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20 **SUPERIOR COURT FOR THE STATE OF CALIFORNIA**

21 **COUNTY OF KERN – NORTH KERN DISTRICT**

22 DANIEL VARGAS, an individual, on his  
23 own behalf and on behalf of all others  
24 similarly situated,

25 Plaintiff,

26 v.

27 PARAMOUNT CITRUS II LLC;  
28 WONDERFUL CITRUS II LLC;  
and DOES 1-100, inclusive,

Defendants.

**CASE NO. BCV-16-101117**

Complaint Filed: May 17, 2016  
(Assigned to Hon. Thomas S. Clark  
Dept. 17)

**CLASS ACTION**

**STIPULATION FOR CLASS AND  
PAGA ACTION SETTLEMENT**

**INTRODUCTION AND RECITALS**

1  
2           1.       This Stipulation for Class Action Settlement (this “Stipulation” or “Agreement”)  
3 is made by and between the Plaintiff Daniel Vargas (“Plaintiff”), on behalf of himself and all  
4 members of the Settlement Class (as defined below) on the one hand, and named defendants  
5 Paramount Citrus II LLC (formerly known as Wonderful Citrus II LLC) and sued as Wonderful  
6 Citrus II LLC (together, the “Wonderful Defendants”) on the other hand (collectively the  
7 “Parties”), in the matter entitled *Daniel Vargas v. Paramount Citrus II LLC., et al.*, Kern County  
8 Superior Court Case No. BCV-16-101117 (the “Litigation”).

9           2.       Plaintiff initiated the Litigation on May 17, 2016. Since filing, the complaint has  
10 been amended three times. The operative Third Amended Complaint alleges the following causes  
11 of action on behalf of Plaintiff and the members of the putative class: (1) Failure to Pay All Hours  
12 Worked; (2) Failure to Pay Minimum Wages (Lab. Code §§ 558, 1194, 1194.2, 1197 & 1198 and  
13 Wage Order 10); (3) Failure to Pay Overtime Compensation (Welfare Commission Orders and  
14 Lab. Code §§ 510, 1194); (4) Failure to Pay Compensation at the Time of Termination (Lab. Code  
15 §§ 201-203); (5) Failure to Provide Proper Wage Statement (Lab. Code § 226); (6) Meal and Rest  
16 Breaks Violations (Cal. Labor Code §§ 200, 226.7, 512, and 12 CCR § 11040); (7) Violation of  
17 California Business and Professions Code §17200; (8) Failure to Provide One Day of Rest in  
18 Seven (Cal. Labor Code §§ 551, 552); and (9) Violation of Cal. Labor Code §§ 2698, et seq.  
19 (“PAGA”).

20           3.       The Wonderful Defendants have denied and continue to deny each of the claims  
21 and contentions alleged by Plaintiff in the Litigation.

22           4.       For settlement purposes only, the Parties agree to a settlement class (the  
23 “Settlement Class” or “Class Members”) as defined in Subparagraph 13B herein. By this  
24 Stipulation, the Parties expressly state their desire to settle the claims and allegations raised by  
25 Plaintiff and the Class Members in the Litigation. The effective date of the settlement is the  
26 “Settlement Effective Date” as that term is defined in this Stipulation. If for any reason the  
27 Settlement is not approved, this Stipulation shall become null and void and will be of no force or  
28 effect.

1           5.       Plaintiff contends that the Wonderful Defendants violated California wage and  
2 hour laws, as described herein, and that this case is appropriate for class certification. The  
3 Wonderful Defendants deny any liability or wrongdoing of any kind associated with the claims  
4 alleged in the Litigation and further deny that the Litigation is appropriate for class treatment for  
5 any purpose other than settling the Litigation. The Wonderful Defendants contend, among other  
6 things, that they complied, at all times, with the California Labor Code, applicable California  
7 Wage Orders, and the California Business and Professions Code.

8           6.       The Parties engaged in significant discovery in this action. The Parties responded  
9 to written discovery. In response to Plaintiff’s requests for production, the Wonderful Defendants  
10 produced thousands of pages of responsive documents including manual timekeeping documents,  
11 handbook and policy documents, schedules, and correspondence with the Class Members.

12           7.       Plaintiff sat for a full-day deposition and took the full-day depositions of six  
13 corporate witnesses.

14           8.       The Parties have performed a thorough study of the law relating to the claims  
15 alleged in the Litigation and based on that investigation and discovery, and taking into account  
16 the contested issues, the expense and time necessary to pursue prosecution and defense of the  
17 Litigation through trial, the risks and costs of further prosecution of the Litigation, the uncertainty  
18 of complex litigation, the fairness and reasonableness of the Settlement agreed to by the Parties,  
19 and the best interests of the Class Members to whom substantial benefits will accrue, the Parties  
20 have agreed to the Settlement described in this Stipulation (the “Settlement”).

21           9.       Nothing contained in this Stipulation, including its existence, shall be construed or  
22 deemed as an admission of liability, culpability, negligence, or wrongdoing on the part of the  
23 Wonderful Defendants. Nothing in this Stipulation shall constitute an admission by the  
24 Wonderful Defendants – except for settlement purposes only – that the Litigation was properly  
25 brought as a class or representative action. Settlement of the Litigation, the negotiation and  
26 execution of this Stipulation, and all acts performed or documents executed pursuant to or in  
27 furtherance of this Stipulation or the Settlement: (i) are not, shall not be deemed to be, and may  
28 not be used as, an admission or evidence of any wrongdoing or liability on the part of the

1 Wonderful Defendants or of the truth of any factual allegations in the Litigation; (ii) are not, shall  
2 not be deemed to be, and may not be used as, an admission or evidence of any fault or omission  
3 on the part of the Wonderful Defendants in any civil or administrative proceeding in any court,  
4 administrative agency or other tribunal; and (iii) are not, shall not be deemed to be, and may not  
5 be used as, an admission or evidence of the appropriateness of these or similar claims for class  
6 certification or administration other than for purposes of administering the Settlement.

7 10. Based on the available record, and their own independent investigation and  
8 evaluations, counsel for Plaintiff and the Class Members are of the opinion that the settlement for  
9 the consideration and on the terms set forth in this Stipulation is fair, reasonable and adequate and  
10 is in the best interests of Plaintiff and the Class Members in the light of all known facts,  
11 circumstances and risks inherent in litigation, including potential appellate issues.

12 11. The purpose of this Stipulation is to settle and compromise the Covered Claims  
13 (as defined below) alleged by Plaintiff and the Class Members against the Wonderful Defendants  
14 and the Released Parties (as defined below) and as described in this Stipulation, including the  
15 wage and hour claims which arise out of the factual allegations in the Litigation for the Class  
16 Period (as defined below).

17 12. It is agreed by and among Plaintiff and the Wonderful Defendants that the  
18 Litigation and the claims, possible claims, damages, injunctions, remedies, penalties and interest  
19 arising out of the Litigation be settled and compromised as between Plaintiff and the Class  
20 Members and the Wonderful Defendants, subject to the terms and conditions set forth in this  
21 Stipulation, the Preliminary Approval (as defined below) and the Final Approval (as defined  
22 below), with judgment entered in accordance with such Final Approval.

### 23 DEFINITIONS

24 13. In addition to the terms defined above, the terms below have the following  
25 meanings, with the understanding that the definitions will have no meaning or effect if the  
26 Settlement is not approved:

27 A. **Administrative Costs.** The term “Administrative Costs” as used herein means all  
28 administrative costs of settlement, including cost of notice to the Settlement Class, claims

1 administration (including preparation of required tax reporting forms and withholding of required  
2 taxes), and any fees and costs included or charged by the Settlement Administrator in connection  
3 with the execution of its duties under this Stipulation, but not to exceed the total amount of Fifteen  
4 Thousand Dollars (\$15,000).

5       **B. Class, Class Members, and Settlement Class.** For settlement purposes only, the  
6 Parties agree pursuant to California Code of Civil Procedure section 382 to the certification of a  
7 Class, Settlement Class, or Class Members defined as:

8       **All non-exempt “sprayers” “chemical mixers” and “truck drivers” who have**  
9       **been employed or are currently employed by the Wonderful Defendants in**  
10       **their spray operations during the Class Period in California (exclusive of**  
11       **anyone who only held the positions of “Manager”, “Supervisor,” “Assistant**  
12       **Supervisor” or any other exempt position at any time).**

13       As used in this class definition, the term “Class Period” has the meaning set forth below,  
14 and “non-exempt” employees refers to those whom the Wonderful Defendants have classified as  
15 non-exempt employees.

