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Attorneys for Plaintiffs WILLIAM GARCIA RAYA JR., LAURIELLE CUTHBERTSON, and  
JEFFREY THOMAS STRAHL on behalf of the general public as private attorney general

**SUPERIOR COURT OF THE STATE OF CALIFORNIA  
COUNTY OF LOS ANGELES**

WILLIAM GARCIA RAYA, JR. on  
behalf of the general public as private  
attorney general,

Plaintiff,

v.

SFM, LLC, a California Limited Liability  
Company; SF Markets, LLC, dba  
SPROUTS FARMERS MARKET, a  
Delaware Limited Liability Company; and  
DOES 1-50, inclusive,

Defendants.

Lead Case No. 21STCV18228  
Consolidated With Related to Case Nos.  
21STCV43022 and 21STCV4015

Judge: David Sotelo  
Dept: 40

**DECLARATION OF JAMES HAWKINS  
IN SUPPORT OF STIPULATION AND  
[PROPOSED] ORDER APPROVING  
SETTLEMENT OF PRIVATE  
ATTORNEYS GENERAL ACT CLAIMS,  
DISMISSING ACTION WITH  
PREJUDICE**

LAURIELLE CUTHBERTSON. on  
behalf of the general public as private  
attorney general,

Plaintiff,

v.

SFM, LLC, a California Limited Liability  
Company; SF Markets, LLC, dba  
SPROUTS FARMERS MARKET, a  
Delaware Limited Liability Company; and  
DOES 1-50, inclusive,

Defendants.

JEFFREY THOMAS STRAHL. on behalf  
of the general public as private attorney

1 general,

2 Plaintiff,

3 v.

4 SFM, LLC, a California Limited Liability  
5 Company; SF Markets, LLC, dba  
6 SPROUTS FARMERS MARKET, a  
7 Delaware Limited Liability Company; and  
8 DOES 1-50, inclusive,

9 Defendants.

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1           6.       On November 1, 2021, Plaintiff Cuthbertson filed a PAGA representative action in  
2 the Superior Court of California, County of Los Angeles, Case No. 21STCV40150, entitled  
3 *Laurielle Cuthbertson, v. SFM LLC et al.*

4           7.       On September 15, 2021 Plaintiff Jeffrey Thomas Strahl sent his LWDA Letter  
5 asserting claims for civil penalties pursuant to PAGA stemming from Defendants' alleged practices.  
6 Attached hereto as **Exhibit 4** is a true and correct copy of Strahl's letter served on the LWDA.

7           8.       On May 14, 2021, Plaintiff Strahl filed a PAGA representative action in the Superior  
8 Court of California, County of Los Angeles, Case No. 21STCV18228, entitled *Jeffrey Thomas*  
9 *Strahl Jr., v. SFM LLC et al.* alleging violations of the Labor Code for: (a) failure to pay vested  
10 vacation time upon termination; and (b) failing to reimburse business expenses

11          9.       On April 13, 2022, Plaintiff Garcia Raya Jr., filed and served Notice of Related Cases  
12 identifying all three actions above. The Court has subsequently related all three matters to the first  
13 filed *Garcia Raya Jr.,* action.

14          10.      On June 8, 2022, the Parties participated in a day-long mediation with a well-  
15 respected class action and PAGA wage and hour mediator, Jeffrey Krivis. In preparation for the  
16 mediation, Plaintiffs' counsel requested and Defendant's counsel provided sampled time and payroll  
17 data for the purported Aggrieved Employees, personnel and employment documents and other  
18 relevant data. With Jeffrey Krivis' assistance, the Parties agreed to fully and finally resolve the  
19 Actions and the PAGA Released Claims as to Plaintiffs Strahl and Cuthbertson, the State of  
20 California, the LWDA and the allegedly Aggrieved Employees.<sup>1</sup>

21          11.      Defendant disputes and denies the allegations and claims asserted in the (1) *Raya Jr.,*  
22 (2) *Cuthbertson,* and (3) *Strahl* operative complaints, and their respective LWDA notices.  
23 Additionally, the named Plaintiffs and all allegedly aggrieved employees are parties to Mutual  
24 Binding Arbitration Agreements which, pursuant to *Viking River Cruises v. Moriana*, would require

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26               <sup>11</sup> Plaintiff William Garcia Raya, Jr. although a participant in the settlement, has for  
27 months been missing and unresponsive to numerous attempts to locate him and participate in the  
28 settlement. As a result, Mr. Raya is not a signatory to the settlement and does not release his  
individual claims, other than PAGA claims which will be released as any other aggrieved  
employee would release under this settlement

1 the Court to sever and compel Plaintiffs' individual PAGA claims to arbitration. It was also  
2 Defendant's position that, in addition to the foregoing, Plaintiffs could not maintain representative  
3 PAGA claims because there is no evidence of a common unlawful policy or practice that makes a  
4 trial manageable.

5 12. During the course of the litigation, Plaintiffs and Defendant (hereinafter, Plaintiffs  
6 and Defendants are collectively referred to as the "Parties") engaged in discovery and fully shared  
7 the information necessary for all sides to conduct a reasonable investigation into the allegations of  
8 the action and potential defenses thereto. The Parties have reached this settlement only after  
9 discovery and investigation was performed.

10 13. Being fully apprised of the value and strength of Plaintiffs' claims, counsel for  
11 Plaintiffs and Defendant successfully negotiated a settlement of Plaintiffs' PAGA claims asserted  
12 in the action through arm's-length negotiations assisted by mediator Jeffrey Krivis, and the terms  
13 and conditions of the settlement are set forth in the Settlement Agreement, which resolves all claims  
14 asserted in the Action and contemplates that the Court will enter an Order effectuating the terms and  
15 conditions of the Settlement Agreement.

16 14. Counsel for Plaintiffs and Defendant also considered the fact that the existence of  
17 numerous disputes of fact in this case make the outcome uncertain. In the estimation of counsel for  
18 the Parties, the delay, inconvenience, distraction, and uncertainty imposed by the litigation demands  
19 would far outweigh the potential benefits of additional litigation.

20 15. Based on the information and documents obtained through informal discovery, that  
21 is successful at trial for one violation per pay period, Plaintiffs assessed the maximum value of the  
22 limited PAGA claims to be released by the settlement to be approximately \$42,248,650 (at the rate  
23 of a \$50.00 penalty for approximately 844,379 pay periods at issue for approximately 24,995  
24 Aggrieved Employees). This of course assumes a victory at the trial stage and appellate stage, and  
25 the Court awarding at least \$50 per pay period for each individual pay period.

26 16. It is highly likely these amounts would be drastically reduced by as much as 85% to  
27 95% based upon alleged violation rates and policies in place at the time which could arguably reduce  
28 the penal nature of the alleged violations which would bring the overall more reasonable value to

1 about \$6,337,297. Indeed, it is common for courts to reduce the penalties. *See e.g., Ghrdilyan v.*  
2 *RJ Financial, et al.*, Los Angeles Superior Court, Case No. BC430633 (94% reduction); *Parr v.*  
3 *Golden State Overnight Delivery Service, Inc.*, Alameda County Superior Court, Case No. RG12-  
4 618103 (94% reduction); *Fleming v. Covidien, Inc.*, 2011 U.S. Dist. LEXIS 154590 (C.D. Cal. Aug.  
5 12, 2011) (82% reduction); *Gola v. University of San Francisco*, Case No. CGC-18-565018 (Sup.  
6 Ct. Decision dates July21, 2020) (85% reduction of PAGA penalties).

7 17. This Aggrieved Employees recovery compares favorably to the estimated amount  
8 of PAGA penalties given the evidence provided and the risks of liability and then penalty awards at  
9 trial. As discussed further herein, California Labor Code Section 2699(e) (1) permits a Court to  
10 award a lesser amount than the maximum civil penalty if based on the facts and circumstances to do  
11 otherwise would result in an award that is "unjust, arbitrary and oppressive or confiscatory."

12 18. Plaintiffs' Counsel also took into account that Plaintiff and all PAGA group members  
13 are subject to Arbitration Agreements that would require them to arbitrate individual PAGA claims  
14 pursuant to *Viking River Cruises v. Moriana*, 142 S. Ct. 1906, reh'g denied, 213 L. Ed. 2d 1145, 143  
15 S. Ct. 60 (2022) , leaving uncertainty as to whether Plaintiffs would be able to maintain the  
16 representative PAGA claim.

17 19. Plaintiffs and Plaintiffs' Counsel believe that the Settlement is a fair, adequate, and  
18 reasonable resolution of this matter. Plaintiff and his counsel recognize the expense and length  
19 of continued proceedings necessary to litigate the matter through trial and any possible appeals and  
20 have also considered the uncertainty and risk of the outcome of further litigation, and the difficulties  
21 and delays inherent in such litigation based upon the burdens of proof. Plaintiffs and their counsel  
22 are also aware of the burdens of proof necessary to establish liability, both generally and in response  
23 to Defendant's defenses thereto, and the difficulties in establishing Defendant's liability for, and the  
24 right to recover, penalties on behalf of Plaintiffs, the State of California, and the other purported  
25 aggrieved employees.

26 20. The settlement is a compromise of highly disputed claims and to recover any  
27 PAGA penalties, Plaintiff would be required at trial to prove each of the underlying Labor Code  
28 violations. *See Cardenas v. McLane Foodservice, Inc.*, No. SACV 10-473 DOC (FFMx), 2011 U.S.

1 Dist. LEXIS 13126, \*10 (C.D. Cal. 2011) (“Given the statutory language [of PAGA], a plaintiff  
2 cannot recover on behalf of individuals whom the plaintiff has not proven suffered a violation of the  
3 Labor Code by the defendant.”). Here, Plaintiffs would need to prove each Aggrieved Employee  
4 suffered a violation for each period the employee worked in relation to (a) failure to accurately pay  
5 overtime wage, (b) failure to pay sick pay at the regular rate, (c) failure to provide meal periods for  
6 every work period exceeding more than ten (10) hours per day and failure to pay an additional hour’s  
7 of pay or accurately pay an additional hour’s of pay in lieu of providing a meal period; (d) failure  
8 to provide rest breaks for every four hours or major fraction thereof worked and failure to pay an  
9 additional hour’s of pay or accurately pay an additional hour’s of pay in lieu of providing a rest  
10 period; (e) failing to pay all wages earned and owed upon separation from Defendant’s employ, (f)  
11 failing to provide accurate itemized wage statements, (g) for issuing payment of wages in the form  
12 of a non-Labor Code-compliant instrument, (h) failure to pay vested vacation time upon termination;  
13 and (i) failing to reimburse business expenses.

