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MARIA MARAVILLA and JUAN TORRES REYES
on behalf of themselves and all similarly situated employees

SUPERIOR COURT OF CALIFORNIA
COUNTY OF MONTEREY

MARIA MARAVILLA and JUAN TORRES
REYES on behalf of themselves and all similarly
situated employees,

v.

GREENGATE FRESH, LLLP; and DOES 1
through 50, inclusive,

Defendants.

Case No. 21CV001258

**DECLARATION OF MAX W. GAVRON IN
SUPPORT OF PLAINTIFFS' MOTION FOR
PRELIMINARY APPROVAL OF CLASS
ACTION SETTLEMENT**

Date: January 12, 2024

Time: 8:30 a.m.

Dept: 14

Complaint Filed: April 15, 2021

FAC Filed: May 20, 2022

Trial Date: Not Set

DECLARATION OF MAX W. GAVRON

I, Max W. Gavron, declare as follows:

1. I am an attorney at law, duly licensed to practice before all Courts in the State of California, and am with the law firm Diversity Law Group, counsel of record for Plaintiffs Maria Maravilla and Juan Torres Reyes (together, "Plaintiffs"). I have personal knowledge of the facts set forth below and if called to testify I could and would do so competently.

PROCEDURAL HISTORY

2. On April 15, 2021, Plaintiffs filed a class and representative action complaint in the Superior Court of California, County of Monterey, on behalf of themselves and all similarly situated employees against Defendant (the “Action”).

3. Plaintiffs subsequently filed a first amended complaint on May 20, 2022. The first amended complaint is the operative complaint (“Complaint”).

4. The Complaint asserts class and representative action claims for: (1) failure to provide meal periods or compensation in lieu thereof, in violation of Labor Code §§ 226.7 and 1198; (2) failure to provide rest periods or compensation in lieu thereof, in violation of Labor Code §§ 226.7 and 1198 regarding rest periods and premiums; (3) failure to pay hourly and overtime wages, in violation of Labor Code §§ 1194 and 1198; (4) failure to pay minimum wages, in violation of Labor Code §§ 1194, 1197, and 1199; (5) failure to comply with itemized wage statement requirements, in violation of Labor Code §§ 226, 1174, and 1175; (6) failure to pay all wages upon termination, in violation of Labor Code §§ 201, 202, 203, and 246; (7) failure to pay wages timely, in violation of Labor Code § 204; (8) failure to reimburse work related expenses, in violation of Labor Code § 2802; (9) penalties under the PAGA, Labor Code § 2698; and (10) unfair business practices, in violation of Business and Professions Code § 17200, *et seq.*; as well as individual claims on behalf of Maria Maravilla for: (11) sex and gender discrimination, in violation of the Fair Employment and Housing Act (“FEHA”), Government Code § 12940(a); (12) sexual harassment, in violation of the FEHA; (13) failure to investigate and prevent harassment, in violation of the FEHA; (14) retaliation, in violation of the FEHA; and (15) intentional infliction of emotional distress..

5. Specifically, Plaintiffs allege that employees were required to call in to work to determine

1 whether they were to report in. Employees were not paid for this mandatory activity, nor were they
2 reimbursed the costs of using personal cell phones for work purposes. Employees were also not provided
3 with proper meal and/or rest breaks, as they were required to remain on the premises and under
4 Defendant's control. In addition, Plaintiffs allege the Defendant failed to properly calculate the regular
5 rate of pay for the purposes of paying sick pay wages, meal period premiums, and as a result, owe
6 additional wages. Moreover, Plaintiffs allege that Defendant failed to timely pay wages when due and
7 upon separation of employment. Finally, Plaintiffs allege that Defendant failed to provide accurate
8 itemized wage statements that included the applicable hourly rates of pay, as well as due to the above
9 practices.

10 6. Since the initiation of the Action, the Parties have engaged in litigation and discovery,
11 including filing a Motion to Compel Arbitration, and producing and reviewing the production of
12 documents and other written discovery.

13 7. On May 9, 2022, the Parties participated in private mediation with mediator Tripper
14 Ortman, Esq. After a full day of mediation, the Parties were unable to reach an agreement and resumed
15 litigation. On September 8, 2022, the Court ordered Plaintiffs' individual wage and hour and PAGA
16 claims to arbitration and dismissed the putative class claims. Plaintiffs' non-individual, representative
17 PAGA claims and a portion of Maria Maravilla's individual FEHA claim were stayed. The Court
18 compelled Maria Maravilla's individual employment claims to arbitration, but retained jurisdiction of
19 her sexual harassment claim based on any conduct alleged to have occurred after March 3, 2022.

20 8. Following the Court's ruling on Defendant's Motion to Compel Arbitration, Plaintiffs
21 demanded arbitration with JAMS. On September 29, 2022, Guadalupe Gomar, Herminia Sanchez, Jesus
22 Baez, Juan Polanco Magana, Nancy Mendoza Perez, and Paulino Ibarra ("Non-Plaintiff Claimants")
23 filed arbitration demands against Defendant for alleged violations of the Labor Code during their
24 employment. Thereafter, Plaintiffs and the Non-Plaintiff Claimants litigated their claims in arbitration
25 against Defendant. The Parties later reengaged with Mr. Ortman and arrived at the instant proposed
26 settlement. The Non-Plaintiff Claimants' arbitration demands and Plaintiff Maravilla's FEHA claim
27 were ultimately resolved by the Parties individually through confidential individual settlement
28 agreements. While not subject to formal Court approval like the class and PAGA settlement, Plaintiffs

disclose the existence of the Confidential Individual Settlements and Plaintiff Maravilla's FEHA claim for transparency.

9. After thorough investigation and evaluation of the facts and claims, as well as arm's length negotiation, the Parties accepted a mediator's proposal and later memorialized the terms of their agreement in the Joint Stipulation and Stipulation of Settlement of Class Action and PAGA Claims ("Stipulation of Settlement," "Settlement," or "Agreement"). A true and correct copy of the Stipulation of Settlement is attached as **Exhibit A** to the Declaration of Max W. Gavron ("Gavron Decl.") submitted concurrently herewith. The Parties recognize the risk, expense, and delay in continuing litigation with the class and PAGA claims, and believe the settlement to be fair, reasonable, and adequate.

10. The Parties recognize the risk, expense, and delay in continuing litigation with the class and PAGA claims, and believe the settlement to be fair, reasonable, and adequate. Each side has apprised the other of and litigated their respective factual contentions, legal theories, and defenses, resulting in negotiations taking place between the Parties.

11. From the inception of the case, Class Counsel have zealously represented the interests of the Class. Class Counsel have engaged in formal and informal discovery, as well as significant meet and confer discussions with opposing counsel to obtain informal data and documents and to discuss the merits of the claims on behalf of the Class. The settlement was obtained for the benefit of the Class.

12. Further, Class Counsel have been approved as class counsel on a number of prior cases, have litigated numerous other class action cases, and are competent to represent the Class.

SUMMARY OF THE MONETARY TERMS OF THE SETTLEMENT

13. The material terms of the settlement are memorialized in the Stipulation of Settlement. As defined by the Stipulation of Settlement, the proposed Class consists of "all current and former non-exempt employees of Defendant Greengate Fresh LLLP who were employed in the State of California at any time during the Class Period (the "Class")." *See* Agreement ¶ 4.

14. The Class Period is defined as "the period commencing on April 15, 2017, and ending on August 11, 2023." *See id.* ¶ 8.

15. The Stipulation of Settlement provides for Six Hundred Ninety Thousand Dollars (\$690,000.00) as the Gross Settlement Amount. *See* Agreement ¶ 15. The Net Settlement Amount

(calculated after deduction of Class Counsel's attorneys' fees (up to \$230,000.00), costs (up to \$30,000.00), payment of PAGA Penalties (\$50,000.00), and Settlement Administration Costs (up to \$12,950.00) is estimated to be approximately \$367,050.00. *See id.* ¶¶ 6, 7, 15, 19, 24, 31. Each Class Member who does not opt-out of the Settlement will receive their share of the Net Settlement Amount based upon the number of workweeks employed during the Class Period. *See* Agreement ¶ 44.d.i.

16. Based on a raw average, each Class Member may recover approximately \$491.37 (\$367,050.00 / 747 class members). The amount actually paid to each Class Member will increase or decrease depending on the actual number of workweeks he or she worked during the Class Period.

17. Funds from any checks that have not been cashed within 180 days of issuance shall be paid to the Watsonville Law Center as the *cy pres* beneficiary. *See* Agreement ¶ 44.d.iii.

18. I do not have any conflicts of interest with the proposed *cy pres* recipient.

19. In conjunction with preparing this Motion, I obtained a bid to administer the settlement from Phoenix Settlement Administrators, which is a well-recognized administrator. Attached hereto as **Exhibit B** is a true and correct copy of the bid for distribution, which includes the cost of the Notice being translated into Spanish. The proposed cost for administration is approximately \$17.33 per Class Member.

POTENTIAL DAMAGES AND PENALTIES

20. In advance of mediation, Defendant provided data regarding the number of class members, weeks worked, and a sampling of approximately 10% of time and pay records for the putative class. Based on the class data provided by Defendant, Plaintiffs estimated that Defendant might face potential liability of up to approximately \$7.3 million for Plaintiffs' class claims if Plaintiffs succeeded at trial on every claim. Plaintiffs were able to estimate the potential class penalties based on class data and sample records provided by Defendant. *Id.* Specifically, this amount was calculated based on the following breakdowns:

a. \$1.37 million for meal period violations (40% violation rate (~200,000 shifts x .4) x \$17.12 (average rate of pay));

b. \$1.37 million for rest period violations (40% violation rate (~200,000 shifts x .7) x \$17.12 (average rate of pay));

- c. \$171,201.28 for unpaid wages, including minimum wages and overtime (~200,000 shifts x ((.05 (3 minutes) x \$17.12) + (.05 (3 minutes) x \$25.68));
- d. \$1.77 million for Labor Code § 226(e) penalties ((~18,000 pay periods x \$100 penalty) – (~405 employees x \$50));
- e. \$200,000 for unreimbursed business expenses (40,000 workweeks x \$5.00); and
- f. \$2.49 million in waiting time penalties (~605 former employees x (30 days x 8 hours x \$17.12)).

21. With respect to potential liability of Plaintiffs' PAGA claims, Plaintiffs estimated that Defendant could face civil penalties of up to approximately \$1.4 million (~14,000 pay periods x \$100 penalty). This assumes complete victory at trial and that the Court would award the maximum penalty of \$100 per pay period, which is far from certain as discussed above. Further, while the PAGA provides for a heightened penalty for a "subsequent violation," courts are hesitant to award the heightened penalty absent a showing of a prior violation. *Amaral v. Cintas Corp. No. 2*, 163 Cal.App.4th 1157, 1209 (2008); accord *Amalgamated Transit Union Local 1309 v. Laidlaw Transit Service, Inc.* 2009 WL 2448430, at *9 (S.D. Cal. Aug. 10, 2009) ("[u]nder California law, courts have held that employers are not subject to heightened penalties for subsequent violations unless and until a court or commissioner notifies the employer that it is in violation of the Labor Code"); see also *Bernstein v. Virgin Am., Inc.*, 3 F.4th 1127, 1144 (9th Cir. 2021) (holding no subsequent penalty unless prior citation or court ruling).

