Docusign Env	 elope ID: C7539759-4A1E-4337-822B-A7515786A21F 		
1			
2			
3			
4			
5			
6			
7			
8	SUPERIOR COURT OF TH	IE STATE OF CALII	FORNIA
9	COUNTY OF	LOS ANGELES	
10		C N MCTCV	11001
11 12	EDITH FLORES, individually and on behalf of others similarly situated, and as an aggrieved employee and Private Attorney General,	Case No.: 24STCV01801 Assigned for All Purposes to: Hon. Carolyn B. Kuhl, Dept. 12	
13	Plaintiff,	B. Rum, Dept. 12	
14	VS.	JOINT STIPULATION OF CLASS ACTION AND PAGA SETTLEMENT	
15	COAST PRODUCE COMPANY, a		
16	California corporation; PARTNERS	~ 1 . 54 .	
17	PERSONNEL – MANAGEMENT SERVICES, LLC, a Delaware limited liability	Complaint Filed: FAC Filed: Trial Date:	January 23, 2024 May 21, 2024 None Set
18	company; and DOES 1 through 50, inclusive,	Illai Date.	None Set
19	Defendants		
20			
21			
22			
23			
24 25			
26			
27			
28			

JOINT STIPULATION OF CLASS ACTION AND PAGA SETTLEMENT

This Joint Stipulation of Class Action and PAGA Settlement is entered into by and between Plaintiff Edith Flores ("Plaintiff"), individually and on behalf of all other similarly situated and alleged aggrieved employees, and as a representative of the State of California, on the one hand, and Defendants Coast Produce Company ("Coast Produce") and Partners Personnel – Management Services, LLC ("Partners Personnel") (Coast Produce and Partners Personnel are jointly referred to as "Defendants"), on the other hand, in the lawsuit entitled *Edith Flores v. Coast Produce Company, et al.*, filed in the Los Angeles County Superior Court, Case No. 24STCV01801. Plaintiff and Defendants shall be collectively referred to as the "Parties." This Agreement is intended by the Parties to fully, finally, and forever resolve the claims as set forth herein, based upon and subject to the terms and conditions of this Agreement.

DEFINITIONS

- 1. "Agreement" or "Settlement Agreement" means this Joint Stipulation of Class Action and PAGA Settlement.
- 2. "Action" means the court action entitled *Edith Flores v. Coast Produce Company*, *et al.*, filed in the Los Angeles County Superior Court, Case No. 24STCV01801, initiated on or around January 23, 2024, including the claims asserted in the First Amended Complaint filed on May 21, 2024, and the claims asserted in Plaintiff's correspondence dated December 22, 2023 to the Labor and Workforce Development Agency seeking penalties against Defendant for violations under the California Labor Code under the Private Attorneys General Act of 2004 (hereinafter the "LWDA Letter.").
- 3. "Class Counsel" means Heather Davis, Amir Nayebdadash and Carlos Jimenez of Protection Law Group LLP. The term "Class Counsel" shall be used synonymously with the term "Plaintiff's Counsel."
- 4. "Class Counsel's Fees and Costs" means attorneys' fees for Class Counsel's litigation and resolution of the Action and their expenses and costs incurred in connection with the Action, which shall be paid from the Gross Settlement Amount. Class Counsel will request attorneys' fees not to exceed thirty-five percent (35%) of the Gross Settlement Amount, i.e., Three

 Hundred Fifty Thousand Dollars (\$350,000.00), and reasonable costs not to exceed Thirty Thousand Dollars (\$30,000.00), subject to Court approval. Defendants have agreed not to oppose Class Counsel's request for fees and reimbursement of reasonable costs and expenses in the amounts set forth above.

- 5. "Class List" means a complete list of all Class Members that Defendants will in good faith compile from their records and provide to the Settlement Administrator within twenty (20) calendar days after the date on which the Court enters an Order granting Preliminary Approval of this Settlement. The Class List will be formatted in a readable Microsoft Excel spreadsheet and will include each Class Member's: (1) full name; (2) last known home address; (3) last known telephone number; (4) social security number; (5) start and end dates of active employment; (6) total Workweeks during the Class Period; (7) total Workweeks during the PAGA Period; and (8) any other reasonable information required by the Settlement Administrator in order to effectuate the terms of the Settlement. This is a material term of the Settlement, and if Defendants fail to comply, Plaintiff shall have the right to void the Settlement.
- 6. "Class" or "Class Members" means all current and former non-exempt employees of Defendant Coast Produce that worked in the State of California at any time during the Class Period and all current and former non-exempt employees of Defendant Partners Personnel who were placed to work at Coast Produce in the State of California at any time during the Class Period.
- 7. "Class Period" means the period commencing on January 23, 2020, and through and including January 10, 2025.
- 8. "Class Representative" means Plaintiff Edith Flores in her capacity as a representative of the Class Members.
- 9. "Class Representative Enhancement Payment" means the amount that the Court authorizes to be paid to Plaintiff in addition to her Individual Settlement Payment, in recognition of the effort and risk he has taken in assisting with the prosecution of the Action and in exchange for a General Release of her claims as provided herein.
- 10. "Court" means the Superior Court of the State of California for the County of Los Angeles.

- 11. "Defendants" means Coast Produce Company ("Coast Produce") and Partners Personnel Management Services, LLC, ("Partners Personnel") and their past, present, and/or future, direct and/or indirect officers, directors, members, managers, agents, representatives, attorneys, insurers, partners, investors, shareholders, administrators, parent companies, subsidiaries, affiliates, divisions, predecessors, successors, assigns, and joint venturers.
- 12. "Effective Date" means the later of the following: (a) if no timely objections are filed or if all objections are withdrawn, the date upon which the Court enters Final Approval; (b) if an objection is filed and not withdrawn, the date for filing an appeal and no such appeal being filed (c) if any timely appeals are filed, the date of the resolution (or withdrawal) of any such appeal in a way that does not alter the terms of the settlement.
- 13. "Employer Taxes" means employer-funded taxes and contributions imposed on the wage portions of the Individual Settlement Payments under the Federal Insurance Contributions Act (FICA), the Federal Unemployment Tax Act (FUTA), and any similar state and federal taxes and contributions required of employers, such as unemployment insurance.
- 14. "Final Approval" means the date of final affirmation of the Court's signed Order and Judgment granting final approval of this Settlement.
- 15. "General Release" means the broader release of all claims by Plaintiff in the Action, which is in addition to Plaintiff's release of claims as a Participating Class Member.
- 16. "Gross Settlement Amount" means the sum of One Million Dollars and Zero Cents (\$1,000,000.00), which shall be paid by Defendants into a Qualified Settlement Fund (QSF). The Gross Settlement Amount is non-reversionary; no portion of the Gross Settlement Amount will return to Defendants and includes: (1) payments to the Class, (2) Class Counsel's fees, (3) Class Counsel's costs, (4) Settlement Administration Costs, (5) Class Representative Enhancement Payment to Plaintiff; and (6) the PAGA Payment to the LWDA and PAGA Members. The Gross Settlement Amount is exclusive of the employer's share of any applicable payroll taxes, and any such employer-side payroll taxes shall be paid by Defendants separately and in addition to the Gross Settlement Amount. The Gross Settlement Amount plus any applicable employer-side payroll taxes shall be the maximum amount that Defendants are required to pay under the

Settlement. In the event that the consideration due under this Agreement is not paid, then the Settlement is voidable at the option of Plaintiff. Payment shall be made per the terms of this Agreement. If the Agreement is voided, then the time for Plaintiff to bring class and/or aggrieved employee claims, will be tolled from the date that this Agreement is fully executed.

- 17. "Individual Settlement Payment" means the amount payable from the Net Settlement Amount to each Participating Class Member and any payment a PAGA Member is eligible to receive from the employee portion of the PAGA Payment. Individual Settlement Payments shall be paid by a Settlement Check made payable to Participating Class Members and/or PAGA Members.
- 18. "Net Settlement Amount" means the funds available for payments to the Class, which shall be the amount remaining after the following amounts are deducted from the Gross Settlement Amount: (1) Class Counsel's fees, (2) Class Counsel's costs, (3) Settlement Administration Costs, (4) Class Representative Enhancement Payment to Plaintiff; and (5) the PAGA Payment to the LWDA and PAGA Members.
- 19. "Notice" means the Notice of Class Action Settlement in a form substantially similar to the form attached hereto as **Exhibit A**, in both English and Spanish, that will be mailed to Class Members' last known addresses, and which will provide Class Members with information regarding the Action and information regarding the settlement of the Action.
- 20. "PAGA" means the California Labor Code Private Attorneys General Act of 2004 (Cal. Lab. Code §§ 2698, et seq., "PAGA").
- 21. "PAGA Payment" means the payment to the State of California Labor and Workforce Development Agency ("LWDA") for its seventy-five percent (75%) share of the total amount allocated toward penalties under the PAGA and payments to the PAGA Members of their twenty-five percent (25%) share of the total amount allocated toward penalties under the PAGA, all of which are to be paid from the Gross Settlement Amount. Fifty Thousand Dollars and Zero Cents (\$50,000.00) of the Gross Settlement Amount will be allocated toward penalties under PAGA, of which Thirty-Seven Thousand Five Hundred Dollars and Zero Cents (\$37,500.00) will be paid to the LWDA and Twelve Thousand Five Hundred Dollars and Zero Cents (\$12,500.00)

will be distributed to PAGA Members on a pro rata basis based on Workweeks worked by the PAGA Members during the PAGA Period. PAGA Members will receive payment from the employee portion of the PAGA Payment and will be deemed to have released any claims arising out of PAGA regardless of their decision to participate in the class action if the PAGA Payment is approved by the Court.

