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SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF STANISLAUS

CHRISTOPHER RUIZ, as an aggrieved
employee pursuant to the Private Attorneys
General Act ("PAGA"),

Plaintiff,

vs.

BRONCO WINE COMPANY, a California
Corporation; and DOES 1 through 10,
inclusive,

Defendants.

Case No.: CV-21-005436

Assigned for all purposes to John R. Mayne,
Dept. 21

CLASS ACTION AND REPRESENTATIVE
ACTION UNDER THE PRIVATE
ATTORNEYS GENERAL ACT, CAL.
LABOR CODE §§ 2698 *ET SEQ.*

**JOINT STIPULATION OF CLASS
ACTION AND PAGA SETTLEMENT AND
RELEASE**

Complaint Filed: October 1, 2021
Trial Date: None Set

Jury Trial Demanded

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28 Attorneys for Defendant Bronco Wine Company

**JOINT STIPULATION OF CLASS ACTION AND PAGA
SETTLEMENT AND RELEASE**

This Joint Stipulation of Class Action and PAGA Settlement and Release (“Settlement,” “Settlement Agreement,” or “Stipulation”) is made and entered into by and between Plaintiff Christopher Ruiz (“Plaintiff” or “Class and PAGA Representative”), as an individual and on behalf of all others similarly situated, and Defendant Bronco Wine Company (“Defendant”). (Plaintiff and Defendant are collectively the “Parties.”)

DEFINITIONS

The following definitions are applicable to this Settlement Agreement as are definitions elsewhere in this Settlement Agreement:

1. “Action” means the action entitled *Ruiz v. Bronco Wine Company*, commenced on October 1, 2021, in the Superior Court of the State of California for the County of Stanislaus, Case No. CV-21-005436.

2. “Attorneys’ Fees and Costs” means attorneys’ fees agreed upon by the Parties and approved by the Court for Plaintiff’s Counsel’s litigation and resolution of the Action, and all costs incurred and to be incurred by Plaintiff’s Counsel in the Action, including, but not limited to, costs associated with documenting the Settlement, providing any notices required as part of the Settlement or Court order, securing the Court’s approval of the Settlement, administering the Settlement, obtaining entry of the Judgment in the Action, and expenses for any experts and/or consultants. Attorneys’ Fees and Costs shall be paid to Class and PAGA Counsel, the Law Offices of Mark Yablonovich. The Parties have agreed to, and Defendant will not oppose, an application to the court for Attorneys’ Fees in the amount of up to Two Hundred Forty-Three Thousand Two Hundred Fifty Dollars (\$243,250) and Costs up to Fifteen Thousand Dollars (\$15,000) to Plaintiff’s Counsel. Plaintiff’s Counsel will not seek Attorneys’ Fees in excess of thirty-five percent (35%) of the Gross Settlement Amount (Two Hundred Forty-Three Thousand Two Hundred Fifty Dollars (\$243,250)) or the agreed-upon costs.

3. “Class and PAGA Counsel” or “Plaintiff’s Counsel” means the Law Offices of Mark Yablonovich.

1 4. “Class List, PAGA Group List, and Data” means a complete list of all Class
2 Members and PAGA Group Members that Defendant will provide to the Settlement
3 Administrator in an electronic database within fourteen calendar days after Preliminary
4 Approval of this Settlement. The Class List, PAGA Group List, and Data shall contain the Class
5 Members and PAGA Group Members’ full names, last known home address, Social Security
6 Numbers, as well as the total number of Workweeks for each Class Member and the total
7 number of Pay Periods for each PAGA Group Member worked for Defendant in California
8 during the Class Release Period for Settlement Class Members and during the PAGA Release
9 Period for PAGA Group Members.

10 5. “Class Member(s),” “Settlement Class,” or “Settlement Class Member(s)” means
11 all persons who were employed by Defendant as non-exempt employees within the State of
12 California at any time during the Class Release Period.

13 6. “Class Member Payment” means each Class Member’s share of the Net
14 Settlement Amount, to be distributed to the Class Members who do not submit a Request for
15 Exclusion.

16 7. “Class Release Period” means the period from August 3, 2018 to September 17,
17 2022.

18 8. “Class and PAGA Representative Enhancement Payment” means the amount to
19 be paid to Plaintiff in recognition of his effort and work in prosecuting the Action on behalf of
20 Class Members and Aggrieved Employees, as well as the state of California, and for his general
21 release of claims. The Class and PAGA Representative Enhancement Payment is separate and
22 apart from any money Plaintiff is entitled to as a Class Member and a PAGA Group Member.
23 Defendant will not oppose Plaintiff’s application to the Court for a Class and PAGA
24 Representative Enhancement Payment of up to Ten Thousand Dollars (\$10,000).

25 9. “Complaint” means the operative complaint filed in the Action for civil penalties
26 for violations of California Labor Code, pursuant to Labor Code Private Attorneys General Act
27 of 2004, Labor Code sections 2698, *et seq.* The Complaint will be amended by the Parties’ Joint
28 Stipulation for Leave to File a First Amended Class Action and PAGA Action Complaint

1 pursuant to Paragraph 37.a.

2 10. “Court” means the Superior Court of the State of California for the County of
3 Stanislaus or any other Superior Court of the State of California taking jurisdiction of the
4 Action.

5 11. “Defendant” means Defendant Bronco Wine Company, a California Corporation.

6 12. “Defendant’s Counsel” means Rodarakis & Sousa, APC and Greenberg Traurig,
7 LLP.

8 13. The “Effective Date” of the Stipulation shall mean the Court’s approval of the
9 filing of the First Amended Class Action and PAGA Complaint as set forth in Paragraph 37.a.
10 below and the latest of the following: (a) if no Class Member makes an objection to the
11 Stipulation, sixty calendar days after the date the Court grants final approval to the Stipulation
12 and makes its final award; (b) if a Class Member objects to the Stipulation, the later of: (i)
13 dismissal or withdrawal of the objection by the Class Member; (ii) the passage of the date for
14 seeking appellate review of the Court’s final approval of the Stipulation without a timely request
15 for review; (iii) the date a Class Member’s appeal from the Court’s final approval of the
16 Stipulation has been voluntarily dismissed; or (iv) the date an appellate court has rendered a
17 final non-appealable judgment on a Class Member’s appeal, with no possibility of subsequent
18 appeal or other judicial review, affirming the Court’s final approval of the Stipulation without
19 material modification. In no event will the Effective Date occur before the judgment of the
20 Court granting final approval of the Stipulation is final and no longer subject to appeal.

21 14. “Final Approval” means the date on which the Court enters an order granting
22 final approval of the Settlement Agreement.

23 15. “First Amended Class Action and PAGA Action Complaint” or “FAC” means
24 the operative complaint filed or to be filed in the Action via stipulation pursuant to Paragraph
25 37.a. by Plaintiff against Defendant alleging claims for violations of California Labor Code
26 sections: (1) 510 and 1198 (failure to pay overtime); (2) 1182.12, 1194, 1197, 1197.1, and 1198
27 (failure to pay minimum wages); (3) 226.7, 512(a), and 1198 (failure to provide and properly
28 record meal periods and/or failure to provide premium pay); (4) 226.7 and 1198 (failure to

1 provide rest periods and/or failure to provide premium pay); (5) 226(a), 226(e), 1174(d) and
2 1198 (failure to provide accurate wage statements, maintain accurate and complete payroll
3 records, and maintain accurate and complete timekeeping records); (6) 204 (failure to timely
4 pay wages during employment); (7) 201, 202 and 203 (failure to timely pay wages upon
5 termination); (8) 223 (secret underpayment of wages); (9) California Business & Professions
6 Code sections 17200, et seq. (unfair business practices); and, (10) 2698 et seq. (Private
7 Attorneys General Act) (civil penalties predicated on Plaintiff's PAGA letter and Complaint,
8 other than those PAGA claims previously resolved in the matter of *Orozco v. Bronco Wine*
9 *Company*, California Superior Court for the County of Stanislaus, Case No. CV-20-003653
10 arising during the PAGA Release Period).

11 16. "Gross Settlement Amount" or "GSA" means the settlement amount of Six
12 Hundred Ninety-Five Thousand Dollars (\$695,000), to be paid by Defendant in full satisfaction
13 of all Released Claims arising from the Action, which includes all Class Member Payments to
14 Participating Class Members, Attorneys' Fees and Costs to Plaintiff's Counsel, the Class and
15 PAGA Representative Enhancement Payment to Plaintiff, the PAGA Settlement Amount to the
16 Labor and Workforce Development Agency and the PAGA Group Members, and Settlement
17 Administration Costs to the Settlement Administrator. Defendant shall pay any applicable
18 payroll taxes on the wage component of the settlement awards in addition to the GSA.
19 Defendant will not be liable for more than the GSA except as otherwise expressly set forth in
20 this Settlement Agreement.