22. Even assuming Plaintiffs ultimately prevailed on their PAGA claims, the Court still has discretion to reduce any PAGA penalties. Pursuant to Labor Code § 2699(e)(2), the Court can decline to award PAGA penalties where "if, based on the facts and circumstances of the particular case, to do otherwise, would result in an award that is unjust, arbitrary and oppressive, or confiscatory." Indeed, as shown in the Court of Appeal's decision in *Carrington v. Starbucks Corp.*, 30 Cal. App. 5th 504 (2018), while the plaintiff prevailed on his PAGA claim upon trial, the trial court reduced the maximum PAGA penalty amount by 90%, citing the employer's good faith attempt at complying with the law. *Id.* at p. 517. Upon review, the Court of Appeal found such reduction to be proper. *Id.* at p. 539. Thus, even if Plaintiffs were to successfully prove their claims at trial, there is a possibility that the Court may only award a small percentage of PAGA penalties, as the Court has discretion to do so.

23. Although Plaintiffs believe in the merits of the alleged claims and maintain that there is no reason for reducing PAGA penalties, Plaintiffs are aware that Defendant may raise defenses to the claims. Thus, even if Plaintiffs were to successfully prove their claims at trial, there is a possibility that the Court may only award a small percentage of PAGA penalties, as the Court has discretion to do so. The Gross Settlement Amount was premised with this risk in mind, associated with the possibility of the Court significantly reducing Plaintiffs' PAGA penalties, along with other attendant risks, even if Plaintiffs were to prevail at trial.

24. Further, Defendant raised several defenses that presented risk. Importantly, Defendant argued—and the Court agreed—that Plaintiffs executed arbitration agreements that precluded class claims to be asserted in court. If the Court's order dismissing the class claims and compelling the individual claims to arbitration were left to stand on appeal, the potential for successfully asserting class claims is almost non-existent. Thus, the potential exposure on the class claims must be recalibrated to consider this risk factor, as demonstrated by the Parties' litigation history and the Court's order compelling the individual claims to arbitration.

25. Defendant also would have argued that the waiting time penalties, which comprise a significant portion of the estimated damages, are subject to a complete defense. Defendant would have argued that a good faith dispute exists as to whether the allegedly underpaid wages were due to Plaintiffs and the class members considering Defendant's legally compliant policies. If Defendant was successful on the good faith defense, the Court may not have awarded waiting time penalties at all, reducing the exposure by \$2.49 million. *Hill v. Walmart, Inc.*, 32 F. 4th 811 (9th Cir. 2022) (upholding good faith defense because defendant reasonably believed wages were not due and owing at time of separation of employment); *Naranjo v. Spectrum Security Services, Inc.*, __ Cal. Rptr. 3d __, 2023 WL 2261253 (Feb. 27, 2023), review granted 2023 WL 3745105 (May 31, 2023); *Chavez v. Converse, Inc.*, 2020 WL 1233919, at *1 (N.D. Cal. 2020) (holding that an employer's failure to pay is not willful where there is uncertainty in the law or a "good faith mistaken belief that wages are not owed").

26. Similarly, on Plaintiffs' wage statement claim, Plaintiffs would face the additional burden of demonstrating that any alleged omission of information from the wage statements was a "knowing and intentional failure" by Defendant to comply with Labor Code § 226(a). *See Harris v. Vector Mktg.*

1 *Corp.*, 656 F. Supp. 2d 1128, 1145-46 (N.D. Cal. 2009) (granting summary judgment in favor of
2 employer and finding its conduct was not “knowing and intentional”). Defendant also would have
3 argued that penalties under Section 226 are subject to a similar “good faith” defense as articulated above
4 in the context of Plaintiffs’ claims for waiting time penalties. *See, e.g., Apodaca v. Costco Wholesale*
5 *Corp.*, 2014 WL 2533427, at *3 (C.D. Cal. June 5, 2014) (“Where an employer has a good faith belief
6 that it is not in violation of Section 226, any violation is not knowing and intentional.”); *Wright v.*
7 *Adventures Rolling Cross Country, Inc.*, 2013 WL 1758815, at *9 (N.D. Cal. Apr. 24, 2013) (same);
8 *Ricaldai v. U.S. Investigations Servs., LLC*, 878 F. Supp. 2d 1038, 1047 (N.D. Cal. 2012) (same); *Dalton*
9 *v. Lee Publ'ns, Inc.*, 2011 WL 1045107, at *5 (S.D. Cal. Mar. 22, 2011) (same). Naranjo also permitted
10 a good faith defense to rebut the plaintiff’s claim for penalties, pursuant to Labor Code § 226.

11 27. Defendant also would have argued that Plaintiffs could not demonstrate an underlying
12 violation of the Labor Code to support their meal and rest period claims. *See Brinker Rest. Corp. v.*
13 *Superior Ct.*, 53 Cal. 4th 1004, 1040, 273 P.3d 513, 537 (2012) (“On the other hand, the employer is not
14 obligated to police meal breaks and ensure no work thereafter is performed.”). Defendant argued that it
15 had legally compliant written policies, which satisfied Brinker and that any failure to take a legally
16 compliant meal or rest period by employees was the result of individual choice and thus not capable of
17 class resolution. Defendant disputed that it had a captive rest period policy and argued that employees
18 were free to leave the premises during breaks so long as they were able to timely return to their
19 workstation. Review of the sampling of time and pay records provided by Defendant demonstrated a
20 largely compliant workforce, as it relates to meal periods. Accordingly, Plaintiffs’ estimation of a 40%
21 violation rate addressed above is likely on the high end and factors in Plaintiffs’ arguments, Defendant’s
22 rebuttals, and the Court’s prior order dismissing the putative class claims and sending the individual
23 claims to arbitration.

24 28. Defendant also contended that it paid employees all minimum and overtime wages.
25 Defendant argued that any work performed off the clock was unauthorized and not subject to a uniform
26 policy and thus would not be susceptible of class resolution. To the extent any employees worked while
27 off-the-clock, Defendant argued that the practice was voluntary. Among other things, Defendant relied
28 on its employee handbook, which provided: “No off the clock work is permitted at any time. Employees

are not allowed to begin work or perform work related activities before clocking in, during their meal periods, or after clocking out.”

29. On Plaintiffs’ reimbursement claim, Defendant argued that employees were not required to use personal cell phones to communicate for purposes of employment. While Plaintiffs contended they were required to use personal phones, Defendant argued that any decision to use their cell phone for work purposes was voluntary and/or unique to them.

30. Although Plaintiffs believe that the Class could be certified if the Court’s order compelling arbitration were overturned on appeal, Plaintiffs also believe in the fairness of the settlement that is based on factoring in the uncertainty and risks to Plaintiffs involved in not prevailing on one or more of the causes of action or theories alleged in the operative Complaint, the possibility of non-certification, and the potential for appeals.

31. Thus, the settlement for each Class Member is fair, reasonable, and adequate, given the inherent risks of litigation, including the substantial risks relative to class certification, the costs of pursuing such litigation, and the risks associated with the Court’s discretion to reduce PAGA penalties. The settlement is the result of extensive arm’s-length negotiations between the Parties and their counsel and was facilitated by an experienced and neutral mediator.

32. Here, based on the amounts explained above, the total exposure for Plaintiffs’ class and PAGA claims amount to approximately \$8.7 million, which assumes the Court would award \$100 a pay period for the PAGA claim. If the Court reduced the PAGA penalties to \$5 a pay period, like in *Carrington*, the total exposure would only amount to \$7.37 million. Had Plaintiffs not been able to overturn the Court’s order dismissing the putative class claims, the potential exposure is reduced drastically and limited to the PAGA claim. The Gross Settlement Amount here is **\$690,000.00**, and thus amounts to approximately 8% of the maximum estimated liability and an even higher percentage depending on how one accounts for the various risk factors. The percentage-to-recovery ratio of this settlement is within the range of fairness and reasonableness and should be approved by the Court

ATTORNEY EXPERIENCE

33. I am one of the primary attorneys on this matter. My qualifications are as follows: I received a full-tuition scholarship, and graduated from Southwestern Law School in 2013, magna cum

1 laude. I was in the top 5% of my class. During my time at Southwestern, I was a Notes and Comments
2 Editor on the Southwestern Law Review. I also received awards for achieving the highest grade in my
3 class in several courses. In 2012, I was a full-time extern, at the United States District Court for the
4 Central District. Immediately after law school, I taught several courses at Southwestern, including
5 Principles of Legal Analysis and Legal Methods. I taught those courses for approximately four years.

6 34. I practiced civil litigation at Haight Brown & Bonesteel LLP from approximately
7 September 2013, through January 2016. I was third-chair in a federal court jury trial that resulted in a
8 defense verdict in our client's favor on a \$21 million commercial breach of contract dispute. I also
9 regularly litigated cases across the civil litigation spectrum, including employment matters.

10 35. From February 2016, through Fall 2017, I practiced at the international law firm of
11 Arnold & Porter, which had recently merged with Kaye Scholer, LLP. I defended Fortune 50 companies
12 in Multi-District Litigation primarily in the product liability sphere. I also successfully drafted an
13 appellate brief in the Ninth Circuit resulting in the reversal of a summary judgment decision regarding
14 trade secret issues, in addition to working in several other practice groups.

15 36. From September 2017, through September 2018, I served as a law clerk to a Judge sitting
16 on the United States District Court, Central District of California. I regularly prepared bench
17 memoranda, on cases involving all types of civil litigation, including regularly working on wage and
18 hour class actions.

19 37. I am currently an associate at the law firm Diversity Law Group, P.C., an employment
20 law firm that has handled numerous wage and hour class and individual actions, on both plaintiff and
21 defense sides. My current practice focuses on employment matters involving both class actions, and
22 single plaintiffs. The firm currently has cases in the Los Angeles Superior Courts, the Orange County
23 Superior Courts, the San Diego County Superior Courts, and the United States District Courts for the
24 Central, Northern, and Eastern Districts of California. I am currently handling, or have handled,
25 numerous wage and hour class action lawsuits with the firm, including, but not limited to: *Weybrew v.*
26 *BEI Construction*, Solano County Superior Court Case No. FCS055658 (January 14, 2022), *In re See's*
27 *Candies Wage and Hour Cases*, Case No. JCCP5004 (March 30, 2022), Los Angeles Superior Court,
28 *Pevey v. Lumber City Corp*, San Bernardino County Superior Court Case No. CIVDS2010240 (May 2,

2022), *Ross v Stater Bros. Markets*, San Bernardino County Superior Court Case No. CIVDS1902518 (September 8, 2022), and *Schneider v. Amazon Retail LLC*, Los Angeles County Superior Court Case No. 21STCV26226 (December 1, 2022); *James v RADC Enterprises, Inc.*, San Bernardino County Superior Court, Case No. CIV-DS1933035 (September 29, 2020), *Hector Luna v. Triple Canopy, Inc.*, Santa Clara County Superior Court, Case No. 19CV345169 (October 22, 2020), *Melbert Magpugay v. Harbor Electronics, Inc.*, Santa Clara County Superior Court Case No. 19CV352547 (January 27, 2021), *Foster v. Schindler Elevator Corp.*, Alameda County Superior Court Case no. RG19029640 (March 2, 2021), *Martin v. Streetplus Company, LLC, et al*, Los Angeles Superior Court Case No. 19STCV15522 (July 13, 2021), *Morris v. Blue Mountain Enterprises, LLC*, Solano County Superior Court, Case No. FCS05.858 (August 4, 2021).