16       As of September 2019 there were approximately 312 Class Members.

17       **C. Class Counsel.** The term “Class Counsel” as used herein means, collectively, the  
18 law firms Bradley/Grombacher LLC, and Law Offices Of Sahag Majarian II.

19       **D. Class List.** The term “Class List” as used herein has the meaning set forth in  
20 Paragraph 32.

21       **E. Class Period.** The term “Class Period” as used herein means the period from May  
22 17, 2012 through the date of Preliminary Approval, unless otherwise mutually agreed by the  
23 Parties.

24       **F. Class Representative.** The term “Class Representative” as used herein has the  
25 meaning set forth in Paragraph 16.

26       **G. Compensable Workweek.** The term “Compensable Workweek” as used herein  
27 means a workweek during which a Class Member received pay for work performed while  
28 employed by the Wonderful Defendants during the Class Period. A Compensable Workweek  
excludes every full week during which the Class Member was not paid, exclusively used vacation,  
sick, or personal time, or was on an unpaid leave of absence, even if the Class Member was

1 receiving workers' compensation, disability insurance, Social Security, or Paid Family Leave  
2 benefits during the unpaid leave.

3           **H. Covered Claims and Class Claims.** The terms "Covered Claims" and "Class  
4 Claims" as used herein mean any and all claims under California law that were pled or could have  
5 been pled based on the allegations asserted in the Litigation and in Plaintiffs' Notices to  
6 California's Labor and Workforce Development Agency (the "LWDA"), including, but not  
7 limited to, any claims based on alleged unpaid wages and overtime compensation, unpaid  
8 minimum wages, unpaid rest breaks and/or rest break violations, unpaid meal periods and/or meal  
9 period violations, wage statement violations, failure to provide one day's rest in seven, penalties,  
10 and unfair business practices and for penalties or other relief pursuant to PAGA that arose during  
11 the Class Period. Covered Claims and Class Claims shall also include any and all claims for  
12 attorneys' fees, costs, expenses, interest, civil penalties, statutory penalties, liquidated damages,  
13 punitive damages and any other damages or relief that have been or could have been asserted by  
14 Plaintiff, Plaintiff's counsel or any Class Member arising out of or relating to the Litigation.

15           **I. Employee Taxes and Employer Taxes.** The term "Employee Taxes" as used  
16 herein means any and all federal, state and local income taxes, the employee's share of  
17 contributions under the Federal Insurance Contribution Act ("FICA"), including Social Security  
18 and Medicare contributions, and any other federal, state and local taxes (including State Disability  
19 Insurance and Paid Family Leave contributions) required by law to be withheld from the gross  
20 amount paid on an employee's paycheck, which will be withheld from the wage portions of the  
21 Net Settlement Payments made to the Class Members. The term "Employer Taxes" as used herein  
22 means taxes and contributions imposed by law to be paid by the employer in addition to the gross  
23 wage amount paid on an employee's paycheck, including FICA, the Federal Unemployment Tax  
24 Act, and any similar state and local taxes and contributions required of employers (such as for  
25 unemployment insurance). The Employer taxes are to be included in the Gross Settlement  
26 Amount, as defined herein. In no event, shall the Wonderful Defendants have to pay any amounts  
27 in addition to the Gross Settlement Amount.

28           **J. Enhancement Award.** The term "Enhancement Award" as used herein has the

1 meaning set forth in Paragraph 52.

2           **K. Excluded Class Member.** The term “Excluded Class Member” as used herein  
3 means a Class Member who has timely submitted a written request to be excluded from the non-  
4 PAGA portion of the Settlement in accordance with the terms of Paragraph 44. Excluded Class  
5 Members will not be included in the Settlement and will have no right to receive any money under  
6 the Settlement or to object to the Settlement.

7           **L. Final Approval.** The term “Final Approval” as used herein means the Court’s  
8 order granting final approval of the class action settlement based on the terms stated herein and  
9 the Court entering a Final Judgment.

10           **M. Final Judgment.** The term “Final Judgment” as used herein has the meaning set  
11 forth in Paragraph 14.

12           **N. General Release.** The term “General Release” as used herein has the meaning set  
13 forth in Paragraph 30.

14           **O. Gross Settlement Amount or Settlement Amount.** The terms “Gross Settlement  
15 Amount” and “Settlement Amount” as used herein mean the maximum amount of money that  
16 the Wonderful Defendants will be obligated to pay under this Settlement, on a non-reversionary  
17 basis, which shall be the maximum sum of Two Million Three Hundred Thousand Dollars  
18 (\$2,300,000.00), to resolve all claims, fees and costs, including administrative costs and litigation  
19 costs, relating to this Settlement, including all Net Settlement Payments to the Settlement Class,  
20 the PAGA Payment Amount, the Enhancement Award to Plaintiff, the fees and costs to the  
21 Settlement Administrator, and the attorneys’ fees and costs awarded to Class Counsel, but  
22 excluding Employer Taxes. The Wonderful Defendants shall pay the Gross Settlement Amount,  
23 plus the additional amount to cover the Employer Taxes, to the Settlement Administrator within  
24 fifteen (15) business days of the Settlement Effective Date. In no event shall the Wonderful  
25 Defendants have to pay more than Two Million Three Hundred Thousand Dollars  
26 (\$2,300,000.00) in connection with this Settlement, other than the additional amount to cover the  
27 Employer Taxes.

28           **P. LWDA.** The term “LWDA” as used herein has the meaning set forth in the

1 definition of “Covered Claims” and “Class Claims.”

2       **Q. Net Settlement Amount.** The term “Net Settlement Amount” as used herein  
3 means the amount of funds available for distribution to the Settlement Class after deducting from  
4 the Gross Settlement Amount the following amounts: (i) the attorneys’ fees; (ii) litigation costs;  
5 (iii) the Enhancement Award to Plaintiff as provided herein; (iv) administrative costs; and (v) the  
6 PAGA Payment Amount. From the Net Settlement Amount, as described herein, the Net  
7 Settlement Payments (as that term is defined herein) will be distributed by the Settlement  
8 Administrator to the Class Members as more fully described below.

9       The below chart provides an estimated calculation of the Net Settlement Amount to the  
10 Class Members:

11	<b><u>Gross Settlement Amount:</u></b>	<b>\$ 2,300,000.00</b>
12	Attorneys’ Fees	\$ 765,900.00
13	Litigation Costs	\$ 45,000.00
14	Enhancement Award	\$ 10,000.00
15	Administrative Costs	\$ 15,000.00
16	PAGA Payment Amount	\$ 50,000.00
17	<b><u>Net Settlement Amount:</u></b>	<b>\$ 1,449,100.00</b>

18  
19       **R. Net Settlement Payments.** The term “Net Settlement Payment(s)” as used herein  
20 means the payments made to the Settlement Class from the Net Settlement Amount as part of the  
21 Settlement, including wages (less Employee Taxes), penalties, and interest.

22       **S. Notice.** The term “Notice” as used herein means the Notice of Class Action  
23 Settlement to be approved by the Court which will be mailed by the Settlement Administrator to  
24 each Class Member explaining the terms of the Settlement. A copy of the Notice is attached  
25 hereto as Exhibit “1”.

26       **T. Objection.** The term “Objection” as used herein means, and refers to, a timely  
27 written objection to the non-PAGA portion of the Settlement that is submitted to the Court by a  
28 Class Member on or prior to the Response Deadline in compliance with the form and procedures



1 set forth in the “**Objections**” section of this Stipulation, provided that the Class Member does not  
2 submit a Request for Exclusion.

3 U. **Opt-Out.** The term “Opt-Out” as used herein has the meaning set forth in  
4 Paragraph 44.

5 V. **PAGA Payment Amount.** The term “PAGA Payment Amount” as used herein  
6 has the meaning set forth in Paragraph 53.

7 W. **Preliminary Approval.** The term “Preliminary Approval” as used herein means  
8 the Court’s order granting preliminary approval of the class action settlement based on the terms  
9 stated herein.

10 X. **Release.** The term “Release” as used herein has the meaning set forth in Paragraph  
11 28.

12 Y. **Released Parties.** The term “Released Parties” as used herein has the meaning  
13 set forth in Paragraph 28.”

14 Z. **Request for Exclusion.** The term “Request for Exclusion” as used herein has the  
15 meaning set forth in the definition of “Excluded Class Member.”

