

Exhibit 1

MEMORANDUM OF UNDERSTANDING RE: PAGA SETTLEMENT

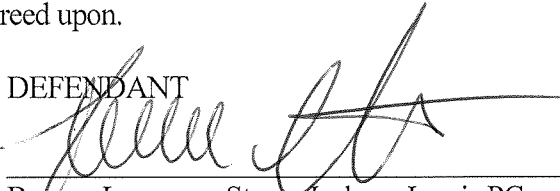
Subject to court-approval and with the provision that this Memorandum of Understanding (“MOU”) Re Private Attorney General Act (“PAGA”) Settlement, Plaintiff Carlos Martinez (“Plaintiff”) and Defendant DPI Specialty Foods, Inc. (“Defendant”) (collectively, the “Parties”), hereby agree to the following binding settlement (“Settlement”) of the PAGA lawsuit entitled *Martinez v. DPI*, Case No. TBD (San Bernardino County Superior Court) (the “Lawsuit”).

- (1) Persons Covered By The Settlement: This Settlement covers all natural persons who were employed by Defendant in non-exempt positions in the State of California at any time from May 24, 2020, to the date of approval (“Aggrieved Employees”), pursuant to the PAGA Notice filed by plaintiff on May 24, 2021, with the Labor Workforce Development Agency (“LWDA”) in Case No. LWDA-CM-833016-21.
- (2) PAGA Penalties Fund: The Parties agree that Defendant will pay an amount certain of \$95,000 (the “PAGA Settlement Amount”) to resolve all claims in the Lawsuit, including Plaintiff’s Attorneys’ Fees and Costs (as each are defined herein). The PAGA Settlement Amount less Plaintiffs’ Attorneys’ Fees and Costs and Settlement Administration Expenses is referred to herein as the Net Penalties Fund. Pursuant to the Labor Code Private Attorneys General Act of 2004, Seventy Five Percent (75%) of the Net Penalties Fund will be paid to the Labor and Workforce Development Agency, and the remaining Twenty-Five Percent (25%) will be paid to all Aggrieved Employees.
- (3) Distribution of Penalties Process: Defendant will mail each Aggrieved Employee a check for his or her share of the Net Penalties Fund along with an explanatory letter which will be mutually approved by the parties. A draft explanatory letter is attached hereto, subject to Court approval. Checks will remain negotiable for 120 days. Funds represented by settlement checks returned as undeliverable and those settlement checks remaining un-cashed for more than 120 days after issuance will be forwarded to the California unclaimed property fund in the name of the aggrieved employees, if any. All settlement payments to Aggrieved Employees will be treated as miscellaneous income for which an IRS form 1099 will be issued.
- (4) Attorneys’ Fees and Costs: In full satisfaction of all claims Plaintiff may have for attorneys’ fees, litigation costs, and expenses arising out of the Lawsuit, Defendant agrees to pay Plaintiff’s counsel Harris & Ruble a total of Thirty Thousand dollars (\$30,000) in attorneys’ fees and litigation costs and expenses (the “Plaintiffs’ Attorneys’ Fees and Costs”).
- (5) Settlement Administration Expenses: There will no Settlement Administration Expenses as Defendant has agreed to pay the costs for printing, distributing, and tracking forms for this Settlement, calculating estimated amounts per Aggrieved Employee, tax reporting, distributing payments from the PAGA Settlement Amount, and providing necessary reports and declarations, and other duties and responsibilities set forth herein to process this Settlement, as requested by the Parties (the total of such amounts, the “Settlement Administration Expenses”).

- (6) Denial of Liability: Defendant denies any liability or wrongdoing of any kind and further denies that, for any purpose other than settling the Lawsuit, this action is appropriate for representative treatment. Defendant maintains, among other things, that it has complied with federal and California law in all aspects. Nothing in the MOU negotiations, approval of Settlement, orders related to Settlement or any other aspect of the settlement will be construed or deemed as an admission of liability, culpability, negligence, or wrongdoing on the part of Defendant.
- (7) Settled Claims: All claims for PAGA civil penalties under the California Labor Code, Wage Orders, regulations, and/or other provisions of law alleged to have been violated in the Lawsuit and as set forth in the PAGA Notice with respect to Aggrieved Employees. Aggrieved Employees, other than Plaintiffs, will not be deemed to have released any individual wage and hour claims by virtue of this Settlement, and any claims that cannot be released.
- (8) The Parties and their counsel shall issue no public statements and shall make no comments to media or press with respect to the Action, the settlement or this Memorandum of Understanding at any time (including but not limited to press releases or publication on any website), except as required by law. In addition, the Parties and their counsel shall not make, publish, circulate or cause to be made, published or circulated any statements that represent or suggest any wrongdoing by Defendants, or that this settlement or any order by the Court regarding the settlement represents or implies any wrongdoing by, or any admission of liability by, Defendants, or a finding by the Court of liability or wrongdoing.
- (9) Binding Agreement. This is a binding and enforceable agreement. Notwithstanding anything else contained herein, this agreement shall be enforceable under California Code of Civil Procedure section 664.6 and admissible under California Evidence Code section 1123(a). Regardless of any settlement privilege or other rules of evidence, this MOU may be admitted in Court and enforceable even if finalized settlement documents cannot be agreed upon.

