. The Proposed Order Granting Final Approval of Class Action and PAGA Settlement and Final
22 Judgment shall include findings and orders: 1) Approving the Agreement, adjudging the terms thereof to
23 be fair, reasonable and adequate, and directing that its terms and provisions be carried out; 2) Approving
24 the payment of an Enhancement Payment to the Class Representative; 3) Approving Class Counsel's
25 application for an award of attorneys' fees and reimbursement of out-of-pocket litigation expenses; 4)
26 Approving the Settlement Administrator Costs; and 5) Providing that the Court will retain jurisdiction to
27 oversee administration and enforcement of the terms of the Agreement and the Court's orders.

1 9.2.2 Following entry of the Court’s order granting final approval of the Agreement, the
2 Parties will each act to ensure the fulfillment of all its provisions, including but not limited to the following:
3 1) Should an appeal be taken from the final approval of the Agreement or motion to set aside the judgement
4 be filed, all parties will support the final approval order on appeal or otherwise; 2) Class Counsel will assist
5 the Settlement Administrator as needed or requested in the process of identifying and locating Participating
6 Class Members and Aggrieved Employees entitled to payments under the Agreement and assuring delivery
7 of such payments; 3) Class Counsel and Defendant's Counsel will cooperate with each other and assist the
8 Settlement Administrator as needed or requested in completing the distribution of any residual amounts, as
9 specified above, to the *cy pres* beneficiaries; 4) Class Counsel, in conjunction with the Settlement
10 Administrator, will certify to the Court completion of all payments required to be made by this Agreement.

11 9.3 Final Judgment: If the Court approves this Agreement at the final approval and fairness
12 hearing, the Parties will request that the Court enter an Order Granting Final Approval of Class Action and
13 PAGA Settlement and Final Judgment.

14 9.4 Notice to LWDA: Plaintiff will provide notice to the Labor and Workforce Development
15 Agency (“LWDA”) of this settlement in accordance with Labor Code § 2699(1)(2).

16 **10. MISCELLANEOUS TERMS**

17 10.1 Defendant's Right to Withdraw Based on Opt-Outs: If, prior to the Final Approval Date,
18 17% or more of the Class Members have submitted proper and timely requests to opt-out in accordance
19 with the provisions of the Agreement, Defendant may rescind the Agreement and all actions taken in its
20 furtherance will be thereby null and void. Defendant must exercise this right of rescission, in writing, to
21 Class Counsel, within seven (7) calendar days after the Settlement Administrator notifies the Parties of the
22 total number of opt-outs. If the option to rescind is exercised, then any Settlement Administrator Costs
23 shall be paid by Defendant. Defendant has represented that there are no more than 11,987 workweeks
24 during the Class Period. In the event the number of workweeks during the Class Period is more than
25 14,025 (*i.e.*, greater than 17% more than 11,987), then the Gross Settlement Amount shall be increased
26 proportionally by the workweeks in excess of 14,025, multiplied by the pay period value. For example,
27 if there were 11,900 workweeks represented to exist during the Class Period, but there are actually 15,000
28 workweeks in the Class Period, and the actual workweek value is \$5.00 per workweek, Defendant would

1 have to increase the Gross Settlement Amount by \$5,385 (15,000 workweeks – 11,900 workweeks =
2 3,100 workweeks – 2,023 weeks in the escalator buffer = 1,077 work weeks x \$5.00/workweek). In the
3 alternative, Defendant may elect to end the Class Period on the day on which the number of Workweeks
4 reaches 14,025.