14         21.       The result achieved in this case, and the monetary recovery provided by this  
15 Settlement, are well-within the range of an acceptable settlement under the circumstances, especially  
16 when compared to the settlement of PAGA claims in other cases. *See, e.g., DCH Auto Wage and*  
17 *Hour Cases*, Los Angeles Superior Court, Case No. JCCP4833 (May 2017) (approving the amount  
18 of \$15,000 out of \$4 million toward settlement of PAGA claims); *Flores v. Dart Container Corp.*,  
19 No. 2:19-cv-00083 WBS JDP, 2021 U.S. Dist. LEXIS 6897, at \*3 (E.D. Cal. Jan. 12, 2021)  
20 (approving the amount of \$15,000 out of \$411,000 towards settlement of PAGA claims); *Dawson*  
21 *v. Hitco Carbon Composites, Inc.*, No. CV 16-07337 PSG (FFMx), 2019 U.S. Dist. LEXIS 226687,  
22 at \*6-7 (C.D. Cal. Nov. 25, 2019) (approving the amount of \$10,000 of \$1.1 million toward  
23 settlement of PAGA claims); *Brown v. CVS Pharmacy, Inc.*, No. CV15-7631 PSG (PJWx), 2017  
24 U.S. Dist. LEXIS 182309, at \*3 (C.D. Cal. Apr. 24, 2017) (approving the amount of \$20,000 of \$3  
25 million gross settlement towards settlement of PAGA claims); *Nordstrom Commissions Case*, 186  
26 Cal.App.4th 576, 589 (2010) (finding no abuse of discretion by the trial court in approving a  
27 settlement that allocates \$0 toward the settlement of PAGA claims that were at issue in the lawsuit);  
28 *Alcala v. Meyer Logistics, Inc.*, No. CV 17-7211 PSG (AGRx), 2019 U.S. Dist. LEXIS 166879, at

1 \*26 (C.D. Cal. June 17, 2019) (finding that courts approve PAGA settlements that fall within zero  
2 to two percent of gross settlement recovery). Here, the value obtained for settlement of the PAGA  
3 claims is very significant, and it will be distributed in accordance with and in fulfillment of the  
4 objectives of the PAGA statute.

5 22. A crucial factor in evaluating the value of a PAGA-only case is that all PAGA  
6 awards are discretionary and can be reduced by the Court.<sup>2</sup> California Labor Code  
7 Section 2699(e)(1) permits a Court to award a lesser amount than the maximum civil penalty if,  
8 based on the facts and circumstances, to do otherwise would result in an award that is “unjust,  
9 arbitrary and oppressive or confiscatory.” For example, in *Carrington v. Starbucks Corp.*, 30 Cal.  
10 App. 5th 504 (2018), the Court of Appeal affirmed a judgment after trial that only provided for a  
11 PAGA penalty of \$5 per pay period. Given this precedent, there is a risk at trial that any PAGA  
12 penalties awarded could be significantly less than Plaintiff’s calculation even where Plaintiff  
13 prevailed on the PAGA claim. If the amount of \$5 per pay period from *Carrington v. Starbucks* is  
14 used, the potential recovery of civil penalties would be only \$229,000.

15 23. The settlement is also supported by other PAGA settlement previously approved  
16 by other courts. See, e.g., *DCH Auto Wage and Hour Cases*, Los Angeles Superior Court, Case No.  
17 JCCP4833 (May 2017) (approving the amount of \$15,000 out of \$4 million toward settlement of  
18 PAGA claims); *Flores v. Dart Container Corp.*, No. 2:19-cv-00083 WBS JDP, 2021 U.S. Dist.  
19 LEXIS 6897, at \*3 (E.D. Cal. Jan. 12, 2021) (approving the amount of \$15,000 out of \$411,000  
20 towards settlement of PAGA claims); *Dawson v. Hitco Carbon Composites, Inc.*, No. CV 16-07337  
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22 <sup>2</sup> Under PAGA, courts have considerable discretion to reduce the penalty award. In *Thurman v.*  
23 *Bayshore Transit Management, Inc.*, 203 Cal.App.4th 1112, 1135-1136 (2012), the court found no  
24 abuse of discretion when the trial court reduced the penalty by 30 percent based on the facts of the  
25 case, ruling that “[t]o do otherwise under the particular facts and circumstances of this case would  
26 be unjust, arbitrary, oppressive, and confiscatory.” Some trial courts have actually awarded no civil  
27 penalties, even when Labor Code violations are established. See *Makabi v. Gedalia*, 2016 Cal. App.  
28 Unpub. 1489, \*5-7 (2nd Dist. Ct. of App. Mar. 6, 2016) (no PAGA penalties were awarded by the  
Los Angeles County Superior Court) (unpublished decision); *In re Taco Bell Wage & Hour Actions*,  
No. 1:07-cv-01314-SAB, 2016 U.S. Dist. LEXIS 48557, \*40-43 (E.D. Cal. Apr. 6, 2016) (PAGA  
penalties denied after trial).

1 PSG (FFMx), 2019 U.S. Dist. LEXIS 226687, at \*6-7 (C.D. Cal. Nov. 25, 2019) (approving the  
2 amount of \$10,000 of \$1.1 million toward settlement of PAGA claims); *Brown v. CVS Pharmacy,*  
3 *Inc.*, No. CV15-7631 PSG (PJWx), 2017 U.S. Dist. LEXIS 182309, at \*3 (C.D. Cal. Apr. 24, 2017)  
4 (approving the amount of \$20,000 of \$3 million gross settlement towards settlement of PAGA  
5 claims); *Nordstrom Commissions Case*, 186 Cal.App.4th 576, 589 (2010) (finding no abuse of  
6 discretion by the trial court in approving a settlement that allocates \$0 toward the settlement of  
7 PAGA claims that were at issue in the lawsuit); *Alcala v. Meyer Logistics, Inc.*, No. CV 17-7211  
8 PSG (AGRx), 2019 U.S. Dist. LEXIS 166879, at \*26 (C.D. Cal. June 17, 2019) (finding that courts  
9 approve PAGA settlements that fall within zero to two percent of gross settlement recovery). Here,  
10 the value obtained for settlement of the PAGA claims is reasonable, and it will be distributed in  
11 accordance with and in fulfillment of the objectives of the PAGA statute.

12         24.       Had the case not settled, the Parties would have been required to conduct extensive  
13 formal written discovery, and multiple depositions of party and percipient witnesses all over the  
14 State of California, to prepare the case for trial. From the inception of this litigation, Defendant  
15 indicated that it would aggressively litigate this case. Even if Defendants failed to succeed on their  
16 defenses, litigating a complex PAGA action is inherently expensive, and the litigation could  
17 continue beyond entry of judgment if either party were to appeal adverse rulings. Additionally, there  
18 is a real possibility that Plaintiff would recover nothing, either for himself or on behalf of the State  
19 of California or other Aggrieved Employees, after years of costly and labor-intensive litigation.  
20 Avoiding these risks and the likelihood of future contentious litigation, which would involve  
21 significant costs, favors settlement.

22         25.       Defendant argued that no penalties prior to the PAGA notification should be  
23 awarded because the violations were not intentional. Defendant could also argue that the  
24 subsequent violations under PAGA only start to accrue after employers receive notice through a  
25 citation from the Labor Commissioner, which would have significantly decreased Defendants'  
26 exposure. *See Amaral v. Cintas Corp. No. 2*, 163 Cal. App. 4th 1157, 1209 (2008) (holding "[u]ntil  
27 the employer has been notified that it is violating a Labor Code provision ... the employer cannot be  
28 presumed to be aware that its continuing underpayment of employees is a 'violation' subject to

1 penalties.”). *See also Amalgamated Transit Union Local 1309, AFL-CIO v. Laidlaw Transit Servs.,*  
2 *Inc.*, 2009 WL 2448430 \*1, \*9 (S.D. Cal. 2009) (“For the purposes of subsequent violation penalties,  
3 the issue is not whether [defendant] willfully violated the Labor Code, but rather whether a court or  
4 commissioner had notified it of any violation.”); *Robinson v. Open Top Sightseeing San Francisco,*  
5 *LLC*, No. 14-CV-00852-PJH, 2018 WL 895572, at \*20 (N.D. Cal. Feb. 14, 2018) (applying “initial”  
6 penalty to each violation of § 226 and § 2699(f)(2) because there was no evidence showing  
7 defendant was previously notified its practice violated § 226); *Willis v. Xerox Bus. Servs., LLC*, 2013  
8 WL 605383, at \*1, \*6 (E.D. Cal. 2013) (“for a plaintiff to recover for a ‘subsequent violation,’ an  
9 employer must have notice that it has violated the Labor Code”). As such, Defendants contends  
10 that Plaintiff’s calculation are inflated not only because the “stack” penalties for a single person  
11 during a single pay period, but because the penalties Plaintiff would award in each instances are at  
12 an inapplicable (doubled) rate.

13         26.       These defenses present a risk to the PAGA claim and the potential that some or all  
14 of the PAGA penalties sought may not be awarded. While Plaintiff maintains that his PAGA claim  
15 has merit, in reaching the Settlement, Plaintiffs and their counsel took into account the strengths and  
16 weaknesses of each side’s position and the uncertainty associated with continued litigation, trial,  
17 and/or appeals.

18         27.       Defendant disputes that the penalties assessed by Plaintiffs and their expert  
19 would have been awarded. Further, it is Defendant’s contention that PAGA penalties cannot be  
20 stacked, and that at most just one PAGA penalty can be awarded to an aggrieved employee in any  
21 one pay period. *See* Labor Code section 2699 (f)(2) (authorizing awardable PAGA penalties to be  
22 measure by “each “each aggrieved employee per pay period”); *Smith v. Lux Retail North America,*  
23 *Inc.*, 2013 WL 2932243, at \*1, \*4 (N.D. Cal. 2013) (rejecting a pleading that sought the “stacking  
24 of penalties”; “[f]or the single mistake of failing to include commissions in the overtime base,  
25 plaintiff has asserted *five* (count them, five) separate labor code violations that could lead to  
26 statutory penalties;” “is it plausible that we would really pile one penalty on another for a single  
27 substantive wrong?”; noting that “no actual holding in any judicial decision has ever blessed such  
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1 stacking”). As such, and for this initial reason, Defendant contends that the maximum potential  
2 recovery in this action is significantly lower than as stated by Plaintiff.

3         28. Defendant further argues that Plaintiffs would still face significant practical  
4 problems in aggregating any material exposure, as each violation would need to be proven as to  
5 each person and for each period for which recovery is sought. Defendant argues that it is unlikely  
6 that any significant number of current and former employees would travel to the venue of a trial,  
7 stay at a hotel, prepare for and deliver testimony, all in exchange for – at most – 25% of \$50 or \$100  
8 (i.e. \$12.50 or \$25) for each pay period in which there was a violation. (“wage statement penalties”).  
9 For purposes of section 226, “a good faith dispute presents when there is (1) uncertainty in the law;  
10 (2) representations by an authority that compliance was not required; or (3) an employer’s good  
11 faith mistaken belief grounded in a good faith dispute.” *Magadia v. Wal-Mart Assocs., Inc.*, 384 F.  
12 Supp. 3d 1058 (N.D. Cal. 2019). “Mere recklessness” is not a basis for liability. *Pedroza*, 2012  
13 WL 9506073, \*5.

