

1 Todd B. Scherwin (SBN: 239848)  
E-Mail: tscherwin@fisherphillips.com

2 Robert D. Wilson III (SBN: 226309)  
E-Mail: rwilson@fisherphillips.com

3 Hannah Sweiss (SBN: 291804)  
E-Mail: hsweiss@fisherphillips.com

4 **FISHER & PHILLIPS LLP**  
5 444 South Flower Street, Suite 1500  
6 Los Angeles, California 90071  
7 Telephone: (213) 330-4500  
Facsimile: (213) 330-4501

8 Attorneys for Defendants  
9 The Hacienda Company, LLC and A.J. Fay  
(erroneously sued as AJ Say)

10 Allen K. Hutkin (SBN: 143200)  
E-Mail: ahutkin@hutkinlaw.com  
11 Donald L. Mabry (SBN: 187750)  
E-Mail: dmabry@hutkinlaw.com

12 **HUTKIN LAW FIRM**  
13 1220 Marsh Street  
14 San Luis Obispo, California 93401  
15 Telephone: (805) 544-1500  
Facsimile: (805) 544-1532

16 Attorneys for Plaintiffs  
17 Alejandra Guzman and Karla Quijada,  
18 individually and on behalf of other individuals employed  
under common circumstances and facts

19 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**  
20 **COUNTY OF SAN LUIS OBISPO**

21 ALEJANDRA GUZMAN, KARLA  
22 QUIJADA, individually and on behalf of  
other individuals employed under common  
circumstances and facts,

23 Plaintiffs,

24 v.

25 THE HACIENDA COMPANY, LLC, a  
26 California limited liability company; AJ  
27 SAY, an individual; and DOES 1 through  
50, inclusive,

28 Defendants.

CASE NO.: 19CV-0543

[CLASS ACTION]

*Assigned for all purposes to the  
Honorable Tana L. Coates, Dept. 9*

**JOINT STIPULATION OF CLASS  
ACTION AND PAGA SETTLEMENT  
AND RELEASE OF CLAIMS**

1 This Joint Stipulation of Class Action and PAGA Settlement and Release of Claims  
2 (hereinafter “Stipulation of Settlement” or “Settlement”) is made and entered into by and  
3 between Plaintiffs ALEJANDRA GUZMAN and KARLA QUIJADA (“Plaintiffs”) on behalf  
4 of themselves and the “Settlement Class”, defined below on the one hand and Defendants THE  
5 HACIENDA COMPANY, LLC (“THC”) and Alan J. Fay, improperly named in the action as  
6 AJ Say (“Fay”) (collectively referred to as the “Defendants”) on the other hand. Plaintiffs and  
7 Defendants are collectively referred to herein as the “Parties.”

8 The Parties attended a full-day mediation on November 21, 2020. With the assistance  
9 of well-respected Mediator Eve Wagner, Esq., the Parties reached the following binding  
10 Settlement to globally resolve all wage and hour class and PAGA representative claims asserted  
11 in the operative Complaint in this Action.

12 This Stipulation of Settlement shall be binding on Plaintiffs and those persons they seek  
13 to represent, and on Defendants and their past, current and future owners, parent companies,  
14 subsidiaries, divisions, related or affiliated companies, including but not limited to, its past,  
15 current and future owners, shareholders, officers, directors, fiduciaries, members, supervisory  
16 committee members, volunteers, managers, employees, agents, attorneys, insurers, successors  
17 and assigns, and any individual or entity who could be jointly and severally liable with any of  
18 the foregoing, and their respective counsel, subject to the terms and conditions hereof and the  
19 Court’s approval.

20 **THE PARTIES HEREBY STIPULATE AND AGREE AS FOLLOWS FOR**  
21 **SETTLEMENT PURPOSES ONLY:**

22 **TERMS OF THE SETTLEMENT**

23 1. On September 13, 2019, Plaintiffs filed a civil class action Complaint in San Luis  
24 Obispo County Superior Court, San Luis Obispo Case No. 19CV-0543, on behalf of themselves  
25 and all current and former non-exempt or hourly paid employees of THC that worked in the  
26 State of California at any time from September 13, 2015 onward, alleging causes of action for:  
27 unpaid minimum wages, nonpayment of overtime compensation, premium pay for meal period  
28 violations, premium pay for rest period violations, itemized wage statement violations, waiting

1 time penalties, failure to provide personnel and payroll records, failure to indemnify for work  
2 related expenses, unfair business practices under Business and Professions Code Sections 17200  
3 et seq. and claims for penalties for alleged violations of the Private Attorneys General Act  
4 (“PAGA”) (“Complaint”).

5         2.         On February 28, 2020, Plaintiffs served a PAGA Letter (a notice letter) on  
6 Defendants and the Labor & Workforce Development Agency (“LWDA”) alleging various  
7 PAGA claims including: willful failure to timely pay a discharged or quitting employee, failure  
8 to pay all wages due two times each month, failure to pay contractual wages, secret payment of  
9 wages lower than designated scale, failure to pay overtime wages, failure to provide meal and  
10 rest breaks, failure to provide accurate, itemized wage stubs, failure to pay for expense  
11 reimbursement, violation of California Labor Code Sections 558 and 558.1 and Industrial  
12 Welfare Commission Order 13-2001 and violation of California Labor Code Section 226.8.  
13 Plaintiffs did not receive a written notice from the LWDA stating that it intended to investigate  
14 any of the claims outlined in the PAGA Letter and, as a result, Plaintiffs were authorized to act  
15 as Private Attorneys General to negotiate and resolve any and all PAGA claims of the  
16 representative class on behalf of the LWDA (“PAGA Letter”) (collectively the Complaint and  
17 the PAGA claims asserted in the Complaint and PAGA Letter will be called the “Action” in this  
18 Stipulation of Settlement).

19         3.         This Stipulation of Settlement is intended to globally settle all wage and hour  
20 class action claims alleged in the operative Complaint and all PAGA claims alleged in the PAGA  
21 Letter.