5 10.2 Circular 230 Disclaimer: EACH PARTY TO THIS AGREEMENT (FOR PURPOSES OF
6 THIS SECTION, THE “ACKNOWLEDGING PARTY” AND EACH PARTY TO THIS AGREEMENT
7 OTHER THAN THE ACKNOWLEDGING PARTY, AN “OTHER PARTY”) ACKNOWLEDGES AND
8 AGREES THAT (1) NO PROVISION OF THIS AGREEMENT, AND NO WRITTEN
9 COMMUNICATION OR DISCLOSURE BETWEEN OR AMONG THE PARTIES OR THEIR
10 ATTORNEYS AND OTHER ADVISERS, IS OR WAS INTENDED TO BE, NOR SHALL ANY SUCH
11 COMMUNICATION OR DISCLOSURE CONSTITUTE OR BE CONSTRUED OR BE RELIED UPON
12 AS, TAX ADVICE WITHIN THE MEANING OF UNITED STATES TREASURY DEPARTMENT
13 CIRCULAR 230 (31 CFR PART 10, AS AMENDED); (2) THE ACKNOWLEDGING PARTY (A) HAS
14 RELIED EXCLUSIVELY UPON HIS, HER OR ITS OWN, INDEPENDENT LEGAL AND TAX
15 COUNSEL FOR ADVICE (INCLUDING TAX ADVICE) IN CONNECTION WITH THIS
16 AGREEMENT, (B) HAS NOT ENTERED INTO THIS AGREEMENT BASED UPON THE
17 RECOMMENDATION OF ANY OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO ANY
18 OTHER PARTY, AND (C) IS NOT ENTITLED TO RELY UPON ANY COMMUNICATION OR
19 DISCLOSURE BY ANY ATTORNEY OR ADVISER TO ANY OTHER PARTY TO AVOID ANY TAX
20 PENALTY THAT MAY BE IMPOSED ON THE ACKNOWLEDGING PARTY; AND (3) NO
21 ATTORNEY OR ADVISER TO ANY OTHER PARTY HAS IMPOSED ANY LIMITATION THAT
22 PROTECTS THE CONFIDENTIALITY OF ANY SUCH ATTORNEY’S OR ADVISER’S TAX
23 STRATEGIES (REGARDLESS OF WHETHER SUCH LIMITATION IS LEGALLY BINDING) UPON
24 DISCLOSURE BY THE ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX
25 STRUCTURE OF ANY TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED BY
26 THIS AGREEMENT.

27 10.3 No Prior Assignments: The Parties represent, covenant, and warrant that they have not
28 directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to

1 any person or entity any portion of any liability, claim, demand, action, cause of action or right released
2 and discharged in this Agreement.

3 10.4 Waiver of Appeal and Ability to Opt Out: To the extent permitted by applicable law, by
4 signing this Agreement Defendant is waiving any rights to appeal from the Court's approval of the
5 settlement unless the Court materially modifies the settlement. Furthermore, by signing this Agreement
6 Plaintiff is waiving any right or ability to opt out of this Agreement during the Notice Period or otherwise.

7 10.5 Exhibits Incorporated by Reference: The terms of this Agreement include the terms set
8 forth in any attached Exhibits, which are incorporated by this reference as though fully set forth in this
9 Agreement. Any Exhibits to this Agreement are an integral part of the Settlement.

10 10.6 Judgment and Retention of Jurisdiction to Enforce: Upon the Effective Date, judgment will
11 be entered according to this Agreement. The Parties stipulate and agree that the Yuba County Superior
12 Court shall have continuing jurisdiction to enforce the terms of the Agreement pursuant to Civil Procedure
13 Code section 664.6 and that the prevailing party any action necessary to enforce the terms of the Agreement
14 after default by the other party may recover reasonable attorney's fees and costs related thereto.

15 10.7 Mutual Cooperation: The Parties agree to cooperate fully with one another to accomplish
16 and implement the terms of this Agreement. Such cooperation shall include, but not be limited to, execution
17 of such other documents and the taking of such other action as may reasonably be necessary to fulfill the
18 terms of this Agreement. The Parties to this Agreement shall use their best efforts, including all efforts
19 contemplated by this Agreement and any other efforts that may become necessary by Court order, or
20 otherwise, to effectuate this Agreement and the terms set forth herein.