38. On June 14, 2019, I argued two related cases in front of the Ninth Circuit Court of Appeals. One of them was *Rodriguez v Nike Retail Service Inc.*, Case No. 17-16866. On June 28, 2019, the Ninth Circuit issued a published decision, reversing and remanding in favor of our clients. *Rodriguez v. Nike Retail Servs., Inc.*, 928 F.3d 810 (9th Cir. 2019).

39. I have also assisted the firm in numerous wage and hour class action mediations.

40. My co-counsel and I will adequately represent the Class Members in this action. Class Counsel have and will zealously represent Plaintiffs and the Class and pursue this lawsuit to its conclusion.

41. I have no conflicts with the Class and will adequately represent the Class.

NOTICE TO THE LWDA

42. Concurrent with the filing of the Motion for Preliminary Approval of Class Action Settlement, my office uploaded the Motion and Settlement Agreement to the LWDA's website.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on this 9th day of November 2023, at Los Angeles, California.


Max W. Gavron

EXHIBIT A

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SUPERIOR COURT OF CALIFORNIA
COUNTY OF MONTEREY

MARIA MARAVILLA and JUAN TORRES
REYES on behalf of themselves and all similarly
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v.

GREENGATE FRESH, LLLP; and DOES 1
through 50, inclusive,

Defendants.

Case No. 21CV001258

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

Complaint Filed: April 15, 2021
FAC Filed: May 20, 2022
Trial Date: None Set

1 This Joint Stipulation and Settlement Agreement of Class Action and PAGA Claims
2 (“Stipulation of Settlement” or “Settlement”) is made and entered into by and between Plaintiffs Maria
3 Maravilla and Juan Torres Reyes (the “Class Representatives”), individually and on behalf of all others
4 similarly situated (“Plaintiffs”), and Defendant Greengate Fresh, LLLP (“Defendant”).

5 THE PARTIES STIPULATE AND AGREE as follows:

6 **DEFINITIONS**

7 1. “Action” shall mean the lawsuit entitled *Maria Maravilla, et al. v. Greengate Fresh,*
8 *LLLP*, originally filed in the Superior Court of the State of California for the County of Monterey, on
9 April 15, 2021, Case No. 21CV001258.

10 2. “Agreement,” “Settlement,” or “Stipulation of Settlement” means this Joint Stipulation
11 and Settlement Agreement of Class Action and PAGA Claims.

12 3. “Confidential Individual Settlements” mean the confidential individual resolutions of the
13 arbitrations initiated by Claimants Maria Maravilla, Juan Torres Reyes, Guadalupe Gomar, Herminia
14 Sanchez, Jesus Baez, Julio Polanco Magana, Nancy Mendoza Perez, and Paulino Ibarra against
15 Defendant. The arbitration proceedings include *Maria Maravilla v. Greengate Fresh, LLLP*, JAMS
16 Reference No. 5100000605; *Juan Torres v. Greengate Fresh, LLLP*, JAMS Reference No. 5110000191;
17 *Guadalupe Gomar v. Greengate Fresh, LLP*, JAMS Reference No. 5100000636; *Herminia Sanchez v.*
18 *Greengate Fresh, LLP*, JAMS Reference No. 5100000640; *Jesus Baez v. Greengate Fresh, LLP*, JAMS
19 Reference No. 5100000635; *Julio Polanco Magana v. Greengate Fresh, LLP*, JAMS Reference No.
20 5100000639; *Nancy Mendoza Perez v. Greengate Fresh, LLP*, JAMS Reference No. 5100000637; and
21 *Paulino Ibarra v. Greengate Fresh, LLP*, JAMS Reference No. 5100000599 (the “Arbitrations”). The
22 claims alleged in the Arbitrations are explicitly excluded from any Released Claims and/or PAGA
23 Released Claims, as defined in this Agreement.

24 4. “Class” or “Class Members” mean all current and former non-exempt employees of
25 Defendant Greengate Fresh LLLP who were employed in the State of California at any time during the
26 Class Period.

27 5. “Class Counsel” shall mean B. James Fitzpatrick and Laura L. Franklin of Fitzpatrick &
28 Swanston and Larry W. Lee and Max W. Gavron of Diversity Law Group, P.C.

1 6. “Class Counsel Costs” shall mean Class Counsel’s actual costs not to exceed Thirty-
2 Thousand Dollars (\$30,000). Any portion of the Class Counsel Costs not used or approved by the Court
3 shall be added to the Net Settlement Amount.

4 7. “Class Counsel Fees” shall mean, subject to the Court’s approval, the maximum amount
5 of attorneys’ fees provided for by the Settlement, which shall not exceed Two Hundred and Thirty
6 Thousand Dollars and Zero Cents (\$230,000.00), or approximately one-third (1/3) of the Gross
7 Settlement Amount. Any portion of the Class Counsel Fees not approved by the Court shall be added to
8 the Net Settlement Amount.

9 8. “Class Period” means the period commencing on April 15, 2017, and ending on August
10 11, 2023.

11 9. “Class Representatives” or “Plaintiffs” shall mean Plaintiffs Maria Maravilla and Juan
12 Torres Reyes.

13 10. “Court” means the Superior Court of the State of California for the County of Monterey.

14 11. “Court’s Final Order and Judgment” means the Final Order Approving Class Action
15 Settlement and Judgment in a form to be agreed upon by the Parties and approved by the Court.

16 12. “Defendant’s Counsel” shall mean Marie T. Holvick and Matthew J. Wayne of Gordon
17 Rees Scully Mansukhani, LLP.

18 13. “Effective Date” shall mean the date when all of the following events have occurred: (i)
19 this Stipulation of Settlement has been executed by Plaintiffs, Defendant, Class Counsel, and
20 Defendant’s Counsel; (ii) the Court has given preliminary approval to the Settlement; (iii) the Notice has
21 been sent to the Class, providing them the opportunity to object to the Settlement and the opportunity to
22 opt out of the Settlement; (iv) the Court has held a formal fairness hearing and entered the Court’s Final
23 Order and Judgment; and (v) only in the event there are written objections filed prior to the formal
24 fairness hearing which are not later withdrawn, the later of the following events: (A) when the period for
25 filing any appeal, writ, or other appellate proceeding opposing the Settlement has elapsed without any
26 appeal, writ, or other appellate proceeding having been filed; (B) when any appeal, writ, or other
27 appellate proceeding opposing the Settlement has been dismissed finally and conclusively with no right
28 to pursue further remedies or relief; or (C) when any appeal, writ, or other appellate proceeding has

1 upheld the Court's Final Order and Judgment with no right to pursue further remedies or relief.

2 14. "Final Approval Hearing" shall mean the hearing where the Court shall consider any
3 timely objections to the Settlement from Class Members, testimony from the Parties or their counsel,
4 declarations regarding the claims process from the Settlement Administrator, and otherwise make a final
5 determination regarding the fairness of the Settlement as set forth herein.

6 15. "Gross Settlement Amount" refers to Six Hundred and Ninety Thousand Dollars
7 (\$690,000.00), which is the maximum amount that Defendant will pay pursuant to this Settlement,
8 excluding Defendant's share of payroll taxes, excluding the Confidential Individual Settlements, and
9 subject to the escalator provision in this Settlement. The Gross Settlement Amount is based on
10 Defendant's representation that there are approximately 40,000 workweeks between April 15, 2017, and
11 June 12, 2023. If the number of workweeks during this time period exceeds the estimate by 10% (*i.e.*,
12 46,200), Defendant may either (i) increase the Gross Settlement Amount by 1% for every 1% increase in
13 workweeks over the 10% threshold or (ii) void the Settlement following the procedures in Paragraph 53.

14 16. "Individual PAGA Payment" means the amount payable from the PAGA Member
15 Payment to each PAGA Member.

16 17. "Individual Settlement Payment" means the amount payable from the Net Settlement
17 Amount to each Participating Class Member.

18 18. "LWDA Payment" means seventy-five percent (75%) of the PAGA Penalties, *i.e.*, the
19 sum of Thirty-Seven Thousand Five Hundred Dollars (\$37,500.00), which shall be paid to the California
20 Labor and Workforce Development Agency ("LWDA").

21 19. "Net Settlement Amount" shall mean the Gross Settlement Amount less Class Counsel
22 Fees, Class Counsel Costs, PAGA Penalties, and Settlement Administration Costs.

23 20. "Notice of Proposed Settlement" or "Notice" means the Notice of Pendency of Class
24 Action, including a Spanish translation thereof, in substantially the form attached hereto as **Exhibit A**,
25 and as approved by the Court.

26 21. "PAGA" shall mean the California Labor Code Private Attorneys General Act, Labor
27 Code § 2698, *et seq.*

28 22. "PAGA Member" shall mean all current and former non-exempt employees of Defendant

Greengate Fresh LLLP who were employed in the State of California at any time during the PAGA Period.

23. “PAGA Member Payment” means twenty-five percent (25%) of the PAGA Penalties, *i.e.*, the sum of Twelve Thousand Five Hundred Dollars (\$12,500.00), which shall be paid to PAGA Members.

24. “PAGA Penalties” means the portion of the Gross Settlement Amount that the Parties have agreed will be allocated to resolve all claims, penalties, and remedies under PAGA. The amount of the PAGA Penalties is subject to Court approval pursuant to California Labor Code § 2699(l). The Parties have agreed that Fifty Thousand Dollars (\$50,000.00) of the Gross Settlement Amount shall be allocated to the resolution of the PAGA Members’ claims arising under PAGA. Pursuant to the PAGA, seventy-five percent (75%) of the PAGA Penalties, *i.e.*, the sum of Thirty-Seven Thousand Five Hundred Dollars (\$37,500.00), shall be paid to the LWDA. The remaining twenty-five percent (25%) of the PAGA Penalties, *i.e.*, the sum of Twelve Thousand Five Hundred Dollars (\$12,500.00) (“PAGA Member Payment”), shall be distributed to PAGA Members.

25. “PAGA Period” means the period commencing on April 1, 2020, and ending August 11, 2023.

26. “PAGA Released Claims” means all claims, causes of action, demands, damages, or liabilities arising at any time during the PAGA Period that were pled or which could have been pled based on the factual allegations contained in the operative Complaints in the Action or any amendments thereto, for civil penalties under the PAGA including claims premised on alleged violations of Labor Code §§ 201, 201.3, 202, 203, 204, 207, 208, 209, 216, 218, 218.5, 218.6, 223, 225.5, 226, 246, 510, 512, 558, 1174, 1194, 1197, 1197.1, 1198, 1199, 2698 *et seq.*, 2699(f) and (g), 2800 and 2802, and the Wage Order.

27. “Participating Class” or “Participating Class Members” shall members of the Class who do not opt out of the class action portion of the settlement by submitting a valid request for exclusion as described below.

28. “Parties” shall refer to the Plaintiffs and Defendant, each of whom is a “Party.”

29. “Released Claims” means all claims, causes of action, demands, damages, or liabilities

arising at any time during the Class Period that were pled or which could have been pled based on the factual allegations contained in the operative Complaint in the Actions or any amendments thereto.