22         4.         It is the intention of the Parties to settle this Action as both a class action and  
23 PAGA representative action. If the Court does not approve of any of the terms of the Settlement,  
24 the Parties expect this Action to proceed as originally pled.

25         5.         Defendants adamantly deny all material allegations set forth in the operative  
26 Complaint and all allegations set forth in the PAGA Letter.

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1           6.     The Class Period runs from September 13, 2015 through the date of entry of an  
2 Order by this Court granting preliminary approval of a global class action and PAGA  
3 representative settlement (“Class Period”).

4           7.     Plaintiffs have not filed a motion for class certification in this action, nor has a  
5 date been set by the Court for the filing of such a motion. Moreover, no trial dates or related  
6 dates have been set by the Court.

7           8.     This Action has been actively litigated. There have been on-going investigations,  
8 formal and informal discovery, and a voluminous exchange of extensive documentation and  
9 information between the Parties.

10          9.     For purposes of this Settlement, the “Settlement Class” or “Class Members” shall  
11 consist of all hourly, non-exempt employees who were employed by THC in the State of  
12 California, at any time, during the Class Period.

13          10.    For the sole purpose of settling the Action, the Parties stipulate and agree that the  
14 requisites for establishing class certification with respect to the Settlement Class have been met  
15 and are met. More specifically, the Parties stipulate and agree for the purpose of settling the  
16 Action that:

17           a.     The Settlement Class is ascertainable and so numerous as to make it  
18 impracticable to join all Class Members.

19           b.     There are common questions of law and fact including, but not limited to, the  
20 following:

21                i.     Whether Defendants complied with applicable laws affecting Plaintiffs  
22 and the Settlement Class under the California Labor Code and the Wage Order(s) of the  
23 California Industrial Welfare Commission; and

24                ii.    Whether Plaintiffs and the Settlement Class are entitled to alleged wages,  
25 premiums, penalties, interest, and attorneys’ fees and costs.

26           c.     Plaintiffs believe their claims are typical of the claims of the members of the  
27 Settlement Class.

28           d.     Plaintiffs believe they will fairly and adequately protect the interests of the

1 Settlement Class, and that Allen K. Hutkin and Donald L. Mabry of the Hutkin Law Firm should  
2 be "Class Counsel," and they will fairly and adequately protect the interests of the Settlement  
3 Class.

4 e. The prosecution of separate actions by individual members of the Settlement  
5 Class would create the risk of inconsistent or varying adjudications, which would establish  
6 incompatible standards of conduct.

7 f. With respect to the Settlement Class, Plaintiffs believe that questions of law and  
8 fact common to the members of the Settlement Class predominate over any questions affecting  
9 any individual member in such Class, and a class action is superior method to other available  
10 means for the fair and efficient adjudication of the controversy.

11 11. Defendants adamantly deny any liability or wrongdoing of any kind whatsoever  
12 associated with the claims alleged in the Action, including in the operative Complaint and the  
13 PAGA Letter sent to the LWDA, that Plaintiffs are adequate representatives to allege class  
14 and/or representative claims, including possessing standing under PAGA, and further deny that,  
15 for any purpose other than settling this Action, this Action is inappropriate for class or  
16 representative treatment. With respect to Plaintiffs' claims, Defendants contend, among other  
17 things, that they have complied with all applicable state, federal and local laws affecting  
18 Plaintiffs and the Settlement Class.

19 12. It is the desire of the Parties to fully, finally and forever settle, compromise and  
20 discharge all disputes and claims arising from the allegations and causes of action stated in the  
21 Action. To achieve a full and complete release of Defendants and the specific additional  
22 entities/persons identified herein, each Class Member acknowledges that this Stipulation of  
23 Settlement is intended to include in its effect all claims contained in the operative Complaint  
24 and the PAGA Letter and any additional wage and hour claims that could have been brought  
25 based on the facts alleged in the operative Complaint, through the date of entry of an Order  
26 granting preliminary approval of class action and PAGA settlement by the San Luis Obispo  
27 Court and granting a full release of the Released Parties (as those entities are defined below).

28

1           13. Counsel for the Settlement Class have conducted a thorough investigation into  
2 the facts of this Action and have diligently pursued an investigation of Class Members' claims  
3 against Defendants. Based on their own independent investigation and evaluation, Class  
4 Counsel are of the opinion that the Settlement with Defendants for the consideration and on the  
5 terms set forth in this Stipulation of Settlement are fair, reasonable and adequate and are in the  
6 best interest of the Settlement Class in light of all known facts and circumstances, including the  
7 risk of significant delay, the risk the Settlement Class will not be certified by the Court, THC's  
8 financial condition, defenses asserted by Defendants and numerous potential appellate issues.  
9 Defendants and their counsel also agree that the Settlement is fair and in the best interest of the  
10 Parties.

11           14. The Parties will cooperate and take all steps necessary as appropriate to  
12 consummate this Settlement and for entry of a judgment in accordance with this Joint Stipulation  
13 of Class Action and PAGA Settlement and Release.

14           15. Settlement Type and Amount: This is a non-reversionary Settlement in which  
15 THC is required to pay the entirety of the "Maximum Settlement Amount" ("MSA") for the  
16 entire Action of One Million Two Hundred Thousand Dollars and Zero Cents (\$1,200,000.00)  
17 based on a represented class size of around 600 people and total workweeks of roughly 16,000.  
18 Unless the Class Size is greater than 26,000 workweeks, in no event shall THC be liable for  
19 more than \$1,200,000.00 as a result of this Settlement. However, if the final count of workweeks  
20 as of the date the Superior Court approves the Settlement (the "Final Count") is more than 26,000  
21 workweeks, THC will increase the MSA by an amount that bears the same ratio of \$1,200,000  
22 as the difference between the Final Count bears to 26,000. Defendants have the sole right to cut  
23 off the Settlement date earlier rather than pay more should the workweeks extend past 26,000.  
24 No amount of the MSA will revert to Defendants. The MSA shall include: (a) attorneys' fees of  
25 up to one-third of the MSA; (b) Plaintiffs' reasonable verified litigation costs and expenses  
26 estimated not to exceed \$25,000; (c) reasonable third-party administration costs, estimated not  
27 to exceed \$44,000; (d) a PAGA payment in the amount of \$15,000.00 from which 75% will be  
28 paid to the Labor & Workforce Development Agency (with the remaining 25% to "aggrieved