21 10.8 No Admission of Liability: Neither the acceptance nor the performance by Defendant of
22 the terms of this Agreement, nor any of the related negotiations or proceedings, is or shall be claimed to
23 be, construed as, or deemed to be, an admission by Defendant of the truth of any of the allegations in the
24 Complaint, the representative character of the Action, the validity of any of the claims that were or could
25 have been asserted by Plaintiff and/or Class Members in the Action, or of any liability or guilt of Defendant
26 in the Action. Nothing in this Agreement shall be construed to be or deemed an admission by Defendant
27 of any liability, culpability, negligence, or wrongdoing toward Plaintiff, the Class Members, Aggrieved
28 Employees or any other person, and Defendant specifically disclaim any liability, culpability, negligence,

1 or wrongdoing toward Plaintiff, the Class Members, Aggrieved Employees or any other person. Each of
2 the Parties has entered into this Stipulation with the intention to avoid further disputes and litigation.

3 10.9 Notices: Unless otherwise specifically provided herein, all notices, demands, or other
4 communications given hereunder shall be in writing and shall be deemed to have been duly given as of the
5 third business day after mailing by United States certified mail, return receipt requested, addressed as
6 follows:

7 To Plaintiff and the Class:

8 Galen T. Shimoda
9 Justin P. Rodriguez
10 Renald Konini
11 Shimoda & Rodriguez Law, PC
12 9401 East Stockton Blvd., Suite 120
13 Elk Grove, CA 95624

14 To Defendant:

15 Ronald H. Barsamian
16 Patrick S. Moody
17 Catherine M. Houlihan
18 BARSAMIAN & MOODY
19 a Professional Corporation
20 Attorneys at Law
21 1141 W. Shaw Avenue, #104
22 Fresno, CA 93711
23 Telephone: (559) 248-2360
24 Facsimile: (559) 248-2370

25 10.10 Mutual Drafting of Agreement: The Parties hereto agree that the terms and conditions of
26 this Agreement are the result of lengthy, intensive, arm's-length negotiations between the Parties and that
27 this Agreement shall not be construed in favor of or against any party by reason of the extent to which any
28 party or its counsel participated in the drafting of this Agreement.

10.11 Attorneys' Fees and Costs Limitations: Neither Class Counsel nor any other attorneys
acting for, or purporting to act for, the Class, Class Members, or Plaintiff, may recover or seek to recover
any amounts for fees, costs, or disbursements from the Releasees or the Gross Settlement Amount except
as expressly provided in this Agreement.

10.12 No Modifications: This Agreement may be amended or modified only by a written
instrument signed by counsel for all Parties or their successors-in-interest. This Agreement may not be
discharged except by performance in accordance with its terms.

1 10.13 Authorization to Enter Into Settlement Agreement: Counsel for all Parties warrant and
2 represent they are expressly authorized by the Parties whom they represent to negotiate this Agreement and
3 to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement
4 to effectuate its terms and to execute any other documents required to effectuate the terms of this
5 Agreement.

6 10.14 Class Member Signatories: Because the Action has not yet been certified, and the Class
7 Members are so numerous, the Parties agree that it is impossible or impractical to have each Class Member
8 sign this Agreement. It is agreed that, for purposes of seeking approval of the Agreement, this Agreement
9 may be executed on behalf of all Class Members by the Class Representative.

10 10.15 Counterparts: This Agreement shall become effective upon its execution by all of the
11 undersigned. Plaintiff, Class Counsel, Defendant and Defendant's Counsel may execute this Agreement in
12 counterparts, and execution of counterparts shall have the same force and effect as if each had signed the
13 same instrument. Facsimile, electronic, and/or scanned copies of signatures shall have the same force and
14 effect of originals.

15 10.16 Choice of Law: The Agreement and any exhibits hereto shall be considered to have been
16 negotiated, executed, and delivered, and to have been wholly performed, in the State of California, and the
17 rights and obligations of the Parties to the Agreement shall be construed and enforced in accordance with,
18 and governed by, the substantive laws of the State of California without giving effect to that State's choice
19 of law principles.

20 10.17 Headings and Captions: Section titles or captions contained in the Agreement are inserted
21 as a matter of convenience and for reference, and in no way define, limit, extend, or describe the scope of
22 this Agreement, or any provision thereof.