- 22. "PAGA Period" means the period commencing on December 22, 2022, and through and including January 10, 2025.
- 23. "PAGA Members" means all current and former non-exempt employees of Defendant Coast Produce who worked in the State of California during the PAGA Period and all current and former non-exempt employees of Defendant Partners Personnel who were placed to work at Coast Produce in the state of California at any time during the PAGA Period.
- 24. "Parties" means Plaintiff and Defendants, collectively, and "Party" shall mean either Plaintiff or Defendants, individually.
- 25. "Participating Class Members" means all Class Members who do not submit valid and timely Requests for Exclusion. No claim form is required for a Class Member to become a Participating Class Member.
 - 26. "Plaintiff" means Edith Flores.
- 27. "Preliminary Approval" means the Court order granting preliminary approval of the Settlement Agreement.
- 28. "Objection" means a Class Member's valid and timely written objection to the Settlement Agreement. For a written Objection to be valid, it must be submitted by the Response Deadline and include: (a) the objector's full name, signature, address, telephone number, the approximate dates of employment at Defendants' in California, last four digits of the Class Member's social security number or employee ID number; (b) the case name and number; (c) a written statement of all grounds for the objection accompanied by legal support, if any, for such objection; (d) copies of any papers, briefs, or other documents upon which the objection is based, if any; and (e) a statement describing whether the objector intends to appear at the Final Approval Hearing, either in person or through counsel at the Class Member's expense.

- 29. "Released Class Claims" means all claims, rights, demands, liabilities and causes of actions that are alleged, or reasonably could have been alleged, based on the facts alleged in the operative complaint in the Action, including factual claims regarding Defendants' alleged: (i) failure to pay all regular wages, minimum wages and overtime wages due; (ii) failure to provide meal periods or compensation in lieu thereof; (iii) failure to provide rest periods or compensation in lieu thereof; (iv) failure to pay wages timely at time of termination or resignation; (v) failure to provide timely pay wages during employment; (vi) failure to provide complete, accurate wage statements; and (vii) unfair business practices. This release includes any and all statutes listed in the operative complaint pertaining to claims against Defendants. This release shall apply to claims arising during the Class Period.
- 30. "Released PAGA Claims" means all claims under the California Labor Code Private Attorneys General Act of 2004 for civil penalties that could have been premised on the facts alleged both in Plaintiff's December 22, 2023, PAGA Letter to the LWDA and in the operative complaint, including but not limited to penalties that could have been awarded pursuant to Labor Code sections 210, 226.3, 1197.1, 558, and 2699.
- 31. "Released Parties" means Defendants Coast Produce Company and Partners Personnel Management Services, LLC as named by Plaintiff in the operative complaint, and each of their former and present subsidiaries, affiliates, parents, agents, employees, members, investors, partners, owners, directors, officers, attorneys, trustees, insurers, representatives, predecessors, successors, assigns, shareholders, owners, members, payroll companies, and any other persons acting by through, under, or in concert with any of them (including any alleged joint employers).
- 32. "Request for Exclusion" means a valid and timely written statement submitted by a Class Member requesting to be excluded from the Action. To be effective, the Request for Exclusion must be submitted by the Response Deadline and contain (a) the Class Member's name, signature, address, telephone number, dates of employment at Defendants' in California, and the last four digits of the Class Member's Social Security number and/or the Employee ID number (b) the case name and number; and (c) a clear statement requesting to be excluded from the settlement of the class claims similar to the following: "I wish to exclude myself from the class settlement

reached in the matter of "Edith Flores v. Coast Produce Company, et al.", filed in the Los Angeles County Superior Court, Case No. 24STCV01801, I understand that by excluding myself, I will not receive money from the settlement of my individual claims." To be effective, the Request for Exclusion must be post-marked by the Response Deadline and received by the Settlement Administrator. The Request for Exclusion shall not be effective as to the Released PAGA Claims as Class Members have no right to exclude themselves (opt-out) of the PAGA component of the Settlement.

- 33. "Response Deadline" shall be sixty (60) calendar days after the Settlement Administrator mails Notice to Class Members and the last date on which Class Members may submit Requests for Exclusion, Objections to the Settlement, or Workweek Disputes. In the event the 60th day falls on a Sunday or Federal holiday, the Response Deadline will be extended to the next day on which the U.S. Postal Service is open. The Response Deadline for Requests for Exclusion or Objections will be extended fifteen (15) calendar days for any Class Member who is re-mailed a Notice by the Settlement Administrator, unless the 15th day falls on a Sunday or Federal holiday, in which case the Response Deadline will be extended to the next day on which the U.S. Postal Service is open. The Response Deadline may also be extended by express agreement between Class Counsel and Defendants. Under no circumstances, however, will the Settlement Administrator have the authority to unilaterally extend the deadline for Class Members to submit a Request for Exclusion or Objection to the Settlement.
 - 34. "Settlement" means the disposition of the Action pursuant to this Agreement.
- 35. "Settlement Administrator" means Apex Class Action Settlement Administrators. The Parties each represent that they do not have any financial interest in the Settlement Administrator or otherwise have a relationship with the Settlement Administrator that could create a conflict of interest.
- 36. "Settlement Administration Costs" mean the costs payable from the Gross Settlement Amount to the Settlement Administrator for administering this Settlement, including, but not limited to, printing, distributing, and tracking documents for this Settlement, calculating/confirming the class member Workweeks from the information contained in the Class

List, calculating each Participating Class Member's Individual Settlement Payment, tax reporting, distributing the Gross Settlement Amount, providing necessary reports and declarations, and other duties and responsibilities set forth herein to process this Settlement, and as requested by the Parties. Settlement Administration Costs shall not exceed Eleven Thousand Dollars and Zero Cents (\$11,000.00).

37. "Workweek" shall mean any calendar week during which a Class Member/PAGA Member performed work at least one (1) day based on Defendants' records during the Class Period and/or PAGA Period.

TERMS OF AGREEMENT

- 38. <u>Settlement Consideration</u>: Defendants shall fund the Gross Settlement Amount and all applicable employer-side payroll taxes following Final Approval by the Court and pursuant to Paragraph 39 herein. The following will be paid out of the Gross Settlement Amount: the sum of the Individual Settlement Payments, the Class Representative Enhancement Payments, Class Counsel's Fees and Costs, the PAGA Payment, and the Settlement Administration Costs, as specified in this Agreement. Except for any employer-side payroll taxes due on the Individual Settlement Payments, or as a result of a potential increase in the number of Workweeks as set forth below in paragraph 39, Defendants shall not be required to pay more than the Gross Settlement Amount and all applicable employer-side payroll taxes. The Gross Settlement Amount is non-reversionary; no portion of the Gross Settlement Amount will revert back to Defendants.
- 39. Potential Increase to the Gross Settlement Amount: Defendants represented there were approximately 23,677 Workweeks worked by 570 Class Members within the Class Period. Should the actual number of Workweeks increase by more than ten percent (10%) (i.e., by more than 2,368 additional Workweeks), Defendants shall have the option to either: (a) increase the Gross Settlement Amount on a pro-rata basis equal to the percentage increase in Workweeks above 10% (for example, if the number of Workweeks increases by 11%, the Gross Settlement Amount will increase by 1%; or (b) adjust the end of the Class Period to a date where the qualifying Workweeks will not exceed 26,045.

- 40. Funding of the Gross Settlement Amount: Within thirty (30) calendar days of the Effective Date of the Settlement, as defined in this Agreement, Defendants will deposit 50% of the Gross Settlement Amount into a Qualified Settlement Fund ("QSF") to be established by the Settlement Administrator subject to the escalator clause in paragraph 39. The remaining 50% of the Gross Settlement Amount shall be deposited within six (6) months of the Effective Date subject to the escalator clause in paragraph 39. Defendants shall provide all information necessary for the Settlement Administrator to calculate necessary payroll taxes, including its official name, 8-digit state unemployment insurance tax ID number, and other information requested by the Settlement Administrator, no later than seven (7) calendar days after the Effective Date. This information shall be kept confidential from Plaintiff. Defendants may not vary from the Court-approved scheduling for the funding of the Gross Settlement Amount unless the Parties agree otherwise; it is not anticipated there would be a need to alter the funding date. If Defendants have an objection to the Court-approved funding timeline, Defendants must seek *ex parte* relief from the Court about its objection, unless Plaintiff agrees with Defendants otherwise.
- 41. <u>Distribution of the Gross Settlement Amount</u>: After Court approval and no later than seven (7) calendar days of the funding of the Settlement, the Settlement Administrator will issue payments for: (a) Individual Settlement Payments; (b) the PAGA Payment to the Labor and Workforce Development Agency; (c) the Class Representative Enhancement Payments; (d) Class Counsel's Fees and Costs and (e) Settlement Administration Costs.
- 42. Attorneys' Fees and Costs: Defendants agree not to oppose any application or motion by Class Counsel for attorneys' fees of up to Thirty-Five Percent (35%) of the Gross Settlement Amount, i.e., Three Hundred Fifty Thousand Dollars and Zero Cents (\$350,000.00), plus the reimbursement of reasonable costs and expenses associated with the litigation and settlement of the Action, in an amount not to exceed Thirty Thousand Dollars and Zero Cents (\$30,000.00), both of which will be paid from the Gross Settlement Amount. Any portion of the requested fees or costs that is not awarded to Class Counsel shall be reallocated to the Net Settlement Amount and distributed to Participating Class Members as provided in this Agreement.