30. "Released Parties" collectively means Defendant and each of its past, present and/or future parent companies, partners, subsidiaries, affiliates, divisions, related companies, successors, and predecessors, as well as their respective past, present and future owners, officers, directors, shareholders, employees, agents, members, managers, principals, representatives, accountants, auditors, consultants, insurers and reinsurers, investors, lenders, administrators, company-sponsored employee benefit plans, assigns, joint venturers and attorneys, both individually and in their official capacities, as well as all persons acting by, through, under, or in concert with any of these persons or entities.

31. "Settlement Administration Costs" means the fees and expenses reasonably incurred by the Settlement Administrator as a result of the procedures and processes expressly required by this Settlement, which are estimated to be Twelve Thousand Nine Hundred and Fifty Dollars (\$12,950.00). Any portion of the Settlement Administration Costs not used or approved by the Court shall be added to the Net Settlement Amount.

32. "Settlement Administrator" means Phoenix Settlement Administrators.

33. "Settlement Payment Check" means the payment of the Individual Settlement Payment to Participating Class Members and Individual PAGA Payment to PAGA Members.

RECITALS

34. This Settlement is made and entered into by and between Plaintiffs and Defendant, and is subject to the terms and conditions hereof, and to the Court's approval. The Parties expressly acknowledge that this Agreement is entered into solely for the purpose of compromising significantly disputed claims and that nothing herein is an admission of liability or wrongdoing by Defendant.

35. Plaintiffs, on behalf of themselves, the State of California, and Class Members, seek to recover damages and penalties for alleged wage and hour violations by Defendant.

36. Procedural History.

a. On April 1, 2021, Maria Maravilla provided notice of alleged PAGA claims to Defendant and the LWDA, on behalf of herself and all similarly situated current and former employees of Defendant.

1 b. On or about March 1, 2022, Maria Maravilla provided supplemental notice to
2 Defendant and the LWDA of additional PAGA claims.

3 c. On April 15, 2021, Plaintiffs Maria Maravilla and Juan Torres Reyes filed a class
4 and representative action complaint against Defendant. The initial complaint alleges the following
5 causes of action: (1) violation of Labor Code §§ 226.7 and 1198 regarding meal periods and premiums;
6 (2) violation of Labor Code §§ 226.7 and 1198 regarding rest periods and premiums; (3) violation of
7 Labor Code §§ 1194 and 1198 regarding overtime wages; (4) violation of Labor Code §§ 1194, 1197,
8 and 1199 regarding minimum wages; (5) violation of Labor Code §§ 226, 1174, and 1175 regarding
9 itemized wage statements; (6) violation of Labor Code §§ 201, 202, and 203 regarding payment of
10 wages upon termination; (7) violation of Labor Code § 204 regarding timely payment of wages; (8)
11 violation of Labor Code § 2802 regarding reimbursement of work-related expenses; (9) violation of
12 Labor Code § 2698 for PAGA penalties; and (10) violation of Business and Professions Code § 17200,
13 *et seq.* for unfair business practices.

14 d. On May 9, 2022, the Parties participated in private mediation with mediator
15 Tripper Ortman, Esq. After a full day of mediation, the Parties were unable to reach an agreement. The
16 Parties resumed litigation and discovery.

17 e. On May 20, 2022, Plaintiffs filed a first amended complaint, adding class and
18 representative action claims for violation of Labor Code § 246, as well as individual claims on behalf of
19 Maria Maravilla. The first amended complaint is the operative complaint ("Complaint").

20 f. Since the initiation of the Action, the Parties have engaged in litigation and
21 discovery, including filing a Motion to Compel Arbitration, and producing and reviewing the production
22 of documents and other written discovery.

23 g. On September 8, 2022, the Court ordered Plaintiffs' individual wage and hour
24 claims to arbitration. Plaintiffs' non-individual, representative PAGA claims and Maria Maravilla's
25 individual non-wage and hour claims were stayed.

26 h. On September 19, 2022, Maria Maravilla filed a Demand for Arbitration against
27 Defendant with the arbitration services provider JAMS.

28 i. On September 29, 2022, Juan Torres Reyes filed a Demand for Arbitration against

1 Defendant with JAMS.

2 j. On September 29, 2022, Guadalupe Gomar filed a Demand for Arbitration against
3 Defendant with JAMS.

4 k. On September 29, 2022, Herminia Sanchez filed a Demand for Arbitration against
5 Defendant with JAMS.

6 l. On September 29, 2022, Jesus Baez filed a Demand for Arbitration against
7 Defendant with JAMS.

8 m. On September 29, 2022, Juan Polanco Magana filed a Demand for Arbitration
9 against Defendant with JAMS.

10 n. On September 29, 2022, Nancy Mendoza Perez filed a Demand for Arbitration
11 against Defendant with JAMS.

12 o. On September 29, 2022, Paulino Ibarra filed a Demand for Arbitration against
13 Defendant with JAMS.

14 p. The Parties reengaged with Mr. Ortman, incorporating Plaintiffs' and Claimants'
15 arbitration claims into their discussions. Each of the foregoing arbitration demands were included in the
16 negotiations of the Settlement and are subject to the Confidential Individual Settlements.

17 q. The Parties ultimately accepted the mediator's proposal and entered a
18 memorandum of understanding, with the agreement to prepare a more detailed, formalized settlement
19 agreement to be submitted to the Court for preliminary and final approval. The Parties now enter this
20 more detailed, formalized settlement agreement to submit to the Court for preliminary and final
21 approval.

22 37. Solely for the purpose of settling this case only, the Parties stipulate and agree that the
23 requisites for establishing class certification with respect to the Class meet the requirements of Code of
24 Civil Procedure § 382.

25 38. Defendant denies any liability or wrongdoing of any kind whatsoever associated with the
26 claims in the Action, and further denies that, for any purpose other than settling this lawsuit, this Action
27 is appropriate for class action or representative treatment.

28 39. It is the Parties' desire to fully, finally, and forever settle, compromise, and discharge all

disputes and claims arising from or related to the allegations of this Action.

40. It is the Parties' intention that this Stipulation of Settlement shall constitute a full and complete settlement and release of the Released Claims and PAGA Released Claims, which release includes the Released Parties.

41. It is the Parties' intention that this Settlement shall not become effective until the Effective Date.

42. Class Counsel has conducted a thorough investigation into the facts of this Action, including an extensive review of relevant documents and data produced by Defendant, and has diligently pursued an investigation of claims of the members of the Class against Defendant. Based on their own independent investigation and evaluation, Class Counsel are of the opinion that the Settlement with Defendant is fair, reasonable, and adequate and is in the best interest of the Class in light of all known facts and circumstances, including the risks of significant delay, the risk of non-certification, and the defenses asserted by Defendant. Defendant and Defendant's Counsel also agree that the Settlement is fair and in the best interests of the Class.

43. The Parties agree to cooperate and take all steps necessary and appropriate to consummate this Settlement.

TERMS OF SETTLEMENT

44. NOW THEREFORE, in consideration of the mutual covenants, promises and agreements set forth herein, the Parties agree, subject to the Court's approval, as follows:

a. It is agreed by and between Plaintiffs and Defendant that this case and any claims, damages, or causes of action arising out of the disputes which are the subject to this case, be settled and compromised as between the Class and Defendant, subject to the terms and conditions set forth in this Stipulation of Settlement and the Court's approval.

b. If the Court declines to approve the Settlement, the entire Stipulation of Settlement is deemed void and unenforceable as if no settlement of any claim was ever reached; and all negotiations, statements, and proceedings and data relating thereto shall be protected by California Evidence Code § 1152 and shall be without prejudice to the rights of any of the Parties, all of whom shall be restored to their respective positions prior to the acceptance of the mediator's proposal on June

1 12, 2023.

2 c. Settlement Amount: To implement the terms of this Settlement, Defendant agrees
3 to pay the Gross Settlement Amount. The Gross Settlement Amount shall be used to satisfy all of
4 Defendant's liabilities arising from this settlement, other than its liability for employer-side payroll taxes
5 on amounts paid to Class Members, the Confidential Individual Settlements, and subject to the escalator
6 provision. The Gross Settlement Amount includes Individual Settlement Payments to Participating Class
7 Members (excluding any appropriate and lawfully required employer-side payroll taxes owed by
8 Defendant on such payments which Defendant shall be separately responsible for apart from the Gross
9 Settlement Amount), Individual PAGA Payments to PAGA Members, PAGA Penalties, Settlement
10 Administration Costs, approved Class Counsel Fees, and Class Counsel Costs. Defendant shall transfer
11 the Gross Settlement Amount to the Settlement Administrator within fifteen (15) calendar days of the
12 Effective Date.

13 d. Allocation of Gross Settlement Amount: The Parties agree the Gross Settlement
14 Amount, subject to Court approval, shall be allocated as follows:

15 i. Individual Settlement Payments: Class Members who do not validly opt
16 out shall receive their share of the Net Settlement Amount based upon the number of workweeks
17 employed during the Class Period.

18 ii. Each Class Member's respective number of applicable workweeks and
19 estimated share of the Net Settlement Amount shall be identified on the Notice of Proposed Settlement.
20 The Parties agree that if any Class Member disputes the basis for determining their share of the
21 Settlement, Defendant's records shall presumptively control unless the Class Member can produce
22 documentation evidence of other workweeks worked during the relevant time period. Upon the
23 submission of such evidence, the Settlement Administrator will make a determination as to any such
24 dispute, which shall be final and binding.

25 iii. Twenty percent (20%) of each Individual Settlement Payment shall be
26 classified as wages and the remaining eighty percent (80%) shall be penalties and interest. Participating
27 Class Members' shares of the Net Settlement Amount shall be paid within fifteen (15) calendar days of
28 the Settlement Administrator's receipt of the Gross Settlement Amount. Class Members shall have one-

1 hundred eighty (180) days from the date of issuance of the check to negotiate the check. The funds from
2 any checks not negotiated within 180 days shall be transmitted to the Watsonville Law Center as the cy
3 pres recipient. In such event, those Participating Class Members will nevertheless remain bound by the
4 Settlement.

5 iv. Settlement Awards Do Not Trigger Additional Benefits: All Individual
6 Settlement Payment checks to the Class shall be deemed to be income solely in the year in which such
7 Individual Settlement Payment checks are actually received by the members of the Class. It is expressly
8 understood and agreed that the receipt of such Individual Settlement Payment checks will not entitle any
9 Class Member to additional compensation or benefits under any company bonus, contest, or other
10 compensation or benefit plan or agreement in place (including, but not limited to, health and welfare
11 benefits) during the period covered by the Settlement, nor will it entitle any Class Member to any
12 increased retirement, 401(k) benefits or matching benefits, or deferred compensation benefits. It is the
13 intent of this Settlement that the Individual Settlement Payments provided for in this Agreement are the
14 sole payments to be made by Defendant to the Class in connection with this Settlement, and that the
15 Class is not entitled to any new or additional compensation or benefits as a result of having received the
16 payments (notwithstanding any contrary language or agreement in any benefit or compensation plan
17 document that might have been in effect during the period covered by this Settlement).

18 v. Settlement Administrator: The Settlement Administrator will demonstrate
19 the proven ability, and will contract to, maintain acceptable electronic and physical security protocols to
20 adequately protect and safeguard the private employee information it will have access to as a result of
21 the claims process. The fees and expenses of the Settlement Administrator, up to a maximum amount of
22 Twelve Thousand Nine Hundred and Fifty Dollars (\$12,950.00), for work done shall be paid from the
23 Gross Settlement Amount.