1 employees”); and (e) “Service Awards” to Karla Quijada, Alejandra Guzman, Karla Bautista,  
2 Israel Ortiz, Maria de la Luz Yanez, Maria Luisa Yanez, Beatrice Barajas, and Anthony  
3 Macedonia of up to \$15,000 each based on Class Counsel’s determination of their service. These  
4 service awards are in addition to the payments to which these individuals are entitled to as Class  
5 Members. Once these deductions have been made, the remaining amount shall be paid to the  
6 Class Members who do not opt out and shall be known as the “Net Settlement Amount.” The  
7 MSA is non-reversionary. This Stipulation of Settlement shall become effective on the latter of:  
8 (a) the Court’s final approval of the Settlement if no objections by or on behalf of Class Members  
9 have been filed and no appeal has been filed or withdrawn; (b) the time for appeal has expired  
10 if an objection has been filed and no appeal has been filed or withdrawn; or (c) the final  
11 resolution of any appeal that has been filed (“Effective Date”). Except as noted above, it is  
12 understood and agreed that THC’s maximum total liability under the Settlement shall not exceed  
13 \$1,200,000.00 and shall have no obligation to pay any person, entity or organization in excess  
14 of the MSA above, for any cause or reason and the Court cannot increase the MSA.

15 16. Now therefore, in consideration of the mutual covenants, promises and  
16 agreements set forth herein, the Parties agree, subject to the Court’s approval, as follows:

17 a. It is agreed by and among the Parties that this Action and any claims, damages  
18 or causes of action arising out of the operative Complaint and PAGA Letter which are the subject  
19 of this Action, be settled and compromised as between the Settlement Class and Defendants,  
20 subject to the terms and conditions set forth in this Stipulation of Settlement and the approval of  
21 the Court.

22 b. It is the intention of the Parties that the Settlement shall not become Effective  
23 until the Court’s entry of an order approving the Settlement as completely final, and there is no  
24 further recourse by a Class Member, an appellant or objector who seeks to contest the  
25 Settlement. Except as noted above, it is further agreed by the Parties that this Settlement will  
26 not become Effective if Defendants are required to pay more than the total amount of its  
27 maximum total liability under the Settlement under any circumstances.

28 17. Timing of Settlement Payments: Payment will be provided by THC in six (6)

1 total installments as follows: (a) \$200,000 to be paid within 30 days of the Effective Date (“First  
2 Installment”) and (b) five (5) subsequent installment payments in the amount of \$200,000 each  
3 to be paid each calendar year commencing one year after the Effective Date. Any pre-payment  
4 of the entire MSA does not constitute a breach of this Agreement.

5 a. Distribution of Settlement Payments to Authorized Claimants.

6 As soon as reasonably possible after receipt of each payment as set forth above the  
7 Settlement Administrator shall make Settlement Payments in the following order:

- 8 i. First, Class Counsel’s Costs shall be paid to Class Counsel and  
9 Administration Costs shall be to paid to the Settlement Administrator.
- 10 ii. Second, the Service Awards shall be paid as identified in paragraph 15  
11 subsection(e).
- 12 iii. Third, the PAGA penalties should be paid to the LWDA.

13 After payments i – iii, above are made, the remaining amount from the first installment  
14 payment will be split 50/50, wherein 50% of the remainder of the first installment payment will  
15 be paid to Class Counsel’s Attorney’s Fees and 50% of the first installment payment shall be  
16 paid to the Settlement Class. The five (5) subsequent installment payments in the amount of  
17 \$200,000 each to be paid each calendar year commencing one year after the Effective Date, will  
18 be paid as follows:

- 19 i. Second Installment Payment: split 50/50, wherein 50% of the second  
20 installment payment will be paid to Class Counsel’s Attorney’s Fees and  
21 50% of the second installment payment shall be paid to the Settlement  
22 Class.
- 23  
24 ii. Third Installment Payment: split 50/50, wherein 50% of the third  
25 installment payment will be paid to Class Counsel’s Attorney’s Fees and  
26 50% of the third installment payment shall be paid to the Settlement Class.
- 27  
28



1           iii. Fourth Installment Payment: split 50/50, wherein 50% of the fourth  
2           installment payment will be paid to Class Counsel's Attorney's Fees and  
3           50% of the fourth installment payment shall be paid to the Settlement  
4           Class.

5  
6           iv. Fifth Installment Payment: split 50/50, wherein 50% of the fifth  
7           installment payment will be paid to Class Counsel's Attorney's Fees and  
8           50% of the fifth installment payment shall be paid to the Settlement Class.

9  
10          v. Sixth Installment Payment: Any remaining Class Counsel's Attorney's  
11          Fees will be paid (if any) and the remainder of the sixth installment  
12          payment shall be paid to the Settlement Class.

13           The payments to Class Counsel and Settlement Payments will be mailed out to Class  
14   Counsel and Settlement Class Members within fourteen (14) days of each payment being made  
15   as set forth above.

16          18. Class Definition: The Settlement Class is defined as: All current and former non-  
17   exempt or hourly employees of THC that have worked for THC in the State of California at any  
18   time from September 13, 2015 through the date of entry of an order of Preliminary Approval  
19   (the "Class Period"). Karla Bautista and Israel Ortiz shall be included as members of the  
20   Settlement Class.

21          a.       The Parties stipulate to class certification for purposes of Settlement only. If the  
22   Court does not grant preliminary or final approval of this Settlement, the Parties stipulate that  
23   class certification will be revoked without prejudice and this Stipulation of Settlement shall not  
24   constitute or be used as evidence that class certification is appropriate.

25          b.       Any amounts comprising part of the MSA that are not approved by the Court  
26   shall be the exclusive property of Defendant.