- 43. <u>Class Representative Enhancement Payment</u>: Defendants agree not to oppose or object to any application or motion by Plaintiff for a Class Representative Enhancement Payment of Ten Thousand Dollars and Zero Cents (\$10,000.00). The Class Representative Enhancement Payment is in exchange for the General Release of the Plaintiff's individual claims and for her time, effort, and risk in bringing and prosecuting the Action. Any portion of the requested Class Representative Enhancement Payment that is not awarded to the Class Representative shall be reallocated to the Net Settlement Amount and distributed to Participating Class Members as provided in this Agreement.
- 44. <u>Settlement Administration Costs</u>: The Settlement Administrator will be paid for the reasonable costs of administration of the Settlement and distribution of payments from the Gross Settlement Amount as further set forth in this Agreement. Settlement Administration Costs shall not exceed Eleven Thousand Dollars and Zero Cents (\$11,000.00).
- 45. PAGA Payment: Fifty Thousand Dollars and Zero Cents (\$50,000.00) shall be allocated from the Gross Settlement Amount for settlement of claims for civil penalties under the PAGA. The Settlement Administrator shall pay seventy-five percent (75%) of the PAGA Payment, or Thirty-Seven Thousand Five Hundred Dollars and Zero Cents (\$37,500.00), to the California Labor and Workforce Development Agency ("LWDA"). Twelve Thousand Five Hundred Dollars and Zero Cents (\$12,500.00) will be distributed to PAGA Members on a pro rata basis based on the total number of Workweeks worked by each PAGA Member during the PAGA Period. PAGA Members shall receive their portion of the PAGA Payment and will be deemed to have released any claims arising out of PAGA regardless of their decision to opt out of the class settlement
- 46. <u>Net Settlement Amount for Payment of Class Claims</u>: The Net Settlement Amount will be used to satisfy the class portion of Participating Class Members Individual Settlement Payments in accordance with the terms of this Agreement. The estimated Net Settlement Amount is as follows:

Gross Settlement Amount	\$ 1,000,000.00
Enhancement Payment:	\$ 10,000.00
Class Counsel's Fees:	\$ 350,000.00

Estimated Net Settlement Amount	\$ 549,000.00
Settlement Administration Costs:	\$ 11,000.00
PAGA Payment	\$ 50,000.00
Class Counsel's Costs:	\$ 30,000.00

- 47. <u>Individual Settlement Payment Calculations</u>: Individual Settlement Payments will be paid from the Net Settlement Amount in addition to the 25% portion of the PAGA Payment allocated for PAGA Members and shall be paid pursuant to the formula set forth herein:
- a) <u>Calculation of Class Portion of Individual Settlement Payments:</u>
 The Settlement Administrator will calculate the total Workweeks for all Participating Class Members by adding the number of Workweeks worked by each Participating Class Member during the Class Period. The respective Workweeks for each Participating Class Member will be divided by the total Workweeks for all Participating Class Members, resulting in the Payment Ratio for each Participating Class Member. Each Participating Class Member's Payment Ratio will then be multiplied by the Net Settlement Amount to calculate each Settlement Class Member's estimated share of the Net Settlement Amount: (Participating Class Member's Workweeks ÷ total Workweeks during Class Period) × Net Settlement Amount.
- Calculation of PAGA Portion of Individual Settlement Payments:

 The Settlement Administrator will calculate the total Workweeks for all PAGA Members by adding the number of Workweeks worked by each PAGA Member during the PAGA Period. The respective Workweeks for each PAGA Member will be divided by the total Workweeks for all PAGA Members, resulting in the Payment Ratio for each PAGA Member. Each PAGA Member's Payment Ratio will then be multiplied by the employee portion of the PAGA Payment to calculate each PAGA Member's estimated share of the PAGA Payment: PAGA Member's Workweeks ÷ Workweeks during PAGA Period) × \$12,500.00 (the employee portion of the PAGA Payment). PAGA Members shall receive this portion of their Individual Settlement Payment and will be deemed to have released any claims arising out of PAGA regardless of whether they opt out of the participation regarding the class claims.

- Settlement Payments will be allocated as follows: ten percent (10%) of each Individual Settlement Payment will be allocated as wages, forty-five percent (45%) shall be allocated as interest, and forty-five percent (45%) shall be allocated as penalties. The portion of the Individual Settlement Payment allocated to wages will be reported by the Settlement Administrator on an IRS Form W-2. The remaining non-wage payments will be reported on an IRS Form 1099 by the Settlement Administrator. Individual Settlement Payments shall be paid exclusively from the QSF, pursuant to the settlement formula set forth herein. Also, for tax purposes, the Parties agree that 100% of each PAGA Member's individual PAGA payment amount shall constitute penalties, and each PAGA Member will be issued an IRS Form 1099 for such payment to him or her, if required by law. Neither Counsel for Plaintiff nor Defendants intend anything contained in this Agreement to constitute advice regarding taxes or taxability, nor shall anything in this Agreement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 C.F.R. Part 10, as amended) or otherwise.
- A8. No Credit Toward Benefit Plans: The Individual Settlement Payments made to Participating Class Members under this Settlement, as well as any other payments made pursuant to this Settlement, will not modify any previously credited hours or service under any employee benefit plan, policy, or bonus program sponsored by the Released Parties. Such amounts will not form the basis for additional contributions to, benefits under, or any other monetary entitlement under the Released Parties' sponsored benefit plans, policies, or bonus programs. The payments made under the terms of this Stipulation shall not be applied retroactively, currently, or on a going forward basis, as salary, earnings, wages, or any other form of compensation for the purposes of the Released Parties' benefit plans, policies, or bonus programs. The Released Parties retain the right to modify the language of their benefit plans, policies and bonus programs to effectuate this intent, and to make clear that any amounts paid pursuant to this Settlement are not for "hours worked," "hours paid," "hours of service," or any similar measuring term as defined by applicable plans, policies and bonus programs for purposes of eligibility, vesting, benefit accrual, or any other purpose, and that additional contributions or benefits are not required by this Settlement.

10

12 13

14 15

16 17

18

19 20

21

2223

2425

2627

- 49. <u>Settlement Administration Process</u>: The Parties agree to cooperate in the administration of the Settlement and to make all reasonable efforts to control and minimize the costs and expenses incurred in administration of the Settlement. The Settlement Administrator will provide the following services:
 - a) Establish and maintain a Qualified Settlement Fund.
 - b) Calculate the Individual Settlement Payment each Participating Class Member is eligible to receive and the portion of the PAGA Payment each PAGA Member shall receive.
 - c) Print and mail the Notice.
 - d) Conduct additional address searches for mailed Notices that are returned as undeliverable.
 - e) Process Requests for Exclusion, field inquiries from Class Members.
 - f) Print and issue and issue Settlement Payment Checks, prepare IRS W2 and 1099

 Tax Forms and any other filings required by any governmental taxing authority.
 - g) Provide declarations and/or other information to this Court as requested by the Parties and/or the Court regarding the settlement administration process.
 - h) Provide weekly status reports to counsel for the Parties.
 - i) Posting a notice of final judgment online at Settlement Administrator's website.
 - j) Translate the Notice from English to Spanish.
- 50. <u>Delivery of the Class List</u>: Within twenty (20) calendar days of Preliminary Approval, Defendants will provide the Class List to the Settlement Administrator, which will be kept confidential from Plaintiff and Class Counsel.
- 51. <u>Notice by First-Class U.S. Mail</u>: Within seven (7) calendar days after receiving the Class List from Defendants, the Settlement Administrator will mail the Notice to all Class Members via regular First-Class U.S. Mail, using the most current, known mailing addresses identified in the Class List.
- 52. <u>Confirmation of Contact Information in the Class List</u>: Prior to mailing, the Settlement Administrator will perform a search based on the National Change of Address Database

for information to update and correct for any known or identifiable address changes. Any Notice returned to the Settlement Administrator as non-deliverable on or before the Response Deadline will be sent promptly via regular First-Class U.S. Mail to the forwarding address affixed thereto and the Settlement Administrator will indicate the date of such re-mailing on the Notice. If no forwarding address is provided, the Settlement Administrator will promptly attempt to determine the correct address using a skip-trace, or other search using the name, address telephone number and/or Social Security number of the Class Member involved and will then perform a single remailing. If any notice sent to a Class Member by the Settlement Administrator is returned as undeliverable to a current employee, then Defendants shall make all reasonable efforts to obtain the current address from the Class Member and provide the same within seven (7) calendar days of notice from the Settlement Administrator. Those Class Members who receive a re-mailed Notice, whether by skip-trace or by request, will have between the later of (a) an additional fifteen (15) calendar days or (b) the Response Deadline to postmark a Request for Exclusion, or an Objection to the Settlement.