16 AA. **Response Deadline.** The term “Response Deadline” as used herein means the date  
17 by which each Class Member must mail to the Settlement Administrator a valid Request for  
18 Exclusion, or submit any disputes regarding the dates of service and/or the number of  
19 Compensable Workweeks during the Class Period to the Settlement Administrator, or submit any  
20 Objection to the Court. The Response Deadline will be forty-five (45) calendar days from the  
21 initial mailing of the Notice to the Class, except that the Response Deadline will be extended by  
22 ten (10) calendar days for any Class Member who is re-mailed the Notice by the Settlement  
23 Administrator more than fifteen (15) calendar days after the date of the original mailing, in which  
24 case the Response Deadline will be adjusted on the Notice to that Class Member. The Response  
25 Deadline may also be extended by express written mutual agreement between counsel for the  
26 Parties.

27 BB. **Settlement Administrator.** The term “Settlement Administrator” as used herein  
28 means CPT Group, Inc. (or such other settlement administrator mutually agreed to by the Parties

1 and approved by the Court), which will be responsible for the administration of the Settlement,  
2 and all related matters, including the following duties: (i) preparation of the Notice with the  
3 number of Compensable Workweeks for each Class Member based on data provided by the  
4 Wonderful Defendants; (ii) mailing the Notice to the Class Members and performing address  
5 searches and re-mailings as necessary; (iii) notifying the Parties of and tracking any submitted  
6 Requests for Exclusion (whether timely or untimely) and any Objections filed with the Court; (iv)  
7 notifying the Parties of disputes regarding the number of Compensable Workweeks by Class  
8 Members and/or persons claiming to be Class Members and resolving any disputes resulting from  
9 same; (v) calculating the amounts due to each Class Member pursuant to the Settlement, including  
10 the amount of Employee Taxes and Employer Taxes; (vi) providing Net Settlement Payments and  
11 IRS W-2 and 1099 Forms to eligible Class Members (i.e., those who do not Opt-Out of the  
12 Settlement) and to the relevant taxing authorities and making all required withholdings and tax  
13 payments; (vii) making all other required payments pursuant to the terms of the Settlement and  
14 as directed by the Court; and (viii) performing such other duties as are described in this Stipulation  
15 and/or as are customarily performed by settlement administrators.

16 **CC. Settlement Effective Date.** The term “Settlement Effective Date” as used herein  
17 means: (i) if no Objection(s) are properly and timely filed, on the date that is five (5) calendar days  
18 after the date of entry of the Final Judgment or (ii) if any Objection(s) are properly and timely  
19 filed, the date that is five (5) calendar days after the date of expiration of the period for filing any  
20 appeal, or if an appeal is filed, then on the date when the Settlement is subsequently approved  
21 following the appeal and there is no possibility of any subsequent appeal or other judicial review.  
22 The Settlement embodied in this Stipulation shall become effective on the Settlement Effective  
23 Date, provided that all of the following events have occurred: (a) the Stipulation has been executed  
24 by all Parties and their counsel; (b) the Court has given Preliminary Approval to the Settlement;  
25 (c) the notice packet has been sent to the Class Members, providing them with an opportunity to  
26 verify their estimated share of the Net Settlement Payments, Opt-Out of the Settlement, or object  
27 to the terms of the Settlement; and (d) the Court has held a final fairness hearing certifying the  
28 class, approving the Settlement and entering a final order and judgment. In the event that the Court

1 does not approve the Settlement, or if the final order and judgment is reversed on appeal, then there  
2 shall be no Settlement Effective Date and the Settlement and the Stipulation shall become null and  
3 void.

4 DD. **Settlement Fund.** The term “Settlement Fund” as used herein has the meaning  
5 set forth in Paragraph 27.

6 EE. **Wonderful Defendants.** The term “Wonderful Defendants” as used herein means  
7 Paramount Citrus II LLC and Wonderful Citrus II LLC (formerly Paramount Citrus II LLC) and,  
8 for purposes of the Release and the General Release, shall include the Released Parties.

### 9 JURISDICTION

10 14. The Court refers to and means the Superior Court of the State of California, County  
11 of Kern, and includes any Judge or Department assigned to approve the Settlement pursuant to  
12 this Stipulation. The Court has jurisdiction over the Parties and the subject matter of the  
13 Litigation. The Litigation includes claims that, while the Wonderful Defendants deny them in  
14 their entirety, would, if proven, authorize the Court to grant relief pursuant to the applicable  
15 statutes. After the Court grants Final Approval of the Settlement and after it has entered a final  
16 judgment dismissing the Litigation with prejudice (a “Final Judgment”), the Court shall retain  
17 jurisdiction of the Litigation pursuant to California Code of Civil Procedure section 664.6 solely  
18 for the purpose of interpreting, implementing, and enforcing this Settlement consistent with the  
19 terms set forth herein.

### 20 STIPULATION OF CLASS CERTIFICATION

21 15. The Parties stipulate to the certification of this Settlement Class solely for purposes  
22 of the Settlement. The Stipulation is contingent upon the Preliminary Approval and Final  
23 Approval and certification of the Settlement Class. Should the Settlement not become final, for  
24 whatever reason, the fact that the Parties were willing to stipulate provisionally to class  
25 certification as part of the Settlement shall have no bearing on, and shall not be admissible in  
26 connection with, the issue of whether a class should be certified in a non-settlement context in the  
27 Litigation. The Wonderful Defendants expressly reserve their right to oppose class certification  
28 should this Settlement not become final.

1 **PRELIMINARY APPROVAL**

2 16. Plaintiff will bring a motion before the Court for an order preliminarily approving  
3 the Settlement, including the Notice as explained herein, and including a request for the Court to  
4 order the conditional certification of the Settlement Class for settlement purposes only, which will  
5 be supported and not opposed by the Wonderful Defendants. The motion for Preliminary  
6 Approval will be subject to review and final approval by the Wonderful Defendants prior to filing.  
7 It will also include a request for the Court to preliminarily appoint Plaintiff’s counsel as Class  
8 Counsel, to preliminarily approve Plaintiff as the representative of the Class (the “Class  
9 Representative”), to appoint CPT Group, Inc. as the Settlement Administrator, to set a date for  
10 the Final Approval hearing, and to seek such other orders from the Court as are necessary to  
11 obtain Preliminary Approval.

12 **STATEMENT OF NO ADMISSION**

13 17. The Wonderful Defendants deny any and all liability to Plaintiff and the Settlement  
14 Class upon any claim or cause of action. This Stipulation does not constitute, and is not intended  
15 to constitute an admission by the Wonderful Defendants as to the merits, validity, or accuracy of  
16 any of the allegations made against them in the Litigation or of any liability, culpability or  
17 wrongdoing by the Wonderful Defendants or any of their respective affiliated companies, owners,  
18 agents, or employees.

19 18. Nothing in this Stipulation, nor any action taken in implementation thereof, nor  
20 any statements, discussions, or communications, nor any materials prepared, exchanged, issued  
21 or used during the course of the negotiations leading to the Settlement, is intended by the Parties  
22 to constitute, nor will any of the foregoing constitute, be introduced, be used or be admissible in  
23 any way in the Litigation or any other judicial, arbitral, administrative, investigative or other  
24 forum or proceeding as evidence of any violation of any state or local law, statute, ordinance,  
25 regulation, rule or any obligation or duty at law or in equity. The Parties themselves agree not to  
26 introduce, use, or admit this Stipulation or Settlement, directly or indirectly, in the Litigation or  
27 any other judicial, arbitral, administrative, investigative or other forum or proceeding, or to any  
28 agency, as purported evidence of any violation of any state or local law, statute, ordinance,

1 regulation, rule or any obligation or duty at law or in equity, or for any other purpose.  
2 Notwithstanding the foregoing, this Stipulation may be used in any proceeding before the Court  
3 that has as its purpose the interpretation, implementation, or enforcement of this Stipulation or  
4 any orders or judgments of the Court entered in connection with the Settlement.

5 19. None of the documents produced or created by Plaintiff or the Settlement Class in  
6 connection with the claims procedures or claims resolution procedures (including the Notice)  
7 constitutes, or is intended to constitute, an admission by the Wonderful Defendants of any  
8 violation of any state or local law, statute, ordinance, regulation, rule or any obligation or duty at  
9 law or in equity.