24 vi. Class Counsel Fees and Costs: Subject to the Court's approval, Defendant
25 will pay Class Counsel's attorneys' fees of up to a maximum of one-third (1/3) of the Gross Settlement
26 Amount, or Two Hundred and Thirty Thousand Dollars and Zero Cents (\$230,000.00), and litigation
27 costs not to exceed Thirty Thousand Dollars (\$30,000.00). Defendant will not object to Class Counsel's
28 application for attorneys' fees and costs in these amounts. The amount set forth above will cover all

work performed and all fees and costs incurred to date, and all work to be performed and all fees and costs to be incurred in the future in connection with the approval by the Court of this Stipulation of Settlement, the administration of the Settlement, and obtaining dismissal with prejudice of this case.

vii. PAGA Penalties: Subject to the Court's Approval, the amount of Fifty Thousand Dollars (\$50,000.00) will be allocated from the Gross Settlement Amount for alleged penalties under PAGA. Thirty-Seven Thousand Five Hundred Dollars (\$37,500.00), representing 75% of the penalties paid pursuant to the PAGA, shall be paid to the California Labor and Workforce Development Agency and Twelve Thousand Five Hundred Dollars (\$12,500.00), representing 25% of the penalties paid pursuant to the PAGA, shall be paid to PAGA Members ("PAGA Member Payment").

1. Individual PAGA Payments: PAGA Members shall receive their share of the PAGA Member Payment based upon the number of pay periods worked during the PAGA Period. Each PAGA Member's respective number of applicable pay periods and estimated share of the PAGA Member Payment shall be identified on the Notice of Proposed Settlement. The Parties agree that if any PAGA Member disputes the basis for determining their share of the PAGA Member Payment, Defendant's records shall presumptively control unless the PAGA Member can produce documentation evidence of other pay periods worked during the relevant time period. Upon the submission of such evidence, the Settlement Administrator will make a determination as to any such dispute, which shall be final and binding. One hundred percent (100%) of the Individual PAGA Payment shall be classified as penalties. PAGA Members' shares of the PAGA Member Payment shall be paid within fifteen (15) calendar days of the Settlement Administrator's receipt of the Gross Settlement Amount. PAGA Members shall have one-hundred eighty (180) days from the date of issuance of the check to negotiate the check. The funds from any checks not negotiated within 180 days shall be transmitted to the Watsonville Law Center as the *cy pres* recipient. In such event, those PAGA Members will nevertheless release the PAGA Released Claims.

viii. Tax Forms and Indemnification: The Settlement Administrator shall be responsible for issuing the payments and withholding all required state and federal taxes in accordance with this Stipulation of Settlement. The Settlement Administrator will issue IRS Forms W-2 with respect to the amounts paid as wages to Participating Class Members, and IRS Forms 1099 with respect to the

1 amounts paid as penalties and interest to Participating Class Members and PAGA Members. The
2 Settlement Administrator will also issue IRS Forms 1099 to Class Counsel for the amount paid for
3 approved fees and costs. The Settlement Administrator will be responsible for preparing these forms
4 correctly. The Settlement Administrator shall also be responsible for submitting Defendant's share of
5 payroll taxes to the appropriate government agencies on behalf of Defendant. Plaintiffs, Participating
6 Class Members, PAGA Members, and Class Counsel will be responsible for correctly characterizing this
7 compensation for tax purposes and for paying any taxes on the amounts received. Plaintiffs,
8 Participating Class Members, PAGA Members, and Class Counsel agree to indemnify Defendant for
9 any liability it incurs to any tax authority on account of Plaintiffs, Participating Class Members, PAGA
10 Members, and/or Class Counsel's failure to pay all taxes due on the awarded attorneys' fees and costs,
11 or any other amounts recorded on an IRS Form 1099.

12 **NOTICE TO THE CLASS**

13 45. Within fourteen (14) calendar days of preliminary approval of this Settlement by the
14 Court, Defendant shall provide to the Settlement Administrator a Class List, consisting of the full names,
15 last known addresses, Social Security numbers, total number of workweeks Class Members worked
16 during the Class Period, and total number of pay periods PAGA Members worked during the PAGA
17 Period.

18 46. The Settlement Administrator (along with any of its agents) shall represent and warrant
19 that it will: (1) provide reasonable and appropriate administrative, physical and technical safeguards for
20 any personally identifiable information ("PII"), which it receives from Defendant's Counsel and/or
21 Class Counsel; (2) not disclose the PII to third parties, including agents or subcontractors, without
22 Defendant's consent; (3) not disclose or otherwise use the PII other than to carry out its duties as set
23 forth herein; (4) promptly provide Defendant with notice if PII is subject to unauthorized access, use,
24 disclosure, modification, or destruction; and (5) destroy the PII upon termination of its services. The
25 Settlement Administrator may provide notice to both Parties if the PII is subject to unauthorized access,
26 use, disclosure, modification, or destruction; however, all additional communications from the
27 Settlement Administrator regarding the scope, circumstances, and substance shall be communicated
28 solely to Defendant.

47. The Settlement Administrator shall send Notice of Proposed Settlement to each Class Member by first class mail within ten (10) calendar days of receipt of the Class List. Prior to mailing the Court approved Notice, the Settlement Administrator shall update the addresses of the Class Members by reference to the National Change of Address Database maintained by the United States Postal Service. If a Notice of Proposed Settlement is returned as non-deliverable but with a forwarding address, the Settlement Administrator shall resend the Notice of Proposed Settlement to the forwarding address. If a Notice of Proposed Settlement is returned as non-deliverable with no forwarding address, the Settlement Administrator shall conduct an advanced skip trace to locate the most current address of the person to whom the Notice of Proposed Settlement was addressed and shall re-send the Notice of Proposed Settlement within five (5) calendar days to any updated address. Upon completion of these steps, the Parties shall be deemed to have satisfied their obligations to provide the Notice of Proposed Settlement to the affected members of the Settlement Class.

48. The Settlement Administrator shall provide to the Court, concurrently with Plaintiff's Motion for Final Approval, a declaration of due diligence and proof of mailing with regard to the mailing of the Notice of Proposed Settlement.

REQUESTS FOR EXCLUSION (OPT OUT)

49. Each Class Member shall have forty-five (45) calendar days from the mailing of the Notice of Proposed Settlement within which to postmark a written request for exclusion, for return to the Settlement Administrator. The request need not be in any particular form and will be considered a valid request for exclusion so long as it communicates a clear desire by the Class Member not to be included in the Settlement and/or Class, identifies his/her full name, last four (4) digits of his/her Social Security number, current address, and his/her signature. No requests for exclusion shall be accepted if postmarked after the forty-five (45) calendar day period for the filing of exclusions. Any disputes regarding the timeliness of a request for exclusion or whether a written communication constitutes a valid request that cannot be resolved between the Parties shall be determined by the Court, whose determination shall be final.

Any Class Member who validly excludes him/herself from this Settlement shall not be bound by this Settlement and shall not be entitled to any portion of the Net Settlement Amount, except that in light

1 of the binding nature of a PAGA judgment on non-party employees, Class Members who are also
2 PAGA Members who exclude themselves from this Settlement shall still be bound by the release of the
3 PAGA Released Claims, as well as any Judgment that may be entered by the Court thereon. At no time
4 shall any of the Parties or their counsel seek to solicit or otherwise encourage Class Members to submit
5 a Request for Exclusion. Class Counsel shall not represent any Class Members with respect to any such
6 request.

7 **OBJECTIONS TO THE SETTLEMENT**

8 50. Each Class Member shall have forty-five (45) calendar days from the mailing of the
9 Notice of Proposed Settlement, or such number of days as the Court shall specify, within which to
10 postmark a written objection, for return to the Settlement Administrator. Any Class Member wishing to
11 object to the approval of this settlement ("Objecting Class Member") shall inform the Court and the
12 Parties in writing of his or her intent to object. The written objection must contain: (1) the name and case
13 number of this lawsuit: *Maria Maravilla v. Greengate Fresh, LLLP, Case No. 21CV001258*; (2) full
14 name and current address of the Objecting Class Member; (3) the specific reason(s) for the objection;
15 and (4) any and all evidence and supporting papers (including, without limitation, all briefs, written
16 evidence, and declarations) to be considered by the Court. Any Objecting Class Member who wishes to
17 appear at the Settlement Hearing and be heard orally in support of, or in opposition to the Settlement,
18 must state so in the objection sent to the Settlement Administrator. Alternatively, Class Members may
19 appear at the Final Approval Hearing to state their objection.

20 51. Counsel for the Parties shall file any response to the objections submitted by Objecting
21 Class Members, if any, at least seven (7) calendar days before the date of the Final Approval Hearing.

22 52. Objecting Class Members will have the right to appear at the Court's hearing to provide
23 final approval of the Settlement in order to have their objections heard by the Court. At no time shall any
24 of the Parties or their counsel seek to solicit or otherwise encourage Class Members to submit written
25 objections to the Settlement or to appeal from the Court's Final Order and Judgment. Class Counsel
26 shall not represent any Class Members with respect to any such objections to this Settlement.

27 **DEFENDANT'S RIGHT TO RESCIND**

28 53. If ten percent (10%) or more of the Class submit a timely and valid Request for

1 Exclusion, Defendant will have the right, but not the obligation, to revoke and void this Settlement at its
2 discretion. Defendant must meet and confer with Class Counsel prior to exercising this right. Defendant
3 must also exercise the option to rescind within fourteen (14) calendar days of the expiration of the opt-
4 out period. If Defendant exercises this right to void the Settlement, then the Parties will have no further
5 obligations under the Settlement, including, without limitation, any obligation by Defendant to pay the
6 Gross Settlement Amount the Confidential Individual Settlements, or any amounts that otherwise would
7 have been owed under this Settlement, except that Defendant shall pay all Settlement Administration
8 Costs incurred by the Settlement Administrator up to the date of Defendant's notice to rescind. In the
9 event the Settlement is terminated, the Parties shall proceed in all respects as if this Stipulation of
10 Settlement had not been executed. The Parties agree that they will not encourage any Class Member to
11 object to the Settlement or to opt out.

12 **RELEASE BY THE CLASS AND CLAIMANTS**

13 54. Release by Participating Class Members: Upon the Effective Date and funding of the
14 Gross Settlement Amount, Plaintiffs and all Participating Class Members hereby do and shall be deemed
15 to have fully, finally, and forever released, settled, compromised, relinquished, and discharged, to the
16 fullest extent possible, any and all of the Released Parties of and from any and all Released Claims
17 during the Class Period.

18 55. Release by PAGA Members: Upon the Effective Date and funding of the Gross
19 Settlement Amount, Plaintiffs and all PAGA Members hereby do and shall be deemed to have fully,
20 finally, and forever released, settled, compromised, relinquished, and discharged, to the fullest extent
21 possible, any and all of the Released Parties of and from any and all PAGA Released Claims during the
22 PAGA Period. Class Members who are also PAGA Members shall still be bound by the PAGA Released
23 Claims regardless of whether a timely and valid Request for Exclusion is submitted.

24 **DUTIES OF THE PARTIES PRIOR TO COURT APPROVAL**

25 56. Class Counsel will be responsible for drafting all documents necessary to obtain
26 Preliminary approval.