14         29. Plaintiffs’ Counsel also took into account that even if Plaintiffs prevailed on the  
15 merits of the PAGA claim, Defendant could persuasively argue that the Court should exercise its  
16 discretion, under Labor Code § 2699(e), to reduce the amount of civil penalties assessed. A court  
17 in a PAGA action has the same discretion “to assess a civil penalty” that the Labor Commissioner  
18 would have, as well as complete discretion to “award a lesser amount than the maximum civil  
19 penalty amount specified [by PAGA] if, based on the facts and circumstances of the particular case,  
20 to do otherwise would result in an award that is unjust, arbitrary and oppressive, or confiscatory.”  
21 And indeed, it is common for courts to reduce the penalties. See *e.g.*, *Ghrdilyan v. RJ Financial, et*  
22 *al.*, Los Angeles Superior Court, Case No. BC430633 (94% reduction); *Parr v. Golden State*  
23 *Overnight Delivery Service, Inc.*, Alameda County Superior Court, Case No. RG12-618103 (94%  
24 reduction); *Fleming v. Covidien, Inc.*, 2011 U.S. Dist. LEXIS 154590 (C.D. Cal. Aug. 12, 2011)  
25 (82% reduction); *Gola v. University of San Francisco*, Case No. CGC-18-565018 (Sup. Ct. Decision  
26 dates July 21, 2020) (85% reduction of PAGA penalties).

27         30. Defendant contends that Plaintiffs and the Aggrieved Employees were properly  
28 compensated, and that they did not violate the Labor Code as to any of them. Defendant asserted

1 additional defenses to the PAGA claim as discussed above. These defenses present a risk to the  
2 PAGA claim and the potential that some or all of the PAGA penalties sought may not be awarded

3 31. The underlying Labor Code section 203 claim was uncertain given the defenses  
4 asserted for the underlying claims as well as the lack of evidence of the “willfulness” prong  
5 necessary for a Labor Code §203 claim. Plaintiffs’ counsel also recognized a risk of an adverse  
6 finding given Defendant’s apparently compliant policies and procedures at the time of mediation.  
7 The labor code section 226 claim was dependent on the underlying claims for failure to pay wages.

8 32. The Settlement provides for an enhancement which is an individual settlement  
9 payment to be paid to Plaintiffs Strahl and Cuthbertson in the amount of \$5,000.00 in exchange for  
10 a general release of all known and unknown claims. Unlike Aggrieved Employees who only  
11 releasing claims for civil penalties under PAGA, Plaintiff is releasing his individual claims. In  
12 exchange for a release of these claims, the Parties agreed to an Individual Settlement Payment of  
13 \$5,000.00 to each Plaintiff. In addition, Plaintiffs contributed considerable time and effort to the  
14 litigation of this case in order to enforce the California Labor Code on behalf of the State of  
15 California and for the benefit of other Aggrieved Employees. Plaintiffs gathered and produced  
16 relevant documents and information, provided the facts and evidence necessary to attempt to prove  
17 the allegations, and discussed his employment with his counsel. Plaintiffs assisted counsel in  
18 developing the theories and evidence to prepare for mediation. He was available whenever his  
19 counsel needed him and tried to obtain documents and information that would aid in the litigation  
20 of the PAGA claims and pursuit of recovery on behalf of the State of California and the Covered  
21 Employees.

22 33. Plaintiffs as PAGA Representative has provided extensive supporting documents  
23 and assisted Counsel in developing information necessary to litigate and settle this case. Plaintiffs  
24 also conducted record review and consultation with counsel in preparation for discovery and  
25 eventual mediation, and to assist in evaluating and proving the claims.

26 34. The settlement is intended to fully and finally resolve the PAGA claims asserted  
27 by Plaintiff on behalf of the State of California and aggrieved employees. This is only a settlement  
28 of the PAGA claims for civil penalties, and is not a class settlement and does not release the

1 individual claims, if any, of the Aggrieved Employees. After deducting the Attorneys' Fees  
2 (\$500,000.00) and Costs not to exceed (\$22,500<sup>3</sup>), Settlement Administration Expenses (\$86,800)  
3 ILYM Group (the Settlement Administrator), and Plaintiffs' separate Individual Settlement  
4 Payments of \$5,000 each for a total of (\$10,000.00), the remaining Net Settlement Amount is  
5 estimated to be \$880,700 and will be distributed to the LWDA and Aggrieved Employees. An  
6 estimated \$220,175 (25% of the NSA) will be distributed to the Aggrieved Employees on a pro rata  
7 basis, amounting to an average of \$8.80 per Aggrieved Employee. The remaining \$660,525 (75%  
8 of the NSA) is to be distributed to the LWDA.

9 35. As set forth in the Settlement Agreement, the amount of the Settlement Sum is one-  
10 million five-hundred thousand dollars (\$1,5000.00) and includes an apportionment of attorneys'  
11 fees and costs, payment to the settlement administrator, and a general release payment/enhancement  
12 award to Plaintiffs.

13 36. Based on their extensive experience litigating over 200 representative actions,  
14 counsel for Plaintiff believes the settlement here is fair and reasonable and warrants approval by the  
15 Court.

16 37. I and my firm have a great deal of experience in wage and hour class action litigation.  
17 I have been certified and approved as class counsel in many other wage/hour class actions, and I am  
18 currently litigating numerous others before federal and state courts. I have been working with James  
19 Hawkins of James Hawkins, APLC, formerly of Hawkins & Sofonio, since the commencement of  
20 my practice of law in 2002. Since then, I have been committed solely to representing Plaintiffs in  
21 both individual employment litigation and complex wage and hour class actions.

22 38. In approximately 2003 to 2004, I began to focus almost exclusively in class action  
23 litigation. In my practice as a class action Plaintiffs' attorney, I have been involved in litigating,  
24 mediating and settling numerous wage and hour class actions dealing with class sizes ranging from  
25 several hundred to several thousand class members resulting in settlements ranging from six  
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27 <sup>3</sup> True and Correct Copy of Costs are Attached hereto as Exhibit 5. Actual cost are  
28 \$22,759.57 but per Settlement, requesting maximum of \$22,500.

1 figures to multimillion-dollar settlements.

2       38.     The following is a non-exhaustive list of other class action cases that I also  
3 litigated: Cole, et. al. v. CRST Van Expedited, et. al.; USDC, CENTRAL DISTRICT, EASTERN  
4 DIVISION- Case No.: EDCV 08-1570, Wage and Hour Class Action seeking past minimum wages  
5 and meal and rest break violations for drivers of Defendant in the State of California; Coordination  
6 Proceeding Special Title [Rule 1550(b)] Wackenhut Wage and Hour Cases, Los Angeles Superior  
7 Court, Case No. JCCP 4545, Wage and Hour Class Action seeking past wages for overtime, meal  
8 and rest period violations for security guards employed by defendant in the State of California;  
9 Coordination Proceeding Special Title [Rule 1550(b)] California Logistics Wage and Hour Cases,  
10 Los Angeles Superior Court, Case No. JCCP 4622, Wage and Hour Class Action seeking past wages  
11 for overtime, meal and rest period violations for misclassified drivers employed by defendant in the  
12 State of California. Gonzalez v. Robertson's Ready Mix, Ltd., Riverside County Superior Court,  
13 Case No. RIC 110770, Wage and Hour Class Action seeking past wages.

14       39.     The following is a non-exhaustive list of class action cases in which I was either  
15 counsel or co-lead counsel in which final approval and attorneys' fees were granted along with my  
16 corresponding hourly rates approved by the various courts throughout my class action career:  
17 Walker v. Surf City Hospitality, aka Sharkeez, et al. OCSC, No. 05CC00293, hourly rate approved  
18 in 2006 at \$350.00 per hour; Padron v. Universal Protection Service, OCSC No. 05CC00013 and  
19 JCCP 4480, hourly rate approved in 2008 at \$400.00 per hour; Davila v. Beckman Coulter, Inc.,  
20 OCSC No. 07CC01347, hourly rate approved in 2009 at \$500.00 per hour; Perez v. Naked Juice  
21 Company of Glendora, Inc., et. al., LASC No. BC387088, hourly rate approved in 2009 at \$500.00  
22 per hour; Gonzalez v. Superior Industries International, Inc., et al., LASC No. BC 357912, approved  
23 fees of 33.3% of total settlement amount; Wilson v. MCP Foods, Inc. aka Firmenich, OCSC No.  
24 30-2008-00065584-CU-OE-CXC, hourly rate approved in 2010 at \$500.00 per hour; Garcia v.  
25 Quiksilver, Inc., OCSC Case No. 30-2008-00083896-CU-OE-CXC, hourly rate approved in 2011  
26 at \$500 per hour; Gutierrez, et. al. v. Hilton Hotels Corp., OCSC No. 30-2009-00282002-CU-OE-  
27 CXC, hourly rate approved in 2011 at \$550.00 per hour; Sanchez v. HVM LQ Management, LLC,  
28 USDC Central District No. SA CV11-00123 JAK (PJWx), hourly rate approved in 2012 at \$560.00

1 per hour; Esquivel v. Fairmont Hotels and Resorts, U.S., Inc., Case No. 30-2010-00418849-CU-  
2 OE-CXC, hourly rate approved in 2012 at \$600.00 per hour; Galvez v. Walt Disney Parks and  
3 Resorts U.S., Inc., OCSC NO. 30-2011-00473272-CU-OE-CXC, hourly rate approved in 2013 at  
4 \$600.00 per hour; Fernando v. GCS Service, Inc., OCSC No. 30-2011-00473162-CU-OE-CXC,  
5 hourly rate approved in 2013 at \$600.00 per hour; Navarro v. QS Wholesale, Inc., OCSC Case No.  
6 30-2011-00462143-CU-OE-CXC, hourly rate approved in 2013 at \$600.00 per hour; LoCascio, et.  
7 al. v. Hertz Local Edition, SDSC Case No. 37-2015-00020830, hourly rate approved in 2017 at \$750  
8 per hour; Terrado v. Accredited Debt Relief, et. al., SDSC Case No: 37-2018-00014181-CU-OE-  
9 CTL, hourly rate approved in 2018 at \$750 per hour; Singer, et. al. v. M.A.C. Cosmetics, SDSC  
10 Case No. 37-2019-00033695-CU-OE-CTL, hourly rate of approved in 2020 at \$850 per hour.

11         40.       Our firm served as class counsel in a number of significant wage and hour  
12 settlements. Of particular note, in 2019, our firm was co-lead counsel in securing the largest  
13 wage and hour class action settlement in California history at \$130,000,000 before the Honorable  
14 William F. Highberger. During this case, Plaintiffs appealed a decertification order. This case  
15 involved several appeals. The appellate record amassed an extensive appellate record comprising a  
16 23-volume joint appendix, a three-volume reporters transcript, five briefs, four letter briefs, two  
17 motions for judicial notice, a motion to augment the record, and several additional letters informing  
18 the appellate court of new legal authority issued after *Dukes*. The matter was argued to and submitted  
19 by the Court of Appeal on September 15, 2016, and on November 21, 2016, the decertification order  
20 was reversed and the case was remanded for further proceedings. (*Lubin v. The Wackenhut*  
21 *Corporation* (“*Lubin*”), 5 Cal. App. 5th 960 (2016)). Wackenhut filed a petition for review of the  
22 Court of Appeal decision to the California Supreme Court. The Supreme Court denied Wackenhut’s  
23 petition for review of *Lubin*. The Court of Appeal issued remittitur on April 10, 2017. Eventually  
24 through more litigation, the parties were able to secure the 130 million settlement that was approved  
25 on October 21, 2019 by Judge Highberger in the Los Angeles Superior Court.