- 53. Notice: All Class Members will be mailed a Notice. Each Notice will provide: (a) information regarding the nature of the Action; (b) a summary of the Settlement's principal terms; (c) the Class definition; (d) the total number of Workweeks each respective Class Member worked for Defendant during the Settlement Class Period; (e) each Class Member's estimated Individual Settlement Payment and the formula for calculating Individual Settlement Payments; (f) the dates which comprise the Class Period; (g) the deadlines by which the Class Member must postmark Requests for Exclusion, Objections to the Settlement, or Workweek Disputes; (h) the claims to be released, as set forth herein; and (j) the date for the final approval hearing.
- 54. <u>Disputed Information on Notice</u>: Class Members will have an opportunity to dispute the information provided in their Notice. To the extent Class Members dispute the number of Workweeks with which they have been credited or the amount of their Individual Settlement Payment, Class Members may produce evidence to the Settlement Administrator showing that such information is inaccurate. Absent evidence rebutting Defendants' records, Defendants' records will be presumed determinative. However, if a Class Member produces evidence to the

contrary by the Response Deadline, the Parties will evaluate the evidence submitted by the Class Member and the Parties will make the final decision as to the number of eligible Workweeks that should be applied and/or the Individual Settlement Payment to which the Class Member may be entitled, in the event that Defendants cannot make this determination themselves. If the Parties do not agree, the dispute will be submitted to the Court.

- 55. <u>Defective Submissions</u>: If a Class Member's Request for Exclusion is defective as to the requirements listed herein, that Class Member will be given an opportunity to cure the defect(s). The Settlement Administrator will mail the Class Member a cure letter within three (3) business days of receiving the defective submission to advise the Class Member that his or her submission is defective and that the defect must be cured to render the Request for Exclusion valid. The Class Member will have until the later of (a) the Response Deadline or (b) fifteen (15) calendar days from the date of the cure letter, whichever date is later, to postmark a revised Request for Exclusion. If a Class Member responds to a cure letter by filing a defective claim, then the Settlement Administrator will have no further obligation to give notice of a need to cure. If the revised Request for Exclusion is not postmarked within that period, it will be deemed untimely.
- Action must sign and postmark a written Request for Exclusion to the Settlement Administrator by the Response Deadline. The Request for Exclusion must include (a) the Class Member's name, signature, address, telephone number, dates of employment at Defendants in California, and the last four digits of the Class Member's Social Security number and/or the Employee ID number; (b) the case name and number; and (c) a clear statement requesting to be excluded from the settlement of the class claims similar to the following: "I wish to exclude myself from the class settlement reached in the matter of *Edith Flores v. Coast Produce Company, et al.*, filed in the Los Angeles County Superior Court, Case No. 24STCV01801, I understand that by excluding myself, I will not receive money from the settlement of my individual claims." The date of the postmark on the return mailing envelope receipt confirmation will be the exclusive means to determine whether a Request for Exclusion has been timely submitted. To be effective, the Request for Exclusion must be post-marked by the Response Deadline and received by the Settlement

Administrator. All Requests for Exclusion will be submitted to the Settlement Administrator, who will certify jointly to Class Counsel and Defendants' counsel the Requests for Exclusion that were timely submitted. All Class Members who do not request exclusion from the Action will be bound by all terms of the Settlement Agreement if the Settlement is granted final approval by the Court and deemed Effective under this Agreement. The Request for Exclusion shall not be effective as to the release of claims arising under the Private Attorneys General Act.

- 57. <u>Defendants' Right to Rescind</u>: If Class Members representing more than five percent (5%) of the Class opt out of the Settlement, Defendants may, at their election, rescind the Settlement Agreement, rendering all actions taken in furtherance of it null and void. Defendants must give written notice to Class Counsel of their intent to rescind the Agreement within fourteen (14) calendar days of the Settlement Administrator notifying the Parties of the opt-outs. If Defendants exercise their right to rescind the Agreement, Defendants shall be responsible for all Settlement Administration Costs incurred to the date of rescission. In such a case, the Parties and any funds to be awarded under this Settlement Agreement shall be returned to their respective statuses as of the date and time immediately prior to the execution of this Agreement, and the Parties shall proceed in all respects as if this Settlement Agreement had not been executed, except that any fees already incurred by the Settlement Administrator shall be paid by Defendants.
- 58. Settlement Terms Bind All Class Members Who Do Not Opt-Out: Upon the complete funding of the Gross Settlement Amount and all applicable employer-side payroll taxes, any Class Member who does not affirmatively opt-out of the Settlement by submitting a timely and valid Request for Exclusion will be bound by all of its terms, including those pertaining to the Released Class Claims, as well as any Judgment that may be entered by the Court if it grants final approval to the Settlement. Class Members who opt-out of the Settlement shall not be bound by such Judgment or release. The names of Class Members who have opted-out of the settlement shall be disclosed to the Counsel for both Plaintiff and Defendants and noted in the proposed Judgment submitted to the Court.
- 59. <u>Objection Procedures</u>: To object to the Settlement, a Participating Class Member must postmark a valid Objection to the Settlement Administrator on or before the Response

1 D
2 in
3 te
4 ar
5 T
6 O
7 w
8 A
9 Pa

Deadline. The Objection must be signed by the Participating Class Member and contain all information required by this Settlement Agreement including the employees full name, address, telephone number, the last four digits of their social security number and/or Employee ID number, and the specific reason including any legal grounds for the Participating Class Members objection. The postmark date will be deemed the exclusive means for determining that the Notice of Objection is timely. Participating Class Members who fail to object in the manner specified above will be foreclosed from making a written objection, but shall still have a right to appear at the Final Approval Hearing in order to have their objections heard by the Court. At no time will any of the Parties or their counsel seek to solicit or otherwise encourage Participating Class Members to submit written objections to the Settlement or appeal from the Order and Judgment. Class Counsel will not represent any Class Members with respect to any objections to this Settlement.

- 60. <u>Certification Reports Regarding Individual Settlement Payment Calculations</u>: The Settlement Administrator will provide Defendants' counsel and Class Counsel a weekly report which certifies: (a) the number of Class Members who have submitted valid Requests for Exclusion; (b) the number of Notices returned and re-mailed and (c) whether any Class Member has submitted a challenge to any information contained in the Notice. Additionally, the Settlement Administrator will provide to counsel for both Parties any updated reports regarding the administration of the Settlement Agreement as needed or requested.
- 61. <u>Uncashed Settlement Checks</u>: Any checks issued by the Settlement Administrator to Participating Class Members and PAGA Members will be negotiable for at least one hundred eighty (180) calendar days. If a Participating Class Member or PAGA Member does not cash his or her Settlement Check or PAGA Payment check within 180 days, the uncashed funds, subject to Court approval, shall be distributed to the Controller of the State of California to be held pursuant to the Unclaimed Property Law, California Civil Code §1500, et. seq. for the benefit of those Participating Class Members and PAGA Members who did not cash their checks until such time that they claim their property. The Parties agree that this disposition results in no "unpaid residue" under California Civil Procedure Code § 384, as the entire Net Settlement Amount will be paid out to Participating Class Members and PAGA Members, whether or not they all cash their Settlement

Checks or PAGA payment checks. Therefore, Defendants will not be required to pay any interest on such amounts. The Individual Settlement Payments provided to Participating Class Members and to PAGA Members shall prominently state the expiration date or a statement that the Settlement Check will expire in one hundred eighty (180) days, or alternatively, such a statement may be made in a letter accompanying the Individual Settlement Payment. Expired Individual Settlement Payments will not be reissued, except for good cause and as mutually agreed by the Parties in writing. The parties agree no unclaimed funds will result from the settlement.