27 57. Class Counsel shall promptly submit this Stipulation of Settlement to the Court in support
28 of Plaintiffs' Motion for Preliminary Approval and determination by the Court as to whether the

1 proposed Settlement is within the range of possible judicial approval. Plaintiffs will provide Defendant
2 with a draft of the Motion at least 1 business day prior to the filing of the Motion to give Defendant an
3 opportunity to propose changes or additions to the Motion. Promptly upon execution of this Stipulation
4 of Settlement, Class Counsel shall apply to the Court for the entry of an order substantially in the
5 following form:

6 a. Scheduling of the Final Approval Hearing on the question of whether the
7 proposed Settlement, including payment of attorneys' fees and costs, should be finally approved as fair,
8 reasonable, and adequate as to the Class Members;

9 b. Certifying the Class;

10 c. Approving the manner and method for the Class Members to request exclusion
11 from the Settlement as contained herein and within the Notice of Pendency of Class Action;

12 d. Directing the mailing of the Notice of Pendency of Class Action by first class
13 mail to the Class Members; and

14 e. Preliminarily approving the Settlement subject only to the objections of the Class
15 Members and final review by the Court.

16 **DUTIES OF THE PARTIES FOLLOWING FINAL APPROVAL**

17 58. Following final approval by the Court of the settlement provided for in this Stipulation of
18 Settlement, Class Counsel shall submit a proposed Final Order and Judgment in approximately the
19 following form: approving the Settlement, adjudging the terms thereof to be fair, reasonable, and
20 adequate, and directing consummation of its terms and provisions including the approval of Class
21 Counsel's application for an award of attorneys' fees and costs.

22 **PARTIES' AUTHORITY**

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

25 **MUTUAL FULL COOPERATION**

26 60. The Parties agree to fully cooperate with each other to accomplish the terms of this
27 Stipulation of Settlement, including, but not limited to, execution of such documents and taking of such
28 action as reasonable may be necessary to implement the terms of this Stipulation of Settlement. The

1 Parties to this Stipulation of Settlement shall use their best efforts, including all efforts contemplated by
2 this Stipulation of Settlement and any other efforts that may become necessary by order of the Court, or
3 otherwise, to effectuate this Stipulation of Settlement and the terms set forth herein. As soon as
4 practicable after execution of this Stipulation of Settlement, Class Counsel shall take all necessary steps
5 to secure the Court's final approval of this Stipulation of Settlement.

6 61. The Parties and their respective counsel agree that they will not attempt to encourage or
7 discourage Class Members from filing Requests for Exclusion.

8 **NO PRIOR ASSIGNMENTS**

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

13 **NO ADMISSION**

14 63. Nothing contained herein, nor the consummation of this Stipulation of Settlement, is to
15 be construed or deemed an admission of liability, culpability, negligence, or wrongdoing on the part of
16 Defendant. Each of the Parties hereto has entered into this Stipulation of Settlement solely with the
17 intention to avoid further disputes and litigation with the attendant inconvenience and expenses.

18 **ENFORCEMENT ACTIONS**

19 64. In the event one or more of the parties to this Stipulation of Settlement institutes any legal
20 action or other proceeding against any other party or parties to enforce the provisions of this Stipulation
21 of Settlement or to declare rights or obligations under this Stipulation of Settlement, the successful party
22 or parties shall be entitled to recover from the unsuccessful party or parties reasonable attorneys' fees
23 and costs, including expert witness fees incurred in connection with any enforcement actions. All such
24 disputes shall be resolved by the Court.

25 **NOTICES**

26 65. Unless otherwise specifically provided herein, all notices, demands, or other
27 communications given hereunder shall be in writing and shall be deemed to have been duly given as of
28 the third business day after mailing by United States registered or certified mail, return receipt

requested, addressed as follow:

**To Plaintiffs, Claimants, the Class, and
Class Counsel:**

B. James Fitzpatrick
Laura L. Franklin
FITZPATRICK & SWANSTON
555 S. Main Street
Salinas, CA 93901
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Facsimile: (831) 755-1319

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To Defendant and Defendant's Counsel:

Marie T. Holvick
Matthew J. Wayne
GORDON REES SCULLY MANSUKHANI, LLP
275 Battery Street, Suite 2000
San Francisco, CA 94111
Telephone: (415) 986-5900
Facsimile: (415) 986-8054

CONSTRUCTION

66. The Parties hereto agree that the terms and conditions of this Stipulation of Settlement are the result of lengthy, intensive arm's-length negotiations between the Parties with the assistance of a neutral mediator, and this Stipulation of Settlement shall not be construed in favor of or against any Party by reason of the extent to which any Party or his/her/its counsel participated in the drafting of this Stipulation of Settlement.

CAPTIONS AND INTERPRETATIONS

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

MODIFICATION

68. This Stipulation of Settlement may not be changed, altered, or modified, except in writing and signed by the Parties or their counsel and approved by the Court. This Stipulation of Settlement may not be discharged except by performance in accordance with its terms or by a writing signed by the Parties hereto.

INTEGRATION CLAUSE

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

BINDING ON ASSIGNS

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

DISPUTES REGARDING LANGUAGE OF SETTLEMENT AGREEMENT

71. If the Parties have a dispute with regard to the language of the terms of the Agreement, the Parties agree to present any such dispute to the mediator Tripper Ortman, Esq. for resolution.

CLASS MEMBER SIGNATORIES

72. It is agreed that because the Class Members are so numerous, it is impossible or impractical to have each member execute this Stipulation of Settlement. The Notice of Pendency of Class Action, Exhibit "A" hereto, will advise the Class of the binding nature of the release, and the release shall have the same force and effect as if this Stipulation of Settlement were executed by each member.

COUNTERPARTS

73. This Stipulation of Settlement may be executed in counterparts and by facsimile or electronic signatures, and when each Party has signed and delivered at least one such counterpart, each counterpart shall be deemed an original and, when taken together with other signed counterparts, shall constitute one Stipulation of Settlement binding upon and effective as to all Parties.

IN WITNESS HEREOF, the Parties hereto knowingly and voluntarily executed this Joint Stipulation and Settlement Agreement of Class Action and PAGA Claims between Plaintiffs and Defendant as of the date(s) set forth below.

1 Dated: 9/26/23

Plaintiff Maria Maravilla

2 Maria Maravilla
3 Maria Maravilla
4 Plaintiff and Class Representative

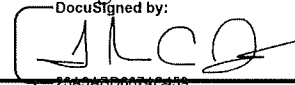
5 Dated: 9-26-23

Plaintiff Juan Torres Reyes

6 JUAN R. TORRES
7 Juan Torres Reyes
8 Plaintiff and Class Representative

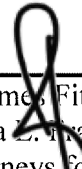
9 Dated: September 25, 2023 | 5:25 PM PDT

Defendant Greengate Fresh LLLP

10 
11 By Toby Jones
12 Its CEO
13 Greengate Fresh LLLP

14 Dated: 9/26/2023

FITZPATRICK & SWANSTON

15 
16 B. James Fitzpatrick
17 Laura E. Franklin
18 Attorneys for Plaintiffs, Class Representatives,
and Claimants

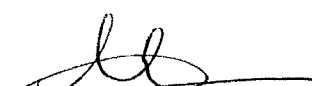
19 Dated: October 13, 2023

DIVERSITY LAW GROUP

20 
21 Larry W. Lee
22 Max W. Gavron
23 Attorneys for Plaintiffs, Class Representatives,
and Claimants

24 Dated: _____

GORDON REES SCULLY MANSUKHANI,
LLP

25 
26 Marie Trimble Holvick
27 Matthew J. Wayne
28 Attorneys for Defendant Greengate Fresh LLLP

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EXHIBIT A

Maria Maravilla v. GreenGate Fresh, LLLP
SETTLEMENT ADMINISTRATOR
PHOENIX SETTLEMENT ADMINISTRATORS

IMPORTANT LEGAL NOTICE

<<FIRST AND LAST NAME>>
<<ADDRESS>>
<<CITY AND ZIP CODE>>

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF MONTEREY
Maria Maravilla v. GreenGate Fresh, LLLP
Case No. 21CV001258

NOTICE OF PENDENCY OF CLASS ACTION

**YOU ARE ESTIMATED TO RECEIVE APPROXIMATELY \$<<EstimatedAward>>
THROUGH THIS SETTLEMENT.**

To: All current and former non-exempt employees of Defendant GreenGate Fresh LLLP who were employed in the State of California at any time during the Class Period (April 15, 2017, through August 11, 2023).

PLEASE READ THIS NOTICE CAREFULLY. YOUR RIGHTS MAY BE AFFECTED. YOU MAY BE ENTITLED TO RECEIVE MONEY FROM THIS PROPOSED SETTLEMENT.

TO RECEIVE YOUR SHARE, YOU DO NOT NEED TO DO ANYTHING.

This Notice is Court Approved. This is not a solicitation from an attorney.

1. WHY DID I GET THIS NOTICE?

You received this Notice because a proposed settlement (the “Settlement”) has been reached in the class action lawsuit entitled “*Maria Maravilla v. GreenGate Fresh, LLLP*” and assigned Case No. 21CV001258 (hereinafter referred to as the “Action”). Defendant GreenGate Fresh LLLP (“Defendant”) has agreed to pay a total of \$690,000.00 (the “Gross Settlement Amount”) to settle all class claims arising out of the Action. There was a hearing on **INSERT PRELIMINARY APPROVAL DATE** in the Superior Court of the State of California for the County of Monterey, at which time Judge Carrie M. Panetta preliminarily approved the Settlement as being fair and reasonable to the members of the Class.

The Notice explains the nature of the Action, the general terms of the proposed Settlement, and your legal rights and obligations. To obtain more information about the Settlement, including information about how you can see a copy of the Settlement Agreement, see Section 17, below.

2. WHAT IS THE ACTION ABOUT?

This Action is the class case entitled *Maria Maravilla v. GreenGate Fresh, LLLP*, originally filed in Monterey County Superior Court on April 15, 2021, assigned Case No. 21CV001258, and subsequently amended. A portion of the case was sent to arbitration because of an arbitration agreement that purported to prevent class action claims. Prior to being sent to arbitration, the operative Complaint alleged claims on behalf of Plaintiffs and other similarly situated employees for: (1) failure to provide off-duty meal periods or compensation in lieu thereof in violation of California Labor Code §§ 226.7 and 1198 and the Wage Order; (2) failure to provide off-duty rest periods or compensation in lieu thereof in violation of Labor Code §§ 226.7 and 1198 and the Wage Order; (3) failure to pay hourly and overtime wages in violation of Labor Code §§ 1194 and 1198 and the Wage Order; (4) failure to pay minimum wages in violation of Labor Code §§ 1194, 1997, and 1199 and the Wage Order; (5) failure to provide accurate itemized wage statements and maintain accurate records in violation of Labor Code §§ 226, 1174, and 1175 and the Wage Order; (6) failure to pay wages upon separation of employment in violation of Labor Code §§ 201-203 and 246 and the Wage Order; (7) failure to timely pay wages in violation of Labor Code § 204; (8) failure to reimburse business expenses in violation of Labor Code § 2802 and the Wage Order; (9) penalties under Labor Code § 2698, *et seq.*, the Private Attorneys General Act (“PAGA”); and (10) unfair business practices in violation of California Business and Professions Code § 17200, *et seq.* and common law.

Defendant denies all allegations of wrongdoing and maintains that it complied with all applicable laws, rules, and regulations at issue in this litigation. The Court has not ruled on the merits of the lawsuit.