26         41.       First, the requested fees are justified by the result achieved. Plaintiffs’ Counsel  
27 negotiated a recovery of \$1,500,000.00 and this result justifies the requested fees equal to 33.3% of  
28 this recovery (\$500,000.00). This percentage is within the standard contingent recovery percentage

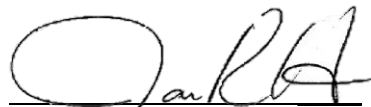
1 of one-third, and this percentage is what was expressly approved by the Supreme Court in *Laffitte*  
2 v. *Robert Half Int'l Inc.*, 1 Cal.5th 480, 504, (2016). Second, the  
3 requested fees are justified by the work performed.

4 42. A review of our firm's detailed billing system reveals that to date, our firm as  
5 Counsel, on behalf of Plaintiff and the Settlement Aggrieved Employees, invested numerous hours  
6 litigating this matter through the date of this declaration and have invested attorney time at a rate of  
7 more than double the requested fees. The rates charged by my firm are in line with the prevailing  
8 rates of attorneys in the local legal community for similar work and, if this were a commercial  
9 matter, these are the charges that would be made and presented to the client. These hourly rates have  
10 been approved by Court's throughout California, including the Courts in the Superior Court of  
11 California. The requested fees are reasonable.

12 43. Finally the award of litigation expenses is based upon the actual expenses incurred  
13 by Plaintiff and Plaintiff's Counsel, and were all reasonably necessary to the litigation, and are  
14 detailed in **Exhibit 5** attached hereto. Under the Agreement, Plaintiffs' Counsel will be recovering  
15 litigation expenses in the total amount of \$22,500.

16 44. The Parties request that the Court enter the accompanying proposed order,  
17 approving the Settlement as permitted by Labor Code § 2699(1), in accordance with the terms and  
18 conditions of the Settlement Agreement.

19 I declare under penalty of perjury under the laws of the State of California that the foregoing  
20 is true and correct. Executed on December 14, 2022 at Irvine, California.

21  
22   
23 James R. Hawkins  
24  
25  
26  
27  
28

# EXHIBIT 1

PRIVATE ATTORNEYS GENERAL ACT (LABOR CODE § 2698 ET SEQ.) SETTLEMENT  
AGREEMENT

*William Garcia Raya, Jr., Laurielle Cuthbertson, Jeffrey Thomas Strahl. v. SFM, LLC registered  
in California as SF Markets, LLC*

Los Angeles County Superior Court, Lead Case Number 21STCV18228 (Related with  
Case Nos. 21STCV40150 and 21STCV43022)

IT IS HEREBY STIPULATED AND AGREED by and among the undersigned Parties, subject to the approval of the Court, that the settlement of the above-referenced action shall be effectuated upon and subject to the following terms and conditions. Capitalized terms used herein shall have the meanings set forth in Article I or elsewhere in this Private Attorneys General Act (Labor Code §§ 2698 *et seq.*) Settlement Agreement (“PAGA Settlement” or “Agreement”).

This Agreement is made by and between Defendant SFM, LLC (“Sprouts” or “Defendant”), and Plaintiffs Laurielle Cuthbertson (“Cuthbertson”) and Jeffrey Thomas Strahl (“Strahl”) (collectively referred to as “Plaintiffs”)<sup>1</sup>, for themselves and all allegedly Aggrieved Employees (defined below) on behalf of the State of California (Defendant, Plaintiffs and Aggrieved Employees, as defined herein, are sometimes collectively referred to as the “Parties.”) This Agreement shall be effective upon the “Effective Date” as defined by this PAGA Settlement.

The Parties agree that the Case (as defined below) shall be, and hereby is, ended, settled, resolved, and concluded by agreement of Defendant to pay the total sum of One Million Five Hundred Thousand Dollars (\$1,500,000.00) (“PAGA Settlement Amount”), which is the total and all-inclusive amount Defendant will pay under this PAGA Settlement for settlement and release of the claims for penalties under the Private Attorneys General Act (“PAGA”) based on the facts that were alleged or could have been alleged in the underlying Case to the California Labor and Workforce Development Agency (“LWDA”) and Aggrieved Employees, Plaintiffs’ Counsel’s attorneys’ fees and costs, service payments to Plaintiffs, and the settlement administrator’s fees and costs.

Definitions.

Section 1.01 Definitions.

Unless otherwise defined herein, the following terms used in this Agreement shall have the meanings ascribed to them as set forth below:

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<sup>1</sup> Counsel for Plaintiffs have been unable to locate Plaintiff William Garcia Raya, Jr. (“Raya”) for purposes of executing this Agreement. Accordingly, nothing herein releases any individual statutory or individual PAGA claims that Raya may possess, however, if this Settlement Agreement is approved by the Court, the representative PAGA claims asserted by Raya during the Covered Period shall be Released Claims pursuant to this Agreement.

- (a) “Complaint” or “Complaints” means the operative (1) PAGA Complaint filed by Raya on May 14, 2021 in Los Angeles County Superior Court, Case No. 21STCV18228, (2) Complaint filed by Cuthbertson on November 1, 2021 in Los Angeles County Superior Court, Case No. 21STCV40150, and (3) PAGA Complaint filed by Strahl on November 22, 2021 in Los Angeles County Superior Court, Case No. 21STCV43022, all of which were ordered related on June 17, 2022 and assigned Lead Case No. 21STCV18228, the Honorable David Sotelo presiding.
- (b) “Court” means the Superior Court for the State of California, County of Los Angeles.
- (c) “Aggrieved Employees” means all non-exempt hourly employees in California who worked for Sprouts during any portion of the Covered Period. “Aggrieved Employees” excludes those non-exempt hourly management employees in California who received a PAGA settlement payment pursuant to *Ceja v. SFM, LLC*, Santa Clara Superior Court, Case No. 17CV320293, through the date of settlement approval on June 7, 2022 (“*Ceja* PAGA Group Members”).
- (d) “Covered Period” means the time period between March 9, 2020 and the date that the Court enters an Order approving the PAGA Settlement.
- (e) “Defense Counsel” or “Counsel for Defendant” is:

Amy S. Williams, Esq.  
Ashley A. Halberda, Esq.  
CDF Labor Law LLP  
18300 Von Karman Avenue, Suite 800  
Irvine, CA 92612
- (f) “Effective Date” of this Settlement shall be the day the Court enters an Order approving this PAGA Settlement.
- (g) “PAGA Letters” refers to Plaintiffs’ Notices and Amended Notices pursuant to Labor Code sections 2698 et seq., dated March 8, 2021, August 26, 2021, and September 15, 2021.
- (h) “Plaintiffs’ Counsel” are:

James R. Hawkins, Esq.  
Gregory Mauro, Esq.  
Michael Calvo, Esq.  
JAMES HAWKINS APLC  
9880 Research Drive, Suite 200  
Irvine, CA 92618
- (i) “Released Claims” means all claims for PAGA civil penalties, which occurred during the Release Period, pursuant to Labor Code Section 2698 et seq. alleged or that could have

been alleged based on the allegations asserted in the Complaints and PAGA Letters on behalf of the Aggrieved Employees, the LWDA and the State of California, including but not limited to claims for the failure to pay overtime wages at the rate of one and one-half times the regular rate of pay for all hours worked in excess of (8) hours in a day or forty (40) hours in a work week and at twice the regular rate of pay for hours worked in excess of (12) hours in a day or in excess of eight (8) hours in a day on the seventh day of work; failure to accurately pay overtime wages by failing to calculate bonuses into the regular rates of pay; failure to accurately pay paid sick leave; issuing payment for wages in an instrument that failed to comply with the Labor Code; failure to provide legally complaint meal periods or pay meal period premiums at the regular rate of pay; failure to authorize and permit legally compliant rest breaks or pay rest break premiums at the regular rate of pay; failure to timely pay all wages due during employment or upon separation of employment; failure to provide accurate, itemized wage statements, failure to maintain accurate records relating to work periods, meal periods, total daily hours worked and applicable pay rates, failure to pay wages at the prevailing wage, failure to reimburse business expenses, , including but not limited to claims arising under California Labor Code sections 201-204, 212, 213, 226, 226.3, 226.7, 227.3, 246, 510, 512, 558, 1174, 1174.5, 1175, 1194, 1197, 1197.1, 1198, 2698 et seq., 2802 and the applicable Industrial Welfare Commission Wage Orders; Cal. Code Regs. Title 8 § 11070.

- (j) “Total Pay Periods” means the total number of pay periods for all Aggrieved Employees during the Covered Period according to Defendant’s records. Defendant represented that at the time of mediation, based on the Defendant’s most recent data, that there were 844,379 Total Pay Periods, excluding the *Ceja* PAGA Group Members.
- (k) “Individual Pay Periods” means the total number of pay periods worked by an individual Aggrieved Employee during the Covered Period according to Defendant’s records.
- (l) “Released Parties” means Defendant and its present and former corporations, subsidiaries, divisions, predecessors, officers, directors, members, managers, shareholders, agents, parents, subsidiaries, insurers, operators, partners, joint ventures, successors or assignees.

## Article II.

### Background.

#### Section 2.01 Background.

- (a) On May 14, 2021, Plaintiff Raya filed a Complaint in Los Angeles County Superior Court, titled *Raya v. SFM, LLC, et al.*, Case No. 21STCV18228. On November 1, 2021, Plaintiff Cuthbertson filed a Complaint in Los Angeles County Superior Court, titled *Cuthbertson v. SFM, LLC, et al.*, Case No. 21STCV40150. On November 22, 2021, Plaintiff Strahl filed a Complaint in Los Angeles County Superior Court, titled *Strahl v. SFM, LLC, et al.*, Case No. 21STCV43022. The complaints were brought by Plaintiffs on behalf of the State of California and other aggrieved employees, as PAGA actions.

- (b) On June 17, 2022, the Court ordered the matters of *Raya v. SFM, LLC, et al.*, *Cuthbertson v. SFM, LLC, et al.*, and *Strahl v. SFM, LLC, et al.* related, and all three matters were assigned to the Honorable David Sotelo in Department 40 of the Los Angeles County Superior Court, Lead Case No. 21STCV18228.
- (c) On June 8, 2022 the Parties engaged in full-day mediation session before an experienced neutral. The Parties reached this Settlement only after informal discovery and investigation was performed, and with the assistance of a neutral mediator.
- (d) The Agreement contemplates the entry of an order by the Court approving the PAGA Settlement Agreement for the Released Claims; with all parties bearing their respective fees and costs except as otherwise expressly provided in this Agreement.

### Article III.

#### Approval and Implementation of Settlement.

##### Section 3.01 Cooperation.

The Parties will cooperate in obtaining through written stipulation or unopposed motion if a motion is required, an Order from the Court approving the PAGA Settlement as described in this Agreement at the earliest possible date. The Parties agree to use their best efforts to expedite the preparation and submission of the settlement documents. The Parties further agree to fully cooperate in the drafting and/or filing of any further documents or filings reasonably necessary to be prepared or filed, shall take all steps that may be requested by the Court relating to, or that are otherwise necessary to the approval and implementation of this Agreement, including the settlement payment as described in this Agreement. Plaintiffs further agree to fully cooperate with Defendant to enforce the release agreed to by the Aggrieved Employees as set forth in paragraph 1.01(i) of this Agreement if any Aggrieved Employee were to challenge the scope or validity of the release contemplated by this Agreement.