- Administration of Taxes by the Settlement Administrator: The Settlement Administrator will be responsible for issuing to Plaintiff, Participating Class Members, and Class Counsel any W-2, 1099, or other tax forms as may be required by law for all amounts paid pursuant to this Settlement. The Settlement Administrator will also be responsible for forwarding all payroll taxes and penalties to the appropriate government authorities.
- 63. Tax Liability: Defendants make no representation as to the tax treatment or legal effect of the payments called for hereunder, and Plaintiff and Participating Class Members are not relying on any statement, representation, or calculation by Defendants or by the Settlement Administrator in this regard. Plaintiff and Participating Class Members understand and agree that they will be solely responsible for the payment of any taxes and penalties assessed on the payments described herein. Defendants' share of any employer payroll taxes and other required employer withholdings due on the Individual Settlement Payments, including, but not limited to, Defendants' FICA and FUTA contributions, shall be paid separate and apart from the Gross Settlement Amount.
- 64. <u>Circular 230 Disclaimer</u>: Each Party to this Agreement (for purposes of this section, the "acknowledging party" and each Party to this Agreement other than the acknowledging party, an "other party") acknowledges and agrees that: (1) no provision of this Agreement, and no written communication or disclosure between or among the Parties or their attorneys and other advisers, is or was intended to be, nor shall any such communication or disclosure constitute or be construed or be relied upon as, tax advice within the meaning of United States Treasury Department circular 230 (31 CFR part 10, as amended); (2) the acknowledging party (a) has relied exclusively upon

his, her or its own, independent legal and tax counsel for advice (including tax advice) in connection with this Agreement, (b) has not entered into this Agreement based upon the recommendation of any other Party or any attorney or advisor to any other Party, and (c) is not entitled to rely upon any communication or disclosure by any attorney or adviser to any other Party to avoid any tax penalty that may be imposed on the acknowledging party, and (3) no attorney or adviser to any other Party has imposed any limitation that protects the confidentiality of any such attorney's or adviser's tax strategies (regardless of whether such limitation is legally binding) upon disclosure by the acknowledging party of the tax treatment or tax structure of any transaction, including any transaction contemplated by this Agreement.

- 65. <u>No Prior Assignments</u>: The Parties and their counsel represent, covenant, and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action or right herein released and discharged.
- 66. Release by Participating Class Members: Upon the complete funding of the Gross Settlement Amount and all applicable employer-side payroll taxes, Participating Class Members shall fully and finally release and discharge the Released Parties from the Released Class Claims that arose during the Class Period. This release shall be binding on all Participating Class Members.
- Release by Plaintiff, State of California, LWDA and PAGA Members: Upon the complete funding of the Gross Settlement Amount all applicable employer-side payroll taxes, Plaintiff, the LWDA, the State of California, through Plaintiff as its agent and/or proxy, any another representative, proxy, or agent thereof, including but not limited to any and all PAGA Members, shall fully and finally release and discharge the Released Parties from the Released PAGA Claims that arose during the PAGA Period. The Parties intend for this PAGA settlement to have claim preclusion, issue preclusion, or otherwise bar a representative action to the broadest extent possible by law if an aggrieved employee were to bring a subsequent claim on behalf of the LWDA based on the same factual predicate as the Action and covering the same time.
- 68. Release of Additional Claims & Rights by Plaintiff: Upon the complete funding of the Gross Settlement Amount all applicable employer-side payroll taxes, Plaintiff shall release and

23

24

25

26

27

28

discharge and Defendants and the Released Parties, from any and all claims, causes of action, damages, wages, benefits, expenses, penalties, debts, liabilities, demands, obligations, attorney's fees, costs, and any other form of relief or remedy in law, equity, or whatever kind or nature, whether known or unknown, suspected or unsuspected that arise from or are related to Plaintiff's work performed at Defendants Defendant or the Action, including but not limited to: (1) the Action and any claims arising out of the Action; (2) any claims under federal, state or local law for or relating to wages, benefits, compensation, vacation or other paid time off, and claims for liquidated damages, penalties, or costs and fees associated therewith, including under the California Labor Code or the California Business and Professions Code; (3) wrongful termination, discrimination, harassment, and/or retaliation, including under the California Fair Employment and Housing Act, Title VII of the Civil Rights Act of 1964, the Family Medical Leave Act, the California Family Rights Act, the Americans with Disabilities Act, the Equal Pay Act, the California Labor Code, the California Government Code, (4) any act, omission, or occurrence or claim arising out of or related to the Action or Plaintiff's employment or termination thereof with Defendant taking place on or before the Effective Date; and (5) any other form of relief or remedy of any kind, nature, or description whatsoever, whether premised on statute, contract, tort, or other theory of liability under state, federal, or local law (collectively "Plaintiff's General Release"). Plaintiff's General Release does not extend to any claims or actions to enforce this Agreement, or to any claims that may not be released as a matter of law, including claims under the National Labor Relations Act. Plaintiff acknowledges that Plaintiff may discover facts or law different from, or in addition to, the facts or law that Plaintiff now knows or believes to be true but agrees, nonetheless, that Plaintiff's General Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiff's discovery of them. The res judicata effect of the judgment will be the same as that of the Release. Specifically, Plaintiff waives all rights and benefits afforded by California Civil Code Section 1542, 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

2

3

5

7

9

11

12 13

14 15

16 17

18

19

20

22

23

2425

26

27

28

RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

Further, nothing in this Agreement shall prevent Plaintiff from filing a charge or complaint with, or from participating in, an investigation or proceeding conducted by the SEC, OSHA, EEOC, CRD, NLRB or any other federal, state or local agency charged with the enforcement of any employment or other applicable laws. Plaintiff, however, understands that by signing this Agreement, she waives the right to recover any damages or to receive other relief in any claim or suit brought by or through the EEOC, the CRD or any other state or local deferral agency on their behalf to the fullest extent permitted by law, but expressly excluding any monetary award or other relief available from the SEC/OSHA, including an SEC/OSHA whistleblower award, or other awards or relief that may not lawfully be waived.

69. Nullification of Settlement Agreement: The Parties have agreed to the certification of the Class encompassing all claims alleged in the Action for the sole purpose of effectuating this Agreement. In the event that: (a) the Court should for any reason fail to certify this Class for settlement; or (b) the Court should for any reason fail to approve this Settlement without requiring material changes to the "Basic Settlement Terms," which are defined as relating to the Gross Settlement Amount; the parameters of the Released Class Claims, Released PAGA Claims, Plaintiff's General Release, and the covered Class Period; revisions to the Increase in Workweeks provision contained herein; and revisions to Defendants' Option to Nullify the Settlement Agreement provision contained herein; or (c) the Court should for any reason fail to enter Final Approval; or (d) the Final Approval is reversed, or declared or rendered void; or (e) Defendants exercise their option to nullify the Settlement Agreement because more than five percent (5%) of the Class Members opted-out, as described in the above; or (f) the Court should for any reason fail to dispose the Action in its entirety, then this Settlement Agreement, and any documents generated to bring it into effect, will be null and void, all amounts deposited into the QSF will be returned to Defendants, and the Parties shall be returned to their original respective positions as if the Agreement had neither been entered into nor filed with the Court, without prejudice. Any order or 2
 3
 4

6 7

8

5

9 10 11

13

15

12

16 17

18 19

20 21

22

2324

25

26 27

28

judgment entered by the Court in furtherance of this Settlement Agreement will likewise be treated as void from the beginning and the Stipulations and Recitals contained herein shall be of no force or effect and shall not be treated as an admission by the Parties or their counsel. The Parties agree that if the conditions in this paragraph occur and the Agreement is nullified, they will promptly attend mediation with a mutually agreed-upon mediator in an effort to reach a settlement that may be approved by the Court, unless the Parties are able to resolve the issue leading to nullification of the Agreement without resort to a mediator.

- 70. Preliminary Approval Motion and Hearing: The Parties agree Plaintiff shall be responsible for preparing and filing a motion before the Court to request Preliminary Approval of the Settlement Agreement, and the entry of a Preliminary Approval Order for: (a) conditional certification of the Settlement Class for settlement purposes only, (b) Preliminary Approval of the proposed Settlement Agreement, and (c) setting a date for a Final Approval/Settlement Fairness Hearing (the "Motion for Preliminary Approval"). The Preliminary Approval Order will provide for the Notice to be sent to all Class Members as specified herein. In conjunction with the Preliminary Approval hearing, Plaintiff will submit this Agreement, which sets forth the terms of the Settlement, and will include the proposed Notice attached as **Exhibit A**. Class Counsel shall provide a draft of the Preliminary Approval motion to Defendants' counsel for review within a reasonable time of the filing date. Defendants agree that they will not oppose Plaintiff's Motion for Preliminary Approval, provided the noticed motion is consistent with the terms of this Agreement. If the court does not grant Preliminary Approval or conditions Preliminary Approval on any material change to the Basic Settlement Terms, Class Counsel and Defendants' counsel will expeditiously work together on behalf of the Parties by meeting in person, by videoconference, or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns.
- 71. <u>Final Settlement Approval Hearing and Entry of Judgment</u>: Upon expiration of the deadlines to postmark Requests for Exclusion or Objections to the Settlement Agreement, and with the Court's permission, a Final Approval/Settlement Fairness Hearing will be conducted to determine the Final Approval of the Settlement Agreement along with the amounts properly

1 pay
2 Re
3 Co
4 wit
5 the
6 Ag
7 Ag
8 ma
9 good
10 Ap
11 Re
12 Ex

payable for: (a) Individual Settlement Payments; (b) Class Counsel's Fees and Costs; (c) the Class Representative Enhancement Payments; and (d) the Settlement Administration Costs. Class Counsel shall provide a draft of the Final Approval motion to Defendants' counsel for review within a reasonable time of the filing date. Defendant agrees it shall not oppose the granting of the Motion for Final Approval, provided the noticed motion is consistent with the terms of this Agreement and Defendants have not exercised their right to rescind pursuant to the terms of this Agreement. If the Court does not grant Final Approval or conditions Final Approval on any material change to the Basic Settlement Terms, the Parties will expeditiously work together in good faith to address the Court's concerns by revising the Agreement as necessary to obtain Final Approval. The Court's decision to award less than the amounts requested for the Class Representative Enhancement Payment, Class Counsel's Fees and Costs, Class Counsel Litigation Expenses Payment, and/or Settlement Administrative Costs shall not constitute a material modification to the Agreement within the meaning of this paragraph