27          19. Agreement to Amend Complaint in the Action: For purposes of Settlement, the  
28   Parties agree to stipulate to the filing of a First Amended Complaint in the Action. The First

1 Amended Complaint will: (a) add an additional named Plaintiff that was included in the layoffs  
2 conducted by THC in January 2020; (b) incorporate any allegations and claims at issue in the  
3 operative Complaint in the related case *Christopher Weldon Kinsey II, et al. v. Lowell Farms*  
4 *LLC, et al.*, Los Angeles Superior Court Case No. 20STCV08659 (“Kinsey Action”) which were  
5 not already pled in *Alejandra Guzman, et al. v. The Hacienda Company, LLC et al.*; and (c)  
6 amend the PAGA Letter to the LWDA to add causes of action to cover any uncovered alleged  
7 violations of the Labor Code and Wage Order set forth in the Kinsey Action, if any.

8       20.     Individual Settlement Payments: The Individual Settlement Payments shall be  
9 calculated based upon the workweeks worked by each Class/PAGA member. Workweeks  
10 worked between February 1, 2017 and October 15, 2019 will be paid at a rate that is four times  
11 (4x) higher than those worked after October 15, 2019 and before February 1, 2017.

12       21.     Taxes: Settlement payments made to eligible Class Members will be attributed  
13 80% as penalties and interest and paid via a 1099 form and 20% will be attributed to wages and  
14 paid via a form W-2. The Class Members are responsible for their share of the payroll taxes,  
15 which shall be deducted from their individual settlement payments. THC is responsible for the  
16 employer share of payroll taxes, outside of the MSA, and these taxes will not be deducted from  
17 the MSA.

18       22.     No Admission of Liability: Defendants enter into this conditional Settlement and  
19 executes this Stipulation of Settlement with no admission of liability whatsoever, and solely for  
20 the purposes of compromising and settling the Action.

21       23.     Release by Class Members: All Class Members who have not opted out will  
22 release and discharge Defendants, their past, present and future owners, officers, directors,  
23 shareholders, unit holders, managers, employees, agents, principals, heirs, representatives,  
24 accountants, auditors, consultants, and its respective successors and predecessors in interest,  
25 subsidiaries, affiliates, parents and attorneys from all claims, demands, rights, liabilities and  
26 causes of action that were pled in any of the Complaints in the Action, or which could have been  
27 pled in any of the Complaints in the Action based on the factual allegations therein, that arose  
28 during the Class Period, including, but not limited to the following claims: (a) unpaid minimum

1 wages; (b) nonpayment of overtime; (c) failure to provide meal periods, or premium pay for  
2 non-compliant meal periods; (d) failure to authorize and permit rest periods, or premium pay for  
3 non-complaint rest periods; (e) failure to provide accurate, itemized wage statements; (f) failure  
4 to timely pay wages upon separation of employment; (g) failure to provide personnel and payroll  
5 records; (h) failure to indemnify for work-related expenses; (i) all claims for unfair business  
6 practices that could have been premised on the facts, claims, causes of action or legal theories  
7 described above; (j) all claims under the Private Attorneys General Act that could have been  
8 premised on the facts, claims, causes of action or legal theories described above and (k) all  
9 claims alleged in the Kinsey Action including any PAGA claims, causes or legal theories that  
10 could have been brought.

11       24. Settlement Administrator: The Parties will obtain quotes and agree on a  
12 Settlement Administrator to administer the claims process (or a mutually agreeable alternative  
13 Settlement Administrator). The Settlement Administrator shall be paid from the MSA. If one  
14 is not agreed upon, Class Counsel shall select a Settlement Administrator on the basis of cost  
15 and competence, with the best interest of the Class in mind. Fees of the Settlement Administrator  
16 shall be paid out of the MSA. The Parties agree to cooperate in the Settlement administration  
17 process and to make all reasonable efforts to control and minimize the cost and expenses  
18 incurred in administration of the Settlement. The Settlement Administrator shall be responsible  
19 for: processing and mailing payments to the Plaintiffs, Class Counsel, and Settlement Class  
20 Members; printing, translating and mailing the Notice Packets and postcards to the Settlement  
21 Class Members as directed by the Court; receiving and reporting the requests for exclusion;  
22 deducting taxes from Individual Settlement Payments and distributing tax forms; processing and  
23 mailing tax payments to the appropriate state and federal taxing authorities; providing  
24 declaration(s) as necessary in support of preliminary and/or final approval of this Settlement;  
25 and other tasks as the Parties mutually agree or the Court orders the Settlement Administrator  
26 to perform. The Settlement Administrator shall keep the Parties timely apprised of the  
27 performance of all Settlement Administrator responsibilities. No later than twenty-five (25)  
28 calendar days after the Response Deadline, the Settlement Administrator shall provide counsel

1 for the Parties with a final accounting of the MSA and report the amount of all payments to be  
2 made to each Settlement Class Member by employee number.

3 a. Settlement Administration. Within ten (10) calendar days after the Court grants  
4 preliminary approval of this Agreement, THC shall provide the Settlement Administrator  
5 with the Class Information for purposes of mailing Notice Packets to Settlement Class  
6 Members.

7 b. Notice By First Class U.S. Mail. Upon receipt of the Class Information, the Settlement  
8 Administrator will perform a search based on the National Change of Address Database  
9 to update and correct any known or identifiable address changes. Within fourteen (14)  
10 calendar days after receiving the Class Information as provided herein, the Settlement  
11 Administrator shall mail copies of the Notice Packet to all Settlement Class Members via  
12 regular First Class U.S. Mail. The Settlement Administrator shall exercise its best  
13 judgment to determine the current mailing address for each Settlement Class Member.  
14 The address identified by the Settlement Administrator as the current mailing address  
15 shall be presumed to be the best mailing address for each Settlement Class Member.