21 17. "Memorandum of Understanding" or "MOU" means the short form Mediators'
22 Proposal and Memorandum of Understanding executed by the Parties on or about August 3,
23 2022.

24 18. "Net Settlement Fund," "Net Settlement Amount," or "NSA" means the portion
25 of the GSA remaining after deduction of the approved Class and PAGA Representative
26 Enhancement Payment, Settlement Administration Costs, the PAGA Settlement Amount, and
27 Plaintiff's Attorneys' Fees and Costs. The entire NSA will be distributed to Participating Class
28 Members.

1 19. “Notice of Objection” means a Class Member’s valid and timely written
2 objection to the Settlement Agreement. For the Notice of Objection to be valid, it must include:
3 (a) the objector’s full name, signature, address, and telephone number; (b) a written statement of
4 all grounds for the objection; and (c) copies of any papers, briefs, or other documents upon
5 which the objection is based. Any Class Member who does not submit a timely written
6 objection to the Settlement, or who fails to otherwise comply with the requirements of
7 Paragraph 41, will be foreclosed from objecting to the Settlement and/or seeking any
8 adjudication or review of the Settlement, by appeal or otherwise.

9 20. “Notice Packet” means the Notice of Class Action and Representative Action
10 Settlement, substantially in the form attached as Exhibit A.

11 21. “PAGA Group Member” means all persons who were employed by Defendant as
12 non-exempt employees within the State of California at any time during the PAGA Release
13 Period.

14 22. “PAGA Group Member Payment” means each PAGA Group Member’s share of
15 the PAGA Settlement Amount.

16 23. “PAGA Release Period” means the period from July 28, 2020 to September 17,
17 2022.

18 24. “PAGA Settlement Amount” means the amount the Parties have agreed to pay to
19 the California Labor and Workforce Development Agency (“LWDA”) in connection with the
20 Labor Code Private Attorneys General Act of 2004 (Cal. Lab. Code §§ 2698, *et seq.*, “PAGA”)
21 which includes the PAGA Group’s share of civil penalties. The Parties have agreed Fifty
22 Thousand Dollars (\$50,000) of the GSA will be allocated to the resolution of the PAGA Group
23 Members and the LWDA’s claims arising under PAGA. Pursuant to PAGA, Seventy-Five
24 Percent (75%), or Thirty-Seven Thousand Five Hundred Dollars (\$37,500) of the PAGA
25 Settlement Amount, will be paid to the LWDA, and the remaining Twenty-Five Percent (25%),
26 or Twelve Thousand Five Hundred Dollars (\$12,500) of the PAGA Settlement Amount, shall be
27 distributed to the PAGA Group Members.

28 25. “Parties” means Plaintiff and Defendant collectively.

1 26. “Participating Class Members” means all Class Members who do not submit
2 valid and timely Requests for Exclusion.

3 27. “Pay Periods” means the biweekly pay periods worked by PAGA Group
4 Members during the PAGA Release Period.

5 28. “Preliminary Approval” means the date on which the Court enters an order
6 granting preliminary approval of the Settlement Agreement.

7 29. “Released Claims” means the claims released by Class Members (other than
8 those who submit Requests for Exclusion) during the Class Release Period, including Class
9 Action claims under Labor Code sections 201-203, 204, 210, 223, 226(a), 226(e), 226.7, 510,
10 512, 1174(d), 1182.12, 1194, 1197, 1197.1, 1198, Sections 7, 11, 12, and 14 of the applicable
11 wage order, and California Business & Professions Code sections 17200, et seq. as alleged in
12 the First Amended Class Action and PAGA Action Complaint. Moreover, Released Claims
13 means the claims released by PAGA Group Members for any civil penalty predicated on the
14 claims alleged in Plaintiff’s PAGA letter, Complaint, and/or First Amended Class Action and
15 PAGA Action Complaint, other than those PAGA claims previously resolved in the matter of
16 *Orozco v. Bronco Wine Company*, California Superior Court for the County of Stanislaus, Case
17 No. CV-20-003653 arising during the PAGA Release Period. The Released Claims excludes all
18 other claims, including claims for wrongful termination, unemployment insurance, disability,
19 and workers’ compensation.

20 30. “Released Parties” includes Defendant Bronco Wine Company, all of its
21 subsidiaries, affiliates, predecessors, successors, and related entities, and its and their respective
22 officers, directors, employees, fiduciaries, trustees, and agents.

23 31. “Request for Exclusion” means a timely letter submitted by a Class Member
24 indicating a request to be excluded from the Settlement. The Request for Exclusion shall: (a) be
25 signed by the Class Member requesting exclusion; (b) contain the full name, current address,
26 telephone number and the last four digits of the Social Security Number of the Class Member
27 requesting exclusion; (c) clearly state the Class Member does not wish to be included in the
28 settlement; (d) be returned by mail to the Settlement Administrator at the specified address; and

(e) be postmarked on or before the Response Deadline. The date of the postmark on the return mailing envelope will be the exclusive means by which to determine whether a Request for Exclusion has been timely submitted. A Class Member who does not request exclusion from the Settlement shall be deemed a Participating Class Member and shall be bound by all terms of the Settlement Agreement if the Settlement is granted final approval by the Court. PAGA Group Members cannot request exclusion.

32. “Response Deadline” means the deadline by which Class Members shall postmark to the Settlement Administrator valid Requests for Exclusion, or postmark Notices of Objection to the Settlement Administrator. The Response Deadline shall be forty-five (45) calendar days from the initial mailing of the Notice Packet by the Settlement Administrator, unless the forty-fifth (45th) calendar day falls on a Sunday or Federal holiday, in which case the Response Deadline shall be extended to the next day on which the U.S. Postal Service is open. The Response Deadline may be extended by express agreement between Plaintiff’s Counsel and Defendant’s Counsel. Except as expressly set forth in this Settlement Agreement, the Settlement Administrator shall not have the authority to unilaterally extend the deadline for Class Members to submit a Request for Exclusion, or objection to the settlement.

33. “Settlement Administrator” means the third-party class action settlement administrator chosen by Plaintiff’s Counsel and with Defendant’s approval not unreasonably withheld and approved by the Court for the purposes of administering this Settlement. The Settlement Administrator’s duties shall include, but are not limited to, reporting payment of the Class Member Payments and PAGA Group Member Payments to all required taxing and other authorities, taking appropriate withholding from the Class Member Payments, issuing IRS Forms W-2 and 1099 for Class Member Payments, and issuing IRS Form 1099 for PAGA Group Member Payments. The Settlement Administrator will also pay all employer payroll taxes that will be separately funded and shall not come from the GSA. It is also understood and agreed the Settlement Administrator will establish a Qualified Settlement Fund, or QSF, pursuant to Section 468B(g) of the Internal Revenue Code for the purpose of administering the Settlement.

34. “Settlement Administration Costs” means the costs payable from the Gross Settlement Amount to the Settlement Administrator for administering this Settlement, including, but not limited to, printing, distributing, and tracking documents for this Settlement, mailing reminder postcards, calculating estimated amounts per Class Member and PAGA Group Member, tax reporting, distributing the GSA, Plaintiff’s Counsel Award, enhancement payment, and providing necessary reports and declarations, and other duties and responsibilities set forth in this Settlement Agreement in order to process this Settlement, and as requested by the Parties or Court. All of the costs, fees and expenses incurred by the Settlement Administrator in performing these functions shall be paid and deductible from the GSA. The Settlement Administration Costs are not to exceed Fifteen Thousand Dollars (\$15,000). All Settlement Administration Costs shall be paid and deductible from the GSA.

35. “Workweek(s)” means any seven consecutive days, starting with the same calendar day each week. “Workweek(s)” is a fixed and regularly recurring period of 168 hours, seven consecutive 24-hour periods.