- 72. <u>Judgment and Continued Jurisdiction</u>: Upon Final Approval of the Settlement by the Court or after the Final Approval/Settlement Fairness Hearing, the Parties will present the Judgment to the Court for its approval. After entry of the Judgment and Effective Date of this Agreement, the Court will have continuing jurisdiction solely for purposes of addressing: (a) the interpretation and enforcement of the terms of the Settlement, (b) Settlement administration matters, and (c) such post-Judgment matters as may be appropriate under court rules or as set forth in this Settlement.
- 73. <u>Exhibits Incorporated by Reference</u>: The terms of this Settlement include the terms set forth in any attached Exhibits, which are incorporated by this reference as though fully set forth herein. Any Exhibits to this Settlement are an integral part of the Settlement.
- 74. <u>Entire Agreement</u>: This Settlement Agreement and any attached Exhibits constitute the entirety of the Parties' settlement terms. No other prior or contemporaneous written or oral agreements in relation to settlement terms may be deemed binding on the Parties.

- 75. <u>Amendment or Modification</u>: This Settlement Agreement may be amended or modified only by a written instrument signed by counsel for all Parties or their successors-in-interest.
- Authorization to Enter Into Settlement Agreement: Counsel for all Parties warrant and represent they are expressly authorized by the Parties whom they represent to negotiate this Settlement Agreement and to take all appropriate action required or permitted to be taken by such Parties pursuant to this Settlement Agreement to effectuate its terms and to execute any other documents required to effectuate the terms of this Settlement Agreement. The Parties and their counsel will cooperate with each other and use their best efforts to affect the implementation of the Settlement. If the Parties are unable to reach agreement on the form or content of any document needed to implement the Settlement, or on any supplemental provisions that may become necessary to effectuate the terms of this Settlement, the Parties may seek the assistance of the Court or Mediator to resolve such disagreement.
- 77. Neutral Employment Reference: Defendants agree that they will adopt a neutral reporting policy regarding any future employment references related to Plaintiff. In the event that any potential or future employers of Plaintiff requests a reference regarding Defendants' employment of Plaintiff, Defendants shall only provide Plaintiff's dates of employment, job titles during employment, and final rate of pay. Defendants shall not refer to the Action or this Settlement.
- 78. <u>Binding on Successors and Assigns</u>: This Settlement Agreement will be binding upon, and inure to the benefit of, the successors or assigns of the Parties hereto, as previously defined.
- 79. <u>California Law Governs</u>: All terms of this Settlement Agreement and Exhibits hereto will be governed by and interpreted according to the laws of the State of California.
- 80. <u>Execution and Counterparts</u>: This Settlement Agreement is subject only to the execution of all Parties. However, the Settlement Agreement may be executed in one or more counterparts. All executed counterparts and each of them, including facsimile and scanned copies

of the signature page, will be deemed to be one and the same instrument provided that counsel for the Parties will exchange among themselves original signed counterparts.

- 81. Acknowledgement that the Settlement is Fair and Reasonable: The Parties believe this Settlement Agreement is a fair, adequate, and reasonable settlement of the Action and have arrived at this Settlement after arm's-length negotiations and in the context of adversarial litigation, taking into account all relevant factors, present and potential. The Parties further acknowledge that they are each represented by competent counsel and that they have had an opportunity to consult with their counsel regarding the fairness and reasonableness of this Settlement.
- 82. <u>Invalidity of Any Provision</u>: Before declaring any provision of this Agreement invalid, the Court will first attempt to construe the provision as valid to the fullest extent possible consistent with applicable precedents so as to define all provisions of this Agreement valid and enforceable.
- 83. <u>Waiver of Certain Appeals</u>: The Parties agree to waive appeals and to stipulate to class certification for purposes of this Settlement only; except, however, that either party may appeal any court order that materially alters the Settlement Agreement's terms.
- 84. Class Action Certification for Settlement Purposes Only: Because the Parties are settling claims on behalf of a putative class and claims under Labor Code section 2699 et. seq. and have agreed to stipulate to class action certification only for purposes of the Settlement, this Agreement requires approval by the Court in accordance with Labor Code section 2699(l) and California Rule of Court 3.769. Accordingly, the Parties enter into this Agreement on a conditional basis, contingent upon approval and certification by the Court. If, for any reason, the Settlement is not approved, the stipulation to certification will be void and Defendants reserve the right to contest certification of any class for any reasons and all available defenses to the claims in the Action, and Plaintiff reserves the right to move for class certification on any grounds available and to contest Defendants' defenses. The Parties further agree that certification for purposes of the Settlement is not an admission that class action certification is proper under the standards applied to contested certification motions and that this Agreement will not be admissible in this or any other proceeding (except for proceedings to enforce or effectuate the Settlement and this Agreement) as evidence

4

567

9 10 11

8

12 13

14 15

16

17 18

19

20

22 23

24

25

26 27

28

that either: (a) a class action should be certified or (b) Defendants are liable to Plaintiff or any Class Member.

- 85. Non-Admission of Liability: The Parties enter into this Agreement to resolve the dispute that has arisen between them and to avoid the burden, expense and risk of continued litigation. In entering into this Agreement, Defendants do not admit, and specifically deny, they have violated any federal, state, or local law; violated any regulations or guidelines promulgated pursuant to any statute or any other applicable laws, regulations or legal requirements; breached any contract; violated or breached any duty; engaged in any misrepresentation or deception; or engaged in any other unlawful conduct with respect to their employees. Neither this Agreement, nor any of its terms or provisions, nor any of the negotiations connected with it, shall be construed as an admission or concession by Defendants of any such violations or failures to comply with any applicable law. Except as necessary in a proceeding to enforce the terms of this Agreement, this Agreement and its terms and provisions shall not be offered or received as evidence in any action or proceeding to establish any liability or admission on the part of Defendants or to establish the existence of any condition constituting a violation of, or a non-compliance with, federal, state, local or other applicable law. Except as set forth elsewhere herein, in the event that this Agreement is not approved by the Court, or any appellate court, is terminated, or otherwise fails to be enforceable, Plaintiff will not be deemed to have waived, limited or affected in any way any claims, rights or remedies, or defenses in the Action, and Defendants will not be deemed to have waived, limited, or affected in any way any of its objections or defenses in the Action. The Parties shall be restored to their respective positions in the Action prior to the entry of this Settlement.
- 86. <u>Captions</u>: The captions and section numbers in this Agreement are inserted for the reader's convenience, and in no way define, limit, construe or describe the scope or intent of the provisions of this Agreement.
- 87. <u>Waiver</u>: No waiver of any condition or covenant contained in this Settlement Agreement or failure to exercise a right or remedy by any of the Parties hereto will be considered to imply or constitute a further waiver by such party of the same or any other condition, covenant, right or remedy.

- 88. <u>Enforcement Action</u>: In the event that one or more of the Parties institutes any legal action or other proceeding against any other Party or Parties to enforce the provisions of this Settlement or to declare rights and/or obligations under this Settlement, the successful Party or Parties will be entitled to recover from the unsuccessful Party or Parties reasonable attorneys' fees and costs as provided for by applicable law, including expert witness fees incurred in connection with any enforcement actions.
- 89. <u>Mutual Preparation</u>: The Parties have had a full opportunity to negotiate the terms and conditions of this Agreement. Accordingly, this Agreement will not be construed more strictly against one Party than another merely by virtue of the fact that it may have been prepared by counsel for one of the Parties, it being recognized that, because of the arms-length negotiations between the Parties, all Parties have contributed to the preparation of this Settlement Agreement.
- 90. <u>Representation By Counsel</u>: The Parties acknowledge that they have been represented by counsel throughout all negotiations that preceded the execution of this Agreement, and that this Agreement has been executed with the consent and advice of counsel and reviewed in full. Further, Plaintiff and Class Counsel warrant and represent that there are no liens on the Agreement.
- 91. <u>All Terms Subject to Final Court Approval</u>: All amounts and procedures described in this Settlement Agreement herein will be subject to final Court approval.
- Occoperation and Execution of Necessary Documents: The Parties agree to cooperate to promote participation in the Settlement, and in seeking court approval of the Settlement. The Parties and their counsel agree not to take any action to encourage any Class Members to opt out of and/or object to the Settlement. Defendants agree not to obtain any settlement agreement waivers, or *Pick-Up Stix* agreements from any Class Member prior to the funding of the Gross Settlement Amount concerning claims released via this Agreement, or enter into any arbitration agreement with any Class Member that covers the claims released via this Agreement during the Settlement approval process prior to the funding of the Gross Settlement Amount and that the Parties will work in good faith to reach an agreement approved by the Court.