3. WHAT IS A CLASS ACTION?

In a class action lawsuit, one or more persons sue on behalf of other people who have similar claims. Maria Maravilla and Juan Torres Reyes (hereinafter, “Plaintiffs”) are the individuals who are bringing this Action on your behalf and on behalf of other similarly situated employees.

In the Action, the Plaintiffs seek to represent you on a class basis. A class action allows the Court to resolve the claims of all the members of the class at the same time. A class member is bound by the determination or judgment entered in the case, whether the class wins or loses, and may not file his or her own lawsuit on the same claims that were decided in the class action. A class action allows one court to resolve all of the issues in a lawsuit for all the members of the class who choose not to exclude themselves from the class.

4. WHO IS INCLUDED IN THE SETTLEMENT CLASS?

All current and former non-exempt employees of Defendant GreenGate Fresh LLLP who were employed in the State of California at any time during the Class Period (the “Class” or “Class Members”). The period starting on April 15, 2017, and ending on August 11, 2023 is the “Class Period.” You are receiving this Notice because Defendant’s records show that you are a member of the Class.

5. WHY IS THERE A SETTLEMENT?

The Court did not decide in favor of Plaintiffs or Defendant. Plaintiffs think they could have won at trial. Defendant thinks it could have won at trial. But there was no trial. Instead, both parties agreed to a settlement. That way, they avoid the cost of litigation, and the individuals potentially affected will get compensation. Plaintiffs and their counsel (“Class Counsel”) believe the Settlement is a fair and reasonable compromise that is in the best interests of the Class.

6. WHAT ARE THE TERMS OF THE SETTLEMENT?

As stated above, Defendants have agreed to pay a total of \$690,000.00 to settle all class claims arising out of the lawsuit. Subject to the Court’s approval, the Gross Settlement Amount will be used to pay Class Members for the settlement and release of the Released Claims and PAGA Released Claims described below, settlement administration costs (estimated at \$12,950.00), attorneys’ fees for Class Counsel in the amount of \$230,000.00 (or 1/3 of the Gross Settlement Amount), or any other amount the Court approves, reasonable litigation costs/expenses not to exceed \$30,000.00, as determined by the Court, and PAGA penalties in the amount of \$50,000.00. The amount of money remaining after all of these payments (the “Net Settlement Amount”) will be distributed to Class Members who do not opt out of the Settlement (the “Participating Class Members”).

The Class Members who do not opt out will each receive a payment (“Individual Settlement Payment”) representing their pro-rata share of the Net Settlement Amount, based upon the number of workweeks worked during the Class Period.

Based on Defendant’s records, the number of workweeks you worked during the Class Period is <<Workweeks>> and your estimated Individual Settlement Payment is \$<<EstimatedAward>>. Twenty percent (20%) of the Individual Settlement Payment will be considered wages and will be reported on an IRS Form W-2, and eighty percent (80%) of the Individual Settlement Payment will be considered penalties and interest and will be reported on an IRS Form 1099 misc., if applicable.

Regardless of whether you opt out of the class portion of the settlement, you may also receive a payment (“Individual PAGA Payment”), representing your share of the PAGA penalties if you are a PAGA Member.

The PAGA penalties allocated as part of this settlement (“PAGA Penalties”) will be

distributed to the California Labor and Workforce Development Agency (“LWDA”) and aggrieved employees known as PAGA Members. Pursuant to requirements of Labor Code § 2698, *et seq.*, the LWDA will receive 75% of the PAGA Penalties. The remaining 25% of the PAGA Penalties, or “PAGA Member Payment,” will be distributed to PAGA Members, based upon the number of pay periods each PAGA Member worked during the PAGA Period. PAGA Members are defined as all current and former non-exempt employees of Defendant GreenGate Fresh LLLP who were employed in the State of California at any time during the PAGA Period. The PAGA Period is defined as April 1, 2020, through August 11, 2023.

Based on Defendant’s records, the number of pay periods you worked during the PAGA Period is <<PAGA Pay Periods>> and your estimated Individual PAGA Payment is \$<<PAGAEstimatedAward>>. One hundred percent (100%) of the Individual PAGA Payment will be considered penalties and will be reported on an IRS Form 1099 misc., if applicable.

Any questions regarding your workweek or pay periods counts or the amount of your Individual Settlement Payment or Individual PAGA Payment should be directed to the Settlement Administrator at the address listed in Section 9 below.

7. WHAT DO I NEED TO DO TO RECEIVE AN INDIVIDUAL SETTLEMENT PAYMENT?

You do not need to do anything to participate in the settlement. You will receive your Individual Settlement Payment and/or Individual PAGA Payment from this Settlement in or around [REDACTED], 2024 if the Court approves the Settlement and no written objections or appeals are filed. Class Counsel have been appointed and approved by the Court and Class Counsel will represent you.

Upon receipt of your settlement check, it will be your responsibility to cash the check before the expiration date of the check (180 days from the check’s issuance). You will not be retaliated against for cashing the settlement check. Checks that are not cashed or negotiated within 180 days from the date of issuance of the check will become void and be transmitted to the *cy pres* recipient, Watsonville Law Center.

8. HOW DOES THE SETTLEMENT AFFECT MY RIGHTS?

After the Court has approved the Settlement, each Class Member will release Defendant and each of its past, present and/or future parent companies, partners, subsidiaries, affiliates, divisions, related companies, successors, and predecessors, as well as their respective past, present and future owners, officers, directors, shareholders, employees, agents, members, managers, principals, representatives, accountants, auditors, consultants, insurers and reinsurers, investors, lenders, administrators, company-sponsored employee benefit plans, assigns, joint venturers and attorneys, both individually and in their official capacities, as well as all persons acting by, through, under, or in concert with any of these persons or entities (“Released Parties”) from all claims, causes of action, demands, damages, or liabilities arising at any time during the Class Period that were pled or which could have been pled based on the factual allegations contained in the operative Complaint in the Actions or any amendments thereto (“Released

Claims”).

In addition, each PAGA Member will release the Released Parties from all claims, causes of action, demands, damages, or liabilities arising at any time during the PAGA Period that were pled or which could have been pled based on the factual allegations contained in the operative Complaints in the Action or any amendments thereto, for civil penalties under the PAGA including claims premised on alleged violations of Labor Code §§ 201, 201.3, 202, 203, 204, 207, 208, 209, 216, 218, 218.5, 218.6, 223, 225.5, 226, 246, 510, 512, 558, 1174, 1194, 1197, 1197.1, 1198, 1199, 2698 *et seq.*, 2699(f) and (g), 2800 and 2802, and the Wage Order (“PAGA Released Claims”).

If you are a member of the Class and you do not elect to properly opt out from the Settlement, you will be deemed to have entered into the above releases and to have released the above-described Released Claims and PAGA Released Claims. If you are a member of the Class and are also a PAGA Member and you elect to properly opt out from the Settlement, you will still be deemed to have released the above-described PAGA Released Claims. There is no opt out from the PAGA Released Claims.

If the settlement is approved by the Court and becomes final, you will receive your share of the Settlement. If the Settlement is not approved by the Court or does not become final for some other reason, the litigation will continue.

9. WHAT IF I DON’T WANT TO PARTICIPATE IN THIS SETTLEMENT?

If you do not want to be bound by the terms of the settlement, including the above release of class claims, you may exclude yourself (“opt out”) by sending written notice of your intention to opt out to the Settlement Administrator, at its address listed below:

**MARIA MARAVILLA v. GREENGATE FRESH CLASS ACTION LAWSUIT
PHOENIX SETTLEMENT ADMINISTRATORS
ADDRESS
ADDRESS**

The opt-out request must be in writing and include (1) the full name and current address of the person seeking exclusion; (2) last four digits of his/her Social Security number, (3) a statement that the person requests exclusion from the Class and does not wish to participate in the Settlement; and (4) the signature of the person seeking exclusion. Any person who opts out will not be affected by the terms of the Settlement, with the exception of the PAGA Released Claims. ***Any opt-out request must be postmarked no later than _____, 2024.***

If you submit a timely and valid written opt out, you will no longer be a member of the Class, and you will not be eligible to receive an Individual Settlement Payment under the Settlement or object to the terms of the Settlement. You will be bound by the PAGA Released Claims; however, you will not be bound by the Released Claims, and you may pursue any other claims you may have, at your own expense, against Defendant.

10. WHAT IF I WANT TO OBJECT TO THIS SETTLEMENT?

If you do not opt-out of the Settlement by submitting a valid and timely request for exclusion as outlined in Section 9 above, you may object to any of the terms of the Settlement before the Final Approval Hearing. If the Court rejects your objection, you will still be bound by the terms of the Settlement, but you will also receive an Individual Settlement Payment (and/or Individual PAGA Payment). To object, you may mail your written objection to the Settlement Administrator at the below address within 45 days from the mailing of this Notice.

MARIA MARAVILLA v. GREENGATE FRESH CLASS ACTION LAWSUIT
PHOENIX SETTLEMENT ADMINISTRATORS
ADDRESS
ADDRESS

Your written objections must state (1) your full name and current address; (2) the name and case number of this lawsuit: ***Maria Maravilla, et al. v. GreenGate Fresh, LLLP, Case No. 21CV001258***; (3) the specific reason(s) for the objections, and (4) any and all evidence and supporting papers (including, without limitation, all briefs, written evidence, and declarations) to be considered by the Court. If you wish to appear at the Final Approval Hearing and be heard orally in support of, or in opposition to the Settlement, you must state so in your objection. You may also appear at the Final Approval Hearing and state your objection even if you do not submit a written objection.

11. DO I HAVE A LAWYER IN THIS CASE?

Yes. The Court decided that the law firms of Fitzpatrick & Swanston and Diversity Law Group, P.C., which represent the Plaintiffs, are also qualified to represent you and all Class Members. You will not be charged for these lawyers. These law firms are referred to as “Class Counsel.” If you want to be represented by your own lawyer, you may hire one at your own expense.

The contact information for Class Counsel is as follows:

B. James Fitzpatrick, Esq.
Laura L. Franklin, Esq.
FITZPATRICK & SWANSTON
555 S. Main Street
Salinas, CA 93901
Telephone: (831) 755-1311

Larry W. Lee, Esq.
Max W. Gavron, Esq.
DIVERSITY LAW GROUP, P.C.
515 S. Figueroa Street, Suite 1250
Los Angeles, CA 90071

Telephone: (213) 488-6555

If you have questions about the case or the Settlement, you should ask Class Counsel.

12. HOW WILL THE LAWYERS BE PAID?

Class Counsel will be requesting from the Court \$230,000.00 (or 1/3) of the Gross Settlement Amount for their attorneys' fees and reimbursement of litigation costs not exceeding \$30,000.00. These fees will serve to compensate Class Counsel for their efforts in achieving the settlement for the benefit of the Class and for their risk in undertaking this representation on a contingency basis. Class Counsel have already spent many hours investigating this case, reviewing payroll and time records information provided by Defendant, researching the class claims, and negotiating this settlement for the Class. They will incur additional hours overseeing the final approval and implementing the plan of distribution. You have the right to review Class Counsel's motion for attorneys' fees and costs, which will be filed with the Court.