16 c. Notice by Alternative Methods. Notice of the settlement shall be published in English and  
17 Spanish publications located in Southern San Luis Obispo and Northern Santa Barbara  
18 Counties most likely to give notice to the Settlement Class as determined by Class  
19 Counsel. Plaintiffs and Class Counsel may also publicize the Settlement by any means  
20 (e.g., social media, posters, signs, radio advertising, newspaper and magazine ads,  
21 websites, etc.) in order to locate and obtain the current contact information for Settlement  
22 Class Members so they may be sent notice. The cost of these alternative means of  
23 providing notice shall be part of Class Counsel's application for cost reimbursement.

24 d. Undeliverable Notices. Any Notice Packets returned to the Settlement Administrator as  
25 non-delivered on or before the Response Deadline shall be re-mailed to the forwarding  
26 address affixed thereto. If no forwarding address is provided, the Settlement  
27 Administrator shall promptly attempt to determine a correct address by use of skip-  
28 tracing, or other search using the name, address and/or Social Security number of the

1 Settlement Class Member involved, and shall then perform a re-mailing, if another  
2 mailing address is identified by the Settlement Administrator. Settlement Class Members  
3 who received a re-mailed Notice Packet shall have their Response Deadline extended  
4 fifteen (15) days from the original Response Deadline to request exclusion, or object to  
5 the Settlement.

6 e. No Claim Form Required by Plaintiffs. Plaintiffs shall receive Individual Settlement  
7 Payments from the Net Settlement Amount without submitting a Claim Form.

8 f. No Claim Form Required For Current and Former Settlement Class Members. All  
9 Current and Former Settlement Class Members shall receive Individual Settlement  
10 Payments from the Net Settlement Amount without submitting a Claim Form, unless the  
11 Settlement Class Member submits a valid and timely request for exclusion. The Notice  
12 Packet sent to Current and Former Settlement Class Members shall list the employment  
13 dates worked by each Current or Former Settlement Class Member and the estimated  
14 Individual Settlement Payment for each respective Current or Former Settlement Class  
15 Member, as well as notify Current or Former Settlement Class Members of the Response  
16 Deadline for purposes of submitting a request for exclusion or objection.

17 g. Disputes Regarding Individual Settlement Payments. Settlement Class Members will  
18 have the opportunity, should they disagree with THC's records regarding the dates of  
19 employment stated on their Notice Packets, to provide documentation and/or an  
20 explanation to show contrary employment dates. If there is a dispute, the Settlement  
21 Administrator will consult with the Parties to determine whether an adjustment is  
22 warranted. The Settlement Administrator shall determine the eligibility for, and the  
23 amounts of, any Individual Settlement Payments under the terms of this Agreement. The  
24 Settlement Administrator's determination of the eligibility for and amount of any  
25 Individual Settlement Payment shall be binding upon the Settlement Class Member and  
26 the Parties.

27 h. Disputes Regarding Administration of Settlement. Any disputes not resolved by the  
28 Settlement Administrator concerning the administration of the Settlement will be

1 resolved by the Court under the laws of the State of California. Prior to any such  
2 involvement of the Court, counsel for the Parties will confer in good faith to resolve the  
3 disputes without the necessity of involving the Court.

- 4 i. Exclusions. The Notice Packet shall state that Settlement Class Members who wish to  
5 exclude themselves from the Settlement must submit a written request for exclusion by  
6 the Response Deadline. The written request for exclusion must state that the Settlement  
7 Class Member wishes to exclude himself or herself from the Settlement and (1) must  
8 contain the name, address, telephone number and the last four digits of the Social Security  
9 number of the person requesting exclusion; (2) must be signed by the Settlement Class  
10 Member; (3) must be postmarked or fax stamped by the Response Deadline and returned  
11 to the Settlement Administrator at the specified address or fax telephone number; and (4)  
12 contain the typewritten or handwritten statement: "I wish to be excluded from the class  
13 action settlement, and I understand that I will receive no money from the settlement  
14 because of my request to be excluded." The request for exclusion will not be valid if it  
15 is not timely submitted, if it is not signed by the Settlement Class Member, or if it does  
16 not contain the name and address of the Settlement Class Member. The date of the  
17 postmark on the return mailing envelope or fax stamp on the request for exclusion shall  
18 be the exclusive means used to determine whether the request for exclusion was timely  
19 submitted. Any Settlement Class Member who requests to be excluded from the  
20 Settlement Class will not be entitled to any recovery under the Settlement and will not be  
21 bound by the terms of the Settlement or have any right to object, appeal or comment  
22 thereon. Settlement Class Members who fail to submit a valid and timely written request  
23 for exclusion on or before the Response Deadline shall be bound by all terms of the  
24 Settlement and any final judgment entered in this Action if the Settlement is approved by  
25 the Court. No later than fifteen (15) calendar days after the Response Deadline, the  
26 Settlement Administrator shall provide counsel for the Parties with a final list of the  
27 Settlement Class Members who have timely submitted written requests for exclusion. At  
28

1 no time shall any of the Parties or their counsel seek to solicit or otherwise encourage  
2 members of the Settlement Class to submit requests for exclusion from the Settlement.

3 j. Objections. The Notice Packet shall state that Settlement Class Members who wish to  
4 object to the Settlement must file with the Court and serve on all Parties a written  
5 statement of objection (“Notice of Objection”) by the Response Deadline. The date of  
6 filing and the date on the proof of service shall be deemed the exclusive means for  
7 determining that a Notice of Objection was filed and served timely. The Notice of  
8 Objection must be signed by the Settlement Class Member and state: (1) the full name of  
9 the Settlement Class Member; (2) the dates of employment of the Settlement Class  
10 Member; (3) the last four digits of the Settlement Class Member’s Social Security number  
11 and/or the Employee ID number; (4) the basis for the objection; and (5) if the Settlement  
12 Class Member intends to appear at the Final Approval/Settlement Fairness Hearing.  
13 Settlement Class Members who fail to make objections in the manner specified above  
14 shall be deemed to have waived any objections and shall be foreclosed from making any  
15 objections (whether by appeal or otherwise) to the Settlement. Settlement Class Members  
16 who submit a timely Notice of Objection will have a right to appear at the Final  
17 Approval/Settlement Fairness Hearing in order to have their objections heard by the  
18 Court. At no time shall any of the Parties or their counsel seek to solicit or otherwise  
19 encourage Settlement Class Members to file or serve written objections to the Settlement  
20 or appeal from the Order and Final Judgment. Class Counsel shall not represent any  
21 Settlement Class Members with respect to any such objections.