10 20. The Parties agree that class certification pursuant to California Code of Civil  
11 Procedure section 382 under the terms of this Stipulation is for settlement purposes only. Nothing  
12 in this Stipulation will be construed as an admission or acknowledgement of any kind that any  
13 class should be certified or given collective treatment in the Litigation or in any other action or  
14 proceeding. Further, this Stipulation will not be admissible in any court or other tribunal  
15 regarding the propriety of class certification or collective treatment. In the event that this  
16 Stipulation is not approved by the Court or is terminated, or otherwise fails to be enforceable,  
17 Plaintiff will not be deemed to have waived, limited or affected in any way any claims, rights or  
18 remedies in the Litigation, and the Wonderful Defendants will not be deemed to have waived,  
19 limited, or affected in any way any objections or defenses in the Litigation.

#### 20 TERMS OF SETTLEMENT

21 21. **Class Certification.** For settlement purposes only, the Parties stipulate that a class  
22 may be certified as described in Paragraph 15 of this Agreement. The Parties agree that  
23 certification for settlement purposes under the lenient standard applied to settlements is in no way  
24 an admission that class certification is proper under the more stringent standard applied for  
25 litigation purposes, and that evidence of this limited stipulation for settlement purposes only will  
26 not be deemed admissible in this or any other proceeding. It is the Wonderful Defendants'  
27 position that if the Litigation were to be litigated, class certification would be inappropriate  
28 because, among other things, individual issues predominate. Furthermore, the Wonderful

1 Defendants deny any liability or wrongdoing and, by entering into this Settlement, do not admit  
2 to any violation of law.

3       **22. Settlement Amount.** The Wonderful Defendants' maximum non-reversionary  
4 payment of the Gross Settlement Amount under the Settlement is Two Million Three Hundred  
5 Thousand Dollars (\$2,300,000.00), from which payments will be as follows subject to the Court's  
6 approval: (1) up to Seven Hundred Sixty-Five Thousand Nine Hundred Dollars (\$765,900.00) in  
7 attorneys' fees to Class Counsel (representing approximately one-third (1/3) of the Gross  
8 Settlement Amount), and Class Counsel's reasonable litigation costs which are estimated to be  
9 Forty-Five Thousand Dollars (\$45,000.00); (2) up to Ten Thousand Dollars (\$10,000.00) as the  
10 Enhancement Award to Plaintiff; (3) up to Fifteen Thousand Dollars (\$15,000.00) to the  
11 Settlement Administrator for fees and reasonable costs incurred by it to administer the Settlement;  
12 (4) Fifty Thousand Dollars (\$50,000.00) as the PAGA Payment Amount, seventy-five percent  
13 (75%) (i.e., Thirty-Seven Thousand Five Hundred Dollars (\$37,500)) of which goes to the  
14 LWDA; and (5) the Net Settlement Payments to the Class Members (other than Excluded Class  
15 Members). The Wonderful Defendants shall pay the Gross Settlement Amount and the additional  
16 amount to cover Employer Taxes to the Settlement Administrator within fifteen (15) business  
17 days after the Settlement Effective Date. In no event shall the Wonderful Defendants have to pay  
18 more than Two Million Three Hundred Thousand Dollars (\$2,300,000.00) in connection with this  
19 Settlement, other than the additional amount to cover the Employer Taxes.

20       **23. Payment of Net Settlement Payments to Class Members.** After the Net  
21 Settlement Amount has been determined, Net Settlement Payments shall be made from the Net  
22 Settlement Amount to the Class Members (other than Excluded Class Members). The value of  
23 each Class Member's claim shall be based on his or her number of Compensable Workweeks as  
24 set forth below.

25       **24. Calculation of Payments to Class Members.** The Wonderful Defendants will  
26 provide the Settlement Administrator with the total number of Compensable Workweeks for each  
27 Class Member. The total number of Compensable Workweeks for the entire Class will be  
28 determined by the Settlement Administrator by adding together the total number of Compensable

1 Workweeks for each Class Member. After the Net Settlement Amount is determined, the  
2 Settlement Administrator will divide the Net Settlement Amount by the total number of  
3 Compensable Workweeks for the entire Class and then multiply this amount by each Class  
4 Member's total number of Compensable Workweeks to yield such Class Member's Net  
5 Settlement Payment.

6       **25. Settlement Payment Allocation.** The Net Settlement Payment paid to each Class  
7 Member who has not Opted-Out of the Settlement shall be allocated as follows: one-third (1/3)  
8 shall be attributed to wages, and two-thirds (2/3) shall be attributed to interest and penalties. One-  
9 third (1/3) of the total amount of Net Settlement Payments to the Class Members will be treated  
10 as payments in settlement of wage claims, subject to W-2 reporting. Applicable tax deductions  
11 and payroll withholdings for Employee Taxes will be taken from this portion of the Net Settlement  
12 Payments. The Wonderful Defendants will be responsible for satisfying the Employer Tax  
13 obligations relating to the wage portion of the Net Settlement Payments by payment of the amount  
14 of such obligations to the Settlement Administrator. The Settlement Administrator will issue a  
15 Form W-2 to each Class Member who has not Opted-Out of the Settlement reflecting the wage  
16 portion of each individual Net Settlement Payment. Two-thirds (2/3) of the total amount of Net  
17 Settlement Payments to the Class Members will be treated as payment in settlement of claims for  
18 interest and penalties. The Settlement Administrator will report the latter portion of the payments  
19 by means of an IRS Form 1099.

20       **26. No Credit Towards Benefit Plans.** Neither the terms of this Settlement nor any  
21 of the amounts paid to Plaintiff or any Class Member shall have any effect on the eligibility or  
22 calculation of any employee benefits. The Parties agree that any Net Settlement Payment paid to  
23 the Class Members under the terms of this Settlement do not represent any modification of any  
24 Class Member's previously credited hours of service or other eligibility criteria, and will not be  
25 utilized to calculate any additional benefits, vesting or credit under any employee pension benefit  
26 plan, employee welfare benefit plan or other program or policy sponsored by the Wonderful  
27 Defendants or any of their respective affiliates, including but not limited to any profit-sharing  
28 plans, pension plans, 401(k) plans, bonus plans, stock purchase plans, vacation plans, PTO plans,

1 paid sick leave plans, or any other company sponsored plans or employee benefits. Further, the  
2 amounts paid to the Class Members shall not be considered wages, compensation or annual  
3 earnings for benefits in any year for purposes of determining any rights, eligibility, hours of  
4 service, benefit accruals, calculations, contributions or amounts to which any Class Member may  
5 be entitled with respect to any such employee pension benefit plan, employee welfare benefit plan  
6 or other program or policy sponsored by the Wonderful Defendants or any of their respective  
7 affiliates. In addition, in no event shall any amount received by Plaintiff or any Class Member as  
8 part of this Settlement be included or considered when determining or calculating any bonus  
9 amount potentially available to him or her from the Wonderful Defendants. Any amount received  
10 by Plaintiff or any Class Member as part of this Settlement shall also not be considered when  
11 determining or calculating his or her overtime rate or regular rate of pay.

12 **27. Settlement Amount Funding and Settlement Payment Due Date.** Within ten  
13 (10) business days after the Settlement Effective Date, the Wonderful Defendants will deposit the  
14 Gross Settlement Amount into the Settlement Fund. Within five (5) business days after receipt  
15 of the Gross Settlement Amount, the Settlement Administrator shall mail the Enhancement Award  
16 payment to the Class Representative, and the Court-approved attorneys' fees and costs to Class  
17 Counsel. Within fifteen (15) business days after receipt of the Gross Settlement Amount, the  
18 Settlement Administrator shall mail the applicable Net Settlement Payments to the eligible Class  
19 Members.

20 **WAIVER, RELEASE AND DISMISSAL**

21 **28. Release By Class Members.** Upon the date that the Court grants Final Approval  
22 of the Settlement, all Class Members other than Excluded Class Members, hereby do and will be  
23 deemed to irrevocably waive, release, acquit and forever discharge the Wonderful Defendants  
24 and their respective affiliated and/or related companies, and each of the foregoing's respective  
25 past, present and future owners, officers, directors, employees, members, shareholders, managers,  
26 partners, attorneys, insurers, agents, servants, representatives, relatives, trustees, executors, heirs  
27 and successors and assigns (collectively, the "Released Parties") of and from any and all  
28 complaints, actions, claims, injuries, charges, costs (including attorneys' fees), demands,



1 penalties, liabilities, actual or potential lien claims, obligations, promises or agreements of any  
2 nature whatsoever, known or unknown, suspected or unsuspected, relating to the Covered Claims  
3 during the Class Period, including all state, local and common law claims that were or could have  
4 been asserted by Plaintiff, Plaintiff's counsel or any Class Member based on the factual  
5 allegations pled in the Litigation (the "Release"). The Release shall be fully binding on each and  
6 every Class Member, other than any Excluded Class Member.