TERMS OF AGREEMENT

Plaintiff, on behalf of himself, the Settlement Class and the PAGA Group Members, and Defendant, agree as follows:

36. Monetary Terms of Settlement:

a. GSA: The GSA is Six Hundred Ninety-Five Thousand Dollars (\$695,000) subject to the terms and conditions in this Settlement Agreement. The GSA includes all: (i) payments to Class Members; (ii) Attorneys’ Fees and Costs; (iii) Settlement Administration Costs; (iv) the PAGA Settlement Amount, which includes payments to the LWDA and the PAGA Group; and (v) Class and PAGA Representative Enhancement Payment. Defendant shall be separately responsible for any employer-side payroll taxes required by law, such as the employer FICA (Social Security and Medicare) and unemployment insurance (FUTA and SUTA/SUI), which shall not be paid from the GSA. Except as to separate payroll taxes due on the wage portion of the GSA, Defendant shall not be obligated to pay more than the GSA except as otherwise provided in this Settlement Agreement. Each Participating Class

Member shall be responsible for paying their share of taxes due on their portion of the GSA. Each PAGA Group Member shall be responsible for paying their share of taxes due on their portion of the PAGA Settlement Amount.

b. Division of Settlement Amounts:

i. **Type of Settlement:** This Settlement is non-reversionary. Defendant maintains no reversionary right to any portion of the GSA. This Settlement does not require Class Members or PAGA Group Members to submit a claim form to participate in the Settlement.

ii. **Calculation of Class Member Payment Amounts:** Each Class Member's estimated share of the NSA shall be based upon each Participating Class Member's individual total Workweeks. The Settlement Administrator shall allocate the Class Member Payments to the Participating Class Members proportionate to each Participating Class Member's individual total Workweeks. Class Member's individual total Workweeks shall be based on the number of Workweeks a Participating Class Member worked during the Class Release Period in California. Participating Class Members are entitled to one hundred percent (100%) of the NSA. Defendant maintains no reversionary right to any portion of the NSA. If there are any timely submitted Requests for Exclusion, the Settlement Administrator shall proportionately increase the Class Member Payments for each Participating Class Member so the amount actually distributed to Participating Class Members equals 100% of the NSA.

iii. **Calculation of PAGA Group Member Payment Amounts:** Each PAGA Group Member's estimated share of the PAGA Settlement Amount shall be based upon each PAGA Group Member's individual total Pay Periods. The Settlement Administrator shall allocate the PAGA Group Member Payments to the PAGA Group Members proportionate to each PAGA Group Member's individual total Pay Periods. PAGA Group Member's individual total Pay Periods shall be based on the number of pay periods a PAGA Group Member worked during the PAGA Release Period in California. Participating PAGA Group Members are entitled to twenty-five percent (25%) of the PAGA Settlement Amount. Defendant maintains no reversionary right to any portion of the PAGA Settlement Amount.

iv. **Funding of Gross Settlement Amount:** Defendant shall fund the GSA, plus any applicable payroll taxes on the wage component of Settlement, within 61 calendar days after the entry of an order granting final approval of class action and PAGA action settlement by the Court. Defendant shall pay the employer's share of payroll taxes separately and in addition to the GSA. Settlement funds will not be disbursed until after the Effective Date.

v. **Tax Allocation:** Payments to Participating Class Members shall be allocated one-third (1/3rd) wage claims as W-2 Income and two-thirds (2/3rd) non-wages, including payments for alleged penalties, reimbursements, and interest as Form 1099-MISC payments, to be reported by the Settlement Administrator. Payments to PAGA Group Members shall be non-wages reported by the administrator on an IRS Form 1099-MISC.

vi. **Cashing of Checks:** Participating Class Members and PAGA Group Members who are sent settlement payments will have 180 calendar days after the date of mailing to cash their settlement checks and will be so advised of such deadline. Ninety days after the checks are mailed, the Settlement Administrator will mail reminder postcards to Class Members and PAGA Group Members whose checks remain uncashed. If Class Members and PAGA Group Members do not cash their checks within that period, or a check is undeliverable, those checks will become void and the settlement payment amounts will be paid out to the State Controller's Office, Unclaimed Property Division, in the names of the Class Members and PAGA Group Members who did not cash their settlement checks pursuant to California Code of Civil Procedure sections 1300, et seq.

vii. Any failure of a Participating Class Member and/or PAGA Group Member to deposit a check shall not affect the enforceability of the release of claims as stated in this Settlement Agreement, as the Parties jointly agree valid consideration for same is the offer of monetary consideration by means of the offer of settlement and mailing of settlement checks.

viii. **No Credit Toward Benefit Plans:** The Class Member Payment and PAGA Group Member Payments made to Participating Class Members and PAGA Group Members under this Settlement, as well as any other payments made pursuant to this Settlement,

shall not be utilized to calculate any additional benefits under any benefit plans to which any Class Members, PAGA Group Members, or both may be eligible, including, but not limited to profit-sharing plans, bonus plans, 401(k) plans, stock purchase plans, vacation plans, sick leave plans, PTO plans, and any other benefit plan. Rather, it is the Parties' intention this Settlement Agreement shall not affect any rights, contributions, or amounts to which any Class Members, PAGA Group Members, or both may be entitled under any benefit plans.

ix. Within ten days after either (1) Final Approval if the Settlement is approved or (2) entry of order denying the Settlement if the Court does not approve the Settlement, Plaintiff's Counsel will provide a copy of the Superior Court's judgment or order to the LWDA pursuant to Labor Code section 2699(l)(3).

c. Attorneys' Fees and Costs:

i. **Attorneys' Fees:** The Parties agree Plaintiff's Counsel may seek, and Defendant will not oppose, up to thirty-five percent (35%) of the GSA as attorneys' fees, i.e., Two Hundred Forty-Three Thousand Two Hundred Fifty Dollars (\$243,250).

ii. **Costs:** The Parties agree Plaintiff's Counsel may seek, and Defendant will not oppose, up to Fifteen Thousand Dollars (\$15,000) as reasonable out-of-pocket costs and expenses subject to reasonable proof if required by the Court.

iii. Plaintiff's Counsel will not seek attorneys' fees in excess of thirty-five percent (35%) of the GSA (Two Hundred Forty-Three Thousand Two Hundred Fifty Dollars (\$243,250)) or the agreed-upon costs.

iv. For purposes of the approval of Attorneys' Fees and Costs and/or the Approval of this Settlement, Defendant will not oppose Plaintiff's Counsels' argument the Action was a catalyst for policy changes that occurred during the pendency of the Action.

v. **Class and PAGA Representative Enhancement Payment:** The Parties agree Defendant will not oppose Plaintiff's application to the Court for a Class and PAGA Representative Enhancement Payment, in addition to the Plaintiff's Class Member Payment and Plaintiff's PAGA Group Member Payment, in the amount of up to Ten Thousand Dollars (\$10,000), to be paid out of the GSA. Plaintiff shall be solely and legally responsible to

1 pay any and all applicable taxes on the Class and PAGA Representative Enhancement Payment.
2 For purposes of the approval of the Class and PAGA Representative Enhancement Payment
3 and/or the Approval of this Settlement, Defendant will not oppose Plaintiff's Counsels'
4 argument the Action was a catalyst for policy changes that occurred during the pendency of the
5 Action.

6 **37. Non-Monetary Terms of Settlement:**

7 **a. Filing of Amended Complaint:** The Parties agree Plaintiff will amend
8 the complaint to add class claims under Labor Code sections 201-203, 204, 210, 223, 226(a),
9 226(e), 226.7, 510, 512, 1174(d) 1182.12, 1194, 1197, 1197.1, 1198, and Section 7, 11, 12, and
10 14 of the applicable IWC Wage Order, California Business & Professions Code sections 17200,
11 et seq. The FAC will also included all claims alleged in Plaintiff's letter or Complaint, other
12 than those PAGA claims previously resolved in the matter of *Orozco v. Bronco Wine Company*,
13 California Superior Court for the County of Stanislaus, Case No. CV-20-003653 arising during
14 the PAGA Release Period. In the event the Court does not approve the Settlement for any
15 reason, the amended complaint shall be withdrawn without prejudice to Plaintiff seeking leave
16 to amend his complaint. By stipulating to the filing of an amended complaint for the purpose of
17 Settlement, Defendant is in no way agreeing an amendment would be appropriate outside the
18 context of this Settlement. Plaintiff does not agree the matter is or would be removable to
19 federal court or federal jurisdiction is proper. Notwithstanding the amendment to add class
20 allegations, Defendant agrees the FAC does not confer jurisdiction to any federal court, and
21 therefore agrees not to remove the Action to federal court.

22 **38. Settlement Administration Process:**

23 **a. Appointment of Settlement Administrator:** The Parties agree, subject
24 to Court approval, Plaintiff will select a Settlement Administrator with Defendant's approval not
25 unreasonably withheld. The costs of settlement administration shall be paid out of the GSA prior
26 to distribution to the Participating Class Members and PAGA Group Members.

27 **i. Delivery of Class List, PAGA Group List, and Data:** Within
28 fourteen calendar days of Preliminary Approval of Settlement by the Court, Defendant shall

1 deliver to the Settlement Administrator an electronic database containing the full names, last
2 known home address, Social Security Number of the Class Members and PAGA Group
3 Members, as well as the total number of Workweeks for each Class Member and the total
4 number of Pay Periods for each PAGA Group Member worked for Defendant in California
5 during the Class Release Period for Settlement Class Members and during the PAGA Release
6 Period for PAGA Group Members.