22 25. Payment to the LWDA: The Labor & Workforce Development Agency shall be  
23 paid from the MSA.

24 26. Opt-Out Period: Class Members shall have forty-five (45) calendar days after  
25 Preliminary Approval to opt out or object to the Settlement, in writing. THC will provide class  
26 contact information (names, addresses, phone numbers, social security numbers, and workweek  
27 information) to the Settlement Administrator to assist in the settlement process within ten (10)  
28 calendar days of the Court signing and entering the Preliminary Approval Order (to the extent all

1 such information is available). Defendants shall maintain the option to “blow-up” the Settlement  
2 if fifteen (15) or more Class Members opt out.

3 27. Returned or Uncashed Checks: Defendants shall fully discharge their obligations  
4 to those Class Members entitled to a Settlement Award after the mailing of the Settlement check  
5 has been completed, regardless of whether such checks are actually received and/or negotiated  
6 by Class Members. Any check that is not negotiated within three hundred sixty-five (365)  
7 calendar days of mailing to a Class Member shall be transferred to the California Secretary of  
8 State Controller’s Office – Unclaimed Property Fund under the unclaimed property laws in the  
9 name of the Class Member.

10 28. Cooperation: The Parties agree to work cooperatively, diligently and in good faith  
11 to ensure that all necessary documents are timely filed.

12 29. Enforceability: The Parties intend that this Stipulation of Settlement be  
13 enforceable pursuant to the provisions of California Code of Civil Procedure §664.6, subject to  
14 Court approval. For the avoidance of doubt, despite the Effective Date listed above, this  
15 Agreement shall be enforceable by either Party should and neither side can opt-out of the  
16 Agreement except as specifically stated in this Agreement.

17 30. No Publicity: Plaintiffs and their counsel agree that they have not and will not  
18 publish the Settlement in any form of media, and that the Settlement shall remain fully  
19 confidential until Preliminary Approval is entered by the Court. In response to any inquiries,  
20 Plaintiffs will state that “the case was resolved, and it was resolved confidentially.” Class  
21 Counsel shall only report the settlement in a medium or in any publication and shall only post or  
22 report anything regarding the claims of Plaintiffs or the Class or the Settlement in any media until  
23 Preliminary Approval is entered by the Court and only for purposes of locating Class Members.  
24 Class Counsel shall not post anything on their website other than for the specific purpose of  
25 identifying Class Members to ensure they partake in the Settlement. However, Class Counsel is  
26 authorized to make disclosures to the Court and the LWDA for the purposes of obtaining the  
27 approval of the Settlement. This disclosure is limited to court filings and neither Plaintiffs nor  
28 their counsel or representatives are permitted to disseminate or publish, distribute or discuss the



1 information provided to the Court in those filings outside the filings themselves and any hearing  
2 held on those filings, unless ordered otherwise by the Court until Preliminary Approval is entered  
3 by the Court. Notwithstanding the foregoing, Class Counsel may include the Settlement (and/or  
4 a summary of the Settlement) in future declarations filed in support of Class Counsel's experience  
5 and/or adequacy to represent the PAGA aggrieved employees and Class Members.

6 **PARTIES' AUTHORITY**

7 31. The signatories hereto hereby represent that they are fully authorized to enter into  
8 this Stipulation of Settlement and bind the Parties hereto to the terms and conditions thereof.

9 **NO PRIOR ASSIGNMENTS**

10 32. The Parties and their counsel represent, covenant and warrant that they have not  
11 directly or indirectly, assigned, transferred, encumbered or purported to assign, transfer or  
12 encumber to any person or entity any portion of any liability, claim, demand, action, cause of  
13 action or right herein released and discharged except as set forth herein.

14 **ENFORCEMENT ACTIONS**

15 33. The Parties agree that the San Luis Obispo County Superior Court shall retain  
16 jurisdiction to enforce the terms of this Stipulation of Settlement pursuant to California Code of  
17 Civil Procedure Section 664.6. In the event one or more of the Parties to this Stipulation of  
18 Settlement institutes any legal action or other proceeding against any other Party or Parties to  
19 enforce the provisions of this Stipulation of Settlement or to declare the rights or obligations  
20 under this Stipulation of Settlement, the successful Party or Parties shall be entitled to recover  
21 from the unsuccessful Party or Parties reasonable attorneys' fees and litigation costs, including  
22 expert witness fees incurred in connection with any enforcement actions.

23 **NOTICES**

24 34. Unless otherwise specifically provided herein, all notices, demands or other  
25 communications given hereunder shall be in writing and shall be deemed to have been duly  
26 given as of the fifth (5<sup>th</sup>) business day after mailing by United States registered or certified mail,  
27 return receipt requested, addressed as follows:

28

1 **To Plaintiffs and the Settlement Class:**

2 Allen K. Hutkin

3 Donald L. Mabry

4 **HUTKIN LAW FIRM**

5 1220 Marsh Street

6 San Luis Obispo, California 93401

7

8 **To Defendant:**

9 Todd B. Scherwin

10 Robert D. Wilson III

11 Hannah Sweiss

12 **FISHER PHILLIPS**

13 444 South Flower Street, Suite 1500

14 Los Angeles, California 90071

15

**CONSTRUCTION**

16 35. The Parties hereto agree that the terms and conditions of this Stipulation of  
17 Settlement are the result of lengthy, intensive arms-length negotiations between the Parties and  
18 this Stipulation of Settlement shall not be construed in favor of or against any party by reason  
19 of the extent to which any party or his, her or its counsel participated in the drafting of this  
20 Stipulation of Settlement.