##### Section 3.02 Court Approval.

The Parties will seek to obtain the Court's approval of this Agreement by way of a stipulation or unopposed motion to be filed by Plaintiffs' counsel as soon as practicable, or as directed by the Court. Plaintiffs' Counsel and Defense Counsel will jointly lodge this Agreement with the Court for its approval. The Court's approval of this Agreement shall be embodied in a written Order. Should the Court not grant approval of this Agreement, then the entirety of this Agreement shall be null and void.

##### Section 3.03 Notice to Aggrieved Employees.

###### (a) Notice.

Notice shall be provided to the Aggrieved Employees in the following manner:

- (1) No later than 7 calendar days after the Effective Date, Defendant shall provide the settlement administrator with a list of all Aggrieved Employees (“Aggrieved Employees List”). The Aggrieved Employees List shall state the first name and last name in separate columns for each Aggrieved Employee, the last known home address for each Aggrieved Employee, each Aggrieved Employee’s social security number, and the number of pay periods during which each Aggrieved Employee was employed by Defendant in a Sprouts store in the State of California during the Covered Period. The settlement administrator will be required to treat all information contained in the Aggrieved Employee List as Confidential, and will use commercially reasonable methods to maintain the information in a confidential and secure manner only for purposes of effectuating the terms of this Agreement.
- (2) Within 14 calendar days after receiving the Aggrieved Employee List and the PAGA Settlement Amount from Defendant, the settlement administrator shall make any necessary updates by performing an address-check via NCOA to the contact information provided in the Aggrieved Employee List, and mail the Notice of PAGA Settlement (attached hereto as Exhibit “A”) to all Aggrieved Employees, together with their settlement checks, and any appropriate tax forms (collectively “Notice Packet”), by first-class United States mail, postage prepaid, to the last known address of each recipient with directions to the Postmaster to forward the Notice of PAGA Settlement and return all undeliverable Notices to the settlement administrator. For each Notice of PAGA Settlement that is returned as undeliverable, the settlement administrator shall promptly attempt to locate the Aggrieved Employee by using the employee’s social security number and any address updates via use of a “credit header” or other skip trace service to find a more-recent recent address for the employee and shall remail the Notice Packet to the updated address if found. If no updated addresses are found, no further action is required.
- (3) Concurrent with (2), the settlement administrator shall mail the required payment to the LWDA as set forth in Section 3.06(b).

#### Section 3.04 Settlement Payment Procedures.

- (a) Deposit of PAGA Settlement Amount with Settlement Administrator; Establishment of QSF

No later than five (5) calendar days after the Effective Date, Defendant shall deposit the PAGA Settlement Amount with the settlement administrator. Within 10 calendar days of receiving the PAGA Settlement Amount, the settlement administrator will issue the settlement checks to pay the obligations to the Aggrieved Employees, the LWDA, attorneys' fees and costs, cost of administration and any enhancement due the named Plaintiffs. The Settlement Administrator will establish a Qualified Settlement Fund (QSF) for purposes of administering the settlement payments required under this Agreement. The QSF will issue the appropriate tax forms for payments required under this Agreement, and perform all required tax reporting under California and federal law.

(b) Settlement Payments.

- i. Attorneys' Fees and Costs. Subject to the Court's approval and any necessary adjustments ordered by the Court, Plaintiffs' Counsel shall request and be paid up to 33 1/3% of the PAGA Settlement Amount, which is Five Hundred Thousand Dollars (\$500,000.00) for attorneys' fees and up to Twenty-Two Thousand Five Hundred Dollars (\$22,500.00) for reimbursement of litigation costs from the PAGA Settlement Amount, and Defendant will not oppose these requests.
- ii. Enhancement Awards for Named Plaintiffs. Subject to the Court's approval and any necessary adjustments ordered by the Court, Plaintiffs shall each request and be paid \$5,000.00 per person as consideration for a general release/enhancement payment from the PAGA Settlement Amount, and Defendant will not oppose this request.
- iii. Costs of Settlement Administration. The Parties agree to retain ILYM Group, Inc., a certified third-party settlement administrator. All costs incurred by the settlement administrator in connection with the current settlement, including mailing of the Notice of PAGA Settlement described herein, whether foreseen or not, shall be out of the PAGA Settlement.
- iv. Net Settlement Sum. After payment of the court approved attorneys' fees (up to \$500,000.00) and costs (up to \$22,500.00) and enhancement awards for named Plaintiffs (up to \$15,000.00 total), the remainder of the PAGA Settlement Amount shall be used to pay the Civil Penalties to LWDA and Aggrieved Employees as provided in the preceding paragraph.

The Net Settlement Amount shall be allocated to the payment of civil penalties under PAGA pursuant to Labor Code Section 2699(i) as follows, 75% will be paid to the LWDA and 25% of the Net Settlement Amount will be allocated to the Aggrieved Employees based on each Aggrieved Employee's Individual Pay Periods as a pro rata share of the Total Pay Periods for all Aggrieved Employees during the Covered Period.

The Individual Settlement Payments to Aggrieved Employees are allocated 100% to penalties and interest for the purposes of IRS tax withholding.

Each eligible Aggrieved Employee will be issued one check, which will include each Aggrieved Employee's portion of the Civil Penalties Fund plus the non-wage portion of the Aggrieved Employee's pro-rata portion of the Net Settlement Sum. The settlement administrator will issue an IRS Form 1099 for each check if deemed required by the settlement administrator (in compliance with IRS guidelines).

The settlement administrator will include a check to each Aggrieved Employee along with the Notice of Settlement in the same mailing of the Notice Packet.

If the fees and/or costs requested by or awarded to counsel, the settlement administrator, or to Plaintiffs as an enhancement are less than what is provided in this Agreement, any difference shall become part of the Net Settlement Sum payable to Aggrieved Employees.

- (c) Aggrieved Employees are not required to submit claim forms for their share of the Net Settlement Amount. The settlement checks issued to Aggrieved Employees shall remain valid for one hundred eighty (180) days. To the extent that: (a) the Notice and the Individual Settlement Payment checks are undeliverable, or (b) the Individual Settlement Payment checks are uncashed 180 days after the date listed on the check (180-Day Period), the amounts of those checks shall be sent to the California State Controller's Office's Unclaimed Property Division to be held as unclaimed funds in the Aggrieved Employees' names.
- (d) Notice to the LWDA of Settlement and Judgment.

Concurrent with the Parties' submission of a Stipulation or Motion seeking approval of this Agreement with the Court, Plaintiffs shall provide notice of this Agreement to the LWDA as required by PAGA. No later than 5 calendar days after the Effective Date, Plaintiffs' counsel shall provide notice to the LWDA of the Court's Order approving this PAGA settlement. Plaintiffs' counsel agrees to provide any and all other requisite notice and documents to the LWDA related to this Settlement and the Court's approval thereof.

#### Article IV.

##### Limitations On Use Of This Settlement.

###### Section 4.01 No Admission.

This Agreement and compliance with this Agreement shall not be construed as an admission by Defendant of any liability whatsoever, or as admission by Defendant of any violations of Plaintiffs' rights or the rights of any of the Aggrieved Employees, or violation of any order, law, statute, duty or contract whatsoever. Defendant specifically disclaim any liability to Plaintiffs or any of the Aggrieved Employees for any alleged violation of his/her rights, or for any alleged violation of any order, law, statute, duty or contract.

###### Section 4.03 Nullification.

- (a) If the Court should for any reason fail to approve this Agreement after reasonable attempts to obtain such approval and the Parties are unable to reach agreement on an alternative methodology for gaining superior court approval pursuant to Labor Code Section 2699(1)(2), then (a) this Agreement shall be considered null and void, (b) neither this Agreement nor any of the related negotiations or proceedings shall be of any force or effect, and (c) all Parties to this Agreement shall stand in the same position,

without prejudice, as if the Agreement had been neither entered into nor filed with the Court.

- (b) Invalidation of any material portion of this Agreement shall invalidate this Agreement in its entirety unless the Parties subsequently agree in writing that the remaining provisions shall remain in full force and effect.

Article V.

Release and Waiver of Claims.

Section 5.01 General Release By Plaintiffs Cuthbertson and Strahl.

Plaintiffs Cuthbertson and Strahl agree to release the Released Parties for all known and unknown claims, and they agree for themselves only to expressly waive all rights under 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 RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.**

Plaintiffs' General Releases are attached hereto as Exhibits B and C.

Section 5.02 Release By Aggrieved Employees.

Upon entry of the Order approving this Settlement, including the settlement payments provided in this Agreement, Plaintiffs, all Aggrieved Employees, and the State of California shall be deemed to have fully, finally, and forever released, relinquished, and discharged each and all of the Released Parties from the Released Claims that arose during the Covered Period.

Article VI.

Miscellaneous Provisions.

Section 6.01 Voluntariness.

This Agreement is executed voluntarily and without duress or undue influence on the part of or on behalf of any of the Parties, or of any other person, firm or other entity. The Parties have cooperated in the negotiation and preparation of this Agreement and each of its terms. This Agreement shall not be construed against any Party on the basis that the Party, or Party's counsel, was the drafter or participated in the drafting of this Agreement.

#### Section 6.02 Amendments.

The terms and provisions of this Agreement may be amended only by a written agreement that is both (a) signed by the Plaintiff, Plaintiffs' Counsel, Defendant and Defense Counsel who executed this Agreement and (b) approved by the Court. Any waiver of any provision of this Agreement shall not constitute a waiver of any other provision of this Agreement unless expressly so indicated otherwise.

#### Section 6.03 Assignment.

None of the rights, commitments, or obligations recognized under this Agreement may be assigned by any Party, Aggrieved Employee, Plaintiffs' Counsel, or Defense Counsel without the express written consent of each other Party and their respective counsel hereto. The representations, warranties, covenants, and agreements contained in this Agreement are for the sole benefit of the Parties under this Agreement, and shall not be construed to confer any right or to avail any remedy to any other person. Plaintiffs expressly warrant that they have not transferred to any person or entity any right or cause of action, or claim released by this Agreement.

#### Section 6.04 Governing Law.

This Agreement shall be governed, construed, and interpreted, and the rights of the Parties shall be determined, in accordance with the laws of the State of California.

#### Section 6.05 Entire Agreement.

This Agreement contains the entire understanding of the Parties hereto in respect of the subject matter contained herein. This Agreement supersedes all prior agreements and understandings among the Parties hereto with respect to the settlement of the Cases.

#### Section 6.06 Waiver of Compliance.

Any failure of any Party, Defense Counsel, and/or Plaintiffs' Counsel hereto to comply with any obligation, covenant, agreement, or condition herein may be expressly waived in writing, to the extent permitted under applicable law, by the Party or Parties and their respective counsel hereto entitled to the benefit of such obligation, covenant, agreement, or condition. A waiver or failure to insist upon strict compliance with any representation, warranty, covenant, agreement, or condition shall not operate as a waiver of, or estoppel with respect to, any subsequent or other failure.

#### Section 6.07 Counterparts.

This Agreement, and any amendments hereto, may be executed in any number of counterparts and any Party and/or their respective counsel hereto may execute any such counterpart, each of which when executed and delivered shall be deemed to be an original and all

of which counterparts taken together shall constitute but one and the same instrument. It shall not be necessary in making proof of this Agreement or any counterpart hereof to produce or account for any of the other counterparts.

Section 6.08 Attorneys' Fees and Costs.

Except as expressly provided herein, Defendant and Plaintiffs shall each bear their own attorney's fees and costs.

Section 6.09 Dispute(s).