7 ii. Within seven days of receipt of the Class List and PAGA Group
8 List by the Settlement Administrator, the Settlement Administrator shall provide to Plaintiff's
9 Counsel the number of unique Class Members along with the number of Workweeks worked by
10 each Class Member as well as the number of unique PAGA Group Members along with the
11 number of Pay Periods worked by each PAGA Group Member.

12 iii. The Parties agree to provide any other reasonable information
13 requested by the Settlement Administrator needed to effectively administer the settlement. The
14 information provided to the Settlement Administrator shall be considered confidential and shall
15 not be disclosed to anyone other than Defendant's Counsel, Plaintiff's Counsel, and the
16 Settlement Administrator.

17 **b. Notice Packet:** Within five calendar days after receiving the Class List
18 and PAGA Group List from Defendant, the Settlement Administrator shall prepare a Notice
19 Packet for each Class Member and PAGA Group Member for review by Counsel. Each Notice
20 Packet shall provide: (i) information regarding the nature of the Action; (ii) a summary of the
21 Settlement's principal terms; (iii) the Class Member and PAGA Group Member definitions; (iv)
22 the total number of Workweeks each Class Member worked for Defendant in California during
23 the Class Release Period and the total number of Pay Periods each PAGA Group Member
24 worked for Defendant during the PAGA Release Period; (v) each Class Member's estimated
25 Class Member Payment and the formula for calculating Class Member Payments and each
26 PAGA Group Member's estimated PAGA Group Member Payment and the formula for
27 calculating PAGA Group Member Payments; (vi) the dates which comprise the Class Release
28 Period and PAGA Release Period; (vii) instructions on how to submit Requests for Exclusion or

1 Notices of Objection; (viii) the deadlines by which the Settlement Class Member must postmark
2 Request for Exclusions, or postmark Notices of Objection to the Settlement; and (ix) the claims
3 to be released.

4 **c. Delivery of the Notice Packet:** The Settlement Administrator shall
5 deliver the Notice Packet by First Class U.S. Mail to each Class Member within fifteen calendar
6 days of the receipt of the Class List, PAGA List, and Data. Before doing so, the Settlement
7 Administrator shall perform all searches reasonably necessary to assure itself the address
8 provided for each Class Member and PAGA Group Member is that individual's current address.
9 Class Members shall have until the Response Deadline to submit their opt out, which shall be
10 postmarked by the Response Deadline. PAGA Group Members cannot opt out. Any Notices
11 returned undeliverable shall be traced to obtain a new address and be re-mailed by First Class
12 Mail. To the extent any mailed Notice is returned as undeliverable, such person shall be
13 permitted at least thirty days from any re-mailing of the Notice to submit their opt out ("Re-
14 mailing Response Deadline"), but in no event later than fifteen days after the close of the
15 Response Deadline.

16 **d. Issuance of Payment:** Attorneys' Fees and Costs, the Labor and
17 Workforce Development Agency Payment, the Class and PAGA Representative Enhancement
18 Payment, Class Member Payments, and PAGA Group Member Payments shall be paid within
19 fourteen calendar days after Defendant deposits of Funds of GSA or twenty-one calendar days
20 after the Effective Date, whichever is earliest.

21 **e. Tax Forms:** The Settlement Administrator (and not Defendant) shall be
22 responsible for issuing to Plaintiff, Participating Class Members, PAGA Group Members, and
23 Plaintiff's Counsel any W-2, IRS Form 1099, or other tax forms as may be required by law for
24 all amounts paid pursuant to this Settlement. The Settlement Administrator shall also be
25 responsible for forwarding all payroll taxes and penalties to the appropriate government
26 authorities.

27 **39. Request for Exclusion Procedures:** Any Class Member wishing to opt-out from
28 the Settlement Agreement shall sign and postmark a written Request for Exclusion to the

1 Settlement Administrator within the Response Deadline. The date of the postmark on the return
2 mailing envelope shall be the exclusive means to determine whether a Request for Exclusion
3 has been timely submitted. All Requests for Exclusion shall be submitted to the Settlement
4 Administrator, who shall certify jointly to Plaintiff's Counsel and Defendant's Counsel the
5 Requests for Exclusion that were timely submitted. Plaintiff shall not request exclusion from
6 this Settlement. At no time shall any of the Parties or their counsel seek to solicit or otherwise
7 encourage Class Members to opt out of the Settlement Agreement. PAGA Group Members
8 cannot opt out of the Settlement Agreement.

9 **40. Defective Submissions:** If a Class Member's Request for Exclusion is defective
10 as to the requirements listed in this Settlement Agreement, that Class Member shall be given an
11 opportunity to cure the defect(s). The Settlement Administrator shall mail the Class Member a
12 cure letter within three business days of receiving the defective submission to advise the Class
13 Member their submission is defective and the defect must be cured to render the Request for
14 Exclusion valid. The Class Member shall have until the later of (a) the Response Deadline, or
15 (b) fifteen calendar days from the date of the cure letter, whichever date is later, to postmark a
16 valid Request for Exclusion. If a Class Member fails to correct the identified deficiencies after
17 receiving a cure letter, the Settlement Administrator shall have no further obligation to give
18 notice of a need to cure. If the revised Request for Exclusion is not postmarked within that
19 period, it shall be deemed untimely.

20 **41. Objection Procedures:** In order to object to the Settlement Agreement, a Class
21 Member shall postmark a valid Notice of Objection to the Settlement Administrator on or before
22 the Response Deadline. The Notice of Objection shall be signed by the Class Member and
23 contain all information required by this Settlement Agreement. The postmark date shall be
24 deemed the exclusive means for determining the Notice of Objection is timely. Class Members
25 who fail to object in the specific manner described above will be deemed to have waived all
26 objections to the Settlement and will be foreclosed from making any objections and seeking any
27 adjudication or review, whether by appeal or otherwise, to the Settlement Agreement. Class
28 Members who postmark timely Notices of Objection shall have a right to appear at the Final

Approval Hearing (at their sole expense) in order to have their objections heard by the Court. At no time will any of the Parties or their counsel seek to solicit or otherwise encourage Class Members to submit written objections to the Settlement Agreement or appeal from the Order and Judgment.

42. Certification Reports Regarding Class Member Payment and PAGA Group

Member Payment Calculations: The Settlement Administrator shall provide Defendant's Counsel and Plaintiff's Counsel a weekly report which certifies: (a) the number of Class Members who have submitted valid Requests for Exclusion; (b) the NSA attributed to Class Members who have submitted valid Requests for Exclusion; (c) whether any Class Member has submitted a Notice of Objection; and (d) whether any Class Member has submitted a challenge to any information contained in their Notice Packet. Additionally, the Settlement Administrator shall provide to counsel for both Parties any updated reports regarding the administration of the Settlement Agreement as needed or requested.

43. Certification of Completion: Upon completion of administration of the Settlement, the Settlement Administrator shall provide a written declaration(s) under oath to certify such completion to the Court and counsel for all Parties.

44. Proportional Increase to GSA: The GSA was calculated based on the understanding there are approximately 636 individuals and no more than 51,000 Workweeks in the Class Release Period worked by Class Members. If the Class List provided by Defendant to the Settlement Administrator as discussed in Paragraph 38.a.i. increases by 10% Workweeks above 51,000 Workweeks, the GSA shall be increased by the same number percentage points by which the number of Workweeks exceeding 51,000 Workweeks worked by the Class Members.

45. Right of Revocation: Defendant has the right to void this Settlement Agreement if more than five percent (5%) of the Class Members opt out. Defendant shall have fourteen calendar days after either the Response Deadline or the Settlement Administrator has informed Defendant how many Class Members have opted out, whichever is earlier, to exercise this right and which must be done in writing to Plaintiff's Counsel. If the option to revoke is exercised, then Defendant shall be solely responsible for all Settlement Administration Costs incurred to

the date of revocation. Neither Party nor their counsel shall encourage any Class Members to opt out of the Settlement.