21

**CAPTIONS AND INTERPRETATIONS**

22 36. Paragraph titles or captions contained herein are inserted as a matter of  
23 convenience and for reference, and in no way define, limit, extend or describe the scope of this  
24 Stipulation of Settlement or any provision of it. Each term of this Stipulation of Settlement is  
25 contractual and not merely a recital.

26

**MODIFICATION**

27 37. This Stipulation of Settlement may not be changed, altered or modified, except  
28 in writing and signed by the Parties hereto and approved by the Court. This Stipulation of

1 Settlement may not be discharged except by performance in accordance with its terms or by a  
2 writing signed by the Parties hereto.

3 **INTEGRATION CLAUSE**

4 38. This Stipulation of Settlement contains the entire agreement between the Parties  
5 relating to the Settlement and transaction contemplated hereby, and all prior or contemporaneous  
6 agreements, understandings, representations and statements, whether oral or written and whether  
7 by a party or such party's legal counsel, are merged herein. No rights hereunder may be waived  
8 except in writing.

9 **BINDING ON ASSIGNS**

10 39. This Stipulation of Settlement shall be binding upon and inure to the benefit of  
11 the Parties and the Released Parties hereto, and their respective heirs, trustees, executors,  
12 administrators, successors and assigns.

13 **CLASS MEMBER SIGNATORIES**

14 40. It is agreed that because the members of the Class are so numerous, it is  
15 impossible or impractical to have each member of the Class execute this Stipulation of  
16 Settlement. The Notice of Pendency of Class Action Settlement will advise all Class Members  
17 of the binding nature of the release, and the release shall have the same force and effect as if this  
18 Stipulation of Settlement were executed by each member of the Class.

19 **COUNTERPARTS**

20 41. This Stipulation of Settlement may be executed in counterparts and by PDF  
21 signatures, and when each party has signed and delivered at least one such counterpart, each  
22 counterpart, including e-mail and PDF versions, shall be deemed an original and, when taken  
23 together with other signed counterparts, shall constitute one Stipulation of Settlement binding  
24 upon and effective as to all Parties.

25  
26 **GENERAL RELEASE**

27 42. In addition to the releases made above, the Class and PAGA Representatives  
28 shall individually make the following additional general release ("General Release"):

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The Class and PAGA Representatives release the Released Parties from all claims, demands, rights, liabilities and causes of action of every nature and description whatsoever, known or unknown, asserted or that might have been asserted, whether in tort, contract, or for violation of any state or federal statute, rule or regulation arising out of, relating to, or in connection with any act or omission by or on the part of any of the Released Parties committed or omitted prior to the execution hereof.

The Class and PAGA Representatives stipulate and agree that they expressly waive and relinquish, to the fullest extent permitted by law, the provisions, rights and benefits of Section 1542 of the California Civil Code, or any other provision under federal or state law, which provides:

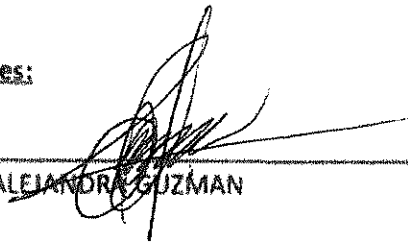
A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release, and that if known by him or her, would have materially affected his or her settlement with the debtor or released party.

IN WITNESS WHEREOF, the Parties hereto knowingly and voluntarily executed this Joint Stipulation of Class Action and PAGA Settlement and Release of Claims between Plaintiffs and Defendants as of the date(s) set forth below:

**[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]**

**Plaintiffs, Class and PAGA Representatives:**

Dated: 03/29/2021

  
\_\_\_\_\_  
ALEJANDRA GUZMAN

Dated: \_\_\_\_\_

\_\_\_\_\_  
KARLA QUIJADA

Dated: \_\_\_\_\_

\_\_\_\_\_  
KARLA BAUTISTA

Dated: \_\_\_\_\_

\_\_\_\_\_  
ISRAEL ORTIZ

Dated: \_\_\_\_\_

\_\_\_\_\_  
MARIA DE LA LUZ YANEZ

Dated: \_\_\_\_\_

\_\_\_\_\_  
MARIA LUISA YANEZ

Dated: \_\_\_\_\_

\_\_\_\_\_  
BEATRICE BARAJAS

Dated: \_\_\_\_\_

\_\_\_\_\_  
ANTHONY MACEDONIA

**Defendants**

Dated: \_\_\_\_\_

THE HACIENDA COMPANY, LLC

By: \_\_\_\_\_

Its \_\_\_\_\_

1 **Plaintiffs, Class and PAGA Representatives:**

2  
3 Dated: \_\_\_\_\_

\_\_\_\_\_  
ALEJANDRA GUZMAN

4 03 / 30 / 2021

*Karla Quijada*

5 Dated: \_\_\_\_\_

\_\_\_\_\_  
KARLA QUIJADA

6  
7 Dated: \_\_\_\_\_

\_\_\_\_\_  
KARLA BAUTISTA

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9 Dated: \_\_\_\_\_

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ISRAEL ORTIZ

10 Dated: \_\_\_\_\_

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MARIA DE LA LUZ YANEZ

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12 Dated: \_\_\_\_\_

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MARIA LUISA YANEZ

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14 Dated: \_\_\_\_\_

\_\_\_\_\_  
BEATRICE BARAJAS

15  
16 Dated: \_\_\_\_\_

\_\_\_\_\_  
ANTHONY MACEDONIA

17  
18 **Defendants**

19  
20 Dated: \_\_\_\_\_

THE HACIENDA COMPANY, LLC

21  
22 By: \_\_\_\_\_

23 Its \_\_\_\_\_

1 **Plaintiffs, Class and PAGA Representatives:**

2  
3 Dated: \_\_\_\_\_ ALEJANDRA GUZMAN

4  
5 Dated: \_\_\_\_\_ KARLA QUIJADA

6 03 / 25 / 2021

7 Dated: \_\_\_\_\_ KARLA BAUTISTA

8 Dated: \_\_\_\_\_ ISRAEL ORTIZ

9  
10 Dated: \_\_\_\_\_ MARIA DE LA LUZ YANEZ

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12 Dated: \_\_\_\_\_ MARIA LUISA YANEZ