Dated: March 7, 2022

DEFENDANT

By: 
 Its: Lawrence Stone, Jackson Lewis PC
 Attorney and authorized representative

Dated: 3/10/2022

PLAINTIFF

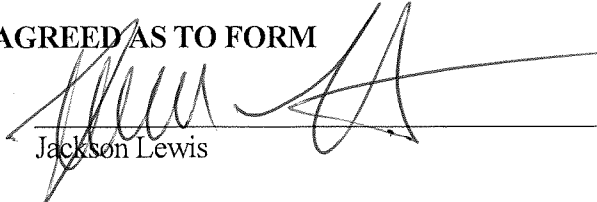
DocuSigned by:

Carlos Julian Martinez

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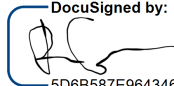
AGREED AS TO FORM

Dated: March 7, 2022


 Jackson Lewis

Dated: 3/10/2022 _____

DocuSigned by:



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Harris & Ruble

Exhibit 2

Exhibit 3

NOTICE OF PAGA SETTLEMENT

Re: Martinez v. DPI Specialty Foods, Inc., San Bernardino County Superior Court Case No. TBD.

A court-approved settlement has been reached in the above-referenced lawsuit.

On [INSERT DATE OF APPROVAL], the San Bernardino County Superior Court issued an Order approving the settlement of claims brought pursuant to the Private Attorneys General Act of 2004 ("PAGA"). The Court approved a Settlement in the amount of \$95,000.00. After accounting for the Plaintiff's attorneys' fees award and costs of \$30,000, the remainder of the settlement (\$65,000) shall be paid as PAGA penalties pursuant to Labor Code section 2699(i) with 75% of the PAGA Penalties being paid to the California Labor and Workforce Development Agency (\$48,750), as required under PAGA, and 25% (\$16,250) paid to the Aggrieved Employees on a pro-rata basis based upon the number of pay periods worked from May 24, 2020 to [INSERT DATE OF APPROVAL]. Specifically, The portion of PAGA penalties distributed to each PAGA Aggrieved Employee shall be calculated by dividing the number of PAGA periods worked by an aggrieved employee during the covered period (May 24, 2020, to [INSERT DATE OF APPROVAL]) by the total number of pay periods worked by all aggrieved employees during the covered period and multiplying that amount by the amount of PAGA penalties awarded to the Aggrieved Employees.

By way of this Settlement, Defendant has been released from claims the State of California can pursue for Labor Code violations committed against you and for any and all claims and causes of action that were asserted **or could have been asserted** pursuant to Labor Code Section 2698 *et seq.* (also known as "PAGA") for violations of Labor Code Sections 201-204, 210, 226(a)-(f), 226.3, 226.7, 510, 512, 1174, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 1198.5, 1199, 1199.5, 2802, or 2810.5, Wage Order No. 5-2001 from May 24, 2020 to [INSERT DATE OF APPROVAL]. This includes claims that Defendant failed to pay minimum wages, overtime wages, provide lawful meal, provide lawful rest periods, failed to pay split shift premiums, failed to reimburse expenses, failed to provide accurate itemized wage statements, failed to maintain accurate payroll records, failed to timely pay wages during employment, failed to timely pay wages upon separation, and produce employment records on request. **By cashing this check, you will NOT give up any of your individual rights and/or claims.**

Defendant denies any liability or wrongdoing and contends, among other things, it complied at all times with the California Labor Code, the related California Wage Orders, and all other state and federal wage laws, and further contends that the lawsuit is without merit.

You are receiving money under the Settlement because you are or were employed by Defendants in a non-exempt position in California from May 24, 2020 through [INSERT DATE OF APPROVAL]. Your settlement amount is << \$ Amount >>. Your enclosed check is valid for one hundred and twenty (120) days from the date of its issuance. After that date, you cannot cash the check and it will be null and void. Funds attributable to such uncashed checks will be sent to the California Unclaimed Property Fund in your name.