Should any dispute(s) arise among the Parties or their respective counsel regarding the implementation or interpretation of this Agreement, the Parties agree to submit any such dispute(s) to mediator Jeffrey Krivis, other mutually-agreed-upon mediator, or the Court. To the extent any Party seeks to enforce any of the terms of this Agreement in Court or before the Court, the prevailing party shall be entitled to recover reasonable attorneys' fees and costs.

Section 6.10 Binding.

This Agreement shall bind and inure to the benefit of the Parties hereto and to their respective successors, assigns, legatees, heirs, and personal representatives.

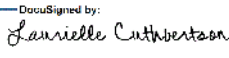
Section 6.12 Continuing Jurisdiction.

This Agreement shall be enforceable by the Court pursuant to *Code of Civil Procedure* Section 664.6 and the Court shall retain exclusive and continuing equity jurisdiction of the Cases over all Parties and Aggrieved Employees to interpret and enforce the terms, conditions and obligation of the Agreement.

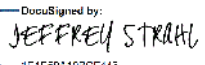
IN WITNESS WHEREOF, the Parties have executed this Private Attorney General Act Settlement Agreement on the date set forth.

APPROVED AND ACCEPTED.

Dated: November 09, 2022

By:   
Laurielle Cuthbertson  
Plaintiff

Dated: November 8, 2022

By:   
Jeffrey Thomas Strahl

Plaintiff

Dated: November \_\_\_\_, 2022

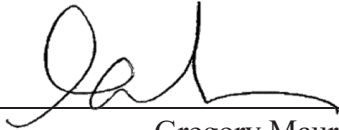
By: \_\_\_\_\_

Brandon Lombardi  
Chief Legal Officer, SFM, LLC

**APPROVAL AS TO FORM:**

Dated: November 9, 2022

JAMES HAWKINS APLC

By:  \_\_\_\_\_  
Gregory Mauro  
Attorney for Plaintiffs

Dated: November \_\_\_\_, 2022

CDF Labor Law LLP

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

Amy S. Williams  
Attorneys for Defendant  
SFM, LLC

Plaintiff

Dated: November 18, 2022

By: BJL:

Brandon Lombardi  
Chief Legal Officer, SFM, LLC

**APPROVAL AS TO FORM:**

Dated:

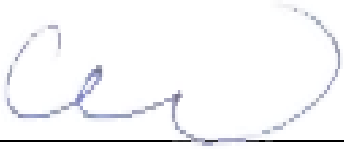
JAMES HAWKINS APLC

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

Gregory Mauro  
Attorney for Plaintiffs

Dated: December 8, 2022

CDF Labor Law LLP

By: 

Amy S. Williams  
Attorneys for Defendant  
SFM, LLC

# EXHIBIT A

## EXHIBIT A

<<DATE>>

<<FIRST\_NAME>> <<LAST\_NAME>>

<<ADDRESS 1>>

<<ADDRESS 2>>

**Re:     PAGA Settlement Payment From *Raya, et al. v. SFM, LLC* Lawsuit**

Dear <<FIRST\_NAME>> <<LAST\_NAME>>:

Enclosed is your settlement payment from the settlement of the lawsuit titled *Raya, et al. v. SFM, LLC*, Los Angeles Superior Court, Case No. 21STCV18228.

This lawsuit was filed against SFM, LLC (“Sprouts”) pursuant to the Labor Code Private Attorneys General Act of 2004, Cal. Lab. Code § 2698 *et seq.* (called “PAGA”). The lawsuit was brought on behalf of the State of California and non-exempt employees (“aggrieved employees”) of Sprouts from March 9, 2020 to [Court Approval Date]. You have been identified as one of the employees on whose behalf the case was brought.

Sprouts denies that it did anything wrong or that it owes any penalties. The parties agreed to resolve the case, and as part of that settlement, Sprouts agreed to pay a certain amount of money categorized as PAGA penalties. Under the PAGA statute, certain penalties get divided between the State and the employees.

Enclosed is a check made out to you. The check represents your share of the Settlement for PAGA civil penalties (\$\_\_\_\_\_). This amount is calculated based on the number of pay periods you worked for Sprouts as a non-exempt employee during the period from March 9, 2020 to [Court Approval Date] and for which you have not already received a PAGA settlement payment.

If you have any questions, you can contact the settlement administrator (whose contact information is at the top of this letter), or visit the court’s website at: <https://www.lacourt.org/casesummary/ui/index.aspx?casetype=civil>, where you insert the case no. 21STCV18228, or contact Plaintiffs’ counsel:

|                                                                                                                                                                                                       |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| JAMES HAWKINS APLC<br>James R. Hawkins<br>James@jameshawkinsaplc.com<br>Gregory Mauro<br>Greg@jameshawkinsaplc.com<br>Michael Calvo<br>Michael@jameshawkinsaplc.com<br>9880 Research Drive, Suite 200 |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

Irvine, CA 92618  
Tel. (949) 387-7200

Very Truly Yours,

[Administrator]

## **EXHIBIT B –PLAINTIFF CUTHBERTSON’S GENERAL RELEASE**

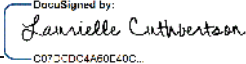
Plaintiff Laurielle Cuthbertson (“Cuthbertson” or “Plaintiff”) and Defendant SFM, LLC, registered in California as SF Markets, LLC (“Defendant”) (collectively, the “Parties”), on behalf of themselves and their respective successors, assigns, legatees, heirs, and personal representatives, agree that Plaintiff, in consideration of the benefits provided by the PAGA Settlement Agreement, agrees upon the Effective Date as defined in the Agreement, to release Defendant from any and all known and unknown claims, and expressly waives and relinquishes, to the fullest extent permitted by law, the provisions, rights, and benefits of California *Civil Code* Section 1542, or any other similar provision under federal or state law, which provides:

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

In addition to the provisions of § 1542 of the *Civil Code* of the State of California, Cuthbertson, for herself and her present and former agents, attorneys, successors and assigns and any other person or entity claiming by, through or under any of them, does hereby irrevocably and unconditionally releases, remises, acquits, and forever discharges the Released Parties of and from any and all claims, demands, damages, causes of action, debts, liabilities, covenants, or suits, direct or indirect, known or unknown, that Plaintiff may have or claim to have against the Released Parties including, without limitation, any and all liabilities, claims, demands, contracts, debts, obligations and causes of action of any nature, kind, and description, whether in law, equity or otherwise, whether or not now known or ascertained, which currently do or may exist, including without limitation any matter, cause or action arising out of or related to facts or events occurring prior to the execution of this Agreement, and/or arising from and relating to Plaintiff’s relationship with Defendant, Plaintiff’s hiring and payment of wages therefore, and/or termination therefrom, including, but not limited to all claims and causes of action set forth in the Case, and including, but not limited to, those claims arising under any federal, state or local law or statute, including without limitation those arising under the Fair Labor Standards Act, Americans with Disabilities Act, Title VII of the Civil Rights Act of 1964, Employee Retirement Income Security Act, National Labor Relations Act, Family and Medical Leave Act, Worker Adjustment and Retraining Notification Act, California Labor Code, California Corporations Code, California Business and Professions Code, California Fair Employment and Housing Act, California Worker Adjustment and Retraining Notification Act, California Workers’ Compensation Act, California Family Rights Act, California Constitution (all as amended); federal and state wage and hour laws, laws of contract and tort; all claims for discrimination, harassment, retaliation, wrongful termination, emotional distress, defamation, libel, slander, invasion of privacy, or unfair business practices; any action for recovery of lost wages (including front pay and back pay), benefits, other employment compensation, misrepresentation, fraud, emotional distress, medical expenses, other economic and non-economic damages, civil penalties, waiting time penalties, statutory penalties, liquidated damages, compensatory damages, punitive damages, injunctive relief, reinstatement, attorneys’ fees, costs, expenses and any other statutory or common law claims relating to employment or the

recruitment therefore or the termination thereof, as well as recovery of any other type arising under federal, state or local law.

Dated: 11/9/2022

By:  \_\_\_\_\_  
Laurielle Cuthbertson  
Plaintiff

Dated:

By: \_\_\_\_\_  
Brandon Lombardi  
Chief Legal Officer, SFM, LLC

recruitment therefore or the termination thereof, as well as recovery of any other type arising under federal, state or local law.

Dated:

By: \_\_\_\_\_  
Laurielle Cuthbertson  
Plaintiff

Dated: November 18, 2022

By: BJL  
Brandon Lombardi  
Chief Legal Officer, SFM, LLC

## **EXHIBIT C – PLAINTIFF STRAHL’S GENERAL RELEASE**

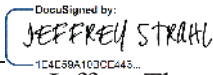
Plaintiff Jeffrey Thomas Strahl (“Strahl” or “Plaintiff”) and Defendant SFM, LLC, registered in California as SF Markets, LLC (“Defendant”) (collectively, the “Parties”), on behalf of themselves and their respective successors, assigns, legatees, heirs, and personal representatives, agree that Plaintiff, in consideration of the benefits provided by the PAGA Settlement Agreement, agrees upon the Effective Date as defined in the Agreement, to release Defendant from any and all known and unknown claims, and expressly waives and relinquishes, to the fullest extent permitted by law, the provisions, rights, and benefits of California *Civil Code* Section 1542, or any other similar provision under federal or state law, which provides:

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

In addition to the provisions of § 1542 of the *Civil Code* of the State of California, Strahl, for himself and his present and former agents, attorneys, successors and assigns and any other person or entity claiming by, through or under any of them, does hereby irrevocably and unconditionally releases, remises, acquits, and forever discharges the Released Parties of and from any and all claims, demands, damages, causes of action, debts, liabilities, covenants, or suits, direct or indirect, known or unknown, that Plaintiff may have or claim to have against the Released Parties including, without limitation, any and all liabilities, claims, demands, contracts, debts, obligations and causes of action of any nature, kind, and description, whether in law, equity or otherwise, whether or not now known or ascertained, which currently do or may exist, including without limitation any matter, cause or action arising out of or related to facts or events occurring prior to the execution of this Agreement, and/or arising from and relating to Plaintiff’s relationship with Defendant, Plaintiff’s hiring and payment of wages therefore, and/or termination therefrom, including, but not limited to all claims and causes of action set forth in the Case, and including, but not limited to, those claims arising under any federal, state or local law or statute, including without limitation those arising under the Fair Labor Standards Act, Americans with Disabilities Act, Title VII of the Civil Rights Act of 1964, Employee Retirement Income Security Act, National Labor Relations Act, Family and Medical Leave Act, Worker Adjustment and Retraining Notification Act, California Labor Code, California Corporations Code, California Business and Professions Code, California Fair Employment and Housing Act, California Worker Adjustment and Retraining Notification Act, California Workers’ Compensation Act, California Family Rights Act, California Constitution (all as amended); federal and state wage and hour laws, laws of contract and tort; all claims for discrimination, harassment, retaliation, wrongful termination, emotional distress, defamation, libel, slander, invasion of privacy, or unfair business practices; any action for recovery of lost wages (including front pay and back pay), benefits, other employment compensation, misrepresentation, fraud, emotional distress, medical expenses, other economic and non-economic damages, civil penalties, waiting time penalties, statutory penalties, liquidated damages, compensatory damages, punitive damages, injunctive relief, reinstatement, attorneys’

fees, costs, expenses and any other statutory or common law claims relating to employment or the recruitment therefore or the termination thereof, as well as recovery of any other type arising under federal, state or local law.