23 10.18 No Retaliation or Discouragement: The Parties agree they will take no action that could be
24 construed as retaliation against any Class Members for participating or seeking to participate in this class
25 action settlement. The Parties will not discourage any Class Member from participating or seeking to
26 participate in this class action settlement. This is a material term of the Agreement and non-breaching
27 Parties will seek court intervention if this provision is breached.

1 10.19 Integrated Agreement: This Agreement sets forth the entire understanding between the
2 Parties and supersedes any and all prior agreements, oral or written, pertaining to the subject matter hereof.
3 Each party acknowledges that there is no representation, inducement, promise or agreement which has been
4 made, orally or otherwise, by the other party, concerning the terms or conditions of this Agreement, which
5 is not expressly embodied in this Agreement. In entering into this Agreement, the Parties represent that the
6 terms of this Agreement are fully understood and voluntarily accepted by the Parties.

7 10.20 Binding on Successors and Assigns: This Agreement will be binding upon, and inure to the
8 benefit of, the successors or assigns of the Parties to this Agreement, as previously defined.

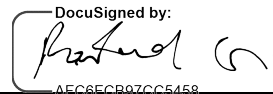
9 10.21 Invalidity of Any Provision: Before declaring any provision of this Agreement invalid, the
10 Court will first attempt to construe the provision as valid to the fullest extent possible consistent with
11 applicable precedents so as to define all provisions of this Settlement Agreement valid and enforceable.

12 10.22 Waiver of Compliance: No waiver of any condition or covenant contained in this
13 Agreement or failure to exercise a right or remedy by any of the Parties hereto will be considered to imply
14 or constitute a further waiver by such party of the same or any other condition, covenant, right or remedy.

15 IN WITNESS WHEREOF, this Agreement is executed by the Parties and their duly authorized
16 attorneys, as of the day and year herein set forth.

17 **For Plaintiff:**

18 Date: 8/15/2023

DocuSigned by:

AFC8FCB07CC5458...

19 _____
20 RAFAEL GUEVARA SANCHEZ

21 **FOR Defendant:**

22 Date: _____

23 _____
24 By:
25 For DANNA FARMS INC.

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1 10.19 Integrated Agreement: This Agreement sets forth the entire understanding between the
2 Parties and supersedes any and all prior agreements, oral or written, pertaining to the subject matter hereof.
3 Each party acknowledges that there is no representation, inducement, promise or agreement which has been
4 made, orally or otherwise, by the other party, concerning the terms or conditions of this Agreement, which
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13 Agreement or failure to exercise a right or remedy by any of the Parties hereto will be considered to imply
14 or constitute a further waiver by such party of the same or any other condition, covenant, right or remedy.

15 IN WITNESS WHEREOF, this Agreement is executed by the Parties and their duly authorized
16 attorneys, as of the day and year herein set forth.

17 **For Plaintiff:**

18 Date: _____

19 RAFAEL GUEVARA SANCHEZ

20 **FOR Defendant:**

21 Date: 8/25/2023

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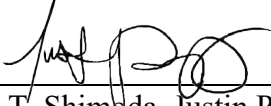
23 By:
24 For DANNA FARMS INC.
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APPROVED AS TO FORM

Shimoda & Rodriguez Law, PC

Dated: 8/28/2023

By: 
Galen T. Shimoda, Justin P. Rodriguez and
Renald Konini
Attorney for Plaintiff and Aggrieved
Employees

APPROVED AS TO FORM

BARSAMIAN & MOODY

Dated: _____

By: _____
Ronald H. Barsamian
Patrick S. Moody
Catherine M. Houlihan
Attorney for Defendant

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APPROVED AS TO FORM

Shimoda & Rodriguez Law, PC

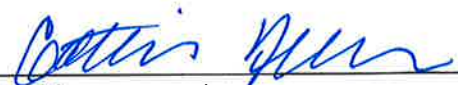
Dated: _____

By: _____
Galen T. Shimoda, Justin P. Rodriguez and
Renald Konini
Attorney for Plaintiff and Aggrieved
Employees

APPROVED AS TO FORM

BARSAMIAN & MOODY

Dated: 8/20/2023

By: 
Ronald H. Barsamian
Patrick S. Moody
Catherine M. Houlihan
Attorney for Defendant