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14 Dated: \_\_\_\_\_ BEATRICE BARAJAS

15  
16 Dated: \_\_\_\_\_ ANTHONY MACEDONIA

17  
18 **Defendants**

19  
20 Dated: \_\_\_\_\_ THE HACIENDA COMPANY, LLC

21  
22 By: \_\_\_\_\_

23 Its \_\_\_\_\_

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3 Dated: \_\_\_\_\_ ALEJANDRA GUZMAN

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5 Dated: \_\_\_\_\_ KARLA QUIJADA

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7 Dated: \_\_\_\_\_ KARLA BAUTISTA

8 Dated: 03/25/2021 *So* israel ortiz  
9 ISRAEL ORTIZ

10 Dated: \_\_\_\_\_ MARIA DE LA LUZ YANEZ

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12 Dated: \_\_\_\_\_ MARIA LUISA YANEZ

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14 Dated: \_\_\_\_\_ BEATRICE BARAJAS

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16 Dated: \_\_\_\_\_ ANTHONY MACEDONIA

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18 **Defendants**

19  
20 Dated: \_\_\_\_\_ THE HACIENDA COMPANY, LLC

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**Plaintiffs, Class and PAGA Representatives:**

Dated: \_\_\_\_\_  
ALEJANDRA GUZMAN

Dated: \_\_\_\_\_  
KARLA QUIJADA

Dated: \_\_\_\_\_  
KARLA BAUTISTA

Dated: \_\_\_\_\_  
ISRAEL ORTIZ

04 / 01 / 2021  
Dated: \_\_\_\_\_  
Maria L. Yanez  
MARIA DE LA LUZ YANEZ

Dated: \_\_\_\_\_  
MARIA LUISA YANEZ

Dated: \_\_\_\_\_  
BEATRICE BARAJAS

Dated: \_\_\_\_\_  
ANTHONY MACEDONIA

**Defendants**

Dated: \_\_\_\_\_  
THE HACIENDA COMPANY, LLC

By: \_\_\_\_\_

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**Plaintiffs, Class and PAGA Representatives:**

Dated: \_\_\_\_\_  
ALEJANDRA GUZMAN

Dated: \_\_\_\_\_  
KARLA QUIJADA

Dated: \_\_\_\_\_  
KARLA BAUTISTA

Dated: \_\_\_\_\_  
ISRAEL ORTIZ

Dated: \_\_\_\_\_  
MARIA DE LA LUZ YANEZ  
03 / 30 / 2021

Maria Luisa Yanez

Dated: \_\_\_\_\_  
MARIA LUISA YANEZ

Dated: \_\_\_\_\_  
BEATRICE BARAJAS

Dated: \_\_\_\_\_  
ANTHONY MACEDONIA

**Defendants**

Dated: \_\_\_\_\_  
THE HACIENDA COMPANY, LLC

By: \_\_\_\_\_

Its \_\_\_\_\_

1 **Plaintiffs, Class and PAGA Representatives:**

2  
3 Dated: \_\_\_\_\_  
ALEJANDRA GUZMAN

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KARLA QUIJADA

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ISRAEL ORTIZ

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MARIA DE LA LUZ YANEZ

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MARIA LUISA YANEZ

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14 Dated: 03 / 25 / 2021  
*Barajas*  
BEATRICE BARAJAS

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16 Dated: \_\_\_\_\_  
ANTHONY MACEDONIA

17  
18 **Defendants**

19  
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THE HACIENDA COMPANY, LLC

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1 **Plaintiffs, Class and PAGA Representatives:**

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3 Dated: \_\_\_\_\_ ALEJANDRA GUZMAN

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5 Dated: \_\_\_\_\_ KARLA QUIJADA

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7 Dated: \_\_\_\_\_ KARLA BAUTISTA

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12 Dated: \_\_\_\_\_ MARIA LUISA YANEZ

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14 Dated: \_\_\_\_\_ BEATRICE BARAJAS

15  
16 Dated: 03 / 24 / 2021 \_\_\_\_\_ ANTHONY MACEDONIA

17  
18 **Defendants**

19  
20 Dated: \_\_\_\_\_ THE HACIENDA COMPANY, LLC

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**Plaintiffs, Class and PAGA Representatives:**

Dated: \_\_\_\_\_  
ALEJANDRA GUZMAN

Dated: \_\_\_\_\_  
KARLA QUIJADA

Dated: \_\_\_\_\_  
KARLA BAUTISTA

Dated: \_\_\_\_\_  
ISRAEL ORTIZ

Dated: \_\_\_\_\_  
MARIA DE LA LUZ YANEZ

Dated: \_\_\_\_\_  
MARIA LUISA YANEZ

Dated: \_\_\_\_\_  
BEATRICE BARAJAS

Dated: \_\_\_\_\_  
ANTHONY MACEDONIA

**Defendants**

Dated: 4/21/21 \_\_\_\_\_ THE HACIENDA COMPANY, LLC

By:  \_\_\_\_\_

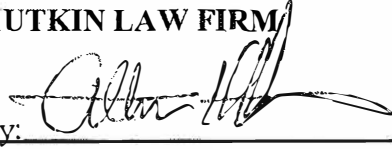
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**APPROVED AS TO FORM ONLY:**

DATE: April 2, 2021

**HUTKIN LAW FIRM**

By: 

ALLEN K. HUTKIN  
DONALD L. MABRY  
Attorneys for Plaintiffs  
Alejandra Guzman and Karla Quijada,  
individually and on behalf of other individuals  
employed under common circumstances and

DATE: April 22, 2021

**FISHER & PHILLIPS, LLP**

By: 

TODD B. SCHERWIN  
ROBERT D. WILSON III  
HANNAH SWEISS  
Attorneys for Defendants  
The Hacienda Company, LLC and A.J. Fay  
(erroneously sued as AJ Say)