7 The Final Judgment shall dismiss the Litigation with prejudice and shall incorporate the  
8 terms of this Paragraph and the Release. The Parties acknowledge that this Settlement, including  
9 the releases provided in this Paragraph, reflects a compromise of disputed claims. The Parties  
10 further acknowledge that the Release does not release the Wonderful Defendants from their  
11 obligations as established by this Agreement.

12 29. **Plaintiff's Civil Code Section 1542 Release.** In addition to the Release made in  
13 the Paragraph above, and for the purpose of implementing a full and complete release and  
14 settlement, Plaintiff understands and agrees that this Agreement is intended to include all claims,  
15 if any, which Plaintiff may have against the Wonderful Defendants and the Released Parties, or  
16 any of them, including those which he does not now know or suspect to exist in his favor.  
17 Consequently, Plaintiff specifically waives all rights under section 1542 of the California Civil  
18 Code, which section reads as follows:

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

24 30. **General Release.** Plaintiff makes the additional following general release (the  
25 "General Release") of all claims, known or unknown, that Plaintiff has against the Released  
26 Parties. Plaintiff, on his behalf and on behalf of his heirs, successors, assigns, agents, attorneys,  
27 representatives and other related persons and entities that may claim by, through or under any of  
28 the foregoing, in consideration for the amounts paid to Plaintiff under this Stipulation, including

1 any enhancement award that may be paid to Plaintiff, upon the Court's Final Approval of the  
2 Settlement, hereby fully and finally waives, releases, acquits and forever discharges the  
3 Wonderful Defendants (including the Released Parties) from all known and unknown claims he  
4 may have against the Wonderful Defendants of every nature or description whatsoever, including  
5 without limitation, those claims arising out of the Litigation, Plaintiff's employment with the  
6 Wonderful Defendants, Plaintiff's separation from employment, and his other dealings with the  
7 Wonderful Defendants. This General Release includes Covered Claims and claims released in  
8 this Stipulation, and any and all known or unknown contract, tort, statutory, common law,  
9 constitutional, public policy, and other claims of any type whatsoever, including claims based on  
10 employment discrimination, harassment, retaliation or any other rights afforded to employees, to  
11 the fullest extent such claims are releasable by law without limitation, arising out of the Litigation,  
12 Plaintiff's employment with the Wonderful Defendants, Plaintiff's separation from employment,  
13 and his other dealings with the Wonderful Defendants and the Released Parties, through the date  
14 of Final Approval.

15 Plaintiff agrees and acknowledges that he is not required to settle all claims at this time  
16 but voluntarily chooses to do so by entering into this Stipulation.

#### 17 **SETTLEMENT ADMINISTRATOR**

18 31. CPT Group, Inc. (or such other third-party claims administrator mutually selected  
19 by the Parties) will serve as the Settlement Administrator for this Settlement, subject to the  
20 Court's approval. All settlement administration costs, in an amount to be approved by the Court  
21 but not to exceed Fifteen Thousand Dollars (\$15,000.00), shall be taken from the Gross  
22 Settlement Amount. An IRS Form 1099 will be issued by the Wonderful Defendants to the  
23 Settlement Administrator for this payment. The Parties further agree that to the extent  
24 administration costs are below the Fifteen Thousand Dollar (\$15,000.00) limit, the amount of  
25 such shortfall will inure to the benefit of the Class Members as explained herein. The Settlement  
26 Administrator shall perform all of the duties as described in this Agreement, including those set  
27 forth in Subparagraph 13BB.

28 32. Within fifteen (15) business days after the Court grants Preliminary Approval of

1 the Settlement, the Wonderful Defendants will provide the Settlement Administrator with the  
2 dates of employment and total Compensable Workweeks for each Class Member. At the same  
3 time, the Wonderful Defendants will provide the Settlement Administrator with current contact  
4 information (i.e., last known addresses, telephone numbers and Social Security numbers) for all  
5 Class Members (the “Class List”). The Class List contains confidential, personal and/or private  
6 information of the Class Members and will be transmitted via secure means. The Settlement  
7 Administrator shall keep the Class List strictly confidential and shall not disclose the information  
8 to any other person. The Wonderful Defendants further agree to consult with the Settlement  
9 Administrator prior to the production of the Class List to ensure that the format will be acceptable  
10 to the Settlement Administrator.

11 33. Among its other duties as described in this Settlement, the Settlement  
12 Administrator shall publish and maintain a settlement website and provide counsel for the Parties  
13 with a weekly report showing the number of Opt-Outs and Objections received.

14 34. Within ten (10) business days of receipt of the Class List, the Settlement  
15 Administrator will mail the Notice to the Class Members as described below.

16 **NOTICE, OBJECTIONS AND EXCLUSION RIGHTS**

17 35. **Notice.** Plaintiff and the Wonderful Defendants, through their respective  
18 attorneys, have jointly prepared a Notice, attached hereto as Exhibit “1” to this Agreement and  
19 incorporated herein by reference, subject to Court approval, which in substance will be provided  
20 to the members of the Settlement Class as follows:

21 36. The Settlement Administrator shall run all the addresses provided by the  
22 Wonderful Defendants through the United States Postal Service NCOA database (which provides  
23 updated addresses for any individual who has moved in the previous four (4) years who has  
24 notified the U.S. Postal Service of a forwarding address) to obtain current address information.  
25 The Settlement Administrator shall mail the Notice to the members of the Settlement Class via  
26 first-class regular U.S. Mail using the most current mailing address information available, within  
27 ten (10) business days after receiving the Class List from the Wonderful Defendants. The Notice  
28 shall provide the members of the Settlement Class forty-five (45) calendar days’ notice of all

1 applicable dates and deadlines, with this period to begin running on mailing of the Notice by the  
2 Settlement Administrator.

3 37. If a Notice is returned from the initial notice mailing, the Settlement Administrator  
4 shall conduct a skip tracing in an attempt to locate a more current address. If the Settlement  
5 Administrator is successful in locating a new address, it will re-mail the Notice to the member of  
6 the Settlement Class. Any Notices returned with a forwarding address to the Settlement  
7 Administrator, as non-deliverable before the deadline date, shall be sent to the forwarding address  
8 affixed thereto. If the re-mailing occurs more than fifteen (15) calendar days after the original  
9 mailing date, then the Response Deadline for that Class Member will be extended an additional  
10 ten (10) calendar days after the original Response Deadline.

11 38. No later than twenty-five (25) calendar days prior to the Final Approval hearing,  
12 the Settlement Administrator shall provide counsel for the Wonderful Defendants and Class  
13 Counsel with a declaration attesting to the completion of the Notice process, including the number  
14 of attempts to obtain valid mailing addresses for and re-sending of any returned Notices, as well  
15 as the number of valid Opt-Outs, Objections and deficiencies which the Settlement Administrator  
16 received.

17 39. **Objections.** A Class Member who wishes to object to the non-PAGA portion of  
18 the Settlement must notify the Court of his or her objection, in writing, on or prior to the Response  
19 Deadline. Excluded Class Members are not permitted to object to the Settlement. Any Objection  
20 must: (i) clearly identify the case name and number (*Vargas v. Paramount Citrus II LLC., et al.*,  
21 Case No. BCV-16-101117); (ii) set forth in writing the grounds for the objection; (iii) include the  
22 address and phone number of the Class Member or counsel for the Class Member; (iv) be signed  
23 by the Class Member or counsel; and (v) be submitted to the Court and served on Class Counsel  
24 and counsel for the Wonderful Defendants on or prior to the Response Deadline, along with all  
25 supporting papers. The Class Member may appear personally or through an attorney, at his or  
26 her own expense, at the Final Approval hearing. However, it is not necessary for the Class  
27 Member or his or her attorney to appear at the final approval hearing in order for the objection to  
28 be considered by the Court. Any attorney who represents a Class Member objecting to the

1 Settlement must file a notice of appearance with the Court on or prior to the Response Deadline  
2 and serve Class Counsel and counsel for the Wonderful Defendants. Plaintiff and the Wonderful  
3 Defendants will be permitted to respond in writing to any such Objections no later than seven (7)  
4 calendar days before the Final Approval hearing.

5 40. If a Class Member objects to this Settlement, the Class Member will remain a  
6 member of the Settlement Class and if the Court approves the Settlement, the Class Member will  
7 be bound by the terms of the Settlement and Final Judgment in the same way and to the same  
8 extent as a Class Member who does not object. The Court retains final authority with respect to  
9 the consideration and admissibility of any Objections. Provided that the Settlement Administrator  
10 mailed the Notice to a member of the Settlement Class, the deadline to file an Objection shall  
11 apply notwithstanding any assertion by any member of the Settlement Class of non-receipt of the  
12 Notice.