46. **Circular 230 Disclaimer:** EACH PARTY TO THIS AGREEMENT ACKNOWLEDGES AND AGREES (1) NO PROVISION OF THIS AGREEMENT, AND NO WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN OR AMONG THE PARTIES OR THEIR ATTORNEYS AND OTHER ADVISERS, IS OR WAS INTENDED TO BE, NOR WILL ANY SUCH COMMUNICATION OR DISCLOSURE CONSTITUTE OR BE CONSTRUED OR BE RELIED UPON AS, TAX ADVICE WITHIN THE MEANING OF UNITED STATES TREASURY DEPARTMENT CIRCULAR 230 (31 CFR PART 10, AS AMENDED); (2) THE ACKNOWLEDGING PARTY (A) HAS RELIED EXCLUSIVELY UPON HIS, HER OR ITS OWN, INDEPENDENT LEGAL AND TAX COUNSEL FOR ADVICE (INCLUDING TAX ADVICE) IN CONNECTION WITH THIS AGREEMENT, (B) HAS NOT ENTERED INTO THIS AGREEMENT BASED UPON THE RECOMMENDATION OF ANY OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO ANY OTHER PARTY, AND (C) IS NOT ENTITLED TO RELY UPON ANY COMMUNICATION OR DISCLOSURE BY ANY ATTORNEY OR ADVISER TO ANY OTHER PARTY TO AVOID ANY TAX PENALTY THAT MAY BE IMPOSED ON THE ACKNOWLEDGING PARTY; AND (3) NO ATTORNEY OR ADVISER TO ANY OTHER PARTY HAS IMPOSED ANY LIMITATION THAT PROTECTS THE CONFIDENTIALITY OF ANY SUCH ATTORNEY'S OR ADVISER'S TAX STRATEGIES (REGARDLESS OF WHETHER SUCH LIMITATION IS LEGALLY BINDING) UPON DISCLOSURE BY THE ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX STRUCTURE OF ANY TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED BY THIS AGREEMENT.

47. **No Prior Assignments:** The Parties and their counsel represent, covenant, and warrant they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action or right in this Settlement Agreement released and discharged.

1 **48. Release by Class Members Who Do Not Opt Out:** Upon the Effective Date, all
2 Class Members who do not timely opt out fully and finally release and forever discharge the
3 Released Parties, to the fullest extent permitted by law, of and from any and all applicable
4 Released Claims. Each Class Member will be deemed to have made the foregoing release as if
5 by manually signing it. In light of the method of notice set forth by this Settlement Agreement,
6 and subject to final Court approval, all Class Members who do not opt out shall be bound by the
7 Settlement, and shall release the Released Parties from the Released Claims, even if they never
8 received mailed notice of the Action or this Settlement.

9 **49. Release by PAGA Group Members:** Upon the Effective Date, all PAGA Group
10 Members fully and finally release and forever discharge the Released Parties, to the fullest
11 extent permitted by law, of and from any and all applicable Released Claims. Each PAGA
12 Group Member will be deemed to have made the foregoing release as if by manually signing it.
13 In light of the method of notice set forth by this Settlement Agreement, and subject to final
14 Court approval, all PAGA Group Members shall release the Released Parties from the Released
15 Claims, even if they never received mailed notice of the Action or this Settlement.

16 **50. General Release of Plaintiff Christopher Ruiz:** Upon the Effective Date,
17 Plaintiff will release and discharge the Released Parties, to the fullest extent permitted by law,
18 of and from the applicable Released Claims that arose during the Class Release Period and
19 PAGA Release Period and also generally release and discharge the Released Parties from any
20 and all employment related claims, demands, obligations, causes of action, rights, or liabilities
21 which have been or could have been asserted against the Released Parties as of the date of
22 execution of the Settlement Agreement; and interest, attorneys' fees, and related costs. The
23 Class and PAGA Representative's Released Claims include all such claims arising under the
24 California Labor Code (such as sections 201-203, 204, 210, 223, 226(a), 226(e), 226.7, 510,
25 512, 1174(d), 1182.12, 1194, 1197, 1197.1, 1198 and 2698 et seq.); California Business and
26 Professions Code section 17200 et seq.; the wage orders of the California Industrial Welfare
27 Commission; the California common law of contract; the Fair Labor Standards Act, 29 U.S.C. §
28 201 et seq.; federal common law; and the Employee Retirement Income Security Act, 29 U.S.C.

§ 1001 et seq. Plaintiff's Released Claims also include all claims for lost wages and benefits, emotional distress, punitive damages, and attorneys' fees and costs arising under federal, state, or local laws for discrimination, harassment, and wrongful termination, such as, 42 U.S.C. § 1981, Title VII of the Civil Rights Act of 1964, the Americans with Disabilities Act, and the California Fair Employment and Housing Act. This release excludes the release of claims not permitted by law. Specifically, Plaintiff waives all rights and benefits afforded by California Civil Code Section 1542, which provides:

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

51. **Settlement Documentation and Approval:** The Settlement Agreement is contingent upon judicial approval. If the Court does not approve this Settlement, the Settlement shall be null and void and shall not be admissible in any other proceeding or action.

52. **Preliminary Approval Hearing:** The Parties agree to use their best efforts to schedule a hearing at which to seek preliminary approval of the Settlement so the hearing occurs within sixty calendar days of the date upon which the Parties execute this Settlement Agreement. If it is not possible to schedule a hearing on preliminary approval of the Settlement within sixty calendar days of the date of the Parties' Settlement Agreement, the Parties agree to schedule the subject hearing at the first available date. Plaintiff will obtain a hearing before the Court to request Preliminary Approval of the Settlement Agreement, and the entry of a Preliminary Approval Order for: (a) conditional certification of the Settlement Class for settlement purposes only; (b) preliminary approval of this proposed Settlement Agreement; and (c) setting a date for a Final Approval/Settlement Fairness Hearing. The Preliminary Approval Order will provide for the Notice Packet to be sent to all Class Members as specified in this Settlement Agreement and the appointment of the Settlement Administrator. In conjunction with the Preliminary Approval hearing, Plaintiff shall submit this Settlement Agreement, which sets

1 forth the terms of this Settlement, and shall include the proposed Notice of Class Action and
2 PAGA Action Settlement document, attached as Exhibit A. Class and PAGA Counsel shall be
3 responsible for drafting all documents necessary to obtain preliminary approval. Class and
4 PAGA Counsel shall provide to the LWDA a copy of the proposed Settlement at the same time
5 it is submitted to the Court pursuant to Labor Code section 2699(l)(2).

6 **53. Final Settlement Approval Hearing and Entry of Judgment:** Upon expiration
7 of the deadlines to postmark Requests for Exclusion, or objections to the Settlement Agreement,
8 and with the Court's permission, a Final Approval/Settlement Fairness Hearing shall be
9 conducted to determine the Final Approval of the Settlement Agreement along with the amounts
10 properly payable for: (a) Attorneys' Fees and Costs; (b) Settlement Administration Costs; (c)
11 Class and PAGA Representative Enhancement Payment; (d) Class Member Payments; and (e)
12 the Labor and Workforce Development Agency Payment. Plaintiff's Counsel shall be
13 responsible for drafting all documents necessary to obtain final approval. Plaintiff's Counsel
14 shall also be responsible for drafting the Attorneys' Fees and Costs application as well as the
15 Class and PAGA Representative Enhancement Payment application to be heard at the final
16 approval hearing.

17 **54. Judgment and Continued Jurisdiction:** Upon final approval of the Settlement
18 by the Court or after the Final Approval/Settlement Fairness Hearing, the Parties shall present
19 the Judgment to the Court for its approval. After entry of the Judgment, the Court shall have
20 continuing jurisdiction solely for purposes of addressing: (a) the interpretation and enforcement
21 of the terms of the Settlement; (b) Settlement administration matters; and (c) such post-
22 Judgment matters as may be appropriate under court rules or as set forth in this Settlement.
23 Within ten days of either the entry of judgment or the entry of order denying or granting the
24 Settlement, Plaintiff's Counsel shall provide a copy of the superior court's judgment or order to
25 the LWDA pursuant to Labor Code section 2699(l)(3).

26 **55. Exhibits Incorporated by Reference:** The terms of this Settlement include the
27 terms set forth in any attached Exhibits, which are incorporated by this reference as though set
28 forth in this Settlement Agreement. Any Exhibits to this Settlement are an integral part of this

1 Settlement.

2 56. **Entire Agreement.** This Settlement Agreement and any attached Exhibits
3 constitute the entirety of the Parties' Settlement terms. No other prior or contemporaneous
4 written or oral agreements can be deemed binding on the Parties.

5 57. **Amendment or Modification:** This Settlement Agreement may be amended or
6 modified only by a written instrument signed by counsel for all Parties or their successors-in-
7 interest.

8 58. **Binding on Successors and Assigns:** This Settlement Agreement shall be
9 binding upon, and inure to the benefit of, the successors or assigns of the Parties, as previously
10 defined.