13. WHAT IS THE FINAL APPROVAL HEARING?

The Court has preliminarily approved the Settlement and will hold a hearing to decide whether to give final approval to the Settlement. The purpose of the Final Approval Hearing will be for the Court to determine whether the Settlement should be approved as fair, reasonable, adequate, and in the best interests of the Class; to consider the award of attorneys' fees and expenses to Class Counsel.

14. WHEN AND WHERE IS THE FINAL APPROVAL HEARING?

The Court will hold the Final Approval Hearing on [DATE] at [INSERT TIME] a.m., in Department 15 of the Superior Court of the State of California for the County of Monterey, 1200 Aguajito Road, Monterey, California 93940 ("Final Approval Hearing").

The Final Approval Hearing may be continued without further notice to the Class Members. It is not necessary for you to appear at the Final Approval Hearing. However, you have the right to attend the Final Approval Hearing and be represented by your own counsel at your own expense. If you plan to attend the Final Approval Hearing, you may contact Class Counsel to confirm the date and time. If the Settlement is not approved by the Court or does not become final for some reason, the Action may continue to trial.

15. MAY I SPEAK AT THE FINAL APPROVAL HEARING?

At the hearing, the Court will be available to hear any objections and arguments concerning the Settlement. You may attend, but you do not have to attend. You may speak at the Final Approval Hearing to state your objection. If you opt-out from the Settlement, however, you may not speak at the Final Approval Hearing.

16. HOW DO I GET MORE INFORMATION?

To see a copy of the Joint Stipulation and Settlement Agreement of Class Action and PAGA Claims (which defines the capitalized terms used in this Notice and provides a brief summary of what has happened in the Action), the Court's Preliminary Approval Order, Class Counsel's application for attorneys' fees and costs, the Complaints, and other filed documents related to Plaintiffs' lawsuit and this Settlement, you may view all such files at the Clerk's office at the Superior Court of the State of California for the County of Monterey, 1200 Aguajito Road, Monterey, California 93940.

IF YOU NEED MORE INFORMATION OR HAVE ANY QUESTIONS, you may contact the Settlement Administrator at the address and telephone number listed below, toll free. Please refer to the GreenGate Fresh Class Action Settlement.

**MARIA MARAVILLA v. GREENGATE FRESH CLASS ACTION LAWSUIT
PHOENIX SETTLEMENT ADMINISTRATORS
ADDRESS
ADDRESS
Toll-free number: [TBD]**

You may also contact the attorneys for the Class, whose names and contact information are listed above.

17. WHAT IF MY INFORMATION CHANGES?

It is your responsibility to keep your current address and telephone number on file with the Settlement Administrator, to ensure receipt of your Settlement Award and applicable tax forms if the settlement is given final approval by the Court. If you change your mailing address, you should promptly contact the Settlement Administrator and provide the Settlement Administrator your new address and contact information.

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

EXHIBIT B



CASE ASSUMPTIONS

Class Members	750
Opt Out Rate	1%
Opt Outs Received	8
Total Class Claimants	743
Subtotal Admin Only	\$12,950.00

Not-to-Exceed Total \$12,950.00

For 750 Members

Pricing Good for Scope of Estimate Only

August 29, 2023

Case: Maravilla v Greengate Opt-Out wTranslation

Phoenix Contact: Jodey Lawrence
 Contact Number: 949.566.1455
 Email: Jodey@phoenixclassaction.com

Requesting Attorney: Max W. Gavron
 Firm: Diversity Law Group, APC
 Contact Number: (213) 488-6555
 Email: mgavron@diversitylaw.com

Assumptions and Estimate are based on information provided by counsel. If class size changes, PSA will need to adjust this Estimate accordingly.
 Estimate is based on 750 Class Members. PSA assumes class data will be sent in Microsoft Excel or other usable format with no or reasonable additional formatting needed. A rate of \$150 per hour will be charged for any additional analysis or programming.

Case & Database Setup / Toll Free Setup & Call Center / NCOA (USPS)

Administrative Tasks:	Rate	Hours/Units	Line Item Estimate
Programming Manager	\$100.00	3	\$300.00
Programming Database & Setup	\$100.00	3	\$300.00
Toll Free Setup*	\$131.05	1	\$131.05
Call Center & Long Distance	\$2.00	16	\$32.00
NCOA (USPS)	\$150.00	2	\$300.00
Total			\$1,063.05

* Up to 120 days after disbursement

Data Merger & Scrub / Notice Packet, Opt-Out Form & Postage / Spanish Translation / Reporting

Project Action	Rate	Hours/Units	Line Item Estimate
Notice Packet Formatting	\$125.00	2	\$250.00
Data Merge & Duplication Scrub	\$0.25	750	\$187.50
Notice Packet & Opt-Out Form	\$1.25	750	\$937.50
Estimated Postage (up to 2 oz.)*	\$0.87	750	\$652.50
Static Website	\$200.00	1	\$200.00
Language Translation	\$1,200.00	1	\$1,200.00
Total			\$3,427.50

* Prices good for 90 days. Subject to change with the USPS Rate or change in Notice pages or Translation, if any.



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CLASS ACTION ADMINISTRATION SOLUTIONS

Skip Tracing & Remailing Notice Packets / Tracking & Programming Undeliverables

Project Action:	Rate	Hours/Units	Line Item Estimate
Case Associate	\$55.00	3	\$165.00
Skip Tracing Undeliverables	\$1.00	113	\$112.50
Remail Notice Packets	\$1.50	113	\$168.75
Estimated Postage	\$0.87	113	\$97.88
Programming Undeliverables	\$50.00	2	\$100.00
Total			\$644.13

Database Programming / Processing Opt-Outs, Deficiencies or Disputes

Project Action:	Rate	Hours/Units	Line Item Estimate
Programming Claims Database	\$125.00	3	\$375.00
Non Opt-Out Processing	\$125.00	1	\$125.00
Case Associate	\$55.00	4	\$220.00
Opt-Outs/Deficiency/Dispute Letters	\$10.00	3	\$30.00
Case Manager	\$85.00	2	\$170.00
Total			\$920.00

Calculation & Disbursement Programming/ Create & Manage QSF/ Mail Checks

Project Action:	Rate	Hours/Units	Line Item Estimate
Programming Calculations	\$125.00	3	\$375.00
Disbursement Review	\$125.00	3	\$375.00
Programming Manager	\$95.00	3	\$285.00
QSF Bank Account & EIN	\$125.00	2	\$250.00
Check Run Setup & Printing	\$125.00	4	\$500.00
Mail Class Checks *	\$1.50	743	\$1,113.75
Estimated Postage	\$0.64	743	\$475.20
Total			\$3,373.95

* Checks are printed on 8.5 x 11 in. sheets with W2/1099 Tax Filing



PHOENIX

CLASS ACTION ADMINISTRATION SOLUTIONS

Tax Reporting & Reconciliation / Re-Issuance of Checks / Conclusion Reports and Declarations			
Project Action:	Rate	Hours/Units	Line Item Estimate
Case Supervisor	\$125.00	5	\$625.00
Remail Undeliverable Checks (Postage Included)	\$1.50	74	\$111.38
Case Associate	\$50.00	5	\$250.00
Reconcile Uncashed Checks	\$70.00	2	\$140.00
Conclusion Reports	\$125.00	2	\$250.00
Case Manager Conclusion	\$85.00	2	\$170.00
Final Reporting & Declarations	\$125.00	2	\$250.00
IRS & QSF Annual Tax Reporting * (1 State Tax Reporting Included)	\$1,725.00	1	\$1,725.00
Total			\$3,521.38

* All applicable California State & Federal taxes, which include SUI, ETT, and SDI, and FUTA filings. Additional taxes are Defendant's responsibility.

Estimate Total: \$12,950.00



PHOENIX

CLASS ACTION ADMINISTRATION SOLUTIONS

TERMS AND CONDITIONS

Provisions: The case estimate is in good faith and does not cover any applicable taxes and fees. The estimate does not make any provision for any services or class size not delineated in the request for proposal or stipulations. Proposal rates and amounts are subject to change upon further review, with Counsel/Client, of the Settlement Agreement. Only pre-approved changes will be charged when applicable. No modifications may be made to this estimate without the approval of PSA (Phoenix Settlement Administrators). All notifications are mailed in English language only unless otherwise specified. Additional costs will apply if translation into other language(s) is required. Rates to prepare and file taxes are for Federal and California State taxes only. Additional charges will apply if multiple state tax filing(s) is required. **Pricing is good for ninety (90) days.**

Data Conversion and Mailing: The proposal assumes that data provided will be in ready-to-use condition and that all data is provided in a single, comprehensive Excel spreadsheet. PSA cannot be liable for any errors or omissions arising due to additional work required for analyzing and processing the original database. A minimum of two (2) business days is required for processing prior to the anticipated mailing date with an additional two (2) business days for a National Change of Address (NCOA) update. Additional time may be required depending on the class size, necessary translation of the documents, or other factors. PSA will keep counsel apprised of the estimated mailing date.

Claims: PSA's general policy is to not accept claims via facsimile. However, in the event that facsimile filing of claims must be accepted, PSA will not be held responsible for any issues and/or errors arising out of said filing. Furthermore, PSA will require disclaimer language regarding facsimile transmissions. PSA will not be responsible for any acts or omissions caused by the USPS. PSA shall not make payments to any claimants without verified, valid Social Security Numbers. All responses and class member information are held in strict confidentiality. Additional class members are \$10.00 per opt-out.

Payment Terms: All postage charges and 50% of the final administration charges are due at the commencement of the case and will be billed immediately upon receipt of the data and/or notice documents. PSA bills are due upon receipt unless otherwise negotiated and agreed to with PSA by Counsel/Client. In the event the settlement terms provide that PSA is to be paid out of the settlement fund, PSA will request that Counsel/Client endeavor to make alternate payment arrangements for PSA charges that are due at the onset of the case. The entire remaining balance is due and payable at the time the settlement account is funded by Defendant, or no later than the time of disbursement. Amounts not paid within thirty (30) days are subject to a service charge of 1.5% per month or the highest rate permitted by law.

Tax Reporting Requirements

PSA will file the necessary tax returns under the EIN of the QSF, including federal and state returns. Payroll tax returns will be filed if necessary. Under the California Employment Development Department, all taxes are to be reported under the EIN of the QSF with the exception of the following taxes: Unemployment Insurance (UI) and Employment Training Tax (ETT), employer-side taxes, and State Disability Insurance (SDI), an employee-side tax. These are reported under Defendant's EIN. Therefore, to comply with the EDD payroll tax filing requirements we will need the following information:

1. Defendant's California State ID and Federal EIN.
2. Defendant's current State Unemployment Insurance (UI) rate and Employment Training Tax (ETT) rate. This information can be found in the current year DE 2088, Notice of Contribution Rates, issued by the EDD.
3. Termination dates of the class members, or identification of current employee class members, so we can account for the periods that the wages relate to for each class member.
4. An executed Power of Attorney (Form DE 48) from Defendant. This form is needed so that we may report the UI, SDI, and ETT taxes under Defendant's EIN on their behalf. If this form is not provided we will work with the EDD auditors to transfer the tax payments to Defendant's EIN.
5. Defendant is responsible for reporting the SDI portion of the settlement payments on the class member's W-2. PSA will file these forms on Defendant's behalf for an additional fee and will issue an additional W-2 for each class member under Defendant's EIN, as SDI is reported under Defendant's EIN rather than the EIN of the QSF. The Power of Attorney (Form DE 48) will be needed in order for PSA to report SDI payments.