Dated: 11/8/2022

By:  \_\_\_\_\_  
Jeffrey Thomas Strahl  
Plaintiff

Dated:

By: \_\_\_\_\_  
Brandon Lombardi  
Chief Legal Officer, SFM, LLC

fees, costs, expenses and any other statutory or common law claims relating to employment or the recruitment therefore or the termination thereof, as well as recovery of any other type arising under federal, state or local law.

Dated:

By: \_\_\_\_\_  
Jeffrey Thomas Strahl  
Plaintiff

Dated: November 18, 2022

By: BJL:  
Brandon Lombardi  
Chief Legal Officer, SFM, LLC

# EXHIBIT 2

# JAMES *JH* HAWKINS

A PROFESSIONAL LAW CORPORATION

9880 RESEARCH DRIVE, SUITE 200, IRVINE, CALIFORNIA 92618  
TELEPHONE (949) 387-7200; FACSIMILE (949) 387-6676

**March 8, 2021**

**Via LWDA Website**

Labor and Workforce Development Agency  
Attn: PAGA Administrator  
1515 Clay Street, Suite. 801  
Oakland, CA 94612  
<http://www.dir.ca.gov/Private-Attorneys-General-Act>

**Via Certified Mail**

SFM LLC  
Agent for Service of Process:  
REGISTERED AGENTS INC.  
1267 Willis Street, Suite 200  
Redding, CA 96001  
Receipt No. 7020 0640 0001 0089 9554

SF MARKETS, LLC dba SPROUTS  
FARMERS MARKET  
Agent for Service of Process: CSC  
LAWAYERS INCORPORATING SERVICE  
2710 Gateway Oaks Drive, Suite 150N  
Sacramento, CA 95833  
Receipt No. 7020 0640 0001 0089 9547

**Re: NOTICE PURSUANT TO LABOR CODE SECTIONS 2698, *et seq.***

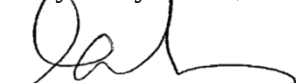
To Whom It May Concern:

PLEASE TAKE NOTICE that plaintiff WILLIAM GARCIA RAYA, JR., individually and on behalf of all similarly situated representative aggrieved employees, gives NOTICE to commence and/or amend a civil action pursuant to California Labor Code Sections 2698, *et seq.* Plaintiff hereby gives written notice by certified mail to the Labor and Workforce Development Agency, SFM LLC and SF MARKETS, LLC dba SPROUTS FARMERS MARKET through their Agent for Service of Process.

Plaintiff hereby attaches a copy of the Proposed PAGA Representative Action Complaint to be filed in the Los Angeles County Superior Court, as though fully set forth herewith setting out the specific provisions of the Labor Code Plaintiff alleges have been violated, including the facts and theories. All labor provisions in the Proposed PAGA Representative Action Complaint alleged to have been violated pertain to all entities and individuals named in the Complaints, even if not expressly specified.

Please advise within sixty (60) days of the post mark on this letter if the LWDA intends to investigate these claims. Thank you, and if you have any questions, please do not hesitate to contact me.

Very Truly Yours,



Gregory Mauro

Enclosure: Proposed PAGA Representative Action Complaint

# EXHIBIT 3

# JAMES *JH* HAWKINS

A PROFESSIONAL LAW CORPORATION

9880 RESEARCH DRIVE, SUITE 200, IRVINE, CALIFORNIA 92618

TELEPHONE (949) 387-7200; FACSIMILE (949) 387-6676

**August 26, 2021**

**Via LWDA Website**

Labor and Workforce Development Agency  
Attn: PAGA Administrator  
1515 Clay Street, Suite. 801  
Oakland, CA 94612  
<http://www.dir.ca.gov/Private-Attorneys-General-Act>

**Via Certified Mail**

SFM LLC  
Agent for Service of Process: Jack L. Sinclair, CEO  
5455 E. High Street  
Phoenix, AZ 85054  
Receipt No. 7020 1810 0002 0535 7823

SF MARKETS, LLC dba SPROUTS FARMERS MARKET  
Agent for Service of Process: CSC LAWYERS INCORPORATING SERVICE  
2710 Gateway Oaks Drive, Suite 150N  
Sacramento, CA 95833  
Receipt No. 7020 1810 0002 0535 7830

**Re: AMENDED NOTICE PURSUANT TO LABOR CODE SECTIONS  
2698, *et seq.***

To Whom It May Concern:

PLEASE TAKE NOTICE that plaintiffs WILLIAM GARCIA RAYA, JR. and LAURIELLE CUTHBERTSON, individually and on behalf of all similarly situated representative aggrieved employees, give NOTICE to commence and/or amend a civil action pursuant to California Labor Code Sections 2698, *et seq.* Plaintiffs hereby give written notice by certified mail to the Labor and Workforce Development Agency, SFM LLC and SF MARKETS, LLC dba SPROUTS FARMERS MARKET through their Agent for Service of Process.

Plaintiff hereby attaches a copy of the Proposed First Amended PAGA Representative Action Complaint to be filed in the Los Angeles County Superior Court, as though fully set forth herewith setting out the specific provisions of the Labor Code Plaintiff alleges have been violated, including the facts and theories. All labor provisions in the Proposed PAGA Representative Action Complaint alleged to have been violated pertain to all entities and individuals named in the Complaints, even if not expressly specified.

Please advise within sixty (60) days of the post mark on this letter if the LWDA intends to investigate these claims. Thank you, and if you have any questions, please do not hesitate to contact me.

Very Truly Yours,



Gregory Mauro

Enclosure: Proposed First Amended PAGA Representative Action Complaint

# EXHIBIT 4

# JAMES *JH* HAWKINS

A PROFESSIONAL LAW CORPORATION

9880 RESEARCH DRIVE, SUITE 200, IRVINE, CALIFORNIA 92618

TELEPHONE (949) 387-7200; FACSIMILE (949) 387-6676

**September 15, 2021**

**Via LWDA Website**

Labor and Workforce Development Agency  
Attn: PAGA Administrator  
1515 Clay Street, Suite. 801  
Oakland, CA 94612  
<http://www.dir.ca.gov/Private-Attorneys-General-Act>

**Via Certified Mail**

SFM LLC  
Agent for Service of Process: Jack L. Sinclair, CEO  
5455 E. High Street  
Phoenix, AZ 85054  
Receipt No. 7020 1810 0002 0535 7960

SF MARKETS, LLC dba SPROUTS FARMERS MARKET  
Agent for Service of Process: CSC LAWYERS INCORPORATING SERVICE  
2710 Gateway Oaks Drive, Suite 150N  
Sacramento, CA 95833  
Receipt No. 7020 1810 0002 0535 7977

**Re: NOTICE PURSUANT TO LABOR CODE SECTIONS 2698, *et seq.***

To Whom It May Concern:

PLEASE TAKE NOTICE that plaintiff JEFFREY THOMAS STRAHL, individually and on behalf of all similarly situated representative aggrieved employees, gives NOTICE to commence and/or amend a civil action pursuant to California Labor Code Sections 2698, *et seq.* Plaintiff hereby gives written notice by certified mail to the Labor and Workforce Development Agency, SFM LLC and SF MARKETS, LLC dba SPROUTS FARMERS MARKET through their Agent for Service of Process.

Plaintiff hereby attaches a copy of the Proposed PAGA Representative Action Complaint to be filed in the Los Angeles County Superior Court, as though fully set forth herewith setting out the specific provisions of the Labor Code Plaintiff alleges have been violated, including the facts and theories. All labor provisions in the Proposed PAGA Representative Action Complaint alleged to have been violated pertain to all entities and individuals named in the Complaints, even if not expressly specified.

Please advise within sixty (60) days of the post mark on this letter if the LWDA intends to investigate these claims. Thank you, and if you have any questions, please do not hesitate to contact me.

Very Truly Yours,

A handwritten signature in black ink, appearing to read 'Gregory Mauro', with a stylized, cursive script.

Gregory Mauro

Enclosure: Proposed PAGA Representative Action Complaint

# EXHIBIT 5

# Matter Billing Detail

Report Date: 12/12/2022  
Report Time: 9:11AM  
Page: 1 of 2  
User ID: Miccolis

## JAMES HAWKINS APLC

Date Range: 01/01/1900 to 12/12/2022  
Client: SPROUTSIN12 - William Jr. Raya  
Matter: SPROUTS - Sprouts Farmers Market PAGA - William Raya Jr. v. SFM

| Date       | Expense Code | Description                                                                                                                                        | Debit       | Credit | Billing Status | On Hold | Invoice Number | Check Number | Payee |
|------------|--------------|----------------------------------------------------------------------------------------------------------------------------------------------------|-------------|--------|----------------|---------|----------------|--------------|-------|
|            |              | Balance Forward:                                                                                                                                   | \$0.00      |        |                |         |                |              |       |
| 03/15/2021 | POS          | Postage - 03.08.2021 Cer Mail to Agents re LWDA filing (2)                                                                                         | \$17.98     |        | Unbilled       |         |                |              |       |
| 03/15/2021 | FIL          | Filing Fee - 03.08.2021 LWDA Filing                                                                                                                | \$75.00     |        | Unbilled       |         |                |              |       |
| 05/14/2021 | FST          | First Legal Network - Filing, complaint, summons, civ cover, civ IN#30159758                                                                       | \$1,644.75  |        | Unbilled       |         |                |              |       |
| 07/14/2021 | FST          | First Legal Network- SERVED- Complaint and Initial Docs (2); Orders; Notices E-FILED- Proof of Personal Service; Proof Service Summons IN#30166121 | \$544.08    |        | Unbilled       |         |                |              |       |
| 08/26/2021 | POS          | Postage- 08.26.21- Cert Mail to agent re LWDA letter (2)                                                                                           | \$17.98     |        | Unbilled       |         |                |              |       |
| 10/28/2021 | FST          | First Legal Network - E-Filing: Stip and Proposed Order IN#30175944                                                                                | \$514.70    |        | Unbilled       |         |                |              |       |
| 11/11/2021 | FST          | First Legal Network - e-filing, ntc of November 5,2021 minute order, IN#30179004                                                                   | \$36.20     |        | Unbilled       |         |                |              |       |
| 02/22/2022 | MED          | Mediation Services CK#9813 First Mediation                                                                                                         | \$9,000.00  |        | Unbilled       |         |                |              |       |
| 04/13/2022 | FST          | First Legal Network - E-Filing - Notice of Related Case IN# 30195930                                                                               | \$37.70     |        | Unbilled       |         |                |              |       |
| 06/30/2022 | EXA          | Expert Analysis IN#6310 CK#10083                                                                                                                   | \$6,000.00  |        | Unbilled       |         |                |              |       |
| 06/30/2022 | FST          | First Legal Network - E-Filing, Plaintiff's Ntc of June 17, 2022 IN#30205948                                                                       | \$37.70     |        | Unbilled       |         |                |              |       |
| 06/30/2022 | FST          | First Legal Network- Plaintiff Notice of June 17, 2022 Minute Order IN#30202789                                                                    | \$37.70     |        | Unbilled       |         |                |              |       |
| 08/18/2022 | FST          | First Legal Network- E-Filing: Ntc of Settlement IN#30209403                                                                                       | \$37.70     |        | Unbilled       |         |                |              |       |
| 09/23/2022 | FED          | FED EX- 9.22.22 Overnight shiping                                                                                                                  | \$29.13     |        | Unbilled       |         |                |              |       |
| 12/12/2022 | PRO          | Professional Fee- Tristar Investigation IN#22249                                                                                                   | \$225.00    |        | Unbilled       |         |                |              |       |
| Total:     |              |                                                                                                                                                    | \$18,255.62 | \$0.00 |                |         |                |              |       |
| Balance:   |              |                                                                                                                                                    | \$18,255.62 |        |                |         |                |              |       |