11 59. **No Admission/Denial of Liability.** The Parties enter into this Settlement in
12 order to resolve the dispute that has arisen between them and to avoid the burden, expense and
13 risk of continued litigation. In entering into this Settlement, Defendant does not admit, and
14 specifically denies, it violated any federal, state, or local law; violated any regulations or
15 guidelines promulgated pursuant to any statute or any other applicable laws, regulations or legal
16 requirements; breached any contract; violated or breached any duty; engaged in any
17 misrepresentation or deception; or engaged in any other unlawful conduct with respect to their
18 employees. Neither this Settlement Agreement, nor any of its terms or provisions, nor any of the
19 negotiations connected with it, will be construed as an admission or concession by Defendant of
20 any such violations or failures to comply with any applicable law. Except as necessary in a
21 proceeding to enforce the terms of this Settlement, this Settlement Agreement and its terms and
22 provisions will not be offered or received as evidence in any action or proceeding to establish
23 any liability or admission on the part of Defendant or to establish the existence of any condition
24 constituting a violation of, or a non-compliance with, federal, state, local or other applicable
25 law.

26 60. **Confidentiality:** Prior to filing of the motion(s) for approval, Plaintiff's Counsel
27 shall not discuss the terms of this settlement with anyone other than the named Plaintiff(s)
28 and/or other attorneys with whom counsel is consulting on this matter. At no time shall

1 Plaintiff's Counsel or Defendant's Counsel disclose any communications protected by the
2 mediation and settlement privilege, i.e., Evidence Code sections 1152, 1119 et seq.

3 61. **Non-disparagement:** All inquires about Plaintiff made to Defendant shall be
4 referred to Human Resources, who will confirm the Plaintiff's employment and dates of
5 employment. No other comments shall be made about Plaintiff or his work history.

6 62. **Resolution of Disputes:** The Parties agree to refer any disputes related to the
7 drafting of the Settlement Agreement and the other documents to mediator Craig Ackermann.

8 63. **Integration:** Each Party warrants no promise or inducement has been offered or
9 made to that Party except as set forth in this Settlement Agreement. It is understood and agreed
10 by each Party this Settlement Agreement specifically supersedes any and all prior agreements
11 and understandings, written or oral, express or employed, between Defendant, Counsel for Class
12 Members and the PAGA Group and/or any Class Member and PAGA Group Members,
13 including the MOU.

14 64. **Governing Law:** This Settlement Agreement is made under the laws of the State
15 of California, without regard to otherwise applicable principles of conflicts of laws, whether of
16 the State of California or any other jurisdiction.

17 65. **Authority to Sign:** The signatories represent and warrant they each have the
18 authority to sign on behalf of their designated Parties. This Settlement Agreement may be
19 executed in counterparts and each counterpart, when executed, shall have the efficacy of a
20 second original. Photographic or facsimile copies of any such signed counterparts may be used
21 in lieu of the original for any said purpose.

22 66. **Acknowledgment the Settlement is Fair and Reasonable:** The Parties believe
23 this Settlement Agreement is a fair, adequate, and reasonable settlement of the Action and have
24 arrived at this Settlement after arm's-length negotiations and in the context of adversarial
25 litigation, taking into account all relevant factors, present and potential. The Parties further
26 acknowledge they are each represented by competent counsel of their choice and they have had
27 an opportunity to consult with their counsel regarding the fairness and reasonableness of this
28 Settlement.

1 67. **Invalidity of Any Provision:** Before declaring any provision of this Settlement
2 Agreement invalid, the Court must first attempt to construe the provision as valid to the fullest
3 extent possible consistent with applicable precedents so as to define all provisions of this
4 Settlement Agreement valid and enforceable.

5 68. **Waiver of Certain Appeals:** The Parties agree to waive appeals except,
6 however, Plaintiff or Plaintiff's Counsel may appeal any reduction in the Attorneys' Fees and
7 Costs below the amount they request from the Court, and either party may appeal any court
8 order that materially alters the Settlement Agreement's terms.

9 69. **Class Action Certification for Settlement Purposes Only:** The Parties agree to
10 stipulate to class action certification only for purposes of the Settlement. If, for any reason, the
11 Settlement is not approved, the stipulation to class certification shall be void. The Parties further
12 agree certification for purposes of the Settlement is not an admission that class action
13 certification is proper under the standards applied to contested certification motions and this
14 Settlement Agreement shall not be admissible in this or any other proceeding as evidence that
15 either (a) a class action should be certified, or (b) Defendant is liable to Plaintiff or any Class
16 Member, other than according to the Settlement's terms.

17 70. **Captions:** The captions and paragraph numbers in this Settlement Agreement are
18 inserted for the reader's convenience, and in no way define, limit, construe or describe the scope
19 or intent of the provisions of this Settlement Agreement.

20 71. **Waiver:** No waiver of any condition or covenant contained in this Settlement
21 Agreement or failure to exercise a right or remedy by any of the Parties shall be considered to
22 imply or constitute a further waiver by such Party of the same or any other condition, covenant,
23 right or remedy.

24 72. **Enforcement Action:** In the event one or more of the Parties institutes any legal
25 action or other proceeding against any other Party or Parties to enforce the provisions of this
26 Settlement or to declare rights and/or obligations under this Settlement, the successful Party or
27 Parties shall be entitled to recover from the unsuccessful Party or Parties reasonable attorneys'
28 fees and costs, including expert witness fees incurred in connection with any enforcement

actions.

73. **Mutual Preparation:** The Parties have had a full opportunity to negotiate the terms and conditions of this Settlement Agreement. Accordingly, this Settlement Agreement shall not be construed more strictly against one Party than another merely by virtue of the fact it may have been prepared by counsel for one of the Parties, it being recognized, because of the arm's-length negotiations between the Parties, all Parties have contributed to the preparation of this Settlement Agreement.

74. **Cooperation and Execution of Necessary Documents:** All Parties will cooperate in good faith and execute all documents to the extent reasonably necessary to effectuate the terms of this Settlement Agreement.

75. **All Terms Subject to Final Court Approval:** All amounts and procedures described in this Settlement Agreement shall be subject to final Court approval.

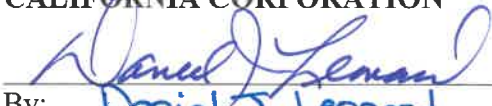
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1 THE PARTIES HAVE READ THE FOREGOING AGREEMENT. THEY HAVE
2 CONSULTED WITH LEGAL COUNSEL REGARDING THE FOREGOING AGREEMENT
3 AND KNOW THE CONTENTS OF THE AGREEMENT AND SIGN THE SAME AS
4 THEIR FREE, KNOWING, AND VOLUNTARY ACT AND DEED, BEING FULLY
5 AWARE OF ITS CONSEQUENCES AND ITS FINAL AND BINDING EFFECT.

6
7 **READ CAREFULLY BEFORE SIGNING**

8 **DEFENDANT BRONCO WINE COMPANY, A**
9 **CALIFORNIA CORPORATION**

10 Dated: January __, 2023

11 By: 
12 Daniel J. Leonard

13 Their: _____ and authorized representative
14 President / CEO

15 **PLAINTIFF**

16 Dated: January __, 2023

17 _____
18 Christopher Ruiz
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6
7 **READ CAREFULLY BEFORE SIGNING**

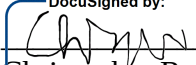
8 **DEFENDANT BRONCO WINE COMPANY, A**
9 **CALIFORNIA CORPORATION**

10 Dated: January __, 2023

By: _____
Their: _____ and authorized representative

11
12
13 **PLAINTIFF**

14 Dated: January 11, 2023

DocuSigned by:

Christopher Ruiz

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EXHIBIT A

NOTICE OF CLASS ACTION AND PAGA ACTION SETTLEMENT
SEE ATTACHED DOCUMENT

Ruiz v. Bronco Wine Company
Superior Court of California for the County of Stanislaus, Case No. CV-21-005436

NOTICE OF CLASS ACTION AND PAGA ACTION SETTLEMENT

You are not being sued. This notice affects your rights. Please read it carefully.

To: All persons who were employed by Bronco Wine Company (“Bronco Wine”) as non-exempt employees within the State of California at any time during August 3, 2018 to September 17, 2022.

PLEASE READ THIS NOTICE CAREFULLY. THIS NOTICE RELATES TO A PROPOSED SETTLEMENT OF CLASS ACTION AND PAGA ACTION. IF YOU ARE A CLASS MEMBER OR A PAGA GROUP MEMBER, **THIS NOTICE CONTAINS IMPORTANT INFORMATION AS TO YOUR RIGHTS**. YOUR OPTIONS FOR RESPONDING TO THIS NOTICE ARE SET FORTH IN PARAGRAPH V, BELOW.

On [REDACTED], the Honorable John R. Mayne of the Superior Court of the State of California, for the County of Stanislaus granted preliminary approval of this class action and PAGA action settlement and ordered the litigants to notify all Class Members and PAGA Group Members (as defined below) of the settlement. You have received this notice because Bronco Wine’s records indicate you are a Class Member and/or PAGA Group Member, and therefore may be entitled to a payment.