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

///

///

Settlement confidential until the filing of Plaintiff's Motion for Preliminary Approval. Plaintiff, Class Counsel, Defendants and their counsel agree that they will not issue any press releases, initiate any contact with the press, respond to any press inquiry or have any communication with the press about the fact, amount or terms of the Settlement Agreement, or to publish such information on any website or social media forum (including through organizations that publicize verdicts and settlements and on websites operated by or for counsel). Nothing in this Settlement Agreement shall limit Defendants' ability to fulfill disclosure obligations reasonably required by law or in furtherance of business purposes, including the fulfillment of obligations stated in this Settlement Agreement or limit Class Counsel's communications with the Class Members and PAGA Members in furtherance of approval of this Settlement. Notwithstanding the above, Class Counsel may list public information about the Action in their declarations listing their qualifications to act as counsel in other cases.

Confidentiality: The Parties and their counsel agree to keep the terms of the

- 94. Binding Agreement: The Parties warrant that they understand and have full authority to enter into this Settlement, and further intend that this Settlement Agreement will be fully enforceable and binding on all Parties and agree that it will be admissible and subject to disclosure in any proceeding to enforce its terms, notwithstanding any settlement confidentiality provisions that otherwise might apply under federal or state law.
- 95. Submission to the LWDA: The Settlement Agreement shall be submitted by Plaintiff to the LWDA within the time limits and as prescribed by law.

1/16/2025 Dated:	PLAINTIFF
	By: Floresda
///	Editivationes

MEDINA McKELVEY, LLP

By: ____

Timothy B. Nelson, Esq.
Mayra D. Sandoval, Esq.
Attorneys for Defendant,
PARTNERS PERSONNEL –
MANAGEMENT SERVICES, LLC

Exhibit "A"

NOTICE OF PROPOSED CLASS AND PAGA ACTION SETTLEMENT

Edith Flores v. Coast Produce Company, et al.

Los Angeles County Superior Court Case No. 24STCV01801

THIS IS A COURT-AUTHORIZED NOTICE. IT IS NOT A SOLICITATION. PLEASE READ THIS NOTICE CAREFULLY. YOUR LEGAL RIGHTS ARE AFFECTED WHETHER YOU ACT OR DO NOT ACT.

To:

All current and former non-exempt employees of Defendant Coast Produce Company that worked in the State of California at any time between January 23, 2020 and January 10, 2025, and all current and former non-exempt employees of Defendant Partners Personnel – Management Services, LLC who were placed to work at Coast Produce Company in the State of California at any time between January 23, 2020 and January 10, 2025.

BASIC INFORMATION

1. What is this settlement about?

Plaintiff Edith Flores ("Plaintiff") filed a class action lawsuit against Defendants Coast Produce Company ("Coast Produce") and Partners Personnel – Management Services, LLC ("Partners Personnel") (Coast Produce and Partners Personnel are jointly referred to as "Defendants"), entitled *Edith Flores v. Coast Produce Company, et al.*, filed in the Los Angeles County Superior Court, Case No. 24STCV01801 on January 23, 2024. The lawsuit claims that Defendants allegedly violated sections of the California Labor Code and California Business and Professions Code. Specifically, Plaintiff alleges that Defendants failed to provide compliant meal and rest periods or pay meal and rest break premiums, did not properly pay employees overtime or pay minimum wages for all time worked, did not provide accurate wage statements, did not timely pay all wages during employment and all wages owed at termination of employment, failed to keep accurate records, and maintained unfair business practices. The settlement also seeks to recover penalties pursuant to the California Private Attorneys General Act ("PAGA"). Defendants strongly deny all alleged violations and any liability or wrongdoing of any kind associated with the claims alleged in the lawsuit, deny that they owe Class Members any monies, and further deny that any of the claims are appropriate for class treatment. Defendants contend, among other things, that they have complied at all times with applicable law in connection with their compensation of and legal obligations to employees. The Court has not made a ruling on the merits of the case.

2. Why is this a class action?

In a class action, one or more people, called the Class Representatives (in this case Plaintiff), sue on behalf of people who appear to have similar claims. All these people are referred to as Class Members. In a class action, one court resolves the issues for all Class Members in one lawsuit, except for those who exclude themselves from the Class. The Los Angeles County Superior Court (the "Court") is in charge of this class action.

3. Why is there a settlement?

The Court has not decided in favor of the Plaintiff or Defendants. Instead, both sides agreed to a settlement rather than continue the expensive and time-consuming process of litigation, which is memorialized in the Joint Stipulation of Class Action and PAGA Settlement ("Agreement" or "Settlement"). On [DATE OF PRELIMINARY APPROVAL] the Court granted preliminary approval of the Settlement, appointed Plaintiff as the Class Representative, and appointed their attorneys at Protection Law Group LLP as counsel for the Class ("Class Counsel").

The Court has not yet determined whether it will approve the Settlement. Instead, the Court has only determined there is sufficient evidence to suggest that the proposed Settlement might be fair, adequate, and reasonable and therefore Notice should be provided to the Class Members. The Court will make a final determination whether to approve the Settlement at the Final Approval Hearing.

WHO IS IN THE SETTLEMENT?

4. How do I know if I am part of the settlement?

You are part of the Settlement, and a Class Member, if you are a current or former non-exempt employee of Defendant Coast Produce that worked in the State of California at any time between January 23, 2020 and January 10, 2025, or a current and former non-exempt employee of Defendant Partners Personnel who was placed to work at Coast Produce Company in the State of California at any time between January 23, 2020 and January 10, 2025.

THE SETTLEMENT BENEFITS—WHAT YOU GET

5. What does the settlement provide?

The Settlement provides that Defendants will pay a maximum of One Million Dollars and Zero Cents (\$1,000,000.00) ("Gross Settlement Amount"). This includes all costs and attorneys' fees for Class Counsel.

The "Net Settlement Amount" is the portion of the Gross Settlement Amount that will be available for distribution to Class Members who do not submit timely and valid requests for exclusion in exchange for the release of their class claims. The Net Settlement Amount is the Gross Settlement Amount less the following amounts (which are subject to Court approval):

- A. **Attorneys' Fees to Class Counsel** not to exceed 35% of the Gross Settlement Amount or Three Hundred Fifty Thousand Dollars (\$350,000.00);
- B. Litigation Costs/Expenses to Class Counsel not to exceed Thirty Thousand Dollars and Zero Cents (\$30,000.00);
- C. **Enhancement Payment to the Class Representative** in an amount of Ten Thousand Dollars and Zero Cents (\$10,000.00);
- D. **Settlement Administration Costs** which are currently estimated to be Eleven Thousand Dollars and Zero Cents (\$11,000.00); and
- E. **PAGA Penalties** in the amount of Fifty Thousand Dollars and Zero Cents (\$50,000.00) for the settlement of claims arising under the Private Attorney's General Act of 2004 (PAGA). Seventy-Five percent (75%) of this amount, (\$37,500.00) shall be paid to the LWDA. The remaining twenty-five percent (25%) (\$12,500.00) will be distributed to current and former non-exempt employees of Defendant Coast Produce who worked in the State of California at any time between December 22, 2022, and January 10, 2025, and all current and former non-exempt employees of Defendant Partners Personnel who were placed to work at Coast Produce in the state of California at any time between December 22, 2022, and January 10, 2025.

The amount you are eligible to receive from the settlement, your "Individual Settlement Payment" will be determined on a *pro rata* basis, based on the number of weeks in which you performed work at least (1) day in California as a non-exempt employee of Defendant Coast Produce or Defendant Partners Personnel between January 23, 2020 and January 10, 2025. ("Workweeks"). Your Individual Settlement Payment includes both your estimated share of the Net Settlement Amount and, if eligible, your share of the PAGA Payment.

Your Individual Class Payment will be apportioned as ten percent (10%) wages, forty-five percent (45%) interest and forty-five percent (45%) penalties. The wage portion of the Individual Class Payment will be subject to withholding

for the employee taxes and will be reported on a W-2 Form. Employer-side payroll taxes shall be paid separately from and in addition to the Gross Settlement Amount. The penalties and interest portions of your Individual Class Payment will not be subject to any withholdings and will be reported on an IRS Form 1099.

Your Individual PAGA Payment will be apportioned as one hundred percent (100%) penalties. The penalties portion of your Individual PAGA Payment will not be subject to any withholdings and will be reported on an IRS Form 1099.

You worked XXX workweeks during the class period. Your Individual Settlement Payment is \$XXX.XX (Settlement Class Member's Qualifying Workweeks ÷ All Qualifying Workweeks) x Net Settlement Amount). This amount is an estimate and is subject to change.

You worked XXX workweeks during the PAGA period. Your Individual PAGA Payment is \$XXX.XX (PAGA Class Member's Qualifying Workweeks during the PAGA Period ÷ All Qualifying Workweeks during the PAGA Period) x Employee Share of PAGA Penalties). This amount is an estimate and is subject to change.