13 41. Class Members who do not file and timely serve written Objections in accordance  
14 with the procedures set forth in this Stipulation have waived all objections to the Settlement and  
15 are forever foreclosed from making any objection to the Settlement or any aspect of the  
16 Settlement, whether by appeal or otherwise. Plaintiff waives any right to object to the Settlement,  
17 and hereby endorses the Settlement as fair, reasonable and adequate and in the best interests of  
18 the Settlement Class. At no time will any of the Parties or their counsel seek to solicit or otherwise  
19 encourage any Class Member to submit written objections to the Settlement or to file any appeal  
20 from the Final Approval.

21 42. **Claim Disputes.** If a member of the Settlement Class does not dispute the number  
22 of Compensable Workweeks set forth in the Notice, such person need not take further action to  
23 participate in the Settlement. If a member of the Settlement Class disputes the number of  
24 Compensable Workweeks set forth in the Notice, or asserts that he or she should have been  
25 included as a member of the Settlement Class, such person must follow the directions in the Notice  
26 (copy of which is attached hereto), including preparing a statement setting forth the number of  
27 Compensable Workweeks that such person believes in good faith is correct and stating that the  
28 member of the Settlement Class authorizes the Settlement Administrator to review the Settlement

1 Class member's personnel file to determine such information and attaching any relevant  
2 documentation in support thereof. The member of the Settlement Class must mail the signed and  
3 completed statement no later than forty-five (45) calendar days after the date of the mailing of the  
4 Notice, or the number of Compensable Workweeks set forth in the Notice will govern the Net  
5 Settlement Payments to the members of the Settlement Class. In the event any such challenge is  
6 made by a member of the Settlement Class, the Parties may consider any such evidence offered  
7 by the member of the Settlement Class and the number of Compensable Workweeks as identified  
8 in the Wonderful Defendants' records.

9 43. In the event there is a disparity between the dates a Class Member claims he or she  
10 worked during the Class Period and the dates indicated by the Wonderful Defendants' records,  
11 the Wonderful Defendants' records will control unless inconsistent with paycheck stub(s) (or  
12 bona fide copies thereof) provided by the Class Member, in which case the paycheck stub(s) will  
13 control. The Settlement Administrator shall send written notice of the decision on any such claim  
14 to the Class Member, to Class Counsel, and to counsel for the Wonderful Defendants within ten  
15 (10) calendar days of resolution of the dispute.

16 44. **Opportunity to be Excluded.** In order for any Class Member to validly exclude  
17 himself or herself from the Settlement Class and the non-PAGA portion of the Settlement (i.e., to  
18 validly "Opt-Out"), a written Request for Exclusion must : (i) clearly identify the case name and  
19 number (*Vargas v. Paramount Citrus II LLC., et al.*, Case No. BCV-16-101117); (ii) set forth in  
20 writing "I wish to exclude myself from the settlement, I understand I will not receive payment";  
21 (iii) include the full name, address, telephone number and last four digits of the Social Security  
22 Number of the Class Member; (iv) be signed by the Class Member; and (v) be sent to the  
23 Settlement Administrator, postmarked by no later than the Response Deadline. The Notice (a copy  
24 of which is attached hereto as Exhibit "1") shall contain instructions on how to Opt-Out, including  
25 the requirement to submit a valid Request for Exclusion as described in this Paragraph 44. The  
26 date of the initial mailing of the Notice, and the date the signed Request for Exclusion was  
27 postmarked, shall be conclusively determined according to the records of the Settlement  
28 Administrator. Any Class Member who timely and validly requests exclusion from the Settlement

1 Class and this Settlement will not be entitled to any individual settlement payment, will not be  
2 bound by the terms and conditions of this Settlement, and will not have any right to object, appeal,  
3 or comment thereon. Any Class Member who does not timely mail a valid Request for Exclusion  
4 will be deemed included in the Settlement Class in accordance with this Settlement. Plaintiff  
5 waives any right to be excluded from the Settlement Class. Within ten (10) calendar days after  
6 the Response Deadline, the Settlement Administrator will inform counsel for the Parties via email  
7 of the number of valid Requests for Exclusions it received. No member of the Settlement Class  
8 is permitted to object to or request exclusion from the amounts to be allocated to PAGA.

9 45. Neither Party will encourage any Class Member to opt out of or object to this  
10 Settlement. If a Class Member contacts Class Counsel, Class Counsel may discuss the terms of  
11 the Settlement and the Class Member's options, as stated herein.

12 46. If more than five percent (5%) of the Class Members submit a valid and timely  
13 Request for Exclusion then the Wonderful Defendants shall have, in their sole discretion, the  
14 option to void this Settlement in its entirety, in which case this Agreement shall become null and  
15 void and be of no force and effect.

16 47. **Qualified Settlement Fund.** The Gross Settlement Amount paid by the  
17 Wonderful Defendants shall be deposited into an account established by the Settlement  
18 Administrator as a "Qualified Settlement Fund" within the meaning of Section 468B of the  
19 Internal Revenue Code of 1986, as amended, and Treas. Reg. Section 1.468B-1, *et seq.*, (the  
20 "Settlement Fund") and shall be administered by the Settlement Administrator pursuant to the  
21 final terms of the Settlement as approved by the Court. The Settlement Administrator shall  
22 request and obtain from the IRS an appropriate Tax ID for the Settlement Fund. The Settlement  
23 Administrator shall serve as a Trustee of the Settlement Fund and shall act as a fiduciary with  
24 respect to the handling, management and distribution of the Settlement Fund, including the  
25 handling of all tax-related issues, reporting and payments. The Settlement Administrator shall  
26 act in a manner necessary to qualify and maintain the Settlement Fund as a Qualified Settlement  
27 Fund and the Parties shall cooperate to ensure such treatment and shall not take a position in any  
28 filing or before any tax authority inconsistent with such treatment.

1           48.     After the Settlement Effective Date, the Settlement Administrator shall cause the  
2     Net Settlement Payments, the Enhancement Award, and the attorneys’ fees and costs to be paid  
3     as provided in this Agreement and as approved by the Court. If a check is returned to the  
4     Settlement Administrator as undeliverable, the Settlement Administrator shall promptly attempt  
5     to obtain a valid mailing address by performing a skip trace search and, if another address is  
6     identified, shall mail the check to the newly identified address. Class Members who are sent a  
7     Net Settlement Payment shall have at least 120 calendar days after mailing by the Settlement  
8     Administrator to cash their settlement checks and will be so advised of such deadline. If such  
9     Class Members do not cash their checks within that period, those checks will become void. Five  
10    (5) court days after the 120th calendar day elapses, the Parties shall report to the Court the total  
11    amount that was actually paid to the Class Members who cashed their check(s). Funds  
12    represented by the Settlement checks returned as undeliverable and checks remaining un-cashed  
13    for more than 120 calendar days after issuance will be tendered to the California State Controller’s  
14    Office under the Unclaimed Property Law Statutes.

15   **ATTORNEYS’ FEES AND COSTS**

16           49.     Plaintiff requests, and the Wonderful Defendants shall not oppose, an application  
17    by Class Counsel to the Court seeking an award of attorneys’ fees out of the Gross Settlement  
18    Amount, in an amount not to exceed Seven Hundred Sixty-Five Thousand Nine Hundred Dollars  
19    (\$765,900), which represents approximately one-third (1/3) of the Gross Settlement Amount, to  
20    compensate Class Counsel for all past and future attorneys’ fees necessary to prosecute, settle and  
21    administer the Litigation and this Settlement, including for the work performed and all work  
22    remaining to be performed in documenting the Settlement, securing the Court’s approval of the  
23    Settlement, administering the Settlement, ensuring that the Settlement is fairly administered and  
24    implemented, and obtaining judgment, to be paid out of the Gross Settlement Amount and not  
25    from any additional payment by the Wonderful Defendants .

26           50.     Additionally, Plaintiff requests, and the Wonderful Defendants shall not oppose,  
27    an application by Class Counsel to the Court seeking payment to Class Counsel of their reasonable  
28    litigation costs out of the Gross Settlement Amount, in an amount not to exceed Forty-Five



1 Thousand Dollars (\$45,000.00), to compensate Class Counsel for all past and future attorneys'  
2 costs and expenses necessary to prosecute, settle and administer the Litigation and implementing  
3 the terms of this Settlement incurred by Class Counsel, to be paid out of the Gross Settlement  
4 Amount and not from any additional payment by the Wonderful Defendants.