I. Who Should Read This Notice?

You should read this Notice if you are a Class Member or a PAGA Group Member:

Class Members are all persons who were employed by Bronco Wine as non-exempt employees within the State of California at any time during August 3, 2018 to September 17, 2022.

PAGA Group Members are all persons who were employed by Bronco Wine as non-exempt employees within the State of California at any time during July 28, 2020 to September 17, 2022.

II. Summary of the Litigation

On October 1, 2021, Plaintiff Christopher Ruiz (“Plaintiff”), a former employee of Bronco Wine, filed a complaint against Bronco Wine on behalf of PAGA Group Members and the Labor & Workforce Development Agency (“LWDA”) pursuant to the California Labor Code Private Attorneys General Act (“PAGA”). On September [REDACTED], 2022, Plaintiff filed an amended complaint alleging claims on a class basis for violations of the Labor Code provisions and PAGA claims as well. The lawsuit is pending in Stanislaus Superior Court, case no. CV-21-005436 (the “Action”). In the Action, Plaintiff claims Bronco Wine violated the following California laws: Labor Code sections (1) 510 and 1198 (failure to pay overtime); (2) 1182.12, 1194, 1197, 1197.1, and 1198 (failure to pay minimum wages); (3) 226.7, 512(a), and 1198 (failure to provide and properly record meal periods); (4) 226.7 and 1198 (failure to provide rest periods); (5) 226(a), 226(e), 1174(d) and 1198 (failure to provide accurate wage statements, maintain accurate and complete payroll records, and maintain accurate and complete timekeeping records); (6) 204 (failure to timely pay wages during employment); (7) 201, 202 and 203 (failure to timely pay wages upon termination); (8) 223 (secret underpayment of wages); (9) 2698 et seq. (PAGA claims related to rest periods and suitable seating other than those PAGA claims previously resolved in the matter of *Orozco v. Bronco Wine Company*, California Superior Court for the County of Stanislaus, Case No. CV-20-003653); (10) Sections 7, 11, 12, and 14 of the applicable Wage Order; and (11) California Business & Professions Code sections 17200, et seq. (unfair business practices).

On August 3, 2022, the Parties participated in an all-day mediation with mediator Craig Ackermann. In concluding the full-day mediation, the Parties agreed to a settlement in principle of Class and PAGA claims, subject to the approval of the Court, and executed a Memorandum of Understanding.

Counsel for Plaintiff, who are the attorneys appointed by the Court to represent the Class and PAGA Group, the Law Offices of Mark Yablonovich (“Class and PAGA Counsel”), have investigated and researched the facts and circumstances underlying the issues raised in the Action and the applicable law. Based on their investigation and evaluation, Class and PAGA Counsel believe the proposed settlement is fair, adequate, reasonable, and in the best interests of the Class Members and PAGA Group Members in light of all known facts and circumstances, including the risk of significant delay, defenses asserted by Bronco Wine, and numerous potential appellate issues.

Bronco Wine has denied and continues to deny the factual and legal allegations in the case and any liability or wrongdoing associated with the claims alleged in the Action and believes that it has valid defenses to the claims alleged in the Action. By agreeing to settle, Bronco Wine is not admitting liability on any of the factual allegations or claims or that the case can or should proceed or is manageable as a class action or PAGA action. Bronco Wine has agreed to settle the case as part of a compromise. Nothing in this Settlement Agreement shall be construed or deemed as an admission of liability, culpability, negligence, or wrongdoing on the part of Bronco Wine.

III. Summary of Settlement Terms

Plaintiff and Bronco Wine have agreed to settle the Action in a class and PAGA settlement (“Settlement”). The following is a summary of the Class and PAGA Settlement’s provisions. The terms of the proposed Settlement are set forth in a “Joint Stipulation of Class Action and PAGA Settlement and Release” (“Stipulation of Settlement”). The Court file has the settlement documents, which explain the settlement in greater detail. You can contact the Settlement Administrator or Class and PAGA Counsel for copies. You can also follow the procedures below in the section “Examination of Papers and Inquiries.”

A. The Gross Settlement Amount and Prospective Relief

Plaintiff and Bronco Wine agreed to settle the claims set forth in Section III.E., below, in exchange for the Gross Settlement Amount of \$695,000 which will be used for: (1) Class Member Payments to Participating Class Members (2) Class and PAGA Counsel’s attorneys’ fees and costs; (3) the cost of settlement administration; (4) the PAGA Settlement Amount to the LWDA and PAGA Group Members; and (5) a service payment to the named Plaintiff. The Class Release Period for the class action claims is from August 3, 2018 to September 17, 2022. The PAGA Release Period for the PAGA claims is from July 28, 2020 to September 17, 2022. Bronco Wine will be separately responsible for any employer-side payroll taxes in addition to the Class Settlement Amount.

Each Class Member who does not opt out of the Class will receive a Class Member Payment from the Net Settlement Amount. The Net Settlement Amount is the amount of money available for payment after deduction of the items (2)-(5) listed in the paragraph directly above.

Each PAGA Group Member cannot opt out of the PAGA Group. The PAGA Settlement Amount of \$50,000 will be allocated to the resolution of the PAGA Group Members and the LWDA’s claims arising under PAGA. \$37,500 of the PAGA Settlement Amount will be paid to the LWDA, and \$12,500 will be distributed to the PAGA Group Members.

B Class and PAGA Representative Enhancement Payment

The Class and PAGA Representative, Plaintiff Christopher Ruiz, will request an enhancement payment of up to \$10,000, subject to Court approval, for bringing this lawsuit and his service as the Plaintiff.

C. Attorneys' Fees and Litigation Costs/Expenses

The Settlement provides for payment of up to \$243,250 in Attorneys' Fees and Costs not to exceed \$15,000 to Class and PAGA Counsel, subject to Court approval.

D. Class Member Payment and PAGA Group Member Payment

The Settlement Administrator, [REDACTED], will mail Class Member Payments to each Class Member who does not opt out of the Class. The Settlement Administrator will also mail PAGA Group Member Payments to each PAGA Group Member.

Each Participating Class Member's estimated Class Member Payment is based on the number of workweeks worked during the Class Release Period. Specifically, the number of total workweeks each Class Member worked is divided by the total workweeks worked for the entire Class, and the resulting percentage is multiplied by the Net Settlement Fund to determine each Class Member Payment. There are a total of approximately [REDACTED] workweeks worked by all the Class Members. Based on Bronco Wine's records, you have worked [insert individual workweeks] in the Class Release Period. Therefore, the value of each Class Member Payment ties directly to the amount of workweeks the Class Member worked.

If less than 100% of the Class Members participate, then each Participating Class Member's claim will be increased proportionally until 100% of the Net Settlement Amount is paid to all Class Members who do not opt out.

Your estimated Class Member Payment is: \$ [REDACTED].

Each PAGA Group's estimated PAGA Group Member Payment will be based on the number of pay periods worked during the PAGA Release Period. Specifically, the number of total pay periods each PAGA Group Member worked is divided by the total pay periods worked for all the PAGA Group Members, and the resulting percentage will be multiplied by \$12,500 to determine each PAGA Group Member's Payment. There are a total of approximately [REDACTED] pay periods worked by all the PAGA Group Members. Based on Bronco Wine's records, you have worked [insert individual pay periods] in the PAGA Release Period. Therefore, the value of each PAGA Group Member Payment ties directly to the amount of pay periods that the PAGA Group Member worked.

Your estimated PAGA Group Member Payment is: \$ [REDACTED].

As applicable, IRS Forms W-2 and 1099 will be distributed to Participating Class Members, PAGA Group Members, and the appropriate taxing authorities reflecting the payments that Class Members and PAGA Group Members receive under the Settlement. Class Members and PAGA Group Members should consult their tax advisors concerning the tax consequences of the payments they receive. For purposes of this settlement, one-third (1/3rd) of each Class Member Payment will be treated as wages, and the remaining two-thirds (2/3rd) as non-wages. Employee-side payroll taxes, if any, will be calculated for the wage payments to Class Members and the appropriate amount deducted from the Class Member Payments. All PAGA Group Member payments will be treated as non-wages.

If Class Members and PAGA Group Members do not cash their checks within that period, or a check is undeliverable, those checks will become void and the settlement payment amounts will be paid out to the State Controller's Office, Unclaimed Property Division, in the names of the Class Members and PAGA Group Members who did not cash their settlement checks pursuant to California Code of Civil Procedure sections 1300, et seq.