This amount was determined based on Defendants' record of your employment between January 23, 2020 and January 10, 2025, and is presumed correct. If you dispute the accuracy of Defendants' records as to the number of weeks worked during the Class Period or PAGA Period, you must provide your current address, telephone number, the last four digits of your Social Security Number or complete Employee ID, and any documentation (i.e., payroll or time keeping records, and paycheck stubs) you have supporting such dispute by [DATE]. All disputes regarding your workweeks will be resolved and decided by the Settlement Administrator following consultation with the Parties. However, the Court shall review and could reverse the Settlement Administrator's initial determination. The Settlement Administrator's contact information is listed below:

[Settlement Administrator]
[Address]
[Telephone No].

HOW TO GET A PAYMENT FROM THE SETTLEMENT

6. How can I get a payment?

You do not have to do anything to qualify for a payment of your portion of the Settlement.

7. What am I giving up if I do not request to be excluded from the Settlement?

Upon the final approval by the Court of this Settlement Agreement and remittance of the Gross Settlement Amount and employer-side payroll taxed by Defendants to the Settlement Administrator, Participating Class Members shall fully release and discharge the "Released Parties" from any and all "Released Class Claims" and "Released PAGA Claims" that accrued during the "Class Period."

The "Released Parties" means Defendants Coast Produce Company and Partners Personnel as named by Plaintiff in the operative complaint, and each of their former and present subsidiaries, affiliates, parents, agents, employees, members, investors, partners, owners, directors, officers, attorneys, trustees, insurers, representatives, predecessors, successors, assigns, shareholders, owners, members, payroll companies, and any other persons acting by through, under, or in concert with any of them (including any alleged joint employers)

The "Released Class Claims" means all claims, rights, demands, liabilities and causes of actions that are alleged, or reasonably could have been alleged, based on the facts alleged in the operative complaint in the Action, including factual claims regarding Defendants' alleged: (i) failure to pay all regular wages, minimum wages and overtime wages due; (ii) failure to provide meal periods or compensation in lieu thereof; (iii) failure to provide rest periods or compensation in lieu thereof; (iv) failure to pay wages timely at time of termination or resignation; (v) failure to

provide timely pay wages during employment; (vi) failure to provide complete, accurate wage statements; and (vii) unfair business practices. This release includes any and all statutes listed in the operative complaint pertaining to claims against Defendants.

"Released PAGA Claims" means all claims under the California Labor Code Private Attorneys General Act of 2004 for civil penalties that could have been premised on the facts alleged both in Plaintiff's December 22, 2023, PAGA Letter to the LWDA and in the operative complaint, including but not limited to penalties that could have been awarded pursuant to Labor Code sections 210, 226.3, 1197.1, 558, and 2699. The Released PAGA Claims also includes a release from the State of California (to the extent Plaintiff is permitted to provide such a release for the State of California for the PAGA period).

The "Class Period" during which the release of Released Class Claims pertains is from January 23, 2020 and January 10, 2025.

The "PAGA Period" during which the release of Released PAGA Claims pertains is from December 22, 2022, and January 10, 2025.

All PAGA Members shall release the claims arising under PAGA regardless of whether they submit a request for exclusion as the request for exclusion does not apply to this claim.

EXCLUDING YOURSELF FROM THE RELEASE OF NON-PAGA CLAIMS

If you want to keep the right to sue or continue to sue Defendants with respect to the Released Class Claims then you must submit a request for exclusion in conformity with the requirements set forth herein. If you exclude yourself, you will not receive payment from Net Settlement Amount. However, if eligible, you will still receive a payment in an amount equal to your estimated *pro rata* share of the PAGA Payment because the Request for Exclusion does not apply to this claim.

8. How can I not participate in the Settlement?

To exclude yourself from the Class and the release of Released Class Claims you must submit a written request for exclusion. This written request must include your name, address, telephone number and the last four digits of your social security number and/or employee ID number. Your request for exclusion must also include a clear statement that you do not wish to be included in this action such the following: "I wish to exclude myself from the class settlement reached in the matter of "Edith Flores v. Coast Produce Company, et al.", filed in the Los Angeles County Superior Court, Case No. 24STCV01801, I understand that by excluding myself, I will not receive money from the settlement of my individual claims."

Your Request for Exclusion must be mailed to the Settlement Administrator at the address listed below, post-marked by [DATE]. You cannot exclude yourself by phone or any means other than those described in this Notice.

[Settlement Administrator]
[Address]

If you ask to be excluded, you will not receive payment of any portion of the Net Settlement Amount and you cannot object to the Settlement. You will not be legally bound by the release of Released Class Claims.

9. If I don't exclude myself, can I sue Defendant for the same thing later?

No. Unless you submit a request for exclusion, you give up the right to sue Defendants and Released Parties for the Released Class Claims. If you have a pending lawsuit involving the Released Class Claims, speak to your lawyer in that lawsuit immediately.

10. If I exclude myself, can I get money from this settlement?

You will not receive money for the class claims. You will still receive your portion of the PAGA Payment if eligible because the request for exclusion does not apply to this claim.

THE LAWYERS REPRESENTING YOU

11. Do I have a lawyer in this case?

The Court has approved Protection Law Group, LLP, as Class Counsel. These attorneys contact information is set forth below:

PROTECTION LAW GROUP LLP

Heather Davis, Esq. Amir Nayebdadash, Esq. Carlos Jimenez, Esq. 149 Sheldon Street El Segundo, California 90245 Telephone: (424) 290-3095

Class Counsel will ask the Court for attorneys' fees of up to \$350,000.00 and reimbursement of litigation cost/expenses of up to \$30,000.00. This amount is subject to Court approval and the Court may award less than the requested amount.

OBJECTING TO THE SETTLEMENT

You can object to the Settlement or some part of it.

12. How do I tell the Court I want to object to the settlement?

If you are a Class Member, you can object to the Settlement and you can give reasons for why you think the Court should not approve it. The Court will consider your views. To object, you should mail your objection to the Settlement Administrator no later than [DATE]. Your objection must include your full name, address, telephone number, the last four digits of your social security number or employee ID number, and the specific reason for your objection. Even if you don't submit a timely objection, you can still make an oral objection in person or through your attorney at the Final Approval Hearing.

13. What is the difference between objecting and excluding?

Objecting is simply telling the Court that you do not like something about the Settlement. You can object only if you stay in the Class. Excluding yourself is telling the Court that you do not want to be part of the Settlement. If you exclude yourself, you have no basis to object because the case no longer affects you. If you submit a request for exclusion and an objection, the request for exclusion will control and you will lose any right to object to the Settlement, and will not be bound by any terms of the Settlement.

Whether your dispute, written objection, and request for exclusion are timely, will be determined solely based on the postmark date(s). Any untimely dispute, written objection, and request for exclusion may not be considered. However, even if you don't submit a timely objection, you can still make an oral objection in person or through your attorney at the Final Approval Hearing.

THE COURT'S FAIRNESS HEARING

The Court will hold a hearing to decide whether to grant final approval of the Settlement ("Final Approval Hearing"). You may attend, but you do not have to attend.

14. When and where will the Court decide whether to approve the settlement?

The Court will hold the Final Approval Hearing at XXXX a.m. on XXXX, 2025, at the Los Angeles County Superior Court located at 312 North Spring Street, Los Angeles, California 90012 in Department 12. The Final Approval Hearing date may be continued without further notice to Class Members.

At this hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate, and determine whether to grant final approval of the Settlement. If there are objections, the Court will consider them.

The Court's Order and Judgment approving the settlement, whether favorable or not, will bind all members who do not request exclusion.

15. Do I have to come to the hearing?

No. If you agree to the Settlement you do not have to come to Court to talk about it. However, you may attend. You may also retain your own lawyer at your expense to attend on your behalf.

16. How will I learn if the settlement was approved

A notice of final judgment will be posted on the Settlement Administrator website located at www.

IF YOU DO NOTHING

17. What happens if I do nothing at all?

If you do nothing, you will receive your share of the Settlement, and you will release the Released Class Claims and Released PAGA Claims. You will not be able to start a lawsuit, continue with a lawsuit, or be part of any other lawsuit against Defendant or the Released Parties about the Released Class Claims or Release PAGA Claims, ever again. Your Individual Settlement Payment will be mailed to you and remain valid and negotiable for 180 days. If you do not cash your settlement check within 180 days from the date on the check, the uncashed funds shall be distributed to the Controller of the State of California to be held pursuant to the Unclaimed Property Law, California Civil Code §1500, et. seq. for the benefit of those Participating Class Members and PAGA Members who did not cash their checks until such time that they claim their property.

If you lose your check or it is damaged in the mail, contact the Settlement Administrator.

GETTING MORE INFORMATION

18. How do I get more information?

This Notice summarizes the proposed Settlement. More details are in the Settlement Agreement. You can get a copy of the Settlement Agreement by viewing the settlement located on the Settlement Administrator's website at or by contacting the Settlement Administrator or Class Counsel.

WHAT IF MY INFORMATION CHANGES?

19. What if my contact information changes?

It is your responsibility to inform the Settlement Administrator of your updated information to ensure receipt of settlement payments or communications regarding this matter. You can change or update your contact information by contacting the Settlement Administrator.

DO NOT ADDRESS ANY QUESTIONS ABOUT THE SETTLEMENT OR THE LITIGATION TO THE CLERK OF THE COURT OR THE JUDGE