5 51. Any attorneys' fees or costs awarded to Class Counsel by the Court shall be  
6 deducted from the Gross Settlement Amount for the purpose of determining the Net Settlement  
7 Amount. The Parties further agree that this Settlement is not conditioned on the Court awarding  
8 the full amount of attorneys' fees and costs requested by Class Counsel and if the Court should  
9 approve a lesser percentage or amount of fees and/or costs than the amount that Class Counsel  
10 ultimately seeks, then the unapproved portion or portions shall become part of the Net Settlement  
11 Amount and shall be distributed to Class Members on a pro rata basis based on the total number  
12 of Compensable Workweeks. The Settlement Administrator will issue an IRS Form 1099 to Class  
13 Counsel with respect to the fees and costs awarded to Class Counsel.

14 **ENHANCEMENT AWARD TO PLAINTIFF**

15 52. The Wonderful Defendants shall not oppose an application by Plaintiff to the Court  
16 for, and Plaintiff shall not seek or receive an amount in excess of Ten Thousand Dollars  
17 (\$10,000.00) as, an enhancement for his service as the Class Representative and for his  
18 participation in and assistance with the Litigation (the "Enhancement Award"), to be paid out of  
19 the Gross Settlement Amount. Any Enhancement Award shall be subject to approval by the Court  
20 and conditioned on Plaintiff's execution of the General Release set forth in Paragraph 30 above  
21 (which Plaintiff shall be deemed to have executed by signing this Stipulation). Any Enhancement  
22 Award shall be in addition to any payment Plaintiff may otherwise receive as a Class Member  
23 and shall be deducted from the Gross Settlement Amount for the purpose of determining the Net  
24 Settlement Amount. Plaintiff understands and agrees that this Settlement is not conditioned on  
25 the Court awarding the full amount of the Enhancement Award requested by Plaintiff and that if  
26 the Court approves an enhancement of less than Ten Thousand Dollars (\$10,000.00) to Plaintiff,  
27 the amount not awarded shall become part of the Net Settlement Amount and shall be distributed  
28 to the Class Members on a pro rata basis based on the total number of Compensable Workweeks.

1 The Settlement Administrator will issue an IRS Form 1099 to Plaintiff for his enhancement  
2 payment, and Plaintiff will be fully responsible for correctly characterizing this compensation for  
3 tax purposes and for paying any taxes owing on said amount.

4 **PAGA**

5 53. A total of Fifty Thousand Dollars (\$50,000.00) shall be paid out of the Gross  
6 Settlement Amount in settlement of all Covered Claims for civil penalties asserted under the  
7 PAGA (the “PAGA Payment Amount”). Within thirty (30) calendar days of the Final Judgment,  
8 the Settlement Administrator shall send an amount totaling seventy-five percent (75%) of the  
9 PAGA Payment Amount (i.e., Thirty-Seven Thousand Five Hundred Dollars (\$37,500.00)) to the  
10 LWDA. The remaining twenty-five percent (25%) (i.e., Twelve Thousand Five Hundred Dollars  
11 (\$12,500.00)) shall be distributed by the Settlement Administrator to the Class Members on a pro  
12 rata basis based on the total number of Compensable Workweeks.

13 54. If the Court orders that a larger amount must be paid in settlement of claims for  
14 PAGA civil penalties, the amount ordered by the Court shall be paid from the Gross Settlement  
15 Amount and the Wonderful Defendants will not be required to contribute any additional amount  
16 above the Gross Settlement Amount.

17 **TAX RESPONSIBILITY**

18 55. Neither the Wonderful Defendants nor Class Counsel are making any  
19 representations as to the tax treatment or legal effect of the payments called for under this  
20 Settlement, and Plaintiff and the Class Members are not relying on any statement or representation  
21 by Class Counsel or the Wonderful Defendants in this regard. Additionally, notwithstanding any  
22 prior agreement, practice or policy of the Wonderful Defendants or any other Released Party to  
23 the contrary, Plaintiff and each Class Member shall be solely and fully responsible for any and all  
24 taxes under all federal, state and local tax laws with respect to such Class Member’s Net  
25 Settlement Payment, except for the Employee Taxes withheld by the Settlement Administrator  
26 and the Employer Taxes to be paid by the Settlement Administrator.

27 **COURT APPROVAL**

28 56. This Agreement and the Settlement are contingent upon the Court granting Final

1 Approval of the Settlement and entering Final Judgment. Plaintiff and the Wonderful Defendants  
2 agree to take all steps as may be reasonably necessary to secure both Preliminary Approval and  
3 Final Approval of the Settlement by the Court, to the extent not inconsistent with the terms of this  
4 Agreement, and will not take any action adverse to each other in obtaining the Court's Final  
5 Approval of the Settlement in all respects. Plaintiff and the Wonderful Defendants expressly  
6 agree that they will not file any objection (as opposed to request for correction) to the terms of  
7 this Stipulation or the Settlement or assist or encourage any person or entity to file any such  
8 objection.

9 57. Promptly upon the execution of this Stipulation, Plaintiff shall file a motion for  
10 Preliminary Approval of the Settlement (which the Wonderful Defendants shall not oppose),  
11 subject to final review and approval by the Wonderful Defendants prior to filing. Specifically,  
12 Plaintiff will apply to the Court for the entry of an Order:

- 13 (a) That the proposed Settlement should be preliminarily approved as fair,  
14 reasonable and adequate as to the Class;
- 15 (b) Approving as to form and content the proposed Notice to the Class;
- 16 (c) Directing the mailing of the Notice by first-class mail to the Class  
17 Members;
- 18 (d) Preliminarily certifying the Class for purposes of Settlement only;
- 19 (e) Approving Class Counsel, the Class Representative, and the Settlement  
20 Administrator; and
- 21 (f) Setting a final approval hearing date with sufficient time to allow the  
22 Parties and the Settlement Administrator to complete the Notice process,  
23 calculate the settlement payments and tax and reporting obligations, and  
24 prepare and file the Motion for Final Approval.

25 58. After completion of the Notice process, Class Counsel shall be responsible for  
26 preparing and filing the Motion for Final Approval with the Court in sufficient time prior to the  
27 final approval hearing date, including all necessary supporting Declarations, [Proposed] Orders  
28 and Judgment, motions for attorneys' fees and costs, and the Enhancement Award, but all subject

1 to final review and approval by the Wonderful Defendants prior to filing with the Court.

2 59. Counsel for the Parties shall have the right, subject to approval by the Court as to  
3 the new date, to continue or reschedule the original scheduled final approval hearing date without  
4 providing any notice to the Class Members of the new date for the hearing, except for any Class  
5 Members who have timely submitted any Objections to the Settlement.

6 **MISCELLANEOUS PROVISIONS**

7 60. This Stipulation constitutes the entire agreement between Plaintiff and the  
8 Wonderful Defendants. Except as expressly provided herein, this Stipulation has not been  
9 executed in reliance upon any other written or oral representations or terms, and no such extrinsic  
10 oral or written representations or terms shall modify, vary or contradict its terms. In entering into  
11 this Stipulation, the Parties agree that this Stipulation is to be construed according to its terms and  
12 may not be varied or contradicted by extrinsic evidence. The Stipulation will be interpreted and  
13 enforced under the laws of the State of California, both in its procedural and substantive aspects,  
14 without regard to conflict of laws provisions. Any claim arising out of or relating to the  
15 Stipulation, or the subject matter hereof, will be resolved solely and exclusively in the Superior  
16 Court of the State of California for the County of Kern, and Plaintiff and the Wonderful  
17 Defendants hereby consent to the personal jurisdiction of the Court over them solely in connection  
18 therewith. Plaintiff, on his own behalf and on behalf of the Settlement Class, and the Wonderful  
19 Defendants participated in the negotiation and drafting of this Stipulation. As such, neither  
20 Plaintiff nor the Wonderful Defendants may claim that any ambiguity in this Stipulation should  
21 be construed against the other.

22 61. The terms and conditions of this Stipulation constitute the exclusive and final  
23 understanding and expression of all agreements between Plaintiff and the Wonderful Defendants  
24 with respect to the Settlement of the Litigation. The Stipulation may be modified only by a  
25 writing signed by the original signatories and approved by the Court.

26 62. Plaintiff, the Wonderful Defendants, and their respective attorneys shall proceed  
27 diligently to prepare and execute all documents, to seek the necessary Court approvals, and to do  
28 all things reasonably necessary or convenient to consummate the Stipulation as expeditiously as

1 possible.