Matter Billing Detail

JAMES HAWKINS APLC

| Date                                    | Expense Code | Description | Debit       | Credit | Billing Status | On Hold | Invoice Number | Check Number | Payee |
|-----------------------------------------|--------------|-------------|-------------|--------|----------------|---------|----------------|--------------|-------|
| Total Fees Billed- - - - -              |              |             | \$0.00      |        |                |         |                |              |       |
| Total Fees Unbilled : - - - - -         |              |             | \$0.00      |        |                |         |                |              |       |
| Total Fees Received : - - - - -         |              |             | \$0.00      |        |                |         |                |              |       |
| Total Soft Cost Billed : - - - - -      |              |             | \$0.00      |        |                |         |                |              |       |
| Total Soft Cost Unbilled : - - - - -    |              |             | \$0.00      |        |                |         |                |              |       |
| Total Soft Cost Received : - - - - -    |              |             | \$0.00      |        |                |         |                |              |       |
| Total Hard Cost Billed : - - - - -      |              |             | \$0.00      |        |                |         |                |              |       |
| Total Hard Cost Unbilled : - - - - -    |              |             | \$18,255.62 |        |                |         |                |              |       |
| Total Hard Cost Received : - - - - -    |              |             | \$0.00      |        |                |         |                |              |       |
| Total Taxes Billed : - - - - -          |              |             | \$0.00      |        |                |         |                |              |       |
| Total Taxes Unbilled : - - - - -        |              |             | \$0.00      |        |                |         |                |              |       |
| Total Taxes Received : - - - - -        |              |             | \$0.00      |        |                |         |                |              |       |
| Total Late Charges Billed : - - - - -   |              |             | \$0.00      |        |                |         |                |              |       |
| Total Late Charges Unbilled: - - - - -  |              |             | \$0.00      |        |                |         |                |              |       |
| Total Late Charges Received : - - - - - |              |             | \$0.00      |        |                |         |                |              |       |
| Trust Balance: - - - - -                |              |             | \$0.00      |        |                |         |                |              |       |

# Matter Billing Detail

Report Date:12/12/2022

Report Time:9:08AM

Page:1 of 2

User ID:Miccolis

## JAMES HAWKINS APLC

Date Range:01/01/1900 to 12/12/2022

Client:SPROUTS004 - Laurielle Cuthbertson

Matter:SPROUTSPAGA8 - Sprouts Farmers Market PAGA - Laurielle Cuthbertson

| Date       | Expense Code | Description                                                                                                                                       | Debit      | Credit | Billing Status | On Hold | Invoice Number | Check Number | Payee |
|------------|--------------|---------------------------------------------------------------------------------------------------------------------------------------------------|------------|--------|----------------|---------|----------------|--------------|-------|
|            |              | Balance Forward:                                                                                                                                  | \$0.00     |        |                |         |                |              |       |
| 11/01/2021 | FST          | First Legal Network - E-Filing, civil case cover sheet,complaint, su, IN#30179004                                                                 | \$1,614.70 |        | Unbilled       |         |                |              |       |
| 12/09/2021 | FST          | First Legal Network - Process branch same day, complaint, initial docs, ntc, order (2), E-Filing, proof of service by substituted ser IN#30182125 | \$570.49   |        | Unbilled       |         |                |              |       |
| 01/28/2022 | FST          | First Legal Network - E-Filing, plaintiffs ntc of case management IN #30185317                                                                    | \$37.70    |        | Unbilled       |         |                |              |       |
| 02/17/2022 | FST          | First Legal Network - E-Filing, plaintiffs request to continue case IN#30188503                                                                   | \$59.70    |        | Unbilled       |         |                |              |       |
| 03/02/2022 | CRT          | Court Documents- Order Continuing CMC                                                                                                             | \$4.00     |        | Unbilled       |         |                |              |       |
| 03/02/2022 | FST          | First Legal Network - E-Filing, ntc of continued case management, IN#30192286                                                                     | \$37.70    |        | Unbilled       |         |                |              |       |
| 04/13/2022 | FST          | First Legal Network - E-Filing - Notice of Related Case IN# 30195930                                                                              | \$37.70    |        | Unbilled       |         |                |              |       |
| 05/06/2022 | FST          | First Legal Network- Filed Case Management Statement and Notice of Related Case In30199329                                                        | \$75.40    |        | Unbilled       |         |                |              |       |
| 06/30/2022 | FST          | First Legal Network- Plf Notice of June 17, 2022 Minute Order IN#30202789                                                                         | \$37.70    |        | Unbilled       |         |                |              |       |
|            |              | Total:                                                                                                                                            | \$2,475.09 | \$0.00 |                |         |                |              |       |
|            |              | Balance:                                                                                                                                          | \$2,475.09 |        |                |         |                |              |       |

Matter Billing Detail

JAMES HAWKINS APLC

| Date                                | Expense Code | Description | Debit      | Credit | Billing Status | On Hold | Invoice Number | Check Number | Payee |
|-------------------------------------|--------------|-------------|------------|--------|----------------|---------|----------------|--------------|-------|
| Total Fees Billed-----              |              |             | \$0.00     |        |                |         |                |              |       |
| Total Fees Unbilled : -----         |              |             | \$0.00     |        |                |         |                |              |       |
| Total Fees Received : -----         |              |             | \$0.00     |        |                |         |                |              |       |
| Total Soft Cost Billed : -----      |              |             | \$0.00     |        |                |         |                |              |       |
| Total Soft Cost Unbilled : -----    |              |             | \$0.00     |        |                |         |                |              |       |
| Total Soft Cost Received : -----    |              |             | \$0.00     |        |                |         |                |              |       |
| Total Hard Cost Billed : -----      |              |             | \$0.00     |        |                |         |                |              |       |
| Total Hard Cost Unbilled : -----    |              |             | \$2,475.09 |        |                |         |                |              |       |
| Total Hard Cost Received : -----    |              |             | \$0.00     |        |                |         |                |              |       |
| Total Taxes Billed : -----          |              |             | \$0.00     |        |                |         |                |              |       |
| Total Taxes Unbilled : -----        |              |             | \$0.00     |        |                |         |                |              |       |
| Total Taxes Received : -----        |              |             | \$0.00     |        |                |         |                |              |       |
| Total Late Charges Billed : -----   |              |             | \$0.00     |        |                |         |                |              |       |
| Total Late Charges Unbilled: -----  |              |             | \$0.00     |        |                |         |                |              |       |
| Total Late Charges Received : ----- |              |             | \$0.00     |        |                |         |                |              |       |
| Trust Balance: -----                |              |             | \$0.00     |        |                |         |                |              |       |

# Matter Billing Detail

Report Date:12/12/2022

Report Time:9:09AM

Page:1 of 2

User ID:Miccolis

## JAMES HAWKINS APLC

Date Range:01/01/1900 to 12/12/2022

Client:STRAHL001 - Jeffrey Thomas Strahl

Matter:SFMLLC003 - Sprouts Farmers Market-SFM - PAGA- Jeffrey Thomas Strahl

| Date       | Expense Code | Description                                                                                                | Debit      | Credit | Billing Status | On Hold | Invoice Number | Check Number | Payee |
|------------|--------------|------------------------------------------------------------------------------------------------------------|------------|--------|----------------|---------|----------------|--------------|-------|
|            |              | Balance Forward:                                                                                           | \$0.00     |        |                |         |                |              |       |
| 09/14/2021 | FST          | First Legal Network - E-Filing, case management statement, plaintiffs response to order to sho IN#30172635 | \$72.40    |        | Unbilled       |         |                |              |       |
| 09/28/2021 | POS          | Postage - 09.15.2021 Certified Mail to Agent re LWDA Filing                                                | \$15.46    |        | Unbilled       |         |                |              |       |
| 09/28/2021 | FIL          | Filing Fee - 09.15.2021 LWDA Filing Fee                                                                    | \$75.00    |        | Unbilled       |         |                |              |       |
| 11/22/2021 | FST          | First Legal Network - E-Filing, complaint, civil case cover sheet, su, IN#30179004                         | \$1,614.70 |        | Unbilled       |         |                |              |       |
| 04/13/2022 | FST          | First Legal Network - E-Filing - Notice of Related Case IN# 30195930                                       | \$37.70    |        | Unbilled       |         |                |              |       |
| 06/08/2022 | FST          | First Legal Network- E-filing: Plf Ntc of Case Reassignment IN#30202789                                    | \$175.90   |        | Unbilled       |         |                |              |       |
| 06/27/2022 | FST          | First Legal Network- Plf Notice of June 17, 2022 Minute Order IN#30202789                                  | \$37.70    |        | Unbilled       |         |                |              |       |
|            |              | Total:                                                                                                     | \$2,028.86 | \$0.00 |                |         |                |              |       |
|            |              | Balance:                                                                                                   | \$2,028.86 |        |                |         |                |              |       |

Matter Billing Detail

JAMES HAWKINS APLC

| Date                                | Expense Code | Description | Debit      | Credit | Billing Status | On Hold | Invoice Number | Check Number | Payee |
|-------------------------------------|--------------|-------------|------------|--------|----------------|---------|----------------|--------------|-------|
| Total Fees Billed-----              |              |             | \$0.00     |        |                |         |                |              |       |
| Total Fees Unbilled : -----         |              |             | \$0.00     |        |                |         |                |              |       |
| Total Fees Received : -----         |              |             | \$0.00     |        |                |         |                |              |       |
| Total Soft Cost Billed : -----      |              |             | \$0.00     |        |                |         |                |              |       |
| Total Soft Cost Unbilled : -----    |              |             | \$0.00     |        |                |         |                |              |       |
| Total Soft Cost Received : -----    |              |             | \$0.00     |        |                |         |                |              |       |
| Total Hard Cost Billed : -----      |              |             | \$0.00     |        |                |         |                |              |       |
| Total Hard Cost Unbilled : -----    |              |             | \$2,028.86 |        |                |         |                |              |       |
| Total Hard Cost Received : -----    |              |             | \$0.00     |        |                |         |                |              |       |
| Total Taxes Billed : -----          |              |             | \$0.00     |        |                |         |                |              |       |
| Total Taxes Unbilled : -----        |              |             | \$0.00     |        |                |         |                |              |       |
| Total Taxes Received : -----        |              |             | \$0.00     |        |                |         |                |              |       |
| Total Late Charges Billed : -----   |              |             | \$0.00     |        |                |         |                |              |       |
| Total Late Charges Unbilled: -----  |              |             | \$0.00     |        |                |         |                |              |       |
| Total Late Charges Received : ----- |              |             | \$0.00     |        |                |         |                |              |       |
| Trust Balance: -----                |              |             | \$0.00     |        |                |         |                |              |       |