E. Releases

Upon the final approval by the Court of the Stipulation of Settlement, the Participating Class Members, Plaintiff, and PAGA Group Members will be deemed to have released as follows:

Released Claims means the claims released by Class Members (other than those who submit Requests for Exclusion) during the Class Release Period, including Class Action claims under Labor Code sections 201-203, 204, 210, 223, 226(a), 226(e), 226.7, 510, 512, 1174(d), 1182.12, 1194, 1197, 1197.1, 1198, Sections 7, 11, 12, and 14 of the applicable wage order, and California Business & Professions Code sections 17200, et seq. as alleged in the First Amended Class Action and PAGA Action Complaint. Moreover, Released Claims means the claims released by PAGA Group Members for any civil penalty predicated on the claims alleged in Plaintiff's PAGA letter, Complaint, and/or First Amended Class Action and PAGA Action Complaint, other than those PAGA claims previously resolved in the matter of *Orozco v. Bronco Wine Company*, California Superior Court for the County of Stanislaus, Case No. CV-20-003653 arising during the PAGA Release Period. The Released Claims excludes all other claims, including claims for wrongful termination, unemployment insurance, disability, and workers' compensation.

Released Parties means Defendant Bronco Wine Company, all of its subsidiaries, affiliates, predecessors, successors, and related entities, and its and their respective shareholders, officers, directors, employees, fiduciaries, trustees, and agents.

Release by Class Members Who Do Not Opt Out: Upon the Effective Date, all Class Members who do not timely opt out, fully and finally release and forever discharge the Released Parties, to the fullest extent permitted by law, of and from any and all applicable Released Claims. Each Class Member will be deemed to have made the foregoing release as if by manually signing it. In light of this notice, and subject to final Court approval, all Class Members who do not opt out shall be bound by the Settlement, and shall release the Released Parties from the Released Claims, even if they never received mailed notice of the Action or this Settlement.

Release by PAGA Group Members: Upon the Effective Date, all PAGA Group Members fully and finally release and forever discharge the Released Parties, to the fullest extent permitted by law, of and from any and all applicable Released Claims. Each PAGA Group Member will be deemed to have made the foregoing release as if by manually signing it. In light of the method this notice and subject to final Court approval, all PAGA Group Members shall release the Released Parties from the Released Claims, even if they never received mailed notice of the Action or this Settlement.

IV. Notice of Hearing on Final Approval of Settlement

You are notified a final approval hearing will be held before the Honorable John R. Mayne on [REDACTED], at [REDACTED] a.m. in Department 21 of the Superior Court of the State of California for the County of Stanislaus, located at 800 11th Street, Modesto, California 95354, to determine whether the proposed Settlement of the Action is fair, reasonable, and adequate, and should be finally approved by the Court. The Court may adjourn the hearing from time to time, without further notification, as the Court may direct. You are not required to attend the Hearing. For more information on attending the hearing remotely, either by telephone and/or by video, visit the Court's website.

V. Your Options Under the Settlement

The purpose of this Notice is to inform you of the proposed settlement and of your options. Each option has its

consequences, which you should understand before making your decision. Your rights regarding each option, and the steps you must take to select each option, are summarized below.

Important Note: Bronco Wine will not retaliate against you in any way for either participating or not participating in this Settlement.

Option 1 – Do Nothing: To Participate in the Settlement, You Do Not Need to Do Anything

If you want to receive money from the Settlement, you do not need to do anything. If the Court grants final approval of the Settlement, you will receive payment for your share of the Net Settlement Fund and will have released the Released Claims identified in Paragraph III.E., above. If you move, please promptly provide your current mailing address to the Settlement Administrator.

Option 2 – Submit an Objection with the Administrator

As a Class Member You may file a legal objection to the proposed Settlement. If you would like to object, you may not opt out of this Settlement. A Notice of Objection must be delivered to the Settlement Administrator by the Response Deadline and state why you object to the Settlement. The Response Deadline for Notices of Objection is 45 calendar days from the mailing of the Notice Packet by the Settlement Administrator, unless the 45th calendar day falls on a Sunday or Federal holiday, in which case the Response Deadline shall be extended to the next day on which the U.S. Postal Service is open. For the Notice of Objection to be valid, it must be timely and include: (a) the Class Member's full name, signature, address, and telephone number; (b) a written statement of all grounds for the objection; and (c) copies of any papers, briefs, or other documents upon which the objection is based. The Notice of Objection must be mailed to the Settlement Administrator at the specified address on or before [] [the Response Deadline/45 days following mailing of notice]. The date of the postmark on a mailed Notice of Objection will be the exclusive means to determine whether a Notice of Objection has been timely submitted. Late objections will not be considered. By submitting an objection, you are not excluding yourself from the settlement.

You may also, if you wish, appear at the Final Approval Hearing set for [] at [] .m. in the Superior Court of the State of California, for the County of Stanislaus. At that Hearing, you may discuss your objection with the Court and the Parties at your own expense. You may also retain an attorney to represent you at the hearing. (No attorneys' fees or costs will be paid by Bronco Wine, Plaintiff, or Class and PAGA Counsel for such attorneys' appearance at the hearing on final approval.) Any Class Member who does not make and serve written objections within the time and in the manner provided above will be deemed to have waived such objections and will be foreclosed from making any objections (in person at the Final Approval Hearing, by appeal, or otherwise) to the Settlement.

Option 3 – Opt Out/Request for Exclusion

You may also opt out of your Class Member Payment, but not your PAGA Group Member Payment. To exclude yourself from the Class Member Payment portion of the Settlement, you must send a letter requesting you be excluded from the settlement by the Response Deadline. The Response Deadline for Requests for Exclusion is 45 calendar days from the initial mailing of the Notice Packet by the Settlement Administrator, unless the 45th calendar day falls on a Sunday or Federal holiday, in which case the Response Deadline shall be extended to the next day on which the U.S. Postal Service is open. To the extent your mailed Notice Packet is returned as undeliverable, you shall be permitted at least thirty (30) calendar days from any re-mailing of the Notice Packet to submit your Request for Exclusion, but in no event later than fifteen (15) calendar days after the close of the Response Deadline.

The Request for Exclusion must: (a) be signed by the Class Member; (b) contain the full name, current address, telephone number and the last four digits of the Social Security Number of the Class Member; (c) clearly state that the Class Member does not wish to be included in the Settlement; (d) be returned by mail to the Settlement Administrator at the specified address; and (e) be postmarked to the Settlement Administrator on or before [45 days from mailing; the Response Deadline/45 days following mailing of notice]. The date of the postmark on the return mailing envelope will be the exclusive means to determine whether a Request for Exclusion has been timely submitted. If you submit a defective Request for Exclusion, you will be given an opportunity to cure the defect(s). If you submit a defective Request for Exclusion, you will have until the later of (a) the Response Deadline, or (b) 15 calendar days from the date of the cure letter sent by the Settlement Administrator, whichever date is later, to postmark a valid Request for Exclusion. If the revised Request for Exclusion is not postmarked within that time period, it shall be deemed untimely. If you fail to correct the deficiencies after receiving the cure letter, the Settlement Administrator has no further obligation to give notice of a need to cure.

A Class Member who does not request exclusion from the settlement will be deemed a Class Member and will be bound by all terms of the Settlement Agreement if the settlement is granted final approval by the Court.

If you choose **Option 1**, and if the Court grants final approval of the settlement, you will be mailed a check for your share of the settlement funds. In addition, you will be deemed to have released all of the Released Claims identified in Paragraph III.E., above.

If you choose **Option 2** and the Court overrules your objection to the settlement, you will still be entitled to the money from the settlement and you will be deemed to have released all of the Released Claims identified in Paragraph III.E., above.

If you choose **Option 3** and the Court grants final approval of the settlement, you will not receive any Class Member Payment and you will not release your individual non-PAGA claims against Bronco Wine.

VI. Examination of Papers and Inquiries

This Notice of Class Action and PAGA Settlement is only a summary of the Action and the Stipulation of Settlement and does not purport to be comprehensive. For more detailed information, you may refer to the underlying documents and papers on file with the Court, located at 800 11th Street, Modesto, California 95354, during the regular business hours of each business day. You may also contact Class and PAGA Counsel, whose contact information is above, and they will provide you with a copy of the settlement documents free of charge.

IF YOU NEED MORE INFORMATION OR HAVE ANY QUESTIONS, you may contact Class and PAGA Counsel below, or the Settlement Administrator at the telephone number listed below, toll free. Please refer to the Bronco Wine Class Action and PAGA Action Settlement.

CLASS AND PAGA COUNSEL:
Mark Yablonovich Tony Roberts LAW OFFICES OF MARK YABLONOVICH 9595 Wilshire Boulevard, Suite 900 Beverly Hills, California 90212-2511 Telephone: (310) 286-0246

PLEASE DO NOT CONTACT THE CLERK OF THE COURT, THE JUDGE, BRONCO WINE, OR THE ATTORNEYS FOR BRONCO WINE WITH INQUIRIES.