2 63. The Stipulation may be executed in one or more actual or non-original  
3 counterparts, all of which will be considered one and the same instrument and all of which will  
4 be considered duplicate originals.

5 64. Each individual signing below warrants that he or she has the authority to execute  
6 this Stipulation on behalf of the party for whom or which that individual signs.

7 65. Plaintiff, members of the Settlement Class, Class Counsel and the Wonderful  
8 Defendants are direct beneficiaries of this Stipulation, but there are no third party beneficiaries  
9 (other than the Released Parties with respect to any claims released hereunder).

10 66. To the extent that any deadline set forth in this Stipulation falls on a Saturday,  
11 Sunday, or legal holiday, that deadline shall be continued until the following business day.

12 67. In the event that any one or more of the provisions contained in this Stipulation  
13 shall for any reason be held invalid, illegal, or unenforceable in any respect, such invalidity,  
14 illegality, or unenforceability shall in no way effect any other provision if the Wonderful  
15 Defendants and Class Counsel, on behalf of the Parties and the Settlement Class, mutually elect  
16 in writing to proceed as if such invalid, illegal, or unenforceable provision had never been  
17 included in this Stipulation.

18 68. If the Court does not grant final approval of this Settlement, or if any part of the  
19 Court's final approval of this Settlement is reversed, then this Settlement will become null and  
20 void. In such case, the Settlement shall not be used or be admissible in any subsequent  
21 proceedings in any Court or forum.

22 69. The Parties represent, covenant, and warrant that they have not directly or  
23 indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any  
24 person or entity any portion of any liability, claim, demand, action, cause of action, or right  
25 released and discharged in this Settlement.

26 70. Nothing contained in this Stipulation shall be construed or deemed an admission  
27 of liability, culpability, negligence, or wrongdoing on the part of the Wonderful Defendants. Each  
28 of the Parties has entered into this Stipulation with the intention to avoid further disputes and

1 litigation with the attendant inconvenience and expense. This Stipulation shall be inadmissible in  
2 evidence in any proceeding, except an action or proceeding to approve, interpret, or enforce its  
3 terms. In connection with any such proceeding to approve, interpret or enforce the Stipulation,  
4 the Parties agree that this Stipulation shall be binding and enforceable between them, and  
5 admissible in a Court of law, including for purposes of California Evidence Code section 1123.

6 71. In the event that one or more of the Parties institutes any legal action, or other  
7 proceeding against any other Party or Parties to enforce the provisions of this Stipulation, or to  
8 declare rights or obligations under this Stipulation, the successful Party or Parties shall be entitled  
9 to recover from the unsuccessful Party or Parties reasonable attorneys' fees and costs incurred in  
10 connection with any enforcement actions.

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

13 73. Neither Class Counsel nor counsel for the Wonderful Defendants intend anything  
14 contained in this Stipulation to constitute legal advice regarding the taxability of any amount paid  
15 hereunder, nor shall it be relied upon as such.

16 74. **Mutual Agreement to Cooperate.** The Parties acknowledge that it is their intent  
17 to consummate this Stipulation, and they agree to cooperate to the extent reasonably necessary to  
18 effectuate and implement all terms and conditions of this Stipulation and to exercise their best  
19 efforts to accomplish the foregoing terms and conditions of this Stipulation. The Parties agree that  
20 they will not solicit, facilitate, or assist in any way, requests for exclusions or objections by  
21 putative or actual Class Members. Class Counsel recognize that they have an obligation to  
22 support the Stipulation and to seek the Court's approval of its terms. Class Counsel will abide by  
23 all applicable and governing ethical rules, opinions, and obligations precluding their  
24 representation of opt-outs.

25 75. **Waiver of Right to Appeal.** The Wonderful Defendants, Plaintiff and those Class  
26 Members who did not timely file and serve an objection to the Settlement, hereby waive any and  
27 all rights to appeal from the Final Approval of the Settlement, including all rights to any post-  
28 judgment proceeding and appellate proceeding, such as motion to vacate or set-aside judgment, a

1 motion for new trial, and any extraordinary writ, and the Final Approval of the Settlement  
2 therefore will become final and non-appealable at the time it is entered. This waiver does not  
3 include any waiver of the right to oppose any appeal, appellate proceedings, or post-judgment  
4 proceedings.

5           76.     **Confidentiality and Limitation on Publicity.** Although this Stipulation is not  
6 confidential, the Parties and their respective counsel agree that prior to the filing of the motion  
7 for preliminary approval, they will keep all settlement negotiations and/or communications  
8 leading up to the execution of this Stipulation strictly confidential. Class Counsel also agrees that  
9 they will not mention or use the names of Wonderful Defendants in any public  
10 communication/statement, advertisement, website, or social media post and shall not issue any  
11 press release or statements to the media, or otherwise publicize in any medium, including but not  
12 limited to any social media site, website postings, internet blog, chatrooms, Facebook, law firm  
13 website, or other social media postings, any information regarding the Litigation, the Wonderful  
14 Defendants, the Settlement or this Stipulation, and they agree not to otherwise publicize any  
15 information regarding the settlement other than pursuant to the Court-authorized Notice or in any  
16 documents filed with the Court in order to effectuate this settlement. If Class Counsel breach this  
17 clause, the Wonderful Defendants shall be entitled to recover from Plaintiff's counsel liquidated  
18 damages in the amount of \$30,000 for each separate and independent breach. The Parties agree  
19 that a breach of this clause is limited to those prohibitions listed above and that multiple separate  
20 and independent breaches do no to occur because Class Counsel identifies the Wonderful  
21 Defendants by name on a website that is maintained over a period of days on a singular website,  
22 for example. Such occurrence would constitute a singular actionable breach. If, however, Class  
23 Counsel publicizes such statements on multiple websites, for example, each such occurrence  
24 constitutes a separate and independent breach actionable under this clause. A breach of this clause  
25 does not include the publicizing of this settlement or identification of the defendants by any third  
26 party who is not under the control of Class Counsel. The Parties also agree that any claim for  
27 breach of this clause shall be settled by final and binding arbitration in Los Angeles, California,  
28 before a single arbitrator, in accordance with the American Arbitration Association rules. The

1 prevailing party in an action to enforce this provision will be entitled to their reasonable attorneys'  
2 fees and costs, including costs of arbitration. However, nothing herein shall prohibit (i) the  
3 Wonderful Defendants or their counsel from making any necessary, appropriate or required  
4 disclosures to government regulators, auditors and the like, or to any putative class member  
5 asserting any similar claim and/or to such counsel to notify them of the Settlement; or (ii) the  
6 Parties and their counsel from making any appropriate disclosures to their respective spouses,  
7 personal attorney(s), accountant(s), insurer(s) and/or financial advisor(s). This provision does not  
8 limit or restrict the ability of Class Counsel to file this Stipulation with the Court in connection  
9 with the settlement approval process. Further, nothing herein shall prevent Class Counsel from  
10 referring or citing to the Litigation and the pleadings and other papers filed in obtaining approval  
11 of this Stipulation in any court filings and proceedings in other cases for the purposes of  
12 demonstrating their experience and adequacy as Class Counsel.

13 77. IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on  
14 the dates indicated below.



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Dated: 10-28-19

DANIEL VARGAS

*Daniel Vargas*

Dated:

WONDERFUL CITRUS II LLC

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

Title: \_\_\_\_\_

Dated:

ROLL LAW GROUP

By: \_\_\_\_\_  
Brooke Hammond

Attorneys for the Wonderful Defendants

Dated: 10/28/19

BRADLEY/GROMBACHER, LLP

By: *May 201*  
Marcus J. Bradley  
Kiley L. Grombacher

Attorneys for Plaintiff

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Dated:

DANIEL VARGAS

Dated: *October 14, 2019*

WONDERFUL CITRUS II LLC

By: *Craig Cozger*  
Title: *SVP*

Dated: *October 17, 2019*

ROLL LAW GROUP

By: *[Signature]*  
Brooke Hammond

Attorneys for the Wonderful Defendants

Dated:

BRADLEY/GROMBACHER, LLP

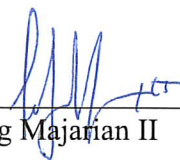
By: \_\_\_\_\_  
Marcus J. Bradley  
Kiley L. Grombacher

Attorneys for Plaintiff

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Dated: 10/11/18

LAW OFFICES OF SAHAG MAJARIAN II

By:   
Sahag Majarian II

Attorneys for Plaintiff